FORM DEF 14C

Definitive information statements

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INDIANAPOLIS POWER & LIGHT CO

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Business Address
25 MONUMENT CIRCLE
P O BOX 1595
INDIANAPOLIS IN 46206-1595
3172618261

SCHEDULE 14C INFORMATION
Information Statement Pursuant to Section 14(c) of the Securities Exchange Act of 1934 (Amendment No.)

Check the appropriate box:
( ) Preliminary Information Statement
(XX) Definitive Information Statement

Indianapolis Power & Light Company
....
(Name of Registrant As Specified In Charter)

Indianapolis Power & Light Company
....
(Name of Person(s) Filing the Information Statement)

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....

2) Aggregate number of securities to which transaction applies:

....

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11: 1

....

4) Proposed maximum aggregate value of transaction:

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....

4) Date Filed:
....

IPL

INDIANAPOLIS POWER & LIGHT COMPANY
25 Monument Circle
P.O. Box 1595
Indianapolis, Indiana 46206-1595

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD APRIL 20, 1994

TO THE SHAREHOLDERS OF
INDIANAPOLIS POWER & LIGHT COMPANY

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of Indianapolis Power & Light Company will be held at the office of the Company, 25 Monument Circle, Indianapolis, Indiana on Wednesday, April 20, 1994, at 10 o'clock A.M. (Eastern Standard Time), for the following purposes:

1. To elect seventeen (17) directors to hold office for terms of one year each and until their successors are duly elected and qualified; and

2. To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors has fixed the close of business on Tuesday, March 8, 1994, as the record date for determining the shareholders entitled to notice of, and to vote at, the meeting and at any adjournment thereof.

Proxies will not be solicited for this meeting and you are requested not to send us a proxy. Shareholders are welcome to attend the meeting in person and cast their votes by ballot on the issues presented at the meeting.

By order of the Board of Directors.

INDIANAPOLIS POWER & LIGHT COMPANY
By: MARCUS E. WOODS, Secretary

Indianapolis, Indiana
March 17, 1994

INDIANAPOLIS POWER & LIGHT COMPANY

INFORMATION STATEMENT

TABLE OF CONTENTS

INDIANAPOLIS POWER & LIGHT COMPANY

INFORMATION STATEMENT
Relating to the
Annual Meeting of Shareholders
April 20, 1994
(Mailed on or about March 18, 1994)

GENERAL INFORMATION

The following information is furnished in connection with the Annual Meeting of Shareholders of Indianapolis Power & Light Company (``IPL'') to be held pursuant to the accompanying Notice of Annual Meeting and at any adjournment of such meeting.

At the close of business on December 31, 1983, IPL became a subsidiary of IPALCO Enterprises, Inc. (``IPALCO'') and, at that time, all outstanding shares of IPL Common Stock were exchanged for Common Stock of IPALCO and all Common shareholders of IPL became Common shareholders of IPALCO. As a result, IPALCO owns all 17,206,630 outstanding shares of IPL's Common Stock. However, there remains outstanding 518,985 shares of IPL's

Cumulative Preferred Stock.

Since IPALCO's ownership represents more than 94% of the total votes that could be cast for the election of directors and shareholders do not have cumulative voting rights, the Board of Directors considered it inappropriate to solicit proxies for IPL's Annual Meeting of Shareholders to be held April 20, 1994. Please be advised, therefore, that this is only an Information Statement. WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY. However, if you wish to vote your shares of Cumulative Preferred Stock, you may do so by attending the meeting in person and casting your vote by a ballot which will be provided for that purpose.

OTHER BUSINESS

Management is not presently aware of any business to be presented at the Annual Meeting other than the election of directors. The minutes of the Annual Meeting of Shareholders held April 21, 1993 will be presented for approval at the 1994 Annual Meeting; however, such action is not intended to constitute approval or disapproval of any matter referred to in such minutes.

RELATIONSHIP WITH AUDITOR

Deloitte & Touche (the ``Auditor'') with offices at Market Tower, Suite 3000, 10 West Market Street, Indianapolis, Indiana, has been the auditor for IPL since the year 1952, and was appointed by the Board of IPALCO upon recommendation of the Audit Committee to serve as such during the current year. A representative of the Auditor will be present at the Annual Meeting of Shareholders on April 20, 1994, and will be given an opportunity to make a statement and to respond to appropriate questions from shareholders.

VOTING SECURITIES AND BENEFICIAL OWNERS

On February 10, 1994, IPL had outstanding 17,206,630 shares of Common Stock and 518,985 shares of Cumulative Preferred Stock issued in six (6) separate series. Each share of Cumulative Preferred Stock entitles its owner to two (2) votes, and each share of Common Stock entitles its owner to one (1) vote upon each matter to come before the meeting. Only shareholders of record at the close of business on Tuesday, March 8, 1994, will be entitled to vote at the meeting or at any adjournment thereof.

