

OFFICIAL
EXHIBITS

FILED
March 31, 2022
INDIANA UTILITY
REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE VERIFIED)
PETITION OF INDIANA MICHIGAN POWER)
COMPANY FOR APPROVAL OF: (1))
DEMAND SIDE MANAGEMENT (DSM))
PLAN, INCLUDING ENERGY EFFICIENCY)
(EE) PROGRAMS, DEMAND RESPONSE)
PROGRAMS, AND ENHANCED)
CONSERVATION VOLTAGE; AND (2))
ASSOCIATED ACCOUNTING AND)
RATEMAKING TREATMENT, INCLUDING)
TIMELY RECOVERY THROUGH I&M'S)
DSM/EE PROGRAM COST RIDER OF)
ASSOCIATED COSTS, INCLUDING)
PROGRAM OPERATING COSTS, NET LOST)
REVENUE, AND FINANCIAL INCENTIVES.)

CAUSE NO. 45701

IURC
PETITIONER'S
EXHIBIT NO. 3
9-12-22 AT
DATE REPORTER

SUBMISSION OF DIRECT TESTIMONY OF
NICHOLAS M. ELKINS

Applicant, Indiana Michigan Power Company (I&M), by counsel, respectfully
submits the direct testimony and attachment of Nicholas M. Elkins in this Cause.

Respectfully submitted,



Teresa Morton Nyhart (Atty. No. 14044-49)
Jeffrey M. Peabody (Atty. No. 28000-53)
Lauren Aguilar (Atty. No. 33943-49)
Barnes & Thornburg LLP
11 South Meridian Street
Indianapolis, Indiana 46204
Nyhart Phone: (317) 231-7716
Peabody Phone: (317) 231-6465
Aguilar Phone: (317) 231-6474
Fax: (317) 231-7433
Nyhart Email: tnyhart@btlaw.com
Peabody Email: jpeabody@btlaw.com

Aguilar Email: laguilar@btlaw.com

Attorneys for
Indiana Michigan Power Company

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served this 31st day of March, 2022, by email transmission, hand delivery or United States Mail, first class, postage prepaid to:

Jeffrey Reed
Kelly Earls
Indiana Office of Utility Consumer Counselor
Office of Utility Consumer Counselor
115 West Washington Street
Suite 1500 South
Indianapolis, Indiana 46204
infomgt@oucc.in.gov
jreed@oucc.in.gov
keearls@oucc.in.gov

Jennifer A. Washburn
Citizens Action Coalition
1915 West 18th Street, Suite C
Indianapolis, Indiana 46202
jwashburn@citact.org

Courtesy Copy to:
Reagan Kurtz
rkurtz@citact.org



Jeffrey M. Peabody

Teresa Morton Nyhart (Atty. No. 14044-49)
Jeffrey M. Peabody (Atty. No. 28000-53)
Lauren Aguilar (Atty. No. 33943-49)
BARNES & THORNBURG LLP
11 South Meridian Street
Indianapolis, Indiana 46204
Nyhart Phone: (317) 231-7716
Peabody Phone: (317) 231-6465
Aguilar Phone: (317) 231-6474
Fax: (317) 231-7433
Nyhart Email: tnyhart@btlaw.com
Peabody Email: jpeabody@btlaw.com
Aguilar Email: laguilar@btlaw.com

Attorneys for INDIANA MICHIGAN POWER COMPANY

I&M Exhibit: _____

INDIANA MICHIGAN POWER COMPANY

PRE-FILED VERIFIED DIRECT TESTIMONY

OF

NICHOLAS M. ELKINS

Content

I. Introduction	1
II. Purpose of testimony.....	2
III. DSM Program Implementation	3
IV. Implementation of EE Programs.....	5
Residential Programs	5
Commercial and Industrial Programs	13
V. Implementation of DR Programs	17
VI. Implementation Evaluation and Confidence.....	21

**DIRECT TESTIMONY OF NICHOLAS M. ELKINS
ON BEHALF OF
INDIANA MICHIGAN POWER COMPANY**

I. Introduction

Q1. Please state your name and business address.

My name is Nicholas M. Elkins and my business address is Indiana Michigan Power Center, P.O. Box 60, Fort Wayne, IN 46801.

Q2. By whom are you employed and in what capacity?

I am employed by Indiana Michigan Power Company (I&M or Company) as the Director of Customer Services and Business Development.

Q3. Briefly describe your educational background and professional experience.

I have a Bachelor of Science degree from The Ohio State University and a Master of Business Administration degree from Franklin University.

I started my professional career as an accountant for a supply company and later transitioned into an IT technician role for Chase Bank's trading organization in Columbus, Ohio. I joined the American Electric Power Service Corporation in 2001 as an Information Technology Support Technician and held multiple positions of increasing responsibility, including Region Manager for IT Telecommunications Operations.

I joined I&M in 2010 as Manager of Distribution Services. My responsibilities in that position included managing the construction, maintenance, and operation of the electric distribution system in the greater Fort Wayne area and ensuring safe and reliable service to customers. In 2016, I was promoted to my current role of Director of Customer Services and Business Development.

