

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF REPUBLIC TRANSMISSION, LLC FOR: (1))
AUTHORITY TO OPERATE AS A PUBLIC UTILITY UNDER)
IND. CODE § 8-1-38-7; (2) A DETERMINATION THAT IT IS A)
PUBLIC UTILITY UNDER IND. CODE § 8-1-2-1 AND § 8-1-8.5-1)
AND AUTHORITY TO EXERCISE ALL RIGHTS AND)
PRIVILEGES OF A PUBLIC UTILITY AS ACCORDED BY)
INDIANA LAW; (3) AUTHORITY TO TRANSFER FUNCTIONAL) CAUSE NO. 44912
CONTROL OF ITS TRANSMISSION FACILITIES TO A FULLY)
FUNCTIONING REGIONAL TRANSMISSION) APPROVED: JUL 26 2017
ORGANIZATION; (4) A DETERMINATION THAT THE)
COMMISSION SHOULD DECLINE TO EXERCISE CERTAIN)
ASPECTS OF ITS JURISDICTION OVER PETITIONER; (5))
AUTHORITY TO LOCATE ITS BOOKS AND RECORDS)
OUTSIDE THE STATE OF INDIANA; (6) CONSENT TO)
BOARDS OF COUNTY COMMISSIONERS FOR PETITIONER)
TO OCCUPY PUBLIC RIGHTS-OF-WAY; AND (7) ALL OTHER)
APPROPRIATE AND ASSOCIATED APPROVALS AND RELIEF.)

ORDER OF THE COMMISSION

Presiding Officers:

Sarah E. Freeman, Commissioner

Aaron A. Schmoll, Senior Administrative Law Judge

On March 6, 2017, Republic Transmission, LLC ("Republic Transmission" or "Petitioner") filed its Verified Petition ("Petition") in this Cause with the Indiana Utility Regulatory Commission ("Commission"). On March 6, 2017, Republic Transmission also pre-filed direct testimony and exhibits of Lawrence Willick and Joseph D. Esteves.

On March 8, 2017, Hoosier Energy Rural Electric Cooperative, Inc. ("Hoosier Energy") filed a Petition to Intervene, which was granted on March 28, 2017. On March 21, 2017, Southern Indiana Gas & Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc. ("Vectren") filed a Petition to Intervene, which was granted by a docket entry dated March 28, 2017.

On April 21, 2017, Hoosier Energy pre-filed direct testimony of David W. Sandefur. On April 28, 2017, the Indiana Office of Utility Consumer Counselor ("OUCC") pre-filed direct testimony and exhibits of Peter Boerger, Ph.D.

On May 2, 2017, Republic Transmission filed its Notice of Substitution of Witness and Submission of Revisions to Direct Testimony, in which Richard Roloff was substituted for and

adopted the testimony of Joseph D. Esteves. On May 5, 2017, Republic Transmission pre-filed rebuttal testimony and exhibits of Mr. Willick and Mr. Roloff.

On May 16, 2017, Republic Transmission filed its Motion for Administrative Notice requesting the Commission take administrative notice of a Certificate of Conversion from the Office of the Secretary of State of Indiana converting Republic Transmission, LLC from a Foreign Limited Liability Company to an Indiana Limited Liability Company.

The Commission conducted an evidentiary hearing in this Cause on May 18, 2017 at 10:00 a.m. in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. The parties offered their respective testimony and exhibits into the record, which were admitted without objection. No members of the general public appeared or participated at the hearing.

Based on the applicable law and evidence presented, the Commission now finds as follows:

1. Notice and Commission Jurisdiction. Notice of the hearing in this Cause was given as required by law. Petitioner proposed to provide electric transmission service and facilities and own, operate, manage, and control plant and equipment within Indiana for the transmission of electricity at wholesale. As such, Petitioner requested the Commission find that it is a “public utility” as defined in Ind. Code § 8-1-2-1, Ind. Code § 8-1-8.5-1 and Ind. Code § 8-1-38-5. Petitioner also seeks a declination of jurisdiction as an “energy utility” under Ind. Code § 8-1-2.5-2. Accordingly, the Commission has jurisdiction over Petitioner in the subject matter of this proceeding.

2. Petitioner’s Characteristics. Republic Transmission is a limited liability company organized under the laws of the State of Indiana, with its principal office at One Tower Center Boulevard, 21st Floor, East Brunswick, NJ 08816. Republic Transmission is a fully owned subsidiary of Republic Transmission Holdings, LLC (“RT Holdings”), which is currently a fully owned subsidiary of LS Power Associates, L.P. (“LS Power”). Republic Transmission and Hoosier Energy have a memorandum of understanding and are finalizing an agreement under which Hoosier Energy will acquire 10% of RT Holdings and have an option to purchase up to an additional 10% of RT Holdings at a future date. Republic Transmission was organized to construct, own, operate, and maintain an electric transmission facility, in whole or in part, in Indiana.

3. Relief Requested. Republic Transmission intends to develop, own, and operate competitive electric transmission projects in Indiana within the Midcontinent Independent System Operator, Inc. (“MISO”) or other applicable regional transmission organization (“RTO”) footprints. Specifically, Republic Transmission submitted a proposal and was selected, through MISO’s competitive developer selection process, to develop, own, and operate the Duff-Coleman Extra High Voltage 345kV Competitive Transmission Project (“Project”). In this capacity, Republic Transmission will be a new electric transmission owner and seeks authority to operate as a public utility in Indiana pursuant to Ind. Code § 8-1-38-7. Republic Transmission also seeks a determination from the Commission that it will be a public utility under Ind. Code §§ 8-1-2-1 and 8-1-8.5-1 and a confirmation that Republic Transmission has authority to exercise

all rights and privileges of a public utility accorded by Indiana law, including the right to exercise the power of eminent domain pursuant to Ind. Code ch. 32-24-4.

Pursuant to Ind. Code § 8-1-2.5-5, Republic Transmission requests the Commission to decline to exercise certain aspects of its jurisdiction over Republic Transmission. Republic Transmission also requests authority to maintain its books and records outside of Indiana under Ind. Code § 8-1-2-15 and authority to transfer functional control of assets to an applicable RTO under Ind. Code § 8-1-2-83. Republic Transmission requests the Commission to grant consent to the boards of county commissioners of all Indiana counties to grant Republic Transmission licenses, permits or franchises as may be necessary for Republic Transmission to use and occupy county roads, highways and other public rights-of-way for the provision of services to facilities under Ind. Code § 36-2-2-23. Finally, Republic Transmission requests approval for the confidential treatment of certain information filed in this proceeding.

