

STATE OF INDIANA
INDIANA UTILITY REGULATORY COMMISSION

PETITION OF NORTHERN INDIANA PUBLIC SERVICE)
COMPANY LLC PURSUANT TO IND. CODE §§ 8-1-2-42.7,)
8-1-2-61, AND, 8-1-2.5-6 FOR (1) AUTHORITY TO MODIFY)
ITS RETAIL RATES AND CHARGES FOR ELECTRIC)
UTILITY SERVICE THROUGH A PHASE IN OF RATES;)
(2) APPROVAL OF NEW SCHEDULES OF RATES AND)
CHARGES, GENERAL RULES AND REGULATIONS, AND)
RIDERS (BOTH EXISTING AND NEW); (3) APPROVAL)
OF A NEW RIDER FOR VARIABLE NONLABOR O&M)
EXPENSES ASSOCIATED WITH COALFIRED)
GENERATION; (4) MODIFICATION OF THE FUEL COST)
ADJUSTMENT TO PASS BACK 100% OF OFF-SYSTEM)
SALES REVENUES NET OF EXPENSES; (5) APPROVAL)
OF REVISED COMMON AND ELECTRIC)
DEPRECIATION RATES APPLICABLE TO ITS)
ELECTRIC PLANT IN SERVICE; (6) APPROVAL OF)
NECESSARY AND APPROPRIATE ACCOUNTING)
RELIEF, INCLUDING BUT NOT LIMITED TO)
APPROVAL OF (A) CERTAIN DEFERRAL MECHANISMS)
FOR PENSION AND OTHER POSTRETIREMENT)
BENEFITS EXPENSES; (B) APPROVAL OF)
REGULATORY ACCOUNTING FOR ACTUAL COSTS OF)
REMOVAL ASSOCIATED WITH COAL UNITS)
FOLLOWING THE RETIREMENT OF MICHIGAN CITY)
UNIT 12, AND (C) A MODIFICATION OF JOINT)
VENTURE ACCOUNTING AUTHORITY TO COMBINE)
RESERVE ACCOUNTS FOR PURPOSES OF PASSING)
BACK JOINT VENTURE CASH, (7) APPROVAL OF)
ALTERNATIVE REGULATORY PLANS FOR THE (A))
MODIFICATION OF ITS INDUSTRIAL SERVICE)
STRUCTURE, AND (B) IMPLEMENTATION OF A LOW)
INCOME PROGRAM; AND (8) REVIEW AND)
DETERMINATION OF NIPSCO'S EARNINGS BANK FOR)
PURPOSES OF IND. CODE § 8-1-2-42.3.)

CAUSE NO. 45772

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

PUBLIC'S EXHIBIT NO. 7

TESTIMONY OF OUCC WITNESS JOHN E. HASELDEN

JANUARY 20, 2023

Respectfully submitted,

A rectangular box containing a handwritten signature in black ink. The signature appears to be 'K. Earls' written in a cursive style.

Kelly Earls, Attorney No. 29653-49
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TESTIMONY OF OUCC WITNESS JOHN E. HASELDEN
CAUSE NO. 45772
NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC

I. INTRODUCTION

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

2 A: My name is John E. Haselden. My business address is 1711 Wellington Ct. Avon,
3 IN 46123. I recently retired from my position as a Senior Utility Analyst in the
4 Electric Division of the Indiana Office of Utility Consumer Counselor ("OUCC").
5 I describe my educational background and professional work experience in
6 Appendix A to my testimony.

7 **Q: By whom are you employed and in what capacity?**

8 A: I am a self-employed consultant. I have been retained by the OUCC to present
9 testimony in this proceeding.

10 **Q: Have you previously testified before the Indiana Utility Regulatory**
11 **Commission ("Commission")?**

12 A: Yes. I have testified in many cases before the Commission, including cases on
13 demand side management ("DSM"), renewable energy, Transmission, Distribution,
14 and Storage System Improvement Charge ("TDSIC"), electric vehicle charging,
15 and applications for Certificates of Public Convenience and Necessity ("CPCN").

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

17 A: The purpose of my testimony is to discuss Northern Indiana Public Service
18 Company LLC's ("NIPSCO" or "Company") request for recovery of costs
19 associated with construction of its proposed electric vehicle fast chargers

1 ("EVFCs") and costs to modify its transmission and distribution ("T&D") system
2 to accommodate the EVFCs

3 **Q: Please describe the review and analysis you conducted to prepare your**
4 **testimony.**

5 A: I reviewed the Verified Petition, Direct Testimony and Exhibits submitted by
6 NIPSCO in this Cause relative to my testimony. I composed data requests ("DRs")
7 and reviewed NIPSCO's discovery responses.

