

**DIRECT TESTIMONY OF  
SCOTT E. THARP  
BUSINESS DEVELOPMENT MANAGER, III  
DUKE ENERGY CAROLINAS, LLC  
ON BEHALF OF DUKE ENERGY INDIANA, LLC  
CAUSE NO. 45907 BEFORE THE  
INDIANA UTILITY REGULATORY COMMISSION**

**I. INTRODUCTION**

**Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

A. My name is Scott E. Tharp, and my business address is 1000 East Main Street, Plainfield, Indiana 46168.

**Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

A. I am employed by Duke Energy Carolinas, LLC as Business Development Manager III, Business Development and Compliance.

**Q. WHAT ARE YOUR RESPONSIBILITIES AS BUSINESS DEVELOPMENT MANAGER, III?**

A. I negotiate the purchase of capacity, energy, and renewable energy credits ("RECs") for Duke Energy Carolinas, Duke Energy Progress, Duke Energy Indiana, and Duke Energy Kentucky. I also act as an account manager for several large renewable energy producers.

**Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL BACKGROUND.**

A. I received a Bachelor of Science degree in electrical engineering from the University of Evansville in 1986. While attending college, I was employed by Indiana Michigan Power as a cooperative education student. Following graduation, I was employed by Public Service Indiana, Inc. (now Duke Energy Indiana) in the System Planning Department in

1 the generation planning area. In 1988, I was promoted to Supervisor of the Corporate  
2 Projects section. In 1989, I transferred to the position of Planning Engineer, Generation  
3 Planning. In 1993, I was promoted to Senior Planning Engineer, Resource Planning, and  
4 in 2000 I was promoted to Principal Engineer, Asset Planning and Analysis. In December  
5 of 2003, I received a Master of Business Administration Degree from Indiana Wesleyan  
6 University. In 2006, I was promoted to the position of Manager, Midwest Origination,  
7 and in 2010 I was promoted to the position of Business Development Manager III. Since  
8 2006, I have negotiated dozens of power purchase agreements ("PPAs") and power sale  
9 agreements. In addition to my work experience, I served as a panel member on the East  
10 Central Area Reliability ("ECAR") Generation Resources Panel and as a member of  
11 Electric Power Research Institute's ("EPRI") Renewable, Storage, and Hydro Task  
12 Force.

13 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

14 A. The purpose of my testimony in this proceeding is to: support the Company's request for  
15 approval of the proposed 199 MWac purchased power agreement between Duke Energy  
16 Indiana and Ranger Power LLC ("Ranger Power") for the project known as Speedway  
17 Solar (the "Speedway Solar PPA"); describe the Speedway Solar PPA and the  
18 Company's efforts concerning this project; provide a high level overview of the  
19 purchased power agreement terms; and provide an overview of Duke Energy Indiana's  
20 case in this proceeding. I also support the Company's responses, in part, to the  
21 Commission's General Administrative Order ("GAO") 2022-01 and describe how, in its  
22 request for approval of the Speedway Solar PPA, the Company has considered the

1 following attributes of electric utility service: reliability, resilience, stability,  
2 affordability, and environmental sustainability.

3 **Q. WHO ARE THE OTHER WITNESSES IN THIS PROCEEDING?**

- 4 • Matthew Kalemba will discuss the Speedway Solar PPA's relation to and consistency  
5 with Duke Energy Indiana's current 2021 integrated resource plan ("2021 IRP") and  
6 the Company's 2023 updated modeling.
- 7 • Mr. Robert J. Lee introduces CRA International d/b/a Charles River Associates, Inc.  
8 ("CRA") and describes CRA's role as the third party administrator of Duke Energy  
9 Indiana's requests for proposals ("RFPs").
- 10 • Ms. Suzanne E. Sieferman will discuss the Company's proposed associated cost  
11 recovery, pursuant to Ind. Code § 8-1-8.8-11, and other accounting and ratemaking  
12 treatment associated with the Speedway Solar PPA.

13 **Q. ARE YOU SPONSORING ANY ATTACHMENTS TO YOUR DIRECT**  
14 **TESTIMONY?**

15 A. Yes. I am sponsoring the following attachments, all of which were prepared by me or  
16 under my direction and supervision.

