

STATE OF INDIANA

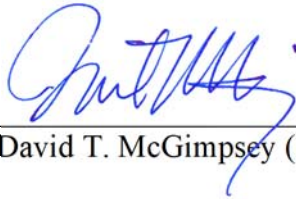
INDIANA UTILITY REGULATORY COMMISSION

SUBDOCKET FOR REVIEW OF DUKE )  
ENERGY INDIANA, LLC'S GENERATION ) CAUSE NO. 38707 FAC 123 S1  
UNIT COMMITMENT DECISIONS )

**ADVANCED ENERGY ECONOMY'S SUBMISSION OF  
INADVERTANTLY OMITTED ATTACHMENT**

Advanced Energy Economy Inc. ("AEE"), by counsel, respectfully submits Attachment A to its Reply to Duke Energy Indiana LLC's Objection to Petition to Intervene ("Reply"). Attachment A was inadvertently omitted from AEE's Reply filed earlier today.

Respectfully submitted,



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## **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing has been served upon the following counsel of record by electronic service this 7<sup>th</sup> day of July, 2020.

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An attorney for Intervenor,  
Advanced Energy Economy Inc.

1 **CROSS-EXAMINATION OF MR. JOHN D. SWEZ,**

2 **(Continuing)**

3 **QUESTIONS BY MR. FISK: (Continuing)**

4 Q Turning back to Page 36 of the direct -- no, I'm  
5 sorry -- of your rebuttal testimony.

6 A I'm there.

7 Q Okay, and we're looking at -- starting at Line 2 on  
8 Page 36, you have a reference to self-scheduling being  
9 evaluated in the context of fuel adjustment clause  
10 proceedings; is that right?

11 A Yeah, I don't use the word self-scheduling. Like I  
12 mentioned, I like to say commitment, but yes, I do see I  
13 discuss commitment status and dispatch of units is already  
14 the subject of review during the company's quarterly FAC.

15 Q And those FAC filings are quarterly proceedings;  
16 right?

17 A That's correct.

18 Q Okay, and does Duke include in such quarterly FAC  
19 filings details as to the days on which the company  
20 committed each of its coal units into MISO as must-run  
21 versus economic?

22 A Each of those quarterly fuel filings has, I guess,  
23 discovery requests associated with them, and I do  
24 frequently provide that data in discovery requests.

25 Q But it's not provided in your application; correct?

1 A By application, that's the direct testimony?

2 Q Yes.

3 A No, I do not believe so.

4 Q And does Duke include with its quarterly FAC filing  
5 any generating unit profit and loss analyses that the  
6 company uses to decide or help to decide how to commit each  
7 of its units?

8 A Was your question in the application?

9 Q Yes.

10 A That's not in the application.

11 During the audit process, we will discuss  
12 specifics related to units, but in the application itself,  
13 no, I do not believe there's anything like that in that.

14 Q And under your agreement with the OUCC, the audit  
15 process is limited to 35 days; correct?

16 A 35 days being not obviously the -- Well, I guess  
17 that's the length. I always think of the audit as the in  
18 person, but I guess the entire length is 35 days, but I  
19 always think of the couple days that we sit down together.

20 Q Okay.

21 A So I guess it's 35 days.

22 Q So within 35 days of when you file your FAC testimony,  
23 any party would have to have submitted testimony in that  
24 proceeding; correct?

25 A I'm not exactly sure about the -- I know I answer a

1 lot of discovery requests. I don't know if it's -- what  
2 happens beyond 35 days, quite honestly.

3 Q If you could turn to Page 10 of your rebuttal  
4 testimony?

5 A I'm there.

6 Q If you look at the question starting on Line 10 to 15,  
7 do you see the reference to ". . .continuation of the  
8 agreement between Duke Energy Indiana and the OUCC allowing  
9 the OUCC 35 days to complete its FAC review and file its  
10 testimony and report. . ."?

11 A I do.

12 Q Okay. So 35 days is the period of time that parties  
13 would have to file testimony in an FAC proceeding?

14 A Yes.

15 I thought your question was what would happen  
16 after 35 days. Again, I answer questions when I get them,  
17 and if someone tells me to answer the question and it's  
18 been 36 days, I'm -- You know, I just answer them as I get  
19 them.

