

FILED
September 19, 2024
**INDIANA UTILITY
REGULATORY COMMISSION**

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

**PETITION OF INDIANA UTILITIES CORPORATION)
INC. FOR (1) AUTHORITY TO INCREASE ITS)
RATES AND CHARGES FOR GAS UTILITY)
SERVICE, AND (2) APPROVAL OF NEW)
SCHEDULES OF RATES AND CHARGES.)**

CAUSE NO. 46086

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR'S

**PUBLIC'S EXHIBIT NO. 2 – TESTIMONY OF OUCC WITNESS
ZACHARY D. LEINHEISER**

September 19, 2024

Respectfully submitted,

Indiana Office of Utility Consumer Counselor



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**INDIANA UTILITIES CORPORATION, INC.
CAUSE NO. 46086
TESTIMONY OF OUCC WITNESS ZACHARY D. LEINHEISER**

I. INTRODUCTION

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

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

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

5 A: I am employed by the Indiana Office of Utility Consumer Counselor ("OUCC") as
6 a Utility Analyst. I have worked as a member of the OUCC's Natural Gas Division
7 since February 2023. For a summary of my educational and professional
8 experience, as well as my preparation for this case, please see Appendix ZDL-1
9 attached to my testimony.

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

11 A: I explain my analysis and recommendations regarding Indiana Utilities
12 Corporation, Inc.'s ("Petitioner" or "Indiana Utilities") proposed operating expense
13 adjustments, specifically: rate case expense, Indiana Utility Regulatory
14 Commission ("IURC" or "Commission") fee, bad debt expense, energy efficiency
15 rebates, payroll expense, retirement contributions, property, disability, and
16 workers' compensation insurance, miscellaneous expenses, health insurance, and
17 severance pay. I will also address Indiana Utilities' proposed payroll tax
18 adjustment.

19 **Q: What are your recommendations?**

20 A: I recommend adjustments to:

- 1 1. Decrease rate case expense by \$1,083;
- 2 2. Increase the IURC fee by \$635;
- 3 3. Increase bad debt expense by \$636;
- 4 4. Decrease energy efficiency rebates by \$45,107;
- 5 5. Decrease payroll expense by \$5,043;
- 6 6. Increase retirement contributions by \$60,526;
- 7 7. Decrease property, disability, and worker's compensation insurance by
- 8 \$6,313;
- 9 8. Decrease miscellaneous expense by \$8,507;
- 10 9. Decrease health insurance by \$21,929;
- 11 10. Decrease severance pay by \$28,600; and
- 12 11. Decrease payroll taxes by \$521.

13 **Q: Are you sponsoring any attachments?**

14 **A: Yes. I am sponsoring the following attachments:**

- 15 1. Attachment ZDL-1 relating to rate case expense;
- 16 2. Attachment ZDL-2 regarding the IURC fee;
- 17 3. Attachment ZDL-3 pertaining to bad debt expense;
- 18 4. Attachment ZDL-4 relating to energy efficiency rebates;
- 19 5. Attachment ZDL-5 regarding payroll expense;
- 20 6. Attachment ZDL-6 pertaining to retirement contributions;
- 21 7. Attachment ZDL-7 relating to property, disability, and workers'
- 22 compensation insurance;
- 23 8. Attachment ZDL-8 regarding miscellaneous expenses;

- 1 9. Attachment ZDL-9 pertaining to health insurance;
2 10. Attachment ZDL-10 relating to severance pay; and
3 11. Attachment ZDL-11 regarding payroll tax.

4 **Q: If your testimony does not address a specific topic, issue, or item, should it be**
5 **construed to mean you agree with Petitioner's proposal?**

6 A: No. My silence on any issue should not be construed as an endorsement. Also, my
7 silence in response to any actions or adjustments stated or implied by Petitioner
8 should not be construed as an endorsement.

II. OPERATING EXPENSES

A. Rate Case Expense

9 **Q: What rate case expense adjustment does Indiana Utilities propose?**

10 A: Petitioner's witness Bonnie J. Mann proposes a \$38,000 increase for rate case
11 expense. (Petitioner's Exhibit No. 4, Attachment BJM-1, Schedule C-1, page 2,
12 adjustment 3(a).)

13 **Q: How does Ms. Mann calculate the adjustment for rate case expense?**

14 A: Ms. Mann includes \$190,000 of professional fees amortized over five years. The
15 amount included in the test year, shown as \$0, is then subtracted from the calculated
16 rate case expense of \$38,000, resulting in the \$38,000 increase. (*Id.*)

17 **Q: Do you agree with Indiana Utilities' proposed rate case expense adjustment?**

18 A: No. Ms. Mann failed to include the rate case expense that occurred in the test year.
19 During review of Petitioner's test year general ledger provided to the OUCC
20 through discovery, I identified \$29,583 of expenses in account #00928-0000
21 Regulatory Commission Expenses tied to amortization of deferred rate case

1 expense. (Attachment ZDL-1, pages 1-2, Indiana Utilities' Response to OUCC
2 Data Request ("DR") 1-4.) Additionally, the OUCC objects to the \$190,000 overall
3 rate case expense amount.

4 **Q: On what grounds does the OUCC object to the \$190,000 rate case expense**
5 **total?**

6 A: The OUCC inquired about any agreements Indiana Utilities made with accounting
7 and legal firms. Both London Witte Group ("LWG") and Barnes and Thornburg,
8 LLP, are completing their respective services for this Cause under verbal estimates.
9 (*Id.*, pages 3-4, Indiana Utilities' Response to OUCC DR 2-2.) Included in the
10 response regarding agreements was a description of the services LWG would
11 provide, including, "[a]ssistance with discovery including: Reading all discovery
12 requests, completing discovery requests as requested by the client or attorney,
13 assisting with answers to discovery requests as requested by the client or attorney."
14 *Id.* No description of services to be provided by Barnes & Thornburg, LLP was
15 provided to the OUCC. During the OUCC's review of Indiana Utilities' case,
16 multiple accounting errors were discovered and addressed. In total the OUCC
17 discovered roughly 26 errors in Indiana Utilities' case-in-chief, causing the OUCC
18 to submit 10 data requests to Indiana Utilities including 86 questions (or 186
19 questions when including sub-parts) relating to possible errors in the case. The
20 OUCC has prepared a summary of the problematic volume of errors included in
21 Indiana Utilities' case. (*Id.*, pages 5-7.) When mistake-filled filings such as these
22 occur, the required follow-up unnecessarily increases the regulatory burden on both
23 the OUCC and the Commission. More errors in the filing leads to more time spent
24 reviewing and resolving these issues, often in the form of data requests or technical

1 conferences, which leads to more avoidable fees for attorneys and professional
2 consultants to review and respond.

3 **Q: What are some other impacts of multiple errors in a utility's case?**

4 A: When multiple errors are found, a utility may need to file subsequent revisions to
5 its testimony, as occurred in this case. When the procedural schedule is established
6 at the beginning of rate cases, there is generally adequate time for the OUCC's
7 review process. However, each set of revisions a utility files requires the OUCC's
8 review process to restart, because a revision may flow through all schedules and
9 materially impact the rate outcome. When a utility files a revision late in the
10 process, this increases the burden on the OUCC to complete a thorough and timely
11 review while also moving forward in the preparation of the OUCC's case-in-chief.
12 Indiana Utilities filed revisions to testimony and its revenue requirement schedules
13 on August 27, 2024, less than one month before the OUCC's testimony due date of
14 September 19, 2024. Revised filings can be beneficial in cases if the revision
15 resolves issues or corrects impactful errors that allow for a clearer and cleaner case.
16 However, the revisions filed by Indiana Utilities in this case did not accomplish
17 either. The filed revisions failed to remove revenue related to customers added from
18 an expansion area that will not join the system until after the twelve months
19 following the test year. This failure comes after the Commission issued a docket
20 entry explicitly stating the window in which Indiana Utilities was permitted to
21 include adjustments. Considering the many errors in Indiana Utilities' schedules,
22 its customers should not be responsible for paying the fees of consultants who fail
23 to deliver quality work and are reliant on consumer advocates and regulators

1 proofreading and correcting Petitioner's mistakes. As such, the OUCC
2 recommends a 25% reduction from the total rate case expense of \$190,000, or
3 \$47,500 of Indiana Utilities' total rate case expense, be disallowed.

4 **Q: What is your recommendation?**

5 A: First, the rate case expense built into the test year must be accounted for, to prevent
6 Indiana Utilities from recovering both the existing \$29,583 expense and the
7 proposed new \$38,000 expense. Additionally, for the reasons detailed above,
8 \$47,500 of rate case expense should be removed. Following the same steps as
9 proposed by Indiana Utilities, but accounting for the correct test year amount of
10 \$29,583 and including the reduced rate case expense total of \$142,500, the resulting
11 rate case expense adjustment is a \$1,083 decrease. (Attachment ZDL-1, page 8.)

B. IURC Fee

12 **Q: What IURC fee adjustment does Indiana Utilities propose?**

13 A: Ms. Mann originally proposed a \$2,909 increase for the IURC fee. (Petitioner's
14 Exhibit No. 4, Attachment BJM-1, Schedule C-1, page 2, adjustment 3(b).) In
15 discovery, Petitioner indicated the adjustment was incorrect and provided a
16 corrected calculation. This correction was provoked by an error that resulted in gas
17 costs being included twice in the calculation of pro-forma total revenue. The
18 corrected adjustment proposes a \$212 increase. (Attachment ZDL-2, pages 1-2;
19 Indiana Utilities' Response to OUCC DR 5-1.) Indiana Utilities filed a revision to
20 its case on August 27, 2024. Again, the adjustment for the IURC fee was revised
21 due to changes made to operating revenue figures. The revised filing proposes a

1 \$461 increase. (Attachment ZDL-2, page 3; Petitioner's Exhibit No. 4, Revised
2 Attachment BJM-1, Schedule C-1, page 2, adjustment 3(b).)

3 **Q: How did Ms. Mann calculate the IURC fee adjustment in the original filing?**

4 A: Ms. Mann began with \$5,939,380 of applicable revenues at present rates (including
5 Gas Cost Adjustment ("GCA") revenue), then subtracted bad debts in the amount
6 of \$2,237. The resulting revenues of \$5,937,143 were then multiplied by the IURC
7 fee percentage of 0.1467603%. The amount included in the test year, shown as
8 \$5,804, is then subtracted from the calculated pro-forma IURC fee of \$8,713,
9 resulting in the \$2,909 increase. (Petitioner's Exhibit No. 4, Attachment BJM-1,
10 Schedule C-1, page 2, adjustment 3(b).)

11 **Q: Do you agree with Indiana Utilities' proposed IURC fee adjustment as**
12 **originally filed?**

13 A: No. First, Ms. Mann began with an applicable revenue at present rates figure that
14 contains the cost of gas twice, as noted above. Second, Ms. Mann subtracted the
15 incorrect bad debt expense in her proposed adjustment. The \$2,237 bad debt
16 expense is pulled from the twelve months ended September 30, 2022, which is not
17 the test year, nor is it a pro-forma amount. Indiana Utilities confirmed the amount
18 should have been pulled from the test year for the 12 months ended September 30,
19 2023. (Attachment ZDL-2, page 4; Indiana Utilities' Response to OUCC DR 5-2.)
20 Third, Ms. Mann applied an outdated IURC fee percentage. The IURC fee
21 percentage was updated effective July 1, 2024, to 0.15%.

22 **Q: How did Ms. Mann calculate the IURC fee adjustment in its response to the**
23 **OUCC's discovery?**

24 A: Ms. Mann began with \$4,101,410 of applicable revenues at present rates (including
25 the corrected amount for GCA revenue), then subtracted bad debts in the amount

1 of \$2,237. The resulting revenues of \$4,099,173 are then multiplied by the IURC
2 fee percentage of 0.1467603%. The amount included in the test year, shown as
3 \$5,804, is then subtracted from the calculated pro-forma IURC fee of \$6,016,
4 resulting in the \$212 increase. (Attachment ZDL-2, page 2; Indiana Utilities'
5 Response to OUCC DR 5-1.)

6 **Q: Do you agree with Indiana Utilities' proposed adjustment for the IURC fee as**
7 **provided to the OUCC in discovery?**

8 A: No. First, Ms. Mann again subtracted the incorrect bad debt expense. Ms. Mann
9 once more pulled the bad debt expense of \$2,237 from the twelve months ended
10 September 30, 2022, which is not the test year nor a pro-forma amount. As
11 previously referenced, Indiana Utilities confirmed the amount should have been
12 pulled from the test year for the 12 months ended September 30, 2023, but Ms.
13 Mann did not make that revision. (*Id.*, page 4; Indiana Utilities' Response to OUCC
14 DR 5-2.) Second, Ms. Mann again applied an outdated IURC fee percentage. The
15 IURC fee percentage was updated effective July 1, 2024, to 0.15%.

16 **Q: How did Ms. Mann calculate the adjustment for the IURC fee in the August**
17 **27, 2024, revision?**

18 A: Ms. Mann began with \$4,271,241 of applicable revenues at present rates (including
19 the corrected amount for GCA revenue), then subtracted bad debts in the amount
20 of \$2,571. The resulting revenues of \$4,268,670 were then multiplied by the IURC
21 fee percentage of 0.1467603%. The amount included in the test year, shown as
22 \$5,804, was then subtracted from the calculated pro-forma IURC fee of \$6,265,
23 resulting in the \$461 increase. (*Id.*, page 3.)

1 **Q: Do you agree with Indiana Utilities' proposed IURC fee adjustment as filed on**
2 **August 27, 2024?**

3 A: No. While Ms. Mann subtracted the correct bad debt expense in her second revised
4 proposed adjustment, Ms. Mann still applied an outdated IURC fee percentage. The
5 IURC fee percentage was updated effective July 1, 2024, to 0.15%.

6 **Q: What is your recommendation?**

7 A: As the result of OUCC adjustments made to operating revenue, the applicable
8 revenues at present rates to be used in the calculation of the IURC fee should be
9 \$4,295,735. (Public's Exhibit No. 1, Attachment MMN-1, Schedule 4.) In place of
10 Ms. Mann's incorrect bad debt amount, the OUCC proposes using the OUCC's
11 recommended pro forma bad debt expense of \$3,207, as detailed in my Attachment
12 ZDL-3, page 8. Subtracting the bad debt expense of \$3,207 from the \$4,295,735
13 revenue results in \$4,292,528 of pro forma revenues subject to the IURC fee. Using
14 the updated IURC fee percentage in the calculation results in a pro-forma IURC fee
15 of \$6,439. Subtracting the test year fee of \$5,804 results in a \$635 increase to the
16 IURC fee. (Attachment ZDL-2, page 5.)

C. Bad Debt Expense

17 **Q: What bad debt expense adjustment does Indiana Utilities propose?**

18 A: Ms. Mann proposes a \$5,060 increase for bad debt expense. (Petitioner's Exhibit
19 No. 4, Attachment BJM-1, Schedule C-1, page 2, adjustment 3(c).)

20 **Q: How does Ms. Mann calculate the bad debt expense adjustment?**

21 A: Ms. Mann calculated the pro forma bad debt expense by taking the five-year
22 average of bad debt write-offs from 2019 to 2023. The resulting average of \$7,631
23 was then compared to the \$2,571 test year bad debt expense. (*Id.*)

1 **Q: Do you agree with Indiana Utilities' proposed bad debt expense adjustment?**

2 A: No. Ms. Mann calculated her five-year average only using the bad debt write-offs.

3 Bad debt expense is the summation of bad debt write-offs and recoveries. Only

4 looking at the write-off side of the account ignores the whole picture in favor of the

5 side that will always increase the expense. Recovery of bad debt cannot be ignored

6 when calculating pro-forma bad debt.

7 **Q: What is your recommendation?**

8 A: I recommend following the approach of using a five-year average, but the average

9 should be based on the ending balance of bad debt expense. The ending balance

10 will capture both the bad debt write-offs and recoveries. The account history was

11 provided to the OUCC during the August 8, 2024, onsite review. (Attachment ZDL-

12 3, pages 1-6.) Indiana Utilities confirmed the history was provided to the OUCC

13 during the onsite review. (*Id.*, page 7; Indiana Utilities' Response to OUCC DR 8-

14 3.) Using the ending balance, the calculation of the five-year bad debt expense

15 average results in a \$3,207 pro-forma bad debt expense. Subtracting the \$2,571 test

16 year expense results in a \$636 increase to bad debt expense. (*Id.* page 8.)

D. Energy Efficiency Rebates from the NTA

17 **Q: What adjustment does Indiana Utilities propose for energy efficiency rebates**
18 **for the Normal Temperature Adjustment ("NTA")?**

19 A: Ms. Mann proposes a \$7,600 decrease for energy efficiency rebates from the

20 utility's NTA order, Cause No. 43108. (Petitioner's Exhibit No. 4, Attachment

21 BJM-1, Schedule C-1, page 2, adjustment 3(d).)

1 **Q: Did you review the IURC order in Cause No. 43108?**

2 A: Yes. I reviewed the order in Cause No. 43108, which was issued on December 6,
3 2006. I also reviewed the supplemental order in Cause No. 43108 issued on
4 December 2, 2009.

5 **Q: Do you agree with Indiana Utilities' proposed energy efficiency rebate**
6 **adjustment?**

7 A: No. Indiana Utilities was ordered in Cause No. 43108 to provide \$7,600 in annual
8 rebates to customers in exchange for setting up the NTA program. The \$7,600
9 contribution as ordered by the Commission in Cause No. 43108 is not recoverable,
10 as the contribution was ordered in exchange for the NTA.

11 Indiana Utilities offers various energy efficiency appliance rebates but does
12 not have a Commission-approved energy efficiency program. (Attachment ZDL-4,
13 page 1; Indiana Utilities' Response to OUCC DR 8-1.) Any rebates paid out in
14 excess of the amount ordered by the Commission in Cause No. 43108 are at the
15 discretion of Indiana Utilities' leadership. Petitioner's customers should not pay for
16 appliance rebates that are not a part of a Commission-approved energy efficiency
17 program. The \$37,507 rebate amount is not recoverable as Indiana Utilities does
18 not have a Commission-approved energy efficiency program.

19 **Q: What is your recommendation?**

20 A: I recommend excluding all of Indiana Utilities' energy efficiency rebates as it has
21 no Commission-approved energy efficiency program. Indiana Utilities paid out
22 \$45,107, as shown in general ledger account #00908-0000 Marketing Expense –
23 Rebates Other. (*Id.*, page 2.) I propose a \$45,107 adjustment decreasing energy
24 efficiency rebates. (*Id.*, page 3.)

