

STATE OF INDIANA  
INDIANA UTILITY REGULATORY COMMISSION

PETITION OF NORTHERN INDIANA PUBLIC SERVICE )  
COMPANY LLC PURSUANT TO IND. CODE §§ 8-1-2-42.7, )  
8-1-2-61, AND, 8-1-2.5-6 FOR (1) AUTHORITY TO MODIFY )  
ITS RETAIL RATES AND CHARGES FOR ELECTRIC )  
UTILITY SERVICE THROUGH A PHASE IN OF RATES; )  
(2) APPROVAL OF NEW SCHEDULES OF RATES AND )  
CHARGES, GENERAL RULES AND REGULATIONS, AND )  
RIDERS (BOTH EXISTING AND NEW); (3) APPROVAL )  
OF A NEW RIDER FOR VARIABLE NONLABOR O&M )  
EXPENSES ASSOCIATED WITH COALFIRED )  
GENERATION; (4) MODIFICATION OF THE FUEL COST )  
ADJUSTMENT TO PASS BACK 100% OF OFF-SYSTEM )  
SALES REVENUES NET OF EXPENSES; (5) APPROVAL )  
OF REVISED COMMON AND ELECTRIC )  
DEPRECIATION RATES APPLICABLE TO ITS )  
ELECTRIC PLANT IN SERVICE; (6) APPROVAL OF )  
NECESSARY AND APPROPRIATE ACCOUNTING )  
RELIEF, INCLUDING BUT NOT LIMITED TO )  
APPROVAL OF (A) CERTAIN DEFERRAL MECHANISMS )  
FOR PENSION AND OTHER POSTRETIREMENT )  
BENEFITS EXPENSES; (B) APPROVAL OF )  
REGULATORY ACCOUNTING FOR ACTUAL COSTS OF )  
REMOVAL ASSOCIATED WITH COAL UNITS )  
FOLLOWING THE RETIREMENT OF MICHIGAN CITY )  
UNIT 12, AND (C) A MODIFICATION OF JOINT )  
VENTURE ACCOUNTING AUTHORITY TO COMBINE )  
RESERVE ACCOUNTS FOR PURPOSES OF PASSING )  
BACK JOINT VENTURE CASH, (7) APPROVAL OF )  
ALTERNATIVE REGULATORY PLANS FOR THE (A) )  
MODIFICATION OF ITS INDUSTRIAL SERVICE )  
STRUCTURE, AND (B) IMPLEMENTATION OF A LOW )  
INCOME PROGRAM; AND (8) REVIEW AND )  
DETERMINATION OF NIPSCO'S EARNINGS BANK FOR )  
PURPOSES OF IND. CODE § 8-1-2-42.3. )

CAUSE NO. 45772

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

PUBLIC'S EXHIBIT NO. 6

TESTIMONY OF OUCC WITNESS APRIL M. PARONISH

JANUARY 20, 2023

Respectfully submitted,

A rectangular box containing a handwritten signature in black ink. The signature appears to be 'K. Earls' written in a cursive style.

---

Kelly Earls, Attorney No. 29653-49  
Deputy Consumer Counselor  
**OFFICE OF UTILITY CONSUMER COUNSELOR**  
115 W. Washington St. Suite 1500 South  
Indianapolis, IN 46204  
Email: [KeEarls@oucc.in.gov](mailto:KeEarls@oucc.in.gov)  
[infomgt@oucc.in.gov](mailto:infomgt@oucc.in.gov)

**TESTIMONY OF OUCC WITNESS APRIL M. PARONISH**  
**CAUSE NO. 45772**  
**NORTHERN INDIANA PUBLIC SERVICE COMPANY**

1 **Q: Please state your name, employer, business address, and current position.**

2 A: My name is April M. Paronish, and my business address is 115 West Washington  
3 Street, Suite 1500 South, Indianapolis, Indiana 46204. I am an Assistant Director  
4 in the Indiana Office of Utility Consumer Counselor's ("OUCC") Electric Division.  
5 My education and professional experience are detailed in Appendix AMP-1  
6 attached to this testimony.

7 **Q: Have you previously testified before the Indiana Utility Regulatory**  
8 **Commission ("IURC" or "Commission")?**

9 A: Yes. I have testified in several cases before the Commission.

**I. INTRODUCTION**

10 **Q: What is the purpose of your testimony?**

11 A: My testimony discusses Northern Indiana Public Service Company, LLC's  
12 ("NIPSCO" or "Company" or "Petitioner") proposed Low Income Program  
13 ("Program") and recommends the Commission deny NIPSCO's proposal.

14 **Q: Please briefly summarize your testimony.**

15 A: First, my testimony explains why NIPSCO's proposal is not in the public interest  
16 as required by Indiana code 8-1-2.5-5(b)(2). Participation in the proposed plan is  
17 less voluntary than Petitioner's proposal in Cause No. 45645, which the  
18 Commission found not to be in the public interest. Petitioner's proposal requires  
19 ratepayers to pay for this Program, which is not required to provide electric service,  
20 as did the proposal in Cause No. 45465, which the Commission found not to be in  
21 the public interest. In that same case, the Commission determined NIPSCO's

1 proposed “passive philanthropy,” or “charitable giving” was not in the public  
2 interest; here all ratepayers would be forced to participate. NIPSCO has not  
3 demonstrated the interclass subsidies this proposal creates are in the public interest.

4 Second, NIPSCO’s proposal amounts to an excise tax, which is more  
5 appropriately addressed by the Indiana General Assembly. The Legislature has not  
6 provided a directive to the IURC to engage in this process.

7 Third, while Petitioner’s proposal will inarguably assist some Program  
8 participants, the underlying driver of this request is economic. Petitioner proposes  
9 to contribute \$200,000, which is 8% of total Program contributions, in shareholder  
10 funds and, in turn, collect \$2.3 million from ratepayers that it will use to decrease  
11 the amount of funds it uses from its bad debt expense already imbedded in rates and  
12 for write-offs each year. This will also increase NIPSCO’s cash flow since it will  
13 be collecting for its proposed Low Income Program the entire year but will issue  
14 credits based on those collected funds only the months of July through October.

15 Lastly, I will address other concerns the OUCC has with NIPSCO’s  
16 proposal.

17 **Q: Are you sponsoring any exhibits or attachments to your testimony?**

18 A: Yes. I sponsor Attachment AMP-3: Monthly Total CDD for Northern Indiana  
19 WFO, IN

20 **Q: To the extent you do not address a specific item in your testimony, should it be**  
21 **construed to mean you agree with NIPSCO’s proposal?**

22 A: No. My silence regarding any topics, issues, or items NIPSCO proposes does not  
23 indicate my approval of those topics, issues, or items. Rather, the scope of my  
24 testimony is limited to the specific items addressed herein.

**II. NIPSCO'S LOW-INCOME PROGRAM PROPOSAL IS NOT IN THE PUBLIC INTEREST**

1 **Q: Has NIPSCO previously sought approval of a low-income program?**

2 A: Yes. NIPSCO previously proposed a low-income program on December 4, 2020.  
3 The Commission rejected that proposal in its June 29, 2021, Order in Cause No.  
4 45465.

5 **Q: Are there similarities between NIPSCO's low-income proposal in Cause 45465**  
6 **and this Cause?**

7 A: Yes. The Commission found several elements of NIPSCO's Cause No. 45645  
8 proposal were not in the public interest. The current proposal still has many of those  
9 same shortcomings.

10 In its Cause No. 45465 Order, the Commission found Indiana Code 8-1-2.5-  
11 5(b)(2) "particularly relevant to our evaluation of the evidence presented and  
12 NIPSCO's requested relief":

13 (2) whether the commission's declining to exercise, in whole or in  
14 part, its jurisdiction will be beneficial for the energy utility, the  
15 energy utilities customers, or the state.

16 Recognizing the proposal would be beneficial to customers receiving bill  
17 credits and NIPSCO, the Commission found it "must also consider its impact on all  
18 Petitioner's customers." *In re NIPSCO*, Cause No. 45645, Final Order p. 17 (Ind.  
19 Util. Regul. Comm'n, Dec. 15, 2021).

20 **Q: Is involuntary participation a problem in this proposal as it was in the previous**  
21 **filing?**

22 A: Yes. In Cause No. 45645, NIPSCO proposed to automatically enroll all electric  
23 customers in a mandatory, bill "round-up" program for the benefit of low-income  
24 residential customers. NIPSCO's customers could opt-out of the program, meaning

1 they could choose not to participate. The Commission was “not persuaded” this  
2 model was “beneficial for the bulk of NIPSCO’s customers, or shown to be in the  
3 public interest.” *Id.* The Commission went on to find it was “unreasonable to  
4 automatically enroll every customer in the Program, and require a monthly ‘gift’.”  
5 *Id.* NIPSCO’s current proposal is even less voluntary (hence even more  
6 unreasonable), as no customers may opt out. NIPSCO has failed to demonstrate in  
7 this Cause why this new model is “beneficial for the bulk of NIPSCO’s customers,”  
8 or “in the public interest.” Petitioner provided neither a cost/benefit analysis nor  
9 other empirical, verifiable data quantifying the benefit to all customer classes,  
10 particularly customers not enrolled in the program.

11 **Q: Is a mandatory customer payment a problem in this proposal as it similarly**  
12 **was in the previous filing?**

13 A: Yes. Citing Indiana Code 8-1-2-4 and Petitioner’s obligation to provide safe and  
14 reliable service at the lowest reasonable cost to ratepayers, the Commission found  
15 in its 45465 Order, NIPSCO’s opt-out, round-up proposal to be “more akin to  
16 charitable giving than payment for an essential utility service.” *Id.* at 19. The  
17 Commission went on to characterize that plan as “more than 400,000 electric  
18 customers [making unintended donations] that exceed the cost to provide their  
19 electric service as a result of involuntary enrollment in the program.” *Id.* NIPSCO’s  
20 current proposal will again force all electric customers to pay rates “that exceed the  
21 cost to provide their electric service as a result of involuntary enrollment in the  
22 program.” The Commission rejected NIPSCO’s prior proposal as unacceptable  
23 “passive philanthropy.” The Commission further described the opt-out plan as  
24 reflecting:

1 A paradigm shift from the opt-in voluntary programs other Indiana  
2 jurisdictional electric utilities have initiated, and the Commission  
3 rejects the premise that the result, i.e., a higher level of Program  
4 funds, justifies billing ratepayers for more than their electric service.

5 *Id.* at 18.

6 Absent the ability to opt out, NIPSCO's current proposal is even less acceptable.

**III. NIPSCO'S LOW-INCOME PROGRAM PROPOSAL IS ESSENTIALLY A TAX, BETTER LEFT FOR THE LEGISLATURE TO ADDRESS**

7 **Q: Why does the OUCC consider NIPSCO's proposal essentially a tax?**

8 A: As mentioned above, NIPSCO's proposal is not essential to providing electric  
9 utility service. It is not a ratemaking adjustment. It is instead a flat fee charged to  
10 all customers, in all customer classes that have an electric meter. In this sense it is  
11 essentially a tax.

