

INDIANA FORECAST & RESOURCE NEEDS

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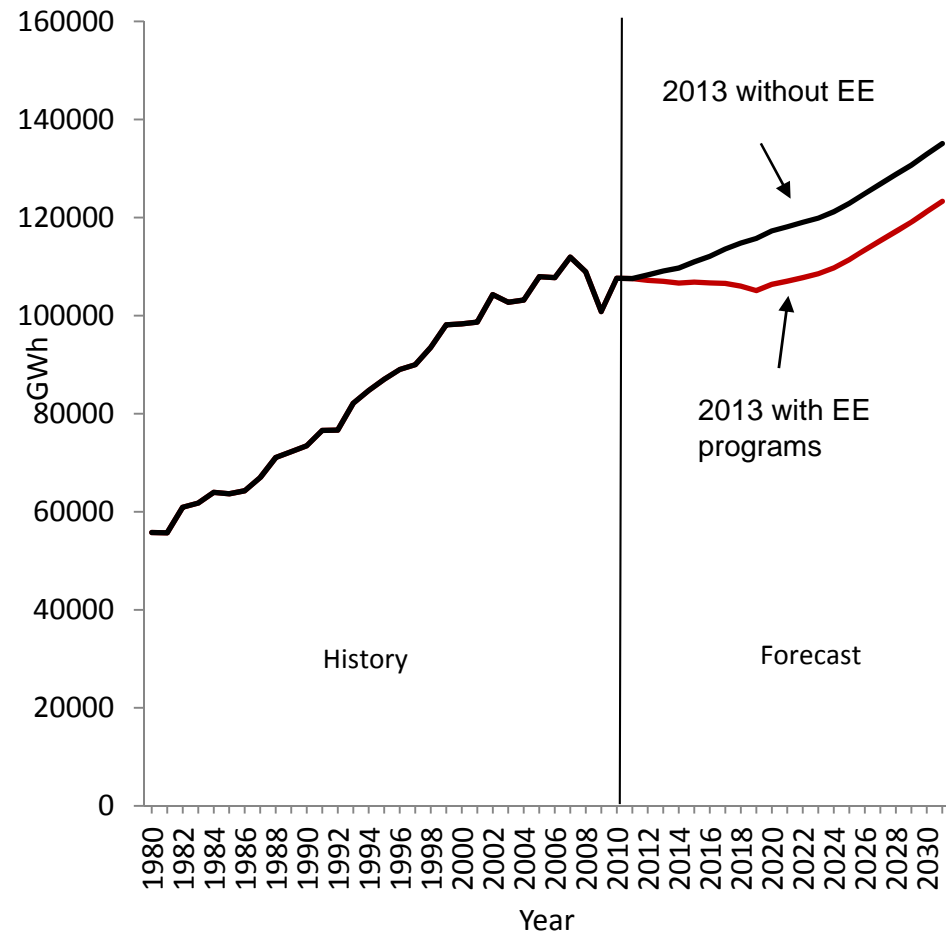
December 8, 2014

2013 Forecast Highlights

- 2013 forecast growth is lower than in previous forecasts due to increases in efficiency
 - Higher prices reduce customer usage
 - Utility DSM
 - Efficiency standards
- Resource requirements are lower than in previous forecasts
 - Additional resources needed by 2016

Indiana Electricity Requirements

- The 2013 forecast was produced prior to SEA 340, which will affect the forecast
- Based on the old DSM rule, energy use grows at 0.74% per year
- If we add the DSM back in, it grows at 1.17% per year

