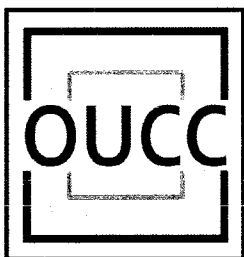
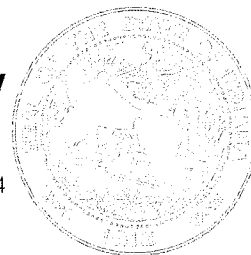


OFFICIAL  
EXHIBITS



Indiana Office of Utility  
Consumer Counselor

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September 17, 2021

**VIA ELECTRONIC MAIL**

Bryan M. Likins  
NiSOURCE CORPORATE SERVICES – LEGAL  
[blikins@nisource.com](mailto:blikins@nisource.com)

Alison M. Becker  
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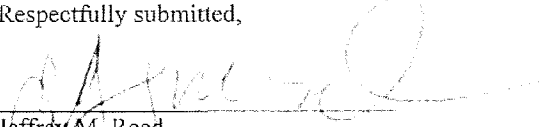
Re: IURC Cause No. 45557  
NIPSCO, LLC  
OUCC Data Response Set No. 1

IURC  
PETITIONER'S  
EXHIBIT NO. 8  
10-5-21 AT  
DATE REPORTER

Dear Counselors:

Please find the OUCC's response to NIPSCO, LLC's Data Request Set No.  
1. Please call if you have any questions.

Respectfully submitted,

  
Jeffrey M. Reed  
Attorney No. 11651-49  
Deputy Consumer Counselor

JMR/kdr  
Enclosure  
cc: Service List

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF NORTHERN INDIANA PUBLIC )  
SERVICE COMPANY LLC FOR (1) APPROVAL OF )  
PETITIONER'S TDSIC PLAN FOR ELIGIBLE )  
TRANSMISSION, DISTRIBUTION, AND STORAGE )  
SYSTEM IMPROVEMENTS, PURSUANT TO IND. CODE )  
§ 8-1-39-10(a) INCLUDING TARGETED ECONOMIC ) CAUSE NO. 45557  
DEVELOPMENT PROJECTS PURSUANT TO IND. CODE )  
§ 8-1-39-10(c), (2) AUTHORITY TO DEFER COSTS FOR )  
FUTURE RECOVERY, (3) APPROVAL FOR INCLUSION )  
OF NIPSCO'S TDSIC PLAN PROJECTS IN ITS RATE )  
BASE IN ITS NEXT GENERAL RATE PROCEEDING )  
PURSUANT TO IND. CODE § 8-1-2-23, AND (4) )  
AUTHORITY TO RECOVER OPERATION AND )  
MAINTENANCE EXPENSES AS TDSIC COSTS )  
PURSUANT TO IND. CODE § 8-1-39-7 UNDER ITS )  
APPROVED RIDER 888 – ADJUSTMENT OF CHARGES )  
FOR TRANSMISSION, DISTRIBUTION AND STORAGE )  
SYSTEM IMPROVEMENT CHARGES. )

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**INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR'S OBJECTIONS  
AND RESPONSES TO NORTHERN INDIANA PUBLIC SERVICE COMPANY  
LLC'S FIRST SET OF DISCOVERY REQUESTS**

**GENERAL OBJECTIONS**

1. The OUCC objects generally to the Data Requests to the extent that they seek to discover information or the production of documents covered by the attorney-client privilege or the work product doctrine and any other applicable privileges. If privileged information or documents are inadvertently produced, the OUCC does not waive or intend to waive any privilege pertaining to such information or documents or to any other information or documents.
2. In responding to the Data Requests, the OUCC does not waive or intend to waive:
  - (a) Objections to competency, relevancy, materiality and admissibility;

- (b) Rights to object on any ground to the use of any of the material provided or responses made pursuant to the Data Requests in any subsequent proceedings, including the litigation of this or any other action;
  - (c) Objections as to vagueness and ambiguity; and
  - (d) Rights to object further on any ground to these or any other data requests in this proceeding.
3. The OUCC objects generally to the Data Requests to the extent that certain individual requests may purport to require the OUCC to perform a study, analysis; or statistical summary in order to supply the requested information.
  4. The OUCC objects generally to the Data Requests to the extent terms such as "any," "each," "every," "all," "complete," and similar terms are overly broad and unduly burdensome.
  5. The OUCC objects generally to the Data Requests to the extent that they require the OUCC to produce voluminous documents on the ground that such production is unduly burdensome.
  6. The OUCC objects to the Data Requests to the extent that they purport to require the OUCC to supply information in a computer format other than the format in which the OUCC keeps such information.
  7. The responses provided to these Requests have been prepared pursuant to a reasonable and diligent investigation and search for information requested. The responses reflect the information obtained before this date by the OUCC's representatives pursuant to a reasonable and diligent search and investigation conducted in connection with these Data requests in those areas where information is expected to be found. To the extent that the requests purport to

require more than a reasonable and diligent search and investigation, the OUCC objects on grounds that include an undue burden or unreasonable expense.