12 **Q: Did the Commission in its Cause No. 45465 Order recognize "the absence of**  
13 **legislative direction" as a factor in concluding NIPSCO's prior proposal "was**  
14 **not shown to serve the public interest"?**

15 A: Yes. The Commission explicitly made this finding on p. 19 of its June 29, 2021,  
16 Order in Cause No. 45465.

17 **Q: Has the legislature provided the Commission with additional "direction" with**  
18 **respect to approving involuntary participation in electric low-income**  
19 **assistance programs?**

20 A: No. I am not aware of any new laws providing such direction since the  
21 Commission's Cause No. 45465 Order was issued. In fact, the Indiana Legislature's  
22 21<sup>st</sup> Century Energy Policy Development Task Force<sup>1</sup> ("Task Force") studied  
23 whether this issue should be recommended for the full Legislature's consideration  
24 as recently as October 2022. According to the Task Force's October 19, 2022,

---

<sup>1</sup> The Task Force is an Indiana legislative committee established by House Enrolled Act 1278 in the 2019 session. It was re-established by House Enrolled Act 1220 in 2021.

1 meeting minutes, two new recommendations were considered: 1) establishing  
2 programs to provide direct assistance to income-qualified households to be applied  
3 to their monthly electric bills; and 2) permitting the IURC to allow electric utilities  
4 to establish customer assistance programs under existing law (IC 8-1-2-46). (See  
5 Attachment AMP-1, p. 16.)

6 **Q: Did the Task Force approve those proposals?**

7 A: No. Both issues (referenced as issues #7 and #8 in the 21<sup>st</sup> Century Task Force's  
8 October 19, 2022, Meeting Minutes) failed on roll call votes by a margin of 2 to 13.  
9 (See Attachment AMP-2, p. 4.) Therefore, the Task Force decidedly chose not to  
10 include these matters in its final recommendations to the Legislature.

**IV. AT ITS CORE, NIPSCO'S LOW INCOME PROPOSAL IS AN  
ECONOMIC TRANSACTION DESIGNED TO BENEFIT THE COMPANY**

11 **Q: Are low-income customers receiving bill credits the primary beneficiaries of  
12 NIPSCO's proposed Low Income Program?**

13 A: No. While customers receiving bill credits benefit from NIPSCO's proposal,  
14 NIPSCO's Low Income proposal is primarily an economic transaction designed to  
15 benefit the Company. NIPSCO's shareholders will contribute \$200,000 and if the  
16 Program is approved, NIPSCO estimates it will generate approximately \$2.3  
17 million in additional cash flow annually. In its Cause No. 45465 Order, the  
18 Commission found "[a] utility's financial commitment is relevant to the  
19 Commission's evaluation of a proposed low-income program." Cause No. 45465  
20 Order at 19. While NIPSCO's \$200,000 contribution is greater than the Company  
21 offered in Cause No. 45465 (where it was only conditionally offered to fund  
22 software expenses), it still equates to only 8% of the total estimated contributions



1 to the Program proposed in this Cause. Although Petitioner is claiming commitment  
2 to low-income customers and to the Program, the evidence shows otherwise with  
3 respect to the expenditure of dollars that will not be recovered from ratepayers. The  
4 Commission made a finding identical to this in its Cause No. 45465 Order. Order  
5 at 20.

6 In addition, because the Low Income Program will prevent some level of  
7 customer default on some bills, some of NIPSCO's bad debt expense, already  
8 imbedded in rates, may be utilized to offset bad debt that would otherwise be  
9 written off. If the amounts imbedded in rates are not utilized in this regard, NIPSCO  
10 could spend those amounts on other expenses. Once again, the Company offers no  
11 empirical, quantifiable evidence to demonstrate the value of the Program,  
12 particularly as it relates to customers who do not receive bill credits.

13 **Q: Petitioner's witness Alison M. Becker, on p. 8, lines 10-12 of her testimony,**  
14 **claims the \$2.3 million "is not additional revenue for NIPSCO but the**  
15 **projected collections for the Program that will all be utilized directly for the**  
16 **customer's benefit." How do you respond?**

17 A: I disagree. All else equal, if NIPSCO's Low Income Program proposal is approved,  
18 the Company will have \$2.3 million more than it would absent the Program.  
19 Regardless of how the money is spent, it remains \$2.3 million of additional  
20 ratepayer-provided revenue.

#### V. OTHER OUCC CONCERNS

21 **Q: In addition to concerns you address above, does the OUCC have additional**  
22 **concerns?**

23 A: Yes. I discuss these concerns below.

24 **Q: Did NIPSCO fail to resolve other Commission concerns?**

25 A: Yes. The Commission had the following unresolved concerns:

- 1           1) Customers may pay for two USPs; and
- 2           2) The Program may result in customers receiving the discount who would have
- 3           paid their bill; customers receiving the discount but not paying their discounted
- 4           bill; and customers returning to delinquency after the credit stops.

5   **Q: Did Ms. Becker provide objective evidence or verifiable empirical data to**  
6   **support all the claims in her testimony?**

7   A: No. For example, in Ms. Becker's testimony she states, "summers are only getting  
8   warmer" (Becker, p. 11, lines 8-9) even though cooling degree day<sup>2</sup> ("CDD") data  
9   obtained from the U.S. Weather Service on January 5, 2023, show CDDs have risen  
10   and fallen from year-to-year over the past decade or so, with no identifiable trend  
11   of increasing temperatures. (See Attachment AMP-3). Additionally, Ms. Becker  
12   indicates if this Program is not approved it will result in customers permanently  
13   leaving the NIPSCO System which will lead to its other customers paying more as  
14   the "Company's costs of operation are spread over a smaller number of customers,  
15   resulting in those remaining customers bearing a higher proportion of fixed costs."  
16   However, Ms. Becker did not provide objective evidence or verifiable empirical  
17   data to support the claim that there will be customers permanently leaving the  
18   system and no other customers moving into their premises.

19   **Q: Did the Commission convey to NIPSCO in its Cause No. 45465 Order that it**  
20   **could not cite settled cases as precedent or for analysis?**

21   A: Yes. The Commission stated, "no one element of a settlement should be analyzed  
22   or considered precedent outside the context of that settlement." Cause No. 45465

---

<sup>2</sup> A CDD is a measure reflecting the amount of energy needed to cool a building to a comfortable temperature, given how hot it is outside [https://www.epa.gov/sites/default/files/2016-08/documents/heating-cooling\\_documentation.pdf](https://www.epa.gov/sites/default/files/2016-08/documents/heating-cooling_documentation.pdf)

1 Order at 19. “[T]he USP was the result of a settlement that, as such, is not binding  
2 precedent on the Commission.” *Id.*

3 **Q: Does Ms. Becker cite settled cases as support for NIPSCO’s Program?**

4 A: Yes. Ms. Becker continues citing several settled cases, including Cause Nos.  
5 42722, 43077, and 43078. Each of those cases were referenced in the Commission’s  
6 Cause No. 45465 Order as nonprecedential.

7 **Q: Did NIPSCO choose to modify its proposed low-income program in that Cause  
8 as is an option under the ARP statute?**

9 A: No. On July 15, 2021, NIPSCO rejected the IURC’s Final Order, despite having  
10 agreed in principle to having a voluntary program as part of the Cause No. 45159  
11 Revenue Settlement. Since the IURC found NIPSCO’s initial proposal was  
12 involuntary, NIPSCO has not offered a voluntary low-income program in  
13 furtherance of that commitment. *See Petitioner’s Notice of Rejection of Final  
14 Order*, Cause No. 45465 (Ind. Util. Regul. Comm’n July 15, 2021).

15 Ms. Becker, on p. 11, lines 2-4 of her testimony references a chart showing  
16 “Accounts Eligible for Energy Assistance and Past Due.” This chart commingles  
17 gas and electric customers. When the OUCC attempted to obtain the chart with only  
18 electric customers, NIPSCO objected to providing this information. (See  
19 NIPSCO’s Response to OUCC Request 1-006(d), attached herein as AMP-4). It is  
20 difficult to understand why NIPSCO provided combined electric and gas customer  
21 data, when Ms. Becker states “Although the [gas and electric] service territories do  
22 overlap, the books and records, including disconnection and bad debt expense, are  
23 maintained separately. (Becker p. 26, lines 9-11.) NIPSCO also objected to  
24 providing information regarding whether LIHEAP-eligible customers become

1 current on their electric bill during the Moratorium Period, remain current with bills  
2 once the Moratorium ends each year, or fall into arrears once the Moratorium ends.  
3 (See NIPSCO's Response to OUCC Request 24-013, attached as AMP-5.)

## VI. RECOMMENDATIONS

4 **Q: What does the OUCC recommend in this Cause?**

5 A: The OUCC recommends the Commission deny NIPSCO's proposed Low Income  
6 Program, and find the Program:

- 7 1. Is not in the public interest;
- 8 2. Is a compulsory customer payment that does not support the cost of providing  
9 electric utility service;
- 10 3. Is essentially a tax better left for the legislature to address;
- 11 4. Would primarily benefit Petitioner, not the bulk of its customers; and
- 12 5. Is not supported by objective evidence and verifiable empirical data as to the  
13 benefits or other claims.

14 **Q: Does this conclude your testimony?**

15 A: Yes, it does.

**APPENDIX AMP-1 TO TESTIMONY OF  
OUCC WITNESS APRIL M. PARONISH**

1 **Q: Please describe the examination and analysis you conducted to prepare your**  
2 **testimony and formulate your opinion in this Cause.**

3 A: I reviewed testimony and certain attachments filed in this Cause. I attended pre-  
4 and post-filing meetings with NIPSCO, and I also met with OUCC staff to discuss  
5 issues. I also reviewed the 21<sup>st</sup> Century Energy Policy Development Task Force's  
6 Draft Final Report dated October 19, 2022.

7 **Q: Please summarize your educational background and work experience.**

8 A: I graduated *summa cum laude* from Franklin University in Columbus, Ohio in 1992,  
9 with a Bachelor of Science degree, double majoring in both Business Management  
10 and Marketing. I also received a Master of Science degree in Marketing and  
11 Communications from Franklin University in 2002. I have been employed at the  
12 OUCC since April 2007, initially as a Utility Analyst II and subsequently was  
13 promoted to Senior Utility Analyst and then to my current Assistant Director position.  
14 I have attended several in-house, industry-sponsored, and regulatory educational  
15 programs since joining the OUCC.

16 I represent the OUCC on AES Indiana, I&M, DEI, CenterPoint, and NIPSCO  
17 Electric DSM Oversight Boards. I previously represented the OUCC on NIPSCO,  
18 Vectren, Citizens Gas and Westfield Gas Oversight Boards. I also previously  
19 facilitated the Gas Utility Joint Oversight Board. My work on these Oversight Boards  
20 includes, but is not limited to, reviewing program progress and budgets (including  
21 voting to make changes to programs and/or budgets); developing RFPs; reviewing  
22 vendor bids; drafting program-specific questions regarding costs, estimated savings,

1 program implementation, and other related matters. I previously served on the  
2 statewide Demand Side Management Coordination Committee (“DSMCC”) and its  
3 Third-Party Administrator (“TPA”) Subcommittee and Evaluation, Measurement and  
4 Verification (“EM&V”) Subcommittee. I also lead the OUCC team responsible for  
5 attending utilities’ Integrated Resource Plan (“IRP”) stakeholder meetings, reviewing  
6 IRPs, and submitting comments. Finally, I lead several OUCC case teams in matters  
7 such as DSM, rate cases, Transmission Distribution Storage System Improvement  
8 Charge (“TDSIC”), and coal combustion residuals to name a few.

