

FILED
March 4, 2022
INDIANA UTILITY
REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION


AMENDED PETITION OF DUKE ENERGY)
INDIANA, LLC SEEKING (1) APPROVAL OF A)
PROPOSED ELECTRIC TRANSPORTATION)
PROGRAM AND AUTHORITY TO DEFER)
RELATED EXPENSES, (2) APPROVAL OF A)
PROPOSED ELECTRIC VEHICLE FAST)
CHARGING (EVFC) TARIFF; AND (3) APPROVAL)
OF A PROPOSED ELECTRIC VEHICLE SERVICE)
EQUIPMENT (EVSE) TARIFF)

CAUSE NO. 45616

**INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR'S
PROPOSED ORDER**

Comes now, the Indiana Office of Utility Consumer Counselor ("OUCC"), by counsel, hereby submits its Proposed Order to the Commission for its approval.

Respectfully submitted,



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

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

AMENDED PETITION OF DUKE ENERGY)
 INDIANA, LLC SEEKING (1) APPROVAL OF A)
 PROPOSED ELECTRIC TRANSPORTATION)
 PROGRAM AND AUTHORITY TO DEFER) CAUSE NO. 45616
 RELATED EXPENSES; (2) APPROVAL OF A)
 PROPOSED ELECTRIC VEHICLE FAST)
 CHARGING (EVFC) TARIFF; AND (3))
 APPROVAL OF A PROPOSED ELECTRIC)
 VEHICLE SERVICE EQUIPMENT (EVSE))
 TARIFF)

ORDER OF THE COMMISSION

Presiding Officers:

Sarah Freeman, Commissioner

David E. Veleta, Senior Administrative Law Judge

On September 23, 2021, Duke Energy Indiana, LLC (“Duke Energy Indiana” or “Petitioner”) filed a Petition and case-in-chief testimony requesting approval of a proposed electric transportation program and deferral of related expenses. On October 22, 2021, Petitioner filed an Amended Petition and supporting testimony requesting additional approval of a proposed Electric Vehicle Fast Charging tariff and a proposed Electric Vehicle Service Equipment tariff. Petitioner’s case-in-chief included the direct testimony and exhibits of the following:

- Cormack C. Gordon, Director, Transportation Electrification, Duke Energy Business Services, LLC
- Suzanne E. Siefertman, Director, Rates and Regulatory Planning, Duke Energy Indiana, LLC
- Roger A. Flick, II, Manager, Rates and Regulatory Strategy, Duke Energy Business Services, LLC

On September 23, 2021 and October 22, 2021, Petitioner also filed motions for protection of confidential and proprietary information which were granted on October 6, 2021 and November 2, 2021, respectively.

Citizens Action Coalition of Indiana, Inc. (“CAC”) filed a Petition to Intervene on September 29, 2021, which was granted on October 22, 2021. On November 4, 2021, ChargePoint, Inc. (“ChargePoint”) filed its Petition to Intervene, which was granted on November 17, 2021.

On December 16, 2021, CAC filed the direct testimony of Kerwin L. Olson, Executive Director. On January 6, 2022, the Indiana Office of Utility Consumer Counselor (“OUCC”) filed the direct testimony of John E. Haselden, Senior Utility Analyst in the Electric Division, and Caleb R. Loveman, Electric Division Utility Analyst. ChargePoint filed the direct testimony of Kevin George Miller, Director of Public Policy.

On January 13, 2022, Petitioner filed the rebuttal testimony of Cormack C. Gordon, Suzanne E. Sieferman, and Roger A. Flick, II.

On January 25, 2022, ChargePoint filed a correction to Mr. Miller’s testimony.

On February 1, 2022, the OUCC filed a Motion for Leave to late file a public comment (“Motion”).

On February 8, 2022, the Commission conducted a public evidentiary hearing in this Cause at 9:30 a.m. in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. At the hearing, the Parties offered their respective pre-filed evidence, which was admitted into the record without objection. Also at the hearing, the Commission denied the OUCC’s Motion. No members of the public appeared.

Based upon the applicable law and the evidence herein, the Commission now finds:

1. **Notice and Commission Jurisdiction.** Notice of the hearing in this Cause was given and published as required by law. Duke Energy Indiana is a public utility as that term is defined in Ind. Code § 8-1-2-1(a) and is subject to the jurisdiction of this Commission in the manner and to the extent provided by the Public Service Commission Act, as amended, and other pertinent laws of the State of Indiana. The Commission has jurisdiction over Petitioner and the subject matter of this Cause.

2. **Petitioner’s Characteristics.** Duke Energy Indiana is a public utility and an Indiana limited liability corporation with its principal office located in Plainfield, Indiana. Petitioner is engaged in the business of rendering retail electric utility service to approximately 850,000 customers in 69 Indiana counties.

3. **Relief Requested.** Petitioner requests approval of a proposed Electric Transportation Program (“ET Program”) comprised of the following components:

- Residential EV Charging Incentive program
- Commercial EV Charging Incentive program
- Electric School Bus program
- Electric Transit Vehicle program
- Fleet Advisory
- Education and Outreach

In addition, Petitioner requests authority to defer the associated costs of the ET Program until its next retail base rate case; approval of a proposed Electric Vehicle Fast Charging (EVFC) Tariff; and approval of a proposed Electric Vehicle Service Equipment (EVSE) Tariff.

4. Proposed ET Program. Mr. Gordon testified that Petitioner’s proposed ET Program is a 24-month program to provide currently unavailable foundational knowledge on charging behaviors and grid impacts from a wide array of electric vehicle (“EV”) market segments; allow Indiana to join other states in deploying EV infrastructure to meet growing market needs; and provide a financial benefit for all customers, regardless of participation. He testified the ET Program was developed with an EV collaborative stakeholder group which included in-depth conversations and feedback on program components over the course of six months. General EV discussions also took place outside of the collaborative core group with dealerships, mayors, businesses, economic development groups, business developers, and others. He testified that the collaborative process resulted in better defined metrics of success and clarified program details; the calculation of net benefits using standard utility cost tests; customer choice on electric vehicle supply equipment; consideration of low-income participation; researching vehicle-to-grid technology with eSchool Buses; and establishing baseline data for future EV offerings.

Mr. Gordon testified that the major goal of the ET Program is to identify otherwise unknown effects of increasing adoption of different types of electric vehicles on the electric system, to understand various customer EV charging behaviors, and further verify the potential benefits to all Duke Energy Indiana customers and the state of Indiana. Metrics and objectives will be measured throughout the program with a specific post-program evaluation focused on calculating updated utility cost-benefit results using the actual load profiles from the ET Program. He testified the ET Program allows for a degree of flexibility, with the on-going collaborative process to guide program modifications throughout the term.

