

Northern Indiana Public Service Company LLC

Cause No. 45621

FILED
September 29, 2021
INDIANA UTILITY
REGULATORY COMMISSION

VERIFIED DIRECT TESTIMONY OF ELIZABETH A. DOUSIAS

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

2 A1. My name is Elizabeth A. Dousias. My business address is 801 East 86th
3 Avenue, Merrillville, Indiana. I am Manager of Regulatory for NiSource
4 Corporate Services Company ("NCSC").

5 **Q2. On whose behalf are you submitting this direct testimony?**

6 A2. I am submitting this testimony on behalf of Northern Indiana Public Service
7 Company LLC ("NIPSCO").

8 **Q3. Please describe your educational and employment background.**

9 A3. I graduated from Indiana University in Bloomington, Indiana with a
10 Bachelor of Science Degree in Finance. I am a Certified Public Accountant
11 and a member of Illinois Certified Public Accountant Society. I began my
12 employment with PricewaterhouseCoopers in the firm's Audit and
13 Advisory Services practice. I had additional auditing and advisory roles
14 and was a Financial Reporting Manager for Packaging Dynamics
15 Corporation. I then joined the Internal Audit team at NiSource and
16 continued as a Compliance Manager within the Legal Department. In

1 October 2016, I accepted the role of Manager of Regulatory Accounting for
2 NIPSCO. On November 1, 2017, I accepted my current position of Manager
3 of Regulatory for NCSC where I am primarily responsible for the NIPSCO
4 Gas regulatory requirements and support regulatory work across multiple
5 NiSource jurisdictions.

6 **Q4. What are your responsibilities as Manager of Regulatory?**

7 A4. I am responsible for the preparation and coordination of NIPSCO's Gas
8 Demand Side Management filings in Cause No. 44001-GDSM-X, Gas Cost
9 Adjustment filings in Cause No. 43629-GCA-X, the Gas Transmission,
10 Distribution, and Storage System Improvement Charge filings in Cause No.
11 45330-TDSIC-X, and the Gas FMCA filings in Cause No. 45007-FMCA-X. I
12 am also responsible for preparation and coordination of NIPSCO's gas
13 earnings test schedules. I am also responsible for overseeing the
14 preparation of the rate base schedules, revenue requirement amounts, and
15 implementation for NIPSCO's gas rate cases.

16 **Q5. Have you previously testified before the Indiana Utility Regulatory**
17 **Commission ("Commission") or any other regulatory commission?**

1 A5. Yes. I filed testimony before the Indiana Utility Regulatory Commission
2 (“Commission”) supporting NIPSCO’s request in Cause No. 45007 for a
3 Certificate of Public Convenience and Necessity (“CPCN”) for federally
4 mandated projects associated with NIPSCO’s proposed Pipeline Safety
5 Compliance Project, and approval of a Federally Mandated Cost
6 Adjustment Mechanism and associated relief. I also testified before the
7 Commission supporting NIPSCO’s request in Cause No. 45183 for a CPCN
8 for federally mandated projects associated with NIPSCO’s PHMSA
9 Compliance Project and Cause No. 45560 for a CPCN for federally
10 mandated projects associated with NIPSCO’s proposed Pipeline Safety II
11 Compliance Project. I also regularly testify before the Commission in
12 NIPSCO’s Gas TDSIC tracker proceeding in Cause Nos. 45330-TDSIC-X
13 (beginning in TDSIC-1), NIPSCO’s Gas Demand Side Management filings
14 in Cause No. 44001-GDSM-XX (beginning in GDSM-12), and NIPSCO’s Gas
15 FMCA filings in Cause No. 45007-FMCA-X (beginning in FMCA-1).

16 **Q6. What is the purpose of your direct testimony in this proceeding?**

17 A6. The purpose of my direct testimony is to present schedules that
18 demonstrate NIPSCO's projected rate base as of June 30, 2022 (Step 1) and
19 December 31, 2022 (Step 2), which reflects the Forward Test Year

1 investment level that is utilized within the revenue requirement sponsored
2 by NIPSCO Witness Newcomb.

