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November 21, 2014

Ms. Joan Conrad, Executive Secretary  
Iowa Utilities Board  
1375 East Court Avenue, Room 69  
Des Moines, IA 50319-0069

RE: Interstate Power and Light Company  
Docket Nos. EAC-2013-0024 and TF-2014-\_\_\_\_\_  
Interpretation No. E2014-20  
Regional Transmission Service Rider Fourth-Year Compliance Filing

Dear Secretary Conrad:

Enclosed please find Interstate Power and Light Company's Regional Transmission Service Rider Fourth-Year Compliance Filing, as filed today on EFS.

Very Truly Yours,

/s/ Michael S. Greiveldinger  
Michael S. Greiveldinger  
Senior Attorney

MSG/kjf  
Enclosures

**STATE OF IOWA**  
**BEFORE THE IOWA UTILITIES BOARD**

<b>IN RE:</b>  <b>INTERSTATE POWER AND LIGHT COMPANY</b>	<b>DOCKET NO. EAC-2013-0024 TF-2014-_____</b>
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**FOURTH-YEAR COMPLIANCE FILING AND TARIFF**

**COMES NOW**, Interstate Power and Light Company (IPL) and, in compliance with the Iowa Utilities Board (Board) orders of January 10, 2011, and February 25, 2011, in Docket Nos. RPU-2010-0001 and TF-2011-0010 respectively, submits the following Regional Transmission Service Rider (Rider RTS) Compliance Filing and Tariff consisting of a proposed 2015 RTS tariff as well as an Interpretation/Compliance Filing, which includes: 1) the calculation of the RTS factors; 2) the reconciliation of the prior year (2014) transmission expenses and corresponding RTS revenues; 3) the estimated 2015 transmission expenses; and 4) the billing determinants.

Dated this 21<sup>st</sup> day of November, 2014.

Respectfully submitted,

INTERSTATE POWER AND LIGHT  
COMPANY

/s/ Michael S. Greiveldinger

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**Interstate Power and Light Company**

November 21, 2014

**INITIAL FILING  
REGIONAL TRANSMISSION SERVICE RIDER  
FOURTH-YEAR COMPLIANCE FILING**

**Interpretation No. IPL E2014-20**

**RE: Docket Nos. EAC-2013-0024 and TF-2014-\_\_\_\_\_**

**General Information**

The Iowa Utilities Board (Board) issued its Final Decision and Order in Docket No. RPU-2010-0001 on January 10, 2011, authorizing Interstate Power and Light Company (IPL) to adopt a transmission cost recovery rider tariff, Regional Transmission Service rider (RTS Rider). The tariff was approved on a pilot basis to allow IPL to pass directly to its customers the costs of providing transmission service that are billed by third parties. In Docket Nos. RPU-2014-0001/SPU-2005-0015 the Board approved the jointly filed settlement in its September 24, 2014 Order, which allowed IPL to continue the use of the transmission rider.

IPL filed with the Board its third-year compliance filing and reconciliation tariff (Reconciliation Filing) for its RTS Rider on November 15, 2013, and on January 15, 2014 IPL filed a revision to the tariff. The Board docketed IPL's Reconciliation Filing on December 13, 2013, to allow the Office of Consumer Advocate (OCA) additional time to review the filing. On December 20, 2013 the

OCA withdrew its objection provided IPL address the OCA's concern about notice to IPL's customers of the change in transmission rates. On January 6, 2014, IPL filed its customer communication plan in response to the OCA's concerns. On January 23, 2014, the Board issued its order approving the 2014 RTS Rider factors to go into effect on February 1, 2014.

IPL is hereby submitting its fourth annual cost recovery filing and revised RTS Rider tariff for the IPL electric systems in this filing, proposed to be effective January 1, 2015. IPL's RTS Rider provides the adjustment mechanism that reflects the estimated transmission expenses assigned to each particular customer class and the estimated kilowatt (kW) or kilowatt-hour (kWh) effective January 1 for the upcoming year. Consistent with the RTS Rider tariff, IPL submits revised RTS Rider rates reflecting 2015 transmission cost levels. Consistent with the approved RTS tariff, IPL submits:

- a) the transmission rider reconciliation tracker balance through the end of October 2014;
- b) estimated 2015 transmission expense by customer class; and
- c) estimated kW or kWh by customer class to be consumed in 2015.

