

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF SOUTHERN INDIANA)
GAS AND ELECTRIC COMPANY d/b/a)
VECTREN ENERGY DELIVERY OF INDIANA,)
INC. (“VECTREN SOUTH”) FOR (1) ISSUANCE)
OF A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY FOR A)
COMPLIANCE PROJECT TO MEET)
FEDERALLY MANDATED REQUIREMENTS)
TO CLOSE ITS A. B. BROWN POND (THE)
“BROWN POND COMPLIANCE PROJECT”);)
(2) AUTHORITY TO TIMELY RECOVER 80%)
OF THE APPROVED FEDERALLY MANDATED)
COSTS INCURRED DURING CONSTRUCTION)
AND OPERATION OF THE BROWN POND)
COMPLIANCE PROJECT INCLUDING POST-)
IN SERVICE CARRYING CHARGES (BOTH)
DEBT AND EQUITY) (“PISCC”) AND)
DEFERRED DEPRECIATION THROUGH)
VECTREN SOUTH’S ENVIRONMENTAL COST)
ADJUSTMENT MECHANISM; (3) AUTHORITY)
TO DEFER FOR RECOVERY IN VECTREN)
SOUTH’S ENSUING GENERAL RATE CASE)
20% OF SUCH APPROVED FEDERALLY)
MANDATED COSTS; AND (4) IN THE)
ALTERNATIVE, APPROVAL TO INCLUDE THE)
BROWN POND COMPLIANCE PROJECT IN)
RATE BASE PURSUANT TO IC 8-1-2-23.)

FILED
January 10, 2020
INDIANA UTILITY
REGULATORY COMMISSION

CAUSE NO. 45280

STIPULATION AND SETTLEMENT AGREEMENT

This Stipulation and Settlement Agreement (the “Settlement Agreement”) is entered into by and among Southern Indiana Gas and Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc. (“Vectren South” or the “Company”), the Indiana Office of Utility Consumer Counselor (“OUCC”) and the Citizens Action Coalition of Indiana, Inc. (“CAC”). Vectren South, the OUCC and the CAC are collectively referred to herein as the

“Settling Parties.” The Settling Parties, solely for purposes of compromise and settlement, stipulate and agree that the terms and conditions set forth in this Settlement Agreement represent a fair, just and reasonable resolution of concerns raised by the CAC related to the compliance project to close the Brown Ash Pond in compliance with the Environmental Protection Agency’s (“EPA”) Coal Combustion Residual (“CCR”) rule (the “Brown Ash Pond Compliance Project”), subject to their incorporation by the Indiana Utility Regulatory Commission (“Commission”) into a final, non-appealable order without modification or further condition that is unacceptable to any Settling Party. The Settling Parties agree that this Settlement Agreement resolves all disputes, claims and issues arising from the Commission proceeding currently pending in Cause No. 45280 as between the Settling Parties. The Settling Parties agree that Vectren South’s requested relief in this Cause should be granted in its entirety subject to the conditions stated herein.

1. Stipulation and Settlement Agreement between Vectren South and OUCC dated December 19, 2019. CAC agrees with and joins the Stipulation and Settlement Agreement between Vectren South and the OUCC dated December 19, 2019 (the “December 19 Settlement Agreement”), subject to the additional conditions stated in this Settlement Agreement.

2. Submission of Plans and Notice Regarding Dewatering. The Settling Parties agree that, prior to commencing dewatering of the Brown Ash Pond, for purposes of closing the Brown Ash Pond, Vectren South shall submit the dewatering plans to the Indiana Department of Environmental Management (“IDEM”) for approval. Vectren shall provide a copy of the dewatering plans and shall also provide the notice to IDEM of the commencement of dewatering to the Settling Parties.

3. Closure Activities. The Settling Parties agree that, prior to commencing any closure-in-place of CCR at the Brown Ash Pond, Vectren South shall submit, and receive IDEM approval of, a closure plan for the Brown Ash Pond pursuant to applicable IDEM regulations. Vectren South shall include a revised Fugitive Dust Plan for the Brown Ash Pond as part of that closure plan application. The full closure plan for the Brown Ash Pond shall be made publicly available.

4. Worker Protections. The Settling Parties agree that Vectren South shall work with its contractors to include worker protection provisions in the revised Fugitive Dust Plan submitted as part of Vectren South's closure plan for the Ash Pond. Those worker protection provisions should include protections for workers engaged in the removal of CCR from the Brown Ash Pond, onsite processing of the CCR, and conveying of the CCR from the Brown Ash Pond to any barge that will transport it to off-site locations.

