

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 OF CAPITAL )  
INVESTMENT; (4) RATE ADJUSTMENT )  
MECHANISM PROPOSALS; (5) CUSTOMER )  
PROGRAMS; (6) WAIVER OR DECLINATION OF )  
JURISDICTION WITH RESPECT TO CERTAIN )  
RULES; AND (7) NEW SCHEDULES OF RATES, )  
RULES AND REGULATIONS. )

CAUSE NO. 45576

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

PUBLIC'S EXHIBIT NO. 9

TESTIMONY OF OUCC WITNESS KALEB G. LANTRIP

OCTOBER 12, 2021

Respectfully submitted,



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Tiffany Murray  
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**TESTIMONY OF OUCC WITNESS KALEB G. LANTRIP**  
**CAUSE NO. 45576**  
**INDIANA MICHIGAN POWER COMPANY**

**I. INTRODUCTION**

1 **Q: Please state your name, business address, and employment capacity.**

2 A: My name is Kaleb G. Lantrip and my business address is 115 W. Washington St.,  
3 Suite 1500 South, Indianapolis, Indiana 46204. I am employed as a Utility  
4 Analyst in the Indiana Office of Utility Consumer Counselor's ("OUCC") Electric  
5 Division. A summary of my educational background and experience is included in  
6 Appendix A attached to my testimony.

7 **Q: What is the purpose of your testimony?**

8 A: I evaluate and make recommendations regarding Indiana Michigan Power  
9 Company's ("I&M" or "Petitioner") request to include its EZ Bill rate program in  
10 base rates. I also address the sufficiency of I&M's support for its requested  
11 recovery of cybersecurity costs through base rates.

12 Ultimately, I recommend the Commission: (1) deny I&M's request to  
13 account for EZ Bill Program revenues and expenses above-the-line, and (2) deny  
14 I&M's request to recover \$11,706,849 in Indiana Jurisdictional cybersecurity  
15 capital costs and \$3,902,373<sup>1</sup> in Indiana Jurisdictional cybersecurity operations  
16 and maintenance ("O&M") expenses in base rates, on the basis that these costs  
17 were not adequately supported in I&M's case-in-chief and appear to be non-  
18 recurring in nature.

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<sup>1</sup> See Attachment KGL-1, pp. 2-3.

1 **Q: Please describe the review and analysis you conducted in order to prepare**  
2 **your testimony.**

3 A: I reviewed I&M's petition, testimonies, attachments, workpapers, and certain data  
4 request ("DR") responses provided in this filing, as well as I&M's testimony in  
5 Cause No. 45114 EZ Bill for context on I&M's requested changes. I also  
6 reviewed the Commission's Final Order in I&M's most recent base rate case,  
7 Cause No. 45235.

8 **Q: To the extent you do not address a specific item or adjustment, should that be**  
9 **construed to mean you agree with Petitioner's proposal?**

10 A: No. Excluding any specific adjustments or amounts I&M proposes does not  
11 indicate my approval of those adjustments or amounts. Rather, the scope of my  
12 testimony is limited to the specific items addressed herein.

## II. CYBERSECURITY COSTS

13 **Q: Does I&M provide testimonial support for the cybersecurity costs it requests**  
14 **to recover through base rates?**

15 A: No. I&M witness David A. Lucas mentions cybersecurity investment in his  
16 testimony as part of the information technology capital investment; however, he  
17 does not provide a total cost amount for cybersecurity investment in his  
18 attachments.<sup>2</sup> Mr. Koehler mentions that one of I&M's goals of transmission  
19 investment is directed at protecting the grid from physical and cyber threats.<sup>3</sup>  
20 Later, he mentions cybersecurity as part of the RTEP process in the category of  
21 Infrastructure Resilience<sup>4</sup> and as a driver of I&M's increases in NITS charges.<sup>5</sup>

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<sup>2</sup> See Testimony of I&M Witness David A. Lucas, p. 5, lines 10-13.

<sup>3</sup> See Testimony of Nicolas C. Koehler, p. 3, lines 14-16.

<sup>4</sup> Koehler, p. 14, lines 9-12.

<sup>5</sup> Koehler, p. 22, lines 5-16.

1           However, Mr. Koehler did not cite to I&M's actual and forecasted spending on  
2           cybersecurity capital and O&M costs. I recommend that I&M make better efforts  
3           to explain its proposed capital and O&M cybersecurity spending in future filings  
4           by connecting its testimony to workpaper support.