- 17 • Attachment 1-A (SET) - Verified Petition
- 18 • Confidential Attachment 1-B (SET) - Speedway Solar PPA
- 19 • Attachment 1-C (SET) - GAO 2022-01 Requirements

**II. THE SPEEDWAY SOLAR PROJECT AND PPA**

**Q. PLEASE DESCRIBE THE SPEEDWAY SOLAR PROJECT.**

A. The Speedway Solar project is located in Shelby County, Indiana and will produce 199 MWac of solar generation. The developer for this project is Ranger Power. The project is expected to be operational by September 2025.

**Q. PLEASE DESCRIBE THE PROPOSED SPEEDWAY SOLAR PPA.**

A. The Speedway Solar PPA provides that Duke Energy Indiana will purchase solar capacity, energy, and ancillary services generated from the Speedway Solar facility at a <BEGIN CONFIDENTIAL> [REDACTED] <END CONFIDENTIAL> for a period of twenty years. It is expected to produce approximately 426,000 MWh per year on average over the 20 year term (23.2% capacity factor). The Speedway Solar PPA also gives Duke Energy Indiana ownership of all RECs produced by the Speedway Solar facility. The treatment of the RECs is more fully described in the direct testimony of Ms. Sieferman.

**Q. WHAT ARE THE MAJOR TERMS OF THE SPEEDWAY SOLAR PPA?**

A. The Speedway Solar PPA, executed by the parties on June 13, 2023 and attached hereto as Confidential Exhibit 1-B, requires that Duke Energy Indiana <BEGIN

CONFIDENTIAL> [REDACTED]

[REDACTED] <END CONFIDENTIAL>. The Speedway Solar PPA provides that Duke Energy

Indiana <BEGIN CONFIDENTIAL> [REDACTED] [REDACTED]

[REDACTED]

[REDACTED] <END CONFIDENTIAL>. The Speedway Solar PPA also

1 provides that the <BEGIN CONFIDENTIAL> [REDACTED]  
2 [REDACTED] <END CONFIDENTIAL>, and Duke  
3 Energy Indiana shall have exclusive rights to the RECs produced by the facility. In  
4 addition, per the Speedway Solar PPA, Duke Energy Indiana shall have exclusive rights  
5 to purchase the net output of the Speedway Solar facility, including energy rights (minus  
6 any station power), capacity rights, as well as any ancillary services produced by the  
7 facility.

8 The Speedway Solar PPA includes customer protection provisions. Pursuant to  
9 the Speedway Solar PPA, <BEGIN CONFIDENTIAL> [REDACTED]

10 [REDACTED]  
11 [REDACTED]  
12 [REDACTED] <END

13 CONFIDENTIAL>. Additionally, the Speedway Solar PPA provides that <BEGIN

14 CONFIDENTIAL> [REDACTED]  
15 [REDACTED] <END CONFIDENTIAL>;

16 these provisions function to <BEGIN CONFIDENTIAL> [REDACTED]  
17 [REDACTED] <END

18 CONFIDENTIAL>.

19 **Q. WHAT ARE THE CUSTOMER BENEFITS AND PROTECTIONS BUILT INTO**  
20 **THE PPA?**

21 A. First and foremost, customers are gaining access to renewable energy and capacity at a  
22 competitive price, as further discussed in Mr. Lee's testimony. Furthermore, customers

1 will receive any benefits from the sale of the solar RECs, as will be discussed in the  
2 testimony of Ms. Sieferman. In addition to <BEGIN CONFIDENTIAL [REDACTED]

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED] <END CONFIDENTIAL>. Once the Speedway Solar project

10 achieves commercial operation, <BEGIN CONFIDENTIAL> [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED] <END CONFIDENTIAL>.

16 **Q. HOW DID DUKE ENERGY INDIANA COME TO CONSIDER THE SPEEDWAY**  
17 **SOLAR PPA?**

18 A. In the first quarter of 2022, Duke Energy Indiana issued an RFP for intermittent  
19 (renewables) and non-intermittent RFP (thermal and stand-alone storage) resources, for  
20 which CRA acted as the third party administrator of the RFPs, all as further discussed in  
21 Mr. Lee's testimony. Based on the Company's 2023 updated modeling, as further  
22 described in Mr. Kalembe's testimony, nine solar projects were selected (1,450 MW) to

1 advance to the negotiation phase based on CRA's ranked order list. Due to the Inflation  
2 Reduction Act ("IRA") and supply chain constraints, updated pricing and CODs were  
3 requested in August of 2022 from the bidders CRA identified as Tier 1 bidders, with  
4 updated pricing received in November 2022.

