

ORIGINAL

Commissioner	Yes	No	Not Participating
Huston	√		
Bennett	√		
Freeman	√		
Veleta	√		
Ziegner	√		

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF DUKE ENERGY INDIANA, LLC)
PURSUANT TO IND. CODE §§ 8-1-2-42.7 AND 8-1-2-61,)
FOR (1) AUTHORITY TO MODIFY ITS RATES AND)
CHARGES FOR ELECTRIC UTILITY SERVICE)
THROUGH A MULTI-STEP RATE IMPLEMENTATION)
OF NEW RATES AND CHARGES USING A)
FORECASTED TEST PERIOD; (2) APPROVAL OF NEW)
SCHEDULES OF RATES AND CHARGES, GENERAL)
RULES AND REGULATIONS, AND RIDERS; (3))
APPROVAL OF REVISED ELECTRIC DEPRECIATION)
RATES APPLICABLE TO ITS ELECTRIC PLANT IN)
SERVICE, AND APPROVAL OF REGULATORY ASSET)
TREATMENT UPON RETIREMENT OF THE)
COMPANY’S LAST COAL-FIRED STEAM)
GENERATION PLANT; (4) APPROVAL OF AN)
ADJUSTMENT TO THE COMPANY’S FAC RIDER TO)
TRACK COAL INVENTORY BALANCES; AND (5))
APPROVAL OF NECESSARY AND APPROPRIATE)
ACCOUNTING RELIEF, INCLUDING AUTHORITY TO:)
(A) DEFER TO A REGULATORY ASSET EXPENSES)
ASSOCIATED WITH THE EDWARDSPOINT CARBON)
CAPTURE AND SEQUESTRATION STUDY, (B) DEFER)
TO A REGULATORY ASSET COSTS INCURRED TO)
ACHIEVE ORGANIZATIONAL SAVINGS, AND (C))
DEFER TO A REGULATORY ASSET OR LIABILITY, AS)
APPLICABLE, ALL CALCULATED INCOME TAX)
DIFFERENCES RESULTING FROM FUTURE CHANGES)
IN INCOME TAX RATES)

CAUSE NO. 46038

APPROVED: APR 16 2025

ORDER OF THE COMMISSION ON RECONSIDERATION

Presiding Officers:
James F. Huston, Chairman
Loraine L. Seyfried, Chief Administrative Law Judge

The Indiana Utility Regulatory Commission (“Commission”) issued on January 29, 2025, a final order in this Cause (“46038 Order”). Thereafter on February 3, 2025, the Commission issued a Nunc Pro Tunc order correcting certain numerical errors in the 46038 Order.

On February 18, 2025, Duke Energy Indiana, LLC (“Duke”) filed a Verified Petition for Rehearing and Reconsideration or, Alternatively, Commission Clarification and/or Modification

(“Verified Petition”). Intervenor Nucor Steel-Indiana, a division of Nucor Corporation (“Nucor”), filed on that same day a Motion for Clarification and Motion for Reconsideration (“Motion”).

On February 25, 2025, the Presiding Officers notified the parties that the Commission’s Energy Division had completed its review of Duke’s Step 1 Compliance filing and was approving Duke’s tariffs on an interim basis, subject to refund, based on the outcome of the pending Verified Petition and Motion.

On February 28, 2025, Nucor filed a Notice of Appeal with the Indiana Court of Appeals, and a Motion to Stay Briefing on March 6, 2025. The Indiana Court of Appeals granted Nucor’s Motion for Stay on March 11, 2025, temporarily staying the appeal and remanding the case to the Commission.

On February 28, 2025, Duke filed its response to Nucor’s Motion; the Duke Industrial Group and the Indiana Office of Utility Consumer Counselor (“OUCC”) filed a joint response to Duke’s Verified Petition; and Kroger filed a response to Duke’s Verified Petition. On March 7, 2025, Duke filed its reply to the intervenor and OUCC responses. Nucor also filed its reply to Duke’s response.

1. Nucor’s Motion. Nucor requests the Commission clarify its determination regarding Duke’s revenue allocation and mitigation. Specifically, Nucor seeks clarification or reconsideration of the Commission’s findings related to: (1) whether both the rate increase and the reduction of class subsidies applies to Nucor; (2) the appropriate rate to be applied when determining whether Nucor will experience an increase no greater than 1.25% the overall increase, and (3) the need for a review period following the Step 1 compliance filing.

Based on the record evidence, it is clear that although Nucor is a special contract customer and not taking service under a class-specific tariff rate, Duke considered Nucor as a separate rate class in conducting its cost-of-service study. *See* Petitioner’s Exhibit 32 at 9; Tr. at C-38. Accordingly, the Commission’s determination that no specific rate class should experience an increase that is more than 25% higher than the overall authorized increase applies to Nucor.

As for the appropriate rate to be applied in determining whether Nucor will experience a rate increase that is greater than 25% of the overall authorized increase, Duke applied a reasonable market price in determining Nucor’s increase presented in its Step 1 compliance filing. Duke’s calculations are supported by Ms. Diaz’s rebuttal testimony as well as her testimony at the hearing explaining that the bill impact calculations offered by Mr. Flick were estimates and that market-based pricing amounts are variable. *See* Exhibit 32 at 9; Tr. at C-40-41. The evidence of record supports that market prices decreased after Mr. Flick’s initial estimates in a generally proportional amount to the market price assumption in the compliance filing. *See* OUCC Exhibit 1 at 28-29.

Finally, we decline to reconsider our decision concerning a review period after the Step 1 compliance filing. While the OUCC recommended the Commission provide the parties with at least 60 days to review Duke’s compliance filing with updated rate base and capital structure, Duke did not propose to update its rate base or capital structure in its Step 1 compliance filing. OUCC Exhibit 1 at 20; 46038 Order at 85. No other party requested or recommended a review period.

2. **Duke's Verified Petition.** Duke's Verified Petition is denied.

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

1. Nucor's Motion for Clarification and Motion for Reconsideration is denied.
2. Duke's Verified Petition for Rehearing and Reconsideration or, Alternatively, Commission Clarification and/or Modification is denied.
3. This Order shall be effective on and after the date of its approval.

HUSTON, BENNETT, FREEMAN, VELETA, AND ZIEGNER CONCUR:

APPROVED: APR 16 2025

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

**Dana Kosco
Secretary of the Commission**