BEFORE THE INDIANA UTILITY REGULATORY COMMISSION

PETITION OF INDIANA MICHIGAN POWER COMPANY, AN INDIANA CORPORATION, FOR AUTHORITY TO INCREASE ITS RATES AND CHARGES FOR ELECTRIC UTILITY SERVICE THROUGH A PHASE IN RATE ADJUSTMENT; AND FOR APPROVAL OF RELATED RELIEF INCLUDING: (1) REVISED DEPRECIATION RATES; (2) ACCOUNTING RELIEF; (3) INCLUSION OF CAPITAL INVESTMENT; (4) RATE ADJUSTMENT MECHANISM PROPOSALS; (5) CUSTOMER PROGRAMS: (6) WAIVER OR DECLINATION OF JURISDICTION WITH RESPECT TO CERTAIN RULES; AND (7) NEW SCHEDULES OF RATES, RULES AND REGULATIONS.	)	**CAUSE NO. 45576**

DIRECT TESTIMONY OF

JUSTIN BIEBER

ON BEHALF OF

THE KROGER CO.

OCTOBER 12, 2021

DIRECT TESTIMONY OF JUSTIN BIEBER

Introduction

Q. Please state your name and business address.

A. My name is Justin Bieber. My business address is 111 E Broadway, Suite 1200, Salt Lake City, Utah, 84111.

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

A. I am a Senior Consultant for Energy Strategies, LLC. Energy Strategies is a private consulting firm specializing in economic and policy analysis applicable to energy production, transportation, and consumption.

Q. On whose behalf are you testifying in this proceeding?

A. My testimony is being sponsored by The Kroger Co. ("Kroger"). Kroger is one of the largest retail grocers in the United States and operates 39 facilities that are served by Indiana & Michigan Power Company ("I&M" or the "Company"). Combined, Kroger facilities purchase approximately 39 million kWh annually from I&M.

Q. Please describe your professional experience and qualifications.

A. My academic background is in business and engineering. I earned a Bachelor of Science in Mechanical Engineering from Duke University in 2006 and a Master of Business Administration from the University of Southern California in 2012. I am also a registered Professional Civil Engineer in the state of California.

I joined Energy Strategies in 2017, where I provide regulatory and technical support on a variety of energy issues, including regulatory services, transmission

and renewable development, and financial and economic analyses. I have also filed and supported the development of testimony before various different state utility regulatory commissions.

Prior to joining Energy Strategies, I held positions at Pacific Gas and Electric Company as Manager of Transmission Project Development, ISO Relations and FERC Policy Principal, and Supervisor of Electric Generator Interconnections. During my career at Pacific Gas and Electric Company, I supported multiple facets of utility operations, and led efforts in policy, regulatory, and strategic initiatives, including supporting the development of testimony before and submittal of comments to the FERC, California ISO, and the California Public Utility Commission. Prior to my work at Pacific Gas & Electric, I was a project manager and engineer for heavy construction bridge and highway projects.

Q. Have you testified previously before this Commission?

A. Yes, I have testified in the following proceedings before this Commission:

- I&M's 2017 general rate case, Cause No. 44967;
- I&M's 2019 general rate case, Cause No. 45235; and
- Duke Energy Indiana's 2019 general rate case, Cause No. 45253.

Q. Have you filed testimony previously before any other state utility regulatory commissions?

A. Yes. I have testified before state utility commissions in Colorado, Kentucky, Michigan, Montana, Nevada, New Mexico, North Carolina, Ohio, Oregon, Utah, Virginia, and Wisconsin.

