

STANDARD CONTRACT RIDER NO. 24  
CAPACITY ADJUSTMENT

(Applicable to Rates RS, UW, CW, SS, SH, OES, SL, PL, PH, HL, EVX, CSC, MU-1, and APL)

In addition to the rates and charges set forth in the above mentioned Rates, a Capacity (“CAP”) Adjustment applicable for approximately twelve (12) months or until superseded by a subsequent factor shall be made in accordance with the following provisions:

A. The CAP Adjustment shall be calculated by multiplying the KWH billed by an Adjustment Factor per KWH established according to the following formula:

$$CAP = \frac{\text{Customer Share}}{S} \quad (\text{For each rate class})$$

where:

1. “CAP” is the annual adjustment factor beginning with the month of June 2022 and consisting of the following costs:
2. “C” is the estimated total net Capacity revenue (or expense) consisting of:
  - (a) Purchases or sales in a centralized capacity auction,
  - (b) Bilateral purchases or sales,
  - (c) Settlements from financial transactions related to capacity, or
  - (d) Other capacity related expenses or revenue.
3. “Customer Share” of estimated capacity revenue (or expense) for the year shall be determined according to the table below:

Capacity revenue (or expense)	Jurisdictional Customer Share	Customer Share Results In
Below \$Base	100% of (C – \$Base)	Charge
Over \$Base	100% of (C – \$Base)	Credit

4. “Base” represents the \$11,288,000 of net Capacity revenues included in the determination of basic charges for service in Cause No. 45029.
5. “S” is the estimated kilowatt-hour sales for the same estimated period set forth in “CAP”, consisting of the net sum in kilowatt-hours of:
  - (a) Net Generation,
  - (b) Purchases and
  - (c) Interchange-in, less
  - (d) Inter-system Sales,
  - (e) Energy Losses and Company Use.

**Issued Pursuant to**  
**Cause No. 44795 OSS 6**  
**Approved at Conference on**  
**May 25, 2022**  
Indiana Utility Regulatory Commission - Energy Division

Effective May 31, 2022

Indianapolis Power & Light Company  
d/b/a AES Indiana  
One Monument Circle, Indianapolis, Indiana

I.U.R.C. No. E-18

6th Revised No. 179.71  
Superseding  
5th Revised No. 179.71

STANDARD CONTRACT RIDER NO. 24 (Continued)

- B. The Adjustment Factor as computed above shall be further modified to allow the recovery of Utility Receipts taxes and other similar revenue-based tax charges occasioned by the capacity adjustment revenues.
- C. The Adjustment Factor may be further modified to reflect the difference between incremental capacity cost billed and the incremental capacity cost actually experienced during the twelve-month period ended May 31, 2021.
- D. The Adjustment Factor to be effective for all bills beginning with the date below will be:
- \$(0.000263) per KWH for Rates RS, CW, and EVX (with associated Rate RS service)
  - \$(0.000220) per KWH for Rates SS, SH, OES, UW, CW, and EVX (with associated Rate SS service)
  - \$(0.000156) per KWH for Rates HL, PL
  - \$(0.000173) per KWH for Rates SL and PH, and EVX (with associated Rate SL service)
  - \$(0.000119) per KWH for Rates MU-1 and APL