

OFFICIAL EXHIBITS

FILED
April 27, 2023
INDIANA UTILITY
REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF INDIANAPOLIS POWER & LIGHT)
COMPANY D/B/A AES INDIANA FOR COMMISSION)
APPROVAL OF AN ELECTRIC VEHICLE PORTFOLIO,)
INCLUDING: (1) A PUBLIC USE ELECTRIC VEHICLE)
PILOT PROGRAM PURSUANT TO IND. CODE CH. 8-1-43;)
AND (2) TIME-VARYING AND OTHER ALTERNATIVE)
PRICING STRUCTURES AND TARIFFS PURSUANT TO IND.)
CODE §8-1-2.5-6(3); AND FOR APPROVAL OF ASSOCIATED)
ACCOUNTING AND RATE MAKING)

CAUSE NO. 45843

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

PUBLIC'S EXHIBIT NO. 3

TESTIMONY OF ROOPALI SANKA

APRIL 27, 2023

IURC
PUBLIC'S
EXHIBIT NO. 3
DATE 7-6-23 AT
REPORTER

Respectfully submitted,



T. Jason Haas

Attorney No. 34983-29

Deputy Consumer Counselor

TESTIMONY OF OUCC WITNESS ROOPALI SANKA
CAUSE NO. 45843
INDIANAPOLIS POWER & LIGHT D/B/A AES INDIANA

I. INTRODUCTION

1 **Q: Please state your name and business address.**

2 A: My name is Roopali Sanka, and my business address is 115 West Washington
3 Street, Suite 1500 South, Indianapolis, Indiana 46204.

4 **Q: By whom are you employed and in what capacity?**

5 A: I am employed as a Utility Analyst in the Indiana Office of Utility Consumer
6 Counselor's ("OUCC") Electric Division. A summary of my educational
7 background and experience is included in Appendix A attached to my testimony.

8 **Q: What is the purpose of your testimony?**

9 A: I discuss Indianapolis Power and Light Company d/b/a/ AES Indiana's ("AES
10 Indiana" or "Petitioner") request for approval of the proposed EV Portfolio
11 ("Portfolio"). Ultimately, I recommend the Commission deny the proposed
12 Portfolio.

13 **Q: Please describe the review and analysis you conducted to prepare your**
14 **testimony.**

15 A: I reviewed the verified petition, direct testimony and exhibits AES Indiana
16 submitted in this Cause. I drafted data requests ("DRs") and reviewed AES
17 Indiana's responses. In addition, I reviewed the verified petition, the testimonies,
18 and the Indiana Utility Regulatory Commission's ("Commission") Final Order in
19 Duke Energy Indiana, LLC's ("DEI") request for an EV Pilot Program in Cause
20 No. 45616.

1 **Q: To the extent you do not address a specific item in your testimony, should it be**
2 **construed to mean you agree with AES's proposal?**

3 A: No. Excluding any topics, issues or items AES Indiana proposes does not indicate
4 my approval of those topics, issues, or items. Rather, the scope of my testimony is
5 limited to the specific items addressed herein.

II. AES INDIANA'S PROPOSED PUBLIC USE EV PILOT PROGRAMS

6 **Q: Please describe the components of the Public Use EV Pilot Programs.**

7 A: The Public Use EV Pilot portion of the EV Portfolio consists of four programs¹ as
8 shown below:

- 9 • Bi-directional Charging Pilot
- 10 • Fleet Solutions
- 11 • Electric Vehicle Supply Equipment ("EVSE") Rebates
- 12 • EVSE Rebates for Disadvantaged Communities

13 The Public Use EV Pilot programs within the EV Portfolio are budgeted to cost
14 approximately \$13.5 million of the \$16.2 million for the entire portfolio over three
15 years.²

16 **Q: Please describe the Bi-directional Charging Pilot Program.**

17 A: The pilot initiative will evaluate the integration of vehicle-to-grid ("V2G")
18 technology and bi-directional power flow between AES Indiana and certain clients
19 located in AES Indiana's service area.³

¹ Petitioner's Exhibit No. 1, Direct Testimony of Zachary Elliot, p. 5, lines 6-18.

