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Michael S. Greiveldinger
Senior Attorney

Interstate Power and Light Company
An Alliant Energy Company

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April 29, 2014

Dr. Burl Haar, Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

RE: Interstate Power and Light Company
Docket No. E,G001/AI-14-_____
Petition for Approval of Extension and Modifications to Affiliated Interest
Agreements

Dear Dr. Haar:

Enclosed for e-Filing please find Interstate Power and Light Company's (IPL) Petition for Approval of Extension and Modifications of IPL's Receivable Sales Program in the above-referenced docket.

Copies of this filing have been served on the Minnesota Department of Commerce, Division of Energy Resources, the Minnesota Office of Attorney General - Residential and Small Business Utilities Division, and the attached service list.

Respectfully submitted,

/s/ Michael S. Greiveldinger

Michael S. Greiveldinger
Senior Attorney

MSG/tao
Enclosures

cc: Service List

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
David C. Boyd
Nancy Lange
Dan Lipschultz
Betsy Wergin

Chair
Commissioner
Commissioner
Commissioner
Commissioner

<p>IN THE MATTER OF INTERSTATE POWER AND LIGHT COMPANY'S PETITION FOR APPROVAL OF A MODIFICATION TO AGREEMENTS WITH AFFILIATES RELATED TO THE SALE OF ACCOUNTS RECEIVABLE</p>	<p>DOCKET NO. E,G001/AI-14-____</p>
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AFFIDAVIT OF SERVICE

STATE OF IOWA)
) ss.
COUNTY OF LINN)

Tonya A. O'Rourke, being first duly sworn on oath, deposes and states:

That on the 29th day of April, 2014, copies of the foregoing Affidavit of Service, together with Interstate Power and Light Company's Petition for Approval of Amendments and Modifications to Affiliated Interest Agreements, were served upon the parties on the attached service list, by e-filing, overnight delivery, electronic mail, facsimile and/or first-class mail, proper postage prepaid from Cedar Rapids, Iowa.

 /s/ Tonya A. O'Rourke
Tonya A. O'Rourke

Subscribed and Sworn to Before Me
this 29th day of April, 2014.

 /s/ Kathleen J. Faine
Kathleen J. Faine
Notary Public
My Commission Expires on February 20, 2015

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Bobby	Adam	bobby.adam@conagrafoods.com	ConAgra	Suite 5022 11 ConAgra Drive Omaha, NE 68102	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
William A.	Blazar	bblazar@mnchamber.com	Minnesota Chamber Of Commerce	Suite 1500 400 Robert Street North St. Paul, MN 55101	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Michael	Bradley	mike.bradley@lawmoss.com	Moss & Barnett	Suite 4800 90 S 7th St Minneapolis, MN 55402-4129	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
City	Clerk	sschulte@ci.albertlea.org	City of Albert Lea	221 E Clark St Albert Lea, MN 56007	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Ian	Dobson	ian.dobson@ag.state.mn.us	Office of the Attorney General-RUD	Antitrust and Utilities Division 445 Minnesota Street, BRM Tower St. Paul, MN 55101	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
David	Grover	dgrover@itctransco.com	ITC Midwest	901 Marquette Avenue Suite 1950 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Annete	Henkel	mui@mutilityinvestors.org	Minnesota Utility Investors	413 Wacouta Street #230 St. Paul, MN 55101	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Linda	Jensen	linda.s.jensen@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota Street St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Paula	Johnson	paulajohnson@alliantenergy.com	Alliant Energy-Interstate Power and Light Company	P.O. Box 351 200 First Street, SE Cedar Rapids, IA 524060351	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Jim	Krueger	jkrueger@fmcs.coop	Freeborn-Mower Cooperative Services	Box 611 Albert Lea, MN 56007	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Kavita	Maini	kmains@wi.rr.com	KM Energy Consulting LLC	961 N Lost Woods Rd Oconomowoc, WI 53066	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Carl	Nelson	cnelson@mncee.org	Center for Energy and Environment	212 3rd Ave N Ste 560 Minneapolis, MN 55401	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Steven	Nyhus	swnyhus@flaherty-hood.com	Flaherty & Hood PA	525 Park St Ste 470 Saint Paul, MN 55103	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750 St. Paul, MN 55101	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Larry L.	Schedin	Larry@LLSResources.com	LLS Resources, LLC	12 S 6th St Ste 1137 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Matthew J.	Schuerger P.E.	mjsreg@earthlink.net	Energy Systems Consulting Services, LLC	PO Box 16129 St. Paul, MN 55116	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Ron	Spangler, Jr.	rlspangler@otpc.com	Otter Tail Power Company	215 So. Cascade St. PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Robyn	Woeste	robynwoeste@alliantenergy.com	Interstate Power and Light Company	200 First St SE Cedar Rapids, IA 52401	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