<TABLE>

At February 10, 1994, the following beneficial owners held more than 5% of a class of IPL's voting securities:

<CAPTION>

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
<S>	<C>	<C>	<C>
Common Stock	IPALCO Enterprises, Inc. 25 Monument Circle Indianapolis, IN 46204	17,206,630 shares	100

</TABLE>

At February 10, 1994, none of the directors, executive officers or nominees for director of IPL beneficially owned equity securities of IPL.

DIRECTORS AND NOMINEES

Election of Seventeen Directors

At a meeting of the Board held January 25, 1994 the By-Laws were amended effective April 20, 1994 to reduce Board membership from 18 to 17 and to approve 17 nominees for election as directors of IPL at its Annual Meeting of Shareholders to be held April 20, 1994 for terms of one year each and until their successors are duly elected and qualified. All nominees currently are members of the Board and all nominees have consented to serve if elected. The nominees for director and the names, ages, (as of April 20, 1994), job experience and directorships of such nominees are as follows:

Joseph D. Barnette, Jr., 54, Chairman and Chief Executive Officer of Banc One Indiana Corporation (a bank holding company) since January, 1993 and President and Chief Executive Officer of Bank One, Indianapolis, NA since July, 1990. Prior to that, Mr. Barnette was President and Chief Executive Officer of Banc One Indiana Corporation (January, 1990 - July, 1990) and President and Chief Operating Officer of Bank One, Indianapolis, NA (January, 1982 - January, 1990). He is a director of IPALCO, IWC Resources Corporation, Indianapolis Water Company and Meridian Insurance Group, Inc. He has been a director of IPL since January, 1993.

Robert A. Borns, 58, Chairman of Borns Management Corporation (real estate management), Indianapolis, Indiana. Mr. Borns has held his present position since 1961 and serves on numerous social and cultural boards, including the Board of Trustees of Indianapolis Museum of Art. He is also a director of IPALCO and of Heritage Partners Management, Inc. He has been a director of IPL since April, 1986 (excluding the period March 15 to August 23, 1993).

Mitchell E. Daniels, Jr., 45, President, North American Pharmaceutical Operations, Eli Lilly and Company (pharmaceutical manufacturers), Indianapolis, Indiana since April 1, 1993. Prior to that time, he was Vice President, Corporate Affairs of Eli Lilly and Company and President and Chief Executive Officer of Hudson Institute, Inc. (March, 1987 to August, 1990). He is a director of IPALCO and NBD Bank, N.A. and has been a director of IPL since November, 1989).

Rexford C. Early, 59, President of Carlisle Insurance Agency, Inc., Indianapolis, Indiana, a position he has held for more than five years. Mr. Early was Chairman of the Indiana Republican Party from March, 1991 to March, 1993. He is a director of IPALCO and has been a director of IPL since August, 1993.

Otto N. Frenzel III, 63, Chairman of the Board of National City Bank, Indiana Indianapolis, Indiana. Mr. Frenzel has held his present position since 1992. For more than 5 years prior to that time, Mr. Frenzel was Chairman of the Board of Merchants National Corporation and Vice Chairman of

Merchants National Bank & Trust Company of Indianapolis, Indiana. He is a director of IPALCO, National City Corporation, American United Life Insurance Company, Indiana Energy, Inc., Indiana Gas Company, Inc., Indianapolis Water Company, Baldwin & Lyons, Inc. and IWC Resources, Inc. He has been a director of IPL since April, 1977.

Max L. Gibson, 53, Retired July, 1989. For more than five years prior to retirement, Mr. Gibson was President of Victory Services Corporation (waste disposal), Terre Haute, Indiana. He is a director of IPALCO, First Financial Corporation, Terre Haute First National Bank and First State Bank of Clay County. He has been a director of IPL since August, 1993.

Edwin J. Goss, 67, For more than five years prior to his retirement in March, 1990, Mr. Goss was the Chairman and Chief Executive Officer of American States Insurance Company and its subsidiaries, Indianapolis, Indiana. Mr. Goss continues as a director of these companies. He also is a director of IPALCO, National City Bank, Indiana and has been a director of IPL since April, 1985 (excluding the period March 15 to August 23, 1993).

Dr. Earl B. Herr, Jr., 66, For more than five years prior to his retirement in December, 1992, Dr. Herr was Executive Vice President of Eli Lilly and Company (pharmaceutical manufacturers), Indianapolis, Indiana. He is a director of IPALCO and Lilly Endowment and has been a director of IPL since April, 1986 (excluding the period March 15 to August 23, 1993).

John R. Hodowal, 49, Chairman of the Board and President of IPALCO and Chairman of the Board and Chief Executive Officer of IPL. Except for the Chairmanship of IPL which he assumed in February, 1990, Mr. Hodowal has held his current positions since May, 1989. For some years prior to that time, he was Vice President and Treasurer of IPALCO and Executive Vice President of IPL. He is a director of IPALCO, Bank One, Indianapolis, NA and Associated Insurance Companies, Inc. He has been a director of IPL since April, 1984.

