FILED
April 9, 2024
INDIANA UTILITY
REGULATORY COMMISSION

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
(CEI SOUTH)

IURC CAUSE NO. 44909 CECA 6

IURC
PETITIONER'S
EXHIBIT NO. 2-R
4-23-24
DATE REPORTER

REBUTTAL TESTIMONY
OF
MARISA J. JOHNSON

MANAGER, REGULATORY REPORTING

ON

OFFICIAL
EXHIBITS

UPDATED REVENUE REQUIREMENT

REBUTTAL TESTIMONY OF MARISA J. JOHNSON

1. INTRODUCTION

Q. Please state your name and business address.

A. My name is Marisa J. Johnson. My business address is 211 NW Riverside Drive, Evansville, IN 47708.

Q. Are you the same Marisa J. Johnson that previously testified in this proceeding?

A. Yes. I am.

Q. What is the purpose of your rebuttal testimony in this proceeding?

A. I am providing updated revenue requirement schedules that reflect CEI South's acceptance of the two adjustments recommended by the OUCC. CEI South's witness Joshua Swanson discussed the two adjustments in more detail in his rebuttal testimony.

Q. Have you attempted to respond to every argument made by the other parties in this case?

A. No, I have not, and the fact that I may not have responded to any specific argument or statement does not indicate my agreement with that argument or statement.

Q. Are you sponsoring any attachments with this rebuttal testimony?

A. Yes. I am sponsoring the following attachments that were prepared by me or under my supervision:

- **Attachment MJJ-R1:** Revised CECA Total Revenue Requirement, Schedule 1
- **Attachment MJJ-R2:** Revised CECA Clean Energy Projects Revenue Requirement (44909 Order), Schedules 1-9

2. REVISED REVENUE REQUIREMENT SCHEDULES.

Q. Please describe the changes you made in Attachments MJJ-R1 and MJJ-R2?

A. OUCC Witness Lantrip's Attachment KGL-1 does not fully account for the impact of the

OUCC's proposed application of the funds received from the U.S. Department of Energy grant for the Urban Living Research Center ("ULRC"), because he did not account for the effect his reduction to the ULRC's capital costs would have on depreciation, post-in-service carrying costs, and associate incremental expenses. Attachment MJJ-R2 shows the revised calculation of the revenue requirement for the Highway 41 Facility, Evansville Urban Facility, and ULRC (collectively, the "44909 Solar Projects"), reflecting the OUCC's proposed adjustment to estimated O&M expense and application of the DOE grant proceeds to the ULRC capital costs. Attachment MJJ-R1 carries the 44909 Solar Projects revenue requirement into the total CECA revenue requirement.

Q. What is the net impact of CEI South's acceptance of the two adjustments proposed by the OUCC on the CECA revenue requirement?

A. The total CECA revenue requirement has been reduced by $287,248, from $7,274,220 proposed in my direct testimony and attachments to $6,986,972 based on my revised schedules. CEI South's witness, Matthew Rice discusses the effect of the reduced revenue requirement on CEI South's proposed CECA rates and customer bills.

3. CONCLUSION

Q. Does this conclude your direct testimony?

A. Yes, at the present time.

VERIFICATION

I affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information, and belief.

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY D/B/A CENTERPOINT ENERGY INDIANA SOUTH

Marisa J. Johnson

Marisa J. Johnson
Manager, Regulatory Reporting

4-9-2024

Date

Cause No. 44909 CECA 6

Petitioner's Exhibit No. 2-R
Attachment MJJ-R1
CEI South
Schedule 1

SOUTHERN INDIANA GAS & ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
TOTAL ANNUAL REVENUE REQUIREMENT THROUGH DECEMBER 31, 2023

Line	Description	Revenue Requirement Total	Reference
1	Clean Energy Projects - Revenue Requirement	$ 1,698,595 **(A)**	Attachment MJJ-2, Schedule 1, Line 17
2	Troy Solar Facility - Revenue Requirement - May 31, 2025	$ 5,288,377 **(B)**	Attachment MJJ-3, Schedule 1 page 1, Line 6
3	**CECA Revenue Requirement Subtotal**	**$ 6,986,972**	Line 1 + Line 2

