

**STATE OF INDIANA
INDIANA UTILITY REGULATORY COMMISSION**

VERIFIED PETITION OF INDIANA GAS COMPANY,)
INC. D/B/A VECTREN ENERGY DELIVERY OF)
INDIANA, INC. ("VECTREN NORTH") FOR (1))
AUTHORITY TO MODIFY ITS RATES AND)
CHARGES FOR GAS UTILITY SERVICE)
THROUGH A PHASE-IN OF RATES, (2))
APPROVAL OF NEW SCHEDULES OF RATES)
AND CHARGES, AND NEW AND REVISED)
RIDERS, (3) APPROVAL OF A NEW TAX)
SAVINGS CREDIT RIDER, (4) APPROVAL OF)
VECTREN NORTH'S ENERGY EFFICIENCY)
PORTFOLIO OF PROGRAMS AND AUTHORITY)
TO EXTEND PETITIONER'S ENERGY EFFICIENCY)
RIDER ("EER"), INCLUDING THE DECOUPLING)
MECHANISM EFFECTUATED THROUGH THE)
EER, (5) APPROVAL OF REVISED)
DEPRECIATION RATES APPLICABLE TO GAS)
PLANT IN SERVICE, (6) APPROVAL OF)
NECESSARY AND APPROPRIATE ACCOUNTING)
RELIEF, AND (7) APPROVAL OF AN)
ALTERNATIVE REGULATORY PLAN PURSUANT)
TO WHICH VECTREN NORTH WOULD CONTINUE)
ITS CUSTOMER BILL ASSISTANCE PROGRAMS.)

FILED
December 18, 2020
INDIANA UTILITY
REGULATORY COMMISSION

CAUSE NO. 45468

**VERIFIED PETITION FOR GENERAL RATE INCREASE AND ASSOCIATED RELIEF
UNDER IND. CODE § 8-1-2-42.7 AND ALTERNATIVE REGULATORY PLAN UNDER
IND. CODE CH. 8-1-2.5, NOTICE OF PROVISION OF INFORMATION IN
ACCORDANCE WITH THE MINIMUM STANDARD FILING REQUIREMENTS**

INDIANA GAS COMPANY, INC. D/B/A VECTREN ENERGY DELIVERY OF INDIANA, INC., a CenterPoint Energy Company ("Petitioner" or "Vectren North") respectfully requests that the Indiana Utility Regulatory Commission ("Commission") issue an order (i) authorizing Vectren North to increase its rates and charges for gas service rendered by it through a phase-in of rates; (ii) approving new schedules of rates and charges, and revised and new riders; (iii) approving a new tax savings credit rider; (iv) approving Vectren North's gas energy efficiency portfolio of programs and authorizing the extension of Petitioner's

Energy Efficiency Rider (“EER”), including the decoupling mechanism effectuated thereby; (v) approving revised depreciation rates applicable to its gas plant in service; (vi) approving the terms of an alternative regulatory plan (“ARP”) pursuant to Ind. Code § 8-1-2.5-1 *et seq.* to allow Vectren North to extend its previously approved Universal Service Program (“USP”); and (vii) other requests as described herein. This filing is made pursuant to Ind. Code §§ 8-1-2-42(a), -42.7, and -61, and chs. 8-1-2.5 and 8-1-39.

In accordance with the Commission’s General Administrative Order 2013-5 (Rate Case Standard Procedural Schedule and Recommended Best Practices for Rate Cases Submitted under Ind. Code § 8-1-2-42.7) (“GAO 2013-5”), Vectren North hereby provides its Notice of Intent to File Information required under the Minimum Standard Filing Requirements (“MSFRs”), 170 IAC 1-5-1 *et seq.*, as applicable, to provide support for this Petition. In support of this request, Petitioner shows the Commission:

Petitioner’s Corporate and Regulated Status

1. Petitioner is a public utility incorporated under the laws of the State of Indiana with its principal office address located at 211 NW Riverside Drive, Evansville, Indiana 47708. Petitioner is a “public utility” and a “gas utility” as defined in Ind. Code § 8-1-2-1 and is subject to the jurisdiction of this Commission in the manner and to the extent provided by the laws of the State of Indiana. As defined in Ind. Code § 8-1-2.5-2, Petitioner is an “energy utility” and its gas service constitutes “retail energy service” as defined in Ind. Code § 8-1-2.5-3. By this Verified Petition, Petitioner elects to become subject to the provisions of Ind. Code §§ 8-1-2.5-5 and 8-1-2.5-6, to the extent necessary. Designated portions of this Verified Petition and Petitioner’s direct testimony and exhibits of Teresa M. Cullum and Katie J. Tieken constitute its ARP for purposes of this proceeding.

