

**VERIFIED DIRECT TESTIMONY  
OF  
BRANDI DAVIS-HANDY  
ON BEHALF OF  
INDIANAPOLIS POWER & LIGHT COMPANY  
D/B/A AES INDIANA**

Cause No. 46258

**SPONSORING AES INDIANA ATTACHMENT BDH-1**

**VERIFIED DIRECT TESTIMONY OF BRANDI DAVIS-HANDY**  
**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. On whose behalf are you submitting this direct testimony?**

A3. I am submitting this testimony on behalf of AES Indiana.

**Q4. Please describe your duties as AES Indiana President.**

A4. As President, I lead the team responsible for the Company’s provision of retail electric service. In this role, I also engage with state and local leaders and other stakeholders on matters relevant to AES Indiana’s business in Indiana.

**Q5. Please summarize your education and professional qualifications.**

A5. I have more than 25 years of customer and stakeholder engagement, communications, and marketing experience. I received my Bachelor of Arts in Mass Media Arts from Hampton University. I am a graduate of the Stanley K. Lacy Executive Leadership Series and Leadership Dayton. I am an active community leader in Central Indiana serving as Board

1 President of GANGGANG Culture, and board member for the Indy Chamber, Indianapolis  
2 Economic Development, Inc., Indiana Energy Association, Indiana Sports Corporation,  
3 Indiana University Indianapolis, and Urban League of Indianapolis. I was recognized as  
4 one of the 250 Most Influential People in Indiana in 2025 and 2022 Woman of Influence  
5 by the Indianapolis Business Journal. I was also recognized by the Center for Leadership  
6 Development Minority Achiever in Media and Communications in 2018. I was also the  
7 recipient of the Breakthrough Woman in Leadership Development Award for 2018 from  
8 the National Coalition of 100 Black Women.

9 **Q6. Please summarize your prior work experience.**

10 A6. I began serving in my current capacity as President of AES Indiana in March 2024. Prior  
11 to that, I served as the Chief Customer Officer and Chief Public Relations Officer for AES  
12 US Utilities. Prior to AES, I served as Chief Marketing and Communications Officer at  
13 Project Lead The Way, and I have also led communications teams at OneAmerica Financial  
14 Partners and the American Cancer Society.

15 **Q7. Have you testified previously before the Indiana Utility Regulatory Commission**  
16 **(“Commission”) or any other regulatory agency?**

17 A7. Yes. I provided rebuttal testimony in AES Indiana’s most recent rate case, Cause No.  
18 45911. I have participated in technical conferences and public meetings, including AES  
19 Indiana’s presentation to the Commission during the recent Summer and Winter Reliability  
20 meetings.

1 **Q8. What is the purpose of your testimony in this proceeding?**

2 A8. My testimony provides an overview of AES Indiana. I summarize the Company's overall  
3 request and introduce why this rate review is necessary. I also testify that the Company has  
4 reasonably considered the Five Pillars of energy policy, as required by state law.

5 **Q9. Are you sponsoring or co-sponsoring any attachments?**

6 A9. Yes. I sponsor the following attachment: AES Indiana Attachment BDH-1 - Verified  
7 Petition.<sup>1</sup>

8 **Q10. Was this attachment prepared or assembled by you or under your direction and**  
9 **supervision?**

10 A10. Yes.

## 11 **2. COMPANY OVERVIEW**

12 **Q11. Please describe AES Indiana's relationship with The AES Corporation and CDPQ.**

13 A11. AES is a US-based energy company with global operations. AES' generation businesses  
14 have a combined generation capacity of 32.6 GW. AES also owns and operates six utilities,  
15 two in the United States (AES Indiana and AES Ohio) and four in El Salvador. These  
16 utilities provide service to approximately 2.7 million customers. In addition to AES'  
17 ownership, CDP Infrastructures Fund L.P., a wholly owned subsidiary of La Caisse de  
18 depot et placement du Quebec ("CDPQ"), also owns a minority equity interest in IPALCO,  
19 AES Indiana's immediate parent company.

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<sup>1</sup> The Verified Petition has been filed separately with the Commission contemporaneous with the filing of my testimony and is not attached hereto. The Verified Petition will be included as an attachment to my testimony and offered into evidence at the hearing in this Cause.

