

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED JOINT PETITION OF INDIANA)
OFFICE OF UTILITY CONSUMER)
COUNSELOR AND CITIZENS ACTION)
COALITION FOR A COMMISSION) CAUSE NO. 45917
INVESTIGATION INTO AES INDIANA'S)
PRACTICES AND PROCEDURES REGARDING)
POWER OUTAGE RESTORATION AFTER)
THE JUNE 29, 2023 STORM.)

Initial Response of AES Indiana to Joint Petition

Indianapolis Power & Light Company d/b/a AES Indiana (“AES Indiana”, “Company”, also “IPL”), by counsel, respectfully seeks leave to file this initial response to the Joint Petition which the Company submits to facilitate the Commission’s consideration of whether to initiate the requested formal investigation. As discussed below, the dangerous and rare Derecho that howled across Indiana on June 29, 2023 caused massive damage, power outages and multi-day utility restorations across the West Central and Southwest parts of the state, not just Indianapolis. While this was the most severe storm to hit Indianapolis in many years, the Company was prepared to and did address the impact of this storm with significant resources per its well-established storm restoration plan. The Company recognizes that Major Storms, the associated destruction and inevitable power outages, are frustrating for customers -- particularly those in Indianapolis who may have grown accustomed to rarely having an extended service interruption. The Company has and will continue to safely work to provide reliable service to our customers and to cooperate with the Commission and comply with its rules.

While not mentioned in the Joint Petition, the Commission has a well-developed regulatory framework that allows the Commission to oversee service interruptions. This regulatory framework directs that service restoration proceeds in accordance with pre-established protocols

and safety requirements. This framework includes timely outage reporting to the Commission and an individual customer complaint process. The existing Commission regulatory framework also requires AES Indiana to submit an after action report on the June 29th Derecho event to the Commission on or before August 3, 2023.

The question here is whether the Joint Petition provides a reasonable basis for the Commission to devote additional resources to storm restoration oversight by opening a formal investigation into one utility – namely AES Indiana. As discussed below, the Joint Petition asserts two bases for the relief sought. However, neither warrants a formal investigation. The Commission’s existing framework is sufficient.

First, Joint Petitioners allege that certain Tweets contradict the Company’s official outage reports for the June 29th Major Storm. Notably, the Tweet excerpts included with the Joint Petition do not reflect the complete story in each instance. In fact, these Tweets do not even concern the Company’s compliance with the Commission’s rules, much less the Company’s July 4th report to the Commission that the June 29th Major Storm outages had been resolved. To the contrary, the Tweets concern communications on social media and unique customer situations.

As also reflected in these Tweets, the Company engaged with its customer base not only via established call center protocols and web-based outage reporting but also via social media. This effort also sought to keep the community informed of the restoration effort and to identify and resolve individual customer concerns on a real time basis. While such real time efforts are challenging and perhaps confusing, they are not grounds that warrant a Commission decision to open a formal Commission investigation in addition to the existing Commission storm reporting and individual customer complaint framework.

Both AES Indiana and the Commission have well established procedures to allow individuals who have complaints to bring them forward and have them addressed in a timely manner. This existing individual customer complaint process allows customer specific circumstances to be heard, vetted, and verified in an efficient manner. The Commission should adhere to its well established procedures before launching an additional formal investigation based on the Tweets attached to the Joint Petition.

Second, Joint Petitioners assert a formal investigation should be opened because of the number of outages and the period it took to restore service. Yet, Joint Petitioners provide no information that suggests the Company's outages, practices and procedures were unreasonable given the massive storm that impacted customers across the state. Nor do Joint Petitioners attempt to reconcile their request with the existing regulatory framework. It is reasonable to expect a petitioner to support a request for a formal investigation with a sound foundation. Here, Joint Petitioners summarily assert a formal investigation should be initiated in order for the Commission "to fulfill its statutory duties and provide meaningful oversight." Joint Petition, p. 2. The suggestion that the Commission fails to engage meaningfully lacks merit.