Mr. Gordon discussed EV market changes since 2013. He testified that with EV adoption climbing, the time is now to ensure multiple types of charging technologies for EVs are integrated safely, reliably, and cost effectively. He also testified that Duke Energy and other utilities have proposed and received approval for EV programs in other jurisdictions.

ChargePoint witness Mr. Miller testified that Petitioner’s proposed ET Program and tariffs, with certain modifications, will help overcome barriers to deploying EV charging infrastructure and create value for all Duke Energy Indiana customers by creating new load to reduce unit energy costs. In addition, managed charging supports widespread grid benefits resulting from more efficient grid utilization and deferred capital upgrades. Ratepayer benefits increase when EV charging is shifted off-peak or intelligently managed. He also noted that several studies highlight the expected long-term electric sales from incremental EV load exceeds the marginal cost of grid infrastructure to support that load. The addition of new dispersed load during off-peak hours can result in wider distribution of fixed costs, leading to lower rates for all customers.

OUCC witness Mr. Haselden testified that recent events have overtaken the process and have made four of Petitioner’s proposed programs duplicative of larger federal and state efforts in the same areas. The Indiana Department of Environmental Management’s (“IDEM”) recent grants awarded for electric school buses, transit vehicles, EV education and outreach, as well as the

Infrastructure Investment and Jobs Act (“IIJA”) signed into law on November 10, 2021, make four of Petitioner’s proposed programs duplicative, unnecessary, and inappropriate for recovery from ratepayers and should be denied. He testified the OUCC does not oppose Petitioner’s proposed Residential and Commercial EV Charging Incentive Programs but recommended adding a demand response group or subgroup to these pilot programs.

CAC witness Mr. Olson recommended the Commission reject or hold the case in abeyance until a statewide EV policy is developed by the Indiana Legislature.

In rebuttal, Mr. Gordon testified that it is premature to add a demand response component to Petitioner’s proposed ET Program as it would add degrees of complexity and cost with minimal incremental learnings or value. In addition, the collection of information to inform a demand response type program in the future is inherent to the currently proposed Residential and Commercial EV Charging Incentive programs as designed.

Mr. Gordon also testified that the current lack of adopted legislation does not equate to a requirement that any proposed activities be delayed as a matter of course. It also ignores the Commission’s long history of approving various EV programs, similar to the proposed programs within Petitioner’s ET Program, without explicit legislative language.

A. Residential EV Charging Incentive Program. Mr. Gordon testified that this program evaluates three utility-offered incentives to encourage residential customer EV adoption and home charging without requiring the customer to install a new meter and service. Quarterly participation payments (\$50/quarter over two years totaling \$400) will be made by the Company to test incentive methods for home charging, for up to 500 total residential customers on a first-come, first-served basis. Customers will be randomly assigned to one of three method groups to test a residential customer’s willingness to react to utility signals on when to charge their EVs but will not affect other energy usage patterns in the home. The method groups are: (1) baseline charging - customers charge however needed without any price signals or messaging from the Company and receive the incentive regardless of charging times; (2) off-peak credit of \$0.05/kWh for charging between 9PM-6AM, capped at \$16.67 per month; and (3) peak avoidance credit of up to \$16.67 per month for charging outside 6AM-9PM on weekdays only, with two opt-outs per month. Customers are eligible for only one incentive per residence and must own, lease, or otherwise operate on a regular basis, one or more plug-in EVs per installation. A plug-in vehicle includes plug-in hybrids (“PHEV”) and battery electric vehicles (“BEV”). Customers must demonstrate the purchase and installation of their choice of level 2 EVSE at their residence and charge at their residence at least once per week on average throughout the month. Usage will be billed under the applicable residential schedule and other riders for the billing demand and kWh registered or computed by Duke Energy Indiana’s metering facilities during the current month. Technology options, priced around \$200 annually per customer, are available to collect charging behaviors without requiring the participant to install a new metered service. The Company intends to gather data to establish load curves for Duke Energy Indiana EV customers, in addition to understanding the impact on the distribution system of multiple EV charging on the same transformer. In addition, Mr. Gordon testified Petitioner expects to learn the following from this proposed program: 1) participant statistics and amount of load management incentives issued; 2) cost of residential EVSE hardware and installation; 3) proportion of PHEV vs BEV operated by Petitioner’s customers; 4)

amount/timing of electricity consumption for residential EV charging (managed and non-managed); 5) patterns of electricity consumption associated with different models and types of EVs; 6) system and grid impacts of residential charging; 7) managed charging data; 8) updated cost effectiveness test values; 9) successfulness of outreach efforts; 10) effectiveness of the data collection technology platform used; 11) customer satisfaction survey results; and 12) unforeseen customer EV charging behaviors.

Mr. Miller testified that ChargePoint supports Petitioner's proposed Residential EV Charging Incentive Program.

As discussed above, Mr. Haselden testified the OUC does not oppose Petitioner's proposed Residential Charging Incentive Program but recommended adding a demand response component to the pilot.

B. Commercial EV Charging Incentive Program. Mr. Gordon testified that this program supports installation of 1,200 total Level 2 EVSE incentives, including charging stations, for any public or private entity, apartment dwelling units, government, or workplace fleet operators to support EV adoption, collect utilization characteristics of EV charging-behavior for a variety of EV types and weight-classes, and better understand potential grid and utility impacts of this EV charging market segment. Upon acceptance of customer's application and verification of proper installation of all EVSE behind a separate meter, customer will receive a one-time \$500 incentive per EVSE. The program will end 24 months after the initial effective date unless renewed or extended by the Company. He testified that 10% of all incentives (120/1,200) will be located in low-income areas as defined by the 200% level of United States Health and Human Services Poverty Guidelines for 2021. Applications will be considered on a first-come, first-served basis and customer locations must receive electric service from Duke Energy Indiana. A minimum of 4 EVSE incentives is required per location, with a single customer limited to 20 EVSE incentives, regardless of their number of locations. Allocation of the EVSE incentives, which may be modified to provide program flexibility, include 600 locations publicly accessible 24/7; 200 public or private workplace locations; 200 multi-unit dwelling locations; and 200 private fleet locations. Private Fleet customers must own, lease, or otherwise operate on a regular basis, one or more plug-in electric vehicles (PHEVs or BEVs) per installed EVSE. Customers may select any eligible, available commercial rate, including time of use rates, with usage billed thereunder with other applicable riders for the billing demand and kilowatt-hours registered or computed by or from Petitioner's metering facilities during the current month. In addition, participants must request new service to separately meter all EVSE funded by this incentive; customer's charging station(s) must be installed on customer's side of a new Company meter; and the incentive is incremental to any revenue credit given. This allows for unlimited customer choice of EVSE with no networked charging station required. Mr. Gordon testified Petitioner expects to learn the following from this proposed program: 1) participant statistics and amount of incentives issues; 2) establish load curves for various segments; 3) whether 10% of incentives were fulfilled for low-income areas; 4) rate summary and charging behaviors; 5) geographic diversity of charging locations; 6) amount/timing of electricity consumption for commercial EV charging; 7) what percentage of installed stations are networked; 8) system impacts of commercial EV charging; 9) customer satisfaction survey results; and 10) unforeseen customer EV charging behaviors.

