

**SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
(CEI SOUTH)**

IURC CAUSE NO. 44909 CECA 6

**REBUTTAL TESTIMONY
OF
MATTHEW A. RICE**

DIRECTOR OF INDIANA ELECTRIC REGULATORY AND RATES

ON

UPDATED CECA RATES AND CHARGES

SPONSORING ATTACHMENTS MAR-1 AND MAR-2

REBUTTAL TESTIMONY OF MATTHEW A. RICE

1. INTRODUCTION

Q. Please state your name and business address.

A. My name is Matthew A. Rice. My business address is 211 NW Riverside Drive, Evansville, Indiana 47708.

Q. Are you the same Matthew A. Rice that previously testified in this proceeding?

A. Yes. I am.

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

A. I am providing updated rate calculation schedules that reflect CEI South's acceptance of the two adjustments recommended by the OUCC. CEI South's witness Joshua Swanson discussed the two adjustments in more detail in his rebuttal testimony. I am also providing an updated proposed tariff reflecting the revised rate calculations.

Q. Have you attempted to respond to every argument made by the other parties in this case?

A. No, I have not, and the fact that I may not have responded to any specific argument or statement does not indicate my agreement with that argument or statement.

Q. Are you sponsoring any attachments with this rebuttal testimony?

A. Yes. I am sponsoring the following attachments that were prepared by me or under my supervision:

- **Attachment MAR-R1:** Revised Rate Derivation, Schedules 1-5
- **Attachment MAR-R2:** Revised Proposed CECA Tariff Sheet, Page 2 of 2

2. REVISED ATTACHMENTS.

Q. Please describe the changes you made in Attachment MAR-R1.

A. I have incorporated the revised revenue requirement from CEI South's witness Marisa

Johnson into the rate calculation schedules to derive revised CECA rates that reflect the two adjustments recommended by the OUCC and accepted by CEI South.

Q. Please describe the changes you made in Attachment MAR-R2.

A. I have provided a revised proposed CECA tariff sheet, Sheet No. 67, Appendix C, containing the revised CECA rates and charges. Both redlined and clean versions of Sheet No. 67 are included.

2. AVERAGE ANNUAL BILLING IMPACT

Q. If the Commission approves CEI South's revised proposed CECA Adjustment, including the two adjustments recommended by the OUCC, what will be the average annual billing impact on all customer classes?

A. Attachment MAR-R1, Schedule 4, summarizes the revised estimated annual impact of the projects on customers by rate class. The revised CECA Adjustment applicable to Residential customers would increase by \$0.000121 per kWh, from \$0.001943 to \$0.002064. The monthly bill during the CECA period for a Residential customer using 1,000 kWh would increase by \$0.12 under CEI South's revised proposal, which is \$0.09 less than it would have been under CEI South's original proposal.

3. CONCLUSION

Q. Does this conclude your direct testimony?

A. Yes, at the present time.

VERIFICATION

I affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information, and belief.