1 **Q4. What are your responsibilities as Director, Customer Services and**
2 **Business Development?**

3 I am responsible for overseeing the Energy Efficiency, Customer Services,
4 Energy Services, and Distribution Operations Customer Support Organizations.
5 My group also provides insight to Business Operations through Data Analytics.

6 **Q5. Have you previously testified before any regulatory commissions?**

7 Yes. I submitted testimony before the Indiana Utility Regulatory Commission in
8 Cause No. 45114, supporting I&M's EZ Bill program. Additionally, I submitted
9 testimony before the Michigan Public Service Commission in Case No.
10 U-20867, I&M's 2020 Energy Waste Reduction (EWR) Reconciliation. I also
11 provided rebuttal testimony in Case No. U-20877, I&M's 2022-2023 EWR Plan.

II. Purpose of testimony

12 **Q6. What is the purpose of your testimony?**

13 The purpose of my testimony is to support the approval of I&M's 2023 – 2025
14 Demand Side Management Plan (DSM Plan) by outlining the Company's plans
15 to implement and market the programs in order to gain the level of customer
16 participation necessary to meet the DSM Plan energy and demand savings
17 goals. I will also discuss the Company's strategies for engaging customers as
18 we continue to improve how we deliver energy efficiency (EE) and demand
19 response (DR) programs.

20 **Q7. Are you sponsoring any attachments in this proceeding?**

21 Yes. I am sponsoring Attachment NME-1, AMI Meter Communication.

1 **Q8. Was this attachment prepared by you or under your direction and**
2 **supervision?**

3 Yes.

III. DSM Program Implementation

4 **Q9. Please describe the Company's strategy with respect to how it will**
5 **implement the programs identified in the Company's DSM Plan?**

6 I&M has a Customer Vision Strategy that is focused on proactively meeting
7 customer's emerging needs. The three primary focus areas of the strategy:

8 1) Make Our Customers' Lives Easier;

9 2) Tailor Solutions; and

10 3) Increase Program Choice.

11 **Q10. How does the Company's implementation of the DSM Plan program**
12 **support meeting these three focus areas?**

13 The DSM Plan provides I&M's customers with a diverse portfolio of programs
14 and measures that customers have the ability to choose from based on their
15 own individual circumstances. When the programs in the DSM Plan are
16 combined with I&M's other customer programs for electric vehicles, renewable
17 offerings, billing options, and engagement tools like the I&M mobile app, I&M's
18 customers have a number of options to choose from to improve their customer
19 experience.

20 To help customers navigate through the broad range of customer options, I&M
21 worked with Acxiom, an identity-based marketing company and data broker to
22 identify various consumer segments based on critical household energy buyer
23 capacities, attitudes and behaviors. These factors are called Energy Consumer
24 Dynamics. Ultimately, I&M and Acxiom worked to identify what types of

1 consumers are likely to participate in EE and DR programs or adopt certain
2 measures of these programs. I&M can now use this information to inform its
3 marketing efforts and tailor solutions to customer segments that have a higher
4 likelihood of participating, while still continuing to make customer programs
5 available to all eligible customers.

6 The process is different for I&M's Commercial and Industrial (C&I) customers.
7 To determine target participants in this category of customers, I&M will utilize
8 billing and business classification data to optimize marketing and outreach
9 efforts for the C&I sector.

10 With a diverse portfolio of program offerings and tailored solutions, the
11 Company is also focused on making life easier for its customers by removing
12 barriers to enrollment in the programs. I&M is taking steps for each of the DSM
13 Plan programs to provide its customers with easy to understand information on
14 the programs, the eligibility requirements, and the steps to enroll. Additionally,
15 I&M's customer team is working on the application process for each program to
16 streamline the process and make the process as simple as possible for
17 customers to enroll.

18 The comprehensive strategy to implement a DSM plan that includes a diverse
19 set of programs, tailored solutions, and simplified enrollment process all comes
20 together to support I&M's Customer Vision Strategy to *Make Our Customers'*
21 *Lives Easier*, offer *Tailored Solutions* and *Increase Program Choice*.

22 **Q11. Who will implement the DSM Plan programs?**

23 I&M's Customer Service & Business Development team will both administer and
24 oversee the efficient implementation of the DSM Plan described in Company
25 witness Walter's testimony and attachments. The team is split in two groups,
26 with one group dedicated to the implementation of DSM/EE programs directed
27 at residential customers and the other group focusing on C&I programs.

28 The Company has developed relationships with a team of experienced industry
29 partners to support the DSM Plan implementation. Partners like Oracle, Uplight,

1 and CLEAResult have been involved in the successful DSM program
2 implementation with utilities across the United States, and I&M will be leveraging
3 these experiences in the implementation of its proposed DSM Plan for its
4 customers.