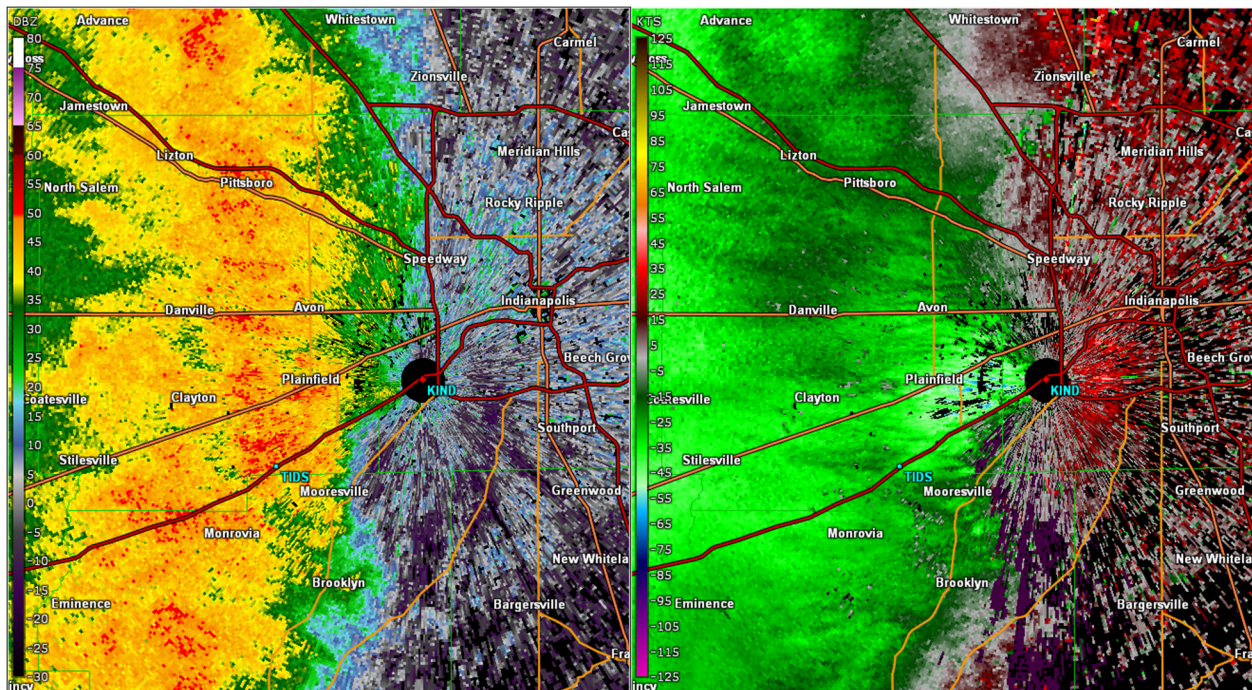
In support of this response, the Company further states as follows:

A. June 29, 2023 Major Storm.

The June 29th Major Storm, which is the subject of the Joint Petition, was the most severe storm to hit the Indianapolis in many years. The storm was classified by the National Weather Service ("NWS") as a Derecho. A Derecho is a dangerous and complex line of storms with severe wind, which NWS characterizes as causing destruction similar to the strength of tornadoes but

with the damage typically directed in one direction along a relatively straight swath.¹ The usage of word “derecho” to describe these powerful storms was coined in 1888 by Dr. Gustavus Hinrichs (a professor of physics at the University of Iowa) to distinguish thunderstorm-induced straight-line winds from the damaging, rotary winds of tornadoes, according to NWS.²

As illustrated by radar images below, the June 29th Derecho had the force of a tornado with wind gusts of 70 mph and damage extending over more than 240 miles.