E. Payroll Expense

1 **Q: What payroll expense adjustment does Indiana Utilities propose?**

2 A: Ms. Mann proposes a \$24,557 increase for payroll expense. (Petitioner's Exhibit
3 No. 4, Attachment BJM-1, Schedule C-1, page 2, adjustment 3(e).)

4 **Q: How does Ms. Mann calculate the payroll expense adjustment?**

5 A: Ms. Mann calculated the pro forma payroll expense by taking the pro forma payroll
6 amount of \$1,131,321, which comes from the payroll workpaper submitted to the
7 OUCC (Attachment ZDL-5, page 1), and subtracting the test year payroll of
8 \$1,098,136. The resulting \$33,185 increase is multiplied by the labor expense
9 percentage from the test year of 74%. The total payroll adjustment is a \$24,557
10 increase. (Petitioner's Exhibit No. 4, Attachment BJM-1, Schedule C-1, page 2,
11 adjustment 3(e).)

12 **Q: Do you agree with Indiana Utilities' proposed payroll expense adjustment?**

13 A: No. Indiana Utilities' payroll expense is comprised of four elements: salaries, on-
14 call expenses, part-time payroll, and bonuses. Indiana Utilities calculated its pro
15 forma salaries by taking the monthly payroll that was effective as of January 1,
16 2024, and annualized it. For on-call expenses, Indiana Utilities pays \$700 for a field
17 staff member to be on call for each week of the year. Indiana Utilities includes two
18 part time employees at the test year amounts for summer help. Indiana Utilities also
19 includes a total of \$67,500 of bonus payments in its pro forma payroll expense.
20 Regarding the bonus payments, \$27,500 is to be paid to the field service operation
21 and office employees, and \$40,000 is to be paid to the senior managerial staff.
22 (Attachment ZDL-5, page 1.) According to the Annual Bonus Program provided

1 by Indiana Utilities through discovery, the bonus amounts for the field service
2 operation and office employees are paid out at the departments manager's
3 discretion based on factors such as teamwork, work ethic, safety, workmanship,
4 etc. Additionally, the bonus amounts are set at flat amounts, with the possibility of
5 an upward adjustment based on construction projects. (Attachment ZDL-5, pages
6 2-4, Indiana Utilities' Response to OUCC DR 5-3.) The bonus amount for the
7 senior management staff is based upon a formula tied to utility net income - "[a]
8 maximum of 10% of Utility Net Income but no less than 5% of Utility Net Income
9 for business calendar year." (*Id.*)

10 **Q: What is your opinion regarding Indiana Utilities' bonuses?**

11 A: When evaluating bonus programs, it important to consider who benefits and the
12 metrics tied to the bonuses. If the metrics tied to bonus programs benefit Indiana
13 Utilities' shareholders, such as profit maximization, then the shareholders should
14 bear the cost of the bonus program. Conversely, if the metrics tied to bonus
15 programs benefit the customers, such as safety, reliability, or resiliency of the
16 system, then it is reasonable for customers to fund the bonus program. The metrics
17 tied to the bonus program dollars assigned to the field service operation and office
18 staff align with customer benefits (i.e. safety and dependability). However, senior
19 management's bonus dollars are tied to how much profit Indiana Utilities generates
20 and aligns with shareholder benefits. As such, I recommend the dollars budgeted
21 for the senior managerial staff bonuses included in Indiana Utilities pro forma
22 payroll be removed.

1 **Q: What is your recommendation?**

2 A: I recommend removal of \$40,000 of senior management staff bonuses from pro
3 forma payroll. The resulting pro forma payroll amount is \$1,091,321. Subtracting
4 the test year payroll amount of \$1,098,136 results in a \$6,815 decrease in payroll.
5 Finally, the 74% labor expense percentage from the test year is applied, resulting
6 in an overall \$5,043 payroll decrease. (Attachment ZDL-5, page 5.)

F. Retirement Contributions

7 **Q: What retirement contribution adjustment does Indiana Utilities propose?**

8 A: Ms. Mann proposes a \$70,526 increase for retirement contributions. (Petitioner's
9 Exhibit No. 4, Attachment BJM-1, Schedule C-1, page 3, adjustment 3(f).)

10 **Q: How does Ms. Mann calculate the retirement contribution adjustment?**

11 A: Ms. Mann calculated the pro forma retirement contributions by taking the pro forma
12 payroll amount of \$1,131,321 and applying the 25% retirement contribution
13 Indiana Utilities offers to its employees. The \$282,830 pro forma retirement
14 contribution is then compared to the test year by subtracting the \$212,304 test year
15 retirement contribution amount. The resulting retirement contribution adjustment
16 is a \$70,526 increase. (*Id.*)

17 **Q: Do you agree with Indiana Utilities' proposed retirement contribution
18 adjustment?**

19 A: No. I do not disagree with the methodology for calculating the adjustment for
20 retirement contributions. The OUCC's adjustment to payroll results in an
21 adjustment to retirement contributions that differs from Petitioner's proposal.

1 **Q: What is your recommendation?**

2 A: I recommend the OUCC's pro forma payroll amount be used in the calculation of
3 pro forma retirement contributions. Beginning with the OUCC's \$1,091,321 pro
4 forma payroll amount and applying the 25% retirement contribution percentage,
5 results in a \$272,830 pro forma retirement contribution amount. The \$272,830 pro
6 forma retirement contribution is then compared to the test year by subtracting the
7 \$212,304 test year retirement contribution amount. The resulting retirement
8 contribution adjustment is a \$60,526 increase. (Attachment ZDL-6, page 1.)

G. Property, Disability, and Workers' Compensation Insurance

9 **Q: What adjustment does Indiana Utilities propose for property and workers'**
10 **compensation insurance?**

11 A: Ms. Mann proposes a \$4,907 decrease for property and workers' compensation
12 insurance. (Petitioner's Exhibit No. 4, Attachment BJM-1, Schedule C-1, page 3,
13 adjustment 3(g).)

14 **Q: How does Ms. Mann calculate the property and workers' compensation**
15 **insurance adjustment?**

16 A: Ms. Mann provided a pro forma insurance cost of \$78,924. The pro forma amount
17 is then compared to the test year by subtracting the test year amount of \$83,831.
18 The result is the \$4,907 decrease to property and workers' compensation insurance.
19 (*Id.*)

20 **Q: Do you agree with Indiana Utilities' proposed property and workers'**
21 **compensation insurance adjustment?**

22 A: No. Indiana Utilities submitted supporting workpapers that contained premium
23 information from Shepherd Insurance for property insurance and Liberty Mutual
24 Insurance for workers' compensation insurance. (Attachment ZDL-7, pages 1-4.)

1 However, the costs in these documents do not reconcile with Ms. Mann's pro forma
2 figure. Additionally, upon reviewing Petitioner's general ledger account #00924-
3 0000 Insurance Expense, I identified premiums to Colonial Life for disability
4 insurance were recorded to this account as well. (Attachment ZDL-7, page 5.)
5 When comparing pro forma to test year expense, it is important to look at the same
6 cost items, meaning disability insurance should be included in this adjustment. For
7 these reasons, the pro forma amount stated in Ms. Mann's schedules is unreliable.

8 **Q: What is your recommendation?**

9 A: I recommend the premium costs shown in the submitted supporting workpapers be
10 the basis of pro forma insurance costs for property (Shepherd) and workers'
11 compensation insurance (Liberty Mutual). (*Id.*, pages 1-4.) I also recommend the
12 premium costs provided by Indiana Utilities for Colonial Life serve as the basis for
13 pro forma disability insurance. (*Id.*, pages 6-9; Indiana Utilities' Response to
14 OUCC DR 5-5.) The cost of property insurance through Shepherd is shown to be
15 \$60,945.23 for the year. The cost of worker's compensation insurance through
16 Liberty Mutual is shown to be \$8,836 for the year. The cost of disability insurance
17 through Colonial Life is shown to be \$1,812.02 monthly, but only \$682.22 a month
18 is paid for by Indiana Utilities. This is supported by \$682.22 being recorded
19 monthly to account #00924-0000 Insurance Expense and \$1,129.80 being recorded
20 monthly to account #00240-0001 Employees Paid Ins – Colonial. (*Id.*) To arrive at
21 a pro forma annual disability insurance cost, I annualized the \$682.22 monthly
22 payment by multiplying it by 12 months, resulting in a \$8,186.64 annual cost for
23 disability insurance. The addition of the three annual premiums for pro forma

1 property, disability, and workers' compensation results in a total insurance cost of
2 \$77,518. The \$83,831 test year amount is then subtracted, resulting in a \$6,313
3 decrease to property, disability, and workers' compensation insurance. (Attachment
4 ZDL-7, page 10.)

H. Miscellaneous Expense

5 **Q: What miscellaneous expense adjustment does Indiana Utilities propose?**

6 A: Ms. Mann proposes a \$4,861 decrease for miscellaneous expense. (Petitioner's
7 Exhibit No. 4, Attachment BJM-1, Schedule C-1, page 3, adjustment 3(h).)

8 **Q: How does Indiana Utilities calculate the miscellaneous expense adjustment?**

9 A: Indiana Utilities provided a workpaper that contained a \$1,750 catering invoice for
10 a retirement party and a \$1,209.95 restaurant receipt for a Christmas party.
11 (Attachment ZDL-8, pages 1-4.) However, these two amounts do not reconcile with
12 the adjustment shown in Ms. Mann's schedules.

13 **Q: Do you agree with Indiana Utilities' proposed miscellaneous expense**
14 **adjustment?**

15 A: No. During the onsite review on August 8, 2024, OUCC staff discovered additional
16 non-recoverable expenses Petitioner included in its case-in-chief. These additional
17 items included expenses tied to Paxton Media Group. Indiana Utilities indicated
18 during the onsite review and later confirmed through discovery that payments to
19 Paxton Media Group recorded to the various expense accounts did not contain any
20 safety messaging unless they were expensed to account #00762-0001 Public
21 Awareness Expense. (*Id.*, page 5; Indiana Utilities' Response to OUCC DR 8-4.)

1 In total, OUCC staff identified twenty payments to Paxton Media Group outside of
2 the Public Awareness Expense account. (Attachment ZDL-8, page 6.)

3 OUCC staff identified a donation to the local high school. In addition to the
4 \$1,209.95 receipt Petitioner provided in the workpapers, OUCC staff identified an
5 additional invoice for \$1,501.62 tied to Christmas hams and other meats. A
6 retirement party occurred during the test year that included the \$1,750 catering
7 invoice included in Petitioner's submitted workpapers, but OUCC staff identified
8 an additional \$237.17 for a tent rental for the retirement party. Finally, OUCC staff
9 identified a \$1,443 invoice for legal fees from Barnes & Thornburg for GCA filing
10 services occurring outside of the test year. OUCC staff asked about these items, and
11 Petitioner provided additional details indicating these expenses should not be
12 included in base rates. (*Id.*, pages 7-10.)

13 **Q: What is your recommendation?**

14 A: I recommend removal of all the aforementioned miscellaneous expenses. The
15 Paxton Media Group charges that do not contain safety messaging, charitable
16 donations, Christmas parties/gifts, and retirement parties are all non-recoverable
17 expenses that ratepayers should not be responsible for. Additionally, expenses
18 occurring outside the test year should not be included in rates. The Paxton Media
19 Group charges of \$2,082, donation of \$284, Christmas-related expenses of \$2,712,
20 retirement-related expenses of \$1,987, and legal fees outside the test year of \$1,443
21 together total \$8,507 in non-recoverable miscellaneous expenses I recommend the
22 Commission remove from Indiana Utilities' rate request. (*Id.*, page 11.)

I. Health Insurance

1 **Q: What health insurance expense adjustment does Indiana Utilities propose?**

2 A: Ms. Mann proposes a \$3,133 increase for health insurance. (Petitioner's Exhibit
3 No. 4, Attachment BJM-1, Schedule C-1, page 3, adjustment 3(i).)

4 **Q: How does Ms. Mann calculate the health insurance expense adjustment?**

5 A: Ms. Mann provided a pro forma health insurance cost of \$235,243. The pro forma
6 amount is then compared to the test year by subtracting the test year amount of
7 \$232,110. The result is the \$3,133 increase to health insurance. (*Id.*)

8 **Q: Do you agree with Indiana Utilities' proposed health insurance expense**
9 **adjustment?**

10 A: No. As originally filed, the total line on Petitioner's Exhibit No. 4, Attachment
11 BJM-1, Schedule C-1, page 3, adjustment 3(i) was titled incorrectly and referenced
12 property and workers' compensation insurance. (Attachment ZDL-9, page 1;
13 Indiana Utilities' Response to OUCC DR 5-4.) The reference error was
14 subsequently corrected in the revision filed on August 27, 2024. (*Id.*, page 2.) The
15 OUCC inquired through discovery how the pro forma cost for health insurance was
16 calculated. Indiana Utilities' response stated Petitioner switched to Anthem for
17 health insurance in 2024, retained Humana for life insurance, and also began a
18 prescription reimbursement program following the closure of Butt Drugs, Inc. (*Id.*,
19 page 3, Indiana Utilities' Response to OUCC DR 5-5.) Indiana Utilities also
20 provided invoices listing the premium cost for Anthem health insurance and
21 Humana life insurance. However, the costs shown in these documents do not
22 reconcile with Ms. Mann's pro forma figure. Due to this, the pro forma amount in
23 Ms. Mann's schedules is viewed as unreliable.

1 **Q: What is your recommendation?**

2 A: I recommend the premium costs shown in the data request responses serve as the
3 basis for pro forma insurance costs regarding health (Anthem) and life insurance
4 (Humana). (Attachment ZDL-9, pages 4-11; Indiana Utilities' Response to OUCC
5 DR 5-5.) Additionally, I recommend the expenses tied to the prescription
6 reimbursement program in the test year serve as the basis for pro forma prescription
7 costs. The cost of health insurance through Anthem is shown to be \$17,108.23
8 monthly. To annualize this cost, I simply multiplied the monthly premium by 12
9 months, resulting in a \$205,298.76 annual cost. The cost of life insurance through
10 Humana is shown to be \$341 monthly. To annualize this cost, I again multiplied
11 the monthly premium by 12 months, resulting in a \$4,092 annual cost. (*Id.*) Last,
12 the cost of prescription reimbursement is found by analyzing the five months from
13 the test year after the closing of Butt Drugs, Inc. Indiana Utilities' general ledger
14 account #00926-0000 Employees Insurance has a total of \$329.40 of prescription
15 reimbursements over five months (*Id.*, page 12.) To annualize this cost, I divided
16 the \$329.40 from the five-month sample by five to arrive at a monthly estimate,
17 then multiplied the monthly estimate by 12 months, resulting in a \$790.56 annual
18 cost. The addition of pro forma health insurance, life insurance, and prescription
19 reimbursement cost results in a total health insurance cost of \$210,181. The test
20 year amount of \$232,110 is then subtracted, resulting in a \$21,929 decrease to
21 health insurance. (*Id.*, page 13.)

J. Severance Pay

1 **Q: What severance pay adjustment does Indiana Utilities propose?**

2 A: Ms. Mann proposes a \$25,000 decrease for severance pay. (Petitioner's Exhibit No.
3 4, Attachment BJM-1, Schedule C-1, page 3, adjustment 3(j).)

4 **Q: Do you agree with Indiana Utilities' proposed severance pay adjustment?**

5 A: No. Indiana Utilities made severance payments to two individuals in the test year.
6 Four additional severance payments were made to "Shirley A Beanblossom" and
7 were identified in general ledger account #00923-0003 Outside Admin. Service –
8 Other. (Attachment ZDL-10, page 1.)

9 **Q: What is your recommendation?**

10 A: I recommend removal of the already identified \$25,000 of severance payments and
11 the additional \$3,600 of severance payments. The additional severance payments
12 in the amount of \$3,600 were confirmed by Indiana Utilities. (*Id.*, page 2; Indiana
13 Utilities' Response to OUCC DR 8-6.) The two severance payments total a \$28,600
14 decrease to severance pay. (*Id.*, page 3.)

K. Payroll Taxes

15 **Q: What payroll tax adjustment does Indiana Utilities propose?**

16 A: Ms. Mann proposes a \$2,539 increase for payroll taxes. (Petitioner's Exhibit No. 4,
17 Attachment BJM-1, Schedule C-1, page 5, adjustment 5(a).)

18 **Q: How does Ms. Mann calculate the payroll tax adjustment?**

19 A: Ms. Mann calculated the pro forma payroll taxes by taking the payroll wage
20 increase subject to FICA limits from Petitioner's Exhibit No. 4, Attachment BJM-
21 1, Schedule C-1, page 2, adjustment 3(e), and applying the FICA tax rate of 7.65%.

1 (Petitioner's Exhibit No. 4, Attachment BJM-1, Schedule C-1, page 5, adjustment

2 5(a).)

3 **Q: Do you agree with Indiana Utilities' proposed payroll tax adjustment?**

4 A: No. I do not disagree with the methodology for calculating the adjustment for
5 payroll taxes, but due to the OUCC's adjustment to payroll there will be a different
6 payroll tax adjustment than Petitioner's proposal.

7 **Q: What is your recommendation?**

8 A: I recommend the OUCC's pro forma payroll amount be used in the calculation of
9 pro forma payroll taxes. Beginning with the OUCC's pro forma payroll decrease
10 amount of \$6,815 and applying the 7.65% FICA rate results in a \$521 pro forma
11 payroll tax decrease. (Attachment ZDL-11, page 1.)

III. RECOMMENDATIONS

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

13 A: I recommend adjustments as follows:

- 14 1. Decrease rate case expense by \$1,083;
- 15 2. Increase the IURC fee by \$635;
- 16 3. Increase bad debt expense by \$636;
- 17 4. Decrease energy efficiency rebates by \$45,107;
- 18 5. Decrease payroll expense by \$5,043;
- 19 6. Increase retirement contributions by \$60,526;
- 20 7. Decrease property, disability, and worker's compensation insurance by
21 \$6,313;
- 22 8. Decrease miscellaneous expense by \$8,507;

1 9. Decrease health insurance by \$21,929;

2 10. Decrease severance pay by \$28,600; and

3 11. Decrease payroll taxes by \$521.

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

5 A: Yes.

APPENDIX ZDL-1 TO TESTIMONY OF
OUCC WITNESS ZACHARY D. LEINHEISER

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

2 A: I graduated from the Kelley School of Business at Indiana University in
3 Bloomington, Indiana, with a Bachelor of Science Degree in Business, with majors
4 in accounting and finance, in May 2020. From August 2020 through December
5 2022, I worked for Baker Tilly, a CPA firm in Indianapolis, Indiana, as a consultant.
6 I provided a variety of services almost exclusively for municipally owned electric,
7 sewer, and water utilities. I prepared user fee analyses, cost of service studies,
8 quarterly and annual financial reports, financial forecasts, debt offering documents,
9 and attestation reports. Additionally, I drafted annual reports filed with the Indiana
10 Utility Regulatory Commission ("Commission") for water utilities within the State
11 of Indiana.