8. The OUCC objects to any attempt by NIPSCO, by way of its preliminary instruction, to require the OUCC to supplement its responses to these Data Requests in any manner other than that set forth in Rule 26(E) of the Indiana Rules of Trial Procedure. The OUCC's duty to supplement its responses is governed exclusively by that Rule.
9. The OUCC objects to the Data Requests to the extent they seek documents or information which is not relevant to the subject matter of this proceeding and which are not reasonably calculated to lead to the discovery of admissible evidence.
10. The OUCC objects to the Data Requests to the extent the discovery sought is unreasonably cumulative or duplicative, or is obtainable from some other source that is more convenient, less burdensome, or less expensive.
11. The OUCC objects to the Data Requests to the extent they are vague and ambiguous and provide no basis from which the OUCC can determine what information is sought.

Without waiving these objections, the OUCC responds to the Data Requests in the manner set forth below.

#### **DATA REQUESTS – SET 1**

**Cause No. 45557**  
**OUCC's Responses to NIPSCO's First Set of Discovery Requests**

**Request No. 1-1:** Please refer to Mr. Alvarez's testimony at page 7, line 15 through page 8, line 3.

- a. Admit that, to the best of the OUCC's knowledge, the Commission has never found or otherwise concluded a company proposing a project under the TDSIC Statute must issue a request for proposals in order to provide a "best estimate" as that term is used in the TDSIC Statute. To the extent your response is anything other than an unqualified admission, please fully explain your response.
- b. To the extent your response is anything other than an unqualified admission, please identify each instance where the Commission has required a request for proposals in order to provide a "best estimate" as that term is used in the TDSIC Statute, and provide a copy of or citation to the applicable order, docket entry, or similar Commission document.

**Response:**

- a. Admit.
- b. N/A

**Cause No. 45557**  
**OUCC's Responses to NIPSCO's First Set of Discovery Requests**

**Request No. 1-2:** Please refer to Mr. Alvarez's testimony at page 4, lines 9-12.

- a. Admit that NIPSCO has not proposed to recover any "recurring O&M expenses within and after the AMI deployment period" through NIPSCO's TDSIC tracker (Rider 888). To the extent your response is anything other than an unqualified admission, please fully explain your response.
- b. Admit that "recurring O&M expenses within and after the AMI deployment period" are not part of NIPSCO's proposed "AMI Project," as that term is used in Mr. Kiergan's and Mr. Holtz's direct testimony.

**Response:**

- a. Admit.
- b. N/A

**Cause No. 45557**  
**OUCC's Responses to NIPSCO's First Set of Discovery Requests**

**Request No. 1-3:** Please refer to Mr. Alvarez's testimony at page 14, line 17, where he asserts that the benefits NIPSCO has reported for its proposed AMI Project are "inadequate and suspect."

- a. Please identify with specificity which benefit categories identified in Figure 2 of Mr. Kiergan's direct testimony the OUCC believes are "suspect."
- b. For each category of benefits identified as "suspect" in sub-part a., please fully explain the basis for Mr. Alvarez's claim.
- c. Other than the claims in Mr. Alvarez's testimony, provide all analysis, study, or similar information that the OUCC or Mr. Alvarez have performed to quantify or determine benefits associated with NIPSCO's proposed AMI Project. To the extent no such analysis, study, or similar has been performed, please so state.

**Response:**

- a. For proper context, the entire quote, beginning at line 13 states:

With NIPSCO ratepayers still at the threshold of realizing benefits from its recent investments on NIPSCO's \$30 million AMR deployment just a few years back, it would be unreasonable to now subject the same ratepayers to a much more expensive metering technology deployment with inadequate and suspect benefits to justify the project cost.

Petitioner's witness Christopher Kiergan provided NIPSCO's business case, including the cost-benefit analysis ("CBA") and the CBA results summary ("CBA Results") which discusses AMI benefits. AMI enabling capabilities are also identified by Petitioner's witness Alison M. Becker, Attachment 1-C, pp. 25 – 29. Ms. Becker identified integrating EV (or electric vehicles) and EV charging as among the enabling capabilities AMI provides. She claimed AMI "is central to NIPSCO's efforts to enable modern utility capabilities." (Becker, Attachment 1-C, p. 25). She testified "AMI will deliver" "upon deployment" "considerable benefits" such as "Advanced Grid Sensing & Control," which included "Usage Data for EV Loads." (Becker, Attachment 1-C, p. 27). Mr. Kiergan identified EV as among the drivers for utilities to install AMI (Kiergan Direct, p. 7, lines 7 – 10 and 21. *See* Alvarez Direct, p. 11, footnote 44). However, in NIPSCO's response to OUCC 2-003 (a), NIPSCO admitted "NIPSCO has not calculated any benefits or operational savings with respect to AMI meters and EV charging." (*See* Alvarez Direct, p. 11, footnote 45)