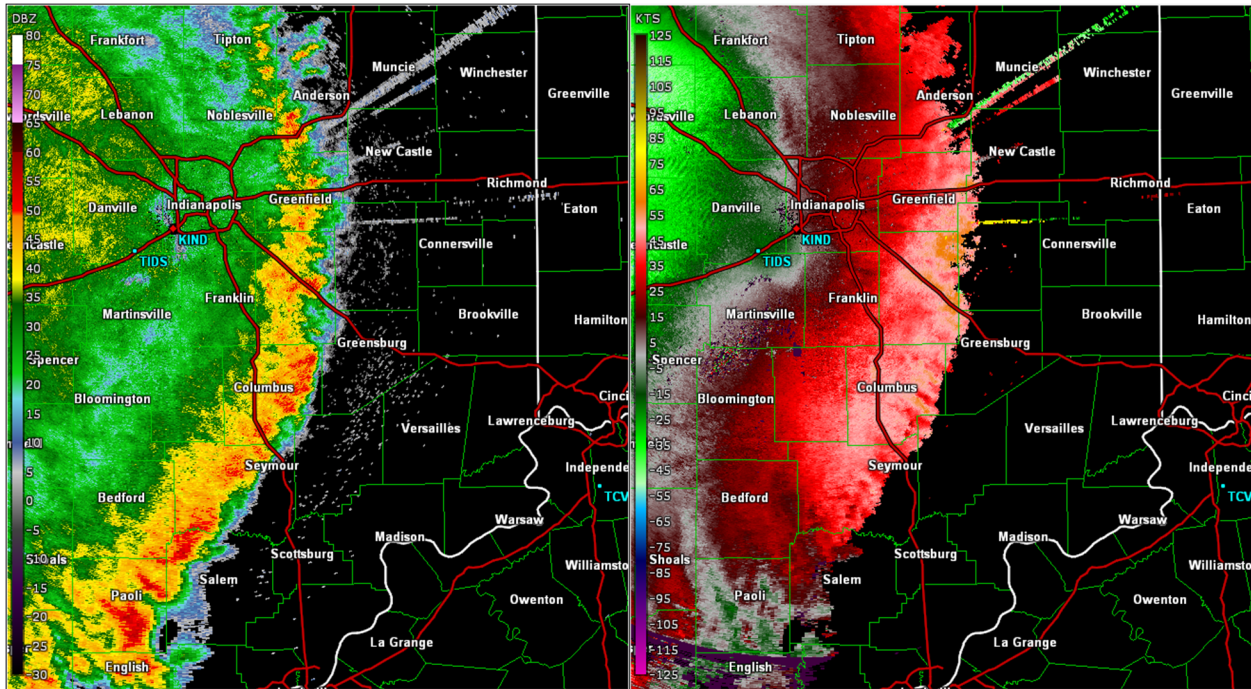


Zoomed in Radar/Base Velocity Image at 3:41 PM EDT. Radar shows the 70 mph winds that were observed at Indy airport³

¹ <https://www.weather.gov/lmk/derecho>

² [Yes, Indianapolis was hit by a 'derecho' Thursday. Here's what that means. \(msn.com\)](https://www.msn.com/Yes-Indianapolis-was-hit-by-a-derecho-Thursday-Here-s-what-that-means)

³ [Severe Storms of June 29, 2023 \(weather.gov\)](https://www.weather.gov/Severe-Storms-of-June-29-2023); this weblink also includes a video showing the June 29, 2023 Bow Echo



Radar/Base Velocity Image at 4:20 PM EDT⁴

This massive storm caused extensive damage, including many downed mature trees and extensive damage to electric facilities. The storm caused power outages and multi-day utility restorations across the West Central and Southwest parts of the state, not just Indianapolis.⁵ Lengthy outages were experienced in all of these areas.

In the case of AES Indiana, the June 29th storm met the criteria for a “Major Storm”. For a storm event to be recognized as Major Storm, it must first meet the criteria for a Major Event Day (“MED”) as defined by The Institute of Electrical and Electronics Engineers (“IEEE”) Standard 1366 and it must be classified as a Level 3 or higher storm event. A Level 3 storm is defined as an event affecting 10% to 50% (52,000 to 260,000) of the Company’s customers, an

⁴ *Id.*

⁵ [Derecho Leaves Trail Of Damage Across Midwest | Weather.com](https://www.weather.com/news/indiana/derecho-leaves-trail-of-damage-across-midwest)

expected restoration time of greater than 48 hours once the storm event(s) have ended, and use of outside assistance and mutual aid.⁶

The Company engaged in outage reporting to the Commission on the June 29th Derecho in accordance with the Commission's rule (discussed below). Doing so keeps the Commission informed of the number of outages, severity of damage, resources committed to restoration, progress toward restoration etc., and positions the Commission to take action if necessary or appropriate to support storm outage management and customer service restoration.