As discussed above, Mr. Haselden testified the OUCC does not oppose Petitioner's proposed Commercial EV Charging Incentive Program but recommended adding a demand response component to the pilot.

Mr. Miller testified that ChargePoint supports the proposed Commercial EV Charging Incentive Program, with the following recommendations: 1) increase the incentive to reflect the current EV charging market and be commensurate with programs offered by other utilities; 2) require all chargers to be networked; and 3) authorize Duke Energy Indiana to cover the cost of make ready investments up to the utility meter, in addition to customer incentives for EVSE, to further support commercial L2 deployments.

In rebuttal, Mr. Gordon testified that while Petitioner is not opposed to larger amounts of funding that could cover make-ready investments, such funding is not the intent of the proposed programs which Duke Energy Indiana has purposefully scaled-back. As such, Petitioner requests its proposed funding level be approved. Mr. Gordon testified that Petitioner does not support a blanket policy requirement for networked charging. While networked chargers are both valuable and even necessary for many use cases, there are potential circumstances in which the features of networked charging are not required and therefore place undue incremental cost burden on participants.

C. Electric School Bus Program. Mr. Gordon testified that this program will be the first in Indiana to explore the benefits and challenges associated with bi-directional power flow from EV School Bus batteries back to the distribution grid. The program will fund up to \$197,000 per bus, which amount includes installation of Company-owned EVSE and assistance with the purchase of the EV School Bus. The program is limited to 6 school buses, with no more than 2 buses per school system. Petitioner will install and own the bi-directional EVSE with the participating school corporation responsible for proper operation and maintenance of the charging station according to manufacturer guidelines. Petitioner will establish and maintain charging station network connectivity for load control capabilities during the full 24-month program. The school corporation will own the EV School Bus. At the conclusion of the program, Petitioner will retain ownership rights to the EV School Bus battery and may remove and repurpose it at the end of the buses' useful life (as determined by the school). The program will be available on a first-come, first-served basis, to customers operating public school transportation systems in Duke Energy Indiana's service territory, with at least half of the incentives allocated to schools with over 30% of students on free or reduced lunches according to the USDA's Community Eligibility Provision data. Petitioner reserves the right to select participants to ensure the broadest set of data for Indiana. Participants must utilize one or more EV School Bus and provide transportation to a public school system. In addition, participants must grant Petitioner access to all vehicle charging data throughout the program term and allow implementation of load management capabilities to reduce charging speeds, up to an including full curtailment and bi-directional power flow, provided such control activities do not impact the necessary duty cycle of the EV School Bus. He explained that bi-directional charging allows not only for an EV battery to be charged, but for that battery to also discharge back to the electric system via interconnection. Prior to participation, the school corporation and Petitioner will execute an Electric Vehicle Bus Supply Equipment Site Agreement to establish the terms and conditions of VSE and EV School Bus installation and ownership. Throughout the term of the program, Petitioner will cover network and preventative service fees

necessary to perform bi-directional power dispatching events, which are estimated at approximately \$6,500 per year. Mr. Gordon testified Petitioner expects to learn the following from this proposed program: 1) amount of energy used by a EV School Bus; 2) electricity consumption and customer charging behavior; 3) average load curves; 4) system impacts of charging and discharging; 5) capability for bi-directional power events; 6) EV School Bus reliability statistics; 7) impacts of various EV School Bus applications, such as geographic route differences and weather; 8) customer and student experience; 9) amount of off-peak charging; 10) number of bi-directional events performed each year; 11) impact of the program on EV School Bus purchases; 12) fuel and maintenance savings; 13) emissions reductions; and 14) distance buses were able to transport students

Mr. Haselden testified that the proposed school bus program is unnecessary and redundant to other grants awarded at the state and local level. He noted IDEM awarded grants for four electric school buses and the federal IJA will likely award Indiana approximately \$20 million for electric school buses. Mr. Haselden also testified Petitioner incorrectly assumed there would be system T&D capacity savings when there are none. The proposed installations will increase the load on the specific circuits on which they are located. Therefore, the value of the Vehicle to Grid (“V2G”) in the proposed school bus program is overstated by assuming system T&D capacity cost savings when there are none. This reduces the benefits by approximately half and renders the program less cost effective. Mr. Haselden further noted the IJA also contains funds to study V2G and expending funds to later be collected from ratepayers is unnecessary, redundant, and likely will be accomplished in a more comprehensive manner by others.

In rebuttal, Mr. Gordon testified the OUCC’s recommendation to deny the Electric School Bus program is misplaced and not supported by any evidence. The IDEM grant does not require, nor fund V2G charging, and the administration and use of federal funding has yet to be determined. Petitioner’s proposed scaled back program will assist schools, gain valuable learnings around V2G impacts on the grid, and is critical for the feasibility and success of large-scale school bus V2G projects. He testified that Duke Energy Indiana recently commissioned Indiana’s first and only active V2G school bus charging station with Bartholomew Consolidated School Corporation, as a research project, which has already presented opportunities for improvement. Conducting the proposed Electric School Bus program is beneficial to the overall success of similar, future efforts. Further, on cross examination, Mr. Gordon testified about the importance of being able to test the batteries as “rolling assets” in the day-to-day applications utilized by the school corporations.

In cross-examination, Mr. Gordon admitted the behavior of batteries in a V2G study did not require a school bus to be present and could be simulated using the battery alone.

D. Electric Transit Vehicle Program. Mr. Gordon testified that the purpose of this program is to collect transit vehicle utilization data and other load characteristics and incentivize electric vehicles used for public transportation (“EV Transit Vehicles”). Petitioner proposes a \$50,000 incentive to offset the cost of EVSE, including charging stations and EV Transit Vehicles. The proposed program offers incentives for no more than 10 total large transit buses and 10 total smaller, shuttle-like vehicles with a passenger capacity of 7 or more. Customers are responsible for selection, installation, and proper operation and maintenance of EVSE during the term. Participation will be on a first-come, first-served basis to non-residential Duke Energy Indiana

customers. Participants must operate a commercial transit bus or vehicle system utilizing one or more EV transit buses or shuttles. In addition, participants must request a new service with a dedicated meter for the associated EVSE that will be used to recharge the qualifying vehicle. Usage will be billed under the customer's existing commercial rate or other applicable rate, including time of use rates. Customers are limited to no more than 4 incentives per transportation system regardless of charging location. Mr. Gordon testified Petitioner expects to learn the following from this proposed program: 1) electricity consumption and customer charging behavior; 2) established load curves; 3) system impacts of EV Transit charging; 4) charging station installation costs; 5) customer operational savings associated with EV Transit Vehicle deployment; 6) EV Transit Vehicle reliability statistics; 7) customer and passenger experience; 8) impact on EV Transit Vehicle purchases; 9) fuel and maintenance savings achieved; 10) emissions reductions achieved; 11) impact of various EV transit applications, such as geographic route differences and weather; and 12) amount of off-peak charging.