5   **Q: Did the OUCC issue discovery requesting I&M provide support for its**  
6   **proposed cybersecurity spending?**

7   A: Yes. In OUCC DR 28-5, the OUCC requested support for I&M's compliance with  
8   North American Electric Reliability Corporation ("NERC") and Federal Energy  
9   Regulatory Commission ("FERC") cybersecurity standards including a  
10   breakdown of the NERC and FERC cybersecurity projects and associated costs of  
11   such projects I&M has requested recovery of in base rates. In response to OUCC  
12   DR 28-5, attached to my testimony, I&M indicated FERC and NERC cyber  
13   security standards compliance is managed at the enterprise level for all operating  
14   companies, led by two organizations Enterprise NERC Reliability Assurance and  
15   Enterprise Security. Additionally, I&M referred to a list of its cybersecurity  
16   projects and associated costs it provided in response to OUCC DR 27-2.<sup>6</sup>

17   **Q: What capital and O&M cybersecurity costs is I&M requesting to recover?**

18   A: As provided in I&M's response to OUCC DR 27-2, attached to my testimony,  
19   I&M forecasts \$16,254,261 Total Company cybersecurity capital costs, composed  
20   of \$7,686,607 associated with cybersecurity projects I&M will complete in 2021  
21   and \$8,567,654 associated with cybersecurity projects I&M forecasts it will  
22   complete in 2022. I&M's total Indiana Jurisdictional cybersecurity capital costs

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<sup>6</sup> See Attachment KGL-2: I&M's response to OUCC DR 28-5, p. 1. Also See KGL-1: I&M's response to OUCC DR 27-2.

1 are \$11,706,849. Additionally, I&M forecasts approximately \$5,418,213 in 2022  
2 Total Company cybersecurity O&M expenses, of which Indiana's jurisdictional  
3 share is \$3,902,373.<sup>7</sup>

4 **Q: Did I&M identify how much of these costs are non-recurring in nature?**

5 A: No. OUCC DR 28-6 asked I&M to distinguish between its recurring and non-  
6 recurring proposed cybersecurity costs.<sup>8</sup> However, I&M provided no further  
7 explanation, redirecting the OUCC back to its earlier response included as  
8 Attachment KGL-1, pages 2-3, which does not provide any indication of which  
9 costs are recurring.

10 **Q: Does the OUCC have concerns with I&M's cybersecurity cost recovery**  
11 **request?**

12 A: Yes. Base rates are designed to capture on-going, prospective costs and should  
13 include only those costs that the utility reasonably expects will be recurring. I&M  
14 should not be allowed to recover cybersecurity compliance costs that are non-  
15 recurring in base rates. Indiana's Federally Mandated Requirements for Energy  
16 Utilities statute, Ind. Code ch. 8-1-8.4, allows utilities to seek recovery of  
17 compliance projects and federally mandated costs associated with compliance  
18 projects through a periodic retail rate adjustment mechanism. If I&M is unable to  
19 address cybersecurity costs through its current rates, recovery through a federally  
20 mandated rate adjustment mechanism would have been the more appropriate  
21 avenue for I&M to request recovery of such non-recurring cybersecurity  
22 compliance costs.

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<sup>7</sup> See Attachment KGL-1: I&M's response to OUCC DR 27-2.

<sup>8</sup> See Attachment KGL-2, OUCC DR 28-6, p 2.

1 **Q: What does the OUCC recommend regarding I&M's cybersecurity cost**  
2 **recovery request?**

3 A: The OUCC recommends the Commission deny I&M's request to include  
4 \$11,706,849 in Indiana Jurisdictional cybersecurity capital costs and \$3,902,373  
5 in Indiana Jurisdictional cybersecurity O&M expenses. Additionally, the OUCC  
6 recommends I&M provide detailed support in testimony for recovery of any  
7 future cybersecurity compliance costs requests.