In addition, although not formally required but consistent with its previous filing, IPL has provided a copy of IPL's proposed bill message and bill insert, which is included as Additional Information to this filing (see Attachments A and B). The information addressing the change in 2015 transmission rate will also be available on IPL's website.

### **Summary**

This filing contains the following four sections, which describe:

Section 1 – the calculation of the RTS Rider factors;

Section 2 – the reconciliation of the prior year (2014) transmission expenses and corresponding RTS Rider revenues;

Section 3 – the estimated 2015 transmission expenses; and

Section 4 – the billing determinants.

The schedules provided with this filing follow a format similar to that found in the prior dockets pertaining to the development of the RTS Rider factors (Docket Nos. TF--2013-0472 and EAC-2012-0023). IPL followed the same methodology in calculating the factors and has made updates to the following information since the previous compliance filings in the above-noted Dockets:

- the inclusion of the 2014 tracker balance;
- the projected 2015 expense levels; and
- current billing determinants.

Table 1 below compares the 2012, 2013, and 2014 factors to the proposed 2015 factors.

**Table 1 - RTS Factors by Customer Class (\$/kWh or \$/kW)**

Year	Residential	General Service	Large General Service/Bulk	Lighting	Standby
2012	\$0.01811	\$0.01877	\$5.59	\$0.01954	\$5.65
2013	\$0.02342	\$0.02356	\$6.68	\$0.02406	\$7.09
2014	\$0.02523	\$0.02576	\$7.26	\$0.02659	\$7.69
2015	\$0.02567	\$0.02579	\$7.40	\$0.02797	\$7.82

## **1. CALCULATION OF RTS FACTORS**

Calculation of the factors for each of the customer classes is depicted in Schedule A-1. Following the approved tariff formula, the Residential, General Service, and Lighting customer classes' RTS factors for 2015 are calculated as:

$$RTS_{kWh} = (A + B) / (EQ_{kWh})$$

Where:

A = The estimated annual expense for transmission service for the particular customer class, beginning January 1 of each year.

B = The transmission cost reconciliation balance reflecting actual transmission expenses attributable to a particular customer class versus actual revenue recovery from the transmission rider for the class from the previous 12 month period ending in October. The B balance shall be assumed to be zero prior to January 1, 2011.

$EQ_{kWh}$  = The estimated electric kilowatt-hours of energy to be consumed or delivered during the upcoming year in which  $RTS_{kWh}$  will be used.

The formula for the Large General Service customer class RTS factor for 2015 is calculated as:

$$RTS_{kW} = (A + B) / (EQ_{kW})$$

Where:

A = The estimated annual expense for transmission service for the particular customer class, beginning January 1 of each year.

B = The transmission cost reconciliation balance reflecting actual transmission expenses attributable to a particular customer class versus actual revenue recovery from the transmission rider for the class from the previous 12 month period ending in October. The B balance shall be assumed to be zero prior to January 1, 2011.

$EQ_{kW}$  = The estimated electric kilowatts to be consumed or delivered during the upcoming year in which  $RTS_{kW}$  will be used.

The calculation for the 2015 RTS Rider factor for the Standby Contract Demand Rate (a/k/a Transmission Reservation Fee) is simply the percentage increase in 2015 transmission expenses (inclusive of the reconciliation tracker balance) applied to the 2014 factor. This calculation is depicted in Schedule A-6.

## **2. 2014 RECONCILIATION BALANCE**

The cumulative tracker balance from the October 2014 monthly transmission expense report filings in Docket No. EAC-2013-0024 is refunded with the estimated 2015 transmission expenses. This allows the amortization of the transmission rider tracker balance from the associated monthly transmission expense reports in Docket No. EAC-2013-0024 as part of the 2015 net recoverable transmission expenses in Schedule A-2. This tracker balance represents the cumulative over recovery of transmission expenses for the time period, November 2013, through the October 2014 revenue months. Any over/under recovery for the revenue months of November and December 2014 under the current RTS Rider factors will be reconciled as part of next year's annual filing. The 2014 tracker balance is a \$6,639,502 over collection.

## **3. 2015 ESTIMATED TRANSMISSION EXPENSES**

Estimated 2015 transmission expenses have been broken out by month according to either Midcontinent Independent System Operator, Inc. (MISO) transmission schedule or non-MISO transmission provider. (See Schedule A-3.)