Notes:
(A) To Attachment MAR-R1, Schedule 2, Line 4
(B) To Attachment MAR-R1, Schedule 2, Line 14

Cause No. 44909 CECA 6

Petitioner's Exhibit No. 2-R
Attachment MJJ-R2
CEI South
Schedule 1
Page 1 of 1

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
ANNUAL REVENUE REQUIREMENT THROUGH DECEMBER 31, 2023

Line	Description	A Highway 41 Facility	B Evansville Urban Facility	C Urban Living Research Center	D Total Amount	E Reference	
	Return on New Capital Investment:						
1	Gross New Capital Investment - As of End of Period	$ 7,762,934	$ 5,748,578	$ 1,093,593	$ 14,605,105	Schedule 2, Line 15, Col. M	
2	Accumulated Depreciation - As of End of Period	$ (2,154,246)	$ (1,170,455)	$ (44,308)	$ (3,369,008)	Schedule 2, Line 30, Col. M	
3	Net New Capital Investment - As of End of Period	$ 5,608,688	$ 4,578,123	$ 1,049,285	$ 11,236,096	Line 1 + Line 2	
4	PISCC Deferred Balance - As of End of Period	$ 208,518	$ 169,264	$ 26,998	$ 404,780	Schedule 3, Line 30, Col. M	
5	Total New Capital Investment - As of End of Period	$ 5,817,206	$ 4,747,388	$ 1,076,283	$ 11,640,877	Line 3 + Line 4	
6	Pre-Tax Rate of Return	8.09%	8.09%	8.09%	8.09%	Schedule 4, Page 1, Line 17	
7	Annualized Return on New Capital Investment	$ 470,612	$ 384,064	$ 87,071	$ 941,747	Line 5 x Line 6	
	Incremental Expenses						
8	Depreciation Expense - Annualized	$ 427,752	$ 229,943	$ 43,744	$ 701,439	Schedule 5, Line 14	
9	Annual O&M Expense	$ 198,806	$ 134,122	$ 12,091	$ 345,019	Schedule 7, Line 4	
10	Annual O&M Expense - Prior Year Reconciliation	$ (66,909)	$ (143,622)	$ (12,909)	$ (223,440)	Schedule 7, Line 8	
11	Amortization Expense - Deferred Depreciation	$ 14,922	$ 4,985	$ 699	$ 20,605	Schedule 6, Line 13	
12	Amortization Expense - Deferred PISCC	$ 14,449	$ 7,968	$ 1,080	$ 23,496	Schedule 3, Line 35	
13	Property Tax Expense - Annualized	$ 49,926	$ 36,791	$ 6,999	$ 93,716	Line 1 x 0.64%	(A)
14	Total Incremental Expenses	$ 638,946	$ 270,186	$ 51,703	$ 960,835	Sum Lines 8 - 13	
15	Investment Tax Credit Amortization	$ (103,332)	$ (52,348)	$ (13,123)	$ (168,803)	Schedule 8, Line 12	
16	Renewable Energy Credit Sales	$ (15,020)	$ (20,165)	$ -	$ (35,185)		(B)
17	**Annual Revenue Requirement - CECA**	**$ 991,206**	**$ 581,737**	**$ 125,651**	**$ 1,698,595**	Line 7 + Line 14 + Line 15 + Line 16	

Notes:

(A) The annualized level of property taxes is calculated using an estimated CEI South rate of 2.13% multiplied by the tax basis of the: (1) plant, estimated to be 30% of the gross new capital investment amount excluding land investments, estimated to be 30% at the rate of 2.35%.

(B) The number of Renewable Energy Credits sold less broker fees during 2023 equals 2,607 for the Highway 41 facility and 3,601 for the Evansville Urban facility.