In accordance with its storm response and restoration plan, the Company assessed the damage and called in mutual aid from Tennessee, Illinois, and Ohio. The Company restored transmission lines and substations and prioritized critical community needs like hospitals, police and fire, water pumping and sewer lift stations and nursing homes. The Company also restored primary circuits serving neighborhoods or areas with the greatest number of customers and addressed the homes and businesses that have damage that is unique to just them or a few neighbors. As discussed below, this prioritization comports with the Commission's regulatory framework.

The June 29th Derecho event was followed by additional wind/ thunderstorms on June 30th (impacting another 7,500 AES Indiana customers) and July 1-2, 2023 (impacting an additional 10,000 AES Indiana customers). While these storms were not of the same magnitude as the June 29th Derecho, these additional events caused additional damage and power outages during the time in which AES Indiana and mutual aid resources were continuing the safe restoration of those remaining out of power from the initial Derecho event. These ongoing storms delayed the safe

⁶ A MED is a day in which the daily SAIDI exceeds a threshold value, TMED which is calculated using the IEEE 1366 methodology.

removal of downed trees, broken poles and other facilities, and subsequent restoration of service, neither of which can proceed during storms. While the restoration of service is of the utmost importance to the Company, such efforts must reasonably give way to Mother Nature and the safety of the workforce engaging in service restoration.

Together, these events impacted 100,000 AES Indiana customers. Company personnel worked tirelessly to restore power and to communicate with AES Indiana's customers. The restoration effort involved over 700 dispatches to remove the extensive damage to the tree canopy in the Indianapolis area with each dispatch assigned multiple trees. Tree removal alone is a massive undertaking and this effort is often a necessary precursor to reconstruction and service restoration.











AES Indiana engaged 600-700+ line crews, tree crews, underground crews, neighboring utilities and in-office support personnel who worked 24/7 on the multi-day restoration effort. During the restoration the Company replaced 39 transformers and 53 poles. The Company established an outage website to keep customers informed and otherwise engaged with the community to support restoration and identify and address concerns. This effort was supported by the City of Indianapolis, IMPD, IFP, Metropolitan Emergency Services Agency and Indy Parks. The Company appreciates the support of these agencies and the hard work of its workforce.

B. Statutory Framework.

Joint Petitioners, Indiana Office of Utility Consumer Counselor (“OUCC”) and Citizens Action Coalition of Indiana, Inc. (“CAC”), ask the Commission to open a formal Commission investigation into the Company’s practices and procedures regarding power outage restoration after the June 29th Major Storm.

Notably, the OUCC and CAC did not style their filing as a “complaint” which is allowed under Ind. Code § 8-1-2-54 (“Section 54”). Rather, they filed a “Joint Petition” and cite Ind. Code § 8-1-2-58 (“Section 58”) as the statutory basis for the requested Commission formal investigation.

Section 58 recognizes the Commission has statutory authority to conduct informal and formal investigations. Here, the decision to initiate such a proceeding rests with the Commission.

Section 58, the statutory basis cited in the Joint Petition, states:

Whenever the commission shall believe that any rate or charge may be unreasonable or unjustly discriminatory or that any service is inadequate, or cannot be obtained, or that an investigation of any matters relating to any public utility should for any reason be made, it may, on its motion, summarily investigate the same, with or without notice.

Joint Petitioners request the Commission establish a procedural schedule for the purpose of receiving testimony and other evidence. This request indicates Joint Petitioners seek the Commission to open a formal investigation. While not cited in the Joint Petition, formal

Commission investigations are governed by Ind. Code § 8-1-2-59 (“Section 59”) which provides as follows:

If, after making such investigation, the commission becomes satisfied that sufficient grounds exist to warrant a formal hearing being ordered as to the matter so investigated, it shall furnish such public utility interested a statement notifying the public utility of the matters under investigation. Ten (10) days after such notice has been given, the commission may proceed to set a time and place for a hearing and an investigation, as hereinbefore provided.