### III. EZ BILL ACCOUNTING

8 **Q: Please describe I&M's EZ Bill Program.**

9 A: I&M introduced its EZ Bill program in Cause No. 45114 as a voluntary billing  
10 option for residential and small commercial customers. EZ Bill participants are  
11 charged a fixed amount per month over a 12-month period with no true-ups at the  
12 end of the year.<sup>9</sup> The Commission approved the EZ Bill program as a pilot with  
13 below-the-line accounting, where the program's revenues and expenses are  
14 treated separately from I&M's base rate calculation of revenues and expenses.<sup>10</sup>  
15 In Cause No. 45235, I&M requested integrating EZ Bill revenues and expenses  
16 into its base rates. The OUCC recommended the Commission reject I&M's  
17 proposal, as the program was new and did not have enrollment data to gauge  
18 customer interest. The Commission's Cause No. 45235 Order permitted the EZ

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<sup>9</sup> *Petition of I&M Co.*, Cause No. 45114, Final Order at 3, Section 5 (Ind. Util. Regul. Comm'n Dec. 27, 2018).

<sup>10</sup> *Id.* at 3, Section 7.

1 Bill program to continue its below-the-line treatment until further data was  
2 available.<sup>11</sup>

3 **Q: What is I&M proposing in this Cause?**

4 A: I&M witness Brent E. Auer proposes reflecting EZ Bill revenues and expenses  
5 above-the-line for regulatory accounting purposes and including them in I&M's  
6 cost of service for the purpose of setting rates.<sup>12</sup>

7 **Q: Was the issue of above-the-line treatment brought before the Commission in**  
8 **I&M's last base rate case, Cause No. 45235?**

9 A: Yes. As mentioned previously in my testimony, and as Mr. Auer describes on  
10 page 14 of his testimony, I&M proposed above-the-line treatment for its EZ Bill  
11 Program costs in I&M's last base rate case. Additionally, Mr. Auer included an  
12 excerpt from the Commission's Cause No. 45235 Order dated March 11, 2020, in  
13 which the Commission indicated it was too early to know whether customers  
14 would participate in the EZ Bill Program or whether this program may be  
15 perceived as duplicative of existing programs, the accounting treatment of this  
16 program would be better addressed after sufficient data is available, and it was  
17 prudent to wait to know and verify the EZ Bill Program costs before approving  
18 recovery above-the-line.

19 **Q: What support did I&M provide for its above-the-line treatment proposal?**

20 A: Mr. Auer refers to I&M's EZ Bill Program annual report for the 12-month period  
21 ending April 30, 2021, which was submitted in Cause No. 45114 on May 27,  
22 2021 for I&M's program data support. During the 12-month period ending April

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<sup>11</sup> *In re Ind. Mich. Power Co.*, Cause No. 45235, pp. 53-54 (Ind. Util. Regul. Comm'n Mar. 11, 2020) ("Cause No. 45235").

<sup>12</sup> See Testimony of Brent E. Auer, p. 13, line 21 - p. 14, line 2.

1 20, 2021, I&M enrolled 1,099 customers, with an annual profit of \$114,180<sup>13</sup> and  
2 program expenses of \$51,523. In response to OUCC DR 28-7, I&M stated that the  
3 program expenses were not included in the profit calculation.<sup>14</sup> Given this  
4 information, EZ Bill program profits - with program expenses included - would  
5 be \$63,057. Additionally, program profits are equal to the sum of the difference  
6 between what a customer would have paid under a standard tariff and what the  
7 customer did pay in the EZ Bill program.<sup>15</sup>

8 **Q: Is I&M's request for above-the-line treatment persuasive?**

9 A: No. As support for why its EZ Bill program should be treated similarly, Mr. Auer  
10 mentions Petitioner has other tariff offerings similar to the EZ Bill Program  
11 (Equal Payment Plan, Alternative Feed Service Rider, and Average Monthly  
12 Payment Plan) that are included in I&M's cost of service for purposes of setting  
13 I&M's rates. However, I&M provides no support to show proof the EZ Bill  
14 Program is not duplicative of these existing alternatives.

15 Additionally, in reviewing I&M's Cause No. 45114 EZ Bill annual  
16 reports, 15% of participating customers left the program in the 12-months ending  
17 April 30, 2020<sup>16</sup> and about 21% of participating customers left during the twelve  
18 months ending April 30, 2021.<sup>17</sup> Moreover, total program enrollment for the  
19 period ending April 30, 2021 (1,099) was only 49 more than the period ending

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<sup>13</sup> See Attachment KGL-3: Cause No. 45114 EZ Bill Program Annual Reports for 2020 and 2021, p. 4.

<sup>14</sup> See Attachment KGL-2, OUCC DR 28-7, p. 3.