SOUTHERN INDIANA GAS AND ELECTRIC
COMPANY D/B/A CENTERPOINT ENERGY
INDIANA SOUTH



Matthew A. Rice
Director, Regulatory and Rates

4-9-24

Date

**SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
ALLOCATION AND RATE DERIVATION**

Line No.		A	B	C	D
1	Highway 41 Facility	\$	991,206		
2	Evansville Urban Facility	\$	581,737		
3	Urban Living Research Center	\$	125,651		
4	Revenue Requirement	\$	1,698,594	Attachment MJJ-R1, Schedule 1, Line 1	
	Rate Schedule	Allocators	Revenue Requirement	Energy (kWh)	Rate per kWh
5	Rate RS	40.6160%	\$ 689,901	1,395,962,078	\$ 0.000494
6	Rate B	0.1307%	\$ 2,220	7,345,624	\$ 0.000302
7	Rate SGS	1.8234%	\$ 30,972	62,574,634	\$ 0.000495
8	Rate DGS/MLA	27.9043%	\$ 473,981	1,027,936,323	\$ 0.000461
9	Rate OSS	2.1556%	\$ 36,615	81,558,116	\$ 0.000449
10	Rate LP	24.6258%	\$ 418,292	2,284,135,372	\$ 0.000183
11	Rate BAMP-Auxiliary	1.8495%	\$ 31,415	64,333,440	\$ 0.000488
12	Rate HLF	0.8947%	\$ 15,197	75,708,000	\$ 0.000201
13	Total	100.0000%	\$ 1,698,594		
14	Troy Solar Facility (6/1/2024 - 5/31/2025)	\$	5,288,377	Attachment MJJ-R1, Schedule 1, Line 2	
15	Revenue Requirement	\$	5,288,377		
	Rate Schedule	Allocators	Revenue Requirement	Energy (kWh)	Rate per kWh
16	Rate RS	40.6160%	\$ 2,147,927	1,395,962,078	\$ 0.001539
17	Rate B	0.1307%	\$ 6,912	7,345,624	\$ 0.000941
18	Rate SGS	1.8234%	\$ 96,428	62,574,634	\$ 0.001541
19	Rate DGS/MLA	27.9043%	\$ 1,475,685	1,027,936,323	\$ 0.001436
20	Rate OSS	2.1556%	\$ 113,996	81,558,116	\$ 0.001398
21	Rate LP	24.6258%	\$ 1,302,305	2,284,135,372	\$ 0.000570
22	Rate BAMP-Auxiliary	1.8495%	\$ 97,809	64,333,440	\$ 0.001520
23	Rate HLF	0.8947%	\$ 47,315	75,708,000	\$ 0.000625
24	Total	100.0000%	\$ 5,288,377		
25	(Over)/Under Recovery Variance	\$	233,933	Schedule 1, Line 40	
	Rate Schedule	(Over)/Under Recovery Variance	Energy (kWh)	Rate per kWh	
26	Rate RS	\$ 44,080	1,395,962,078	\$ 0.000032	
27	Rate B	\$ 240	7,345,624	\$ 0.000033	
28	Rate SGS	\$ 3,323	62,574,634	\$ 0.000053	
29	Rate DGS/MLA	\$ 86,768	1,027,936,323	\$ 0.000084	
30	Rate OSS	\$ 10,205	81,558,116	\$ 0.000125	
31	Rate LP	\$ 138,775	2,284,135,372	\$ 0.000061	
32	Rate BAMP-Auxiliary	\$ (71,784)	64,333,440	\$ (0.001116)	
33	Rate HLF	\$ 22,326	75,708,000	\$ 0.000295	
34	Total	\$ 233,933			
35	Total Revenue Requirement plus (Over)/Under Recovery Variance	\$	7,220,905		
	Rate Schedule	Total Revenue Requirement	Energy (kWh)	Rate per kWh	
36	Rate RS	\$ 2,881,908	1,395,962,078	\$ 0.002064	
37	Rate B	\$ 9,372	7,345,624	\$ 0.001276	
38	Rate SGS	\$ 130,723	62,574,634	\$ 0.002089	
39	Rate DGS/MLA	\$ 2,036,434	1,027,936,323	\$ 0.001981	
40	Rate OSS	\$ 160,816	81,558,116	\$ 0.001972	
41	Rate LP	\$ 1,859,373	2,284,135,372	\$ 0.000814	
42	Rate BAMP-Auxiliary	\$ 57,440	64,333,440	\$ 0.000893	
43	Rate HLF	\$ 84,838	75,708,000	\$ 0.001121	
44	Total	\$ 7,220,905			

**SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
PROJECTED RECOVERIES BY MONTH**

Line No.	Rate Schedule	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Annual Total
Projected Energy (kWh) (A)														
1	RS - Residential Service	136,710,574	163,065,514	158,551,055	109,451,162	85,054,933	93,713,431	125,601,198	136,127,082	111,528,824	100,291,048	79,246,972	96,620,286	1,395,962,078
2	B - Water Heating Service	661,618	594,499	562,973	421,426	445,549	629,621	744,301	799,626	595,442	641,554	575,453	673,561	7,345,624
3	SGS - Small General Service	4,679,962	6,219,990	6,179,973	6,098,633	3,664,724	4,467,268	5,232,655	5,802,620	5,107,010	4,640,876	4,743,340	5,737,584	62,574,634
4	DGS - Demand General Service / Municipal Levee Authority	102,386,922	109,260,648	106,414,144	94,743,249	79,407,147	72,392,071	77,040,498	85,426,819	73,559,730	70,204,399	77,142,783	79,957,912	1,027,936,323
5	OSS - Off-Season Service	6,089,927	7,604,185	6,922,076	6,240,807	5,461,927	5,564,235	7,546,607	8,413,760	8,247,544	7,230,517	6,558,356	5,678,176	81,558,116
6	LP - Large Power Service	207,312,201	209,806,934	212,126,280	201,257,064	198,749,150	182,229,098	179,046,477	174,612,000	170,925,959	179,746,343	173,340,892	194,982,976	2,284,135,372
7	BAMP - Backup, Auxiliary and Maintenance Power	5,361,120	5,361,120	5,361,120	5,361,120	5,361,120	5,361,120	5,361,120	5,361,120	5,361,120	5,361,120	5,361,120	5,361,120	64,333,440
8	HLF - High Load Factor Service	6,876,000	7,026,000	7,092,000	6,888,000	7,062,000	6,726,000	6,942,000	6,798,000	4,992,000	4,200,000	4,068,000	7,038,000	75,708,000
		470,078,324	508,938,891	503,209,621	430,461,461	385,206,549	371,082,844	407,514,855	423,341,027	380,317,628	372,315,856	351,036,916	396,049,614	
Projected Recoveries (B), (C)														
9	RS - Residential Service	\$ 282,233	\$ 336,642	\$ 327,322	\$ 225,958	\$ 175,592	\$ 193,468	\$ 259,299	\$ 281,029	\$ 230,247	\$ 207,047	\$ 163,602	\$ 199,469	\$ 2,881,908
10	B - Water Heating Service	\$ 844	\$ 758	\$ 718	\$ 538	\$ 568	\$ 803	\$ 950	\$ 1,020	\$ 760	\$ 819	\$ 734	\$ 859	\$ 9,372
11	SGS - Small General Service	\$ 9,777	\$ 12,994	\$ 12,910	\$ 12,741	\$ 7,656	\$ 9,332	\$ 10,931	\$ 12,122	\$ 10,669	\$ 9,695	\$ 9,909	\$ 11,986	\$ 130,723
12	DGS - Demand General Service / Municipal Levee Authority	\$ 202,838	\$ 216,455	\$ 210,816	\$ 187,695	\$ 157,313	\$ 143,415	\$ 152,624	\$ 169,238	\$ 145,728	\$ 139,081	\$ 152,827	\$ 158,404	\$ 2,036,434
13	OSS - Off-Season Service	\$ 12,008	\$ 14,994	\$ 13,649	\$ 12,306	\$ 10,770	\$ 10,972	\$ 14,880	\$ 16,590	\$ 16,263	\$ 14,257	\$ 12,932	\$ 11,196	\$ 160,816
14	LP - Large Power Service	\$ 168,760	\$ 170,791	\$ 172,679	\$ 163,831	\$ 161,789	\$ 148,341	\$ 145,751	\$ 142,141	\$ 139,140	\$ 146,320	\$ 141,106	\$ 158,724	\$ 1,859,373
15	BAMP - Backup, Auxiliary, and Maintenance Power Services	\$ 4,787	\$ 4,787	\$ 4,787	\$ 4,787	\$ 4,787	\$ 4,787	\$ 4,787	\$ 4,787	\$ 4,787	\$ 4,787	\$ 4,787	\$ 4,787	\$ 57,440
16	HLF - High Load Factor Service	\$ 7,705	\$ 7,873	\$ 7,947	\$ 7,719	\$ 7,914	\$ 7,537	\$ 7,779	\$ 7,618	\$ 5,594	\$ 4,707	\$ 4,559	\$ 7,887	\$ 84,838
17	Total Recoveries including Variances	\$ 688,952	\$ 765,295	\$ 750,829	\$ 615,572	\$ 526,389	\$ 518,655	\$ 597,001	\$ 634,545	\$ 553,187	\$ 526,712	\$ 490,455	\$ 553,311	\$ 7,220,905
		9.54%	10.60%	10.40%	8.52%	7.29%	7.18%	8.27%	8.79%	7.66%	7.29%	6.79%	7.66%	

Notes:

(A) Source: Vectren South 2021/2022 Budget

(B) Exclusive of IURT

(C) Proposed Rates and Charge, multiplied by Estimated Billing Determinants (A)