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OUCC's Responses to NIPSCO's First Set of Discovery Requests

~~Further, NIPSCO did not include benefits and operational savings associated with reduced truck rolls and drive-by meter reading in the AMI CBA. See Public's Attachment AAA-1 NIPSCO response to OUCC DR 2-006). NIPSCO incorrectly considered reduced truck rolls and drive-by meter reading as "societal benefits" rather than an operational benefit. See Public's Attachment AAA-1 NIPSCO response to OUCC 2-006 (a) and Kiergan Direct, Q&A 30, p. 29, lines 4-9.~~

It is these incorrectly categorized operational benefits and missing benefits in Mr. Kiergan's Figure 2, which NIPSCO identified as the considerable benefits AMI will deliver upon deployment, that Mr. Alvarez's quote addresses. The AMI Project does not include all costs or the benefits. were included. Moreover, the incremental benefits currently included in NIPSCO's business case are both "inadequate and suspect" to justify the additional cost of the AMI Project as customers have not received the full benefits from NIPSCO's prior expenditures on the existing AMR program. AMI's substantial cost and insufficient program engineering details add to OUCC's conclusion that the AMI benefits are "inadequate and suspect".

- b. See response to item (a) above.
- c. To quantify/determine benefits associated with NIPSCO's proposed AMI Project, the OUCC issued discovery to NIPSCO requesting the company identify, explain and quantify, in dollars (\$), the operational savings derived in conjunction with AMI meters and EV charging, and reduced meter reading drive-by and truck rolls. ~~In response, NIPSCO did not include the benefits and operational savings from EV charging and incorrectly considered reduced truck rolls and drive-by meter reading as "societal benefits" rather than an operational benefit. (Alvarez Direct, p. 12, lines 1-5). Therefore, the OUCC assigned zero amount of dollars (\$0) to the benefits and operational savings derived in conjunction with AMI meters and EV charging, and reduced meter reading drive-by and truck rolls.~~



OUCC's Responses to NIPSCO's First Set of Discovery Requests

**Request No. 1-4:** Please refer to Mr. Alvarez's testimony at page 14, lines 10-13, where he asserts testifies: "The analysis NIPSCO presented in its case-in-chief to endorse the AMI Project was underwhelming compared to the expectations it generated for AMI deployment in its April 26, 2021, NIPSCO Electric TDSIC 2021-2026 Plan presentation."

- a. Please fully explain what the OUCC's expectations were based on NIPSCO's presentation on April 26, 2021 and specifically identify how NIPSCO's case-in-chief did not live up to those expectations. Include in this explanation an identification of each topic and/or benefit category included in slides 57-62 of Attachment 1-C that were not adequately or fully addressed by NIPSCO in its case-in-chief. (For example, if the OUCC expected NIPSCO to quantify benefits associated with each category on slides 59 and/or 60, but NIPSCO only provided qualitative benefits associated with that category, please so state.)
- b. Admit that during its April 26, 2021, NIPSCO Electric TDSIC 2021-2026 Plan presentation, NIPSCO did not state that it would quantify benefits associated with the five categories listed in the large circles at the top of slide 59 of Attachment 1-C.
- c. Admit that during its April 26, 2021, NIPSCO Electric TDSIC 2021-2026 Plan presentation, NIPSCO did not state that it would quantify benefits associated with each "Program or Functionality" included on slide 60 of Attachment 1-C.

**Response:**

- a. Mr. Alvarez's testimony refers to Ms. Becker's Attachment 1-C, pp. 5, 24 – 29. OUCC's initial expectations and responses are based on and limited to that document. Attachment 1-C, p. 5, showed the breakdown of NIPSCO's \$1.4 billion electric TDSIC capital expenditure plan by category with 10% attributed to the AMI Project. On page 24 of the document, NIPSCO identified AMI as central to its efforts in enabling modern utility capabilities and expected grid transformation over the next decade in part due to the proliferation of residential and fleet EVs and distribution-level DERs (or distributed energy resources). (*Id.*, p. 25). NIPSCO highlighted the drivers of EV proliferation including efforts of utility coalitions coordinating EV charging networks, increasing customer demand and manufacturer supply of EV models, and the Biden Administration's infrastructure plan focused on "winning the EV market." (*Id.*) Likewise, NIPSCO identified the AMI capabilities NIPSCO required necessary to integrate EV charging, among others. (*Id.*) On page 26, NIPSCO expounded on the investments required in deploying AMI including field assets such