9 Prior to joining the OUCC I held various positions at American Electric Power  
10 Service Corporation, 3X Corporation, Alliance RTO, and the Midwest ISO.

# **21ST CENTURY ENERGY POLICY DEVELOPMENT TASK FORCE**

**Indiana Legislative Services Agency  
200 W. Washington Street, Suite 301  
Indianapolis, Indiana 46204**

**Wednesday, October 19, 2022**

**DRAFT**

# INDIANA LEGISLATIVE COUNCIL

## 2022

Representative Todd Huston  
Chairperson  
Fishers

Senator Rodric Bray  
Vice-Chairperson  
Martinsville

Representative Terri Jo Austin  
Anderson

Senator Ed Charbonneau  
Valparaiso

Representative Timothy Brown  
Crawfordsville

Senator J.D. Ford  
Indianapolis

Representative Philip GiaQuinta  
Fort Wayne

Senator Chris Garten  
Charlestown

Representative Matt Lehman  
Berne

Senator Susan Glick  
LaGrange

Representative Sharon Negele  
Attica

Senator Travis Holdman  
Markle

Representative Cherrish Pryor  
Indianapolis

Senator Eddie Melton  
Gary

Representative Gregory Steuerwald  
Avon

Senator Greg Taylor  
Indianapolis

George Angelone  
Executive Director  
Legislative Services Agency



# 21ST CENTURY ENERGY POLICY DEVELOPMENT TASK FORCE

## Membership Roster

### Senate

Eric Koch  
Co-Chair

Scott Baldwin  
Senate District 20

Stacey Donato  
Senate District 18

Jean Leising  
Senate District 42

David Niezgodski  
Senate District 10

Shelli Yoder  
Senate District 40

### House

Edmond Soliday  
Co-Chair

Ryan Hatfield  
House District 77

Chris Jeter  
House District 88

Ethan Manning  
House District 23

Sharon Negele  
House District 13

Matt Pierce  
House District 61

## Ex Officio Members and Gubernatorial Appointees

William Fine

Kay Pashos

Donna Walker

Dan Huge

Peter Schubert

## Staff

Sarah Burkman  
Jessica Harmon

## FINAL REPORT

### 21st Century Energy Policy Development Task Force

#### STATUTORY DIRECTIVE

The 21<sup>st</sup> Century Energy Policy Development Task Force (Task Force) is required to study the following issues not later than November 1, 2022, as set forth in further detail in IC 2-5-45.1-6(a):

- (1) The management of stranded utility assets.
- (2) Methods to assure fairness to all customer classes in retail electric rate structures, including alternative rate designs, such as time-of-use pricing, real-time pricing, and critical peak pricing.
- (3) Appropriate regulation of the deployment of distributed energy resources, consistent with Federal Energy Regulatory Commission Order No. 2222 (172 FERC 61,247 (2020)).
- (4) The impact on communities of utility plant or fuel source site closures.
- (5) The status of energy efficiency efforts in Indiana, and the potential development of a statewide energy efficiency plan.
- (6) Energy issues affecting:
  - (A) low income communities; and
  - (B) communities of color;in relation to business and employment opportunities in those communities.
- (7) The potential use of "green zones," or "energy investment districts," in low-income communities or communities of color that have experienced inequitable environmental and economic hardships.
- (8) Methods for the state to encourage electricity storage technology research.
- (9) The impact of large scale electric vehicle deployment on electric grid capacity and reliability.
- (10) Electric vehicle charging station ownership and responsibility.
- (11) Demand response and pricing systems that incentivize temporal shifting of electric load.

In addition, under IC 2-5-45.1-6(b), the Task Force may, at the discretion of the Co-Chairs, examine any of the issues set forth in IC 2-5-45-6 (before its expiration) that were studied by the 21<sup>st</sup> Century Energy Policy Task Force that was established by IC 2-5-45 (before its expiration) and that met during the 2019 and 2020 legislative interims.

IC 2-5-45.1-7 requires the Task Force to develop recommendations for the General Assembly and the Governor concerning the issues set forth in IC 2-5-45.1-6(a) (sumarized above) and, not later than November 1, 2022, submit a report setting forth those recommendations to the following:<sup>1</sup>

- (1) The executive director of the Legislative Services Agency for distribution to the members of the General Assembly.
- (2) The Governor.
- (3) The chair of the Indiana Utility Regulatory Commission.
- (4) The Utility Consumer Counselor.

#### SUMMARY OF WORK PROGRAM

##### *2021 Work Program*

<sup>1</sup> Although not required by statute, not later than November 1, 2022, the Task Force will submit the required report to individual members of the Legislative Council created by IC 2-5-1.1-1. The report will be submitted to the Executive Director of the Legislative Services Agency and to individual members of the Legislative Council in an electronic format under IC 5-14-6.

The Task Force met five times during the 2021 legislative interim: August 18, 2021; August 24, 2021; September 8, 2021; October 12, 2021; and October 26, 2021.

August 18, 2021: The Task Force reviewed its statutory directive, considered the processes and desired outcomes for its course of study, and received testimony on the following topics: (1) Reporting requirements for cooperatively owned power suppliers. (2) Fairness in retail electric rate structures. (3) Demand response and incentives for electric load shifting.

The minutes for this meeting may be found at:

[https://iga.in.gov/legislative/2021/committees/21st\\_century\\_energy\\_policy\\_development\\_task\\_force](https://iga.in.gov/legislative/2021/committees/21st_century_energy_policy_development_task_force)

Archived video of the meeting may be accessed by visiting:

[https://iga.in.gov/information/archives/2021/video/committee\\_21st\\_century\\_energy\\_policy\\_development\\_task\\_force/](https://iga.in.gov/information/archives/2021/video/committee_21st_century_energy_policy_development_task_force/)

August 24, 2021: The Task Force heard testimony on the following topics: (1) Legislative policy on electric vehicle charging programs. (2) Electric vehicle manufacturing. (3) Charging station infrastructure requirements for electric vehicles. (4) The impact of electric vehicles on the electric grid.

The minutes for this meeting may be found at:

[https://iga.in.gov/legislative/2021/committees/21st\\_century\\_energy\\_policy\\_development\\_task\\_force](https://iga.in.gov/legislative/2021/committees/21st_century_energy_policy_development_task_force)

Archived video of the meeting may be accessed by visiting:

[https://iga.in.gov/information/archives/2021/video/committee\\_21st\\_century\\_energy\\_policy\\_development\\_task\\_force/](https://iga.in.gov/information/archives/2021/video/committee_21st_century_energy_policy_development_task_force/)

September 8, 2021: The Task Force received testimony on the following issues: (1) The impact on the electric grid of distributed energy resources (DER), along with a status update on Federal Energy Regulatory Commission (FERC) Order No. 2222. (2) Stakeholders' assessments of FERC Order No. 2222 and of the impact of DER on the electric grid. (3) Whether statutory changes are necessary to optimize DER implementation.

The minutes for this meeting may be found at:

[https://iga.in.gov/legislative/2021/committees/21st\\_century\\_energy\\_policy\\_development\\_task\\_force](https://iga.in.gov/legislative/2021/committees/21st_century_energy_policy_development_task_force)

Archived video of the meeting may be accessed by visiting:

[https://iga.in.gov/information/archives/2021/video/committee\\_21st\\_century\\_energy\\_policy\\_development\\_task\\_force/](https://iga.in.gov/information/archives/2021/video/committee_21st_century_energy_policy_development_task_force/)

October 12, 2021: The Task Force heard testimony concerning the following: (1) Energy storage research. (2) Current battery storage capabilities. (3) Developments in nuclear energy. (4) Hydrogen

technologies.

The minutes for this meeting may be found at:

[https://iga.in.gov/legislative/2021/committees/21st\\_century\\_energy\\_policy\\_development\\_task\\_force](https://iga.in.gov/legislative/2021/committees/21st_century_energy_policy_development_task_force)

Archived video of the meeting may be accessed by visiting:

[https://iga.in.gov/information/archives/2021/video/committee\\_21st\\_century\\_energy\\_policy\\_development\\_task\\_force/](https://iga.in.gov/information/archives/2021/video/committee_21st_century_energy_policy_development_task_force/)

October 26, 2021: The Task Force's final meeting of the 2021 legislative interim included the following: (1) The receipt of testimony on: (A) retail electric rates for residential, commercial, and industrial customer classes; and (B) electric vehicle charging infrastructure at fueling stations. (2) Discussion by Task Force members of their work program during the 2021 legislative interim, along with plans for the 2022 interim. (3) Distribution of the Task Force's 2021 information report. (4) Following the meeting in the House of Representatives Chamber, an information-gathering tour of the Midcontinent Independent System Operator (MISO) facility in Carmel, Indiana, by Task Force members.

The minutes for this meeting may be found at:

[https://iga.in.gov/legislative/2021/committees/21st\\_century\\_energy\\_policy\\_development\\_task\\_force](https://iga.in.gov/legislative/2021/committees/21st_century_energy_policy_development_task_force)

Archived video of the meeting may be accessed by visiting:

[https://iga.in.gov/information/archives/2021/video/committee\\_21st\\_century\\_energy\\_policy\\_development\\_task\\_force/](https://iga.in.gov/information/archives/2021/video/committee_21st_century_energy_policy_development_task_force/)

### ***2022 Work Program***

The Task Force met five times during the 2022 legislative interim: August 9, 2022; August 30, 2022; September 13, 2022; September 26, 2022; and October 19, 2022.

August 9, 2022: The Task Force discussed its course of study for the 2022 legislative interim and received testimony on the following topics: (1) The reliability of the electric grid. (2) The reliability positions of individual electric utilities.

The minutes for this meeting may be found at:

[https://iga.in.gov/legislative/2022/committees/21st\\_century\\_energy\\_policy\\_development\\_task\\_force](https://iga.in.gov/legislative/2022/committees/21st_century_energy_policy_development_task_force)

Archived video of the meeting may be accessed by visiting:

[https://iga.in.gov/information/archives/2022/video/committee\\_21st\\_century\\_energy\\_policy\\_development\\_task\\_force/](https://iga.in.gov/information/archives/2022/video/committee_21st_century_energy_policy_development_task_force/)

August 30, 2022: The Task Force heard testimony on the following subjects: (1) Electric transmission

assets and long-range transmission planning. (2) The transmission development process. (3) “Green zones,” or “energy development districts.” (4) Community solar. (5) The local impacts of utility plant or fuel-source site closures.

The minutes for this meeting may be found at:

[https://iga.in.gov/legislative/2022/committees/21st\\_century\\_energy\\_policy\\_development\\_task\\_force](https://iga.in.gov/legislative/2022/committees/21st_century_energy_policy_development_task_force)

Archived video of the meeting may be accessed by visiting:

[https://iga.in.gov/information/archives/2022/video/committee\\_21st\\_century\\_energy\\_policy\\_development\\_task\\_force/](https://iga.in.gov/information/archives/2022/video/committee_21st_century_energy_policy_development_task_force/)

September 13, 2022: The Task Force received testimony on the following topics: (1) Electric service affordability. (2) Performance-based ratemaking. (3) Rate structure design. (4) Energy efficiency.

