

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF DUKE ENERGY INDIANA,)
LLC FOR APPROVAL OF AN ELECTRIC) CAUSE NO. 45464
SUPPLY AGREEMENT WITH NUCOR)
CORPORATION)

VERIFIED PETITION

Duke Energy Indiana, LLC (“Petitioner” or “Duke Energy Indiana” or “Company”) respectfully requests and shows the Indiana Utility Regulatory Commission (“Commission”) that:

1. **Duke Energy Indiana’s Corporate and Regulated Status.** Petitioner is an Indiana corporation with its principal office in the Town of Plainfield, Hendricks County, Indiana. Duke Energy Indiana’s mailing and business address is 1000 East Main Street, Plainfield, Indiana 46168. Duke Energy Indiana has the corporate power and authority, among others, to engage, and it is engaged, in the business of supplying electric utility service to the public in the State of Indiana. Accordingly, Duke Energy Indiana is a “public utility” and an “electricity supplier” within the meaning of those terms as used in the Indiana Public Service Commission Act, as amended, and is subject to the jurisdiction of the Commission in the manner and to the extent provided by the laws of the State of Indiana.

2. **Duke Energy Indiana’s Electric Utility Service.** Petitioner owns, operates, manages and controls plants, properties and equipment used and useful for the production, transmission, distribution and furnishing of electric utility service to the public in the State of Indiana. Duke Energy Indiana directly supplies electric energy to over 855,000 customers located in 69 counties in the central, north central and southern parts of the State of Indiana. Duke Energy Indiana also sells electric energy for resale to Wabash Valley Power Association, Inc., Indiana Municipal Power Agency and to other utilities which in turn supply electric utility service to numerous

customers in areas not served directly by Duke Energy Indiana. In addition, Duke Energy Indiana provides steam service to an industrial customer whose manufacturing facility is located adjacent to Duke Energy Indiana's Cayuga Generating Station.

3. Background and Relief Sought by this Petition. Nucor Steel, a division of Nucor Corporation ("Nucor") operates a steel production facility located near the City of Crawfordsville, Indiana ("Crawfordsville Plant"). The provisions governing electric service to the Crawfordsville Plant are important to Nucor's successful operation of the Crawfordsville Plant. Petitioner and Nucor, previously through confidential negotiations, agreed to an Electric Supply Agreement dated July 31, 1987, an As-Available Supplemental Energy Service Agreement dated April 4, 1994, a First Amendment to the July 31, 1987 Electric Supply Agreement dated June 20, 1996, a 2009 Three-Month Extension Agreement, a 2009 Four-Month Extension Agreement, a January 14, 2010 Settlement Agreement, and most recently an October 16, 2015 Extension Agreement (with an opportunity for two one-year automatic extensions) (collectively, such agreements, as amended, hereinafter referred to as the "Nucor Electric Supply Agreements").

The Commission previously approved the 1987 Electric Supply Agreement by an Order issued in Cause No. 38344, on August 26, 1987, approved the As-Available Supplemental Energy Service Agreement on June 8, 1994, approved the First Amendment to the July 31, 1987 Electric Supply Agreement on August 28, 1996, approved the Three-Month Extension Agreement on June 10, 2009, approved the Four-Month Extension Agreement on October 21, 2009, approved the Settlement Agreement with one modification on February 24, 2010, and approved the three-year Electric Supply Agreement on December 30, 2015, thereby authorizing Duke Energy Indiana to supply electricity to Nucor pursuant to such Nucor Electric Supply Agreements. The Nucor Electric Supply Agreements terminate December 31, 2020.

Petitioner and Nucor have extensively negotiated in good faith concerning the rates, charges, terms, and conditions of a replacement electric supply agreement, and have concluded it is in their mutual best interests that a new Electric Supply Agreement be reached and filed with the Commission for approval. Petitioner and Nucor are diligently working towards finalization of a new Electric Supply Agreement but will be unable to file it before December 31, 2020.