Petitioner’s Operations

2. Petitioner is engaged in the business of purchasing, transporting, distributing, storing, and selling natural gas to the public in the State of Indiana. Petitioner owns, operates, manages, and controls, among other things, plant, property, equipment, and facilities within the State of Indiana which are used and useful for the production, transmission, distribution, and furnishing of natural gas service to approximately 620,000 residential, commercial and industrial customers in north central, central and southeastern Indiana. Petitioner renders such gas utility service by means of utility plant, property, equipment and related facilities owned, leased, operated, managed and controlled by it (collectively referred to as the "Utility Properties") that are used and useful for the convenience of the public in the production, treatment, transmission, distribution and sale of gas.

Petitioner's Utility Properties

3. Petitioner has maintained, and continues to maintain, its Utility Properties in a good state of operating condition, complying with all state and federal regulatory requirements and standards for gas utility operations. The original cost of Petitioner's utility plant in service at December 31, 2020 (commencement of the test year), as adjusted, is projected to be approximately \$2,815,514,667. After adjustment for accumulated depreciation of approximately \$(1,474,469,981) and other adjustments of \$100,338,111, the net original cost of Petitioner's rate base is projected to be approximately \$1,441,382,797 at the same date. The original cost of Petitioner's utility plant in service at December 31, 2021 (end of test year), as adjusted, is projected to be approximately \$3,199,756,245. After adjustment for accumulated depreciation of approximately \$(1,692,249,168) and other adjustments of \$103,291,923, the net original cost of Petitioner's rate base is projected to be approximately \$1,610,799,000 at the same date. The fair value of the Utility Properties

is and will continue to be substantially in excess of the original cost thereof. Furthermore, in order to properly serve the public located in its service area and to discharge its duties as a public utility, Petitioner is continuing to make numerous additions, replacements and improvements to its utility systems.

Petitioner's Existing Rates

4. Petitioner's existing base rates and charges for gas utility service were established in its thirty (30) day filing #50170, effective June 1, 2018, pursuant to the Commission's February 16, 2018 Order in Cause No. 45032, its investigation into the impacts on Indiana utilities and customers resulting from the December 22, 2017 Tax Cuts and Jobs Act of 2017 ("TCJA"). The rates approved effective June 1, 2018 reduced Vectren North's existing base rates and charges for gas utility service established in its most recent retail base rate case order issued on February 13, 2008, in Cause No. 43298. More than fifteen (15) months have passed since the filing date of Petitioner's last request for a general increase in its basic rates and charges.

5. Petitioner's current gas depreciation rates were authorized by the Commission's Order in Cause No. 39353 on October 28, 1992 and subsequently re-authorized in Cause Nos. 42598 (November 30, 2004) and 43298 (February 13, 2008). Petitioner is seeking approval of new gas depreciation rates in this Cause, based on the study sponsored by witness John R. Spanos.

6. Pursuant to Ind. Code § 8-1-2-42(g), Vectren North files a quarterly Gas Cost Adjustment ("GCA") proceeding in Cause No. 37394-GCA-XXX, to adjust its rates to account for fluctuation in its gas costs. Vectren North recovers through its GCA the actual cost of Unaccounted For Gas ("UAFG") up to a maximum UAFG percentage of 0.8%, which was

approved in Vectren North's last base gas rate case in Cause No. 43298. Vectren North also recovers bad debt expense associated with the cost of gas. Vectren North proposes to continue these recoveries through the GCA.

7. Vectren North recovers costs associated with implementing its gas energy efficiency programs through its Energy Efficiency Rider ("EER"). The EER also includes a sales reconciliation component ("SRC") that effectuates the decoupling of Vectren North's fixed-cost recovery from sales of natural gas to its residential and commercial customers.

8. Pursuant to the Commission's August 27, 2014 Order in consolidated Cause Nos. 44429 and 44430, Vectren North files a semi-annual proceeding in Cause No. 44430-TDSIC-XX to recover 80% of approved capital expenditures and TDSIC costs incurred in connection with Vectren North's eligible transmission, distribution, and storage system improvements ("TDSIC Projects") through its Compliance and System Improvement Adjustment ("CSIA"). The CSIA also includes recovery for approved projects required to comply with federal mandates under Ind. Code ch. 8-1-8.4.

9. Vectren North's current CSIA mechanism includes a component to pass back credits resulting from changes in the Federal tax rates under the TCJA. As discussed below, Vectren North proposes to remove this component from the CSIA mechanism and include it in a separate tax savings credit rider ("TSCR").