3 **Q7. Are you sponsoring any attachments to your direct testimony in this**
4 **Cause?**

5 A7. Yes. I am sponsoring Rate Base amounts included in Attachment 3-A-S1
6 through Attachment 3-C-S1, Attachment 3-A-S2 through Attachment 3-C-
7 S2, attached to the Verified Direct Testimony of Jeffrey D. Newcomb, which
8 were prepared by me or under my direction and supervision. I also sponsor
9 a portion of the workpapers included in Petitioner's Confidential Exhibit
10 No. 19-X (S1, S2).

11 **Net Original Cost Rate Base**

12 **Q8. Please explain the Rate Base amounts included in Attachment 3-B-X (S1,**
13 **S2), RB Module.**

14 A8. Petitioner's Exhibit No. 3, Attachment 3-B-X (S1, S2), RB Module, is a
15 summary statement of rate base. As shown in this attachment, NIPSCO's
16 projected net original cost rate base for ratemaking purposes in this case is
17 \$2,416,457,599 as of December 31, 2022. Petitioner's Exhibit No. 3,
18 Attachment 3-C-X (S1, S2), shows the reconciliation to each of the Rate Base
19 subcomponents for each of the adjustments I sponsor (RB-1 through RB-10)

1 that are included in Attachment 3-B-X (S1, S2), RB Module, Columns D, F,
2 and H. Petitioner's Exhibit No. 19-X (S1, S2) includes the workpapers
3 supporting each adjustment as presented in Attachment 3-B-X (S1, S2) and
4 described or referenced herein. This is the most detailed level of
5 summarized information supporting the calculation of rate base. NIPSCO
6 Witness Camp discusses the overall capital and financial planning
7 processes.

8 **Q9. How are amounts included in Attachment 3-C-X (S1, S2), RB-1 calculated?**

9 A9. The amounts in RB-1 represent the projected utility plant balances for gas
10 assets. The 2021 and 2022 values are calculated based on a series of
11 assumptions including projected capital expenditures and retirements.

12 **Q10. How are amounts included in Attachment 3-C-X (S1, S2), RB-2 calculated?**

13 A10. The amounts in RB-2 represent the projected utility common allocated plant
14 balances for gas assets. The 2021 and 2022 values are calculated based on a
15 series of assumptions including projected capital expenditures and
16 retirements.

17 **Q11. How are amounts included in Attachment 3-C-X (S1, S2), RB-3 calculated?**

1 A11. The amounts in RB-3 represent the projected utility plant gas accumulated
2 depreciation and amortization. The 2021 and 2022 values are calculated
3 based on current depreciation rates and a series of assumptions including
4 projected capital expenditures, in-service timing, projected retirements, and
5 cost of removal.

6 **Q12. How are amounts included in Attachment 3-C-X (S1, S2), RB-4 calculated?**

7 A12. The amounts in Schedule RB-4 represent the projected utility common
8 allocated accumulated depreciation from NIPSCO's common assets. The
9 2021 and 2022 values are calculated based on current depreciation rates and
10 a series of assumptions including forecasted capital expenditures, in-
11 service timing, projected retirements, and cost of removal.

12 **Q13. Are any regulatory assets included in rate base?**

13 A13. Yes. As shown in Attachment 3-C-X (S1, S2), RB-5, NIPSCO has included a
14 Cause No. 44988 regulatory asset representing the TDSIC regulatory asset.
15 As shown in Attachment 3-C-X (S1, S2), RB-6 and RB-7, NIPSCO has
16 included regulatory assets related to TDSIC and FMCA costs. These
17 amounts reflect projected deferred amounts as of December 31, 2022 and
18 are discussed individually below.

