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INDIANA UTILITY
REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC PURSUANT TO IND. CODE §§ 8-1-242.7, 8-1-2-61 AND 8-1-2.5-6 FOR (1) AUTHORITY TO MODIFY ITS RETAIL RATES AND CHARGES FOR ELECTRIC UTILITY SERVICE THROUGH A PHASE IN OF RATES; (2) APPROVAL OF NEW SCHEDULES OF RATES AND CHARGES, GENERAL RULES AND REGULATIONS, AND RIDERS (BOTH EXISTING AND NEW); (3) APPROVAL OF REVISED COMMON AND ELECTRIC DEPRECIATION RATES APPLICABLE TO ITS ELECTRIC PLANT IN SERVICE; (4) APPROVAL OF NECESSARY AND APPROPRIATE ACCOUNTING RELIEF, INCLUDING, BUT LIMITED TO, AUTHORITY TO CAPITALIZE AS RATE BASE ALL EXPENDITURES FOR IMPROVEMENTS TO PETITIONER'S INFORMATION TECHNOLOGY SYSTEMS THROUGH THE DESIGN, DEVELOPMENT, AND IMPLEMENTATION OF A WORK AND ASSET MANAGEMENT ("WAM") PROGRAM, TO THE EXTENT NECESSARY; AND (5) APPROVAL OF ALTERNATIVE REGULATORY PLANS FOR THE PARTIAL WAIVER OF 170 IAC 4-1-16(f) AND PROPOSED REMOTE DISCONNECTION AND RECONNECTION PROCESS AND, TO THE EXTENT NECESSARY, IMPLEMENTATION OF A LOW INCOME PROGRAM.	)	**CAUSE NO. 46120**

<u>INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR</u>
<u>PUBLIC'S EXHIBIT NO. 1</u>
<u>REDACTED TESTIMONY OF OUCC WITNESS</u>
<u>MICHAEL D. ECKERT</u>

Respectfully submitted,

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TESTIMONY OF OUCC WITNESS MICHAEL D. ECKERT
CAUSE NO. 46120

<u>NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC</u>

I. INTRODUCTION

Q: Please state your name, business address, and employer.

A: My name is Michael D. Eckert, and my business address is 115 West Washington Street, Suite 1500 South, Indianapolis, Indiana 46204. I am a Chief Technical Advisor within the Electric Division for the Indiana Office of Utility Consumer Counselor ("OUCC"). My qualifications are set forth in Appendix A to this testimony.

II. PURPOSE OF TESTIMONY

Q: What is the purpose of your testimony?

A: I testify regarding the OUCC's evaluation and analyses of the revenue requirement requests in Northern Indiana Public Service Company LLC's ("Petitioner," "Company," or "NIPSCO") case-in-chief. I address the "Five Pillars of Electric Utility Service"[1] as prescribed by Indiana statute and explain how cost trackers are shifting the risk of operating expense increases and capital expenditures from NIPSCO to its ratepayers. I also explain the OUCC's concerns related to affordability, risk assessment, and storm response and support specific adjustments

[1] Reliability, Affordability, Resiliency, Stability, and Environmental Sustainability. *See* I. C. § 8-1-2-0.6.

and recommendations regarding certain NIPSCO requests, including Petitioner's fuel cost, amortization expense, and rate case expense proposals.

Q: Please summarize what NIPSCO is requesting in this Cause.

A: NIPSCO has asked the Indiana Utility Regulatory Commission ("Commission") to:

1) Authorize NIPSCO to modify its retail rates and charges for electric utility service through the phase-in of rates;

2) Approve new schedules of rates and charges, general rules and regulations, and riders;

3) Approve revised common and electric depreciation rates applicable to NIPSCO's electric plant in service;

4) Approve necessary and appropriate accounting relief, including authority, to the extent necessary, to capitalize as rate base all expenditures for improvements to Petitioner's information technology systems through the design, development, and implementation of the Work and Asset Management ("WAM") program;

5) Approve an alternative regulatory plan for a partial waiver of the requirements of 170 Ind. Admin. Code 4-1-16(f);

6) Approve a new low-income program, including the use of an alternative regulatory plan to do so if warranted;

7) Approve the accounting authority necessary to implement the relief authorized in the Commission's order in this Cause;

8) Approve the other requests set forth in NIPSCO's petition and evidence; and

9) Approve such additional relief as the Commission deems necessary or appropriate.

III. REVIEW

Q: Please describe the review you conducted to prepare your testimony.

A: I reviewed NIPSCO's petition and prefiled testimony in this proceeding. I also reviewed relevant Commission Orders, including NIPSCO's last two base rate orders (Cause Nos. 45159 and 45772), and Petitioner's workpapers and Minimum Standard Filing Requirements. The OUCC served data requests ("DR") upon NIPSCO that I assisted in formulating, and I reviewed Petitioner's responses to the OUCC's and Intervenors' DRs. I also examined relevant sections of Title 8 of the Indiana Code and Title 170 of the Indiana Administrative Code. In addition, I reviewed consumer comments submitted in this Cause and participated in meetings with other OUCC staff. The OUCC's staff also met with NIPSCO representatives to discuss Petitioner's schedules, workpapers, and adjustments for the Step 1 and Step 2 rate increases.

Q: If your testimony does not address a specific topic, issue, or item, should it be construed to mean you agree with NIPSCO's proposal?

A: No. My silence on any issue should not be construed as an endorsement. Also, my silence in response to any actions or adjustments stated or implied by Petitioner should not be construed as an endorsement.

IV. OUCC WITNESSES

Q: Please introduce the OUCC's witnesses in this Cause.

A: The following OUCC witnesses analyzed NIPSCO's case-in-chief and are testifying on elements of this rate case:

Mr. Brian Latham sponsors the OUCC's overall revenue requirement recommendation and incorporates the other OUCC witnesses' recommendations in his revenue requirement calculations. Mr. Latham also makes recommendations regarding NIPSCO's proposed recovery treatment of its unprotected Excess Accumulated Deferred Income Tax funds from the 2016 Tax Cut and Jobs Act. Additionally, he addresses NIPSCO's proposal to calculate and establish a regulatory asset if NIPSCO is required to undo any inconsistencies with normalization rules due to Internal Revenue Service Private Letter Rulings. **(Public's Exhibit No. 2)**

__Mr. Kaleb Lantrip__ addresses NIPSCO's adjustments to its non-recoverable expenses, Regional Transmission Organization ("RTO") Rider, and Transmission, Distribution, and System Improvement Charge ("TDSIC") Rider. In addition, he reviews NIPSCO's allocation of NiSource Corporate Services Company costs for shared common corporate services. (**Public's Exhibit No. 3**)

__Ms. Brittany Baker__ addresses labor expense issues and recommends adjustments to NIPSCO's vacant employee positions. She also makes related adjustments for certain employee expenses (i.e., medical insurance, other employee benefits, and payroll taxes). **(Public's Exhibit No. 4)**

__Mr. Brian Wright__ addresses NIPSCO's existing and future environmental costs due to the regulation of coal combustion residuals ("CCR") and the effects of the recently published U.S. Environmental Protection Agency ("EPA") rule on legacy CCR impoundments and CCR management units ("Legacy Rule"). **(Public's Exhibit No. 5)**

__Ms. Roopali Sanka__ addresses NIPSCO's $3.2 Million pro forma increase to test year vegetation management expense, resulting in a total $29.4 Million pro forma expense. In addition, she explains why NIPSCO's proposed seven-year trim cycle should be rejected and its current 10-year trim cycle should continue. **(Public's Exhibit No. 6)**

__Mr. Greg Krieger__ recommends removing certain gas utility items from NIPSCO's rate base inventory. **(Public's Exhibit No. 7)**

__Ms. Roxie McCullar__ presents her analysis of the Company's depreciation study and proposes adjustments to NIPSCO's depreciation rates based on her analysis. Ms. McCullar incorporates other OUCC witnesses' recommendations in her analysis and recommendations. **(Public's Exhibit No. 8)**

__Mr. Leja Courter__ analyzes NIPSCO's requested 10.6% cost of equity ("COE") and recommends an authorized 9.00% COE based on his cost of equity analysis. Mr. Courter also presents the OUCC's capital structure analysis and recommends a 6.68% weighted average cost of capital ("WACC"), based on his cost of debt and cost of equity recommendations. **(Public's Exhibit No. 9)**

__Mr. John Hanks__ analyzes NIPSCO's proposed Multi-Family Rate 615 and recommends the Commission not approve it at this time. He opines that this proposal is premature because NIPSCO's proposal is based on a sample of hourly usage from only 127 service locations. He also argues NIPSCO would be creating a new rate class before determining the size of the alleged subsidy since NIPSCO has not yet precisely identified the difference in its cost to serve single-family and multi-family customers. Mr. Hanks recommends the Commission not approve

NIPSCO's proposed Multi-Family Rate in this Cause and that NIPSCO potentially renew its request in a future proceeding after its Advanced Metering Infrastructure ("AMI") is fully deployed. **(Public's Exhibit No. 10)**

Ms. April M. Paronish discusses NIPSCO's proposed Low-Income Program and explains why it should not be approved. She also describes the OUCC's support for NIPSCO's requested partial waiver of 170 I.A.C. 4-1-16(f) to allow for remote disconnections without visiting the customer's premises and offers recommendations to improve the related communications. **(Public's Exhibit No. 11)**

Mr. Michael Deupree addresses Petitioner's proposed cost of service allocation, revenue distribution, rate design, and rate adjustment proposals. He recommends NIPSCO's current residential and small commercial customer monthly service charges remain unchanged. **(Public's Exhibit No. 12)**

Customer Comments The OUCC is submitting approximately 4,900 written customer comments the OUCC received in this proceeding. These include letters from public school corporations and other local governmental entities within NIPSCO's electric service territory. **(Public's Exhibit No. 13)**

Q: What does the OUCC recommend?

