
VERIFIED REBUTTAL TESTIMONY OF ALISON M. BECKER

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

2 A1. My name is Alison M. Becker. My business address is 150 W. Market Street,
3 Suite 600, Indianapolis, Indiana 46204. I am employed by Northern Indiana
4 Public Service Company LLC ("NIPSCO") as Manager of Regulatory
5 Policy.

6 **Q2. Are you the same Alison M. Becker that previously prefiled direct**
7 **testimony in this Cause?**

8 A2. Yes.

9 **Q3. What is the purpose of your rebuttal testimony in this proceeding?**

10 A3. The purpose of my rebuttal testimony is to respond to issues raised in the
11 testimony of Brien R. Krieger filed April 30, 2020 on behalf of the Indiana
12 Office of Utility Consumer Counselor ("OUCC").

13 **AUDIT PACKAGE AND MEETINGS**

14 **Q4. Please explain the amount of detail NIPSCO provides to the OUCC with**
15 **each plan update filing.**

1 A4. After NIPSCO filed its first plan update filing in 2014, NIPSCO and the
2 OUCC developed a list of 19 items for NIPSCO to provide in an “audit
3 package” to facilitate the OUCC’s review. The audit package includes a
4 variety of items and has been adjusted over time based on further
5 discussions with the OUCC. The information is submitted either the same
6 day of the filing or the next business day. As part of the audit package, the
7 OUCC is provided a list of work orders supporting NIPSCO’s actual costs
8 from which the OUCC selects a sample of work orders for NIPSCO to
9 provide all of the invoices. NIPSCO then retrieves and verifies the invoices
10 and then provides that information to the OUCC.

11 **Q5. What is the typical process for meeting with the OUCC to discuss**
12 **NIPSCO’s plan update filings?**

13 A5. Since the inception of its plan update filings back in 2014, NIPSCO has held
14 a meeting with its stakeholders (the OUCC and those parties who
15 intervened in its TDSIC Plan case are invited) prior to the filing
16 (“stakeholder meeting”), which is typically held approximately four weeks
17 in advance of the filing. In addition, NIPSCO schedules two meetings with
18 the OUCC technical staff, one prior to the filing to review the cost increase

1 explanations (“pre-filing meeting”), and one after the filing (“post-filing
2 meeting”) to respond to any additional questions. The post-filing meeting
3 began occurring in 2016 and the pre-filing explanation review began in
4 2017.¹

5 **Q6. Please describe the stakeholder meeting for this filing.**

6 A6. The stakeholder meeting for this filing occurred on February 11, 2020. Due
7 to a rate case hearing with another utility, the stakeholders requested the
8 stakeholder meeting be held later than usual (would have otherwise been
9 held during the last week of January or first week of February). During the
10 meeting, NIPSCO provided an update on the Plan, including an update on
11 spending related to the Plan cap, and updates on major projects. NIPSCO
12 discussed each of the major cost changes. NIPSCO also reviewed the Plan
13 detail and discussed any changes to those documents. NIPSCO's
14 presentation relating to its updates to the 7-Year Gas Plan provided to its
15 stakeholders on February 11, 2020 was included in my direct testimony as
16 Confidential Attachment 1-B.

¹ Although NIPSCO schedules both of these meetings for each filing, the OUCS sometimes advises that the meetings can be cancelled.

1 **Q7. Please describe the pre-filing meeting for this filing.**

2 A7. Since NIPSCO and the OUCC were having discussions related to NIPSCO's
3 2020-2025 Gas Plan currently pending in Cause No. 45330 and because there
4 were only two cost increase explanations in this filing to review with the
5 OUCC, on February 10, 2020, I sent the explanations included in Mr. Carr's
6 testimony via e-mail to the OUCC technical staff and offered to discuss the
7 explanations following the February 11, 2020 stakeholder meeting. There
8 was no response to that email and there were no questions or concerns
9 raised during or following the stakeholder meeting. The explanations in
10 that email were unchanged in the filed testimony.

11 **Q8. Please describe the post-filing meeting for this filing?**

12 A8. The post-filing meeting was scheduled for March 12, 2020. On March 5,
13 2020, I emailed the OUCC technical staff to ask if there was interest in
14 having the post-filing meeting as scheduled. On March 6, 2020, the OUCC
15 responded it was not ready to meet, but would likely ask to have a
16 conference call later in the month. NIPSCO and the OUCC did ultimately
17 have a conference call on April 1 to respond to questions Mr. Krieger had
18 related to project IM1. At that time, the OUCC also requested additional

1 information related to rural extension projects, which NIPSCO provided on
2 April 7, 2020.

3 **EXPLANATIONS**

4 **Q9. Mr. Krieger says that the April 1 meeting was required because**
5 **NIPSCO's case-in-chief did not include adequate explanations for the**
6 **cost increases. Please respond.**

7 A9. Given the process outlined above, with all of the opportunities provided to
8 discuss this filing, Mr. Krieger's testimony was surprising. The two cost
9 increase explanations were provided to the OUCC on February 10, 2020
10 and, until its request on March 26, 2020, there were no questions or
11 expressed concerns. NIPSCO is dedicated to providing information to the
12 parties in a manner that supports their complete review of the filing, which
13 is why NIPSCO provides the explanations in advance of its filings.
14 Additionally, even if the OUCC did not have time to read the two
15 explanations that were provided on February 10 in time to have a
16 discussion at or after the stakeholder meeting on February 11, NIPSCO did
17 not make its filing until February 25, 2020, which meant there was plenty of
18 time for the OUCC to express its concerns regarding what NIPSCO planned

1 to include in its case-in-chief. While I certainly understand it is not a
2 requirement for the OUCC to provide its input on the cost increase
3 explanations prior to NIPSCO making its filing, in light of the great working
4 relationship NIPSCO and the OUCC had developed in general, but, more
5 specifically for these plan update filings, I was surprised by Mr. Krieger's
6 testimony. NIPSCO has made efforts to provide information in a
7 constructive and collaborative manner.