**Beverly Jones Heydinger
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Commissioner
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**IN THE MATTER OF INTERSTATE
POWER AND LIGHT COMPANY'S
PETITION FOR APPROVAL OF A
MODIFICATION TO AGREEMENTS
WITH AFFILIATES RELATED TO THE
SALE OF ACCOUNTS RECEIVABLE**

DOCKET NO. E,G001/AI-14-_____

Statement Providing Justification for Trade Secret Information

Interstate Power and Light Company (IPL) is providing a non-public version of contracts regarding its Receivable Sales Program in the above captioned docket.

The non-public version of the filing contains trade secret information, as defined by section 13.37 subd. 1(b), of the Minnesota Statutes, in that the contracts are subject to efforts by IPL and other parties that are reasonable under the circumstances to maintain its non-disclosure, and derives independent economic value, actual or potential from not being generally known to, and being readily ascertainable by proper means by, other person who can obtain economic value from its disclosure or use. While certain of these agreements have been previously publicly available, certain amendments and modifications have not. Additionally, the contracts are subject to certain confidentiality provisions and should be handled accordingly. IPL has marked the information pursuant to the Commission's Revised Procedures for handling Trade Secret and Privileged Data. Minn. Rule, pt. 7829.0500.

IPL respectfully requests that the contracts be treated as trade secret information. Public release of this information would harm IPL by providing competitors with additional knowledge of the Receivable Sales Program. Those competitors could use this knowledge to improve their negotiating positions in future transactions, to the detriment of IPL or its affiliates. Because disclosure of the information would compromise the ability to negotiate future contracts on

terms and conditions most favorable to it, the harm of public disclosure outweighs the benefits of such disclosure.

Accordingly, IPL believes the marked information contained in IPL's filing meets the definition of trade secret under Minn. Stat. § 13.37.

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DOCKET NO. E,G001/AI-14-_____

SUMMARY FILING

Please take notice that on April 29, 2014, Interstate Power and Light Company ("IPL") filed with the Minnesota Public Utilities Commission ("Commission") its petition for approval of the extension of and modification to IPL's Receivable Sales Program, which includes contracts with affiliates of IPL. The Commission most recently approved the Receivable Sales Program in its August 12, 2011 Order in Docket No. E-001/GR-10-276. IPL requests that the extension and modification of the Receivable Sales Program be effective March 31, 2014.

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

**Beverly Jones Heydinger
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**IN THE MATTER OF INTERSTATE POWER
AND LIGHT COMPANY'S PETITION FOR
APPROVAL OF A MODIFICATION TO
AGREEMENTS WITH AFFILIATES RELATED
TO THE SALE OF ACCOUNTS RECEIVABLE**

DOCKET NO. E,G001/AI-14-_____

**PETITION FOR APPROVAL OF EXTENSION OF AND MODIFICATION TO
AFFILIATED INTEREST AGREEMENTS**

Pursuant to Minn. Stat. § 216B.48, Minn. R. 7825.2200, and *Order Initiating Repeal of Rule, Granting Generic Variance, and Clarifying Internal Operating Procedures* in Docket No. E,G-999/CI-98-651 (Sept. 14, 1998), Interstate Power and Light Company ("IPL") respectfully submits to the Minnesota Public Utilities Commission ("Commission") a petition for approval of an extension and modification to IPL's Receivable Sales Program, which includes contracts among IPL, Alliant Energy Corporation ("AEC"), Alliant Energy Corporate Services, Inc. ("AECS"), IPL SPE LLC ("IPL SPE"), and Alliant Energy SPE LLC ("Alliant SPE") (collectively the "Alliant Energy Companies").¹

¹ See Exhibit 9 for an Organization Chart of the Alliant Energy Companies involved.