20 I do see that, and yes, I agree it's 35 days.

21 Q So any entity wishing to investigate Duke's self-  
22 scheduling practices in an FAC proceeding would have a  
23 total of five weeks to intervene in the proceeding, submit  
24 and receive responses to discovery, review such responses,  
25 submit any necessary follow-up, and develop and finalize

1 testimony?

2 A That's my understanding of this question, but like I  
3 said, I'm not a legal expert. What happens after 35 days,  
4 I would have -- I don't know if something else could  
5 happen. I'm not sure.

6 Q Are you aware that the Commission can open an FAC  
7 subdocket to allow for a more thorough evaluation of a  
8 matter at issue in an FAC proceeding?

9 A Yes.

10 Q And you've previously, I believe back in 2006 or so,  
11 submitted testimony on self-scheduling in an FAC subdocket?

12 A I was thinking I did, yes.

13 Q If the Commission were interested in further  
14 investigating self-scheduling practices, would you agree  
15 that the opening of a subdocket in an FAC proceeding would  
16 be a reasonable way to do so?

17 A I think we do a really good job in our FACs today. I  
18 typically feel like there's no additional questions, and I  
19 don't see a need for a subdocket, no.

20 MR. FISK: May we go off?

21 THE COURT: Let's go off the record.

22

23 (Off-the-Record Discussion)

24

25 THE COURT: Let's go back on the record.

1 Q To some degree.

2 A To some degree because it depends on when they RAC it.

3 Of course, if they RAC'd it after the day-ahead results  
4 were closed, of course we've already made our offer; it's  
5 too late, so --

6 Q Sure, okay.

7 Just as a general matter and looking at MISO's  
8 current market offerings, are there aspects that just in  
9 your opinion encourage or discourage Duke's likelihood to  
10 commit a particular unit as -- and we'll just use must-run,  
11 but it could be any other status?

12 A Yes. The fact that the --

13 Q Can you elaborate?

14 A -- day-ahead market is essentially, you know --  
15 although MISO reliability commitment goes out seven days,  
16 the economic view that MISO has, of course, only goes out  
17 to the end of tomorrow, so if that economic view went out  
18 further, at least incorporated more days, I think the  
19 likelihood -- or at least we would consider utilizing  
20 must-run less often because now their economic review is  
21 going out further, and we can again make sure -- we want to  
22 make sure that we -- the unit is running if it's economic  
23 to run, so --

24 Q That's really helpful. Thank you.

25 I have one more thing going back to something we

1 haven't touched on for probably a good hour-and-a-half, so  
2 looking at your rebuttal testimony on Page 36 where you  
3 make your observation that the ongoing quarterly FAC  
4 proceedings that we have here at the Commission provide an  
5 opportunity for us to review a utility's decision to commit  
6 a unit in a particular fashion, and I agree with you that  
7 that's an appropriate venue for us to take a look at that  
8 type of decision-making, but I just wanted to get your  
9 feel.

10           If the Commission feels that this type of  
11 decision, the commitment status of units, merits greater  
12 transparency and scrutiny going forward, does Duke and  
13 specifically in this case Duke Energy Indiana have the  
14 capability and resources to present the relevant  
15 information to the Commission as part of its case-in-chief  
16 in an FAC proceeding?

17 A       Case-in-chief means --

18 Q       The first stuff that the Petitioner files initiating  
19 that proceeding as opposed to rebuttal.

20 A       Well, I --

21 Q       Mr. Verderame's testimony versus your rebuttal  
22 testimony.

23 A       Okay. I'm confident we could supply -- I mean, we  
24 have a lot of tools, and we can -- obviously we've seen we  
25 can supply a lot of data, but I'm pretty confident we could



1 supply anything that was -- almost anything requested.

2 Q Okay, thank you.

3 A Sure.

4 COMMISSIONER FREEMAN: I don't have anything else  
5 right now.

6 Do you want to go off for a minute?

7 THE COURT: Thank you.

8 I don't think we have any more questions for Mr.  
9 Swez.

10 However, I would note with Ms. Balzer's objection  
11 that we may need to recall Mr. Swez next week after the  
12 parties have an opportunity to look at the exhibits that  
13 they received today.

14 Thank you, Mr. Swez.

15 WITNESS SWEZ: Sure. Thank you.

16 THE COURT: Let's go off the record.

17

18 (Off-the-Record Discussion)

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24 (WITNESS JOHN D. SWEZ EXCUSED

25 ON DIRECT AND REBUTTAL)