Petitioner's Operating Results Under Existing Rates

10. Since its basic rates and charges for utility service were last established, Petitioner has continued and will continue to make significant capital expenditures for additions, replacements and improvements to its Utility Properties. Also, the fair value of

Petitioner's Utility Properties has materially increased. At the same time, some expenses and other costs have increased. As a result, Petitioner's return upon its Utility Properties currently is, and without increase will be, below the level required to permit Petitioner to earn a fair return upon the fair value of its Utility Properties; to provide revenues which will enable it to continue to attract capital required for additions, replacements and improvements to its Utility Properties at a reasonable cost; to maintain and support Petitioner's credit; to assure confidence in Petitioner's financial soundness; and to earn a return on the value of its Utility Properties equal to that available on other investments of comparable risk. As a consequence, Petitioner's existing rates and charges now are and will continue to be insufficient to provide revenues adequate to cover its necessary and reasonable operating expenses and provide the opportunity to earn the fair return to which Petitioner is lawfully entitled. The existing rates of Petitioner, therefore, are unjust, unreasonable, insufficient and confiscatory and should be increased.

Petitioner's Proposed Rates and Charges

11. Petitioner requests that new rates and charges be authorized which will enable Petitioner to realize a proper and adequate utility operating income, maintain and support its credit, adequately service its outstanding securities, assure confidence in its financial soundness, allow Petitioner to earn a return equal to that available on other investments of comparable risk, and raise on fair and reasonable terms such amounts of additional capital as will be required to enable Petitioner to render safe, adequate and continuous gas service to the public. Petitioner proposes to cancel its existing rate schedules governing the gas utility service rendered by it and to file with the Commission in lieu thereof new schedules of rates and charges. The proposed rate schedules are set forth in the attachments to the

direct testimony of Katie J. Tieken, which Petitioner is filing herewith and will offer as evidence in this proceeding.

Test Year and Rate Base Procedures

12. Pursuant to Ind. Code § 8-1-2-42.7(d), Petitioner proposes and requests that a forward-looking test year be used in this proceeding on the basis of projected data for the twelve (12)-month period ending December 31, 2021 (“Test Year”). The historic base period utilized by Petitioner in this proceeding is the twelve (12) months ending December 31, 2019.

13. Petitioner is utilizing the Test Year end, December 31, 2021, as the general rate base cutoff date.

14. As described in the pre-filed direct testimony of Vectren North Witnesses Richard C. Leger, Angie M. Bell and Katie J. Tieken, Petitioner is proposing a two-step rate implementation because of the continued uncertainty surrounding the effects from the COVID-19 pandemic and resulting public health emergency. Vectren North proposes to implement the requested rate increase in phases to reasonably reflect actual rate base, including the utility property that is used and useful at the time rates are placed into effect. In addition, Vectren North is utilizing its actual capital structure and cost of capital based on its forecasted test-year-end regulatory capital structure as of December 31, 2021 for purposes of calculating a fair return on the fair value of its property. Upon the issuance of an Order in this Cause, Vectren North proposes to implement Phase 1 rates based upon the actual rate base and capital structure as of June 30, 2021 and forecasted results of operations for the test year as found in the Order. For Phase 2 rates, Vectren North proposes to update to the actual rate base, capital structure, and annualized depreciation expense as of the end of test year and the actual results of operations during the test year,

once Vectren North has finalized the 2021 year end financials. Vectren North proposes that for purposes of the revenue requirement calculation supporting Phase 2 rates, the Company will use actual revenues and billing determinants as of the end of the test year, but will cap total net original cost rate base and total operating and maintenance (O&M) expense that is not subject to a tracking mechanism at the levels found in the Commission's Order in this Cause.

15. Petitioner proposes that once it has finalized the year end financials for the test year and prepared the updated revenue requirement schedules reflecting actual amounts subject to the caps on rate base and O&M expense, it will file the update along with revised rate schedules. Consistent with the Commission's prior orders in future test year rate cases, Petitioner proposes the Phase 2 rates would take effect immediately upon filing on an interim-subject-to-refund basis. Vectren North recommends the other parties to this proceeding be given a period of sixty (60) days to review the Phase 2 submission and present any objections to the Commission. If needed to resolve any objections, Petitioner proposes the Commission conduct a hearing and rates will be trued up, with carrying charges, retroactive to the date Phase 2 Rates were put into place.

