

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF WESTFIELD GAS, LLC,)
D/B/A CITIZENS GAS OF WESTFIELD FOR (1))
AUTHORITY TO INCREASE RATES AND CHARGES)
FOR GAS UTILITY SERVICE AND APPROVAL OF A)
NEW SCHEDULE OF RATES AND CHARGES; (2))
APPROVAL OF CERTAIN REVISIONS TO ITS)
TERMS AND CONDITIONS APPLICABLE TO GAS)
UTILITY SERVICE; AND (3) APPROVAL PURSUANT)
TO INDIANA CODE SECTION 8-1-2.5-6 OF AN)
ALTERNATIVE REGULATORY PLAN UNDER)
WHICH IT WOULD CONTINUE ITS ENERGY)
EFFICIENCY PROGRAM PORTFOLIO AND)
ENERGY EFFICIENCY RIDER)

CAUSE NO. 45761

VERIFIED PETITION

Westfield Gas, LLC, d/b/a Citizens Gas of Westfield (“Petitioner” or “Westfield Gas”) respectfully petitions the Indiana Utility Regulatory Commission (“Commission”) for: (i) authority to increase its rates and charges for gas utility service rendered by it and approval of a new schedule of rates and charges applicable thereto; (ii) approval of certain revisions to its terms and conditions for gas utility service; and (iii) approval pursuant to Ind. Code § 8-1-2.5-6 of an alternative regulatory plan under which it would continue its energy efficiency program portfolio and Energy Efficiency Rider. In support of its Verified Petition, Petitioner states as follows:

Nature of Petitioner and Regulatory Status

1. Petitioner is an Indiana limited liability company with its principal office at 2020 North Meridian Street, Indianapolis, Indiana 46202. Citizens Westfield Utilities, LLC is the sole member of Westfield Gas.

2. Petitioner is a public utility within the meaning of that term in the Indiana Public Service Commission Act, Indiana Code Sections 8-1-2-1 et seq., an energy utility within the meaning of that term in Indiana Code Section 8-1-2.5-2, and is subject to the jurisdiction of the Commission in the manner and to the extent provided by the laws of the State of Indiana.

3. Westfield Gas owns, operates, manages and controls plant, property and equipment used and useful to provide gas utility service to approximately 6,100 customers in and around the City of Westfield, Indiana.

4. In accordance with Indiana Code Section 8-1-2.5-4, Petitioner elects to become subject to Indiana Code Sections 8-1-2.5-5 and 6.

Petitioner's Present Rates and Charges

5. Petitioner's current base rates and charges were approved by the Commission in Cause No. 44731 by Order issued April 26, 2017, and are based on operating results for the test year ending December 31, 2015, and the fair value of used and useful utility property as of April 30, 2016. Following the Commission's issuance of the Order in Cause No. 44731, Petitioner filed compliance rates which went into effect on May 1, 2017. In addition, Petitioner sought and received approval to modify its rates to reflect removal of Indiana Utility Receipts Tax via 30-day filing (Case No. 50536) with new rates effective July 1, 2022.

Petitioner's Operating Results Under Existing Rates

6. Since Petitioner's existing rates and charges for gas utility service were established, it has made and continues to make significant capital expenditures for additions, replacements and improvements to its utility properties. Additionally, the fair value of Petitioner's utility properties has increased materially since its existing rates and charges were established. Petitioner's operating expenses also have increased since that time. Consequently,

Petitioner's existing rates and charges are and will continue to be insufficient to produce revenues adequate to cover its necessary and reasonable operating expenses and provide it an opportunity to earn a fair return on the fair value of its utility properties. Petitioner's existing rates and charges are therefore unjust, unreasonable, insufficient and confiscatory and should be increased.

7. Petitioner requests approval of an increase of its rates and charges for gas utility service that will enable it to realize net operating income adequate to provide safe, reliable, efficient and economical gas utility service and an opportunity to earn a fair return on the fair value of the utility properties used to provide such service. Petitioner requests approval of a new schedule of rates and charges reflecting the proposed increase.

8. In accordance with GAO 2020-5 (December 30, 2020), Petitioner states that the estimated total dollar amount of the rate relief it is seeking in this Cause is \$1.29 million, which translates to an approximate 18% increase for the average residential customer. The proposed schedule of rates and charges will be based on actual cost of service and will reflect a continuation of Petitioner's progression toward straight fixed-variable rate design, as contemplated in the April 10, 2013, Order in Cause No. 44124, and further proposed, and approved by the Commission, in Cause No. 44731.

Proposed Test Year and Rate Base Cutoff Date

9. Pursuant to Rule 1-1.1-9(b) of the Commission's Rules (*i.e.*, 170 IAC 1-1.1-9(b)), Petitioner requests that the 12 months ending December 31, 2021, be used as the test year adjusted for changes that are fixed, known and measurable for ratemaking purposes and that occur within 12 months following the end of the test year. Petitioner further requests that December 31, 2021, be used as the rate base cutoff date.

**Petitioner's Proposed Revisions to its
General Terms and Conditions for Gas Service**

10. Petitioner is proposing certain minor revisions to its terms and conditions for gas service, which will be described in its prepared direct testimony and exhibits.

