FILED
May 27, 2021
INDIANA UTILITY
REGULATORY COMMISSION

### STATE OF INDIANA

### INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF SOUTHERN INDIANA GAS AND ELECTRIC COMPANY d/b/a CENTERPOINT ENERGY INDIANA SOUTH ("CENTERPOINT") FOR AN ORDER: (1) ISSUING CENTERPOINT A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY, PURSUANT TO IND. CODE CH. 8-1-8.5, TO PURCHASE AND ACQUIRE, THROUGH A BUILD TRANSFER AGREEMENT ("BTA"), A SOLAR POWER ELECTRIC GENERATING FACILITY IN POSEY COUNTY, INDIANA, THAT WILL HAVE AN AGGREGATE NAMEPLATE CAPACITY OF APPROXIMATELY 300 MEGAWATTS ALTERNATING CURRENT ("MWAC") (THE "POSEY COUNTY SOLAR PROJECT"); (2) FINDING THE POSEY COUNTY SOLAR PROJECT CONSTITUTES A CLEAN ENERGY PROJECT UNDER IND. CODE CH. 8-1-8.8; (3) APPROVING ASSOCIATED **RATEMAKING** AND ACCOUNTING TREATMENT FOR THE BTA PURSUANT TO IND. CODE § 8-1-8.8-11; (4) AUTHORIZING CENTERPOINT TO ENTER INTO A POWER PURCHASE AGREEMENT ("PPA") TO PURCHASE ENERGY AND CAPACITY FROM A 100 MWAC SOLAR PROJECT IN WARRICK COUNTY, INDIANA (THE "WARRICK COUNTY SOLAR PROJECT"). OVER A 25-YEAR TERM AND FINDING THE TERMS OF THE PPA REASONABLE; (5) DETERMINING THE WARRICK COUNTY SOLAR PROJECT TO BE AN ELIGIBLE CLEAN ENERGY PROJECT FOR PURPOSES OF IND. CODE CH. 8-1-8.8; (6) AUTHORIZING FULL RECOVERY OF THE POWER PURCHASE COSTS UNDER THE PPA FROM CUSTOMERS THROUGH THE FUEL ADJUSTMENT CLAUSEOVER THE ENTIRE TERM PPA; **(7) APPROVING ASSOCIATED** RATEMAKING AND ACCOUNTING TREATMENT FOR THE PPA PURSUANT TO IND. CODE § 8-1-8.8-11; AND (8) APPROVING CONFIDENTIAL TREATMENT OF THE BTA AND PPA PRICING AND OTHER NEGOTIATED COMMERCIAL TERMS AND RELATED CONFIDENTIAL INFORMATION.

**CAUSE NO. 45501** 

### NOTICE OF SUBSTITUTION OF WITNESS AND ADOPTION OF TESTIMONY

Southern Indiana Gas and Electric Company d/b/a CenterPoint Energy Indiana South ("CenterPoint Indiana South" or "Petitioner") hereby notifies the Commission that F. Shane Bradford will adopt the prefiled direct testimony of Petitioner's witness Justin M. Joiner. In

accordance with this substitution, Petitioner submits the following revisions to Petitioner's Exhibit No. 2:

- Substitute pages 1-4 with the pages attached as Attachment A; and
- Substitute the verification page of Justin M. Joiner with the verification page of F.
   Shane Bradford attached as Attachment B.

In addition, Petitioner will change all references to the initials "JMJ" in Petitioner's Exhibit No. 2 to "FSB." Petitioner will also change all references related to "Justin M. Joiner" to "F. Shane Bradford" in Petitioner's Exhibit No. 1, Exhibit No. 3, Exhibit No. 4, Exhibit No. 6, Exhibit No. 7, and Exhibit No. 9. Petitioner will make those changes in the version of the testimony to be offered into evidence and circulate copies to the parties and Presiding Officers in advance of the hearing. No other corrections have been identified at this time.

Respectfully submitted,

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Attorneys for Petitioner, CenterPoint Energy Indiana South

### CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing has been served upon the following by electronic mail and/or U.S. Mail this 27<sup>th</sup> day of May, 2021:

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## SOUTHERN INDIANA GAS AND ELECTRIC COMPANY d/b/a CENTERPOINT ENERGY INDIANA SOUTH (CENTERPOINT)

