STATE of INDIANA

INDIANA UTILITY REGULATORY COMMISSION

101 WEST WASHINGTON STREET, SUITE 1500 EAST

INDIANAPOLIS, INDIANA 46204-3419



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VERIFIED JOINT PETITION OF DUKE ENERGY INDIANA, LLC, INDIANA GAS COMPANY D/B/A VECTREN ENERGY DELIVERY OF INDIANA, INC., INDIANA MICHIGAN POWER COMPANY, INDIANA NATURAL GAS CORPORATION, INDIANAPOLIS POWER & LIGHT COMPANY, MIDWEST NATURAL GAS CORPORATION, NORTHERN INDIANA PUBLIC SERVICE COMPANY, LLC, OHIO VALLEY GAS CORP. AND OHIO VALLEY GAS, INC., SOUTHERN INDIANA GAS & ELECTRIC COMPANY D/B/A VECTREN ENERGY DELIVERY OF INDIANA, INC., AND SYCAMORE GAS COMPANYFOR (1) AUTHORITY FOR ALL JOINT PETITIONERS TO DEFER AS A REGULATORY ASSET CERTAIN INCREMENTAL EXPENSE INCREASES AND REVENUE REDUCTIONS OF THE UTILITY ATTRIBUTABLE TO COVID-19; AND (2) THE ESTABLISHMENT OF SUBDOCKETS FOR EACH JOINT PETITIONER IN WHICH EACH JOINT PETITIONER MAY ADDRESS REPAYMENT PROGRAMS FOR PAST DUE CUSTOMER ACCOUNTS, APPROVAL OF NEW BAD DEBT TRACKERS, AND/OR DETAILS CONCERNING THE FUTURE RECOVERY OF THE COVID-19 REGULATORY ASSET		CAUSE NO. 45377 (Consolidated under Cause No. 45380)
PETITION OF INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR FOR GENERIC INVESTIGATION INTO COVID-19 IMPACTS TO BE CONDUCTED OVER TWO PHASES; EMERGENCY RELIEF PURSUANT TO IND. CODE § 8-1-2-113 TO RELIEVE INDIANA RATEPAYERS OF THE THREAT OF UTILITY SERVICE DISCONNECTION AND PAYMENT ARREARAGES DURING GLOBAL HEALTH AND ECONOMIC CRISIS	)))))))))))))))))))))))))))))))))))))))	CAUSE NO. 45380

You are hereby notified that on this date the Indiana Utility Regulatory Commission ("Commission") has caused the following entry to be made:

On October 7, 2020, the Indiana Office of Utility Consumer Counselor ("OUCC") filed a Motion to Extend Temporary Consumer Protections and Standardize Utility Reporting Requirements Across all Indiana Jurisdictional Utilities ("Motion") requesting the Commission issue an order: (1) extending for an additional 60 days the customer protections required by the Commission's August 12, 2020 Order ("August Order"),<sup>1</sup> and (2) imposing additional and standardized utility reporting requirements. The OUCC asserts that as the COVID-19 virus continues to persist, Indiana residents and businesses continue to struggle financially. Consequently, the OUCC requests the Commission find that although the limited data (both in terms of duration and type) being reported by jurisdictional Indiana utilities shows customers have been motivated to enroll in payment arrangements, the customer protections should be extended to December 31, 2020 to ensure continued positive progress. The OUCC also requests the Commission to impose additional reporting requirements and standardize the reporting across all jurisdictional Indiana utilities. Citizens Action Coalition ("CAC") and Indiana Community Action Association ("INCAA") joined in the OUCC's Motion.

On October 13, 2020, the Joint Utilities<sup>2</sup> filed a Response to the Motion opposing the OUCC's request for an extension of the customer protections but agreeing to an extension of the availability of extended payment arrangements (a minimum of six months) for residential customers. The Joint Utilities argue that the Motion fails to demonstrate a need to reinstate or expand the expired customer protections. The Joint Utilities assert that the Commission's prior Orders in this Cause reasonably balanced the needs of customers economically affected by COVID-19 and the interests of utilities and their customers who will ultimately bear the costs of extended payment arrangements, suspended fees, and bad debt, and there is no evidence showing a need to revisit the Commission's balanced approach. The Joint Utilities took no position on the OUCC's request for standardized reporting requirements, except to note that such requirements should only apply to the extent the utilities' billing and accounting systems can provide such additional information.

The Citizens Energy Group Jurisdictional Utilities<sup>3</sup> ("Citizens") also filed a Response to the Motion opposing the OUCC's request to standardize reporting requirements across all jurisdictional Indiana utilities. Citizens notes that the Commission has previously denied such requests and that the OUCC has failed to explain why the reporting requirements applicable to

<sup>&</sup>lt;sup>1</sup> The customer protections identified in the Motion include: (1) the exclusion of late fees, deposits, and disconnection/reconnection fees for residential customers, and (2) the requirement that customers be offered a payment arrangement term of at least six months over which arrearages may be paid.