Ramon L. Humke, 61, Vice Chairman of IPALCO and President and Chief Operating Officer of IPL. Prior to February, 1990 when he assumed his present position with IPL, Mr. Humke was President and Chief Executive Officer of Ameritech Services and Senior Vice President of Ameritech Bell Group (September, 1989 - February, 1990) and President and Chief Executive Officer of Indiana Bell Telephone Company (October, 1983 - September, 1989). He is a director of IPALCO, NBD Bank, N.A., LDI Management, Inc. and is Chairman of the Boards of Meridian Mutual Insurance Company and Meridian Insurance Group, Inc. He has been a director of IPL since February, 1990.

Sam H. Jones, 66, President, Indianapolis Urban League, Inc., Indianapolis, Indiana. Mr. Jones has held his present position for more than 5 years and serves on numerous educational, social and cultural boards, including the Advisory Board of Indiana-Purdue University at Indianapolis, Methodist Health Foundation, Board of One Hundred Black Men of Indianapolis and the Administrative Board of Riverside Park United Methodist Church. He is a director of IPALCO and has been a director of IPL since June, 1983.

Andre B. Lacy, 54, General Partner and Chief Executive of LDI, Ltd. (an industrial and investment limited partnership), Chairman of the Board, Chief Executive Officer and President of LDI Management, Inc., the managing general partner of LDI, Ltd., and Chairman and Chief Executive Officer of all subsidiaries and divisions thereof. He has held his present positions for more than 5 years. He is a director of IPALCO, Ethyl Corporation, Tredegar Industries, Inc., First Colony Corporation, Patterson Dental Co. and The National Bank of Indianapolis. He has been a director of IPL since April, 1987.

L. Ben Lytle, 47, President and Chief Executive Officer, Associated Insurance Companies, Inc. (insurance and financial services), Indianapolis, Indiana. He assumed his present position in March, 1989. He is a director of IPALCO, Bank One, Indianapolis, NA and Associated Insurance Companies, Inc. and its subsidiaries. He has been a director of IPL since April 1992.

Michael S. Maurer, 51, Chairman of the Board of MyStar Communications Corporation (radio station operations), a position he has held for more than five years. He is also President and Chief Executive Officer of Maurer/Shaw Productions, Inc. (theatrical film producer) since January, 1989 and of IBJ Corporation (newspaper publisher) since December, 1990. He is also Chairman of the Board of The National Bank of Indianapolis since December, 1993. Mr. Maurer is President of the Indianapolis Zoo and is on the boards of various organizations including the Jewish Community Relations Council, University of Indianapolis and United Way of Central Indiana. He has been a director of IPALCO and IPL since January, 1993.

Thomas M. Miller, 64, Chairman of the Board and Chief Executive Officer of NBD Indiana, Inc. (a bank holding company) and NBD, N.A., Indianapolis, Indiana, positions he has held in these and predecessor companies for more than 5 years. Mr. Miller is a director of IPALCO, NBD Indiana, Inc., NBD Bancorp, Inc., NBD Bank, N.A., State Life Insurance Company, Indianapolis Water Company and IWC Resources, Inc. He has been a director of IPL since April, 1992.

Sallie W. Rowland, 61, Chairman and Chief Executive Officer of The Rowland Associates, Inc. (a design and space planning firm), Indianapolis, Indiana, positions she has held for more than 5 years. Mrs. Rowland serves on various community boards including The Indianapolis Chamber of Commerce of which she is Vice Chairman. She is a director of IPALCO, NBD Bank, N.A. and Meridian Mutual Insurance Company and is a member of the Advisory Board of Walker Research. She has been a director of IPL since April, 1988.

Thomas H. Sams, 52, President and Chief Executive Officer, Waldemar Industries, Inc. (an investment holding company), Indianapolis, Indiana and an officer of various subsidiary and affiliated corporations thereof. Mr. Sams has held these positions since 1966. He is a director of IPALCO, NBD Bank, N.A. and State Life Insurance Company. He has been a director of IPL since April, 1986.

Vote Required For Election of Directors

Under Indiana law, directors are elected by plurality vote at a meeting where a quorum (a majority of shares issued and outstanding) is present. Shares represented for any purpose are deemed present for quorum purposes; thus, withheld votes are counted for quorum purposes but abstentions and broker non-votes are not counted for any purpose.

Procedure To Propose Nominees For Director

IPL will accept timely recommendations by shareholders of proposed nominees for director who reside in IPL's service area. All such proposals must be received by IPL's Corporate Secretary not later than January 2 of any year for consideration at that year's Annual Meeting of Shareholders. The Executive Committee will review nominees proposed by shareholders in the same manner as other proposed nominees.