5 In February 2023, after Duke Energy Indiana had begun early purchased power  
6 agreement negotiations with several developers, Ranger Power notified Duke Energy  
7 Indiana that its Speedway Solar project had become available due to failed negotiations  
8 with another counterparty. The Speedway Solar project had a lower price (\$/MWh) than  
9 all other projects submitted into the intermittent RFP, and the lowest levelized cost of  
10 energy ("LCOE") for the study period. After discussions and negotiations, a final  
11 agreement was reached for Ranger Power to sell the energy, capacity, RECs, and  
12 ancillary services from the Speedway Solar project to Duke Energy Indiana under a  
13 twenty-year PPA.

14 **Q. DOES THE ADDITION OF THE SPEEDWAY SOLAR PPA SUPPORT THE**  
15 **CONCLUSIONS OF THE COMPANY'S 2021 IRP?**

16 **A.** Yes. As more fully described in the testimony of Mr. Kalemba, the addition of the  
17 Speedway Solar PPA to Duke Energy Indiana's portfolio is fully supportive of and  
18 consistent with the conclusions of the 2021 IRP, as well as the updated modeling  
19 performed in 2023.

**Q. ARE THERE ANY INTERCONNECTION CHALLENGES WITH THE PROPOSED SITE?**

A. No. Speedway entered the Midcontinent Independent System Operator, Inc. ("MISO") interconnection queue in 2017 and has a fully executed Generation Interconnection Agreement (GIA) with MISO and Duke Energy Indiana, amended and restated on January 27, 2023. The Speedway Solar facility will be interconnecting with Duke Energy Indiana's Gwynneville 345 kV substation, which is within the Speedway Solar project boundaries. The total cost of network upgrades is \$8.5 million dollars, which is included in the Speedway Solar PPA pricing.

**Q. WHAT IS THE CONSTRUCTION TIMELINE FOR THE SPEEDWAY SOLAR PROJECT?**

A. The construction timeline appears in the table below:

Milestone	Date
Improvement Location Permit	Complete
Storm Water Pollution and Pollutant Discharge Permits	Complete
Start of Construction under Shelby County Special Exception	3/6/23
Full Construction Mobilization	July/August 2023
Civil, MV Electrical, Trackers, Modules	March 2024 through June 2025
Substation and Gen-Tie	Jan 2025 through March 2025
Interconnection In-Service Date	3/31/25
Commissioning	July 2025
Commercial Operations	September 2025



1   **Q.   HAS RANGER POWER REQUESTED THE COMMISSION GRANT IT A**  
2           **CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AND DECLINE**  
3           **TO EXERCISE JURISDICTION OVER THE SPEEDWAY SOLAR PROJECT?**

4   A.   Yes. Speedway Solar, LLC filed a petition with the Commission for the Speedway Solar  
5           project on April 26, 2019 in Cause No. 45230, requesting the Commission grant it a  
6           certificate of public convenience and necessity and decline to exercise its jurisdiction  
7           pursuant to Ind. Code § 8-1-5.5-5. On September 18, 2019, the Commission entered its  
8           order approving the certificate of public convenience and necessity to construct  
9           Speedway Solar and also declining to exercise jurisdiction.

10                   **III. REQUESTED REGULATORY APPROVALS**

11   **Q.   WHAT IS DUKE ENERGY INDIANA REQUESTING IN THIS PROCEEDING?**

12   A.   The Company is seeking a Commission determination that the Speedway Solar PPA and  
13           associated timely recovery of costs and expenses is just and reasonable and authorization  
14           for Duke Energy Indiana to enter into the Speedway Solar PPA to purchase energy and  
15           capacity from the Speedway Solar project. Duke Energy Indiana further seeks a  
16           determination that the Speedway Solar PPA is an eligible clean energy project for  
17           purposes of Ind. Code § 8-1-8.8-11.