12 In February 2023, I began my employment with the OUCC as a Utility
13 Analyst. My current responsibilities include reviewing and analyzing rate cases
14 filed by Indiana natural gas utilities with the Commission. I also review Gas Cost
15 Adjustments ("GCA"), certificates of public convenience and necessity, gas
16 demand side management, Federal Mandated Cost Adjustment trackers, and
17 Transmission, Distribution, and Storage System Improvement Charge ("TDSIC")
18 trackers for natural gas utilities.

19 Additionally, since becoming employed at the OUCC, I completed an
20 Accounting and Ratemaking course hosted by the Institute of Public Utilities at
21 Michigan State University in April 2023.

1 **Q: Have you previously testified before the Commission?**

2 A: Yes, I have testified in base rate, TDSIC, and GCA cases.

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

5 A: I analyzed Petitioners' testimony and exhibits, revised testimony, revised exhibits,
6 workpapers, and other supporting documentation. I also reviewed and analyzed
7 Petitioners' responses to the OUCC's discovery requests. Lastly, I participated in
8 an onsite review with Indiana Utilities on August 8, 2024.

OUCG DR 1-4

**DATA INFORMATION REQUEST
Indiana Utilities Corporation**

Cause No. 46086

Information Requested:

Please provide a general ledger for the test year in a searchable, sortable excel format.

Information Provided:

See Attachment OUCG 1-4 for the general ledger.

Attachments Provided:

Attachment OUCG 1-4.xlsx

Indiana Utilities Corporation
Ledger Analysis

Trans Date	Account #	Description	Account Name	Reference Number	Source	Posted Date	Type	Debit Amount	Credit Amount
	00181-0001	Beginning Balance	Deferred Expense - Rate Case					\$46,840.19	
12/31/22	00181-0001	QQt Entries 12/31/22 YE 9/30/2023	Deferred Expense - Rate Case		GJETRX	01/25/23	G	\$0.00	\$7,395.81
03/31/23	00181-0001	March 31 2023 Qqt Entries	Deferred Expense - Rate Case		GJETRX	04/26/23	G	\$0.00	\$7,395.81
06/30/23	00181-0001	Qt Closing Entried for 06302023	Deferred Expense - Rate Case		GJETRX	07/18/23	G	\$0.00	\$7,395.81
09/30/23	00181-0001	Qt & Y/E ENTRIES 09 30 2023	Deferred Expense - Rate Case		GJETRX	10/24/23	G	\$0.00	\$7,395.81
09/30/23	00181-0001	JE#2 Record Cur Portion of Rate Case	Deferred Expense - Rate Case		GJETRX	01/22/24	G	\$17,213.52	\$0.00
09/30/23	00181-0001	JE#2 Record Cur Portion of Rate Case	Deferred Expense - Rate Case		GJETRX	01/22/24	G	\$0.00	\$17,213.52
	00181-0001	Ending Balance	Deferred Expense - Rate Case					\$17,256.95	
	00928-0000	Beginning Balance	Regulatory Commission Expenses						\$0.00
12/31/22	00928-0000	QQt Entries 12/31/22 YE 9/30/2023	Regulatory Commission Expenses		GJETRX	01/25/23	G	\$7,395.81	\$0.00
12/31/22	00928-0000	94 12438 Indiana Utility Regula	Regulatory Commission Expenses	APVCH 122722	AP	12/28/22	G	\$1,208.77	\$0.00
03/31/23	00928-0000	March 31 2023 Qqt Entries	Regulatory Commission Expenses		GJETRX	04/26/23	G	\$7,395.81	\$0.00
03/31/23	00928-0000	94 12719 Indiana Utility Regula	Regulatory Commission Expenses	APVCH 032123	AP	03/22/23	G	\$1,208.77	\$0.00
05/31/23	00928-0000	94 13000 Indiana Utility Regula	Regulatory Commission Expenses	APVCH 062023	AP	06/20/23	G	\$1,693.22	\$0.00
06/30/23	00928-0000	Qt Closing Entried for 06302023	Regulatory Commission Expenses		GJETRX	07/18/23	G	\$7,395.81	\$0.00
07/31/23	00928-0000	94 13222 Indiana Utility Regula	Regulatory Commission Expenses	APVCH 082123	AP	08/22/23	G	\$1,693.22	\$0.00
08/21/23	00928-0000	94 Void Vch 13000 Indiana Utility Regula	Regulatory Commission Expenses	AP Void Vch	AP	08/22/23	G	\$0.00	\$1,693.22
09/30/23	00928-0000	Qt & Y/E ENTRIES 09 30 2023	Regulatory Commission Expenses		GJETRX	10/24/23	G	\$7,395.81	\$0.00
09/30/23	00928-0000	94 13378 Indiana Utility Regula	Regulatory Commission Expenses	APVCH 100323	AP	10/03/23	G	\$1,693.22	\$0.00
	00928-0000	Ending Balance	Regulatory Commission Expenses					\$35,387.22	

OUCG DR 2-2

**DATA INFORMATION REQUEST
Indiana Utilities Corporation**

Cause No. 46086

Information Requested:

In relation to rate case expense of \$190,000, please provide copies of all contracts or quotes obtained for consultants. If no contracts or quotes were obtained, please provide a detailed explanation as to how the rate case expense amount was calculated for each consultant, including estimated hours of work to be done, as well as hourly rates used to calculate total expense.

Objection:

Petitioner objects on the grounds and to the extent the request seeks information that would reveal information protected by work product and/or attorney client privileged information.

Information Provided:

Subject to and without limiting any objections, Petitioner responds as follows:

LWG has no contract.

The \$40,000 for accounting support services is an estimation based on LWG's extensive years of experience. It is roughly 220 hours of time. The number includes but is not limited to:

- Preparation of the revenue requirement model.
- Creation and preparation of a revenue proof.
- Creation of exhibits for filing with the IURC.
- Creation of workpapers for filing with the IURC.
- Creation of testimony related to the exhibits for filing with the IURC.
- Communication with client and attorney about testimony and exhibits for filing with the IURC.

- Assistance with discovery including:
 - Reading all discovery requests.
 - Completing discovery requests as requested by the client or attorney.
 - Assisting with answers to discovery requests as requested by the client or attorney.
- Review and recalculation of OUCC report.
- Communication with client and attorney concerning issues for rebuttal.
- Preparation of rebuttal revenue requirement.
- Preparation of rebuttal revenue proof.
- Preparation of exhibits for filing with rebuttal.
- Preparation of testimony for rebuttal filing.
- Communication with the client and attorney about testimony and exhibits for rebuttal.
- Witness preparation for public hearing.
- Attendance and live testimony at public hearing.
- Review of draft order and briefs as requested by attorney.
- Creation of final revenue requirement based on IURC order.
- Creation of final tariff rates and revenue proof based on IURC order.

There are no exact estimates of hours related to each task as the proportion of work is different on each case.

As always to the extent that that actual costs are lower than the estimate, reducing the estimate would be appropriate.

Although not a consultant, Barnes and Thornburg, LLP was obtained as legal counsel for an estimated amount of \$150,000, which is the remaining portion of the noted estimated rate case expense. This estimated amount was provided verbally to Petitioner's management.

INDIANA UTILITIES CORP.
#46086 RATE CASE

Rate Case Filing Errors

Source Document	Topic	Adjustment	Description of Error	Impact/Cost
Exhibit No. 4, page 5, line 16	Operating Expense Adjustments	Adjustment No. 3	Testimony refers to the operating expense adjustments as "Adjustment No. 4" despite the operating expense adjustments falling under No. 3	
Exhibit No. 4, Attachment BJM-1, Schedule C-1	Weather Normalization	Adjustment 1(b)	Workpaper provided showing the calculations had a wrong cell referenced which had a small change in the adjustment.	\$1,095 Revenue Increase
Exhibit No. 4, Attachment BJM-1, Schedule C-1	Rate Case Expense	Adjustment 3(a)	Failed to include test year rate case expense in adjustment.	\$29,583 Expense Reduction
Exhibit No. 4, Attachment BJM-1, Schedule C-1	IURC Fee	Adjustment 3(b)	Operating Revenue amount included gas costs twice, the uncollectible accounts expense was the 9/30/2022 amount not the test year amount of 9/30/2023, and outdated IURC Fee Percentage was used.	\$2,565 Expense Reduction
Exhibit No. 4, Attachment BJM-1, Schedule C-1	Bad Debt Expense	Adjustment 3(c)	Bad Debt Expense five year average only included bad debt write-offs instead of entire expense balance.	\$4,424 Expense Reduction
Exhibit No. 4, Attachment BJM-1, Schedule C-1	Property & Workers' Comp. Insurance	Adjustment 3(g)	Amount included in filing does not reconcile with workpapers provided	\$1,406 Expense Reduction
Exhibit No. 4, Attachment BJM-1, Schedule C-1	Employee Gifts & Celebrations	Adjustment 3(h)	Amount included in filing does not reconcile with workpapers provided	\$1,901 Expense Increase
Exhibit No. 4, Attachment BJM-1, Schedule C-1	Health Insurance	Adjustment 3(i)	Total adjustment line references property and workers' comp. insurance not health insurance	
Exhibit No. 4, Attachment BJM-1, Schedule C-1	Health Insurance	Adjustment 3(i)	Amount included in filing does not reconcile with workpapers provided	\$25,062 Expense Reduction
Exhibit No. 4, Attachment BJM-1, Schedule C-1	Severance Pay	Adjustment 3(j)	Severance pay to an additional employee was not included in adjustment.	\$3,600 Expense Reduction
Exhibit No. 4, Attachment BJM-2, Schedule C-1	Depreciation Expense	Adjustment 4	Failed to include multiple items that are fully depreciated.	Additional \$23,710 decrease in Depreciation Expense
Exhibit No. 4, Attachment BJM-2, Schedule C-1	Taxes Other Than Income Tax Adjustments	Adjustment 5, Property Tax	Included the incorrect amount of \$79,969 for property taxes paid in 2023 for 2022. Correct amount is \$77,066	Decrease proposed Property Tax increase of \$5,676
Exhibit No. 4, Attachment BJM-1, Schedule C-2	Pro-Forma Proposed Rate Adjustments	Adjustment (A)	Estimated Cost of Gas to be Included in Revenues from Schedule C-3 contained an incorrect cell reference resulting in the cost of gas being counted twice in estimation of Total Billed Revenue.	\$32,723 Decrease to Operating Revenues
Exhibit No. 4, Attachment BJM-1, Schedule C-2	Pro-Forma Proposed Rate Adjustments	Adjustment (B)	Estimated Cost of Gas to be Included in Revenues from Schedule C-3 contained an incorrect cell reference resulting in the cost of gas being counted twice in estimation of Total Billed Revenue.	\$14 Decrease to IURC Fee
Exhibit No. 4, Attachment BJM-1, Schedule C-2	Pro-Forma Proposed Rate Adjustments	Adjustment (C)	Estimated Cost of Gas to be Included in Revenues from Schedule C-3 contained an incorrect cell reference resulting in the cost of gas being counted twice in estimation of Total Billed Revenue.	\$94 Decrease to Bad Debt Expense
Exhibit No. 4, Attachment BJM-1, Schedule C-2	Pro-Forma Proposed Rate Adjustments	Adjustment (D)	Estimated Cost of Gas to be Included in Revenues from Schedule C-3 contained an incorrect cell reference resulting in the cost of gas being counted twice in estimation of Total Billed Revenue.	\$8,113 Decrease to Income Taxes
Exhibit No. 4, Attachment BJM-1, Schedule C-3	Total Billed Revenue Calculation	Estimated Cost of Gas to be included in Revenues	Estimated Cost of Gas to be Included in Revenues contained an incorrect cell reference resulting in the cost of gas being counted twice.	\$1,837,970 Reduction to Estimated Operating Revenue

(Continued on next page)

INDIANA UTILITIES CORP.
#46086 RATE CASE

Rate Case Filing Errors

Source Document	Topic	Adjustment	Description of Error	Impact/Cost
Exhibit No. 4, Attachment BJM-2, Revenue Proof, Schedule 1	Revenue Proof	Residential Rate Class Information	<p>The number of residential customers included 300 Lanesville customers.</p> <p>The consumption listed in the original Revenue Proof removed NTA therms from the consumption which did not include NTA therms, and not the projected consumption in Lanesville.</p> <p>The revised Revenue Proof includes the historic consumption and the Lanesville projected revenue.</p>	Changes the calculated increase to volumetric rates from what was proposed and from what is revised
Exhibit No. 4, Attachment BJM-2, Revenue Proof, Schedule 1	Revenue Proof	Small Commercial Rate Class Information	<p>The number of small commercial customers included the Lanesville customers and the Tyson account (21 total customers).</p> <p>The original Revenue Proof included 281,297 therms above the historic consumption (only 60,000 therms were projected for Lanesville).</p> <p>The revised Revenue Proof includes 58,850 therms above historic consumption (workpaper provided that it should be 59,300 therms above historic with Tyson closure).</p>	Changes the calculated increase to volumetric rates from what was proposed and from what is revised
Exhibit No. 4, Attachment BJM-2, Revenue Proof, Schedule 1	Revenue Proof	Large Commercial Rate Class Information	<p>Original Revenue Proof did not include the 2 Lanesville customers, or remove the Tyson accounts and Chicken houses (14 total customers), used the historic number of customers.</p> <p>Original Revenue Proof was 15,315 therms below historic consumption, and did not include the loss of Tyson and chicken houses consumption (total of 69,657 therms according to DR 1-8 and 3-8, or 65,996 therms according to DR 3-8 and 7-7) or the 168,000 additional therms from Lanesville, should have had increase of 98,343 or 102,004 therms above historic consumption.</p>	Changes the calculated increase to volumetric rates from what was proposed and from what is revised
Exhibit No. 4, Attachment BJM-2, Revenue Proof, Schedule 1	Revenue Proof	Industrial Rate Class Information	<p>Original and Revised Revenue Proof are the Consumption Analysis - Industrial with the Tyson closure removed from consumption (499,803 - 74,939) or 424,864 therms.</p> <p>DR 6-6 showed the consumption according to the billing registers for the remaining 3 customers was 486,821 therms (showing a conflict between the Consumption Analysis - Industrial and the Billing Registers for the customers do not match).</p>	Changes the calculated increase to volumetric rates from what was proposed and from what is revised
Exhibit No. 4, Attachment BJM-2, Revenue Proof, Schedule 1	Revenue Proof	General Transportation Rate Class Information	<p>Original Revenue Proof included Tyson consumption twice, (shown as 1,753,834 therms not the historic 1,013,331 therms).</p> <p>Revised Revenue Proof shows the consumption of the single remaining customer is 272,828 therms.</p> <p>DR 6-6 shows the consumption according to billing register is 233,375 therms (shows a conflict between DR 3-8, Consumption Analysis - Transport, and the billing register for the remaining customer of 39,453 therms).</p> <p>Original and Revised Revenue Proof show the number of bills is 13 (or 1,08333 customers) DR 6-6 shows there were 6 meters used for billing (72 bills if Tyson is included) and there are 2 meters for the remaining customers, the number of bills should be 24 (12 for each of the 2 meters).</p>	Changes the calculated increase to volumetric rates from what was proposed and from what is revised
Exhibit No. 1, Page 8, Table of Service Charges	Testimony Inconsistency	Large Transportation Customer Charge	<p>Testimony shows the proposed charge as \$1,025, Original Revenue Proof, Redlined Tariff, and Clean Tariff show the proposed customer charge as \$1,250. No corrections to testimony or tariff were provided, only stated the correction will be filed.</p>	

(Continued on next page)

INDIANA UTILITIES CORP.
#46086 RATE CASE

Rate Case Filing Errors

Source Document	Topic	Adjustment	Description of Error	Impact/Cost
All Originally Filed Documents	Revenue Proof	School Transportation Customer Charge	All documents (Exhibit No. 1, Original Revenue Proof, Redlined Tariff, and Clean Tariff show the proposed customer charge as \$80 (a decrease from the current \$132.33). Officially corrected in Revised Revenue Proof. No corrections to testimony or tariff were provided, only stated the correction will be filed.	
Exhibit No. 4, Attachment BJM-2, Revenue Proof, Schedule 1	Revenue Proof	Percent Increase for the customer charge and volumetric charges	Did not calculate the percent increase correctly for the School Transportation and the Large Transportation rate classes, showed as 0% increases (calculations were based on the change in margins, but should have been on the present and proposed rates with no customers). No corrections were made in Revised Revenue Proof, DR 3-9 repeated that the calculation was based on margin despite having no customers.	Does not properly show the impact of what is being proposed
Exhibit No. 2, Attachment NA-2 (Redline and Clean)	Tariff Changes	Charge Back Fee	Charge Back Fee amount was shown as ten dollars and \$20 in the same paragraph description. DR 3-2 confirmed the amount as \$10, and stated the corrected tariff sheets will be provided, but no corrections have been filed.	

**INDIANA UTILITIES CORP.
#46086 RATE CASE**

Rate Case Expense

Item	Per OUCC	Cost
Legal (Barnes & Thornburg)		\$150,000
Accounting (LWG)		40,000
OUCC Reduction (25%)		(47,500)
Sub-total		142,500
Amortization Period (Years)	÷	5
Pro Forma Rate Case Expense		28,500
Less: Test Year Rate Case Expense		29,583
OUCC Adjustment - Increase/(Decrease)		<u><u>(\$1,083)</u></u>

OUCG DR 5-1

**DATA INFORMATION REQUEST
Indiana Utilities Corporation**

Cause No. 46086

Information Requested:

Referring to Petitioner's Exhibit No. 4, Attachment BJM-2, Schedule C-3, for the Total Billed Revenue Calculation. On the "Estimated Cost of Gas to Be Included in Revenues" line, please explain why natural gas costs have been included twice. (Petitioner multiplied the estimated volume of gas purchased of 409,657 Dth by an estimated cost of gas of \$3.58 to arrive at a cost of gas of \$1,466,572. Petitioner adds to this amount \$1,837,970 of Natural Gas Purchased costs for September 30, 2023, to arrive at an estimated cost of gas of \$3,303,338. It appears that Petitioner has included gas costs twice in this calculation.)