1 **Q12. Please generally describe AES Indiana, its service territory and provision of retail**  
2 **electric service in Central Indiana.**

3 A12. AES Indiana provides retail electric service in ten counties in Central Indiana, including  
4 Marion County and parts of nine adjoining counties. As of December 31, 2024, AES  
5 Indiana supplies retail electric service to approximately 532,000 residential, commercial,  
6 and industrial customers.

7 AES Indiana is guided by three core values. First, we put safety first for our people,  
8 contractors and communities. Second, we act with the highest standards, which is at the  
9 core of all we do and how we conduct ourselves and interact with our stakeholders. Third,  
10 we work all together, as one team moving with vision, speed, and flexibility to adapt to our  
11 dynamic and rapidly changing world.

12 Since the Company's last rate review (IURC Cause No. 45911), AES Indiana has  
13 successfully completed the energization of the Hardy Hills solar facility in Clinton County,<sup>2</sup>  
14 brought on line the Pike County Battery Energy Storage System ("BESS") in Pike County,<sup>3</sup>  
15 and converted the existing Purchase Power Agreement with Hoosier Wind into AES  
16 Indiana ownership of the wind farm.<sup>4</sup> The Company has continued to develop the  
17 Petersburg Energy Center in Pike County with estimated completion in December 2025.<sup>5</sup>  
18 The Company also received approval to convert Units 3 and 4 at Petersburg Station  
19 ("Petersburg") from coal to natural gas, with completion estimated by December 2026.<sup>6</sup>  
20 Since the last rate review, and as a result of AES Indiana's Transmission, Distribution, and

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<sup>2</sup> Approved in IURC Cause No. 45493.

<sup>3</sup> Approved in IURC Cause No. 45920.

<sup>4</sup> Approved in IURC Cause No. 45931.

<sup>5</sup> Approved in IURC Cause No. 45832.

<sup>6</sup> Approved in IURC Cause No. 46022.

1 Storage System Improvement Charge (“TDSIC”) Plan, AES Indiana is forecasting to place  
2 in service \$431.6 million in new transmission and distribution investment as of December  
3 31, 2026.<sup>7</sup> This investment will roll into rate base in this proceeding.

4 **3. AES INDIANA’S REQUESTED RATE RELIEF**

5 **Q13. When were AES Indiana’s current basic rates and charges established?**

6 A13. AES Indiana’s current basic rates and charges were established by a Commission Order  
7 approving a settlement agreement in Cause No. 45911 and were effective on May 9, 2024.  
8 The petition in Cause No. 45911 was filed June 28, 2023. It has been more than 15 months  
9 since AES Indiana filed its petition docketed as Cause No. 45911.<sup>8</sup>

10 The adjusted test year in Cause No. 45911 was the historical twelve months ended  
11 December 31, 2022. The test year in the current proceeding is four years later – namely the  
12 twelve months ended December 31, 2026.

13 While the Company works to responsibly manage the cost of providing service, in this  
14 case, we are also seeking to better align the rate review process with the cost incurred to  
15 provide service. As indicated above, the Company proposes to use the forward-looking  
16 calendar year 2026 as the test period for this case. This is the Company’s first forward-  
17 looking test year case. We previously used an adjusted historical test period to establish  
18 rates. We have moved to the future test year approach utilized by many other investor-  
19 owned utilities here in Indiana and nationally to mitigate the impact of regulatory lag and  
20 to establish a closer nexus between the cost incurred to provide service and the reflection

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<sup>7</sup> AES Indiana Attachment MH-2.

<sup>8</sup> This rule, commonly referred to as the 15-month test, is found in Indiana Code § 8-1-2-42(a). See AES Indiana Attachment BDH-1 (Verified Petition), ¶ 22.

of that cost in the price for service.

**Q14. Why is the requested rate review necessary?**

A14. As a public utility regulated by the Commission, the price the Company charges for retail electric service is necessarily based on the cost the Company incurs to meet our customers' needs for service. The request in this case is driven by the increasing cost of providing service. This filing will adjust rates to reflect the recent investments made by the Company to serve customers. This includes investments previously approved by the Commission, such as the Company's investment in the renewable joint ventures, TDSIC, and Petersburg Unit 3 and 4 repowering.