18           Duke Energy Indiana also seeks authorization for associated timely cost recovery  
19           under Ind. Code § 8-1-8.8-11 for the Speedway Solar PPA, and other accounting and  
20           ratemaking authority for the twenty-year life of the PPA. As discussed in Ms.  
21           Sieferman's testimony, Duke Energy Indiana is specifically proposing that the retail  
22           portion of the charges under the Speedway Solar PPA, net of REC benefits, if any, be

1 recovered in connection with Duke Energy Indiana's quarterly fuel adjustment clause  
2 ("FAC") proceedings.

3 Additionally, also as further discussed by Ms. Sieferman, Duke Energy Indiana  
4 seeks ratemaking treatment pursuant to Ind. Code § 8-1-8.8-11 to defer expenses incurred  
5 to enter into the Speedway Solar PPA as a regulatory asset and to recover such deferred  
6 costs through the FAC. The Company proposes that it will amortize and recover these  
7 direct incremental costs through the FAC along with the direct costs of the Speedway  
8 Solar PPA.

9 **Q. DO YOU BELIEVE THE SPEEDWAY SOLAR PPA QUALIFIES AS A "CLEAN**  
10 **ENERGY PROJECT" UNDER INDIANA LAW?**

11 A. Yes. Ind. Code § 8-1-8.8-2 defines a "clean energy project" as including "projects to  
12 develop alternative energy sources, including renewable energy projects." In addition,  
13 "solar energy" is specifically listed as one of the clean energy resources in Indiana Code  
14 § 8-1-37-4(a)(1) through -4(a)(16), thus making it a "renewable energy resource" under  
15 Ind. Code § 8-1-8.8-10. The Speedway Solar PPA also promotes a "robust and diverse  
16 portfolio of energy production or generating capacity, including . . . the use of renewable  
17 energy resources," which are needed "if Indiana is to continue to be successful in  
18 attracting new businesses and jobs." Ind. Code § 8-1-8.8-1(a)(2). The Commission has  
19 consistently held that renewable energy projects undertaken pursuant to a PPA are "clean  
20 energy projects" under Ind. Code ch. 8-1-8.8.

1   **Q.    WHY IS DUKE ENERGY INDIANA SEEKING ASSURANCE OF COST**  
2       **RECOVERY FOR THE LIFE OF THE PPA?**

3    A.    If the Commission finds that the Speedway Solar PPA is just and reasonable, it is  
4           reasonable for the costs to be recovered through rates, as is provided for in Indiana  
5           statutes designed to promote renewable generation. Assurance of cost recovery over the  
6           life of the contract is necessary because this is a long-term commitment, and Duke  
7           Energy Indiana will not have the option to terminate the contract before its termination  
8           date, <BEGIN CONFIDENTIAL> [REDACTED] <END  
9           CONFIDENTIAL>.

10   **Q.    IS DUKE ENERGY INDIANA REQUESTING ANY INCENTIVES IN**  
11       **CONNECTION WITH THIS PROJECT?**

12   A.    Yes. As discussed by Ms. Sieferman, the Company is requesting approval to include in a  
13           regulatory asset its incremental expenses incurred for Duke Energy Indiana's 2021 IRP,  
14           its updated modeling, and the RFPs associated with new generation (including  
15           identification of the Speedway Solar PPA opportunity). These costs are a just and  
16           reasonable expense associated with entering into a PPA and, therefore, are appropriately  
17           recovered through rates. Clean energy projects are specifically encouraged by Ind. Code  
18           ch. 8-1-8.8, and Ind. Code § 8-1-8.8-11 authorizes the Commission to create financial  
19           incentives for the development of alternative resources. Therefore, approval of the relief  
20           Petitioner seeks is consistent with Indiana energy and regulatory policy.

A. Yes. As discussed in more detail in Mr. Kalembe's testimony, Duke Energy Indiana is seeking to diversify its supply side resources and the Speedway Solar PPA Project fits nicely with that goal. The Speedway Solar PPA project is cost-effective and will enhance the Company's supply portfolio.

