VERIFIED DIRECT TESTIMONY OF GREGORY SKINNER

1 **Q1. Please state your name, business address and job title.**

2 A1. My name is Gregory Skinner. My business address is 290 W. Nationwide Blvd,

3 Columbus, Ohio 43215. I am employed by NiSource Corporate Services Company

4 as Vice President of IT Utilities Systems.

5 **Q2. On whose behalf are you submitting this direct testimony?**

6 A2. I am submitting this testimony on behalf of Northern Indiana Public Service

7 Company LLC ("NIPSCO").

8 **Q3. Please summarize your educational and employment background.**

9 A3. I graduated from The Ohio State University in Columbus, Ohio, with a Bachelor's

10 Degree in Business Administration and Management Information Systems. I

11 began my career in 1997, where I worked for approximately seven years at

12 Accenture as a Consultant and as Manager of Global Architecture & Core

13 Technologies. In 2004, I took a position with Horizon Services Group, LLC, where

14 I served initially as IT Manager and later as Senior IT Manager of Customer

15 Logistics Solutions for approximately four years. In 2008 I was hired by NiSource,

16 where I have worked in various capacities over the last fifteen years. From June

1   2008 to September 2012, I worked as the Manager of IT Service Delivery, from

2   October 2012 to May 2015 I worked as the Director of IT (Finance) Transformation,

3   from June 2015 to December 2017 I worked as the Vice President of IT Project

4   Delivery, and from January 2018 to June 2022 I worked as the Vice President of IT

5   Infrastructure. I have served in my current role at NiSource as Vice President of IT

6   Utilities Systems since May 2022.

7 **Q4.   What are your responsibilities as Vice President of IT Utilities Systems?**

8 A4.   As Vice President of IT Utilities Systems, I am responsible for developing

9   information technology ("IT") strategy and corresponding integrated IT roadmap

10   investments to support NiSource Inc.'s ("NiSource") multi-year business and IT

11   transformation effort. As it relates to this proceeding, I am responsible for the

12   successful design, development, and implementation of the Work and Asset

13   Management ("WAM") program.

14 **Q5.   Have you previously testified before this or any other regulatory commission?**

15 A5.   Yes. I testified before the Commission supporting NIPSCO's pending rate base

16   pre-approval request in Cause No. 46025 in which NIPSCO requested: (1)

17   approval of expenditures for improvements to its IT systems through the design,

18   development, and implementation of a new WAM program for the scheduling,

1   dispatch, and execution of work and the management of underlying assets; (2)

2   authority to defer, as a regulatory asset, certain costs incurred in connection with

3   the WAM program as well as depreciation/amortization expense incurred after the

4   WAM assets are placed in service until such time as those costs can be included

5   for recovery in base rates; (3) authority to defer, as a regulatory asset, post in-

6   service carrying charges ("PISCC") after the WAM assets are placed in service

7   until such time as those costs can be included for recovery in base rates; and (4)

8   confirmation that the WAM program assets, including the requested regulatory

9   assets, will be included in Petitioner's rate base for ratemaking purposes in rate

10   cases after the WAM assets have been placed in service.

11   **Q6.   What is the purpose of your direct testimony in this proceeding?**

12   A6.   To the extent the Commission has not issued a final order in Cause No. 46025 by

13   the conclusion of this electric rate case,[1] I support the portion of NIPSCO's rate

14   base through the Forward Test Year related to the new WAM program. As I did

15   in Cause No. 46025, I describe NiSource's planned 5-year IT transformation plan

16   and schedule, which includes the WAM program. I provide an overview of the

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[1]   A proposed order in Cause No. 46025 was submitted to the Commission on August 21, 2024. The Indiana Office of the Utility Consumer Counselor and the NIPSCO Industrial Group, the only other parties participating in that proceeding, indicated that they do not oppose the proposed order. The proposed order is drafted to grant NIPSCO's request for preapproval.