Mr. Haselden testified the proposed Transit Vehicle Program should be denied as it is not cost effective under the RIM test and the customer incentive is not adequate to induce participation. He also testified the program should be denied because of the larger amounts of funding being provided at the state and federal levels renders the proposed pilot redundant and unnecessary. This is a program captive ratepayers should not be required to fund.

In rebuttal, Mr. Gordon testified that although utility involvement in public transit is generally favored and there is a need to study public transportation aspects of the EV market, Duke Energy Indiana agreed to remove the Electric Transit Vehicle program from the proposed ET Program. Duke Energy Indiana will continue to monitor the rollout of federal funding opportunities and will look to propose future programs in the public transportation sector.

E. Fleet Advisory Program. Mr. Gordon testified that the purpose of this proposed program is to provide comprehensive analysis for customers operating fleets that are interested in switching those fleets to all-electric. Petitioner plans to perform 45 consultations over two years, with each budgeted at \$12,000. Participation will be on a first-come, first-served basis to non-residential Duke Energy Indiana customers. Participants must operate a commercial vehicle fleet. Mr. Gordon testified Petitioner expects to learn the following from this proposed program: 1) establishing a customer roadmap for fleet electrification; 2) selecting appropriate vehicles and evaluating total cost of ownership; 3) performing existing site capacity studies for potential charging needs; 4) planning support for charging infrastructure; 5) providing OEM vehicle and hardware insights; 6) providing an opportunity to educate customers on other incentives available under this ET Program; and 7) assisting customer in procurement and commissioning stages.

OUCC witness Mr. Haselden testified the proposed Fleet Advisory Program is a load-building marketing effort and should be denied.

ChargePoint witness Mr. Miller cautioned that blurring the lines between a utility providing customer incentives and offering input on topics such as EV procurement and management, funding options, or EVSE choices fall beyond the scope of a utility advisory function and could adversely affect the market for charging equipment or services. He recommends these services focus on promoting the technical guidance made available through the incentives, as well as

education focused on how to manage charging and effectively integrate newly electrified vehicles while mitigating disruptions to business operations. Mr. Miller recommended Petitioner ensure all marketing materials and communications with customers be vendor neutral.

In rebuttal, Mr. Gordon testified that to the contrary of Mr. Haselden's assertion, the program provides benefits to participating customers who are likely to electrify their fleet by helping them navigate in a way most optimal to the customer and utility system. By learning about customer efforts from the beginning to optimize the grid and respond to fleet electrification, non-participants also benefit. He testified the Fleet Advisory program provides not only participant-specific analysis, such as total cost of ownership, or route and vehicle feasibility, but also managed charging recommendations and grid impact analysis. The program allows Petitioner to be informed of fleet electrification plans so that it can respond and plan holistically, enabling insights on longer term customer and system needs. It is appropriate for Duke Energy Indiana to assist customers in avoiding mistakes that could impact their operations and the grid.

Mr. Gordon also testified in rebuttal that it is Duke Energy Indiana's intention that this program be a vendor-neutral service. Marketing materials will not promote any specific solution, and recommendations made to customers will be based on functional needs and should include multiple examples of provider options.

F. Education and Outreach. Mr. Gordon testified the purpose of this program is to utilize various communication channels to ensure the components and benefits of each proposed program will be effectively communicated to Duke Energy Indiana customers. Dealership education and outreach are a major focus of the program to pursue successful customer EV experiences. Mr. Gordon testified that as a part of this program the collaborative meeting schedule with stakeholders will continue to provide feedback on program status, successes, and challenges. Mr. Gordon testified Petitioner expects to learn the following from this proposed program: 1) the outreach programs most effective at reaching customers; 2) causes of customers backing out or not continuing with program enrollment; 3) customer experience and feedback; 4) where applicable, how many customers decided to purchase an EV or EV charging station; and 5) additional feedback from the collaborative.

Mr. Haselden testified that with IDEM's recent grant of \$800,000 to South Shore Clean Cities for statewide EV education and outreach, this proposed program is redundant and unnecessary.

In rebuttal, Mr. Gordon testified the proposed Education and Outreach program is to support effective communication with prospective and actual participants in each of the EV programs proposed in this proceeding, not the VW Mitigation Trust fast charging program. For the ET Program to be successful, education and outreach is a necessary and reasonable component.

5. ET Program Benefits. Mr. Gordon testified that Petitioner conducted a Ratepayer Impact Measurement ("RIM") Test, Participant Cost Test ("PCT"), and Total Resource Cost Test ("TRC") to quantify customer benefits related to the ET Program. He explained the tests and testified that all three tests resulted in a positive net benefit for the portfolio of programs. However, he noted the PCT and TRC cost effectiveness tests are not an exact fit for this ET Program as they

are not designed to evaluate EV charge specific programs. The RIM test results were used to guide changes in incentive levels for participants while balancing overall Program benefits to all non-participating customers, showing nearly \$90,000 net benefits to all customers, despite the fact that individual customer participation will be limited. He testified that data received from the ET Program will be used to further refine vehicle benefits using Company specific load curves, EV charging behaviors, and lessons learned from most successful incentive structures.

Mr. Gordon testified that several consumer protections are built into its proposed programs, including 1) a limited two-year term, at which time Petitioner may propose to extend certain program elements; 2) the limited scope, number of participants, and specific goals for each program; and 3) a proposed cost recovery cap.

OUC witness Mr. Haselden testified that Petitioner's \$89,630 net present value of benefits for the EV Program under the RIM test assumes higher kWh sales will benefit all customers prior to implementation of new rates in the next rate case, which is incorrect. The benefit of increased sales prior to implementing new rates will accrue solely to Petitioner through increased contribution to fixed costs and profits via the increased sales and will not benefit other customers. He testified that removing the first few years of increased sales revenue until Petitioner's next rate case would drive the net present value ("NPV") of benefits for the EV Program negative under the RIM test. However, removing non-cost effective programs (Electric School Bus, Electric Transit, Fleet Advisory, and Education and Outreach) may result in a cost-effective portfolio.

In rebuttal, Mr. Gordon testified that with the removal of the Electric Transit Vehicle program the overall ET Program RIM score increased, with net benefits increased from \$89,630 to \$674,479. Mr. Gordon did not rebut or dispute the cost effectiveness testimony made by Mr. Haselden.