A. Yes. GAO 2022-01 provides guidelines for additional evidence to be provided in connection with petitions regarding electric generation under Ind. Code ch. 8-1-8.8 that request approval of a multi-year PPA for electric generation. Certain of the required information, as it pertains to Duke Energy Indiana's request for approval under Ind. Code ch. 8-1-8.8 in this Cause, is provided in Attachment 1-C (SET). The remainder of the information required under GAO 2022-01 is provided by Mr. Kalemba.

**Q. ARE YOU FAMILIAR WITH THE FOLLOWING ATTRIBUTES OF ELECTRIC UTILITY SERVICE: RELIABILITY, RESILIENCE, STABILITY, AFFORDABILITY, AND ENVIRONMENTAL SUSTAINABILITY AS SET FORTH IN IND. CODE § 8-1-2-0.6?**

**SCOTT E. THARP**  
-12-

1   **Q.    HAS DUKE ENERGY INDIANA CONSIDERED THESE FIVE ATTRIBUTES IN**  
2   **REQUESTING THE RELIEF SOUGHT IN THIS CAUSE?**

3    A.    Yes. Reliability consists of two fundamental concepts—adequacy and operating  
4           reliability. Adequacy is the ability of the electric system to supply the aggregate electric  
5           power and energy requirements of electricity consumers at all times taking into account  
6           scheduled and reasonably expected unscheduled outages of system components.  
7           Operating reliability is the ability of the electric system to withstand sudden disturbances,  
8           such as electric short circuits or unanticipated loss of system components. As further  
9           supported by the 2021 IRP, the Speedway Solar PPA promotes reliability. The addition  
10          of energy is needed to supply the aggregate power and energy requirements of electricity  
11          consumers at all times, particularly as other facilities are retired. Moreover, while solar  
12          resources are intermittent in nature, they are no more impacted by short circuits or  
13          unanticipated loss of system components than other generation resources.

14                As to resiliency and stability, the Company's preferred resource portfolio, which  
15                includes solar energy, helps to minimize the risk of sustained disruption. Moreover, the  
16                2021 IRP resulted in a preferred resource portfolio that significantly, but prudently,  
17                diversifies the resource mix in the Company's generation portfolio to meet current and  
18                future load. Reliability was an important consideration in selecting a holistic portfolio.  
19                Solar assets are also well suited to provide a stable source of energy in the summer when  
20                usage is at its highest.

21                With respect to affordability, the Speedway Solar PPA supports the provision of  
22                retail electric utility service that is affordable and competitive across customer classes. As

1 described in my testimony and that of Mr. Lee, the Speedway Solar PPA represents a  
2 competitive and economic component to the Company's generation portfolio.

3 Lastly, the addition of clean solar energy is consistent with the environmental  
4 sustainability attribute. Solar is a renewable, clean energy source. Operation of solar  
5 energy projects do not use fossil or nuclear fuel, which means there is no need for mining  
6 or drilling for fuel, no use of water for steam or cooling, and no emissions of greenhouse  
7 gases or other pollutants. Also, the price of solar power is not impacted by the volatility  
8 of commodities, as are other non-renewable sources.

9 **VI. CONCLUSION**

10 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY AT THIS TIME?**

11 A. Yes.

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**VERIFIED PETITION OF DUKE ENERGY )  
INDIANA, LLC FOR APPROVAL PURSUANT TO )  
IND. CODE §§ 8-1-2-42(a) AND 8-1-8.8-11 )  
OF A SOLAR ENERGY POWER PURCHASE ) CAUSE NO.  
AGREEMENT, INCLUDING TIMELY COST )  
RECOVERY AND OTHER ACCOUNTING AND )  
RATEMAKING AUTHORITY )**

**VERIFIED PETITION**

Duke Energy Indiana, LLC (“Duke Energy Indiana” or “Petitioner”) respectfully petitions the Indiana Utility Regulatory Commission (“Commission”) for approval of a solar power purchase agreement (“PPA”) between Duke Energy Indiana and Ranger Power LLC (“Ranger Power”) for the project known as Speedway Solar (the “Speedway Solar PPA”) as a clean energy project under Ind. Code § 8-1-8.8-11, associated timely cost recovery under Ind. Code § 8-1-8.8-11 for the Speedway Solar PPA, and other accounting and ratemaking authority. In accordance with 170 IAC 1-1.1-8 and 1-1.1-9 of the Commission’s Rules of Practice and Procedure, Duke Energy Indiana submits the following information in support of this Petition.