8 **Q10. Mr. Krieger claims that NIPSCO did not thoroughly explain the reasons**
9 **why the previously approved estimates were not adequate to complete**
10 **the projects. Please respond.**

11 A10. Again, I am surprised to first learn of Mr. Krieger's concern that NIPSCO
12 failed to explain the reasons why the previously approved estimates were
13 not adequate to complete the projects in testimony. With that said, I
14 disagree that the cost increase explanations provided by Mr. Carr were not
15 adequate. I would also note that the discussions that Mr. Krieger had with
16 Mr. Carr are the type of discussions that typically occur in the pre-filing
17 meetings, which, due to the technical staff involved, typically get a little
18 deeper into the actual construction details. Based on those discussions,

1 NIPSCO evaluates whether additional detail would be helpful to add in its
2 cost increase explanations. I hope the OUCC sees the value in the pre-filing
3 and post-filing meetings that they requested and participates in them going
4 forward so that NIPSCO can continue to provide the level of detail the
5 OUCC finds necessary to conduct its review of the plan update filing.

6 **Q11. Mr. Krieger also recommends that for future filings when the OUCC**
7 **threshold is exceeded, a variance comparison based upon original scope,**
8 **including additional costs correlated against reasons for additional costs,**
9 **be presented in NIPSCO's case-in-chief. Please respond.**

10 A11. First, it is very unclear what Mr. Krieger is specifically asking NIPSCO to
11 provide. Second, as Mr. Carr discusses in his rebuttal testimony, NIPSCO
12 provides substantial information for the OUCC to conduct its analysis to
13 determine whether additional costs are reasonable for the required
14 additional work and compliant with statutory requirements. For example,
15 NIPSCO provides a Project Change Request ("PCR") form which includes
16 detailed information for estimate changes that are +/- \$30,000 or 15%,
17 whichever is greater (Confidential Appendix 4 to Plan Update 11). NIPSCO
18 also considers the stakeholder meeting, pre-filing meeting, and post-filing

1 meeting to all be an excellent opportunity that Mr. Krieger and other OUCC
2 staff can use to make certain the information needed to conduct analysis is
3 obtained. The pre-filing meeting provides the OUCC a chance to ask
4 questions and request that additional detail be added for greater clarity.
5 The post-filing meeting provides the OUCC a means for further discussion
6 and clarification. For example, there have been times that following those
7 post-filing discussions, NIPSCO has filed supplemental testimony to
8 provide the additional clarifications. While NIPSCO is open to making
9 modifications to the stakeholder meeting, pre-filing meeting, post-filing
10 meeting, and filing processes, in my opinion the process works well and the
11 level of detail NIPSCO provides in its case-in-chief meets the statutory
12 requirements and, along with the information provided in the audit
13 package, allows the OUCC to conduct a thorough review of NIPSCO's plan
14 update filings.

15 **Q12. Mr. Krieger expresses concerns with the information provided for Rural**
16 **Extension projects and asks for site locations associated with specific**
17 **additional costs of pipe and installation costs and suggest that both**

1 revenues and cost information are needed to properly review for
2 reasonableness if cost overruns occur. Please respond.

3 A12. Once again, the OUCC is requesting much greater detail than what NIPSCO
4 has provided in past plan update filings. NIPSCO explained in testimony
5 that the driver of the increase was that the demand was greater than
6 anticipated for both mains and services. NIPSCO explained how much
7 more main was installed than anticipated and discussed two large
8 residential conversion projects that were completed in 2019. This level of
9 detail has been sufficient in past filings and this is sufficient detail to explain
10 the cost increase. While I disagree that revenue projections are needed to
11 evaluate the reasonableness of cost increases, NIPSCO is willing to add an
12 item to the audit package detailing the projected revenues for rural
13 extension projects similar to what was provided to the OUCC on April 7,
14 2020 (Confidential Attachment BRK-1). However, the revenue is only a
15 projection influenced by a number of variables, particularly given that it is
16 over a 20-year timeframe.

17 CONCLUSION

18 Q13. Please provide a summary of your rebuttal testimony?

1 A13. Since it filed its first TDSIC plan, NIPSCO has shown a commitment to
2 working with the OUCC and other stakeholders in an open, transparent,
3 and collaborative way. The amount of information provided in each filing
4 is extensive and organized in such a way to allow the OUCC and other
5 stakeholders a means to evaluate the merits of NIPSCO's case-in-chief.
6 NIPSCO also appreciates the opportunity to work with the OUCC and its
7 stakeholders formally and informally to address issues and hopes to
8 continue to do so. However, NIPSCO's case-in-chief is sufficient for the
9 OUCC and the Commission to analyze NIPSCO's plan update filing. In
10 short, NIPSCO hopes the OUCC will take advantage of the current process
11 of stakeholder meetings, pre-filing meetings, and post-filing meetings,
12 along with the information provided in the audit package, to conduct its
13 review of NIPSCO's plan update filings.

14 **Q14. Does this conclude your prefiled rebuttal testimony?**

15 A14. Yes.

VERIFICATION

I, Alison M. Becker, Manager, Regulatory Policy for Northern Indiana Public Service Company LLC, affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information and belief.

A handwritten signature in cursive script, reading "Alison M. Becker", is written over a horizontal line.

Alison M. Becker

Dated: May 8, 2020