Tax Savings Credit Rider

16. Pursuant to the Commission's August 28, 2018 Order in Cause No. 45032-S21, Vectren North's current CSIA mechanism includes an "EADIT Credit" to pass back Excess Accumulated Deferred Income Tax ("EADIT") liability balances arising from the revaluation of Accumulated Deferred Income Tax balances at the lower federal tax rate, and a "Tax Refund Credit" to pass back amounts in the accrued regulatory liability established pursuant to the Commission's January 3, 2018 Order in Cause No. 45032 to capture the

difference in collections between the 35% effective Federal tax rate reflected in base rates and the revised 21% Federal tax rate effective January 1, 2018. Vectren North proposes to remove this component from the CSIA mechanism and include it in a separate tax savings credit rider ("TSCR"). Pursuant to the Commission's thirty-day filing process, Vectren North proposes that on or before November 1 each year it will submit an update to the TSCR to reflect the projected EADIT Credits for the following calendar year. Each annual TSCR filing will include a reconciliation of actual credits to authorized credits for the twelve-month period ending August 31. In addition, Vectren North proposes that any future changes to the state or federal income tax rate will be captured in the TSCR mechanism. As the Commission explained in Cause No. 45032, income tax is a pass-through expense and customer rates should be based upon the current income tax rates in effect at the time. In the event of a change in the federal or state income tax rate, Vectren North proposes to file a petition to adjust the TSCR to reflect the change and to utilize deferred accounting until such time as the change can be reflected in Vectren North's rates and charges. The new TSCR will work similarly to how the tax rate decrease from the Tax Cut and Jobs Act was reflected in utility rates. Vectren North's proposed new TSCR will assure that changes in income tax rates will be reflected expeditiously in customer rates without delay. The new TSCR is more fully described in the direct testimony of Vectren North Witness Katie J. Tieken.

Energy Efficiency and Decoupling

17. In Cause No. 44598, Vectren North received authority to continue its energy efficiency programs for program years 2016-2019. Vectren North subsequently received approval in Cause No. 45222 to continue offering its energy efficiency programs until the later of December 31, 2020 or the date an order is issued in the next base rate case. Vectren

North anticipates receiving an Order in this Cause in fall 2021, and its 2022 - 2025 Plan will not go into effect until January 1, 2022. Vectren North is therefore seeking authority to extend its 2020 energy efficiency programs and associated EER through December 31, 2021, at which point its 2022 - 2025 Plan will go into effect. Vectren North is also seeking approval to offer its energy efficiency portfolio of programs defined in its 2020 - 2025 Market Potential Study and Action Plan ("MPSAP") for program years 2022 - 2025. The 2022 - 2025 Plan is defined as beginning January 1, 2022 through December 31, 2025 with the goal of reducing residential, commercial and industrial (C&I) customer energy usage by approximately 3 million therms annually over the four-year term. The 2022 - 2025 Plan is described in the direct testimony of Vectren North Witness Rina H. Harris. In addition, Petitioner seeks to recover all costs associated with offering the 2022 - 2025 Plan, which includes recovery of DSM Program costs, including program delivery and administrative costs, and costs associated with evaluation, measurement and verification (EM&V). Vectren North currently has authority to continue offering its gas energy efficiency programs until an order is issued in this rate case proceeding.

18. The EER – previously authorized through the Commission's Orders in Cause Nos. 42943/43046 (consolidated), 44019, and 44598 – was most recently extended by the Commission's Order dated July 17, 2019 in Cause No. 45222 until the issuance of a final order in this pending base rate case filing. Vectren North is requesting to extend the EER through December 31, 2025, including the decoupling mechanism effectuated through the SRC component. Vectren North Witness Katie J. Tieken describes Petitioner's proposal to extend the decoupling mechanism.

ARP - Universal Service Program

19. On August 18, 2004, the Commission issued an Order in Cause No. 42590 authorizing Vectren North to implement a pilot Universal Service Program (“USP”) under Ind. Code ch. 8-1-2.5.¹ The Commission thereafter has authorized Vectren North to continue its USP by a series of subsequent Orders issued pursuant to Ind. Code ch. 8-1-2.5 (including Interim Order dated December 8, 2006 in Consolidated Cause Nos. 43077/43078; Final Order dated November 7, 2007 in Consolidated Cause Nos. 43077/43078; Order dated November 19, 2009 in Cause No. 43669; Order dated December 7, 2011 in Cause No. 44094; Order dated September 10, 2014 in Cause No. 44455; and Order dated September 23, 2020 in Cause No. 45405). The Commission’s Order in Cause No. 45405 authorized Vectren North to continue to implement its current USP without modification except to its expiration date, until the Commission approves a final order in the Company’s next base rate case proceeding, which is this case.

20. Under the currently approved USP terms, Vectren provides certain specified bill discounts to low-income customers during the heating season to allow those customers a better opportunity to receive and maintain gas service. Currently, Vectren North contributes 30% of total program costs to fund the USP, which includes bill discounts and crisis hardship assistance. The other 70% is funded by customer contributions through the Universal Service Fund (“USF”) Rider currently in place.