<sup>15</sup> See Attachment KGL-2, OUCC DR 28-9, p. 4.

<sup>16</sup> See Attachment KGL-3, p. 2, calculation derived from the program exits before the end of the period added to the declined reenrollments, divided by the total number of customers enrolled.

<sup>17</sup> See Attachment KGL-3, p. 4, calculation derived from the program exits before the end of period added to the declined reenrollments, divided by the total number of customers enrolled.



1 April 30, 2020 (1,050).<sup>18</sup> The number of reenrolling customers in 2020 was 744,  
2 while the number of customers reenrolling in 2021 was only 137. EZ Bill profits,  
3 not including program expenses, increased only \$11,600 from 2020 to 2021.<sup>19</sup> In  
4 my view, the data provided thus far suggests the EZ Bill program has not been  
5 well-received by customers and may not be a viable offering in the long-term.

6 Furthermore, this program was approved on December 27, 2018 in Cause  
7 No. 45114 under a three-year Alternative Regulatory Plan (“ARP”) through April  
8 30, 2022.<sup>20</sup> Therefore, there are still months during the pilot period in which data  
9 has or will be gathered that I&M has not yet reported. Per the Cause No. 45114  
10 Settlement Agreement, I&M is to contact the OUCC six months prior to the end  
11 of the third year of the program regarding its plan to renew, modify, or terminate  
12 the EZ Bill program and this ARP. If I&M elects to renew the program, then it is  
13 at that time I&M would determine whether the OUCC would agree to a renewal  
14 of the ARP, without change, and, if so, the Parties would file a joint notice to  
15 inform the Commission that the Parties have agreed to such an automatic renewal.  
16 I&M and the OUCC currently have a meeting scheduled to discuss I&M’s EZ Bill  
17 program's renewal on October 18, 2021. Therefore, not only is I&M’s request for  
18 above-the-line treatment in this rate case proceeding premature, but I&M’s  
19 request is a change from the currently approved program. Moreover, I&M’s 2021  
20 EZ Bill annual report shows a trend of customers declining to reenroll in this

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<sup>18</sup> See Attachment KGL-3, pp. 2 and 4, comparing line 2 amounts.

<sup>19</sup> Attachment KGL-3, pp. 2 and 4, comparing line 8 amounts.

<sup>20</sup> Cause No. 45114, Final Order at 11.

1 program,<sup>21</sup> which warrants continuing to treat accounting for EZ Bill program  
2 expenses and revenues separate from I&M's base rate revenue requirement as a  
3 below-the-line pilot program for the remainder of the three-year pilot period.

4 **Q: Are you able to quantify the revenues and expenses I&M is proposing to**  
5 **include in base rates associated with its EZ Bill Program from the**  
6 **evidence in this Cause?**

7 A: No, I am not.

8 **Q: What do you recommend regarding I&M's EZ Bill request?**

9 A: I&M has not demonstrated that above-the-line treatment is prudent. Additionally,  
10 based on data that is available through I&M's EZ Bill compliance reporting in  
11 Cause No. 45114, continuation of the EZ Bill Program may not be viable in the  
12 long run. Therefore, I recommend the Commission deny I&M's request and order  
13 it to quantify and remove EZ Bill Program revenues and expenses from its  
14 proposed base rates and continue below-the-line accounting treatment for this  
15 program.

#### IV. OUCC RECOMMENDATIONS

16 **Q: What do you recommend in this proceeding?**

17 A: I recommend the Commission:

18 1) Deny I&M's request to account for EZ Bill Program revenues and expenses  
19 above-the-line; and

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<sup>21</sup> See Attachment KGL-3, pp. 2 and 4, comparing lines 7 and 8 amounts.

1           2) Deny I&M's request to include \$11,706,849 in non-reoccurring Indiana  
2           Jurisdictional cybersecurity compliance capital costs and \$3,902,373 Indiana  
3           Jurisdictional cybersecurity compliance O&M expenses in base rates.

4   **Q: Does this conclude your testimony?**

5   A: Yes.

**APPENDIX A**

1 **Q: Please describe your educational background and experience.**

2 A: I graduated from the Kelley School of Business of Indianapolis in 2014 with a  
3 Bachelor of Science in Business with majors in Accounting and Finance. I am  
4 licensed in the State of Indiana as a Certified Public Accountant. I attended the  
5 National Association of Regulatory Utility Commissioners ("NARUC") Spring  
6 2018 Conference held by New Mexico State University and the Intermediate  
7 Course Fall 2019 conference held by the Institute of Public Utilities at Michigan  
8 State University. In September 2019, I attended the annual Society of  
9 Depreciation Professionals conference held in Philadelphia and the Basics of  
10 Depreciation course.