5 Implementation responsibilities of I&M's Customer Service & Business
6 Development team include:

- 7 • Vendor management
- 8 • Marketing and business development activities
- 9 • Customer recruitment and intake
- 10 • Data management and assessment

IV. Implementation of EE Programs

Residential Programs

11 **Q12. What residential EE programs is I&M proposing in its DSM Plan.**

12 I&M is proposing the following DSM Plan programs:

- 13 • Home Energy Engagement (HEE)
- 14 • Home Energy Products (HEP)
- 15 • Heating, Ventilation, and Air Conditioning (HVAC) Midstream
- 16 • Income Qualified Weatherproofing (IQ)
- 17 • New Construction

18 Complete program descriptions and implementation plans can be found in
19 Attachment JCW-19 of Company witness Walter's testimony.

Home Energy Engagement

Q13. Briefly describe the HEE Program.

The HEE program consists of Advanced Metering Infrastructure (AMI) Energy Management Tools that work in conjunction with the Home Online Energy Checkup Program located at <https://www.indianamichiganpower.com/savings/>. The purpose of the HEE is to produce cost effective energy and demand savings, engage and encourage customers to change energy use patterns and raise awareness of EE improvements. HEE is available to Indiana residential customers with an AMI meter. Non-AMI customers still have access to this tool, however not at the granularity of an AMI customer. I&M is currently in the process of installing AMI meters for Indiana customers and expects to complete full deployment by mid-2024, with the exception of those customers who choose to opt out of receiving an AMI meter.

HEE will also raise customer awareness of EE improvements and I&M rebates available by offering efficient measures through an online marketplace to encourage further action. I&M plans to enrich the existing online marketplace by configuring customer offerings based on customer survey information starting in 2023.

Q14. How is the HEE program new to I&M's DSM Plan?

HEE is a transition from the Home Energy Reports (HER) and will better utilize AMI to provide additional insights to customers. The difference is not only the use of AMI data, but HEE also allows customers to actively engage and be more aware of their energy use down to a 15-minute interval. HEE will use the AMI Engagement Tools where customers can view their usage information, including usage comparisons, and receive suggestions and advice. Additionally, customers that establish an electronic account can opt-in to the AMI based products, like the Weekly AMI (WAMI) reports to become an HEE participant.

1 **Q15. Describe I&M's HEE program implementation plan.**

2 I&M has partnered with Oracle Utilities (Oracle) to implement HEE. Oracle
3 provides and manages the web-facing AMI Energy Management Tools and
4 online audit tool. Customers will have continued access to a diversified suite of
5 options and programs leveraging AMI technology and access to energy
6 management tools embedded on I&M's website at the following link: Savings
7 (indianamichiganpower.com).

8 **Q16. Is there a HEE program marketing plan?**

9 Yes. Marketing and communication activities will focus on education and
10 awareness of the HEE tool and the associated benefits.

11 I&M will use emails, post cards and letters that provide customers with
12 information on AMI meters, the customer programs that will allow them to take
13 advantage of AMI technology and direct customers to I&M's website for
14 additional information:
15 <https://www.indianamichiganpower.com/community/projects/smart-meters/>. See
16 Attachment NME-1 for examples of the communications that I&M customers will
17 receive during the AMI deployment.

Home Energy Products

18 **Q17. Briefly describe the HEP program.**

19 The HEP program consists of the following:

- 20 1) Energy Star (retailer midstream) Appliances – I&M will enroll in the
21 national Energy Star Retail Products Program (ESRPP). This is new for
22 I&M. ESRPP will make high-efficiency appliances more accessible to
23 I&M's customers by offering rebates to retailers to stock these items in
24 their stores within I&M's service territory. I&M will serve as a program
25 sponsor and provide rebates based on retail store agreements.

2) Online Marketplace efficient products – This component allows I&M customers to apply for, and instantly receive, utility program rebates to help them buy-down the cost of efficient electric technologies used in their homes; and

3) Downstream efficient products – This online rebate application for energy efficient product purchases provides customers with cash-back rebates to help cover a portion of the incremental cost to upgrade to efficient technologies not available in the other HEP components or midstream.

HEP is designed to increase the purchase of residential energy efficient products through rebates. HEP aims to lower electric use and provide a streamlined and efficient process for customers and retail partners to receive rebates. HEP is available to all I&M Indiana residential customers.

Q18. Are midstream programs different from traditional DSM programs?

Yes. Midstream programs focus on stocking energy efficient appliances and equipment at the distributor level, whereas traditional DSM programs directly influence end-use customers by paying rebates to customers or their designated trade ally.

Q19. Has the Company considered the advantages and disadvantages of the midstream delivery approach?

Yes. The Company researched the mid-stream delivery approach to become familiar with the advantages and potential disadvantages associated with these types of programs. At a summary level, I&M has identified the following advantages:

- Increased opportunity to influence project design and energy-efficient equipment decisions further up the supply chain
- Broader program rebate exposure to markets
- Increased measure rebate volumes

- Improved availability of efficient equipment
- Lower program costs

The disadvantages can include:

- Increased costs for distributors to process rebate payments
- Higher program free ridership
- Less specific program and measure data on program participants
- Less specific program and measure data on baseline equipment from which to measure energy savings
- Higher potential for rebate and savings attribution duplication if not considered and addressed appropriately for program overlap during implementation and evaluation

After evaluating both the advantages and disadvantages, I&M plans to work closely with its implementation partner, CLEAResult, to ensure program design produces benefits for I&M customers, while also addressing and mitigating the potential drawbacks.