A: The OUCC recommends the Commission:

1) Not approve NIPSCO's requested annual rate increase of $368,660,618 (20.15%). As explained by OUCC witness Latham, the OUCC's analysis shows Petitioner's increase should be no more than $203,252,530 (11.1%). A significant portion of the requested increase is due to capital projects that previously received Commission preapproval, as allowed by state law;

2) Reject NIPSCO's requested 10.6% authorized COE and approve a 9.00% COE as calculated by OUCC witness Courter;

3) Deny Petitioner's proposed increases to its monthly customer charges for residential and small business customers, as explained by OUCC witness Deupree;

4) Continue the current agreement that allows the OUCC and intervenors to file Fuel Adjustment Clause ("FAC") testimony 35 days after NIPSCO files its FAC petition and testimony;

5) Approve modifications to certain depreciation rates as recommended by OUCC witness McCullar; and

6) Approve the OUCC's additional witnesses' recommendations and proposals.

V. OUCC REVENUE REQUIREMENT ANALYSIS

Q: Please provide an overview of the OUCC's process to evaluate NIPSCO's revenue requirements.

A: As an investor-owned utility ("IOU"), NIPSCO's rates and charges are regulated under I. C. § 8-1-2-1, *et seq*. The OUCC reviewed the operating revenues, operating expenses, rate base figures, capital structure, and net operating income from NIPSCO's historic base period year ending December 31, 2023, against the same from its forecasted Test Year (2025). Adjustments to the forecasted test year revenue and expense data were generally made to reflect changes that will be and are projected to occur by the end of the forecasted 2025 Test Year. The OUCC also adjusted Petitioner's forecasted rate base and proposed rate of return used in calculating NIPSCO's return on rate base. In developing its recommendations, the OUCC analyzed NIPSCO's case-in-chief, including its testimony, exhibits, accounting schedules, attachments, and workpapers. OUCC staff and expert witnesses issued data requests and gathered financial information about NIPSCO through discovery. OUCC staff members also participated in conference calls with NIPSCO's staff to discuss technical issues. The OUCC facilitated consumer participation at three public field hearings in this Cause and reviewed the written comments included as Public's Exhibit No. 13.

VI. SIGNIFICANT FACTORS DRIVING NIPSCO'S RATE CASE

Q: Is there any particular factor or reason that seems to be driving NIPSCO's proposed rate increase?

A: Yes. NIPSCO's rate base has increased significantly since its last base rate order and is forecasted to continue to show substantial growth through the end of the test year, December 31, 2025. The majority of this increase – 92% - in net utility plant in service ("UPIS") is due to costs that were previously approved by the Commission through NIPSCO's TDSIC cost tracker mechanism (Cause No. 45557) and Certificate of Public Convenience and Necessity ("CPCN") proceedings for renewable energy projects.[2] In Petitioner's previous rate case, Cause No. 45772, NIPSCO's forecasted rate base for the end of the test year, December 31, 2023, was approximately $5.925 Billion,[3] which included a net UPIS balance of $4.321 Billion.[4] In comparison, NIPSCO in this Cause is forecasting total rate base of $9.229 Billion[5] as of December 31, 2025, which includes a forecasted net UPIS balance of $7.496 Billion[6]. These increases in Petitioner's rate base and net UPIS equate to 55.7% and 73.5%, respectively. The increase in net UPIS attributable to and pre-approved in NIPSCO's TDSIC cost tracker is $788 Million, and $2.135 Billion of the UPIS increase is attributable to renewable energy projects the Commission has approved through the CPCN process, for a total pre-approved UPIS of $2.923 Billion. (*See* Table MDE-1).

<u>TABLE MDE-1: Preapproved Projects</u>

[2] *Verified Joint Petition of N. Ind. Pub. Serv. Co. LLC ("NIPSCO"), Dunn's Bridge II Solar Generation LLC, and Cavalry Solar Generation LLC*, Cause Nos. 45462 and 45936, *Verified Joint Petition of N. Ind. Pub. Serv. Co. LLC ("NIPSCO") and Fairbanks Solar Generation LLC*, Cause Nos. 45511 and 46028, and *Verified Joint Petition of N. Ind. Pub. Serv. Co. LLC ("NIPSCO") and Gibson Solar Generation LLC*, Cause Nos. 45962 and 46032.
[3] Cause No. 45772, Stipulation and Settlement Agreement, Attachment A.
[4] Cause No. 45772, Stipulation and Settlement Agreement, Attachment A.
[5] Weatherford Direct, p. 73, l.8.

[6] Weatherford Direct, Attachment 3-A-S2, Page 4 of 5.

Description	Amount
Rate Base Solar Generation (Net Plant and Reg Asset)[7]	$2,135,022,746
Rate Base TDSIC (Net Plant and Reg Asset)[8]	$788,143,413
Total Rate Base	$2,923,166,159
WACC[9]	7.59%
Net Operating Income Attributable to Pre-Approved TDSIC and Solar Generation Projects	$221,868,311
Tax Conversion[10]	1.33917
Revenue Requirement	$297,119,858
Depreciation Expense[11]	96,214,246
[redacted]	[redacted]
[redacted]	[redacted]
Total Revenue Requirement	$409,057,468

Q: Does the timing of NIPSCO's pending rate request raise concerns?

A: Yes. NIPSCO completed implementing its last annual base rate revenue increase of $291,804,809[14] in March 2024. It now requests an additional $368,660,618[15] annual base rate revenue increase beginning in 2025, to be completed in early 2026. Cumulatively, this equates to a **$660,465,427 total** increase to NIPSCO's electric customers within a three-year period.

VII. FIVE PILLARS

Q: What are the Five Pillars of Electric Utility Service?

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[7] Attachment MDE – 1.

[8] *Id.*

[9] *Id.*

[10] Weatherford Direct, Attachment 3-C-S2,

[11] Attachment MDE – 2.

[12] Attachment MDE – 3.

[13] Attachment MDE – 4.

[14] Cause No. 45772, Stipulation and Settlement Agreement, Attachment A.

[15] Weatherford Direct, p. 72, l. 13.

A: The Five Pillars of Electric Utility Service were identified by the Indiana 21st Century Energy Policy Development Task Force and codified in I. C. § 8-1-2-0.6. The Five Pillars are reliability, affordability, resiliency, stability, and environmental sustainability. The statute does not distinguish or prioritize any particular pillar over another. Therefore, the Commission and utilities should weigh each pillar equally in their decision-making processes.

Q: How does Indiana state policy on the Five Pillars apply to NIPSCO's request?

A: The Indiana General Assembly has enacted two separate policy statements regarding utility service in Indiana. The first policy was passed in 2016, recognizing affordability and encouraging investment in necessary infrastructure "while protecting the affordability of utility services for present and future generations of Indiana citizens."[16] I.C. § 8-1-2-0.5. The Indiana General Assembly passed an additional policy statement in 2023 codified in I.C. § 8-1-2-0.6. This statute requires decisions concerning Indiana's electric generation resource mix, energy infrastructure, and electric service ratemaking to consider reliability, affordability, resiliency, stability, and environmental sustainability, referred to as the "Five Pillars of Electric Utility Service."

Q: As president and chief operating officer of NIPSCO, does Mr. Vincent Parisi discuss environmental sustainability and affordability?

A: Mr. Parisi does not discuss environmental sustainability. He briefly discusses

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[16] I. C. § 8-1-2-0.5: The general assembly declares that it is the continuing policy of the state, in cooperation with local governments and other concerned public and private organizations, to use all practicable means and measures, including financial and technical assistance, in a manner calculated to create and maintain conditions under which utilities plan for and invest in infrastructure necessary for operation and maintenance **while protecting the affordability of utility services for present and future generations of Indiana citizens. (**emphasis added**)**

affordability, stating, "Customer affordability is top of mind,"[17] and that "NIPSCO is aware of the challenges the current economic environment places on its customers."[18] He also asserts that "affordability has driven NIPSCO's investments in its generation transition,"[19] but he presents no specific proposals in furtherance of affordability for all NIPSCO's customer classes consistent with I.C. § 8-1-2-0.6(2). NIPSCO's vice president of regulatory policy and major accounts, Erin E. Whitehead discusses affordability in more detail.

Q: Does NIPSCO's testimony on affordability include customer programs to mitigate the bill impact on customers?

A. Yes. NIPSCO witness Whitehead identifies eight mitigation steps, including specific programs, to be implemented by Petitioner to address bill impact and affordability on pages 22 and 23 of her direct testimony.

Q: Is it important affordability be considered not only in ratemaking related programs but also throughout the regulatory process as generation, transmission, and other investments are considered?

A: Yes. While NIPSCO's preapproved projects and related expenditures are recoverable consistent with their approval, the rate recovery NIPSCO seeks includes the cumulative impact of all NIPSCO's revenue components (including trackers). The Five Pillars are equally important and should be considered throughout the regulatory process. Meaningful consideration of each Pillar, including affordability, is crucial to ensure there are reasonable and prudent limits placed on NIPSCO's spending and its rates as the Commission deliberates and adjudicates Petitioner's proposed generation resource mix, energy infrastructure,

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[17] Parisi Direct, p. 21, l. 14.
[18] *Id.*, p. 21, ll. 15 - 16.
[19] *Id.*, p. 21, ll. 16 - 17.

and electric service ratemaking constructs. NIPSCO customers' entire bills should be considered throughout this ratemaking process, balancing all charges in relation to each of the applicable Pillars, including affordability.

VIII. AFFORDABILITY

Q: Does the OUCC have concerns about the affordability of NIPSCO's rate request?

A: Yes. Consumers who spoke at the field hearings were vocal about their exasperation with the frequent NIPSCO rate cases, the magnitude of the Company's rate increases, and the 78% increase NIPSCO proposes in the customer service charge from $14.00 to $25.00. Multiple public-school officials at the field hearings discussed the detrimental financial impact NIPSCO's rates and proposed increase will have on public schools, explaining that they will have to transfer money from educational budgets to operational budgets to cover the rising cost of electric service if NIPSCO's requested increase is approved. The OUCC shares the concerns expressed at the field hearings and in written comments. These concerns should be taken into consideration consistent with the Indiana General Assembly's declared policy.

