VERIFIED REBUTTAL TESTIMONY

OF

BRANDI DAVIS-HANDY

ON BEHALF OF

INDIANAPOLIS POWER & LIGHT COMPANY

D/B/A AES INDIANA

CAUSE NO. 46258

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ON BEHALF OF AES INDIANA

1. INTRODUCTION

Q1. Please state your name, employer, and business address.

A1. My name is Brandi Davis-Handy. I am employed by AES US Services, LLC, ("AES Services", also "Service Company"), which is the service company that serves Indianapolis Power & Light Company d/b/a AES Indiana ("AES Indiana", "IPL", or "Company"). The Service Company is located at One Monument Circle, Indianapolis, Indiana 46204.

Q2. What is your position with AES Services?

A2. I am President of AES Indiana.

Q3. Are you the same Brandi Davis-Handy that filed direct testimony on behalf of AES Indiana in this case?

A3. Yes.

Q4. What is the purpose of your rebuttal testimony?

A4. I testify that the Company takes its obligations to provide service consistent with the Five Pillars of Indiana Energy Policy seriously and is not indifferent to the affordability attribute as alleged by OUCC witness Latham. I also address certain issues regarding the ACE Project raised by the OUCC and/or CAC, and CAC witness Inskeep's testimony regarding the potential for future data center development.[1]

[1] Absence of a response to every issued raised in the other parties' testimony does not mean I agree with the other parties on those issues.

2. AFFORDABILITY

Q5. OUCC witness Latham characterizes the Company as being 'silent', 'inattentive', 'indifferent' and 'ambivalent' toward the affordability pillar.[2] Do you agree?

A5. No. This characterization does not accurately represent the Company, its filing, or my direct testimony. AES Indiana witness Rogers further discusses the transparent approach reflected in the Company's case-in-chief filing.

While the OUCC may disagree with the Company on policy matters, the suggestion that differing viewpoints constitute wrongdoing should be rejected. Civil discourse fosters critical thinking and the exchange of ideas. Engaging in dialogue facilitates problem solving.

AES Indiana seeks a respectful dialogue with stakeholders about the costs that drive the price for electric service and this rate review. I stated this in my direct testimony and confirm here that the Company remains committed to this approach.[3]

Rate reviews are driven by facts and require sound analysis. This is necessary because the price charged for retail electric service is underpinned by the cost incurred to provide the service, and the reality is that much of the cost incurred by the Company to provide service is outside the Company's control.

As shown in the direct testimony of AES Indiana witness Peters, the non-fuel, non-labor O&M in the Adjusted Test Year is relatively flat (0.1% higher) compared to the level of these costs incurred by the Company in 2024 (the Historical Base Period).[4] This

[2] Pub. Ex. No. 1, pp. 3, 13, 22.
[3] AES Indiana witness Davis-Handy direct testimony, p. 12.
[4] AES Indiana witness Peters direct testimony, p. 25 (Q/A 55).

demonstrates the Company's reasonable and sound management of costs that are under the Company's control despite inflationary pressures and growth in rate base during the period.[5] Also, as discussed in the rebuttal testimony of Mr. Rogers, the Company's investors have already borne a significant cost of doing business in Indiana.[6] AES Indiana witnesses Illyes and McKenzie support the need for the utility to maintain adequate financial strength and to be afforded a reasonable opportunity to earn a fair return. AES Indiana witness Elliot further responds to the OUCC and CAC testimony regarding affordability.

3. ACE PROJECT

Q6. The OUCC and CAC raise concerns about the "ACE Project". What is the ACE Project?

A6. The ACE Project is comprised of four integrated components: a customer information system ("CIS"), meter data management ("MDM"), field services management ("FSM"), and customer service management ("CSM"). In Cause No. 45911, the Company demonstrated the prudence of replacing its outdated legacy systems with the ACE Project. The concerns raised by OUCC and CAC relate to the billing system, which is part of the CIS. As stated in testimony in Cause No. 45911, the core system procurement was awarded to SAP, a leading enterprise resource planning software vendor and leader in CIS for the energy industry.[7] The Company hired and relied on Accenture, a global firm specializing in SAP system integrations, to perform the system integration work. The ACE Project was placed in service in early November 2023. The decision to "Go-Live" was made after

[5] *Id.*
[6] AES Indiana witness Rogers rebuttal testimony, Q/A 27.
[7] Cause No. 49511, AES Indiana witness Barbarisi direct testimony, p. 12.

