

**DIRECT TESTIMONY OF KAREN K. HOLBROOK
DIRECTOR, PORTFOLIO REGULATORY STRATEGY AND SUPPORT
DUKE ENERGY BUSINESS SERVICES LLC
ON BEHALF OF DUKE ENERGY INDIANA, LLC
CAUSE NO. 43955 DSM-7
BEFORE THE INDIANA UTILITY REGULATORY COMMISSION**

I. INTRODUCTION AND PURPOSE

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Karen K. Holbrook. My business address is 400 South Tryon Street,
Charlotte, North Carolina.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by Duke Energy Business Services LLC ("Duke Energy Business Services"), a service company affiliate of Duke Energy Indiana, LLC ("Duke Energy Indiana" or "Company") and a subsidiary of Duke Energy Corporation ("Duke Energy"), as Director, Portfolio Regulatory Strategy and Support. In this capacity, I provide services to Duke Energy Indiana, LLC and other regulated utility subsidiaries of Duke Energy Corp.

Q. PLEASE SUMMARIZE YOUR EDUCATION AND PROFESSIONAL QUALIFICATIONS.

A. I graduated from Marshall University in 1986 with a Bachelor of Science degree in Accounting and passed the Certified Public Accounting exam in 1988. I started my career in 1986 in general accounting for the Kanawha County Parks and Recreation Commission and was promoted to Controller after two years. I left in 1989 to join Columbia Gas Transmission, a subsidiary of Columbia Energy Group, Inc. I remained

KAREN K. HOLBROOK

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PETITIONER'S
EXHIBIT NO. 1
DATE 1-16-20
REPORTER AT

1 with Columbia Gas Transmission until 1999 working in a variety of financial areas
2 including Financial Reporting, Management Discussion & Analysis (for SEC reporting),
3 Operational and Capital Budgeting, Financial Planning, and Economic Analysis. I joined
4 Duke Energy in 1999 and have worked in a variety of financial areas including Financial
5 Planning, Financial Analysis, Corporate Finance, Risk Management, Financial Re-
6 engineering and assumed my current role as Director Program Performance in September
7 2010.

8 **Q. PLEASE BRIEFLY DESCRIBE YOUR DUTIES AND RESPONSIBILITIES AS**
9 **DIRECTOR OF PORTFOLIO REGULATORY STRATEGY AND SUPPORT.**

10 A. In addition to regulatory strategy and stakeholder engagement, I am responsible for
11 tracking performance of Duke Energy's Energy Efficiency and Demand Response ("EE")
12 products, programs, and portfolio including calculation of revenues and impacts, tracking
13 of expenses, and reporting the status of the programs in relation to various mandates and
14 requirements. I also am responsible for the development of the EE budget and five-year
15 plan. These calculations are then used in a variety of filings across multiple jurisdictions.

16 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

17 A. My testimony discusses the relief sought by the Company. I will also discuss the various
18 calculations performed for this filing and the processes and sources used to develop
19 actual costs of providing programs that were used in the 2018 reconciliation, and the
20 update of programs that were previously used in the 2015, 2016, and 2017
21 reconciliations.

1 Q. WHAT PREVIOUS CASES ARE RELEVANT TO THIS FILING?

2 A. There are seven (7) cases that are relevant to this filing:

- 3 • Cause No. 43955, which approved programs for 2012 and 2013 and
4 established the basic paradigm for Duke Energy Indiana programs.
5 Specifically, it approved recovery of program costs, performance incentives
6 and lost revenues for three (3) years.
- 7 • In Cause No. 43955 DSM-1 ("DSM-1"), the Commission approved a
8 Settlement Agreement between Duke Energy Indiana and the Indiana Office
9 of Utility Consumer Counselor ("OUCC"), which modified the basic
10 paradigm in Cause No. 43955. DSM-1 approved programs for 2014 and lost
11 revenues for the life of the measure dating back to 2012. Duke Energy
12 Indiana also agreed to reconcile estimated lost revenues with actual lost
13 revenues with evaluation, measurement and verification ("EM&V") applied
14 retrospectively to the previous reconciled period for each program.
- 15 • In Cause No. 43955 DSM-2 ("DSM-2"), the Commission again approved a
16 Settlement Agreement between Duke Energy Indiana and the OUCC for 2015
17 programs, which made minor modifications to the Settlement Agreement
18 approved in DSM-1, including changes to the calculation of 2015
19 performance incentives.
- 20 • In Cause No. 43955 DSM-3 ("DSM-3"), although the Company requested
21 approval of Duke Energy Indiana's portfolio of programs for 2016-2018 under
22 Ind. Code § 8-1-8.5-10 ("Section 10"), the Commission approved the portfolio

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1 under Ind. Code § 8-1-8.5-9. In doing so, the Commission did not grant a
2 performance incentive and limited the recovery of lost revenues for programs
3 approved in DSM-3 to four (4) years. Performance incentives and lost
4 revenues approved in previous proceedings were unchanged.

5 In June 2017, Cause No. 43955 DSM-3 S1 ("DSM-3 S1") was
6 approved. This supplemental filing included additional funding and
7 associated lost revenues for the Company's Smart Saver Non-Residential
8 Prescriptive Program.