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
NEW CAPITAL INVESTMENT

		A	B	C	D	E	F	G	H	I	J	K	L	M
Line	Gross New Capital Investment Balance	Balance at 12/31/2022	1/31/2023	2/28/2023	3/31/2023	4/30/2023	5/31/2023	6/30/2023	7/31/2023	8/31/2023	9/30/2023	10/31/2023	11/30/2023	Balance at 12/31/2023
	Gross Assets													
1	Highway 41 Facility	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208
2	Highway 41 Facility BESS	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726
3	Evansville Urban Facility	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578
4	Urban Living Research Center	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593
5	**Total Gross Assets**	$ 14,661,512	$ 14,661,512	$ 14,661,512	$ 14,605,105	$ 14,605,105	$ 14,605,105	$ 14,605,105	$ 14,605,105	$ 14,605,105	$ 14,605,105	$ 14,605,105	$ 14,605,105	$ 14,605,105
	Retirements													
6	Highway 41 Facility	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7	Highway 41 Facility BESS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	Evansville Urban Facility	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9	Urban Living Research Center	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10	**Total Retirements**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Gross New Capital Investment Balance													
11	Highway 41 Facility	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208	$ 5,577,208
12	Highway 41 Facility BESS	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726	$ 2,185,726
13	Evansville Urban Facility	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578	$ 5,748,578
14	Urban Living Research Center	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593	$ 1,093,593
15	**Total Gross New Capital Investment = (Gross Assets + Retirements)**	**$ 14,661,512**	**$ 14,661,512**	**$ 14,661,512**	**$ 14,605,105**	**$ 14,605,105**	**$ 14,605,105**	**$ 14,605,105**	**$ 14,605,105**	**$ 14,605,105**	**$ 14,605,105**	**$ 14,605,105**	**$ 14,605,105**	**$ 14,605,105** To Schedule 1, Line 1

Line	Accumulated Depreciation Balance	Balance at 12/31/2022	1/31/2023	2/28/2023	3/31/2023	4/30/2023	5/31/2023	6/30/2023	7/31/2023	8/31/2023	9/30/2023	10/31/2023	11/30/2023	Balance at 12/31/2023
	Depreciation Expense													
16	Highway 41 Facility	$ 844,725	$ 862,156	$ 879,588	$ 897,019	$ 914,451	$ 931,883	$ 949,314	$ 966,746	$ 984,177	$ 1,001,609	$ 1,019,041	$ 1,036,472	$ 1,053,904
17	Highway 41 Facility BESS	$ 881,770	$ 899,984	$ 918,198	$ 936,413	$ 954,627	$ 972,842	$ 991,056	$ 1,009,270	$ 1,027,485	$ 1,045,699	$ 1,063,913	$ 1,082,128	$ 1,100,342
18	Evansville Urban Facility	$ 940,511	$ 959,673	$ 978,835	$ 997,997	$ 1,017,159	$ 1,036,321	$ 1,055,483	$ 1,074,645	$ 1,093,807	$ 1,112,969	$ 1,132,131	$ 1,151,293	$ 1,170,455
19	Urban Living Research Center	$ -	$ 3,833	$ 7,667	$ 11,500	$ 15,145	$ 18,791	$ 22,436	$ 26,081	$ 29,727	$ 33,372	$ 37,017	$ 40,662	$ 44,308
20	**Total Depreciation Expense**	$ 2,667,006	$ 2,725,647	$ 2,784,288	$ 2,842,929	$ 2,901,383	$ 2,959,836	$ 3,018,289	$ 3,076,742	$ 3,135,195	$ 3,193,649	$ 3,252,102	$ 3,310,555	$ 3,369,008
	Retirements													
21	Highway 41 Facility	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
22	Highway 41 Facility BESS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
23	Evansville Urban Facility	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Urban Living Research Center	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
25	**Total Retirements**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Total Accumulated Depreciation Balance													
26	Highway 41 Facility	$ (844,725)	$ (862,156)	$ (879,588)	$ (897,019)	$ (914,451)	$ (931,883)	$ (949,314)	$ (966,746)	$ (984,177)	$ (1,001,609)	$ (1,019,041)	$ (1,036,472)	$ (1,053,904)
27	Highway 41 Facility BESS	$ (881,770)	$ (899,984)	$ (918,198)	$ (936,413)	$ (954,627)	$ (972,842)	$ (991,056)	$ (1,009,270)	$ (1,027,485)	$ (1,045,699)	$ (1,063,913)	$ (1,082,128)	$ (1,100,342)
28	Evansville Urban Facility	$ (940,511)	$ (959,673)	$ (978,835)	$ (997,997)	$ (1,017,159)	$ (1,036,321)	$ (1,055,483)	$ (1,074,645)	$ (1,093,807)	$ (1,112,969)	$ (1,132,131)	$ (1,151,293)	$ (1,170,455)
29	Urban Living Research Center	$ -	$ (3,833)	$ (7,667)	$ (11,500)	$ (15,145)	$ (18,791)	$ (22,436)	$ (26,081)	$ (29,727)	$ (33,372)	$ (37,017)	$ (40,662)	$ (44,308)
30	**Total Accumulated Depreciation Balance = - Depreciation Expense - Retirements**	**$ (2,667,006)**	**$ (2,725,647)**	**$ (2,784,288)**	**$ (2,842,929)**	**$ (2,901,383)**	**$ (2,959,836)**	**$ (3,018,289)**	**$ (3,076,742)**	**$ (3,135,195)**	**$ (3,193,649)**	**$ (3,252,102)**	**$ (3,310,555)**	**$ (3,369,008)** To Schedule 1, Line 2