The Section 59 requirements safeguard due process and allow the orderly conduct of a formal investigation but the Commission should first become satisfied that sufficient grounds exist to warrant a formal investigation.

Joint Petitioners also cite Ind. Code § 8-1-2-72 (“Section 72”) as allowing the Commission to alter or amend any order made by the Commission, upon notice and after opportunity to be heard. The Joint Petition does not identify any order which Joint Petitioners seek the Commission to amend. The Section 72 notice requirement necessarily requires the identification of the order that is subject to potential amendment. Thus, the citation in the Joint Petition to Section 72 does not provide sufficient information to warrant a decision to open a formal investigation.

C. Regulatory Framework.

Joint Petitioners ask for a formal investigation of service restoration procedures but the Joint Petition identifies no deficiencies in the existing process, much less allege the Company fails to follow them. The Commission’s existing process for reporting on outages is set forth in 170 IAC 4-1-23 (Electric Rule 23).

Electric Rule 23 requires a utility to report any interruption in service that is not planned that meets the following criteria: (A) For investor-owned utilities, interruptions of service lasting two (2) hours or more and affecting two percent (2%) or five thousand (5,000) customers, whichever is fewer. (B) For REMCs, interruptions of service lasting two (2) hours or more and

affecting one thousand five hundred (1,500) or more customers. Electric Rule 23 also establishes the timing of the reporting. The rule requires an initial report shall be made to the Commission by the next regularly scheduled interval as provided in subdivision (2) of the rule. The rule requires updates to the Commission at each regularly scheduled interval until electrical service has been restored to the level below that of the threshold identified above. The rule directs that a report indicating that all electrical service has been restored to the level below that the threshold be noted as the “final report” for each interruption period. The rule designates the intervals for reporting for business and nonbusiness days and directs that reports that occur during business days shall be submitted to the Commission and the OUCC via the Commission’s prescribed format (which is email). Electric Rule 23 also provides that the Commission may notify the utility if a written report or further information is required after the final report is submitted.

The Commission and the OUCC are in receipt of timely outage reports from AES Indiana that demonstrate such reporting occurred. The Joint Petition acknowledges these reports were made. Thus, it is not necessary for the Commission to open a formal investigation to review whether the Company filed its outage reports.

Electric Rule 23 directs utilities to first attempt to restore service that affects public health and safety. As discussed above, the Company properly prioritized its restoration efforts in accordance with this rule. While all customer service interruptions are important to the Company, unique situations do not warrant the requested formal investigation. As further discussed below, the Company and the Commission already have an efficient means to address individual customer complaints.

Electric Rule 23 also requires each utility shall have written procedures for designated employees to follow in emergencies. AES Indiana has such a plan and followed it for the June

29th Derecho event. The Joint Petition does not indicate otherwise or present facts warranting a formal Commission investigation.

With respect to Major Storms, AES Indiana is already required to submit a report to the Commission within 30 days after the conclusion of the event. This requirement was established by the Commission's Order in Cause No. 44576 dated March 16, 2016 (p. 64) which accepted the Company's proposal to engage in such reporting. The Company is working to compile this report and plans to make this compliance filing in Cause No. 44576 on or before August 3, 2023 in accordance with established practice. Consequently, it is not necessary for the Commission to open a formal investigation in order to receive information regarding the June 29th Derecho event.

Additionally, in accordance with both the Collaborative Project conducted pursuant to the Order in Cause No. 45576 and the existing Commission rule (170 IAC 4-1-23(e)), the Company also already reports on performance metrics, vegetation management, asset management and investment made to providing safe and reliable service and facilities. The most recent compliance filing was made on March 31, 2023. This reporting is in addition to the vegetation management compliance report filed annually in Cause No. 43663 and the detailed reporting on the Company's Transmission Distribution Improvement Charge ("TDSIC") Plan under way in Cause No. 45264. Extensive information was also provided to the Commission as part of the Commission's 2023 Summer Reliability Forum on May 3, 2023. Ind. Code § 8-1-2-53 allows the Commission to request information from utilities and thus is another means used by the Commission to obtain information to fulfil its responsibilities.