The minutes for this meeting may be found at:

[https://iga.in.gov/legislative/2022/committees/21st\\_century\\_energy\\_policy\\_development\\_task\\_force](https://iga.in.gov/legislative/2022/committees/21st_century_energy_policy_development_task_force)

Archived video of the meeting may be accessed by visiting:

[https://iga.in.gov/information/archives/2022/video/committee\\_21st\\_century\\_energy\\_policy\\_development\\_task\\_force/](https://iga.in.gov/information/archives/2022/video/committee_21st_century_energy_policy_development_task_force/)

September 26, 2022: The Task Force took testimony concerning the following: (1) Hydrogen technologies and carbon capture and storage (CCS) technologies. (2) Hydrogen and renewable natural gas infrastructure. (3) Vehicle infrastructure and microgrids. (4) Public safety issues surrounding battery electrical storage systems. (5) Price volatility in energy markets. (6) The National Electric Vehicle Infrastructure Formula Program (NEVI). (7) The life cycle management of wind and solar infrastructure. (8) Electric service affordability.

The minutes for this meeting may be found at:

[https://iga.in.gov/legislative/2022/committees/21st\\_century\\_energy\\_policy\\_development\\_task\\_force](https://iga.in.gov/legislative/2022/committees/21st_century_energy_policy_development_task_force)

Archived video of the meeting may be accessed by visiting:

[https://iga.in.gov/information/archives/2022/video/committee\\_21st\\_century\\_energy\\_policy\\_development\\_task\\_force/](https://iga.in.gov/information/archives/2022/video/committee_21st_century_energy_policy_development_task_force/)

October 19, 2022: The Task Force’s final meeting of the 2022 interim included: (1) discussion among Task Force members of a draft of the Task Force’s statutory report under IC 2-5-45.1-7; (2) the incorporation by staff of suggested modifications to the report; and (3) a vote on the report, as amended.

## **TASK FORCE FRAMEWORKS**

## *Framework #1: The Five Pillars of Electric Utility Service*

Throughout its work program during the 2021 and 2022 legislative interims, the Task Force has continued to focus on the five attributes or “pillars” of electric utility service identified by the previous iteration of the Task Force (as established by IC 2-5-45, before its expiration) as crucial considerations in the development of a statewide energy policy: (1) reliability; (2) resilience; (3) stability; (4) affordability; and (5) environmental sustainability.

These five pillars, as described below, have served as the lens through which the Task Force has viewed all potential policy options, and constitute the framework for the findings and recommendations included in this report:

(1) *Reliability*: Reliability consists of two fundamental and aspirational concepts—adequacy and operating reliability:<sup>2</sup>

Adequacy is the ability of the electric system to supply the aggregate electrical demand and energy requirements at the end-use customers at all times, taking into account scheduled and reasonably expected unscheduled outages of system elements.

Operating reliability is the ability of the electric system to withstand sudden disturbances such as electric short circuits or unanticipated loss of system components.

Decisions regarding Indiana’s generation resource mix must consider the reliability of the electric delivery system as a whole, as well as reliable electric utility service for all customer classes of individual utilities.

(2) *Resilience*: Resilience is the ability of a system or its components to adapt to changing conditions, and to withstand and rapidly recover from disruptions or off-nominal events. The state’s energy policies must consider the attribute of resilience with respect to any decisions regarding Indiana’s generation resource mix and energy infrastructure.

(3) *Stability*: Stability refers to the ability of an electric system to maintain a state of equilibrium during normal and abnormal conditions or disturbances.<sup>3</sup> A stable source of electricity, in which frequency and voltage are maintained within defined parameters, is crucial to the manufacturing industry on which Indiana’s economy depends. Accordingly, Indiana’s energy policies must take into account the ability of the electric system to withstand sudden disturbances and to deliver stable electric service to industrial consumers and all other classes of end users.

(4) *Affordability*: Reliable, resilient, and stable electricity is an essential service for Indiana residents, businesses, and manufacturers. Decisions regarding Indiana’s generation resource mix and ratemaking constructs must result in retail electric service that is affordable across the residential, commercial, and industrial customer classes.

(5) *Environmental sustainability*: The Task Force received testimony from regulators and industry stakeholders about the impact of environmental regulations on the cost of providing electric utility service. The Task Force also heard from Indiana businesses and economic development professionals about the increasing demand from corporate and other consumers for environmentally sustainable sources of generation. Decisions regarding Indiana’s generation resource mix must take into account

<sup>2</sup> RELIABILITY ISSUES STEERING COMM., N. AMERICAN ELEC. RELIABILITY CORP., REPORT ON RESILIENCE IV (NOV. 8, 2018).

<sup>3</sup> N. AMERICAN ELEC. RELIABILITY CORP., GLOSSARY OF TERMS USED IN NERC RELIABILITY STANDARDS (MAR. 29, 2022).

both environmental regulations and consumers' demands for sustainable sources of generation.

## ***Framework #2: A Managed Transition to Renewable Energy Resources***

The testimony received by the Task Force throughout its two-year work program suggests that market conditions, environmental factors, and consumer preferences will continue to drive the increasing role of renewable energy resources in Indiana's electric generation mix. The Task Force acknowledges that this transition is inevitable and ought to be encouraged, that it comes with both costs and benefits, and that it occurs in the context of an interconnected regional transmission system that crosses state borders.

At the same time, the Task Force has determined that the transition to an increased reliance on renewable energy resources must be managed in a way that doesn't compromise the reliability, resiliency, and stability of electric utility service, and that maintains affordability for all customer classes. Like the five pillars themselves, the concept of a measured and smooth transition to renewable generation sources serves as a guiding principle for the findings and recommendations included in this report.

## **TASK FORCE FINDINGS**

### ***General***

(1) The five pillars of reliability, resilience, stability, affordability, and environmental sustainability are the foundation of Indiana's energy policy. Any consideration of the state's energy policy, or any statutory changes affecting the state's energy policy, should take into account the impact on the five pillars, both individually and as a whole.

(2) The five pillars not only constitute the foundation of Indiana's energy policy and the electric service provided to Hoosiers, but they also underpin our modern society. Without an electric system that satisfies all five pillars, Indiana would not be an attractive place for citizens to live, work, play, study, raise a family, and retire.

(3) In the short- and medium-term, or until new technologies are developed, or significant advancements in existing technologies occur, Indiana's electricity needs are best served through a diverse resource mix that leverages the strengths of, and mitigates the weaknesses inherent in, each type of generation resource. This **"all of the above"** approach provides the best path forward to ensure that all five pillars are appropriately balanced.

(4) Federal mandates and spending, the adoption of innovative technologies, and changing market dynamics have quickened the pace of the energy transition. With the world rapidly changing, Indiana must ensure its regulatory system can keep pace. The Indiana Utility Regulatory Commission (IURC) should continually evaluate regulatory and ratemaking processes to ensure that regulation is aligned with state policy and with shifting market and consumer dynamics, and that innovative technologies can be adopted for the benefit of the overall **system, without compromising affordability.**

(5) Energy storage technologies continue to advance at a rapid pace. However, there remain significant technological, logistical, and affordability challenges in the near-term that **may** hinder the ability of Indiana to more quickly transition to an electric grid that is primarily powered by **intermittent non-dispatchable** generation sources, while still retaining the same robust level of reliability that Hoosiers have enjoyed over the past decades. Thoughtful attention to fact-based and rational timelines with respect to energy storage technologies is **necessary to transition responsibly to a grid that is increasingly powered by intermittent sources. if utilities choose to rely upon mostly energy storage rather than a mix of other load-following sources, like peaking resources or demand response programs, to integrate non-dispatchable sources of**

## power into their energy grids.

(6) As innovative power train technologies are developed and deployed, Indiana will need to encourage the development of robust infrastructure to serve a variety of vehicle types, including hybrids, battery electric vehicles, and hydrogen fuel cell vehicles, in order to ensure that Indiana retains its designation as the “Crossroads of America.”

(7) The sites of former electric generating stations and mines often include land and critical infrastructure that can be leveraged for economic development opportunities. The re-use of such sites should be prioritized, especially in areas that are economically distressed.

(8) ~~Appropriate statutory authority exists for utilities to establish~~ **There is increasing desire from consumers, large and small, for access to clean energy options. Third-party ownership models and community-owned solar programs hold great promise to further diversify Indiana's electric portfolio, provide economic opportunities for communities and property owners, create competition in electric markets, and provide choices for energy consumers, particularly those with low incomes or living in properties where they cannot install their own solar systems.** However, existing statutes depend upon the electric utilities to initiate these programs, and they have largely chosen not to do so. ~~In considering any community-solar program, individual utilities and the IURC should consider the potential impact the program would have on all ratepayers, including non-participating ratepayers.~~

## *Reliability*

(9) Reliable electric service provides Hoosiers with the means to earn a living by providing reliable power to Indiana businesses and industries that rely on it to thrive and expand within the state. **A portfolio of supply-side and demand-side resources that collectively can provide power reliably to customers** ~~Reliable power~~ also provides safety and security, enabling citizens to participate in and enjoy the benefits of modern society, while helping to keep critical facilities online on an around-the-clock basis.

(10) ~~Generation~~ **Generation, energy storage, and demand response resources that provide reliability characteristics, such as base-load generator capacity,<sup>4</sup> dispatchability,<sup>5</sup> and load-following capabilities<sup>6</sup> are important to ensuring the overall reliability of the electric grid.**

(11) The necessity of a diverse and reliable generation portfolio was highlighted in the summer of 2022 as both the Midcontinent Independent System Operator (MISO) and the North American Electric Reliability Corporation (NERC) indicated that Indiana faced a higher risk of energy shortfalls during peak summer conditions because of increased demand, capacity shortfalls resulting from generation retirements, and lower levels of accredited capacity.

~~(12) The IURC should maintain its focus on ensuring that Hoosiers receive safe and reliable service, and that utilities fulfill their obligation under the regulatory compact to provide that service safely and reliably.~~  
**(Moved to the recommendations section, #14.)**

## *Resilience*

(13) Catastrophic events and natural disasters **are increasing in frequency and severity. They inevitable** ~~and~~ may strike at any moment. Indiana's electric infrastructure should be appropriately invested in and maintained, and the necessary resources provided, in order to respond to these off-nominal events.

(14) Communities and utilities should work collaboratively and often to ensure that communities are prepared



for and can respond to events during which electricity may not be available for periods of time. This collaboration may include the following:

- 4 Generator capacity means "The maximum output, commonly expressed in megawatts (MW), that generating equipment can supply to system load, adjusted for ambient conditions". U.S. Energy Info. Admin., Glossary, [https://www.eia.gov/tools/glossary/index.php?id=G#gen\\_cap](https://www.eia.gov/tools/glossary/index.php?id=G#gen_cap) (visited Oct. 14, 2022).
- 5 "Dispatchability" refers to the ability of a generation facility to be available at the request of power grid operators when needed to meet market needs. (*For further information, see the following:* Energy Education, University of Calgary, [https://energyeducation.ca/encyclopedia/Dispatchable\\_source\\_of\\_electricity](https://energyeducation.ca/encyclopedia/Dispatchable_source_of_electricity) (visited Oct. 12, 2022). Understanding the Term "Dispatchable" Regarding Electricity Generation, NMPP Energy, <https://www.nmppenergy.org/energy-education/understanding-term-dispatchable-regarding-electricity-generation> (visited Oct. 12, 2022)).
- 6 "Load-following capability" refers to the ability of the power output of an electric generation facility to be adjusted to maintain the electric system's ability to match supply and demand. (*For further information, see the following:* Load Following Power Plant, <https://www.nuclear-power.com/nuclear-power/reactor-physics/reactor-operation/normal-operation-reactor-control/load-following-power-plant/> (visited Oct. 12, 2022)).