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**OUCC's Responses to NIPSCO's First Set of Discovery Requests**

as electric AMI meters and communications network, technology, and processes. (*Id.*, p. 26). NIPSCO promised its AMI will deliver considerable benefits across five key categories upon deployment including Advanced Grid Sensing & Control and reap substantial advantage in acquiring usage data for EV loads. (*Id.*, p. 27). NIPSCO identified EV charging integration as a primary program or functionality in two of the three benefits category wherein AMI plays a foundational technology role. (*Id.*, p. 28). In combination, these items set OUCC's expectations for a robust proposal with substantial, reliable cost support, engineering detail and benefits calculations / cost justification. NIPSCO did not live up to these expectations when it admitted "NIPSCO has not calculated any benefits or operational savings with respect to AMI meters and EV charging." (Public's Attachment AAA-1 NIPSCO response to OUCC 2-003 (a)). The absence of developed network and meter costs in the project also failed to meet expectations for a project allegedly "central" to enabling modern utility capabilities.

- b. Deny. See OUCC response to item (a) above.
- c. Deny. See OUCC response to item (a) above.

**Cause No. 45557**

**OUC's Responses to NIPSCO's First Set of Discovery Requests**

**Request No. 1-5:** Please refer to Mr. Alvarez's testimony at Table 2, where Mr. Alvarez provides information about NIPSCO, I&M, and DEI AMI deployments and claims that the table compares "AMI deployments on an all-in, cost-per-meter installed basis." (NIPSCO notes that line 4 of page 9 refers to "Table 1," but NIPSCO believes this intended to refer to Table 2.)

- a. For the costs reported for I&M, please specify whether or not the "all-in" costs cited by Mr. Alvarez included the following program components or categories:
  - i. AMI meters;
  - ii. AMI communications network;
  - iii. AMI headend system;
  - iv. Meter data management system (MDMS);
  - v. Integrations between MDMS and AMI Headend, Customer Billing System, Customer Portal, and Outage Management System;
  - vi. Cybersecurity architecture costs and associated integrations to monitoring applications;
  - vii. Project management; and
  - viii. Change management.
- b. For the costs reported for I&M, please specify whether or not the "all-in" costs cited by Mr. Alvarez included the following program types or categories of cost:
  - i. Direct capital;
  - ii. Taxes;
  - iii. Contingency, and if so, what the applicable contingency percentage was;
  - iv. AFUDC, and if so, what the applicable AFUDC percentage was;
  - v. Corporate overhead, and if so, what the applicable overhead percentage was; and
  - vi. Indirect costs, and if so, what the applicable indirect percentage was.

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**OUC's Responses to NIPSCO's First Set of Discovery Requests**

- c. For the costs reported for I&M, please specify those costs included that are not correspondingly included in the NIPSCO AMI Project costs; e.g., additional IT/OT systems and applications, additional integrations between new systems/applications and existing systems, costs associated with any AMI-enabled programs (TOU rates, CVR/VVO, demand response programs, EV programs, etc.), data analytics programs, etc.
- d. For the costs reported for I&M, please specify unit costs and quantities to facilitate comparison between I&M and NIPSCO costs.
- e. For the costs reported for I&M, please specify what the original, approved estimate for the project was and what the final, completed project cost was.
- f. For the costs reported for DEI, please specify whether or not the "all-in" costs cited by Mr. Alvarez included the following program components or categories:
  - i. AMI meters;
  - ii. AMI communications network;
  - iii. AMI headend system;
  - iv. Meter data management system (MDMS);
  - v. Integrations between MDMS and AMI Headend, Customer Billing System, Customer Portal, and Outage Management System;
  - vi. Cybersecurity architecture costs and associated integrations to monitoring applications;
  - vii. Project management; and
  - viii. Change management.
- g. For the costs reported for DEI, please specify whether or not the "all-in" costs cited by Mr. Alvarez included the following program types or categories of cost:
  - i. Direct capital;
  - ii. Taxes;
  - iii. Contingency, and if so, what the applicable contingency percentage was;
  - iv. AFUDC, and if so, what the applicable AFUDC percentage was;

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**OUC's Responses to NIPSCO's First Set of Discovery Requests**

- v. Corporate overhead, and if so, what the applicable overhead percentage was; and
- vi. Indirect costs, and if so, what the applicable indirect percentage was.
- h. For the costs reported for DEI, please specify those costs included that are not correspondingly included in the NIPSCO AMI Project costs; e.g., additional IT/OT systems and applications, additional integrations between new systems/applications and existing systems, costs associated with any AMI-enabled programs (TOU rates, CVR/VVO, demand response programs, EV programs, etc.), data analytics programs, etc.
- i. For the costs reported for DEI, please specify unit costs and quantities to facilitate comparison between I&M and NIPSCO costs.
- j. For the costs reported for DEI, please specify what the original, approved estimate for the project was and what the final, completed project cost was.