1   WAM program and explain why it is reasonable and necessary.

2   **Q7.   Do other NIPSCO witnesses address the WAM program in their rate case**

3   **testimony?**

4   A7.   Yes.   NIPSCO Witness Weatherford sponsors an adjustment to amortization

5   expense related to the WAM program and NIPSCO Witness Bly sponsors an

6   adjustment to NiSource Corporate Services Company expense to remove non-

7   recurring WAM program expense, which NIPSCO has proposed to defer until the

8   WAM program is complete. NIPSCO Witness Bytnar also sponsors an adjustment

9   to rate base to reflect a regulatory asset related to those deferred WAM costs, in

10   which she specifies that to the extent the Commission's order in Cause No. 46025

11   requires changes be made to that regulatory asset, NIPSCO will include changes

12   in its rebuttal filing.

13 **Q8.   You mentioned that NIPSCO's rate base WAM pre-approval case is pending**

14   **before the Commission in Cause No. 46025. If the Commission does not approve**

15   **or otherwise modifies NIPSCO's request in this Cause, how will that effect**

16   **NIPSCO's electric rate case?**

17 A8.   It is my understanding that denial of NIPSCO's rate base pre-approval proposal

18   does not equate to denial of any rate base recovery of WAM program assets when

1   those assets become used and useful and are reflected in NIPSCO's rate base.

2   From that perspective, denial of NIPSCO's pre-approval request would not impact

3   the WAM program assets that are expected to be in-service by the end of the

4   Forward Test Year in this Cause. Instead, NIPSCO would need to demonstrate,

5   through its evidence in this rate case, whether those WAM program assets are used

6   and useful in the provision of utility service to customers and that the costs

7   through the end of the Forward Test Year are reasonable. In concert with

8   Witnesses Weatherford, Bytnar, and Bly, my testimony supports the need for the

9   WAM program and the reasonableness of its attendant costs.

10   **Q9.   What is your involvement with the implementation of the WAM program?**

11   A9.   As part of my role as Vice President of IT Utilities Systems, I am responsible for

12   the operation and maintenance of NiSource's IT programs as they exist today and

13   the planned 5-year transformation to future state architecture that will result in

14   standardized, integrated, secure, and reliable systems. I will be responsible for

15   overseeing and delivering the IT transformation with quality and adhering to the

16   budget. As part of that, I was responsible for planning and the request for

17   proposals ("RFP") processes undertaken for the WAM program.

18

1   THE IT TRANSFORMATION AND NEED TO REPLACE OR UPGRADE NISOURCE'S IT SYSTEMS

2   **Q10. Please describe NiSource's plan to transform its IT systems over the next five**

3   **years.**

4   A10. Over the next five years, NiSource plans to replace outdated legacy IT systems

5   with integrated, secure, and reliable systems that will benefit both customers and

6   employees. The first step in this 5-year transformation is implementation of the

7   WAM program that will facilitate the scheduling, dispatch, and execution of the

8   work on and the management of underlying assets. The WAM program is

9   underway and is expected to be fully completed in 2025. The second step of the 5-

10   year IT transformation will be the completion of a One Customer Information

11   system, which is expected to be underway in 2025. Once completed, the One

12   Customer Information system will provide a better experience for customers and

13   facilitate provision of service to customers. The final step of the 5-year IT

14   transformation will be the implementation of a new financial system, beginning in

15   2027.

16   **Q11. Why is it necessary for NiSource to undertake the planned 5-year IT**

17   **transformation, including implementation of the WAM program?**

18   A11. NiSource's approach to maintaining and repairing its core systems over the last

19   approximately 20 years resulted in limited investments in new technology.

1   Consequently, NiSource's current state architecture is a complex array of legacy

2   systems often with redundant applications.   A review of the current state

3   architecture revealed a critical need for IT investment, including deployment of

4   new work and asset management systems. The WAM program, for instance, will

5   allow NiSource to retire approximately 19 applications, which are complex and

6   inefficient to operate.

7   **Q12. Are the systems being retired as part of the IT transformation at the end of their**

8   **useful lives?**

9   A12. Yes. In fact, many of these systems are no longer supported or soon will no longer

10   be supported by their respective software providers. As part of its overall risk

11   management strategy, NiSource has been identifying these systems for the last

12   several years as either at risk for failure or as being unable to upgrade and

13   therefore in need of replacement.   The current systems also create cyber

14   vulnerability risks. Every year these software packages and the underlying

15   infrastructure get further out of support, and the risks associated with them

16   continue to grow. NiSource has determined investments must be made now to

17   move to the next level of software platforms to support operations and benefit

18   customers.