**Q15. Please summarize the estimated revenue requirement change sought in this proceeding.**

A15. To level set, Table BDH-1 below shows where we are today and where we would be in 2026 without the current rate review proceeding.<sup>9</sup> More specifically, Table BDH-1 (lines (1) and (2)) set forth the revenue requirement approved in the Company's last rate case and the estimated revenue increase for 2026 already authorized by the Commission. The cost recovery identified in line (2) reflects Commission-approved cost recovery for the TDSIC Plan which occurs via the TDSIC Rider and Commission-approved cost recovery for Hardy Hills, Petersburg Energy Center, Pike County BESS and Hoosier Wind, which occurs via the Environmental Compliance Cost Recovery Adjustment Rider.

Table BDH-1 line (3) reflects the revenue increase for Phase 1 – which is approximately 4.5% (\$85.4 million) and the revenue increase for Phase 2 – which is 5.6% (\$107.6

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<sup>9</sup> This table compiles information supported by Company witness Baker.

million). Together, the incremental revenue increase totals approximately \$192.9 million or 10.1%. When the approximately 17% revenue increase already authorized by the Commission is included in the calculation, the revenue increase compared to the Company's last rate review is approximately 21.9% in Phase 1 and an additional 6.5% in Phase 2 for a total of 28.5%.<sup>10</sup>

**Table BDH-1: Revenue Requirement Request Comparison<sup>11</sup>**

			Revenue Requirement (000s)	Incremental Revenue (000s)	Incremental % Increase
(1)	2024	Base Rates approved in last Rate Case	\$ 1,642,636		
(2)	2026	Current Base Rates + Already approved revenue increases*	\$ 1,917,683	\$ 275,047	16.74%
(3)	2026	Rate Case Proposed Phase 1	\$ 2,003,050	\$ 85,367	4.45%
(4)	2027	Rate Case Proposed Phase 2	\$ 2,110,614	\$ 107,564	5.61%
(5)	Rate Case Related Increase to Line (2)			\$ 192,931	10.06%
(6)	Total Increase to Line (1)			\$ 467,978	28.49%

\* Increases related to TDSIC, ECR (Hardy Hills, PEC, Pike County Battery, Hoosier Wind).

**Q16. Table BDH-1 (Line (5)) reflects incremental revenue of approximately \$192.9 million. Please elaborate on the need for this additional revenue.**

A16. In this case, the Company is forecasting forward to the calendar year 2026. As stated above, this case is driven by the increasing cost of providing service. As of the Company's most recent Fuel Adjustment Charge ("FAC") filing, submitted on March 14, 2025, the Company's non-fuel operating costs exceeded the amount embedded in rates by

<sup>10</sup> Company witness Aliff presents the rate phrase-in proposal. AES Indiana witness Aliff Q/A 47.

<sup>11</sup> See AES Indiana Workpaper AJB-1 sponsored by AES Indiana witness Baker for table details.



1 approximately \$74 million.<sup>12</sup> As illustrated below, these costs include storm restoration,  
2 vegetation management, property taxes, and depreciation.

3 • *Storm Restoration*

4 Storm damage and the associated restoration cost has been significant since our last  
5 rate review. For example, as discussed by Company witness Holtsclaw, on March 19,  
6 2025, an EF-2 tornado touched down in Bartholomew County, Indiana. The tornado  
7 was on the ground for 13.6 miles and was estimated to be 350 yards wide with estimated  
8 peak winds of 112 MPH. The AES Indiana Columbus to Prescott 345 kV line took a  
9 direct hit from the storm. The repairs are estimated to cost over \$17 million. Also, on  
10 Wednesday, April 2, 2025, a line of severe thunderstorms moved across the AES  
11 Indiana service territory. As discussed by Company witness Holtsclaw, that storm  
12 system was responsible for spawning a number of tornados in the surrounding area.  
13 There was one confirmed tornado on the northwest side of Marion County. Across the  
14 county, wind gusts in excess of 80 MPH were reported by the National Weather  
15 Service. Because of the winds associated with the severe thunderstorm, AES Indiana  
16 sustained severe damage to overhead distribution infrastructure from trees. The  
17 estimated operations and maintenance (“O&M”) cost of this storm restoration event is  
18 currently \$5 million.<sup>13</sup>

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<sup>12</sup> The (d)(2) operating expense test from the Company’s most recent FAC filing as of the date this testimony (Cause No. 38703-FAC 147) indicates non-fuel costs exceed the level embedded in rates by \$74 million. See Applicant’s Attachment NHC-2.