Information Provided:

A revision to Schedule C-3 is necessary as gas costs should have only been included once. Please note Schedule C-3 calculates the total increase including the cost of gas. The revenue requirement is calculated on Exhibit C based on a cost of gas of \$0. Schedule C-3 shows the total increase including the cost of gas. This calculation is used to support the percentage at the top of Exhibit C but does not impact the requested revenue increase. The rate derivation schedules, and revenue proof are all calculated based on tariff rates without GCA factors. See Attachment OUCG 5-1 for Schedule C-3 REVISED and Exhibit C REVISED which will also be filed with the Commission.

Attachment Provided:

- Attachment OUCG 5-1.xlsx

Exhibit BJM-1

Schedule C-1
Page 2 of 6

INDIANA UTILITIES CORPORATION

Corydon, Indiana

DETAIL OF PRO-FORMA PRESENT RATE ADJUSTMENTS

(3) OPERATING EXPENSE ADJUSTMENTS

(a)

To adjust operating expenses for the amortization of rate case expenses

Estimated Cost of Rate Case	\$	190,000	
Amortization period - years		5	
Annual Rate Case Expense		<u>38,000</u>	
Less: Amount included in Test Year		-	
Adjustment - Increase / (Decrease)	\$		<u>38,000</u>

(b)

To adjust operating expenses to reflect the current IURC fee

Applicable Revenues at Present Rates. (Including GCA Revenue)	\$	4,101,410	
Bad debts		<u>2,237</u>	
Revenues at present rates less bad debts	\$	4,099,173	
Current IURC Rate		0.1467603%	
Pro-Forma IURC Fee at Present Rates		<u>6,016</u>	
Less: Test Year IURC Fee		5,804	
Adjustment - Increase / (Decrease)	\$		<u>212</u>

(c)

To adjust operating expenses for changes in bad debt expenses

Bad Debt write-offs by year			
2023	\$	4,487	
2022		7,057	
2021		10,683	
2020		6,256	
2019		<u>9,672</u>	
Average	\$	7,631	
Test year		<u>2,571</u>	
Adjustment - Increase / (Decrease)	\$		<u>5,060</u>

(d)

To Adjust "Administrative & General" expense for energy efficiency from NTA order

\$ (7,600)

(e)

To Adjust "Administrative & General" expense to increase payroll expenses services related to decoupling

Proforma Payroll	\$	1,131,321	
Test Year Payroll		<u>1,098,136</u>	
Increase in Total Payroll			33,185
Labor expense % from test year			<u>74%</u>
Adjustment - Increase / (Decrease)	\$		<u>24,557</u>

Exhibit BJM-1

Schedule C-1
Page 2 of 6

INDIANA UTILITIES CORPORATION

Corydon, Indiana

DETAIL OF PRO-FORMA PRESENT RATE ADJUSTMENTS

(3) OPERATING EXPENSE ADJUSTMENTS

(a)

To adjust operating expenses for the amortization of rate case expenses

Estimated Cost of Rate Case	\$	190,000	
Amortization period - years		5	
Annual Rate Case Expense		<u>38,000</u>	
Less: Amount included in Test Year		-	
Adjustment - Increase / (Decrease)	\$		<u>38,000</u>

(b)

To adjust operating expenses to reflect the current IURC fee

Applicable Revenues at Present Rates. (Including GCA Revenue)	\$	4,271,241	
Bad debts		<u>2,571</u>	
Revenues at present rates less bad debts	\$	4,268,670	
Current IURC Rate		0.1467603%	
Pro-Forma IURC Fee at Present Rates		<u>6,265</u>	
Less: Test Year IURC Fee		5,804	
Adjustment - Increase / (Decrease)	\$		<u>461</u>

(c)

To adjust operating expenses for changes in bad debt expenses

Bad Debt write-offs by year			
2023	\$	4,487	
2022		7,057	
2021		10,683	
2020		6,256	
2019		<u>9,672</u>	
Average	\$	7,631	
Test year		<u>2,571</u>	
Adjustment - Increase / (Decrease)	\$		<u>5,060</u>

(d)

To Adjust "Administrative & General" expense for energy efficiency from NTA order

\$ (7,600)

(e)

To Adjust "Administrative & General" expense to increase payroll expenses

Proforma Payroll	\$	1,131,321	
Test Year Payroll		<u>1,098,136</u>	
Increase in Total Payroll			33,185
Labor expense % from test year			<u>74%</u>
Adjustment - Increase / (Decrease)	\$		<u>24,557</u>

OUCR DR 5-2

**DATA INFORMATION REQUEST
Indiana Utilities Corporation**

Cause No. 46086

Information Requested:

Referring to Petitioner's Exhibit No. 4, Attachment BJM-2, Schedule C-1, for adjustment 3(b) related to the IURC Fee, please explain why "Bad debts" are listed at the 12 months 9/30/2022 amount of \$2,236.94, instead of the 12 months 9/30/2023 amount of \$2,570.87.

Information Provided:

The "Bad debts" amount should have been the 12 months ending 9/30/2023 amounting to \$2,570.87. This has a *de minimis* impact on the adjustment for IURC fee of \$1. The impact on the revenue request is \$0. Given the impact, Petitioner does not believe any revisions are necessary.

INDIANA UTILITIES CORP.
#46086 RATE CASE

IURC Fee

Per OUCC

Applicable Present Rate Operating Revenue	\$4,295,735
Less: Uncollectible Accounts Expense	3,207
	<hr/>
Pro Forma Revenues Subject to IURC Fee	4,292,528
Times: 2024-2025 IURC Fee	0.15%
	<hr/>
Pro Forma IURC Fee	6,439
Less: Test Year IURC Fee	5,804
	<hr/>
OUCC Adjustment - Increase/(Decrease)	\$635

Indiana Utilities Corporation
Account Inquiry

Fiscal Year: 2023 Open
Beginning Date: 10/01/22
Ending Date: 09/30/23

Transaction Date	Description	Reference Number	Source	Debit Amount	Credit Amount
Account	00904-0000 Profit & Loss Bad Debts				
			Beginning Balance	\$0.00	\$0.00
10/20/22	Bad Debt Writeoff	UA 10/20/22	UMS	\$31.92	\$0.00
10/24/22	Bad Debt Recovery	UA 10/24/22	UMS	\$0.00	\$9.46
11/04/22	Bad Debt Recovery	UA 11/04/22	UMS	\$0.00	\$213.70
11/16/22	Bad Debt Writeoff	UA 11/16/22	UMS	\$195.05	\$0.00
11/17/22	Bad Debt Recovery	UA 11/17/22	UMS	\$0.00	\$31.49
11/18/22	Bad Debt Recovery	UA 11/18/22	UMS	\$0.00	\$138.80
12/01/22	Bad Debt Recovery	UA 12/01/22	UMS	\$0.00	\$109.22
12/12/22	Bad Debt Recovery	UA 12/12/22	UMS	\$0.00	\$133.34
12/13/22	Bad Debt Writeoff	UA 12/13/22	UMS	\$77.20	\$0.00
12/19/22	Bad Debt Recovery	UA 12/19/22	UMS	\$0.00	\$11.51
12/20/22	Bad Debt Recovery	UA 12/20/22	UMS	\$0.00	\$180.38
01/10/23	Bad Debt Recovery	UA 01/10/23	UMS	\$0.00	\$425.42
01/11/23	Bad Debt Writeoff	UA 01/11/23	UMS	\$244.95	\$0.00
01/12/23	Bad Debt Recovery	UA 01/12/23	UMS	\$0.00	\$77.20
02/13/23	Bad Debt Writeoff	UA 02/13/23	UMS	\$296.75	\$0.00
02/17/23	Bad Debt Recovery	UA 02/17/23	UMS	\$0.00	\$117.18
03/14/23	Bad Debt Recovery	UA 03/14/23	UMS	\$0.00	\$297.22
03/22/23	Bad Debt Writeoff	UA 03/22/23	UMS	\$509.55	\$0.00
04/14/23	Bad Debt Recovery	UA 04/14/23	UMS	\$0.00	\$41.50
04/19/23	Bad Debt Recovery	UA 04/19/23	UMS	\$0.00	\$176.02
05/10/23	Bad Debt Writeoff	UA 05/10/23	UMS	\$552.59	\$0.00
05/19/23	Bad Debt Recovery	UA 05/19/23	UMS	\$0.00	\$25.47
06/06/23	Bad Debt Writeoff	UA 06/06/23	UMS	\$745.20	\$0.00
07/07/23	Bad Debt Writeoff	UA 07/07/23	UMS	\$1,342.39	\$0.00
07/07/23	Bad Debt Recovery	UA 07/07/23	UMS	\$0.00	\$50.00
07/27/23	Bad Debt Recovery	UA 07/27/23	UMS	\$0.00	\$191.60
08/02/23	Bad Debt Writeoff	UA 08/02/23	UMS	\$979.06	\$0.00
08/15/23	Bad Debt Recovery	UA 08/15/23	UMS	\$0.00	\$553.21
08/21/23	Bad Debt Recovery	UA 08/21/23	UMS	\$0.00	\$30.99
08/24/23	Bad Debt Recovery	UA 08/24/23	UMS	\$0.00	\$154.53
09/07/23	Bad Debt Recovery	UA 09/07/23	UMS	\$0.00	\$96.37
09/11/23	Bad Debt Writeoff	UA 09/11/23	UMS	\$854.32	\$0.00
09/30/23	Qt & Y/E ENTRIES 09 30 2023		GJETRX	\$0.00	\$193.50
			Ending Balance	\$2,570.87	\$0.00

Number of Account Transactions

33

Okay

Indiana Utilities Corporation
Account Inquiry

Fiscal Year: 2022 Closed
Beginning Date: 10/01/21
Ending Date: 09/30/22

Transaction Date	Description	Reference Number	Source	Debit Amount	Credit Amount
Account	00904-0000 Profit & Loss Bad Debts				
			Beginning Balance	\$0.00	\$0.00
10/01/21	Bad Debt Recovery	UA 10/01/21	UMS	\$0.00	\$38.73
10/04/21	Bad Debt Recovery	UA 10/04/21	UMS	\$0.00	\$66.04
10/06/21	Bad Debt Recovery	UA 10/06/21	UMS	\$0.00	\$270.93
10/22/21	Bad Debt Recovery	UA 10/22/21	UMS	\$0.00	\$173.10
10/29/21	Bad Debt Recovery	UA 10/29/21	UMS	\$0.00	\$123.74
11/01/21	Bad Debt Recovery	UA 11/01/21	UMS	\$0.00	\$63.00
11/04/21	Bad Debt Recovery	UA 11/04/21	UMS	\$0.00	\$560.47
11/04/21	Bad Debt Recovery	UA 11/04/21	UMS	\$0.00	\$152.03
11/04/21	Bad Debt Recovery	UA 11/04/21	UMS	\$0.00	\$100.00
11/05/21	Bad Debt Recovery	UA 11/05/21	UMS	\$0.00	\$124.02
11/16/21	Bad Debt Writeoff	UA 11/16/21	UMS	\$271.28	\$0.00
11/22/21	Bad Debt Recovery	UA 11/22/21	UMS	\$0.00	\$36.37
11/23/21	Bad Debt Recovery	UA 11/23/21	UMS	\$0.00	\$201.08
11/24/21	Bad Debt Recovery	UA 11/24/21	UMS	\$0.00	\$202.36
12/02/21	Bad Debt Recovery	UA 12/02/21	UMS	\$0.00	\$182.15
12/07/21	Bad Debt Recovery	UA 12/07/21	UMS	\$0.00	\$191.19
02/03/22	Bad Debt Recovery	UA 02/03/22	UMS	\$0.00	\$19.90
02/15/22	Bad Debt Writeoff	UA 02/15/22	UMS	\$85.56	\$0.00
02/28/22	Bad Debt Recovery	UA 02/28/22	UMS	\$0.00	\$666.91
03/15/22	Bad Debt Writeoff	UA 03/15/22	UMS	\$978.82	\$0.00
03/16/22	Bad Debt Recovery	UA 03/16/22	UMS	\$0.00	\$21.05
04/13/22	Bad Debt Writeoff	UA 04/13/22	UMS	\$724.59	\$0.00
04/22/22	Bad Debt Recovery	UA 04/22/22	UMS	\$0.00	\$24.00
05/12/22	Bad Debt Writeoff	UA 05/12/22	UMS	\$771.61	\$0.00
05/17/22	Bad Debt Recovery	UA 05/17/22	UMS	\$0.00	\$196.07
06/06/22	Bad Debt Recovery	UA 06/06/22	UMS	\$0.00	\$386.86
06/10/22	Bad Debt Recovery	UA 06/10/22	UMS	\$0.00	\$282.15
06/13/22	Bad Debt Recovery	UA 06/13/22	UMS	\$0.00	\$13.92
06/14/22	Bad Debt Writeoff	UA 06/14/22	UMS	\$1,572.60	\$0.00
07/07/22	Bad Debt Recovery	UA 07/07/22	UMS	\$0.00	\$86.36
07/18/22	Bad Debt Writeoff	UA 07/18/22	UMS	\$2,063.54	\$0.00
08/02/22	Bad Debt Recovery	UA 08/02/22	UMS	\$0.00	\$37.58
08/09/22	Bad Debt Recovery	UA 08/09/22	UMS	\$0.00	\$3.48
08/10/22	Bad Debt Writeoff	UA 08/10/22	UMS	\$589.35	\$0.00
08/11/22	Bad Debt Recovery	UA 08/11/22	UMS	\$0.00	\$440.34
09/30/22	Y/E Adj for uncollected Bad Debt		GJETRX	\$0.00	\$156.58
	Number of Account Transactions	36	Ending Balance	\$2,236.94	\$0.00

Indiana Utilities Corporation
Account Inquiry

Fiscal Year: 2021 Closed
Beginning Date: 10/01/20
Ending Date: 09/30/21

Transaction Date	Description	Reference Number	Source	Debit Amount	Credit Amount
Account	00904-0000 Profit & Loss Bad Debts				
			Beginning Balance	\$0.00	\$0.00
10/14/20	Bad Debt Writeoff	UA 10/14/20	UMS	\$2,939.61	\$0.00
10/16/20	Bad Debt Recovery	UA 10/16/20	UMS	\$0.00	\$134.27
10/23/20	Bad Debt Recovery	UA 10/23/20	UMS	\$0.00	\$494.59
10/27/20	Bad Debt Recovery	UA 10/27/20	UMS	\$0.00	\$301.12
11/16/20	Bad Debt Recovery	UA 11/16/20	UMS	\$0.00	\$38.54
11/17/20	Bad Debt Recovery	UA 11/17/20	UMS	\$0.00	\$167.21
11/25/20	Bad Debt Recovery	UA 11/25/20	UMS	\$0.00	\$81.40
11/25/20	Bad Debt Recovery	UA 11/25/20	UMS	\$0.00	\$292.82
12/01/20	Bad Debt Recovery	UA 12/01/20	UMS	\$0.00	\$105.79
12/01/20	Bad Debt Recovery	UA 12/01/20	UMS	\$0.00	\$175.79
12/11/20	Bad Debt Writeoff	UA 12/11/20	UMS	\$235.31	\$0.00
12/18/20	Bad Debt Recovery	UA 12/18/20	UMS	\$0.00	\$26.09
12/22/20	Bad Debt Recovery	UA 12/22/20	UMS	\$0.00	\$45.67
01/11/21	Bad Debt Writeoff	UA 01/11/21	UMS	\$235.76	\$0.00
02/03/21	Bad Debt Recovery	UA 02/03/21	UMS	\$0.00	\$57.76
02/10/21	Bad Debt Writeoff	UA 02/10/21	UMS	\$458.97	\$0.00
02/17/21	Bad Debt Recovery	UA 02/17/21	UMS	\$0.00	\$251.84
03/11/21	Bad Debt Writeoff	UA 03/11/21	UMS	\$399.25	\$0.00
03/16/21	Bad Debt Recovery	UA 03/16/21	UMS	\$0.00	\$9.89
03/18/21	Bad Debt Recovery	UA 03/18/21	UMS	\$0.00	\$253.08
03/19/21	Bad Debt Recovery	UA 03/19/21	UMS	\$0.00	\$160.48
04/13/21	Bad Debt Writeoff	UA 04/13/21	UMS	\$1,012.28	\$0.00
05/12/21	Bad Debt Writeoff	UA 05/12/21	UMS	\$1,387.64	\$0.00
05/17/21	Bad Debt Recovery	UA 05/17/21	UMS	\$0.00	\$25.29
06/10/21	Bad Debt Writeoff	UA 06/10/21	UMS	\$306.12	\$0.00
07/12/21	Bad Debt Recovery	UA 07/12/21	UMS	\$0.00	\$68.64
07/12/21	Bad Debt Recovery	UA 07/12/21	UMS	\$0.00	\$282.19
07/12/21	Bad Debt Recovery	UA 07/12/21	UMS	\$0.00	\$449.85
07/13/21	Bad Debt Writeoff	UA 07/13/21	UMS	\$2,823.16	\$0.00
07/15/21	Bad Debt Recovery	UA 07/15/21	UMS	\$0.00	\$0.60
07/15/21	Bad Debt Recovery	UA 07/15/21	UMS	\$0.00	\$0.56
07/19/21	Bad Debt Recovery	UA 07/19/21	UMS	\$0.00	\$40.04
07/23/21	Bad Debt Recovery	UA 07/23/21	UMS	\$0.00	\$62.73
07/26/21	Bad Debt Recovery	UA 07/26/21	UMS	\$0.00	\$165.26
08/13/21	Bad Debt Recovery	UA 08/13/21	UMS	\$0.00	\$178.52
08/17/21	Bad Debt Writeoff	UA 08/17/21	UMS	\$202.56	\$0.00
08/30/21	Bad Debt Recovery	UA 08/30/21	UMS	\$0.00	\$131.65
09/14/21	Bad Debt Writeoff	UA 09/14/21	UMS	\$682.67	\$0.00
09/22/21	Bad Debt Recovery	UA 09/22/21	UMS	\$0.00	\$405.48
09/23/21	Bad Debt Recovery	UA 09/23/21	UMS	\$0.00	\$43.49
09/30/21	Y/E 2021 Closing Entries		GJETRX	\$0.00	\$407.75
	Number of Account Transactions	41	Ending Balance	\$5,824.94	\$0.00