8 **Q: Are you sponsoring any attachments in this proceeding?**

9 A: Yes. I am sponsoring Attachment JEH-1 to this testimony, which contains
10 Petitioner's Responses to selected OUCC DRs.

11 **Q: To the extent you do not address a specific item in your testimony, should it be**
12 **construed to mean you agree with NIPSCO's proposal?**

13 A: No. My silence regarding any topics, issues, or items NIPSCO proposes does not
14 indicate my approval of those topics, issues, or items. Rather, the scope of my
15 testimony is limited to the specific items addressed herein.

16 **II. ELECTRIC VEHICLE FAST CHARGERS ("EVFC")**

17 **A. NIPSCO's Proposal**

18 **Q: What is NIPSCO proposing regarding EVFC investments and rates?**

19 A: NIPSCO proposes to:

20 1. Install, own, and operate 10 EVFC stations. NIPSCO is part of the Indiana Utility
21 Group ("IUG") receiving funding through IDEM from the Indiana Volkswagen
22 Environmental Mitigation Trust Fund ("VW Trust Funds") for IUG's Crossroads
23 EV Corridor Project.

24 2. Offer a new Rate 549 to price power for customers using its company owned

1 EVFCs. Rate 549 is characterized as a “market-based rate” based upon an average
2 price of 12 existing charging stations in Indiana. The proposed rate is \$0.4040/kWh.

3 3. Recover, through inclusion in base rates, the capital costs of the EVFC stations and
4 “make-ready” costs. “Make-ready” costs are those costs necessary to improve the
5 electric transmission and distribution system and to make the connection to the
6 EVFC station.

7 **Q: Does the OUCC have concerns with NIPSCO’s proposal regarding EVFC**
8 **investments, cost recovery, and rates?**

9 A: Yes. The OUCC’s concerns are associated with the fact NIPSCO proposes to
10 require customers to subsidize the EVFC projects in several ways. In addition, few
11 NIPSCO customers will use the EVFC projects. The EVFCs are not necessary to
12 the provision of safe, reliable, and economic electric service to NIPSCO customers.
13 Finally, NIPSCO is seeking ratepayer subsidization, which allows it to unfairly
14 compete with competitive providers of EVFC services.

15 **B. NIPSCO Customer Subsidization**

16 **Q: Is the OUCC opposed to NIPSCO or other utilities offering EVFC services?**

17 A: No. The OUCC is not opposed to utilities entering the EVFC market so long as they
18 compete fairly and conduct their business as “below-the-line” operations without
19 ratepayer subsidy.

20 **Q: Is NIPSCO proposing its ratepayers subsidize the installation of EVFCs**
21 **through rates?**

22 A: Yes. NIPSCO’s proposal regarding the EVFC investments and rates is discussed in
23 NIPSCO’s witness Erin E. Whitehead’s testimony. Although Ms. Whitehead
24 discussed how the proposed Rate 549 would be administered and NIPSCO’s

1 participation in the IUG to obtain funding for the EVFCs, Ms. Whitehead did not
2 discuss NIPSCO's plan to include the capital costs of the 10 EVFC stations, net of
3 their share of the VW Trust funds awarded to the IUG, in base rates. The OUCC
4 discovered this aspect in NIPSCO's response to DR 1-005, e, and f¹ and in response
5 to DR-18.

6 **Q: In what manner is NIPSCO seeking ratepayer subsidies for the EVFCs?**

7 A: NIPSCO proposes to seek recovery and earn a return on the make-ready costs net
8 of VW Trust Funds.² NIPSCO's share of the VW Trust Fund IDEM awarded is
9 \$907,378.³ NIPSCO plans to track three work orders ("WO") at each charging
10 station, including: WO #1: utility infrastructure in front of the meter (T&D system
11 improvements) estimated at \$0.72 million; WO #2: make ready work from the
12 meter to the EVFC equipment, estimated at \$0.8 million; and WO #3: EVFC
13 equipment and installation costs estimated at \$1.30 million.⁴ NIPSCO plans to
14 apply the VW Trust Funds first to WO #3 costs. Because WO #3 costs are far
15 greater than the funds expected from the VW Trust Fund, no VW Trust Funds can
16 be expected to offset the costs of WO #1 or WO #2 and will only partly offset the
17 costs of WO#3.⁵

18 Regarding ongoing costs of operations and maintenance, NIPSCO proposes

¹ Attachment JEH-1, Response to OUCC DR 1-005 and DR 18-001.