<sup>13</sup> See AES Indiana Financial Exhibit AESI-OPER, Schedule OM11-WP5.

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Tree failure remains a leading cause of distribution power outages and is responsible for the highest percentage of Customer Minutes Interrupted (“CMI”).<sup>14</sup> As shown by Company witness Flint, the significant urban tree canopy within AES Indiana’s assigned service area poses challenges for AES Indiana to maintain adequate clearances. Since our last rate review filing, the Company has gained experience with the new protocol for managing vegetation on the distribution system we presented in the last rate review. Data presented by Company witness Flint shows the new extended trimming specification is more effective in reducing customer interruptions and customer minutes interrupted versus the Box Cut specification. However, the cost of this work (as corroborated by contracts bid and negotiated in 2024) exceeds previous estimates. Nevertheless, AES Indiana believes that the extended trimming specification is the optimal approach for line clearing on our distribution system. Company witness Flint has brought a proposal forward in this case to implement this protocol using a five-year cycle instead of a four-year cycle to balance costs.

- *Property Taxes*

As discussed by Company witness Miller, the Company's annual property tax expense is material and experiences significant volatility due to increased investment, changes in assessed value determined by the Assessor and changes in property tax rates. While the starting point of any property tax expense is based on capital spend and property placed in service, the ultimate methodologies used to assign an assessed value on that property are determined by the Indiana Department of Local Government Finance. As

<sup>14</sup> See Company witness Flint Table CAF-1.

1 mentioned by Mr. Miller, there has been an increased focus on property taxes in the  
2 Indiana legislative sessions in recent years which makes it challenging to forecast  
3 property tax expense accurately. This year, legislation was passed that could impact  
4 assessed values over time.<sup>15</sup> While the passage of this bill, is not expected to have any  
5 immediate impact on the Company's property tax expense, it does have the potential  
6 to become impactful over time. The Company proposes to implement a Property Tax  
7 Adjustment Rider to provide an efficient flow through of cost increases and decreases  
8 resulting from a change in property taxes manner.

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- *Depreciation*

10 The Company's depreciation expert (John Spanos) continues to recommend use of the  
11 Equal Life Group ("ELG") procedure for calculating remaining life accrual. He testifies  
12 that this procedure is the most accurate procedure for matching asset utilization with  
13 asset recovery.<sup>16</sup> This is the method used and accepted in rate cases prior to the  
14 settlement in the last rate review (Cause No. 45911) which, solely for settlement  
15 purposes, used the Average Life Group ("ALG") procedure. To balance the interest of  
16 present and future generations of customers, the Company has proposed new  
17 depreciation rates based on Mr. Spanos' recommendation. This is a significant policy  
18 issue. Thus, as previously agreed, and so as to allow the Commission to understand the  
19 impact of the ELG proposal versus use of the ALG procedure, Mr. Spanos has also  
20 calculated depreciation expense using the ALG procedure.<sup>17</sup> The additional calculation  
21 should facilitate an assessment of the relative differences between the two methods.

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<sup>15</sup> Senate Enrolled Act No. 1, 2025 Session.

<sup>16</sup> Company witness Spanos QA38-39.

<sup>17</sup> Attachment JJS-3.



1 **Q17. Please discuss the ongoing efforts taken by AES Indiana to manage the cost of**  
2 **providing service.**

3 A17. As discussed by Company witness Peters, the Company's forecast process seeks to allocate  
4 resources efficiently and effectively to maintain reliable service while managing costs.<sup>21</sup>  
5 Mr. Peters testifies that the Company's non-fuel, non-labor O&M in the forecasted 2026  
6 Adjusted Test Year is relatively flat compared to this cost during the 2024 Historical Base  
7 Period.<sup>22</sup> This illustrates AES Indiana's ongoing efforts to prudently manage costs despite  
8 inflationary pressures. In February of 2025, AES Indiana conducted a restructuring and  
9 simplification of its organizational structure. This effort reduced redundant roles and  
10 flattened the organization. The Company has also implemented initiatives for continuous  
11 improvement in performance, efficiency, and operational cost controls across the  
12 organization.