Overview and Conclusions

Q. What is the purpose of your testimony in this proceeding?

A. My testimony addresses I&M's proposed rate design for the General Service ("GS") rate schedule.

Q. Please summarize your recommendations to the Commission.

I&M's proposed rate design for the GS rate schedule understates demand-related charges while overstating the energy charges relative to the underlying cost components. I&M's proposed rate design for the GS class would only recover 74% of the demand-related costs through demand-related charges while recovering more than 300% of the energy-related costs through energy charges. I recommend a rate design that will increase the demand-related charges to 84% of the demand-related costs while reducing the energy charges by a corresponding revenue neutral amount to recover I&M's total proposed revenues for the GS rate schedule. My recommended rate design will make progress towards improving the alignment between charges with the underlying costs while employing the principle of gradualism and mitigating intra-class rate impacts.

General Service Rate Design

Q. What change is the Company proposing with respect the rate structure of the LGS and GS rate schedules in this proceeding.

A. I&M witness Jenifer Fischer explains that I&M is proposing to consolidate Tariff GS and LGS into one tariff, Tariff GS.[1]

Q. Does I&M also propose to consolidate the GS and LGS customer classes in the class cost of service study?

A. No. I&M's proposed class cost of service study assigns separate allocation factors to allocate costs to the GS and LGS customer classes.

Q. Do you have any concerns with I&M's proposal to separately allocate costs to the GS and LGS rate schedules while at the same time consolidating these two rate schedules for rate design purposes?

A. As a matter of principle, I disagree with I&M's proposal to separately allocate costs to GS and LGS customers while treating them as a single customer class for purposes of rate design. Certain cost allocation factors, such as those based on class non-coincident peaks, reflect the diversity of loads within a class. Summing non-coincident demands for two customer classes does not result in the same non-coincident demand that would be measured if the two classes were consolidated into one. If the GS and LGS customer classes are consolidated for purposes of rate design, then they should also be consolidated within the class cost of service study that is utilized to inform the appropriate revenue allocation to

[1] Direct Testimony of Jenifer L. Fisher, p. 21.

classes and rate design. However, notwithstanding these concerns, I am not opposed to I&M's proposed revenue allocation in this proceeding.

Q. Can you please summarize the current rate structure for the GS and LGS rate schedules?

A. Ms. Fischer explains that Tariff GS is available to customers with demands below 1,000 kW. It includes a monthly customer charge, a per kWh energy charge applicable to monthly usage below 4,500 kWh, and a separate per kWh energy charge applicable to monthly usage above 4,500 kWh. There is also a monthly per kW demand charge applicable to demand usage greater than 10 kW. According to Ms. Fischer, current GS customers are not subject to a demand charge for the first 10 kW of demand because those costs are reflected in the per kWh energy charge for usage below 4,500 kWh. The energy charge for usage below 4,500 kWh is a higher rate than the per kWh energy charge for usage above 4,500 kWh.[2]

According to Ms. Fischer, Tariff LGS is available to customers with demands below 1,000 kW, but greater than 60 kVA. The LGS rate design includes a customer charge, a load factor blocking energy charge applicable to usage below 300 kWh per kW (also referred to as an "hours-use" charge), a per kWh energy charge for energy usage above 300 kWh per kW, and a demand charge applicable to all demand usage.[3]

[2] *Id.* p. 20.
[3] *Id.*

Q. Can you please describe I&M's proposed rate structure for the consolidated GS rate schedule at the Company's proposed revenue requirement?

A. The Company's proposed rate design for the consolidated Tariff GS would combine the existing GS and LGS rate structures. I&M's proposed rate design would include a combined monthly service charge, a per kWh energy charge for the first 4,500 kWh of usage ("Block 1"), an hours-use energy charge applicable to usage above 4,500 kWh and below 300 kWh per kW ("Block 2"), and a per kWh energy charge for energy usage over 4,500 kWh per month and above 300 kWh per kW ("Block 3"). The consolidated tariff would also include a demand charge for monthly demands in excess of 10 kW. Lastly, to achieve the proposed consolidation, the Company proposes to eliminate the power factor and kVA billing provisions that are currently included in the LGS tariff.[4] I&M's proposed GS rates are summarized in Table JB-1 below.