21. The USP assists low income residential customers throughout Indiana who qualify for the Indiana Low Income Home Energy Assistance Program (“LIHEAP”) during the heating season. Customers who qualify for, and receive LIHEAP funds, are eligible for a discount on their Vectren gas residential bill, the amount of which varies depending on the

¹ Southern Indiana Gas and Electric Company (“Vectren South”) and Citizens Energy were joint petitioners in Cause No. 42590 and also received authority to implement a pilot program.

application of the state's benefit matrix, as further described in the direct testimony of Vectren North Witness Teresa J. Cullum.

22. Vectren North is requesting Commission approval to continue assisting its low-income customers through the USP. Petitioner believes continuation of the USP is in the public interest and will provide significant benefits to its low-income gas customers by reducing their total gas bills and making winter heating bills more manageable. During its duration, Petitioner's USP has helped protect the health and safety of its low-income customers by helping them maintain affordable natural gas service, conserve energy, and reduce residential heating bills. The continuation of the USP is in the public interest, especially in light of the current uncertainty surrounding the duration and full impacts of the current health emergency and resultant increased financial needs due to the COVID-19 pandemic.

23. Vectren North's low-income customers who participate in the USPs would be severely and adversely impacted if the programs were not allowed to continue. The proposed continuation of Vectren North's USP is necessary to ensure that low-income families in Vectren North's service territory do not experience an interruption in bill assistance benefits, the absence of which could result in increased terminations, costs related to collections, customer arrearages and outstanding account receivables; and an increase of situations where such families must rely on unsafe heating alternatives. In previous years, participating customers have expressed their appreciation for the bill discounts provided by the Programs, which have assisted them as they attempted to pay their increasing natural gas heating bills.

24. Continuation of the USP will continue to promote efficiency given participating customers will continue to be responsible for the payment of a significant portion of their gas usage, thereby continuing to create an incentive for participating customers to monitor and control usage, if possible, and to better manage their monthly gas bills.

25. Vectren North's proposal for continuation of its USP includes three modifications, all of which are described in greater detail in the direct testimony of Vectren North Witness Teresa J. Cullum. The first is to provide that the program will continue until a request is made to terminate it. This modification would align Vectren North's USP with the terms of expiration applicable to Citizens Energy's USP and Northern Indiana Public Service Company's USP, neither of which has a defined expiration date. Vectren North also proposes to maintain the current bill discount tiers of 15%, 26% and 32% but seeks Commission authorization to adjust the tiers in future heating seasons depending on changes made to LIHEAP customer eligibility requirements. Finally, Vectren North proposes to modify the self-declared household income eligibility requirement for purposes of both low-income customers qualifying for USP discounts and the Company's Crisis Hardship Program, from the current at or below 200% Federal Poverty Level to at or below 70% of the State Median Income, which will allow more Hoosiers the opportunity to be eligible for the crisis hardship funding. This change would also align Vectren North's USP with Citizens' Energy's program in terms of the self-declared income eligibility for the crisis hardship funding.

26. The Commission's authority under Ind. Code ch. 8-1-2.5 allows the Commission to approve an alternative regulatory plan that extends Vectren North's USP; therefore, Vectren North requests that its ARP be approved under Ind. Code § 8-1-2.5-1 et

seq. and elects to become subject to such section for purposes of this Petition as provided in Ind. Code § 8-1-2.5-4.

Submission of Case in Chief and Other Supporting Documentation

27. Petitioner is filing its case-in-chief, including the information required by subsection (b) of Ind. Code § 8-1-2-42.7 (“Section 42.7”), contemporaneous with this Petition. Attached hereto is a summary of the issues addressed by each witness submitting testimony in Vectren North’s case-in-chief. As recognized in the Commission’s GAO 2013-5, a future test year does not align with all of the Commission’s pre-existing Minimum Standard Filing Requirements (“MSFRs”) (170 IAC 1-5-1 et seq.). Vectren North has used the MSFRs as guidance as to the categories of information that are appropriate for inclusion as working papers and has provided supporting documentation in line with the Commission’s MSFRs, modified where appropriate to conform with the forward-looking test year authorized by Section 42.7.

28. Petitioner is herewith submitting the workpapers and other information that would be required by 170 IAC 1-5, as modified in accordance with the statements above. Petitioner’s workpapers and supporting documentation are provided electronically and/or on CD (in Excel format where appropriate), including the supporting workpapers for all forward-looking proposed adjustments, the cost of service study and the proposed cost of equity and fair rate of return.