- 9 • In Cause No. 43955 DSM-4 ("DSM-4"), issued on December 28, 2017, the
10 Commission approved the Company's revised 3-year portfolio of energy
11 efficiency programs consistent with its 2015 Integrated Resource Plan,
12 consisting of programs to be offered during calendar years 2017 – 2019. The
13 Commission's Order approved lost revenues for the life of the measure and a
14 shared savings performance incentive for programs to be offered during the
15 2017-2019 calendar years, the calculation of which I will explain in detail in
16 my testimony.
- 17 • In Cause No. 43955 DSM-5 ("DSM-5"), the Commission approved on July 25,
18 2018, Duke Energy Indiana's reconciliation of the costs incurred, including
19 lost revenues, for programs for 2016 with amounts actually collected from
20 customers from EE Rider billings. The Commission's Order also approved
21 updated reconciliation of lost revenues for 2012 through 2015 and authorized
22 Duke Energy Indiana to implement its requested EE Rider adjustment factors,

1 which also included the revenue requirements associated with the forecast for
2 the 2018 programs previously approved as part of the 2017-2019 Plan.

- 3 • Most recently in Cause No. 43955 DSM-6 ("DSM-6"), the Commission
4 approved on December 19, 2018, Duke Energy Indiana's forecasted 2019
5 program costs, including lost revenues and performance incentives, as well as
6 reconciliation of the 2017 costs incurred, including lost revenues and
7 performance incentives, and re-reconciliations of prior years.

8 **II. RELIEF SOUGHT**

9 **Q. WHAT RELIEF IS DUKE ENERGY INDIANA SEEKING IN THIS**
10 **PROCEEDING?**

11 A. Duke Energy Indiana is seeking approval to implement revised rider factors under the
12 Company's Standard Contract Rider No. 66-A, Energy Efficiency Revenue Adjustment
13 ("EE Rider") that reflect the following:

- 14 • The 2018 reconciliation that has been prepared using actual 2018 costs and
15 energy savings results;
16 • Re-reconciliations of 2015, 2016 and 2017 based on the application of
17 additional EM&V results related to lost revenues; and
18 • An adjustment to certain costs recorded in 2018 related to 2014, 2015, 2016,
19 and 2017 programs to ensure the costs are assigned to the appropriate non-
20 residential opt out groups.

1 **III. UNDERLYING CALCULATIONS FOR THIS FILING**

2 **Q. WHAT IS YOUR ORGANIZATION'S ROLE IN PERFORMING**
3 **CALCULATIONS RELATIVE TO THIS FILING?**

4 A. My organization is responsible for various aspects of the program performance for Duke
5 Energy's EE products, programs and portfolio. Key responsibilities include:

- 6 • Tracking performance of Duke Energy's EE products, programs, and portfolio
7 including calculation of revenues and impacts, tracking of expenses, and
8 reporting the status of the programs in relation to various mandates and
9 requirements;
- 10 • Development of the EE budget and five-year plan; and
- 11 • Support of revenue and impact calculations for new products and programs
12 being developed.

13 These calculations are used in a variety of filings across multiple jurisdictions.

14 **Q. WHAT TYPES OF CALCULATIONS DID YOUR GROUP PERFORM FOR**
15 **THIS FILING?**

16 A. My group performed both non-financial and financial calculations consisting of impacts
17 (kWh and kW), program costs, cost recovery revenue, performance incentives and lost
18 revenues for the 2018 and prior year reconciliations.

19 **Q. HOW WERE THE NON-FINANCIAL CALCULATIONS PERFORMED AND**
20 **WHAT WERE THEY USED FOR?**

21 A. We calculated actual impacts (kWh and kW) for each measure for the reconciliations of
22 previous filings. My group performed this using a single participant DSMore file

1 multiplied by actual participation. My group then took those impacts and calculated
2 actual achievement levels, actual avoided costs (when applicable), and actual lost revenue
3 by vintage, or year of participation.

4 **Q. PLEASE EXPLAIN THE TERM “SINGLE PARTICIPANT” AND WHY IT IS**
5 **USED.**

6 A. DSMore is used for both estimating program cost effectiveness, as well as calculating
7 impacts. To calculate cost effectiveness, the total amount of forecasted participation and
8 costs are used with the avoided costs and other relevant calculations for the entire
9 population of forecasted eligible participants. However, for purposes of calculating
10 actual impacts, we receive a DSMore file that calculates the impacts achieved for a single
11 (or each) unit of participation in an EE program. Impacts from this “single participant”
12 file are then multiplied by actual participation to calculate monthly impacts used to
13 calculate avoided cost (when applicable) and lost revenues and achievement level for
14 purposes of determining performance incentive amounts. Impacts reflect EM&V applied
15 as approved in DSM-1.

16 **Q. WHAT FINANCIAL CALCULATIONS DID YOUR GROUP PERFORM FOR**
17 **THIS FILING?**

18 A. We gathered actual program costs and calculated cost recovery revenue, performance
19 incentive amounts and lost revenue for the 2018 reconciliation and updates to the 2015 –
20 2017 reconciliations.