6. ET Program Costs and Ratemaking. Ms. Sieferman testified that the Company is proposing a cost recovery cap at \$4.3 million, plus actual carrying costs. Mr. Gordon testified the \$4.3 million cost cap is comprised of approximately \$0.510 million of capital spend and approximately \$3.790 million of O&M spend. He testified that within the \$4.3 million cost cap, the programs are evenly split over two years, with the exception of the Electric School Bus program which budgets all six buses and chargers deployed in the first year in order to gather adequate data in year two. Additional costs associated with network data collection are also included in the Residential and School Bus programs. Mr. Gordon explained that incentive and participant quantity levels for the ET Program were determined by studying the existing EV market in Duke Energy Indiana and feedback from stakeholders during the collaborative process, as well as the RIM test cost-benefit analysis.

Ms. Sieferman testified that for the capital portion of the ET Program Petitioner is requesting authority to defer depreciation expense and post-in-service carrying costs at the weighted average cost of capital rate as a regulatory asset until the capital components are deemed to be used and useful in a future base rate case. For the associated O&M costs, Petitioner is requesting deferral with carrying costs at the weighted average cost of capital rate, as a regulatory asset to be held for recovery in a future retail base rate case. Ms. Sieferman believes this

ratemaking proposal to be reasonable and prudent, and the proposed accounting treatment in accordance with Generally Accepted Accounting Principles (“GAAP”). Ms. Siefertman requests the Commission specifically approve the accounting and ratemaking treatment proposed.

OUCC witness Mr. Loveman testified that Petitioner’s proposed accounting, ratemaking treatment, and cost recovery for the ET Program should be denied. Duke Energy Indiana did not consider utility service affordability in its petition, and it is unknown when potential benefits will be realized by DEI’s customers. The ET Program is experimental, discretionary, not necessary for system operation and maintenance, load building with no discernable benefits to ratepayers, and should be paid for by shareholders. As proposed by DEI, all of the risks are put on Duke Energy Indiana’s ratepayers. Any potential benefits over a 10-year period are speculative and would not be realized until a future base rate case. He testified Petitioner did not cite any applicable authority allowing for recovery of the costs proposed, and that the ET Program is not necessary to provide safe and reliable service to Duke Energy Indiana customers.

Mr. Loveman testified that if the Commission approves the ET Program including associated accounting, ratemaking treatment, and cost recovery, he recommended Petitioner be permitted to calculate carrying charges on only the capital portion of the ET Program regulatory asset at the lower of Duke Energy Indiana’s Allowance for Funds Used During Construction (“AFUDC”) or Weighted Average Cost of Capital (“WACC”) rate, less the equity portion for each rate, as Petitioner has not demonstrated any financial harm if not included. Mr. Loveman pointed to historic cases where the Commission approved only the debt portion for carrying charges. Petitioner should not be permitted to calculate carrying charges on the O&M expenses incurred. In addition, Petitioner should only be permitted to calculate carrying costs charges for two years beginning when the asset is placed in service, corresponding to the duration of the pilot program, and only permitted to earn a return of and not a return on of the regulatory asset which relates to the O&M expense portion of the ET Program, in a future rate case. He explained that utilities should only earn a “return on” physical assets it owns. The bulk of the O&M costs Petitioner proposes are for incentives to be paid directly to customers and do not involve installing equipment Duke Energy Indiana will own. The incentives are a limited-use benefit only in place for the two-year duration of the ET Program. Mr. Loveman testified Petitioner did not demonstrate it would suffer any financial harm if not permitted to calculate carrying charges at its full WACC rate. Mr. Loveman testified any cost recovery should be capped at \$4.3 million, excluding carrying costs.

In rebuttal, Mr. Gordon testified that with the removal of the Electric Transit Vehicle program, the total cost estimate for the ET Program decreased from \$4.3 million to \$3.3 million. However, he stated that the recent excessive escalation in inflation could impact the estimate over the two-year life of the programs.

In rebuttal, Ms. Siefertman testified that Petitioner is incurring carrying costs on both the capital and O&M portions of the investment and it is reasonable to seek recovery of both. She testified that the proposed use of the WACC rate for calculating carrying costs is more applicable to the types of costs being incurred in the ET Program (primarily O&M); whereas the AFUDC rate is typically used to calculate carrying costs incurred during construction and includes short-term debt. These two rates have varied over time and one rate may be lower than the other at any point in time, so Ms. Siefertman testified it is not appropriate to simply pick the lower of the two rates.

She testified that in addition to being theoretically incorrect, such an approach would be administratively cumbersome and inefficient. One methodology should be approved and used consistently in calculating carrying costs in this proceeding.

Ms. Sieferman testified Duke Energy Indiana finances its rate base with both debt and equity, and it should be allowed to recover all financing costs associated with the ET Program and not just the debt portion of the carrying costs. She also pointed out that the Commission has allowed for deferral of post-in-service carrying costs, including the equity component, in prior proceedings. Ms. Sieferman explained that the GAAP accounting rule does not restrict a company from ever receiving the equity return portion of post-in-service carrying costs from customers nor does it mean that commissions cannot approve recovery of post-in-service carrying costs that include an equity component. She testified the Commission has not used this accounting rule to limit recovery to debt-only financing costs in the past. The Commission should not deny recovery of the full financing costs, both debt and equity, associated with the proposed ET Program.

Ms. Sieferman testified that Mr. Loveman's suggestion to limit the calculation of carrying costs to a maximum of two years is unnecessary to address concerns with open-ended accrual of carrying costs. Duke Energy Indiana has proposed accrual of carrying costs until such time as the associated regulatory assets can be recovered in a future retail base rate case which, by statute, will be within six years of approval of the Company's pending TDSIC 2.0 plan filing in Cause No. 45647.

7. EV Tariffs.

A. EVFC Tariff. Mr. Flick testified that Petitioner's proposed EVFC Tariff is available for use by any electric vehicle owner who charges their electric vehicle at a Duke Energy Indiana public fast charging site (50 kW or greater), with the rate applying only at the Duke Energy Indiana-owned charging stations. The proposed EVFC Tariff promotes accessible public fast charging and provides Commission oversight over the rates charged. Mr. Flick testified that with the support of the Regional Electric Vehicle Coalition (REV Midwest), the Midwest region is on the leading edge of providing needed charging infrastructure to meet demand as rapid adoption of electric vehicles continue. In addition, with the availability of offsetting financial support from the IDEM Volkswagen Beneficiary Mitigation Fund this provides a unique and prime opportunity to deploy a statewide fast charging network. Mr. Flick testified that Petitioner and seven other electric utilities were awarded \$5.5 Million to roll out and operate a 61 location DC Fast Charge Network across the State by the end of 2023. As part of that network, Duke Energy Indiana was approved to install fast charging at 17 locations across its service territory, each of which will be capable of simultaneously charging two cars at 50kW or higher charging power output.