Table JB-1
I&M Proposed GS Rates
at I&M Proposed Revenue Requirement

	GS-Sec	GS-Pri	GS-Sub	GS-Tran
Demand Charge > 10 kW	$3.237	$2.039	$0.000	$0.000
Block 1 Energy - First 4,500 kWh	$0.13330	$0.12412	$0.11457	$0.11376
Energy - Over 4500 up to 300 kWh/kW	$0.10851	$0.10057	$0.09125	$0.09036
Energy - Over 4500 and over 300 kWh/kW	$0.03581	$0.02990	$0.02159	$0.02144
Customer	$25.00	$180.00	$180.00	$180.00

Q. What reasons does I&M provide to support the proposal to consolidate the GS and LGS rate schedules?

A. According to Ms. Fischer, I&M experiences migration between the LGS and GS rate schedules which causes customer and load shifts and creates administrative

[4] *Id.* pp. 21-22.

processes that are burdensome to I&M and confusing to customers. The proposed consolidation will allow a customer's usage to fluctuate without necessitating a need to migrate between rate schedules.[5]

Q. I&M utilizes an hours-use charge, or load factor blocking, in its rate design for the proposed consolidated GS rate schedule. Please explain the purpose of this form of rate design.

A. The load factor blocking rate design that I&M proposes to utilize for the consolidated GS rate schedule, is also known as an hours-use rate design, or a Wright rate design, after its originator. An hours-use charge is a somewhat complex rate design element that is not used by all utilities, nor is it utilized in I&M's current GS rate schedule.

An hours-use charge is a type of energy charge that recovers both demand-related and energy-related costs in the same charge. This is accomplished by setting the hours-use energy charge at a level greater than the base energy charge. The portion of the hours-use charge in excess of the base energy charge performs a role similar to that of a demand charge and can be construed to be recovering demand-related costs. If properly designed, the remainder of the charge, equivalent to the base energy charge, should recover only energy-related costs.

The hours-use rate design can be illustrated by examining the load factor blocking utilized in I&M's proposed GS secondary rate design. As can be seen in Table JB-1 above, the proposed Block 3 secondary rate is $0.03581 per kWh, and it applies to monthly energy usage that is greater than 4,500 kWh and over 300

[5] *Id.* pp. 20-21.

kWh per kVA. This base energy charge utilizes a basic per-kWh rate design and ideally should represent the purely energy-related component of the rate. The hours-use charge is the Block 2 rate equal to $0.10851/kWh and applies to the monthly usage that is above 4,500 kWh but below 300 kWh per kVA. This means that the charge is not a function of energy usage only, but rather a function of energy usage in relation to the customer's billing demand, and therefore a means to recover demand-related costs. To describe it another way, it is a premium rate that is applied to the energy usage associated with low-load-factor consumption. In the case of the proposed consolidated GS rate schedule, the hours-use rate, or Block 2 rate, applies to energy usage below a load factor of 41% (300 kWh/kW divided by 730 hours per month). The differential between the Block 2 and Block 3 secondary rates is $0.0727. The revenues from this incremental 7.27 cents/kWh differential can properly be considered demand-related revenue.

Q. I&M's proposed Block 1 energy charge, applicable to monthly usage below 4,500 kWh, is also intended to recover demand related costs. Can you please comment regarding the purpose of the Block 1 energy charge?

A. As I explained above, I&M's proposed Block 1 rate for energy usage below 4,500 kWh is also intended to recover demand related costs.[6] The Block 1 energy charge would have a premium relative to the Block 3 pure energy charge. Since there is no demand charge for customer monthly demands that are less than 10 kW, the proposed Block 1 energy charge premium can also reasonably be construed to recover demand related costs. In fact, many GS customers with demands less than

[6] Direct Testimony of Jenifer L. Fisher, p. 20.

10 kW and a load factor less than 62% would only be subject to the Block 1 energy rate and the customer charge.[7]

Q. What is your assessment of I&M's proposed rate design for a consolidated Tariff GS?

A. I&M's proposed rate design for the consolidated GS rate schedule under-recovers the demand-related charges while over-recovering the energy-related charges relative to the underlying costs by a substantial amount. Table JB-2 below shows the GS rate schedule charges relative to the cost of service by classification for I&M's proposed rate design.