Indiana Utilities Corporation
Account Inquiry

Fiscal Year: 2020 Closed
Beginning Date: 10/01/19
Ending Date: 09/30/20

Transaction Date	Description	Reference Number	Source	Debit Amount	Credit Amount
Account	00904-0000 Profit & Loss Bad Debts				
			Beginning Balance	\$0.00	\$0.00
10/07/19	Bad Debt Recovery	UA 10/09/19	UMS	\$0.00	\$135.54
10/10/19	Bad Debt Recovery	UA 10/10/19	UMS	\$0.00	\$167.43
10/14/19	Bad Debt Writeoff	UA 10/14/19	UMS	\$254.59	\$0.00
10/15/19	Bad Debt Recovery	UA 10/15/19	UMS	\$0.00	\$85.12
10/17/19	Bad Debt Recovery	UA 10/17/19	UMS	\$0.00	\$95.50
10/18/19	Bad Debt Recovery	UA 10/18/19	UMS	\$0.00	\$299.95
11/01/19	Bad Debt Recovery	UA 11/01/19	UMS	\$0.00	\$199.33
11/04/19	Bad Debt Recovery	UA 11/04/19	UMS	\$0.00	\$179.61
11/05/19	Bad Debt Recovery	UA 11/05/19	UMS	\$0.00	\$147.40
11/08/19	Bad Debt Recovery	UA 11/08/19	UMS	\$0.00	\$101.25
11/13/19	Bad Debt Writeoff	UA 11/13/19	UMS	\$188.23	\$0.00
11/14/19	Bad Debt Recovery	UA 11/14/19	UMS	\$0.00	\$17.96
12/11/19	Bad Debt Recovery	UA 12/11/19	UMS	\$0.00	\$22.70
12/16/19	Bad Debt Recovery	UA 12/16/19	UMS	\$0.00	\$13.39
01/09/20	Bad Debt Writeoff	UA 01/09/20	UMS	\$56.45	\$0.00
01/14/20	Bad Debt Recovery	UA 01/14/20	UMS	\$0.00	\$108.70
01/14/20	Bad Debt Recovery	UA 01/22/20	UMS	\$108.70	\$0.00
01/17/20	Bad Debt Recovery	UA 01/17/20	UMS	\$0.00	\$15.39
01/21/20	Bad Debt Recovery	UA 01/21/20	UMS	\$0.00	\$24.51
02/25/20	Bad Debt Recovery	UA 02/25/20	UMS	\$0.00	\$188.55
03/10/20	Bad Debt Recovery	UA 03/10/20	UMS	\$0.00	\$56.22
03/13/20	Bad Debt Writeoff	UA 03/13/20	UMS	\$437.80	\$0.00
04/07/20	Bad Debt Recovery	UA 04/07/20	UMS	\$0.00	\$78.78
04/13/20	Bad Debt Recovery	UA 04/13/20	UMS	\$0.00	\$223.39
04/13/20	Bad Debt Recovery	UA 04/13/20	UMS	\$0.00	\$111.82
04/14/20	Bad Debt Writeoff	UA 04/14/20	UMS	\$2,128.17	\$0.00
04/16/20	Bad Debt Recovery	UA 04/16/20	UMS	\$0.00	\$114.09
04/28/20	Bad Debt Recovery	UA 04/28/20	UMS	\$0.00	\$206.24
05/04/20	Bad Debt Recovery	UA 05/04/20	UMS	\$0.00	\$79.17
05/04/20	Bad Debt Recovery	UA 05/04/20	UMS	\$0.00	\$462.65
05/04/20	Bad Debt Recovery	UA 05/04/20	UMS	\$0.00	\$112.16
05/12/20	Bad Debt Recovery	UA 05/12/20	UMS	\$0.00	\$401.94
05/12/20	Bad Debt Writeoff	UA 05/12/20	UMS	\$1,102.30	\$0.00
05/21/20	Bad Debt Recovery	UA 05/21/20	UMS	\$0.00	\$121.26
05/29/20	Bad Debt Recovery	UA 05/29/20	UMS	\$0.00	\$17.00
06/05/20	Bad Debt Recovery	UA 06/05/20	UMS	\$0.00	\$103.08
06/12/20	Bad Debt Writeoff	UA 06/12/20	UMS	\$705.01	\$0.00
06/16/20	Bad Debt Recovery	UA 06/16/20	UMS	\$0.00	\$259.61
07/15/20	Bad Debt Recovery	UA 07/15/20	UMS	\$0.00	\$119.49
09/10/20	Bad Debt Writeoff	UA 09/10/20	UMS	\$1,275.06	\$0.00
09/23/20	Bad Debt Recovery	UA 09/23/20	UMS	\$0.00	\$252.12
09/30/20	Y/E Qt Entries Adj for submitted not col		GJETRX	\$0.00	\$375.37
	Number of Account Transactions	42	Ending Balance	\$1,359.59	\$0.00

**Indiana Utilities Corporation
Account Inquiry**

Fiscal Year: 2019 Closed
Beginning Date: 10/01/18
Ending Date: 09/30/19

Transaction Date	Description	Reference Number	Source	Debit Amount	Credit Amount
Account	00904-0000 Profit & Loss Bad Debts				
			Beginning Balance	\$0.00	\$0.00
10/05/18	Bad Debt Recovery	UA 10/05/18	UMS	\$0.00	\$27.48
10/08/18	Bad Debt Recovery	UA 10/08/18	UMS	\$0.00	\$251.14
10/12/18	Bad Debt Recovery	UA 10/12/18	UMS	\$0.00	\$100.00
10/15/18	Bad Debt Recovery	UA 10/15/18	UMS	\$0.00	\$27.92
10/15/18	Bad Debt Recovery	UA 10/15/18	UMS	\$0.00	\$46.31
10/15/18	Bad Debt Recovery	UA 10/15/18	UMS	\$0.00	\$11.51
10/16/18	Bad Debt Writeoff	UA 10/16/18	UMS	\$169.86	\$0.00
10/16/18	Bad Debt Recovery	UA 10/16/18	UMS	\$0.00	\$12.05
10/16/18	Bad Debt Recovery	UA 10/16/18	UMS	\$0.00	\$128.67
10/17/18	Bad Debt Recovery	UA 10/17/18	UMS	\$0.00	\$361.10
10/19/18	Bad Debt Recovery	UA 10/19/18	UMS	\$0.00	\$108.69
10/26/18	Bad Debt Recovery	UA 10/26/18	UMS	\$0.00	\$29.82
10/29/18	Bad Debt Recovery	UA 10/29/18	UMS	\$0.00	\$106.46
11/02/18	Bad Debt Recovery	UA 11/02/18	UMS	\$0.00	\$23.22
11/09/18	Bad Debt Writeoff	UA 11/09/18	UMS	\$553.56	\$0.00
11/15/18	Bad Debt Recovery	UA 11/15/18	UMS	\$0.00	\$93.62
11/16/18	Bad Debt Recovery	UA 11/16/18	UMS	\$0.00	\$260.17
11/19/18	Bad Debt Recovery	UA 11/19/18	UMS	\$0.00	\$164.09
11/19/18	Bad Debt Recovery	UA 11/19/18	UMS	\$0.00	\$100.00
11/27/18	Bad Debt Recovery	UA 11/27/18	UMS	\$0.00	\$51.81
12/11/18	Bad Debt Recovery	UA 12/11/18	UMS	\$0.00	\$123.06
12/26/18	Bad Debt Recovery	UA 12/26/18	UMS	\$0.00	\$100.00
12/27/18	Bad Debt Recovery	UA 12/27/18	UMS	\$0.00	\$313.59
01/09/19	Bad Debt Recovery	UA 01/09/19	UMS	\$0.00	\$59.23
01/11/19	Bad Debt Writeoff	UA 01/11/19	UMS	\$76.09	\$0.00
01/14/19	Bad Debt Recovery	UA 01/14/19	UMS	\$0.00	\$36.54
01/23/19	Bad Debt Recovery	UA 01/23/19	UMS	\$0.00	\$61.69
01/25/19	Bad Debt Recovery	UA 01/25/19	UMS	\$0.00	\$162.63
02/01/19	Bad Debt Recovery	UA 02/01/19	UMS	\$0.00	\$101.32
02/12/19	Bad Debt Writeoff	UA 02/12/19	UMS	\$206.39	\$0.00
02/14/19	Bad Debt Recovery	UA 02/14/19	UMS	\$0.00	\$7.46
03/28/19	Bad Debt Recovery	UA 03/28/19	UMS	\$0.00	\$170.01
04/09/19	Bad Debt Recovery	UA 04/09/19	UMS	\$0.00	\$2.77
04/11/19	Bad Debt Writeoff	UA 04/11/19	UMS	\$1,031.62	\$0.00
04/12/19	Bad Debt Recovery	UA 04/12/19	UMS	\$0.00	\$63.60
04/15/19	Bad Debt Recovery	UA 04/15/19	UMS	\$0.00	\$175.00
05/13/19	Bad Debt Writeoff	UA 05/13/19	UMS	\$1,332.29	\$0.00
05/22/19	Bad Debt Recovery	UA 05/22/19	UMS	\$0.00	\$440.00
06/03/19	Bad Debt Recovery	UA 06/04/19	UMS	\$0.00	\$102.98
06/10/19	Bad Debt Writeoff	UA 06/10/19	UMS	\$1,062.55	\$0.00
07/10/19	Bad Debt Recovery	UA 07/10/19	UMS	\$0.00	\$39.57
07/11/19	Bad Debt Writeoff	UA 07/11/19	UMS	\$4,017.02	\$0.00
07/11/19	Bad Debt Recovery	UA 07/11/19	UMS	\$0.00	\$36.18
07/12/19	Bad Debt Recovery	UA 07/12/19	UMS	\$0.00	\$80.88
07/15/19	Bad Debt Recovery	UA 07/16/19	UMS	\$0.00	\$4.96
07/17/19	Bad Debt Recovery	UA 07/17/19	UMS	\$0.00	\$25.43
07/29/19	Bad Debt Recovery	UA 07/29/19	UMS	\$0.00	\$45.39

Transaction Date	Description	Reference Number	Source	Debit Amount	Credit Amount
07/31/19	Bad Debt Recovery	UA 07/31/19	UMS	\$0.00	\$33.06
08/02/19	Bad Debt Recovery	UA 08/02/19	UMS	\$0.00	\$30.36
08/08/19	Bad Debt Recovery	UA 08/08/19	UMS	\$0.00	\$152.92
08/09/19	Bad Debt Recovery	UA 08/09/19	UMS	\$0.00	\$268.44
08/12/19	Bad Debt Recovery	UA 08/12/19	UMS	\$0.00	\$100.00
08/13/19	Bad Debt Writeoff	UA 08/13/19	UMS	\$825.38	\$0.00
09/05/19	Bad Debt Recovery	UA 09/05/19	UMS	\$0.00	\$387.91
09/06/19	Bad Debt Recovery	UA 09/06/19	UMS	\$0.00	\$53.21
09/10/19	Bad Debt Recovery	UA 09/10/19	UMS	\$0.00	\$16.88
09/10/19	Bad Debt Writeoff	UA 09/10/19	UMS	\$397.60	\$0.00
09/11/19	Bad Debt Recovery	UA 09/11/19	UMS	\$0.00	\$29.64
09/19/19	Bad Debt Recovery	UA 09/19/19	UMS	\$0.00	\$52.10
09/23/19	Bad Debt Recovery	UA 09/23/19	UMS	\$0.00	\$100.00
09/27/19	Bad Debt Recovery	UA 09/27/19	UMS	\$0.00	\$65.92
09/30/19	Qt & Y/E Entries		GJETRX	\$0.00	\$282.99
Number of Account Transactions			62		
			Ending Balance	\$4,042.58	\$0.00

OUCR DR 8-3

**DATA INFORMATION REQUEST
Indiana Utilities Corporation**

Cause No. 46086

Information Requested:

Please confirm Indiana Utilities provided the OUCR with the 00904-0000 Profit & Loss Bad Debts Account Inquiry for fiscal years 2019 through 2023 at the on-site review.

Information Provided:

Confirmed.

INDIANA UTILITIES CORP.
#46086 RATE CASE

Bad Debt Expense

Per OUCC

Bad Debt Expense by Year

2023	\$2,570.87
2022	2,236.94
2021	5,824.94
2020	1,359.59
2019	4,042.58
	<hr/>
Average Bad Debt	3,207.00
Less: Test Year Bad Debt	2,571.00
	<hr/>
OUCC Adjustment - Increase/(Decrease)	<u><u>\$636.00</u></u>

OUCR DR 8-1

**DATA INFORMATION REQUEST
Indiana Utilities Corporation**

Cause No. 46086

Information Requested:

Does Petitioner currently have an Energy Efficiency program approved by the Indiana Utility Regulatory Commission?

- a. If yes, please provide the Cause No. of the Order approving Indiana Utilities' Energy Efficiency program.
- b. If not, please provide a detailed explanation and details of the rebate program Indiana Utilities offers to its customers.

Information Provided:

See OUCR Attachment 8-1 for Petitioner's current rebate programs. There is one for exiting customers and one for new customers. Petitioner did not seek approval from the IURC for these particular programs.

Attachments Provided:

- Attachment OUCR 8-1.pdf

**INDIANA UTILITIES CORP.
#46086 RATE CASE**

Energy Efficiency Rebates

Per OUCC

Rebates per Cause No. 43108 Order	(\$7,600.00)
Additional Rebates Paid Out	<u>(37,506.98)</u>
OUCC Adjustment - Increase/(Decrease)	<u><u>(\$45,106.98)</u></u>

IUC Payroll Changes January 1, 2024

<u>Name</u>	<u>Current Payroll</u>	<u>Proposed Change</u>	<u>Proposed Mo. Payroll</u>	
xxxxxxxxx	\$ 14,250	\$ -	\$ 14,250	\$ 171,000
xxxxxxxxx	\$ 9,100	\$ 500	\$ 9,600	\$ 115,200
xxxxxxxxx	\$ 4,544	\$ 136	\$ 4,680	\$ 56,160
xxxxxxxxx	\$ 3,576	\$ 108	\$ 3,684	\$ 44,208
xxxxxxxxx	\$ 3,577	\$ 107	\$ 3,684	\$ 44,208
xxxxxxxxx	\$ 8,700	\$ 500	\$ 9,200	\$ 110,400
xxxxxxxxx	\$ 4,168	\$ 126	\$ 4,294	\$ 51,528
xxxxxxxxx	\$ 4,834	\$ 166	\$ 5,000	\$ 60,000
xxxxxxxxx	\$ 6,436	\$ 194	\$ 6,630	\$ 79,560
xxxxxxxxx	\$ 3,900	\$ 118	\$ 4,018	\$ 48,216
xxxxxxxxx	\$ 4,500	\$ 180	\$ 4,680	\$ 56,160
xxxxxxxxx	\$ 5,310	\$ 212	\$ 5,522	\$ 66,264
xxxxxxxxx	\$ 5,000	\$ 150	\$ 5,150	\$ 61,800
xxxxxxxxx	\$ 4,168	\$ 292	\$ 4,460	\$ 53,520
Totals	\$ 82,063	\$ 2,789	\$ 84,852	\$ 1,018,224

Field Operations Bonus	\$ 20,000	Note: Bonus program payable
Office Staff Bonus	\$ 7,500	at the start of FY 2025
Managerial Staff Bonus	\$ 40,000	
On-Call Expenses	\$ 36,400	Note: paid each pay period
P-T meter painter - Gary Purvis (estimated based on FY2023)	\$ 5,536	
P-T Summer help - Hunter Schmitt (estimated based on FY2023)	\$ 3,661	
	<u>\$ 1,131,321</u>	

OUCR DR 5-3

**DATA INFORMATION REQUEST
Indiana Utilities Corporation**

Cause No. 46086

Information Requested:

Please provide a complete list of all benefits, in effect during the test year or subsequent to the test year, offered to employees of Indiana Utilities Corporation, including, but not limited to retirement contributions, insurance offerings, bonus programs, continuing education, etc.

Information Provided:

1. Health Insurance - Anthem
2. Prescription drug reimbursement
3. Term life insurance – Humana
4. Money Purchase Pension Plan
5. Bonus Program – Attached bonus program
6. Disability insurance – Colonial Life
7. Operations Department attends many educational programs, but we consider them to be operations focus not benefits.

**Indiana Utilities Corporation
Annual Bonus Program**

I. **Purpose:**

The Indiana Utilities Corporation (IUC) annual bonus program is designed to reward participants (Full-time associates) for their contribution(s) during the financial year. The program will take in account the overall financial performance of the company. The President, Frank Czeschin, of the company will oversee the IUC Annual Bonus Program and establish its financial compensation for each operating area of the IUC (Field Operations and Office Operations).

II. **Program Year:**

The program year of the IUC Annual Bonus Program is October 1st of current year to September 30th of following calendar year.

III. **Financial Measures:**

IUC has two operating areas within the company the Office Staff Operations and Field Service Operations. The Office staff operations is managed by IUC Office manager and the Field Service operations is managed the IUC Operations Manager. The full time associate annual bonus pool will consist of \$30,000.00 bonus pool managed by Office Manager and Operations Manager. Those two individuals will determine the participants bonus structure based on the individual performance measures located in Individual Performance Measures section of the IUC bonus Program. The President of the company will determine the financial measures for each operating area and give those financial measures to each operating manager to determine the annual bonus for each participant. IUC Field Operations may include additional measures based on IUC projects for current year.

- a) Field Bonus Structure will consist and vary based on construction projects for current year but will have a flat starting bonus pool of \$20,000.00. The starting rate of \$20,000.00 will be adjusted upward based on construction projects, and additional time that Field Service Technicians accumulated during construction project time frame. Additional increases will be based on duration of project and time spent to complete the project. For IUC Field Service Technician to be eligible for additional bonus he/she must perform work on the project site during the project year.
- b) Office Staff structure will have a flat rate bonus pool of \$10,000.00.
- c) Senior Management staff (Office Manager, Operations Manager, and President) will be eligible for an annual bonus based on the following measures:
 - 1) A maximum of 10% of Utility Net Income but no less than 5% of Utility Net Income for business calendar year.

IV. **Individual Performance Measures:**

Reward for individual full-time associate performance will be based on the manager of each operating area's grading of each participant's performance in bonus year. The following measures will be used to reward participants in the IUC Annual Bonus Program:

- Teamwork/Chemistry
- Work Ethic/Self-Reliance
- Professional Attitude/Behavior
- Safety (Field Service Operations)
- Workmanship/Quality of work
- Dependability/Reliability
- Commitment

V. **Dispersion of Annual Bonus Program:**

The IUC Annual Bonus Program will be dispersed to participating individuals within 60 calendar days of the September 30th of operating year.