29. In accordance with the guidance provided by GAO 2013-5, Petitioner provided its Notice of Intent to File Rate Case to the Commission on November 17, 2020. This Notice was provided at least 30 days prior to the date of filing this Petition. Vectren North also reached out to the Indiana Office of Utility Consumer Counselor (“OUCC”), the Vectren

Industrial Group (“Industrial Group”) and Citizens Action Coalition (“CAC”) to discuss the filing.

Confidential Information

30. Pursuant to 170 IAC 1-5-15(e)(2), the electronic copy of the cost of service study is to be treated as confidential and protected from disclosure to the public under Ind. Code § 5-14-3-4 and Ind. Code § 8-1-2-29.

31. Contemporaneous with this filing, Petitioner is filing a Motion for Protection of Confidential Information in accordance with 170 IAC 1-1.1-4 and to otherwise comply with 170 IAC 1-5-3. The filing of this motion is necessary and appropriate to protect confidential information included in Petitioner’s filing. The confidential information will be submitted once the Commission has issued an order preliminarily granting Petitioner’s Motion. Petitioner will work with the OUCC and other intervenors to negotiate an acceptable nondisclosure agreement to facilitate the production of confidential information as appropriate.

Prehearing Conference and Preliminary Hearing Requested

32. Pursuant to the best practices set forth in the Commission’s GAO 2013-5 (July 3, 2013), Petitioner has reached out to the OUCC, the Industrial Group and CAC and developed the following proposed agreed procedural schedule for this case based on Petitioner’s discussions with those parties. The proposed procedural schedule follows the guidelines set forth in GAO 2013-5 with some adjustments based on those discussions. Petitioner has endeavored to preserve in all instances the time set forth in the GAO 2013-5 for Commission review of the case.

Vectren North Rate Case	Date
Petition/Case-In-Chief (CIC)	Friday, December 18, 2020
Prehearing Conference	Friday, January 15, 2021
Technical Conference	Friday, February 5, 2021
Field Hearing	Thursday, March 4, 2021
Intervenor Case-In-Chief	Wednesday, March 31, 2021
Rebuttal/Cross-Answering Testimony	Monday, May 3, 2021
Settlement Agreement and Supporting Testimony	Monday, May 10, 2021
Evidentiary Hearing - Start	Monday, May 24, 2021
Evidentiary Hearing - End	Friday, June 4, 2021

Petitioner, the OUCC, the Industrial Group and the CAC have also agreed that (1) until Petitioner files its rebuttal in this Cause, responses to discovery shall be due within ten (10) calendar days; (2) after rebuttal, responses to discovery shall be due within five (5) business days; (3) discovery served after 5:00pm Eastern on a regular business day or after noon (Eastern) on a Friday or a day before a state holiday shall be deemed served the next business day; and (4) the field hearing in this Cause may be held virtually via videoconference if the Commission so desires. If the Commission does not wish to conduct the field hearing via videoconference, Petitioner requests more than one field hearing being scheduled in this Cause. Petitioner requests that the Commission approve the agreed procedural schedule set forth above or otherwise promptly conduct a prehearing conference and preliminary hearing in this proceeding pursuant to 170 IAC 1-1.1-15(b) of the Commission's Rules of Practice and Procedure for the purpose of fixing a procedural schedule in this proceeding and considering other procedural matters.

Customer Notification

33. In accordance with Ind. Code § 8-1-2-61(a) and Ind. Code § 8-1-2.5-6(d), Petitioner will publish notice of the filing of this Petition, including the ARP, in a newspaper of general circulation in each Indiana county in which Petitioner renders service. Petitioner will provide its customers with a notice summarizing the nature and extent of the proposed

changes as required by the Commission's rules. These notices will be late-filed as attachments to the direct testimony of Richard C. Leger. The published notice will also be posted on Petitioner's website.

Applicable Statutory Provisions

34. Petitioner considers that the provisions of Ind. Code §§ 8-1-2-4, -6, -7, -10, -19, -20, -21, -23, -42, -42.7, -61, -68 and -71, and chs. 8-1-2.5 and 8-1-39, among others, are applicable to the subject matter of this Petition.

Attorneys for Petitioner

35. The names and addresses of Vectren North's duly authorized representatives, to whom all correspondence and communications concerning this Petition should be sent, are as follows:

Counsel of Record:	
Justin Hage (Atty. No. 33785-32) Heather A. Watts (Atty. No. 35482-82) Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc. One Vectren Square Evansville, IN 47708 Mr. Hage's Direct Dial: (317) 260-5399 Ms. Watts' Direct Dial: (812) 491-5119 Facsimile: (812) 491-4238 E-mail: Justin.Hage@centerpointenergy.com Heather.Watts@centerpointenergy.com	Nicholas K. Kile (Atty. No. 15203-53) Hillary J. Close (Atty. No. 25104-49) Lauren M. Box, (Atty. No. 32521-49) Barnes & Thornburg LLP 11 South Meridian Street Indianapolis, Indiana 46204 Kile Telephone: (317) 231-7768 Close Telephone: (317) 231-7785 Box Telephone: (317) 231-7289 Fax: (317) 231-7433 Email: nicholas.kile@btlaw.com hillary.close@btlaw.com lauren.box@btlaw.com
With Copy to:	
Michelle D. Quinn Angie M. Bell Katie J. Tieken Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc. One Vectren Square	