1 **Q14. Please explain the Cause No. 44988 regulatory asset adjustment as shown**
2 **on Attachment 3-C-X (S1, S2), RB-5.**

3 A14. In NIPSCO's last gas rate case in Cause No. 44988, the Commission
4 approved the inclusion of TDSIC deferred balances as of December 31, 2018,
5 which were to be amortized over a 7 year period. NIPSCO is not proposing
6 a change in the amortization period of these assets in this proceeding. The
7 2021 and 2022 projected amounts are calculated by adjusting the December
8 31, 2020 actual balance. Adjustment RB 5-21 in the amount of \$2,252,941
9 and Adjustment RB 5-22 in the amount of \$2,252,940 decrease the
10 regulatory asset balance. The \$6,195,174 Cause No. 44988 Regulatory Asset
11 reflects the projected unamortized balance of the TDSIC regulatory asset as
12 of December 31, 2022.

13 **Q15. Please explain the TDSIC regulatory asset adjustment as shown on**
14 **Attachment 3-C-X (S1, S2), RB-6**

15 A15. This adjustment rolls forward normalized Historic Base Period deferrals to
16 those projected as of December 31, 2022. In accordance the Commission's
17 Orders in Cause Nos. 44403 and 45330, NIPSCO is authorized to defer, as a
18 regulatory asset, 20% of the TDSIC costs incurred in connection with its
19 designated eligible improvements and recover those deferred costs in its

1 next general rate case as allowed by Ind. Code § 8-1-39-9(c). Adjustment
2 RB 6-21 in the amount of \$3,235,962 and Adjustment RB 6-22 in the amount
3 of \$6,271,280 increase the regulatory asset balance to reflect ongoing TDSIC
4 deferrals.

5 **Q16. Please explain the FMCA regulatory asset adjustment as shown on**
6 **Attachment 3-C-X (S1, S2), RB-7.**

7 A16. This adjustment rolls forward normalized Historic Base Period deferrals to
8 those projected as of December 31, 2022. In accordance the Commission's
9 Orders in Cause Nos. 45007 and 45183, NIPSCO is authorized to defer, as a
10 regulatory asset, 20% of the FMCA costs incurred in connection with its
11 Pipeline Safety Compliance Project and PHMSA Compliance Project, and
12 recover those deferred costs in its next general rate case as allowed by Ind.
13 Code § 8-1-8.4-7(c)(2). Adjustment RB 7-21 in the amount of \$4,280,587 and
14 Adjustment RB 7-22 in the amount of \$3,917,977 increase the regulatory
15 asset balance to reflect ongoing FMCA deferrals.

16 **Q17. Please explain the Material and Supplies adjustment as shown on**
17 **Attachment 3-C-X (S1, S2), RB-8.**

1 A17. This adjustment rolls forward normalized Historic Base Period deferrals to
2 those projected as of December 31, 2022. Adjustment RB 8-21 in the amount
3 of \$1,699,429 decreases the materials and supplies balance to reflect the
4 future projected balance based on historical trended amounts.

5 **Q18. Please explain the Gas Storage Current balance as shown on Attachment**
6 **3-C-X (S1, S2), RB-9.**

7 A18. The Gas Storage Current balances on Line 9 reflects the 13-month average
8 and forecasted 13-month average balance of NIPSCO's Current
9 Underground Storage. Adjustment RB 9-21 in the amount of \$21,857,355
10 and RB 9-22 in the amount of \$3,377,187 increase the Gas Storage Current
11 Balance to reflect the future projected balance. These amounts are
12 discussed further by NIPSCO Witness Campbell.

13 **Q19. Please explain the Gas Underground Storage Non-Current balances as**
14 **shown on Attachment 3-C-X (S1, S2), RB-10.**

15 A19. The Gas Underground Storage Non-Current balance on Line 10, reflects the
16 actual and projected balance of NIPSCO's Underground Storage Non-
17 Current. NIPSCO has not proposed any adjustments to these balances.

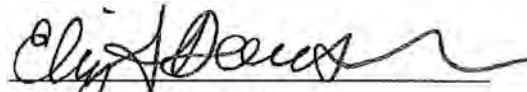
18

1 **Q20. Does this conclude your prefiled direct testimony?**

2 A20. Yes.

VERIFICATION

I, Elizabeth A. Dousias, Manager of Regulatory of NiSource Corporate Services Company, affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information and belief.



Elizabeth A. Dousias

Date: September 29, 2021