IV. 2018 RECONCILIATION

Q. PLEASE EXPLAIN WHAT COMMISSION ORDERS ARE RELEVANT TO THE 2018 RECONCILIATION.

A. For 2018, the Company was operating under authority granted in Cause No. 43955 DSM-4.

Q. WHAT DID THE COMMISSION APPROVE IN TERMS OF COST RECOVERY IN CAUSE NO. 43955 DSM-4?

A. In that proceeding, the Commission approved the recovery of program costs, lost revenues for the life of the measure, and the following shared savings performance incentive structure tied to tiered levels of energy savings achieved versus the as filed target and the net present value of the net benefits of the Utility Cost Test ("UCT") for each of its programs.

Performance Incentives	
Achievement Level (kWh)	Incentive Level (NPV of net benefits of UCT)
110%	10%
100-109.99%	8%
90-99.99%	7%
80-89.99%	6%
75-79.99%	5%
0-74.99%	0%

Q. WHAT COSTS DID YOUR GROUP CALCULATE TO INCLUDE AS INPUT TO THE REVENUE REQUIREMENT INCLUDED IN MS. LILLY'S RATE CALCULATIONS?

1 A. As shown on Petitioner's Exhibit 1-D, we calculated all relevant aspects of costs and
2 performance in 2018. These calculations include impacts as measured in gross kWh,
3 both at the plant and at the meter; cost recovery revenue, including program costs, an
4 adjustment for spend over the cap (as discussed below) and M&V costs; utility incentive,
5 as further described below and shown in more detail on Petitioner's Confidential Exhibit
6 1-F; and prior period and current period lost revenues.

7 **Q. PLEASE EXPLAIN HOW THE 2018 ACTUAL PROGRAM COSTS WERE**
8 **DETERMINED.**

9 A. All relevant costs (expenses) for the programs are recorded in our General Ledger as they
10 are incurred, including program costs, EM&V and administrative overhead costs by
11 program and type of cost. Duke Energy Program Managers review costs charged to their
12 programs monthly to ensure that the costs are recorded correctly. For purposes of the
13 2018 reconciliation and Duke Energy Indiana witness Ms. Kathryn C. Lilly's use in
14 developing rates for the various non-residential opt-out groups, we also reviewed all
15 charges to determine if any costs recorded in 2018 for accounting purposes were
16 applicable to prior program years. We then took all relevant charges recorded to the
17 programs in 2018 from the General Ledger and categorized them as shown on
18 Petitioner's Confidential Exhibit 1-F. As shown in column B, we reflected the additional
19 amount spent for the Power Manager for Business Program in excess of the amount that
20 was approved for 2018 in the plan approved in DSM-4 (referred to on my exhibit in
21 column B as "Amount in Excess of Cap"). For purposes of cost recovery, we removed
22 the "Amount in Excess of Cap" from the costs provided to Ms. Lilly for her use in

1 ratemaking.

2 **Q. WHAT ADJUSTMENTS WERE MADE TO COSTS AND ACHIEVEMENTS**
3 **BEFORE PERFORMANCE INCENTIVES WERE CALCULATED?**

4 A. As shown on Petitioner's Confidential Exhibit 1-F, we made several adjustments to costs,
5 kwh achievement and avoided costs to calculate the shared savings performance
6 incentive. We also removed costs that exceeded our DSM-4 budget. This gave us the
7 adjusted costs to be used in incentive calculations.

8 To calculate the shared savings incentive approved in DSM-4, the next step was
9 to take the percentage reduction in total recorded costs by program and apply that
10 reduction to kWh/kW achievement. This served to adjust achievement levels to more
11 appropriately align with the as filed targets. The final adjustment was to take the same
12 percentage reduction and apply it to the Avoided Costs to ensure that they lined up with
13 the kwh/kw achievement.

14 **Q. ONCE THE ADJUSTMENTS WERE MADE, HOW WERE INCENTIVES**
15 **CALCULATED?**

16 A. In accordance with the Final Order in DSM-4 and as shown on Petitioner's Confidential
17 Exhibit 1-F, the net present value of the net benefits of the UCT was calculated for each
18 program. A comparison was made between adjusted actual achievement and target
19 achievement calculated as described above for each program. An achievement
20 percentage was then calculated by dividing the actual adjusted achievement by the
21 achievement targets for the year. That achievement percentage was then used to
22 determine the shared savings performance incentive by multiplying the UCT benefits by

1 the applicable shared savings percentage associated with the achievement level.

2 Petitioner's Confidential Exhibit 1-F shows the calculations of the amounts of incentives
3 earned by program.

4 **Q. UNDER THE AUTHORITY GRANTED IN DSM-4, WHAT 2018 PROGRAMS**
5 **AND COSTS ARE ELIGIBLE FOR THE PERFORMANCE INCENTIVE?**

6 A. For 2018, all programs are eligible for a performance incentive with the exception of
7 Low Income Neighborhood.

8 **Q. PLEASE EXPLAIN HOW 2018 LOST REVENUES WERE CALCULATED.**

9 A. To calculate lost revenues for the participation in 2018, we began with the single
10 participant DSMore files as described above. We used impacts for each participant (kWh
11 and kW) at the meter, net of free riders. We applied all EM&V received by March 31,
12 2019, and then applied the EM&V retrospectively for the purposes of calculating lost
13 revenue, per the Agreement approved in DSM-1. The table below shows what EM&V
14 has been applied retroactively to lost revenue calculations in 2018, and what years were
15 impacted.