5. Scope and Effect of Settlement.

a. Neither the making of this Settlement Agreement nor any of its provisions shall constitute in any respect an admission by any Settling Party in this or any other litigation or proceeding. Neither the making of this Settlement Agreement, nor the provisions thereof, nor the entry by the Commission of a Final Order approving this Settlement Agreement, shall establish any principles or legal precedent applicable to Commission proceedings other than those resolved herein.

b. This Settlement Agreement shall not constitute nor be cited as precedent by any person or deemed an admission by any Settling Party in any other proceeding except as necessary to enforce its terms before the

Commission, or any tribunal of competent jurisdiction. This Settlement Agreement is solely the result of compromise in the settlement process and, except as provided herein, is without prejudice to and shall not constitute a waiver of any position that any of the Settling Parties may take with respect to any or all of the issues resolved herein in any future regulatory or other proceedings.

- c. The Settling Parties' entry into this Settlement Agreement shall not be construed as a limitation on any position they may take or relief they may seek in other pending or future Commission proceedings not specifically addressed in this Settlement Agreement or the December 19 Settlement Agreement.

6. Authority to Enter Settlement. The undersigned have represented and agreed that they are fully authorized to execute this Settlement Agreement on behalf of their designated clients, and their successors and assigns, who will be bound thereby, subject to the agreement of the Settling Parties on the provisions contained herein.

7. Privileged Settlement Communications. The communications and discussions during the negotiations and conferences have been conducted based on the explicit understanding that said communications and discussions are or relate to offers of settlement and therefore are privileged. All prior drafts of this Settlement Agreement and any settlement proposals and counterproposals also are or relate to offers of settlement and are privileged.

8. Conditions of Settlement. This Settlement Agreement is conditioned upon and subject to Commission acceptance and approval of its terms in their entirety, without any change or condition that is unacceptable to any Settling Party.

9. Evidence in Support of Settlement. Vectren South shall offer supplemental testimony supporting the Commission's approval of this Settlement Agreement and will request that the Commission issue a Final Order incorporating the agreed proposed language of the Settling Parties and accepting and approving the same in accordance with its terms without any modification. Such supportive testimony will be agreed-upon by the Settling Parties and offered into evidence without objection by any Settling Party. The Settling Parties hereby waive cross-examination of each other's witnesses.

10. Commission Approval. The Settling Parties will support this Settlement Agreement before the Commission and request that the Commission accept and approve the Settlement Agreement. The terms of this Settlement Agreement constitute an interrelated package and are not severable, and shall be accepted or rejected in their entirety without modification or further condition(s) that may be unacceptable to any Settling Party. If the Commission does not approve this Settlement Agreement in its entirety, this Settlement Agreement shall be null and void and deemed withdrawn, upon notice in writing by any Settling Party within fifteen (15) business days after the date of the Final Order that any modifications made by the Commission are unacceptable to it. In the event this Settlement Agreement is withdrawn, the Settling Parties will request that an Attorneys' Conference be convened to establish a procedural schedule for the continued litigation of this proceeding.

11. Proposed Order. The Settling Parties will work together to prepare an agreed upon proposed order to be submitted in this Cause. The Settling Parties will request Commission acceptance and approval of this Settlement Agreement and the December 19 Settlement Agreement in their entirety, without any change or condition that is unacceptable to any party to this Settlement Agreement.

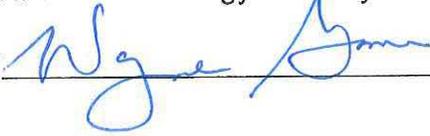
12. Publicity. The Settling Parties also will work cooperatively on news releases or other announcements to the public about this Settlement Agreement.

13. Waiver of Opposition. The Settling Parties shall not appeal or seek rehearing, reconsideration or a stay of any Final Order entered by the Commission approving this Settlement Agreement in its entirety without changes or condition(s) unacceptable to any Settling Party (or related orders to the extent such orders are specifically and exclusively implementing the provisions hereof) and shall not oppose this Settlement Agreement in the event of any appeal or a request for rehearing, reconsideration or a stay by any person not a party hereto.

Accepted and Agreed on this 9th day of January, 2020.

(signature page follows)

Southern Indiana Gas and Electric Company
d/b/a Vectren Energy Delivery of Indiana, Inc.

By: 

Citizens Action Coalition of Indiana, Inc.

By: 
Kerwin L. Olson, Executive Director

Indiana Office of Utility Consumer Counselor

By: 