1   **Q13.   How do the current IT systems create cyber vulnerability risks?**

2   A13.   NiSource takes significant efforts to ensure its IT systems are secure. Among other

3   things, NiSource has a very robust patching and threat monitoring program

4   through its cybersecurity organization. That said, the current legacy IT systems

5   create limitations that require significant efforts to overcome. It is increasingly

6   difficult to patch and protect systems residing on outdated infrastructure.

7   NiSource must put additional protections in place to secure the systems until they

8   can be placed on more modern platforms.

9   **Q14.   Do the legacy IT systems that will be replaced as part of the IT transformation**

10   **create other risks?**

11   A14.   Yes. The current IT systems present significant risks in operating the business,

12   including operational risks, reputational risks, regulatory risks, system risks, and

13   customer support risks. As I mentioned, a number of the current IT systems are

14   at or are nearing the end of their useful lives and at risk of failure. Because of their

15   age, it would take an extraordinary effort to recover the systems in the event of an

16   outage or cyber event. NiSource could be faced with a multiday effort to restore

17   the systems, which would be disruptive. The disparate IT systems also require

18   significant manual work practices prone to human error and waste. The existing

19   legacy systems are also out of support and cannot be upgraded, which limits

1   NiSource's ability to take advantage of new features and capabilities in support of

2   customers.

3 **Q15. Would it make sense to spend money upgrading the existing IT infrastructure?**

4 A15.   No. The age of the systems is such that they would require significant upgrades,

5   and any investment would likely result in relatively short extensions of the life of

6   these systems, without a significant improvement in functionality. It would be

7   imprudent to spend money to attempt to work within the existing outdated

8   systems because upgrades would not resolve the core issues and risks associated

9   with these systems, including cybersecurity risks. The current systems are also

10   costly to support, and it is difficult to introduce new capabilities and

11   improvements to those systems, which could not be resolved by a mere upgrade.

12   Any changes to accommodate new capabilities, if possible, would be extremely

13   expensive, because they are not native to the platform. For instance, there would

14   be significant effort, cost, and risk associated with attempting to integrate

15   information from advanced metering infrastructure or renewable energy

16   platforms into existing systems, assuming it could be done at all.

17 **Q16. Do problems with the current IT systems result in additional issues that hinder**

18   **the ability to get work done?**

1   A16.   Yes. The current IT systems are significantly underperforming as compared to

2   newer technology, which results in additional operating impediments. For

3   instance, due to limitations of the system, NiSource has created a lot of

4   workarounds that create inefficiencies. The legacy IT systems also create

5   difficulties in recruiting and retaining a modern workforce and propagate

6   circumstances where certain groups are familiar with specific platforms and others

7   are not, which inhibits the ability to integrate IT operations and promote efficiency.

8   **Q17.   In your opinion, are the current IT systems adequate to support NiSource's**

9   **growing customer and business requirements?**

10   A17.   No. The current IT systems need to be replaced to adequately support NiSource's

11   ongoing operations.

12   THE WAM PROGRAM COMPONENT OF THE IT TRANSFORMATION

13   **Q18.   Please describe the first step of NiSource's IT transformation, the WAM**

14   **program.**

15   A18.   The WAM program involves the development and system-wide deployment of

16   new, integrated work and asset management IT systems to replace existing

17   programs that are at or nearing the end of their useful lives, not fully integrated,

18   and at risk of failure. The WAM program is a substantial company-wide project,

19   and subsidiary operating companies and their customers will benefit significantly.

1   The three components of the WAM program are shown below:
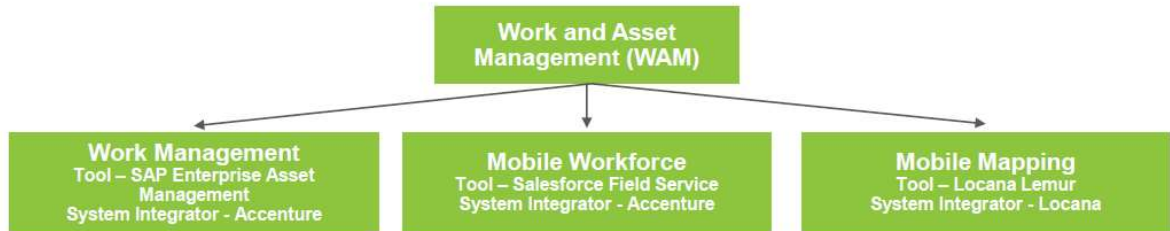
2

3   **Q19. Please describe the three components shown in the chart above that comprise**