² Elliot Direct, Attachment ZE-1.

³ *Id.*, p. 5, lines 6-8.

1 **Q: Please describe the Fleet Solutions Program.**

2 A: This EV Program aims to offer guidance and consultation services to clients who
3 are in the process of shifting their vehicle fleets from conventional fuels to electric
4 vehicles for public use.⁴

5 **Q: Please describe the EVSE Rebates Program.**

6 A: This new pilot program aims to offer refunds to incentivize customers to invest in
7 Level 2 and direct current fast charging equipment for supplying electric charging
8 to vehicles intended for public use.⁵

9 **Q: Please describe the EVSE Rebates for Disadvantaged Communities Program.**

10 A: This program reserves funds to ensure that charging infrastructure is easily
11 accessible to all customers in AES Indiana's service area, including economically
12 disadvantaged or racially and ethnically diverse regions.⁶

13 **Q: How did AES Indiana attempt to provide evidence that the Public Use EV Pilot**
14 **Program is in the public interest?**

15 A: AES Indiana provided cost effectiveness modeling for the components of the
16 Portfolio. The modeling used the Rate Impact Measure ("RIM") Test, the Total
17 Resource Cost ("TRC") Test, the Participant Cost Test ("PCT"), and the Societal
18 Cost Test ("SCT"). AES Indiana also provided the benefit-to-cost ratios and
19 associated net benefits (in dollars) for the second year of the program, assumed to
20 be 2025.⁷

⁴ *Id.*, p. 5, lines 9-11.

⁵ *Id.*, p. 5, lines 12-14.

⁶ *Id.*, p. 5, lines 15-18.

⁷ Petitioner's Exhibit No. 3, Direct Testimony of Edward Schmidt, p. 2, lines 11-15.

1 **Q: What was the result of the cost effectiveness tests of the individual programs**
2 **in the Public Use EV Pilot portion of the EV Portfolio?**

3 A: It should be noted that for a program to be cost effective or result in benefits
4 exceeding the costs of the program, the test results need to be greater than 1.00.
5 According to the test results Petitioner provided, some customers in some of the
6 EV Pilot Programs will not experience any savings. Below is a table of the results
7 of the benefit/cost tests on the various programs in the Public Use EV Pilot portion
8 of the EV Portfolio.⁸

Program	RIM	TRC	PCT	SCT
Bi-directional Charging Pilot	N/A	N/A	N/A	N/A
Fleet Solutions	1.06	3.51	2.26	4.90
EVSE Rebates	1.99	8.20	2.78	11.32
EVSE Rebates for Disadvantaged Communities	0.29	0.98	2.08	1.53

9 The TRC and the RIM results for the EVSE Rebates for Disadvantaged
10 Communities is below a score of 1.00, which means that the costs of implementing
11 and operating the program will not be offset by the benefits.

12 **Q: Is it premature for AES Indiana to begin implementing a three-year portfolio**
13 **of EV Programs if the Commission has not yet issued an order in its pending**
14 **investigation regarding the Public Utility Regulatory Policies Act (“PURPA”)**
15 **Section 111(d) standards as amended by the Infrastructure Investment and**
16 **Jobs Act (“IIJA”) (Cause No. 45816)?**

⁸ *Id.*, p. 3, Table 1.