These estimated 2015 expenditures reflect known changes in transmission provider charges, with the largest increase related to ITC Midwest LLC's (ITC-M) charges based upon its Attachment O for 2015, which was published to MISO's Open Access Same Time Information System (OASIS) site in September 2014. Estimated 2015 Federal Energy Regulatory Commission (FERC) jurisdictional transmission revenues recorded to FERC Account 456 are credited as an offset to the projected transmission expenses. (See Schedule A-4.)

Schedule A-2 provides the calculation of total net transmission expenses before allocation to the customer classes in Schedule A-1. Projected FERC Account 565 transmission expenses are offset by estimated FERC Account 456 transmission revenues. Iowa's jurisdictional allocation is 94.32 percent of this net amount, further reduced by the allocation to IPL's full requirement wholesale customers (based upon the actual percentage allocated in 2014). Finally, the balance from the tracker account is added to the Iowa retail share to determine the amount to recover from Iowa retail customers in 2015.

#### **4. 2015 PROJECTED BILLING DETERMINANTS**

IPL based the projected kWh billing determinants on the actual kWh billed by customer class from November 2013 through October 2014. Likewise, IPL derived projected kW billing determinants based on actual kW billing demands for the Large General Service/Bulk customer class for the time period November 2013 through October 2014. Standby billing determinants were based upon

contract demands in effect at the close of the October 2014 revenue month. The billing determinants are depicted in Schedule A-5.

**Schedules:**                    **RTS Rider Cost Recovery**

- Schedule A-1:            Electric RTS Rider factor calculations.
- Schedule A-2:            Calculation of estimated 2015 net transmission expenses.
- Schedule A-3:            2015 FERC Account 565 transmission expense by MISO Schedule or transmission provider.
- Schedule A-4:            2015 FERC Account 456 transmission revenues.
- Schedule A-5:            Projected electric billing units for calendar year 2015.
- Schedule A-6:            Calculation of Standby Reservation Fee.

Workpapers:  
Workpaper A6 – 2014 Transmission Expenses  
Workpaper AED Allocator

**Additional Information:**

- Attachment A – Proposed Bill Message
- Attachment B – Proposed Bill Insert

**Tariff Changes:**

Replace Sixth Revised Sheet No. 86 with Seventh Revised Sheet No. 86.

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Interstate Power and Light Company  
Electric Utility  
Calculation of Regional Transmission Rider Factors

Schedule A-1

	<b>Residential</b>	<b>GS</b>	<b>LGS/Bulk</b>	<b>Lighting</b>	<b>Standby</b>	<b>Total</b>
Projected kWh Sales	3,690,080,288	2,076,151,758	NA	75,854,367	NA	5,842,086,413
KW Sales (Billing Demands)	na	na	18,509,830	na	1,863,026	20,372,856

**2015 transmission expenses for RTS Recovery:**

2015 Transmission Expense	\$94,692,927	\$53,517,957	\$137,005,502	\$2,120,738	\$14,569,125	\$301,906,248
AED Allocator (2010)	32.9553%	18.6255%	47.6811%	0.7381%		100%
" rates" per kWh	0.02567	0.02579		0.02797		\$ 0.05168
"In rates" per kW	na	na	\$ 7.40	na	\$ 7.82	

<u>Customer Class</u>	2015 <u>RTS</u>
Residential	\$ 0.02567
General Service	\$ 0.02579
LGS	\$ 7.40
Bulk/High Load Factor	\$ 7.40
Standby	\$ 7.82
Lighting	\$ 0.02797

Interstate Power and Light  
2015 Net Iowa Retail Transmission Expense

Schedule A-2

2015 IPL Transmission Expense	\$ 341,492,069	Schedule A-3
2015 IPL Transmission Revenue	<u>\$ (5,556,977)</u>	Schedule A-4
Net Transmission Expense	\$ 335,935,092	
Iowa electric amount (94.32%, on system coincident peak basis)		
	\$ 316,853,978	
Iowa wholesale allocation (based on actual 2014 percentage)		
	<u>\$ (8,308,228)</u>	
Iowa Retail 2015 Net Transmission Expense	\$ 308,545,750	
2014 Tracker Balance over/under recovery	\$ (6,639,502)	EAC-2013-0024
<b>Net recoverable expense</b>	<b>\$ 301,906,248</b>	

Estimated IPL 2015 Transmission Expense for RTS Rider.