Q: How must affordability be considered?

A: In I.C. § 8-1-2-0.5, the Indiana General Assembly declared it to be a continuing State policy to recognize the importance of utility service affordability for present and future generations.[20] Consistent with this statute, affordability must be protected and maintained as utilities invest in infrastructure for system operations, maintenance, and reliability. While federal environmental regulations have increased certain generation, or generation-related, costs over the last decade, and certain independent system operator requirements have been added, affordability must be considered in balancing all NIPSCO's investment decisions against their impact on ratepayers to assure approved spending parameters are, and remain, reasonable, prudent, and affordable. It is important the Commission require NIPSCO to demonstrate prudence and responsibility, as well as the reasonableness of the timeline for its expenditures and their related recovery. NIPSCO's ratepayers implored the Commission at the field hearings to rein in NIPSCO's spending and rate recovery commensurate with the manner in which residential ratepayers, school corporations, small businesses, and municipalities within NIPSCO's service territory must live within their respective budgets. It is not in the public interest to approve rates that do not do so or disregard the importance of affordability.

The Commission is charged with using its expertise to examine the numerous technical and legal aspects of ratemaking related to cost recovery, revenue requirements, and accounting treatments, without losing sight of the financial impact on ratepayers, while continuing to assure safe and reliable service.

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[20] I.C. § 8-1-2-0.5 The general assembly declares that it is the continuing policy of the state, in cooperation with local governments and other concerned public and private organizations, to use all practicable means and measures, including financial and technical assistance, in a manner calculated to create and maintain conditions under which utilities plan for and invest in infrastructure necessary for operation and maintenance while protecting the affordability of utility services for present and future generations of Indiana citizens.

The Commission has discretion to alleviate the financial burdens on NIPSCO's ratepayers that this case poses without jeopardizing the utility's ability to provide save service, maintain its system, and earn a reasonable profit.

Consistent with the General Assembly's stated policy, the Commission is asked to take steps to moderate the imposition of higher rates, including rates that may unreasonably escalate over time. In recognizing the importance of affordability, measures such as examining cost allocation and spreading infrastructure investments, as well as cost recovery, over longer periods can help reduce the financial impacts upon ratepayers and further affordability.

Q: Do increasing utility costs and investments place upward pressure on customers' bills?

A: Yes. It is therefore imperative the Commission scrutinize NIPSCO's requests to approve only what is reasonable and prudent. It is also critical to factor customer affordability into NIPSCO's approved rate recovery, the timing of its rate increases and project requests, and prioritization of projects and expenses.

Q: Has the Commission addressed affordability in a recent order?

A: Yes. On February 14, 2024, the Commission approved new base rates and charges for Indiana American Water Company ("IAWC"), stating "[a]ffordability is always an important consideration for the Commission when establishing just and reasonable rates. Affordability is an ongoing concern for all consumers in the State of Indiana."[21]

Q: How does affordability tie into NIPSCO's current rate request?

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[21] *In re Indiana American Water Co*. Cause No. 45870, Final Order p. 105 (Ind. Util. Regul. Comm'n Feb. 14, 2024).

A: NIPSCO is requesting a $368.7 Million annual revenue increase over two phases, an increase of 20.15%.[22] After NIPSCO's rates are increased following the Commission's order in this Cause, NIPSCO will continue to implement rider rates that will change rates quarterly, bi-annually, and annually through the FAC, Environmental Cost Tracker ("ECT"), TDSIC, Demand Side Management Adjustment ("DSM"), RTO, Resource Adequacy ("RA"), and Federally Mandated Cost Adjustment ("FMCA"). Thus, the cumulative impact of the rate increases and NIPSCO's riders should be considered in assessing affordability. I further discuss the effect of the current riders below in "Current Rider Impact."

Q: Does the OUCC have specific concerns about this particular rate request?

A: Yes. Individual OUCC witnesses make recommendations regarding specific issues and specific NIPSCO requests. The OUCC's witnesses and the written comments received from approximately 4,900 NIPSCO ratepayers, along with consumers who presented oral comments at the three public field hearings, raise serious concerns about the immediate and long-term financial impact of these requests.

The Commission is charged with balancing the interests of the utility with the interests of its ratepayers. Perhaps most importantly, as demonstrated by field hearing testimony, the Commission must consider both the financial interests of the Company's ratepayers and the Company's own financial interests. The OUCC understands the importance of Indiana having financially sound utilities that can provide reliable and resilient service. It is also crucial the Commission balance the Five Pillars. Rates need to be set with these core principles in mind and, in the last

[22] Whitehead Direct, p. 15, ll. 11-12.

decade, state policy has been updated to ensure these principles continue. The Indiana General Assembly has set parameters demonstrating it did not intend for our regulated utilities to receive blank checks or rate recovery that contravenes the public interest or fails to balance interests. The OUCC has presented testimony identifying how NIPSCO's requests can be tempered to address affordability without compromising the remaining four Pillars.

Q: Does NIPSCO's proposal to mitigate its COE request adequately address affordability?

A: Not sufficiently. NIPSCO's witness Vincent Rea's initial 10.85% COE proposal shows NIPSCO's initial proposed COE did not factor in affordability. While NIPSCO subsequently reduced the 10.85% COE[23] by 25 basis points, ostensibly for affordability, the 10.85% NIPSCO contended it could justify exceeds the COE any Indiana electric utility has requested in the last three years.

Q: Is NIPSCO's requested 10.6% COE aligned with recent Commission orders regarding electric utilities?

A: No. In the two most recent contested electric IOU cases, the Commission authorized ROEs of 9.70% for Indiana Michigan Power Company ("I&M") (Cause No. 45235) and 9.70% for Duke Energy Indiana, LLC (Cause No. 45253).

Q: Is NIPSCO's requested 10.6% COE consistent with recent Commission orders regarding non-electric utilities?

A: No. It is substantially higher. In two recent contested water IOU cases, the Commission authorized COEs of 9.65% for IAWC (Cause No. 45870) and 8.60% for American Suburban Utilities ("ASU") (Cause No. 45649 U). In the IAWC case, the Commission considered "specific risk characteristics, such as the mitigation of

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[23] *Id.*, p. 28, ll. 12–17.

risk associated with Petitioner's use of regulatory mechanisms, including a forecasted test year in this proceeding and the trackers approved for INAWC" in making its decision[24]. In the ASU case, the Commission found that ASU "did not follow the Commission's directive in 44676 Order" and stated, "ASU's failure to comply with this directive harms ratepayers because debt capital has a lower cost than equity capital."[25]

Q: In Cause No. 45870, what did the Commission consider in finding a 9.65% COE was appropriate?

A: The Commission considered the following items in arriving at its COE finding:

a) Observable market data reflected in the record;
b) General assessment of the investment risk;
c) Understanding the Indiana jurisdiction and its risk mitigation ratemaking mechanisms; and
d) That the ROE awarded to Indiana's vertically integrated electric utilities outside of settled cases has been trending lower.[26]

Q: What did the Commission find in determining the 9.65% COE it approved for IAWC?

A: In addition to considering the overall downward trend in COEs and general economic factors, the Commission determined it is appropriate to consider the following:

> Petitioner's specific risk characteristics, such as the mitigation of risk associated with Petitioner's use of regulatory mechanisms, including a forecasted test year in this proceeding and the trackers approved for INAWC. In addition to the DSIC and SEI trackers, the Commission also approved in Cause No. 45043, a lead service line replacement program under Ind. Code ch. 8-1-31.6. The effect of

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[24] *In re Ind. American Water Co*. Cause No. 45870, Final Order p. 43 (Ind. Util. Regul. Comm'n Feb. 14, 2024).

[25] *In re American Suburban Utilities, Inc.* Cause No. 45649 U, Final Order p. 38 (Ind. Util. Regul. Comm'n Jan. 18, 2023).

[26] *In re Ind. American Water Co*. Cause No. 45870, Final Order p. 42 (Ind. Util. Regul. Comm'n Feb. 14, 2024).

> these tracking mechanisms is to reduce the uncertainty of the earnings that an investor can expect. [27]

Q: Did the Commission make a similar finding in its I&M rate case Order (Cause No. 44075) dated February 13, 2013?

A: Yes. In its Order in Cause No. 44075, the Commission stated:

> The general effect of these trackers is to reduce the uncertainty of the earnings that an investor can expect. Petitioner has a number of trackers in place currently, and we have generally continued such trackers in this Cause. We have also considered and approved certain new or revised mechanisms, each of which has the effect of reducing I&M's earnings risk exposure. For example, we have redesigned the OSS Margin Sharing Mechanism to allow I&M to share OSS Margins both above and below the imbedded amount. We have recognized the changing capacity sharing dynamic of the AEP East System by authorizing annual adjustments in the Capacity Tracker. We have addressed the uncertainty of major storm damage restoration expenses through the creation of a reserve account. These steps should reasonably be expected to reduce the uncertainty of earnings available to investors and should enhance Petitioner's ability to earn its authorized ROE. In light of this discussion, we conclude that a slight decrease in Petitioner's ROE from that authorized in its last rate case is appropriate.[28]

Q: Do cost trackers and preapprovals reduce regulatory lag and shift risk from the utility to its ratepayers?

A: Yes. Cost trackers and preapprovals shift the risk of increased operating expenses and capital expenditures from utilities to their ratepayers. Cost trackers and preapprovals reduce the effect of regulatory lag that would otherwise incentivize utilities to control costs and evaluate expenditures to ensure costs are reasonable and prudent. In traditional ratemaking, the length of time between base rate cases without routinely adjusted trackers, *i.e.* regulatory lag, motivates utilities to control

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[27] *Id*., p. 43.
[28] *In re Ind. Mich. Power Co*. Cause No. 44075, Final Order p. 43 (Ind. Util. Regul. Comm'n Feb. 13, 2013), *aff'd, Ind. Ofc. Util. Consumer Couns. v. Ind. Mich. Power Co.*, 7 N.E.3d 1025 (Ind. Ct. App. 2014) (mem. dec.).

costs because the utility bears the risk of higher costs without the ability to recover these costs. Overall, cost trackers, and the more frequent adjustments through these trackers, provide real benefits to utilities and their shareholders by reducing revenue recovery risk and investors' earning uncertainties.