Q20. How does the Company intend to implement the HEP program portfolio?

I&M is working to engage and partner with strategic vendors to deliver both the ESRPP and the Online Marketplace components. I&M will internally implement the downstream rebate applications. For the ESRPP, I&M will enroll with Energy Star for the program, align with the preferred annual period for participation forecasts recommended by Energy Star, and adopt the EM&V approaches and practices used in the program. Please see Attachment JCW-19 for program design information regarding the Energy Star program, along with a 2020 list of utilities participating in or considering the program.

1 **Q21. Is there a HEP program marketing plan?**

2 Yes. The marketing plan consists of using various distribution channels like
3 direct mail, direct contact with trade allies, I&M's website, bill inserts, and
4 mailings to owners of multi-family housing units to educate and promote the
5 efficient products/appliance component of HEP. As it relates to the Energy Star
6 Appliances component, I&M will make use of promotional signage in retail
7 locations.

 HVAC Midstream

8 **Q22. Briefly describe the HVAC Midstream program.**

9 The HVAC Midstream program is currently running as a pilot and is proposed as
10 an EE program for the 2023 – 2025 plan years. I&M will offer rebates through
11 participating distributors in I&M's Indiana service territory who stock energy
12 efficient HVAC equipment to HVAC installers, builders, contractors and
13 customers in I&M's service territory. The program is designed to promote,
14 improve and increase the availability of this equipment and to increase
15 participation in I&M's EE residential programs overall.

16 **Q23. How does I&M intend to implement the HVAC Midstream program?**

17 In collaboration with the Indiana Oversight Board (IN OSB), I&M partnered with
18 CLEAResult to deploy the HVAC Midstream pilot for residential customers in
19 Indiana. HVAC measures in the downstream rebate application will migrate to
20 the midstream channel. CLEAResult offers Program Partner Central (a software
21 tool) for distributor participation which reduces common concerns distributors
22 have around customer and product validation in participating in midstream utility
23 programs. I&M will launch www.ElectricIdeas.com/Midstream which will address
24 questions about HVAC rebates for three audiences; contractors, distributors,
25 and end-use customers. The web page will describe the migration of HVAC
26 rebates up the sales channel from post-sale rebate applications to midstream

1 and provide information to customers on how they can take advantage of this
2 program through their HVAC contractors. Contractors will be directed to both an
3 email and phone number to find assistance with locating participating
4 distributors.

5 **Q24. Is there a HVAC Midstream program marketing plan?**

6 Yes. CLEAResult will lead marketing for this program and manage outreach to
7 distributors. I&M will provide feedback to CLEAResult and collaborate on the
8 marketing to include multiple program opportunities to best assist our
9 customers.

Income Qualified Weatherproofing

10 **Q25. Briefly describe the Income Qualified Weatherproof program.**

11 The components of the IQ program include single and multi-family home audits
12 and rebates for energy measure replacements or displacements. The program
13 is designed to help IQ customers improve efficiency of electric use and increase
14 affordability. To be eligible for the IQ program, a customer must have a
15 household income of no more than 200% of the Federal Poverty Level.

16 **Q26. How does the Company intend to implement the IQ program?**

17 I&M partnered with veteran weatherization implementer, Solutions for Energy
18 Efficient Logistics (SEEL), to implement the IQ program beginning in 2022.
19 SEEL will launch both virtual or in-home audits based on the customer's
20 preference and will offer direct install measures, efficient refrigerators,
21 weatherization services and maintenance of electric HVAC equipment for
22 income qualified single family homes and multi-family apartment complexes.
23 I&M's partnership with SEEL includes a shared staff of call center
24 representatives that reduces customer wait time and improves the application
25 and enrollment experience for customers. Additionally, SEEL provides a team of

1 virtual and in-home auditors and a robust contractor network ready to serve
2 I&M's IQ customers.

3 **Q27. Is there an IQ program marketing plan?**

4 Yes. The marketing plan includes continuing to work with local government
5 agencies and conducting data research to identify IQ customers. I&M's focus
6 will be to identify all-electric or electric heat customers. Some HVAC equipment
7 services may be provided to gas-heat IQ customers as identified and as
8 appropriate, but the program will not target this customer segment for full
9 program services. Once eligible participants are identified, outreach for
10 enrollment will begin.

11 **Q28. What actions will I&M take to engage with its IQ customer base and make**
12 **them aware of the IQ Program?**

13 I&M will continue to seek out opportunities to engage with its IQ customer base,
14 whether single family or multi-family. Each project is unique to each customer
15 which will require a custom review and analysis to ensure program funds are
16 spent in an appropriate manner and to best serve those most in need of I&M's
17 programs services. We are also continuing to work with SEEL to streamline the
18 customer journey to minimize barriers to participate in our IQ programs.

