

I&M Exhibit: \_\_\_\_\_

**INDIANA MICHIGAN POWER COMPANY**

**PRE-FILED VERIFIED DIRECT TESTIMONY**

**OF**

**JENNIFER C. DUNCAN**

Cause No. 45933

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**DIRECT TESTIMONY OF JENNIFER C. DUNCAN  
ON BEHALF OF  
INDIANA MICHIGAN POWER COMPANY**

**I. Introduction of Witness**

1 **Q1. Please state your name and business address.**

2 My name is Jennifer C. Duncan and my business address is 1 Riverside Plaza,  
3 Columbus, OH 43215.

4 **Q2. By whom are you employed and in what capacity?**

5 I am employed by American Electric Power Service Corporation (AEPSC) as a  
6 Regulatory Consultant Staff in the Regulated Pricing and Analysis Department.

7 AEPSC supplies engineering, accounting, planning, advisory, and other services  
8 to the subsidiaries of the American Electric Power (AEP) system, one of which is  
9 Indiana Michigan Power Company (I&M or the Company).

10 **Q3. Briefly describe your educational background and professional  
11 experience.**

12 I received a Bachelor of Arts degree in Psychology from The Ohio State  
13 University in 2005 and a Bachelor of Science degree in Accounting from  
14 Franklin University in 2008. I am also a Certified Public Accountant in the State  
15 of Ohio and a Certified Internal Auditor. During and following completion of my  
16 Accounting degree, I held various accounting and financial positions.

17 In April 2013, I joined AEPSC as an Audit Consultant in the Audit Services  
18 Department. In February 2017, I accepted the position of Senior Regulatory  
19 Consultant in the AEPSC Regulated Pricing and Analysis Department. I  
20 accepted the position of Financial Analyst Staff in the Transmission Finance

1 Department in December 2019. I returned to the Regulated Pricing and Analysis  
2 Department in September 2020 as a Regulatory Consultant Staff.

3 **Q4. What are your responsibilities as Regulatory Consultant Staff?**

4 My responsibilities include preparation of cost-of-service studies and rate design  
5 analyses for the AEP system operating companies, as well as other projects  
6 related to regulatory issues and proceedings, individual customer requests, and  
7 general rate matters.

8 **Q5. Have you previously testified before any regulatory commissions?**

9 Yes. I have submitted testimony before the Indiana Utility Regulatory  
10 Commission (Commission or IURC) on behalf of I&M in Cause Nos. 44331  
11 ECR-5, 44511 SPR-2, 43774 PJM-8, 43775 OSS-8, 44871 ECR-2, 44182 LCM-  
12 9, 43827 DSM-11 and 12, 45701 DSM 2023-2025 Plan, 45235 and 45576 base  
13 rate cases. I have also submitted testimony before the Michigan Public Service  
14 Commission (MPSC).

## 15 II. Purpose of Testimony

16 **Q6. What is the purpose of your testimony?**

17 The purpose of my testimony is to support:

- 18 • the Test Year jurisdictional separation study, which reasonably  
19 allocates Total Company Test Year rate base, revenues and  
20 expenses to the Indiana retail jurisdiction;
- 21 • the calculation of the demand and energy allocation factors;
- 22 • several operating revenue adjustments included in the Test Year  
jurisdictional separation study; and





- 1 • WP-A-RIDER-4: To reduce Indiana retail SO2 allowance amortization  
2 expense and revenues that will continue to be recovered in the ECR  
3 Rider. I am co-sponsoring this adjustment with Company witness  
4 Gruca.

5 **Q11. Were the exhibits, attachments and workpapers that you sponsor prepared**  
6 **by you or under your direction?**

7 Yes.

8 **Q12. Please summarize your testimony.**

9 The Company's jurisdictional separation study appropriately allocates the  
10 Company's Test Year cost of providing service to the Indiana retail jurisdiction.  
11 The allocation of Total Company Test Year costs to the three jurisdictions I&M  
12 serves is based on established cost allocation procedures, using underlying  
13 data that represents how the system is used to meet customer requirements.  
14 Additionally, the calculated demand and energy allocation factors proposed in  
15 this Cause are reasonable and accurately reflect the Indiana retail jurisdiction's  
16 contribution to Total Company Test Year demand and energy.

17 Furthermore, the revenue adjustments I sponsor reflect the appropriate level of  
18 Test Year firm and interruptible sales the Company is proposing in basic rates.

19 The revenue requirement calculated for the Company's proposed PRA  
20 appropriately determines the Company's cost of providing service to the Indiana  
21 retail jurisdiction, net of plant activity forecasted to occur in the Test Year. The  
22 calculation of the Company's proposed PRA follows the same methods  
23 employed to develop the Phase-in Rate Adjustments in Cause Nos. 45576,  
24 45235 and 44967.

### III. Jurisdictional Separation Study

#### Purpose of the Jurisdictional Separation Study

1 **Q13. Please explain the purpose of the jurisdictional separation study.**

2 The purpose of the jurisdictional separation study is to reasonably allocate the  
3 Company's Test Year cost of providing service to the Company's Indiana retail  
4 jurisdiction.

5 Retail customers are served in the Indiana and Michigan jurisdictions, and  
6 wholesale customers in both states comprise the wholesale or FERC  
7 jurisdiction. Because I&M provides service in three jurisdictions, it is necessary  
8 to determine the rate base, revenues, and expenses that relate to serving I&M's  
9 Indiana jurisdictional retail customers.

10 The allocation of Total Company Test Year costs to the three jurisdictions I&M  
11 serves is based on established cost allocation procedures, using underlying  
12 data that represents how the system is used to meet customer requirements.

13 In general, Test Year costs are divided among the jurisdictions based upon their  
14 use of the system. In order to accomplish this task, the following three-step cost  
15 assignment process is performed:

- 16 1) Costs are functionalized into production, transmission, and distribution  
17 functions.
- 18 2) Costs are then classified as demand, energy, or customer related.
- 19 3) Lastly, costs are directly assigned or allocated to a jurisdiction on the  
20 basis of an appropriate allocation methodology.



### Process for Preparing the Jurisdictional Separation Study

1 **Q14. Please explain functionalization, the first step in the cost assignment**  
2 **process.**

3 Functionalization is the process by which costs are separated according to the  
4 major electric system functions of production, transmission, and distribution.

5 In general, the functionalized costs as reported in the Federal Energy  
6 Regulatory Commission's (FERC) Uniform System of Accounts are used, but  
7 certain plant and expense accounts, such as general and intangible plant and  
8 administrative and general expenses, are not directly assigned to major  
9 functions. All such costs are therefore classified according to the  
10 functionalization of other related costs so they can be properly classified and  
11 allocated.

12 **Q15. Describe the major functions of production, transmission, and distribution**  
13 **and related assignments.**

14 Production refers to all production facilities including steam generation, nuclear,  
15 hydraulic, and solar generation, together with step-up substation facilities  
16 necessary to integrate that generation into the power supply system. Production  
17 facilities are used in serving all customers.

18 Transmission refers to the transmission substations and lines necessary to  
19 integrate I&M's sources of power, both I&M owned and purchased or  
20 interchanged, into the power supply system. Transmission assets are used in  
21 serving all customers.

22 Distribution refers to the facilities required to connect the customer to the  
23 transmission system. Distribution resources are directly assigned to their  
24 respective state jurisdiction.

1 Further separation of common investment and expenses between the Indiana  
2 jurisdiction and other jurisdictions is accomplished through the allocation  
3 process.

4 **Q16. Explain classification, the second step in the cost assignment process.**

5 Classification is the process by which the functionalized costs are designated as  
6 being either demand, energy, or customer-related. Demand and customer-  
7 related costs are fixed costs incurred regardless of the level of energy sales.

8 An example of a demand-related cost is the investment in transmission facilities.  
9 An example of a customer-related cost is metering equipment. An energy-  
10 related cost is a cost such as fuel expense, which varies with the level of energy  
11 sales.

12 **Q17. Explain allocation, the final step in the cost assignment process.**

13 Allocation is the process by which the functionalized and classified costs are  
14 assigned to the jurisdictions with the use of allocation factors. When each  
15 functionalized and classified cost is multiplied by a jurisdictional allocation factor,  
16 the product is the cost assigned to each jurisdiction.

17 **Q18. What is the period of the Company's Test Year jurisdictional separation  
18 study?**

19 The Company's Test Year jurisdictional separation study (Attachment JCD-1)  
20 has been prepared for the projected twelve months ended December 31, 2024.

1 **Q19. What is the source of the information used in the Test Year jurisdictional**  
2 **separation study?**

3 The Company's forecast, as provided by Company witness Sloan, serves as the  
4 source of information for the study.

5 **Q20. Please describe Attachment JCD-1.**

6 Attachment JCD-1, pages 1 through 14 represents the Test Year jurisdictional  
7 separation study for the twelve months ended December 31, 2024, which is  
8 used in the calculation of the Indiana retail jurisdictional revenue deficiency as  
9 shown in Exhibit A-1 supported by Company witness Seger-Lawson.

10 The study begins with "Total Company Projected" amounts from the Company's  
11 forecast. Column 6, "Adjustments", reflects the cost-of-service adjustments  
12 proposed by the Company's witnesses in this case, which are summarized in  
13 WP-JCD-2. Column 7, "Total Company after Adjustments", contains the total  
14 dollars to be allocated or assigned to the Company's three jurisdictions. Indiana  
15 retail amounts for each line item are reflected in Column 8. Column 9 identifies  
16 the allocator applied to the "Total Company after Adjustment" amount to  
17 calculate the Indiana retail amount.

18 Page 1 is a summary of operating revenues, expenses, and net operating  
19 income for I&M on a Total Company basis and on an Indiana retail jurisdictional  
20 basis. The components of rate base on a Total Company basis and on an  
21 Indiana retail jurisdictional basis are also reflected in page 1.

22 Pages 2 through 5 contain the detailed development of rate base. Pages 5 and  
23 6 reflect the detailed breakdown of operating revenues. Pages 7 through 13  
24 contain the detailed development of expenses, including operation and  
25 maintenance expenses, depreciation and amortization expenses, administrative  
26 and general expenses, taxes other than income, and income taxes.

1 The computation of the payroll allocation factor for the Indiana retail jurisdiction  
2 is contained in page 14. The allocation factor values utilized throughout the  
3 study are reflected on page 15.

#### IV. Demand and Energy Allocation Factors

4 **Q21. Please describe the method used in calculating the demand and energy**  
5 **allocation factors.**

6 Demand and energy allocation factors are created for each of the Company's  
7 three jurisdictions. These factors represent each jurisdiction's proportional share  
8 of Total Company Test Year demand/energy.

9 Demand allocation factors are calculated using an average of 12 monthly loss  
10 adjusted coincident peak demands (12 CP). Energy allocation factors are  
11 calculated using annual loss adjusted kWh usage provided by Company witness  
12 White.

13 Retail demand and retail energy allocation factors, based solely on retail load,  
14 are also calculated for those items in the jurisdictional study that are only related  
15 to retail service and should not be allocated to the Company's wholesale  
16 customers.

17 Demand excluding shopping, energy excluding shopping, retail demand  
18 excluding shopping, and retail energy excluding shopping allocation factors,  
19 were calculated by removing the demand and energy related to Michigan  
20 shopping customers from the original demand and energy allocators.<sup>4</sup> These  
21 calculations properly allocate the power supply costs related to service provided  
22 to Indiana and non-shopping Michigan customers.

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<sup>4</sup> In February of 2019, an Electric Customer Choice program became available in Michigan. I&M's Michigan retail customers who have elected to participate in this program have switched their power supplier from I&M to a competitive supplier.

1 Michigan shopping customers pay competitive suppliers for non-capacity  
2 Generation and Transmission services (such as fuel costs) instead of paying  
3 I&M. Michigan shopping customers remain responsible for paying capacity costs  
4 such as production plant. The excluding shopping allocation factors in the  
5 jurisdictional study reflect this framework.

6 **Q22. How does the Test Year mix of jurisdictional load affect demand and**  
7 **energy allocation factors?**

8 The demand and energy allocation factors are computed for the three  
9 jurisdictions I&M serves based on each jurisdiction's forecasted contribution to  
10 Total Company Test Year demand and energy.

11 For example, if Total Company forecasted demand was 1,000 MW and the  
12 Indiana retail jurisdiction's share of that load was 700 MW, the Indiana retail  
13 demand allocation factor would be 70% (700/1,000).

14 All else being equal, from case to case, when the Company experiences  
15 changes in load whether retail or wholesale, the portion of total system demand  
16 and energy allocated to one jurisdiction increases while the portion allocated to  
17 the remaining jurisdictions decrease. Developing the allocation factors based on  
18 Test Year demand and energy usage reasonably allocates costs and benefits  
19 among the various jurisdictions.