Q: Can Indiana electric utilities recover costs associated with their TDSIC projects and federally mandated costs between rate cases?

A: Yes. Indiana electric utilities with Commission-approved infrastructure plans may recover 80% of their eligible and approved capital expenditures through the TDSIC and FMCA trackers, including associated incremental expenses. The remaining 20% of infrastructure investments not collected through the TDSIC and FMCA tracker mechanisms are statutorily required to be deferred for recovery until the utility's next base rate case.[29] The utility is, however, allowed carrying costs on the deferred 20% of the TDSIC and FMCA investments, compensating the utility for the time value of its investments. The TDSIC and FMCA cost recovery mechanisms are designed to expedite recovery of significant investment, reduce regulatory lag, and contribute to a utility's overall reduction in risk for which it would otherwise need to be compensated.

Q: Does Table MDE-3 show revenue increases and authorized COEs for Indiana electric utilities that were either agreed upon in settlement or litigated and ordered by the Commission?

[29] I. C. § 8-1-39-9(c).

A: Yes. Table MDE-3 shows the revenue increase and authorized COE for Indiana electric utilities agreed upon in settlement or litigated and ordered by the Commission.

Table MDE-3: Recently Adjudicated Electric Base Rate Cases

Utility Name	Cause No.	Petition Date	Order Date	Revenue Increase/(Decrease)	Approved Ordered COE
Indiana Michigan	45933	Aug. 9, 2023	May 8, 2024	$56.9 Million	9.85%
AES Indiana	45911	June 28, 2023	Apr. 17, 2024	$72.9 Million	9.90%
NIPSCO	45772	Sept. 19, 2022	Aug. 2, 2023	$291.8 Million	9.80%
Indiana Michigan	45576	July 1, 2021	Feb. 22, 2022	($4.7 Million)	9.70%
Duke Energy	45253	July 2, 2019	June 29, 2020	$145.9 Million	9.70%
Indiana Michigan	45235	May 14, 2019	Mar. 11, 2020	$84.1 Million	9.70%
NIPSCO	45159	Oct. 31, 2018	Dec. 4, 2019	$43.6 Million	9.75%
AES Indiana	45029	Dec. 21, 2017	Oct. 31, 2018	$43.9 Million	9.99%
AES Indiana	44576	Dec. 29, 2014	Mar. 16, 2016	$29.6 Million	9.85%
Indiana Michigan	44075	Sept. 23, 2011	Feb. 13, 2013	$85.0 Million	10.2%

Q: What is your conclusion regarding NIPSCO's requested COE and affordability?

A: NIPSCO's requested relief would reduce risks for Petitioner and its shareholders, but there is insufficient recognition of this reduced risk in a lower proposed COE.

The Commission recognized this correlation in its Orders in Cause Nos. 43839[30] and 42359.[31] The Commission has an opportunity to similarly review and act upon NIPSCO's requests, to say "no" to some, and to limit others by balancing affordability. The Commission should accept the OUCC's recommended 9.0% COE in recognition of NIPSCO's reduced risks through its many trackers and the bulk of preapproved projects included in this case.

IX. <u>RELIABILITY, RESILIENCY, AND STABILITY</u>

Q: Has NIPSCO made investments in its infrastructure to improve and ensure its reliability, resiliency, and stability?

A: Yes. Reliability, resiliency, and stability are three of the Five Pillars. NIPSCO witness Orville Cocking addresses these issues and discusses NIPSCO's TDSIC plans and how these investments have addressed reliability, resiliency, and stability.[32]

Q: Has NIPSCO implemented two TDSIC plans?

A: Yes. The Commission approved NIPSCO's first TDSIC plan in Cause No. 44733. This was a seven-year plan (2016-2021) at an approved cost of $1.25 Billion.[33] The

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[30] *See In re S. Ind. Gas & Elec. Co.*, Cause No. 43839, 289 P.U.R.4th 9 (Apr. 27, 2011), where the Commission denied Vectren's proposed increased ROE. "We do consider the effect tracking mechanisms have in reducing risk in order to ensure that these reduced risks are properly reflected in Vectren South's cost of equity."
[31] *Petition of PSI Energy, Inc. for Authority to Increase its Rates and Charges*. Cause No. 42359, Final Order p. 53 (Ind. Util. Regul. Comm'n May 18, 2004)
[32] Cocking Direct, pp. 24 - 26,
[33] *Petition of NIPSCO for Approval of Petitioner's 7-Year Electric TDSIC Plan*, Cause No. 44733, Order, Attachment: 7-Year Plan and Transmission, Distribution and Storage Improvement Charge ("TDSIC") Settlement Agreement, p. 2 (Ind. Util. Regul. Comm'n July 12, 2016).

Commission approved NIPSCO's second TDSIC plan in Cause No. 45557, and it is a five and one-half year plan (2021–2026) at a projected cost of $1.63 Billion.[34]

X. ENVIRONMENTAL SUSTAINABILITY

Q: What is environmental sustainability?

A: As the last of the enumerated Five Pillars, environmental sustainability generally considers the impact of environmental regulations on the cost of providing electric utility service as well as demand from consumers for environmentally sustainable sources of electric generation.[35]

Q: Does NIPSCO plan to retire any coal-fired assets during the next three years as it receives Commission approval for renewable energy projects?

A: Yes. NIPSCO plans to retire Schahfer Units 17 and 18 by the end of 2025 and retire Michigan City Unit 12 by the end of 2028. These are coal-fired generating units burning Illinois basin coal and Powder River Basin coal,[36] respectively.

Q: Does NIPSCO's rate request impact environmental sustainability?

A: Not directly. However, OUCC witness Brian Wright discusses issues related to NIPSCO's obligations regarding CCR clean-up at its generating facilities, which affects Indiana environmental concerns.

XI. OVERVIEW OF NIPSCO'S CASE-IN-CHIEF AND OUCC REVENUE REQUIREMENTS

Q: Please summarize the OUCC's findings regarding NIPSCO's revenue requirement.

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[34] *Verified Petition of NIPSCO for Approval of Petitioner's TDSIC Plan*, Cause No. 45557 (Ind. Util. Regul. Comm'n Dec. 21, 2021), *aff'd NIPSCO Indus. Gp. v. N. Ind. Pub. Serv. Co.,* 197 N.E.3d 316 (Ind. Ct. App. 2022), *trans. pending.*

[35] Indiana Utility Regulatory Commission, General Administrative Order, 2023-04, p. 3.

[36] https://www.eia.gov/electricity/data/eia923/ 2024: EIA-923 September 2024 Zip File, EIA923_Schedules_2_3_4_5_M_09_2024_19NOV2024, Tab: Page 5 Fuel Receipts and Costs.

A: NIPSCO requests a $368.7 Million rate increase. By comparison, the OUCC's analysis shows an increase of $203.3 Million[37] is warranted based on the evidence.

Q: Please summarize your recommendations regarding a return on rate base.

A: The OUCC's revenue requirements are based on an original cost rate base of $9.229 Billion.[38] However, the rate base will ultimately be updated to reflect actual rate base on December 31, 2025, subject to a cap not to exceed the lesser of the rate base forecast in Petitioner's case-in-chief or the forecasted rate base amount approved in the Commission's Order. The OUCC recommends the Commission grant the parties in this Cause at least sixty (60) days to review Petitioner's updated rate base and capital structure presented in a compliance filing containing all pertinent documentation supporting the updated rate base. The OUCC's recommended WACC is 6.68%[39] with a 9.00% COE.

XII. CURRENT RIDER IMPACT

Q: Have you performed a calculation demonstrating how NIPSCO's current trackers impact a residential customer's monthly bill based on 1,000 kWh per month usage as of December 2, 2024?

A: Yes. Table MDE-4 below illustrates the impact of trackers on the monthly bill of a NIPSCO Indiana residential customer using 1,000 kWh per month. The current base rate portion of the monthly bill totals $180.24. The total monthly bill, including trackers, equals $201.92. Therefore, 10.40% of a typical NIPSCO residential customer's monthly bill is associated with the utility's numerous

[37] Latham Direct, BRL – 1.
[38] *Id.*, BRL – 2.
[39] *Id.*, BRL – 5.

trackers.

Table MDE - 4: Residential Customer Bill Calculation as of December 2, 2024

Description	kWh	Rate	Amount ($)	% of Bill
Customer Charge			$14.00	6.93%
Energy Charge	1,000	$0.166243	166.24	82.33%
FAC Charge	1,000	$0.000690	0.69	0.34%
RTO Charge	1,000	$0.005673	5.67	2.81%
RA Charge	1,000	$(0.000107)	(0.11)	(0.05)%
DSM Charge	1,000	$0.003738	3.74	1.85%
FMCA Charge	1,000	$0.000000	0.00	0.00%
TDSIC Charge	1,000	$0.010167	10.17	5.04%
ECT Charge	1,000	$0.00152	1.52	0.75%
Total Billing Charge			$201.92	100.00%
Base and Energy Charge			$180.24	89.26%
Trackers (excluding FAC)			20.99	10.40%
FAC Tracker			0.69	0.34%
Total			$201.92	100.00%
*NIPSCO's Tariffs as of December 2, 2024; https://www.nipsco.com/our-company/about-us/regulatory-information/electric-rates				

XIII. RIDERS

Q: Does NIPSCO propose to change any of its current riders?