Line No.	IPL Transmission Charges	Forecast Jan-15	Forecast Feb-15	Forecast Mar-15	Forecast Apr-15	Forecast May-15	Forecast Jun-15	Forecast Jul-15	Forecast Aug-15	Forecast Sep-15	Forecast Oct-15	Forecast Nov-15	Forecast Dec-15	Total
FERC 565 Transmission Expense:														
Non-MISO														
1	WAPA Everly Load	\$9,292	\$9,244	\$9,239	\$9,221	\$9,207	\$9,215	\$9,042	\$7,890	\$ 9,116	\$ 50,803	\$8,646	\$8,622	149,537
2	CIPCO NITS charge	232,919	228,126	210,130	216,274	201,234	182,098	241,915	214,663	\$ 235,863	\$ 226,155	223,753	209,041	2,622,170 <b>Note 1</b>
3	CIPCO trans. investment credit/true-up	17,144	17,144	17,144	17,144	17,144	17,144	17,144	17,144	\$ 17,144	\$ 17,144	17,144	17,144	205,729 <b>Note 2</b>
4	CIPCO Massena-Grant	13,041	11,947	12,132	9,461	8,248	8,271	10,408	10,493	\$ 10,303	\$ 7,404	11,338	11,898	124,945 <b>Note 3</b>
5	NIPCO Wheeling	2,977	4,380	4,312	3,414	2,736	3,163	3,272	3,126	\$ 3,315	\$ 3,486	4,449	3,395	42,025 <b>Note 4</b>
6	NEMO Wheeling	56,784	54,935	53,322	40,619	35,798	49,831	47,766	46,094	\$ 45,320	\$ 39,174	37,208	48,368	555,219 <b>Note 5</b>
7	NEMO Facility Charge	1,450	1,679	1,538	1,866	1,476	1,332	1,293	1,289	\$ 1,312	\$ 2,162	1,526	1,465	18,388 <b>Note 6</b>
8	Corn Belt Power Coop	\$743	\$1,173	\$135,534	\$1,237	\$1,273	\$1,325	\$912	\$777	\$ 728	\$ 70,911	\$610	\$835	216,060
9	Corn Belt Schedule 23 Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	Total Other Firm Transmission	\$334,350	\$328,629	\$443,351	\$299,237	\$277,117	\$272,378	\$331,751	\$301,478	\$ 323,101	\$417,239	\$304,674	\$300,768	3,934,073
11	PJM Adders (sched, dispatch, reactive)	22,200	22,200	22,200	22,200	22,200	22,200	22,200	22,200	\$ 22,200	22,200	22,200	22,200	266,400
12	Total PJM Transmission	22,200	22,200	22,200	22,200	22,200	22,200	22,200	22,200	\$ 22,200	22,200	22,200	22,200	266,400
13	Transmission Wheeling -													-
MISO Transmission Charges:														
14	Schedule 1 Charge	\$374,929	\$324,706	\$341,404	\$316,424	\$362,838	\$431,550	\$478,410	\$464,885	\$421,255	\$344,707	\$350,730	\$377,546	4,589,385
15	Schedule 2 Charge	\$323,284	\$279,979	\$294,377	\$272,838	\$312,859	\$372,106	\$412,510	\$400,849	\$363,229	\$297,225	\$302,419	\$325,540	3,957,214
16	Schedule 9 Charge	\$23,618,718	\$20,454,922	\$21,506,820	\$19,933,185	\$22,857,076	\$27,185,597	\$30,137,498	\$29,285,515	\$26,537,027	\$21,714,861	\$22,094,327	\$23,783,575	289,109,119
17	Schedule 10 Charge (MISO Adder)	\$235,203	\$212,469	\$220,942	\$200,270	\$213,070	\$241,275	\$273,926	\$272,632	\$238,559	\$226,432	\$218,704	\$239,622	2,793,102 <b>Note 6</b>
18	Schedule 11 Charge (Prior Mth Adj)													-
19	Schedule 23 Charge (GFA)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	Schedule 26 Charge	\$2,083,477	\$1,804,389	\$1,897,181	\$1,758,366	\$2,016,291	\$2,398,122	\$2,658,518	\$2,583,362	\$2,340,910	\$1,915,532	\$1,949,006	\$2,098,020	25,503,175
21	Schedule 26-A Charge	\$860,410	\$771,207	\$805,284	\$734,623	\$766,998	\$843,578	\$931,346	\$915,051	\$788,842	\$817,289	\$799,678	\$850,591	9,884,896
22	Schedule 33: Black Start	\$28,636	\$24,800	\$26,075	\$24,167	\$27,712	\$32,960	\$36,539	\$35,506	\$32,174	\$26,327	\$26,788	\$28,836	350,521
23	FERC Assessment Sch 10	\$90,206	\$78,123	\$82,140	\$76,130	\$87,297	\$103,829	\$115,103	\$111,849	\$101,352	\$82,935	\$84,384	\$90,836	1,104,183
24	Total MISO Charges	\$27,614,864	\$23,950,595	\$25,174,223	\$23,316,002	\$26,644,141	\$31,609,017	\$35,043,851	\$34,069,648	\$30,823,347	\$25,425,308	\$25,826,035	\$27,794,565	\$337,291,596
25	Total all transmission lines 10, 13, and 24)	\$27,971,413	\$24,301,424	\$25,639,774	\$23,637,439	\$26,943,458	\$31,903,595	\$35,397,802	\$34,393,326	\$31,168,648	\$25,864,747	\$26,152,909	\$28,117,533	341,492,069

