

OFFICIAL  
EXHIBITS

FILED  
August 29, 2024  
INDIANA UTILITY  
REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF INDIANA )  
POWER COMPANY (I&M) FOR )  
CAPACITY PURCHASE AGREEMENT )  
AND ASSOCIATED ACCOUNTING )  
RATEMAKING TREATMENT, )  
TIMELY RECOVERY OF COSTS )  
I&M'S RESOURCE ADEQUACY )  
OF THE COST OF CAPACITY I&M )  
UNDER THE CPA. )

CAUSE NO. 46083

IURC  
PETITIONER'S  
EXHIBIT NO. 2  
9-23-24 DATE  
LR REPORTER

SUBMISSION OF REBUTTAL TESTIMONY

Petitioner Indiana Michigan Power Company (I&M or Company), by counsel,  
hereby submits the rebuttal testimony of Andrew J. Williamson.

Respectfully submitted,



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**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing was served this 29th day of August, 2024, by email transmission, hand delivery or United States Mail, first class, postage prepaid to:

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I&M Exhibit: \_\_\_\_\_

**INDIANA MICHIGAN POWER COMPANY**

**CAUSE NO. 46083**

**PRE-FILED VERIFIED REBUTTAL TESTIMONY**

**OF**

**ANDREW J. WILLIAMSON**

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**REBUTTAL TESTIMONY OF ANDREW J. WILLIAMSON  
ON BEHALF OF  
INDIANA MICHIGAN POWER COMPANY**

**I. Introduction**

**Q1. Please state your name and business address.**

My name is Andrew J. Williamson and my business address is Indiana Michigan Power Center, P.O. Box 60, Fort Wayne, IN 46801.

**Q2. By whom are you employed and what is your position?**

I am employed by Indiana Michigan Power Company (I&M or Company) as Director of Regulatory Services.

**Q3. Are you the same Andrew J. Williamson who submitted pre-filed direct testimony in this cause?**

Yes.

**II. Purpose of Rebuttal Testimony**

**Q4. What is the purpose of your rebuttal testimony?**

My rebuttal testimony responds to the testimony filed by Mr. Hanks and Mr. Lantrip on behalf of the Indiana Office of Utility Consumer Counselor (OUCC). The Company appreciates the OUCC's support for the Lawrenceburg CPA, along with the Company's associated accounting and ratemaking treatment. My rebuttal testimony responds to the OUCC's testimony regarding the inclusion of large loads within future Integrated Resource Plan (IRP) filings.

**Q5. If you do not respond to a particular issue or position addressed in the OUCC's testimony, does that imply acceptance of their position over that proposed by I&M?**

No, it does not.

### III. Integrated Resource Plan

1     **Q6. Do the parties agree that I&M has a need for additional capacity?**

2           Yes. The OUCG recognizes I&M has a “need for capacity after the retirement of  
3           Rockport Units 1 and 2, as well as to serve the projected increase in load  
4           related to data centers and battery plants.”<sup>1</sup> As explained in the Company’s  
5           case-in-chief and further discussed below, the Company has a significant need  
6           for additional capacity during the term of the CPA and the Flex-Up option is an  
7           opportunity to acquire firm accredited capacity that is not subject to development  
8           risk or delays, at a competitive price to help meet this acknowledged need.

9     **Q7. On pages 6-7 of his testimony, OUCG Witness Hanks expresses concern**  
10    **that the Company’s 2023 IRP Update and the Portfolio Optimization**  
11    **Analysis (POA) analysis in this case do not reflect new load addition**  
12    **associated with hyperscaler facilities. Please respond.**

13           While it is true that the load forecast used for the POA did not include the new  
14           load additions associated with the hyperscaler facilities, as discussed by  
15           Company witness Becker, at 27, the POA selected the full 840 MW  
16           Lawrenceburg CPA to serve its existing load. It is only logical to conclude that if  
17           I&M’s load requirement would have been higher, that the POA would have  
18           continued to select the full 840 MW Lawrenceburg CPA.

