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AES CORP
Form 35-CERT
May 31, 2005

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**UNITED STATES OF AMERICA
BEFORE THE
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

The AES Corporation

)
Certificate Pursuant to Rule 24 and Release No. 35-27363
Under the Public Utility Holding Company Act of 1935

File No. 70-9779

On March 23, 2001, the Securities and Exchange Commission ("SEC") issued an order, Release No. 35-27363 in File No. 70-9779 ("Exemption Order"), granting an exemption under Section 3(a) of the Public Utility Holding Company Act of 1935, as amended, to The AES Corporation ("AES") in relation to its proposed acquisition of IPALCO Enterprises, Inc. ("IPALCO"), which has a public-utility subsidiary company, Indianapolis Power & Light Company ("IPL"). The Exemption Order required AES to file certain certificates (as described in the Exemption Order) under Rule 24 within 60 days of the close of each calendar quarter for a period of two years beginning March 31, 2001 and every six months thereafter. A certificate complying with the Exemption Order is set forth below (as an attachment) for the period ending March 31, 2005.

Respectfully submitted,

/s/ EARLE H. O'DONNELL

Earle H. O'Donnell
Andrew B. Young
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1775 Pennsylvania Avenue, N.W.
Washington, D.C. 20006

Dated: May 31, 2005

The AES Corporation
SEC Filing Pursuant to Section 3(a)(5) Exemption Order
Period Ended March 31, 2005

Item (1) per Exemption Order (statements attached):

- 1) Pro Rata Consolidated Statement of Operations of The AES Corporation for the 12 months ended March 31, 2005
- 2) Pro Rata Consolidated Balance Sheet of The AES Corporation at March 31, 2005
- 3) Statement of Consolidated Income of IPALCO for the 12 months March 31, 2005
- 4) Statement of Income of IPL for the 12 months ended March 31, 2005
- 5) Consolidated Balance Sheet of IPALCO at March 31, 2005
- 6) Balance Sheet of IPL at March 31, 2005

THE AES CORPORATION

CONSOLIDATED STATEMENT OF OPERATIONS
(INCLUDES IPALCO)
FOR THE TWELVE MONTHS ENDED MARCH 31, 2005
PRO RATA BASIS(1)
(Unaudited)

	Twelve Months Ended
	3/31/2005
	(\$ in millions)
REVENUES:	
Sales and services	\$ 7,081
OPERATING COSTS AND EXPENSES:	
Cost of sales and services	4,925
Selling, general and administrative expenses	169
Total operating costs and expenses	5,094
OPERATING INCOME	1,987
OTHER INCOME AND (EXPENSE):	
Interest expense, net	(1,318)
Other income (expense), net	57
Foreign currency transaction losses	(122)
INCOME BEFORE INCOME TAXES	604
Income tax (benefit) expense	179
INCOME FROM CONTINUING OPERATIONS	425
Income from operations of discontinued components (net of income taxes)	46
NET INCOME	\$ 471

(1)

In accordance with the analysis used in the order requiring filing of this certificate, this table is calculated on a proportional consolidation basis whereby AES' subsidiaries are included by multiplying each applicable line item from the statement of operations of each AES subsidiary times AES' percentage ownership interest in such subsidiary.

THE AES CORPORATION

CONSOLIDATED BALANCE SHEET
(INCLUDES IPALCO)
MARCH 31, 2005
(\$ in millions, unaudited)

ASSETS**Current Assets:**

Cash and cash equivalents	\$ 1,555
Restricted cash	334
Short-term investments	57
Accounts receivable, net of reserves	1,547
Inventory	413
Deferred income taxes - current	193
Prepaid expenses	116
Other current assets	681
	<hr/>
Total current assets	4,896

Property, Plant and Equipment:

Land	783
Electric generation and distribution assets	22,463
Accumulated depreciation and amortization	(5,530)
Construction in progress	1,107
	<hr/>
Property, plant and equipment, net	18,823

Other Assets:

Deferred financing costs - net	496
Investments in and advances to affiliates	684
Debt service reserves and other deposits	678
Goodwill - net	1,422
Deferred income taxes - noncurrent	798
Other assets	1,866
	<hr/>
Total other assets	5,944

Total assets	\$ 29,663
	<hr/>

THE AES CORPORATION

CONSOLIDATED BALANCE SHEET
(INCLUDES IPALCO)
MARCH 31, 2005
(\$ in millions, unaudited)

LIABILITIES & STOCKHOLDERS' EQUITY**Current liabilities:**

Accounts payable	\$ 1,106
Accrued interest	409
Accrued and other liabilities	1,686
Recourse debt current portion	146
Non-recourse debt current portion	1,748

Total current liabilities	5,095
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Long-term Liabilities:

Recourse debt	5,016
Non-recourse debt	11,435
Deferred income taxes	729
Pension liabilities and other-post retirement liabilities	869
Other long-term liabilities	3,108

Total long-term liabilities	21,157
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Minority interest	1,663
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Stockholders' Equity:

Common stock \$.01 par value 1,200 million shares authorized, 653 million shares issued and outstanding	7
Additional paid-in capital	6,368
Accumulated deficit	(680)
Accumulated other comprehensive loss	(3,947)

Total stockholders' equity	1,748
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Total	\$ 29,663
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IPALCO ENTERPRISES, INC. and SUBSIDIARIES
Consolidated Statement of Income
(\$ In Thousands)
(Unaudited)

For the Twelve Months Ended March 31, 2005

ELECTRIC UTILITY OPERATING REVENUES \$ 897,006

UTILITY OPERATING EXPENSES:

Operation:

Fuel 192,302

Other operating expenses 136,597

Power purchased 16,694

Maintenance 76,236

Depreciation and amortization 129,629

Taxes other than income taxes 34,978

Income taxes net 95,242

Total operating expenses 681,678

UTILITY OPERATING INCOME 215,328

OTHER INCOME AND (DEDUCTIONS):

Allowance for equity funds used during construction 1,396

Loss on sales of assets, net (2)

Other net (2,878)

Income tax benefit net 28,191

Total other income (deductions) net 26,707

INTEREST AND OTHER CHARGES:

Interest on long-term debt 112,922

Other interest 604

Allowance for borrowed funds used during construction (1,563)

Amortization of redemption premiums and expense on debt-net 2,683

Preferred dividends of subsidiary 3,213

Total interest and other charges net 117,859

NET INCOME \$ 124,176

INDIANAPOLIS POWER & LIGHT COMPANY
Statement of Income
(\$ In Thousands)
(Unaudited)

For the Twelve Months Ended March 31, 2005

OPERATING REVENUES	\$ 897,006
OPERATING EXPENSES:	
Operation:	
Fuel	192,302
Other	136,597
Power purchased	16,694
Maintenance	76,236
Depreciation and amortization	129,629
Taxes other than income taxes	34,978
Income taxes net	95,242
	<hr/>
Total operating expenses	681,678
	<hr/>
OPERATING INCOME	215,328
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OTHER INCOME AND (DEDUCTIONS):	
Allowance for equity funds used during construction	1,396
Loss on sales of assets net	(2)
Miscellaneous income and (deductions) net	(1,102)
Income taxes applicable to nonoperating income	1,290
	<hr/>
Total other income and (deductions) net	1,582
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INTEREST AND OTHER CHARGES:	
Interest on long-term debt	49,170
Other interest	607
Allowance for borrowed funds used during construction	(1,563)
Amortization of redemption premium and expense on debt net	1,611
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Total interest and other charges net	49,825
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NET INCOME	167,085
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PREFERRED DIVIDEND REQUIREMENTS	3,213
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INCOME APPLICABLE TO COMMON STOCK	\$ 163,872
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IPALCO ENTERPRISES, INC. and SUBSIDIARIES
Consolidated Balance Sheet
(\$ In Thousands)
(Unaudited)

	March 31, 2005
ASSETS	
UTILITY PLANT:	
Utility plant in service	\$ 3,424,936
Less accumulated depreciation	1,380,256
Utility plant in service net	2,044,680
Construction work in progress	102,141
Property held for future use	1,085
Utility plant net	2,147,906
OTHER ASSETS:	
Nonutility property at cost, less accumulated depreciation	1,496
Other investments	8,461
Other assets net	9,957
CURRENT ASSETS:	
Cash and cash equivalents	6,121
Short term investments	41,900
Accounts receivable and unbilled revenue (less allowance for doubtful accounts of \$2,575)	49,191
Fuel at average cost	18,864
Materials and supplies at average cost	51,552
Prepayments and other current assets	6,741
Total current assets	174,369
DEFERRED DEBITS:	
Regulatory assets	133,026
Miscellaneous	31,973
Total deferred debits	164,999
TOTAL	\$ 2,497,231

IPALCO ENTERPRISES, INC. and SUBSIDIARIES
Consolidated Balance Sheet
(\$ In Thousands)
(Unaudited)

	<u>March 31, 2005</u>
CAPITALIZATION AND LIABILITIES	
CAPITALIZATION:	
Common shareholder's deficit:	
Premium on 4% cumulative preferred stock	\$ 649
Paid in capital	961
Accumulated deficit	(73,429)
Accumulated other comprehensive loss	(51,418)
	<hr/>
Total common shareholder's deficit	(123,237)
Cumulative preferred stock of subsidiary	59,135
Long-term debt (less current maturities and sinking fund requirements)	1,502,062
	<hr/>
Total capitalization	1,437,960
	<hr/>
CURRENT LIABILITIES:	
Accounts payable	35,881
Accrued expenses	18,231
Dividends payable	803
Accrued real estate and personal property taxes	20,031
Accrued income and other taxes	34,874
Accrued interest	38,749
Customer deposits	12,312
Other current liabilities	4,237
	<hr/>
Total current liabilities	165,118
	<hr/>
DEFERRED CREDITS AND OTHER LONG-TERM LIABILITIES:	
Accumulated deferred income taxes net	352,681
Regulatory liabilities and other removal costs	388,661
Unamortized investment tax credit	24,803
Accrued postretirement benefits	7,215
Accrued pension benefits	108,994
Miscellaneous	11,799
	<hr/>
Total deferred credits and other long-term liabilities	894,153
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TOTAL	\$ 2,497,231
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INDIANAPOLIS POWER & LIGHT COMPANY
Balance Sheet
(\$ In Thousands)
(Unaudited)