4   **the WAM program.**

5   A19. The three core new systems comprising the WAM program are: (1) the "Work

6   Management Initiative," which is technology to perform work and asset planning,

7   initiation, execution tracking, closeout and reporting to standardize and enhance

8   business processes, support strong asset maintenance, safety, compliance and risk

9   management; (2) the "Mobile Workforce Initiative," which is technology that

10   supports integrated planning of work in the field, scheduling, and work route

11   planning and efficiency to provide an updated scheduling and dispatch solution

12   and help bring NiSource into the digital age of utility services by giving front-line

13   employees an easy-to-use mobile application to view assigned work, indicate

14   work status and track completed tasks ; and (3) the "Mobile Mapping Initiative,"

15   which is a Geographic Information System ("GIS") mapping technology that will

16   include functionality on mobile devices for improved asset data capture and as-

1   builts in the field, which will allow front-line employees to view and capture more

2   robust details about infrastructure when and where the work happens.

3   **Q20. Please provide an example describing how the three components of the WAM**

4   **program work together.**

5   A20.   As an example, an existing asset with a defined maintenance schedule would exist

6   within the Work Management Initiative system. As the maintenance date for this

7   asset approaches, this information is presented to the scheduling team to prepare

8   for the work that will be needed to perform maintenance (materials, permits, etc.).

9   When the work is ready to be executed it can then be scheduled and dispatched

10   through the Mobile Workforce Initiative software. A technically qualified field

11   worker will receive a dispatched work order with all associated information on

12   the asset, including prior work performed and location details. The field worker

13   will be able to locate the asset through the Mobile Mapping Initiative software to

14   begin the work. Upon completion of the work, the field worker will capture the

15   work performed in the Mobile Workforce Initiative application and make any real-

16   time edits to the map in the Mobile Mapping application, all of which are sent back

17   to the Work Management Initiative software to close out the work. This will all be

18   fully integrated and seamless, as opposed to requiring views of and entries in

19   multiple applications as is required under the current state systems.

1 **Q21. How would you summarize the benefits of the WAM program component of**

2 **the IT transformation?**

3 A21. At a high-level, benefits of the WAM program include:

4 • Standardization of end-to-end work and asset management processes
5 supported by a new integrated solution, including the industry-standard
6 software;

7 • Utilization of compatible unit estimating to standardize designs, materials,
8 and tools;

9 • Incorporation of Operator Qualifications in work scheduling and
10 assignment to promote efficiency in completing work in the field;

11 • Time savings through automation to support the scheduling, assigning,
12 routing of work, and as-built records closeout – which will reduce wrench
13 time, travel time and idle time;

14 • Modern data capture solution enabled by dynamic smart forms;

15 • Improved data quality through the ability to view and update asset data
16 and data records on maps; and

17 • Improved reporting and data availability across common platforms.

18

19 **Q22. What is the core enterprise software backbone that will be used for the Work**

20 **Management Initiative component of the WAM program?**

21 A22. The core enterprise software for the Work Management Initiative will be the SAP

22 Enterprise Asset Management ("SAP") system. SAP will replace the existing

23 outdated Maximo work management system used to maintain and perform work

24 on assets, and several related systems (MAPPS warehouse system, MLOG

25 materials and labor estimating system, and data warehouse repositories that

1   encompass asset and operational data for reporting). Those systems have been in

2   service for approximately 15 to 20 years in some cases and are no longer officially

3   supported by vendors. The skill sets required to maintain these outdated systems

4   are scarce and difficult to find. Each of the systems also has become increasingly

5   risky from a cybersecurity standpoint. Aside from those issues, replacing multiple

6   systems with the single SAP system will streamline processes.

7   **Q23. How will the SAP software improve functionality?**

8   A23. Once implemented, the new SAP software will simplify data entry and create a

9   single source for asset management data, which will improve accessibility for

10   NiSource employees. The Work Management Initiative software will serve as the

11   single source of truth for assets, health, and maintenance information, as well as

12   for warehouse and materials management. Currently, this data is housed in

13   multiple locations which results in redundant and manual processes.