New Construction

19 **Q29. Briefly describe the Residential New Construction program.**

20 The Residential New Construction program will produce long-term electric
21 energy savings above building code by encouraging the construction of single
22 family homes, duplexes, and end-units of multi-residential properties that
23 individually meet qualifying Home Energy Rating performance levels.
24 Additionally, the program seeks to educate builders on EE best practices so
25 they may be incorporated into their marketing strategy.

1 **Q30. Is there a Residential New Construction Program implementation and**
2 **marketing plan?**

3 Yes. I&M will engage with the existing network of home builders in the I&M
4 service territory through multiple marketing channels. There will also be
5 opportunities to leverage distributor relationships to cross-promote the
6 availability of this program as builders engage in the new midstream program.

Commercial and Industrial Programs

7 **Q31. Identify the DSM Plan C&I EE specific programs?**

8 I&M is proposing the following C&I programs:

- 9 • Work Custom
- 10 • Work Prescriptive
- 11 • Work Direct Install
- 12 • Work Midstream
- 13 • Work Strategic Energy Management

14 Complete program descriptions and implementation plans can be found in
15 Attachment JCW-19 of Company witness Walter's testimony.

16 **Q32. Has the Company changed the way it implements and manages the C&I EE**
17 **Programs?**

18 Yes. New to the DSM Plan is the use of CLEAResult to manage the
19 implementation and marketing of the entire portfolio of C&I EE programs. In
20 order to make customers' lives easier and to provide tailored solutions, I&M
21 decided in early 2021 to leverage its relationship with CLEAResult to deliver the
22 C&I programs as a turnkey offering. Turnkey means that CLEAResult will
23 manage all aspects of the programs including development, implementation and

1 marketing. I&M will continue to define program measures and product specific
2 offerings.

3 A national implementation vendor like CLEAResult offers robust software
4 platforms and utility rebate engagement tools that make customers' lives easier
5 by simplifying the rebate application process.

6 **Q33. How is marketing for all of the C&I EE programs being managed?**

7 CLEAResult will provide marketing services for all of these programs as part of
8 the turnkey service. Marketing will include segmentation analysis, assessment
9 of program applicability for customer and trade ally outreach. Delivery channels
10 will include I&M's website, direct mail, bill inserts, customer outreach and
11 community event outreach.

Work Custom

12 **Q34. Briefly describe the Work Custom program.**

13 The Work Custom program is an existing C&I EE program, where I&M provides
14 customers with rebates for the incremental cost to upgrade to more efficient
15 electric energy consuming measures. The goal is to encourage customers to
16 make more efficiency-related improvements to their processes or services.

17 New for 2023 is the addition of the Work Industrial Systems (IS) component of
18 the custom program. Here, the focus is on IS process improvement. There is
19 also a behavioral component that will allow C&I customers to enroll in the AMI
20 Online Data tool called First Fuel. Retro-commissioning will also be available to
21 I&M C&I customers in 2023. This is a quality assurance process designed to
22 ensure buildings perform as designed. It encourages continued efficient
23 operation rather than equipment upgrades.

1 **Q35. How does the Company intend to implement the Work Custom program?**

2 CLEAResult is currently implementing the program in Indiana through its turnkey
3 program services. The implementation consists of program engineering
4 services, measure management, program management, rebate processing,
5 customer & trade ally engagement, and IT systems and support. For 2023, I&M
6 has decided to move some of the custom measures to the prescriptive program
7 channel. This move is intended to improve the customer experience with the
8 C&I program.

Work Direct Install

9 **Q36. Briefly describe the Work Direct Install program.**

10 The Work Direct Install program offers direct install of prescriptive measures for
11 small businesses that have less than 150kW in demand. The program
12 specifically focuses on rebates for lighting improvements in certain business
13 segments. The goal is to engage small and medium business customers with
14 energy audits and savings options.

15 **Q37. How does the Company intend to implement the Work Direct Install**
16 **program?**

17 CLEAResult will pre-screen a group of qualified trade allies that will perform the
18 energy audit and measure direct install services for participating small business
19 customers. The trade allies will be trained and certified in the use of a walk-
20 through audit assessment tool designed to identify and calculate savings and
21 incentive values.

Work Midstream

1 **Q38. Briefly describe the Work Midstream program.**

2 The Work Midstream program seeks to transform the market and increase the
3 amount of available energy efficient HVAC in I&M's service territory by providing
4 distributors with access to rebates. Goals of this program include improving
5 participation levels in I&M's EE Plan among C&I customers and promoting sales
6 and installation of energy efficient HVAC equipment.

7 **Q39. How does the Company intend to implement the Work Midstream**
8 **program?**

9 CLEAResult will create and provide program requirements and manage
10 distributor enrollment, engagement and communications. CLEAResult will also
11 provide distributor rebate payments, tracking and distributor interface and data
12 management. HVAC measures deployed through the midstream program will be
13 removed from the applicable downstream prescriptive and custom programs. As
14 the same vendor will be implementing these programs, they have the ability to
15 deploy real-time quality assurance and quality control to ensure double dipping
16 does not occur.