20 **Q23. How have I&M's Indiana retail demand and energy allocation factors**  
21 **changed over time?**

22 Since 1990, I&M's Commission-approved or settled allocation factors have  
23 ranged from a 65% to 74% demand allocation factor and a 63% to 72% energy  
24 allocation factor for its Indiana retail jurisdiction. The Indiana demand and  
25 energy allocation factors proposed in this Cause are 71.39096% and

1 69.24810%, respectively. These allocation factors are within the historical range  
2 of approved allocation factors for the Company.

3 As proposed in this Cause, the demand allocation factor will change by 0.69%  
4 while the energy allocation factor will change by 0.68%. These changes are  
5 within the range of historical changes approved for the Company. The increases  
6 in the allocation factors are reasonable and accurately reflect the Indiana retail  
7 jurisdiction's contribution to Total Company Test Year demand and energy.

8 *Figure JCD-1* summarizes the changes to the Indiana retail jurisdictional  
9 demand and energy allocation factors since 1990.

**Figure JCD-1. Indiana jurisdictional allocation factors**

Cause No.	Order Date	Approved Demand	Approved Energy
45576	02/23/2022	70.69600%	68.56712%
45235	03/11/2020	66.23353%	68.37233%
44967	05/30/2018	65.21029%	63.76832%
44075	02/13/2013	64.65519%	63.48797%
43306	03/04/2009	65.45490%	65.19218%
39314	11/12/1993	73.60470%	72.20607%
38728	08/24/1990	71.63488%	71.03291%

10 **Q24. Were adjustments made to the 2024 Test Year load data used to calculate**  
11 **the demand and energy allocation factors?**

12 No. The demand and energy allocation factors reflect the actual proportions of  
13 Test Year forecasted wholesale, Indiana, and Michigan load.

1 **Q25. Please explain how the Company accounted for the 2024 Test Year load**  
2 **data associated with an Indiana retail customer which was previously**  
3 **served under wholesale service, within the demand and energy study.**

4 As approved by the Commission on March 8, 2023 in Cause No. 45846, an I&M  
5 customer transferred their service from wholesale service to Indiana retail  
6 service. This transfer of service became effective at midnight on March 31,  
7 2023. The 2024 Test Year load data provided by Company witness White did  
8 not reflect this transfer of service. In order to appropriately reflect this activity, a  
9 reclassification was made in the demand and energy study to appropriately  
10 reflect this customer's 2024 Test Year demand and energy as Indiana retail  
11 demand/energy. These revised amounts were then used to calculate the Test  
12 Year demand and energy allocation factors.

## V. Account Allocations

13 **Q26. Were there any changes to the allocation process used in the current**  
14 **case?**

15 No, the allocation process utilized in the 2024 Test Year study is consistent with  
16 the methodology used in Cause Nos. 44075, 44967, 45235, and 45576.

17 **Q27. Please describe the allocation of the functional components of electric**  
18 **plant-in-service.**

19 Production plant and Transmission plant are allocated using the 12 CP demand  
20 allocation factor. This approach is consistent with the guidance set forth in the  
21 NARUC (National Association of Regulatory Utility Commissioners) Electric  
22 Utility Cost Allocation Manual, which explains on pages 13-14 that "[s]ince  
23 generating units and transmission lines are sized according to the peak demand

1 consumed, the individual contribution to peak demand came to be considered  
2 the appropriate factor for the allocation of those costs.”

3 Distribution plant is directly assigned to a state based on the geographic location  
4 identified in the Company’s plant accounting system.

5 Plant that is not functionalized, such as intangible plant and general plant, is  
6 allocated to the Indiana retail jurisdiction using the payroll allocation factor,  
7 which is the ratio of Indiana jurisdictional operation and maintenance (O&M)  
8 payroll expense to Total Company O&M payroll expense.

9 **Q28. Please describe the method of allocation of accumulated provisions for**  
10 **depreciation and amortization.**

11 The functional components of accumulated provisions for depreciation and  
12 amortization related to production, transmission and intangible plant are  
13 allocated in the same manner as the corresponding portions of electric plant-in-  
14 service.

15 Distribution related accumulated provisions for depreciation and amortization  
16 are directly assigned to Indiana when feasible or allocated based on the  
17 distribution plant excluding Indiana specific accounts allocation factor. General  
18 plant related amounts are allocated using the general plant allocation factor.

19 **Q29. Please describe the allocation of other rate base items including certain**  
20 **regulatory assets.**

21 Fuel inventory and allowances are allocated using the energy excluding  
22 shopping allocation factor. Materials and supplies are separated into functional  
23 groups of production, transmission, and distribution. Production and  
24 transmission related materials and supplies are allocated based on demand,  
25 while distribution related materials and supplies are allocated based on  
26 distribution plant.



1           Prepaid pension and OPEB expense is allocated based on payroll. The  
2           remaining regulatory assets are directly assigned to Indiana. The Accumulated  
3           Deferred Federal Income Tax (ADFIT) regulatory liability associated with  
4           adjustment RB-7, supported by Company witness Criss, is allocated based on  
5           gross plant.

6           **Q30. Please describe the development of the Indiana retail jurisdictional**  
7           **revenues.**

8           Firm sales of electricity, base revenues plus riders, are directly assigned to the  
9           three jurisdictions the Company serves. Interruptible sales revenue and non-firm  
10          (system sales) revenues are classified between demand and energy and  
11          subsequently allocated using the applicable allocation factors.

12          The components of other operating revenues are either assigned or allocated to  
13          the Indiana jurisdiction based upon the nature of each type of revenue.

14          Miscellaneous service revenues and forfeited discounts are directly assigned.

15          Rentals from certain items of I&M property and other electric revenues are  
16          functionalized and then allocated to the Indiana jurisdiction utilizing the  
17          associated allocation factor.

18          Gains on the disposition of allowances are allocated using the energy excluding  
19          shopping allocation factor.

20          **Q31. Please describe the classification and allocation of O&M expenses.**

21          Production expense is primarily classified as demand-related or energy-related  
22          and allocated to the Indiana retail jurisdiction utilizing the applicable demand or  
23          energy allocation factor. In some instances expenses were able to be identified  
24          as benefitting only one jurisdiction, so those expenses were directly assigned.

25          Purchased power expense reflects the demand-related and energy-related  
26          classification of billings for that power. The demand-related charges billed to

1 I&M are allocated based on the demand allocation factor, and the energy-  
2 related charges are allocated based on the energy excluding shopping  
3 allocation factor.

4 Most transmission expense is classified as demand-related and allocated using  
5 the appropriate demand allocation factor. The PJM-related activity in Account  
6 565 was allocated using the retail demand excluding shopping and retail energy  
7 excluding shopping allocation factors.

8 Distribution expense is allocated using the distribution plant allocation factor,  
9 which was derived from the assignment of distribution plant. Vegetation  
10 management and major storm related expenses within account 593 include a  
11 state designation and are direct assigned to the Indiana and Michigan retail  
12 jurisdictions.

13 With the exception of accounts 902 and 908, customer accounts expense and  
14 customer service and information expense are classified as customer-related  
15 and allocated using the number of customers allocation factor. Meter reading  
16 costs in account 902 are direct assigned to the Indiana and Michigan retail  
17 jurisdictions using each state's proportional share of AMR meters.

18 Activity in account 908 includes a state designation and is direct assigned to the  
19 Indiana and Michigan retail jurisdictions. Furthermore, the cost of demand  
20 response pursuant to Rider D.R.S. 1 in account 9080018 is demand-related and  
21 allocated using the demand allocation factor.

22 Sales expenses are incurred to encourage the use of electricity. As such, these  
23 costs are classified as demand-related and have been allocated using the  
24 demand allocation factor in prior cases; there are no sales expense costs  
25 allocated to the Indiana retail jurisdiction in the current case.

26 Most administrative and general expenses are allocated using the payroll  
27 allocation factor. Property insurance, account 924, is functionalized into  
28 production, transmission, and distribution; production and transmission functions

1 are allocated on demand, while distribution is allocated on distribution plant.  
2 Regulatory commission expense, account 928, is direct assigned or allocated  
3 using the demand allocation factor, depending upon the specific nature of the  
4 expense.

5 Lastly, State Public Service Commission Fees in account 9280006 are direct  
6 assigned to the Indiana and Michigan retail jurisdictions.

7 **Q32. How are other O&M expense items allocated?**

8 Factoring expense is directly assigned based upon the receivables that the  
9 Company sells. Line of credit fees are allocated using the rate base allocation  
10 factor. Accretion is functionalized and allocated accordingly.

11 **Q33. Please explain how depreciation and amortization expenses are allocated.**

12 Depreciation and amortization expenses are functionalized and are allocated  
13 consistent with the functional plant-based allocation of accumulated provisions  
14 for depreciation and amortization. Distribution depreciation expense is direct  
15 assigned to the Indiana and Michigan retail jurisdictions.

16 **Q34. Please explain how regulatory debits and credits are allocated.**

17 Regulatory debits and credits are directly assigned to the benefiting jurisdiction.

18 **Q35. Please describe the allocation of taxes other than income taxes.**

19 Taxes other than income taxes are classified as relating to payroll, property (net  
20 plant), demand, or gross plant and allocated accordingly, or are direct assigned.  
21 Payroll taxes are related to payroll and are allocated using the payroll allocation  
22 factor. Property taxes and taxes on capital leases are allocated using the net  
23 plant allocation factor.

1 Sales and use taxes, business franchise taxes, and registration fees are  
2 allocated based on gross plant. State gross receipts taxes are direct assigned.  
3 Federal excise taxes are allocated based on demand.

4 **Q36. How are state and federal income taxes assigned?**

5 State and federal income taxes are direct assigned to Indiana and provided by  
6 Company witness Criss.

## VI. Jurisdictional Cost of Service Adjustments

7 **Q37. Please explain how cost of service adjustments are treated.**

8 Cost of service adjustments are provided to me by various Company witnesses.  
9 Workpaper JCD-2 provides a comprehensive list of the adjustments contained  
10 within the Test Year jurisdictional study, as well as identifies the adjustment  
11 amounts, witnesses sponsoring each adjustment, and a brief description of each  
12 adjustment.

13 The sum of all adjustments is shown in the Adjustments column within  
14 Attachment JCD-1 and shown by adjustment in WP JCD-3. For those  
15 adjustments derived on a Total Company basis, I add the Total Company  
16 adjustment amount to the applicable account to arrive at Total Company after  
17 Adjustments. I then allocate the total based on the applicable allocation factor.

18 Some adjustments are calculated on a retail jurisdictional basis; those  
19 adjustments are directly assigned to the appropriate retail jurisdiction.

1 **Q38. Describe the purpose of I&M's cost of service adjustments to firm sales**  
2 **and interruptible revenues.**

3 I&M's Test Year revenues include all revenues associated with I&M's current  
4 basic rates and existing rider mechanisms. I&M's OR-1 and RIDER adjustments  
5 restate I&M's Test Year revenue from I&M's Indiana retail customers and allows  
6 a comparison to I&M's proposed rates. This is accomplished in two distinct  
7 steps:

8 1) I&M's total Test Year retail revenues are recalculated on a tariff class  
9 level in Attachment JLF-3. The resulting variance between the revenues  
10 calculated in Attachment JLF-3 and those reflected in the Test Year  
11 forecast is represented by Operating Revenue Adjustment No. 1 (OR-1).  
12 See Company witness Fischer's testimony for further discussion  
13 regarding Attachment JLF-3.

14 2) I&M's Test Year retail revenues are adjusted to remove all rider revenues  
15 that relate to costs I&M seeks to recover through its rider mechanisms.  
16 Adjustments RIDER-1 through RIDER-4 represent the resulting  
17 adjustments.

18 The sum of I&M's Test Year operating revenues and the adjustments below  
19 produce adjusted Indiana retail operating revenue specific to I&M's Test Year  
20 and its proposed basic rates.

21 **Q39. Describe Operating Revenue Adjustment No. 1 (OR-1) to Exhibit A-5.**

22 Adjustment OR-1 adjusts the Test Year level of operating revenues to match  
23 revenues developed on a tariff class level as calculated in Attachment JLF-3.

24 This adjustment is necessary because the Company forecasts Indiana retail  
25 revenues and retail energy sales by revenue class, not rate schedule.

26 Adjustment OR-1 is the sum of the recalculated total operating revenue less the  
27 original forecasted level.

1 As a result of this adjustment, the Company's firm sales revenues in Indiana are  
2 increased by \$33,906,889, and the Company's interruptible sales are increased  
3 by \$2,637,577. This results in an increase in Total Company revenues of  
4 \$36,544,466. If this adjustment were not made, Indiana's retail revenues would  
5 be understated. The calculation for this adjustment is reflected in WP-A-OR-1.

