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Agreement reached in Crawfordsville electric rate case

The Indiana Office of Utility Consumer Counselor (OUCC) and Crawfordsville Electric Light & Power (CEL&P) have reached a settlement agreement in the utility's pending rate case.

The agreement was recently filed with the Indiana Utility Regulatory Commission (IURC), which will review it as part of its deliberations. Any settlement filed with the IURC may be approved, modified or rejected.

Under the agreement's terms:

- The settlement will allow CEL&P an annual revenue increase of nearly 10.8 percent. CEL&P originally sought an 11.9 percent increase, with the OUCC recommending approval of a 10.3 percent increase in testimony filed last month.
- The utility will be allowed to increase its annual operating revenues by \$3.58 million. All additional revenues through residential bills will be collected through the volumetric (or usage-based) portion of rates.
- CEL&P's fixed monthly residential customer charge will remain at \$15.00. Its original proposal would have raised the charge to \$20.50.
- In addition, CEL&P will deploy Advanced Metering Infrastructure (AMI) throughout its service territory. The OUCC's view is that AMI may not be appropriate for all utilities at this time, and that any AMI proposal needs to be scrutinized to make sure the costs do not exceed the benefits. In this case, CEL&P has appropriately documented the project's costs and operational savings, while demonstrating that it has the engineering capacity to successfully complete the project.

"The increased annual operating revenues provided by this settlement with the OUCC will allow for necessary improvements to CEL&P's electric distribution infrastructure and permit CEL&P's customers to continue to receive adequate and reliable electric service," said Phillip R. Goode, Manager of Crawfordsville Electric Light & Power. "CEL&P's capital improvement plan will help Crawfordsville businesses and residents with improved reliability, and make the City more attractive for economic development, while CEL&P remains a low cost provider of electric service."

"The OUCC has recently raised concerns about proposals from utilities to increase their fixed monthly charges," said Indiana Utility Consumer Counselor David Stippler. "Such charges discourage energy conservation and tend to adversely affect low income customers of a utility. We are very pleased that we could resolve that issue in this case in a way that will protect CEL&P's residential customers from such increased fixed charges, while allowing CEL&P to have the revenue necessary for safe, reliable service to all of its customers."

CEL&P is one of nine municipal electric utilities under IURC jurisdiction. Its current base rates were approved in 2010.

(IURC Cause No. 44684)

The Indiana Office of Utility Consumer Counselor (OUCC) represents Indiana consumer interests before state and federal bodies that regulate utilities.

As a state agency, the OUCC's mission is to represent all Indiana consumers to ensure quality, reliable utility services at the most reasonable prices possible through dedicated advocacy, consumer education, and creative problem solving.

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