Work Prescriptive

17 **Q40. Briefly describe the Work Prescriptive program.**

18 The Work Prescriptive program is an existing C&I EE program in Indiana. It
19 provides eligible C&I customers a streamlined and efficient process to apply for
20 and receive rebates for projects approved during an application process. The
21 prescriptive program has a suite of predefined measures and incentives for
22 customers to select. The prescriptive program is very straight forward and the
23 applications are online making customers' lives easier.

1 **Q41. How does the Company intend to implement the Work Prescriptive**
2 **program?**

3 CLEAResult will provide turn-key program services, including interface,
4 marketing, and support for trade allies and C&I customers participating in this
5 program. I&M will work with CLEAResult to maintain measure lists, rebate
6 amounts, and approve all final marketing materials.

Work Strategic Energy Management

7 **Q42. Briefly describe the Work Strategic Energy Management program.**

8 The Work Strategic Energy Management program (SEM) is a new offering for
9 2023 that provides incentives to C&I customers who adopt EE policies, energy
10 management planning and implementation. For those customers who do these
11 things, I&M will provide rebates, training, and tips for the customer to experience
12 energy savings. The goal is to encourage C&I customers to create a holistic
13 approach to managing energy use.

14 **Q43. How does the Company intend to implement the Work Strategic Energy**
15 **Management program?**

16 CLEAResult will provide turn-key program services, including direct outreach
17 and the education materials to I&M's C&I customers. I&M will work with
18 CLEAResult, assisting the customer in identifying process improvements and
19 providing ongoing support.

V. Implementation of DR Programs

20 **Q44. Identify the DSM Plan residential DR specific programs.**

21 I&M is presenting the following programs:

- IQ Water Heater Direct Load Control (IM Power Rewards: Water Heater)
- Critical Peak Pricing
- Time-of-Use
- Thermostat Direct Load Control (IM Power Rewards: Smart Thermostat)
- Customer Engagement Demand Response (IM Power Rewards: iControl)
- Air Conditioner Direct Load Control (IM Power Rewards: Home AC)

Complete program descriptions and implementation plans can be found in Attachment JCW-20 of Company witness Walter's testimony.

Q45. Identify the DSM Plan commercial DR programs.

I&M is presenting the following:

- Water Heater Program
- Thermostat Direct Load Control
- Real Time Pricing
- Critical Peak Pricing
- Time-of-Use

Complete program descriptions and implementation plans can be found in Attachment JCW-20 of Company witness Walter's testimony.

Q46. Briefly discuss the DR programs identified above.

I&M's DR programs are designed to leverage AMI and provide customers with real-time tools to manage their electric needs. The variety of DR programs offer customers with unique demographic characteristics and preferences to choose the program that fits their specific household needs.

Time Variable Rate programs, such as Critical Peak Pricing (CPP) and Time-of-Use, rely on data granularity and proactive communications in the form of price

1 signals to encourage customers to reduce usage during high cost or peak hours
2 and to shift usage to lower priced periods (off-peak) as set forth in the pricing
3 structure of the tariffs.

4 **Q47. Briefly describe the CPP Program.**

5 The CPP Program is designed to motivate, through price response, residential
6 and general service customers to manage the timing of, or to conserve, usage
7 during I&M and PJM peak and critical peak hour periods.

8 A Critical Peak Event occurs for CPP when the Company anticipates, or
9 experiences high power system loads and/or emergency system conditions.
10 During these Critical Peak Events, Critical Peak Hour pricing applies, where the
11 price for electricity is higher than non-Critical Peak periods (i.e. all other pricing
12 tiers set forth in the CPP tariff).

13 **Q48. Briefly describe the Time-of-Use Program.**

14 The Time-of-Use Program incentivizes customers through reduced rates for
15 electricity consumption during Off-Peak hours. The On-Peak billing period is
16 defined as 7 am to 9 pm, local time, Monday through Friday. The Off-Peak
17 billing period is defined as those hours not designated as On-Peak hours.
18 Utilizing the AMI Energy Management Tools, customers can track and monitor
19 their electricity consumption to ensure they are benefiting based on their usage
20 profile.

21 **Q49. Briefly describe Direct Load Control Programs.**

22 Direct Load Control (DLC) programs, such as the Water Heater and HVAC DLC
23 program, leverage AMI system connectivity and bi-directional communications
24 network to communicate with load control switches to cycle the HVAC or Water
25 Heater unit during times of:

- 1 • Predicted utility system peak load conditions (non-system emergency or
2 DSM events);
- 3 • Predicted high loading on distribution circuits and/or substation
4 distribution equipment (non-system emergency or DSM events);
- 5 • Predicted correlating high outdoor temperatures (non-system emergency
6 or DSM events);
- 7 • Utility supply system emergency conditions (PJM emergency events).