13 **Q18. Is AES Indiana taking steps to communicate with its customers regarding this case?**

14 A18. Yes. AES Indiana commits to continue our efforts to engage in a respectful dialogue with  
15 all our stakeholders about the costs that drive the price for electric service. AES Indiana  
16 communication plan include using diverse tactics to communicate to all customer classes.  
17 The communication plan includes direct mail, email, website, media, social media and  
18 community meetings. AES Indiana will provide notice of this case to our residential  
19 customers in accordance with the Commission's rules. AES Indiana's website makes  
20 additional information available to customers and provides customers with the ability to  
21 assess their individual bill impact with a bill calculator. After the filing of this case, AES

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<sup>21</sup> Company witness Peters Q/A 18.

<sup>22</sup> Company witness Peters Q/A 45.

1 Indiana will continue to meet with customers via neighborhood meetings to explain and  
2 discuss the filing.

3 **4. FIVE PILLARS**

4 **Q19. Are you familiar with codified as Ind. Code §§ 8-1-2-0.5 and 8-1-2-0.6?**

5 A19. Yes. In Ind. Code § 8-1-2-0.5, the Indiana General Assembly declared it is the continuing  
6 policy of the state to use all practicable means and measures, including financial and  
7 technical assistance, in a manner calculated to create and maintain conditions under which  
8 utilities plan for and invest in infrastructure necessary for operation and maintenance while  
9 protecting the affordability of utility services for present and future generations of Indiana  
10 citizens.

11 In Ind. Code § 8-1-2-0.6, the Indiana General Assembly declared it is the continuing policy  
12 of the state that decisions concerning Indiana's electric generation resource mix, energy  
13 infrastructure, and electric service ratemaking constructs must consider each of "Five  
14 Pillars" of electric utility service: reliability, affordability, resiliency, stability, and  
15 environmental sustainability."

16 **Q20. Does the Company consider the Five Pillars in its decision-making?**

17 A20. Yes. The Company reasonably considered the Five Pillars in preparing this rate review  
18 request. We also consider the Five Pillars in our Integrated Resource Planning and in the  
19 Company's general planning and management of the cost of providing service.

20 **Q21. Please elaborate on the Company's effort to manage the cost of providing service.**

21 A21. As illustrated above and discussed by Company witness Peters, the Company understands  
22 the importance of controlling costs as the cost incurred to provide service must necessarily

1 be recognized in the price our customers pay for service. The Company uses the Integrated  
2 Resource Planning (“IRP”) process to identify the reasonable least cost mix of resources  
3 (referred to as a Preferred Portfolio) to meet the need for electricity within our service area.  
4 The Company uses competitive solicitations and negotiations to safeguard the  
5 reasonableness of the cost of resource selected as a result of our Integrated Resource  
6 Planning process. The renewable energy and other generation and storage being rolled into  
7 basic rates in this case are the result of the integrated resource process. These projects and  
8 the associated rate impact (present value revenue requirement) were previously reviewed  
9 and approved by the Commission.

10 The Commission has corroborated the Company’s perspective, finding that (1) the overall  
11 cumulative effect of AES Indiana’s resource planning decisions is assessed through the  
12 IRP process and AES Indiana reasonably considered the Five Pillars in the development of  
13 our IRP; (2) the IRP modeling and the competitive bidding process are designed to identify  
14 the reasonable least cost solution(s) for customers and are consistent with the affordability  
15 pillar; and (3) the Present Value Revenue Requirement analysis and rate impact calculation  
16 demonstrate that the proposed accounting and ratemaking reasonably consider  
17 affordability.<sup>23</sup>

18 The Company has and continues to use investment tax credits and joint ventures to reduce  
19 the cost of new renewable resources. The Joint Venture structure with a tax equity partner  
20 enables the effective use of the investment tax credits to reduce the overall cost of projects  
21 for the benefit of AES Indiana’s customers.<sup>24</sup>

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<sup>23</sup> January 17, 2024, Order in Cause No. 45920, pp. 23-24.

<sup>24</sup> IURC Cause No. 45493, AES Indiana witness Rogers Direct Testimony.