Mr. Flick testified that the proposed EVFC Tariff provides an equitable payment manner for its Company-owned and operated fast charging stations, and aligns well with the IDEM program's objective of cultivating the Indiana fast charging market while not undercutting the rates charged at third party-owned charging stations. He testified the EVFC rate is derived from an Indiana statewide average of 11 existing, comparable public charging stations with greater than 50kW charging output capacity and publicly accessibility 24-hours per day. Petitioner will review the rate quarterly and update it when the statewide average changes by more than 10% from the

amount in the proposed EVFC Tariff. Mr. Flick explained that using a dollar per kWh pricing structure provides a simple and equitable pricing construct across different vehicle charging types, speeds, and locations which is easy for the end-user to understand. Mr. Flick testified Petitioner is proposing an EVFC Tariff rate energy charge of \$0.342505 per kWh, with an additional \$1.00 per minute idling fee after ten minutes to apply at certain stations located in close proximity to highway corridors or other highly trafficked areas. The applicable rate will be clearly visible to users on the display in \$/kWh. The Company reserves the right to limit station output based upon periods of high demand or high station utilization. Petitioner proposes using revenues received from the EVFC Tariff to cover costs associated with station operations for a minimum of five years, at which time any remaining accrued revenues (above the O&M associated with the charging stations) will be credited against overall costs of the entire 17 location project.

Mr. Haselden testified the OUCC recommends Petitioner's proposed EVFC tariff be denied. He testified the proposed EVFC pricing is not based upon Duke Energy Indiana's cost of providing service. It is also not related to the levelized cost of Duke Energy Indiana's portion of the EVFCs in the project funded by IDEM nor ongoing operations and maintenance costs. He testified Petitioner did not know how the EVFC prices used by Petitioner to construct an average price were determined. He noted the EVFC prices varied by operating company from \$0.07/kWh to \$0.66/kWh. Petitioner was not seeking cost recovery for its participation in the EVFC project in this proceeding. In addition, the sample size is extremely small, and it does not consider any subsidization of costs by the host companies. This results in a distorted and subsidized range of pricing whose average value is meaningless, and not a reasonable range of market prices. Mr. Haselden further testified that it is premature to set a price for EVFCs that do not exist and whose operating or financial structure is unknown. The large amount of federal funding for EVFCs, coupled with the REV Midwest coordination, will have a substantial effect on what development of EVFCs and pricing will be.

Mr. Haselden also testified Petitioner was not seeking cost recovery of its costs to participate in the IDEM funded EVFC project. However, he noted Petitioner expects to make a capital investment of \$2,866,716 net of the IDEM grants in this project. Mr. Haselden testified when asked how Petitioner proposes to recover costs not covered by EVFC tariff revenue, Petitioner responded, fuel costs would be covered and Petitioner is not requesting approval for cost recovery of the stations *at this time*.

Mr. Miller testified ChargePoint does not support Petitioner's proposed EVFC tariff, and recommends Duke Energy Indiana be directed to allow site hosts to establish and adjust the prices and pricing policies for EV charging services provided at utility-owned EV chargers located on their property. He testified this would ensure the utility remain whole for electricity costs while allowing site hosts flexibility to price charging services in accordance with its goals and core business alignment which is fundamental to market development. He testified this would not constitute third-party sales of electricity since a network service provider could be used to facilitate EV charging transactions, with the electricity sold directly by Duke Energy Indiana to the driver.

In rebuttal, Mr. Flick testified the EVFC Tariff is not being offered prematurely and is a necessary tool to aid timely and effective operation of charging stations funded by IDEM through the Indiana Volkswagen Environmental Mitigation Trust. The EVFC Tariff provides a reasonable

and flexible means to price fast charging service that neither undercuts other market participants nor overburdens EV drivers. The tariff's periodic pricing updates will ensure it adjusts as charging conditions within the State evolve, enabling a common interstate charging experience. Mr. Flick testified that pricing at Duke Energy Indiana owned locations should not be ceded to a third party outside of the utility and Commission's oversight. The proposed EVFC Tariff does not prohibit others from securing charging infrastructure on their own and establishing pricing at their locations at their discretion.

In rebuttal, Mr. Gordon testified that from an overall policy standpoint, Duke Energy Indiana does not support host ability to establish pricing and policies for the EVFC Tariff. While participant site hosts under the EVSE Tariff maintain full pricing and policy autonomy, funding of the charging infrastructure associated with the EVFC Tariff is not borne directly by the site host. In addition, Duke Energy Indiana must provide a consistent and fair price for all utility-owned and operated fast charging stations under the 5-year operational requirement of the VW Mitigation Trust. Mr. Gordon also testified that by accepting the award of funds by IDEM through the IUG project, Duke Energy Indiana has made a commitment to the State of Indiana to deliver the projects. Approval of the proposed EVFC Tariff is needed to provide charging at its IUG charging stations in the coming months. In order to operate individual electric vehicle fast charging locations at the time they are commissioned, pricing must be established in advance.

B. EVSE Tariff. Mr. Flick testified that Petitioner's proposed EVSE Tariff is for regulated customers desiring electric vehicle charging infrastructure at their residential or commercial premises served by Duke Energy Indiana's distribution system. The EVSE Tariff will be based on installation of standard equipment and billed as a monthly fee for each type of equipment. The proposed charging technology/equipment options, described in the EVSE Tariff, span a considerable spectrum of charging capabilities intended to cover the majority of charging demands. Mr. Flick explained that in developing the EVSE Tariff, Petitioner used as a model its Sheet No. 42, Rate LED. Both programs provide products and services on the customer's side of the delivery point and offer simple, standard pricing based on third party vendor equipment quotes, adjusted for other costs incurred by the Company in the course of offering the products. The EVSE Tariff offers prospective customers a menu of clear/concise monthly prices to serve their onsite charging equipment needs. Mr. Flick testified that all charging equipment offered in this program remain the property of Duke Energy Indiana, excluding any electrical upgrades made on the customer's side of the delivery point at the customer's election and expense. Also, the proposed EVSE Tariff does not include energy charges to charge the electric vehicles, rather the customer will use its standard energy service tariff along with any potentially managed charging offers ultimately approved by the Commission. Mr. Flick noted that while a customer taking advantage of the EVSE charging equipment tariff may also qualify for the other proposed offerings under the ET Program, there is no requirement that they participate in those. The proposed EVSE Tariff design is intended to be flexible and offer customers clear and concise pricing options. He testified that the proposed electric transportation tariff offerings will not negatively impact Duke Energy Indiana's other customers.

Mr. Haselden testified the OUCC has no concerns with the proposed EVSE tariff as it is voluntary and would be paid only by participating customers.