Accordingly, the contention that a formal investigation should be opened due to a lack of transparency and meaningful regulatory oversight should be rejected.

D. Individual Customer Circumstances. The Commission also has a process for individual customers to make complaints to utilities and to the Commission. See 17- IAC 1-1.1-5; 170 IAC 16-1-2. 170 IAC 16-1-4 requires a utility to provide a means for its customers to bring disputes to its attention. AES Indiana has existing processes whereby its customers may bring disputes to it. The Joint Petition does not contend otherwise. If a customer is dissatisfied with a utility's proposed resolution of a dispute, the Commission's rules allow the customer to submit an informal complaint to the Commission's consumer affairs division. 170 IAC 16-1-5. The Commission's informal complaint rules also provide a means for individual complaints to be reviewed by the full Commission. 170 IAC 16-1-6.

The Joint Petition (p. 2) refers to and attaches Twitter posts from four individuals. Not only does the Joint Petition use the posts to cast (unfairly) the Company in a poor light, the Joint Petition relies on these posts as a key factual basis for their request for the Commission to open a formal investigation. However, the Joint Petition fails to establish that the referenced individuals first availed themselves of individual complaint processes already established by the Commission. These existing processes facilitate prompt review and resolution of individual customer issues while using Commission resources efficiently. The Joint Petition does not even mention these existing processes much less provide a reasonable basis to circumvent them.

E. Joint Petition Averments. The Joint Petition (pp. 1-2) recites information from the Company's outage reports to the Commission regarding the June 29 Major Storm. These reports were provided to the Commission and the OUCC in accordance with the Commission's existing outage reporting requirements. AES Indiana filed its final report regarding the June 29th Major Storm at 1600 hours on July 3, 2023. This report was designated as final, because the number of remaining customer outages caused by that Major Storm was below the number required for

reporting. The Company reasonably endeavored to identify the end of the Derecho event to provide a demarcation for the accounting for the Major Storm costs in accordance with Commission requirements.

Per Commission request, the Company submitted supplemental reports through July 4, 2023 at 5 p.m. (1700 hours). The supplemental report submitted at 0600 on July 4 estimated 379 remaining customer outages; the supplemental report submitted at 1400 hours estimated 200 remaining customer outages; and the supplemental report submitted at 1700 hours (5 pm) estimated zero remaining customer outages from the June 29th Major Storm. When the Company reports on an outage, the Company reasonably relies on system data and information from crews in the field.

Notably, the Tweets attached to the Joint Petition did not concern the Company's required, formal reporting but raised unique outage issues which the Company promptly acted to address. The first three Tweets attached to the Joint Petition (from "@brybrywood" & "@evantn") concern the same individual customer situation where damage on the customer side of the meter at this one location caused a service interruption. The Tweets questioned an earlier Company communication indicating that all incidents were assigned for repair. Because this particular service interruption was due to damage on the customer's side of the meter, the Company's systems showed power as being available to this location. Company records indicate a tree went down near this location; a downed primary line was fixed on June 29th. A secondary line that also went down was also fixed. The suggestion that the Company does not take action to address down power lines on an urgent basis is not correct. Ultimately, the Company's proactive efforts to publish its understanding of the power outages based on the information available to it and the

Company's effort to engage with customers via social media facilitated the Company's ability to identify this issue for the customer.

Similarly, when "@gofortori" Tweeted on July 4th, the Company engaged via direct messaging (as it had done and continued to do with other individuals on social media) to identify and address their individual circumstances. Trucks were promptly dispatched and power was restored expeditiously. The Company also direct messaged "@SeasWasAngry" to request an address so that the concern raised in this Tweet could be addressed; the Company received no response. These Company efforts were supplemental to the ability of all customers to contact the Company via telephone and the outage reporting system on the Company's website.⁷

The Company appreciates the patience of its customers as well as the efforts of the Tweeters to call attention to their situations. While these unique circumstances are few in number, these efforts facilitated the Company's ability to identify and address these concerns. To the extent these Tweeters have concerns that remain unresolved, they can and should use the existing Company and Commission processes. This approach is efficient. In particular, it would allow the Commission to consider the complete line of these Tweets, not merely the excerpts included with the Joint Petition, and otherwise vet and better understand the customer specific circumstances and the utility response to the individual situations prior to determining that a formal investigation should be initiated.