14   **Q24. What are some of the other benefits of using SAP software?**

15   A24. The SAP software will be integrated with the Mobile Workforce Initiative and

16   Mobile Mapping Initiative software as part of the WAM program and will be used

17   as the backbone of the planned 5-year IT transformation. In making this necessary

18   investment, NiSource has chosen to implement a platform that allows software to

1   be implemented on a proven, fully integrated basis. SAP is a top-tier, proven

2   software that is used by many large utilities in their daily operation. SAP also is a

3   vendor that fully supports utilities and the needs of utility businesses and

4   customers. SAP is a reliable, robust system which can be used as the backbone for

5   any software application needed for a utility. The SAP software easily allows for

6   growth of the utilities it supports, especially when it comes to applications relative

7   to customer service for utility customers. SAP also supports multi-company and

8   multi-utility applications seamlessly and easily integrates with other

9   commercially sold software, as well as custom developed applications.

10   **Q25. How were the software platforms and service providers selected?**

11   A25. Key service providers and software platforms (e.g., SAP, Salesforce, Lemur,

12   Accenture, OneGIS, and Locana) were selected through competitive request for

13   proposals ("RFP") processes.   The WAM program team, advisory council

14   members, and other NiSource employees (including myself) participated in this

15   process. They attended software demonstrations and considered both software

16   applications and potential bolt on software functionality. WAM program team

17   members also participated in site visits to companies currently using enterprise

18   software, conducted telephone reference checks, and conducted on-site

19   demonstrations with SAP, Salesforce, and Locana (Lemur) sites. NiSource chose

1   SAP, Salesforce, and Locana (Lemur) based on a number of factors, including the

2   estimated total cost of ownership.

3   **Q26. Please explain how the competitive process was used to select vendors and**

4   **platforms in greater detail.**

5   A26. The WAM program began with several independent components. Initially,

6   NiSource was looking to implement Mobile Workforce and Mobile Mapping

7   technology, but determined implementing those technologies represented a

8   transformational opportunity to address other critical needs in late-2022 and to

9   better integrate all technologies into one functional system. To that end, NiSource

10   began planning for the implementation of an enterprise scheduling and dispatch

11   project to replace Ventyx (now Mobile Workforce) as an independent project in

12   2021. Accenture was selected as the key service provider to implement that

13   program through a competitive bidding process.

14   The Mobile Mapping Initiative went through a separate RFP process, and Locana

15   was selected as the key service provider. OneGIS is a separate program that also

16   went through a competitive bid process and Locana was selected to implement

17   that program. In late 2022, NiSource put out the RFP for the Work Management

18   Initiative with an eye toward combining these programs to truly transform the

1   capability from a technology and a business process standpoint. Accenture was

2   selected to implement the core Work Management solution (SAP) and to combine

3   the in-flight Mobile Workforce solution (SalesForce) and integrate the Mobile

4   Mapping solution (Lemur).

5   **Q27. In addition to the competitive RFP process, what other steps were taken to**

6   **ensure the WAM program was undertaken at a reasonable cost?**

7   A27. Starting in 2019 and continuing through 2021, multiple evaluations took place with

8   key partners, including Gartner, SAP, Oracle, and other third-party consultants to

9   evaluate the technology landscape, opportunities for transformation, and the

10   sequencing of transformation to begin to formulate the total cost of ownership for

11   a multi-year transformation. This review was again conducted in 2022 to confirm

12   the approach, sequencing, and funding requirement for transformation. In the

13   2022 review, the WAM program was prioritized to start as the first major program

14   in the transformation and the costs to implement were vetted through a

15   competitive RFP process. This process also highlighted similarities in the overall

16   cost profile and was further negotiated through the established supply chain

17   process to further optimize the program cost. NIPSCO is a registered licensee for

18   the WAM program software programs and, therefore, will be able to access the

19   full and complete software applications resulting from the WAM program for a

1   fraction of the total license fees that it would need to pay were it to procure the

2   licenses on its own. This is an example of how the service company model benefits

3   the NiSource operating subsidiaries' customers. If NIPSCO had sought to license

4   the same software as a stand-alone entity, its total cost of ownership would have

5   been significantly more.