Table JB-2
I&M Proposed Charges Relative to Costs for the GS Rate Schedule at I&M's Proposed Revenue Requirement

Classification	I&M Charges/Costs
Demand	74.0%
Energy	301.3%
Customer	189.2%
Total	100.0%

As I describe above, I&M proposes load factor blocking, known as an hours-use charge, in its rate design, so the revenues recovered through the rate differential premium between the Block 2 and Block 3 energy charges can be considered demand-related revenues. Therefore, for purposes of my analysis, I have considered the revenues recovered through the demand charge *and* the rate differential premium between the Block 2 and Block 3 charges as demand-related.

[7] A customer with a demand of 10 kW would need to have a load factor of 62% or higher in order for its monthly energy usage to exceed 4,500 kWh (4,500 kWh per 10 kW of demand = 450 kWh/kW divided by 730 hours = 61.6%).

To be conservative, I have also considered revenues recovered through the rate differential premium between the Block 1 and Block 3 charges to be demand-related. Accordingly, the energy-related revenues are equal to the total GS energy billing determinants for Block 1, Block 2, and Block 3 multiplied by the Block 3 per kWh energy rates.

However, even after considering the demand-related revenues from the demand charges and the Block 1 and Block 2 per kWh rate differentials relative to Block 3, I&M's proposed rate design only recovers 74% of demand-related costs through demand-related charges while recovering over 300% of energy-related costs through energy-related charges, based on the Company's proposed cost of service study.

Q. From a customer's perspective, why should it matter if I&M does not fully recover its demand-related costs through demand-related charges?

A. If a utility proposes a demand charge that is below the cost of demand, it is going to seek to recover its class revenue requirement by over-recovering its costs in another area, most typically through levying an energy charge that is above unit energy costs, which is the case with I&M's proposal. For a given tariff class such as GS, when demand charges are set below cost, and energy charges are set above cost, those customers with relatively higher load factors are required to subsidize the lower load factor customers within the class.

Q. How do you define "higher load factor customers"?

A. For purposes of this discussion, I use this term to refer to customers whose load factors are greater than the average for the rate schedule.

Q. Why is it important for rate design to be representative of underlying cost causation?

A. Aligning rate design with underlying cost causation improves efficiency because it sends proper price signals. For example, setting a demand charge below the cost of demand understates the economic cost of demand-related assets, which in turn distorts consumption decisions, and calls forth a greater level of investment in fixed assets than is economically desirable.

Further, aligning rate design with underlying cost causation is important for ensuring equity among customers, because properly aligning charges with costs minimizes cross-subsidies among customers. As I stated above, if demand costs are understated in utility rates, the costs are made up elsewhere – typically in energy rates. When this happens, higher load factor customers (who use fixed assets relatively efficiently through relatively constant energy usage) are forced to pay the demand-related costs of lower load factor customers. This amounts to a cross-subsidy that is fundamentally inequitable.

Q. I&M previously expressed disagreement with the concept that for a given tariff class such as LGS, when demand charges are set below cost, and energy charges are set above cost, that customers with relatively higher load factors are required to subsidize lower load factor customers within the class.[8] How do you respond?

A. In rebuttal testimony in I&M's 2017 general rate case, I&M's rate design witness Matthew Nollenberger disagreed with this statement because he asserted

[8] Cause No. 44967, Rebuttal Testimony of Matthew Nollenberger, p. 25.

that it did not account for diversity differences between high and low load factor customers within a given class.[9] However, regardless of whether or not there is some relationship between diversity and load factor, I am not proposing full movement towards cost-based rates in this case. As I will describe below, I am recommending a *gradual* step that will improve the alignment between the rates and the underlying costs for the GS class. This will send more efficient price signals to customers and reduce intra-class subsidies, while at the same time, mitigating the intra-class impacts that would otherwise occur from more significant movement towards cost-based rates at this time.