A: Yes. NIPSCO is proposing changes to the amount included in its base rates for its current riders. NIPSCO has seven approved riders[40] and is proposing the following changes:

1) FAC (Appendix B-Rider 670): NIPSCO proposes to flow back 100% of all off-system sales, net of expenses, through the FAC and update its base cost of fuel in base rates;

2) RTO (Appendix C-Rider 671): NIPSCO proposes to update the cost included in base rates and the cost allocation;

3) RA (Appendix F-Rider 674): NIPSCO proposes to update the capacity purchases included in base rates and the cost allocation;

4) DSM (Appendix G-Rider 683): NIPSCO proposes to reset its lost margins;

[40] NIPSCO actually has 8 riders; however, the OSS and RTO are currently combined in the RTO Rider and the FMCA rider is not active.

5) TDSIC (Appendix J-Rider 688): NIPSCO proposes to continue its Cause No. 45772 authorized treatment of recovering all RTO costs and revenues through the rider and remove the embedded costs from base rates and the cost allocation; and

6) ECT (Appendix K Rider 694): NIPSCO proposes to update its cost allocations.

Q: Does the OUCC oppose or object to NIPSCO's proposed changes to its Riders?

A: The OUCC is not opposing the amounts to be included in base rates, other than the FAC. However, the OUCC has concerns regarding cost allocations that OUCC witness Deupree will address.

XIV. FUEL COST ADJUSTMENT RIDER

Q: Does the OUCC have any recommendation regarding NIPSCO's FAC?

A: Yes. The OUCC requests the current agreement with NIPSCO, as previously approved by the Commission, that allows the OUCC and intervenors to file their FAC testimony 35 days after NIPSCO files its petition and testimony be continued.

XV. NIPSCO'S BASE FUEL COST

Q: Does the OUCC agree with NIPSCO's requested base cost of fuel?

A: No. NIPSCO is requesting a base cost of fuel that is too high given current market conditions. Petitioner proposes a $0.034378 per kWh base cost of fuel as compared to its currently approved $0.026955 per kWh base fuel cost.

Q: Why are NIPSCO's cost of natural gas and Midcontinent Independent System Operator's ("MISO") market prices too high?

A: Petitioner used the forecasted cost of natural gas and MISO On-Peak and Off-Peak market prices for 2025 as of **<CONFIDENTIAL>** [redacted] **<CONFIDENTIAL>**. As of **<CONFIDENTIAL>** [redacted], **<CONFIDENTIAL>** the forecasted cost of natural gas and MISO On-peak and

Off-peak market prices[41] for 2025 had decreased by approximately **<CONFIDENTIAL>** [redacted] [redacted], and [redacted] **<CONFIDENTIAL>**, respectively[42].

Q: Did you apply these percentage decreases to Petitioner's proposed natural gas cost and purchased power costs?

A: Yes. I applied the **<CONFIDENTIAL>** [redacted] **<CONFIDENTIAL>** decrease to Petitioner's proposed natural gas costs, and I applied the **<CONFIDENTIAL>** [redacted] **<CONFIDENTIAL>** decrease to purchased power (both on-peak and off-peak). I did not use the off-peak percentage decrease as NIPSCO did not provide the off-peak and on-peak costs separately; consequently, I applied the on-peak price to both the on-peak and off-peak costs, which is more conservative.

Q: What is the current cost of natural gas?

A: According to the December 10, 2024, U.S. Energy Information Administration's Short-Term Energy Outlook, the forecasted costs of natural gas for 2025 is $3.00 ($ per Million Btu).[43]

Q: What do you recommend regarding NIPSCO's fuel cost?

A: I recommend NIPSCO review its forecasted fuel costs in this rate case and, if there has been a significant change in the cost of the fuel inputs, NIPSCO recalculate its fuel costs for the new rates. The OUCC's adjustment based on more recent data lowers NIPSCO's fuel costs by $8,970,840.

XVI. AMORTIZATION PERIOD

Q: Do you agree with Petitioner's proposed amortization period for rate case

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[41] https://www.spglobal.com/market-intelligence/en.
[42] Confidential Attachment MDE - 5.
[43] *https://www.eia.gov/outlooks/steo/*, retrieved December 18, 2024.

expense and TDSIC expense?

A: No. I do not agree with NIPSCO's proposed two-year amortization period because insufficient justification was shared supporting such a brief recovery period. I recommend a three-year amortization period based on NIPSCO's average interval between rate case filings.

Q: Is Petitioner required to file base rate cases?

A: Yes, if the utility implements a TDSIC plan. I. C. 8-1-39-9(3) states: "[a] public utility that implements a TDSIC under this chapter shall, before the expiration of the public utility's approved TDSIC plan, petition the commission for review and approval of the public utility's basic rates and charges with respect to the same type of utility service."

NIPSCO's current TDSIC plan was approved in 2020 in Cause No. 45557. It is a 5.5-year plan covering June 1, 2021, through December 31, 2026. NIPSCO filed a base rate case (Cause No. 45772) in 2022, thus satisfying the requirement to petition the Commission for review and approval of Petitioner's basic rates and charges before the expiration of its approved TDSIC plan. This is NIPSCO's second rate case filed within the term of the same TDSIC plan.

Q: Please explain why you are recommending a three-year rate case expense amortization.

A: The average time between NIPSCO's rate case filings is three years. (*See* Table MDE – 5) The Company filed Cause No. 44688 in October 2015, Cause No. 45159 in October 2018, Cause No. 45772 in September 2022, and Cause No. 46120 in September 2024. This equates to a three-year average between these filings.

Table MDE – 5: Summary of Rate Case Filings

Cause Number	Date Petition Filed	Time Between Rate Case Filings
44688	October 1, 2015	
45159	October 31, 2018	37 months
45772	September 19, 2022	47 months
46120	September 12, 2024	24 months
Total Months		108 months
Divided by 3 rate filings since 44688		108 ÷ 3
Equals Total Average Months		36 months
Divide by 12 months in a year		36 ÷ 12
Equals Total Average Years		3 Years

Q: What does the OUCC recommend NIPSCO be required to do when an amortization period ends?

A: The OUCC recommends the Commission require NIPSCO to reduce its base rates for the amortization of regulatory assets upon the expiration of the amortization period applicable to each asset, including NIPSCO's rate case expense. If NIPSCO does not reduce rates upon the expiration of the amortization period, NIPSCO will over-collect the amortization expense allowed in this case until an Order is issued in its next base rate case.

XVII. <u>RATE CASE EXPENSE</u>

Q: What rate case expense did Petitioner propose in this case?

A: NIPSCO's total proposed rate case expense is $2,586,251, which NIPSCO proposes be amortized over two years, for an annual amortization expense of

$1,293,126.[44]

Q: When were NIPSCO's current base rates approved?

A: The Commission approved NIPSCO's current base rates in Cause No. 45772 on August 2, 2023. The first phase-in of rates from Cause No. 45772 went into effect on August 2, 2023, and the second phase-in of rates became effective on March 4, 2024. While over 18 months elapsed between the filing of NIPSCO's petition in Cause No. 45772 and when its petition was filed commencing this Cause, less than 18 months elapsed between the implementation of phase 2 rates from Cause No. 45772 and NIPSCO's filing of this rate case in September 2024.

Q: Have NIPSCO's ratepayers to date borne all the costs of these frequent rate case filings?

A: Yes. In Cause No. 45159, approved in December 2019, NIPSCO's requested rate case expense was $2.076 Million. In Cause No. 45772, approved in August 2023, NIPSCO's requested rate case expense increased to $2.574 Million. NIPSCO now requests rate case expense in excess of $2.5 Million in this Cause. In each instance, NIPSCO passed, and now proposes to pass, 100% of the proposed rate case expenses on to ratepayers. Ratepayers should not be responsible for 100% of such frequent filings. Since NIPSCO's step two rates that became effective in March 2024 were insufficient to enable NIPSCO to go more than six months before filing its next rate case, that is an expensive management decision that merits sharing NIPSCO's rate case expense in this Cause equally with shareholders. Ratepayers are weary of NIPSCO's increases, and unless the related expenses are shared,

[44] Petitioner's Workpaper AMTZ-9 S2, Tab: .2 Exp Detail.

NIPSCO's management has limited incentive to slow down how frequently these expenses are being incurred or negotiate for lower fees. NIPSCO's rate case expenses in this Cause should be equally shared between ratepayers and shareholders.

Q: Will NIPSCO's shareholders benefit from Petitioner filing this rate case increase?

A: Yes. A base rate case provides NIPSCO's shareholders a better opportunity to earn a return that affords profit for its shareholders. Depreciation studies and decommissioning studies provide shareholders the confidence that NIPSCO is maintaining its system and accounting for items appropriately. NIPSCO's rate case also provides the utility an opportunity to earn a reasonable rate of return, which includes profit for its shareholders. Ultimately, this rate case has broader ramifications than assuring NIPSCO recovers a reasonable level of funds needed to maintain a safe and reliable system. Its prospective benefits to shareholders also support the propriety of the rate case expenses being shared.

Q: Please explain why NIPSCO shareholders should be responsible for 50% of the rate case expense.

A: NIPSCO was just authorized to collect 100% of its approved rate case expense in August 2023 in Cause No. 45772. Now, less than two years later (and only six months from when step two Cause No. 45772 rates became effective), NIPSCO's management made the decision to file another rate case and is requesting at least *an additional* $2.5 Million in rate case expense. Meanwhile, NIPSCO also benefits from the numerous trackers that enable Petitioner to collect the costs of its investments, sometimes with carrying costs. NIPSCO has been recovering 80% of its TDSIC Plan investment costs through the TDSIC mechanism, as adjusted every six months, which should lessen NIPSCO's need for a rapid succession of rate case filings.

Because the 20% deferred TDSIC cost recovery receives carrying costs, the financial impact of this recovery deferral is mitigated. This should also reduce the frequency of base rate cases, but that's not what NIPSCO's ratepayers have experienced.

Q: Do you accept NIPSCO's proposal regarding rate case expense recovery?

A: No. I do not dispute the amount of NIPSCO's estimated total rate case expense. However, I recommend the Commission require NIPSCO's rate case expense to be borne equally by NIPSCO's shareholders and ratepayers, making ratepayers responsible for $1,293,126 and shareholders responsible for $1,293,126. Sharing these costs recognizes that significant benefits flow to shareholders.

