

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

**VERIFIED JOINT PETITION OF NORTHERN INDIANA)
PUBLIC SERVICE COMPANY LLC (“NIPSCO”) AND)
NIPSCO GENERATION LLC (“GENCO”) FOR (1))
APPROVAL OF A SPECIAL CONTRACT (“DATA CENTER)
CUSTOMER #1 SPECIAL CONTRACT”) PURSUANT TO)
IND. CODE §§ 8-1-2-24 AND 8-1-2-25; (2) APPROVAL OF A)
POWER PURCHASE AGREEMENT (“PPA”) BETWEEN)
NIPSCO AND GENCO; (3) APPROVAL OF ALTERNATIVE) CAUSE NO. 46322
REGULATORY PLANS PURSUANT TO IND. CODE §§ 8-1-)
2.5-5 AND 8-1-2.5- 6 FOR BOTH NIPSCO AND GENCO; AND)
(4) APPROVAL OF DEPRECIATION ACCRUAL RATES)
FOR GENERATION AND TRANSMISSION ASSETS TO BE)
CONSTRUCTED TO FULFILL THE OBLIGATIONS IN THE)
DATA CENTER CUSTOMER #1 SPECIAL CONTRACT AND)
PPA.)**

TESTIMONY IN OPPOSITION TO SETTLEMENT AGREEMENT

OF BENJAMIN INSKEEP

ON BEHALF OF

CITIZENS ACTION COALITION OF INDIANA, INC.

MARCH 18, 2026

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I. INTRODUCTION

1 **Q. Please state your name and position.**

2 **A.** My name is Benjamin Inskeep, and I am Program Director at Citizens Action Coalition of
3 Indiana, Inc. (“CAC”).

4 **Q. Are you the same Benjamin Inskeep who previously filed testimony in this Cause?**

5 **A.** Yes. I filed direct testimony on January 27, 2026.

6 **Q. What is the purpose of your testimony at this time?**

7 **A.** The purpose of my testimony is to explain why the Commission should modify or deny the
8 Settlement Agreement (“Settlement”) between Northern Indiana Public Service Company
9 LLC (“NIPSCO”) and NIPSCO Generation LLC (“GenCo”) (collectively, “Joint
10 Petitioners”), the Indiana Office of Utility Consumer Counselor (“OUCC”), and the
11 NIPSCO Industrial Group (“Industrial Group”), (collectively the “Settling Parties” and
12 individually “Settling Party”). The Settlement would approve a Special Contract executed
13 between NIPSCO and Amazon Data Services, Inc. (“Amazon”), a Power Purchase
14 Agreement between NIPSCO and GenCo (“PPA”), and an alternative regulatory plan
15 (“ARP”).

16 My silence on any issue included in the Settlement or addressed in the Settling Party
17 testimonies should not be construed as agreement or approval of the position. My testimony
18 is limited to the topics addressed herein.

19 **Q. Do you have any attachments to your testimony?**

20 **A.** Yes. Attachment BI-1 provides the redacted public responses to data requests cited in this
21 testimony. Attachment BI-1-HC provides the unredacted highly confidential data requests
22 and responses cited in this testimony.

1 **Q. Please summarize your conclusions and recommendations.**

2 **A.** The Settlement does not adequately reflect a balancing of interests, fails to demonstrate
3 consistency with the public interest, and in key areas is unsupported by substantial
4 evidence. The Settlement fails to respond to critical concerns raised by CAC, which include
5 a failure to demonstrate consistency with the Five Pillars and rates and terms for Amazon
6 that would be unjust and unreasonable.

7 While I do not dispute this deal is “transformational”¹ for NIPSCO and GenCo’s
8 shareholders, the modest customer bill credit—an estimated \$7 for residential customers,
9 representing less than one-tenth of the bill increase they have already experienced between
10 2023-2025 for 1,000 kWh of usage—has not even been demonstrated to offset the full costs
11 imposed on the shared system by Amazon over the duration of the Special Contract.
12 Therefore, the Commission lacks a rational basis for finding the Special Contract is in the
13 public interest. The Commission should modify or, if necessary, deny the Settlement and
14 the Special Contract to ensure that:

- 15 1. Amazon pays its fair share for use of the shared system and ratepayers receive
16 a fair credit consistent with statutory requirements for ratepayer affordability;
- 17 2. Amazon pays for all transmission upgrades, and NIPSCO is prohibited from
18 allocating any portion of such upgrades to existing ratepayers;
- 19 3. Residential customers are allocated at least 50% of the Shared System Credit;
- 20 4. The Customer Fund is used wisely and in a more targeted manner to address
21 acute affordability issues, such as residential low-income affordability;

¹ Joint Petitioners’ Ex. No. 1-R, p. 39, line 11.

- 1 5. NIPSCO provides bill transparency on all trackers rather than only the Shared
- 2 System Credit;
- 3 6. The resource portfolio to serve Amazon’s load is more balanced and less risky
- 4 for environmental sustainability, reliability, stability, and resiliency;
- 5 7. The Commission has the ability to review and approve any extension of the
- 6 Special Contract beyond the initial 15-year term; and
- 7 8. The procedural schedules of future special contract cases are not prejudged now
- 8 in a manner that would create due process concerns and negatively impact
- 9 parties’ ability to develop the record under accelerated or hyper-accelerated
- 10 timelines.

II. SETTLEMENT AGREEMENT

a. *Standard of Review and Commission Authority*

1 **Q. Joint Petitioners contend that the Commission does not have the authority to modify**
2 **the terms of a special contract.² Is that your understanding of the law?**

3 **A.** No. I am not an attorney and do not offer legal interpretations, but the plain language of
4 the statute is not consistent with Joint Petitioners’ interpretation. Ind. Code § 8-1-2-25
5 provides with respect to a special contract (“such arrangement”):

6 The commission shall ascertain, determine and order such rates, charges and
7 regulations as may be necessary to give effect to such arrangement, **but the**
8 **right and power to make such other and further changes in rates,**
9 **charges and regulations as the commission may ascertain and determine**
10 **to be necessary and reasonable,** and the right to revoke its approval and
11 amend or rescind all orders relative thereto, **is reserved and vested in the**
12 **commission, notwithstanding any such arrangement and mutual**
13 **agreement.**

14 (Emphasis added.) The General Assembly expressly provides that the Commission has the
15 authority to make “other and further changes” to a special contract, including to “rates,
16 charges and regulations” that the Commission determines to be “necessary and
17 reasonable”—and “notwithstanding” the terms of the special contract “arrangement and
18 mutual agreement” between the parties. In other words, the legislature authorizes the
19 Commission to modify arrangements such as those at issue in this proceeding.