Q. Does I&M also recognize the importance of aligning rates with the underlying costs?

A. Yes. According to Ms. Fischer, the Company uses the results of the cost of service study to allocate the proposed revenue increase based on principles of cost causation and gradualism to design rates that reflect as nearly as possible the actual cost to provide service to customers, eliminate subsidies, and move all classes towards earning the class average rate of return.[10]

Q. What is your recommendation with respect to the consolidated GS rate design?

A. Ideally, the demand-related charges, energy-related charges, and facilities charges would be aligned with the respective underlying cost components. However, in some circumstances, full movement towards cost-based rates in a single step should be tempered in order to mitigate potential intra-class rate impacts

[9] *Id.*
[10] Direct Testimony of Jenifer L. Fisher, p. 20.

and take into consideration the well-accepted rate making principle of gradualism. Therefore, I recommend incremental modifications to I&M's proposed GS rate design in order to make gradual movement towards aligning rates with the underlying costs while mitigating the impacts that could occur from a more significant shift towards cost at this time.

Specifically, I recommend that the GS secondary demand charge be set equal to the *current* GS secondary demand charge at $6.241/kW. I&M's proposed GS rate utilizes the GS secondary demand charge and applies line loss factors and equipment credits to derive the demand charges for the primary, subtransmission, and transmission voltage sub-classes. I am not recommending any changes to the loss adjustments and equipment credits that I&M proposes to apply to the GS secondary rate in order to derive the demand charges for the other voltage sub-classes.

I also recommend that the Company's proposed Block 2 and Block 3 GS secondary energy charges be adjusted by an equal amount so that changes to rate design are revenue neutral and I&M's proposed differential between the Block 2 and Block 3 rate is maintained. Similarly, I am not recommending any changes to the loss factors that I&M proposes to apply to the GS secondary Block 2 and Block 3 rates to derive the Block 2 and Block 3 rates for the GS primary, subtransmission and transmission voltage sub-classes. This will ensure that I&M's proposed differential between Block 2 and Block 3 rates is maintained for each of the voltage sub-classes.

I do not recommend any changes to I&M's proposed customer charge or to the Block 1 energy charge since it is intended to recover demand related costs for demand usage less than 10 kW. The revenue verification for my proposed rate design is presented in Exhibit JB-1. The proposed rates are summarized in Table JB-3 below.

Table JB-3
Kroger Proposed GS Rate Design
at I&M's Proposed Revenue Requirement

	GS-Sec	GS-Pri	GS-Sub	GS-Tran
Demand Charge > 10 kW	$6.241	$4.953	$2.874	$2.850
Block 1 Energy - First 4,500 kWh	$0.13330	$0.12412	$0.11457	$0.11376
Energy - Over 4500 up to 300 kWh/kW	$0.09835	$0.09075	$0.08156	$0.08074
Energy - Over 4500 and over 300 kWh/kW	$0.02565	$0.02009	$0.01190	$0.01182
Customer	$25.00	$180.00	$180.00	$180.00

Q. How does your recommended rate design improve the alignment between charges and the underlying cost components?

A. My recommended rate design would maintain the *current* GS secondary demand charge of $6.241/kW whereas I&M proposes a GS secondary demand charge of $3.237/kW, which would represent a reduction of almost 50% relative to the current rate.[11] Since my recommended rate design maintains I&M's proposed loss factors and equipment credits for the primary, subtransmission, and transmission voltage sub-classes, this results in higher demand charges for all voltage sub-classes relative to I&M's proposed demand charges. These modifications improve the alignment between the GS demand and energy revenues and costs by increasing the amount of GS revenues that are recovered through

[11] I&M proposed GS secondary demand charge $3.237 ÷ current demand charge $6.241/kW = 51.9%.

demand-related charges (with a revenue neutral decrease to the energy-related revenues) relative to I&M's proposed rate design.