Mr. Miller testified ChargePoint does not support Petitioner's proposed EVSE tariff, recommending it be revised to expressly allow for customer ownership and third-party turnkey solutions. He testified Petitioner should also provide site hosts the ability to choose from at least two vendors of EV charging hardware and software for all options available to customers under the EVSE Tariff. In addition, he recommended all chargers installed through the EVSE Tariff be networked to enable increased functionality and wider future program design options.

In rebuttal, Mr. Flick testified that restricting customer choice to exclusively networked equipment ignores EV customers that might not desire more expensive, and potentially perceived to be more intrusive, charging options. He testified there are other technologies that enable insight and management of EV charging load between the customer and utility without networked equipment, such as smart panels, smart breakers, and software platforms connected directly to the EV itself. Mr. Flick testified Duke Energy Indiana has no opposition to customer ownership of EV chargers and charging infrastructure or securing third-party turnkey solutions, with the limitation that such structures should be operated in a manner compatible with Duke Energy Indiana's service regulations. In addition, Mr. Flick confirmed that the proposed EVSE Tariff will offer a suite of charging hardware and software solutions.

C. Alternatives to Proposed Tariffs. ChargePoint witness Mr. Miller recommended Petitioner submit one or more alternatives to traditional demand-based tariffs within six months from the date of an order in this proceeding. He testified that implementing appropriate rate designs that eliminate, defer, or reduce demand charges is key to unlocking increased investment in EV charging infrastructure. As Duke Energy Indiana develops demand charge alternatives, it should consider specific use cases as well as alternatives that have already been demonstrated by utilities in other states.

In rebuttal, Mr. Flick testified Duke Energy Indiana already offers a standard Low Load Factor Secondary Service rate without a demand charge and two time-of-use commercial rates that could be utilized by commercial and industrial EV customers. He testified that Duke Energy Indiana is willing to discuss the prospect of offering additional rates with charging stakeholders in future proposals.

CAC witness Mr. Olson testified that Petitioner should consider the potential federal funding opportunities for Indiana as a result of the federal bipartisan infrastructure bill before asking for captive ratepayer money.

In rebuttal, Mr. Gordon testified that the proposed EVSE and EVFC Tariffs do not hold customers captive, as alleged. These are voluntary programs which are completely participant focused and do not impact non-participating ratepayers. Although Petitioner will consider federal funding opportunities to help relieve program expenses and support eligible customers choosing to apply for available funding, waiting for additional funding that may or may not materialize will only delay the gathering of important data.

In cross examination, Mr. Gordon clarified he meant only the rates paid at the EVFC chargers are paid by the users.

8. Proposed Reporting. Mr. Gordon testified that Petitioner will share aggregated data obtained through the ET Program with the public through annual reports submitted to the Commission every twelve months for a period of two years following the start of the ET Program. He testified that 180 days after conclusion of the ET Program, Petitioner will file a report sharing the information gathered and conclusions reached. Before or after the conclusion of the ET Program, Petitioner may seek approval of newly developed EV-related customer offers or continuation of the ET Program components.

9. Commission Discussion and Findings.

A. Electric Transportation Program. In Cause No. 45253 S2, Petitioner previously proposed an ET Pilot Program, which contained several of the components included in the ET Program proposed in this proceeding, even though this program has been modified from the first filing. In our order in Cause No. 45253 S2, issued on July 22, 2020 (“Cause No. 45253 S2 Order”), we denied Petitioner’s proposal, based on several findings. First, we expressed concern about the scope of the proposed ET Pilot Program, finding that:

...the Settlement Agreement, is neither reasonable nor in the interest of the vast majority of Duke Energy Indiana’s customers. Instead, we find the ET Pilot Program is essentially a customer-funded proposal to further a utility/company policy that is not reflected at a similar scale in the state of Indiana’s policies on energy and EV development. (Cause No. 45253 S2 Order, p. 16)

Additionally, we noted the potential impacts of utility investment on market forces. “Introducing a monopoly utility, risking significant ratepayer dollars in what can only be described as a speculative market, will distort the true demand and potentially push private capital out of the market.” (Cause No. 45253 S2 Order, pp. 17-18). Finally, we acknowledged the lack of adequate measurements of success for the various program components, stating “while the Settlement Agreement puts forth various measurements, it does not define what determines if such measure is to be deemed successful.” (Cause No. 45253 S2 Order, p. 18).

While Petitioner adjusted the scale of the proposal in this proceeding downward, we continue to have concerns about several components of the proposal. As explained further below, we approve in part, and deny in part, Petitioner’s request for the ET Program proposed in this Cause.

With Petitioner’s voluntary removal of the Electric Transit Vehicle program and other program modifications, the proposed ET Program consists of five programs and is limited to a twenty-four-month period, with a total estimated cost of \$3.3 million, plus carrying costs. Petitioner’s Ex. 4.

Based upon the evidence presented, the Commission finds that the ET Program presented by Petitioner in this proceeding, consisting of (1) Residential EV Charging Incentive program; and (2) Commercial EV Charging Incentive program; are reasonably focused and consistent with the public interest and should be approved.

The Commission recognizes that there has been positive policy movement in Indiana for investigation and promotion of electric vehicles. Specially, in September 2021, Governor Eric Holcomb signed a Memorandum of Understanding known as the Regional Electric Vehicle Midwest Coalition (REV Midwest) to create a regional framework to accelerate vehicle electrification with neighboring states. Additionally, the recently passed IJA states “[e]ach State shall consider measures to promote greater electrification of the transportation sector, including the establishment of rates that—(A) promote affordable and equitable electric vehicle charging options for residential, commercial, and public electric vehicle charging infrastructure; (B) improve the customer experience associated with electric vehicle charging...” We find that Duke Energy Indiana’s Residential EV Incentive and Commercial EV Charging Incentive programs are consistent with these state and federal policies and certainly would further efforts in Petitioner’s service area in Indiana.

While the policy movements described above, in addition to IDEM’s grants for electric school buses and electric vehicle education and outreach, are intended to promote electrification efforts, we are concerned about using ratepayer funds for these same types of programs the other mechanisms already address. We recognize that Duke Energy Indiana significantly reduced the customer impact of its proposed programs. However, with the additional federal and state funding in these areas, we agree with OUC witness Mr. Haselden that the electric school bus, fleet advisory, and education components of Petitioner’s ET Program are redundant and should not be funded by ratepayers.

We also recognize that Duke Energy Indiana provided more evidence of the impact on non-participants. However, this information was disputed by OUC witness Mr. Haselden and not rebutted by Petitioner. Petitioner’s evidence does not show any benefits to non-participating customers for the school bus and fleet advisory programs. As we noted in our Order in Cause No. 45253 S2 that the previous EV Pilot Program “fails to demonstrate reasonable, timely benefit to non-participating customers,” (Cause No. 45253 S2 Order, p. 16), the evidence in this proceeding also shows these components fail to provide benefits to non-participating customers.