**INDIANA UTILITIES CORP.
#46086 RATE CASE**

Payroll Expense

Per OUCC

OUCC Payroll Workpaper

Pro Forma Salaries	\$1,018,224
Field Operations Bonus	20,000
Office Staff Bonus	7,500
Mangerial Staff Bonus	-
On-Call Expenses	36,400
P-T Meter Painter	5,536
P-T Summer Help	3,661

Pro Forma Payroll

\$1,091,321

OUCC Payroll Adjustment

Pro Forma Payroll	\$1,091,321
Test Year Payroll	1,098,136

Increase in Total Payroll	(6,815)
Labor Expense % from Test Year	74%

OUCC Adjustment - Increase/(Decrease)

(\$5,043)

**INDIANA UTILITIES CORP.
#46086 RATE CASE**

Retirement Contributions

Per OUCC	
Pro Forma Payroll	\$1,091,321
Pension Contribution	25%
Pro Forma Retirement Contribution	272,830
Test Year Retirement Contribution	212,304
OUCC Adjustment - Increase/(Decrease)	\$60,526

V#822-846

Commercial GL	Shepard Insurance	QUP000108-1	\$15,483.00
Business Auto		QUA000108-2	\$18,486.00
Umbrella		QUE00108-2	\$7,833.00
Cyber Liability		C-MQ8_069343-Cyber	\$2,376.00
			\$44,178.00

Oct, Nov, Dec	\$11,044.50	X
Jan, Feb March '23	\$11,044.50	x
April, May, June '23	\$11,044.50	x
July '23	\$3,681.50	v

V# 822-889

Workers Compensa	Liberty Mutual	4-331380-0000	\$6,387.00
------------------	----------------	---------------	------------

Oct, Nov, Dec	\$1,596.75	X
Jan, Feb March '23	\$1,596.75	x
April, May, June '23	\$1,596.75	x
July '23	\$532.25	v

V# 123-347	Liberty Mutual	BFSS57669308 Comm Prop	\$9,592.00
		BMS57669381 Inland Marine	\$8,571.00

Jan, Feb March '23	\$4,540.75	x
April, May, June '23	\$4,540.75	x
July, Aug, Sept '23	\$4,540.75	v
Oct, Nov, Dec '23	\$4,540.75	v

V#723-768	Liberty Mutual	July, Aug, Sept '23	\$2,096.50	v
Workers Comp	Pol# WC5-34S-331380-032	Oct, Nov, Dec '23	\$2,096.50	v
		Jan, Feb March '24	\$2,096.50	
		April, May, June '24	\$2,096.50	

\$8,386.00

V# 823-816	Liberty Mutual	Aug, Sept '23	\$10,157.54	v
Auto	AWUA000108-3	Oct, Nov, Dec '23	\$15,236.31	v
Gen Liability	AWUP000108-3	Jan, Feb March '24	\$15,236.31	
Excess Liability	AWUE000108-3	April, May, June '24	\$15,236.31	
Cyber	C-4MQ8-069343	July '24	\$5,078.76	

\$60,945.23



Bennett & Bennett Insurance

351 E Chestnut Street
Corydon, IN 47112
Phone: 812-738-2233

Invoice	Date
00231852	8/23/2023

Indiana Utilities Corporation
123 W Chestnut Street
Corydon, IN 47112

Transaction Type	Description	Effective Date	Amount
Auto Package	AWUA000108-3	08/30/2023	\$20,003.00
General Liability	AWUP000108-3	08/30/2023	\$26,661.00
Excess Liability	AWUE000108-3	08/30/2023	\$11,510.00
Cyber	C-4MQ8-069343-CYBER-2023	08/30/2023	\$2,771.23

Total Balance: \$60,945.23

Messages:
Due Date: 8/28/2023

Pd 8-28-23

√# 823-816

PER JODIE PAYABLE
TO BENNETT & BENNETT



LM INSURANCE CORPORATION
Workers Compensation Assigned Risk
P.O. Box 704000
Salt Lake City UT 84170-4000
Telephone: (800) 653-7893
Fax: (603) 427-1885
Email: IMS@LibertyMutual.com

Quote Number: 01910174-01
Quote Period: 08/30/2023 - 08/30/2024
Issue Date: 06/19/2023

Insured: INDIANA UTILITIES CORP
123 W CHESTNUT ST
CORYDON IN 47112-1109

Legal Status: CORPORATION

FEIN: 350412410

Principal

Title

CHARLES CZESCHIN

BOARD MEMBER

FRANK CZESCHIN

BOARD MEMBER

JANET CZESCHIN

INACTIVE

CINDY CZESCHIN

INACTIVE

CHRIS CZESCHIN

INACTIVE

Workers compensation insurance offered by this quote applies to the following states:

IN

Employer's Liability

Limits of Coverage:	Bodily Injury by Accident:	1,000,000	Each Accident
	Bodily Injury by Disease:	1,000,000	Policy
	Bodily Injury by Disease:	1,000,000	Each Employee

Location Number and Address (Notify us promptly of any location changes to avoid issues regarding coverage.)

001 123 W CHESTNUT ST, CORYDON, IN 47112-1109

State	Loc. #	Class Code	Description	Estimated Exposure	Rate/ \$100	Premium
IN	001	7502	GAS CO. - NATURAL GAS - LOCALDISTRIBUTION & DRIVE	767,024	0.95	7,287
		8810	CLERICAL OFFICE EMPLOYEES NOC.	255,351	0.10	255
			Location Total			7,542

PREMIUM SUMMARY			
Charge Description	Factor	Status	Premium
IN TOTAL CLASS PREMIUM			7,542
INCREASE LIMITS	1.011		83
EMPL MINIMUM DIFFERENCE			37
IN EXPERIENCE PREMIUM	.880	FINAL	-919
ASSIGNED RISK SURCHARGE			1,198

Indiana Utilities Corporation
Ledger Analysis

Trans Date	Account #	Description	Account Name	Reference Number	Source	Posted Date	Type	Debit Amount	Credit Amount
	00924-0000	Beginning Balance	Insurance Expense						\$0.00
10/31/22	00924-0000	255 12221 Colonial Life	Insurance Expense	APVCH 102522	AP	10/25/22	G	\$629.53	\$0.00
10/31/22	00924-0000	377 12325 Shepherd Insurance, LLC	Insurance Expense	APVCH 112222	AP	11/22/22	G	\$416.00	\$0.00
11/30/22	00924-0000	255 12337 Colonial Life	Insurance Expense	APVCH 112922	AP	11/29/22	G	\$656.90	\$0.00
11/30/22	00924-0000	377 12414 Shepherd Insurance, LLC	Insurance Expense	APVCH 121522	AP	12/16/22	G	\$1,389.00	\$0.00
12/31/22	00924-0000	QQt Entries 12/31/22 YE 9/30/2023	Insurance Expense		GJETRX	01/25/23	G	\$17,902.25	\$0.00
12/31/22	00924-0000	255 12450 Colonial Life	Insurance Expense	APVCH 122722	AP	12/28/22	G	\$656.90	\$0.00
01/31/23	00924-0000	255 12576 Colonial Life	Insurance Expense	APVCH 013123	AP	01/31/23	G	\$619.44	\$0.00
02/28/23	00924-0000	255 12680 Colonial Life	Insurance Expense	APVCH 030723	AP	03/07/23	G	\$603.69	\$0.00
03/31/23	00924-0000	Ins Refund Cr for 2013 Jeep	Insurance Expense		GJETRX	04/03/23	G	\$0.00	\$1,063.00
03/31/23	00924-0000	March 31 2023 Qqt Entries	Insurance Expense		GJETRX	04/26/23	G	\$18,592.75	\$0.00
03/31/23	00924-0000	255 12744 Colonial Life	Insurance Expense	APVCH 032823	AP	03/28/23	G	\$615.23	\$0.00
04/30/23	00924-0000	130 12820 Liberty Mutual Insurance	Insurance Expense	APVCH 042523	AP	04/25/23	G	\$121.00	\$0.00
04/30/23	00924-0000	255 12825 Colonial Life	Insurance Expense	APVCH 042523	AP	04/25/23	G	\$622.74	\$0.00
05/31/23	00924-0000	255 12925 Colonial Life	Insurance Expense	APVCH 053023	AP	05/30/23	G	\$602.96	\$0.00
05/31/23	00924-0000	112 12968 CNA Surety	Insurance Expense	APVCH 060623	AP	06/07/23	G	\$483.00	\$0.00
06/30/23	00924-0000	Qt Closing Entried for 06302023	Insurance Expense		GJETRX	07/18/23	G	\$18,592.75	\$0.00
06/30/23	00924-0000	255 13031 Colonial Life	Insurance Expense	APVCH 062723	AP	06/27/23	G	\$621.94	\$0.00
07/31/23	00924-0000	255 13150 Colonial Life	Insurance Expense	APVCH 080123	AP	08/01/23	G	\$661.57	\$0.00
08/31/23	00924-0000	255 13235 Colonial Life	Insurance Expense	APVCH 082823	AP	08/29/23	G	\$682.22	\$0.00
08/31/23	00924-0000	377 13322 Shepherd Insurance, LLC	Insurance Expense	APVCH 092023	AP	09/20/23	G	\$185.00	\$0.00
09/30/23	00924-0000	Liberty Mutual Ref Adj	Insurance Expense		GJETRX	09/30/23	G	\$0.00	\$1,452.00
09/30/23	00924-0000	Qt & Y/E ENTRIES 09 30 2023	Insurance Expense		GJETRX	10/24/23	G	\$21,008.54	\$0.00
09/30/23	00924-0000	255 13351 Colonial Life	Insurance Expense	APVCH 093023	AP	09/30/23	G	\$682.22	\$0.00
	00924-0000	Ending Balance	Insurance Expense						
					Transactions:			\$83,830.63	

OUCG DR 5-5

**DATA INFORMATION REQUEST
Indiana Utilities Corporation**

Cause No. 46086

Information Requested:

Referring to Petitioner's Exhibit No. 4, Attachment BJM-2, Schedule C-1, for adjustment 3(i) for employee health insurance, please provide supporting documentation for the "proforma insurance cost" of \$235,243, including any updated insurance premium information and estimates for the number of policies by classification (i.e., employee, family, etc.).

Information Provided:

During the test year Humana was Petitioner's healthcare provider. On March 1, 2024, Petitioner moved to Anthem. Humana now reflects only the life insurance side and Anthem the health insurance side. Further, Butt Drugs has recently gone out of business and now employees are reimbursed directly for RX drug copays. Per verbal discussion with insurance representative Indiana Utilities is to expect a 10 to 15 % increase for 2025. See Attachment OUCG 5-5.1 through Attachment OUCG 5-5.5 for further information. Note personal employee identifying information has been removed from these attachments.

Attachments Provided:

- Attachment OUCG 5-5.1.xls
- Attachment OUCG 5-5.2.pdf
- Attachment OUCG 5-5.3.pdf
- Attachment OUCG 5-5.4.pdf
- Attachment OUCG 5-5.5.pdf

Cause No. 46086
Attachment OUCC 5-5.3
Page 1 of 3



Invoice

#46041380601024

Please check this box if any changes have been made to this invoice.

Your account details

BCN: [REDACTED]
Account: Indiana Utilities Corp

Attention:
Nikki Albin
Indiana Utilities Corp,
123 West Chestnut
Corydon, IN 47112-0000

Invoice date: Jun. 1, 2024
Pay by date: Jul. 9, 2024
Deduction dates: Jun. 1, 16
Invoice frequency: Monthly
Download date: Jun. 25, 2024

Invoice summary

Total amount due

924 682.22
~~240-1 1,129.80~~
\$1,812.02
Adjusted to pay 7/9

How to pay



Pay online on the Colonial Life for Clients Portal.

Visit <https://www.coloniallife.com/clientportal>



Send mail-in payments with the remittance slip to:

Premium Processing, P.O. Box 903, Columbia, SC 29202



Send overnight payments with the remittance slip to:

Processing Center, 828 Bistline Dr Suite 100, West Columbia, SC 29172

60413806010240001812020008

Cause No. 46086
Attachment OUCC 5-5.3
Page 2 of 3



Invoice details for Colonial Life

EMPLOYEE NAME	EMPLOYEE #	COVERAGE	POLICY #	PRE-TAX	POST-TAX	TOTAL DUE
		Accident		\$17.92		\$96.30
		Short Term Disability			\$63.00	
		Term Life			\$16.38	
		Short Term Disability			\$47.96	\$47.96
		Accident		\$27.06		\$162.70
		Dental		\$86.63		
		Short Term Disability			\$47.06	
		Dental		\$29.01		\$97.76
		Short Term Disability			\$47.96	
		Term Life			\$20.72	
		Accident		\$21.70		\$110.94
		Dental		\$38.04		
		Short Term Disability			\$50.90	
		Accident		\$17.14		\$234.16
		Dental		\$131.98		
		Short Term Disability			\$54.74	
		Dental		\$38.34		\$100.10
		Short Term Disability			\$61.76	
		Short Term Disability			\$60.00	\$60.00
		Short Term Disability			\$63.00	\$63.00
		Short Term Disability			\$47.96	\$47.96
		Short Term Disability			\$42.00	\$42.00
		Accident		\$47.41		\$668.22
		Cancer			\$67.20	
		Critical Illness			\$25.10	

Cause No. 46086
Attachment OUCC 5-5.3
Page 3 of 3



EMPLOYEE NAME	EMPLOYEE #	COVERAGE	POLICY #	PRE-TAX	POST-TAX	TOTAL DUE	
[REDACTED]	[REDACTED]	Dental	[REDACTED]	\$131.98			
		Life		\$297.84			
		Life		\$47.56			
		Life		\$18.34			
		Life		\$19.46			
		Short Term Disability			\$41.30		
		Dental		\$38.34		\$92.92	
		Short Term Disability				\$54.58	
TOTAL DUE AMOUNT FOR COLONIAL LIFE				\$658.20	\$1,153.82	\$1,812.02	

Note: This invoice reflects changes made up to the download date only. If changes have been made after this date, you may need to download again.



INDIANA UTILITIES CORP.
#46086 RATE CASE

Insurance Expense

Per OUCC

Pro Forma Property Insurance	\$60,945.23
Pro Forma Worker's Comp. Insurance	8,386.00
Pro Forma Disability Insurance	8,186.64
<hr/>	
Total Pro Forma Insurance Cost	77,517.87
Test Year Insurance Cost	83,831.00
<hr/>	
OUCC Adjustment - Increase/(Decrease)	<u><u>(\$6,313.13)</u></u>

**Indiana Utilities Corporation
Vendor History Report**

Order By
Vendor Number Range 309 To 309
Vendor Name Range Not Applicable
Vendor Type Services
Transaction Date Range 10/01/2021 To 01/18/2024
Include Miscellaneous Vendors
Include Checks
Include Vouchers Print Voucher Expense Detail
Print Vendor Totals Only

Voucher Type	Voucher Number	Invoice Date	Invoice Number	AP Account	Invoice Amount	Void
Vendor	309 Michelle Tindall		3443 Hisey Rd SW	Central, IN 47110		
Invoice	13136	07/28/2023	728	00232-0001	\$1,750.00	<input type="checkbox"/>
Voucher Totals For Vendor		309 Michelle Tindall		1 Voucher	\$1,750.00	

K. Kinney
J. Puckett
R. Tindall

NON-NEGOTIABLE
DO NOT
NON

The Doghouse BBQ and Catering

812-736-8987

INVOICE # 728

Date: 7/28/23

702

BILL TO

Indiana Utilities
123 W Chestnut St
Corydon, IN 47112

FOR

Catering

ITEM DESCRIPTION	AMOUNT
Catering - Retirement Party 7/28/23	\$1,750.00
TOTAL COST \$1,750.00	

Make all checks payable to: Michelle Tindall

THANK YOU FOR YOUR BUSINESS!

Indiana Utilities Corporation
Vendor History Report

Order By
Vendor Number Range 39 To 39
Vendor Name Range Not Applicable
Vendor Type Miscellaneous
Transaction Date Range 10/01/2022 To 09/30/2023
Include Miscellaneous Vendors
Include Checks
Include Vouchers Print Voucher Expense Detail
Print Vendor Totals Only

Voucher Type	Voucher Number	Invoice Date	Invoice Number	AP Account	Invoice Amount	Void
Vendor	39	Card Service Center	P.O. BOX 869100	Dallas, TX 75356-9100		
		Credit Card Vendor				
Invoice	12209	10/19/2022	10/2022	00232-0001	\$170.00	<input type="checkbox"/>
Invoice	12297	11/15/2022	10/2022	00232-0001	\$565.14	<input type="checkbox"/>
Invoice	12395	12/13/2022	11/2022	00232-0001	\$863.57	<input type="checkbox"/>
Invoice	12534	01/17/2023	12/2022	00232-0001	\$1,900.33	<input type="checkbox"/>
Invoice	12623	02/14/2023	1/2023	00232-0001	\$1,518.66	<input type="checkbox"/>
Invoice	12720	03/21/2023	3/2023	00232-0001	\$117.00	<input type="checkbox"/>
Invoice	12797	04/11/2023	3/2023	00232-0001	\$328.81	<input type="checkbox"/>
Invoice	12897	05/11/2023	4/2023	00232-0001	\$703.08	<input type="checkbox"/>
Invoice	12980	06/13/2023	5/2023	00232-0001	\$2,191.59	<input type="checkbox"/>
Invoice	13089	07/11/2023	6/2023	00232-0001	\$263.78	<input type="checkbox"/>
Invoice	13218	08/15/2023	7/2023	00232-0001	\$572.31	<input type="checkbox"/>
Invoice	13292	09/12/2023	8/2023	00232-0001	\$334.99	<input type="checkbox"/>
Voucher Totals For Vendor 39 Card Service Center				12 Vouchers	\$9,529.76	

X 1223-259

OUCR DR 8-4

**DATA INFORMATION REQUEST
Indiana Utilities Corporation**

Cause No. 46086

Information Requested:

Please confirm expenses from Paxton Media Group not recorded to account 00762-0001 Public Awareness Expense in the General Ledger are related to marketing or advertising materials that do NOT contain safety messaging. If not confirmed, please explain.

Information Provided:

Confirmed. During the on-site review all Paxton Media invoices were reviewed and Public Safety related items charged to account 00762-0001. Petitioner confirmed all other non-safety was charged to account 00921-0001 and were marketing items.