20 **Q. Is there good cause for the Commission to scrutinize this particular special contract?**

21 **A.** Yes. Even if the Commission has been deferential to special contracts negotiated between
22 utilities and large customers in the past, there is especially good cause for the Commission
23 to act on this particular special contract to protect impacted ratepayers. As explained in

² Joint Petitioners’ Ex. No. 1-R, p. 8, line 15 through p. 9, line 11.

1 further detail below, *the uniquely large risks and unprecedented nature of the 2,400 MW*
2 *Amazon-NIPSCO Special Contract necessitate the Commission’s heightened scrutiny to*
3 *protect ratepayers.*

4 **Q. Joint Petitioners point to a 2003 Commission order to claim that the Commission’s**
5 **standard for approving a special contract includes a finding that “the rates negotiated**
6 **between the utility and its customer be sufficient for the utility to cover the**
7 **incremental cost of providing the service to the customer and still make some**
8 **contribution to the utility’s recovery of its fixed costs.”³ Does this represent a**
9 **reasonable standard for approval of a special contract between NIPSCO and 2,400**
10 **MW of Amazon data centers?**

11 **A.** No. First, Joint Petitioners point to no statutory basis for this standard. The statute requires
12 the special contract be just and reasonable. To be just and reasonable, the Special Contract
13 should ensure that Amazon pays its full cost of service for its 2,400 MW load, not merely
14 incremental costs plus “some contribution” towards fixed costs, which could result in cost-
15 shifting and cross-subsidization.

16 Second, the unique circumstances of the instant Special Contract warrant
17 substantially more scrutiny than any prior special contract the Commission has reviewed.
18 Amazon is single handedly more than *doubling* NIPSCO’s current peak load.⁴ This is
19 surely many times larger in size (MW contract capacity) than any other special contract
20 that the Commission has *ever* approved, and the approximately \$7 billion in incremental
21 capital investment underscores the extreme magnitude of costs at issue.

³ Joint Petitioners’ Ex. No. 1, p. 33, lines 12-15.

⁴ NIPSCO 2024 Integrated Resource Plan, Figure 3-42, p. 81.

1 Even if the standard remains correct, Joint Petitioners have not demonstrated that
2 it has been satisfied in this proceeding, and the Settlement does nothing to change that fact.

3 **Joint Petitioners have not even attempted to demonstrate Amazon’s contribution to fixed**
4 **costs via the Shared System Charge is sufficient to offset the increase in fixed costs**
5 **imposed on the shared system associated with the unprecedented loads and unique usage**
6 **patterns associated with data centers. While Amazon is paying for a specific set of**
7 **transmission infrastructure that directly serves its facilities, future upgrades and**
8 **operating costs imposed on the shared system related to providing service to Amazon**
9 **have not been identified or quantified and could negatively impact future transmission**
10 **rates paid by NIPSCO’s existing customers.**

11 **Q. Have the Settling Parties demonstrated that the Settlement meets the Commission’s**
12 **standards for approving a settlement agreement?**

13 **A.** No. As further detailed below, the Settlement is not in the public interest, and key
14 provisions are unsupported by substantial evidence. The Settlement does not provide for
15 just and reasonable rates and is not consistent with the purpose of Ind. Code ch. 8-1-2,
16 including the Five Pillars.

17 **Q. Your direct testimony explained that the Joint Petitioners failed to address the Five**
18 **Pillars in their case-in-chief. Have Joint Petitioners endeavored to rectify this**
19 **deficiency in rebuttal or settlement testimony?**

20 **A.** No. The General Assembly was clear in enacting HEA 1007 (2023) that the Commission’s
21 decisions “must consider” the Five Pillars in cases such as this that impact energy
22 infrastructure, the electric generation resource mix, and electric ratemaking constructs. Yet
23 nowhere do the Joint Petitioners acknowledge this statutory requirement or attempt to

1 demonstrate that their requested relief in this proceeding is consistent with it. The
2 Settlement and testimony by Settling Parties likewise fail to acknowledge this requirement
3 or attempt to demonstrate the Settlement’s consistency with it.

4 Joint Petitioners attempted to narrow the relevant standard of review by focusing
5 on Ind. Code § 8-1-2-24 and -25. However, even that standard implicates the Five Pillars,
6 as it requires that the contract is “reasonable and just and not inconsistent with the purpose
7 of this chapter.” Consideration of the Five Pillars are one of the identified purposes of Ind.
8 Code chapter 8-1-2, and therefore a requirement of the special contract under the plain
9 language of Ind. Code § 8-1-2-24.

10 **Q. What do you conclude regarding the consistency of the Settlement with the Five**
11 **Pillars?**

12 **A.** The uncontested record evidence in this proceeding demonstrates that the Special Contract
13 does not adequately consider the Five Pillars. The Settlement terms do not rectify that
14 deficiency, as further explained below. Therefore, the Commission has no choice but to
15 modify or reject the Settlement under Indiana law to ensure that the Five Pillars are
16 considered.

b. Shared System Credit

1 **Q. Did the Settlement address your concerns with the Shared System Credit?**

2 **A.** No. The Settlement did not alter the amount that ratepayers will be credited under the
3 Shared System Credit, except for transferring approximately \$7.5 million from the
4 Customer Fund to the Shared System Credit—resulting in no net overall benefit to
5 ratepayers, just a transfer between two customer-benefitting funds.

6 While the alleged *benefit* to existing ratepayers of approximately \$1 billion over
7 the 15-year contract term has been identified and supported by Joint Petitioners, the *cost*
8 against which the Commission must weigh this value regarding impacts to the shared
9 system of the Special Contract has not been identified, costs which go beyond the direct
10 connect costs that will be paid by Amazon. Nowhere have Joint Petitioners demonstrated
11 that the Shared System Charge will be adequate to cover the full costs—including future
12 capital expenditures, return on capital, O&M expense, and taxes—that will be imposed on
13 the shared system associated with 2,400 MW of data center load.