Q: Is it just or reasonable for ratepayers to be burdened with paying the entirety of NIPSCO's rate case expense in this Cause?

A: No. It is neither just nor reasonable given the frequency with which NIPSCO has been filing rate cases and incurring these expenses, their increasing magnitude, and the relative benefit of these expenditures for NIPSCO's ratepayers and shareholders. Thus, the OUCC maintains that under I. C. § 8-1-2-4, ratepayers being solely responsible in this Cause for these rate case expenses is not reasonable and just. Additionally, when only ratepayers are responsible for rate case expenses, the utility has no financial incentive to be prudent in its rate case spending or the frequency of these filings. If the funds are provided entirely by ratepayers, the utility has no financial stake in ensuring the cost benefits of filing another rate case are maximized or that rate case expenses provide the best value.

Q: What is your recommendation for rate case expense?

A: The OUCC recommends the Commission approve NIPSCO recovering 50% of its rate case expense from ratepayers over a three-year period. This adjustment results in total annual pro-forma rate case expense of $431,042.

XVIII. TDSIC REGULATORY ASSET AMORTIZATION

Q: Please describe Petitioner's proposed amortization expense for the TDSIC regulatory assets.

A: The TDSIC regulatory assets being amortized represent the 20% deferral of capital expenditures and costs from Petitioner's current TDSIC plan. Petitioner seeks recovery of the regulatory asset accumulated in its TDSIC filings. Per NIPSCO witness Weatherford: "Adjustment AMTZ 6-S2 is to increase Forward Test Year electric amortization expense in the amount of $9,579,731 to include the 20% deferred TDSIC Regulatory Asset balance. NIPSCO is proposing to amortize this asset over a 2-year period."

Q: Have you made an adjustment to the total amount of the TDSIC regulatory asset to be amortized?

A: Yes. As described in OUCC witness Lantrip's testimony, NIPSCO inadvertently excluded a $480,066 adjustment from this calculation which Petitioner plans to correct. I have made that adjustment prior to amortizing the amount.

Q: What is your recommended amortization period for the TDSIC regulatory assets?

A: The appropriate amortization period should be over the life of the rates, which I project to be three years. To reduce the burden on customers while providing

NIPSCO recovery of its investment, I propose the TDSIC regulatory assets be amortized over a 3-year period, the same as rate case expense amortization.

Q: What is your recommendation for TDSIC expense?

A: The OUCC recommends the Commission allow NIPSCO to recover the TDSIC costs from ratepayers over a three-year period. This adjustment results in total annual pro-forma TDSIC expense of $6,226,465.

XIX. STORM DAMAGE AND RESTORATION

Q: Did severe thunderstorms move through Indiana during the summers of 2023 and 2024, and if so, did these affect NIPSCO's service territory?

A: Yes. Severe thunderstorms were experienced each of these summers and impacted NIPSCO's service territory.

Q: Did NIPSCO and the state's other electric IOUs brief the Commission and the OUCC regarding the summer 2023 storm and its impact on their systems and customer outages?

A: Yes. The Commission convened a technical conference with AES Indiana on October 2, 2023. Separately, the Commission held a Storm Response Meeting on September 22, 2023, with the four other Indiana electric IOUs, including NIPSCO. Attachment MDE-6 is a copy of NIPSCO's presentation to the Commission.

Q: Based on the utilities' presentations, do you have any weather or outage related recommendations about customer notifications and Commission reporting?

A: Yes. I recommend all the utilities, including NIPSCO, review their practices for warning customers of potential weather events and the outages that may result. If this review evidences a need for additional warnings and/or more specific notices, I recommend these customer communication plans be updated accordingly. With respect to reporting to the Commission on major storm events, I recommend lowering the 5,000-customer outage threshold to a 1,000-customer outage threshold, as AES Indiana suggested at its October 2, 2023, technical conference. I also recommend the Commission require this reporting to continue until the last affected customer is reconnected. This will facilitate more accurate and comprehensive evaluation of future storm events by the Commission and the OUCC. In addition, if there are multiple storms within an event, it is recommended the reports from all five IOUs include information about all the storms within the reporting period/event. I recommend a separate continuing report for each event so the Commission and the OUCC can accurately determine the duration of each outage. Also, the utilities should include in their reports whether they requested and/or received mutual assistance and explain the reasons why they did or did not receive such assistance.

XX. CUSTOMER SATISFACTION

Q: Have you reviewed public data regarding NIPSCO's customers' satisfaction levels?

A: Yes. I reviewed public J.D. Power Customer Satisfaction surveys regarding NIPSCO. Public J.D. Power information on Overall Residential Customer Satisfaction shows NIPSCO has ranked from above the segment average (5^{th}) to below the segment average (11^{th}) out of the 16 utilities in the "Midwest Region," "Midsize Segment" during the last five years (2019-2023).[45] Notably, NIPSCO's score has decreased over the last two years. (*See* Table MDE-2).

Table MDE–2: J.D. Power Survey Summary

Survey	NIPSCO Score	Average Score	Ranking
2019	714	726	11 of 15
2020	743	747	8 of 16
2021	752	746	5 of 16
2022	724	719	9 of 16
2023	705	706	10 of 16
2024	700	692	8 of 16

Q: Did the ratepayers at the Commission's three public field hearings in this Cause also raise issues or concerns with NIPSCO's service?

A: Yes. Approximately 120 people attended the three public field hearings (Gary, Hammond, and Valparaiso) that were held before the OUCC's prefiling date, with approximately 60 people testifying. A variety of issues were shared and discussed, but consumer comments focused heavily on the devastating impact this increase

[45] 2019: https://www.jdpower.com/business/press-releases/2019-electric-utility-residential-customer-satisfaction-study
2020: https://www.jdpower.com/business/press-releases/2020-electric-utility-residential-customer-satisfaction-study
2021: https://www.jdpower.com/business/press-releases/2021-electric-utility-residential-customer-satisfaction-study
2022: https://www.jdpower.com/business/press-releases/2022-electric-utility-residential-customer-satisfaction-study
2023: https://www.jdpower.com/business/press-releases/2023-electric-utility-residential-customer-satisfaction-study
2024: https://www.jdpower.com/sites/default/files/file/2024-12/2024165%20U.S.%20Electric%20Utility%20Residential_0.pdf

will have on school corporations within NIPSCO's service area that have invested in NIPSCO's recommended energy efficiency measures and will, nonetheless, have to transfer hundreds of thousands of dollars from their educational budgets for students to their operational budgets to pay their monthly electric bills. Schools cannot raise prices to offset these utility costs. Their representatives were adamant that these dollars are needed in the classroom for kids, not for utilities, and that with schools already struggling, this level of increase is unacceptable and will necessitate seeking taxpayer relief. In addition, those testifying stated NIPSCO is not providing the same level of service within its lower-income areas as its more urban communities; has closed local payment centers; and has more frequent outages so service, overall, is less reliable in these areas while the same rate increase will be imposed if approved. Finally, there will be significant hardships for NIPSCO's consumers if NIPSCO's rate increase is approved as proposed, particularly the impact of the monthly fixed charge increase on low-income and fixed-income ratepayers who will have no ability to mitigate this increase by improving their efficiency or reducing their consumption. Raising the fixed charge from $14.00 to $25.00 as NIPSCO proposes is outrageous.

Q: Are you aware of opposition to Petitioner's request from elected or other officials?

A: Yes. Multiple public school superintendents attended and spoke at the field hearings. State Representative Patricia Boy also spoke against the proposed increase at the Commission's December 5, 2024, public field hearing in Gary, Indiana. Representative Boy stated 80% of Michigan City children are on the free lunch program and people living at this income level cannot afford to have more rate increases

XXI. RATE IMPLEMENTATION

Q: Should the rates approved in this Cause be implemented on a prospective basis to service rendered after the rates become effective?

A: Yes. In Cause No. 45772, NIPSCO's most recent electric rate case, the NIPSCO Industrial Group and the OUCC filed a motion requesting the Commission to require NIPSCO to apply its new rates and charges on a prospective basis for service rendered from the effective date of the new rates, rather than to bills NIPSCO issued from and after the effective date. The Commission granted the motion, finding that "neither the Settlement Agreement nor the August Order approving that Settlement Agreement authorized NIPSCO to implement the new rates on a bills-rendered basis, as opposed to on a consumption basis." (Cause No. 45772, Order of the Commission on Motion to Enforce at 2 (Oct. 11, 2023).) The Commission is asked to expressly recognize this same application in its order in this Cause.

XXII. RECOMMENDATIONS

Q: What do you recommend in this proceeding?

A: I recommend the Commission:

1) Not approve NIPSCO's requested $368.7 Million annual rate increase and instead approve an increase of $203.3 Million as supported by the OUCC's revenue requirement adjustments and recommendations;

2) Approve an amortization period of three years for rate case expense and regulatory assets; and

3) Approve the recommendations detailed in the testimony of additional OUCC witnesses; and

4) Renew the Commission's approval of the OUCC and intervenors filing their respective FAC testimony 35 days after NIPSCO files its petition and testimony.

Q: Does this conclude your testimony?

A: Yes.

APPENDIX A

Q: Please describe your educational background and experience.

A: I graduated from Purdue University in West Lafayette, Indiana, in December 1986, with a Bachelor of Science Degree, majoring in accounting. I have passed the Certified Public Accountant Exam. Upon graduation, I worked as a Field Auditor with the Audit Bureau of Circulation in Schaumburg, Illinois, until October 1987. In December 1987, I accepted a position as a Staff Accountant with the OUCC. In May 1995, I was promoted to Principal Accountant and in December 1997, I was promoted to Assistant Chief Accountant. As part of the OUCC's reorganization, I accepted the position of Assistant Director of its Telecommunications Division in July 1999. From January 2000 through May 2000, I was the Acting Director of the Telecommunications Division. During an OUCC reorganization, I accepted a position as a Senior Utility Analyst and in September 2017, I was promoted to Assistant Director of the Electric Division. In February 2022, I was promoted to the Director of the Electric Division. In November 2024, I accepted the position of Chief Technical Advisor. As part of my continuing education, I have attended the National Association of Regulatory Utility Commissioners' ("NARUC") two-week seminar in East Lansing, Michigan. I also attended NARUC's Spring 1993 and 1996 seminar on the system of accounts. In addition, I attended several CPA sponsored courses and the Institute of Public Utilities Annual Conference in December 1994 and December 2000.