Accenture's "Readiness Wheel" showed a fully "green" status across all readiness categories, as discussed in the rebuttal testimony of AES Indiana witness Orr.[8]

In accordance with the Commission Order in Cause No. 45911, the Company has been filing monthly reports with the Commission on the status of the CIS billing issues. The Company has also participated in two public meetings conducted by the Commission to discuss billing system issues following the launch of the new system. As reflected in these reports and discussed in the rebuttal testimony of AES Indiana witness Orr, the billing system issues have been resolved; the CIS operations have been stabilized since August 15, 2024.[9]

Q7. Please identify the AES Indiana witnesses who respond to the OUCC and intervenor testimony regarding the ACE Project.

A7. As President of the Company, I have acknowledged the billing issues and subsequent customer frustrations during the public meetings on these matters. The Company has transparently reported its status and activities to both the Commission and customers and thus, I disagree with Mr. Inskeep that the Company has attempted to downplay the billing issues.[10] That being said, these matters have been resolved and the associated cost of resolving them is not reflected in the 2026 Test Year in this Cause.

The technical matters are addressed in the rebuttal testimony of AES Indiana witnesses Orr and Bramley. These witnesses explain that the Company does not agree with the characterizations in the OUCC and CAC testimony. They show that these issues were

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[8] The Readiness Wheel is Accenture's proprietary model to govern when a project is ready for Go-Live. As discussed in the rebuttal testimony of AES Indiana witness Rogers, prudence is assessed based on what the Company knew or reasonably should have known at the time decisions or actions were taken and not based on hindsight.
[9] Please see Cause No. 45911 AES Indiana's submission of compliance filing dated September 17, 2025, Table 2.
[10] CAC Ex. No. 1, p. 11.

resolved in 2024; that the Company has already held itself accountable by incurring approximately $47 million without cost recovery through rates.[11] As noted above, the Commission is already overseeing these matters. The Company's rebuttal witnesses show that the severe financial penalties recommended by the OUCC and CAC should be rejected.

Q8. CAC witness Inskeep criticizes the monthly reports filed by the Company in Cause No. 45911. How do you respond?

A8. AES Indiana witnesses Orr and Bramley address the technical issues and customer impact raised by Mr. Inskeep. I would like to comment on the belated nature of these criticisms.

The Company has been filing monthly reports at the direction of the Commission since May 2024; the Company has responded to additional questions posed by the Commission. I participated with the Company's subject matter experts in public meetings on the subject of the ACE Project on June 17, 2024, and February 20, 2025. CAC participated in these meetings and has received the monthly reports and information filed by the Company in compliance with the Commission's Order in Cause No. 45911. Until now, the CAC raised no concerns to the Commission or the Company with the content of the reports. If the CAC had issues with the reports, it had the opportunity to call our attention to its concern well before now – and if the CAC had done so, the Company would have had an opportunity to address and potentially resolve Mr. Inskeep's concern.

[11] This includes uncollectible accounts expense of approximately $40 million in excess of what is included in base rates and estimated foregone late fees of approximately $7 million in 2024 and 2025 as supported by AES Indiana witness Rogers.

4. POTENTIAL DATA CENTER LOAD

Q9. CAC witness Inskeep discusses Data Centers in Section V of his testimony. Have you reviewed this testimony?

A9. Yes.

Q10. What is your response to Mr. Inskeep's testimony?

A10. Data Centers provide a significant economic development opportunity for Indiana, but I recognize the existence of broader conversations about such large-scale developments and the energy they consume. The Company does not currently have any data center customers, and no such load is expected during the 2026 Test Year being used in this rate review proceeding. In short,

data center load is in no way associated with the Company's current rate review request filed with the Indiana Utility Regulatory Commission.

Should large load develop in the Company's service area, the Company expects to address it at that time, and will seek any necessary approvals from the Commission in a separate docket. Any service agreement the Company enters into with a data center will provide existing customers and AES Indiana with appropriate financial protections, which the Commission will have a chance to review and consider. To the extent that a critical mass of large load customers materializes over time, AES Indiana will consider a new dedicated tariff following a cost-of-service study accounting for changes to system and load characteristics. However, that is not the Company's current circumstance.

5. SUMMARY AND RECOMMENDATIONS

Q11. Please summarize your conclusions in this rebuttal testimony.

A11. AES Indiana has served Central Indiana for more than 100 years. Our mission has always been to improve lives by delivering safe, reliable, and cost-effective energy solutions to the people and businesses who depend on us every day. That has not changed. But how we fulfill our mission must continue evolving to meet the demands of a growing region and a dynamic energy landscape. We responsibly manage what is within our control, and we are committed to transparency with our customers regarding the drivers of the increasing cost to serve. The Company respectfully asks the Commission to consider the Company's proposed revenue requirement and issue an Order approving a revenue increase within the 300-day procedural schedule.

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

A12. Yes.

VERIFICATION

I, Brandi Davis-Handy, President of AES Indiana, affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information, and belief.

Brandi D. Davis-Handy

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Brandi Davis-Handy
Dated: October 7, 2025