I. SUMMARY OF FILING

Pursuant to Minn. R. 7829.1300, subp. 1, a one-paragraph summary of the filing is attached.

II. SERVICE

Pursuant to Minn. R. 7829.1300, subp. 2, IPL has served a copy of this Petition on the Office of Attorney General – Residential Utilities Division, the Minnesota Office of Energy Security (“OES”) and IPL’s general service list. The summary of the filing has been served on all parties on the attached service list.

III. GENERAL FILING INFORMATION

Pursuant to Minnesota Rule 7829.1300, subp. 4, IPL provides the following required information:

A. Name, Address, and Telephone Number of Utility:

Interstate Power and Light Company
200 First Street SE
P.O. Box 351
Cedar Rapids, Iowa 52406-0351
800.822.4348

B. Name, Address, and Telephone Number of the Attorney for the Utility:

Michael S. Greiveldinger
Alliant Energy Corporate Services, Inc.
4902 North Biltmore Lane
Madison, Wisconsin 53718-2148
608.458.3318

C. The Date of the Filing and Date Proposed Agreement will Take Effect.

This Petition is being filed on April 29, 2014. IPL requests approval of the agreements effective as of March 31, 2014, once approved by the Commission.

D. Statute Controlling Schedule for Processing the Filing.

This Petition is being submitted pursuant to Minn. Stat. § 216B.48, and Minn. Rule Part 7825.2200. These provisions do not establish an explicit time deadline for Commission action. Under Minn. Rule 7829.1400, initial comments are due within 30 days of filing, with replies due 10 days thereafter.

E. Signature and Title of the Utility Employee Responsible for the Filing:

Robyn Woeste
Regulatory Relations Manager
200 First Street SE
P.O. Box 351
Cedar Rapids, Iowa 52406-0351
319.786.4384

IV. DESCRIPTION AND PURPOSE OF FILING

A. History.

This petition relates to a program wherein IPL's receivables are sold to third parties ("Receivable Sales Program"). In 2000 and 2007, IPL filed with the Commission petitions for approval of agreements to implement a Receivable Sales Program, which the Commission approved, respectively, in a May 11, 2000, Order in Docket No. E,G-001-AI-00-162, and a February 4, 2008, Order in Docket No. E,G001/AI-07-530. Since that time, with only minor updating modifications to these core program documents, the Receivable Sales Program has been a success for IPL,

materially accelerating the receipt of cash collected from receivables and thereby reducing IPL's dependence on more costly sources of capital, all without recourse to IPL.

In 2010, IPL filed a petition with the Commission for approval of modifications to contracts related to the Receivable Sales Program. In an October 15, 2010, Order in Docket No. E,G001-/AI-10-413, the Commission denied the petition without prejudice, and requested that the issues related to the program be developed in IPL's then-pending rate case. The Commission approved the modified agreements in its August 12, 2011, *Findings of Fact, Conclusions and Order* in Docket No. E-001/GR-10-276 ("August 2011 Order"). In particular, the Commission provided at Order Point 12:

The Commission approves the modified affiliated-interest agreements relating to the Company's accounts receivable sales program as requested in Docket No. E,G-001/AI-10-413. The Company shall not recover any costs related to the accounts receivable sales program until it has demonstrated explicit, quantifiable net benefits for Minnesota customers.

As filed, the term of the affiliated agreements between the Alliant Energy Companies extended until March 31, 2012.

Based upon a March 29, 2012, amendment ("Amendment No. 2") to one of the agreements,—the Amended and Restated Receivables Purchase and Sale Agreement among Alliant SPE, Victory Receivables Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch ("BTMU"), and AECS ("Amended and Restated Receivables Purchase and Sale Agreement"),—the Receivable Sales Program term was effectively extended until March 31, 2014. IPL recently recognized that it did not file that extension with the Commission at that time and, if

and to the extent required, seeks retroactive approval of that extension as part of this petition. IPL notes, though, that consistent with the Commission's August, 2011, Order, IPL has not been recovering any costs related to the Receivable Sales Program from its Minnesota customers.

