

Cause No. 37394 GCA 160

FILED
October 2, 2023
INDIANA UTILITY
REGULATORY COMMISSION

Petitioner's Exhibit No. 1
CEI North
Page 1 of 6

OFFICIAL
EXHIBITS

INDIANA GAS COMPANY, INC.
d/b/a CENTERPOINT ENERGY INDIANA NORTH
(CEI NORTH)

IURC CAUSE NO. 37394 GCA 160

IURC
PETITIONER'S
EXHIBIT NO. 1
11-15-23 AT
DATE REPORTER

DIRECT TESTIMONY
OF
KATIE J. TIEKEN
DIRECTOR, REGULATORY AND RATES

SPONSORING ATTACHMENTS KJT-1 THROUGH KJT-2

DIRECT TESTIMONY OF KATIE J. TIEKEN

1 **1. INTRODUCTION**

2

3 **Q. Please state your name and business address.**

4 A. Katie J. Tieken

5 211 NW Riverside Drive

6 Evansville, Indiana 47708

7

8 **Q. By whom are you employed?**

9 A. I am employed by CenterPoint Energy Services Company, LLC ("Service Company"), a
10 wholly-owned subsidiary of CenterPoint Energy, Inc. The Service Company provides
11 centralized support services to CenterPoint Energy, Inc.'s operating units, one of which
12 includes Indiana Gas Company, Inc. d/b/a CenterPoint Energy Indiana North ("CEI
13 North")¹.

14

15 **Q. On whose behalf are you submitting this direct testimony?**

16 A. I am submitting testimony on behalf of CEI North, which is an indirect subsidiary of
17 CenterPoint Energy, Inc.

18

19 **Q. What position do you hold with CEI North?**

20 A. I am Director, Regulatory and Rates for CEI North. I hold the same position with two other
21 gas utility subsidiaries of CenterPoint Energy, Inc. – Southern Indiana Gas and Electric
22 Company d/b/a CenterPoint Energy Indiana South ("CEI South") and Vectren Energy
23 Delivery of Ohio, LLC d/b/a CenterPoint Energy Ohio ("CEOH").

24

25 **Q. Please describe your educational background.**

26 A. I am a 2001 graduate of the University of Evansville with a Bachelor of Science degree in
27 Business Administration with double majors in finance and mathematics.

¹ For clarity my testimony refers to CenterPoint Energy, Inc. or CEI North even though it may refer to one of their predecessor companies.

1 **Q. Please describe your professional experience.**

2 A. From 2002 to 2007, I was employed by EG&G Technical Services as a financial analyst
3 and contract administrator. I have held various regulatory positions within CenterPoint
4 Energy, Inc. and its predecessor companies since October 2007, including being named
5 Manager, Rates in 2015, and Manager, Regulatory and Rates in February 2019. In April
6 2021, I was named to my current position.

7
8 **Q. What are your present duties and responsibilities as Director, Regulatory and**
9 **Rates?**

10 A. I am responsible for the Indiana and Ohio regulatory and rate matters of the regulated
11 utilities within CenterPoint Energy, Inc. in proceedings before the Indiana and Ohio utility
12 regulatory commissions. I also have responsibility for the implementation of all regulatory
13 initiatives of CEI North (and other utility subsidiaries in Indiana and Ohio).

14
15 **Q. Have you previously testified before the Indiana Utility Regulatory Commission**
16 **("Commission")?**

17 A. Yes. I have testified before the Commission on behalf of CEI North in its Gas Cost
18 Adjustment (GCA), Cause No. 37394, beginning with GCA 147. I have also testified before
19 the Commission on behalf of CEI South in its Fuel Adjustment Clause (FAC), Cause No.
20 38708, beginning with FAC 126 through FAC 130. I have also testified on behalf of CEI
21 South in Cause No. 43354 MISO Cost and Revenue Adjustment (MCRA), MCRA 23 and
22 MCRA 24, and in Cause No. 43406 Reliability Cost and Revenue Adjustment (RCRA),
23 RCRA 18. I have also testified on behalf of CEI South in its Gas Cost Adjustment (GCA)
24 proceeding Cause No. 37366, beginning in GCA 147. I have also testified on behalf of CEI
25 South and CEI North in their general gas base rate case proceedings, Cause No. 45447
26 and Cause No. 45468, respectively. I have testified on behalf of CEI North and CEI South
27 in its Compliance and System Improvement Adjustment (CSIA) proceedings, Cause No.
28 44430 TDSIC 14 and 44429 TDSIC 14, respectively. In addition, I have testified on behalf
29 of CEI North and CEI South to request to continue the CSIA for the 2022-2026 Compliance
30 Projects and TDSIC Plan in Cause Nos. 45611 and 45612, respectively, and in its semi-
31 annual CSIA, beginning with TDSIC 1. I am currently testifying on behalf of CEI North and
32 CEI South in its CSIA, Cause No. 45611 TDSIC 3 and 45612 TDSIC 3, respectively.