4. Republic Transmission's Direct Evidence.

A. Direct Testimony of Lawrence Willick. Mr. Willick, Senior Vice President for LS Power Development, LLC, the general partner and manager of LS Power, testified that LS Power is a power generation and transmission company that owns and manages one of the largest and most diverse independent power generation and transmission portfolios in the United States and is an experienced and capable electric transmission planner, developer, owner, and operator. Mr. Willick testified that LS Power has been designated to develop and operate multiple projects by multiple regional transmission operators. Through its subsidiaries and affiliates (also affiliates of Republic Transmission), LS Power has successfully developed, constructed, financed, and energized over 500 miles of extra-high voltage transmission lines and the associated substations and equipment for those projects. These projects have included 235 miles of new double circuit 345 kV transmission and related facilities in Texas (Texas CREZ), 231 miles of 500 kV and eight miles of 345 kV transmission facilities in Nevada (One Nevada Transmission Line), and a twenty-five mile, 345 kV transmission line in Texas (Gray to Allen Creek). Mr. Willick also discussed current transmission projects in various stages of development.

Mr. Willick testified that Petitioner's objective is to provide safe, reliable, and economic transmission service and that while Republic Transmission is currently planning to implement, own, and operate the Project, it also hopes to own additional transmission projects within Indiana in the future.

Mr. Willick testified that Petitioner will not provide any retail electric utility service in Indiana, intending only to develop competitive transmission projects approved by an applicable RTO (currently MISO and PJM) and provide wholesale transmission service through a Federal Energy Regulatory Commission ("FERC") approved tariff.

Mr. Willick testified that the MISO Board of Directors approved the Project in December 2015 as a Market Efficiency Project ("MEP") and that, pursuant to the MISO Open Access Transmission, Energy and Operating Reserves Market Tariff (the "MISO Tariff"), an MEP is subject to competition from Qualified Transmission Developers if the project is located in

jurisdictions that do not have laws prohibiting non-incumbent transmission developers from owning, operating, and maintaining electric transmission facilities. Mr. Willick described the process that Petitioner followed to obtain status as a Qualified Transmission Developer in MISO and stated that MISO selected Petitioner as the developer for the Project.

Mr. Willick described MISO's evaluation process, evaluation principles, and evaluation criteria for the proposals submitted for the Project and stated that, according to MISO's selection report, Petitioner's proposal for the Project received the highest ranking out of all proposals submitted. Mr. Willick testified that Petitioner collaborated with Hoosier Energy and Big Rivers Electric Corporation ("Big Rivers") to better position Petitioner in the competitive process, noting that Hoosier Energy intends to be a minority owner of Petitioner's parent company, RT Holdings, and will provide technical support to Petitioner in the construction and operation of the Project, with Big Rivers providing support for the Kentucky portion of the Project.

Mr. Willick testified that although there are currently no other competitive transmission projects in Indiana identified for development, Petitioner will consider submitting proposals for future competitive projects in Indiana. If in the future MISO identifies necessary upgrades or there is a generation interconnection or other issue that would impact the Duff-Coleman assets, Petitioner, as the applicable Transmission Owner, may be required to construct, own, operate, and maintain additional infrastructure related to the Project. Upon completion of construction, Petitioner intends to transfer functional control of the Project to MISO, and would similarly expect to do so for any future competitive transmission projects.

Mr. Willick testified that Petitioner, as an electric transmission public utility, needs authority to exercise the power of eminent domain in the event that it is unable to negotiate the property rights necessary to construct the Project or any future competitive transmission projects in Indiana. In addition, there may be sections of the Project that must be located within the public right-of-way for which Petitioner may be required to obtain, from the boards of commissioners of the counties in which facilities are located, a license, permit, or franchise to occupy and use county roads, highways, and other property and public rights-of-way.

Petitioner also seeks authority to maintain its books and records in New Jersey because the accounting, financial, and administrative management and staff of LS Power perform and will continue to perform accounting, financial, treasury, and other administrative services for Petitioner, including maintenance of Petitioner's accounting and financial books and records. He testified that, for these reasons, it would be inefficient and unduly expensive and could necessitate duplicative efforts for Petitioner to maintain its books and records in Indiana. Mr. Willick testified that Petitioner will ensure that the Commission, the OUCC, and other interested parties have necessary access to its books and records.

Mr. Willick testified that Petitioner has the financial, managerial, and technical capability to construct, own, operate, and maintain an electric transmission facility because it can draw upon the managerial, technical, and financial capabilities and experience of LS Power, a developer of large-scale energy projects, including several transmission projects. Mr. Willick stated that Petitioner intends to manage the development, construction, and operation of competitive electric transmission projects in Indiana by relying primarily on employees of LS

Power Development, LLC, which will allow Petitioner to access specific expertise in a wide variety of technical areas for the Project. Additional technical support will be provided by Hoosier Energy, Big Rivers, and pre-screened, qualified third-party contractors with specialized skills. Petitioner plans to utilize the operations and maintenance personnel and resources of LS Power and Hoosier Energy to operate and maintain its transmission projects in Indiana, and, for the Project, Petitioner intends to contract with Hoosier Energy to provided ongoing operation and maintenance.

In support of Petitioner's request for partial declination, Mr. Willick stated that Petitioner will be comprehensively monitored and regulated by MISO, FERC, and NERC. Full jurisdiction by the Commission is unnecessary because Petitioner does not intend to build wholesale transmission facilities in Indiana that are not in accordance with the tariff of an RTO and because Petitioner expects that it will turn over functional control of its wholesale transmission facilities to MISO or an applicable RTO upon completion. Mr. Willick also testified that competitive forces in the wholesale power market and FERC's regulatory oversight of Petitioner render the exercise of the Commission's full jurisdiction of Petitioner unnecessary, burdensome, and wasteful of the Commission's time and resources.

B. Direct Testimony of Richard Roloff. Mr. Roloff, Senior Vice President for LS Power Development, LLC, the general partner and manager of LS Power, testified that Petitioner has the financial capability to construct, own, operate, and maintain electric transmission facilities in Indiana. Petitioner will leverage the financial capabilities of LS Power, which has raised over \$1 billion for competitive high voltage transmission projects since 2011, to raise capital for new transmission projects in Indiana. Mr. Roloff stated that Petitioner will utilize a combination of third party debt and equity contributions from its owners to fund transmission projects in Indiana. As projects near commercial operation, Petitioner plans to access long-term debt financing in either the institutional capital markets or via long-term commercial bank financing.