On March 31, 2014, the Receivable Sales Program was extended, with certain modifications, until March 31, 2016 ("Amendment No. 3"). That extension is the focus of this petition and for which IPL seeks approval.

B. Purpose and Background.

The purpose of the Receivable Sales Program is to enable IPL to accelerate the receipt of cash collected from receivables, thereby reducing IPL's dependence on more costly sources of long-term capital. Additionally, all such sales of receivables are made without recourse to IPL or AEC. To effectuate the Receivable Sales Program, certain affiliated transactions are necessary between IPL, AEC, AECS, Alliant SPE and IPL SPE (collectively "Alliant Energy Companies"). Effective April 1, 2010, the Alliant Energy Companies entered into a series of agreements that amended and restated IPL's Receivable Sales Program with BTMU ("Agent") and Victory ("Investor"). Among the agreements that make up the Receivable Sales Program are:

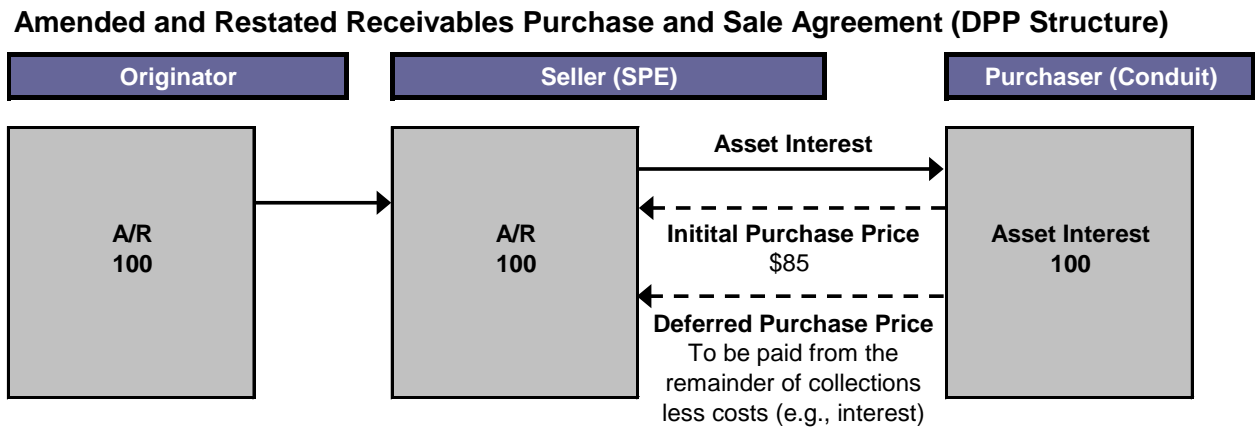
- Amended and Restated Receivables Sale Agreement among IPL, IPL SPE LLC, and AECS, as amended;
- Amended and Restated Receivables Purchase and Sale Agreement among IPL SPE LLC, Alliant SPE, and AECS, as amended;
- Amended and Restated Receivables Purchase and Sale Agreement among Alliant SPE, Victory, BTMU, and AECS, as amended; and

- Receivables Purchase and Sale Agreement among Alliant Energy SPE, BTMU, and AECS, as amended;
- Confirmation of and Amendment to Alliant Energy Agreement, and Alliant Energy Agreement, by AEC in favor of Victory and BTMU.
- Confirmation of IPL Account Agreement, and IPL Account Agreement, by IPL in favor of BTMU and Alliant SPE.

The Amended and Restated Receivables Purchase and Sale Agreement contains the Commitment Termination Date, which informs the term of the Receivable Sales Program, as a whole. As approved as part of the Commission's Order in Docket No. E-001/GR-10-276, the Receivable Sales Program was extended until March 31, 2012. The program was further extended in 2012 until March 31, 2014, and is extend again in 2014 until March 31, 2016.