Conclusion

The dangerous June 29th Derecho event and subsequent days of wind/thunderstorms were understandably hard and frustrating for customers, as well as for the Company personnel striving

⁷ "@gofortori" resides with a Company customer but does not appear to be a customer.

to restore service and effectively communicate with the community. The attack on the Company in the Joint Petition portrays the efforts of the Company and its personnel unfairly.

The June 29th Derecho event caused massive tree and other facility damage which was exacerbated by the subsequent storm events in the days that followed. Trees and damaged facilities were cleared and facilities were reconstructed in accordance with the Company's storm management and outage restoration plan and Commission rules. As reflected in the definition of a Level 3 Major Storm event, the safe removal of damaged materials and restoration of service after a Major Storm necessarily involves a multi-day effort following the conclusion of the storm(s). This event was not unique to AES Indiana as this storm had a broad impact, caused extended customer outages in many utility service areas, and required multi-day utility restoration efforts across the state.

The suggestion that the Commission does not already engage in meaningful oversight of storm restoration and associated issues lacks merit. While the Commission has authority to devote resources to a formal investigation, the Commission should conclude that the Joint Petition fails to present information that warrants this result.

In conclusion, the Company appreciates the opportunity to submit this initial response. The Company has and will continue to cooperate with the Commission and comply with the extensive regulatory framework already used by the Commission to oversee AES Indiana and the other utilities affected by the recent Derecho.

Respectfully submitted,



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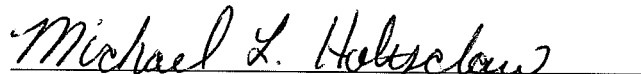
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ATTORNEYS FOR
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D/B/A AES INDIANA

VERIFICATION

I, Michael L. Holtsclaw, AES Indiana Director Transmission Field Operations, affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information, and belief.

Dated: July 18, 2023


Michael L. Holtsclaw

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served this 18th day of July, 2023, by email transmission, hand delivery or United States Mail, first class, postage prepaid to:

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ATTORNEYS FOR
INDIANAPOLIS POWER & LIGHT COMPANY
D/B/A AES INDIANA



AES Indiana

July 4 at 6:56 PM · 🌐



AES Indiana has restored power to the 81,640 impacted by Thursday's storm and a total of more than 100,000 customers through the weekend. We want to thank our customers for their patience as our field crew members, who were joined by neighboring utilities in Illinois, Ohio and Tennessee, worked to get the power back on safely. Restoration continues for the final customers reflected on the outage map. Our crews have been assigned to those incidents and will work safely through... See more



[See insights](#)

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 **tori X**
@gofortori

@BDHandy as Chief Customer Officer of @AESIndiana, respectfully can you help those of us who have been without power since Thursday but were erroneously relogged as later outages? This data is incorrect and we have no way to know when we might have power again. It's been six days