**Response:**

- a. Items (i) thru (v) are basic elements and components of an AMI system deployment. I&M's "all-in, cost-per-meter installed basis" found in Table 2, p. 9 of Mr. Alvarez's testimony, includes all these basic elements and components of an AMI system deployment considering that each utility may have its own unique AMI system infrastructure design and level of technology sophistication. With regard to item (vi) above, I&M did not include any incremental cyber security costs in its cost-benefit analysis because previous AMI deployments at other AEP peer utilities, I&M has determined that its cyber capabilities at the time of this analysis are sufficient to support AMI. Overall, I&M will leverage broader AEP experience and systems to ensure a comprehensive cyber protection program is in place that will satisfy requirements and stakeholder considerations as well as ensure the security of customers' smart meters and associated usage data. Publicly available information related to I&M's AMI deployment is available in the Commission's website. (See Cause No. 45576 – I&M Rates Case regarding I&M AMI deployment. IURC Portal: <https://iurc.portal.in.gov/docketed-case-details/?id=ff129561-6fda-eb11-bacc-001dd80286de>.)

NIPSCO has not yet selected the specific systems, items (i) thru (v), associated with deploying AMI, nor has it created architecture or network designs for these systems. (See Public's Attachment AAA-1 – NIPSCO response to OUC 2-007).

With regard to items (vii) and (viii), Project management and Change management are typical scopes of utility project management duties

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**OUCC's Responses to NIPSCO's First Set of Discovery Requests**

and responsibilities. Therefore, the OUCC expects each utility to put in place a project management team with the capability of effectively manage its proposed projects.

- b. (i thru vii). Items (i) thru (v) are basic elements and components included in calculating the revenue requirements associated with an AMI system deployment. Cause No. 45576, I&M's on-going base rates case, includes its proposed AMI deployment. As such, I&M provided revenue requirement calculations associated with an AMI system deployment in support of its rates case. Therefore, items (i) thru (v) are included in I&M's "all-in, cost-per-meter installed basis" AMI deployment cost found in Table 2, p. 9 of Mr. Alvarez's testimony. Publicly available information related to I&M's AMI deployment is available in the Commission's website. (See Cause No. 45576 – I&M Rates Case regarding I&M AMI deployment. IURC Portal: <https://iurc.portal.in.gov/docketed-case-details/?id=ff129561-6fda-eb11-bacc-001dd80286de>.)
- c. OBJECTION – The request asks the OUCC to perform an analysis and data comparison the OUCC did not perform and does not wish to perform.  
RESPONSE - For costs reported for I&M and not correspondingly included in the NIPSCO AMI project costs including additional IT/OT systems and applications, additional integrations between new systems/applications and existing systems, costs associated with any AMI-enabled programs (TOU rates, CVR/VVO, demand response programs, EV programs, etc.), data analytics programs, etc., please refer to publicly available information related to I&M's AMI deployment available in the Commission's website. (See Cause No. 45576 – I&M Rates Case regarding I&M AMI deployment. IURC Portal: <https://iurc.portal.in.gov/docketed-case-details/?id=ff129561-6fda-eb11-bacc-001dd80286de>.)
- d. OBJECTION – The request asks the OUCC to perform an analysis and data comparison the OUCC did not perform and does not wish to perform.  
RESPONSE - The OUCC performed analysis of I&M's "all-in, cost-per-meter installed basis" using the I&M's AMI Project cumulative capital cost of approximately \$121 million to install approximately 470,000 electric AMI meters in Indiana shown in Table 2, p. 9, of Mr. Alvarez's testimony. Likewise, the OUCC performed analysis of NIPSCO's "all-in, cost-per-meter installed basis" using the cost information as it appeared in Petitioner's Attachment 3-B, p.4.
- e. I&M's AMI Project cumulative capital cost was approximately \$121 million. As stated in Table 2, p. 9, of Mr. Alvarez's testimony, and in response 1-5(b) above, I&M's proposed AMI deployment is included its

**Cause No. 45557**  
**OUC's Responses to NIPSCO's First Set of Discovery Requests**

on-going base rates case in Cause No. 45576. Publicly available information related to I&M's AMI deployment is available in the Commission's website. (See Cause No. 45576 – I&M Rates Case regarding I&M AMI deployment. IURC Portal: <https://iurc.portal.in.gov/docketed-case-details/?id=ff129561-6fda-eb11-bacc-001dd80286de>.)