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<u>Program / Product</u>	<u>Date Complete</u>	<u>Years Effective for Lost Rev.</u>
Multifamily EE Products & Svcs	12/11/2017	2015 – 2018
Smart Saver Res/HVAC	05/03/2018	2016 – 2018
Smart Saver Res/Save Energy & Water Kit	05/03/2018	2016 – 2018
Small Business Energy Saver	05/03/2018	2016 – 2018
My Home Energy Report	08/10/2018	2016 – 2018
Agency Assisted Portal/LED	08/10/2018	2016 – 2018
Smart Saver Non-Res/Custom	08/10/2018	2016 – 2018
Power Manager	10/31/2018	2016 – 2018
Smart Saver Res/Free LED	10/31/2018	2016 – 2018
Smart Saver Res/Online Savings Store	10/31/2018	2016 – 2018
Smart Saver Non-Res/Prescriptive	03/06/2019	2016 - 2018

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Actual participation was captured by rate schedule in our participation database and confirmed by Program Managers. We multiplied the impacts per participant by the participation in each measure to calculate annual and monthly kWh and kW. We then applied the appropriate lost revenue rate, provided by the Rates group as described in Ms. Lilly's testimony, to the monthly kWh and kW to derive the lost revenue amount for each program. We used the 2018 lost revenue rates provided by the Rates group that reflected the lower federal tax rates from the 2017 Tax Cuts and Jobs Act to calculate the lost revenues for the full year.

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Q. WHAT ADJUSTMENTS DID YOU MAKE TO 2018 COSTS FOR PURPOSES OF PROPER RATEMAKING FOR OPTED OUT GROUPS?

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A. We made three (3) adjustments to 2018 costs and provided them to Ms. Lilly for calculation of rates. The first adjustment was to move program costs recorded in 2018 that were applicable to Smart Saver® Non-Residential Prescriptive and Smart Saver® Non-Residential Custom offered in 2015, 2016 and 2017. For Smart Saver® Non-

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1 Residential Prescriptive program costs, we used the Application Received or Order date
2 as appropriate. For the Smart Saver® Non-Residential Custom program costs, we used
3 the Payment Request date to determine the appropriate period.

4 The second adjustment was to move EM&V costs recorded in 2018 for programs
5 to the applicable periods in 2015, 2016, and 2017 based on the period of customer
6 sampling.

7 The third adjustment was a correction to move the 2015 vintage persisting Lost
8 Revenue associated with the C&I Rebate program to the 2014 vintage persisting Lost
9 Revenue to reflect participation in the 2014 opt out period. All the adjustments are
10 shown on Petitioner's Exhibit 1-E.

11 **Q. WHAT ADJUSTMENTS DID YOU MAKE TO THE 2015, 2016 AND 2017**
12 **RECONCILIATIONS?**

13 A. The 2015, 2016 and 2017 reconciliations were updated for the application of EM&V to
14 lost revenues. We applied the EM&V listed above retroactively to the lost revenue
15 impacts as approved in DSM-1 and subsequent proceedings. Petitioner's Exhibits 1-A, 1-
16 B, and 1-C show the impact of the application of EM&V to lost revenues.

17 **V. CONCLUSION**

18 **Q. WERE PETITIONER'S EXHIBITS 1-A THROUGH 1-E AND PETITIONER'S**
19 **CONFIDENTIAL EXHIBIT 1-F PREPARED BY YOU OR AT YOUR**
20 **DIRECTION?**

