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STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF INDIANA MICHIGAN POWER)
COMPANY, AN INDIANA CORPORATION, FOR)
AUTHORITY TO INCREASE ITS RATES AND)
CHARGES FOR ELECTRIC UTILITY SERVICE)
THROUGH A PHASE IN RATE ADJUSTMENT;)
AND FOR APPROVAL OF RELATED RELIEF)
INCLUDING: (1) REVISED DEPRECIATION)
RATES; (2) ACCOUNTING RELIEF; (3))
INCLUSION IN RATE BASE OF QUALIFIED)
POLLUTION CONTROL PROPERTY AND)
CLEAN ENERGY PROJECT; (4))
ENHANCEMENTS TO THE DRY SORBENT)
INJECTION SYSTEM; (5) ADVANCED)
METERING INFRASTRUCTURE; (6) RATE)
ADJUSTMENT MECHANISM PROPOSALS;)
AND (7) NEW SCHEDULES OF RATES, RULES)
AND REGULATIONS.)

CAUSE NO. 45235

APPROVED: JUN 26 2019

PREHEARING CONFERENCE ORDER OF THE COMMISSION

Presiding Officers:

David L. Ober, Commissioner

Carol Sparks Drake, Senior Administrative Law Judge

On May 14, 2019, Indiana Michigan Power Company (“Petitioner” or “I&M”) filed its Verified Petition with the Indiana Utility Regulatory Commission (“Commission”) in this matter seeking a general rate increase and associated relief under Ind. Code § 8-1-2-42.7.

Pursuant to notice and as provided in 170 IAC 1-1.1-15, a prehearing conference in this Cause was held in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana, at 9:30 a.m., on June 14, 2019. Proofs of publication of the notice of the prehearing conference were incorporated into the record and placed in the official files of the Commission. Counsel for I&M, the Indiana Office of Utility Consumer Counselor (“OUCC”), Citizens Action Coalition of Indiana, Inc. (“CAC”), The Kroger Company (“Kroger”), I&M Industrial Group (“Industrial Group”), the City of Fort Wayne, the City of Marion and Marion Municipal Utilities, and Wabash Valley Power Association, Inc. appeared and participated.

Prior to opening the record and with the consent of I&M, the OUCC, and all Intervenor appearing, by counsel, at the prehearing conference, an informal discussion was held upon procedural and scheduling matters. In discussing the schedule, it was noted that two filings with proposed schedules were made in this matter on June 13, 2019. I&M filed *Submission of I&M’s*

Proposed Procedural Schedule and the OUCC, Industrial Group, CAC, Kroger, City of Marion, Marion Municipal Utilities, Steel Dynamics, Inc., the City of Fort Wayne, and Wabash Valley Power Association, Inc. filed *Notice of Consumer Parties' Agreed Procedural Schedule*. The schedules proposed in these filings were discussed, and the consensus reached upon the procedural schedule during the informal discussions was affirmed on the record, with the OUCC and the Industrial Group commenting upon this schedule. The field hearing dates were also confirmed, and the pending petition to intervene filed on June 4, 2019, in this Cause by Wabash Valley Power Association, Inc. d/b/a Wabash Valley Power Alliance was granted on the record, without objection.

Based upon the discussions at the prehearing conference, the Commission now enters the following Findings and Order which shall become part of the record in this proceeding:

1. **Test Year and Accounting Method.** Petitioner proposed a forward-looking test period using projected data as authorized by Ind. Code § 8-1-2-42.7(d). The test year for determining Petitioner's projected operating revenues, expenses, and operating income shall be the 12-month period ending December 31, 2020. The historical base period shall be the 12-month period ending December 31, 2018.
2. **Cutoff and Major Projects Updates.** The rate base cutoff shall reflect used and useful property at the end of the test year.
3. **I&M Notice to Customers.** I&M shall provide evidence of its compliance with 170 IAC 4-1-18(C) by providing notice to its customers within 45 days of filing the Petition with the Commission for a change in its base rates which fairly summarizes the nature and extent of the changes proposed.
4. **Petitioner's Prefiling Date.** I&M prefiled with the Commission its prepared testimony and exhibits constituting its case-in-chief on May 14, 2019. Copies of same were served upon all parties of record.
5. **Field Hearings.** Consistent with a Docket Entry issued on June 4, 2019, a field hearing will be held in this Cause in Fort Wayne, Indiana, the largest municipality within I&M's service area, and also in South Bend and Muncie, Indiana. The dates of these field hearings are July 11, 2019, for South Bend; July 15, 2019, in Muncie; and July 16 2019, for Fort Wayne, with appropriate notices to be issued reflecting the dates, times, and exact locations in Fort Wayne, Muncie, and South Bend, Indiana, where the field hearings will be conducted.
6. **OUCC's and Intervenors' Prefiling Date.** The OUCC and all Intervenors shall prefile with the Commission the prepared testimony and exhibits constituting their respective cases-in-chief on or before Tuesday, August 20, 2019, and shall serve copies of same on all parties of record the same day via email, hand delivery, or large file transfer.

7. **Petitioner's Rebuttal Prefiling and Cross-Answering Prefiling.** Petitioner shall prefile with the Commission its prepared rebuttal testimony on or before Tuesday, September 17, 2019, and any cross-answering testimony shall also be prefiled on or before September 17, 2019. Copies of same shall be served upon all parties of record the same day via email, hand delivery, or large file transfer.

8. **Settlement Agreement and Testimony.** If settlement is reached, the Presiding Officers shall promptly be notified via an email upon which counsel for all parties of record are copied, and the Settlement Agreement and the parties' supporting testimony shall be prefiled with the Commission on or before Tuesday, September 24, 2019, consistent with the schedule under General Administrative Order ("GAO") 2013-5 for rate cases submitted under Ind. Code § 8-1-2-42.7. Copies of same shall be served upon all parties of record. As shared with the parties, pursuant to their request, ten days are being set aside on the Commission's hearing room calendar to conduct the evidentiary hearing in this matter. Concurrently, the Commission needs to also accommodate the hearings requested in other proceedings. It is, therefore, important the parties in this Cause adhere to the foregoing settlement notice, settlement prefiling dates, and GAO 2013-5 by not waiting until after September 24, 2019, to commence settlement discussions in earnest or to initially request the evidentiary hearing be continued to accommodate settlement discussions. While settlement discussions are encouraged, these need to be timely conducted.

9. **Witness Order.** All parties shall submit their intended order of witnesses to the Commission in writing and serve the same upon all other parties of record on or before September 30, 2019, so as to be received by the Commission at least a week before the evidentiary hearing is scheduled to commence to help accommodate preparation for the hearing and responsibilities associated with or attendance at the Indiana Energy Conference on October 9, 2019.

10. **Evidentiary Hearing on the Parties' Cases-In-Chief.** In the event this Cause is not settled, the cases-in-chief of Petitioner, the OUCC, and all Intervenors shall be presented in an evidentiary hearing to commence at 9:30 a.m. on Monday, October 7, 2019, in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. Consistent with discussions at the prehearing conference, three days will be set aside during the weeks of October 7 and October 14, and four days are being set aside the week of October 21 for continuation of the evidentiary hearing after commencing on October 7, 2019. The hearing dates which have been set aside, at this time, include October 7, 10, 11, 15, 16, 17, 21, 22, 23, and 24. At such time, the direct evidence of the respective parties shall be presented and their respective witnesses examined. Thereafter, I&M shall present its prefiled rebuttal evidence as well as any additional evidence rebutting evidence adduced on cross-examination of the OUCC's or Intervenors' witnesses. If the parties reach settlement, the agreement and supporting testimony and exhibits shall be submitted to the Commission consistent with Paragraph 8 above prior to the evidentiary hearing.

11. **Hearing Exhibits.** Paper copies of exhibits to be offered at the evidentiary hearing must be: (a) single-sided; (b) fastened together with staples, binder clips, or other non-permanent bindings that have no more than three holes along the longest edge. Exhibits that contain excel

spreadsheets, are oversized or voluminous in nature, should be run through an optical character recognition program and offered on a compact disc. Confidential exhibits shall be offered on green paper in an envelope marked “confidential” or, if offered on a compact disc, the exhibits and compact disc shall be labeled “confidential.”