6 **Q40. Describe Rider Adjustment No. 1 (RIDER-1) to Exhibit A-5.**

7 As supported by Company witness Gruca, adjustment RIDER-1 removes Total  
8 Company O&M expense and related Indiana retail revenue associated with the  
9 Demand Side Management/Energy Efficiency (DSM/EE) Program Cost  
10 expenses that the Company proposes to continue to collect under the DSM/EE  
11 rider. Company witness Gruca supports the calculation of both the revenues and  
12 the expenses to be removed related to the rider. The revenue adjustment needs  
13 to be split between firm and interruptible sales revenues as the interruptible  
14 revenues are related to multiple jurisdictions and thus need to be identified and  
15 allocated to the appropriate jurisdictions within the Test Year separation study. I  
16 support this revenue adjustment split amount between firm and interruptible  
17 sales revenues.

18 As a result of this adjustment, the Company's firm retail sales revenues in  
19 Indiana decreased by \$22,041,937 and the Company's interruptible sales  
20 decreased by \$63,123. This results in a revenue decrease of \$22,105,060 on a  
21 Total Company basis.

22 **Q41. Describe Rider Adjustment No. 2 (RIDER-2) to Exhibit A-5.**

23 As supported by Company witness Gruca, adjustment RIDER-2 removes Total  
24 Company Off-system Sales Margins, PJM Network Integration Transmission  
25 Services (NITS) expenses and related Indiana retail revenue the Company  
26 proposes to continue to collect under the OSS/PJM rider. Company witness

1 Gruca supports the calculation of both the revenues and expenses to be  
2 removed related to the rider, while I support the revenue adjustment split  
3 amount between firm and interruptible sales revenues similar to adjustment  
4 RIDER-1.

5 As a result of this adjustment, the Company's firm retail sales revenues in  
6 Indiana decreased by \$330,348,676 and the Company's interruptible sales  
7 decreased by \$12,282,327. This results in a revenue decrease of \$342,631,003  
8 on a Total Company basis.

9 **Q42. Describe Rider Adjustment No. 3 (RIDER-3) to Exhibit A-5.**

10 As supported by Company witness Gruca, adjustment RIDER-3 removes Total  
11 Company investment, accumulated depreciation, expenses and related Indiana  
12 retail revenue associated with the Saint Joseph Solar Facility that will continue  
13 to be recovered in the Solar Power Rider. Company witness Gruca supports the  
14 calculation of both the revenues and expenses to be removed related to the  
15 rider, while I support the revenue adjustment split amount between firm and  
16 interruptible sales revenues similar to adjustment RIDER-1.

17 As a result of this adjustment, the Company's firm retail sales revenues in  
18 Indiana decreased by \$2,047,047 and the Company's interruptible sales  
19 decreased by \$72,145. This results in a revenue decrease of \$2,119,192 on a  
20 Total Company basis.

21 **Q43. Describe Rider Adjustment No. 4 (RIDER-4) to Exhibit A-5.**

22 As supported by Company witness Gruca, adjustment RIDER-4 removes the  
23 Indiana retail jurisdictional SO2 allowance amortization expense and Indiana  
24 retail revenue that will continue to be recovered in the Environmental Cost  
25 Recovery (ECR) Rider. Company witness Gruca supports the calculation of both  
26 the revenues and expenses to be removed related to the rider, while I support

1 the revenue adjustment split amount between firm and interruptible sales  
2 revenues similar to adjustment RIDER-1.

3 As a result of this adjustment, the Company's firm retail sales revenues in  
4 Indiana decreased by \$18,441,685 and the Company's interruptible sales  
5 decreased by \$717,265. This results in a revenue decrease of \$19,158,950 on a  
6 Total Company basis.

## VII. Phase-in Rate Adjustment (PRA)

7 **Q44. Did you calculate the revenue requirement for the Company's Phase-in**  
8 **Rate Adjustment (PRA)?**

9 Yes. I calculated the PRA revenue requirement following the same methods  
10 employed to develop the Phase-In Rate Adjustments in Cause Nos. 44967,  
11 45235, and 45576.

12 **Q45. How is the utility plant adjustment calculated to set net electric plant-in-**  
13 **service to the balance at the beginning of the Test Year?**

14 The amount for plant-in-service is developed using the forecasted capital  
15 additions provided by Company witness Sloan. To compute the balance at the  
16 beginning of the Test Year, I use Company witness Sloan's forecast and remove  
17 the plant-in-service activity forecasted to occur during the Test Year. The  
18 amount for accumulated depreciation is calculated using the authorized  
19 depreciation rates in Adjustment DEP-1 supported by Company witness Ross.  
20 Both calculations are shown in WP-JCD-5. This adjustment results in a  
21 decrease to Total Company rate base of \$118,128,181 as reflected in WP-JCD-  
22 4.



1 **Q46. How are the depreciation and amortization adjustments calculated to set**  
2 **depreciation expense to a level matching depreciable plant-in-service at**  
3 **the beginning of the Test Year?**

4 The amount of depreciation expense is developed using the forecasted plant-in-  
5 service activity provided by Company witness Sloan. To compute the adjusted  
6 level of depreciation expense, I applied the Company's proposed depreciation  
7 rates, supported by Company witness Cash, to plant balances at the beginning  
8 of the Test Year. The adjusted level of amortization expense is calculated by  
9 multiplying the forecasted amortization expense in December 2023 by 12  
10 months. These calculations are reflected in WP-JCD-5. The adjustment results  
11 in a decrease to Total Company depreciation and amortization expense of  
12 \$37,776,731 as reflected in WP-JCD-4.

13 **Q47. How are these two adjustments used to calculate the PRA?**

14 A separate jurisdictional study, provided as WP-JCD-4, is prepared with an  
15 additional column showing the total of these two adjustments, including the tax  
16 effect. The adjusted Total Company amounts are then allocated using the same  
17 methodology used in Attachment JCD-1.

18 Company witness Small then develops a class cost-of-service study based on  
19 the adjusted Indiana jurisdictional amounts to provide revenue requirements by  
20 rate schedule. By comparing the new class revenue requirements with the ones  
21 calculated in WP-MSS-1, the adjustment amount for each rate schedule is  
22 developed.

23 The PRA total adjustment of (\$32,692,077) is shown in Attachment JCD-2. This  
24 adjustment is applied to customer bills from the date of implementation of new  
25 basic rates to the end of the Test Year, as described by Company witness  
26 Seger-Lawson.

1 **Q48. Does this conclude your pre-filed verified direct testimony?**

2 Yes.



**Indiana Michigan Power Company**  
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Indiana Michigan Power Company  
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Line No.	Description	12 MOS. ENDED	OTHER		TOTAL COMPANY			IN RETAIL	ALLOCATOR
		TOTAL COMPANY	REGULATORY	NON-UTILITY	PROJECTED	FIXED, KNOWN &	TOTAL COMPANY		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Operating Revenues - Sale of Electricity	1,972,867,074	-	-	1,972,867,074	(195,703,456)	1,777,163,618	1,233,024,597	
2	Interruptible Sales	146,459,089	-	-	146,459,089	(10,497,283)	135,961,806	95,716,524	
3	Non-Firm Sales Revenues	76,394,127	-	-	76,394,127	(8,778,383)	67,615,744	47,581,224	
4	Other Electric Operating Revenues	90,363,982	-	-	90,363,982	138,508,474	228,872,456	165,093,436	
5	G/L Emissions Allowances	2,300,200	-	-	2,300,200	-	2,300,200	1,618,627	
6	<b>Total Operating Revenues</b>	<b>2,288,384,472</b>	<b>-</b>	<b>-</b>	<b>2,288,384,472</b>	<b>(76,470,648)</b>	<b>2,211,913,824</b>	<b>1,543,034,408</b>	
7	Operation and Maintenance Expenses								
8	Power Production	808,672,721	-	-	808,672,721	15,047,903	823,720,624	580,456,696	
9	Transmission	314,132,363	-	-	314,132,363	(254,384,060)	59,748,303	45,113,703	
10	Distribution	90,379,467	-	-	90,379,467	15,660,225	106,039,692	76,917,251	
11	Customer Accounts	15,472,548	-	-	15,472,548	-	15,472,548	12,130,197	
12	Customer Service & Information	24,062,259	-	-	24,062,259	(13,053,121)	11,009,138	7,132,758	
13	Sales Expense	282,034	-	-	282,034	(282,034)	(0)	(0)	
14	Administrative and General	105,631,125	-	-	105,631,125	5,840,136	111,471,261	80,937,411	
15	Other O&M	4,293,876	10,388,206	-	14,682,082	-	14,682,082	8,707,212	
16	<b>Total Operation and Maintenance Expense</b>	<b>1,362,926,393</b>	<b>10,388,206</b>	<b>-</b>	<b>1,373,314,599</b>	<b>(231,170,950)</b>	<b>1,142,143,649</b>	<b>811,395,228</b>	
17	Depreciation and Amortization Expense	491,195,958	-	-	491,195,958	1,390,708	492,586,666	362,792,895	
18	Regulatory Debits/Credits	-	1,310,661	-	1,310,661	-	1,310,661	1,310,661	
19	Taxes Other than Income	86,884,408	-	-	86,884,408	(41,698)	86,842,710	64,923,421	
20	<b>Total Other Expenses</b>	<b>578,080,366</b>	<b>1,310,661</b>	<b>-</b>	<b>579,391,027</b>	<b>1,349,010</b>	<b>580,740,038</b>	<b>429,026,977</b>	
21	<b>Net Operating Income Before Income Tax</b>	<b>347,377,712</b>	<b>(11,698,867)</b>	<b>-</b>	<b>335,678,845</b>	<b>153,351,292</b>	<b>489,030,137</b>	<b>302,612,204</b>	
22	<b>Total State Income Tax</b>	<b>8,775,297</b>	<b>(981,729)</b>	<b>-</b>	<b>7,793,568</b>	<b>8,641,132</b>	<b>16,434,700</b>	<b>9,308,204</b>	
23	Federal Income Tax								
24	Current Federal Income Tax	(49,769,587)	(3,975,563)	-	(53,745,150)	132,695,631	78,950,481	46,797,921	
25	Deferred Federal Income Tax	(44,900,435)	-	-	(44,900,435)	31,299,842	(13,600,593)	(9,786,563)	
26	Deferred Investment Tax Credit	(3,925,233)	-	-	(3,925,233)	(27,629)	(3,952,862)	(2,871,743)	
27	<b>Total Federal Income Taxes</b>	<b>(98,595,255)</b>	<b>(3,975,563)</b>	<b>-</b>	<b>(102,570,818)</b>	<b>163,967,844</b>	<b>61,397,026</b>	<b>34,139,615</b>	
28	<b>Net Operating Income</b>	<b>437,197,670</b>	<b>(6,741,575)</b>	<b>-</b>	<b>430,456,095</b>	<b>(19,257,684)</b>	<b>411,198,411</b>	<b>259,164,385</b>	
29	Electric Plant in Service - Original Cost	11,808,511,341	-	-	11,808,511,341	(874,160,751)	10,934,350,590	8,122,400,788	
30	Accumulated Provision for Depreciation & Amortization	(4,632,985,677)	-	-	(4,632,985,677)	416,610,017	(4,216,375,660)	(3,074,933,906)	
31	Other Rate Base Items	301,424,261	-	-	301,424,261	(38,670,671)	262,753,590	189,720,191	
32	<b>Regulatory Liabilities and Assets</b>	<b>196,924,339</b>	<b>38,334,113</b>	<b>-</b>	<b>235,258,452</b>	<b>1,400,654</b>	<b>236,659,106</b>	<b>186,519,044</b>	
33	<b>Rate Base</b>	<b>7,673,874,264</b>	<b>38,334,113</b>	<b>-</b>	<b>7,712,208,377</b>	<b>(494,820,750)</b>	<b>7,217,387,626</b>	<b>5,423,706,117</b>	
34	<b>Rate of Return</b>	<b>5.70%</b>			<b>5.58%</b>		<b>5.70%</b>	<b>4.78%</b>	