² Attachment JEH-1, Response to OUCC DR 1-005(f).

³ Attachment JEH-1, Response to OUCC DR 1-005(c)

⁴ Attachment JEH-1, Response to OUCC DR 1-005(d) (3-4).

⁵ Attachment JEH-1, Response to OUCC DR 18-001.

1 to use revenues from Rate EVFC to cover costs associated with EVFC station
2 operations and, to the extent revenues exceed costs, defer the EVFC net margin as
3 a regulatory liability to a future rate case.⁶ NIPSCO did not address the accounting
4 treatment if revenues are less than costs. It could be assumed these net costs would
5 receive the same treatment as excess revenues and be deferred as a regulatory asset
6 to a future rate case. This will likely cause further future ratepayer subsidization
7 due to the low expected usage of the EVFC stations.

8 **Q: Please explain the OUCC's other concerns with customer subsidization of**
9 **NIPSCO's EVFC projects.**

10 A: The OUCC's concerns include the following:

- 11 1. The EVFCs are not necessary for the safe, reliable, and efficient
12 provision of electric service to customers;
- 13 2. Very few NIPSCO customers will use the EVFCs;
- 14 3. Rates for customers, especially lower income customers, will be higher
15 and they will not likely receive an offsetting benefit from using EVFC
16 chargers due to the cost and affordability of EV cars;
- 17 4. NIPSCO is unfairly competing with other willing EVFC service
18 providers despite representations to the contrary.
- 19 5. The number of EVFCs is expected to increase significantly in the near
20 future due to \$5 billion of federal funding being made available through
21 National Electric Vehicle Infrastructure ("NEVI") grants. Indiana's
22 share of this funding will be approximately \$100 million –

⁶ Direct Testimony of Erin E. Whitehead, page 70, lines 1-7.

1 approximately 20 times the amount of funding the VW Trust Fund
2 awarded. Setting the precedent of requiring jurisdictional Indiana utility
3 customers to further subsidize more EVFCs through utility rates will
4 impact ratepayers far more than NIPSCO proposes in this proceeding.

5 **Q: Please explain why EVFCs are not necessary for the safe, reliable, and efficient**
6 **provision of electric service to customers.**

7 A: EVFCs are specialized equipment delivering a service in a public location to
8 anyone willing to pay the fees. This service can be, and is, provided by other
9 businesses. It is not a necessary electric service to a home or business which must
10 be provided by NIPSCO; EVFCs can be provided by a competitive charging station
11 builder, decided by the entity choosing to install the equipment. Using an EVFC is
12 a choice made by a user and is not a necessity. Further, a small percentage of
13 NIPSCO electric customers have electric vehicles and few of them would find it
14 necessary to use an EVFC in NIPSCO territory due to the lower cost and
15 convenience of home charging. NIPSCO's analysis of Indiana Bureau of Motor
16 Vehicles data shows there are only 2,942 electric vehicles in NIPSCO territory.⁷
17 This is only 0.6 percent of all customers.

18 **Q: Please explain why rates will be higher than otherwise under NIPSCO's**
19 **proposal.**

20 A: Simply put, NIPSCO is adding the costs of the EVFCs, net of the VW Trust Fund
21 contribution, to its rate base upon which it receives a return of and a return on the
22 investments. For over 99% of NIPSCO's 483,000 customers, there is no offsetting
23 benefit of having EVFCs available for their use since they do not have electric cars.

⁷ Attachment JEH-1, Response to OUCC DR18-002.

1 Low-income customers will be disproportionately affected financially because

2 these customers are even less likely to own an electric vehicle now or in the future.

3 Similar concerns were noted in Cause No. 44478 (“Blue Indy”).⁸

4 **C. Unfair Competition**

5 **Q: Please explain how NIPSCO is unfairly competing with other willing EVFC**
6 **service providers.**

7 A: There are several aspects to NIPSCO’s unfair advantages:

8 1. As previously discussed, NIPSCO intends to require its customers to
9 pay for approximately 70% of the capital costs to install the EVFCs.