1 **Q22. Please provide an overview of the Company's consideration of affordability. Please**  
2 **explain.**

3 A22. In addition to working to manage the cost of providing service as discussed above, the  
4 Company considered affordability in the context of the overall rate package presented in  
5 this Cause and with respect to present and future customers. We also consider customer  
6 feedback. This feedback shows our customers want information on ways to reduce usage  
7 and promotion of cost savings opportunities like rebates. For this reason, and as discussed  
8 below, the Company also prioritizes supporting affordability through our initiatives such  
9 as DSM/EE and payment assistance programs.

10 **Q23. Please further discuss how the Company considered affordability in the context of the**  
11 **overall rate package presented in this Cause and with respect to present and future**  
12 **customers.**

13 A23. As discussed below, affordability is considered in the context of ratemaking constructs,  
14 cost causation and rate design. In particular, the Company has and continues to use 100%  
15 of the off-system sales margins generated in the competitive wholesale market to reduce  
16 the retail price for electricity. The revenue requirement embeds an annual amount of \$24.9  
17 million OSS margins as a credit to reduce the base price for retail electric service; these  
18 margins will continue to adjust via the OSS Rider following this Rate Review. This is  
19 discussed by Company witness Steiner.

20 As discussed by Company witness Aliff, the Company uses reasonable amortization  
21 periods to spread the recovery of certain costs over multiple years. This reduces customer  
22 rate impact. Additionally, AES Indiana employs reserve treatment for vegetation  
23 management expense and storm expense that safeguards against the Company spending



1 less on those costs as compared to what was embedded in base rates. The balance of these  
2 reserves is trued up in the next rate case.

3 To balance the interests of all customer classes, the Company rate proposals rest on  
4 principles of cost causation as discussed by Company witness Rimal.<sup>25</sup> He also explains  
5 that gradualism is another objective reflected in the proposed rate design.<sup>26</sup> Thus, as Mr.  
6 Rimal explains, even though the goal is to move all rate classes to their cost of service,  
7 consistent with the policy of the state, the Company considered affordability for each of  
8 the customer classes and determined that the percentage rate increases experienced by  
9 individual rate schedules should be mitigated to moderate the impacts on individual rate  
10 schedules.<sup>27</sup>

11 As presented by AES Indiana witness Baker, customer bills will remain comparatively low  
12 under the Company's proposals. The impact of the proposed rate increase on customers is  
13 further mitigated by two-step phase-in plan proposed by the Company. The first step of the  
14 phase-in plan will be implemented following the Commission's order in this Cause in Q2  
15 2026. The second step will be implemented effective January 1, 2027.

16 In sum, the Company's filing reasonably applies principles of cost causation and  
17 gradualism and uses ratemaking constructs to result in retail electric service that is  
18 affordable and competitive across the residential, commercial, and industrial customer  
19 classes.

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<sup>25</sup> Company witness Rimal Q/A 26.

<sup>26</sup> E.g. Company witness Rimal Q/As 64, 69.

<sup>27</sup> See Company witness Rimal Q/A 56.

1 **Q24. You stated above that the Company also addresses affordability through other**  
2 **initiatives, such as DSM/EE. Please explain.**

3 A24. Factors that may increase a customer's bill for electricity include the physical condition of  
4 a home, the customer's ability to invest in energy-efficiency, and the customer knowledge  
5 of how energy conservation measures and energy efficiency can offer a long-term solution  
6 to high energy burdens.

7 The Company offers energy efficiency and demand-side management programs in  
8 accordance with its DSM Plan approved in a separate proceeding. These programs help  
9 educate customers and empower them to take advantage of opportunities to reduce their  
10 overall bill. The Company's current programs can help households reduce their energy  
11 usage with measures that support heating and cooling system upgrades, home insulation,  
12 efficient appliances, behavior change and demand response. These measures help lower  
13 energy bills and can also improve home health, comfort, and safety. The Company also  
14 works to educate customers on conserving energy.