Figure 1 conceptually highlights the structure of the receivable agreements. IPL, as originator, sells the interest in its accounts receivable to IPL SPE, who then sells those receivables to Alliant SPE. Alliant SPE sells its entire asset interest in its customer accounts receivables, unbilled revenue and certain other receivables ("Receivable Assets") to the bank conduit in exchange for an upfront capital payment representing a portion of the Receivable Assets, and a deferred payment that is payable out of the remainder of collections of those Receivable Assets less certain fees and expenses. AECS serves the role as Collection Agent for IPL under the agreements.

Figure 1. Example of Receivables Purchase and Sale Agreement Structure



C. Overview of the Modifications.

Amendment No. 3 to the Amended and Restated Receivables Purchase and Sale Agreement became effective on March 31, 2014, and has the effect of extending the term of the Receivable Sales Program until March 31, 2016, with an option to request an extension of the agreement 1 year on each anniversary date. Amendment No. 3 also provided IPL with a process to exclude IPL's Minnesota accounts from the program, in light of the proposed sale of IPL's Minnesota distribution assets. That amendment is provided as Exhibit 1.

D. Filing Requirements Pursuant to Docket No. E,G-999/CI-98-651.

IPL respectfully provides the following information in support of its Petition and as required under Minn. R. 7825.2200(B), and in compliance with the "Minimum Filing Requirements For All Affiliate Interest Filings" as set forth in the Commission's September 14, 1998, Order in Docket No. E,G-999/CI-98-651.

1. *A heading that identifies the type of transaction.*

Amended and Restated Receivables Purchase and Sale Agreement.

2. The identity of the affiliated parties in the first sentence.

The affiliated parties are party to the Amended and Restated Receivables Purchase and Sale Agreement are:

Alliant SPE; and
AECS.²

The affiliated parties are party to the Receivable Sales Program are:

IPL;
IPL SPE;
Alliant SPE;
AEC, and
AECS.

Also, see Exhibit 9 for an organizational chart of the Alliant Energy Companies that are party to the Receivable Sales Program.

3. A general description of the nature and terms of the agreement, including the effective date of the contract or arrangement and the length of the contract or arrangement.

The agreement that is the subject of this petition is the Amended and Restated Receivables Purchase and Sale Agreement among Alliant SPE, Victory, BTMU, and AECS that governs the final sale of Receivables Assets by Alliant SPE to BTMU, with AECS as the Collection Agent. That agreement is provided as Exhibit 1. While the public utility (IPL) is not a party to the Amended and Restated Receivables Purchase and Sale Agreement, that agreement contains the Commitment Termination Date, which informs the term of the Receivable Sales Program, as a whole.

² The public utility (IPL) is not a party to the Amended and Restated Receivables Purchase and Sale Agreement.

Amendment No. 1 to the Amended and Restated Receivables Purchase and Sale Agreement became effective on March 31, 2011, and had the effect of extending the term until March 31, 2012.

Amendment No. 2 to the Amended and Restated Receivables Purchase and Sale Agreement became effective on March 29, 2012, and had the effect of extending the term of the Receivable Sales Program until March 31, 2014. That amendment is provided as Exhibit 2.

Amendment No. 3 to the Amended and Restated Receivables Purchase and Sale Agreement became effective on March 31, 2014, and has the effect of extending the term of the Receivable Sales Program until March 31, 2016, with an option to extend the agreement one year on each anniversary date. Amendment No. 3 also provided IPL with a process to exclude IPL's Minnesota accounts from the program, in light of the proposed sale of IPL's Minnesota distribution assets. As noted above, that amendment is provided as Exhibit 1.

4. A list and the past history of all current contracts or agreements between the utility and the affiliate, the consideration received by the affiliate for such contracts or agreements, and a summary of the relevant cost records to these ongoing transactions.

i. IPL's Receivable Sales Program.

Past History. The Alliant Energy Companies entered into agreements related to the sale of receivables with the affiliated companies in 2007. The Commission approved those agreements in Docket No. E001/AI-07-530, in an Order dated February 4, 2008. In 2010, the program was extended to March 31, 2012, with certain modifications, which the Commission approved as part of the Commission's Order in Docket No. E-001/GR-10-276. In 2012,

the program was extended to March 31, 2014. This is the Receivable Sales Program for which IPL seeks approval to further extend in this petition.