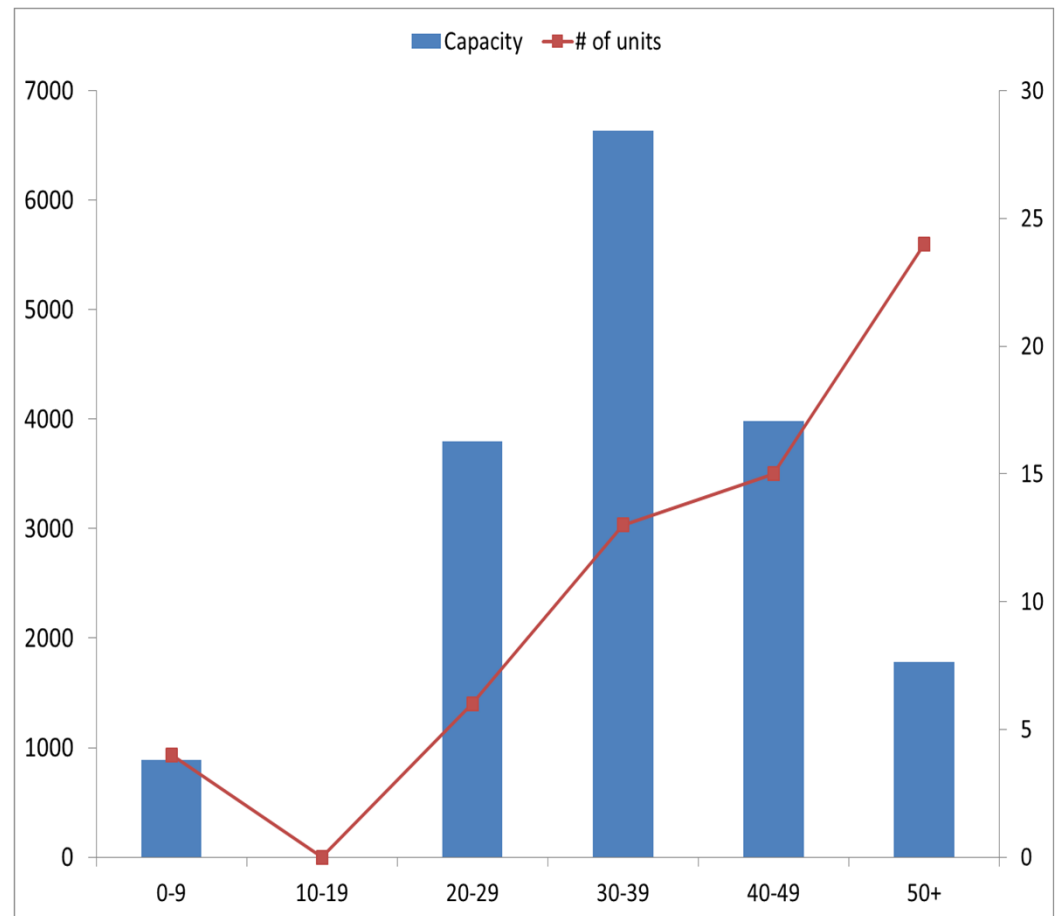


Retirements

- The 2013 forecast included about 2,300 MW of retirements in 2015, largely associated with MATS compliance
- Another 430 MW of “scheduled” retirements were included between 2020 and 2029
- Compliance with the EPA CO₂ rule could result in earlier retirement of additional generation

Age of Indiana's Coal Fleet

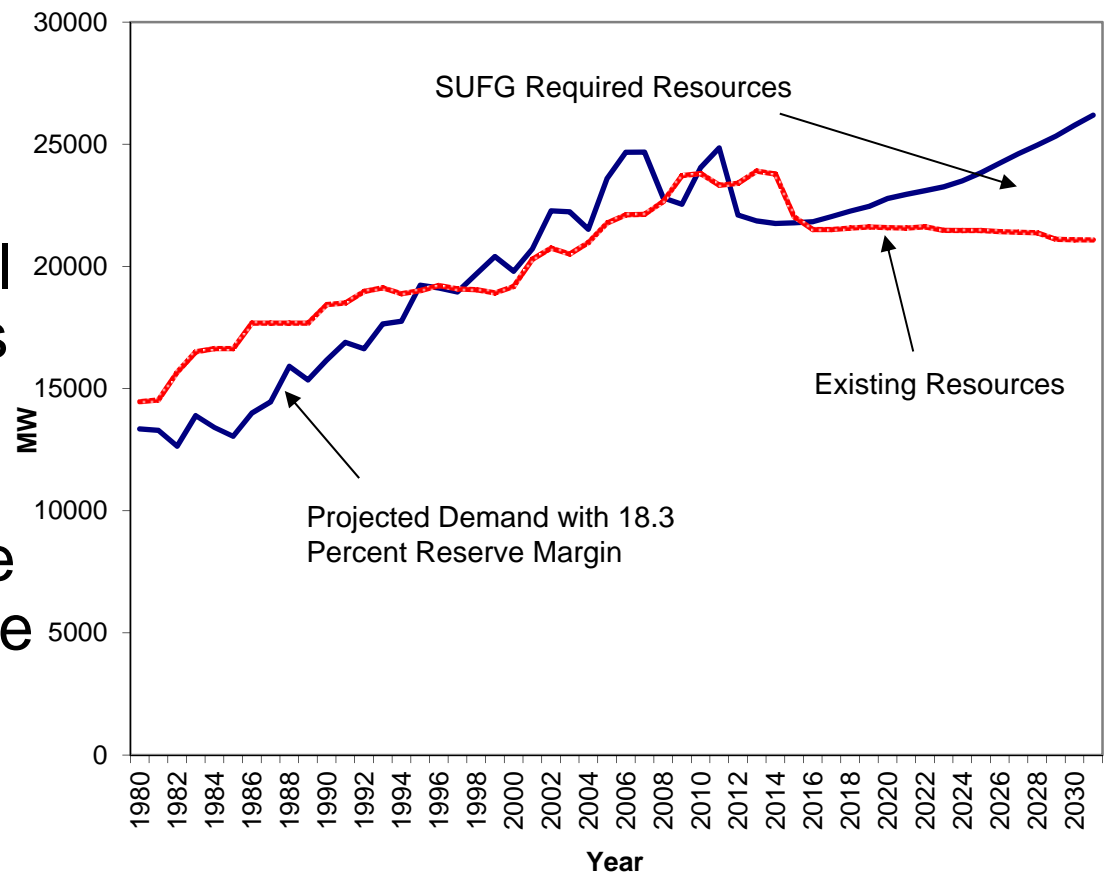
- ~37% of Indiana's coal fleet is > 40 years old
- ~80% of Indiana's coal fleet is > 30 years old
- ~98% of Indiana's coal fleet is > 20 years old



Data source: IURC 2014 Annual Report

Indiana Resource Requirements

- Resources may be provided by conservation measures, contractual purchases, purchases of existing assets, or new construction
- Existing resources are adjusted into the future for retirements, contract expirations, and IURC approved new resources



Indiana Resource Requirements (MW)

	Baseload	Total
2016	120	410
2017	210	630
2018	460	890
2019	570	1,060
2020	650	1,280
2021	740	1,450
2022	790	1,540
2023	920	1,820
2024	1,060	2,050
2025	1,190	2,370
2026	1,420	2,790
2027	1,530	3,210

Further Information

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