Q. Would your recommended rate design result in cost-based rates?

A. My recommended modification does not result in cost-based rates, but it makes a step in the right direction towards improving the alignment between the charges and underlying costs for the GS rate schedule. In fact, my recommended rate design would only recover 84% of demand related costs through demand-related charges while still recovering over 215% of energy-related costs through energy-related revenues. This is an intentional component of my proposal that mitigates the intra-class rate impacts that may result from a more significant movement towards cost at this time. The alignment between charges and costs for my recommended rate design and a comparison to I&M's proposed rate design is shown in Table JB-4 below.

Table JB-4
I&M and Kroger Proposed Charges Relative to Costs
For the LGS Rate Schedule at I&M's Proposed Revenue Requirement

Classification	I&M Charges/Costs	Kroger Charges/Costs
Demand	74.0%	84.3%
Energy	301.3%	215.1%
Customer	189.2%	189.2%
Total	100.0%	100.0%

Q. Have you prepared a bill impact analysis for your recommended changes to the GS rate design?

A. Yes. My rate impact analysis is presented in Exhibit JB-2 and illustrates the total bill impacts to customers that would result from my recommended GS rate

design at I&M's proposed revenue requirement. My bill impact analysis utilizes most of the same load profiles used by the Company in its bill impact analysis. However, I have added some additional load profiles in order to compare the bill impacts between existing GS and LGS customers with the same load profiles on a comparable "apples to apples" basis.

Q. Your proposed rate design results in a smaller bill impact to higher-load-factor customers than lower-load-factor customers. Is this a reasonable result?

A. Yes, it is a reasonable result. My proposed rate design reflects a cost-based difference while providing gradual movement towards cost-based rates. I&M's proposed rate design has a significant misalignment between the costs and charges based on its own cost of service study, which results in a considerable intra-class subsidy from higher-load-factor customers to lower-load-factor customers. As I stated above, I am not proposing full movement towards cost-based rates in this case. Instead, my proposed rate design makes *gradual* movement towards aligning rates with cost causation and reduces, but does not eliminate, the existing intra-class subsidy. By gradually reducing this intra-class subsidy, lower-load-factor customers will experience slightly greater rate increases than higher-load-factor customers. This is a reasonable result because it strikes a balance between two important rate-making principles – improving the alignment between rates and the underlying cost components while employing gradualism.

Q. The Company's class cost of service study indicates that the GS class is currently over-recovering its cost of service while the LGS class is under-recovering its cost of service. Does your proposed rate design reflect this result?

A. Yes, it does. My bill impact analysis demonstrates that GS customers would receive a substantially *lower* increase on their bill compared to LGS customers *with the same load profile*. Table JB-5 below illustrates this difference in bill impacts between GS and LGS customers with similar load profiles.

Table JB-5
GS and LGS Customer Bill Impact Comparison
At Kroger's Proposed GS Rate Design and
I&M's Proposed Revenue Requirement

Voltage Level	Load Factor %	Demand kW	Energy kWh	GS Increase %	LGS Increase %
Secondary	27%	100	20,000	13.9%	18.6%
	34%	100	25,000	9.9%	20.1%
	41%	100	30,000	7.0%	21.3%
	27%	500	100,000	13.5%	15.3%
Primary	27%	300	60,000	13.7%	16.5%
Subtransmission	55%	100	40,000	-19.0%	6.8%

Q. Your proposed GS rate design was calculated using I&M's proposed revenue requirement. How should your proposed rate design be implemented if the Commission adopts a base rate revenue requirement that is different than I&M's request?

A. To the extent that the Commission approves a revenue target for the GS rate schedule that is different than I&M is seeking, I recommend that each rate element in my proposed GS rate design be reduced by an equal percentage in order to recover the target revenue requirement. Adjusting the rate design in this manner will maintain the approximate relationships contained in in my recommended GS rate design.