Consideration Received. The modifications petitioned for herein do not alter the consideration received. The Receivable Sales Program is structured so that IPL's affiliates perform services in the ordinary course of business, and through the Master Services Agreement on file with the Commission and approved on June 14, 2013, in Docket No. E,G-001/AI-12-249, IPL is billed directly for all administrative costs incurred.

ii. IPL, Wisconsin Power and Light Company (“WPL”) and AECS Master Service Agreement.

Past History. IPL previously entered into a service company agreement with WPL and AECS on February 20, 2012. The Commission approved the Master Services Agreement on June 14, 2013, in Docket No. E,G-001/AI-12-249.

Consideration Received. IPL and WPL receive services from AECS at cost as described in the Master Services Agreement.

iii. IPL, WPL and AECS Service Coordination and Operating Agreement (“SCOA”).

Past History. IPL entered into a service coordination and operating agreement with WPL and AECS, to allow AECS to facilitate and coordinate IPL and WPL's generation, transmission, and distribution systems as an integrated and centrally dispatched system. The SCOA was approved by the Commission in Docket No. E001/07-1296.

Consideration Received. Costs associated with the SCOA are primarily labor costs and are governed by the Master Service Agreement.

5. *A descriptive summary of the pertinent facts and reasons why such contract or agreement is in the public interest.*

Amendment No. 3 extends and modifies the Amended and Restated Receivables Purchase and Sale Agreement. Beyond effectively extending the Receivable Sales Program, Amendment No. 3 does not change any of IPL's duties, obligations or responsibilities. Additionally, Amendment No. 3 does not create any more risk for IPL or its customers. It is IPL's continued belief that the Receivable Sales Program is in the public interest.

The primary alternatives to the Receivable Sales Program for IPL are the issuance of commercial paper backed by IPL's credit facility agreement, the issuance of long-term debt and equity infusions from AEC. The average amounts outstanding and their average cost rates are reflected in Table 1 below. Note that these comparable rates do not include facility fees, issuance costs and trustee fees, which are borne by the bank conduit in the receivables program and included in its overall fee rate.

Table 1: 2013 Pretax Cost of Capital (13-Month Average)

Class of Capital	Average Outstanding (\$mil)	Average Cost (%)	Average Other Fees (%)	Average Interest Cost (%)
Common Equity	\$1,593.3	17.65%	NA	17.65%
Long-Term Debt	1,346.0	5.76%	NA	5.76%
Preferred Stock	183.1	5.24%	NA	5.24%
Commercial Paper	45.2	0.3%	NA	0.3%
Average	\$3,167.6	11.63%	NA%	11.63%
AR Sales	105.9	0.22%	.79%	1.01%

IPL could replace the Receivable Sales Program through additional short-term borrowing by issuing commercial paper. Due to the historically low short-term interest rates, the costs of the program are higher than commercial paper rates. However, a key advantage of the Receivable Sales Program for IPL, as opposed to directly issuing commercial paper, is reduced availability risk. Directly issuing commercial paper creates the near-daily risk that the commercial paper markets will be disrupted without notice. In fact, following the September 15, 2008, Lehman Brothers bankruptcy, commercial paper markets were disrupted for several days and rates increased significantly. IPL was able to meet its short-term liquidity needs with commercial paper and the Receivable Sales Program during this period. In addition, recent Congressional debates over the nation's budget and the monetary policy of the Federal Reserve Board have disrupted the debt markets and have caused price volatility. The bank conduit to which IPL sells its Receivable Assets is responsible and more capable of managing the risk of disruptions to the short-term debt markets. Furthermore, the seasonal commitments reduce costs and better match IPL's receivable balances available for sale. In addition, the Receivable Sales Program provides an additional source of liquidity and allows IPL to maintain adequate liquidity with a \$300 million credit facility.

Alternatively, IPL could replace the Receivable Sales Program through additional long-term borrowings. The Receivable Sales Program has a substantial cost advantage over the issuance of long-term debt due to the substantial decline in short-term borrowing rates during the last 4 years versus long-term borrowing rates.

However, even when compared to shorter-term debt instruments, such as a floating rate note, IPL believes the Receivable Sales Program is more cost effective due principally to the higher credit quality and deeper liquidity underlying the receivables pool than an IPL issuance. The higher credit quality keeps the price of the program low even during times of price volatility.