11 **Q: Have you previously testified before the Commission?**

12 A: Yes.

13 **Q: Please describe your duties and responsibilities at the OUCC.**

14 A: I review Indiana utilities' requests for regulatory relief filed with the Indiana  
15 Utility Regulatory Commission ("Commission"). My scope of review is typically  
16 focused on accounting and utility ratemaking issues. This involves reading  
17 testimonies of petitioners and intervenors, previous orders issued by the  
18 Commission, and any appellate opinions to inform my analyses. I prepare and  
19 present testimony based on these analyses and make recommendations to the  
20 Commission on behalf of Indiana utility consumers.

INDIANA MICHIGAN POWER COMPANY  
INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR  
DATA REQUEST SET NO. OUCC DR 27  
IURC CAUSE NO. 45576

DATA REQUEST NO OUCC 27-02

REQUEST

Please provide support for the total capital and O&M amounts of the cybersecurity information technology costs I&M is requesting to include in its base rates established in this case.

RESPONSE

Please see 45576\_IndMich\_OUCC 27-2 Attachment 1\_0930202 which provides the list of cybersecurity-related capital projects included in base rates.

Please see 45576\_IndMich\_OUCC 27-2 Attachment 2\_0930202 which provides the AEP Service Corporation billings to I&M from the Chief Security Officer by department included in base rates.

**EPIS - CWIP Closed to Plant**

**Cyber Security Projects**

<b>Project</b>	<b>2021 Total</b>	<b>2022 Total</b>	<b>Total</b>
ITSEC1436: Security Blanket	5,333,565	7,454,900	12,788,465
ITSEC1556: Cyber IronNet	84,014	7,718	91,732
ITSEC1567: Cisco Security ELA-CAP	302,764	27,953	330,716
ITSEC1678: Cyber-Service Acct Remediation	69,055	-	69,055
ITSEC1720: Cyber DPPG Data Gov&Compliance	60,034	5,449	65,484
ITSEC1737: CYBER MCAFEE SLA	221,068	142,593	363,660
ITSEC1752: Cyber-Security Analytics	113,688	123,729	237,416
ITSEC1753: Cyber-Audit Remediation	5,678	-	5,678
ITSEC1795: Cyber-VulnextPh2ConfigMgt	134,341	12,199	146,540
ITSEC1808: Cyber-MDR	302,902	-	302,902
ITSEC1819: Cyber-IronNet	406,627	341,857	748,483
ITSEC1826: Cyber-NetwrkDefUpgrd 2020	26,033	-	26,033
ITSEC1855: Cyber-IAM Access Enhancmts	626,840	451,256	1,078,097
<b>Grand Total</b>	<b>7,686,607</b>	<b>8,567,654</b>	<b>16,254,261</b> a
Total Company Cyber Security EPIS			<b>16,254,261</b> a
IN Retail Payroll Allocator (from JCOS)			0.7202326 b
<b>IN Retail Jurisdiction Cyber Security Projects in Service</b>			<b>11,706,849</b> c = a*b

**2022 AEPSC Chief Security Officer Department Billings to I&M A&G Accounts\***

<b>From Department</b>	<b>2022 Total</b>	
12180 IAM and Cyber Program Mgt	197,046	
12487 CyberSecurityMonitorResponse	512,199	
12524 Security Assets	450,238	
12673 Chief Security Officer Admin	193,358	
12677 Physical Security	631,755	
12678 CyberSec Intelligence&Defense	52,212	
12925 Incentv Acrl Chief Extnal Offc	52,914	
13155 Cyber Risk & Security Services	346,173	
13157 CyberSec Compliance&RiskSvcs	5,269	
13371 Cyber Sec Assessments & Design	339,286	
13372 Identity Registration Serv	200,977	
13408 Enterprise Content Mgmt.	154,735	
13458 Security Controls Management	621,704	
13546 Cybersecurity Ambassadors	176,318	
13547 Cybersec Arch & Engineer	332,693	
13548 Cybersec Protect Svcs	210,087	
13549 Cybersec Infrastructure	296,636	
13595 CyberData Protection & Privacy	85,271	
13648 Security Ed & Regional Support	340,728	
13649 Security Vulnerability Mgmt	192,586	
13650 Security Data & Analytics	26,028	
<b>Grand Total</b>	<b>5,418,213</b>	a
Total Company Cyber Security O&M	<b>5,418,213</b>	a
IN Retail Payroll Allocator (from JCOS)	0.7202326	b
<b>IN Retail Jurisdiction Cyber Security O&amp;M</b>	<b>3,902,373</b>	c = a*b