- Communicating regarding critical facilities and services in communities, such as community heating and cooling centers, so that utilities can prioritize critical community services in restoration efforts.
- Ensuring that community members who need electricity for oxygen or other medical equipment know how to contact the appropriate utility for priority service restoration.

### *Stability*

(15) Indiana's economy will increasingly include advanced manufacturing industries and other businesses that must have a stable source of electricity at all times. Indiana's electric system should maintain and be able to deliver a stable source of electricity, with increasingly higher levels of stability available for advanced manufacturing companies. Such higher levels of stability should be paid for by those customers who require it, in adherence to the cost-causation principles of ratemaking.

### *Affordability*

(16) Any consideration of the state's energy policy, or any statutory changes affecting the state's energy policy, should take into account the policy stated in IC 8-1-2-0.5:

*The general assembly declares that it is the continuing policy of the state, in cooperation with local governments and other concerned public and private organizations, to use all practicable means and measures, including financial and technical assistance, in a manner calculated to create and maintain conditions under which utilities plan for and invest in infrastructure necessary for operation and maintenance while protecting the affordability of utility services for present and future generations of Indiana citizens.*

**(17) Customer assistance programs, such as the Low-Income Home Energy Assistance Program (LIHEAP) and the Weatherization Assistance Program (WAP), are important resources to help low-income customers afford their energy bills, especially during the winter heating season. In addition, utility-sponsored energy efficiency programs enable customers to take advantage of opportunities to reduce their overall bill. Together, customer assistance programs and energy efficiency programs can assist customers, particularly low-income customers, and mitigate the financial impacts of higher energy prices. However, current resources available to these programs for low-income customers are proving to be inadequate in helping those customers afford their utility bills on a monthly and ongoing basis.**

(18) The ability to draw power from multiple types of resources as part of a diverse generation resource mix allows for the mitigation of price volatility and serves as a hedge against constraints, such as those involving fuel supplies and supply chains, and against other potential future disruptions in supply.

(19) In an ever-changing energy landscape, Indiana's regulatory framework should allow the opportunity for innovation and flexibility to ensure Indiana utilities can act in a timely manner for the benefit of their customers. To that end, the General Assembly and the IURC should continue to improve procedural efficiencies through multiple pathways and opportunities. **opportunities, without compromising affordability.**

**(20) The increased use of intermittent generation resources is dependent on a significant expansion of the existing electric transmission system. Additionally, with Indiana's location on or near several key seams between transmission planning regions, it is expected that more land will be used to host the growth of transmission systems, making Indiana the "Crossroads of America" for more than just roads. Given these realities, it is important that state regulators and policymakers closely monitor the impact that transmission investments can have on local communities, along with the upward pressure such investments can impose on**

utility rates.

(21) The affordability of electricity has become a more important concern because electricity prices in Indiana are no longer, as they once were, among the lowest of the fifty (50) states.

### *Environmental Sustainability*

(22) The transition to clean energy resources and ~~and~~ innovative technologies is occurring and should be encouraged. The state should take reasonable steps to reduce barriers to these resources and technologies, so as to enable the market to drive innovation, and should encourage the economic growth that these resources and technologies may bring to Indiana. ~~The state should continue to manage this transition carefully and in a way that does not compromise the reliability, resiliency, and stability of electric service, and that maintains affordability for all customer classes. As new technologies, such as distributed energy resources (DERs) and electric vehicles (Evs), integrate with and operate in parallel to the electric system, they should be continually evaluated to ensure they are in compliance with reasonable reliability and safety standards.~~

(23) Renewable energy generation sources are highly desirable with respect to reducing carbon emissions, and are presently economically competitive with existing conventional generation resources because of technological advancements, market innovations, and federal government subsidies.

(24) To keep Indiana competitive in attracting and retaining certain businesses, the state must encourage the deployment of renewable energy resources, while not compromising the reliability and affordability of electric utility service.

(25) Renewable energy offers new opportunities for Indiana to leverage its comparative advantage in manufacturing and attract new investment, jobs, and infrastructure that grow local economies.

**(26) Demand response, distributed energy resources, energy efficiency, and micro-grids can be deployed in a cost-effective manner on the distribution system, avoiding the need for investments in transmission, which is costly, and transmission projects can take years to complete.**

### TASK FORCE RECOMMENDATIONS

(1) The General Assembly should consider legislation instructing the IURC to **enter into a contract with an independent third-party consultant funded by the General Assembly to**

- Evaluate the use of innovative ratemaking designs and to implement approaches (such as alternative rate designs that include performance incentive mechanisms) that may enhance Indiana's traditional regulatory framework and support greater alignment among policymakers, regulators, utilities, and customers with respect to goals and desired outcomes for Indiana's electric delivery system;
- **Study and make recommendations regarding sharing of generating facilities and energy resources, including demand response programs and gas combustion turbines, to serve and meet times of peak and critical peak demand, blackstart services, and other essential reliability services, while avoiding potential stranded costs and duplicative buildout of costly assets;**
- **Analyze and study the long-term benefits and costs of all adjustable-rate mechanisms authorized by the General Assembly or the IURC, including, but not limited to, the Fuel Adjustment Clause; and**
- **Report the findings to the Governor, Legislative Council, and the Interim Study Committee**

**on Energy, Utilities, and Telecommunications.**

(2) Indiana's regulatory landscape should remain flexible and should reasonably encourage the adoption of innovative technologies that may enhance the reliability of the electric system or reduce customer costs.<sup>7</sup>

~~(3) Lawmakers should work collaboratively with the IURC to explore opportunities to establish reasonable periods of time between utility base rate cases, such as the use of multi-year rate plans, so as to increase regulatory efficiency and reduce regulatory costs.~~

~~(4) The General Assembly should: (A) consider legislation reducing the thirty percent (30%) threshold for summer or winter unforced capacity (UCAP) that a public utility may acquire from capacity markets under Indiana's statutory reliability adequacy metrics (as set forth in IC 8-1-8.5-13); and (B) evaluate safeguards that~~

<sup>7</sup> In the 2022 session of the Indiana General Assembly, progress with respect to this recommendation was made through the enactment of legislation that: (1) addressed the ownership and operation of EV charging stations and allowed the IURC to approve time-varying price structures and tariffs, or other alternative pricing structures or tariffs (HEA 1220-2022); (2) directed the IURC, in consultation with the Indiana Department of Environmental Management, to adopt rules concerning certificates of public convenience and necessity for the construction, purchase, or lease of small modular nuclear reactors (SEA 271-2022); and (3) provided that underground pumped storage hydropower qualifies as a "renewable energy resource" for purposes of the state statute providing certain financial incentives for energy utilities to invest in clean energy projects (SEA 147-2020).

~~may serve to protect Indiana customers from paying higher electricity prices as a result of other states' policy choices affecting the regional electricity markets of which Indiana is member.~~

(5) The Indiana Housing and Community Development Authority, the IURC, the Indiana Office of Utility Consumer Counselor, and other relevant state agencies should engage with utilities and other stakeholders to increase eligible customers' awareness of, and participation in, customer assistance programs, such as LIHEAP, WAP, and those offered by individual utilities.

**(6) The General Assembly should consider legislation to provide funding for health and safety measures such as mold remediation for customers who are otherwise eligible for the WAP program, but are excluded from participating because of inadequate funding to address health and safety issues.**

**(7) The General Assembly should consider legislation establishing programs to provide direct assistance to income-qualified households to be applied to their electric bills on a monthly basis.**

**(8) The General Assembly should consider legislation authorizing the IURC to allow electric utilities to establish customer assistance programs under IC 8-1-2-46.**

(9) State lawmakers, the Indiana Office of Energy Development, and the Indiana Department of Homeland Security should collaborate with local units of government and relevant industries to publish best practices related to safety issues surrounding battery storage facilities, small modular nuclear reactors, hydrogen facilities and infrastructure, and other emerging energy technologies.

(10) The IURC should evaluate its regulatory processes for possible areas of improvement, including the potential consolidation of certain proceedings or filings.

(11) The General Assembly should adopt a resolution affirming the goal of the 2019-2020 Task Force for Indiana's average residential, commercial, and industrial retail electric rates to be among the lowest twenty-five percent (25%) of all states by the end of 2030.

(12) The General Assembly should consider legislation that expands the use of: (A) time-varying price structures for retail energy service (such as ~~as~~ time-of-use or off-peak pricing, critical peak pricing, variable peak pricing, and real-time pricing); ~~or and~~ (B) other innovative pilot programs; that will reduce the need for new peak generation resources to meet increased electric demand as the modern economy continues to become increasingly electrified.

(13) Indiana lawmakers should closely monitor the development of any federal transmission infrastructure siting reforms, and the General Assembly should explore legislation that would reduce state or local barriers that unduly delay necessary and useful transmission projects, while preserving local input and appropriate controls.

(14) The General Assembly should consider legislation that would establish additional programs or incentives for the redevelopment of land on which electric generating stations or mines have been or are located, or for the redevelopment of land surrounding such sites.

~~(15) The General Assembly should consider legislation to allow for the similar regulatory treatment of all generation resources, to the extent reasonable, by the IURC.~~

~~(16) The General Assembly should consider legislation to authorize energy utility pilot programs that include the integration of alternative fuels to diversify utilities' fuel supplies and to support economic development.~~

(17) The IURC should maintain its focus on ensuring that Hoosiers receive safe and reliable service, and that utilities fulfill their **statutory** obligation ~~under the regulatory compact~~ to provide that service safely and reliably.

(18) The General Assembly should consider legislation to instruct the IURC to ensure electricity suppliers participating in the Integrated Resource Planning (IRP) process use integrated distribution planning and fully consider distributed energy resources (DERS) and microgrids in their plans.

(19) The General Assembly should consider legislation to standardize, on a statewide basis, applicable to all investor-owned electricity providers, the methodology for the application of credits on monthly electric bills, which is associated with the exported energy from customer-owned distributed energy resources that are less than one MW of nameplate capacity.

(20) The General Assembly should consider legislation to increase the threshold for an industrial customer to opt-out of an electric utility-sponsored demand side management program under IC 8-1-8.5-9 from one MW to five MW.

(20) The General Assembly should consider legislation establishing statewide energy efficiency goals applicable to all jurisdictional electricity suppliers.