21 A. Yes, they were.

1 **Q. DOES THIS CONCLUDE YOUR PREPARED TESTIMONY AT THIS TIME?**

2 **A. Yes, it does.**

Program	Unit Type	A	B	C	D	E	F
		Filing Updated in 2018 Annual KWH Gross FR, @ Meter Total KWH	Filing Updated in 2019 Annual KWH Gross FR, @ Meter Total KWH	Difference KWH B-A	Filing Updated in 2018 Lost Revenue \$	Filing Updated in 2019 Lost Revenue \$	Difference \$ E-D
Core Portfolio							
Res							
Energy Efficiency							
Home Energy Assessment		-	-	-	\$ 1,349,174	\$ 1,349,174	\$ -
Income Qualified Weatherization		-	-	-	\$ 351,233	\$ 351,233	\$ -
Residential Lighting		-	-	-	\$ 3,357,525	\$ 3,357,525	\$ -
School Energy Efficiency		-	-	-	\$ 2,827,281	\$ 2,827,281	\$ -
Total		-	-	-	\$ 7,885,213	\$ 7,885,213	\$ -
NonRes							
Energy Efficiency							
School Assessment		-	-	-	\$ 97,901	\$ 97,901	\$ -
C&I Rebate		10,060,344	10,060,344	-	\$ 4,709,556	\$ 4,709,556	\$ -
Total		10,060,344	10,060,344	-	\$ 4,807,458	\$ 4,807,458	\$ -
Total Core		10,060,344	10,060,344	-	\$ 12,692,671	\$ 12,692,671	\$ -
Indiana Core Plus							
Res							
Energy Efficiency							
Agency Assistance Portal		1,066,452	1,066,452	-	\$ 388,257	\$ 388,257	\$ -
Appliance Recycling Program		1,585,632	1,585,632	-	\$ 193,655	\$ 193,655	\$ -
Energy Education Program for Schools		1,426,503	1,426,503	-	\$ 38,995	\$ 38,995	\$ -
Low Income Neighborhood		1,338,876	1,338,876	-	\$ 9,621	\$ 9,621	\$ -
Multi-Family EE Products & Services	1/	522,566	522,566	-	\$ 122,959	\$ 119,087	\$ (3,872)
My Home Energy Report	2/	32,323,731	32,323,731	-	\$ 3,221,902	\$ 3,221,902	\$ -
Residential Energy Assessments		983,968	983,968	-	\$ 36,234	\$ 36,234	\$ -
Smart Saver® Residential		39,161,094	39,161,094	-	\$ 1,201,738	\$ 1,201,738	\$ -
Total		78,408,823	78,408,823	-	\$ 5,213,360	\$ 5,209,488	\$ (3,872)
Demand Response							
Power Manager®		-	-	-	\$ -	\$ -	\$ -
Total		-	-	-	\$ -	\$ -	\$ -
NonRes							
Energy Efficiency							
Smart Saver® Non Residential Prescriptive		23,891,951	23,891,951	-	\$ 1,042,420	\$ 1,042,420	\$ -
Smart Saver for Non-Residential - Custom		12,431,199	12,431,199	-	\$ 1,554,638	\$ 1,554,638	\$ -
Total		36,323,150	36,323,150	-	\$ 2,597,059	\$ 2,597,059	\$ -
Total Indiana Core Plus		114,731,973	114,731,973	-	\$ 7,810,418	\$ 7,806,546	\$ (3,872)
Total Indiana Portfolio		124,792,317	124,792,317	-	\$ 20,503,089	\$ 20,499,217	\$ (3,872)

Notes:

1/ EMV received in December, 2017 and applied retrospectively for the purposes of lost revenues

2/ My Home Energy Report impacts reflect total annual savings as of December 2015

Month Current Capability Annual KWH Gross FR, @ Meter

Dec - 2015 32,323,731

* Totals may not foot due to rounding

Program	Unit Type	A	B	C	D	E	F
		Filing Updated in 2018 Annual KWH Gross FR, @ Meter Total	Filing Updated in 2019 Annual KWH Gross FR, @ Meter Total	Difference	Filing Updated in 2018 Lost Revenue	Filing Updated in 2019 Lost Revenue	Difference
		KWH	KWH	KWH B-A	\$	\$	\$ E-D
Core Portfolio							
Res							
Energy Efficiency							
Home Energy Assessment		-	-	-	\$ 1,304,958	\$ 1,304,958	\$ -
Income Qualified Weatherization		-	-	-	\$ 348,679	\$ 348,679	\$ -
Residential Lighting		-	-	-	\$ 3,369,537	\$ 3,369,537	\$ -
School Energy Efficiency		-	-	-	\$ 2,837,395	\$ 2,837,395	\$ -
Total		-	-	-	\$ 7,860,570	\$ 7,860,570	\$ -
NonRes							
Energy Efficiency							
School Assessment		-	-	-	\$ 97,824	\$ 97,824	\$ -
C&I Rebate		-	-	-	\$ 4,712,082	\$ 4,712,082	\$ -
Total		-	-	-	\$ 4,809,905	\$ 4,809,905	\$ -
Total Core		-	-	-	\$ 12,670,475	\$ 12,670,475	\$ -
Indiana Core Plus							
Res							
Energy Efficiency							
Agency Assistance Portal	1/	504,266	504,266	-	\$ 407,892	\$ 407,776	\$ (116)
Appliance Recycling Program		21,889	21,889	-	\$ 214,012	\$ 214,012	\$ -
Energy Education Program for Schools		2,097,996	2,097,996	-	\$ 131,686	\$ 131,686	\$ -
Low Income Neighborhood		1,440,306	1,440,306	-	\$ 54,733	\$ 54,733	\$ -
Low Income Weatherization		37,760	37,760	-	\$ 143	\$ 143	\$ -
Multi-Family EE Products & Services	1/	510,293	510,293	-	\$ 143,859	\$ 132,461	\$ (11,398)
My Home Energy Report	2/	51,585,384	51,585,384	-	\$ 3,897,647	\$ 3,529,917	\$ (367,730)
Residential Energy Assessments		2,196,176	2,196,176	-	\$ 121,256	\$ 121,256	\$ -
Smart Saver® Residential	1/	48,708,470	48,708,470	-	\$ 2,439,669	\$ 2,167,007	\$ (272,662)
Total		107,102,541	107,102,541	-	\$ 7,410,897	\$ 6,758,990	\$ (651,906)
Demand Response							
Power Manager®		-	-	-	\$ -	\$ -	\$ -
Power Manager® for Apartments		-	-	-	\$ -	\$ -	\$ -
Total		-	-	-	\$ -	\$ -	\$ -
NonRes							
Energy Efficiency							
Small Business Energy Saver	1/	7,017,859	7,017,859	-	\$ 60,533	\$ 64,645	\$ 4,113
Smart Saver® Non Residential Prescriptive	1/	53,938,823	53,938,823	-	\$ 1,950,619	\$ 1,829,716	\$ (120,903)
Smart Saver for Non-Residential - Custom		34,660,112	34,660,112	-	\$ 1,890,785	\$ 1,891,740	\$ 956
Total		95,616,795	95,616,795	-	\$ 3,901,936	\$ 3,786,102	\$ (115,834)
Demand Response							
Power Manager® for Business		-	-	-	\$ -	\$ -	\$ -
Total		-	-	-	\$ -	\$ -	\$ -
Total Indiana Core Plus		202,719,335	202,719,335	-	\$ 11,312,832	\$ 10,545,092	\$ (767,741)
Total Indiana Portfolio		202,719,335	202,719,335	-	\$ 23,983,308	\$ 23,215,567	\$ (767,741)