Specific to the Project, Mr. Roloff testified that, due to the relatively small amount of capital required for the Project, Petitioner plans to fund 100% of the Project capital requirements through contributions from LS Power and Hoosier Energy, both having available capital surpassing that required for the Project, proportional to their respective ownership shares. Once the Project is operational, Petitioner plans to utilize long-term, project-specific financing. Mr. Roloff cited MISO's approval of Petitioner as a Qualified Transmission Developer and selection of Petitioner as the developer for the Project as strong support for Petitioner's financial soundness and capability to develop, construct, and operate competitive electric transmission facilities in Indiana.

Mr. Roloff testified that LS Power's financial strength and creditworthiness is demonstrated by its access to the capital markets, having raised over \$30 billion of capital for investment in the electric power industry. As a new entrant in the MISO region, Petitioner will rely on its owners for equity contributions and LS Power's access to capital markets for raising third party debt.

Mr. Roloff testified Petitioner will recover costs associated with the Project, through its formula rates, subject to FERC approval and acceptance and in accordance with the MISO Tariff. Mr. Roloff further testified that Petitioner will use revenues generated through FERC-approved tariffs, which allow recovery of a return on both the investment and operating and maintenance costs, to sustain ongoing operation of the Project and future regional transmission projects.

With respect to its request for Commission declination over Petitioner's long-term financing activities, Mr. Roloff testified that there is no need for the Commission to exercise jurisdiction to protect retail customers from costs of Petitioner's financings and acquisitions or sales because FERC will regulate Petitioner's rates. Mr. Roloff testified that the Commission declining to exercise jurisdiction over Petitioner's long-term financing activities would promote efficiency by eliminating the time and cost associated with a state proceeding before engaging in long-term financing and allow Petitioner to take advantage of attractive financing opportunities without any delay.

5. Hoosier Energy's Direct Evidence.

A. Direct Testimony of David W. Sandefur. Mr. Sandefur, Vice President of Power Supply at Hoosier Energy, testified that Republic Transmission and Hoosier Energy have a memorandum of understanding and are finalizing an agreement under which Hoosier Energy will acquire 10% of RT Holdings and have an option to purchase up to an additional 10% of RT Holdings at a future date; thereafter, Hoosier Energy will be a minority owner of RT Holdings. The parties are in the final stages of negotiating a partnership agreement that will detail this purchase and option arrangement and anticipate the final agreement to be finalized by mid-2017.

Mr. Sandefur testified that Hoosier Energy personnel will be involved in Republic Transmission's projects in Indiana under a contract to provide ongoing operation and maintenance for the Project. Hoosier Energy currently operates and maintains transmission facilities in the same region as the Project and has existing operations and maintenance staff, equipment, and programs near the Project. Hoosier Energy will perform much of the maintenance activities using existing internal staff; however, Hoosier Energy will rely on outside contractors for activities such as vegetation management and major maintenance if required.

Mr. Sandefur testified Hoosier Energy has more than sufficient available capital to fund its anticipated costs related to the Project and that Hoosier Energy maintains an A2 and A rating from Standard and Poor's and Moody's Investor Services, respectively.

6. OUC's Direct Evidence.

A. Direct Testimony of Peter M. Boerger, Ph.D. Dr. Boerger, Senior Utility Analyst in the Electric Division of the OUC, testified that the OUC generally supports the concept of building electric transmission facilities through competitive processes, like that under which Republic Transmission was selected by MISO to build the Project, because

competition can lower the cost of transmission facilities to the benefit of Indiana retail customers.

Dr. Boerger testified that Republic Transmission has presented sufficient evidence for the Commission to designate Republic Transmission a "public utility" under Ind. Code § 8-1-38-7 and find that Republic Transmission has the financial, technical, and managerial ability to construct, own, operate, and maintain an electric transmission facility. Republic Transmission provided information in testimony and discovery regarding LS Power, a significant participant in the national transmission market, and affiliate companies. Petitioner also provided information concerning the partial ownership of RT Holdings by Hoosier Energy.

Dr. Boerger testified that it would not be appropriate for the Commission to grant Republic Transmission's request for declination over its long-term financing, because long-term financing relates to Petitioner's financial capability, which is a topic addressed in Ind. Code ch. 8-1-38. While FERC will have financing review over Republic Transmission, it is in the public interest for the Commission to retain authority over Republic Transmission's long-term financing, as it has for other entities approved as public utilities for the purpose of constructing and operating transmission facilities.

Dr. Boerger testified further that the OUCC believes that while the Commission is required to grant authority to operate as a public utility if the requirements of Ind. Code § 8-1-38-7 are met, Republic Transmission's additional requests could be considered justifiable with certain additional requirements imposed on Republic Transmission beyond the statutory requirements and commitments made in the Petition and Petitioner's testimony.

Dr. Boerger recommended the following:

- required meetings with the OUCC and Commission staff every six months, and, if those entities respond positively to Republic Transmission's offer to meet, to describe the status and latest information regarding current and projected costs of its project(s) and other matters relating to its operations, for the first year after approval as a public utility and then annually thereafter;
- notice to the Commission for any change in direct ownership (the immediate parent company) within the LS Power Group (in addition to Republic Transmission's proposal in its Petition for Commission approval when transfer is made to a company outside of the LS Power Group);
- the following reporting and event-related requirements, with reports filed with both the Commission and the OUCC:
 - notice of any lawsuits filed by Republic Transmission against Indiana entities or persons and of any lawsuits filed by Indiana entities or persons against Republic Transmission;

- within a reasonable period of time, file notice of any publicly-available request or obligation by Republic Transmission at MISO or PJM (or at FERC or any other RTO entity) for the purpose of developing, owning or operating any additional transmission projects that are in whole or in part within Indiana;
- file notice of if Republic Transmission becomes owned by or affiliated with any entity that is rate-regulated by the Commission for the provision of retail service and comply with additional reporting requirements and/or other protections as the Commission deems necessary to protect Indiana retail ratepayers.

Dr. Boerger testified that the additional requirements are in keeping with the Commission's general oversight obligations and are not onerous. He further supported the request by distinguishing between transmission providers for entities affiliated with incumbent retail-rate-regulated Indiana utilities with an established record of performance who have been granted previous authorization from the Commission (specifically, *Pioneer Transmission, LLC*, Cause No. 44135 and *AEP Indiana Michigan Transmission Company, Inc. and Indiana Michigan Power Company*, Cause No. 44000) and Republic Transmission's majority-owner, who is new to Indiana.

