

STATE OF INDIANA
INDIANA UTILITY REGULATORY COMMISSION

PETITION OF INDIANA MICHIGAN POWER)
COMPANY FOR APPROVAL OF A TARIFF RATE)
AND ACCOMPANYING TARIFF TERMS AND) Cause No. 45506
CONDITIONS FOR THE PROCUREMENT OF)
EXCESS DISTRIBUTED GENERATION)
PURSUANT TO IND. CODE CH. 8-1-40.)

PETITIONER’S VERIFIED PETITION

Indiana Michigan Power Company (“Petitioner” or “I&M”), submits its Petition for Approval of a Tariff Rate and Accompanying Terms and Conditions for the Procurement of Excess Distributed Generation (“EDG Rider”) pursuant to Indiana Code § 8-1-40-16. Petitioner states the following in support of this Petition:

1. **Petitioner’s Organization and Business.** Petitioner is a corporation organized under the laws of the State of Indiana, with its principal office and place of business located in Fort Wayne, Indiana. Petitioner has corporate power and authority, among other things, to engage in generating, transmitting, distributing, and selling electric energy within the State of Indiana and Michigan. Petitioner is a “public utility” as defined in Ind. Code § 8-1-2-1 and is lawfully engaged in the provision of retail electric services under duly acquired indeterminate permits and franchises within Indiana. Petitioner is also an “electricity supplier” as defined in Ind. Code § 8-1-40-4(a). Petitioner is subject to the jurisdiction of the Commission in the manner and to the extent provided by the laws of the State of Indiana.

2. **Relief Requested.** Petitioner respectfully requests that the Commission approve its proposed rate for excess distributed generation and approve its proposed EDG Rider.

3. **Ind. Code Ch. 8-1-40**. In 2017, the General Assembly enacted Ind. Code ch. 8-1-40, addressing net metering and distributed generation. This chapter, among other things: (1) expanded the availability of net metering capacity to 1.5% of an electricity supplier's most recent summer peak load; (2) reserved 40% of that net metering capacity for residential customers; (3) reserved 15% of that net metering capacity for biomass; and (4) made the remainder of that net metering capacity available to industrial and commercial customers. In addition, Ind. Code ch. 8-1-40 effectively terminates the availability of net metering for new customers as of July 1, 2022 (or earlier, if the above capacity limits are reached), while "grandfathering" customers with net metering in place before July 1, 2022.

Under Ind. Code ch. 8-1-40, net metering is to be replaced with provisions relating to "distributed generation", as that term is defined in Ind. Code § 8-1-40-3. These distributed generation provisions require that an electricity supplier must purchase excess distributed generation produced by an eligible customer at a rate approved by the Commission. In order to accomplish this, electricity suppliers are required to file for approval of an excess distributed generation rate by March 1, 2021.

Ind. Code ch. 8-1-40 specifies that the excess distributed generation rate must equal the average marginal price of electricity paid by the electricity supplier during the most recent calendar year, multiplied by 1.25. This rate is to be updated annually. Ind. Code ch. 8-1-40 further specifies that an electricity supplier that purchases excess distributed generation from an eligible customer must compensate the customer at the approved rate through a monthly bill credit mechanism, with any excess credits carried forward and applied against future charges for as long as the customer receives electric utility service from the supplier at that premises. Finally, Ind. Code ch. 8-1-40

provides that amounts paid by the electricity supplier for excess distributed generation are recoverable through the fuel adjustment proceedings under Ind. Code § 8-1-2-42.

4. **Petitioner's Net Metering Customer Participation Levels.** As of December 31, 2020, Petitioner had approximately 31,000 kilowatts (kW) of net metering capacity remaining from its 49,800 kW capacity (calculated by multiplying 1.5% by Petitioner's summer peak of in 2020 of 3,318,000 kW). As of December 31, 2020, 13,270 kW of Petitioner's remaining net metering capacity is reserved for residential customers, 7,260 kW is reserved for customers using biomass for generation and 10,470 kW is non-reserved and available for commercial and industrial customers. Petitioner has sufficient availability in each category. As such, Petitioner seeks approval of its EDG tariff to be made effective on July 1, 2022, pursuant to Ind. Code § 8-1-40-10.

5. **Petitioner's Proposed EDG Rider.** Petitioner's proposed EDG Rider rate for procurement of excess distributed generation will be consistent with Ind. Code ch. 8-1-40, specifically §§ 8-1-40-16 and 17. Petitioner plans to file its proposed EDG Rider and testimony in support of its proposed EDG Rider approximately within the next 10 days.

6. **Applicable Law.** Petitioner considers the provisions of the Public Service Commission Act, as amended, including Ind. Code ch. 8-1-40 to be applicable to the subject matter of this proceeding.

7. **Proposed Procedural Schedule.** Following the filing of this Petition, counsel for Petitioner will coordinate with counsel for the Office of Utility Consumer Counselor (OUCC), as well as counsel for other anticipated parties, and will endeavor to provide the Commission with an agreed upon procedural schedule within 30 days. Petitioner is prepared to include a technical conference in the procedure schedule if the OUCC and other parties are interested in such.

8. **Petitioner's Counsel.** The name and address of the attorney for Petitioner in this matter who is duly authorized to accept service of papers in this Cause on behalf of I&M is:

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WHEREFORE, Indiana Michigan Power Company respectfully requests that after notice and public hearing, the Commission grant the following relief in this Cause:

- a) approve Petitioner's proposed rate for the procurement of excess distributed generation pursuant to Ind. Code §§ 8-1-40-16 and 17;
- b) approve Petitioner's proposed EDG Rider; and
- c) grant all other just and proper relief.

Respectfully submitted,

INDIANA MICHIGAN POWER COMPANY

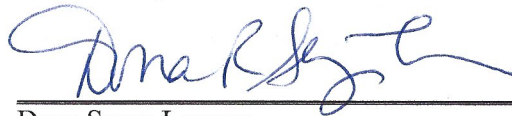
By: 

Dona Seger-Lawson,
Director of Regulatory Services

VERIFICATION

I, Dona Seger-Lawson, Director of Regulatory Services for Indiana Michigan Power Company, affirm under the penalties for perjury that the foregoing representations are true and correct to the best of my knowledge, information and belief.

Date: March 1, 2021

A handwritten signature in blue ink, appearing to read "Dona Seger-Lawson", written over a horizontal line.

Dona Seger-Lawson

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was served this 1st day of March 2021 via email transmission on the Indiana Office of Utility Consumer Counselor, PNC Center, 115 W. Washington St., Suite 1500 South, Indianapolis, Indiana 46204.



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