8 Customers will receive bill credits per event participated in during the summer
9 months of May through September.

10 The DLC programs enable customers the ability to participate in DR that face
11 barriers to enrolling in other demand response programs that require broadband
12 internet connectivity and smart, connected in-home control devices.

13 **Q50. How does the Company intend to implement and market these DR**
14 **programs?**

15 Based on the individual program I&M will collaborate internally or with its
16 implementation contractors to perform all customer outreach and enrollment
17 activities. I&M is currently working with implementation vendors on Statements
18 of Work (SOW) and will sign contracts. I&M has built a selection tool to assist
19 customers with selecting the best *IM Power Rewards* DR program for them. As
20 new programs become available, the tool will be updated to reflect these new
21 choices. Due to the eligibility requirements, I&M is also looking to deploy an
22 enrollment portal to simplify the sign-up process for customers. The new DR
23 programs offer choices to customers. Whether they want to control how they
24 participate themselves, or enroll in a program that will automate their
25 engagement in DR programs, there will be something for everyone to take
26 advantage of DR incentives.

VI. Implementation Evaluation and Confidence

1 **Q51. Is I&M planning to monitor the effectiveness of the programs identified in**
2 **the DSM Plan?**

3 Yes. For all the programs I described above, I&M will use an independent third
4 party (ADM) who will conduct process and impact evaluations to determine
5 whether I&M and its selected vendors are appropriately implementing the EE
6 programs and achieving expected savings. This third party will provide
7 suggestions on improvements throughout the plan.

8 **Q52. Are there any concerns around successfully achieving savings goals? If**
9 **so, how will the Company address them?**

10 Yes. The Company is concerned about supply-chain issues, as well as the
11 apparent lingering impact of the COVID-19 pandemic. These issues, however,
12 are not new to the Company because it has been dealing with them for the last
13 couple of years. The Company has, and continues to manage these issues by
14 building direct relationships with its vendors like ITRON, who is supplying I&M's
15 AMI program interface devices.

16 **Q53. Does this conclude your pre-filed verified direct testimony?**

17 Yes.

VERIFICATION

I, Nicholas M. Elkins, Director of Customer Service and Business Development at Indiana Michigan Power Company, affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information, and belief.

Date: 3/30/2022

Nicholas M. Elkins

Nicholas M. Elkins

SMART METERS

GIVE YOU THE
POWER TO SAVE

833-446-7627

IndianaMichiganPower.com/SmartMeters



**INDIANA
MICHIGAN
POWER**

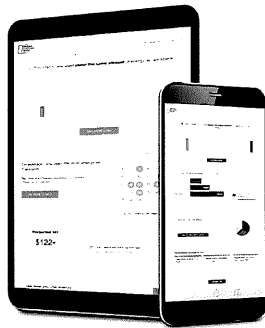
SMART METERS Coming Soon



An AES Company

P.O. Box 60
Fort Wayne, IN 46801

Over 100 million U.S. homes have safe, secure and reliable smart meters. Soon, that will include your home – because I&M is installing a smart meter to help you save.



Smart meters give you more control over your energy use and bill. Monitor what you are using with our online tools or through your account on **IndianaMichiganPower.com**.

In the next few months, a smart meter will be installed at your home. You will be notified when we start installing meters in your neighborhood. There is no charge for the smart meter or the installation.

Our crews are following COVID-19 guidelines issued by the Centers for Disease Control and Prevention (CDC) to ensure the safety and health of our customers and our employees.

Benefits for You

- See What You Are Spending 24/7
- Create Good Energy-saving Habits
- Get Alerts to Help Manage Your Energy Use
- Eliminate Manual Meter Readings

833-446-7627

[IndianaMichiganPower.com/SmartMeters](https://www.IndianaMichiganPower.com/SmartMeters)

RES 1/22

[EXTERNAL] * TEST * Get Control Over Your Energy Use * TEST *



Indiana Michigan Power <news@impoweraep.com>

Reply Reply All Forward

Mon 1/24/2022 4:13 PM

If there are problems with how this message is displayed, click here to view it in a web browser.

This is an **EXTERNAL** email. **STOP. THINK** before you **CLICK** links or **OPEN** attachments. If suspicious please click the 'Report to Incidents' button in Outlook or forward to from a mobile device.

SMART METERS

GIVE YOU THE POWER TO SAVE



Smart meters give you more control over your energy use and help you save. Over 100 million U.S. homes have safe, secure and reliable smart meters.

Soon that will include your home — because I&M is installing a smart meter to help you save. You can monitor the energy you are using with our online tools or through your account on [IndianaMichiganPower.com](https://www.IndianaMichiganPower.com).

You will be notified when we start installing meters in your neighborhood. There is no charge for the smart meter or the installation. Our crews are following COVID-19 guidelines issued by the Centers for Disease Control and Prevention (CDC) to ensure the safety and health of our customers and our employees.



Smart meters use secure, two-way wireless communication to send information between your meter and I&M. Cell phones, laptops, baby monitors and TV remotes also use wireless signals. Just like those devices, smart meters provide convenience and control. Plus they can help you save on energy costs.