## **2021 WITNESS LIST**

Peter Prettyman, Senior Vice President and General Counsel, Indiana Municipal Power Agency  
Brian Christenberry, Vice President, Government Relations, Indiana Electric Cooperatives  
Ron Holcomb, President and CEO, Tipmont REMC and Wintek  
Jay Bartlett, President and CEO, Wabash Valley Power Alliance  
Julia Frayer, Managing Director, London Economics International  
Philip Hayes, Chairman, Board of Directors, Wabash Valley Power Alliance

Ahmad Faruqui, Ph.D., Principal, The Brattle Group (remote testimony)  
Mike McQuillen, Director of Industry and Government Affairs, Indiana Housing and Community Development Authority  
Danielle McGrath, President, Indiana Energy Association  
Kerwin Olson, Executive Director, Citizens Action Coalition  
Greg Ellis, Vice President, Energy & Environmental Affairs & Federal Relations, Indiana Chamber of Commerce  
Brendon Baatz, Vice President, Gabel Associates (remote testimony on behalf of the Hoosier Environmental Council)  
Joe Rompala, Director, Lewis Kappes, on behalf of Indiana Industrial Energy Consumers, Inc. (INDIEC)  
Denise Abdul-Rahman, Chair, Environmental & Climate Justice, Indiana State Conference of the NAACP  
Ryan Hadley, Executive Director of External Affairs, Indiana Utility Regulatory Commission  
Karen Johnston, Regional Director, Government Affairs, Toyota Motor North America  
Matt Norris, Krieg DeVault LLP (separately on behalf of the Alliance for Automotive Innovation and the Indiana Food and Fuel Association)  
Francesca Wahl, Senior Charging Policy Manager, Public Policy and Business Development, Tesla, Inc. (remote testimony)  
Andrea Zimmerman, Legislative Director, Indiana Department of Transportation (INDOT)  
Chris Creighton, Chief of Staff, INDOT  
Philip Jones, Executive Director, Alliance for Transportation Electrification (remote testimony)  
Kellen Schefter, Director, Electric Transportation, Edison Electric Institute (remote testimony)  
Bruno Pigott, Commissioner, Indiana Department of Environmental Management  
Jordan Wallpe, Electric Transportation Project Manager, Midwest Region, Duke Energy (on behalf of the Indiana Utility Group)  
David Jankowsky, Founder and Chief Executive Officer, Francis Energy  
Bryce Carpenter, Vice President, Industry Engagement, Conexus Indiana  
Scot Imus, Executive Director, Indiana Food & Fuel Association  
Kerri Garvin, Executive Director, Greater Indiana Clean Cities, Inc. (remote testimony)  
Gary Langston, President, Indiana Motor Truck Association  
Doug Gotham, Ph.D., Director, State Utility Forecasting Group  
Tim Caister, Deputy General Counsel, Regulatory Legal, Midcontinent Independent System Operator (MISO)  
Patrick Poer, Co-Founder, Sun FundED  
Kelly Hipskind, Co-Founder, Sun FundED  
Eric Jung, CEO, Northeastern REMC  
Ashley Brown, Retired Executive Director, Harvard Electricity Policy Group, Harvard University John F. Kennedy School of Government (remote testimony)  
Ben Inskeep, Principal Energy Policy Analyst, EQ Research  
Will Kenworthy, Regulatory Director, Midwest, Vote Solar  
Jesse Kharbanda, Executive Director, Hoosier Environmental Council (remote testimony)  
Jim Straeter, Founder, Ag Technologies, Inc.  
Shelby Linton-Keddie, Esq., Senior Director, State Energy & Regulatory Policy, Edison Electric Institute  
Jason Stephenson, Vice President, Associate General Counsel of Regulatory Legal, CenterPoint Energy  
Mark Brown, Consumer Energy Alliance  
Peter Schubert, Ph.D., P.E., Director, Richard G. Lugar Center for Renewable Energy, Indiana University Purdue University Indianapolis  
Dan Patry, Manager—Policy Innovation, Fluence (remote testimony)  
Jeff Bishop, Co-Founder and CEO, Key Capture Energy (remote testimony)  
Aaron Bloom, Senior Director, Regulatory Affairs, NextEra Energy Resources (remote testimony)  
Vilas Pol, Ph.D., Professor, Davidson School of Chemical Engineering, Purdue University (remote testimony)  
Zak Kuznar, Ph.D., Managing Director, Grid Solution Development, Duke Energy



Jessica Garcia, Energy Policy Research Consultant, Union of Concerned Scientists (remote testimony)  
Suzanne Jaworowski, Energy Consultant, NuScale Power  
Dom Claudio, Director of Sales, NuScale Power  
Joel Gebbie, Senior Vice President, Chief Nuclear Officer, Indiana Michigan Power, American Electric Power  
Gary Parker, Director, Engineering Programs, New Power Business, Cummins, Inc.  
Jason Rowell, Associate Vice President, Director—Global Decarbonization Solutions, Black & Veatch (remote testimony)  
Haresh Kamath, Director, Distributed Energy Resources and Energy Storage, Electric Power Research Institute (remote testimony)  
Mindy Westrick Brown, Vice President, Indiana Energy Association

## **2022 WITNESS LIST**

Bob Kuzman, Regional Director Customer Affairs—Central Region, Midcontinent Independent System Operator (MISO)  
Tim Burdis, Manager, State Policy Solutions, PJM Interconnection  
Jim Huston, Chairman, and Dale Thomas, Chief Technical Advisor, Indiana Utility Regulatory Commission (IURC)  
John Moura, Director, Reliability Assessment and Performance Analysis, North American Electric Reliability Corporation (NERC) (remote testimony)  
Johnny Gest, Manager, Engineering & System Performance, ReliabilityFirst (remote testimony)  
Ben Inskeep, Program Director, Citizens Action Coalition (CAC)  
Tim Maloney, Senior Policy Director, Hoosier Environmental Council  
Jack Alvey, President & CEO, Indiana Municipal Power Agency (IMPA)  
Stan Pinegar, President, Duke Energy Indiana  
Steve Baker, President & COO, Indiana Michigan Power  
Jason Stephenson, Vice President, Associate General Counsel Regulatory Legal, CenterPoint Energy  
Mike Hooper, President & COO, Northern Indiana Public Service Co. (NIPSCO)  
Jeff Conrad, CEO, Wabash Valley Power Alliance (remote testimony)  
Rob Horton, Executive Vice President & COO, Hoosier Energy  
Aaron Cooper, Chief Commercial Officer, AES US Utilities  
Rachel Hazaray, Deputy General Counsel and Senior Manager, Legal & Corporate Social Responsibility, Subaru of Indiana Automotive, on behalf of Indiana Industrial Energy Consumers, Inc. (INDIEC)  
Christopher Norrick, Evansville, IN  
Laura Arnold, Indianapolis, IN  
Laura Rauch, Sr. Director of Transmission Planning, MISO  
Simon Whitelocke, Vice President, ITC Holdings Corp., and President, ITC Michigan  
Josh Burkholder, Director, Transmission RTO Policy, American Electric Power/Indiana Michigan Power  
Allen Fore, Vice President, Public Affairs, Kinder Morgan Energy Partners, L.P. (remote testimony)  
Denise Abdul-Rahman, State Chair, Environmental & Climate Justice, Indiana State Conference of the NAACP  
Jeremy Kalin, Avisen Legal  
Carlo Cavallaro, Midwest Regional Director, Coalition for Community Solar Access (CCSA)  
Scott Risley, Executive Director, Public Policy, CCSA  
John Farrell, Co-Director, Institute for Local Self-Reliance (ILSR), and Director, ILSR Energy Democracy Initiative (remote testimony)  
Roland Rosario, Renewable Energy Development Manager, CenterPoint Energy  
Ashley Polen Willis, Executive Director, Pike County Economic Development Corp.  
Tom Dakich, Managing Member and General Counsel, Digital Crossroad  
Kacey Crane, Executive Director, Indiana Conservative Alliance for Energy  
Bob Rice, Energy Manager, Hamilton Southeastern School Corporation

Benjamin Davis, Lafayette, IN  
Matt Jaworowski, External Affairs Specialist, IURC  
Mark Wasky, Senior Vice President, Community Affairs, Indiana Economic Development Corp.  
Kerwin Olson, Executive Director, CAC  
Matt Bell, CEO, Reliable Energy  
Danielle McGrath, President, Indiana Energy Association  
Michael Charbonneau, Director, External Government Relations, Indiana Electric Cooperatives  
Andrew Campbell, Director, Portfolio Planning & Origination, NiSource, Inc.  
Travis Kavulla, Vice President, Regulatory Affairs, NRG Energy (remote testimony)  
Sanem Sergici, Ph.D., Principal, The Brattle Group (remote testimony)  
Jennifer Washburn, Counsel, CAC  
Gregory Ehrendreich, Senior Analyst, Midwest Energy Efficiency Alliance  
Joe Rompala, Director, Lewis Kappes, on behalf of INDIEC  
Tim Duff, General Manager, Portfolio Analysis and Regulatory Strategy, Duke Energy Corp.  
Shannon Anderson, Advocacy Director, Earth Charter Indiana  
Barton Heath, Newburgh, IN  
Jarad Daniels, CEO, Global CCS Institute (remote testimony)  
Damian Bilbao, Vice President, US Business Development & Integration, BP  
Brian Wagaman, P.E., Vice President, Gas Supply and System Operations, CenterPoint Energy  
Casey Holsapple, Vice President of Business Development, Energy Transition, Kinder Morgan, Inc.  
Josh Fisher, Director of State Affairs, Alliance for Automotive Innovation  
Gary Johansen, Vice President—Power Systems Engineering, Cummins, Inc.  
Neil Banwart, Program Director—NPROXX, New Power Business Unit, Cummins, Inc.  
Dan Patry, Manager—Policy Innovation, Fluence (remote testimony)  
John Quackenbush, President, JQ Resources, LLC (remote testimony)  
Scott Manning, Deputy Chief of Staff, Indiana Department of Transportation (INDOT)  
Kenna Mulligan-Sissman, Associate, Government Affairs, Invenergy (remote testimony)  
Steffanie Dohn, Director of State and Regulatory Affairs, SOLV Energy  
Natalie Robinson, Indiana State Director, National Federation of Independent Business (NFIB)  
Joe Grossbauer, Owner, GGNet Technologies (remote testimony)  
Kyle Barlow, Shelby County, IN

# 21st Century Energy Policy Development Task Force



Sen. Eric Koch  
Co Chair

Rep. Edmond Soliday  
Co Chair

---

Authority: IC 2-5-45.1

## MEETING MINUTES

Date: October 19, 2022  
Time: 10:00 AM  
Place: State House, 200 W. Washington St., House Chamber  
City: Indianapolis, Indiana 46204  
Meeting Number: 5

### Members Present

Sen. Scott Baldwin  
Sen. Stacey Donato  
Rep. Chris Jeter  
Sen. Eric Koch  
Sen. Jean Leising  
Rep. Ethan Manning  
Rep. Sharon Negele  
Rep. Matt Pierce  
Rep. Edmond Soliday  
Sen. Shelli Yoder  
William Fine  
Dan Huge  
Kay Pashos  
Peter Schubert  
Donna Walker

### Members Absent

Rep. Ryan Hatfield  
Sen. David Niezgodski

Co-Chair Ed Soliday called the meeting to order at 10:05 a.m. He then outlined the meeting's agenda, including the process for Task Force members to discuss the Task Force's draft report (see Exhibit 1), consider and vote on any offered amendments to the draft, and then vote on the final report after any approved amendments have been incorporated. Co-Chair Soliday noted that the draft report under consideration had been distributed to Task Force members on October 18, 2022, and that it incorporated some of the suggested changes offered by Task Force members to the Co-Chairs' initial draft report submitted to Task Force members on October 12, 2022.

Following introductions of the Task Force members, Legislative Services Agency (LSA) staff provided an

overview of the draft report, highlighting the main sections of the report.