- f. (i thru viii). Items (i) thru (v) are basic elements and components of an AMI system deployment. DEI's "all-in, cost-per-meter installed basis" found in Table 2, p. 9 of Mr. Alvarez's testimony, includes all these basic elements and components of an AMI system deployment considering that each utility may have its own unique AMI system infrastructure design and level of technology sophistication. With regard to item (vi), DEI did not include cyber security in its AMI project costs. Publicly available information related to DEI's AMI deployment is available in the Commission's website. (See DEI's witness Donald L. Schneider, Direct Testimony, p. 3, lines 4 – 6; p. 12, lines 15 – 21; and p. 16, lines 10 – 15; in Cause No. 44526 regarding DEI's AMI deployment. IURC Portal: <https://iurc.portal.in.gov/docketed-case-details/?id=ff129561-6fda-eb11-bacc-001dd80286de>.)

NIPSCO has not yet selected the specific systems, items (i) thru (v), associated with deploying AMI, nor has it created architecture or network designs for these systems. (See Public's Attachment AAA-1 – NIPSCO response to OUC 2-007).

With regard to items (vii) and (viii), Project management and Change management are typical scopes of utility project management duties and responsibilities. Therefore, the OUC expects each utility to put in place a project management team with the capability of effectively manage its proposed projects.

- g. (i thru viii). Items (i) thru (v) are basic elements and components included in calculating the revenue requirements associated with an AMI system deployment. Cause No. 45253, DEI's previous base rate case, included its proposed AMI deployment. As such, DEI provided costs associated with its AMI system deployment in its revenue requirement calculations as support of its rates case. Therefore, items (i) thru (v) are included in DEI's "all-in, cost-per-meter installed basis" AMI deployment cost found in Table 2, p. 9 of Mr. Alvarez's testimony. See DEI's witness Donald L. Schneider, Jr., Direct Testimonies in Cause Nos. 44526 and 45253 (DEI rates case). Publicly available information related to DEI's AMI deployment in this

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**OUC's Responses to NIPSCO's First Set of Discovery Requests**

cases are available in the Commission's website. (IURC Portal: <https://iurc.portal.in.gov/advanced-search/>).

- h. OBJECTION – The request asks the OUC to perform an analysis and data comparison the OUC did not perform and does not wish to perform. RESPONSE - The OUC did not perform any analysis related to the costs reported for DEI and not correspondingly included in the NIPSCO AMI project costs including additional IT/OT systems and applications, additional integrations between new systems/applications and existing systems, costs associated with any AMI-enabled programs (TOU rates, CVR/VVO, demand response programs, EV programs, etc.), data analytics programs, etc., please refer to publicly available information related to DEI's AMI deployment available in the Commission's website. (See Cause Nos. 44526 and 45253 regarding DEI's AMI deployment. IURC Portal: <https://iurc.portal.in.gov/advanced-search/>).
- i. OBJECTION – The request asks the OUC to perform an analysis and data comparison the OUC did not perform and does not wish to perform. RESPONSE - The OUC has not perform NIPSCO's requested analysis comparing DEI and NIPSCO costs on a unit costs and quantities basis. The OUC however, performed analysis of DEI's "all-in, cost-per-meter installed basis" using the DEI's AMI deployment cost information of approximately \$181 million to install approximately 817,000 electric AMI meters in Indiana found in Cause No. 44526. (Alvarez Direct, p. 9, footnote 37). Please refer to publicly available information related to DEI's AMI deployment available in the Commission's website. (See DEI witness Donald L. Schneider's direct testimonies in Cause Nos. 44526 and 45253 regarding DEI's AMI deployment. IURC Portal: <https://iurc.portal.in.gov/advanced-search/>).
- j. As of July 2, 2019, in Cause No. 45253, DEI reported it projected its AMI deployment costs at \$146 million and installed approximately 692,000 (as of May 31, 2019) out of the total 850,256 AMI meters it plans to install by the fourth quarter of 2019. (See DEI witness Donald L. Schneider, Direct Testimony in Cause No. 45253). The OUC used DEI's AMI deployment estimated costs of \$181 million in Cause No. 44526 to calculate DEI's "all-in, cost-per-meter installed basis" found in Table 2, p. 9, of Mr. Alvarez's testimony.



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OUCC's Responses to NIPSCO's First Set of Discovery Requests

**Request No. 1-6:** Please refer to Mr. Hunt's testimony at page 5, lines 14-15, as well as at page 11, lines 16-18.

- a. Admit that NIPSCO's System Deliverability category of projects is not being proposed to reduce system risk. To the extent your response is anything other than an unqualified admission, please fully explain your response.
- b. Admit that NIPSCO's Grid Modernization category of projects is not being proposed to reduce system risk. To the extent your response is anything other than an unqualified admission, please fully explain your response.

**Response:**

- a. Admit.
- b. Admit.