Note 1: The CIPCO NITS charge amounts have been updated based on the actual monthly invoices paid during 11/2013 through 9/2014.

Note 2: The CIPCO Investment True-up charge amounts are fixed at RPU-2010-0001 amounts (1/10/2011 Final Order at page 66).

Note 3: The CIPCO Massena-Grant charge amounts have been updated based on the actual monthly invoices paid during 11/2013 through 10/2014.

Note 4: The NIPCO wheeling charges are based on actual monthly invoices accrued during 11/2013 through 10/2014.

Note 5: The NEMO wheeling and facility charges are based on actual monthly invoices accrued 11/2013 through 10/2014.

Note 6: The MISO Schedule 10 Admin charges are based on fixed accrued during 2011.

**Total 2015** \$ 341,492,069

**Revenue Items:**

**IPL Transmission Revenue (Ancillary Services only)**

**2015 IPL Budget Forecast**

	January		February		March		April		May		June		July		August		September		October		November		December		Total		
	Estimate	Actual	Estimate	Actual																							
Schedule 2	417,036		381,173		379,746		351,961		403,588		480,017		532,138		517,085		468,565		383,420		390,120			\$ 419,947		5,104,806	-
Schedule 33: Black Start	36,940		31,992		33,637		31,176		35,749		42,519		47,136		45,803		41,504		33,962		34,556			\$ 37,198		452,172	-
<b>TOTAL</b>	<b>453,976</b>	<b>-</b>	<b>393,165</b>	<b>-</b>	<b>413,383</b>	<b>-</b>	<b>383,137</b>	<b>-</b>	<b>439,337</b>	<b>-</b>	<b>522,535</b>	<b>-</b>	<b>579,274</b>	<b>-</b>	<b>562,888</b>	<b>-</b>	<b>510,069</b>	<b>-</b>	<b>417,382</b>	<b>-</b>	<b>424,676</b>	<b>-</b>	<b>457,145</b>	<b>-</b>	<b>5,556,977</b>	<b>-</b>	

Notes:

- 1) Schedules 2 has been estimated by multiplying projected 2015 Schedule 2 expenses by 129%.
- 2) Schedules 33 has been estimated by multiplying projected Schedule 33 expenses by 129%.