Finally, Dr. Boerger testified that, to the extent that any of the information Republic Transmission provides pursuant to the reporting requirements constitutes trade secrets or contains other competitively sensitive information, the OUCC recommends that the Commission create a secure mechanism for submission that will protect Republic Transmission's interests and allow the OUCC and the Commission to review the information. These protections will allow the OUCC and the Commission to fulfill each agency's statutory mandate to protect the public interest, while guaranteeing that utility trade secrets and competitive information are not publicly exposed.

7. Republic Transmission's Rebuttal Testimony.

A. Rebuttal Testimony of Lawrence Willick. Mr. Willick testified in response to the OUCC's recommendations regarding reporting requirements. While Petitioner believes some of the reporting recommendations should be clarified or modified, Petitioner accepts most of the OUCC's recommended meeting and reporting requirements.

- Notice of Change of Ownership or Control. Mr. Willick stated that Petitioner proposes clarifying the language as follows: "Republic Transmission will submit notice to the Commission for any change in ownership of Republic Transmission, LLC or its direct owner, which is Republic Transmission Holdings, LLC". This reporting requirement would be in addition to Petitioner's proposal that the Commission will retain jurisdiction over Petitioner to the extent Petitioner seeks to transfer all or substantially all of its assets located in Indiana to an entity that is not ultimately controlled by a subsidiary of LS Power. With respect to affiliate

interests, Petitioner proposes modifying this requirement as follows: “Republic Transmission will file notice in the event that Republic Transmission directly or indirectly controls, or is under common control with, or is controlled by an entity that is rate-regulated by the Commission for the provision of retail service.”

- **Meetings.** Mr. Willick testified that Petitioner does not oppose the OUCC’s recommendation that Petitioner be required to meet with the OUCC and the Commission every six months for the first year after the Commission approves Petitioner as a public utility, then annually thereafter. However, implementation of appropriate protective measures will be necessary to ensure that no confidential information is improperly disclosed as a result of these meetings.
- **Notice of Lawsuits.** Mr. Willick testified that Petitioner is willing to discuss lawsuits but opposes a requirement to file this information in writing. Mr. Willick noted that no similar reporting requirement has been imposed upon other wholesale transmission public utilities in Indiana and that a requirement to file such information with the Commission would result in the public disclosure of commercially sensitive information that would place Petitioner in an unreasonable, competitively disadvantaged position with respect to future competitive transmission projects and could also create a competitive disadvantage for Petitioner in negotiating land rights, potentially discouraging settlements and resulting in increased litigation.
- **Notice of Certain RTO Filings.** Mr. Willick testified Petitioner does not oppose the OUCC’s recommendation that Petitioner will, within a reasonable period of time, file notice of any publicly available request or obligation by Petitioner at MISO or PJM (or at FERC or any other RTO entity) for the purpose of developing, owning, or operating any additional transmission projects that are in whole or in part within Indiana.

Finally, Mr. Willick provided information on Petitioner’s rate filing at FERC. Petitioner is requesting that FERC issue a declaratory order authorizing limited transmission rate incentives, which is consistent with Petitioner’s proposal to MISO in the competitive bidding process for the Project. He testified further that Petitioner anticipates making a formula rate filing with FERC later in 2017.

B. Rebuttal Testimony of Richard Roloff. Mr. Roloff opposed the OUCC’s recommendation that the Commission should retain jurisdiction over Petitioner’s long-term financing activities.

Mr. Roloff testified that under the Federal Power Act (“FPA”), FERC will conduct a meaningful and substantive review of Petitioner’s requests for approval of long-term financing activities. Mr. Roloff described FERC’s review and approval process for a FERC-regulated public utility’s issuance or assumption of securities under FPA Section 204(a) and the information that Petitioner would be required to provide to FERC when seeking financing approval from FERC. Mr. Roloff testified that FERC’s review of financing activities is typically

faster than a financing case heard by the Commission and that this additional review time would delay Petitioner's ability to close on financing activities, would reduce Petitioner's flexibility in financing activities, and could result in Petitioner missing an opportunity to lock in favorable rates and terms, thereby increasing its financing costs.

Mr. Roloff also testified that FERC jurisdiction would provide a one-stop shop for financing approvals, which is important when Petitioner is developing interstate transmission projects. Mr. Roloff stated that if Petitioner had to obtain approval from multiple state commissions, it would create a significant burden on Petitioner and would create the potential for inconsistent conditions imposed by two or more agencies.

Mr. Roloff testified that Petitioner is willing to submit notice to the Commission and the OUCC if Petitioner submits an application to FERC under Section 204 of the FPA seeking FERC authorization to issue any security or assume any obligation or liability in respect of any security of another person., This notice would facilitate Commission and OUCC review of Petitioner's financing activities and permit the Commission and OUCC to intervene and participate in any FERC proceeding.

8. Commission Discussion and Findings.

A. Request for Approval to Operate as a New Electric Transmission Owner. Republic Transmission seeks authority to operate as a public utility in Indiana pursuant to Ind. Code § 8-1-38-7. Republic Transmission also seeks a determination from the Commission that it will be a public utility under Ind. Code § 8-1-2-1 and a confirmation that Republic Transmission has authority to exercise all rights and privileges of a public utility accorded by Indiana law, including the right to exercise the power of eminent domain pursuant to Ind. Code ch. 32-24-4.

Ind. Code § 8-1-38-7 provides:

(a) The commission shall grant a new electric transmission owner authority to operate as a public utility in Indiana if the commission makes the following findings:

- (1) The new electric transmission owner has the financial, managerial, and technical capability to construct, own, operate, and maintain an electric transmission facility.
- (2) The new electric transmission owner has the ability and intent to comply with all statutes, rules, and regulations enforced by the commission.
- (3) The new electric transmission owner has the intent to construct, own, operate, and maintain an electric transmission facility that is under consideration by an applicable regional transmission organization.
- (4) The new electric transmission owner has provided written notice of its request for authority under this section to each incumbent electric transmission owner that may connect its existing electric transmission

facility to the new electric transmission facility of the new electric transmission owner.

(b) In making findings under subsection (a), the commission may consider the creditworthiness of the new electric transmission owner, including:

- (1) the new electric transmission owner's investment grade rating;
- (2) guarantees of a parent company of the new electric transmission owner that has an investment grade rating;
- (3) a bank reference letter or bonding commitment on behalf of the new electric transmission owner;
- (4) the authority of the new electric transmission owner to directly set rates or impose taxes; and
- (5) the capability of the new electric transmission owner to meet its financial obligations if it abandons the new electric transmission facility after its construction.

