

STANDARD CONTRACT RIDER NO. 25
OFF-SYSTEM SALES MARGIN 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Rates, an Off-System Sales (“OSS”) Margin Adjustment rider applicable for approximately twelve (12) months or until superseded by a subsequent factor shall be made in accordance with the following provisions:

- A. The Off-System Sales Margin Adjustment shall be calculated by multiplying the KWH billed by an Adjustment Factor per KWH established according to the following formula:

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

where:

1. “OSS” is the annual adjustment factor beginning with the month of June ~~2019~~ 2020 and consisting of the following:
2. “Customer Share” of estimated off-system sales margins for the year shall be determined according to the table below:

Off-System Sales Margin	Jurisdictional Customer Share	Customer Share Results In
Less than \$0	100% of (\$0-\$Base)	Charge
Up to \$Base	100% of (OSS Margin – \$Base)	Charge
Over \$Base	100% of (OSS Margin – \$Base)	Credit

3. Base represents the \$16,324,000 of off-system sales margins included in the determination of basic charges for service in Cause No. 45029.
 4. “S” is the estimated kilowatt-hour sales for the same estimated period set forth in “OSS”, 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.
- B. The OSS Margin 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 off-system sales margin adjustment revenues.
- C. The OSS Margin Adjustment Factor may be further modified to reflect the difference between incremental off-system sales margin revenue credited and the incremental off-system sales margin revenue actually experienced during the twelve-month period ended May 31, ~~2018~~ 2019.

Indianapolis Power & Light Company
One Monument Circle
Indianapolis, Indiana

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

~~1st~~ 2nd Revised No. 179.81
Superseding
~~Original~~ 1st Revised No. 179.81

STANDARD CONTRACT RIDER NO. 25 (continued)

D. The OSS Margin Adjustment Factor as calculated above will be applied to all billed KWH for those tariff rates listed above.

E. The OSS Margin Adjustment Factor to be effective for all bills beginning with the date below will be:

~~\$(0.000627)~~ 001327) per KWH for Rates RS, CW, and EVX (with associated Rate RS service)

~~\$(0.000569)~~ 001229) per KWH for Rates SS, SH, OES, UW, CW, and EVX (with associated Rate SS service)

~~\$(0.000459)~~ 000957) per KWH for Rate HL

~~\$(0.000442)~~ 001002) per KWH for Rate PL

~~\$(0.000498)~~ 001101) per KWH for Rates SL and PH, and EVX (with associated Rate SL service)

~~\$(0.000265)~~ 000567) per KWH for Rates MU-1 and APL