**Indiana Michigan Power Company**  
**Indiana Jurisdictional Separation Study Projected**  
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Line No.	Description	12 MOS. ENDED	OTHER		TOTAL COMPANY	FIXED, KNOWN &	TOTAL COMPANY	IN RETAIL	ALLOCATOR
		TOTAL COMPANY	REGULATORY	NON-UTILITY	PROJECTED	MEASURABLE	AFTER		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Development of Rate Base								
2	Electric Plant in Service								
3	Intangible Plant	395,704,417	-	-	395,704,417	2,147,994	397,852,411	289,346,496	Payroll
4	Total Intangible Plant	395,704,417	-	-	395,704,417	2,147,994	397,852,411	289,346,496	
5	Production Plant								
6	Steam Production	1,278,942,360	-	-	1,278,942,360	(293,447,463)	985,494,897	703,554,245	Demand
7	A317 ARO Steam Production Plant	19,072,933	-	-	19,072,933	(19,072,933)	(0)	(0)	Demand
8	Total Steam Production	1,298,015,293	-	-	1,298,015,293	(312,520,396)	985,494,897	703,554,245	
9	Nuclear Production								
10	Nuclear Production Plant	3,647,027,585	-	-	3,647,027,585	(20,797,256)	3,626,230,329	2,588,800,560	Demand
11	A326 ARO Nuclear Production Plnt	496,814,452	-	-	496,814,452	(496,814,452)	(0)	(0)	Demand
12	Total Nuclear Production	4,143,842,037	-	-	4,143,842,037	(517,611,708)	3,626,230,329	2,588,800,559	
13	Hydraulic Production								
14	Hydraulic Production Plant	84,477,414	-	-	84,477,414	-	84,477,414	60,309,235	Demand
15	A337 ARO Hydraulic Production	318,520	-	-	318,520	(318,520)	(0)	(0)	Demand
16	Total Hydraulic Production	84,795,934	-	-	84,795,934	(318,520)	84,477,414	60,309,235	
17	Other Production								
18	Other Production Plant	74,940,753	-	-	74,940,753	(37,540,383)	37,400,370	26,700,482	Demand
19	Total Other Production	74,940,753	-	-	74,940,753	(37,540,383)	37,400,370	26,700,482	
20	Total Production Plant	5,601,594,016	-	-	5,601,594,016	(867,991,007)	4,733,603,010	3,379,364,521	
21	Transmission Plant								
22	Total Transmission Plant	1,937,848,324	-	-	1,937,848,324	-	1,937,848,324	1,383,448,477	Demand
23	Transmission Plant - GSU	58,720,265	-	-	58,720,265	-	58,720,265	41,920,960	Demand
24	Transmission Plant	1,879,128,059	-	-	1,879,128,059	-	1,879,128,059	1,341,527,517	Demand
25	Total	1,937,848,324	-	-	1,937,848,324	-	1,937,848,324	1,383,448,477	

**Indiana Michigan Power Company**  
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Line No.	Description	12 MOS. ENDED	OTHER		TOTAL COMPANY	FIXED, KNOWN &	TOTAL COMPANY	IN RETAIL	ALLOCATOR
		TOTAL COMPANY	REGULATORY	NON-UTILITY	PROJECTED	MEASURABLE	AFTER		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		PROJECTED	ITEMS	ITEMS	ADJUSTMENTS	ADJUSTMENTS	ADJUSTMENTS		
1	Distribution Plant								
2	A360 Land and Land Rights	28,066,386	-	-	28,066,386	-	28,066,386	27,925,485	Direct
3	A361 Structures and Improvements	56,514,725	-	-	56,514,725	-	56,514,725	55,474,229	Direct
4	A362 Station Equipment	498,757,804	-	-	498,757,804	-	498,757,804	488,212,287	Direct
5	A363 Storage Battery Equipment	5,606,730	-	-	5,606,730	-	5,606,730	5,606,730	Direct
6	A364 Poles, Towers & Fixtures	342,963,339	-	-	342,963,339	-	342,963,339	342,580,677	Direct
7	A365 O.H. Conductors & Devices	564,018,672	-	-	564,018,672	-	564,018,672	563,390,390	Direct
8	A366 Underground Conduits	197,112,474	-	-	197,112,474	-	197,112,474	197,112,474	Direct
9	A367 U.G. Conductors & Devices	328,726,980	-	-	328,726,980	-	328,726,980	328,726,980	Direct
10	A368 Line Transformers	407,983,542	-	-	407,983,542	-	407,983,542	407,983,542	Direct
11	A369 Services	217,261,899	-	-	217,261,899	-	217,261,899	217,261,899	Direct
12	A370 Meters	172,969,508	-	-	172,969,508	-	172,969,508	172,481,002	Direct
13	A370 Meters South Bend Smart Meter Pilot Program	3,714,977	-	-	3,714,977	(3,714,977)	-	-	Direct
14	A371 Install. on Customer Prem.	26,475,457	-	-	26,475,457	-	26,475,457	26,475,457	Direct
15	A372 Leased Prop. on Cust. Premises	-	-	-	-	-	-	-	Direct
16	A373 Street Lights	30,957,353	-	-	30,957,353	-	30,957,353	30,957,353	Direct
17	A374 ARO	2,968,296	-	-	2,968,296	(2,968,296)	0	0	Direct
18	Total Indiana Distribution Plant	2,884,098,142	-	-	2,884,098,142	(6,683,273)	2,877,414,869	2,864,188,505	
19	A360 Land and Land Rights	9,850,209	-	-	9,850,209	-	9,850,209	-	Non Juris
20	A361 Structures and Improvements	8,347,228	-	-	8,347,228	-	8,347,228	-	Non Juris
21	A362 Station Equipment	134,715,992	-	-	134,715,992	-	134,715,992	-	Non Juris
22	A363 Storage Battery Equipment	-	-	-	-	-	-	-	Non Juris
23	A364 Poles, Towers & Fixtures	117,072,803	-	-	117,072,803	-	117,072,803	-	Non Juris
24	A365 O.H. Conductors & Devices	191,270,201	-	-	191,270,201	-	191,270,201	-	Non Juris
25	A366 Underground Conduits	20,005,125	-	-	20,005,125	-	20,005,125	-	Non Juris
26	A367 U.G. Conductors & Devices	49,604,082	-	-	49,604,082	-	49,604,082	-	Non Juris
27	A368 Line Transformers	71,560,382	-	-	71,560,382	-	71,560,382	-	Non Juris
28	A369 Services	44,514,049	-	-	44,514,049	-	44,514,049	-	Non Juris
29	A370 Meters	40,105,016	-	-	40,105,016	-	40,105,016	-	Non Juris
30	A370 Meters South Bend Smart Meter Pilot Program	-	-	-	-	-	-	-	Non Juris
31	A371 Install. on Customer Prem.	10,480,672	-	-	10,480,672	-	10,480,672	-	Non Juris
32	A372 Leased Prop. on Cust. Premises	-	-	-	-	-	-	-	Non Juris
33	A373 Street Lights	6,782,936	-	-	6,782,936	-	6,782,936	-	Non Juris
34	A374 ARO	-	-	-	-	-	-	-	Non Juris
35	Total Michigan Distribution Plant	704,308,696	-	-	704,308,696	-	704,308,696	-	
36	Total Distribution Plant	3,588,406,838	-	-	3,588,406,838	(6,683,273)	3,581,723,565	2,864,188,505	
37	General Plant								
38	General Plant	283,323,281	-	-	283,323,281	-	283,323,281	206,052,788	Payroll
39	A397 Communication Equipment SBSMPP - Direct IN	335,375	-	-	335,375	(335,375)	-	-	Direct
40	A39919 ARO General Plant	1,299,090	-	-	1,299,090	(1,299,090)	(0)	(0)	Payroll
41	Total General Plant	284,957,745	-	-	284,957,745	(1,634,465)	283,323,280	206,052,788	
42	Total Electric Plant in Service	11,808,511,341	-	-	11,808,511,341	(874,160,751)	10,934,350,590	8,122,400,788	
43	Electric Plant Acquisition Adjustment (Acct. 114)	-	-	-	-	-	-	-	Direct
44	Total Electric Utility Plant	11,808,511,341	-	-	11,808,511,341	(874,160,751)	10,934,350,590	8,122,400,788	

**Indiana Michigan Power Company**  
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Line No.	Description	12 MOS. ENDED	OTHER		TOTAL COMPANY	FIXED, KNOWN &	TOTAL COMPANY		
		DEC. 31, 2024	REGULATORY	NON-UTILITY	PROJECTED	MEASURABLE	AFTER	IN RETAIL	ALLOCATOR
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Accumulated Provision for Depreciation								
2	Production								
3	Steam, Hydraulic & Other Generation	(891,561,017)	-	-	(891,561,017)	97,277,390	(794,283,628)	(567,046,689)	Demand
4	Steam - Non-juris	(19,146,541)	-	-	(19,146,541)	-	(19,146,541)	-	Non Juris
5	Nuclear	(1,839,030,699)	-	-	(1,839,030,699)	14,952,494	(1,824,078,205)	(1,302,226,899)	Demand
6	ARO Steam, Hydraulic & Other Generation	(5,066,830)	-	-	(5,066,830)	5,066,830	-	-	Demand
7	ARO Nuclear	(192,130,542)	-	-	(192,130,542)	192,130,542	0	0	Demand
8	<b>Total Production Plant</b>	<b>(2,946,935,629)</b>	<b>-</b>	<b>-</b>	<b>(2,946,935,629)</b>	<b>309,427,255</b>	<b>(2,637,508,374)</b>	<b>(1,869,273,588)</b>	
9	Transmission	(510,693,886)	-	-	(510,693,886)	4,578,375	(506,115,511)	(361,320,711)	Demand
10	<b>Total Transmission Plant</b>	<b>(510,693,886)</b>	<b>-</b>	<b>-</b>	<b>(510,693,886)</b>	<b>4,578,375</b>	<b>(506,115,511)</b>	<b>(361,320,711)</b>	
11	Transmission Plant - GSU	(17,387,744)	-	-	(17,387,744)	155,881	(17,231,863)	(12,301,992)	Demand
12	Transmission Plant	(493,306,142)	-	-	(493,306,142)	4,422,493	(488,883,649)	(349,018,719)	Demand
13	<b>Total</b>	<b>(510,693,886)</b>	<b>-</b>	<b>-</b>	<b>(510,693,886)</b>	<b>4,578,375</b>	<b>(506,115,511)</b>	<b>(361,320,711)</b>	
14	Distribution	(874,105,225)	-	-	(874,105,225)	1,886,329	(872,218,896)	(697,211,292)	Dist. Plt. Excl. IN Accts
15	Distribution Direct Acct 363 (Storage Battery) - Direct IN	(4,717,430)	-	-	(4,717,430)	-	(4,717,430)	(4,717,430)	Direct
16	Distribution Direct Acct 370 (SBSMPP) - Direct IN	(3,714,977)	-	-	(3,714,977)	3,714,977	-	-	Direct
17	Distribution Direct Acct 374 (ARO) - Direct IN	(2,968,296)	-	-	(2,968,296)	2,968,296	(0)	(0)	Direct
18	<b>Total Distribution Plant</b>	<b>(885,505,928)</b>	<b>-</b>	<b>-</b>	<b>(885,505,928)</b>	<b>8,569,602</b>	<b>(876,936,326)</b>	<b>(701,928,722)</b>	
19	General	(47,305,233)	-	-	(47,305,233)	1,271,362	(46,033,871)	(33,479,096)	General Plant
20	General Direct Acct 397 (SBSMPP) - Direct IN	(335,375)	-	-	(335,375)	335,375	(0)	(0)	Direct
21	ARO General	39,690	-	-	39,690	(39,690)	(0)	(0)	General Plant
22	<b>Total General Plant</b>	<b>(47,600,918)</b>	<b>-</b>	<b>-</b>	<b>(47,600,918)</b>	<b>1,567,047</b>	<b>(46,033,871)</b>	<b>(33,479,096)</b>	
23	<b>Total Accumulated Provision for Depreciation</b>	<b>(4,390,736,361)</b>	<b>-</b>	<b>-</b>	<b>(4,390,736,361)</b>	<b>324,142,279</b>	<b>(4,066,594,082)</b>	<b>(2,966,002,117)</b>	
24	Accumulated Provision for Amortization								
25	Intangible	(146,467,527)	-	-	(146,467,527)	(237,431)	(146,704,959)	(106,694,253)	Payroll
26	<b>Total Intangible</b>	<b>(146,467,527)</b>	<b>-</b>	<b>-</b>	<b>(146,467,527)</b>	<b>(237,431)</b>	<b>(146,704,959)</b>	<b>(106,694,253)</b>	
27	Steam & Hydraulic	(92,705,170)	-	-	(92,705,170)	92,705,170	-	-	Demand
28	Nuclear	-	-	-	-	-	-	-	Demand
29	<b>Total Production Plant</b>	<b>(92,705,170)</b>	<b>-</b>	<b>-</b>	<b>(92,705,170)</b>	<b>92,705,170</b>	<b>-</b>	<b>-</b>	
30	Transmission Plant	-	-	-	-	-	-	-	Demand
31	<b>Total Transmission Plant</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
32	Distribution	-	-	-	-	-	-	-	Distribution Plant
33	<b>Total Distribution Plant</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
34	General	(3,076,619)	-	-	(3,076,619)	-	(3,076,619)	(2,237,536)	General Plant
35	<b>Total General Plant</b>	<b>(3,076,619)</b>	<b>-</b>	<b>-</b>	<b>(3,076,619)</b>	<b>-</b>	<b>(3,076,619)</b>	<b>(2,237,536)</b>	
36	<b>Total Accumulated Provision for Amortization</b>	<b>(242,249,316)</b>	<b>-</b>	<b>-</b>	<b>(242,249,316)</b>	<b>92,467,738</b>	<b>(149,781,578)</b>	<b>(108,931,789)</b>	
37	<b>Total Acc Prov Depreciation and Amortization</b>	<b>(4,632,985,677)</b>	<b>-</b>	<b>-</b>	<b>(4,632,985,677)</b>	<b>416,610,017</b>	<b>(4,216,375,660)</b>	<b>(3,074,933,906)</b>	
38	<b>Net Electric Plant in Service</b>	<b>7,175,525,664</b>	<b>-</b>	<b>-</b>	<b>7,175,525,664</b>	<b>(457,550,734)</b>	<b>6,717,974,930</b>	<b>5,047,466,882</b>	