(1) **Financial, managerial, and technical capability.** Republic Transmission submitted sufficient evidence that it has the financial, managerial, and technical capability to construct, own, operate and maintain electric transmission facilities.

Regarding Republic Transmission's financial capabilities, the evidence shows that Republic Transmission will draw on the financial capabilities and resources of owners LS Power and Hoosier Energy (upon Hoosier Energy becoming an owner of RT Holdings) to construct, own, operate and maintain electric transmission facilities in Indiana. Mr. Roloff testified that LS Power has successfully raised over \$1 billion specifically for new transmission infrastructure since 2011 and has raised over \$30 billion for investment in electric power infrastructure. We find that Republic Transmission's creditworthiness is further supported by the bank reference letters provided by two financial institutions that describe their continued interest in working with LS Power and Republic Transmission as well as evidence of the institutions' prior investments in LS Power projects.

Mr. Roloff testified that, similar to all MISO transmission owners, Republic Transmission will file a petition with FERC for approval to recover its prudently incurred costs plus a return through its formula rates, including applicable incentives, in accordance with the MISO Tariff. For future transmission projects, Republic Transmission intends to recover its prudently incurred costs pursuant to the MISO Tariff either through Schedule 26 or another similar recovery mechanism. The evidence shows that LS Power and Hoosier Energy have a long history of successfully completing and operating electrical infrastructure projects. Furthermore, the evidence shows that MISO will monitor Republic Transmission's progress on projects. If MISO determines that Republic Transmission is unable to complete the project, it could reassign the project to the incumbent transmission owner(s) or cancel the project. Based on this evidence, we find that abandonment of a MISO-approved transmission project is unlikely, and we conclude there are appropriate mechanisms in place to monitor Republic Transmission as a transmission developer and take action when necessary to protect Indiana consumers from project abandonment. We also find that the ability to recover prudently incurred costs through a

FERC approved tariff will reduce the risk of abandonment of the Project and advance Republic Transmission's financial capability to construct, operate, and maintain a transmission project.

Based on these facts and our review of the evidence of record, we find that Republic Transmission has the financial ability to construct, own, operate, and maintain electric transmission facilities.

There is also sufficient evidence supporting the managerial and technical capabilities of Republic Transmission through its parent companies, LS Power and Hoosier Energy. Mr. Willick testified that LS Power is a developer of large-scale energy projects, including several transmission projects. Since 1990, LS Power has developed, owned, and/or operated over 30,000 MW of power generation facilities and over 570 miles of extra high-voltage (345 kV and 500 kV) transmission facilities.

Mr. Willick explained that Republic Transmission will primarily rely on employees of LS Power Development, LLC to manage the development, construction, and operation of competitive electric transmission projects in Indiana. The corporate support services arrangement will allow for Republic Transmission to access specific expertise in a wide variety of technical areas including accounting, project management, environmental permitting, transmission engineering, legal, compliance, human resources, information technology, tax, finance, and others. Republic Transmission plans to utilize the operations and maintenance personnel and resources of LS Power and Hoosier Energy to operate and maintain its transmission projects in Indiana. For the Project, Republic Transmission intends to contract with Hoosier Energy to provide ongoing operation and maintenance. Hoosier Energy currently operates and maintains transmission facilities in the same region as the Project and has existing operations and maintenance staff, equipment and programs near the project.

In its post-hearing filing, Vectren argued that because Petitioner has not executed an agreement with Hoosier Energy to operate and maintain the Project once it has been completed, Petitioner's request for relief in this Cause is premature. We disagree. The evidence of record demonstrates that with or without Hoosier Energy, Petitioner has the requisite experience to operate the Project upon completion. Petitioner noted several transmission projects that are currently operated by affiliates of LS Power, Petitioner's parent corporation. We also note that Hoosier Energy intervened in this proceeding and concurred with Petitioner's requested relief.

Based on our review of the evidence in the record, we find that Republic Transmission has the managerial and technical capability to construct, own, operate, and maintain electric transmission facilities. Upon execution of any agreement between Petitioner and Hoosier Energy, Petitioner shall file a copy of the agreement under this Cause.

(2) Ability and intent to comply. Mr. Willick testified that in order to become a Qualified Transmission Developer in MISO, Republic Transmission provided a commitment to MISO that it will comply with all applicable laws, regulations, codes, and standards governing the engineering, design, construction, operation, and maintenance of transmission facilities. The evidence also shows that Republic Transmission has entered into a

Selected Developer Agreement with MISO that requires Republic Transmission to comply with all applicable laws, regulations and safety standards applicable to the project.

Mr. Willick testified that Republic Transmission has the ability to comply with all applicable laws, statutes, rules, and regulations enforced by the Commission. Republic Transmission's parent company, LS Power, has a long history of developing transmission and energy infrastructure across the United States. Based on the evidence in the record, and the commitments Republic Transmission has made in this proceeding and to MISO, we find that Republic Transmission has the ability and intent to comply with all statutes, rules, and regulations enforced by the Commission.

(3) Intent to construct, own, operate, and maintain electric transmission facilities in Indiana under consideration by an applicable RTO. Mr. Willick testified that Republic Transmission's purpose is to develop, own and operate competitive electric transmission projects within the MISO footprint, including Indiana, and within other RTOs in Indiana. On December 20, 2016, MISO announced it had selected Republic Transmission as the developer for the Project, a new single circuit 345 kV transmission line between the existing Duff substation, located in southern Indiana, and the existing Coleman EHV substation, located in northern Kentucky. The Project is expected to span between 30 and 35 miles within Dubois County, Indiana, Spencer County Indiana, and Hancock County, Kentucky. Mr. Willick testified the Project will be Republic Transmission's first transmission facility. Based on our review of the evidence, we find that Republic Transmission will be a new electric transmission owner in Indiana as defined by Ind. Code § 8-1-38-4. These same facts support our finding that Republic Transmission has the intent to construct, own, operate, and maintain electric transmission facilities in Indiana under consideration by an applicable regional transmission organization.