1 A: Yes. On November 15, 2021, the section was amended by the IJA to include two
2 new criteria that state regulatory bodies must consider. These criteria, known as
3 PURPA Section 111(d)(20) and (21), pertain to the use of demand-response
4 practices and electric vehicle charging programs.⁹ OUC witness John Hanks
5 presents the investigation and discusses its relevance to the early development of
6 this EV Portfolio. Since the Commission's investigation is still ongoing, it would
7 be premature to make any definitive conclusions or statements regarding an EV
8 Portfolio that is associated with a higher cost relative to other comparable utility
9 EV portfolios. The Commission issued a list of issues it will consider in the
10 investigation. Two of the issues are:

11 1) Measures to Promote EV Adoption, states: "How should the utility manage
12 any system upgrades that are necessary for fleet changeover without undue
13 subsidization or delaying customer conversion of their fleets to EVs?"¹⁰

14 2) Rate Design for End-Use Customers, states: "What are the appropriate
15 allocation considerations of direct and indirect rate class specific costs and benefits
16 for EV-adoption-supportive rate designs?"¹¹

17 These issues should be fully vetted in the Commission's investigation prior to
considering AES Indiana's EV Pilot Program proposal.

18 **Q: How will the Commission's investigation impact AES Indiana's proposal?**

19 A: Specifically, with respect to the undue subsidization and proposal allocation of
20 costs, the majority of the EV Portfolio budget is comprised of Commercial &
21 Industrial ("C&I") programs, but the costs are allocated to all customer classes in a
22 manner that is not reflective of cost causation. For instance, residential customers

⁹ Cause No. 45816, Order, Dec. 7, 2022.

¹⁰ Cause No. 45816, Docket Entry issued on April 4, 2023.

¹¹ *Id.*

1 are allocated 42.48% of the portfolio costs while incurring a much lower percentage
2 of these costs.¹² It is inequitable for customers enrolled in other programs to bear
3 the costs of the C&I program or any program they are not a part of and to be
4 responsible for covering the associated costs. However, it is important for the
5 Commission to finalize its investigation into these issues in Cause No. 45816 before
6 it allows AES Indiana to implement its proposed EV Programs.

7 **Q: How does DEI's EV Portfolio (Cause No. 45616) compare to AES Indiana's**
8 **EV Portfolio?**

9 A: There are several components of DEI's EV Portfolio similar to AES Indiana's
10 proposal, such as the electric school bus program, which is similar to AES Indiana's
11 proposed bi-directional charging pilot and AES Indiana's and DEI's fleet solutions
12 proposals.

13 **Q: Are AES Indiana's and DEI's costs similar?**

14 A: No. While certain components are similar, there is a large discrepancy in costs
15 between AES Indiana and DEI. DEI's EV Portfolio is a two-year program and AES
16 Indiana's EV Portfolio is a three-year program. When comparing DEI's EV
17 Portfolio to AES Indiana's total portfolio; however, the cost of AES Indiana's EV
18 Portfolio is roughly almost five times the amount of the DEI's EV Portfolio. The
19 overall estimate for DEI's EV program was \$3.3 million.¹³ In this proceeding, the
20 total cost is approximately \$16.2 million.¹⁴ For example, the fleet advisory program
21 for DEI had an overall projected Electric Transportation Program cost of

¹² Petitioner's Exhibit No. 2, Direct Testimony of Kimberly Aliff, Attachment KA-1.

¹³ Cause No. 45616, Petitioner's Exhibit No. 4, Rebuttal Testimony of Cormack Gordon, p. 8, line 22.

¹⁴ Petitioner's Exhibit No. 1, Direct Testimony of Zac Elliot, p. 3, line 19.

1 \$540,000,¹⁵ whereas in AES Indiana's fleet solutions program, the projected cost
2 is \$4.2 million which is roughly 8 times that of DEI's Fleet Solutions' Program
3 AES Indiana's Residential Managed Charging Program compares to DEI's
4 Education, outreach, and General & Administrative Program, which had a
5 \$500,000 projected cost; whereas, AES Indiana's projected cost of Administration,
6 Outreach, Evaluation was \$1.2 million.¹⁶ The budgetary scope of AES Indiana's
7 proposal exceeds the amount DEI proposed in Cause No. 45616. In fact, DEI
8 proposed an earlier EV program in Cause No. 45253 S-2. In that proceeding the
9 Commission rejected the proposed settlement.¹⁷ DEI's cost estimate in that
10 proceeding was \$10.3 million, still below what AES Indiana is proposing in this
11 Cause.