**\* Billed to Accounts**

9200000	Administrative & Gen Salaries
9210001	Off Supl & Exp - Nonassociated
9230001	Outside Svcs Empl - Nonassoc
9230003	AEPSC Billed to Client Co
9302000	Misc General Expenses
9310002	Rents - Personal Property
9350015	Maint of Office Furniture & Eq

INDIANA MICHIGAN POWER COMPANY  
INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR  
DATA REQUEST SET NO. OUCC DR 28  
IURC CAUSE NO. 45576

DATA REQUEST NO OUCC 28-05

REQUEST

Please provide support for I&M's compliance with NERC and FERC cybersecurity standards including a breakdown of the NERC and FERC cybersecurity projects and associated costs of such projects I&M has requested recovery of in base rates.

RESPONSE

FERC & NERC cyber security standards compliance is managed at the enterprise level for all operating companies, led by two organizations Enterprise NERC Reliability Assurance and Enterprise Security. For a list of cybersecurity projects and associated costs, please see OUCC 27-02 Attachments 1 and 2.



INDIANA MICHIGAN POWER COMPANY  
INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR  
DATA REQUEST SET NO. OUCC DR 28  
IURC CAUSE NO. 45576

DATA REQUEST NO OUCC 28-06

REQUEST

Please provide a breakdown of the on-going O&M costs and non-reoccurring costs and capital investments I&M's forecasts it will spend on cybersecurity compliance and is requesting to recover in base rates

RESPONSE

Please see response to OUCC 27-02.

INDIANA MICHIGAN POWER COMPANY  
INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR  
DATA REQUEST SET NO. OUCC DR 28  
IURC CAUSE NO. 45576

DATA REQUEST NO OUCC 28-07

REQUEST

On page 15 of his testimony, Mr. Auer cites \$51,123 in EZ Bill program expenses. Please provide a breakdown of expenses, including a description of the expense and dollars associated with such expense and whether the expense is recurring. Please also indicate whether such expenses were included in the calculation of I&M's EZ Bill \$114,180 profit amount indicated in Mr. Auer's testimony and provided on I&M's 2021 annual report of the EZ Bill program.

RESPONSE

45576\_IndMich\_OUCC 28-07 Attachment 1\_10082021 contains a breakdown of the \$51,123 in EZ Bill program expenses cited by Mr. Auer on page 15 of his testimony. Labor and outside services are recurring expenses that will vary based on program activity.

These expenses were not included in the calculation of the \$114,180 EZ Bill profit he also cites on page 15 of his testimony.

INDIANA MICHIGAN POWER COMPANY  
INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR  
DATA REQUEST SET NO. OUCC DR 28  
IURC CAUSE NO. 45576

DATA REQUEST NO OUCC 28-09

REQUEST

Please provide the calculation including all inputs used by I&M to determine the EZ Bill program profit amount provided on I&M's annual report of the EZ Bill program.

RESPONSE

Using the report with information ended April 2021, the annual profit amount of \$114,180 mentioned by Mr. Auer on page 15 of his testimony is equal to the sum of the difference between what each I&M customer enrolled in the EZ Bill program for one or more of the months from May 2020 through April 2021 would have paid under a standard tariff and what that customer did pay in the EZ Bill program.