Your Smart Meter Benefits

Smart meters use wireless technology to help you make sense of the energy you use. They give you more control over your energy use and bill.

Monitor Your Usage with 24/7 Access

You don't need to wait for your bill to see how much energy you're using. Monitor what you are using with our online tools or through your account on

IndianaMichiganPower.com.



Create Good Energy-saving Habits

Get personalized tips on easy ways to save energy. See how you are using energy: in 15-minute increments, hourly, daily, monthly or annually. Your use is measured in both dollars and kWh, helping you set energy goals and budgets.

Get Proactive Alerts

Set alerts to help you manage your budget and energy goals.



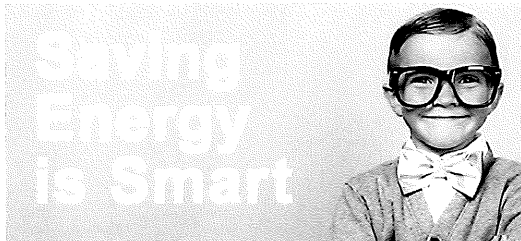
Eliminate Manual Meter Readings

Manual readings are a thing of the past. Your smart meter sends your energy use details directly to I&M. If you are moving and need to start or stop service, it can be done without a field visit.

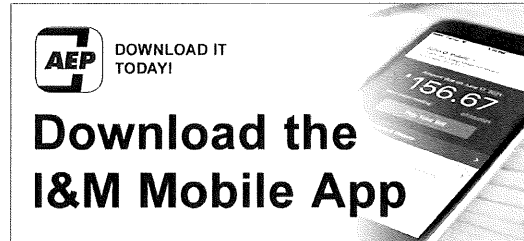
For more information, visit **IndianaMichiganPower.com/SmartMeters** or contact us at **[833-446-7627](tel:833-446-7627)** or **IMSmart@AEP.com**

Saving Energy. That's Smart.

Save with these energy-saving products, rebates and discounts.



It's easier than ever to have a more comfortable, energy-saving home and help protect the environment. Go to ElectricIdeas.com/Home for energy-saving tips, plus products and rebates to help you save. Saving Energy. That's Smart!



Looking for an easier way to manage your account? Look no further—download the mobile app today. You can view and pay your bill, report an outage, check outage status, manage your accounts and more!

The Power is in Your Hands
download the I&M Mobile App
today.



**ASK AEPRIL, YOUR
DIGITAL ASSISTANT**

[Manage Your Preferences](#) [Contact Us](#) [Privacy Policy](#)



Indiana Michigan Power,
110 E Wayne St, Fort Wayne, IN 46802
1-800-311-4634

Smart Meters



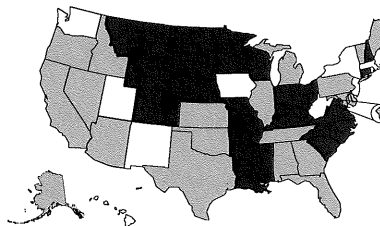
Smart meters give you more control over your energy use and help you save. Over 100 million U.S. homes have safe, secure and reliable smart meters.

In today's digital world, we depend more than ever on reliable energy to power the technology we use in our daily lives. Smart meters are helping to create a smarter, stronger and more efficient electric grid to meet your energy needs.

SMART METERS INSTALLED

Percent of households

0-15%
15-50%
50-100%

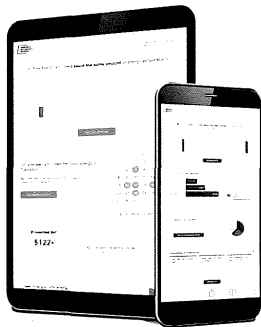


75%

of U.S. households have a smart meter

Your Smart Meter Benefits

Smart meters use wireless technology to help you make sense of the energy you use. They give you more control over your energy use and bill.



Monitor Your Usage with 24/7 Access

You don't need to wait for your bill to see how much energy you're using. Monitor what you are using with our online tools or through your account on **IndianaMichiganPower.com**.

Create Good Energy-saving Habits

Get personalized tips on easy ways to save energy. See when you are using energy by the 15-minute, hour, day, month or year. Your use is measured in both dollars and kWh, helping you set your energy goals and budgets.

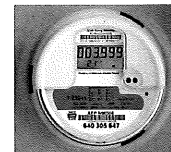
Get Proactive Alerts

Set alerts to help you manage your budget and energy goals.

Eliminate Manual Meter Readings

Manual readings are a thing of the past. Your smart meter sends your energy use details directly to I&M. If you are moving and need to start or stop service, it can be done without a field visit.

Use our online tools or go to your account on **IndianaMichiganPower.com** to get all the benefits.



How a Smart Meter Works

Smart meters use secure,

two-way wireless communication to send information between your meter and I&M. Cell phones, laptops, baby monitors and TV remotes also use wireless signals. Just like those devices, smart meters provide convenience and control.

833-446-7627

IndianaMichiganPower.com/SmartMeters