Number of Board Meetings and Attendance

Each director of IPL is elected for a term of one year and until his or her successor is duly elected and qualified. During the year 1993, the Board of Directors of IPL held 12 meetings. Its Executive Committee and Audit Committee held a total of 7 meetings. All directors attended, in the aggregate, Board meetings and assigned Committee meetings more than 75% of the time except Mr. Lytle who attended such meetings 73.3% of the time. On average, directors attended Board and Committee meetings more than 92% of the time.

Committees of the Board

The Board of Directors of IPL has two standing committees, the Executive Committee and the Audit Committee. There is no nominating committee, as such; however, the Executive Committee substantially performs the functions of such committee. It reviews the qualifications and suitability of candidates to stand for election to IPL's Board of Directors and recommends nominees to the Board. In addition, the Executive Committee considers and recommends the declaration of dividends and acts on matters when the full Board is not in session. The Executive Committee held 4 meetings in 1993 and is currently composed of Mr. Zane G. Todd, Chairman, and Messrs. Otto N. Frenzel III, Earl B. Herr, Jr., John R. Hodowal, Ramon L. Humke and Sam H. Jones, members.

The Audit Committee reviews the scope of the audit, examines the auditor's reports, makes appropriate recommendations to the Board of Directors as a result of such review and examination, and inquires into the effectiveness of the financial and accounting functions and controls. The Audit Committee first approves all non-audit services and gives appropriate consideration to the effect, if any, they may have on the independence of the auditor; except that management advisory and tax services, which do not exceed $50,000 per project or $150,000 in the aggregate per calendar year, may be approved by the Chairman of the Board without such Committee's consent. The Audit Committee held 3 meetings in 1993 and is currently made up of Mr. Edwin J. Goss, Chairman, and Mrs. Sallie W. Rowland and Messrs. Joseph D. Barnette, Jr., Robert A. Borns, Rexford C. Early, Andre B. Lacy, L. Ben Lytle and Thomas M. Miller, members.

Certain Business Relationships

During the year 1993, Acordia, Inc. (``Acordia'') and Anthem Companies, Inc. (``Anthem'') administered health care programs for IPALCO and its subsidiaries, including IPL, under contracts that involve payments to Acordia and Anthem aggregating approximately $14 Million. Mr. Lytle is Chairman and Chief Executive Officer of Acordia and Anthem, which are subsidiaries of Associated Insurance Companies, Inc. of which Mr. Lytle also is President and Chief Executive Officer.

IPL maintained a line of credit during 1993 with National City Bank, Indiana (``NCB'') of which Mr. Frenzel is Chairman of the Board. (Unutilized credit lines also were maintained by IPL with Bank One, Indianapolis, NA and NBD Bank, N.A.) During the year 1993, IPL utilized $13 Million of its $30 Million line of credit with NCB.

COMPENSATION OF EXECUTIVE OFFICERS

Nature and Types of Compensation

The series of tables that follow on succeeding pages disclose all plan and non-plan compensation awarded to, earned by, or paid to the Chairman of the Board and Chief Executive Officer (``CEO'') and to the four named executive officers other than the CEO who are the most highly compensated key policy-making executive officers of IPL, each of whose total annual salary and bonus exceeded $100,000 for the year 1993. The tables include a Summary Compensation Table (Table I), a table showing Option/SAR Grants in Last Fiscal Year (Table II), an Aggregate Option/SAR Exercises and Fiscal Year-End Option/SAR Value Tables (Table III) and a table concerning Long-Term Incentive Plans - Awards in Last Fiscal Year (Table IV).

<TABLE>

SUMMARY COMPENSATION TABLE

<CAPTION>

		Annual Compensation			Long-Term Compensation Awards	Long-Term Compensation Payouts	
Name and Principal Position	Year	Salary ($)	Bonus ($)	Other Annual Compensation<F1> ($)	Securities Underlying Options/SARs<F2> (#)	LTIP Payouts<F3> ($)	All Other Compensation<F4> ($)
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
John R. Hodowal	1991	$ 362,500	$ 172,112	$ 19,225	-0-	-0-	$ 8,455
Chairman & CEO	1992	420,907<F5>	165,994	24,134	15,000	$48,800	9,389
	1993	424,459	209,672	45,851	105,000	82,350	8,624
Ramon L. Humke	1991	$ 302,917	$ 143,583	$ 42,938	-0-	-0-	$ 8,303
President & COO	1992	348,925<F5>	137,607	53,617	10,000	$39,867	8,771
	1993	351,889	173,827	112,425	60,000	68,250	8,624
John R. Brehm	1991	$ 175,425	$ 55,239	$ 3,205	-0-	-0-	$ 7,017
Senior Vice President	1992	196,983<F5>	51,748	2,364	5,000	$16,500	7,879
	1993	199,822	65,839	6,717	30,000	27,844	7,993