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

2 A. The purpose of my testimony is to address: (1) CEI North's request for approval of changes
3 in its GCAs for the period December 2023, January, and February 2024 ("the GCA period");
4 (2) CEI North's request for authority to "flex" these GCAs up and down, consistent with the
5 Order in Cause No. 44374, which was approved by the Commission on August 27, 2014;
6 and (3) the reconciliation of gas cost recovery and gas costs incurred for the months of
7 April, May, and June 2023 (the "Reconciliation Period").
8

9 **Q. Are you sponsoring any attachments?**

10 A. Yes, I am sponsoring the following attachments in this proceeding:

- 11 • Petitioner's Exhibit No. 1, **Attachment KJT-1**: Appendix A, GCA tariff sheet (to be
12 provided with revised schedules); and
- 13 • Petitioner's Exhibit No. 1, **Attachment KJT-2**: GCA calculation Schedules 1 through
14 14.

15
16 **Q. Were your testimony and attachments prepared by you or under your supervision?**

17 A. Yes, they were.
18
19

20 **2. TARIFF SHEET AND GCA SCHEDULES**
21

22 **Q. Please describe Attachment KJT-1.**

23 A. Attachment KJT-1 contains Appendix A, the tariff sheet setting forth the estimated GCAs
24 proposed to be effective for the GCA period and will be provided as part of CEI North's
25 filing of revised schedules.
26

27 **Q. Please describe Attachment KJT-2.**

28 A. Attachment KJT-2 contains GCA calculation Schedules 1 through 14 for the Quarterly
29 Projection Period of December 2023 through February 2024, including the sales forecast
30 for the twelve months ending November 2024, and the Reconciliation Period of April
31 through June 2023.

1 **3. MONTHLY UPDATES TO GAS COST ESTIMATES FOR MARKET PURCHASES**

2
3 **Q. Has CEI North estimated prices for its projected market purchases for the GCA**
4 **period?**

5 A. Yes. CEI North's estimates for December 2023, January, and February 2024 are based on
6 current New York Mercantile Exchange ("NYMEX") prices for these months. Estimated
7 market purchases have been priced at NYMEX prices on a day no more than six business
8 days prior to the filing of the revised GCA schedules included in this quarterly GCA filing.
9 This estimated price is referred to as the "initial market price."

10
11 **Q. What is CEI North's proposal to reflect changes in the market price of gas via a**
12 **pricing and monthly flex adjustment to its estimated GCA?**

13 A. CEI North will file a monthly flex (the "flex") each month to adjust the GCA for the
14 subsequent month. The flex will follow the Commission's Order for Cause No. 44374 and
15 will be filed no less than three days before the beginning of each calendar month during
16 the GCA period. Market purchases in the flex will be priced at NYMEX prices on a day no
17 more than six business days prior to the beginning of said calendar month. In each flex,
18 changes to the initial market price will be limited to a maximum adjustment (up or down) of
19 \$1.00 from the initial market price.

20
21 **Q. Does this flex methodology proposal differ from that in effect in Cause No. 37394**
22 **GCA 159?**

23 A. No.
24
25

26 **4. RECONCILIATION OF PRIOR PERIOD GAS COST VARIANCES AND TOTAL**
27 **RECOVERABLE GAS COSTS**

28
29 **Q. Does the applied-for GCA reflect the reconciliation of gas costs recovery and gas**
30 **costs incurred for a previous period?**

31 A. Yes. The applied-for GCA reflects the reconciliation of gas cost recovery and gas cost
32 incurred for the months of April, May, and June 2023.

1

2 **Q. Was there an over- or under- collection of GCA revenues for the Reconciliation**
3 **Period?**

4 A. Yes. CEI North experienced an under-collection of \$5,351,829 for the Reconciliation
5 Period.

6

7 **Q. Does the 12-month rolling average variance for the period ending June 2023, shown**
8 **on Line 13 of Schedule 6 Supplement, exceed plus or minus (\pm) 10%? If so, please**
9 **explain the major drivers of the variance.**

10 A. No.

11

12 **Q. What are the total recoverable costs included in this GCA?**

13 A. Schedule 1, Lines 54-60 on page 5 reflect the total recoverable costs in this GCA with a
14 breakdown between the following components: (1) natural gas commodity costs, (2) natural
15 gas demand costs, (3) commodity variance, (4) commodity refund, (5) demand variance,
16 and (6) bad debt gas costs. CEI North will file updated schedules within 20 days of the
17 GCA petition which will reflect revised commodity costs and bad debt gas costs.

18

19

20 **5. CONCLUSION**


21

22 **Q. Does this conclude your direct testimony?**

23 A. Yes, it does.

STATE OF INDIANA)
) SS:
COUNTY OF VANDERBURGH)

The undersigned, Katie J. Tiekens, being duly sworn, under penalty of perjury affirms that the foregoing Direct Testimony in Cause No. 37394 GCA 160 is true to the best of her knowledge, information, and belief.



Katie J. Tiekens