Indiana Utilities Corporation
Ledger Analysis

Trans Date	Account #	Description	Account Name	Reference Number	Source	Posted Date	Type	Debit Amount	Credit Amount
01/31/23	00107-0006	376 12575 Paxton Media Group	Work Order - Lanesville SOUTH	APVCH 013123	AP	01/31/23	G	\$123.05	\$0.00
10/31/22	00232-0001	376 12259 Paxton Media Group	Accounts Payable	APVCH 110122	AP	11/01/22	G	\$0.00	\$431.06
11/30/22	00232-0001	376 12370 Paxton Media Group	Accounts Payable	APVCH 120522	AP	12/07/22	G	\$0.00	\$423.00
12/31/22	00232-0001	376 12481 Paxton Media Group	Accounts Payable	APVCH 010423	AP	01/04/23	G	\$0.00	\$440.90
01/31/23	00232-0001	376 12575 Paxton Media Group	Accounts Payable	APVCH 013123	AP	01/31/23	G	\$0.00	\$392.05
02/28/23	00232-0001	376 12657 Paxton Media Group	Accounts Payable	APVCH 022823	AP	03/01/23	G	\$0.00	\$413.13
03/31/23	00232-0001	376 12776 Paxton Media Group	Accounts Payable	APVCH 040523	AP	04/05/23	G	\$0.00	\$134.40
04/30/23	00232-0001	376 12872 Paxton Media Group	Accounts Payable	APVCH 050923	AP	05/09/23	G	\$0.00	\$533.00
05/31/23	00232-0001	376 12962 Paxton Media Group	Accounts Payable	APVCH 060623	AP	06/07/23	G	\$0.00	\$193.00
06/30/23	00232-0001	376 13034 Paxton Media Group	Accounts Payable	APVCH 062723	AP	06/27/23	G	\$0.00	\$1,689.29
07/31/23	00232-0001	376 13182 Paxton Media Group	Accounts Payable	APVCH 080823	AP	08/08/23	G	\$0.00	\$154.00
08/31/23	00232-0001	376 13280 Paxton Media Group	Accounts Payable	APVCH 090323	AP	09/03/23	G	\$0.00	\$284.00
09/30/23	00232-0001	376 13381 Paxton Media Group	Accounts Payable	APVCH 100323	AP	10/03/23	G	\$0.00	\$423.00
08/31/22	00752-0000	376 13280 Paxton Media Group	Operation Transmission Mains	APVCH 090323	AP	09/03/23	G	\$240.00	\$0.00
10/31/22	00762-0000	376 12259 Paxton Media Group	Operation Distribution Mains	APVCH 110122	AP	11/01/22	G	\$249.00	\$0.00
10/31/22	00762-0000	376 12259 Paxton Media Group	Operation Distribution Mains	APVCH 110122	AP	11/01/22	G	\$127.06	\$0.00
11/30/22	00762-0000	376 12370 Paxton Media Group	Operation Distribution Mains	APVCH 120522	AP	12/07/22	G	\$379.00	\$0.00
03/31/23	00762-0000	376 12776 Paxton Media Group	Operation Distribution Mains	APVCH 040523	AP	04/05/23	G	\$40.40	\$0.00
12/31/22	00762-0001	376 12481 Paxton Media Group	Public Awareness Expense	APVCH 010423	AP	01/04/23	G	\$330.00	\$0.00
12/31/22	00762-0001	376 12481 Paxton Media Group	Public Awareness Expense	APVCH 010423	AP	01/04/23	G	\$66.90	\$0.00
01/31/23	00762-0001	376 12575 Paxton Media Group	Public Awareness Expense	APVCH 013123	AP	01/31/23	G	\$214.00	\$0.00
02/28/23	00762-0001	376 12657 Paxton Media Group	Public Awareness Expense	APVCH 022823	AP	03/01/23	G	\$150.13	\$0.00
03/31/23	00762-0001	376 12776 Paxton Media Group	Public Awareness Expense	APVCH 040523	AP	04/05/23	G	\$94.00	\$0.00
04/30/23	00762-0001	376 12872 Paxton Media Group	Public Awareness Expense	APVCH 050923	AP	05/09/23	G	\$478.00	\$0.00
06/30/23	00762-0001	376 13034 Paxton Media Group	Public Awareness Expense	APVCH 062723	AP	06/27/23	G	\$1,495.00	\$0.00
07/31/23	00762-0001	376 13182 Paxton Media Group	Public Awareness Expense	APVCH 080823	AP	08/08/23	G	\$99.00	\$0.00
09/30/23	00762-0001	376 13381 Paxton Media Group	Public Awareness Expense	APVCH 100323	AP	10/03/23	G	\$379.00	\$0.00
10/31/22	00921-0001	376 12259 Paxton Media Group	Office Supplies & Expense	APVCH 110122	AP	11/01/22	G	\$55.00	\$0.00
11/30/22	00921-0001	376 12370 Paxton Media Group	Office Supplies & Expense	APVCH 120522	AP	12/07/22	G	\$44.00	\$0.00
12/31/22	00921-0001	376 12481 Paxton Media Group	Office Supplies & Expense	APVCH 010423	AP	01/04/23	G	\$44.00	\$0.00
01/31/23	00921-0001	376 12575 Paxton Media Group	Office Supplies & Expense	APVCH 013123	AP	01/31/23	G	\$55.00	\$0.00
02/28/23	00921-0001	376 12657 Paxton Media Group	Office Supplies & Expense	APVCH 022823	AP	03/01/23	G	\$44.00	\$0.00
02/28/23	00921-0001	376 12657 Paxton Media Group	Office Supplies & Expense	APVCH 022823	AP	03/01/23	G	\$99.00	\$0.00
02/28/23	00921-0001	376 12657 Paxton Media Group	Office Supplies & Expense	APVCH 022823	AP	03/01/23	G	\$80.00	\$0.00
02/28/23	00921-0001	376 12657 Paxton Media Group	Office Supplies & Expense	APVCH 022823	AP	03/01/23	G	\$40.00	\$0.00
04/30/23	00921-0001	376 12872 Paxton Media Group	Office Supplies & Expense	APVCH 050923	AP	05/09/23	G	\$55.00	\$0.00
05/31/23	00921-0001	376 12962 Paxton Media Group	Office Supplies & Expense	APVCH 060623	AP	06/07/23	G	\$193.00	\$0.00
06/30/23	00921-0001	376 13034 Paxton Media Group	Office Supplies & Expense	APVCH 062723	AP	06/27/23	G	\$44.00	\$0.00
06/30/23	00921-0001	376 13034 Paxton Media Group	Office Supplies & Expense	APVCH 062723	AP	06/27/23	G	\$150.29	\$0.00
07/31/23	00921-0001	376 13182 Paxton Media Group	Office Supplies & Expense	APVCH 080823	AP	08/08/23	G	\$55.00	\$0.00
08/31/23	00921-0001	376 13280 Paxton Media Group	Office Supplies & Expense	APVCH 090323	AP	09/03/23	G	\$44.00	\$0.00
09/30/23	00921-0001	376 13381 Paxton Media Group	Office Supplies & Expense	APVCH 100323	AP	10/03/23	G	\$44.00	\$0.00

NON-NEGOTIABLE
DO NOT
NOM

PANTHERS

**Corydon Central High School
Athletic Department
375 Country Club Rd. SE
Corydon, IN 47112
(812) 738-6155**

Indiana Utilities Corporation,

On behalf of the Corydon Central Athletic Department and Football program, I want to thank you for your generous donation of \$283.98 to be used to towards the purchase of pre-game food for our Football team prior to their game on October 7th, 2022. We are grateful and proud to have the support of local businesses such as Indiana Utilities.

OK
SAS

Sincerely,

#762



John Atkins
Athletic Director



Bill's on the Hill, LLC
contact@billsonthehill.com | 812-738-2367

Invoice #000172

Issue date
Dec 20, 2022

Invoice #000172

Thank you! We appreciate your business.

Please note that our prices do not include an automatic gratuity. If you choose to add a gratuity, it will be distributed among the employees that helped prepare for/worked your event.

Customer	Invoice Details	Payment
Indians Utilities contact@billsonthehill.com	PDF created December 20, 2022 \$1,501.62	Due December 20, 2022 \$1,501.62

Items	Quantity	Price	Amount
Kentucky Legend Hams <i>25 hams, 21 smoked</i>	1	\$648.29	\$648.29
Custom Smoking/Handling- Hams	1	\$650.00	\$650.00
Miscellaneous <i>Smoked chicken 1/2s - 18</i>	1	\$180.00	\$180.00
Miscellaneous <i>20 Smoked wings</i>	1	\$23.33	\$23.33
Subtotal			\$1,501.62
Included Tax (\$55.83)			

Total Due

\$1,501.62

921-1 1/2
762 1/2



Pay online

To pay your invoice go to <https://gosq.me/u/7wUG74jG>

Or open the camera on your mobile device and place the QR code in the camera's view.

Page 1 of 1

emailed 7/21/23



Rent A Tent

14095 CHARLOTTE AVE, PALMYRA, IN 47164
Phone: 812-948-1911

Website: www.rentatentonline.com Email: rentatentonline@gmail.com

Delivery Location
INDIANA UTILITIES CORP
SCHMITT, SCOTT
123 W CHESTNUT
CORYDON, IN 47112
Phone: (812)738-3235
Cell Phone: (812)972-0539

Order No: 3569

Order Date: July 21, 2023

Written by: KATIE CUNDIFF

Start Date: Thu, Jul 27, 2023

Delivery Time: SEE NOTES BELOW

End Date: Tue, Aug 1, 2023

Pick-up Time: SEE NOTES BELOW

Delivery method: PICK UP

Surface: Indoor ✓

InvNo	Name	Qty	Total
INV36	WHITE POLY CHAIRS	64	\$124.80
INV45	ROUND 60" TABLE	8	\$72.00
Order Subtotal:			\$196.80
Damage Waiver (10.00%):			\$19.68
Sales Tax (7%):			\$13.78
Delivery Charge:			\$0.00
CC Fee:			\$6.91
TOTAL:			\$237.17
Amount Paid:			\$0.00
Balance Due:			\$237.17

Additional Notes:

EVENT IS ON THE 28TH
RETIREMENT PARTY

**PICK UP ON THURSDAY BETWEEN 930-3PM AND
DROP OFF TUESDAY BETWEEN 930-3PM.**

MUST CALL ON WEDNESDAY AND MONDAY
WITH PICK UP TIMES.

****CC FEES ARE OPTIONAL****

****IF NEEDING A CERTAIN DAY OR TIME FOR
DELIVERY OR PICK UP, THERE WILL BE
ADDITIONAL FEES.****

DECLINED LINENS

*ON CO. CREDIT CARD.
#762 SA*

FEES THAT MAY APPLY:

**RE-STACKING AND/OR CLEANING FEES.
AMOUNT TO BE CHARGED UP TO \$1000.00**

****RE-STACKING:** You must re-stack the tables and chairs the way they were left. If not you will be charged re-stacking fee.

****CLEANING:** No mud or food is to be left on the tables or you will be charged a cleaning fee.

Initial: *[Signature]*

ANY PURPOSELY DAMAGED, STOLEN OR LOST ITEMS, YOU WILL BE CHARGED THE COST TO REPLACE THOSE ITEMS. THIS IS NOT COVER UNDER THE DAMAGE WAIVER. *[Signature]*

DELIVERY OF TABLES AND CHAIRS ARE TAILGATE OR PLACED UNDER OUR TENT ONLY. WE DO NOT TAKE OUR TABLES AND CHAIRS UP OR DOWN STAIRS, RAMPS OR ELEVATORS. (EXTRA CHARGE TO DO SO) *[Signature]*

*******A 50% NON REFUNDABLE retaining fee is required at time of order and the balance must be paid in full two weeks before event. THERE WILL BE NO REFUNDS 2 WEEKS PRIOR TO THE EVENT OR AFTER.*****
(You will lose your deposit on all canceled tents, stages or dance floors. It will show on invoice as "loss of deposit".)**

*****COVID CANCELATIONS ARE NON-REFUNDABLE.*******

BARNES & THORNBURG LLP

11 South Meridian Street
Indianapolis, Indiana 46204 U.S.A.
E.I.N. 35-0900596
(317) 236-1313

INDIANA UTILITIES CORPORATION
123 W. CHESTNUT STREET
CORYDON, IN 47112

Invoice 3006710

Page 2

September 23, 2022
Jeffrey M. Peabody
00010592
10592-3370

PAYABLE UPON RECEIPT

00010592-00000004
GCA

\$ 1,443.00

TOTAL THIS MATTER

\$ 1,443.00

TOTAL THIS INVOICE

\$ 1,443.00

INDIANA UTILITIES CORP.
#46086 RATE CASE

Miscellaneous Expense

Per OUCC

Non-Safety Advertising	(\$2,082)
Donations	(284)
Christmas Party	(2,712)
Retirement Party	(1,987)
Legal Fees Outisde TY	(1,443)
	<hr/>
OUCC Adjustment - Increase/(Decrease)	<u><u>(\$8,507)</u></u>

OUCR DR 5-4

**DATA INFORMATION REQUEST
Indiana Utilities Corporation**

Cause No. 46086

Information Requested:

Referring to Petitioner's Exhibit No. 4, Attachment BJM-2, Schedule C-1, adjustment 3(i) is titled: "To Adjust Operating Expense for the change in Employee Health Insurance." However, the total line states "To Adjust Operating Expenses to annualize property and worker's compensation insurance." Is this an adjustment for employee health insurance or property and worker's compensation insurance?

Information Provided:

Adjustment 3(i) is for Employee health insurance. Adjustment 3(g) is for property and worker's compensation insurance.

Exhibit BJM-1

Schedule C-1
Page 3 of 6

INDIANA UTILITIES CORPORATION

Corydon, Indiana

DETAIL OF PRO-FORMA PRESENT RATE ADJUSTMENTS

(3) OPERATING EXPENSE ADJUSTMENTS (CONTINUED)

	(f)		
To Adjust "Administrative & General" expense to match retirement costs to the related payroll costs			
Proforma Payroll	\$ 1,131,321		
Pension contribution expense	25%		
Proforma retirement contribution		282,830	
Test Year retirement contribution		<u>212,304</u>	
Adjustment - Increase / (Decrease)			<u>\$ 70,526</u>
	(g)		
To Adjust "Operating Expense" for the change in Property and Worker's Comp			
Proforma insurance cost	\$ 78,924		
Test Year expense		<u>83,831</u>	
To Adjust "Operating Expenses" to annualize property and worker's compensation insurance			<u>\$ (4,907)</u>
	(h)		
To Adjust "Operating Expenses" to remove miscellaneous expenses relating to employee gifts and celebrations.			
			<u>\$ (4,861)</u>
	(i)		
To Adjust "Operating Expense" for the change in Employee Health Insurance.			
Proforma insurance cost	\$ 235,243		
Test Year expense		<u>232,110</u>	
To Adjust "Operating Expenses" to annualize employee health insurance			<u>\$ 3,133</u>
	(j)		
To Adjust "Operating Expenses" to remove employee severance pay in the test year.			
			<u>\$ (25,000)</u>
Total Adjustment to "Administrative & General" Expense - Increase / (Decrease)			<u>\$ 99,369</u>

OUCG DR 5-5

**DATA INFORMATION REQUEST
Indiana Utilities Corporation**

Cause No. 46086

Information Requested:

Referring to Petitioner's Exhibit No. 4, Attachment BJM-2, Schedule C-1, for adjustment 3(i) for employee health insurance, please provide supporting documentation for the "proforma insurance cost" of \$235,243, including any updated insurance premium information and estimates for the number of policies by classification (i.e., employee, family, etc.).

Information Provided:

During the test year Humana was Petitioner's healthcare provider. On March 1, 2024, Petitioner moved to Anthem. Humana now reflects only the life insurance side and Anthem the health insurance side. Further, Butt Drugs has recently gone out of business and now employees are reimbursed directly for RX drug copays. Per verbal discussion with insurance representative Indiana Utilities is to expect a 10 to 15 % increase for 2025. See Attachment OUCG 5-5.1 through Attachment OUCG 5-5.5 for further information. Note personal employee identifying information has been removed from these attachments.

Attachments Provided:

- Attachment OUCG 5-5.1.xls
- Attachment OUCG 5-5.2.pdf
- Attachment OUCG 5-5.3.pdf
- Attachment OUCG 5-5.4.pdf
- Attachment OUCG 5-5.5.pdf

Cause No. 46086
Attachment OUCC 5-5.2
Page 1 of 2

ANTHEM BLUE CROSS BLUE SHIELD

PO BOX 6406
CAROL STREAM IL 60197-6406



Billing Account Number:	D41465	Invoice #:	0202404601506
Billing Account Name:	INDIANA UTILITIES CORP	Billing Period:	05/01/2024 - 06/01/2024
		Date Billed:	04/01/2024
		Payment Due Date:	05/01/2024
		Invoice Status:	PAID

Bill Summary

	Amount Due	Amount Paid	Balance
Prior Billing			
ANTHEM	\$17,108.23	\$0.00	\$17,108.23
Subtotal:	\$17,108.23	\$0.00	\$17,108.23
Current Billing			
ANTHEM	\$17,108.23		\$17,108.23
Subtotal:	\$17,108.23		\$17,108.23
Total Amount Due:			\$34,216.46

Payments Policy

Payments are due and payable in full upon receipt. Payments received after the first day of the month for which coverage is in effect are deemed "late" and penalties may apply. Premiums must be paid in full by the end of the grace period in order for coverage to continue. Reinstatement is at the absolute and sole discretion of ANTHEM and reinstatement fee will apply. Please note that the depositing of a check does not constitute acceptance of premium or a guarantee of coverage. FOR ANTHEM BILLING QUESTIONS CALL 1-855-886-6156.

© 2015-2024 copyright of Anthem Insurance Companies, Inc. Anthem Blue Cross and Blue Shield is the trade name of: In Colorado: Rocky Mountain Hospital and Medical Service, Inc. HMO products underwritten by HMO Colorado, Inc. In Connecticut: Anthem Health Plans, Inc. In Indiana: Anthem Insurance Companies, Inc. In Georgia: Blue Cross Blue Shield Healthcare Plan of Georgia, Inc. and Community Care Health Plan of Georgia, Inc. In Kentucky: Anthem Health Plans of Kentucky, Inc. In Maine: Anthem Health Plans of Maine, Inc. In Missouri (excluding 30 counties in the Kansas City area): BrightCHOICE Managed Care, Inc. (RIT), Healthy Alliance Life Insurance Company (HALIC), and HMO Missouri, Inc. RIT and certain affiliates administer non-TRICARE benefits underwritten by HALIC and HMO benefits underwritten by HMO Missouri, Inc. RIT and certain affiliates only provide administrative services for self-funded plans and do not underwrite benefits. In Nevada: Rocky Mountain Hospital and Medical Service, Inc. HMO products underwritten by HMO Colorado, Inc., aka HMO Nevada. In New Hampshire: Anthem Health Plans of New Hampshire, Inc. HMO plans are administered by Anthem Health Plans of New Hampshire, Inc. and underwritten by Matthew Thornton Health Plan, Inc. In 17 southeastern counties of New York: Anthem HealthCare Assurance, Inc. and Anthem HealthChoice HMO, Inc. In these same counties Anthem Blue Cross and Blue Shield HP is the trade name of Anthem HP, LLC. In Ohio: Community Insurance Company. In Virginia: Anthem Health Plans of Virginia, Inc. trades as Anthem Blue Cross and Blue Shield, and its affiliate HealthKeepers, Inc. trades as Anthem HealthKeepers providing HMO coverage, and their service area is all of Virginia except for the City of Fairfax, the Town of Vienna, and the area east of State Route 123. In Wisconsin: Blue Cross Blue Shield of Wisconsin (BCBSWI) underwrites or administers PPO and indemnity policies and underwrites the out-of-network benefits in POS policies offered by CompCare Health Services Insurance Corporation (CompCare) or Wisconsin Collaborative Insurance Corporation (WCIC). CompCare underwrites or administers HMO or POS policies, WCIC underwrites or administers Well Priority HMO or POS policies. Independent licensees of the Blue Cross and Blue Shield Association. Anthem is a registered trademark of Anthem Insurance Companies, Inc.