Robert W. Rawlings	1991	$ 124,417	$ 36,309	$ 9,729	6,000	-0-	$ 4,977
Senior Vice President	1992	142,052<F5>	37,298	2,633	5,000	-0-	5,682
	1993	143,161	47,159	20,483	30,000	$10,725	5,727
Gerald D. Waltz	1991	$ 175,425	$ 55,239	$ 1,850	-0-	-0-	$ 7,017
Senior Vice President	1992	194,628<F5>	51,069	965	-0-	$16,667	7,785
	1993	193,415	63,684	23,757	30,000	28,125	7,735

<FN>

<F1> Represents taxes paid by IPALCO and/or IPL on accrued interest and contributions of principal under the Funded Supplemental Plan. (See ``Pension Plans'')
<F2> No options have stock appreciation rights.
<F3> Payouts shown were made in 1993 for the 3-year LTIP Program ended December 31, 1992.
<F4> Represents 1993 contributions made by company to Trustee of Employees' Thrift Plan.
<F5> Pay periods were changed December 1, 1992 from monthly to bi-weekly resulting in 1992 payouts being greater than annual salary rates.

TABLE I

</TABLE>

<TABLE>

OPTION/SAR GRANTS IN LAST FISCAL YEAR

<CAPTION>

	Individual Grants				Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term	
Name	Number of Securities Underlying Options/ SARs Granted<F1>	% of Total Options/ SARs Granted to Employees in Fiscal Year	Exercise or Base Price<F2> ($/Sh)	Expira- tion Date <F3>	5% ($) <F3>	10% ($) <F3>
<S>	<C>	<C>	<C>	<C>	<C>	<C>
John R. Hodowal	105,000	23.6	$38.00	04/26/03	$2,509,290	$6,359,032
Ramon L. Humke	60,000	13.5	38.00	04/26/03	1,433,879	3,113,732
John R. Brehm	30,000	6.8	38.00	04/26/03	716,940	1,816,866
Robert W. Rawlings	30,000	6.8	38.00	04/26/03	716,940	1,816,866
Gerald D. Waltz	30,000	6.8	38.00	04/26/03	716,940	1,816,866

- ------------------------------

<F1> 7,893 underlying securities out of the amount shown for each officer relate to incentive stock options, the balance relate to non-qualified stock options. All options are exercisable 12 months after the grant date of April 27, 1993; however, incentive stock options expire one day later than expiration date shown. None of the stock options contains stock appreciation rights.

<F2> Equal to market price on grant date.

<F3> These values are not a prediction of what IPALCO believes the market value of its common stock will be in the next 10 years. IPALCO does not know and cannot determine whether its common stock will increase (or decrease) in value over that period. The values shown in these columns are merely assumed values required by, and calculated in accordance with, Securities and Exchange Commission Rules. In reality, at February 10, 1994 common stock value had declined $6.125 per share since grant date resulting in the depreciation of the 105,000-share, the 60,000-share and the 30,000-share grants of $643,125, $367,500 and $183,750, respectively.

TABLE II

</TABLE>

<TABLE>

AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR

AND FY-END OPTION/SAR VALUES

<CAPTION>

Name	Shares Acquired On Exercise (#)	Value Realized ($)	Number of Securities Underlying Unexercised Options/SARs at FY-End Exercisable/ Unexercisable	Value of Unexercised In-the-Money Options/SARs at FY-End ($) * Exercisable/ Unexercisable
<S>	<C>	<C>	<C>	<C>
John R. Hodowal	-0-	-0-	50,000(e) 105,000(u)	$377,500(e) ----
Ramon L. Humke	-0-	-0-	70,000(e) 60,000(u)	$627,500(e) ----
John R. Brehm	-0-	-0-	35,000(e) 30,000(u)	$313,750(e) ----
Robert W. Rawlings	-0-	-0-	17,000(e) 30,000(u)	$105,750(e) ----

Gerald D. Waltz	-0-	-0-	30,000(e)	$307,500(e)	
			30,000(u)	----	

(e) Exercisable.

(u) Unexercisable.

* Based upon year-end closing market price of $35.50 per share of common stock.

TABLE III

</TABLE>

<TABLE>

LONG-TERM INCENTIVE PLANS <F1> - AWARDS IN LAST FISCAL YEAR

<CAPTION>

Name	Payout	Performance or Other Period Until Maturation or ($ or #)	Estimated Future Payouts Under Non-Stock Price-Based Plans: Threshold ($ or #)	Target <F2><F3> ($ or #)	Maximum <F2>
<S>	<C>	<C>	<C>	<C>	
John R. Hodowal	1994 - 1997	$ -0-	$76,403	$152,806	
Ramon L. Humke	1994 - 1997	$ -0-	63,340	126,680	
John R. Brehm	1994 - 1997	$ -0-	23,979	47,958	
Robert W. Rawlings	1994 - 1997	$ -0-	17,179	34,359	
Gerald D. Waltz	1994 - 1997	$ -0-	23,210	46,420	