15 The Company's DSM/EE Plan continues to include a program targeted to low-income  
16 households. This program provides in-home energy assessments to qualifying customers  
17 and offers holistic weatherization measures, including air and duct sealing completed by  
18 trained Energy Concierge Advisors. Additional building shell improvements such as attic  
19 and wall insulation for qualifying customers are provided at no-cost to customers by local  
20 weatherization contractors for electrically heated homes. The program also provides a  
21 Healthier Homes assessments to qualifying customers participating in the in-home energy  
22 assessment and weatherization offering. Healthier Homes seeks to identify and mitigate  
23 health and safety issues within a home that serve as a barrier to additional weatherization

1 and efficiency improvements, as well as issues that serve as an immediate and urgent health  
2 and safety danger to occupants of the dwelling. The program also provides no-cost, turnkey  
3 service delivery to property managers and tenants of designated income qualified  
4 multifamily housing to help overcome first-cost and disruption barriers typically associated  
5 with this type of investment. Trained Energy Concierge Advisors will install low-cost  
6 energy saving measures (e.g., showerheads, programmable thermostats, bath and faucet  
7 aerators and pipe wrap) within residences at no cost to customers. The program also  
8 provides Energy Concierge services to residents living in manufactured homes, including  
9 energy assessments, direct install of energy efficient measures, and additional qualifying  
10 weatherization services as applicable. Finally, this program incorporates a channel for  
11 distribution of energy efficient in-home products through local food pantry partners.

12 **Q25. You stated above that the Company also addresses affordability through customer**  
13 **assistance initiatives. Please explain.**

14 A25. Seasonal weather changes raise the need for heating and cooling and this too impacts a  
15 customer's bill for electricity. Sudden or chronic economic hardship also affects a  
16 customer's ability to pay bills. The Company participates in customer assistance programs,  
17 such as the Energy Assistance Program (also referred to as Low-Income Energy Assistance  
18 Program or "LIHEAP") and the Winter Assistance Program - both are important resources  
19 to help low-income customers afford their energy bills, especially during the winter heating  
20 season. The Company's Power of Change program also assists income-qualified customers  
21 with a one-time grant for electric bill assistance. Together with our DSM/EE programs,

1 these customer assistance programs can assist customers, particularly low-income  
2 customers, and mitigate the financial impacts of higher energy prices.<sup>28</sup>

3 Additionally, AES Indiana works individually with customers who fall behind on bill  
4 payments to work out a plan to get their account current. The Company offers a preferred  
5 billing date if a particular time of the month is more convenient for a customer. Budget  
6 billing is also offered to help reduce volatility in monthly bills. These options help the  
7 customer to avoid shutoff and resume payment.

8 In this case, the Company proposes to maintain the customer support practices  
9 implemented as a result of the settlement approved in Cause No. 45911.

10 **LIHEAP Customer Deposit.** If an applicant for residential service or current  
11 customer is qualified by a Community Action Agency to participate in the LIHEAP  
12 program (“LIHEAP Qualified Participant”), the residential deposit will be limited  
13 to \$50.00. LIHEAP qualification can be from the current or one-year prior heating  
14 season. This provision benefits residential customers who face economic  
15 challenges.

16 **Residential Late Payment Charge.** Once in a rolling twelve-month period, the  
17 Company will waive the late payment charge on a delinquent bill, provided  
18 payment is tendered not later than the last date for payment of the net amount of  
19 the next succeeding month’s bill.

20 **Disconnection/Reconnection.** With respect to disconnections due to non-payment,  
21 AES Indiana will not disconnect service for any residential customer on Fridays,  
22 Saturdays, Sundays, and the following Holidays: New Year’s Day, Memorial Day,  
23 Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving Day,  
24 December 24, and Christmas Day. The fee for remote disconnection continues to  
25 be set at \$0. The fee for remote reconnection remains \$3.

26 **Medical Hold/Medical Alert.** If the customer is a LIHEAP Qualified Participant,  
27 the protection from disconnection for Medical Hold will remain continue to reflect  
28 the increase from 20 days to 30 days. A Medical Hold will not require proof of the  
29 reason for the hold. Before any disconnection, the Company will continue to place  
30 a collection call to such customer that prompts the customer to contact the Company

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<sup>28</sup> The Company’s website also informs customers of community assistance programs, such as the Indiana Housing and Community Development Authority and Indianapolis community centers and trustees.  
<https://www.aesindiana.com/wpayment-assistance>

1 to establish an installment plan. If a residential customer is on the Medical Hold or  
2 Medical Alert Program, or a participant in the AMI Opt-Out Program, or does not  
3 have an AMI meter, or has not provided a phone number or email address, AES  
4 Indiana will make an on-premises visit on the day of disconnect.  
5