4. The Proposed Nucor Electric Supply Agreement. Petitioner's electric service to Nucor's Crawfordsville Plant, in accordance with the provisions of the proposed Electric Supply Agreement, will not adversely affect the adequacy or reliability of service to any of Petitioner's other customers.

Approval of the proposed Electric Supply Agreement will not alter any of Petitioner's other existing rates or contracts. The rates in the proposed Electric Supply Agreement will be reasonable, consistent with the public interest, practical and advantageous to the parties, and not inconsistent with the purposes of the Public Service Commission Act.

5. Applicable Law. The following provisions of the Indiana Code are, or may be deemed to be, generally relevant to this Petition: Ind. Code §§ 8-1-2-4, 8-1-2-24, 8-1-2-25, 8-1-2-29, 8-1-2-38, and 8-1-2-39.

6. Duke Energy Indiana's Counsel. Kelley A. Karn and Andrew J. Wells, Duke Energy Business Services LLC, 1000 East Main Street, Plainfield, Indiana 46168, are counsel for Duke Energy Indiana in this matter, and are duly authorized to accept service of papers in this Cause on behalf of Duke Energy Indiana.

7. Interim Order Requested. Duke Energy Indiana requests that the Commission expeditiously approve an Interim Order extending the current Nucor Electric Supply Agreements' terms, as approved in Cause No. 44697, for the period prior to issuance of a Final Order in this

Cause, as the current Nucor Electric Supply Agreements will expire December 31, 2020. Such extension is reasonable as the parties have made diligent efforts to timely enter into a new Electric Supply Agreement, but nevertheless will be unable to file it prior to the expiration of the existing agreement. Extending the current Electric Supply Agreement will not adversely affect the adequacy or reliability of service to any of Petitioner's other customers nor alter any of Petitioner's other existing rates or contracts. Accordingly, Duke Energy Indiana respectfully requests an Attorneys' Conference promptly be set and publicly notice this matter to facilitate the approval of the Interim Order pursuant to a Motion for Expedited Treatment and supporting affidavit being filed herewith. Duke Energy Indiana further requests the Interim Order expire upon the issuance of a Final Order in this Cause or Petitioner's withdrawal of this Petition.

WHEREFORE, Petitioner respectfully prays that the Commission promptly commence public hearings and issue orders:

- (1) extending the rates, charges, terms, and conditions of the current Electric Service Agreement set to expire on December 31, 2020, on an interim basis, until the issuance of a Final Order in this Cause or Petitioner's withdrawal of this Petition;
- (2) approving a new Electric Service Agreement between Duke Energy Indiana and Nucor, including the rates and charges and terms and conditions for electric utility service there under; and
- (3) granting such other relief as the Commission may deem necessary and proper.

Dated this 3rd day of December, 2020

Respectfully submitted,

DUKE ENERGY INDIANA, LLC

By:



Counsel for Petitioner

Andrew J. Wells, Attorney No. 29545-49
Kelley A. Karn, Attorney No. 22417-29
Duke Energy Business Services LLC
1000 East Main Street
Plainfield, IN 46168
Telephone: (317) 838-1318
Fax: (317) 838-6001
andrew.wells@duke-energy.com
kelley.karn@duke-energy.com

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing *Verified Petition* was electronically delivered this 3rd day of December, 2020, to the following:

Randall C. Helmen
Jeff Reed
Office of Utility Consumer Counselor
115 W. Washington Street
Suite 1500 South
Indianapolis, IN 46204
rhelmen@oucc.IN.gov
jreed@oucc.IN.gov
infomgt@oucc.IN.gov

Courtesy Copy to:

Anne E. Becker
LEWIS KAPPES
One American Square
Suite 2500
Indianapolis, IN 46282
abecker@lewis-kappes.com



Andrew J. Wells
Attorney for Duke Energy Indiana, LLC

Andrew J. Wells, Attorney No. 29545-49
Kelley A. Karn, Attorney No. 22417-29
Duke Energy Business Services LLC
1000 East Main Street
Plainfield, IN 46168
Telephone: (317) 838-1318
Fax: (317) 838-6001
andrew.wells@duke-energy.com
kelley.karn@duke-energy.com