Cause No. 46086
Attachment OUCC 5-5.4
Page 1 of 6



Invoice
For coverage in August 2024

INDIANA UTILITIES CORP
FRANK CZESCHIN
123 W CHESTNUT ST
CORYDON, IN 47112

INDIANA UTILITIES CORP

Billing ID

Invoice number - Invoice date
593540077 - July 15, 2024

Billing Contact
1-800-232-2006
GB MIDWEST REGION

Payment due
August 1, 2024

Invoice Summary

Amount due from last invoice	\$348.75
Total payments received	- \$348.75
Amount past due	\$0.00
Premiums this period	\$341.00
Member adjustments	\$0.00
Fees and other adjustments	\$0.00
Please pay total amount due	\$341.00

Encourage your employees to keep their phone numbers up-to-date. To make sure Humana is able to contact them about valuable plan information, it's important to let us know if they have changed their phone number, even if it's just a temporary change. Please encourage them to contact you with any changes to their contact information.

Do you need to make a quick payment? Are you short on time? Use **Express Pay!** It's a quick and easy way to make a secure one-time payment without having to sign into your account. If you need to check your balance, review your invoice or move to an online only invoice then sign in or register on the Employer Self-Service website where you can also make a one-time payment or set up recurring payments! All of these great features and more are available at Humana.com/employer/ebilling.

continued ▶



RETURN THIS PORTION WITH YOUR PAYMENT

Payment Coupon

Billing ID: [REDACTED]
Invoice number: 593540077

Payment due date: August 1, 2024
Amount due: \$341.00
Amount enclosed:

[REDACTED]

INDIANA UTILITIES CORP
FRANK CZESCHIN
123 W CHESTNUT ST
CORYDON, IN 47112

Please remit to:


HUMANA INSURANCE CO.
PO BOX 4600
CAROL STREAM, IL 60197-4600

For change of address, please contact your Billing Representative.

Cause No. 46086
Attachment OUC 5-5.4
Page 2 of 6

Billing ID: [REDACTED]
Page 2 of 6

Payments

Your payment is due on the first of the month. If you pay by manual check, be sure to complete the following steps so that your payments are posted automatically to your account.

1. Write your Billing ID on your check.
2. Fill out all information on the remittance stub.
3. Put your check and remittance stub in the envelope provided.

Payments received after the end of your grace period will cause the account to automatically terminate and result in a disruption of coverage for your employees. If your policy terminates, request for reinstatement may be made. Reinstatements are at our discretion. Reinstatement fees may apply.

Humana's Employer Self-Service Center

You can log in anytime to your Self-Service Center to receive personalized information and tools to help you manage your employees' benefits. To register, go to the "Employers" section on Humana.com, click "Register Today."

Through Humana.com you can:

- View your monthly statement and make a premium payment;
- Complete daily enrollment maintenance tasks like adding a new employee, changing coverage, and terminating an employee's benefits;
- Enjoy features that simplify plan administration, such as links to eligibility information.

Paper Enrollment Submissions

Please ensure that all paper enrollment submissions are completed thoroughly, including group names and numbers associated with your account. Mail your enrollment forms to the following address:

Humana Inc.
P.O. Box 14209
Lexington, Kentucky 40512-4209

There may be a delay in updates on your invoice due to timing and processing. Please continue to pay the "Total Amount Due" to save time and money on reconciliation efforts. Please ensure all adjustments are accurately reflected on your invoice. If not, please contact your Billing Representative.

Humana

Cause No. 46086
Attachment OUCC 5-5.4
Page 3 of 6

Billing ID: [REDACTED]
Page 3 of 6

Group Summary

Payments

Date	Description	Amount	Balance
	Amount due from last invoice		\$348.75
Jul 1	Payment received (thank you)	-\$348.75	\$0.00
	Amount past due		\$0.00

Premiums by Product Type

Product type	QTY	Employee (EMP)	Total
Specialty	28	\$341.00	\$341.00
Total	28	\$341.00	\$341.00

Premiums by Plan Type

Plan type	QTY	Employee (EMP)	Total
LBE	14	\$310.00	\$310.00
ABE	14	\$31.00	\$31.00
Total	28	\$341.00	\$341.00

Plan Type Legend

ABE BASIC EMPLOYEE AD&D
LBE BASIC EMPLOYEE LIFE



Questions about your invoice? Call your Billing Representative at 1-800-232-2006.
Don't forget, you can pay your invoice online at Humana.com.

Cause No. 46086
Attachment OUCC 5-5.4
Page 4 of 6

Billing ID: [REDACTED]
Page 4 of 6

Employee Detail:
INDIANA UTILITIES CORP
591866-001

INDIANA UTILITIES CORP

Member Name	Member ID Number	Plan	Type	Premium			Total Premium
				Medical	Dental	Specialty	
[REDACTED]		LBE-\$75,000	EMP			\$30.00	
[REDACTED]		ABE-\$75,000	EMP			\$3.00	
Employee Total							\$33.00
[REDACTED]		LBE-\$50,000	EMP			\$20.00	
[REDACTED]		ABE-\$50,000	EMP			\$2.00	
Employee Total							\$22.00
[REDACTED]		LBE-\$50,000	EMP			\$20.00	
[REDACTED]		ABE-\$50,000	EMP			\$2.00	
Employee Total							\$22.00
[REDACTED]		LBE-\$50,000	EMP			\$20.00	
[REDACTED]		ABE-\$50,000	EMP			\$2.00	
Employee Total							\$22.00
[REDACTED]		LBE-\$50,000	EMP			\$20.00	
[REDACTED]		ABE-\$50,000	EMP			\$2.00	
Employee Total							\$22.00
[REDACTED]		LBE-\$75,000	EMP			\$30.00	
[REDACTED]		ABE-\$75,000	EMP			\$3.00	
Employee Total							\$33.00
[REDACTED]		LBE-\$50,000	EMP			\$20.00	
[REDACTED]		ABE-\$50,000	EMP			\$2.00	
Employee Total							\$22.00
[REDACTED]		LBE-\$50,000	EMP			\$20.00	
[REDACTED]		ABE-\$50,000	EMP			\$2.00	
Employee Total							\$22.00
[REDACTED]		LBE-\$50,000	EMP			\$20.00	
[REDACTED]		ABE-\$50,000	EMP			\$2.00	
Employee Total							\$22.00
[REDACTED]		LBE-\$75,000	EMP			\$30.00	
[REDACTED]		ABE-\$75,000	EMP			\$3.00	
Employee Total							\$33.00



Questions about your invoice? Call your Billing Representative at 1-800-232-2006.
Don't forget, you can pay your invoice online at Humana.com.

Cause No. 46086
Attachment OUCC 5-5.4
Page 5 of 6

Billing ID: [REDACTED]
Page 5 of 6

INDIANA UTILITIES CORP (Continued)

Member Name	Member ID Number	Plan	Type	Premium			Total Premium
				Medical	Dental	Specialty	
[REDACTED]	[REDACTED]	LBE-\$50,000	EMP			\$20.00	
[REDACTED]	[REDACTED]	ABE-\$50,000	EMP			\$2.00	
Employee Total							\$22.00
[REDACTED]	[REDACTED]	LBE-\$50,000	EMP			\$20.00	
[REDACTED]	[REDACTED]	ABE-\$50,000	EMP			\$2.00	
Employee Total							\$22.00
[REDACTED]	[REDACTED]	LBE-\$50,000	EMP			\$20.00	
[REDACTED]	[REDACTED]	ABE-\$50,000	EMP			\$2.00	
Employee Total							\$22.00
[REDACTED]	[REDACTED]	LBE-\$50,000	EMP			\$20.00	
[REDACTED]	[REDACTED]	ABE-\$50,000	EMP			\$2.00	
Employee Total							\$22.00

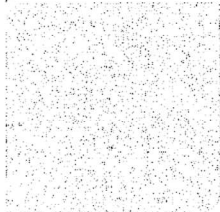
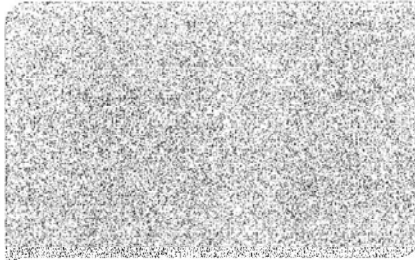
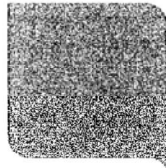
± Cobra Coverage " State Continuation Coverage ž State Continuation with Subsidy



Questions about your invoice? Call your Billing Representative at 1-800-232-2006.
Don't forget, you can pay your invoice online at Humana.com.

Cause No. 46086
Attachment OUCC 5-5.4
Page 6 of 6

Billing ID: [REDACTED]
Page 6 of 6



Attorney General

Indiana Utilities Corporation
Ledger Analysis

Trans Date	Account #	Description	Account Name	Reference Number	Source	Posted Date	Type	Debit Amount	Credit Amount
	00926-0000	Beginning Balance	Employees Insurance						\$0.00
10/31/22	00926-0000	52 12225 Humana Insurance Co.	Employees Insurance	APVCH 102522	AP	10/25/22	G	\$18,421.88	\$0.00
10/31/22	00926-0000	33 12305 Butt Drugs, Inc.	Employees Insurance	APVCH 111522	AP	11/15/22	G	\$316.73	\$0.00
10/31/22	00926-0000	52 12323 Humana Insurance Co.	Employees Insurance	APVCH 112222	AP	11/22/22	G	\$17,294.40	\$0.00
11/30/22	00926-0000	33 12392 Butt Drugs, Inc.	Employees Insurance	APVCH 121322	AP	12/13/22	G	\$157.18	\$0.00
11/30/22	00926-0000	Claim Refunds	Employees Insurance	GL CODE TRX	CDETRX	12/05/22	G	\$0.00	\$133.90
12/31/22	00926-0000	33 12504 Butt Drugs, Inc.	Employees Insurance	APVCH 011023	AP	01/10/23	G	\$703.96	\$0.00
12/31/22	00926-0000	52 12547 Humana Insurance Co.	Employees Insurance	APVCH 012423	AP	01/25/23	G	\$15,680.62	\$0.00
12/31/22	00926-0000	52 12446 Humana Insurance Co.	Employees Insurance	APVCH 122722	AP	12/28/22	G	\$17,294.40	\$0.00
01/31/23	00926-0000	33 12607 Butt Drugs, Inc.	Employees Insurance	APVCH 021423	AP	02/14/23	G	\$345.56	\$0.00
01/31/23	00926-0000	52 12634 Humana Insurance Co.	Employees Insurance	APVCH 022123	AP	02/21/23	G	\$16,487.51	\$0.00
01/31/23	00926-0000	Claim Refunds	Employees Insurance	GL CODE TRX	CDETRX	02/01/23	G	\$0.00	\$284.40
02/28/23	00926-0000	33 12697 Butt Drugs, Inc.	Employees Insurance	APVCH 031423	AP	03/14/23	G	\$16.29	\$0.00
03/31/23	00926-0000	52 12727 Humana Insurance Co.	Employees Insurance	APVCH 032123	AP	03/22/23	G	\$18,475.93	\$0.00
03/31/23	00926-0000	33 12801 Butt Drugs, Inc.	Employees Insurance	APVCH 041123	AP	04/12/23	G	\$390.68	\$0.00
04/30/23	00926-0000	52 12821 Humana Insurance Co.	Employees Insurance	APVCH 042523	AP	04/25/23	G	\$17,444.40	\$0.00
04/30/23	00926-0000	33 12878 Butt Drugs, Inc.	Employees Insurance	APVCH 050923	AP	05/09/23	G	\$432.94	\$0.00
04/30/23	00926-0000	Claim Refunds	Employees Insurance	GL CODE TRX	CDETRX	05/01/23	G	\$0.00	\$122.93
05/31/23	00926-0000	52 12913 Humana Insurance Co.	Employees Insurance	APVCH 052323	AP	05/23/23	G	\$15,875.62	\$0.00
05/31/23	00926-0000	505 12975 Nikki J Albin	Employees Insurance	APVCH 061323	AP	06/13/23	G	\$80.48	\$0.00
05/31/23	00926-0000	Claim Refunds	Employees Insurance	GL CODE TRX	CDETRX	06/01/23	G	\$0.00	\$102.17
06/30/23	00926-0000	508 13008 Scott Schmitt	Employees Insurance	APVCH 062023	AP	06/20/23	G	\$20.04	\$0.00
06/30/23	00926-0000	523 13013 Eric S Fowler	Employees Insurance	APVCH 062023	AP	06/20/23	G	\$69.10	\$0.00
06/30/23	00926-0000	52 13026 Humana Insurance Co.	Employees Insurance	APVCH 062723	AP	06/27/23	G	\$18,362.41	\$0.00
07/31/23	00926-0000	52 13119 Humana Insurance Co.	Employees Insurance	APVCH 072523	AP	07/26/23	G	\$19,857.56	\$0.00
07/31/23	00926-0000	508 13196 Scott Schmitt	Employees Insurance	APVCH 080823	AP	08/08/23	G	\$16.89	\$0.00
07/31/23	00926-0000	523 13200 Eric S Fowler	Employees Insurance	APVCH 080823	AP	08/08/23	G	\$40.89	\$0.00
07/31/23	00926-0000	39 13218 Card Service Center	Employees Insurance	APVCH 081523	AP	08/15/23	G	\$50.00	\$0.00
08/31/23	00926-0000	correct Aug Humana billinh EXP	Employees Insurance		GJETRX	09/15/23	G	\$0.00	\$300.00
08/31/23	00926-0000	52 13237 Humana Insurance Co.	Employees Insurance	APVCH 082823	AP	08/29/23	G	\$18,588.78	\$0.00
08/31/23	00926-0000	52 13311 Humana Insurance Co.	Employees Insurance	APVCH 091923	AP	09/19/23	G	\$18,288.78	\$0.00
08/31/23	00926-0000	508 13324 Scott Schmitt	Employees Insurance	APVCH 092523	AP	09/26/23	G	\$16.35	\$0.00
08/31/23	00926-0000	523 13327 Eric S Fowler	Employees Insurance	APVCH 092523	AP	09/26/23	G	\$35.65	\$0.00
09/30/23	00926-0000	52 13426 Humana Insurance Co.	Employees Insurance	APVCH 102423	AP	10/24/23	G	\$18,288.78	\$0.00
	00926-0000	Ending Balance	Employees Insurance						\$232,110.41
					Transactions:				

**INDIANA UTILITIES CORP.
#46086 RATE CASE**

Health Insurance Expense

Per OUCC

Pro Forma Anthem Insurance Cost	\$205,299
Pro Forma Humana Life Insurance Cost	4,092
Pro Forma Prescription Reimbursement Cost	791
	<hr/>
Total Pro Forma Insurance Cost	210,181
Test Year Insurance Cost	232,110
	<hr/>
OUCC Adjustment - Increase/(Decrease)	<u><u>(\$21,929)</u></u>

**Indiana Utilities Corporation
Ledger Analysis**

Trans Date	Account #	Description	Account Name	Reference Number	Source	Posted Date	Type	Debit Amount	Credit Amount
	00923-0003	Beginning Balance	Outside Admin. Service - Other						\$0.00
12/31/22	00923-0003	137 12500 Shirley A Beanblossom	Outside Admin. Service - Other	APVCH 010523	AP	01/05/23	G	\$900.00	\$0.00
03/31/23	00923-0003	137 12766 Shirley A Beanblossom	Outside Admin. Service - Other	APVCH 040423	AP	04/04/23	G	\$900.00	\$0.00
06/30/23	00923-0003	137 13061 Shirley A Beanblossom	Outside Admin. Service - Other	APVCH 070523	AP	07/05/23	G	\$900.00	\$0.00
09/30/23	00923-0003	137 13357 Shirley A Beanblossom	Outside Admin. Service - Other	APVCH 100323	AP	10/03/23	G	\$900.00	\$0.00
	00923-0003	Ending Balance	Outside Admin. Service - Other					\$3,600.00	
						Transactions:			

OUCC DR 8-6

**DATA INFORMATION REQUEST
Indiana Utilities Corporation**

Cause No. 46086

Information Requested:

Referring to Account 00923-0003 Outside Admin. Service - Other, please confirm expenses totaling \$3,600 with descriptions containing "Shirley A Beanblossom" are regarding severance payments. If not confirmed, please explain what these expenses are for.

Information Provided:

Confirmed.

**INDIANA UTILITIES CORP.
#46086 RATE CASE**

Severance Pay

Per OUCC

Severance Payment #1	(\$25,000)
Severance Payment #2	(3,600)
	<hr/>
OUCC Adjustment - Increase/(Decrease)	<u><u>(\$28,600)</u></u>

**INDIANA UTILITIES CORP.
#46086 RATE CASE**

Payroll Taxes

Per OUCC

Payroll Wage Increase Subject to FICA Limits	(\$6,815)
FICA Tax Rate	7.65%
	<hr/>
OUCC Adjustment - Increase/(Decrease)	<u><u>(\$521)</u></u>

AFFIRMATION

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

Zachary D. Leinheiser

Zachary D. Leinheiser
Utility Analyst
Indiana Office of
Utility Consumer Counselor
Cause No. 46086
Indiana Utilities Corp. Inc.

09-19-2024

Date

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing *Indiana Office of Utility Consumer Counselor's Testimony of OUCC Witness Zachary D. Leinheiser* has been served upon the following parties of record in the captioned proceeding by electronic service on September 19, 2024.

Nicholas K. Kile
Lauren Aguilar
Barnes & Thornburg LLP
Email: Nicholas.Kile@btlaw.com
Email: Lauren.Aguilar@btlaw.com



Matthew W. Kappus
Attorney No. 35807-49
Deputy Consumer Counselor

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Indianapolis, IN 46204
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317/232-2494 – Telephone
317/232-5923 – Facsimile