10 Competing businesses do not have captive ratepayers to subsidize their
11 investments and, therefore, are significantly disadvantaged;

12 2. EVFC stations characteristically have high electric demand and low
13 sales volume. As a large customer on a demand rate, electric service to
14 an independently owned and operated business would be charged for
15 NIPSCO’s service at tariff rates which would include a demand charge.

16 Because EVFC user fees are typically charged on a per kWh basis, retail
17 rates for the service will be relatively high and margins thin due to the
18 price being capped by the market. NIPSCO stated in response to OUCC

19 DR 18-004 it intends to bill its charging stations under Tariff Rate 821,
20 like it bills similar EVFCs.⁹ However, NIPSCO earns a profit on each
21 kW of demand and kWh sold, effectively improving NIPSCO’s profit

⁸ Order. Cause No. 44478, page 23.

⁹ Attachment JEH-1, Response to OUCC DR 18-004.

1 margin for Company-owned EVFCs compared to competitor-owned
2 EVFCs.

3 3. Electric service to a business' independently operated station would be
4 subject to the 30-month revenue rule (170 IAC 4-1-27). This rule is
5 intended to insulate other customers from unfairly subsidizing service
6 extensions that will not pay for themselves and therefore raise rates for
7 all customers. Although site specific, it is very unlikely an EVFC station
8 would pass this test and the owner would be required to contribute to
9 the cost of extending service. NIPSCO did not apply the 30-month
10 revenue rule to its own estimate of costs to extend electric service to its
11 proposed EVFCs.¹⁰ Instead it proposes to pass the full costs to its
12 customers.¹¹

13 4. The price change mechanism NIPSCO proposes purports to be a
14 "market price."¹² NIPSCO's proposed method uses an average price
15 based on 12 existing EVFC stations in Indiana, of which only a few are
16 in NIPSCO's service territory. While NIPSCO expressed concern about
17 unfairly undercutting pricing for other EVFC owners, this is exactly
18 what will happen in the near future.¹³ The number of EVFC stations
19 and, therefore, price points to be averaged, will increase five-fold due

¹⁰ Attachment JEH-1, Response to OUCC DR 1-005(g).

¹¹ Attachment JEH-1, Response to OUCC DR 1-005(f).

¹² Whitehead, page 67, line1 through page 68, line 14.

¹³ Whitehead, page 68, lines 7-14.

1 to the IUG-constructed stations alone. Lower pricing has already been
2 approved for the Duke Energy Indiana (“DEI”) EVFC stations in Cause
3 No.45616. When the DEI stations are constructed, the Indiana average
4 will be driven lower and NIPSCO pricing will follow this new lower
5 average. The other IUG utilities have not yet proposed pricing that may
6 significantly impact the average. The IUG utilities will drive EVFC
7 pricing, not the “market.”

8 **Q: In awarding the IUG funds from the VW Trust Fund, what did IDEM**
9 **consider?**

10 A: IDEM conducted a competitive request for proposals and noted the IUG proposed
11 to install more EVFCs for the fixed amount of funding than other competing
12 proposals. During the meeting where IDEM made the award, several persons
13 inquired whether the IUG planned to use ratepayer funding. It was unclear, based
14 upon the statements made during the meeting, as to whether or not the IUG intended
15 to use ratepayer funding.¹⁴ No definitive statements were made on this issue.
16 However, assurances were made by Mr. Don Snemis, counsel for the IUG, that
17 “...each of them (member utilities) has committed to create that system as outlined
18 and pay whatever cost is necessary over and above the support from the trust
19 fund...”¹⁵ We now know at least two of the IUG members intended to use ratepayer

¹⁴ [IDEM: Air Quality: Volkswagen Mitigation Trust Meetings Archive](#)
[VW Meeting May 20, 2021, Recorded Meeting- \[YouTube\] at 26:00 minutes and 32:15 minutes.](#)

¹⁵ *Ibid*, VW Meeting May 20, 2021, Recorded Meeting- [YouTube] at 36:55 minutes.