- --

<FN>

<F1> IPALCO's Long-Term Incentive Plan became effective January 1, 1990. Under the Plan, Performance Incentive Awards (``PI Awards'') amounting to 15% of average base salary over a Performance Period may be earned by the Chairman, Vice Chairman and the President (10% for other participants) payable after the end of each Program. (Performance Periods are typically 4-year periods called ``Programs'', although Programs 1 and 2 have 2-year and 3-year Performance Periods, respectively.) The amount of a PI Award, however, may be increased or decreased by a multiple ranging from 0% to 200% depending upon the quartile ranking for cost effective service and total return to shareholders that IPALCO has achieved at the end of each Program in relation to other companies within a pre-determined peer group. Program grants are made each year. The second Program spanned the 3-year period ended December 31, 1992 for which PI Awards were paid out in 1993 (See Table I). Payouts have not yet been determined for Program 3 that ended December 31, 1993. Program 6 reported in this Table was granted in 1993.

<F2> Based upon 120% of 1993 salary reported in Table I.

<F3> There is no targeted payout under the LTIP. The multiple of 100% was used to calculate the values shown in this column.

TABLE IV

</TABLE>

COMPENSATION OF DIRECTORS

Standard Arrangements

Non-employee directors serving on the Board of IPL are paid an annual fee of $8,100 plus $450 for each meeting attended; however, those who are directors of IPALCO and two or more of its subsidiaries, are limited to two annual fees and two meeting fees. Non-employee members of the Executive Committee of the Board are paid annual fees of $10,000 but no meeting fees. Members of the Audit Committee of the Board, all of whom are non-employee directors, each are paid an annual fee of $3,000 plus $450 for each meeting attended. The Chairman of this committee receives an additional fee of $1,500 annually. Members of the Executive and Audit Committees of IPL are limited to one annual fee and only one meeting fee is paid to Audit Committee members of two or more companies when meetings are held jointly or follow one another. Directors who are also officers of IPL receive no director fees.

Other Arrangements

After his retirement as an officer on May 1, 1989, Mr. Zane G. Todd, Chairman of the Executive Committee of IPL, entered into a Consulting Services Agreement with IPALCO and its subsidiaries under which he is required to confer with, supply information to, and cooperate with the management of such companies in respect of any matter he handled or had supervisory control over while he was an employee. During the year ended December 31, 1993, Mr. Todd received fees in the aggregate amount of $57,000 and expense reimbursements totaling $27,142 in consideration for the consulting services he provided under such Agreement. In addition, contributions to principal, accrued interest on principal and taxes assessed on such contributions and accrued interest were paid to Mr. Todd or to the Trust Fund of the Supplemental Retirement Plan and Trust Agreement for a Select Group of Management Employees (the ``Funded Supplemental Plan'') in the aggregate amount of $32,295 for the year ended December 31, 1993.

BOARD COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

Compensation Policies Relating Generally to Executive Officers

The Compensation Committee of the Board of Directors (the ``Compensation Committee''), in consultation with its outside advisor, establishes the compensation policies of IPALCO Enterprises, Inc. and its subsidiaries (``IPALCO'') with regard to all officers. The Compensation Committee establishes executive officers' base salary levels; makes stock option grants; and reviews and approves the annual and long-term cash incentive plans. The Compensation Committee also recommends to the Board of Directors the adoption or amendment of compensation plans for officers, including the named executive officers. The Compensation Committee is made up of six non-employee directors whose philosophy is to attract, retain, and motivate a high quality management team by providing a strong and direct link between IPALCO performance and officer pay, with a significant portion of total direct compensation being dependent upon measurable performance objectives. The compensation program for executive and certain other officers has four basic components: base salary, annual incentive plan, long-term incentive plan, and stock options.

Base Salary

The Compensation Committee targeted and established the 1993 base salary for officers, including the named executive officers, at the median levels for similar positions within the utility industry, and where such positions are also found commonly in general industry, at a level approximating one-half the difference between the utility industry and general industry. These levels of base salary are based on companies with comparable revenues and costs (the ``Peer Group'') and on the Committee's subjective evaluations of each executive officer's performance against established individual expectations and objectives. For 1993, base salary increases for all officers, recognizing individual performance, averaged 4.7%.

The Peer Group, which also reflects general industry, has a broader representation of electric power utilities than the Dow Jones Electric Utilities Index used in the Performance Graph. The Committee believes the Peer Group represents an appropriate Comparative Framework for compensation, since the competition for executive talent is not limited to companies included in the Dow Index. All of the Companies comprising the Dow Jones Electric Utilities Index are also in the Peer Group.