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
POST IN-SERVICE CARRYING COSTS (PISCC)

Line	Description	Reference	A	B	C	D	E	F	G	H	I	J	K	L	M
1	PISCC Rate - Monthly	Schedule 4, Page 2, Line 5 / 12		0.52%	0.52%	0.52%	0.52%	0.52%	0.52%	0.52%	0.52%	0.52%	0.52%	0.52%	0.52%
2	Debt - PISCC Rate - Monthly	Schedule 4, Page 2, Lines 1,3-4 / 12		0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%
3	Equity - PISCC Rate - Monthly	Schedule 4, Page 2, Line 2 / 12		0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%
4	Solar Investment Amortization Rate - Monthly (A)	Schedule 6, Line 7 / 12		0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%
5	BESS Investment Amortization Rate - Monthly (A)	Schedule 6, Line 8 / 12		0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%
	PISCC Cummulative Deferred Balance - DEBT		Balance at 12/31/2022	1/31/2023	2/28/2023	3/31/2023	4/30/2023	5/31/2023	6/30/2023	7/31/2023	8/31/2023	9/30/2023	10/31/2023	11/30/2023	Balance at 12/31/2023
6	Highway 41 Facility	(B)	$ 47,269	$ 47,269	$ 47,269	$ 47,269	$ 47,269	$ 47,269	$ 47,269	$ 47,269	$ 47,269	$ 47,269	$ 47,269	$ 47,269	$ 47,269
7	Highway 41 Facility BESS	(B)	$ 15,894	$ 15,894	$ 15,894	$ 15,894	$ 15,894	$ 15,894	$ 15,894	$ 15,894	$ 15,894	$ 15,894	$ 15,894	$ 15,894	$ 15,894
8	Evansville Urban Facility	(B)	$ 48,289	$ 48,289	$ 48,289	$ 48,289	$ 48,289	$ 48,289	$ 48,289	$ 48,289	$ 48,289	$ 48,289	$ 48,289	$ 48,289	$ 48,289
9	Urban Living Research Center	(B)	$ -	$ 1,265	$ 2,530	$ 3,795	$ 4,998	$ 6,201	$ 6,139	$ 6,077	$ 6,015	$ 5,953	$ 5,891	$ 5,829	$ 5,767
10	PISCC Deferred Balance	(B)	$ 111,451	$ 112,716	$ 113,981	$ 115,246	$ 116,449	$ 117,652	$ 117,590	$ 117,528	$ 117,466	$ 117,404	$ 117,342	$ 117,280	$ 117,218
	PISCC Cummulative Deferred Balance - EQUITY		Balance at 12/31/2022	1/31/2023	2/28/2023	3/31/2023	4/30/2023	5/31/2023	6/30/2023	7/31/2023	8/31/2023	9/30/2023	10/31/2023	11/30/2023	Balance at 12/31/2023
11	Highway 41 Facility	(B)	$ 148,078	$ 148,078	$ 148,078	$ 148,078	$ 148,078	$ 148,078	$ 148,078	$ 148,078	$ 148,078	$ 148,078	$ 148,078	$ 148,078	$ 148,078
12	Highway 41 Facility BESS	(B)	$ 50,455	$ 50,455	$ 50,455	$ 50,455	$ 50,455	$ 50,455	$ 50,455	$ 50,455	$ 50,455	$ 50,455	$ 50,455	$ 50,455	$ 50,455
13	Evansville Urban Facility	(B)	$ 150,900	$ 150,900	$ 150,900	$ 150,900	$ 150,900	$ 150,900	$ 150,900	$ 150,900	$ 150,900	$ 150,900	$ 150,900	$ 150,900	$ 150,900
14	Urban Living Research Center	(B)	$ -	$ 4,658	$ 9,315	$ 13,973	$ 18,402	$ 22,831	$ 22,602	$ 22,374	$ 22,145	$ 21,917	$ 21,688	$ 21,460	$ 21,231
15	PISCC Deferred Balance	(B)	$ 349,433	$ 354,090	$ 358,748	$ 363,405	$ 367,834	$ 372,263	$ 372,035	$ 371,807	$ 371,578	$ 371,350	$ 371,121	$ 370,893	$ 370,664
	PISCC Cumulative Deferred Balance - DEBT + EQUITY		Balance at 12/31/2022	1/31/2023	2/28/2023	3/31/2023	4/30/2023	5/31/2023	6/30/2023	7/31/2023	8/31/2023	9/30/2023	10/31/2023	11/30/2023	Balance at 12/31/2023
16	Highway 41 Facility	Line 6 + Line 11	$ 195,346	$ 195,346	$ 195,346	$ 195,346	$ 195,346	$ 195,346	$ 195,346	$ 195,346	$ 195,346	$ 195,346	$ 195,346	$ 195,346	$ 195,346