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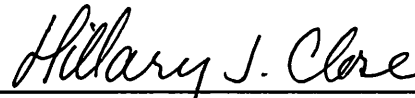
WHEREFORE, Petitioner respectfully requests that the Commission approve the agreed procedural schedule set forth in this Verified Petition or otherwise promptly conduct a prehearing conference and preliminary hearing in this proceeding; make such investigation and hold such hearings as are necessary or advisable; and thereafter, issue an Order in this Cause in accordance with the timeframe established in Section 42.7 and GAO 2013-5:

- (a) Finding that Petitioner's existing rates for gas utility service are unjust, unreasonable, insufficient, confiscatory and inadequate to provide the opportunity to earn a fair return on the fair value of Petitioner's Utility Properties used and useful for the convenience of the public in rendering gas utility service;
- (b) Determining, and by order fixing, increased gas service rates and charges to be imposed, observed and followed in the future by Petitioner in lieu of those found to be unjust, unreasonable, insufficient and confiscatory;
- (c) Authorizing and approving the filing by Petitioner of new schedules of increased rates and charges applicable to the gas utility service rendered by Petitioner so as to provide just, reasonable, sufficient and non-confiscatory rates;

- (d) Approving various changes in the terms, conditions and provisions of Vectren North's Tariff for Gas Service (including rates, charges, rules, riders and appendices) as described herein and in Petitioner's case-in-chief;
- (e) Authorizing Vectren North to revise its depreciation rates as described herein and in Petitioner's case-in-chief;
- (f) Authorizing and approving Petitioner's Tax Savings Credit Rider as described herein and in Petitioner's case-in-chief;
- (g) Authorizing and approving Petitioner's energy efficiency portfolio of programs and extension of its Rider EER as described herein and in Petitioner's case-in-chief;
- (h) Authorizing and approving extension of Petitioner's decoupling mechanism pursuant to its Rider EER as described herein and in Petitioner's case-in-chief;
- (i) Authorizing and approving Petitioner's ARP for continued implementation of its Universal Service Program as described herein and in Petitioner's case-in-chief;
- (j) Granting accounting authority necessary to implement the relief authorized in a Final Order in this Cause;
- (k) Approving the other requests set forth in this Petition and in Vectren North's evidence herein; and
- (l) Granting to Petitioner such other and further relief as may be appropriate and proper.

DATED this 18th day of December, 2020.

Respectfully submitted,



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

VERIFICATION

I, Richard C. Leger, Vice President, Regional Operations for Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc. a CenterPoint Energy Company, under penalty of perjury, affirm that the foregoing representations are true and correct to the best of my knowledge, information and belief.

Indiana Gas Company, Inc. d/b/a Vectren Energy
Delivery of Indiana, Inc. a CenterPoint Energy Company

A handwritten signature in dark ink, appearing to read 'R. C. Leger', written over a horizontal line.

Richard C. Leger
Vice President, Regional Operations

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served electronically upon:

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this 18th day of December, 2020.


Hillary J. Close

Indiana Gas Company, Inc.
d/b/a Vectren Energy Delivery of Indiana, Inc.
A CenterPoint Energy Company
2020 Gas Rate Case
Index of Issues, Requests, and Supporting Witnesses¹

Subject	GENERAL	Supporting Witness (Petitioner's Exhibit No. reference)
Test Year	Twelve Months Ended December 31, 2021.	<ul style="list-style-type: none"> • Bell (No. 2).
Historical Base Period	Twelve Months Ended December 31, 2019.	<ul style="list-style-type: none"> • Bell (No. 2).
Minimum Standard Filing Requirements	Organization of workpapers and other information in support of requested relief in accordance with the Commission's GAO 2013-05 and the Minimum Standard Filing Requirements	<ul style="list-style-type: none"> • Tieken (No. 17).