<sup>&</sup>lt;sup>2</sup> The Joint Utilities includes Duke Energy Indiana, LLC, Indiana Gas Company, Inc., Indiana Natural Gas Corporation, Indiana Michigan Power Company, Indianapolis Power & Light Company, Midwest Natural Gas Corporation, Northern Indiana Public Service Company, Ohio Valley Gas Corp. and Ohio Valley Gas, Inc., Southern Indiana Gas & Electric Co., and Sycamore Gas Company.

<sup>&</sup>lt;sup>3</sup> The Citizens Energy Group Jurisdictional Utilities consist of The Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis (the "Board") in its capacity as the owner of a gas utility d/b/a Citizens Gas; the Board in its capacity as the owner of a steam utility d/b/a Citizens Thermal; the Board in its capacity as the owner of a water utility d/b/a Citizens Water; CWA Authority, Inc.; Westfield Gas, LLC, d/b/a Citizens Gas of Westfield; Citizens Wastewater of Westfield, LLC; and Citizens Water of Westfield, LLC

utilities seeking rate relief should be extended to all jurisdictional Indiana utilities. Absent such an explanation, Citizens asserts that such reporting imposes an unnecessary hardship for utilities not intending to seek rate relief.

On October 15, 2020, the OUCC filed its Reply, in which the CAC and INCAA joined, reiterating its request for continued customer protections for all customers, residential and non-residential, given the unprecedented financial challenges facing customers and the upcoming colder weather. The OUCC again argues that expanding and standardizing data reporting across all jurisdictional Indiana utilities is necessary to understand the impact that COVID-19 is having on utilities and their customers.

The Presiding Officers, having considered the Motion, DENY the Motion except to the extent agreed to by the Joint Utilities to continue offering extended payment arrangements (a minimum of six months) for residential customers. Although Indiana Governor Eric Holcomb has extended the public health emergency due to the ongoing COVID-19 pandemic, he has also continued Indiana's movement toward more normal operations by extending Indiana's Stage 5 status in Executive Order 20-46 to November 14, 2021. The parties' filings indicate agreement that positive progress has been made since the Commission's August Order, which found certain customer protections were necessary during the transition from the prohibition on disconnections into customer payment plans. The parties also agree that the extended payment plans and temporary exclusion of certain fees have served to motivate customers to enter into payment plans to ensure their continued utility service.

While the OUCC expressed concern as to whether the jurisdictional Indiana utilities' payment plans were flexible enough to benefit customers or whether lifting the customer protections required in the August Order may be harmful, it provided no evidence to support its concerns. Instead, the parties' filings reflect that jurisdictional Indiana utilities have heeded the Commission's continued encouragement to work cooperatively with their customers. The Joint Utilities, in their response, note that they have been working, and will continue to work, with customers that have been impacted by COVID-19. The Joint Utilities also expressed their agreement with continuing to offer extended payment plans to residential customers until December 31, 2020, which we find to be reasonable and that the Joint Utilities should implement.

As the Commission has previously expressed, nothing in its Orders issued under this Cause are intended to prohibit or otherwise limit a utility from not disconnecting customers, entering into more flexible payment arrangements, or waiving fees when done in a non-discriminatory manner. Because the Commission's jurisdiction is limited, the OUCC's concern that customers will be subject to different offerings by different utilities, is a concern that cannot be remedied by the Commission. Accordingly, we take this opportunity to remind the parties of the Commission's previous statements encouraging all Indiana utilities (both jurisdictional and non-jurisdictional) to make all reasonable efforts to communicate and engage with their customers in a cooperative manner that allows for essential utility service to be maintained during this global pandemic. We also encourage utilities to continue offering flexible payment arrangements (not just the minimum required by the Commission's rules) as well as other additional customer protections and payment arrangements, such as use of deposits to pay existing balances, no limits on the number of payment arrangements for customers that have fallen in arrears, and smaller required payments of outstanding balances. We also continue to encourage utilities to coordinate with customer assistance programs and services, such as Indiana 2-1-1 and other governmental and community organizations, to ensure that residential customers are made aware of assistance programs they could enroll in. And, we again encourage the utilities to collaborate with interested stakeholders, such as the OUCC, CAC, and INCAA.

Finally, we again deny the OUCC's request for additional and standardized reporting in this Cause by all jurisdictional Indiana utilities. It is unclear from the OUCC's Motion whether it has reached out to any of the jurisdictional Indiana utilities to request the information it believes is necessary for the Commission's consideration and would encourage the OUCC to do so, if it has not. However, at this time, we continue to believe that the reporting requirements imposed to date are providing the Commission with sufficient information, and that the differing reporting requirements between those utilities intending to seek rate relief and those that are not is reasonable and appropriate given the additional administrative burden required to assemble the more comprehensive utility operational data.

## **IT IS SO ORDERED.**

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James F. Huston, Chairman

David E. Ziegner, Commissioner

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Stefanie N. Krevda, Commissioner

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Loraine L. Seyfried, Chief Administrative Law Judge

Date: October 27, 2020