In addition, IPL's ability to increase or decrease the funding level over time to match IPL's funding needs provides an advantage. This funding flexibility, in combination with IPL's credit facility, also provides a useful complement to long-term debt issuances. The flexibility allows IPL to issue long-term debt when its needs are large enough to offer at least \$250 million. By offering long-term debt issuances of at least \$250 million, IPL's public debt offerings become index eligible, lowering the interest rate offered on the long-term debt by providing for a broader investor base and greater after-market liquidity for the public debt offering.

As a result of all these factors, IPL continues to believe that the participation by IPL in its Receivable Sales Program is in the interest of customers.

The Commission's August 12, 2011, Order in Docket No. E-001/GR-10-276 provides that "The Company shall not recover any costs related to the accounts receivable sales program until it has demonstrated explicit, quantifiable net benefits for Minnesota customers." IPL reserves the right to present an analysis showing a quantifiable net benefit for Minnesota customers in a future rate case. In the interim, IPL proposes to continue the Receivable Sales Program without recovering costs related to the program from its Minnesota customers.

6. The amount of compensation and, if applicable, a brief description of the cost allocation methodology or market information used to determine cost or price.

The compensation and cost allocation methodology between affiliates has not been altered by the modification petitioned for herein.

7. If the service or good acquired from an affiliate is competitively available, an explanation must be included stating whether competitive bidding was used and, if it was used, a copy of the proposal or a summary must be included. If it is not competitively bid, an explanation must be included stating why bidding was not used.

The affiliated agreement to which IPL is a party is the Receivables Purchase and Sale Agreement among IPL, IPL SPE, and AECS. The services acquired from the IPL affiliates under the Receivable Sales Program are administrative in nature and there is no readily available market able to perform collection services provided by IPL's affiliates. Therefore, IPL did not use competitive bidding for the administrative services. The amendment petitioned for herein does not alter the terms of the agreements between IPL and its affiliates. The administrative costs remain covered under the Master Services Agreement approved by the Commission on June 14, 2013, in Docket No. E,G-001/AI-12-249. AECS continues to directly bill IPL for all costs incurred.

8. If the arrangement is in writing, a copy of that document must be attached.

A copy of Amendment No. 3 to the Amended and Restated Receivables Purchase and Sale Agreement is provided as Exhibit 1.

A copy of Amendment No. 2 to the Amended and Restated Receivables Purchase and Sale Agreement is provided as Exhibit 2.

Copies of the following agreements, which are among those that make up the Receivable Sales Program, are provided as identified:

Exhibit 3: Amended and Restated Receivables Purchase and Sale Agreement among Alliant SPE, Victory, BTMU, and AECS, as amended

Exhibit 4: Receivables Purchase and Sale Agreement among Alliant SPE, BTMU, and AECS, as amended;

Exhibit 5: Amended and Restated Receivables Purchase and Sale Agreement among IPL SPE LLC, Alliant SPE, and AECS, as amended;

Exhibit 6: Amended and Restated Receivables Sale Agreement among IPL, IPL SPE LLC, and AECS, as amended;

Exhibit 7: Confirmation of and Amendment to Alliant Energy Agreement, and Alliant Energy Agreement, by AEC in favor of Victory; and

Exhibit 8: Confirmation of IPL Account Agreement, and IPL Account Agreement, by IPL in favor of BTMU and Alliant SPE.

9. Whether, as a result of the affiliate transaction, the affiliate would have access to customer information, such as customer name, address, usage or demographic information.

The affiliate transaction and the modifications petitioned for herein do not allow IPL SPE, Alliant SPE, AEC, or AECS to have access to IPL's customer information.

10. The filing must be verified.

Exhibit 10 provides a verification of the filing.

WHEREFORE, IPL respectfully requests that the Commission approve the amendments and modifications to the agreement with affiliates related to the sale of accounts receivable. IPL requests an effective date of March 31, 2014, for the extension and modification of the Receivable Sales Program.

Dated this 29th day of April, 2014.

Respectfully submitted,

INTERSTATE POWER AND LIGHT COMPANY

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