Further, specifically referencing the school bus program, Petitioner witness Mr. Cormack admits that simulating the charging and discharging of a battery does not require the battery be connected to school bus. (Tr. at p. 11, l. 16 – p. 12. l. 16). Based on these concerns, we find the school bus, fleet advisory, and education and outreach components of Petitioner’s ET Program should be denied.

B. Ratemaking. Based upon the evidence presented, we find that Petitioner’s decision to incur the costs of the ET Program, as modified, is not just and reasonable for cost recovery from Duke Energy Indiana’s customers. Duke Energy Indiana should not be allowed to defer and recover capital and O&M costs for the Residential EV Incentive and Commercial EV Charging Incentive programs. If recovery was approved, Duke Energy Indiana would bear no risk for the ET Program, as modified. The entirety of the risk would be on Petitioner’s customers. Petitioner did not properly indicate how customer affordability would be managed if these costs were to be recovered from its customers. Therefore, Petitioner’s request to defer and recover capital and O&M costs for the ET Program, as modified, is denied.

C. EVSE Tariff. Based upon the evidence presented, we find that Petitioner’s proposed EVSE Tariff, as presented in Petitioner’s Exhibit 3, is reasonable and hereby approved by the Commission. The Company has shown that this tariff provides options for customers to obtain electric vehicle charging infrastructure and do not present concerns about cross subsidization by non-participating customers. Participating EVSE customers will pay the full costs of installation of service equipment at their premise, similar to the Company’s existing street lighting tariffs. The proposed EVSE tariff is a voluntary offering that provides customers additional EV related services at residential and commercial premises served by Duke Energy Indiana. As proposed, the EVSE tariff does not restrict customer choice, will be based on installation of standard equipment, and will be billed as a monthly fee for each type of equipment.

D. EVFC Tariff. We agree with the OUCC the proposed EVFC tariff is not founded on the ratemaking principle of cost causation. The proposed adjustment proposal, based upon other prices of unknown origin, are particularly troublesome for this Commission. Petitioner’s proposed EVFC tariff rates are based on pricing at publicly available fast charging stations in Indiana. We are concerned with the methodology for two reasons. First, the rate is only based on eleven (11) fast charging stations with a wide variance in rates that are charged. Based on Petitioner’s evidence, these facilities charge the equivalent of \$0.07 per kWh up to \$0.66 per kWh. Petitioner provided no evidence regarding how the owners or operators of these facilities have determined the rates they charge. We recognize pricing charging service above market price could result in underutilization of Duke Energy Indiana’s charging stations. However, with such a small group and wide variance in rates, we are concerned that this is not an appropriate “market” upon which to base rates.

Second, Petitioner has not provided any evidence on how the proposed rates relate to the cost of providing service. Petitioner indicates that the VW award from IDEM will cover approximately \$90,000 of the total \$250,000 cost for each fast charging location, and that the rates will cover fuel costs for the fast charging stations, but has not provided any other information on how the proposed rate will address other costs. Specifically, Petitioner has not addressed how costs not covered by the EVFC revenues will be addressed. In a notable difference from the proposed EVSC tariff, where Petitioner has shown that non-participating ratepayers will not be affected, we are concerned Petitioner may rely on ratepayers to subsidize the uncollected costs relating to the fast charging stations. Petitioner has not provided any assurance that this will not happen, and the proposed EVFC tariff does not address these concerns. While we acknowledge Petitioner is developing these fast charging stations in response to IDEM’s VW award, Petitioner is also a regulated monopoly, and we want to ensure that non-participating ratepayers are not harmed by this proposal. Because Petitioner is stepping into an unregulated market, i.e., the fast charging service for electric vehicles, we must be cautious to ensure that both the utility and ratepayers are served. Based on our concerns, the proposed tariff does not balance these interests. Therefore, Petitioner’s proposed EVFC Tariff is denied.

D. Reporting Requirements. In approving this ET Program, as approved in this order, the Commission finds that Petitioner has identified and defined measurable metrics that will be used to determine the success of each program and, ultimately, enable the overall benefits for Duke Energy Indiana’s customers to be evaluated. The Commission finds it is important Duke Energy Indiana gather and report the information summarized in Petitioner’s Exhibit 1-A and file

a compliance report every twelve months for the two-year period, following the start of the ET Program.

10. Confidential Information. Petitioner filed Motions for Protection of Confidential and Proprietary Information (“Motions”) with the Affidavits of Cormack C. Gordon and Roger A. Flick, II, on September 23, 2021 and October 22, 2021. In the Motions Petitioner demonstrated a need for confidential treatment for marginal cost estimates and sensitive pricing and cost details related to the development of the proposed EVSE Tariff. In docket entries dated October 22, 2021 and November 2, 2021, the Presiding Officers preliminarily found that such information should be subject to confidential procedures.

The Affidavits of Mr. Cormack and Mr. Flick indicate that such confidential information has actual or potential independent economic value for Petitioner and its ratepayers, the disclosure of the confidential information could provide Petitioner’s competitors and suppliers an unfair advantage, and Petitioner and its affiliates have taken all reasonable steps to protect the confidential information from disclosure. Accordingly, pursuant to Ind. Code §§ 5-14-3-4 and 8-1-2-29, we find that the confidential information contains trade secrets and is excepted from public access and disclosure by the Commission.

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

1. Duke Energy Indiana’s (1) Residential EV Charging Incentive program; and (2) Commercial EV Charging Incentive program are hereby approved, for a period of twenty-four months. Approval of the remaining components of the ET Program is denied.

2. Duke Energy Indiana is not authorized to defer and recover capital and O&M costs associated with the Electric Transportation Program, as approved in this order.

3. Duke Energy Indiana’s request to implement its EVFC Tariff as described in Petitioner’s Exhibit 3 is denied.

4. Duke Energy Indiana is authorized to implement its EVSE Tariff as described in Petitioner’s Exhibit 3, to provide EV charging technology/equipment to regulated customers desiring EV charging infrastructure at their residential or commercial premises served by Duke Energy Indiana’s distribution system on a monthly fee basis.

5. Petitioner shall file in this proceeding annual reports for the two-year term of the Electric Transportation Program as set forth herein.

6. The information submitted by Petitioner pursuant to a preliminary finding of confidentiality is determined to be confidential trade secret information and therefore excepted from public access.

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

**FREEMAN, HUSTON, KREVDA, OBER, AND ZIEGNER CONCUR:
APPROVED:**

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

**Dana Kosco,
Secretary of the Commission**

CERTIFICATE OF SERVICE


This is to certify that a copy of *Office of Utility Consumer Counselor's Proposed Order* has been served upon the following parties of record in the captioned proceeding by electronic serve on March 4, 2022.

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