1 funding, as evidenced by this proceeding and in the I&M rate case proceeding,
2 Cause No.45576.¹⁶

3 **III. OUCC RECOMMENDATIONS**

4 **Q: Please summarize your recommendations to the Commission in this Cause.**

5 A: The OUCC offers the following recommendations:

- 6 1. EVFC services the jurisdictional utilities own and operate should be run as
7 “below-the-line” businesses without captive ratepayer subsidization through
8 rate base recovery. Inclusion of estimated costs net of the VW Trust grant
9 funding in base rates should be denied.
- 10 2. External funding from the VW Trust and/or NEVI should be first applied to
11 WO #1 and, where appropriate, WO #2, to eliminate NIPSCO customers’
12 subsidization of the make-ready costs of extending service to the proposed
13 EVFCs.
- 14 3. NIPSCO should conduct a collaborative process to establish reasonable tariff
15 rates for service to EVFCs independently owned or vendor-operated stations.

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

17 A: Yes.

¹⁶ Cause No.45576, Direct testimony of Jon C. Walter, page 39, lines 1-6.

APPENDIX TO TESTIMONY OF
OUCC WITNESS JOHN E. HASELDEN

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

2 A: I am a graduate of Purdue University with a Bachelor of Science degree in Civil
3 Engineering. I am also a graduate of Indiana University with the degree of Master of
4 Business Administration, majoring in Finance. I am a registered Professional Engineer in
5 the State of Indiana. I have attended and presented at numerous seminars and conferences
6 on topics related to demand-side management (“DSM”) and renewable energy.

7 **Q: Please describe your utility business experience.**

8 A: I began employment with Indianapolis Power & Light Company in April, 1982 as a Design
9 Project Engineer in the Mechanical-Civil Design Engineering Department. I was
10 responsible for a wide variety of power plant projects from budget and cost estimation
11 through the preparation of drawings, specifications, purchasing and construction
12 supervision.

13 In 1987, I became a Senior Engineer in the Power Production Planning Department.
14 I was responsible for assisting and conducting studies concerning future generation
15 resources, economic evaluations, and other studies.

16 In 1989, I was promoted to Division Supervisor of Fuel Supply and in 1990, became
17 Director of Fuel Supply. I was responsible for the procurement of the various fuels used at
18 IPL’s generating stations.

19 In 1993, I became Director of Demand-Side Management. I was responsible for the
20 development, research, implementation, monitoring, and evaluation of all marketing and

1 DSM programs. In particular, I was responsible for the start-up of this new department and
2 for the start-up and implementation of the DSM programs approved by the Commission in
3 its Order in Cause 39672 dated September 8, 1993. The DSM Department was dissolved
4 at IPL in 1997 and I left the company.

5 From 1997 until May, 2006, I held the positions of Director of Marketing and later,
6 Director of Industrial Development and Engineering Services at The Indiana Rail Road
7 Company. I was responsible for the negotiation of coal transportation contracts with several
8 electric utilities, supervision of the Maintenance-of-Way and Communications and Signals
9 departments, project engineering, and development of large capital projects.

10 I rejoined IPL in May, 2006 as a Principal Engineer in the Regulatory Affairs Department.
11 I was responsible for the evaluation and economic analysis of DSM programs and assisted
12 in the planning and evaluation of environmental compliance options and procurement of
13 renewable resources.

14 In May, 2018, I joined the OUCC as a Senior Utility Analyst - Engineer. I reviewed
15 and analyzed utilities' requests and filed recommendations on behalf of consumers in
16 utility proceedings. As applicable to a case, my duties also included evaluating rate design
17 and tariffs, examining books and records, inspecting facilities, and preparing various
18 studies. I retired from the OUCC in July, 2022.

19 **Q: Have you previously testified before the Indiana Utility Regulatory Commission?**

20 **A:** Yes. I have provided testimony in several proceedings on behalf of IPL regarding the
21 subjects of Fuel Supply, DSM and renewable energy most recently in Cause Nos. 43485,
22 43623, 43960, 43740, 44328, 44018, and 44339. My testimony on DSM concentrated on

1 the evaluation, measurement and verification (“EM&V”) of DSM programs. My
2 testimony on renewable energy concentrated on IPL’s Rate REP (feed-in tariff, wind
3 power purchase agreements and solar energy. I have provided testimony on behalf of the
4 OUCC in Cause Nos. 43955 (DSM-7 and 8), 43827 (DSM-8 and 9), 43623 (DSM-19),
5 43405 (DSMA-17), 45086, 45145, 45193, 45194, 45235, 45245, 45253, 45285, 45370,
6 45387, 45465, 45485, 44733 (TDSIC-5, 7 and 8), 44910 (TDSIC-4, 6, 7, 8 and 9), 45576,
7 45506, and 45616.