Notes:

1/ EMV received and applied retrospectively for the purposes of lost revenues

2/ My Home Energy Report impacts reflect total annual savings as of December 2016

Month Current Capability Annual KWH Gross FR, @ Meter

Dec - 2016 51,585,384

* Totals may not foot due to rounding

Program	Unit Type	A		B		C		D		E		F	
		Filing Updated in 2018		Filing Updated in 2019		Difference		Filing Updated in 2018		Filing Updated in 2019		Difference	
		Annual KWH Gross FR, @ Meter Total	Annual KWH Gross FR, @ Meter Total	Annual KWH Gross FR, @ Meter Total	Annual KWH Gross FR, @ Meter Total	Difference	Filing Updated in 2018	Filing Updated in 2019	Filing Updated in 2018	Filing Updated in 2019	Difference	Difference	
		KWH	KWH	KWH	KWH	B-A	\$	\$	\$	\$	\$	E-D	
Core Portfolio													
Legacy Programs													
Res													
Energy Efficiency													
Home Energy Assessment		-	-	-	-		\$ 1,255,702	\$ 1,255,702	\$ -	-			
Income Qualified Weatherization		-	-	-	-		\$ 354,696	\$ 354,696	\$ -	-			
Residential Lighting		-	-	-	-		\$ 3,003,843	\$ 3,003,843	\$ -	-			
School Energy Efficiency		-	-	-	-		\$ 2,886,231	\$ 2,886,231	\$ -	-			
Total		-	-	-	-		\$ 7,500,473	\$ 7,500,473	\$ -	-			
NonRes													
Energy Efficiency													
School Assessment		-	-	-	-		\$ 96,104	\$ 96,104	\$ -	-			
C&I Rebate		-	-	-	-		\$ 4,260,519	\$ 4,260,519	\$ -	-			
Total		-	-	-	-		\$ 4,356,622	\$ 4,356,622	\$ -	-			
Total		-	-	-	-		\$ 11,857,095	\$ 11,857,095	\$ -	-			
Shared Savings Portfolio													
Res													
Energy Efficiency													
Agency Assistance Portal	1/	1,357,098	1,357,098	-	-		\$ 425,802	\$ 425,927	\$ 124	-			
Appliance Recycling Program		-	0	-	-		\$ 217,791	\$ 217,791	\$ -	-			
Energy Education Program for Schools		1,958,331	1,958,331	-	-		\$ 245,619	\$ 245,619	\$ -	-			
Low Income Neighborhood		1,439,246	1,439,246	-	-		\$ 107,781	\$ 107,781	\$ -	-			
Low Income Weatherization		196,466	196,466	-	-		\$ 6,846	\$ 6,846	\$ -	-			
Multi-Family EE Products & Services	1/	481,233	481,233	-	-		\$ 108,372	\$ 143,386	\$ 35,015	-			
My Home Energy Report	3/	57,199,463	57,199,463	-	-		\$ 4,462,390	\$ 3,901,321	\$ (561,069)	-			
Residential Energy Assessments		2,771,558	2,771,558	-	-		\$ 246,364	\$ 246,364	\$ -	-			
Smart Saver® Residential	1/	51,079,670	51,079,670	-	-		\$ 4,381,346	\$ 3,385,794	\$ (995,552)	-			
Total		116,483,065	116,483,065	-	-		\$ 10,202,312	\$ 8,680,830	\$ (1,521,482)	-			
Demand Response													
Power Manager®		-	-	-	-		\$ -	\$ -	\$ -	-			
Total		-	-	-	-		\$ -	\$ -	\$ -	-			
NonRes													
Energy Efficiency													
Small Business Energy Saver	1/	21,910,917	21,910,917	-	-		\$ 710,656	\$ 758,911	\$ 48,255	-			
Smart Saver® Non-Residential	2/	46,080,257	46,080,257	-	-		\$ 6,641,475	\$ 6,170,223	\$ (471,252)	-			
Total		67,991,174	67,991,174	-	-		\$ 7,352,131	\$ 6,929,134	\$ (422,997)	-			
Demand Response													
Power Manager® for Business		245,686	245,686	-	-		\$ 3,450	\$ 3,450	\$ -	-			
Total		245,686	245,686	-	-		\$ 3,450	\$ 3,450	\$ -	-			
Other													
Cost Recovery Only													
Market Potential Study		-	-	-	-		\$ -	\$ -	\$ -	-			
Total		-	-	-	-		\$ -	\$ -	\$ -	-			
Total		184,719,925	184,719,925	-	-		17,557,892	15,613,413	(1,944,479)				
Total		184,719,925	184,719,925	-	-		29,414,987	27,470,508	(1,944,479)				