17	Highway 41 Facility BESS	Line 7 + Line 12	$ 66,349	$ 66,349	$ 66,349	$ 66,349	$ 66,349	$ 66,349	$ 66,349	$ 66,349	$ 66,349	$ 66,349	$ 66,349	$ 66,349	$ 66,349
18	Evansville Urban Facility	Line 8 + Line 13	$ 199,189	$ 199,189	$ 199,189	$ 199,189	$ 199,189	$ 199,189	$ 199,189	$ 199,189	$ 199,189	$ 199,189	$ 199,189	$ 199,189	$ 199,189
19	Urban Living Research Center	Line 9 + Line 14	$ -	$ 5,923	$ 11,845	$ 17,768	$ 23,400	$ 29,032	$ 28,741	$ 28,451	$ 28,160	$ 27,870	$ 27,579	$ 27,289	$ 26,998
20	PISCC Deferred Balance	Sum Lines 16-19	$ 460,884	$ 466,807	$ 472,729	$ 478,652	$ 484,284	$ 489,916	$ 489,625	$ 489,335	$ 489,044	$ 488,754	$ 488,463	$ 488,173	$ 487,882
	Amortization of PISCC														
21	Less; Amortization of PISCC - Highway 41 Facility		$ (21,179)	$ (21,830)	$ (22,481)	$ (23,132)	$ (23,784)	$ (24,435)	$ (25,086)	$ (25,737)	$ (26,388)	$ (27,039)	$ (27,690)	$ (28,342)	$ (28,993)
22	Less; Amortization of PISCC - Highway 41 Facility BESS		$ (17,550)	$ (18,103)	$ (18,656)	$ (19,209)	$ (19,762)	$ (20,315)	$ (20,868)	$ (21,420)	$ (21,973)	$ (22,526)	$ (23,079)	$ (23,632)	$ (24,185)
23	Less; Amortization of PISCC - Evansville Urban Facility		$ (21,957)	$ (22,621)	$ (23,285)	$ (23,949)	$ (24,613)	$ (25,276)	$ (25,940)	$ (26,604)	$ (27,268)	$ (27,932)	$ (28,596)	$ (29,260)	$ (29,924)
24	Less; Amortization of PISCC - Urban Living Research Center		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
25	Less: Amortization of PISCC	(C)	$ (60,686)	$ (62,554)	$ (64,422)	$ (66,290)	$ (68,158)	$ (70,026)	$ (71,894)	$ (73,762)	$ (75,630)	$ (77,498)	$ (79,366)	$ (81,234)	$ (83,102)
	Total PISCC Deferred Balance														
26	Highway 41 Facility	Line 16 + Line 21	$ 174,167	$ 173,516	$ 172,865	$ 172,214	$ 171,563	$ 170,912	$ 170,261	$ 169,609	$ 168,958	$ 168,307	$ 167,656	$ 167,005	$ 166,354
27	Highway 41 Facility BESS	Line 17 + Line 22	$ 48,799	$ 48,246	$ 47,693	$ 47,140	$ 46,587	$ 46,035	$ 45,482	$ 44,929	$ 44,376	$ 43,823	$ 43,270	$ 42,717	$ 42,164
28	Evansville Urban Facility	Line 18 + Line 23	$ 177,232	$ 176,568	$ 175,904	$ 175,240	$ 174,576	$ 173,912	$ 173,248	$ 172,584	$ 171,920	$ 171,256	$ 170,592	$ 169,928	$ 169,264
29	Urban Living Research Center	Line 19 + Line 24	$ -	$ 5,923	$ 11,845	$ 17,768	$ 23,400	$ 29,032	$ 28,741	$ 28,451	$ 28,160	$ 27,870	$ 27,579	$ 27,289	$ 26,998
30	**Total PISCC Deferred Balance**	Line 20 + Line 25	**$ 400,198**	**$ 404,253**	**$ 408,307**	**$ 412,362**	**$ 416,126**	**$ 419,890**	**$ 417,731**	**$ 415,573**	**$ 413,414**	**$ 411,256**	**$ 409,097**	**$ 406,939**	**$ 404,780**
															To Schedule 1, Line 4
	Annualized Amortization Expense														
31	Highway 41 Facility	Line 4 x Line 16 x 12													$ 7,814
32	Highway 41 Facility BESS	Line 5 x Line 17 x 12													$ 6,635
33	Evansville Urban Facility	Line 4 x Line 18 x 12													$ 7,968
34	Urban Living Research Center	Line 4 x Line 19 x 12													$ 1,080
35	Total Amortization Expense	Sum Lines 31-34													$ 23,496
															To Schedule 1, Line 12