Co-Chair Soliday then invited Task Force members to comment on the draft report as a whole. Members provided feedback as follows: (1) That the report should better address the topics of distributed energy resources, including community solar, and the state's policies concerning energy efficiency. (2) That the report should include provisions addressing the affordability of electric and natural gas utility services for residential customers, given the expected increase in heating costs for the upcoming winter. (3) That the draft report's Recommendation #8 (urging the General Assembly to adopt a resolution affirming the goal of the 2019-2020 Task Force that Indiana's average retail electric rates be among the lowest twenty-five percent (25%) of all states by the end of 2030) expresses a worthy goal, but that inflationary pressures have increased utilities' costs for fuel, construction, and purchased power, with those increased costs necessarily having an impact on rates.

After these preliminary remarks, Co-Chair Soliday asked whether any Task Force members wished to offer amendments to the draft report.

Dr. Peter Schubert offered an amendment to: (1) add language to Finding #22 in the draft report; and (2) add an additional recommendation to the draft report; concerning the impact of increasing electric vehicle (EV) adoption on both electricity usage patterns and electric distribution infrastructure. (See Exhibit 2 for the proposed text of the amendment.) Following discussion by the Task Force, and agreement among members to make non-substantive changes to the wording of the new proposed recommendation, the Task Force adopted Dr. Schubert's amendment by consent. (See Exhibit 4, Vote #28.)<sup>1</sup>

Rep. Matt Pierce then offered a series of amendments, which the Task Force considered and, as applicable, voted on as follows:<sup>2</sup>

- Proposed deletion of language from Finding #3 (concerning a diverse energy portfolio for Indiana; failed on a roll-call vote: 2-12; see Exhibit 4, Vote #22).
- Addition of the word “may” before the word “hinder” in Finding #5 (concerning energy storage technologies; passed by consent; see Exhibit 4, Vote #27).
- Other proposed changes to language in Finding #5 (concerning energy storage technologies; failed on a roll-call vote: 2-12; see Exhibit 4, Vote #21).
- Proposed changes to language in Finding #8 (concerning community solar programs; failed on a roll-call vote: 2-12; see Exhibit 4, Vote #20).
- Proposed changes to language in Finding #9 (concerning reliable electric service; passed by consent; see Exhibit 4, Vote #26).
- Proposed changes to language in Finding #10 (concerning reliability characteristics of energy resources; passed by consent; see Exhibit 4, Vote #25).

---

<sup>1</sup> Please note that the vote numbers that appear on the vote sheet entered as Exhibit 4 into the record (posted at [https://iga.in.gov/legislative/2022/committees/21st\\_century\\_energy\\_policy\\_development\\_task\\_force](https://iga.in.gov/legislative/2022/committees/21st_century_energy_policy_development_task_force)) do not correspond to the order in which the votes were taken at the meeting. Please refer to these minutes for the order in which the listed votes were taken.

<sup>2</sup> See Exhibit 3 for the proposed text of the amendments offered by Rep. Pierce.

- Proposed amendment to move to the “Recommendations” section of the report the language in Finding #12 (concerning the continued focus of the Indiana Utility Regulatory Commission (IURC) on safe and reliable electric service for Indiana consumers, and the obligation of utilities to provide safe and reliable electric service; withdrawn by Rep. Pierce after discussion by Task Force members).
- Proposed changes to language in Finding #13 (concerning investments in, and maintenance of, Indiana's electric infrastructure in order to respond to catastrophic events and natural disasters; failed on a roll-call vote: 2-12; see Exhibit 4, Vote #19).
- Proposed addition of language to Finding #17 (concerning customer assistance programs for low-income customers; failed on a roll-call vote: 2-12; see Exhibit 4, Vote #18).
- Proposed deletion of Finding #20 (concerning the impact of transmission system investments on local communities and on electric utility rates; withdrawn by Rep. Pierce after discussion by Task Force members).
- Proposed deletion of language from Finding #22 (concerning the state's management of the transition to clean energy resources, and the continual evaluation of new technologies as they integrate with and operate in parallel to the electric system; failed on a roll call vote: 2-12; see Exhibit 4, Vote #17).
- Proposed addition of Finding #26 (concerning the deployment of demand response, distributed energy resources (DERs), energy efficiency, and microgrids on the electric distribution system; failed on a roll-call vote: 2-13; see Exhibit 4, Vote #16).
- Proposed addition of language to Recommendation #1 (recommending that the General Assembly consider legislation instructing the IURC to evaluate the use of innovative utility ratemaking designs; proposed amendment would require the IURC to contract with an independent third-party consultant to conduct the evaluation and would add additional topics for analysis and study; failed on a roll-call vote: 2-13; see Exhibit 4, Vote #15).
- Proposed deletion of Recommendation #3 (recommending that lawmakers work with the IURC to establish reasonable periods of time between utility base rate cases; failed on a roll-call vote: 2-13; see Exhibit 4, Vote #14).
- Proposed deletion of Recommendation #4 (recommending that the General Assembly: (A) consider legislation to reduce the 30% threshold for summer or winter unforced capacity (UCAP) that a public utility may acquire from capacity markets under Indiana's statutory reliability adequacy metrics; and (B) evaluate safeguards to protect Indiana customers from paying higher electricity rates as a result of other states' energy policy choices; failed on a roll-call vote: 2-13; see Exhibit 4, Vote #13).
- Proposed new Recommendation #6 (recommending that the General Assembly consider legislation to provide funding for health and safety remediation measures for homes, so as to enable otherwise eligible customers to participate in the U.S. Department of Energy's Weatherization Assistance Program (WAP); failed on a roll-call vote: 2-13; see Exhibit 4, Vote #12).

- Proposed new Recommendation #7 (recommending that the General Assembly consider legislation to establish programs to provide direct assistance to income-qualified households to be applied to their monthly electric bills; failed on a roll-call vote: 2-13; see Exhibit 4, Vote #11).
- Proposed new Recommendation #8 (recommending that the General Assembly consider legislation authorizing the IURC to allow electric utilities to establish customer assistance programs under existing law; failed on a roll-call vote: 2-13; see Exhibit 4, Vote #10).
- Proposed change of the word “or” to “and” in Recommendation #9 (recommending that the General Assembly consider legislation that expands the use of: (A) time-varying price structures for retail energy service; or (B) other innovative pilot programs; that will reduce the need for new peak generation resources; withdrawn by Rep. Pierce after discussion among Task Force members and staff).
- Proposed deletion of Recommendation #12 (recommending that the General Assembly consider legislation to allow for the similar regulatory treatment by the IURC of all generation resources; failed on a roll-call vote: 2-13; see Exhibit 4, Vote #9).
- Proposed deletion of Recommendation #13 (recommending that the General Assembly consider legislation to authorize energy utility pilot programs that include the integration of alternative fuels to diversify utilities' fuel supplies and to support economic development; failed on a roll-call vote: 2-13; see Exhibit 4, Vote #8).
- Proposed new Recommendation #18 (recommending that the General Assembly consider legislation directing the IURC to ensure electricity suppliers consider DERs and microgrids in their integrated resource plans (IRPs); failed on a roll-call vote: 2-13; see Exhibit 4, Vote #1).
- Proposed new Recommendation #19 (recommending that the General Assembly consider legislation to standardize on a statewide basis the methodology used by investor-owned utilities to apply credits on monthly electric bills for energy exported from customer-owned DERs; failed on a roll-call vote: 2-11; see Exhibit 4, Vote #7).
- Proposed new Recommendation #20 (recommending that the General Assembly consider legislation to increase the statutory generating-capacity threshold for an industrial electric customer to opt out of a utility-sponsored energy efficiency program; failed on a roll-call vote: 3-12; see Exhibit 4, Vote #6).
- Proposed new Recommendation #21 (recommending that the General Assembly consider legislation establishing statewide energy efficiency goals applicable to all electricity suppliers under the jurisdiction of the IURC; failed on a roll-call vote: 2-13; see Exhibit 4, Vote #5).

Following discussion and voting on Rep. Pierce's amendments, Co-Chair Soliday offered three technical amendments, which were discussed and approved as follows:

- Proposed correction of misspelling (changing “sumarized” to “summarized” in the “Statutory Directive” section of the draft report; passed by consent; see Exhibit 4, Vote #4).
- Proposed removal of repeated word (removing the second instance of the word “as” in the last sentence

under the “Framework #2” subheading in the draft report; see Exhibit 4, Vote #3).

- Proposed correction of misspelling (changing “meditum-term” to “medium-term” in Recommendation #3; passed by consent; see Exhibit 4, Vote #2).

At the conclusion of the Task Force's consideration of all offered amendments, Co-Chair Soliday offered the draft report, as amended, for voting by the Task Force. Upon the motion being seconded, LSA staff took a roll call vote. The draft report, as amended, passed 13-2 (see Exhibit 4, Vote #23).

After voting on the amended report, Co-Chair Soliday and Co-Chair Eric Koch thanked members of the Task Force for their service to the Task Force and for their contributions in shaping Indiana's energy policy.

Co-Chair Soliday adjourned the meeting at 1:13 p.m.

Archived video of the meeting may be viewed by accessing:

[https://iga.in.gov/information/archives/2022/video/committee\\_21st\\_century\\_energy\\_policy\\_development\\_task\\_force/](https://iga.in.gov/information/archives/2022/video/committee_21st_century_energy_policy_development_task_force/)





Monthly Total CDD for NORTHERN INDIANA WFO, IN

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2000	M	M	M	M	M	M	M	M	M	M	M	M	M
2001	M	M	M	M	M	M	M	M	M	M	M	M	M
2002	M	M	M	M	M	M	M	M	M	M	M	M	M
2003	M	M	M	M	M	M	M	M	M	M	M	M	M
2004	M	M	M	M	M	M	M	M	M	M	M	M	M
2005	M	M	M	M	M	267	302	M	M	31	M	M	M
2006	M	M	M	M	M	M	M	M	M	M	M	M	M
2007	0	M	M	M	101	M	M	M	M	M	M	0	M
2008	0	0	0	7	18	174	245	204	92	10	0	0	M
2009	0	0	0	31	38	158	123	180	58	0	0	0	M
2010	0	0	0	24	94	210	340	306	81	23	0	0	1078
2011	0	0	0	5	79	176	389	211	69	15	0	0	944
2012	0	0	40	5	114	228	447	167	75	5	0	0	1081
2013	0	0	0	1	88	149	216	182	92	24	0	0	752
2014	0	0	0	1	69	206	126	202	57	1	0	0	662
2015	0	0	0	1	81	140	174	170	141	0	0	0	707
2016	0	0	0	5	71	182	284	305	132	19	2	0	1000
2017	0	0	0	11	34	176	226	123	123	32	0	0	725
2018	0	0	0	0	117	178	243	241	153	32	0	0	964
2019	0	0	0	0	30	132	308	176	117	18	0	0	781
2020	0	0	0	0	52	185	319	206	56	5	2	0	825
2021	0	0	0	8	68	214	217	267	115	41	0	0	930
2022	0	0	0	6	96	176	234	189	100	1	0	0	802
2023	M	M	M	M	M	M	M	M	M	M	M	M	M
<b>Mean</b>	0	0	3	7	72	184	262	209	97	16	0	0	865
<b>Max</b>	0 2022	0 2022	40 2012	31 2009	117 2018	267 2005	447 2012	306 2010	153 2018	41 2021	2 2020	0 2022	1081 2012
<b>Min</b>	0 2022	0 2022	0 2022	0 2020	18 2008	132 2019	123 2009	123 2017	56 2020	0 2015	0 2022	0 2022	662 2014

Cause No. 45772  
Northern Indiana Public Service Company LLC's  
Objections and Responses to  
Indiana Office of Utility Consumer Counselor's First Set of Data Requests

**OUC Request 1-006:**

Please refer to the testimony of Alison M. Becker:

- a. Confirm or deny the proposed Rider 597 is not a pilot program.
- b. Confirm or deny the proposed Rider 597 assesses a monthly charge to all customers including residential, commercial, industrial, street lighting and traffic lighting for the direct benefit of a specific subset of residential customers.
- c. At page 11, please provide the evidence supporting the statement, "This is problematic because summers have gotten warmer..."
- d. At page 11, line 5, please provide the data and graph for electric only customers.
- e. At page 12, line 3, please explain why NIPSCO believes mandating all customers to fund Rider 597 is "the right thing to do."
- f. At page 12, lines 7-10, please provide evidence that customers who otherwise would have benefited from Rider 597 have permanently left the NIPSCO system.
- g. At page 15, lines 9-14, please address how NIPSCO will address the potential downsides to the program listed in the 45465 order.
- h. Is it NIPSCO's opinion the Commission can make a precedential order taxing all customers without legislative authority? If yes, please cite that authority.