12 **Q: Please provide an explanation on the OUCC's recommendations regarding**
13 **AES Indiana's Fleet Solutions Program.**

14 A: The Fleet Solutions Program is a load-building marketing initiative and should be
15 rejected. Although AES Indiana has access to the National Electric Vehicle
16 Infrastructure Act ("NEVI") funds to help subsidize its EV Portfolio, "the NEVI
17 funding only applies to corridor DCFC projects open for public use, which provides
18 an opportunity to cost effectively support infrastructure investment for other public
19 or private customers that deliver goods and services to the public."¹⁸ The
20 Commission should be cautious in making captive ratepayers investors in AES

¹⁵ Cause No. 45616, Petitioner's Exhibit No. 1, Direct Testimony of Cormack Gordon Direct, p. 26, lines 15-16.

¹⁶ Elliot Direct, Attachment ZE-1, p. 1 of 4.

¹⁷ Cause No. 45253 S-2, Order, July 22, 2020.

¹⁸ Petitioner's Exhibit No. 1, Direct Testimony of Zac Elliot, p. 8, lines 8-11.

1 Indiana's load building activities. The size of DEI's service territory is significantly
2 larger than AES Indiana's service territory. DEI's service territory covers 22,000
3 square miles which consists of customers in 69 counties, whereas AES Indiana's
4 service territory covers customers principally in and near the City of Indianapolis,
5 Indiana, and in portions of 10 additional counties. Removing the Fleet Solutions
6 Program from the EV Portfolio may result in a more cost-effective portfolio.

III. RECOMMENDATIONS

7 **Q: Please summarize your recommendations to the Commission in this cause.**

8 A: I recommend the Commission deny the implementation of AES Indiana's Public
9 Use EV programs and, in turn, the overall EV Portfolio due to the proposed
10 Portfolio being too costly. The OUCC does not object to the implementation of EV
11 programs. However, the cost of AES Indiana's EV Portfolio is too expensive for its
12 proposed Pilot Program. Moreover, consumers would bear all the risks associated
13 with these experimental initiatives, while AES Indiana and its shareholders would
14 mostly benefit from increased sales.

15 **Q: Does this conclude your testimony?**

16 A: Yes.

APPENDIX TO TESTIMONY OF
ROOPALI SANKA

1 **Q: Please describe your educational background and experience.**

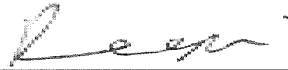
2 A: I hold a bachelor's degree in Energy Engineering from Indiana University Purdue
3 University of Indianapolis. In August 2022, I began my employment with the
4 OUCC as a Utility Analyst II in the electric division. Additionally, I attended Scott
5 Hempling's 'Fundamentals of Utility Law' course in the first quarter of 2023, and
6 I attended the 2022 Indiana Energy Conference in October 2022 which focused on
7 the current and future challenges facing the energy market.

8 **Q: Have you previously testified before the Indiana Utility Regulatory**
9 **Commission?**

10 A: Yes.

AFFIRMATION

I affirm, under the penalties for perjury, that the foregoing representations are true.



Roopali Sanka
Utility Analyst II
Indiana Office of Utility Consumer Counsel
Cause No. 45843
AES Indiana

April 27, 2023

Date: _____

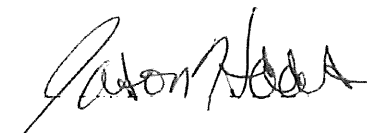
CERTIFICATE OF SERVICE

This is to certify that a copy of the *OUCC's Public's Exhibit No. 3, Testimony of Roopali Sanka* has been served upon the following parties of record in the captioned proceeding by electronic service on April 27, 2023.

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