Annual Incentive Plan

The IPALCO Annual Incentive Plan, designed to achieve improvement and attain higher performance, is dependent upon performance in four equally weighted performance measures: net income, customer service, budget compliance, and productivity. All participants, including the named executive officers, are measured against target goals which are established by the Compensation Committee and announced to participants at the beginning of each year. Performance above or below target goals results in proportionately higher or lower awards; however, if a threshold net income goal is not reached, no payout is made. Of the four performance measures previously mentioned, one exceeded the maximum goal, and three exceeded the target goal. As a result, payouts to the named executive officers amounted to $567,268 for 1993. (See Table I above)

Long-Term Incentive Plan

The Long-Term Incentive Plan, which was adopted January 1, 1990, is designed to focus the attention of designated officers', including the named executive officers', on key long-term corporate objectives. The long-term plan measures total return to shareholders and cost effective service (defined as net income as a percent of operating revenues plus other income). Awards are based upon IPALCO's ranking among a predetermined group of 17 investor owned utility companies (the ``LTIP Group'') over a four-year performance period which began in 1990 (two-year and three-year programs were utilized in the past two years).

The Committee believes the LTIP Group companies are similar to IPALCO in terms of revenue size and mix, power generation sources, regulatory environment, and value of market capitalization, and thus represent an appropriate comparator group for this purpose. IPALCO continues to perform within the top quartile of this group in measuring cost effective service and in the second quartile in measuring total return to shareholders. Thus, long-term awards for the three-year period 1990-1992 resulted in payouts in 1993 to the named executive officers totaling $220,969. Payouts for the four-year period 1990-1993 have not yet been determined.

The Committee also made awards under the Stock Option Plan, as described below. The ``mix'' between stock options and long-term cash awards is subjectively determined by the Committee, based on the comparable mix of awards in the Peer Group.

Stock Options

The Compensation Committee strongly believes management is in position to exert the greatest influence on those strategic decisions which affect IPALCO's long-term financial success and the creation of shareholder value. Thus, the Compensation Committee has maintained a posture that particularly senior officers, including the named executive officers, should have a portion of their long-term incentive compensation tied directly to the stock price performance.

In early 1993, the Compensation Committee assessed the competitiveness of IPALCO's total compensation (base salary + annual incentive + long-term incentives) relative to the Peer Group, focusing expressly on the relative value of IPALCO's long-term incentive levels (Long-Term Incentive Plan described above + stock options). Based upon the Compensation Committee's consideration of previous stock option grants and its desire to maintain long-term incentive compensation opportunities at competitive levels, officers, including the named executive officers, were granted stock options on April 27, 1993, in varying amounts at the exercise price of $38.00 per share, vesting in substantially equal installments over the next three (3) years.

Basis For Chief Executive Officer's Compensation

The Chief Executive Officer's compensation is specifically designed to provide a strong and direct link between IPALCO performance and pay. The Chief Executive Officer's total compensation is set in relation to the median total compensation of chief executive officers in the Peer Group and the Compensation Committee's assessment of his individual performance. During the first quarter of each year, the Compensation Committee thoroughly reviews the Chief Executive Officer's individual performance in the preceding year, including management team development and IPALCO's Strategic Plan.

Based upon his performance and that of IPALCO in 1992, the Chief Executive Officer's base salary was increased to $432,900 effective May 1, 1993. The CEO also received an annual bonus for 1993 of $209,672. As discussed above, this bonus was based on the fact that, as to one of the performance goals, the maximum was exceeded and, as to the other three, the targets were exceeded.

In addition, the Committee granted the Chief Executive Officer stock options at the exercise price of $38.00 per share, vesting in three 35,000-share installments over the next three years and an LTIP award, as described in the LTIP award table.

In total, approximately 38 percent of the Chief Executive Officer's 1993 total direct compensation was variable. Prospectively, it is expected that the relationship between fixed and variable portions of the Chief Executive Officer's total compensation will remain relatively the same.

The Compensation Committee of the Board of Directors of IPALCO Enterprises, Inc.

Otto N. Frenzel III, Chairman;
Mitchell E. Daniels, Jr.
Max L. Gibson
Dr. Earl B. Herr, Jr.
Michael S. Maurer
Thomas H. Sams, members.

PERFORMANCE GRAPH

(graph illustrating cumulative total returns as listed below)

<TABLE>

CUMULATIVE TOTAL RETURN ASSUMING DIVIDEND REINVESTMENT

<CAPTION>

<S>	<C> 1988	<C> 1989	<C> 1990	<C> 1991	<C> 1992	<C> 1993
IPALCO <F1>	100	124	136	180	206	214
DJ ELEC UTIL <F1>	100	131	133	173	185	206
S & P 500 <F2>	100	132	128	166	179	197

<FN>

Source:
<F1> Dow Jones Total Return Indexes
<F2> Standard and Poors Compustat Services, Inc.