Cause No. 46120
Northern Indiana Public Service Company LLC's
Objections and Responses to
Indiana Office of Utility Consumer Counselor's Third Set of Data Requests

OUCC Request 3-007:
In its pro-forma proposed rates, how much of NIPSCO's requested return is attributed to the capital investment for the four generation plants and TDSIC investments, respectively? Please identify these amounts by: a. period; b. account; c. specific plant; and d. approved TDSIC investments.
Objections:
NIPSCO objects to subpart (b) of this Request on the grounds and to the extent that this Request solicits an analysis, calculation, or compilation which has not already been performed and which NIPSCO objects to performing.
Response:
Subject to and without waiver of the foregoing general and specific objections, NIPSCO is providing the following response: Please see OUCC Request 3-007 Attachment A.

Northern Indiana Public Service Company LLC
OUCC Request 3-007 Attachment A

Line No	Description	Amount	
1	12/31/2025 Total Preapproved Solar Generation Net Plant	$ 2,035,182,984	OUCC 3-004 Attachment A, Line 21
2	12/31/2025 Total Preapproved TDSIC Net Plant	$ 769,464,017	OUCC 3-004 Attachment A, Line 22
3	12/31/2025 TDSIC Reg Asset	$ 18,679,396	Attachment 3B-S2-RB 11
4	12/31/2025 Wholly Owned Solar Farm Reg Asset	$ 99,839,760	Attachment 3B-S2-RB 12
5	Total Rate Base TDSIC and Solar Generation Rate Base	$ 2,923,166,157	
6	Times: 12/31/2025 WACC	7.59%	Attachment 3A-S2 Pg. 5
7	**Net Operating Income Attributable to Pre-Aprroved TDSIC and Solar Generation Projects**	**$ 221,868,311**	

Cause No. 46120
Northern Indiana Public Service Company LLC's
Objections and Responses to
Indiana Office of Utility Consumer Counselor's Third Set of Data Requests

OUCC Request 3-005:

What amount did NIPSCO include in depreciation expense for the four generation plants and TDSIC investments, respectively, for the 12-month periods ending:
a. December 31, 2023;
b. May 31, 2025; and
c. December 31, 2025.
d. For the foregoing answers to (9)(a) – (c), please identify these amounts by:
    a. period;
    b. account;
    c. specific plant; and
    d. approved TDSIC investments.

Objections:
NIPSCO objects to this Request on the grounds and to the extent that this Request solicits an analysis, calculation, or compilation which has not already been performed and which NIPSCO objects to performing.
Response:
Subject to and without waiver of the foregoing general and specific objections, NIPSCO is providing the following response: Please see OUCC Request 3-005 Attachment A. The pre-approved TDSIC forecasted utility plant and associated depreciation is not prepared at the level of detail requested. Please see the Verified Direct Testimony of Emily Bytnar (Petitioner's Exhibit No. 4) for a description of how the forecasted utility plant is developed for use in the calculation of depreciation expense.

OUCC Request 3-005 Attachment A
Cause No. 46120

Northern Indiana Public Service Company LLC
OUCC Request 3-005 Attachment A

				Annualized Depreciation as of:	
Line No.	Location	Account	TME 12/31/2023	5/31/2025[2]	12/31/2025
1	Cavalary	340.2	$ -	$ 611,098	$ 611,098
2	Cavalary	341.2	-	1,806,134	1,806,134
3	Cavalary	344.2	-	9,247,952	9,247,952
4	Cavalary	345.2	-	1,303,676	1,303,676
5	Cavalary	353.0	-	611,098	611,098
6	DBII	340.2	-	1,192,596	1,192,596
7	DBII	341.2	-	3,524,782	3,524,782
8	DBII	344.2	-	18,047,946	18,047,946
9	DBII	345.2	-	2,544,204	2,544,204
10	DBII	353.0	-	1,192,596	1,192,596
11	Fairbanks	340.2	-	732,834	732,834
12	Fairbanks	341.2	-	2,165,932	2,165,932
13	Fairbanks	344.2	-	11,090,225	11,090,225
14	Fairbanks	345.2	-	1,563,380	1,563,380
15	Fairbanks	353.0	-	732,834	732,834
16	Gibson	340.2	-	603,461	603,461
17	Gibson	341.2	-	1,783,562	1,783,562
18	Gibson	344.2	-	9,132,373	9,132,373
19	Gibson	345.2	-	1,287,383	1,287,383
20	Gibson	353.0	-	603,461	603,461
21	**Total Preapproved Solar Generation**		**$ -**	**$ 69,777,526**	**$ 69,777,526**
22	**Total Preapproved TDSIC [1]**		**$ -**	**$ 19,170,645**	**$ 26,436,720**

[1] The pre-approved TDSIC rate base forecast used in the calculation of depreciation expense is not prepared to the level of detail requested in OUCC Request 3-005.

[2] Gibson Solar Farm's estimated in-service date is July 2025. For purposes of alignment with the Step 1 Revenue Requirement amounts included in Petitioner's Exhibit 3, Attachment A-S1, it has been included above.

Cause No. 46120
Northern Indiana Public Service Company LLC's
Objections and Responses to
Indiana Office of Utility Consumer Counselor's Third Set of Data Requests

OUCC Request 3-004:

Refer to Witness Erin E. Whitehead's testimony, Petitioner's Exhibit No. 2, page 14, line 16 - page 15, line 1):

> [T]hese four Commission-approved approved projects make up approximately $2 billion (approximately 68%) of NIPSCO's rate base request. Per NIPSCO Witness Bytnar, $769.5 million (approximately 25%) of NIPSCO's rate base request reflects inclusion of NIPSCO's Commission-approved transmission, distribution, and storage system ("TDSIC") investments.

Please answer the following questions:

a. How much of the $2 billion and $769.5 million amounts, respectively, are included in rate base for the actual and forecasted periods ending:
    a. December 31, 2023;
    b. May 31, 2025; and
    c. December 31, 2025.
b. For the response to (a) subparts (a) – (c) above, please identify these amounts by:
    a. period;
    b. account;
    c. specific plant; and
    d. approved TDSIC investments.
c. What amount did NIPSCO include in total operating expense for the four generation plants and TDSIC investments, respectively, for the 12-month periods ending:
    a. December 31, 2023;
    b. May 31, 2025; and
    c. December 31, 2025.
d. For the foregoing answers to (c) subparts(a) – (c), please identify these amounts by:
    a. period;

Cause No. 46120
Northern Indiana Public Service Company LLC's
Objections and Responses to
Indiana Office of Utility Consumer Counselor's Third Set of Data Requests

b. account; c. specific plant; and d. approved TDSIC investments.
Objections:
NIPSCO objects to this Request on the grounds and to the extent that this Request solicits an analysis, calculation, or compilation which has not already been performed and which NIPSCO objects to performing.
Response:
Subject to and without waiver of the foregoing general and specific objections, NIPSCO is providing the following response: a. Subparts (a) – (c): Please see OUCC Request 3-004 Attachment A; b. Subparts (a) – (d): Please see OUCC Request 3-004 Attachment A. The pre-approved TDSIC forecasted utility plant is not prepared at the level of detail requested. Please see the Verified Direct Testimony of Emily Bytnar (Petitioner's Exhibit No. 4) for a description of how the forecasted utility plant is developed. c. Subparts (a) – (c): Operating expenses NIPSCO incurs once TDSIC investments are placed into service, or rolled into base rates, are not separately identified as TDSIC operating expenses on NIPSCO's books. Additionally, NIPSCO does not incur operating expenses associated with TDSIC investments that are in CWIP status. There were no Solar related expenses recorded to operating expense on NIPSCO's books for the twelve months ended December 31, 2023. Please see OUCC Request 3-004 Attachment B for the December 31, 2025, Solar information. The requested information is not available for the 12 months ended May 31, 2025; and d. Subparts (a) – (d): See OUCC Request 3-004 Attachment B for the operating expenses included in the proposed cost of service for the twelve months ended December 31, 2025. General operating expenses related to TDSIC investments are part of the overall operating expenses and not specifically identified as TDSIC on NIPSCO's books.

Cause No. 46120
Northern Indiana Public Service Company LLC's
Objections and Responses to
Indiana Office of Utility Consumer Counselor's Third Set of Data Requests

OUCC Request 3-006:

What amount did NIPSCO include in tax expense for the four generation plants and TDSIC investments, respectively, for the 12-month periods ending:
a. December 31, 2023;
b. May 31, 2025; and
c. December 31, 2025.
d. For the foregoing answers to (10)(a) – (c), please identify these amounts by:
    a. period;
    b. account;
    c. specific plant; and
    d. approved TDSIC investments.

Objections:
NIPSCO objects to the Request on the grounds and to the extent that the Request is vague and ambiguous in that the words "tax expense" are not defined. For purposes of this response, NIPSCO assumes "tax expense" to mean Property Tax expense. NIPSCO further objects to this Request on the separate and independent grounds and to the extent that this Request solicits an analysis, calculation or compilation which has not already been performed and which NIPSCO objects to performing.
Response:
Subject to and without waiver of the foregoing general and specific objections, NIPSCO is providing the following response: Property Tax expense is recorded to account 40813200. a) See Petitioner's Confidential Exhibit No. 18-S2 (Redacted), specifically Workpaper OTX-1 Property Tax Expense, at page [.2], on line 5 for the TDSIC amount; b) See Objections; and c) See Petitioner's Confidential Exhibit No. 18-S2 (Redacted), specifically Workpaper OTX-1 Property Tax Expense, at page [.5], for the four generation

Cause No. 46120
Northern Indiana Public Service Company LLC's
Objections and Responses to
Indiana Office of Utility Consumer Counselor's Third Set of Data Requests

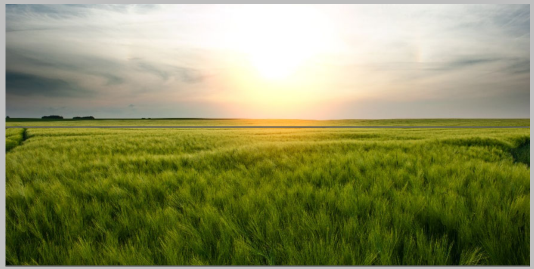
plants. For the Property Tax Expense associated with TDSIC, please see OUCC Request 3-006 Attachment A.