14 In contrast, I calculated that providing a Shared System Credit to NIPSCO
15 ratepayers equivalent to Rate 631's current Transmission Charge, without applying any
16 escalation to account for likely future price increases, would generate roughly \$3 billion to
17 \$3.5 billion in credits passed back to ratepayers, assuming Amazon data center load factors
18 are in the range of 80-95%. Therefore, I continue to have grave concerns about the
19 inadequate amount of bill credits provided to ratepayers under the Settlement for Amazon's
20 substantial use of the shared system.

1 **Q. Does the fact that the Special Contract was an “arms-length” negotiation mean its**
2 **terms are just and reasonable and in the public interest?**

3 **A.** No. Existing ratepayers and ratepayer advocates were not part of the negotiation, and their
4 interests were not represented. NIPSCO, GenCo, and Amazon stand to realize enormous
5 financial benefits from the Special Contract, and their private pecuniary interests should
6 not be confused with the public interest. Specifically, NIPSCO and GenCo stand to make
7 large capital expenditures on additional infrastructure and reap enormous additional
8 revenue from having a 2,400 MW data center customer, more than doubling NIPSCO’s
9 load. Meanwhile, Amazon will pay a Shared System Charge that is only a fraction of the
10 actual embedded cost of transmission service, at least as reflected in current Rate 631
11 transmission rates. Furthermore, transmission rates for other customers are likely to further
12 increase over the 15-year contract term of the Special Contract due to considerable
13 transmission investment in MISO, for both interregional transmission under Long Range
14 Transmission Plans and local transmission projects to connect data centers to the grid, to
15 shore up reliability, and the replacement of aging equipment, meaning this gap is likely to
16 substantially widen in the future. Existing customers will be left footing the bill for these
17 additional transmission investments that will be made and come into service during the
18 Special Contract term, even though Amazon will benefit from them through its use of the
19 shared system. Furthermore, existing customers will continue to pay off these transmission
20 investments to the shared system long after the expiration of the 15-year Special Contract
21 term.

1 **Q. Joint Petitioners assert that making changes to the Special Contract and the ARP is**
2 **“a dangerous game being played by [] CAC.”⁵ Please respond.**

3 **A.** I disagree with the assertion that making large load customers pay their fair share is an
4 unreasonable condition for approving the Special Contract. With all due respect, I believe
5 it is the Joint Petitioners who are playing a dangerous game by putting NIPSCO’s captive
6 ratepayers at risk of being shortchanged billions of dollars under the favorable terms for
7 Amazon in the Special Contract and pressuring the Commission to approve it by
8 fearmongering instead of providing substantial evidence to support it.

9 The Commission should disregard Joint Petitioners’ attempts to scare it into
10 approving the Special Contract without requiring Amazon to pay its fair share by implying
11 that Amazon will not move forward with its data center plans in such a situation. Amazon
12 is a multi-trillion dollar company capable of paying its fair share for electric service.
13 Nowhere have Amazon or the Settling Parties provided any evidence that Amazon’s
14 commitment to develop data centers in NIPSCO’s service territory is contingent on the
15 current version of the Special Contract being approved. Furthermore, Amazon has recently
16 signed the Ratepayer Protection Pledge, clearly indicating its consent to be charged its full
17 cost of service rather than getting special treatment and discounted rates that could
18 shortchange existing customers. Even in such an unlikely scenario that modifying the
19 Special Contract resulted in Amazon modifying its plans, NIPSCO has made it abundantly
20 clear⁶ that it has additional, astronomical data center demand from other prospective data
21 center customers due to its highly favorable location near Chicago and other population
22 centers, transmission and fiber optic cable in its service territory, and the lucrative state

⁵ Joint Petitioners’ Ex. No. 1-R, p. 11, line 18.

⁶ Q4 2025 NiSource Earnings Call, Supplemental Slides Year End 2025 Results dated Feb. 11, 2026, slides 12-13.

1 sales tax exemption, so it is likely that demand from other customers willing to pay their
2 fair share would take Amazon's place.

3 **Q. Are the Shared System Charges only reflective of the shared transmission system that
4 will be used by Amazon?**

5 **A.** No. While I focus on the shared transmission system, the Shared System Charges are meant
6 to compensate existing ratepayers for Amazon's use of other infrastructure, as I detailed in
7 direct testimony. Therefore, it is all the more important that this charge be set at an
8 appropriate level that the Commission can be confident will be adequate and not shift costs
9 onto other ratepayers for the full duration of the Special Contract.

10 **Q. Are there other factors that support your contention that it would be just and
11 reasonable and in the public interest to modify the Settlement to provide for a higher
12 Shared System Credit for ratepayers?**

13 **A.** Yes. As I described in direct testimony, Hoosiers in northwest Indiana are experiencing an
14 acute affordability crisis. **The Settlement would provide residential customers with only
15 an estimated \$7 monthly bill credit via the Shared System Credit, which may not even be
16 sufficient to offset future rising costs on the shared system associated with Amazon. For
17 context, residential customers have experienced a \$77 bill increase for 1,000 kWh of
18 usage over the past two years,⁷ so the Settlement would not even offset one-tenth of recent
19 price increases. This small benefit is all the more surprising given the 2,400 MW
20 customer size.** Such a doubling of NIPSCO's load and incredible increase in revenue for
21 NIPSCO and GenCo should generate substantially more benefits for existing ratepayers.

⁷ IURC Residential Bill Survey (2023, 2025).

