

FILED

February 28, 2018

STATE OF INDIANA  
INDIANA UTILITY REGULATORY COMMISSION

INDIANA UTILITY

REGULATORY COMMISSION

VERIFIED JOINT PETITION OF NORTHERN )  
INDIANA PUBLIC SERVICE COMPANY )  
("NIPSCO") AND AEP INDIANA MICHIGAN )  
TRANSMISSION COMPANY, INC. ("IMTCO") )  
FOR APPROVAL OF THE PRICE AND )  
RELATED TERMS ASSOCIATED WITH THE )  
SALE AND TRANSFER OF AN ASSETS BY )  
IMTCO TO NIPSCO, PURSUANT TO IND. )  
CODE § 8-1-2-84. )

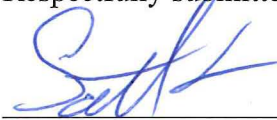
CAUSE NO. 45037

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

TESTIMONY OF

WES R. BLAKLEY – PUBLIC'S EXHIBIT NO. 1

Respectfully submitted,



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Scott Franson  
Attorney No. 27839-49  
Deputy Consumer Counselor

**TESTIMONY OF OUCC WITNESS WES R. BLAKLEY**  
**CAUSE NO. 45037**  
**NORTHERN INDIANA PUBLIC SERVICE COMPANY AND INDIANA**  
**MICHIGAN TRANSMISSION COMPANY INC.**

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

2   A:     My name is Wes R. Blakley and my business address is 115 W. Washington St.,  
3           Suite 1500 South, Indianapolis, Indiana 46204. I am a Senior Utility Analyst for  
4           the Office of Utility Consumer Counselor ("OUCC"). A summary of my  
5           educational background and experience is included in Appendix A attached to my  
6           testimony.

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

8   A:     The purpose of my testimony is to give an opinion concerning Northern Indiana  
9           Public Service Company's ("NIPSCO") and AEP Indiana Michigan Transmission  
10          Company, Inc.'s ("IMTCo") (collectively "Joint Petitioners") request for approval  
11          of price and terms associated with the sale and transfer of an asset by IMTCo to  
12          NIPSCO.

13   **Q:     Please briefly describe the project and the transaction between NIPSCO and**  
14   **IMTCo.**

15   A:     IMTCo built four (4) transmission poles on NIPSCO property in order to facilitate  
16          connection to IMTCo's Bosserman substation. NIPSCO has agreed to purchase  
17          the poles for \$10.00.

18   **Q:     Will this transaction have any impact on NIPSCO?**

19   A:     Not immediately and the eventual impact will be de minimus. NIPSCO will  
20          include the cost of the four Bosserman poles in its next base rate case. In

1 response to OUCC discovery, NIPSCO provided the accounting entries for the  
2 Bosserman poles which show the cost of the poles of \$10 recorded to Plant in  
3 Service with associated Depreciation Expense of \$0.28. (Attachment -WRB-1).

4 **Q: What is your recommendation with regard to this transaction?**

5 A: I recommend NIPSCO's request to purchase the Bosserman light poles for \$10.00  
6 be approved.

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

8 A: Yes.

**APPENDIX A**

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

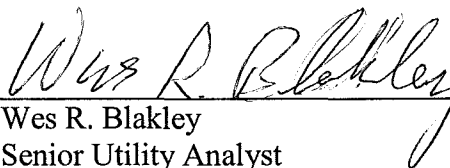
2   A:   I received a Bachelor of Science Degree in Business with a major in Accounting  
3       from Eastern Illinois University in 1987 and worked for Illinois Consolidated  
4       Telephone Company until joining the OUCC in April 1991 as a staff accountant.  
5       Since that time I have reviewed and testified in hundreds of tracker, rate cases and  
6       other proceedings before the Commission. I have attended the Annual Regulatory  
7       Studies Program sponsored by NARUC at Michigan State University in East  
8       Lansing, Michigan as well as the Wisconsin Public Utility Institute at the  
9       University of Wisconsin-Madison Energy Basics Program.

### Proposed Accounting Entries

	<u>Debit/Credit</u>	<u>Account</u>	<u>Description</u>	<u>Amount</u>	
1)	Dr	107	Construction Work In Process	10.00	
	Cr	232	Accounts Payable		10.00
	To record purchase of poles from counterparty				
2)	Dr	232	Accounts Payable	10.00	
	Cr	131	Cash		10.00
	To record cash disbursement to counterparty				
3)	Dr	106	Completed Construction Not Classified	10.00	
	Cr	107	Construction Work In Process		10.00
	To record placement of purchased poles in service				
4)	Dr	101	Plant In Service	10.00	
	Cr	106	Completed Construction Not Classified		10.00
	To record classification of purchased poles into Plant In Service				
5)	Dr	403	Depreciation Expense	0.28	
	Cr	108	Accumulated Provision for Depreciation		0.28
	To record estimated annual depreciation expense				

# **AFFIRMATION**

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

  
\_\_\_\_\_  
Wes R. Blakley  
Senior Utility Analyst

Indiana Office of Utility Consumer Counselor

February 28, 2018  
\_\_\_\_\_  
Date

## **CERTIFICATE OF SERVICE**

This is to certify that a copy of the ***OUCC TESTIMONY OF WES R. BLAKLEY*** has been served upon the following parties of record in the captioned proceeding by electronic service on February 28, 2018.

### **NIPSCO**

M. Bryan Little  
NiSource Corporate Services - Legal  
150 West Market Street, Suite 600  
Indianapolis, Indiana 46204  
[blittle@nisource.com](mailto:blittle@nisource.com)

### **Copy to:**

Timothy R. Caister  
Debi McCall  
Northern Indiana Public Service Co., LLC  
150 W. Market Street, Suite 600  
Indianapolis, Indiana 46204  
[tcaister@nisource.com](mailto:tcaister@nisource.com)  
[demccall@nisource.com](mailto:demccall@nisource.com)

### **IMTCo**

Jeffrey Peabody  
Barnes & Thornburg  
11 S. Meridian St.  
Indianapolis, IN 46204  
[jpeabody@btlaw.com](mailto:jpeabody@btlaw.com)

### **Copy to:**

Matthew S. McKenzie  
American Electric Power Service Corporation  
1 Riverside Plaza, 29th Floor  
Columbus, Ohio 43215  
[msmckenzie@aep.com](mailto:msmckenzie@aep.com)



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Scott Franson  
Deputy Consumer Counselor

## **INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR**

### **PNC Center**

115 West Washington Street  
Suite 1500 South  
Indianapolis, IN 46204  
[infomgt@oucc.in.gov](mailto:infomgt@oucc.in.gov)  
317/232-2494 – Telephone  
317/232-5923 – Facsimile