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OUCC Request 1-005:

Please refer to the testimony of Erin E. Whitehead:

- a. Is NIPSCO proposing to treat the proposed Rate EVFC as a pilot program as required under SEA 1221?
- b. Is NIPSCO proposing to treat the EVFC business as a "below the line" business, not subject to cost recovery from ratepayers?
- c. How much funding was awarded to NIPSCO by the Indiana Volkswagen Environmental Mitigation Trust Fund Committee?
- d. Of the ten EVFC stations owned by NIPSCO:
 1. Please list the location and dates of stations ready for service;
 2. Please list the dates and locations of stations not yet ready for service;
 3. List the actual or estimated total capital costs for each station;
 4. Provide the "make-ready" cost incurred by NIPSCO for each station. "Make-ready cost" is the cost of the infrastructure to get power from the NIPSCO distribution system to the EVFC station site.
- e. How is NIPSCO applying the Indiana Volkswagen Environmental Mitigation Trust Fund to the costs make-ready costs and EVFC site costs?
- f. Is NIPSCO seeking cost recovery of net make-ready costs? If yes, how?
- g. Has NIPSCO applied a revenue test pursuant to 170 IAC 4-1-27 for the make-ready costs?
- h. Has NIPSCO contracted with vendors for the charging station equipment?**
- i. Has NIPSCO contracted with vendors for the operation and maintenance of the charging station equipment?
- j. Do the ten EVFC stations comply with the technical specifications of the National Electric Vehicle Infrastructure program?
- k. Please list the location, owner, and pricing per kWh of the EVFC stations used to compute the average price requested by NIPSCO.
- l. If revenues are less than station costs, how will NIPSCO fund the deficit?

Objections:

Response:

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- a. No.
- b. No.
- c. NIPSCO's funding award was to not exceed \$907,378 for the installation of the 10 EVFC site locations.
- d. 1. There are no active site locations currently installed at this time. There are currently long lead times for EVFC equipment. Expected EVFC equipment installation and activation is expected no later than October 31, 2023.
2. NIPSCO expects to have all ten EVFC locations in service no later than October 21, 2023. NIPSCO has executed Site Host Agreements on 5 of the 10 locations as of October 7, 2022 that are listed below:
- Indiana Toll Road (Portage Westbound travel center)
 - Indiana Toll Road (Portage East Bound travel center)
 - Southshore Conference and Visitor Center - (Hammond)
 - Hard Rock Casino (Gary)
 - Horseshoe Casino (Hammond)
- NIPSCO is in the process of executing Site Host Agreement at four additional locations held at big box retail grocery chains in the following locations:
- (Merrillville)
 - **(Angola)**
 - (Valparaiso)
 - (Chesterton)
- NIPSCO is currently evaluating an alternative site location for the planned Plymouth location. The expectation is that this will not interfere with the installation of the tenth location timeline in service date no later than October 31, 2023.
3. For each EVFC station, NIPSCO intends to track 3 Work Orders (WOs) per location. The 3 WOs represents (1) utility normal infrastructure in front of the meter, (2) make ready work from the meter to the EVFC equipment and (3) EVFC equipment and installation costs.

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The current estimated station budget (across all ten locations and all 3 WOs per location) is \$2.83M, which includes purchase of 5 years of warranty program)

4. NIPSCO estimates the total combined ten locations:

- WO #1 breakout (normal utility infrastructure to the meter) is estimated to be \$0.72M
- WO #2 breakout (from meter to EVFC equipment) is estimated to be \$0.81M
- WO #3 breakout (EVFC equipment and installation and warranty) is estimated to be \$1.30M

e. As mentioned, for each EVFC station, NIPSCO intends to track 3 WOs per location. The 3 WOs represents (1) utility normal infrastructure in front of the meter, (2) make ready work from the meter to the EVFC equipment and (3) EVFC equipment and installation costs.