REVENUE REQUIREMENT

Subject	Request	Supporting Witness
Overall Revenue Increase	<ul style="list-style-type: none"> • Total annual increase in revenue to be phased in over two steps. 	<ul style="list-style-type: none"> • Bell (No. 2) (overview). • Financial Exhibit (No. 18) (Schs. A and C). • Leger (No. 1) (policy). • Bell (No. 2) and Tieken (No. 17) (phase approach).
Financial Forecast	<ul style="list-style-type: none"> • Set rates based on Test Year financial forecast. • Reflect forecasted O&M and capital investments in rates based on work plans, as adjusted. 	<ul style="list-style-type: none"> • Moore (No. 3) (overall development of O&M forecast). • Hoover (No. 4) (overall development of capital forecast). • Bell (No. 2) (adjustments to rate base and pro forma net operating income).

¹ This Index of the Company's case-in-chief is intended to highlight issues and is not an exhaustive list of the requests in this proceeding. A complete account of the requested relief can be found in the case-in-chief, including but not limited to petition, testimony, exhibits, workpapers, and MSFR responses.

Subject	Request	Supporting Witness
Integrity Management programs	<ul style="list-style-type: none"> • Various regulations require Integrity Management programs 	<ul style="list-style-type: none"> • Vyvoda (No. 5) (TIMP, SIMP, facility damages program, operator qualifications and training program, safety management program) • Porter (No. 6) (DIMP, risk assessment programs)
Return on Equity (ROE)	<ul style="list-style-type: none"> • Authorize 10.15% ROE. 	<ul style="list-style-type: none"> • Bulkley (No. 12)
Weighted Average Cost of Capital (WACC)	<ul style="list-style-type: none"> • Authorize forecasted WACC applied to original cost rate base. 	<ul style="list-style-type: none"> • McRae (No. 13) (capital structure, financing activity). • Musser (No. 11) (ADFIT balance). • Bulkley (No. 12) (ROE). • Financial Exhibit (No. 18, Sch. D)
Information Technology Improvements	<ul style="list-style-type: none"> • Planned Information Technology Improvements during Future Test Year 	<ul style="list-style-type: none"> • Myerson (No. 7)
Compensation and Benefits	<ul style="list-style-type: none"> • The Company's compensation and benefit programs 	<ul style="list-style-type: none"> • Villatoro (No. 9)
Corporate Allocations	<ul style="list-style-type: none"> • Service Company allocations to Vectren Corporation • Vectren Corporation allocations to Vectren North 	<ul style="list-style-type: none"> • Townsend (No. 8) • Moore (No. 3)
Taxes	<ul style="list-style-type: none"> • Reflect forecasted Test Year tax expense in base rates. • Apply gross revenue conversion factor (GRCF). • Continued treatment of excess accumulated deferred income taxes (EADIT) through alternative tracking mechanisms. 	<ul style="list-style-type: none"> • Musser (No. 11) (FIT and SIT) • Bell (No. 2) (Taxes other than Income and GRCF) • Tieken (No. 17) (Tax Savings Credit Rider)
Depreciation	<ul style="list-style-type: none"> • Set new depreciation rates and reflect the resulting depreciation expense in base rates based on depreciation study. 	<ul style="list-style-type: none"> • Spanos (No. 10) (depreciation).
Ongoing and New Customer Assistance Programs	<ul style="list-style-type: none"> • Continuation of Universal Service Program. 	<ul style="list-style-type: none"> • Cullum (No. 15)

COST OF SERVICE AND RATE DESIGN

Subject	Proposal	Supporting Witness
Class Cost of Service Study (CCOSS)	<ul style="list-style-type: none"> • Propose gradualism to address subsidy and move classes closer to cost of service. 	<ul style="list-style-type: none"> • Feingold (No. 16) (CCOSS, allocation factors).
Overall Rate Design	<ul style="list-style-type: none"> • Allocation of revenue increase. • Better alignment of residential fixed costs with rate design through approval of: <ul style="list-style-type: none"> ○ Approximately \$21.50 monthly residential service charge. ○ Continuation of declining block rate proposal. 	<ul style="list-style-type: none"> • Feingold (No. 16) (rate design).
Other Rider Proposals	<ul style="list-style-type: none"> • Extension of energy efficiency programs, 2022-2025 Market Potential Study and Action Plan 	<ul style="list-style-type: none"> • Harris (No. 14) • Tieken (No. 17)
Other Rider Proposals	<ul style="list-style-type: none"> • Extension of decoupling mechanism 	<ul style="list-style-type: none"> • Tieken (No. 17)
Other Rider Proposals	<ul style="list-style-type: none"> • Creation of Tax Savings Credit Rider to continue EADIT Credit currently included in CSIA, as well as capture future changes in federal or state income tax rates 	<ul style="list-style-type: none"> • Tieken (No. 17)
Terms and Conditions of Service and Tariffs	<ul style="list-style-type: none"> • Add, modify, or eliminate certain riders and adjustment mechanisms 	<ul style="list-style-type: none"> • Tieken (No. 17)