**1. Petitioner’s Corporate and Regulated Status.** Duke Energy Indiana is a public utility corporation organized and existing under the laws of the State of Indiana with its principal office at 1000 E. Main Street, Plainfield, Indiana 46168, and is a wholly owned subsidiary of Duke Energy Indiana Holdco, LLC. It has the corporate power and authority to engage in the business of supplying electric utility service to the public in the State of Indiana. Accordingly, Petitioner is a “public utility” as defined in Ind. Code § 8-1-2-1, as well as an “energy utility” as defined in Ind. Code § 8-1-2.5-2. Petitioner is also an “eligible business” as

that term is defined in Ind. Code § 8-1-8.8-6. Petitioner is subject to the jurisdiction of the Commission in the manner and to the extent provided by the laws of the State of Indiana, including Ind. Code § 8-1-2-1 et seq.

**2. Petitioner's Electric Utility Service.** Duke Energy Indiana owns, operates, manages, and controls plant, property, and equipment used and useful for the production, transmission, distribution, and furnishing of electric utility service to the public in the State of Indiana. It directly supplies electric energy throughout its 23,000 square mile service area to approximately 870,000 customers located in 69 counties in the State of Indiana, and supplies steam service to one customer from its Cayuga Generating Station and to Purdue University via a combined heat and power facility. Petitioner also sells electric energy for resale to other electric utilities that in turn supply electric utility service to numerous customers in areas not served directly by Petitioner.

**3. IRP and RFPs.** On December 15, 2021, Petitioner submitted its 2021 Integrated Resource Plan ("2021 IRP") to the Commission. The Company's 2021 IRP includes the addition of 150 MW of solar-powered generation in 2023, 250 MW being added in 2024, and 200 MW in 2025. In February 2022, Petitioner issued an intermittent generation request for proposals and a non-intermittent generation request for proposals to identify projects required to meet its resource requirements as identified in the 2021 IRP (the "RFPs"). Each proposal was evaluated and scored independently by a third party administrator, Charles River Associates ("CRA"), who provided a ranked list of projects to Duke Energy Indiana in July 2022. The bidders for the top ranked projects were asked to refresh their bids due to, but not limited to, the following: the Inflation Reduction Act ("IRA"), inflation, supply chain constraints, and Midcontinent Independent System Operation, Inc.



(“MISO”) interconnection study delays.

The RFP process provided more updated pricing information for conventional and renewable resources. As such, Petitioner performed updated modeling in 2023 to reflect these changes and to confirm that resources, such as the Speedway Solar PPA, continued to be reasonable additions to Petitioner’s generation portfolio. In addition, at this time, there were significant changes within the industry that Petitioner believed could impact its immediate resource decisions, including MISO’s implementation of the seasonal accreditation capacity construct and the passing of the IRA. The updated modeling allowed solar generation that was reflective of the prices of the RFP bids to be considered, and the resulting preferred portfolio included the addition of 320 MW of solar generation, each in 2025 and 2026.

Ranger Power bid two solar projects into the intermittent RFP, one of which ultimately became unavailable, the second of which was selected by CRA as a Tier 1 project and for which Ranger Power provided refreshed pricing. In February 2023, Ranger Power informed Duke Energy Indiana that a PPA for its Speedway Solar project, which was not bid into the 2022 RFP as it had previously been contracted to a different off-taker, had become available. CRA evaluated the Speedway Solar PPA using the RFP criteria and selected it as a Tier 1 project. Negotiations for a definitive agreement commenced on the Speedway Solar PPA.

**4. Speedway Solar.** The Speedway Solar project is being developed in Shelby County, Indiana and will have an installed capacity of approximately 199 MWac. The Speedway Solar PPA provides Duke Energy Indiana with 100% of the electrical output of Speedway Solar over a term of 20 years, beginning at the commercial operation date. The purchase is a bundled product, consisting of the solar energy project’s production, capacity, and environmental attributes. The terms and conditions of the Speedway Solar PPA are

included in Petitioner's evidence submitted herewith.