NIPSCO will be applying the VW grant funding award first to the WO #3 for each location, and then any remaining funding would then be applied to WO #2 for each location and then to WO #1.

f. Yes. NIPSCO is seeking cost recovery of net make-ready costs through recovery of net capex in this case.

g. No.

h. Yes, NIPSCO has contracted with Shell EV Charging Solutions Americas for both the charging station equipment and network services for all locations. NIPSCO has contracted with Meade Electric for the installation of the make-ready and installation of the equipment. Engineering for behind-the-meter make-ready work is being subcontracted from Meade to Orbital Engineering.

i. NIPSCO has contracted with Shell EV Charging Solutions Americas for an extended 5-year warranty service agreement. For any other maintenance needs outside of warranty, NIPSCO has not entered any other specific agreements at this time.

j. The ten EVFC locations currently comply with the specification requirements outlined in the VW Funding Agreement. In determining the equipment to be installed, NIPSCO and other Indiana Utility Group members have taken into consideration the technical specification for the National Electric Vehicle Infrastructure (NEVI) program and have used these technical specifications to

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help decide the selected equipment from the equipment RFP that was held. If NIPSCO's EVFC stations are expanded in the future, NIPSCO believes that all equipment that will be installed for the Indiana Volkswagen Environmental Mitigation Trust Fund Committee can be used as part of the NEVI program station build out. The chosen equipment to be installed at the NIPSCO EVFC stations are the Tritium PKM 150 kW dispensers.

- k. Please see attached O U C C Request 1-005 Attachment A.
- 1. If revenues are less than station costs over the 5-year period, NIPSCO will fund the deficit as operations and maintenance expenses.

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<u>OUCC Request 18-001:</u>	
	Referencing NIPSCO's response to OUCC DR 1-005 (e and f). Is NIPSCO planning to recover from ratepayers the cost of WO #3 net of the VW grant funding? If yes, how?
<u>Objections:</u>	
<u>Response:</u>	
	<p>Yes. NIPSCO is proposing to recover the cost of all 3 WOs (WOs 1-3 per location) net of the VW grant funding. Project costs will be accumulated in Account 107 "Construction work in progress - Electric". Because the VW grant is a contribution that offsets the cost of construction, such amounts will reduce the project costs.</p> <p>NIPSCO's response to OUCC Data Request 1-005 states the grant will first be applied to WO #3, that the overall project costs for WO #3 are estimated to be \$1.3M, and such costs will be reduced by \$ 7,378 for the VW funding resulting in a net cost of \$392,622.</p> <p>When the assets are subsequently placed in service in Account 101 "Electric plant in service", it will be at NIPSCO's cost of the project, which is \$392,622. All balances in Account 101 as December 31, 2023 will be included in rate base in this proceeding.</p>

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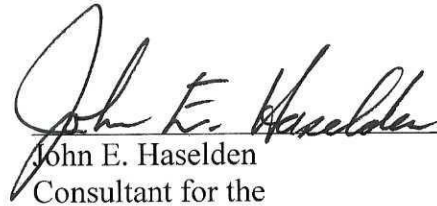
<u>OUCC Request 18-002:</u>
How many electric vehicles are owned or leased by NIPSCO's residential customers?
<u>Objections:</u>
NIPSCO objects to this Request on the grounds and to the extent that this Request solicits an analysis, calculation, or compilation which has not already been performed and which NIPSCO objects to performing. NIPSCO further objects <i>to</i> this Request on the separate and independent grounds and to the extent the Request calls for speculation.
<u>ResRonse:</u>
Subject to and without waiver of the foregoing general and specific objections, NIPSCO is providing the following response: NIPSCO does not know the exact count of NIPSCO's residential customers that own or lease electric vehicles. NIPSCO does receive a file annually from the Indiana Bureau of Motor Vehicles that contains the number of registrations by county that can be sorted to determine an approximation of registered vehicles in total that have counties within NIPSCO. The most recent analyzed file indicates that as of December 31, 2021 the number of registered plug in electric vehicles and all battery electric vehicles in counties served within NIPSCO's electric service territory is 2,942.

Cause No. 45772
Northern Indiana Public Service Company LLC's
Objections and Responses to
Indiana Office of Utility Consumer Counselor's Eighteenth Set of Data Requests

<u>OUCC Request 18-004:</u>
Will NIPSCO charge itself the same demand and energy costs it would charge a third-party vendor of EVFC services?
<u>Objections:</u>
<u>Response:</u>
Yes. NIPSCO owned EVFC stations will be billed under the tariff as Rate 821 which is the same rate typically selected by third-party vendors of EVFC services.

AFFIRMATION

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



John E. Haselden
Consultant for the
Indiana Office of Utility Consumer Counsel

Cause No. 45772
NIPSCO

Date: January 19, 2023

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 January 20, 2023.

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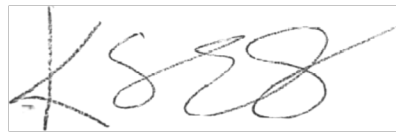
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