6 **Q28. Is the SAP system standard in the utility industry?**

7 A28. Yes. While there are alternatives such as Maximo, SAP is the industry standard.

8   As such the SAP system enables and supports industry-standard best practices for

9   managing work and assets. SAP is more functional than Maximo and can be used

10   as a foundation that can be expanded to incorporate the future One Customer

11   Information system and One Financial system. Currently, over 90% of the largest

12   utilities in the world use SAP. In fact, over 800 utilities worldwide use SAP's

13   Customer Relationship Management and Billing Module to provide customers

14   world-class options and benefits. In December 2021, SAP was recognized as a

15   Leader in the Gartner, Inc. "Magic Quadrant" for Cloud Database Management

16   Systems. In choosing SAP, Gartner evaluated 20 vendors and named SAP a Leader

17   based on "completeness of vision and ability to execute." In response to the latest

18   Gartner Report, J.G. Chirapurath, Chief Marketing and Solutions Officer for SAP,

19   stated in a press release issued by SAP on December 16, 2021:

1   SAP's cloud-first mindset paves a critical, future-proof path
2   forward for our customers. SAP Business Technology
3   Platform serves as the unified, business-centric, and open
4   platform for our customers to become an intelligent enterprise
5   — helping to integrate and extend applications, streamline
6   workflows and processes, and unlock powerful insights
7   across all data. We believe this latest Gartner Report
8   demonstrates how we've successfully transitioned our
9   leadership in the data management space to the cloud.[2]

10   With this change in enterprise management software, NiSource will be moving

11   from outdated and cumbersome platforms to the industry standard.

12   **Q29. Did NiSource consider any alternative software programs for the Work**

13   **Management Initiative component of the WAM program?**

14   A29. Yes. For NiSource, a modern Maximo or SAP system would work as the core

15   enterprise software backbone of the Workforce Management Initiative component

16   of the WAM program. However, NiSource's decision to move forward with SAP

17   was based on the opportunity to leverage this strategic platform for future

18   transformation initiatives including Customer / Finance initiatives where we

19   ultimately get to a common integrated platform for our core systems, akin to the

20   process described in Mr. Chirapurath's comment above. Maximo is much more

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[2] Press release from J.G. Chirapurath (December 16, 2021) (available online at https://news.sap.com/2021/12/sap-again-a-leader-gartner-magic-quadrant-for-cloud-database-management-systems/).

1   limited to Work Management and Supply Chain functions.

2   **Q30.   In broad terms, how will customers benefit from the WAM program?**

3   A30.   As with NiSource's other legacy IT business systems, the systems used for work

4   and asset management are at the end of their useful lives and are not fully

5   integrated.   As a result, NiSource's current architecture is a complex array of

6   legacy systems implemented as separate projects over time wired together

7   through complex integrations with varying degrees of efficacy, which leads to a

8   wide array of issues. The WAM program will address these issues, provide new

9   and improved features, and ultimately facilitate the provision of better service to

10   customers. A more specific customer benefit of the WAM program worth noting

11   is that the Mobile Mapping Initiative will offer a significant reduction in cycle time

12   from when work is performed in the field to when maps are updated.   Under

13   NiSource's prior IT systems, these updates took 30 days. By significantly cutting

14   down on the time required to make these mapping updates, the Mobile Mapping

15   Initiative will reduce the opportunity for a dig-in or damage to assets that could

16   result in a customer outage by providing more up-to-date and accurate mapping

17   information in shorter intervals to those who require this information to service

18   customers.

1 **Q31. Please describe the enterprise software that will be the backbone of the Mobile**

2   **Workforce Initiative component of the WAM program.**

3 A31. The core enterprise software for the Mobile Workforce Initiative is Salesforce Field

4   Service ("Salesforce"). Salesforce will replace the legacy Ventyx system, which

5   NiSource uses for work scheduling and dispatch of field resources to perform

6   work, along with other scheduling and dispatching applications. The Ventyx

7   system is out of support and cannot be relied upon in the future. In addition, the

8   Ventyx system is not integrated with other applications so that when work is

9   dispatched through Ventyx, employees must look at another application for

10   mapping and another application to review operating procedures. Salesforce, on

11   the other hand, will be a new, standardized system with front-line application that

12   can be easily used by field personnel on their mobile devices and integrated with

13   other systems. The Salesforce system will: (i) provide the right information at the

14   right time; (ii) provide efficient scheduling and routing; (iii) link employees with

15   the proper skill sets and operator qualification to proper assignments; (iv) provide

16   updates and access to past work at a particular location (including photos); and

17   (v) provide work order completion data collection. In short, the Salesforce system

18   will save time and promote efficiency and safety. Salesforce, like SAP, can be

19   readily used as a platform for other IT initiatives.