Notes:

1/ EMV received in 2018 and applied retrospectively for the purposes of lost revenues

2/ EMV received in 2019 and applied retrospectively for the purposes of lost revenues

3/ My Home Energy Report impacts reflect total annual savings as of December 2017

Month Current Capability Annual KWH Gross FR, @ Meter

Dec - 2017 481,233

* Totals may not foot due to rounding

		Impacts		Cost Recovery																					
Program	Unit Type	A	B	C	D	E	F	G	H	I	J	K	L	M											
		Annual KWH Gross FR, @ Meter Total	Annual KWH Gross FR, @ Plant Total	Program Costs excluding Excess of Cap	Program Costs Including Excess of Cap	M&V Costs	Total Costs for Utility Incentive	Total Costs	Spend in Excess of DSM-4 Budget	Recoverable DSM-4 Costs	Utility Incentive	Prior Period Lost Revenue	Lost Revenue	Revenue Requirement Input											
		KWH data	KWH data	\$ data	\$ data	\$ data	\$ C+E	\$ D+E	data	G-H	\$ UCT Net Benefits x Tiered %	\$ data	\$ data	\$ SUM(I-L)											
Legacy Programs																									
Res																									
Energy Efficiency																									
Home Energy Assessment		-	-	\$	-	\$	-	\$	-	\$	-	\$	745,123	\$	-	\$	745,123								
Income Qualified Weatherization		-	-	\$	-	\$	-	\$	-	\$	-	\$	327,219	\$	-	\$	327,219								
Residential Lighting		-	-	\$	-	\$	-	\$	-	\$	-	\$	1,725,858	\$	-	\$	1,725,858								
School Energy Efficiency		-	-	\$	-	\$	-	\$	-	\$	-	\$	1,338,602	\$	-	\$	1,338,602								
Total		-	-	\$	-	\$	-	\$	-	\$	-	\$	4,136,801	\$	-	\$	4,136,801								
NonRes																									
Energy Efficiency																									
School Assessment		-	-	\$	-	\$	-	\$	-	\$	-	\$	75,655	\$	-	\$	75,655								
C&I Rebate		-	-	\$	-	\$	-	\$	-	\$	-	\$	3,208,346	\$	-	\$	3,208,346								
Total		-	-	\$	-	\$	-	\$	-	\$	-	\$	3,284,001	\$	-	\$	3,284,001								
Total		-	-	\$	-	\$	-	\$	-	\$	-	\$	7,420,803	\$	-	\$	7,420,803								
Shared Savings Portfolio																									
Res																									
Energy Efficiency																									
Agency Assistance Portal		2,539,361	2,743,180	\$	269,268	\$	269,268	\$	38,100	\$	307,368	\$	307,368	\$	43,028	\$	236,394	\$	60,670	\$	647,461				
Appliance Recycling Program		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	189,790	\$	-	\$	189,790				
Energy Education Program for Schools		2,098,099	2,266,501	\$	518,627	\$	518,627	\$	-	\$	518,627	\$	518,627	\$	136,290	\$	266,058	\$	48,725	\$	969,699				
Low Income Neighborhood		851,363	919,696	\$	434,650	\$	434,650	\$	-	\$	434,650	\$	-	\$	434,650	\$	-	\$	123,283	\$	12,693	\$	570,625		
Low Income Weatherization		171,963	185,765	\$	165,369	\$	165,369	\$	-	\$	165,369	\$	-	\$	165,369	\$	-	\$	9,992	\$	4,039	\$	179,399		
Multi-Family EE Products & Services		499,638	539,741	\$	100,178	\$	100,178	\$	-	\$	100,178	\$	-	\$	100,178	\$	19,319	\$	83,559	\$	9,332	\$	212,388		
My Home Energy Report	1/	53,675,539	57,983,752	\$	3,016,667	\$	3,016,667	\$	95,127	\$	3,111,794	\$	3,111,794	\$	78,112	\$	1,690,618	\$	1,943,932	\$	6,824,456				
Residential Energy Assessments		2,303,258	2,488,127	\$	726,178	\$	726,178	\$	4,875	\$	731,053	\$	731,053	\$	139,518	\$	272,448	\$	55,862	\$	1,199,881				
Smart Saver® Residential		59,398,193	64,165,729	\$	7,509,432	\$	7,509,432	\$	117,879	\$	7,627,311	\$	7,627,311	\$	2,634,474	\$	3,708,253	\$	638,484	\$	14,608,522				
Total		121,537,413	131,292,492	\$	12,740,369	\$	12,740,369	\$	255,981	\$	12,996,350	\$	12,996,350	\$	-	\$	12,996,350	\$	3,050,742	\$	6,580,394	\$	2,773,736	\$	25,401,221
Demand Response																									
Power Manager®		-	-	\$	1,905,768	\$	1,905,768	\$	91,172	\$	1,996,941	\$	1,996,941	\$	-	\$	1,996,941	\$	489,434	\$	-	\$	-	\$	2,486,375
Total		-	-	\$	1,905,768	\$	1,905,768	\$	91,172	\$	1,996,941	\$	1,996,941	\$	-	\$	1,996,941	\$	489,434	\$	-	\$	-	\$	2,486,375
NonRes																									
Energy Efficiency																									
Small Business Energy Saver		19,485,798	21,049,806	\$	4,316,831	\$	4,316,831	\$	36,593	\$	4,353,424	\$	4,353,424	\$	-	\$	4,353,424	\$	802,026	\$	1,060,009	\$	400,225	\$	6,615,684
Smart Saver® Non-Residential		73,758,382	79,678,525	\$	10,778,834	\$	10,778,834	\$	146,107	\$	10,924,940	\$	10,924,940	\$	-	\$	10,924,940	\$	4,177,507	\$	6,870,424	\$	1,061,893	\$	23,034,765
Total		93,244,180	100,728,331	\$	15,095,665	\$	15,095,665	\$	182,700	\$	15,278,365	\$	15,278,365	\$	-	\$	15,278,365	\$	4,979,533	\$	7,930,433	\$	1,462,118	\$	29,650,449
Demand Response																									
Power Manager® for Business		878,669	949,195	\$	740,313	\$	742,638	\$	-	\$	740,313	\$	742,638	\$	2,325	\$	740,313	\$	-	\$	9,806	\$	11,818	\$	761,937
Total		878,669	949,195	\$	740,313	\$	742,638	\$	-	\$	740,313	\$	742,638	\$	2,325	\$	740,313	\$	-	\$	9,806	\$	11,818	\$	761,937
Other																									
Cost Recovery Only																									
Market Potential Study		-	-	\$	10,247	\$	10,247	\$	-	\$	10,247	\$	10,247	\$	-	\$	10,247	\$	-	\$	-	\$	-	\$	10,247
Total		-	-	\$	10,247	\$	10,247	\$	-	\$	10,247	\$	10,247	\$	-	\$	10,247	\$	-	\$	-	\$	-	\$	10,247
Total		215,660,262	232,970,017	\$	30,492,362	\$	30,494,687	\$	529,853	\$	31,022,215	\$	31,024,540	\$	2,325	\$	31,022,215	\$	8,519,709	\$	14,520,633	\$	4,247,672	\$	58,310,229
Total		215,660,262	232,970,017	\$	30,492,362	\$	30,494,687	\$	529,853	\$	31,022,215	\$	31,024,540	\$	2,325	\$	31,022,215	\$	8,519,709	\$	21,941,435	\$	4,247,672	\$	65,731,031