TABLE V

</TABLE>

Performance Graph

The Performance Graph (Table V) on the preceding page plots the total cumulative return that shareholders of IPALCO received (solid line) during the 5-year period ended December 31, 1993, compared with the total cumulative return to shareholders of companies comprising the Dow Jones Electric Utilities Index (broken line) and the Standard and Poors 500 Index (wavy line). The Graph reflects IPALCO's superior return in years 1991, 1992 and 1993 referenced in the foregoing Compensation Committee Report as one of the bases for the Chief Executive Officer's compensation disclosed in preceeding sections of this statement.

Pension Plans

Table VI below illustrates the combined annual retirement benefits computed on a straight-life annuity basis (less Social Security) that is payable under the Base Retirement Plan and the Funded Supplemental Plan (assuming continuous employment to age 65) to named executive officers having the remuneration and years of service shown.

<TABLE>

PENSION PLAN TABLE <F1>

<CAPTION>

Remuneration	Years of Service					
	15	20	25	30	35	40
<S>	<C>	<C>	<C>	<C>	<C>	<C>
$150,000	$ 97,500	$ 97,500	$ 97,500	$ 97,500	$ 97,500	$ 97,500
200,000	130,000	130,000	130,000	130,000	130,000	130,000
250,000	162,500	162,500	162,500	162,500	162,500	162,500
300,000	195,000	195,000	195,000	195,000	195,000	195,000
350,000	227,500	227,500	227,500	227,500	227,500	227,500
400,000	260,000	260,000	260,000	260,000	260,000	260,000
450,000	292,500	292,500	292,500	292,500	292,500	292,500
500,000	325,000	325,000	325,000	325,000	325,000	325,000

<FN>

<F1>) This table takes into account the latest Internal Revenue Code Section 415 benefit limitations and Internal Revenue Code Section 401(a)(17) compensation

limitation applicable to the Base Retirement Plan. Benefits for both the Base Retirement Plan portion and Funded Supplemental Plan portion of the combined amounts have been shown without adjustment for income taxes. The Funded Supplemental Plan portion reflects the change in that Plan in 1993 to eliminate the offset for Social Security.

TABLE VI

</TABLE>

IPL's Employees' Retirement Plan (the ``Base Retirement Plan'') covers all permanent employees with one (1) year of service but excludes directors unless they are also officers. It provides fixed benefits at normal retirement age based upon compensation and length of service, the costs of which are computed actuarially. The remuneration covered by the Plan includes ``Salary'' but excludes ``Bonus'' and ``Other Compensation'', annual or otherwise, as those terms are used in Table I. Benefits are calculated on the basis of the highest average annual salary in any 60 consecutive months of employment. Years of service for Pension Plan purposes of named executive officers are as follows: Mr. Hodowal - 25, Mr. Humke - 4, Mr. Brehm - 18, Mr. Rawlings - 29, and Mr. Waltz - 33.

The Funded Supplemental Plan referred to above is applicable to the named executive officers and, at reduced benefits, to all other officers of IPL. Contributions and accrued interest credited during 1993 to the accounts of Messrs. Hodowal, Humke, Brehm, Rawlings and Waltz amounted to $51,206, $134,629, $7,554, $27,820 and $28,676, respectively (in addition to the federal, state and local income tax payments reflected in Table I). Contributions are based on actuarial assessments of benefits projected to accrue to such officers under the Funded Supplemental Plan upon termination of employment at normal retirement age and at current salary levels.

Employment Contracts and Termination of Employment and Change-in-Control Arrangements

IPL has employment contracts with Messrs. Hodowal and Humke which provide for an indefinite term that is convertible into a fixed 3-year term upon notice. Such contracts terminate upon death, total disability or retirement. Should they be terminated without ``cause'' or resign for ``good reason'' (as those terms are defined in the contract), they would continue to receive their Salary as that term is used in Table I for up to 3 years thereafter, less any severance payments received from other agreements.

All Officers of IPL have Termination Benefits Agreements, dated as of January 1, 1993. These Agreements provide for payment of severance benefits equal to 299.99% of the last 5 years' average annual Salary (but not exceeding limits of Internal Revenue Code 280G), if IPL or IPALCO undergoes an ``acquisition of control'' while the agreement is in effect and if, within 3 years after an acquisition of control, any such officer is terminated without ``cause'' or resigns for ``good reason'', as those terms are therein defined.

A Benefit Protection Fund and Trust Agreement is also in effect to pay litigation expenses in the event it becomes necessary for any officer to enforce the employment contracts and Termination Benefits Agreements above described.

By order of the Board of Directors.

INDIANAPOLIS POWER & LIGHT COMPANY
By: MARCUS E. WOODS, Secretary

Indianapolis, Indiana
March 17, 1994

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A copy of the 1993 Annual Report to Shareholders of IPALCO and its subsidiaries, including IPL, was sent Third Class mail on or about March 8, 1994 to each IPL Shareholder of record at the close of business on the record date for the 1994 Annual Meeting of Shareholders.