**Indiana Michigan Power Company**  
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Line No.	Description	12 MOS. ENDED	OTHER		TOTAL COMPANY	FIXED, KNOWN &	TOTAL COMPANY	IN RETAIL	ALLOCATOR
		TOTAL COMPANY	REGULATORY	NON-UTILITY	PROJECTED	MEASURABLE	AFTER		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		PROJECTED	ITEMS	ITEMS	ADJUSTMENTS	ADJUSTMENTS	ADJUSTMENTS		
1	Other Rate Base Items								
2	Fuel Inventory (Accts 151-152)	99,492,336	-	-	99,492,336	(38,670,671)	60,821,665	42,799,585	Energy Excl Shop
3	Allowance Inventory (Acct 158)	22,153,046	-	-	22,153,046	-	22,153,046	15,588,873	Energy Excl Shop
4	Materials & Supplies Production	140,961,835	-	-	140,961,835	-	140,961,835	100,634,004	Demand
5	Materials & Supplies Transmission	3,999,690	-	-	3,999,690	-	3,999,690	2,855,417	Demand
6	Materials & Supplies Distribution	34,817,354	-	-	34,817,354	-	34,817,354	27,842,312	Distribution Plant
7	<b>Total Other Rate Base Items</b>	<b>301,424,261</b>	<b>-</b>	<b>-</b>	<b>301,424,261</b>	<b>(38,670,671)</b>	<b>262,753,590</b>	<b>189,720,191</b>	
8	Regulatory Liabilities and Assets								
9	Prepaid Pension and OPEB Expense	196,924,339	-	-	196,924,339	-	196,924,339	143,217,349	Payroll
10	Baffle Bolt Deferral (1823295) - Direct IN	-	3,949,160	-	3,949,160	-	3,949,160	3,949,160	Direct
11	Cook Plant Turbine Replacement (1823309) - Direct IN	-	11,937,322	-	11,937,322	-	11,937,322	11,937,322	Direct
12	Rockport DSI Deferrals (18233xx) - Direct IN	-	4,227,692	-	4,227,692	-	4,227,692	4,227,692	Direct
13	Cook Uprate Project Deferral (1823418) - Direct IN	-	13,400,099	-	13,400,099	-	13,400,099	13,400,099	Direct
14	Deferred Cook Nuc Plnt 316(b) Comply Costs (1823580) - Direct IN	-	4,819,839	-	4,819,839	-	4,819,839	4,819,839	Direct
15	Deferred Storm Expense (1823078) - Direct IN	-	-	-	-	15,270,762	15,270,762	15,270,762	Direct
16	ADFIT Unamortized Tax Basis Balance Sheet (2546001)	-	-	-	-	(13,870,107)	(13,870,107)	(10,303,179)	Gross Plant
17	<b>Total Regulatory Liabilities and Assets</b>	<b>196,924,339</b>	<b>38,334,113</b>	<b>-</b>	<b>235,258,452</b>	<b>1,400,654</b>	<b>236,659,106</b>	<b>186,519,044</b>	
18	<b>Total Rate Base</b>	<b>7,673,874,264</b>	<b>38,334,113</b>	<b>-</b>	<b>7,712,208,377</b>	<b>(494,820,750)</b>	<b>7,217,387,626</b>	<b>5,423,706,117</b>	
19	Firm Sales Revenue	1,972,867,074	-	-	1,972,867,074	-	1,972,867,074	1,428,728,054	Direct
20	Firm Sales Revenue - Direct Assign <b>Indiana</b>	-	-	-	-	(195,703,456)	(195,703,456)	(195,703,456)	Direct
21	<b>Total Firm Sales</b>	<b>1,972,867,074</b>	<b>-</b>	<b>-</b>	<b>1,972,867,074</b>	<b>(195,703,456)</b>	<b>1,777,163,618</b>	<b>1,233,024,597</b>	
22	Interruptible								
23	Demand Related	16,123,999	-	-	16,123,999	(12,054,709)	4,069,290	2,905,105	Demand
24	Energy Related	130,335,090	-	-	130,335,090	1,557,426	131,892,516	92,811,419	Energy Excl Shop
25	<b>Total Interruptible Sales</b>	<b>146,459,089</b>	<b>-</b>	<b>-</b>	<b>146,459,089</b>	<b>(10,497,283)</b>	<b>135,961,806</b>	<b>95,716,524</b>	
26	Sales for Resale								
27	Sales for Resale - Demand Related	35,849	-	-	35,849	-	35,849	25,941	Demand Excl Shop
28	Sales for Resale - Energy Related	(548,258)	-	-	(548,258)	-	(548,258)	(385,804)	Energy Excl Shop
29	OSS Margin - Energy Related	8,778,383	-	-	8,778,383	(8,778,383)	-	-	Energy Excl Shop
30	OSS Cost Recovery	68,128,153	-	-	68,128,153	-	68,128,153	47,941,087	Energy Excl Shop
31	<b>Total Sales for Resale</b>	<b>76,394,127</b>	<b>-</b>	<b>-</b>	<b>76,394,127</b>	<b>(8,778,383)</b>	<b>67,615,744</b>	<b>47,581,224</b>	



**Indiana Michigan Power Company**  
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Line No.	Description	12 MOS. ENDED	OTHER		TOTAL COMPANY	FIXED, KNOWN &	TOTAL COMPANY	IN RETAIL	ALLOCATOR
		TOTAL COMPANY	REGULATORY	NON-UTILITY	PROJECTED	MEASURABLE	AFTER		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Other Operating Revenues								
2	450-Forfeited Discounts	5,377,938	-	-	5,377,938	-	5,377,938	4,564,429	Direct
3	451-Miscellaneous Service Revenues	3,354,013	-	-	3,354,013	-	3,354,013	385,788	Direct
4	451-Miscellaneous Service Revenues - Direct Assign IN	-	-	-	-	64,345	64,345	64,345	Direct
5	Rent from Electric Property								
6	4541-Rent-Assoc Cos- Production	-	-	-	-	-	-	-	- Demand
7	4541-Rent-Assoc Cos- Transmission	3,963,380	-	-	3,963,380	-	3,963,380	2,829,495	Demand
8	4541-Rent-Assoc Cos- Distribution	4,162,505	-	-	4,162,505	-	4,162,505	3,328,621	Distribution Plant
9	4542-Rent-Non-Assoc Cos- Production	192,725	-	-	192,725	-	192,725	137,588	Demand
10	4542-Rent-Non-Assoc Cos- Transmission	179,781	-	-	179,781	-	179,781	128,347	Demand
11	4542-Rent-Non-Assoc Cos- Distribution	22,614	-	-	22,614	-	22,614	18,084	Distribution Plant
12	4544-Rent From Elect Prop-ABD-Nonaf Transmission	-	-	-	-	-	-	-	- Demand
13	4544-Rent From Elect Prop-ABD-Nonaf Distribution	-	-	-	-	-	-	-	- Distribution Plant
14	4545-Rent From Elect Prop-Pole Attch Transmission	21,254	-	-	21,254	-	21,254	15,173	Demand
15	4545-Rent From Elect Prop-Pole Attch Distribution	4,478,746	-	-	4,478,746	-	4,478,746	3,581,508	Distribution Plant
16	<b>Total Rent from Electric Property</b>	<b>13,021,005</b>	<b>-</b>	<b>-</b>	<b>13,021,005</b>	<b>-</b>	<b>13,021,005</b>	<b>10,038,817</b>	
17	Other Electric Revenue								
18	456-Other Electric Rev. Production	178,934	-	-	178,934	-	178,934	127,742	Demand
19	456-Other Electric Rev. Production-Retail Demand	(158,582,300)	-	-	(158,582,300)	155,696,175	(2,886,125)	(2,400,678)	Retail Demand Excl Shop
20	456-Other Electric Rev. Production-Retail Energy	17,252,045	-	-	17,252,045	(17,252,045)	-	-	- Retail Energy Excl Shop
21	456-Other Electric Rev. Production-Energy	-	-	-	-	-	-	-	- Energy Excl Shop
22	456-Other Electric Rev. Production Non Juris	3,630,183	-	-	3,630,183	-	3,630,183	-	- Non Juris
23	456-Other Electric Rev. Transmission	210,012,507	-	-	210,012,507	-	210,012,507	149,929,940	Demand
24	456-Other Electric Rev. Transmission Non Juris	(7,048,483)	-	-	(7,048,483)	-	(7,048,483)	-	- Non Juris
25	456-Other Electric Rev. Distribution	2,349,664	-	-	2,349,664	-	2,349,664	1,878,950	Distribution Plant
26	456-Other Electric Rev. Local Facility Charge	630,391	-	-	630,391	-	630,391	504,103	Distribution Plant
27	456-Other Electric Rev. Local Facility Charge FERC	188,085	-	-	188,085	-	188,085	-	- Non Juris
28	<b>Total Other Electric Revenues</b>	<b>68,611,026</b>	<b>-</b>	<b>-</b>	<b>68,611,026</b>	<b>138,444,129</b>	<b>207,055,155</b>	<b>150,040,057</b>	
29	<b>Total Other Operating Revenues</b>	<b>90,363,982</b>	<b>-</b>	<b>-</b>	<b>90,363,982</b>	<b>138,508,474</b>	<b>228,872,456</b>	<b>165,093,436</b>	
30	Gain on Disp of Emission Allow.	2,300,200	-	-	2,300,200	-	2,300,200	1,618,627	Energy Excl Shop
31	<b>Total Operating Revenues</b>	<b>2,288,384,472</b>	<b>-</b>	<b>-</b>	<b>2,288,384,472</b>	<b>(76,470,648)</b>	<b>2,211,913,824</b>	<b>1,543,034,408</b>	