5. **Speedway Solar PPA Capacity.** The Speedway Solar PPA is a just and reasonable addition to a portfolio of capacity resources that, in the aggregate, serves to mitigate risk through diversification and foster an economic mix of capacity resources. Commission approval of the Speedway Solar PPA and the associated relief sought herein is in the public interest, will enhance or maintain the reliability and efficiency of service provided by Duke Energy Indiana, and is otherwise consistent with Ind. Code § 8-1-8.8-11. The Speedway Solar PPA is consistent with the 2021 IRP and updated modeling and is an economic choice to meet Duke Energy Indiana's retail electric load.

6. **Cost Recovery.** The Speedway Solar PPA contains just and reasonable pricing and terms that are economic over the life of the agreement. Petitioner proposes to administer timely cost recovery for the Speedway Solar PPA through Duke Energy Indiana's Fuel Adjustment Cost ("FAC") rider or successor mechanism over the full term of the Speedway Solar PPA. Timely cost recovery is consistent with Ind. Code § 8-1-2-42(a) and Ind. Code § 8-1-8.8-11. Duke Energy Indiana requests that the Commission make a definitive finding in this Cause that the Speedway Solar PPA and associated timely recovery of costs and expenses as described in the Company's case-in-chief are just and reasonable, such that Duke Energy Indiana is authorized to recover those costs and expenses. Petitioner also seeks recovery of the incremental costs incurred for the 2021 IRP, updated modeling, and RFPs through a regulatory asset to be amortized over a three-year period through the FAC rider. Clean energy projects are specifically encouraged by Ind. Code ch. 8-1-8.8 and Ind. Code § 8-1-8.8-11 authorizes the Commission to create financial incentives for the development of alternative resources. Therefore, approval of the relief Petitioner seeks is

consistent with Indiana energy and regulatory policy.

7. **Rates.** The rates set forth in the Speedway Solar PPA are included in Petitioner's case-in-chief, specifically in the testimony of Scott E. Tharp.

8. **Five Pillars.** In requesting the relief specified herein, consistent with Ind. Code § 8-1-2-0.6, Petitioner has considered the following attributes of electric utility service: reliability, resilience, stability, affordability, and environmental sustainability. These attributes are discussed in the testimony of Mr. Tharp.

9. **Confidentiality.** A motion for protective order with supporting affidavit is being filed contemporaneous with this Petition to protect certain confidential, proprietary, competitively sensitive, and/or trade secret information included with Duke Energy Indiana's filing from public disclosure.

10. **Applicable Law.** Duke Energy Indiana considers the provisions of the Public Service Commission Act, as amended, to be applicable to the subject matter of this Petition, including Ind. Code ch. 8-1-8.8 and Ind. Code § 8-1-2-42(a). In particular, Petitioner's commitment to the Speedway Solar PPA will develop a clean energy resource under Ind. Code § 8-1-37-4(a)(1), which is therefore a renewable energy resource under Ind. Code § 8-1-8.8-10 and a clean energy project under Ind. Code § 8-1-8.8-2, eligible for timely recovery of costs in accordance with Ind. Code § 8-1-8.8-11.

11. **Counsel for Petitioner.** The names and address of Duke Energy Indiana's attorneys in this matter who are duly authorized to accept service of papers in this Cause on behalf of Duke Energy Indiana are:

Liane K. Steffes, Atty. No. 31522-41  
Elizabeth A. Heneghan, Atty. No. 24942-49  
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[beth.heneghan@duke-energy.com](mailto:beth.heneghan@duke-energy.com)

**12. Proposed Procedural Schedule.** Pursuant to 170 IAC 1-1.1-9, Petitioner hereby provides notice to the Commission that the parties reasonably anticipated to participate in this proceeding, Duke Energy Indiana and the Office of Utility Consumer Counselor (“OUCC”), are in agreement with the following proposed procedural schedule for the prefiling of evidence and the evidentiary hearing, which further satisfies the 120 day schedule provided in Ind. Code § 8-1-8.8-11(d):

<b>June 15, 2023:</b>	The latest date by which the Company shall prefile its testimony and attachments supporting this Petition.
<b>August 8, 2023:</b>	The latest date by which the OUCC or any intervenor shall prefile its testimony and exhibits concerning this Petition.
<b>August 22, 2023:</b>	The latest date by which the Company shall prefile its rebuttal testimony and exhibits.
<b>September 5, 2023:</b>	The date by which the Company requests that the evidentiary hearing concerning this Petition be held (or an available date close thereto, excluding September 6 through September 8).
<b>November 1, 2023:</b>	The end target date by which the Company requests the issuance of the Commission’s Final Order concerning this Petition.