19    **Q8. Is it also true that I&M’s load forecast has increased significantly since the**  
20    **POA was conducted?**

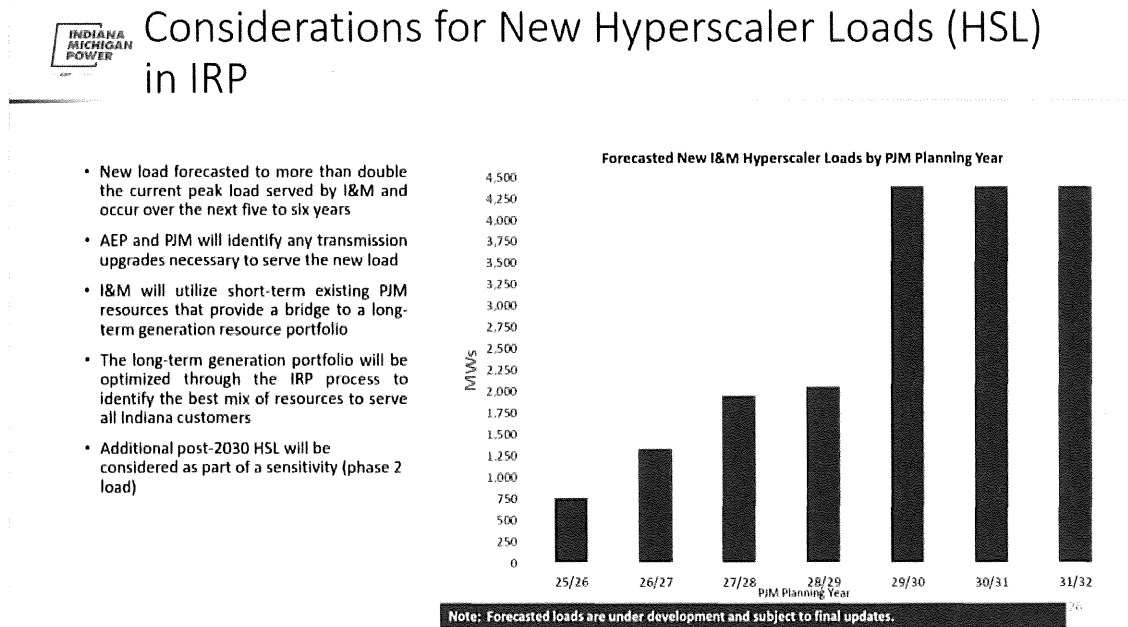
21           Yes. It is well understood that I&M has a real and immediate need for additional  
22           capacity beyond replacing Rockport due to the publicly announced projects  
23           identified in my direct testimony, both of which are currently under physical  
24           construction, and additional hyperscaler business development that is  
25           underway. As shown in Figure AJW-1R, a slide illustrating this load growth was

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<sup>1</sup> OUCG witness Hanks, p. 8.

presented during the first stakeholder meeting for the 2024 IRP held on June 27, 2024.

**Figure AJW-1R: Hyperscaler Loads**



**Q9. Please explain why the load increase associated with hyperscaler facilities was not included in the POA presented in this case as noted by OUC witness Hanks on page 7, lines 1-2 of his testimony.**

The purpose of the POA was to address the market changes that have occurred since I&M's September 2023 IRP update and focus on optimizing the resources necessary to replace Rockport.<sup>2</sup> In addition, the vintage of I&M's load forecast that was available at the time the POA was prepared predated the inclusion of the hyperscaler load shown above in Figure AJW-1R. As shown and explained above, the hyperscaler load increases will continue following the retirement of Rockport. This load growth will be incorporated in I&M's 2024 IRP where it can be further assessed.

<sup>2</sup> Company witness Becker, p. 13.

1 **Q10. Will the Company incorporate the new load associated with large**  
2 **industrial customers into its future IRPs, as recommended by OUCC**  
3 **witness Hanks on page 7, line 19-23 of his testimony?**

4 Yes. The Company has included the new load growth from hyperscaler  
5 customers in the load forecast that will be used in its 2024 IRP.

#### IV.Summary

6 **Q11. Please summarize your testimony.**

7 The OUCC recognizes I&M needs additional capacity and that the  
8 Lawrenceburg CPA is a relatively low-cost option to address some of that need.<sup>3</sup>  
9 As discussed above, I&M has a significant need for additional capacity during  
10 the term of the Lawrenceburg CPA due to load growth associated with  
11 hyperscaler and other industrial customers. The Flex-Up option provides  
12 additional firm accredited capacity associated with an existing resource at a  
13 competitive price to serve this load growth and support resource adequacy,  
14 reliability and affordability for I&M's customers. The Commission should approve  
15 the Lawrenceburg CPA, inclusive of the Flex-Up option, along with the  
16 associated project development costs.

17 **Q12. Does this conclude your pre-filed verified rebuttal testimony?**

18 Yes.

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<sup>3</sup> OUCC witness Hanks, p. 8.



## VERIFICATION

I, Andrew J. Williamson, Director of Regulatory Services for Indiana Michigan Power, affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information, and belief.

A handwritten signature in black ink that reads "Andrew Williamson". The signature is written in a cursive style with a large initial 'A'.

Date: 09/20/2024

\_\_\_\_\_  
Andrew J. Williamson