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Line No.	Description	12 MOS. ENDED	OTHER		TOTAL COMPANY	FIXED, KNOWN &	TOTAL COMPANY	IN RETAIL	ALLOCATOR
		TOTAL COMPANY	REGULATORY	NON-UTILITY	PROJECTED	MEASURABLE	AFTER		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Power Production Expenses								
2	Steam Generation Expense								
3	500-Supervision & Engineering	2,344,990	-	-	2,344,990	-	2,344,990	1,674,111	Demand
4	500-DSI Amort - Direct IN	599,100	-	-	599,100	-	599,100	599,100	Direct
5	501-Fuel	48,763,718	-	-	48,763,718	-	48,763,718	34,314,531	Energy Excl Shop
6	501-Fuel - Direct IN	-	-	-	-	(576,606)	(576,606)	(576,606)	Direct
7	502 - Steam Expenses	412,303	-	-	412,303	-	412,303	294,347	Demand
8	502 - Steam Consumables	6,809,259	-	-	6,809,259	-	6,809,259	4,791,606	Energy Excl Shop
9	505-Electric	-	-	-	-	-	-	-	Demand
10	506-Misc. Power	3,170,640	-	-	3,170,640	-	3,170,640	2,263,550	Demand
11	507-Rents	14,874	-	-	14,874	-	14,874	10,619	Demand
12	508-Operation Supplies & Expenses - Non-major	-	-	-	-	-	-	-	Demand
13	509-Allowances	124,529	-	-	124,529	-	124,529	87,630	Energy Excl Shop
14	509 - SO2 Allowance - Direct IN	2,967,369	-	-	2,967,369	(2,967,369)	(0)	(0)	Direct
15	<b>Total Steam Operation</b>	<b>65,206,782</b>	<b>-</b>	<b>-</b>	<b>65,206,782</b>	<b>(3,543,975)</b>	<b>61,662,807</b>	<b>43,458,888</b>	
16	510-Supervision & Engineering	859,044	-	-	859,044	-	859,044	604,500	Energy Excl Shop
17	511-Structures	12,500	-	-	12,500	-	12,500	8,924	Demand
18	512-Boiler Plant	4,606,061	-	-	4,606,061	-	4,606,061	3,241,238	Energy Excl Shop
19	513-Electric Plant	1,550,083	-	-	1,550,083	-	1,550,083	1,090,778	Energy Excl Shop
20	514-Misc Steam Plant	317,541	-	-	317,541	-	317,541	226,696	Demand
21	<b>Total Steam Maintenance</b>	<b>7,345,229</b>	<b>-</b>	<b>-</b>	<b>7,345,229</b>	<b>-</b>	<b>7,345,229</b>	<b>5,172,136</b>	
22	<b>Total Steam Generation Expense</b>	<b>72,552,011</b>	<b>-</b>	<b>-</b>	<b>72,552,011</b>	<b>(3,543,975)</b>	<b>69,008,036</b>	<b>48,631,024</b>	
23	Nuclear Generation Expense								
24	517-Supervision & Engineering	26,578,373	-	-	26,578,373	-	26,578,373	18,974,555	Demand
25	5180000-5180002 -Fuel	104,295,658	-	-	104,295,658	-	104,295,658	73,391,791	Energy Excl Shop
26	519-Coolants and Water	12,185,397	-	-	12,185,397	-	12,185,397	8,699,272	Demand
27	520-Steam Expense	13,480,164	-	-	13,480,164	-	13,480,164	9,623,618	Demand
28	521-Steam from Other Sources	-	-	-	-	-	-	-	Demand
29	522-Steam Transferred Credit	-	-	-	-	-	-	-	Demand
30	523-Electric Expense	8,252,821	-	-	8,252,821	-	8,252,821	5,891,768	Demand
31	524-Misc Nuclear Power Exp	62,499,703	-	-	62,499,703	148,698	62,648,401	44,725,294	Demand
32	524xxxx - Cook Amort (Uprate Project/ 316(b)) - Direct IN	2,049,252	-	-	2,049,252	-	2,049,252	2,049,252	Direct
33	524xxxx - Cook Amort (Uprate Project/ 316(b)) - Non Juris	1,050,521	-	-	1,050,521	-	1,050,521	-	Non Juris
34	5240008-Nuclear Decomm Exp	2,018,429	-	-	2,018,429	-	2,018,429	-	Direct
35	5240008-Nuclear Decomm Exp - Direct IN	-	-	-	-	2,000,000	2,000,000	2,000,000	Direct
36	5240009-Nuclear Decomm Expense-ARO	(2,018,429)	-	-	(2,018,429)	-	(2,018,429)	-	Non Juris
37	<b>Total Nuclear Operations</b>	<b>230,391,889</b>	<b>-</b>	<b>-</b>	<b>230,391,889</b>	<b>2,148,698</b>	<b>232,540,587</b>	<b>165,355,549</b>	
38	528-Maint Supervision & Engineering	4,840,235	-	-	4,840,235	-	4,840,235	3,455,490	Demand
39	529-Maint of Structures	2,533,718	-	-	2,533,718	-	2,533,718	1,808,845	Demand
40	530-Maint of Reactor Plant	85,085,512	-	-	85,085,512	12,405,248	97,490,760	69,599,587	Demand
41	530-Maint of Reactor Plant IN Baffle Bolt Amort.	299,928	-	-	299,928	-	299,928	299,928	Direct
42	531-Maint of Electric Plant	16,743,033	-	-	16,743,033	-	16,743,033	11,953,011	Demand
43	532-Maint of Misc Nuclear Plant	18,682,080	-	-	18,682,080	-	18,682,080	13,337,316	Demand
44	<b>Total Nuclear Maintenance</b>	<b>128,184,506</b>	<b>-</b>	<b>-</b>	<b>128,184,506</b>	<b>12,405,248</b>	<b>140,589,754</b>	<b>100,454,178</b>	
45	<b>Total Nuclear Generation Expenses</b>	<b>358,576,395</b>	<b>-</b>	<b>-</b>	<b>358,576,395</b>	<b>14,553,946</b>	<b>373,130,340</b>	<b>265,809,727</b>	

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Line No.	Description	12 MOS. ENDED	OTHER		TOTAL COMPANY	FIXED, KNOWN &	TOTAL COMPANY	IN RETAIL	ALLOCATOR
		TOTAL COMPANY	REGULATORY	NON-UTILITY	PROJECTED	MEASURABLE	AFTER		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Production Hydraulic								
2	535-Supervision & Engineering	-	-	-	-	-	-	-	- Demand
3	536- Water for Power	-	-	-	-	-	-	-	- Demand
4	537-Hydraulic Expense	-	-	-	-	-	-	-	- Demand
5	538-Electric	-	-	-	-	-	-	-	- Demand
6	539-Misc Hydraulic	1,410,048	-	-	1,410,048	-	1,410,048	1,006,647	Demand
7	540- Rents	-	-	-	-	-	-	-	- Demand
8	<b>Total Hydraulic Operations</b>	<b>1,410,048</b>	<b>-</b>	<b>-</b>	<b>1,410,048</b>	<b>-</b>	<b>1,410,048</b>	<b>1,006,647</b>	
9	541-Supervision & Engineering	-	-	-	-	-	-	-	- Demand
10	542-Structures	-	-	-	-	-	-	-	- Demand
11	543-Reservoirs, Etc.	-	-	-	-	-	-	-	- Demand
12	544-Electric Plant	8,736,946	-	-	8,736,946	(204,000)	8,532,946	6,004,547	Energy Excl Shop
13	545-Misc Hydraulic Plant	-	-	-	-	-	-	-	- Demand
14	<b>Total Hydraulic Maintenance</b>	<b>8,736,946</b>	<b>-</b>	<b>-</b>	<b>8,736,946</b>	<b>(204,000)</b>	<b>8,532,946</b>	<b>6,004,547</b>	
15	<b>Total Hydraulic Generation Expense</b>	<b>10,146,994</b>	<b>-</b>	<b>-</b>	<b>10,146,994</b>	<b>(204,000)</b>	<b>9,942,994</b>	<b>7,011,194</b>	
16	Production Other								
17	546-Supervision & Engineering	-	-	-	-	-	-	-	- Demand
18	547- Fuel	-	-	-	-	-	-	-	- Energy Excl Shop
19	548-Generation Expense	-	-	-	-	-	-	-	- Demand
20	549-Misc Other Power Generation Expense	170,004	-	-	170,004	(170,004)	-	-	- Demand
21	550-Rents	-	-	-	-	-	-	-	- Demand
22	<b>Total Other Power Operation</b>	<b>170,004</b>	<b>-</b>	<b>-</b>	<b>170,004</b>	<b>(170,004)</b>	<b>-</b>	<b>-</b>	
23	551-Supervision & Engineering	-	-	-	-	-	-	-	- Demand
24	552-Structures	-	-	-	-	-	-	-	- Demand
25	553-Generation & Electric Plant	-	-	-	-	-	-	-	- Demand
26	554-Misc Other Generation	-	-	-	-	-	-	-	- Demand
27	<b>Total Other Power Maintenance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
28	<b>Total Other Production Expense</b>	<b>170,004</b>	<b>-</b>	<b>-</b>	<b>170,004</b>	<b>(170,004)</b>	<b>-</b>	<b>-</b>	
29	Other Power Supply Expense								
30	555-Purchased Power Expense Demand	107,624,120	-	-	107,624,120	3,628,584	111,252,704	79,424,371	Demand
31	555-Purchased Power Expense Demand - Direct IN	-	-	-	-	783,352	783,352	783,352	Direct
32	555-OSS/PJM Purchased Power Expense Demand	6,804,000	-	-	6,804,000	-	6,804,000	4,923,621	Demand Excl Shop
33	555-Purchased Power Expense Energy	195,856,613	-	-	195,856,613	-	195,856,613	137,822,302	Energy Excl Shop
34	555-OSS/PJM Purchased Power Expense Energy	49,690,000	-	-	49,690,000	-	49,690,000	34,966,346	Energy Excl Shop
35	5550106-Under recovered PJM Expense Direct IN	-	-	-	-	-	-	-	- Direct
36	5550145-Defd RES Wildcat Wind Cost-Non Juris	5,733,120	-	-	5,733,120	-	5,733,120	-	- Non Juris
37	5550552 - Resource Adequacy Rider Direct IN	-	-	-	-	-	-	-	- Direct
38	556-Sys Control & Load Dispatching	215,239	-	-	215,239	-	215,239	153,661	Demand
39	557- Other Expenses	1,304,225	-	-	1,304,225	-	1,304,225	931,099	Demand
40	<b>Total Other Power Supply Expense</b>	<b>367,227,317</b>	<b>-</b>	<b>-</b>	<b>367,227,317</b>	<b>4,411,936</b>	<b>371,639,253</b>	<b>259,004,751</b>	
41	<b>Total Production O&amp;M Expense</b>	<b>808,672,721</b>	<b>-</b>	<b>-</b>	<b>808,672,721</b>	<b>15,047,903</b>	<b>823,720,624</b>	<b>580,456,696</b>	

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Line No.	Description	12 MOS. ENDED	OTHER		TOTAL COMPANY	FIXED, KNOWN &	TOTAL COMPANY	IN RETAIL	ALLOCATOR
		TOTAL COMPANY	REGULATORY	NON-UTILITY	PROJECTED	MEASURABLE	AFTER		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Transmission Expense								
2	560-Supervision & Engineering	7,600,895	-	-	7,600,895	48,846	7,649,741	5,461,223	Demand
3	561-Load Dispatching - Company	477,203	-	-	477,203	-	477,203	340,680	Demand
4	561-Load Dispatching - PJM LSE	5,333,687	-	-	5,333,687	-	5,333,687	3,859,649	Demand Excl Shop
5	561-Load Dispatching - PJM OSS Margin	1,067,477	-	-	1,067,477	(1,067,477)	-	-	Demand Excl Shop
6	562-Station Equipment	580,852	-	-	580,852	-	580,852	414,676	Demand
7	563-Overhead Lines	306,273	-	-	306,273	-	306,273	218,651	Demand
8	564-Underground Lines	-	-	-	-	-	-	-	Demand
9	5650012-PJM Trans Enhancement Charge	6,213,673	-	-	6,213,673	49,550	6,263,223	5,209,748	Retail Demand Excl Shop
10	5650015-PJM TO Serv Exp - Aff	584,223	-	-	584,223	(584,223)	-	-	Retail Energy Excl Shop
11	5650016-PJM NITS Expense - Affiliated	235,966,346	-	-	235,966,346	(235,966,346)	(0)	(0)	Retail Demand Excl Shop
12	5650019-Affiliated PJM Trans Enhancement Expense	14,983,901	-	-	14,983,901	119,487	15,103,388	12,562,996	Retail Demand Excl Shop
13	5650020-Provision PJM NITS Affiliate Expense Non Juris	-	-	-	-	-	-	-	Non Juris
14	5650021-PJM NITS Expense Non Affiliate	16,137,564	-	-	16,137,564	(16,137,564)	-	-	Retail Demand Excl Shop
15	5650023-Amort of Provision RTO Expense	463,953	-	-	463,953	-	463,953	-	Non Juris
16	5650062-Deferral of Provision RTO Exp	(246,132)	-	-	(246,132)	-	(246,132)	-	Non Juris
17	566-Misc Transmission	2,701,644	-	-	2,701,644	-	2,701,644	1,928,730	Demand
18	567-Rents	844,616	-	-	844,616	-	844,616	602,979	Demand
19	575-PJM Regional Market Expenses LSE	4,475,107	-	-	4,475,107	-	4,475,107	3,238,349	Demand Excl Shop
20	575-PJM Regional Market Expenses OSS Margin	846,333	-	-	846,333	(846,333)	0	0	Demand Excl Shop
21	<b>Total Transmission Operation Expense</b>	<b>298,337,614</b>	<b>-</b>	<b>-</b>	<b>298,337,614</b>	<b>(254,384,060)</b>	<b>43,953,555</b>	<b>33,837,681</b>	
22	568-Supervision & Engineering	5,089	-	-	5,089	-	5,089	3,633	Demand
23	569-Structures	228,754	-	-	228,754	-	228,754	163,310	Demand
24	570-Station Equipment	3,042,578	-	-	3,042,578	-	3,042,578	2,172,126	Demand
25	571-Overhead Lines	12,509,046	-	-	12,509,046	-	12,509,046	8,930,328	Demand
26	572-Underground Lines	-	-	-	-	-	-	-	Demand
27	573-Misc Transmission Expenses	9,281	-	-	9,281	-	9,281	6,626	Demand
28	<b>Total Transmission Maintenance Expense</b>	<b>15,794,749</b>	<b>-</b>	<b>-</b>	<b>15,794,749</b>	<b>-</b>	<b>15,794,749</b>	<b>11,276,022</b>	
29	<b>Total Transmission O&amp;M Expense</b>	<b>314,132,363</b>	<b>-</b>	<b>-</b>	<b>314,132,363</b>	<b>(254,384,060)</b>	<b>59,748,303</b>	<b>45,113,703</b>	
30	Transmission O&M - GSU	857,729	-	-	857,729	-	857,729	613,398	
31	Transmission O&M	27,448,502	-	-	27,448,502	48,846	27,497,348	19,629,564	
32	Transmission O&M - OSS (Other Production)	1,913,810	-	-	1,913,810	(1,913,810)	0	0	
33	Transmission O&M - LSE Demand	283,110,278	-	-	283,110,278	(251,934,873)	31,175,405	24,870,742	
34	Transmission O&M - LSE Energy	584,223	-	-	584,223	(584,223)	-	-	
35	Transmission O&M - Non-jurisdictional	217,821	-	-	217,821	-	217,821	-	
36	<b>Total</b>	<b>314,132,363</b>	<b>-</b>	<b>-</b>	<b>314,132,363</b>	<b>(254,384,060)</b>	<b>59,748,303</b>	<b>45,113,703</b>	