Furthermore, the Parties have agreed that any response or objection to discovery requests shall be made within ten calendar days of receipt of such request. Any discovery requests served

after August 8, 2023, shall be responded to or objected to within five business days.

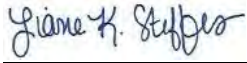
Petitioner and OUCC agree July 3, 2023 through and including July 5, 2023 and September 1, 2023 through and including September 5, 2023 are designated as blackout dates. Dates designated as “blackout dates” shall not be included in determining the number of days provided for responding to a discovery request.

WHEREFORE, Duke Energy Indiana respectfully requests that the Commission promptly publish notice, make such other investigation, and hold such hearings as are necessary or advisable and thereafter, make and enter appropriate orders in this Cause:

- a. Finding that the Speedway Solar PPA and associated timely recovery of costs and expenses is just and reasonable;
- b. Authorizing Duke Energy Indiana to enter into the Speedway Solar PPA;
- c. Determining the Speedway Solar PPA to be an eligible Clean Energy Project for purposes of Ind. Code § 8-1-8.8-11;
- d. Authorizing full recovery of the costs under the Speedway Solar PPA from customers through FAC proceedings (or successor mechanism) over the term of the Speedway Solar PPA;
- e. Approving the proposed accounting and ratemaking treatment pursuant to Ind. Code § 8-1-8.8-11, authorizing recovery of the incremental costs incurred for the 2021 IRP, updated modeling, and RFPs through a regulatory asset to be amortized over a three-year period through the FAC rider; and
- f. Granting such additional and further relief as may be deemed or appropriate.

Respectfully submitted,

**DUKE ENERGY INDIANA, LLC**

By:   
Counsel for Duke Energy Indiana, LLC

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**VERIFICATION**

I, Scott E. Tharp, hereby verify under the penalties of perjury that the foregoing Verified Petition is true and accurate to the best of my information, knowledge, and belief.

June 15, 2023

Date

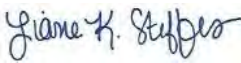
*Scott E. Tharp*

Scott E. Tharp  
Business Development Manager III of  
Duke Energy Carolinas, LLC

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing was electronically delivered this 15th day of June, 2023 to the following:

Jason Haas  
Indiana Office of Utility Consumer Counselor  
PNC Center  
115 W. Washington Street  
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Indianapolis, Indiana 46204  
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By:   
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**PETITIONER'S ATTACHMENT 1-B IS CONFIDENTIAL**

**GAO 2022-01 Information for Multi-Year Purchase Power Agreement Projects**

<b>GAO 2022-01 Guideline</b>	<b>Witness</b>	<b>Speedway Solar PPA</b>
The name of the RTO to which the generation will be connected.	Tharp	The Speedway Solar project will be connected in MISO to Duke Energy Indiana's 345 kV Gwynneville substation, which is within the Speedway Solar project boundaries. See Direct Testimony of Scott E. Tharp, p. 8.
An explanation regarding whether the generation is required to be in the RTO's interconnection queue and, if so, its status in the queue.	Tharp	There is a fully executed Generation Interconnection Agreement for the Speedway Solar project with MISO and Duke Energy Indiana, amended and restated on January 27, 2023. See Direct Testimony of Scott E. Tharp, p. 8.
A description of how the generation is expected to perform at the relevant RTO's peak pursuant to its capacity construct.	Tharp	This project is expected to provide 100 MW of accredited capacity in all seasons except for winter (10MW) in the first MISO planning year. After that, the solar resource will be awarded a seasonal accreditation commensurate with past performance during peak periods, as revised by MISO's tariff from time to time.

## VERIFICATION

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

Signed: *Scott E. Tharp*  
Scott E. Tharp

Dated: 6/15/2023