CONFIDENTIAL

OUCC ATTACHMENT MDE-5

CAUSE NO. 46120

NIPSCO
A NiSource Company



We exist to deliver safe, reliable energy that drives value to our customers

Storm Response Meeting

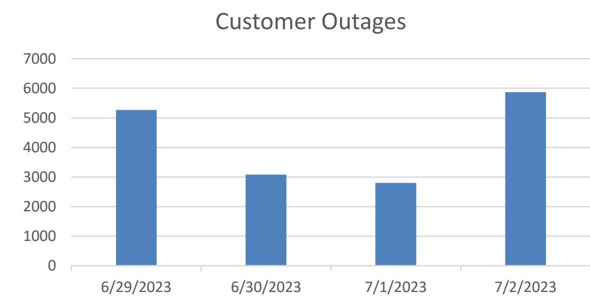
September 22, 2023

June 29, 2023 Storm Event Statistics

- **June 29 to July 2 saw significant weather throughout Indiana, although it was less impactful in NIPSCO's service territory than in other areas of the state**
- **Customer Outages**
  - Total customer outages: 5,270
  - Daily Average Restoration Time = 125 minutes
  - Total outage events: 81
  - Note: 2,524 customer outages on 2 outage events were due to third party vehicle damage

June 29 Statistics

CUST OUT	5,270
SAIDI	1.37
SAIFI	0.011
CAIDI	125.38



June 29, 2023 Storm Preparation and Response

- **NIPSCO constantly monitors the weather and has a process in place to notify potentially impacted departments, as well as to notify its customers**
- **On June 29, the first internal storm notification was distributed at 6:18 AM**

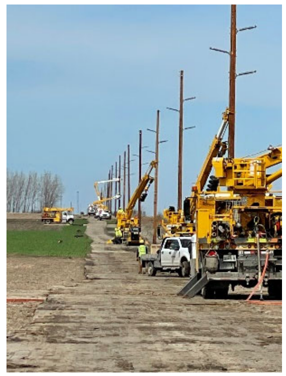
> ➢ Various chances for showers and thunderstorms are expected across the territory throughout the day, some of which will likely be strong to severe with the potential for large hail, damaging wind gusts up to 60-70 mph, and possibly a few isolated tornadoes.
> ▪ T-storms possible as early as this morning for the northern and eastern portions of the territory.
> ▪ After 2pm – increased likelihood of thunderstorms and impactful weather mainly for the western/southern portions of the territory.
> ➢ Thunderstorm activity will gradually weaken and become less widespread as the evening progresses, and mostly dry conditions are expected for the overnight period. Total rainfall today: 0.10-0.25" with locally heavier amounts as high as 0.50-0.75", especially in southwestern areas where heavier storms track across the same areas. Winds unrelated to thunderstorms today will be out of the south-southwest at 7-13 mph with gusts to 15-25 mph. Winds will then become variable to southeast at 5-12 mph late evening and overnight.

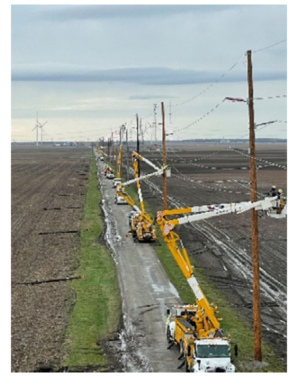
- **The Communications team enacted its external plan the night before the storm**
  - At 7:00 PM, a storm preparedness social media post was made
  - Potential messaging was shared internally for review if needed
  - The team prepared to post appropriate social media banners if needed
  - The typical plan to make updates was ready as needed
- **These actions were consistent with NIPSCO's storm preparedness plan, both summer and winter**

June 29, 2023 Storm Preparation and Response

- A Mutual Assistance request from Great Lakes Mutual Assistance Group was sent out asking for 350 Distribution Line full-time equivalents ("FTEs") for Duke Energy Indiana and NIPSCO released 36 FTEs and Com Ed released 147 FTEs to report to Duke.

March 31st Storm



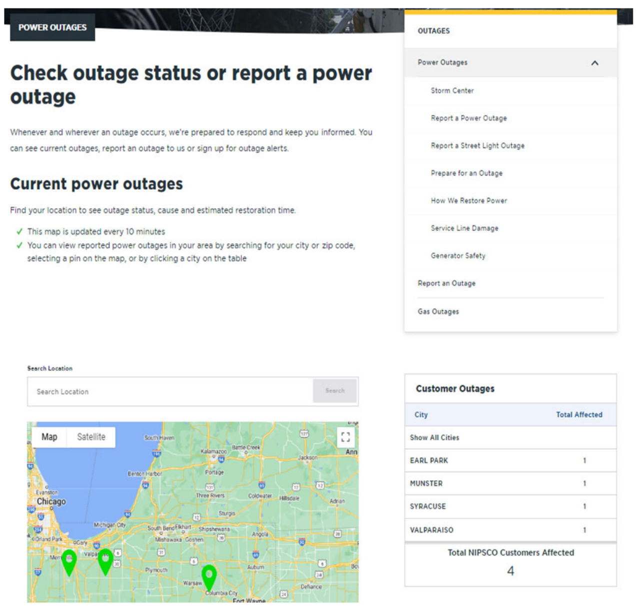


- Late on the evening of March 31 and into Saturday, April 1, a high wind/storm event impacted the NIPSCO service territory.
- NIPSCO experienced three confirmed tornados and two probable EF0s tornados.
- 27,700 customers lost power during the event, and NIPSCO replaced over 270 damaged transmission and distribution poles.

March Storm Response

- 99% of customers were restored by 7:00 AM Monday, April 3, with all remaining customers restored by 7:00 PM Tuesday, April 4.
- All 138 kV and 69 kV transmission lines were returned to service on Thursday, April 7.
- Deployed internal and contractor line crews and forestry crews throughout the service territory
  - At the peak of the response, over 300 resources were deployed in restoration efforts
  - Crews worked 16 hours on and 8 hours off
  - Strong focus on safety during high-risk restoration event

March Storm Response - Communications



- Provided frequent information updates to customer service representatives to be able to inform customers of efforts
- Updated web banner and provided social media updates
- In hardest hit areas, NIPSCO deployed Emergency Response trailer with Communications experts onsite

March Storm Response – Mutual Aid and Supply Chain

- NIPSCO generated a mutual assistance request and received support from contract crews based in Michigan
- NIPSCO worked with suppliers from four states to ship material to make repairs
  - Direct sourced (98) 65 foot and taller poles from Illinois, Georgia, and Wisconsin.
  - 172 poles were sourced through NIPSCO's normal supply chain
  - Direct sourced (100) 138kV insulators directly from the vendor in North Carolina who manufactured them and shipped them via batches to meet the Company's needs.
- Leveraged industry trade organizations to overcome some supply chain challenges

Appendix

What challenges did your utility face in the storm restoration process? Did you have concerns with staffing or supply chain limitations?

- Regarding the June 29 storm, because NIPSCO was minimally impacted, the Company did not face any supply chain or staffing issues.

How did you communicate with customers before, during, and after the storms?

- NIPSCO has a storm communications plan, which includes internal and external updates, specifically locational ETRs for customers as soon as available
- Web banners and social media posts are prepared and posted as needed
- Updates are communicated internally and externally as needed
- Particular focus is placed on keeping customer service representatives to allow them to effectively communicate with customers

Were there any gaps in your outage/storm restoration process that you recognized/will address going forward?

- NIPSCO holds an After-Action Review (AAR) for each major storm event to identify areas of improvement
  - Primary area for continuous improvement is focused on rising technology to help with more accurate estimated time of restoration
  - Training up for damage assessors

When weather reports indicate your service territory may be affected by incoming storms, what work is done proactively to prepare with your team and your contractors?

- NIPSCO follows meteorology reports daily
- As impending weather gets closer, the band of potential impact is narrowed
- NIPSCO communicates internally to potentially impacted departments and holds storm preparedness calls as needed
- Staffing needs are considered, and staff are "held" as needed or put on notice of potential activity
- As discussed previously, proactive customer outreach is undertaken via a variety of methods, including social media
- Call Center employees are updated and provided with appropriate information to handle customer contacts

How was mutual aid between utilities a factor in your storm restoration efforts?

- Proactive engagement for Mutual Aid
  - Resources are not released until NIPSCO knows how its service territory will be impacted (this is standard in the industry)
  - NIPSCO did provide resources to Duke during the June 29 storm event

Do you have any feedback on the outage reporting requirements found in Indiana Administrative Code 170 IAC 4-1-23?

- NIPSCO has defined processes and procedures that are aligned with current Commission reporting requirements
- The kinds of events that need to be reported remain appropriate
- And the types of information reported and interval for reporting are reasonable

AFFIRMATION

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

Michael D. Eckert
Chief Technical Advisor

Cause No. 46120
NIPSCO, LLC

Date: December 19, 2024

CERTIFICATE OF SERVICE

This is to certify that a copy of the **Indiana Office of Utility Consumer Counselor Public's Exhibit No. 1 Testimony of OUCC Witness Michael D. Eckert** has been served upon the following counsel of record in the captioned proceeding by electronic service on December 19, 2024.

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