	March 31, 2005
ASSETS	
UTILITY PLANT:	
Utility plant in service	\$ 3,424,936
Less accumulated depreciation	1,380,256
Utility plant in service net	2,044,680
Construction work in progress	102,141
Property held for future use	1,085
Utility plant net	2,147,906
OTHER PROPERTY	
At cost, less accumulated depreciation	2,509
CURRENT ASSETS:	
Cash and cash equivalents	5,185
Short term investments	40,600
Accounts receivable and unbilled revenue (less allowances for doubtful accounts of \$2,561)	49,120
Fuel at average cost	18,864
Materials and supplies at average cost	51,552
Prepayments and other current assets	6,741
Total current assets	172,062
DEFERRED DEBITS:	
Regulatory assets	133,026
Miscellaneous	25,429
Total deferred debits	158,455
TOTAL	\$ 2,480,932

INDIANAPOLIS POWER & LIGHT COMPANY
Balance Sheet
(\$ In Thousands)
(Unaudited)

March 31, 2005

CAPITALIZATION AND LIABILITIES

CAPITALIZATION:

Common shareholder's equity:	
Common stock	\$ 324,537
Premium on 4% cumulative preferred stock	2,642
Paid in capital	961
Retained earnings	351,559
Accumulated other comprehensive loss	(51,415)
Total common shareholder's equity	628,284
Cumulative preferred stock	59,135
Long-term debt	752,062
Total capitalization	1,439,481

CURRENT LIABILITIES:

Accounts payable	35,881
Accrued expenses	17,971
Dividends payable	803
Accrued real estate and personal property taxes	20,028
Accrued income taxes	45,504
Accrued interest	14,632
Customer deposits	12,312
Other current liabilities	1,075
Total current liabilities	148,206

DEFERRED CREDITS AND OTHER LONG-TERM LIABILITIES:

Accumulated deferred income taxes net	351,773
Regulatory liabilities and other removal costs	388,661
Unamortized investment tax credit	24,803
Accrued postretirement benefits	7,215
Accrued pension benefits	108,994
Miscellaneous	11,799
Total deferred credits and other long-term liabilities	893,245

TOTAL	\$ 2,480,932
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Item (2) per Exemption Order (Income Statement Amounts are 12 months ended):

**IPL Contributions To
AES/IPALCO Consolidated Holding Company
(Pro Rata Consolidation Basis(1))
(\$MM)**

	12 Mos. ended 3/31/04	12 Mos. ended 3/31/05
Gross Revenues(2)	10.06%	12.67%
IPL	827	897
IPALCO (excluding IPL)	0	0
AES	7,396	6,184
AES/IPALCO	8,223	7,081
Operating Income	12.46%	15.65%
IPL	279	311
IPALCO (excluding IPL)	0	0
AES	1,961	1,676
AES/IPALCO	2,240	1,987
Net Income (Loss)	(31.70%)	34.82%
IPL	142	164
IPALCO (excluding IPL)	(40)	(40)
AES	(550)	347
AES/IPALCO	(448)	471
Net Assets	8.40%	8.42%
IPL	2,497	2,481
IPALCO (excluding IPL)	16	16
AES	27,221	27,166
AES/IPALCO	29,734	29,663

(1) In accordance with the analysis used in the order requiring filing of this certificate, the AES line items in this table are calculated on a proportional consolidation basis whereby AES' subsidiaries are included by multiplying each applicable line item from the statement of operations or balance sheet, as applicable, of each AES subsidiary times AES' percentage ownership interest in such subsidiary.

(2) Gross business revenues (utility and non-utility) of IPALCO combined as a percentage of total gross business revenues (including IPALCO/IPL, utility and non-utility) of AES.

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Item (3) per Exemption Order Generation Information:

AES Generating Plants in Operation at March 31, 2005 (excluding IPALCO):

Unit	Country	Capacity (rounded) (MW)	AES Interest (rounded) (%)	AES Equity (rounded) (MW)	Regulatory Status
Deepwater	USA	160	100	160	QF
Beaver Valley	USA	125	100	125	QF
Placerita	USA	120	100	120	QF
Thames	USA	181	100	181	QF
Shady Point	USA	320	100	320	QF
Hawaii	USA	203	100	203	QF
Warrior Run	USA	180	100	180	QF
Somerset	USA	675	100	675	EWG
Cayuga	USA	306	100	306	EWG
Greenidge	USA	161	100	161	EWG
Westover	USA	126	100	126	EWG
Alamitos	USA	1,986	100	1,986	EWG
Redondo Beach	USA	1,334	100	1,334	EWG
Huntington Beach	USA				