(4) Written notice of request for authority to incumbent electric transmission owners. Mr. Willick testified that Republic Transmission provided written notice to the following incumbent electric transmission owners before filing the Petition in this Cause: 1) Southern Indiana Gas & Electric Company d/b/a Vectren Energy Delivery of Indiana Inc.; and 2) Big Rivers. Republic Transmission also provided written notice of this filing to Indiana Michigan Power Company and AEP Indiana Michigan Transmission Company, Inc. because there is a possibility that certain facilities owned by an American Electric Power ("AEP") company may, in the future, become interconnected with a portion of the Project. Based on our review of the evidence, we find that Republic Transmission has provided written notice of its request for authority to each incumbent electric transmission owner that may connect its existing transmission facility to the new electric transmission facility of Republic Transmission.

(5) Conclusion. Based on these findings, Petitioner is granted the authority to operate as a public utility within the State of Indiana, pursuant to Ind. Code § 8-1-38-7 (referencing Ind. Code § 8-1-8.5-1). Further, we note that Ind. Code § 8-1-2-1 defines "public utility" as:

every corporation, company, partnership, limited liability company, individual, association of individuals, their lessees, trustees, or receivers appointed by a court, that may own, operate, manage, or control any plant or equipment within the state for the: (1) conveyance of telegraph or telephone messages; (2) production, transmission, delivery, or furnishing of heat, light, water, or power; or (3) collection, treatment, purification, and disposal in a sanitary manner of liquid and solid waste, sewage, night soil, and industrial waste.

The evidence establishes that Petitioner's ownership, development, financing, construction, and operation of the Project is for the purpose of transmitting electricity via facilities to be owned both within and outside of Indiana. Consequently, for purposes of the ownership, development, financing, construction, and operation of the Project, we find that Petitioner is a public utility within the meaning of Ind. Code § 8-1-2-1 and Ind. Code § 8-1-8.5-1.

B. Declination of Certain Jurisdiction. Pursuant to Ind. Code § 8-1-2.5-5, Republic Transmission requested the Commission decline to exercise certain aspects of its jurisdiction over Republic Transmission, specifically, approval authority over long-term financings, approval authority over transfer of ownership of facilities (except as necessary to ensure that a purchaser has the requisite technical, managerial, and financial capability), approval over affiliate interests, approval concerning foreign-generated electricity, and certain public utility annual reporting requirements.

Indiana law also authorizes the Commission to decline to exercise, in whole or in part, jurisdiction over an "energy utility" if certain public interest conditions are satisfied. In particular, "the Commission may enter an order, after notice and hearing, that the public interest requires the Commission to commence an orderly process to decline to exercise, in whole or in part, its jurisdiction over . . . the energy utility. . . ." Ind. Code § 8-1-2.5-5(a). Indiana Code § 8-1-2.5-2 defines "energy utility" to mean, among other things, a public utility engaged in the transmission of power. As noted above, Petitioner is a "public utility" as defined by Ind. Code § 8-1-2-1 and, as a transmission owner, Petitioner is a "public utility" engaged in the transmission of power, as set forth under Ind. Code § 8-1-2-1. Accordingly, Petitioner is an "energy utility" for purposes of Ind. Code § 8-1-2.5-2.

Ind. Code § 8-1-2.2-5(b) sets forth the factors the Commission should consider in determining whether the public interest will be served:

- (1) Whether technological or operating conditions, competitive forces, or the extent of regulation by other state or federal regulatory bodies render the exercise, in whole or in part, of jurisdiction by the commission unnecessary or wasteful.
- (2) Whether the commission's declining to exercise, in whole or in part, its jurisdiction will be beneficial for the energy utility, the energy utility's customers, or the state.
- (3) Whether the commission's declining to exercise, in whole or in part, its jurisdiction will promote energy utility efficiency.

(4) Whether the exercise of commission jurisdiction inhibits an energy utility from competing with other providers of functionally similar energy services or equipment.

The evidence in this Cause demonstrates that the Petitioner will provide only wholesale-level transmission services to generators and wholesale purchasers, not to retail customers. Petitioner has shown that it will be regulated by the FERC in many respects, and that full state regulation of the Project would thus be duplicative?. MISO requires a project developer to make contractual commitments regarding the construction and operation of competitive transmission projects. Finally, FERC, NERC, MISO, and PJM all have technical and operating regulations and standards that Republic Transmission must meet. As a result, we conclude that technological and operating conditions and competitive forces surrounding Republic Transmission's prospective wholesale transmission facilities, as well as the fact that Republic Transmission's assets and rates will be regulated by FERC, make full jurisdiction by the Commission unnecessary. Petitioner has also shown that the wholesale market for electricity in Indiana will likely benefit from the ability of the Petitioner to construct and operate the Project. Accordingly, we conclude that the Commission's decision to decline some of the exercise of its jurisdiction over Petitioner meets the conditions outlined in Ind. Code § 8-1-2.5-5. We address the specific requests below.

(1) Financing Authority. Mr. Roloff testified that the Commission's declination of jurisdiction over Republic Transmission's long-term financing activities would promote efficiency by eliminating the time and cost associated with a regulatory proceeding before engaging in long-term financing and allow the company to take advantage of attractive financing opportunities without delay. He also testified that FERC regulation will provide the appropriate check on Republic Transmission in lieu of Commission oversight.

OUCC witness Boerger testified that the Commission should retain authority over Republic Transmission's long-term financing. He acknowledged that FERC will have financing review over Republic Transmission, but the OUCC believes it is in the public interest for the Commission to retain authority because why?. He also noted that the Commission has retained financing jurisdiction over other transmission owners in Indiana?

In rebuttal, Mr. Roloff testified that under the FPA, FERC will conduct a meaningful and substantive review of Republic Transmission's requests for approval of long-term financing activities that takes less time than the Commission's review process. He explained this additional review time for Commission approval would delay Republic Transmission's ability to close on financing activities, would reduce Republic Transmission's flexibility in financing activities, and could result in Republic Transmission missing an opportunity to lock in favorable rates and terms, thereby increasing its financing costs. Mr. Roloff also explained that Republic Transmission is organized to develop, construct, own, operate, and maintain electric transmission infrastructure across the MISO footprint, which includes all or part of 15 states. Mr. Roloff testified that in order to facilitate Commission and OUCC review of Republic Transmission's financing activities, Republic Transmission will agree to submit notice to the Commission and the OUCC if Republic Transmission submits an application to FERC under Section 204 of the

FPA seeking FERC authorization to issue any security or assume any obligation or liability in respect of any security of another person.