7:43 PM · Jul 4, 2023 · 144 Views

2 Likes

 Tweet your reply! Reply

 **Brandi Davis-Handy** @BDHandy · Jul 4
Can you DM me your address?

 1   2  90 

 **tori X** @gofortori · Jul 4
Yes thank you so much!!! Sending now 🙏

   2  87 

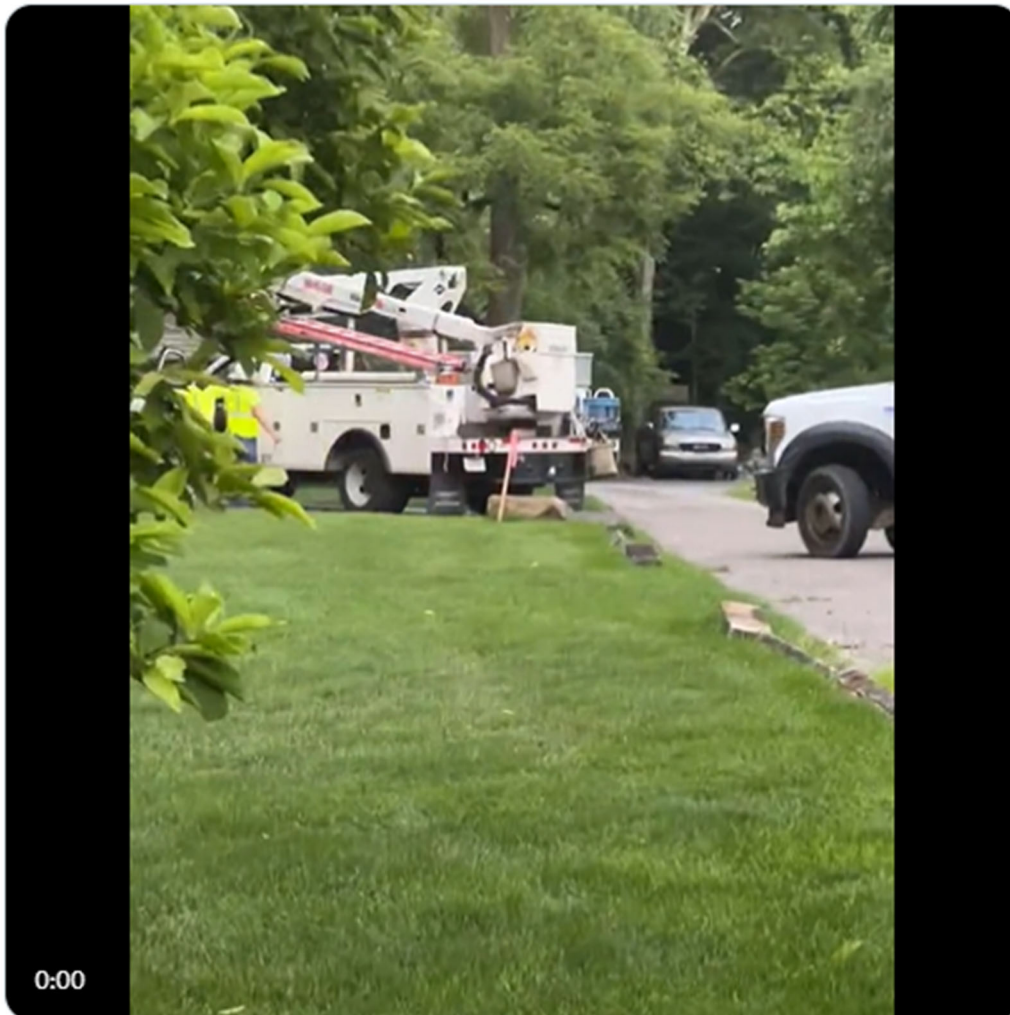


tori x
@gofortori



Huge thanks to [@AESIndiana](#) and the crews on the ground for arriving to restore power to our street! Due to some kind of reporting error, they were unaware how long our outage had been active.

10 minutes after contacting AES leadership, SEVEN trucks dispatched to our street!




9:32 PM · Jul 4, 2023 · 943 Views


 **tori X** @gofortori · Jul 4 ...
Hi Bryan— just wanted to share my experience in case it helps you!!
(thread)






 **tori X** @gofortori · Jul 4
Huge thanks to @AESIndiana and the crews on the ground for arriving to restore power to our street! Due to some kind of reporting error, they were unaware how long our outage had been active.

10 minutes after contacting AES leadership, SEVEN trucks dispatched to our street!



 2    82 

 **Bryan Wood** @brybrywood · Jul 4 ...
The meter port is our responsibility but there was no way to know it was broken until aes cut the lock off tonight... So we will try and get an electrician out to fix that for a second time tomorrow in hopes this long road ends soon. We will have to introduce ourselves soon!

    49 

 **Bryan Wood** @brybrywood · Jul 4 ...
Hey @gofortori we are neighbors I see! Glad to see our calls were heard. I'm still without power due to a meter that was broken with the damage we sustained. We had an electrician out Monday to fix the panel and meter but Electricians don't have access to locked aes meters.

    43 

Hey, Adam! Saw your tweet about power - are you back on or still without? If without, please DM me your address and we'll look into it immediately.

Jul 5, 2023, 9:31 AM · Seen