Proposed Rates and Charges	With Variance	Without Variance
Rate RS - Per kWh	\$ 0.002064	\$ 0.002033
Rate B - Per kWh	\$ 0.001276	\$ 0.001243
Rate SGS - Per kWh	\$ 0.002089	\$ 0.002036
Rate DGS/MLA - Per kWh	\$ 0.001981	\$ 0.001897
Rate OSS - Per kWh	\$ 0.001972	\$ 0.001847
Rate LP - Transmission Per kWh	\$ 0.000814	\$ 0.000753
Rate BAMP - Transmission Per kWh	\$ 0.000893	\$ 0.002009
Rate HLF - Per kWh	\$ 0.001121	\$ 0.000826

**SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
BILL IMPACT BY CUSTOMER CLASS**

<u>Line No.</u>		A	B	C	D
		Allocation by Rate	Revenue Requirement		
	Rate Schedule	Schedule	by Rate Schedule	Reference	
1	Rate RS	40.6160%	\$ 2,881,908	Schedule 2, Line 36	
2	Rate B	0.1307%	\$ 9,372	Schedule 2, Line 37	
3	Rate SGS	1.8234%	\$ 130,723	Schedule 2, Line 38	
4	Rate DGS/MLA	27.9043%	\$ 2,036,434	Schedule 2, Line 39	
5	Rate OSS	2.1556%	\$ 160,816	Schedule 2, Line 40	
6	Rate LP	24.6258%	\$ 1,859,373	Schedule 2, Line 41	
7	Rate BAMP-Auxiliary	1.8495%	\$ 57,440	Schedule 2, Line 42	
8	Rate HLF	0.8947%	\$ 84,838	Schedule 2, Line 43	
9	Total	100.0000%	\$ 7,220,905		

	Rate Class	Allocation by Rate	Revenue Requirement	Annual Revenues (B)	% Revenue Change by
		Class (A)	by Rate Class (A)		Rate Class (C)
10	Residential	40.7467%	\$ 2,891,280	\$ 242,159,765	1.19%
11	Commercial	31.8833%	\$ 2,327,973	\$ 170,607,274	1.36%
12	Industrial	27.3700%	\$ 2,001,651	\$ 169,739,636	1.18%
13	Total	100.0000%	\$ 7,220,905	\$ 582,506,675	

Notes:

- (A) Residential = Rate RS + Rate B
Commercial = Rate SGS + Rate DGS/MLA + Rate OSS
Industrial = Rate LP + Rate BAMP + Rate HLF
- (B) Revenues for 12 months ending December 31, 2022
- (C) Column [B] divided by Column [C]

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a CENTERPOINT ENERGY INDIANA SOUTH
CEI SOUTH
CLEAN ENERGY COST ADJUSTMENT (CECA)
PERCENTAGE CHANGE IN RATE

Line No.	Rate Schedule	Description	A	B	C
			Total Rate - (Proposed)	Total Rate - (Current) [1]	Percentage Change [2]
1	Rate RS	Residential Service	\$ 0.002064	\$ 0.001943	6.23%
2	Rate B	Water Heating Service	\$ 0.001276	\$ 0.001347	-5.25%
3	Rate SGS	Small General Service	\$ 0.002089	\$ 0.002227	-6.21%
4	Rate DGS/MLA	Demand General Service / Municipal Levee Authority	\$ 0.001981	\$ 0.002121	-6.60%
5	Rate OSS	Off-Season Service	\$ 0.001972	\$ 0.002130	-7.42%
6	Rate LP	Large Power Service	\$ 0.000814	\$ 0.000966	-15.69%
7	Rate BAMP	Backup, Auxiliary, and Maintenance Power Services	\$ 0.000893	\$ 0.000945	-5.55%
8	Rate HLF	High Load Factor Service	\$ 0.001121	\$ 0.001071	4.61%

[1] Per Cause No. 44909 CECA-5, Petitioner's Exhibit No. 3, Attachment MAR-1 (ORDER GRANTED), Schedule 2, Column D, Lines 36 - 43

[2] Column C = (Column A - Column B) ÷ Column B

APPENDIX C
CLEAN ENERGY COST ADJUSTMENT
(Continued)

- (a) Approved levelized rate is multiplied by the approved production baseline for a qualifying project beginning on its in-service date.
- (b) In the event that actual annual production from the qualifying project for a three-year period is less than 90% of the established annual production baseline (not the result of a force majeure event – e.g. and without limitation, tornado, lightning damage, fire, earthquake, acts of state or governmental action impeding performance), the Company shall credit the CECA in the next annual filing in the amount of the approved levelized rate multiplied by the difference between the rolling three-year period actual annual production and the established annual production baseline threshold at 90%.
- In the event that actual annual production from a qualifying project for a rolling three-year period is greater than 110% of the production baseline for a rolling three year-period, the Company shall include as a recoverable cost in the CECA in the next annual filing the amount of the levelized rate multiplied by the difference between the rolling three-year period actual annual production and production baseline threshold at 110%.