(A) Based on Amortization Life of Plant as of December 31, 2018. Annual depreciation rate is 1 divided by Number of Years, as shown on Attachment MJJ-R2, Schedule 6.
(B) Calculated as the PISCC rates (lines 2 & 3) multiplied by the monthly PISCC eligible balances. PISCC eligible balances are based on the gross plant placed in-service not yet captured for recovery in the CECA.
(C) Captures actual recorded amortization expense for PISCC during period.

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
PRE-TAX RATE OF RETURN AT DECEMBER 31, 2023

Line	After-Tax (A)	A Amount ($000's)	B Weighting	C Cost	D = B x C WACC	
1	Debt	$ 1,065,268	37.05%	4.41%	1.63%	
2	Equity	$ 1,337,078	46.50%	10.40%	4.84%	
3	Cost Free Capital	$ 462,566	16.09%	0.00%	0.00%	
4	Other	$ 10,668	0.37%	5.87%	0.02%	
5	**Total**	$ 2,875,580			**6.49%** **To Schedule 9, Line 2**	**(B)**

Line				
	Pre-Tax Equity Component Calculation			
6	After-Tax Cost of Equity per Line 2	4.84%		Line 2, Col. D
7	One		100.00%	
8	Less State Taxes		4.900%	
9	Federal Taxable		95.10%	Line 7 - Line 8
10	One Less Federal Income Tax		79.00%	1 - 21%
11	Effective Gross-Up Factor		75.13%	Line 9 x Line 10
12	Pre-Tax Equity	6.44%		Line 6 / Line 11

Line			
	Forecast - Adjusted ROR (fixed ROE)		
	Pre-Tax		
13	Debt	1.63%	from Line 1
14	Equity	6.44%	from Line 12
15	Cost Free Capital	0.00%	from Line 3
16	Other	0.02%	from Line 4
17	**Total Pre-Tax Rate of Return**	**8.09%** **To Schedule 1, Line 6**	Sum Lines 13-16

(A) All data in Lines 1 through 5 represent the actual balances as of December 31, 2023.