1 **Q. What do you recommend regarding the Settlement with respect to the Shared System**
2 **Credit?**

3 **A.** I recommend that the Commission modify the Settlement to set the Shared System Credit
4 provided to existing ratepayers at a level no less than equivalent to the current Rate 631
5 Transmission Charge.

c. Transmission Network Upgrades

6 **Q. Please describe relevant transmission-related terms of the Settlement (Section A.7).**

7 **A.** The Settlement provides that NIPSCO will perform unspecified “studies” to identify any
8 potential impacts to the electric transmission or gas transmission systems as a result of
9 service to megaload customers. Such studies will be submitted as a compliance filing in
10 the present docket, with a 60-day review period. NIPSCO commits to implementing
11 necessary upgrades identified by such studies with all costs borne by GenCo or Amazon;
12 however, “to the extent there are demonstrated benefits to NIPSCO’s other retail
13 customers, NIPSCO may propose some level of cost allocation to NIPSCO’s other
14 customers in a docketed proceeding.”⁸

15 **Q. Please explain your concerns with this term.**

16 **A.** I appreciate NIPSCO’s commitment to perform studies on potential impacts to its electric
17 and gas transmission systems and to allocate the costs, at least in most cases, to GenCo or
18 Amazon. As I described in my testimony, large load customers can have significant impacts
19 on grid reliability, stability, and resiliency, and appropriate study is necessary to identify
20 potential issues and proactively mitigate them.

⁸ Joint Petitioners’ Ex. No. 1, p. 11.

1 However, the Settlement does not explain what types of studies will be performed,
2 when in the process of adding a large load customer the study will be conducted, and how
3 interested parties and regulators can influence and weigh in on the study. There are
4 numerous types of studies that can be performed to analyze the impacts of large-load
5 customers on the electric transmission system, and presumably on the gas transmission
6 system as well. Both NIPSCO and MISO already conduct studies to analyze the potential
7 impacts of existing large-load customers, so it is unclear what additional studies, if any,
8 NIPSCO intends to conduct to ensure grid reliability, stability, and resilience. Therefore,
9 this Settlement provision does not adequately address my concerns about the Special
10 Contract's potential impact on reliability, stability, and resiliency.

11 Second, the provision regarding potential cost allocation to NIPSCO's existing
12 customers for transmission upgrades necessitated by large load customers is concerning.
13 Regardless of any purported benefits to other customers, the cost of transmission projects
14 that are initiated or accelerated because of a large load customer should be borne by the
15 large load customer to protect existing customers from shouldering potentially significant
16 additional costs that otherwise would not have been incurred but for the addition of the
17 large load customer.

18 **Q. Can you explain the types of transmission costs at issue?**

19 **A.** Yes. At a high level, my understanding is that there are two primary types of transmission
20 costs associated with the addition of a large load customer: (1) direct connect facilities, and
21 (2) network upgrades. Direct connect facilities include investments such as tap lines or
22 radial transmission lines connecting the data center to the transmission system and
23 dedicated substations to serve the data center customer. Network upgrades are investments

1 made to the existing transmission network to maintain grid reliability and stability with the
2 addition of a large load customer. For example, voltage support equipment such as
3 capacitors or STATCOMs may be needed to maintain adequate voltage levels and stabilize
4 voltage under load ramps and system disturbances.

5 Although the Settlement did not use these same terms, it appears to provide that a
6 large load customer's direct connect facilities will not be allocated to existing ratepayers,
7 but that network upgrades could be.

8 **Q. Does the Settlement term allowing NIPSCO to allocate a portion of network upgrades**
9 **to existing customers represent a departure from both Joint Petitioners' case-in-chief**
10 **and the positions of parties throughout this case?**

11 **A.** Yes. In response to a CAC data request about transmission upgrades, Joint Petitioners
12 stated that MISO's expedited project review process would identify any required
13 transmission upgrades for the addition of Amazon's load and "[a]ny such transmission
14 costs for adding Amazon's data center load would be part of the Contract Transmission
15 and Substation Asset cost that Amazon will be responsible for."⁹ Notably, MISO's
16 expedited review process includes an analysis to determine what, if any, network upgrades
17 are necessary in addition to direct connect facilities to maintain reliability and stability with
18 the addition of a large load. Likewise, in response to a data request from Industrial Group,
19 Joint Petitioners stated in pertinent part that "the appropriate transmission upgrades will be
20 constructed (and funded by Amazon) to ensure safe, reliable electric service for Amazon
21 and all of NIPSCO's other customers."¹⁰ Based on Joint Petitioners' case-in-chief and
22 clarifications through data requests, my understanding was that Amazon would pay for

⁹ Joint Petitioners' Response to CAC Highly Confidential Data Request 3-005 (Attachment BI-1 and BI-1-HC).

¹⁰ Joint Petitioners' Response to Industrial Group Data Request 5-001 (Attachment BI-1).

1 both direct connect facilities and network upgrades. No party opposed that treatment or
2 recommended the Commission modify this direct assignment of transmission costs to
3 Amazon. Therefore, the Settlement term materially modifying the potential cost allocation
4 of network upgrades represents a dramatic departure from *every* party's position
5 throughout this case and is completely unsupported by any record evidence.

6 **Q. Have Amazon and other big tech companies publicly committed to paying for**
7 **transmission projects, including network upgrades that ostensibly could benefit other**
8 **ratepayers, associated with their data centers?**

9 **A.** Yes. Amazon and six other technology companies signed the Ratepayer Protection Pledge
10 (“Pledge”) and President Trump issued an accompanying Ratepayer Pledge Proclamation
11 on March 4, 2026, committing Amazon to paying for all direct connect facilities and
12 network upgrades for its data centers.¹¹ Specifically, the second term of the Pledge on
13 “Paying for New Power Delivery Infrastructure Upgrades” states that “Companies will pay
14 for **all** new power delivery infrastructure upgrades required to service their data centers,
15 **including adequate network upgrade costs** to ensure that these expenses are not passed
16 on to the ordinary household” (emphasis added). President Trump’s Proclamation states:

17 The hyperscalers and AI companies that increase electricity demand must
18 pay for the full cost of the energy and infrastructure needed to build and
19 operate data centers, and must not pass this cost on to the American
20 people. Instead, the data center boom should be leveraged to address
21 affordability and benefit all American households and businesses.

22 This commitment by President Trump mirrors similar pledges by Governor Braun that data
23 centers pay their full costs rather than shifting them onto existing ratepayers. Clearly, this

¹¹ “Ratepayer Protection Pledge,” <https://www.whitehouse.gov/articles/2026/03/ratepayer-protection-pledge/>;
Ratepayer Pledge Proclamation, <https://www.whitehouse.gov/presidential-actions/2026/03/ratepayer-protection-pledge-proclamation/>

1 issue is of state and national importance, and further demonstrates that it is in the public
2 interest to ensure network upgrade costs associated with data centers are not borne by other
3 ratepayers.