Notes:
1/ My Home Energy Report impacts reflect total annual savings as of December 2018
Month Current Capability Annual KWH Gross FR, @ Meter
Dec - 2018 53,675,539

* Totals may not foot due to rounding

		2018 Program and EM&V Costs		2018 Program Costs		2018 M&V Costs		2018 Costs Applicable to 2018 - Program Costs		2018 Costs Applicable to 2018 - M&V Costs		2018 Costs Applicable to 2017 - Program Costs		2018 Costs Applicable to 2017 - M&V Costs		2018 Costs Applicable to 2016 - Program Costs		2018 Costs Applicable to 2016 - M&V Costs		2018 Costs Applicable to 2015 - Program Costs		2018 Costs Applicable to 2015 - M&V Costs		2018 Costs Applicable to 2014 - Program Costs		2018 Costs Applicable to 2014 - M&V Costs		2018 Costs Applicable to 2014 - Program Costs		2018 Costs Applicable to 2014 - M&V Costs	
Portfolio	Program	2018		2018		2017		2017		2016		2016		2015		2015		April - December 2014		April - December 2014		March 2014 and Earlier		March 2014 and Earlier		March 2014 and Earlier		March 2014 and Earlier		March 2014 and Earlier	
Core Plus	Smart Saver* Non-Residential	\$	10,778,834	\$	146,107	\$	-	\$	-	\$	1,424,650	\$	81,847	\$	114,784	\$	53,055	\$	-	\$	11,205	\$	-	\$	-	\$	-	\$	-	\$	-
Core Plus Total		\$	10,778,834	\$	146,107	\$	-	\$	-	\$	1,424,650	\$	81,847	\$	114,784	\$	53,055	\$	-	\$	11,205	\$	-	\$	-	\$	-	\$	-	\$	-

Portfolio	Program	2017 Lost Revenue Dollars		2017 Lost Revenue	2017 Lost Revenue
		2017		Applicable to 2014	Applicable to 2014
Core	C&I Rebate	\$	335,585	\$	-
Core Total		\$	335,585	\$	-

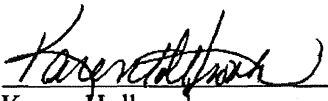
1/ Adjustments to Program & EM&V Costs were made to properly assign 2018 costs for those opted out customers who remain liable for those costs in accordance with the Company's tariff first approved in Cause No. 44441.

* Totals may not foot due to rounding

PETITIONER'S EXHIBIT 1-F IS CONFIDENTIAL

VERIFICATION

I hereby verify under the penalties of perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Signed: 
Karen Holbrook

Dated: 10/2/2019