(B)	Proof	Equity	Debt and Other	Total	
18	Total New Capital Investment	$ 11,640,877	$ 11,640,877		from Schedule 1, Line 5
19	Pre-Tax Return	6.44%	1.65%		from Lines 13-16
20	Return	$ 749,935	$ 192,074		Line 18 x Line 19
21	State Tax	$ 36,747			4.900% x Line 20
22	Federal Taxable Return	$ 713,188	$ 192,074		Line 20 - Line 21
23	Federal Tax	$ 149,769			Line 22 x 21%
24	After Tax Return $	$ 563,418	$ 192,074	$ 755,493	Line 20 - Lines 21 and 23
25	After Tax Return %			6.49% equals Line 5	Line 24 / Line 18

Cause No. 44909 CECA 6

Petitioner's Exhibit No. 2-R
Attachment MJJ-R2
CEI South
Schedule 5
Page 1 of 1

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
ANNUALIZED DEPRECIATION EXPENSE ON NEW CAPITAL INVESTMENT

Line	Description		Balance at 12/31/2023	Reference
	Depreciable In-Service Balance			
1	Highway 41 Facility	$	5,229,479	Schedule 2, Line 11, Col. M **(C)**
2	Highway 41 Facility BESS	$	2,185,726	Schedule 2, Line 12, Col. M
3	Evansville Urban Facility	$	5,748,578	Schedule 2, Line 13, Col. M
4	Urban Living Research Center	$	1,093,593	Schedule 2, Line 14, Col. M
5	Total	$	14,257,376	Sum Lines 1 - 5
	Monthly Depreciation Rates			
6	Highway 41 Facility		0.33%	**(A)**
7	Highway 41 Facility BESS		0.83%	**(A)**
8	Evansville Urban Facility		0.33%	**(A)**
9	Urban Living Research Center		0.33%	**(A)**
	Annualized Depreciation Expense			
10	Highway 41 Facility	$	209,179	Line 1 x Line 8 x 12
11	Highway 41 Facility BESS	$	218,573	Line 2 x Line 9 x 12
12	Evansville Urban Facility	$	229,943	Line 3 x Line 10 x 12
13	Urban Living Research Center	$	43,744	Line 4 x Line 11 x 12
14	**Total Annualized Depreciation Expense**	**$**	**701,439**	Sum Lines 14 - 20
			To Schedule 1, Line 8	

(A) Current average of authorized depreciation rates. Supporting work papers will show a detailed calculation of depreciation rates by class of plant.

(B) Reflects no plant additions through current period for project.

(C) Excludes non-depreciable land investment.

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
AMORTIZATION OF DEFERRED DEPRECIATION

		A	B	C	D	E	F	G	H	I	J	K	L	M
Line	Description	Balance at 12/31/2022	1/31/2023	2/28/2023	3/31/2023	4/30/2023	5/31/2023	6/30/2023	7/31/2023	8/31/2023	9/30/2023	10/31/2023	11/30/2023	Balance at 12/31/2023
	Deferred Depreciation Balance (A)													
1	Highway 41 Facility	$ 114,697	$ 114,697	$ 114,697	$ 114,697	$ 114,697	$ 114,697	$ 114,697	$ 114,697	$ 114,697	$ 114,697	$ 114,697	$ 114,697	$ 114,697
2	Highway 41 Facility BESS	$ 103,340	$ 103,340	$ 103,340	$ 103,340	$ 103,340	$ 103,340	$ 103,340	$ 103,340	$ 103,340	$ 103,340	$ 103,340	$ 103,340	$ 103,340
3	Evansville Urban Facility	$ 124,615	$ 124,615	$ 124,615	$ 124,615	$ 124,615	$ 124,615	$ 124,615	$ 124,615	$ 124,615	$ 124,615	$ 124,615	$ 124,615	$ 124,615
4	Urban Living Research Center	$ -	$ 3,833	$ 7,667	$ 11,500	$ 15,145	$ 18,791	$ 18,603	$ 18,415	$ 18,227	$ 18,039	$ 17,851	$ 17,662	$ 17,474
5	Less: Amortization of Deferrals (B)	$ (53,566)	$ (55,224)	$ (56,883)	$ (58,542)	$ (60,201)	$ (61,859)	$ (63,518)	$ (65,177)	$ (66,836)	$ (68,495)	$ (70,153)	$ (71,812)	$ (73,471)
6	Total Deferred Depreciation Balance	$ 289,087	$ 291,261	$ 293,436	$ 295,610	$ 297,597	$ 299,583	$ 297,737	$ 295,890	$ 294,043	$ 292,196	$ 290,349	$ 288,502	$ 286,655
	Depreciation Rates (C)													
7	Solar Investment excluding BESS													4.00%
8	BESS Investment													10.00%
	Deferred Depreciation Amortization Expense													
9	Highway 41 Facility												Line 1 x Line 8	$ 4,588
10	Highway 41 Facility BESS												Line 2 x Line 9	$ 10,334
11	Evansville Urban Facility												Line 3 x Line 8	$ 4,985
12	Urban Living Research Center												Line 4 x Line 8	$ 699
13	**Deferred Depreciation Amortization Expense**												Sum Lines 10-13	**$ 20,605**