Inerstate Power and Light  
2015 Billing Determinants

Schedule A-5

	Residential <u>(kWh)</u>	General Service <u>(kWh)</u>	Lighting <u>(kWh)</u>	Large General Service <u>(kW)</u>	Standby <u>(kW)</u>
Sales January	436,130,271	231,116,833	6,459,459	1,526,486	164,692
Sales February	377,915,320	170,068,770	6,294,424	1,500,593	164,692
Sales March	332,760,426	172,749,918	6,394,349	1,524,237	164,692
Sales April	260,520,422	148,093,639	6,245,856	1,481,896	162,172
Sales May	223,006,976	139,097,097	6,349,177	1,533,669	162,352
Sales June	269,930,464	158,441,610	6,215,173	1,566,766	115,300
Sales July	324,918,945	171,771,445	6,256,740	1,577,680	129,479
Sales August	308,193,641	161,512,329	6,251,057	1,575,370	129,479
Sales September	318,815,276	171,648,091	6,294,389	1,621,163	164,650
Sales October	227,476,551	144,647,279	6,288,441	1,561,094	169,145
Sales November	249,186,321	211,701,551	6,386,936	1,527,952	171,681
Sales December	<u>361,225,675</u>	<u>195,303,196</u>	<u>6,418,366</u>	<u>1,512,923</u>	<u>164,692</u>
Total	3,690,080,288	2,076,151,758	75,854,367	18,509,830	1,863,026

## Standby Transmission Reservation Fee

<u>Line</u>			<u>Reference</u>
1	2014 Estimated IPL Transmission Charges	\$ 296,882,002	Workpaper A6, Line 8
2	2015 Total IPL Transmission Charges	\$ 301,906,248	Schedule A-2, Net Recoverable Expenses
3	2015 Increase percentage	1.69%	(Line 2 - Line 1 )/ Line 1
4	2014	\$ 7.69 Contract Demand KW/Month	Rider RTS Tariff (Sheet No. 86)
5	2015	\$ 7.82 Contract Demand KW/Month	1 plus line 3 times line 4

Interstate Power and Light  
RPU-2010-0001 Average and Excess Allocator

Workpaper AED

IPL COST OF SERVICE STUDY  
Load Factor - Diversity Factor Method  
Iowa Load Only - All Pro-Formas

	Booked kW Class		Inter- ruption Taken	Total kW		Generation Level			Energy Loss Factor	Annual kWh at Generator	Average Hourly kW	Excess Demand	Avg. Share	Excess Share	Total Share	Distrib. NCP Alloc.
	Peak be- fore Loss	Date/Time		before Losses	Loss Factor	Annual Peak mW	Cis Percent	Annual kWh								
Residential	887,354	6/25 at 18	-14,111	873,243	0.0741	943,128	33.320%	3,555,200,231	0.0575	3,772,095,736	430,605	512,524	15.7452%	17.2101%	32.9553%	33.3203%
Total General Service	492,541	6/23 at 14	0	492,541	0.0741	531,959	18.794%	2,108,897,138	0.0575	2,237,556,645	255,429	276,530	9.3399%	9.2856%	18.6255%	18.7938%
General Service	490,688		0	490,688	0.0741	529,957	18.723%	2,097,102,376	0.0575	2,225,042,309	254,000					
Farm	0		0	0	0.0741	0	0.000%	0	0.0575	0	0					
Other Public Auth.	1,853		0	1,853	0.0741	2,001	0.071%	11,794,762	0.0575	12,514,336	1,429					
Large General Svc.	1,195,429	6/23 at 11	0	1,195,429	0.0630	1,275,851	45.075%	7,567,447,122	0.0486	7,954,393,954	908,036	367,816	33.2027%	12.3509%	45.5536%	45.0752%
Transmission	19,203		0	19,203	0.026	19,716	0.697%	119,256,247	0.0192	121,590,790	13,880	5,835	0.5075%	0.1959%	0.7035%	0.6965%
Primary	726,267		0	726,267	0.057	770,166	27.210%	4,624,001,372	0.0439	4,836,315,628	552,091	218,076	20.1874%	7.3228%	27.5102%	27.2096%
Secondary	449,959		0	449,959	0.0741	485,969	17.169%	2,824,189,503	0.0575	2,996,487,536	342,065	143,905	12.5077%	4.8322%	17.3399%	17.1691%
Bulk	56,915	9/29 at 17	0	56,915	0.026	58,434	2.064%	475,586,210	0.0192	484,896,217	55,353	3,081	2.0240%	0.1035%	2.1275%	2.0645%
Lighting (1)	19,904		0	19,904	0.0577	21,123	0.746%	79,573,028	0.0575	84,427,616	9,638	11,485	0.3524%	0.3857%	0.7381%	0.7463%
Resale			0													
Total	2,652,142		-14,111	2,638,031		2,830,496	100%	13,786,703,729		14,533,370,169	1,659,061	1,171,435	60.6642%	39.3358%	100.0000%	100.0000%

(1) Class peak kW before losses are annual sales divided by 4,030 hours. Energy losses used due to the fact that the class kW is average kW.