Based on our review of the evidence, we find that Republic Transmission is a FERC-regulated public utility whose issuance and assumption of securities is subject to review and prior approval by FERC. There has been no suggestion that the process for obtaining financing authority at FERC is deficient. Moreover, Republic Transmission is organized to develop, construct, own, operate, and maintain electric transmission infrastructure across the MISO footprint; if Republic Transmission had to obtain approval from multiple state public utility commissions, it would create a significant burden on Republic Transmission as well as the potential for inconsistent conditions imposed by two or more regulators.

Finally, we find that the meeting and reporting obligations to which Republic Transmission has agreed in this case will provide the Commission with sufficient information and oversight to monitor its activities in Indiana. Both the Commission and OUCC will have the opportunity to intervene in a FERC proceeding should there be concerns about Republic Transmission's financing activities and the impact on Republic Transmission's financial capabilities. We conclude that public interest will be served if the Commission declines to exercise jurisdiction over Republic Transmission's long-term financing activities, subject to the requirement that Republic Transmission must submit notice to the Commission and the OUCC if Republic Transmission submits an application to FERC under Section 204 of the FPA seeking FERC authorization to issue any security or assume any obligation or liability in respect of any security of another person.

(2) Approval authority over transfer of ownership interests and affiliate interests. Republic Transmission requests that the Commission decline to exercise approval authority over reorganization and the purchase and sale of ownership interests and facilities (Ind. Code § 8-1-2-83, 84), including: (a) a purchase or sale related to a reorganization within the LS Power group; (b) Hoosier Energy's option to purchase up to 20% ownership interest in Republic Transmission or RT Holdings; and (c) the transfer of the ownership of Project assets located in Kentucky to Big Rivers. Mr. Willick testified that if Republic Transmission seeks to transfer all or substantially all of its assets located in Indiana to an entity that is not within the LS Power group, Republic Transmission proposes the Commission should retain jurisdiction to ensure the transferee has the necessary technical, managerial, and financial capability to own and operate the facilities.

OUCC witness Boerger recommended a modification to this proposal, specifically that Republic Transmission should notify the Commission if Republic Transmission becomes owned by or affiliated with any entity that is rate-regulated by the Commission for retail service and then comply with any additional reporting requirements required by the Commission.

In rebuttal, Republic Transmission proposed to modify the OUCC's reporting requirement to clarify that it applies only if there is a change in ownership that directly impacts Republic Transmission.

The Commission has previously addressed concerns related to transfers of ownership and

affiliate interests in Cause No. 44264. *Grain Belt Express Clean Line LLC*, Cause No. 44264 (IURC May 22, 2013). In that Cause, the Commission noted that “Petitioner shall not be required to seek prior approval of any transfers of ownership of Project assets or ownership interests in the Petitioner involving: (1) the grant of a security interest to a bank or other lender or collateral agent, administrative agent, or other security representative, or a trustee on behalf of bondholders in connection with any financing or refinancing (including any lease financing); (2) a debtor in possession; or (3) a foreclosure (or deed in lieu of foreclosure) on the property owned by Petitioner or ownership interests in Petitioner. Additionally, a third-party owner and operator may succeed to Petitioner’s declination of jurisdiction, provided: (1) the Commission determines that the successor has the necessary technical, financial, and managerial capability to own and operate the Facility; and (2) the successor satisfies the same or similar terms and conditions imposed on Petitioner as set forth in this Order. *Id.* at 21, n.1.

Further, we imposed a reporting requirement in *Grain Belt* that addresses affiliate interests, and we impose the same requirement in this Cause in the reporting requirements discussed below. “Affiliated interests” are described under Ind. Code § 8-1-2-49. We note that in the event a regulated utility becomes affiliated with Petitioner, the regulated utility may be subject to Ind. Code § 8-1-2-49.

Subject to these conditions, we conclude that the public interest will be served if the Commission declines to exercise jurisdiction over Republic Transmission’s reorganization activities and the purchase and sale of ownership interests and facilities under Ind. Code §§ 8-1-2-49, 83, and 84.

(3) Approval authority over the transmission of electric power generated outside the borders of the United States (Ind. Code § 8-1-2-126).

Republic Transmission also requested the Commission to decline to exercise its jurisdiction over the transmission of electric power generated outside the borders of the United States (Ind. Code § 8-1-2-126). No party offered testimony in opposition to this request. As addressed below, functional control over the Project will be turned over to an RTO. Accordingly, we conclude that the public interest will be served if the Commission declines to exercise jurisdiction over this aspect of Republic Transmission.

(4) Public utility reporting requirements. Mr. Willick testified Republic Transmission requests that the Commission decline to exercise its jurisdiction over public utility reporting requirements except for the following: (a) annual FERC Form 1; (b) notice within 30 days of being awarded a competitive transmission project in Indiana by MISO or PJM; and (c) notice to the Commission in a timely manner of the dates on which construction of the new electric transmission facility begins and is completed pursuant to Ind. Code § 8-1-38-8.

- Notice of Change in Ownership or Control. Mr. Willick testified in rebuttal that Republic Transmission does not oppose the OUCC’s request to provide notice to the Commission for any change in the direct ownership of Republic Transmission,

but proposed to clarify what was required. Mr. Willick also provided clarification with respect to affiliate activities.

- Meetings. Republic Transmission did not oppose this recommendation. Accordingly, Republic Transmission shall meet with the OUCC and Commission staff every six months for the first year after approval as a public utility, then annually thereafter. We note that confidential information might be discussed at these meetings, and implementation of appropriate protective measures will be necessary to ensure that no confidential information is improperly disclosed.
- Notice of certain RTO filings. Republic Transmission did not oppose this recommendation.
- Notice of any lawsuits. Mr. Willick testified in rebuttal that Republic Transmission is willing to discuss lawsuits filed by Republic Transmission against Indiana entities or persons and any lawsuits filed by Indiana entities or persons against Republic Transmission in meetings with the Commission and OUCC, but Republic Transmission opposes a requirement to file this information in writing because it could result in the public disclosure of commercially-sensitive information that would place Republic Transmission in an unreasonable, competitively disadvantaged position.

We note that the OUCC did not provide a rationale to impose this requirement, which to date has not been imposed upon other wholesale transmission public utilities in Indiana. *See Grain Belt Express Clean Line LLC*, Cause No. 44264; *Pioneer Transmission, LLC*, Cause No. 44135 (IURC Apr. 17, 2013); and *AEP Indiana Michigan Transmission Company, Inc. and Indiana Michigan Power Company*, Cause No. 44000 (IURC Nov. 2, 2011). We decline to adopt the OUCC's recommendation but note that this topic is an appropriate discussion point for meetings between Petitioner and the OUCC as set forth in this section.