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF INDIANA MICHIGAN )  
POWER COMPANY REQUESTING THE INDIANA )  
UTILITY REGULATORY COMMISSION TO )  
APPROVE, AND TO DECLINE TO EXERCISE ITS )  
JURISDICTION IN PART OVER, AN )  
ALTERNATIVE REGULATORY PLAN FOR THE )  
OFFERING OF A FLAT BILL (“EZ BILL”) )  
PROGRAM APPLICABLE TO RESIDENTIAL AND )  
SMALL COMMERCIAL CUSTOMERS PURSUANT )  
TO IND. CODE 8-1-2.5-5 AND 8-1-2.5-6 )

CAUSE NO. 45114

**INDIANA MICHIGAN POWER COMPANY’S  
SUBMISSION OF EZ Bill PROGRAM ANNUAL REPORT**

In accordance with the Commission’s December 27, 2018 Order in this Cause, Indiana Michigan Power Company (I&M) submits its initial annual *EZ Bill* Metrics Report for the period of May 1, 2019 (initial customer program offers) through April 30, 2020 (see attached). The Metrics Report provides the listed performance metric data as provided for in the Settlement Agreement and as approved in the Commission’s Order.

Respectfully submitted,



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Attorney for Indiana Michigan Power Company

<p style="text-align: center;"><b>Indiana Michigan Power Company</b>  <b>EZ Bill Program Performance Metrics Report</b>  <b>12 months ended April 30, 2020</b>  <b>IURC Cause No. 45114</b></p>		
Line No.	Metric	Value
1	Revenues	\$1,009,552
2	Number of customers enrolled	1,050
3	Number of customers who voluntarily exited the program	144
4	Number of customers who involuntarily exited the program	0
4a	Reason for Departure:	-----
	- Excessive use	Not Applicable
	- No longer met eligibility requirements due to service disconnect or multiple disconnect notices	Not Applicable
5	Exit fees assessed	\$11,716
6	Number of customers who re-enrolled*	137
7	Number of customers who declined re-enrollment*	14
8	Annual profit or (loss)	\$102,580
<p>* As of April 30, 2020 initial annual customer re-enrollment process is in progress. Therefore, this value should be considered as partial.</p>		

**FILED**  
May 27, 2021  
**INDIANA UTILITY  
REGULATORY COMMISSION**

STATE OF INDIANA  
INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF INDIANA MICHIGAN POWER )  
COMPANY REQUESTING THE INDIANA UTILITY )  
REGULATORY COMMISSION TO APPROVE, AND TO )  
DECLINE TO EXERCISE ITS JURISDICTION IN PART )  
OVER, AN ALTERNATIVE REGULATORY PLAN FOR )  
THE OFFERING OF A FLAT BILL (“EZ BILL”) PROGRAM )  
APPLICABLE TO RESIDENTIAL AND SMALL )  
COMMERCIAL CUSTOMERS PURSUANT TO IND. )  
CODE 8-1-2.5-5 AND 8-1-2.5-6 )

**CAUSE NO. 45114**

**INDIANA MICHIGAN POWER COMPANY’S  
EZ Bill PROGRAM COMPLIANCE NOTICE**

In accordance with the December 27, 2018 Order in this cause, Indiana Michigan Power Company (I&M) submits its annual *EZ Bill* Metrics Report for the period of May 1, 2020 through April 30, 2021. The Metrics Report provides the listed performance metric data as provided for in the Settlement Agreement approved in this Order.

<b>Indiana Michigan Power Company  EZ Bill Program Performance Metrics Report  12 months ended April 30, 2021</b>		
Line No.	Metric	Value
1	Revenues	\$1,295,953
2	Number of customers enrolled	1,099
3	Number of customers who voluntarily exited the program	132
4	Number of customers who involuntarily exited the program	35
4a	Reason for Departure:	-----
	- Excessive energy use	1
	- Commercial customer with excessive demand	1
	- No longer met eligibility requirements due to service disconnect or multiple disconnect notices	33
5	Exit fees assessed	\$7,683
6	Number of customers who re-enrolled	744
7	Number of customers who declined re-enrollment	62
8	Annual profit or (loss)	\$114,180

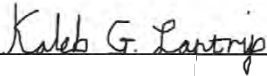
Respectfully submitted,

By: /s/ Tammara D. Avant  
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Attorney for Indiana Michigan Power Company

**AFFIRMATION**

I affirm, under the penalties for perjury, that the foregoing representations are true.

  
\_\_\_\_\_

Kaleb G. Lantrip  
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Indiana Office of Utility Consumer Counselor  
Cause No 45576  
Indiana Michigan Power Co.

October 12, 2021



## CERTIFICATE OF SERVICE

This is to certify that a copy of the Indiana Office of Utility Consumer Counselor's Testimony Filing has been served upon the following parties of record in the captioned proceeding by electronic service on October 12, 2021.

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