AED

Line

1	2014 Estimated IPL Transmission Expense	\$ 342,556,396	Schedule A-3
2	2014 Estimated IPL Transmission Revenue	<u>\$ (5,281,208)</u>	Schedule A-4
3	Net Transmission Expense	\$ 337,275,188	
	Iowa electric amount (94.04%, on system coincident peak basis)		
4		\$ 317,173,587	
	Iowa wholesale allocation (3.09%, on system coincident peak basis)		
5		<u>\$ (9,800,664)</u>	
6	Iowa Retail 2014 Net Transmission Expense	\$ 307,372,923	
7	2013 Tracker Balance over/under recovery	<u>\$ (10,490,921)</u>	EAC-2012-0023
8	2014 estimated expenses	\$ 296,882,002	

- **Residential**  
The Regional Transmission Service charge on electric bills adjusts annually. The 2015 rate took effect January 1, 2015. This is a Residential rate bill. In 2014, the Residential rate was \$0.02523 per kWh. For 2015, it will be \$0.02567 per kWh. The average total bill impact of this change is approximately 0.3%. For more, visit [alliantenergy.com/iowarates](http://alliantenergy.com/iowarates) or call 1-800-255-4268.

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- **General Service**  
The Regional Transmission Service charge on electric bills adjusts annually. The 2015 rate took effect January 1, 2015. This is a General Service rate bill. In 2014, the General Service rate was \$0.02576 per kWh. For 2015, it will be \$0.02579 per kWh. The average total bill impact of this change is approximately 0.02%. For more, visit [alliantenergy.com/iowarates](http://alliantenergy.com/iowarates) or call 1-800-255-4268.

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- **Large General Service / Bulk**  
The Regional Transmission Service charge on electric bills adjusts annually. The 2015 rate took effect on January 1, 2015. This is a Large General Service rate bill. In 2014, the Large General Service rate was \$7.26 per kW. For 2015, it will be \$7.40 per kW. The average total bill impact of this change is approximately 0.4%. For more, visit [alliantenergy.com/iowarates](http://alliantenergy.com/iowarates) or call 1-800-255-4268.

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- **Lighting**  
The Regional Transmission Service charge on electric bills adjusts annually. The 2015 rate took effect on January 1, 2015. This is a Lighting rate bill. In 2014, the Lighting rate was \$0.02659 per kWh. For 2015, it will be \$0.02797 per kWh. For more, visit [alliantenergy.com/iowarates](http://alliantenergy.com/iowarates) or call 1-800-255-4268.

## Customer bill update

The Regional Transmission Service charge on customers' electric bills adjusts annually. The adjustment is based on actual costs from companies providing transmission service to our customers each year. Your bill may include separate, prorated charges under the old and the new rate, based upon your billing date and the date the new rate took effect.

the rate and the average total bill impact for the new Regional Transmission Service charge, and the day it took effect. Because this charge varies by customer class, the message on your bill is specific to your customer class, or rate code.

Printed on your actual bill is a message that shows

*For more information about the Regional Transmission charge, please review the reverse side.*



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## Regional Transmission Service

### Frequently asked questions

**For more information, visit [alliantenergy.com/iowarates](http://alliantenergy.com/iowarates) or call 1-800-ALLIANT (1-800-255-4268)**

► **What is Regional Transmission Service?**

Transmission is the high-voltage lines that carry power long distances between power plants and the neighborhood substations that serve our customers. The Regional Transmission Service line item reflects only the actual cost of this service.

► **How often will the rates for the transmission costs change?**

Costs for transmission service are subject to the authority of the Federal Energy Regulatory Commission. Alliant Energy adjusts its charges annually to reflect any changes which have occurred for these transmission costs. The charge is per unit of energy you use, so the actual cost adjusts annually based on your usage and any change in the charge.

► **Why have transmission costs been increasing?**

Transmission costs are increasing for all utilities. There are a significant number of new transmission lines being built or upgraded. Such improvements are designed to improve reliability and expand the nation's energy grid and because of the increased need for new transmission to move our state's renewable power supplies to customers throughout Iowa and the Midwest.