4 **Q. Is the Settlement consistent with the Ratepayer Protection Pledge, President Trump's**
5 **Proclamation, and Governor Braun's commitment to Hoosier ratepayers?**

6 A. No. Whereas Amazon's Pledge, President Trump's Proclamation, and Governor
7 Braun's commitment to Hoosier ratepayers provide that Amazon will pay for network
8 upgrades for its data centers, the Settlement would allow NIPSCO to shift the cost of at
9 least a portion of network upgrades onto existing ratepayers.

10 **Q. What do you conclude?**

11 A. The Settlement provides for significantly less protection to existing NIPSCO ratepayers
12 than elected officials and Amazon itself have otherwise committed. This term could
13 negatively impact existing ratepayer affordability, is unsupported by substantial evidence,
14 and is not in the public interest.

15 **Q. What do you recommend regarding network upgrade costs?**

16 A. I recommend that the Commission modify the Settlement to prohibit NIPSCO from
17 recovering the costs of any transmission upgrades, including network upgrades, associated
18 with Amazon data centers under the Special Contract to protect ratepayer affordability,
19 consistent with the public interest.

d. Shared System Credit Allocation

1 **Q. How will NIPSCO reflect the Shared System Credit on customer bills under the**
2 **Settlement?**

3 **A.** The Shared System Credit is allocated across customer classes based on revenue, consistent
4 with Joint Petitioners' case-in-chief, which would pass back about 38% of the Shared
5 System Charges to NIPSCO's residential customers.

6 **Q. Is this a reasonable resolution to this contested issue?**

7 **A.** No. As supported in my direct testimony, it is just and reasonable and in the public interest
8 in this case to pass back at least 50% of the Shared System Credit to the residential class
9 given the residential affordability crisis and the negative externalities experienced by
10 residential customers associated with the data centers' construction and operations (e.g.,
11 noise, traffic, pollution, etc.).

12 **Q. What do you recommend regarding the class allocation of the Shared System Credit?**

13 **A.** I recommend that the Commission modify the Settlement to provide that at least 50% of
14 the Shared System Credit is allocated to the residential class to address the uniquely severe
15 residential affordability crisis in NIPSCO's service territory.

e. Customer Fund

1 **Q. Please summarize the changes the Settlement makes to the proposed Customer Fund.**

2 **A.** Joint Petitioners proposed the creation of a new Customer Fund made by contributions
3 from Joint Petitioners' shareholders that will provide \$15 million over the term of the
4 Special Contract.¹² Joint Petitioners stated in their case-in-chief that "Joint Petitioners'
5 intent is to help NIPSCO's customers and communities, including those who may be most
6 impacted by rising costs of many life essentials."¹³

7 The Settlement modifies this proposal to specify that the Customer Fund will be
8 used as follows:

9 (i) 50% will be utilized for the benefit of NIPSCO's customers in the
10 counties where GenCo's generation and/or Amazon's data center facilities
11 are located, in recognition of the impacts on and potential inconvenience
12 associated with development and construction of the generation and
13 Amazon's facilities; and (2) 50% will be combined with the Existing
14 System Charge and passed back to NIPSCO's other retail customers under
15 the proposed Shared System Credit Mechanism.¹⁴

16 **Q. What are your concerns with this Settlement term?**

17 **A.** As I explained in my direct testimony, residential customers in NIPSCO's service territory
18 are experiencing a particularly acute affordability crisis. More specifically, according to
19 the IURC's annual residential electric bill survey, NIPSCO residential customers
20 experienced an approximate \$77 per month bill increase for 1,000 kWh usage between July
21 2023 and July 2025 – a shocking 49% bill increase over two years.¹⁵ NIPSCO natural gas

¹² Joint Petitioners' Ex. No. 1, p. 15.

¹³ *Id.*, p. 15, lines 13-16.

¹⁴ Settlement Section A.3.

¹⁵ IURC Residential Electric Bill Survey (2023, 2025).

1 bills have also grown significantly in the past two years, increasing by \$33 per month (42%)
2 between January 2024 and January 2026 for 100 therms usage.¹⁶

3 The extraordinary rate shock endured by NIPSCO’s residential customers has
4 generated widespread outrage and frustration across NIPSCO’s service territory,
5 culminating in protests at NIPSCO buildings and customer complaints. A Facebook group
6 calling attention to the residential affordability crisis across NIPSCO’s service territory has
7 already garnered nearly 33,000 members in less than two months since being created,
8 illustrating the widespread concern.¹⁷

9 Therefore, it is extremely disappointing that the Settlement would divert half of the
10 limited funding in the Customer Fund intended to help those most impacted by rising costs
11 to the Shared System Credit Mechanism. The \$7.5 million is *de minimis* relative to
12 approximately \$1 billion in credits already being provided under the Shared System Credit.
13 This will provide a negligible benefit to all NIPSCO customers rather than using the
14 funding in a thoughtful, targeted manner to provide meaningful benefits specifically to
15 those customers experiencing the most significant affordability challenges. This Settlement
16 term represents a huge missed opportunity to address the rate shock experienced by
17 NIPSCO’s lower and fixed income customers in particular.

18 **Q. What do you recommend regarding the Customer Fund?**

19 **A.** The Commission should find that the Settlement’s resolution of the Customer Fund with
20 respect to passing back 50% via the Shared System Credit Mechanism is not in the public
21 interest. The Commission should modify the Settlement to direct Joint Petitioners to use
22 this portion of the Customer Fund to provide enhanced funding for additional energy

¹⁶ IURC Residential Natural Gas Bill Survey (January 2024, January 2026).

¹⁷ “NIPSCO Monopoly Madness,” <https://www.facebook.com/groups/1161149482498917>

1 efficiency and weatherization of low-income housing in NIPSCO's electric service
2 territory, including unrestricted funding to address health and safety weatherization
3 deferrals, consistent with CAC's case-in-chief recommendation.

f. Environmental Sustainability

4 **Q. What resources do Joint Petitioners propose to construct and operate to meet**
5 **Amazon's energy and capacity needs, what did you recommend in your direct**
6 **testimony, and how does the Settlement resolve this contested issue?**

7 **A.** Joint Petitioners propose to construct and operate a 400 MW battery energy storage system
8 ("BESS") and two natural gas combined cycle ("NGCC") power plants totaling 2,600 MW.