12. Sworn Testimony. Any witness testimony to be offered into the record of this proceeding shall be made under oath or affirmation. In accordance with 170 IAC 1-1.1-18(h), if the prefiled testimony of a witness is to be offered into evidence at the evidentiary hearing and the witness sponsoring the prefiled testimony is not required to, and does not, attend the evidentiary hearing, the prefiled testimony shall be accompanied by the witness’s sworn affidavit or written verification at the time the evidence is offered into the record.

13. Technical Conference. No technical conference is being scheduled at this time, but I&M or another party may subsequently propose a technical conference be scheduled.

14. Discovery. Discovery is available for all parties and shall be conducted on an informal basis. Any response or objection to a discovery request shall be made within ten calendar days of the receipt of such request; provided, that after August 22, 2019, responses or objections to a discovery request shall be made within five business days of receiving such request. Discovery requests served after 1:30 p.m. on a Friday or the day before a state holiday or after 5:00 p.m. on any other business day shall be deemed received on the next business day. The last discovery response due date shall be three business days before the evidentiary hearing commences. The parties may conduct discovery through electronic means and agreed to serve all parties with discovery requests and responses.

15. Prefiling of Working Papers. When prefiling technical evidence with the Commission, each party shall file a copy of the working papers used to produce that evidence within two business days after the prefiling of such technical evidence. The working papers shall be filed in accordance with the User Manual referenced in General Administrative Order 2016-2. Copies of same shall also be served on the other parties to this Cause.

16. Number of Copies/Corrections. Filings with the Commission shall comply with General Administrative Order 2016-2. Any corrections to prefiled testimony shall be made in writing as soon as possible after discovery of the need to make such corrections.

17. Objections to Prefiled Testimony and Exhibits. Any objections to the admissibility of prefiled testimony or exhibits shall be filed with the Commission and served on all parties of record as soon as an objection can be reasonably determined, but no less than five business days prior to the date scheduled for commencement of the hearing at which the testimony or exhibit will be offered into the record.

18. Post-hearing Filings. Notwithstanding that November 11, 2019, is a state holiday, I&M shall electronically file and serve its proposed order and any written post-hearing arguments or

brief in this Cause on or before Monday, November 11, 2019. Proposed Orders, exceptions, or other post-hearing submittals by the OUCC and any Intervenor shall be filed with the Commission on or before Tuesday, December 3, 2019. I&M shall file its reply brief, and the OUCC and all Intervenors shall file any cross-answering briefs on or before Tuesday, December 10, 2019.

19. Intervenors. Any party permitted to become an Intervenor in this Cause shall be bound by the record as it stands at the time its Petition to Intervene is granted, pursuant to 170 IAC 1-1.1-11.

20. Commission Final Order. Unless suspended or waived, under Ind. Code § 8-1-2-42.7 and GAO 2013-5, a final Order is to be approved in this Cause by March 9, 2020. It was agreed on the record that Wednesday, March 11, 2020, will be the date by when the Commission's Order is due in this Cause instead of March 9, 2020. This change is being made by agreement of the parties attending the prehearing conference, including I&M, and is not a waiver of the statutory time periods otherwise applicable to this proceeding or preclude a subsequent waiver or suspension of the schedule or deadline for a final Order in this matter.

21. Temporary Admission of Counsel. Consistent with 170 IAC 1-1.1-7(c), an attorney from another state or territory of the United States or the District of Columbia who is not admitted to practice before the Indiana Supreme Court in good standing must apply for and file with the Commission an Order of the Indiana Supreme Court granting temporary admission to appear before the Commission in this proceeding.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:

1. The determinations of the prehearing conference set forth in this Order are made a part of the record in this Cause and shall be binding on all present and future parties of record during the proceedings of this Cause.
2. This Order shall be effective on and after the date of its approval.

HUSTON, FREEMAN, OBER, AND ZIEGNER CONCUR; KREVDA ABSENT:

APPROVED: JUN 26 2019

I hereby certify that the above is a true and correct copy of the Order as approved.



Mary M. Becerra
Secretary of the Commission