Q. Does this conclude your direct testimony?

A. Yes, it does.

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AFFIDAVIT OF JUSTIN BIEBER

STATE OF UTAH)
COUNTY OF SALT LAKE)

Justin Bieber, being first duly sworn, deposes and states that:

1. He is a Senior Consultant with Energy Strategies, L.L.C., in Salt Lake City, Utah;

2. He is the witness who sponsors the accompanying testimony entitled "Direct Testimony of Justin Bieber;"

3. Said testimony and exhibits were prepared by him and under his direction and supervision;

4. If inquiries were made as to the facts in said testimony and exhibits he would respond as therein set forth; and

5. The aforesaid testimony is true and correct to the best of his knowledge, information and belief.

Justin Bieber

Subscribed and sworn to or affirmed before me this 12th day of October, 2021, by Justin Bieber.

Notary Public
Kimberlie A. Ignjatovic
State of Utah
My Commission Expires April 18, 2023
Commission #705871

Notary Public

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EXHIBITS

Kroger Proposed GS Rate Design Revenue Verification
At I&M Proposed Revenue Requirement

		Units	Rate	Revenue
GS - Secondary	Demand > 10 kW	8,936,865 kW	6.241 /kW	$55,774,974
	Economic Development			-$148,415
	Energy - Unmetered	550,524 kWh	0.13330 /kWh	73,385
	Energy - First 4500 kWh	929,309,637 kWh	0.13330 /kWh	123,876,975
	Energy - Over 4500 up to 300 kWh/kW	1,985,432,331 kWh	0.09835 /kWh	195,267,270
	Energy - Over 4500 and over 300 kWh/kW	650,522,823 kWh	0.02565 /kWh	16,685,910
	Customer - Standard	653,451 Bills	$25.00 /Mo	16,336,266
	- Non-Metered	3,091 Bills	$9.45 /Mo	29,210
	D.R.S.2 Customer Charge	24 Bills	$10.00 /Mo	240
	Total			$407,895,815
- Primary	Demand > 10 kW	591,070 kW	4.953 /kW	$2,927,570
	Economic Development			-$29,418
	Energy - First 4500 kWh	7,154,038 kWh	0.12412 /kWh	887,959
	Energy - Over 4500 up to 300 kWh/kW	140,265,943 kWh	0.09075 /kWh	12,729,134
	Energy - Over 4500 and over 300 kWh/kW	39,948,203 kWh	0.02009 /kWh	802,559
	Customer	1,642 Bills	$180.00 /Mo	295,560
	Total			$17,613,364
- Subtran	Demand > 10 kW	25,292 kW	2.874 /kW	$72,689
	Energy - First 4500 kWh	176,869 kWh	0.11457 /kWh	20,264
	Energy - Over 4500 up to 300 kWh/kW	7,477,308 kWh	0.08156 /kWh	609,849
	Energy - Over 4500 and over 300 kWh/kW	2,747,821 kWh	0.01190 /kWh	32,699
	Customer	60 Bills	$180.00 /Mo	10,800
	Total			$746,301
- Trans	Demand > 10 kW	4,253 kW	2.850 /kW	$12,121
	Energy - First 4500 kWh	84,160 kWh	0.11376 /kWh	9,574
	Energy - Over 4500 up to 300 kWh/kW	247,259 kWh	0.08074 /kWh	19,964
	Energy - Over 4500 and over 300 kWh/kW	56,136 kWh	0.01182 /kWh	664
	Customer	23 Bills	$180.00 /Mo	4,140
	Total			$46,463
Total Revenue				**$426,301,943**

LGS Bill Impacts at Kroger Recommended Rate Design at I&M Proposed Revenue Requirement