9 In response, I provided evidence that this unbalanced portfolio was inconsistent
10 with the Environmental Sustainability pillar. I recommended that the Commission direct
11 Joint Petitioners to modify the contract to provide for a more balanced portfolio of
12 generation resources that appropriately accounts for environmental sustainability,
13 including by incorporating substantial renewable energy generation into the resource mix.

14 The Settlement would adopt Joint Petitioners' proposed generation mix without
15 modification.

16 **Q. Do you have the same concerns about the Settlement as you expressed in your direct**
17 **testimony regarding the Special Contract?**

18 **A.** Yes.

19 **Q. Has any additional information come to light that further supports your position?**

20 **A.** Yes. After failing to directly respond to CAC discovery asking about water consumption
21 of the NGCCs, Joint Petitioners supplemented their response after CAC alerted their

1 counsel to a NIPSCO representative quoted in a news story providing a specific estimate
2 of the NGCC's future water consumption. According to Joint Petitioners' supplemental
3 response, NGCCs of the type proposed by NIPSCO can withdraw between ~6 billion and
4 ~12 billion gallons per year (~16-33 million gallons per day), of which ~6 billion gallons
5 per year (~16 million gallons per day) is consumed, with the remainder discharged.¹⁸

6 **Q. Did you have any other recommendations related to environmental sustainability in
7 your direct testimony, and to what extent have they been addressed in the Settlement?**

8 **A.** Yes. I recommended that the Commission direct NIPSCO to prevent Amazon from using
9 any backup diesel generators at its Data Center Locations as a tool to provide demand
10 response. Joint Petitioners' responded saying the Commission does not have jurisdiction
11 over Amazon to mandate what kind of technology it must or must not use for backup
12 generation, and my recommendation was not adopted in the Settlement.

13 **Q. How do you respond to Joint Petitioners' claim that the Commission does not have
14 jurisdiction over Amazon's backup generation?**

15 **A.** I am not asking the Commission to make such a determination one way or another in this
16 proceeding. To clarify my position, my recommendation is that emergency backup diesel
17 generators are an inappropriate tool for participation in a NIPSCO demand response
18 program. The Commission does have jurisdiction over NIPSCO and its demand response
19 offerings. I did not request the Commission take action about what Amazon uses for backup
20 generation, but rather recommended that the Commission ensure just and reasonable rates,
21 including terms of service and appropriate eligibility restrictions, in NIPSCO-enabled
22 demand response programs or contracts with specific customers. Furthermore, as

¹⁸ Joint Petitioners' Supplemental Response to CAC Data Request 7-004 ([Attachment BI-1](#)).

1 demonstrated in Cause No. 46276, Google is providing demand response service from its
2 data center in Fort Wayne without using emergency backup diesel generators for that
3 purpose, demonstrating that there are readily available demand response alternatives for
4 data centers that would not negatively impact public health by utilizing highly polluting
5 diesel generators.

6 **Q. What do you recommend regarding NIPSCO's use of customer-sited emergency
7 backup diesel generators to enable demand response?**

8 **A.** I recommend the Commission modify the Settlement to incorporate my recommendation
9 on disallowing the use of emergency backup diesel generators in NIPSCO-enabled demand
10 response offerings with Amazon.

g. Residential Bill Line Item

11 **Q. Under the Settlement, how will NIPSCO reflect the Shared System Credit on
12 customer bills?**

13 **A.** The Settlement adopts the Joint Petitioners' case-in-chief position that the Shared System
14 Credit be reflected as a separate line item on customer bills.

15 **Q. What did you recommend in direct testimony with respect to reflecting the credit as
16 a separate line item?**

17 **A.** I recommended enhancing transparency on customer bills by showing, on separate line
18 items, the applicable billing factor and associated bill amount for each tracker mechanism
19 in effect at the time of billing, rather than only showing this specific credit mechanism.

20 **Q. How did Joint Petitioners respond to your proposal to increase bill transparency for
21 residential customers?**

1 **Q.** Joint Petitioners dismissed this proposal, saying increased bill transparency would “create
2 confusion among customers.”¹⁹ They also stated this proposal would be more appropriate
3 for a rulemaking that applies to all investor-owned utilities. Finally, they admitted that the
4 purpose of having a separate line item only for the Shared System Credit is to try and
5 influence ratepayer perceptions about data centers.²⁰

6 **Q. What is your reaction to the Joint Petitioners’ response?**

7 **A.** In my experience, NIPSCO customers are *currently* experiencing a lot of confusion about
8 the component charges that make up their electric and gas bills, and the lack of transparency
9 by NIPSCO is contributing to that confusion. Joint Petitioners’ reason to withhold
10 information on bills therefore comes across as paternalistic, as it suggests residential
11 customers will be confused, rather than informed, from having more transparency about
12 their bill charges. In my experience, ratepayers benefit from having more information about
13 their utility bill charges and it helps clarify and inform, rather than add confusion.
14 Furthermore, Joint Petitioners confirmed in rebuttal testimony²¹ that my impression of their
15 proposal was for the self-serving purpose of influencing public opinion of data centers
16 rather than for the public interest. As explained through my testimonies, the Shared System
17 Credit is an incomplete view of the impact to existing ratepayers due to the Special
18 Contract. Nonetheless, I did not oppose NIPSCO including this line item on bills to the
19 extent it also provides the same level of transparency on its other bill trackers—a fair
20 balance that would enhance bill transparency consistent with the public interest. Rather
21 than kick the can down the road, the Commission should take the opportunity to modify

¹⁹ Joint Petitioners’ Ex. No. 1-R, p. 36, line 5.

²⁰ Joint Petitioners’ Ex. No. 1-R, p. 35, line 6 through p. 36, line 2.