**Indiana Michigan Power Company**  
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Line No.	Description	12 MOS. ENDED	OTHER		TOTAL COMPANY	FIXED, KNOWN &	TOTAL COMPANY	IN RETAIL	ALLOCATOR
		DEC. 31, 2024	REGULATORY	NON-UTILITY	PROJECTED	MEASURABLE	AFTER		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		TOTAL COMPANY PROJECTED	ITEMS	ITEMS	BEFORE ADJUSTMENTS	ADJUSTMENTS	ADJUSTMENTS		
1	Distribution Expense								
2	580-Supervision & Engineering	3,872,860	-	-	3,872,860	-	3,872,860	3,097,001	Distribution Plant
3	581-Load Dispatching	635,214	-	-	635,214	-	635,214	507,960	Distribution Plant
4	582-Station Equipment	1,324,562	-	-	1,324,562	-	1,324,562	1,059,209	Distribution Plant
5	583-Overhead Lines	2,203,225	-	-	2,203,225	-	2,203,225	1,761,848	Distribution Plant
6	584-Underground Lines	4,896,440	-	-	4,896,440	-	4,896,440	3,915,525	Distribution Plant
7	585-Street & Area Lighting	-	-	-	-	-	-	-	Distribution Plant
8	586-Meters	3,041,587	-	-	3,041,587	-	3,041,587	2,432,258	Distribution Plant
9	587-Customer Installations	-	-	-	-	-	-	-	Distribution Plant
10	588-Misc Distribution	15,613,190	-	-	15,613,190	-	15,613,190	12,485,363	Distribution Plant
11	588-Misc Distribution <b>IN</b> Ft. Wayne Amortization	914,592	-	-	914,592	-	914,592	914,592	Direct
12	588-Misc Distribution - Direct Assign <b>IN</b>	-	-	-	-	(2,900)	(2,900)	(2,900)	Direct
13	589-Rents	1,680,308	-	-	1,680,308	-	1,680,308	1,343,688	Distribution Plant
14	<b>Total Distribution Operation</b>	<b>34,181,977</b>	-	-	<b>34,181,977</b>	<b>(2,900)</b>	<b>34,179,077</b>	<b>27,514,544</b>	
15	590-Supervision & Engineering	14,169	-	-	14,169	-	14,169	11,330	Distribution Plant
16	591-Structures	13,948	-	-	13,948	-	13,948	11,154	Distribution Plant
17	592-Station Equipment	2,036,730	-	-	2,036,730	-	2,036,730	1,628,707	Distribution Plant
18	593-Overhead Lines	14,487,943	-	-	14,487,943	-	14,487,943	11,585,540	Distribution Plant
19	593-Overhead Lines -Storm Amort Exp - Direct <b>IN</b>	252,353	-	-	252,353	-	252,353	252,353	Direct
20	593-Overhead Lines - Direct Assign <b>Indiana</b>	19,424,761	-	-	19,424,761	15,663,125	35,087,886	35,087,886	Direct
21	593-Overhead Lines - Direct Assign <b>MI</b>	18,934,985	-	-	18,934,985	-	18,934,985	-	Non Juris
22	594-Underground Lines	668,875	-	-	668,875	-	668,875	534,878	Distribution Plant
23	595-Line Transformers	140,229	-	-	140,229	-	140,229	112,136	Distribution Plant
24	596-Street & Area Lighting	-	-	-	-	-	-	-	Distribution Plant
25	597-Meters	162,832	-	-	162,832	-	162,832	130,211	Distribution Plant
26	598-Misc Distribution Plant	60,665	-	-	60,665	-	60,665	48,512	Distribution Plant
27	<b>Total Distribution Maintenance</b>	<b>56,197,490</b>	-	-	<b>56,197,490</b>	<b>15,663,125</b>	<b>71,860,615</b>	<b>49,402,707</b>	
28	<b>Total Distribution Expense</b>	<b>90,379,467</b>	-	-	<b>90,379,467</b>	<b>15,660,225</b>	<b>106,039,692</b>	<b>76,917,251</b>	
29	Customer Accounts Expense								
30	901-Supervision & Engineering	656,658	-	-	656,658	-	656,658	515,585	No. of Customers
31	902-Meter Reading	1,118,319	-	-	1,118,319	-	1,118,319	859,748	Direct
32	903-Customer Records & Collection Expense	13,643,888	-	-	13,643,888	-	13,643,888	10,712,713	No. of Customers
33	904-Uncollectible Accounts	-	-	-	-	-	-	-	No. of Customers
34	905-Misc Customer Accounts	53,683	-	-	53,683	-	53,683	42,150	No. of Customers
35	<b>Total Customer Accounts</b>	<b>15,472,548</b>	-	-	<b>15,472,548</b>	-	<b>15,472,548</b>	<b>12,130,197</b>	
36	Customer Service & Information Expense								
37	907-Supervision	2,277,613	-	-	2,277,613	-	2,277,613	1,788,303	No. of Customers
38	908-Customer Assistance	112,797	-	-	112,797	-	112,797	88,564	No. of Customers
39	908-Customer Assistance - Direct Assign <b>Indiana</b>	10,120,426	-	-	10,120,426	(7,720,862)	2,399,564	2,399,564	Direct
40	908-Customer Assistance - Direct Assign <b>MI</b>	7,850,460	-	-	7,850,460	(5,632,259)	2,218,201	-	Non Juris
41	9080018 Dem Resp - Emergency DRS 1	3,700,963	-	-	3,700,963	300,000	4,000,963	2,856,325	Demand
42	909-Information & Instruction	-	-	-	-	-	-	-	No. of Customers
43	910-Misc Customer Service	-	-	-	-	-	-	-	No. of Customers
44	<b>Total Customer Service &amp; Information</b>	<b>24,062,259</b>	-	-	<b>24,062,259</b>	<b>(13,053,121)</b>	<b>11,009,138</b>	<b>7,132,758</b>	

**Indiana Michigan Power Company**  
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Line No.	Description (1)	12 MOS. ENDED	OTHER		TOTAL COMPANY	FIXED, KNOWN &	TOTAL COMPANY	IN RETAIL	ALLOCATOR
		TOTAL COMPANY	REGULATORY	NON-UTILITY	PROJECTED	MEASURABLE	AFTER		
		PROJECTED	ITEMS	ITEMS	ADJUSTMENTS	ADJUSTMENTS	ADJUSTMENTS	(8)	(9)
1	Sales Expense								
2	911-Supervision	-	-	-	-	-	-	-	- Demand
3	912-Demo & Selling	282,034	-	-	282,034	(282,034)	(0)	(0)	Demand
4	9120005 EVSE Costs Deferred - Direct MI	-	-	-	-	-	-	-	Non Juris
5	913-Advertising	-	-	-	-	-	-	-	Demand
6	916-Misc Sales Expense	-	-	-	-	-	-	-	Demand
7	<b>Total Sales Expense</b>	<b>282,034</b>	<b>-</b>	<b>-</b>	<b>282,034</b>	<b>(282,034)</b>	<b>(0)</b>	<b>(0)</b>	
8	Administrative & General Expense								
9	920-Salaries	54,742,675	-	-	54,742,675	2,541,367	57,284,042	41,661,019	Payroll
10	920-Salaries - Direct Assign <b>Indiana</b>	137,523	-	-	137,523	(137,523)	0	0	Direct
11	920-Salaries - Direct Assign <b>Michigan</b>	137,523	-	-	137,523	(137,523)	0	-	Non Juris
12	921-Office Supplies	3,394,391	-	-	3,394,391	84,852	3,479,243	2,530,352	Payroll
13	921-Office Supplies - Direct Assign <b>Indiana</b>	33,575	-	-	33,575	(33,575)	(0)	(0)	Direct
14	921-Office Supplies - Direct Assign <b>Michigan</b>	33,575	-	-	33,575	(33,575)	(0)	-	Non Juris
15	922-Administrative Expense Transferred	(4,435,649)	-	-	(4,435,649)	-	(4,435,649)	(3,225,919)	Payroll
16	923-Outside Services	4,957,626	-	-	4,957,626	1,418,298	6,375,924	4,637,024	Payroll
17	923-Outside Services - Direct Assign <b>IN</b>	13,795	-	-	13,795	-	13,795	13,795	Direct
18	924-Property Insurance Production	772,750	-	-	772,750	-	772,750	551,674	Demand
19	924-Property Insurance Transmission	426,163	-	-	426,163	-	426,163	304,242	Demand
20	924-Property Insurance Distribution	(52,214)	-	-	(52,214)	-	(52,214)	(41,754)	Distribution Plant
21	925-Injuries & Damages	7,560,563	-	-	7,560,563	-	7,560,563	5,498,578	Payroll
22	926-Employee Pension & Benefits	9,404,801	-	-	9,404,801	-	9,404,801	6,839,839	Payroll
23	9260021-Emp Pension & Benefits VEBA Trust Contrib/Amort	562,000	-	-	562,000	-	562,000	408,726	Payroll
24	927-Franchise Requirements	-	-	-	-	-	-	-	Payroll
25	928 Reg. Commission Exp. - Production	14,548,635	-	-	14,548,635	-	14,548,635	10,386,410	Demand
26	928 Reg. Commission Exp. - Rate Case Exp Direct - <b>IN</b>	161,875	-	-	161,875	1,016,853	1,178,728	1,178,728	Direct
27	928 Reg. Commission Exp. - Rate Case Exp Direct - <b>MI</b>	-	-	-	-	-	-	-	Non Juris
28	9280006 -State Public Serv Commission Fees	3,061,423	-	-	3,061,423	-	3,061,423	1,983,039	Direct
29	929-Duplicate Charges	-	-	-	-	-	-	-	Payroll
30	930.1-General Advertising Expense	163,919	-	-	163,919	(163,919)	(0)	(0)	Payroll
31	930.2-Misc General Expense	6,084,514	-	-	6,084,514	-	6,084,514	4,425,091	Payroll
32	931-Rent	2,753,081	-	-	2,753,081	-	2,753,081	2,002,236	Payroll
33	931-Rent - Direct Assign <b>Indiana</b>	19,471	-	-	19,471	(19,471)	0	0	Direct
34	931-Rent - Direct Assign <b>Michigan</b>	11,087	-	-	11,087	(11,087)	(0)	-	Non Juris
35	<b>Total Admin &amp; General Operation</b>	<b>104,493,102</b>	<b>-</b>	<b>-</b>	<b>104,493,102</b>	<b>4,524,697</b>	<b>109,017,799</b>	<b>79,153,079</b>	
36	935-Admin & General Maintenance	1,138,023	-	-	1,138,023	1,315,439	2,453,462	1,784,332	Payroll
37	<b>Total Admin &amp; General Expense</b>	<b>105,631,125</b>	<b>-</b>	<b>-</b>	<b>105,631,125</b>	<b>5,840,136</b>	<b>111,471,261</b>	<b>80,937,411</b>	
38	Other O&M Expense								
39	G/L Disp. Of Util Plant - Production	-	-	-	-	-	-	-	Demand
40	G/L Disp. Of Util Plant - Distribution Plant	-	-	-	-	-	-	-	Distribution Plant
41	Factoring Expense	-	10,348,789	-	10,348,789	-	10,348,789	8,317,753	Direct
42	Line of Credit Fees	-	39,417	-	39,417	-	39,417	29,621	Rate Base
43	Accretion Production	468,768	-	-	468,768	-	468,768	334,658	Demand
44	Accretion Distribution	31,488	-	-	31,488	-	31,488	25,180	Distribution Plant
45	Accretion Nuclear	3,793,620	-	-	3,793,620	-	3,793,620	-	Non Juris
46	<b>Total Other O&amp;M Expense</b>	<b>4,293,876</b>	<b>10,388,206</b>	<b>-</b>	<b>14,682,082</b>	<b>-</b>	<b>14,682,082</b>	<b>8,707,212</b>	
47	<b>Total Operation &amp; Maint Expense</b>	<b>1,362,926,393</b>	<b>10,388,206</b>	<b>-</b>	<b>1,373,314,599</b>	<b>(231,170,950)</b>	<b>1,142,143,649</b>	<b>811,395,228</b>	