To Schedule 1, Line 11

(A) Calculated by taking the gross new plant investment, less retirements, placed in-service but not yet included in CECA recovery.
(B) Captures actual recorded amortization expense for PISCC during period.
(C) Based on Amortization Life of Plant as of December 31, 2018. Annual depreciation rate is 1 divided by Number of Years.
Solar Project - 25 years
Battery System - 10 years

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
AMORTIZATION OF DEFERRED INCREMENTAL O&M EXPENSE

Line	Description			Amount	Reference
	Estimated Annual Operations and Maintenance Expense				
1	Highway 41 Facility			$ 198,806	
2	Evansville Urban Facility			$ 134,122	
3	Urban Living Research Center			$ 12,091	
4	Total Estimated Annual Operations and Maintenance Expense			$ 345,019 **To Schedule 1, Line 9**	Sum Lines 1 - 3
	Reconciled Operations and Maintenance Expense	Actual Expense	Estimated Expense (A)	Amount	
5	Highway 41 Facility	$ 198,806	$ 265,715	$ (66,909)	
6	Evansville Urban Facility	$ 134,122	$ 277,744	$ (143,622)	
7	Urban Living Research Center	$ 12,091	$ 25,000	$ (12,909)	
8	Total Reconciled Operations and Maintenance Expense	$ 345,019	$ 568,459	$ (223,440) **To Schedule 1, Line 10**	Sum Lines 5 - 7
9	Recoverable Balance - at the end of current period			$ 121,579	Sum Lines 4 and 8

Notes:
(A) Per Cause No. 44909, CECA-5 - Petitioner's Exhibit No. 3 (Witness Behme Direct Testimony)

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
AMORTIZATION OF INVESTMENT TAX CREDITS (ITCs)

Line	Description	Total Amount	Reference
	Total Cumulative Investment Tax Credits Generated		
1	Highway 41 Facility	$ 1,147,457	30% of Eligible In-Service balance
2	Highway 41 Facility BESS	$ 574,343	30% of Eligible In-Service balance
3	Evansville Urban Facility	$ 1,308,701	30% of Eligible In-Service balance
4	Urban Living Research Center	$ 328,078	30% of Eligible In-Service balance
5	**Total Investment Tax Credits**	$ 3,358,579	
	Amortization Period		
6	Solar Investments excluding BESS	25 Years	
7	BESS Investments	10 Years	
	Amortization of Investment Tax Credits		
8	Highway 41 Facility	$ 45,898	
9	Highway 41 Facility BESS	$ 57,434	
10	Evansville Urban Facility	$ 52,348	
11	Urban Living Research Center	$ 13,123	
12	Total Investment Tax Credit Amortization	$ 168,803	
		To Schedule 1, Line 15	

Cause No. 44909 CECA 6

Petitioner's Exhibit No. 2-R
Attachment MJJ-R2
CEI South
Schedule 9

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
NOI ADJUSTED FOR FAC EARNINGS TEST

Line	Description		Total Amount	Reference
1	Total New Capital Investment - As of End of Period	$	11,640,877	From Schedule 1, Line 5
2	After-Tax Rate of Return		6.49%	From Schedule 4, Page 1, Line 5
3	NOI Adjustment from Clean Energy Projects	$	755,493	Line 1 x Line 2