²¹ *Id.*

1 the Settlement to increase NIPSCO bill transparency here. To the extent it does not adopt
2 this recommendation, I recommend the Commission promptly open a rulemaking to
3 establish bill transparency standards for all regulated electric utilities.

h. Future Special Contracts and PPAs

4 **Q. Please summarize the Settlement term regarding future special contracts and PPAs**
5 **(Section A.4).**

6 **A.** This term provides that, for future special contract and PPA proceedings that are
7 “compliant” with the terms of the Settlement, Settling Parties agree to support a procedural
8 schedule to facilitate an order being issued within 120 days after the filing of a petition and
9 testimony, or within 90 days on an expedited basis. It also provides for pre-filing meetings
10 to be held 15 days in advance of the submission of the case-in-chief.

11 **Q. Is this a reasonable term to include in the Settlement?**

12 **A.** No. This term is highly concerning to CAC and is not a reasonable resolution of the issues
13 raised in this proceeding. This is a new term that no party proposed or supported in
14 testimony prior to the filing of the Settlement. Accordingly, there is no evidence supporting
15 the inclusion of this term in the Settlement.

16 **Q. Please describe your concerns with this section of the Settlement.**

17 **A.** First, it is unclear what a “compliant” special contract and PPA means; it is not defined or
18 explained in the Settlement or testimony, nor is there any indication about the extent to
19 which this provision could be used in the future. Such a vague and ambiguous term that is
20 also open-ended and unconstrained creates the conditions for future disputes and
21 unintended consequences. It could apply to a potentially large number of contracts for

1 thousands of MW of contract capacity, creating very large impacts extending many years
2 into the future. There is, therefore, a lack of substantial evidentiary support for this term,
3 and it is neither just nor reasonable to include this term to achieve resolution in this
4 proceeding.

5 Second, this term would establish accelerated and hyper-accelerated procedural
6 schedules that negatively impact parties' ability to develop a robust evidentiary record, on
7 which the Commission relies to make determinations about what is just and reasonable and
8 consistent with the public interest. Accelerated and hyper-accelerated procedural schedules
9 are highly prejudicial towards the due process rights of intervenors like CAC in all future
10 special contract cases that meet the ambiguous eligibility qualifications. Joint Petitioners
11 enjoy the luxury of spending months preparing filings and controlling when to initiate new
12 special contract proceedings. Accelerated procedural schedules across an increasing
13 number of regulatory cases severely constrain CAC's and other intervenors' ability to
14 meaningfully participate in and scrutinize highly consequential proceedings involving
15 potentially billions of dollars in spending that carry significant impacts to NIPSCO
16 ratepayers.

17 Third, there is no statutory basis to prejudge the appropriate timeframe for the
18 IURC to decide special contract cases in the future. The Settlement is attempting to replace
19 the legislative branch's decision not to confine special contract proceedings' procedural
20 schedules to unreasonable 120- or 90-day periods. The Commission should decline the
21 Settling Parties' invitation to make such a policy decision here that is more appropriately
22 left to the General Assembly.

1 Fourth, each special contract case is unique. Even if the Commission otherwise
2 approves the Settlement in this proceeding, including the special contract and PPA, it does
3 not mean the same terms are reasonable for another large load customer with different
4 circumstances.

5 **Q. What do you recommend regarding future special contracts and PPAs?**

6 **A.** I recommend that the Commission modify the Settlement to remove this term.

i. Contract Renewal

7 **Q. What did you previously recommend regarding contract renewal, and how does the**
8 **Settlement address this issue?**

9 **A.** I recommended that the Commission expressly determine as a condition of approval of the
10 Special Contract in this case that, to the extent NIPSCO and Amazon extend the Special
11 Contract beyond the 15-year term identified in this case, such an extension must be
12 approved by the Commission and that such a case would include within its scope
13 consideration of whether any terms and conditions of the Special Contract, PPA, or
14 Alternative Regulatory Plan should be modified. Joint Petitioners opposed this proposal on
15 rebuttal, and the Settlement adopts Joint Petitioners' position.

16 **Q. Do you continue to have the same concerns as identified in your direct testimony?**

17 **A.** Yes. It is important that the Commission and stakeholders have an opportunity to review
18 the Special Contract terms prior to any extension of the Special Contract taking effect.
19 Valuable lessons learned will occur between now and the end of the 15-year period that
20 should be taken into consideration in any subsequent contract period.

1 **Q. What do you recommend regarding contract renewal?**

2 **A.** The Commission should modify the Settlement to adopt my recommendation regarding
3 contract renewal.


III. CONCLUSION

4 **Q. Does this conclude your testimony?**

5 **A.** Yes.

VERIFICATION

I, Ben Inskeep, affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information and belief.



Ben Inskeep

March 18th, 2026

ATTACHMENT BI-1

Cause No. 46322
Joint Petitioners' Objections and Responses to
Citizens Action Coalition of Indiana, Inc.'s
Third Set of Highly Confidential Data Requests

CAC Highly Confidential Request 3-005:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Objections:

Joint Petitioners object to this Request on the grounds and to the extent that this Request seeks information that is highly confidential, confidential, proprietary and/or trade secret.

Joint Petitioners further object to subparts (a) and (b) of this Request on the separate and independent grounds and to the extent that this Request is vague and ambiguous as the term "in the future" is undefined. Specifically, it is unclear if "in the future" refers to at some point later than the date of this response, after approval of the Special Contract, or after the relevant assets have been placed in service.

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Response:

Subject to and without waiver of the foregoing general and specific objections, Joint Petitioners are providing the following response:

- (a) NIPSCO is required to submit load additions for any proposed data center locations to MISO under its expedited project review process, which would identify any required transmission upgrades for the addition of the proposed load at the proposed location. This will occur in advance of any data center location receiving Electric Service from NIPSCO. Any such transmission costs for adding Amazon's data center load would be part of the Contract Transmission and Substation Asset cost that Amazon will be responsible for.
- (b) NIPSCO has submitted generation interconnection applications to MISO under its Expedited Resource Addition Study (ERAS), which would identify any required transmission upgrades for the addition of the proposed generation resources. This will occur in advance of any generation resource being provided a Generation Interconnection Agreement. Any such transmission costs for interconnecting generation would be part of the total Contract Generation Asset cost that Amazon will be responsible for.
- (c) See NIPSCO's responses to subparts (a) and (b) above.
- (d) See NIPSCO's responses to subparts (a) and (b) above.