**Cause No. 45557**  
**OUCC's Responses to NIPSCO's First Set of Discovery Requests**

**Request No. 1-7:** Please refer to Mr. Hunt's testimony at page 11, lines 16-18.

- a. Admit that the TDSIC Statute does not require a demonstration or finding that specific projects or a TDSIC Plan is "cost effective." To the extent your response is anything other than an unqualified admission, please fully explain your response and identify which section or provision of the TDSIC Statute requires this demonstration or finding.
- b. Please define what Mr. Hunt means by the term "cost effective" as that term is used in this portion of his testimony.

**Response:**

- a. Admit. The TDSIC statute (Indiana Code 8-1-39) does not use the phrase "cost effective". However, the concept of cost effectiveness is incorporated into the statute in I.C. 8-1-39-10(b)(2), requiring the estimated costs of new projects or improvements be justified by their incremental benefits. Projects with costs exceeding their benefits are not "cost effective".
- b. By the phrase "cost effective" Mr. Hunt means the degree to which the incremental costs of new projects or improvements are justified by their incremental benefits.

**Cause No. 45557**

**OUCC's Responses to NIPSCO's First Set of Discovery Requests**

**Request No. 1-8:** Please refer to Mr. Hunt's testimony at page 11, lines 3-6, where he claims that he "uses an accepted statistical method for identifying outliers to exclude projects whose cost per unit of risk falls too far to the extreme."

- a. Identify each instance where the OUCC has proposed an identical or materially similar "method" for identifying projects that it believes should be excluded from a TDSIC plan, whether related to a gas or electric TDSIC plan. To the extent such instances exist, please provide a copy of the piece of testimony and all attachments, exhibits, and work papers for each applicable instance.
  - i. For each instance, identify and explain all differences in the methodology that was proposed by the OUCC in a prior proceeding as compared to what is proposed by Mr. Hunt in this proceeding.
- b. Identify each instance where, to the OUCC's knowledge, any party has proposed an identical or materially similar "method" for identifying projects that it believes should be excluded from a TDSIC plan, whether related to a gas or electric TDSIC plan. To the extent such instances exist, please provide a copy of the piece of testimony and all attachments, exhibits, and work papers for each applicable instance if such documents are in the OUCC's possession. If such documents are not in the OUCC's possession, please identify, at minimum, the party, witness, cause number, and date associated with the testimony.
  - i. For each instance, identify and explain all differences in the methodology that was proposed in a prior proceeding as compared to what is proposed by Mr. Hunt in this proceeding.
- c. Admit that, to the best of the OUCC's knowledge, the Commission has never utilized a method similar or identical to that proposed by Mr. Hunt "for identifying outliers to exclude projects" related to a TDSIC plan. To the extent your response is anything other than an unqualified admission, please fully explain your response.
- d. To the extent your response is anything other than an unqualified admission, please identify each instance where the Commission has utilized a method similar or identical to that proposed by Mr. Hunt "for identifying outliers to exclude projects" related to a TDSIC plan and provide a copy of or citation to the applicable order, docket entry, or similar Commission document.

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**Response:**

- a. The OUCC is not aware of the use in previous cases before the Commission for purposes of excluding projects from a TDSIC plan.
- b. The OUCC is not aware of parties other than the OUCC proposing the referenced method for purposes of excluding projects from a TDSIC plan.
- c. Admit, to the best of the OUCC's knowledge.
- d. N/A

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**Request No. 1-9:** Please refer to Mr. Hunt's testimony at page 13, lines 1-4, where he recommends a multi-million dollar reduction in NIPSCO's proposed TDSIC Plan.

- a. Please provide a list of the projects Mr. Hunt recommends be excluded from NIPSCO's TDSIC Plan. To the extent this list can be found in exhibits, attachments, or work papers related to his testimony, please identify where it can be found.

**Response:** See Mr. Hunt's CONFIDENTIAL workpaper SGH WP-1, previously provided to the NIPSCO on September 8, 2021.

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**OUCC's Responses to NIPSCO's First Set of Discovery Requests**