V is the variance from the applicable prior period reconciliation, with any differences being reflected as a charge or credit in a subsequent CECA.

Rate Schedule Allocation Percentage is the proportion of the CECA applicable to each Rate Schedule. The percentage for each Rate Schedule is shown in the CECA Rates section below.

Rate Schedule Quantities are the estimated billing determinant quantities for each Rate Schedule for the projection period.

The calculated CECA rates shall be further modified to include the impact of revenue-based tax charges.

CECA RATES

Rate Schedule	Modified 4CP Allocation Percentage ¹	Charge Adjusted	CECA Rate (\$ per kWh)
RS	40.6160%	Energy	\$0.002064
B	0.1307%	Energy	\$0.001276
SGS	1.8234%	Energy	\$0.002089
DGS/MLA	27.9043%	Energy	\$0.001981
OSS	2.1556%	Energy	\$0.001972
LP	24.6258%	Energy	\$0.000814
BAMP	1.8495%	Energy	\$0.000893
HLF	0.8947%	Energy	\$0.001121

Effective:

¹ Pursuant to Cause No. 43354-MCRA 21 S1 Settlement Agreement.

Southern Indiana Gas and Electric Company D/B/A
CenterPoint Energy Indiana South (CEI South)
Tariff for Electric Service
I.U.R.C. No. E-13

Sheet No. 67
Eighth Revised Page 2 of 2
Cancels Seventh Revised Page 2 of 2

APPENDIX C
CLEAN ENERGY COST ADJUSTMENT
(Continued)

- (a) Approved levelized rate is multiplied by the approved production baseline for a qualifying project beginning on its in-service date.
- (b) In the event that actual annual production from the qualifying project for a three-year period is less than 90% of the established annual production baseline (not the result of a force majeure event – e.g. and without limitation, tornado, lightning damage, fire, earthquake, acts of state or governmental action impeding performance), the Company shall credit the CECA in the next annual filing in the amount of the approved levelized rate multiplied by the difference between the rolling three-year period actual annual production and the established annual production baseline threshold at 90%.
- In the event that actual annual production from a qualifying project for a rolling three-year period is greater than 110% of the production baseline for a rolling three year-period, the Company shall include as a recoverable cost in the CECA in the next annual filing the amount of the levelized rate multiplied by the difference between the rolling three-year period actual annual production and production baseline threshold at 110%.

V is the variance from the applicable prior period reconciliation, with any differences being reflected as a charge or credit in a subsequent CECA.

Rate Schedule Allocation Percentage is the proportion of the CECA applicable to each Rate Schedule. The percentage for each Rate Schedule is shown in the CECA Rates section below.

Rate Schedule Quantities are the estimated billing determinant quantities for each Rate Schedule for the projection period.

The calculated CECA rates shall be further modified to include the impact of revenue-based tax charges.

CECA RATES

Rate Schedule	Modified 4CP Allocation Percentage ¹	Charge Adjusted	CECA Rate (\$ per kWh)	
RS	40.6160%	Energy	\$0.002064	Deleted: 0.002148
B	0.1307%	Energy	\$0.001276	Deleted: 0.001327
SGS	1.8234%	Energy	\$0.002089	Deleted: 0.002173
DGS/MLA	27.9043%	Energy	\$0.001981	Deleted: 0.002059
OSS	2.1556%	Energy	\$0.001972	Deleted: 0.002048
LP	24.6258%	Energy	\$0.000814	Deleted: 0.000845
BAMP	1.8495%	Energy	\$0.000893	Deleted: 0.000975
HLF	0.8947%	Energy	\$0.001121	Deleted: 0.001155

Effective:

¹ Pursuant to Cause No. 43354-MCRA 21 S1 Settlement Agreement.