Cause No. 46322**Joint Petitioners' Objections and Responses to
NIPSCO Industrial Group's Fifth Set of Data Requests****Industrials Request 5-001:**

With reference to the direct testimony of Mr. Parisi at pages 11 and 16, stating that the new dispatchable generation associated with the Special Contract is expected to support the reliability, resiliency and resource adequacy of the overall system and that the transmission and generation investment is expected to lead to a more reliable and resilient electric grid, please provide the following information:

- a. Please describe in detail in what ways the anticipated investments will yield benefits to the reliability and resiliency of the system;
- b. Please identify and produce, if not already served, any and all studies, analyses, reports or other assessments conducted or reviewed by NIPSCO and/or GenCo addressing the impact of the planned transmission and/or generation investments on system reliability and/or resiliency;
- c. Please identify and produce, if not already served, any and all studies, analyses, reports or other assessments conducted or reviewed by NIPSCO and/or GenCo addressing the impact of the projected incremental Amazon load on system reliability and/or resiliency, with or without the planned investments in transmission and generation assets;
- d. Please explain and describe in detail any and all ways in which the added load and system investments will or may contribute to, relieve or in any other way affect transmission congestion within NIPSCO's service territory, under normal operating conditions, at times of peak demand, or under any other reasonably foreseeable circumstances; and
- e. Please identify and produce, if not already served, any and all studies, analyses, reports or other assessments conducted or reviewed by NIPSCO and/or GenCo addressing the impact of the planned transmission and/or generation investments on transmission congestion within NIPSCO's service territory.

Objections:

Joint Petitioners object to this Request on the grounds and to the extent that this Request seeks information that is highly confidential, confidential, proprietary and/or trade

Cause No. 46322

**Joint Petitioners' Objections and Responses to
NIPSCO Industrial Group's Fifth Set of Data Requests**

secret. Joint Petitioners emphasize the sensitivity of the information contained in Industrials Request 5-001 Highly Confidential Attachment A, as it includes NIPSCO transmission system information and configurations that, if disclosed, could pose a threat to the Bulk Electric System.

Response:

Subject to and without waiver of the foregoing general and specific objections, Joint Petitioners are providing the following response:

Joint Petitioners begin by noting that the portion of Mr. Parisi's testimony cited above is a general statement that is not based on any formal analysis or study. Instead, it is based on reasonable expectations from adding 3,000 MW of dispatchable resources as compared to a maximum load of 2,400 MW, as well as the fact that the appropriate transmission upgrades will be constructed (and funded by Amazon) to ensure safe, reliable electric service for Amazon and all of NIPSCO's other customers.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Cause No. 46322
Joint Petitioners' Objections and Responses to
NIPSCO Industrial Group's Fifth Set of Data Requests



Cause No. 46322
Joint Petitioners' Supplemental Response to
Citizens Action Coalition of Indiana, Inc.'s
Seventh Set of Data Requests

CAC Request 7-004:

Please refer to the natural gas combined cycle power plants (Parisi Direct Testimony 25:5-10).

- a. Please identify the estimated annual water withdrawals, consumption, and discharge associated with the plants once fully constructed and placed in service.
- b. Please identify the source(s) of water to operate the plant.
- c. Please identify the estimated annual electricity production at the plants once fully constructed and placed in service.
- d. Please identify the estimated annual emissions (tons or pounds of each Criteria Air Pollutants and carbon dioxide) associated with the plants once fully constructed and placed in service.

Objections:

Joint Petitioners object to this Request on the grounds and to the extent that this Request seeks information that is highly confidential, confidential, proprietary and/or trade secret.

Joint Petitioners further object to this Request on the separate and independent grounds and to the extent the Request is irrelevant, not reasonably calculated to lead to the discovery of admissible evidence and is beyond the scope of this proceeding.

Joint Petitioners further object to this Request on the separate and independent grounds and to the extent the Request calls for speculation.

Joint Petitioners further object to this Request on the separate and independent grounds and to the extent the Request solicits an analysis, calculation, or compilation which has not already been performed and which NIPSCO objects to performing.

Response:

Subject to and without waiver of the foregoing general and specific objections, Joint Petitioners are providing the following response:

- a) The design of the combined cycle power plant has not been finalized, and therefore "annual water withdrawals, consumption, and discharge associated with the plants once fully constructed and placed in service" is not known. Estimating such use would necessarily involve speculation and be dependent on a number of variables outside of NIPSCO or GenCo's control, including the demand in MISO, weather

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Seventh Set of Data Requests

patterns, fuel prices (both for natural gas and other generation resources), etc., as water use will be driven by energy production.

- b) The water sources are expected to be the Kankakee River through the existing intake settling basin at R.M. Schahfer Generating Station, and to a much lesser extent, groundwater.
- c) The annual electricity production is not known at this time. Estimating such production would necessarily involve speculation and be dependent on a number of variables outside of NIPSCO or GenCo's control, including the demand in MISO, weather patterns, fuel prices (both for natural gas and other generation resources), etc.
- d) The annual maximum potential-to-emit (PTE) of the combined cycle power plant is estimated in the table below. Actual emissions are expected to be less than these values.

Pollutant	Emissions (Tons/Year)
PM	147.5
PM10	253.1
PM2.5	237.5
SO ₂	80.7
NO _x	3,205.7
CO	614.1
CO _{2e}	7,071,597

Supplemental Response:

Joint Petitioners Response to CAC Request 7-004(a) is accurate as drafted, as the design for the CCGTs has not been finalized and an estimate for the units anticipated to be installed has not been performed. However, general estimates of withdrawals, consumption, and discharge for CCGTs of this approximate MW size are available and are provided immediately below.

- CCGTs of this type have water usage that can range from two to four cycles of concentration (COC) depending on the quality of the source water. At 4 COC, the water withdrawal is up to ~8 billion gallons per year (BGY), water consumption is ~6 BGY, and water discharge is ~2 BGY. At 2 COC, water withdrawal is up to ~12 BGY, water consumption is ~6 BGY, and water discharge is ~6 BGY. While water withdrawal increases at lower COC, it's important to note that there is a corresponding increase in water discharged (i.e.,

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**Joint Petitioners' Supplemental Response to
Citizens Action Coalition of Indiana, Inc.'s
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returned) to the river, and that overall water consumption remains approximately the same.