**Indiana Michigan Power Company**  
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Line No.	Description	12 MOS. ENDED	OTHER		TOTAL COMPANY	FIXED, KNOWN &	TOTAL COMPANY	IN RETAIL	ALLOCATOR
		TOTAL COMPANY	REGULATORY	NON-UTILITY	PROJECTED	MEASURABLE	AFTER		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		PROJECTED	ITEMS	ITEMS	ADJUSTMENTS	ADJUSTMENTS	ADJUSTMENTS		
1	Depreciation Expense								
2	Production	98,740,959	-	-	98,740,959	(11,847,892)	86,893,067	62,033,793	Demand
3	Production ARO	1,294,210	-	-	1,294,210	-	1,294,210	923,949	Demand
4	Nuclear	166,055,270	-	-	166,055,270	2,674,179	168,729,450	120,457,570	Demand
5	Nuclear ARO	205,851	-	-	205,851	-	205,851	-	Non Juris
6	Total Production	266,296,291	-	-	266,296,291	(9,173,713)	257,122,577	183,415,312	
7	Transmission	49,261,848	-	-	49,261,848	1,953,286	51,215,135	36,562,975	Demand
8	Total Transmission	49,261,848	-	-	49,261,848	1,953,286	51,215,135	36,562,975	
9	Transmission Plant - GSU	1,531,308	-	-	1,531,308	60,718	1,592,026	1,136,563	Demand
10	Transmission Plant	47,730,540	-	-	47,730,540	1,892,568	49,623,109	35,426,412	Demand
11	Total	49,261,848	-	-	49,261,848	1,953,286	51,215,135	36,562,975	
12	Distribution	-	-	-	-	8,265,598	8,265,598	6,607,135	Dist. Plt. Excl. IN Accts
13	Distribution - Indiana Distribution Plant	85,693,459	-	-	85,693,459	-	85,693,459	85,693,459	Direct
14	Distribution - Michigan Distribution Plant	20,832,003	-	-	20,832,003	-	20,832,003	-	Non Juris
15	Total Distribution	106,525,463	-	-	106,525,463	8,265,598	114,791,060	92,300,594	
16	General	10,549,039	-	-	10,549,039	(84,061)	10,464,978	7,610,875	General Plant
17	General ARO	47,463	-	-	47,463	-	47,463	34,518	General Plant
18	Total General	10,596,502	-	-	10,596,502	(84,061)	10,512,441	7,645,393	
19	Total Depreciation Expense	432,680,104	-	-	432,680,104	961,110	433,641,213	319,924,274	
20	Amortization Expense								
21	Intangible Plant	57,659,130	-	-	57,659,130	429,599	58,088,728	42,246,244	Payroll
22	Total Intangible	57,659,130	-	-	57,659,130	429,599	58,088,728	42,246,244	
23	Production	-	-	-	-	-	-	-	Demand
24	Production - Rockport DSI Direct IN	442,916	-	-	442,916	-	442,916	442,916	Direct
25	Nuclear	-	-	-	-	-	-	-	Demand
26	Production - Non-juris	167,049	-	-	167,049	-	167,049	-	Non Juris
27	Total Production	609,965	-	-	609,965	-	609,965	442,916	
28	Transmission Plant	-	-	-	-	-	-	-	Demand
29	Total Transmission	-	-	-	-	-	-	-	
30	Distribution Plant	-	-	-	-	-	-	-	Distribution Plant
31	Total Distribution	-	-	-	-	-	-	-	
32	General Plant	246,759	-	-	246,759	-	246,759	179,461	General Plant
33	Total General	246,759	-	-	246,759	-	246,759	179,461	
34	Total Amortization Expense	58,515,854	-	-	58,515,854	429,599	58,945,453	42,868,621	
35	Amortization of Plant Acquisition Adjustment	-	-	-	-	-	-	-	
36	Total Depreciation & Amortization Expense	491,195,958	-	-	491,195,958	1,390,708	492,586,666	362,792,895	

**Indiana Michigan Power Company**  
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Line No.	Description	12 MOS. ENDED	OTHER		TOTAL COMPANY	FIXED, KNOWN &	TOTAL COMPANY		
		DEC. 31, 2024	REGULATORY	NON-UTILITY	PROJECTED	MEASURABLE	AFTER	IN RETAIL	ALLOCATOR
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Reg Debits/Credits - MI Direct Assign	-	-	-	-	-	-	-	- Non Juris
2	Reg Debits/Credits - IN Direct Assign	-	-	-	-	-	-	-	- Direct
3	Cook Unit 1 Turbine CC Amortization - Direct IN	-	915,919	-	915,919	-	915,919	915,919	Direct
4	Rockport DSI CC Amortization - Direct IN	-	394,742	-	394,742	-	394,742	394,742	Direct
5	<b>Total Reg Debits/Credits</b>	<b>-</b>	<b>1,310,661</b>	<b>-</b>	<b>1,310,661</b>	<b>-</b>	<b>1,310,661</b>	<b>1,310,661</b>	
6	Other Taxes								
7	Current Payroll Taxes								
8	FICA	13,254,322	-	-	13,254,322	-	13,254,322	9,639,483	Payroll
9	Fed Unemployment	55,409	-	-	55,409	-	55,409	40,297	Payroll
10	State Unemployment	269,878	-	-	269,878	-	269,878	196,274	Payroll
11	<b>Total Payroll Related Tax</b>	<b>13,579,608</b>	<b>-</b>	<b>-</b>	<b>13,579,608</b>	<b>-</b>	<b>13,579,608</b>	<b>9,876,055</b>	
12	Real and Personal Property Tax	71,469,262	-	-	71,469,262	(41,698)	71,427,564	53,666,212	Net Plant
13	Other								
14	IN P.S.C.	-	-	-	-	-	-	-	- Direct
15	MI P.S.C.	-	-	-	-	-	-	-	- Non Juris
16	Sales & Use	50,640	-	-	50,640	-	50,640	37,617	Gross Plant
17	Bus Franchise	-	-	-	-	-	-	-	- Gross Plant
18	Regis Fee	-	-	-	-	-	-	-	- Gross Plant
19	State Gross Receipts Tax	9,960	-	-	9,960	-	9,960	9,960	Direct
20	Federal Excise	-	-	-	-	-	-	-	- Demand
21	Taxes on Capital Leases	1,774,938	-	-	1,774,938	-	1,774,938	1,333,578	Net Plant
22	<b>Total Taxes Other Than Income</b>	<b>86,884,408</b>	<b>-</b>	<b>-</b>	<b>86,884,408</b>	<b>(41,698)</b>	<b>86,842,710</b>	<b>64,923,421</b>	
23	Income Before Income Taxes	347,377,712	(11,698,867)	-	335,678,845	153,351,292	489,030,137	302,612,204	
24	State Income Tax	8,775,297	(981,729)	-	7,793,568	8,641,132	16,434,700	9,308,204	Direct
25	Current Federal Income Taxes	(49,769,587)	(3,975,563)	-	(53,745,150)	132,695,631	78,950,481	46,797,921	Direct
26	Deferred Federal Income Tax	(44,900,435)	-	-	(44,900,435)	31,299,842	(13,600,593)	(9,786,563)	Direct
27	Deferred Investment Tax Credit	(3,925,233)	-	-	(3,925,233)	(27,629)	(3,952,862)	(2,871,743)	Direct
28	<b>Total Federal Income Taxes</b>	<b>(98,595,255)</b>	<b>(3,975,563)</b>	<b>-</b>	<b>(102,570,818)</b>	<b>163,967,844</b>	<b>61,397,026</b>	<b>34,139,615</b>	
29	<b>Net Operating Income</b>	<b>437,197,670</b>	<b>(6,741,575)</b>	<b>-</b>	<b>430,456,095</b>	<b>(19,257,684)</b>	<b>411,198,411</b>	<b>259,164,385</b>	



**Indiana Michigan Power Company**  
**Indiana Jurisdictional Separation Study Projected**  
**For the Test Year Ended December 31, 2024**

Line No.	Description	12 MOS. ENDED	OTHER		TOTAL COMPANY	FIXED, KNOWN &	TOTAL COMPANY		
		TOTAL COMPANY	REGULATORY	NON-UTILITY	PROJECTED	MEASURABLE	AFTER	IN RETAIL	ALLOCATOR
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Payroll								
2	Production								
3	Demand Related	138,333,509	-	-	138,333,509	-	138,333,509	98,757,617	Demand
4	Energy Related	5,212,603	-	-	5,212,603	-	5,212,603	3,668,055	Energy Excl Shop
5	Total	143,546,112	-	-	143,546,112	-	143,546,112	102,425,672	
6	Transmission	9,804,705	-	-	9,804,705	-	9,804,705	6,999,673	Demand
7	Distribution	19,557,467	-	-	19,557,467	-	19,557,467	15,639,474	Distribution Plant
8	Customer Accounts	6,340,924	-	-	6,340,924	-	6,340,924	4,978,676	No. of Customers
9	Cust. Svcs/Info	5,514,220	-	-	5,514,220	-	5,514,220	4,329,576	No. of Customers
10	Subtotal	184,763,428	-	-	184,763,428	-	184,763,428	134,373,071	
11	A&G	45,325,742	-	-	45,325,742	-	45,325,742	32,964,095	Subtotal
12	<b>Total Operation and Maintenance Payroll</b>	<b>230,089,170</b>	<b>-</b>	<b>-</b>	<b>230,089,170</b>	<b>-</b>	<b>230,089,170</b>	<b>167,337,166</b>	
13	Payroll Labor Allocation Factor							0.7272709	

**Indiana Michigan Power Company  
 Projected Jurisdictional Allocation Factors  
 For the Test Year Ended December 31, 2024**

<b>DESCRIPTION</b>	<b>Indiana</b>	<b>Other</b>	<b>Total</b>
Demand	0.7139096	0.2860904	1.0000000
Demand Excl Shop	0.7236362	0.2763638	1.0000000
Energy	0.6924810	0.3075190	1.0000000
Energy Excl Shop	0.7036898	0.2963102	1.0000000
Retail Demand	0.8189740	0.1810260	1.0000000
Retail Demand Excl Shop	0.8317998	0.1682002	1.0000000
Retail Energy	0.8159228	0.1840772	1.0000000
Retail Energy Excl Shop	0.8315290	0.1684710	1.0000000
Number of Customers	0.7851657	0.2148343	1.0000000
Production Plant	0.7139096	0.2860904	1.0000000
Total Transmission Plant	0.7139096	0.2860904	1.0000000
Distribution Plant - Indiana	0.9954034	0.0045966	1.0000000
Distribution Plant - Michigan	0.0000000	1.0000000	1.0000000
Distribution Plant	0.7996677	0.2003323	1.0000000
Distribution Plant Excl IN-Specific Accounts	0.7993536	0.2006464	1.0000000
General Plant	0.7272709	0.2727291	1.0000000
Total Gross Plant	0.7428334	0.2571666	1.0000000
Total Net Plant	0.7513376	0.2486624	1.0000000
Rate Base	0.7514777	0.2485223	1.0000000
Firm Sales Revenues	0.6938160	0.3061840	1.0000000
Retail Sales Revenues	0.7700027	0.2299973	1.0000000
System Sales	0.7037004	0.2962996	1.0000000
Total O&M Expenses	0.7104143	0.2895857	1.0000000
Factoring Expense	0.8037416	0.1962584	1.0000000
Payroll Labor Factor	0.7272709	0.2727291	1.0000000

Indiana Michigan Power Company  
 Phase-In Rate Adjustment  
 For the Test Year Ended December 31, 2024

	<u>Demand</u>	<u>Energy</u>	<u>Phase-In Rate Total<sup>1/</sup></u>
Residential	\$ -	\$ (17,364,469)	\$ (17,364,469)
Total General Service	\$ (3,956,746)	\$ (67,049)	\$ (4,023,795)
Total Large General Service	\$ (6,143,598)	\$ (151,309)	\$ (6,294,907)
Total Industrial Power	\$ (3,935,814)	\$ (187,782)	\$ (4,123,596)
Municipal Service	\$ -	\$ (71,342)	\$ (71,342)
Total Water & Sewage Service	\$ -	\$ (217,411)	\$ (217,411)
Irrigation Service	\$ -	\$ (9,138)	\$ (9,138)
Electric Heating General	\$ (17,150)	\$ (248)	\$ (17,398)
Outdoor Lighting	\$ -	\$ (309,236)	\$ (309,236)
Street Lighting	\$ -	\$ (260,785)	\$ (260,785)
<u>Total Indiana Retail</u>	<u>\$ (14,053,309)</u>	<u>\$ (18,638,769)</u>	<u>\$ (32,692,077)</u>

<sup>1/</sup> Source: WP-JCD-6