6 Following the last rate review, the Company also collaborated with various stakeholders,  
7 including Citizens Action Coalition of Indiana, and representatives of Central Indiana  
8 community healthcare organizations, MESH Coalition and Indianapolis EMS to discuss  
9 customer education/outreach and Company procedures regarding the Medical Alert and  
10 Medical Hold Programs, including but not limited to, the service status of these customers  
11 during system-wide outages and other issues. Thus far, the collaborative effort has resulted  
12 in 1) a dedicated webpage on its website for information on the Company's Medical Alert  
13 program and emergency preparedness tips,<sup>29</sup> 2) a dedicated phone number for MESH  
14 Coalition to contact AES Indiana during non-emergency events to facilitate  
15 communication between the organizations, 3) a working group with local healthcare  
16 providers to support customer enrollment in the Medical Alert program and make resources  
17 available to assist and support communications with these customers during storm outages;  
18 and 4) implementation of new email communications for customers during certain weather  
19 situations, including targeted emails to Medical Alert customers.

20 Finally, lack of access to information about bill payment assistance programs is another  
21 factor that can impact affordability. The Company has and continues to work proactively  
22 to educate and enroll customers in programs. In October 2022, we formed a program with  
23 Citizens Energy Group called Utilities Unite, to educate Central Indiana residents about  
24 energy assistance programs and resources available to customers in preparation for winter-

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<sup>29</sup> See <https://www.aesindiana.com/medical-support>.

1 heating bills. The objective of this partnership is to raise awareness of resources and make  
2 it easier for customers to navigate. The Company also routinely holds meetings with  
3 nonprofit partners, community centers and local organizations to discuss energy efficiency,  
4 payment and billing resources available for customers. In April of 2025, AES Indiana  
5 began hosting office hours with Community Partners to provide in-person support to  
6 customers, including direct support for customers in signing up for utility assistance  
7 programs and payment options, answering questions about bills, and energy efficiency  
8 information to help manage usage.

9 **Q26. Please discuss the Company's consideration of the Reliability, Resiliency and Stability**  
10 **Pillars.**

11 A26. These considerations are supported by the Company's ongoing investment in production  
12 plant, and transmission and distribution systems. This includes the investment we have and  
13 continue to make pursuant to our Commission approved TDSIC Plan, and ongoing  
14 investment in our generation facilities, including the renewable energy capacity additions  
15 we have presented in separate proceedings to address reliability by ensuring the Company's  
16 capacity requirement is met. The Company's proposals regarding vegetation management  
17 and storm restoration are also consistent with these Pillars. These Pillars are further  
18 supported by the direct testimonies of AES Indiana witnesses Baker, Ellis, Flint, Holtsclaw,  
19 Peters, and Rimal.

20 **Q27. Please discuss the Company's consideration of the Environmental Sustainability**  
21 **Pillar.**

22 A27. The Company's development of renewable energy provides a more environmentally  
23 sustainable and diverse generation mix for customers, consistent with state policy. The

1 development of these resources, which has been reviewed and approved by the  
2 Commission, benefits the environment and is consistent with current and potential  
3 customers' interest in solar energy as a generating resource. As discussed by Company  
4 witnesses Ellis and Guletsky, the ongoing operation and decommissioning of the  
5 Company's generating facilities are subject to numerous environmental regulations. The  
6 cost of compliance is reasonably forecasted and reflected in the Company's filing.

7 **5. SUMMARY AND RECOMMENDATIONS**

8 **Q28. What is your recommendation?**

9 A28. AES Indiana works to control its costs and provides service consistent with Indiana's Five  
10 Pillars of electric service. The rate request proposed by the Company in this case is  
11 balanced and necessary to support the Company's ongoing obligation to provide reliable  
12 electric service and facilities to our customers. I ask the Commission for timely approval  
13 the Company's proposals.

14 **Q29. Does this conclude your verified pre-filed direct testimony?**

15 A29. 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.

A handwritten signature in cursive script that reads "Brandi Davis-Handy".

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Brandi Davis-Handy

Dated: May 30, 2025



**Attachment BDH-1**

**[Verified Petition – Not Duplicated Herein]**