**IURC CAUSE NO. 45501** 

OF
F. SHANE BRADFORD
DIRECTOR, POWER SUPPLY SERVICES

ON

PETITIONER'S BUILD TRANSFER AGREEMENT,
POWER PURCHASE AGREEMENT, AND REGIONAL TRANSMISSION OPERATOR
REQUIREMENTS

**SPONSORING PETITIONER'S EXHIBIT NO. 2 (PUBLIC)** 

**ATTACHMENTS FSB-1 THROUGH FSB-5** 

### **DIRECT TESTIMONY OF F. SHANE BRADFORD**

1	I.	INTRODUCTION
2		
3	Q.	Please state your name and business address.
4	A.	My name is F. Shane Bradford. My business address is 211 NW Riverside Drive,
5		Evansville, Indiana, 47708.
6		
7	Q.	On whose behalf are you submitting this direct testimony?
8	A.	I am employed by Vectren Corporation ("Vectren"), a wholly owned subsidiary of
9		CenterPoint Energy, Inc.
10		
11	Q.	What is your role with respect to Petitioner?
12	A.	I am Director of Power Supply Services.
13		
14	Q.	Please describe your educational background.
15	A.	I received a Bachelor of Science in Civil Engineering (1992) from the University of Dayton
16		and a Master's in Business Administration (2002) from Indiana State University.
17		
18	Q.	Please describe your professional experience.
19	A.	I began my career in the utility industry at Dayton Power and Light Co. performing various
20		maintenance and production roles within the electric generation division from 1992 to
21		1999. In 1999, I continued carrying out various maintenance and production
22		responsibilities for Cinergy's electric generation division until 2003 when I became a plant
23		manager for Trigen Cinergy Solutions LLC. In 2004, I was employed by the Company as
24		a Power Plant Director responsible for providing leadership and management focused on
25		safe, environmentally responsible, reliable, and efficient electric generation. I was named
26		to my current position in May 2021.
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# ATTACHMENT A Petitioner's Exhibit No. 2 Cause No. 45501 CenterPoint Page 3 of 33

1	Q.	What are your present duties and responsibilities as Director of Power Supply
2		Services?
3	A.	I have responsibility for the following related functions: Wholesale Power
4		Marketing, Market Settlements, and Market Development. I also am responsible
5		for serving as the commercial lead for negotiations and dealings with third party renewable
6		developers and supporting our transition to renewables. This aligns areas related to
7		generation and wholesale market initiatives and our future generation plans.
8		
9	Q.	Have you previously testified before the Indiana Utility Regulatory Commission (the
10		"Commission")?
11	A.	No, I have not.
12		
13	Q.	Are you sponsoring any attachments to your direct testimony in this proceeding?
14	A.	Yes. I sponsor the following attachments:
15		Petitioner's Exhibit No. 2, Attachment FSB-1 (CONFIDENTIAL): Power Purchase
16		Agreement ("PPA") with Clenera;
17		<ul> <li>Petitioner's Exhibit No. 2, Attachment FSB-2 (CONFIDENTIAL): Build Transfer</li> </ul>
18		Agreement ("BTA") with Capital Dynamics' affiliate, Posey Solar CEI, LLC;
19		<ul> <li>Petitioner's Exhibit No. 2, Attachment FSB-3: 2019 All-Source RFP;</li> </ul>
20		<ul> <li>Petitioner's Exhibit No. 2, Attachment FSB-4: 2019 All-Source RFP Stakeholder</li> </ul>
21		Slides;
22		<ul> <li>Petitioner's Exhibit No. 2, Attachment FSB-5 (CONFIDENTIAL): Proposal Scoring</li> </ul>
23		Summary.
24		
25	Q.	Have you reviewed these attachments, and do you adopt them as your own?
26	A.	Yes, I have, and I do.
27		
28		
29		
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33		

### II. PURPOSE & SCOPE OF TESTIMONY

 Α.

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

My testimony describes the Company's use of an all-source request for proposal ("All-Source RFP") to identify not only viable, but also highly competitive, renewable projects in addition to summarizing the benefits of adding solar resources to Petitioner's existing portfolio of generation assets. I explain CenterPoint's decision to pursue two solar projects and support Petitioner's request for an Order in this Cause: (1) issuing CenterPoint a CPCN to purchase and acquire, indirectly through a BTA, a solar facility in Posey County, Indiana, that will have an aggregate nameplate capacity of approximately 300 megawatts alternating current ("MWac") (the "Posey County Solar Project" or "Posey Project") pursuant to Ind. Code ch. 8-1-8.5; and (2) authorizing Petitioner to enter into a PPA with Clenera's LLC affiliate, Rustic Hills Solar II, LLC, ("Clenera") to purchase energy and capacity from a 100 MWac solar project in Warrick County, Indiana, (the "Warrick County Solar Project" or "Warrick Project") over a 25-year term.

## III. OVERVIEW OF GENERATION TRANSITION PLAN. PROJECTS. AND REQUEST FOR PROPOSAL PROCESS

### Q. Please provide an overview of CenterPoint's Generation Transition Plan (the "Plan").

A. Consistent with the Company's 2019/2020 Integrated Resource Plan ("IRP") findings,
CenterPoint developed a Generation Transition Plan focused on implementation of our
integrated resource plan which concludes that timely retirement of certain identified
existing generation and replacement with new generation resources identified and
selected from an All-Source RFP provides a lower cost future for customers. The Plan
required an initial step of identifying and selecting approximately 700 MWac of solar
generation, 300 MWac of wind generation, and approximately 500 MW of natural gas

### **VERIFICATION**

I, F. Shane Bradford, Director, Power Supply Services for Southern Indiana Gas and Electric Company d/b/a CenterPoint Energy Indiana South, under the penalty of perjury, affirm that the answers in the foregoing Rebuttal Testimony are true to the best of my knowledge, information and belief.

F. Shane Bradford

Director, Power Supply Services