1 **Q32. What is the core enterprise software backbone of the Mobile Mapping Initiative**

2 **portion of the WAM program?**

3 A32. The core enterprise software component for the Mobile Mapping Initiative is

4 Locana's Lemur Application ("Lemur"). Lemur captures more robust

5 infrastructure details, when and where work happens. Lemur also is available

6 offline, creates efficient workflows that eliminates duplication of entry, and can be

7 readily integrated with Salesforce and OneGIS. OneGIS is NiSource's next-

8 generation ESRI-based GIS and is the underlying platform that delivers spatial

9 representation of utility assets and feeds new tools like Lemur. OneGIS was

10 deployed ahead of the WAM program. OneGIS provides a foundation of new

11 tools and workflows, offers improved analytics, provides simplified data

12 management, and offers the ability to model virtual systems that will be integrated

13 with the data being captured through Salesforce.

14 **Q33. Please describe the system integrator selected to implement the various**

15 **components of the WAM program.**

16 A33. Accenture was selected as the system integrator for the Work Management

17 Initiative and Mobile Workforce Initiative components of the WAM program.

18 Accenture is an IT services and consulting company that provides a wide range of

19 services and solutions in strategy, consulting, digital, technology, and operations.

1   Accenture has decades of experience helping organizations improve their IT

2   performance. Locana was selected as the system integrator for the Mobile

3   Mapping Initiative. Locana specializes in location and mapping technology.

4 **WAM PROGRAM COST**

5 **Q34. What amount of NIPSCO's forecasted rate base as of December 31, 2025 is**

6   **attributable to in-service WAM program assets?**

7 A34.   NIPSCO's forecasted rate base as of December 31, 2025 includes $113.4 million

8   related to in service additions for WAM program assets as supported by NIPSCO

9   Witness Bytnar.

10 **Q35. Do you believe the cost of the WAM program is a better, more reasonable**

11   **investment when compared to the costs that might be incurred if NiSource were**

12   **to attempt to upgrade and maintain the existing legacy systems?**

13 A35.   In my opinion, yes, assuming such an upgrade were even possible – which it is

14   not. As discussed above, NiSource's software systems have already reached or are

15   soon to be reaching the end of their useful life. Simply put, NiSource must invest

16   in new software systems to replace aging software products to continue to provide

17   reliable and efficient service to customers. Trying to patch or upgrade the legacy

18   systems would be imprudent. The WAM program will result in a fully integrated

19   IT system, supported by proven software platforms, and is designed to be flexible

1   and allow for growth for many years, including serving as a foundational platform

2   for IT enhancements for customer service and accounting.

3   **Q36.** **Is the implementation of the WAM program reasonable and necessary?**
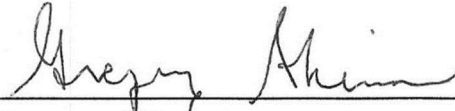
4   A36. Yes. The decision to replace NiSource's existing information technology systems

5   is not only prudent but also absolutely necessary. NiSource's current information

6   technology systems are at or near the end of their useful lives and must be

7   replaced. NiSource has taken a holistic look at the software needs of the entire

8   company and built a solution that will meet the customer service, safety, and

9   network reliability needs of all customers, including the customers of NIPSCO,

10   now and in the future. The WAM program component of the IT transformation

11   involves the implementation of robust, integrated software platforms and

12   represents a unique capital project both in scope and complexity.

13   **Q37.** **Does this conclude your prefiled direct testimony?**

14   A37. Yes.

VERIFICATION

I, Gregory Skinner, Vice President of IT Utilities Systems for NiSource Corporate

Services Company, affirm under penalties of perjury that the foregoing representations

are true and correct to the best of my knowledge, information, and belief.

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Gregory Skinner

Date: September 12, 2024