**Objections:**

NIPSCO objects to subpart (h) of this Request on the grounds and to the extent it mischaracterizes Ms. Becker's testimony and NIPSCO's requested alternative regulatory plan lawfully submitted pursuant to Ind. Code 8-1-2.5.

NIPSCO further objects to subpart (d) of this Request on the separate and independent grounds and to the extent that it solicits an analysis, calculation or compilation the burden or expense of which outweighs its likely benefit and which has not already been performed and which NIPSCO objects to performing.

**Response:**

Cause No. 45772  
Northern Indiana Public Service Company LLC's  
Objections and Responses to  
Indiana Office of Utility Consumer Counselor's First Set of Data Requests

Subject to and without waiver of the foregoing general and specific objections, NIPSCO is providing the following response:

- a. Confirmed.
- b. Confirmed.
- c. That testimony was based on understanding from various media reports. See <https://weather.com/science/environment/news/earth-climate-change-effects> for one example. In addition, please see <https://docs.lib.purdue.edu/climatetr/2/> for an example from Purdue University.
- d. Please see objection.
- e. NIPSCO first notes that, while most of the expected funding for Rider 597 is expected to come through collections from customers, NIPSCO will also be making an annual contribution to Rider 597. As the Commission noted in its Order in Cause No. 45465, "customers receiving the bill credit will also receive a more affordable electric bill after the credit is applied." 45465 Order at 18. Additionally, as NIPSCO noted in Ms. Becker's direct testimony, a similar program has existed for many years for gas customers, and NIPSCO believes it is the right thing to offer a similar program to its electric customers as well.
- f. This sentence is a general statement of an objective fact (if a customer is no longer able to pay their bill, costs will be shared by the remaining customers) and was meant only to demonstrate what happens to NIPSCO's other customers when low income customers are not able to continue to receive electric service. The costs of the system are spread among a smaller base of customers.
- g. The listed downsides are difficult to mitigate, which is what makes them downsides. However, NIPSCO's program design, which closely resembles the gas Universal Service Program, will provide benefits to low income customers as outlined in Ms. Becker's direct testimony.
- h. NIPSCO first clarifies that it is not asking the Commission to "make a precedential order taxing all customers without legislative authority." NIPSCO's proposed low income Universal Service Program (Rider 597) is not a "tax," and it is being requested as an alternative regulatory plan under Ind. Code 8-1-2.5, under which the Commission has the ability to approve a charge for customers, if it determines, upon considering that, among other things, the request will be beneficial for the energy utility, the energy utility's customers, or the state, and finds that the public interest so requires. The legislative findings

Cause No. 45772

**Northern Indiana Public Service Company LLC's  
Objections and Responses to  
Indiana Office of Utility Consumer Counselor's First Set of Data Requests**

at Ind. Code § 8-1-2.5-1(6) state, "That the public interest requires the commission to be authorized to issue orders and to formulate and adopt rules and policies that will permit the commission in the exercise of its expertise to flexibly regulate and control the provision of energy services to the public in an increasingly competitive environment, giving due regard to the interests of consumers and the public, and to the continued availability of safe, adequate, efficient, and economical energy service." As described in Ms. Becker's testimony at page 9, NIPSCO is aware of the gas USP, which was brought to the Commission as an ARP and has functioned successfully for almost fifteen years. If the Commission had legal authority to issue orders approving the gas USP (even based upon settlements), it likewise has authority to approve similar programs for electric customers.

Cause No. 45772

Northern Indiana Public Service Company LLC's  
Objections and Responses to  
Indiana Office of Utility Consumer Counselor's Twenty-Fourth Set of Data Requests

**OUCC Request 24-013:**

See p. 13, lines 1-13. Please provide five years of historical data regarding the number or average number of LIHEAP-eligible customers who:

- a. Become current on electric bill during the Moratorium Period?
- b. Remain current with bills once the Moratorium Period ends each year?
- c. Fall into arrears once the Moratorium Period ends?

**Objections:**

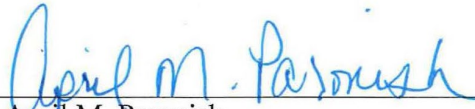
NIPSCO objects to OUCC 24-013 on the grounds and to the extent it seeks a calculation, analysis or compilation that NIPSCO has not performed and objects to performing.

**Response:**

See objection.

**AFFIRMATION**

I affirm, under the penalties for perjury, that the foregoing representations are true.



---

April M. Paronish  
Electric Division Assistant Director  
Indiana Office of Utility Consumer Counselor

Cause No. 45772  
NIPSCO

Date: 1/20/23

## Certificate of Service

This is to certify that a copy of the Indiana Office of Utility Consumer Counselor's Testimony Filing has been served upon the following parties of record in the captioned proceeding by electronic service on January 20, 2023.

Petitioner

Bryan Likins  
Tiffany Murray  
Debi McCall  
**NIPSCO, LLC**  
[blikins@nisource.com](mailto:blikins@nisource.com)  
[tiffanymurray@nisource.com](mailto:tiffanymurray@nisource.com)  
[demccall@nisource.com](mailto:demccall@nisource.com)

Nicholas Kile  
Lauren Box  
Lauren Aguilar  
Hillary Close  
**BARNES & THORNBURG**  
[nicholas.kile@btlaw.com](mailto:nicholas.kile@btlaw.com)  
[lauren.box@btlaw.com](mailto:lauren.box@btlaw.com)  
[laguilar@btlaw.com](mailto:laguilar@btlaw.com)  
[hillary.close@btlaw.com](mailto:hillary.close@btlaw.com)

Walmart-Intervenor

Eric E. Kinder  
Barry A. Naum  
Steven W. Lee  
**SPILMAN THOMAS & BATTLE, PLLC**  
[ekinder@spilmanlaw.com](mailto:ekinder@spilmanlaw.com)  
[bnaum@spilmanlaw.com](mailto:bnaum@spilmanlaw.com)  
[slee@spilmanlaw.com](mailto:slee@spilmanlaw.com)

IMUG-Intervenor

Robert M. Glennon  
**ROBERT GLENNON & ASSOC., P.C.**  
[robertglennonlaw@gmail.com](mailto:robertglennonlaw@gmail.com)  
With a copy to:  
[Ted.sommer@lwgcpa.com](mailto:Ted.sommer@lwgcpa.com)

U.S. Steel-Intervenor

Nikki Shoultz  
Kristina Wheeler  
**BOSE MCKINNEY & EVANS, LLP**  
[nshoultz@boselaw.com](mailto:nshoultz@boselaw.com)  
[kwheeler@boselaw.com](mailto:kwheeler@boselaw.com)  
With a copy to:  
[lbood@boselaw.com](mailto:lbood@boselaw.com)

CAC-and Earthjustice –Intervenor

Jennifer A. Washburn  
**CITIZENS ACTION COALITION**  
[jwashburn@citact.org](mailto:jwashburn@citact.org)  
With a copy to:  
[sfisk@earthjustice.org](mailto:sfisk@earthjustice.org)  
[sdoshi@earthjustice.org](mailto:sdoshi@earthjustice.org)  
[mozaeta@earthjustice.org](mailto:mozaeta@earthjustice.org)  
[rkurtz@citact.org](mailto:rkurtz@citact.org)

NLMK-Intervenor

Anne Becker  
**LEWIS & KAPPES, P.C.**  
[abecker@lewis-kappes.com](mailto:abecker@lewis-kappes.com)  
with a copy to:  
[atyler@lewis-kappes.com](mailto:atyler@lewis-kappes.com)  
[etennant@lewis-kappes.com](mailto:etennant@lewis-kappes.com)

NLMK Co-counsel

James W. Brew  
**STONE MATTHEIS XENOPOULOS & BREW**  
[jbrew@smxblaw.com](mailto:jbrew@smxblaw.com)  
With a copy to:  
[AMG@smxblaw.com](mailto:AMG@smxblaw.com)

IG NIPSCO-Intervenor

Todd A. Richardson

Joseph P. Rompala

Aaron A. Schmoll

**LEWIS-KAPPES, P.C.**

[trichardson@lewis-kappes.com](mailto:trichardson@lewis-kappes.com)

[jrompala@lewis-kappes.com](mailto:jrompala@lewis-kappes.com)

[aschmoll@lewis-kappes.com](mailto:aschmoll@lewis-kappes.com)

with a copy to:

[atyler@lewis-kappes.com](mailto:atyler@lewis-kappes.com)

[etennant@lewis-kappes.com](mailto:etennant@lewis-kappes.com)

Midwest Industrial User's Group

James W. Hortsman

**JAMES W. HORTSMAN LAW GROUP, LLC**

[jhortsman@hortsman.com](mailto:jhortsman@hortsman.com)

ChargePoint, Inc.-Intervenor

David T. McGimpsey

**DENTON BINGHAM GREENBAUM LLP**

[david.mcgimpsey@dentons.com](mailto:david.mcgimpsey@dentons.com)

With a copy to:

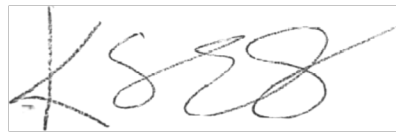
[Connie.bellner@dentons.com](mailto:Connie.bellner@dentons.com)

RV Group-Intervenor

Keith L. Beall

**Clark, Quinn, Moses, Scott & Grahn, LLP**

[kbeall@clarkquinnlaw.com](mailto:kbeall@clarkquinnlaw.com)



---

Kelly Earls, Attorney No. 29653-49

Deputy Consumer Counselor

**OFFICE OF UTILITY CONSUMER COUNSELOR**

115 W. Washington St. Suite 1500 South

Indianapolis, IN 46204

Direct Line: 317.233.3235

Email: [KeEarls@oucc.in.gov](mailto:KeEarls@oucc.in.gov)

[infomgt@oucc.in.gov](mailto:infomgt@oucc.in.gov)