Based on our consideration of the evidence, it shall be a condition of this Order and our continued declination of jurisdiction over Petitioner that Petitioner do the following:

1. Provide the Commission with annual updates on the Project while development and construction are ongoing. These updates should summarize the Project construction and operational status and financing milestones, including:
 - a. identification of major construction vendors and contractors hired;
 - b. identification of major operation and maintenance contractors retained;
 - c. significant new debt and equity financings completed at the Petitioner level; and
 - d. significant changes in Petitioner's senior management.

2. File annually with the Commission its FERC Form 1, which will describe Petitioner's assets and revenues once the Project is completed and in service. This filing replace the annual report requirements under Ind. Code §§ 8-1-2-16, -26, and -49.
3. File annually with the Commission information about any affiliates of Petitioner that own or control electric generation resources in the MISO or PJM regions.
4. Maintain Petitioner's books and records of account in accordance with FERC's Uniform System of Accounts at 18 C.F.R. Part 101.

A responsible corporate officer of Petitioner shall verify all future compliance filings.

Finally, if the Commission determines that the Petitioner either has failed to commence construction of the Project under this Order or is no longer diligently pursuing the commencement of construction of the Project, or otherwise determines that the public interest is served following the declination of full jurisdiction, then the Commission may, following notice to the Petitioner, proceed to issue an Order terminating the declination of jurisdiction set forth herein.

C. Authority to maintain its books and records outside Indiana.

Petitioner requested authority under Ind. Code § 8-1-2-15 to locate its books and records outside the state of Indiana, with appropriate provisions for access by the Commission and the OUCC. We grant Petitioner the authority to locate its books and records outside Indiana under the following conditions: (a) upon reasonable notice, Petitioner shall produce in Indiana copies of those portions of its books and records necessary for the OUCC and the Commission to perform their statutory duties; and (b) in the event it is not possible, for any reason, for Petitioner to produce the necessary books and records in Indiana, Petitioner must reimburse the OUCC and the Commission for all reasonable travel expenses, including travel fare, mileage, lodging, and meals incurred while inspecting Petitioner's books and records outside of Indiana.

D. Authority to transfer functional control of the Project to MISO or Applicable RTO. Ind. Code § 8-1-2-83 requires Commission approval for contracts for the operation of any part of a public utility's works or system by another person. We have previously interpreted this provision as requiring Commission approval for a public utility to transfer functional control of its transmission system to an RTO, such as MISO or PJM. *See, e.g., Hoosier Energy Rural Elec. Coop. et al.*, Cause Nos. 42027 and 42032 (IURC Dec. 17, 2001). We have also previously found that Indiana customers will benefit from Indiana public utilities' participation in either MISO or PJM and that MISO and PJM both possess the capability to functionally operate regional transmission systems. Benefits of RTO participation include improved reliability and reduction in costs. *Id.*; *see also Indiana Michigan Power Company*, Cause Nos. 42350 and 42352 (IURC Sep. 10, 2003). Accordingly, we authorize Petitioner, as a public utility, to transfer functional control of its Indiana transmission facilities to MISO or an applicable RTO at the appropriate time.

E. Consent to the Boards of Commissioners of all Indiana Counties. The evidence shows that although the majority of the Project and future competitive transmission projects undertaken by Petitioner will likely be constructed on private property, there may be sections that must be located within public right-of-way. In those limited instances, Republic Transmission may be required to obtain from the boards of commissioners of the counties in which facilities are located a license, permit, or franchise to occupy and use county roads, highways, and other property and public rights-of-way. Consistent with the Commission's authorization for Petitioner to operate as a public utility in Indiana, the Commission will also authorize the boards of county commissioners of all Indiana counties to grant Petitioner the licenses, permits, or franchises necessary for Petitioner to occupy and use county roads, highways, and other public rights-of-way for the provision of its services and facilities, pursuant to Ind. Code § 36-2-2-23.

F. Confidential Material. Concurrently with its Petition, Petitioner filed a Motion for Protection and Nondisclosure of Confidential and Proprietary Information ("Motion"). Attached to the Motion was the Affidavit of Lawrence Willick. On March 28, 2017, the Presiding Officers issued a Docket Entry finding that the information set forth in the Motion ("Confidential Information") should be held as confidential by the Commission on a preliminary basis. This Confidential Information submitted to the Commission pursuant to the Motion and the March 28, 2017 Docket Entry is exempt from the public access requirements of Ind. Code § 5-14-3-3, Ind. Code § 8-1-2-29, and Ind. Code § 24-2-3-1 and shall continue to be held as confidential by the Commission.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:

1. Republic Transmission is hereby determined to be a new electric transmission owner, a public utility, and an energy utility within the meaning of Ind. Code § 8-1-38-5, Ind. Code §§ 8-1-2-1 and 8-1-8.5-1, and Ind. Code § 8-1-2.5-2, respectively.
2. Petitioner shall be authorized to operate as a public utility in Indiana, including exercising all rights and privileges of public utilities under Indiana law.
3. Petitioner shall be authorized to transfer functional control of its Indiana transmission facilities to MISO or PJM.
4. The Commission declines to exercise a portion of its jurisdiction over Petitioner and its construction, operation, and financing of the Project, specifically, approval authority over long-term financings, approval authority over purchases and sales of facilities (except as necessary to ensure that a purchaser has the requisite technical, managerial, and financial capability), foreign generation, and certain public utility annual reporting requirements, as set forth in this Order.
5. Petitioner shall have the authority to maintain its books and records outside the State of Indiana, subject to the conditions outlined in this Order.

6. The Commission consents to the boards of county commissioners of all Indiana counties to grant Petitioner such licenses, permits, or franchises, as may be necessary for Petitioner to use county roads, highways, or other property and public rights-of-way for the provision of its services and facilities pursuant to Ind. Code § 36-2-2-23.

7. Petitioner shall comply fully with the terms of this Order and submit to the Commission all information required by the terms of this Order.


8. Petitioner's Confidential Information submitted in support of this Cause constitutes confidential and proprietary trade secret information under Indiana law and should be excepted from public disclosure.

9. This Order shall be effective on and after the date of its approval.

**ATTERHOLT, HUSTON, AND ZIEGNER CONCUR; FREEMAN AND WEBER
ABSENT:**

APPROVED: JUL 26 2017

**I hereby certify that the above is a true
and correct copy of the Order as approved.**



Mary M. Becerra
Secretary of the Commission