**Request No. 1-10:** Please refer to Mr. Lantrip's testimony at page 10, line 1 through page 11, line 4.

- a. In preparing his testimony, did Mr. Lantrip review the direct testimony of Ms. Meece in this proceeding, including specifically at page 18, lines 11-12, which cites to the Commission's approval of NIPSCO's Gas TDSIC Plan in Cause No. 45330?
- b. In preparing his testimony, did Mr. Lantrip review the Commission's final order in Cause Nos. 45330 or 45330-TDSIC-1?
  - i. If so, please explain whether Mr. Lantrip believes NIPSCO's proposal in this proceeding to reduce recovery of depreciation expense (as discussed by Ms. Meece in Questions / Answers 21 through 24) is consistent with what was approved by the Commission in Cause Nos. 45330 and 45330-TDSIC-1.
  - ii. If not, please explain why Mr. Lantrip did not review this order, when NIPSCO explicitly noted its proposal in this proceeding was consistent with what was approved in Cause Nos. 45330 and 45330-TDSIC-1.
- c. In preparing his testimony, did Mr. Lantrip review the testimony of NIPSCO, the OUCC, or any other party that was filed in Cause Nos. 45330 or 45330-TDSIC-1?
  - i. If so, please identify with specificity which pieces of testimony from Cause Nos. 45330 and 45330-TDSIC-1 Mr. Lantrip reviewed.
  - ii. If not, please explain why Mr. Lantrip did not review any testimony in Cause Nos. 45330 and 45330-TDSIC-1, when NIPSCO explicitly noted its proposal in this proceeding was consistent with what was approved in Cause No. 45330.
- d. Admit that NIPSCO's proposal in this proceeding to reduce recovery of depreciation expense (as discussed by Ms. Meece in Questions / Answers 21 through 24) is consistent with what was approved by the Commission in Cause Nos. 45330 and 45330-TDSIC-1. To the extent your response is anything other than an unqualified admission, please fully explain your response.

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OUCC's Responses to NIPSCO's First Set of Discovery Requests

**Response:**

- a) Yes.
- b) Yes.
  - i. Yes. NIPSCO's proposal in this proceeding is comparable to what was presented in 45330 TDSIC-1 rebuttal testimony by Elizabeth A Dousias.
  - ii. N/A
- c) Yes.
  - i. Mr. Lantrip reviewed the testimony of Mark H. Grosskopf in both Cause No. 45330 and 45330 TDSIC-1, James F. Racher's testimony in Cause No. 45330, and Elizabeth A. Dousias' direct and rebuttal testimony in 45330 TDSIC-1. Nicholas Phillips Jr.'s testimony in 45330, and Michael P. Gorman's testimony in 45330 TDSIC-1.
  - ii. N/A
- d) Admit. Mr. Lantrip notes that the depreciation netting proposal was included in NIPSCO's rebuttal testimony and approved in 45330 TDSIC-1 Order, not the initial Cause No. 45330 filing.

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**Request No. 1-11:** Please refer to Mr. Lantrip's testimony at page 11, lines 3-4. Fully explain and define what is meant by the phrase "matching principles . . . within the TDSIC Rider." Include in your response an explanation of whether this phrase is referring to the TDSIC Statute, NIPSCO's Rider 888, or something else and a specification of which sections or provisions of the relevant document are being referred to.

**Response:**

Mr. Lantrip was referring to the basic accounting principle of "the matching principle", which is a foundational part of accounting practice and theory. It concerns the timing of recognition of revenues and expenses, including depreciation. An example of a site explaining this concept can be found here: <https://www.indeed.com/career-advice/career-development/matching-principle-definition-and-examples>



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OUC's Responses to NIPSCO's First Set of Discovery Requests

**Request No. 1-12:** Please refer to Mr. Lantrip's testimony at page 12, lines 3-9.

- a. Please confirm that Mr. Lantrip is recommending that NIPSCO not be allowed to accrue carrying charges *only* for the period between NIPSCO's expenditure of capital investment and the date of deployment of the AMI Project.
- b. Please explain what date or activity would constitute "the AMI projects [being] deployed" as used in this portion of Mr. Lantrip's testimony, including whether a portion of the project could be "deployed" before all AMI meters have been installed.
- c. Please confirm that Mr. Lantrip is recommending that NIPSCO *would* be allowed to accrue carrying charges for the period after the date of deployment of the AMI Project and until associated costs are fully recovered from NIPSCO's customers. To the extent this is not confirmed, please fully explain if and over what period Mr. Lantrip is recommending NIPSCO be allowed to accrue carrying charges associated with the AMI Project.

**Response:**

- a) Yes. In the event that the Commission approves the AMI project, I recommend that the underlying AMI O&M expenses requested for regulatory asset treatment be deferred from recovery in the rider, without carrying charges added, until the AMI projects they are supporting begin major deployment in 2024, as testified by Kiergan concerning planned AMI schedule.
- b) According to the testimony of NIPSCO witness Kiergan on page 16, line 17 through page 17, line 4, the full deployment of the AMI projects is anticipated to begin in 2024. Conditional on Commission approval of the AMI project, Witness Lantrip would accept the NIPSCO witness's timeline as a guideline for when O&M expenses supporting the projects should also begin to be recognized.
- c) Witness Lantrip did not testify or attest as to when carrying costs were to be assessed on petitioner's requested treatment of AMI O&M expenses, only that in the event that the Commission approves the AMI projects, the AMI O&M expenses supporting them should be deferred cost recovery without carrying costs. These deferred costs would begin recognition for recovery in rates at such time that NIPSCO begins full deployment of the AMI projects.

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