

OFFICIAL
EXHIBITS

FILED
February 11, 2021
INDIANA UTILITY
REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF INDIANA)
MICHIGAN POWER COMPANY (I&M),)
AN INDIANA CORPORATION, FOR)
APPROVAL OF AN ADJUSTMENT TO)
ITS RATES THROUGH ITS SOLAR)
POWER RIDER.)

CAUSE NO. 45245 SPR-01

IURC
PUBLIC'S
EXHIBIT NO. 3-10-21
DATE REPORTER

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

TESTIMONY OF

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

FEBRUARY 11, 2021

Respectfully submitted,



T. Jason Haas
Attorney No. 34983-29
Deputy Consumer Counselor

TESTIMONY OF OUCC WITNESS WES R. BLAKLEY
CAUSE NO. 45245 SPR-1
INDIANA MICHIGAN POWER COMPANY

I. INTRODUCTION

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

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

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

8 A: I address and recommend Indiana Utility Regulatory Commission ("Commission")
9 approval of Indiana Michigan Power Company's ("I&M") proposed Solar Power
10 Rider ("SPR") adjustment factors.

11 **Q: Please describe the review and analysis you conducted in order to prepare**
12 **your testimony.**

13 A: I read I&M's prefiled testimony and reviewed its exhibits, schedules, and
14 workpapers in this Cause. I reviewed my Cause No. 45245 filed testimony. I also
15 reviewed the Commission's Cause No. 45245 Order, which established the
16 accounting and ratemaking treatment for I&M's SPR. Furthermore, I met with
17 OUCC staff to discuss issues in this Cause.

II. I&M'S PROPOSED SPR-1 COST RECOVERY

1 **Q: Was accounting and ratemaking treatment established in Cause No. 45245 for**
2 **I&M's SPR?**

3 A: Yes. The cost recovery elements approved in the Commission's Cause No. 45245
4 Order, to be included in I&M's SPR-1, are depreciation expense, deferred carrying
5 costs on the post in-service investment, income, and property taxes, operating and
6 maintenance ("O&M") costs, revenue from renewable energy credit ("REC") sales,
7 and the gross revenue conversion factor. The return is calculated using the weighted
8 average cost of capital ("WACC") as of September 30, 2020.

9 **Q: What forecasted billing period does I&M request for recovery of its initial SPR**
10 **rates?**

11 A: I&M requests the approval of initial SPR rates for the forecasted billing period
12 April 1, 2021 through March 31, 2022.

13 **Q: What is the Indiana retail jurisdictional revenue requirement associated with**
14 **I&M's SPR-1?**

15 A: I&M is requesting to recover an Indiana jurisdictional revenue requirement of
16 \$2,173,753 (net of jurisdictional credits of \$50,581) through its initial SPR. A
17 typical Indiana residential customer using 1,000 kWh of electricity per month will
18 see a monthly increase of \$0.23 or 0.2%.

III. CONCLUSION AND RECOMMENDATION

19 **Q: What do you conclude regarding I&M's estimated SPR-1 adjustment factors**
20 **for the relevant period?**

21 A: Nothing came to my attention indicating I&M's calculation of estimated SPR-1
22 adjustment factors for the relevant period is unreasonable.

1 **Q:** **What do you recommend?**

2 A: I recommend the Commission approve I&M's proposed SPR-1 adjustment factors.

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

4 A: Yes.

APPENDIX A

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


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

10 **Q: Have you previously testified before the Commission?**

11 A: Yes.

AFFIRMATION

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

A handwritten signature in black ink, reading "Wes R. Blakley", written over a horizontal line.

Wes R. Blakley
Senior Utility Analyst
Indiana Office of Utility Consumer Counselor

Cause No 45245 SPR-01
Indianapolis Power & Light Co.

Date: February 11, 2021

CERTIFICATE OF SERVICE

This is to certify that a copy of the *Indiana Office of Utility Consumer Counselor Testimony of Wes R. Blakley* has been served upon the following parties of record in the captioned proceeding by electronic service on February 11, 2021.

Teresa Morton Nyhart
Jeffrey M. Peabody
BARNES & THORNBURG LLP
tnyhart@btlaw.com
jpeabody@btlaw.com

Tanner S. Wolffram
AMERICAN ELECTRIC POWER SERVICE CORP.
tswolffram@aep.com



T. Jason Haas
Deputy Consumer Counselor

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

PNC Center

115 West Washington Street, Suite 1500 South
Indianapolis, IN 46204

infomgt@oucc.in.gov

thaas@oucc.in.gov

317.232.2494 – Telephone

317.232.3315 – Direct

317.232.5923 – Facsimile