Tariff	Load Factor %	Demand		Metered Energy	Current Bill	Proposed Bill	Bill Increase	% Change
GS-SEC <10 kW	11%	3	kW	250	$55.53	$63.36	$7.83	14.1%
See Note 1	23%	3	kW	500	$92.06	$101.72	$9.66	10.5%
	27%	5	kW	1,000	$165.13	$178.42	$13.29	8.0%
	49%	7	kW	2,500	$384.28	$408.55	$24.27	6.3%
	76%	9	kW	5,000	$731.49	$727.79	($3.70)	-0.5%
GS-SEC	27%	10	kW	2,000	$311.23	$331.84	$20.61	6.6%
See Note 1	41%	10	kW	3,000	$457.36	$485.27	$27.91	6.1%
	55%	10	kW	4,000	$603.47	$638.69	$35.22	5.8%
	68%	10	kW	5,000	$731.49	$727.79	($3.70)	-0.5%
	27%	100	kW	20,000	$2,941.33	$3,350.04	$408.71	13.9%
	34%	100	kW	25,000	$3,490.74	$3,837.44	$346.70	9.9%
	41%	100	kW	30,000	$4,040.11	$4,324.82	$284.71	7.0%
	27%	500	kW	100,000	$14,227.97	$16,142.68	$1,914.71	13.5%
LGS-SEC	27%	100	kW	20,000	$2,824.88	$3,350.04	$525.16	18.6%
See Note 2	34%	100	kW	25,000	$3,195.48	$3,837.44	$641.96	20.1%
	41%	100	kW	30,000	$3,566.08	$4,324.82	$758.74	21.3%
	27%	500	kW	100,000	$13,995.56	$16,142.68	$2,147.12	15.3%
	41%	500	kW	150,000	$17,701.57	$21,016.58	$3,315.00	18.7%
	55%	500	kW	200,000	$20,128.09	$22,255.48	$2,127.39	10.6%
	68%	500	kW	250,000	$22,080.24	$23,494.38	$1,414.13	6.4%
	82%	500	kW	300,000	$24,032.39	$24,733.28	$700.88	2.9%
GS-PRI	27%	300	kW	60,000	$7,970.48	$9,064.73	$1,094.25	13.7%
See Note 1								
LGS-PRI	27%	300	kW	60,000	$7,781.21	$9,064.73	$1,283.52	16.5%
See Note 2								
	41%	500	kW	150,000	$16,458.84	$19,393.35	$2,934.51	17.8%
	55%	500	kW	200,000	$18,818.48	$20,354.25	$1,535.77	8.2%
	68%	500	kW	250,000	$20,717.08	$21,315.15	$598.06	2.9%
	82%	500	kW	300,000	$22,615.67	$22,276.05	($339.63)	-1.5%
GS-SUB	55%	100	kW	40,000	$4,662.26	$3,774.64	($887.62)	-19.0%
See Note 1								
LGS-SUB	55%	100	kW	40,000	$3,535.49	$3,774.64	$239.15	6.8%
See Note 2								
	23%	900	kW	150,000	$17,857.10	$20,642.12	$2,785.02	15.6%
	38%	900	kW	250,000	$24,966.16	$28,710.92	$3,744.76	15.0%
	53%	900	kW	350,000	$30,206.60	$31,206.92	$1,000.32	3.3%
	68%	900	kW	450,000	$33,954.56	$32,309.72	($1,644.84)	-4.8%
GS-TRAN	12%	200	kW	17,500	$2,368.68	$3,548.79	$1,180.11	49.8%
See Note 1								

Note 1: GS - Current side energy blocking is Block 1 - up to 4,500 kWh, Block 2 - over 4,500 kWh. Proposed energy blocking is Block 1 - up to 4,500 kWh, Block 2 - > 4,500 kWh and up to 300 kWh/kW, Block 3 - > 4,500 kWh and > 300 kWh/kW.

Note 2: LGS - Current side energy blocking is Block 1 -First 300 kWh per kVa, Block 2 - over 300 kWh per kVa. Proposed energy blocking is Block 1 - up to 4,500 kWh, Block 2 - > 4,500 kWh and up to 300 kWh/kW, Block 3 - > 4,500 kWh and > 300 kWh/kW.

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was served this 12TH day of September, 2021 via electronic email to the following:

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