**Request to Continue Energy Efficiency Program Portfolio
and Energy Efficiency Adjustment Rider**

11. In its Order in Cause No. 44731, the Commission authorized Petitioner, pursuant to Indiana Code 8-1-2.5, to continue its energy efficiency program portfolio, as well as an Energy Efficiency Rider designed to both: (i) recover costs incurred to maintain a portfolio of energy efficiency programs through a mechanism known as the Energy Efficiency Funding Component ("EEFC"); and (ii) decouple Westfield Gas's fixed cost recovery from sales of natural gas to its residential and commercial customers through a mechanism known as the Sales Reconciliation Component ("SRC").

12. By Order dated November 27, 2019, in Cause No. 45263, the Commission authorized the extension of Petitioner's gas energy efficiency program portfolio, as well as the Energy Efficiency Rider until Petitioner's next base rate order, or until Indiana Gas Company, Inc. d/b/a Vectren (n/k/a CenterPoint Energy Indiana) North's energy efficiency programs are not approved, expire or otherwise cease, in which case Petitioner's own energy efficiency portfolio and energy efficiency rider were to be discontinued and wound down.

13. Westfield Gas is seeking an extension of its energy efficiency program portfolio, as well as authority to continue both components of the Energy Efficiency Rider (i.e., the EEFC, and the SRC) as Petitioner continues to progress toward straight fixed-variable rate design. The manner in which the energy efficiency program portfolio and Energy Efficiency Rider will operate will be described in Petitioner's prepared direct testimony and exhibits.

14. By encouraging energy efficiency and conservation, Petitioner can positively impact the environment and help ensure that future generations have the energy they need. Energy conservation efforts also can benefit the economy by reducing the amount of money spent on heating homes. Further progression toward straight fixed-variable rate design and continued use of the SRC aligns Petitioner's interest with its customers' interest in reducing usage through more efficient energy usage and improves Petitioner's ability to recover its non-gas costs and meet its operational requirements.

15. The Commission may continue an alternative regulatory plan under Indiana Code Section 8-1-2.5-6 if it finds that doing so will serve the public interest by among other things, "promot[ing] energy utility efficiency" or otherwise "will be beneficial for the energy utility, the energy utility's customers, or the state."

Procedural Matters

16. Petitioner will publish notice to its customers of the filing of this Verified Petition pursuant to Indiana Code Section 8-1-2-61. Petitioner also will give its residential customers further notice of the precise extent of the requested rate adjustments.

17. Pursuant to the best practices set forth in the Commission's GAO 2013-5 (July 3, 2013), Petitioner has reached out to the Indiana Office of Utility Consumer Counselor ("OUCC") and developed the following proposed agreed procedural schedule for this proceeding. Petitioner has endeavored to preserve in all instances the time set forth in GAO 2013-5 for Commission review of the case. Petitioner requests that the Commission approve the following procedural schedule agreed to by Petitioner and the OUCC and dispense with conducting a prehearing conference:

Date	Event
August 26, 2022	Petitioner's Case-in-Chief
December 2, 2022	OUC's/Intervenors' Case-in-Chief
January 9, 2023	Petitioner's Rebuttal Testimony
January 23, 2023 through February 3, 2023 (5 days maximum)	Evidentiary Hearing
February 24, 2023	Petitioner's Proposed Order
March 17, 2023	OUC's/Intervenors' Proposed Order
March 24, 2023	Petitioner's Reply

Discovery will be conducted on an informal basis with responses due within ten calendar days until Petitioner files its rebuttal testimony. Thereafter, responses will be due within five business days. Discovery served after noon on Friday or the day preceding a legal holiday will be deemed served the following business day.

18. Petitioner believes Indiana Code Sections 8-1-2-4, 6, 7, 9, 19, 24, 25, 34.5, 38, 39, 42, 49, 61, 68, 71, 83 and 8-1-2.5-6, among others, are or may be applicable to this Verified Petition.

19. The names and addresses of Westfield Gas's attorneys in this matter, to whom all correspondence and communications in this Cause should be sent, are:

Michael E. Allen, Atty. No. 20768-49
Alejandro Valle, Atty. No. 22863-49
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Said attorneys are counsel for Westfield Gas and are duly authorized to accept service of papers in this Cause on behalf of Petitioner.

20. In addition, papers filed in this proceeding should be served on:

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WHEREFORE, Westfield Gas respectfully requests that the Indiana Utility Regulatory Commission make an investigation and hold such hearings as it shall deem necessary and advisable in this proceeding and thereafter make and enter an Order in this Cause:

- (i) Finding that Petitioner's existing rates and charges for gas utility service are unjust, unreasonable, insufficient and confiscatory and inadequate to provide a fair return on the fair value of utility properties used to provide gas utility service to customers;
- (ii) Determining, and by Order authorizing and approving just, reasonable, and sufficient rates and charges to be imposed by Westfield Gas as set forth above, in lieu of such present rates and charges;
- (iii) Approving various changes in Petitioner's terms and conditions of service;
- (iv) Authorizing and approving Petitioner's continuation of the Energy Efficiency Adjustment Rider, including the SRC, as well as the offering of certain energy efficiency programs;
- (v) Authorizing and approving the filing of a revised schedule of rates and charges and terms and conditions of service applicable to the gas service rendered by Westfield

Gas, embodying the just and reasonable rates and charges and terms and conditions of service;


- (vi) Approving the procedural schedule agreed to by Petitioner and the OUCC; and
- (vii) Granting such other and further relief as the Commission may deem necessary and appropriate in the premises.

[Signature page follows]

DATED this 26th day of August, 2022.

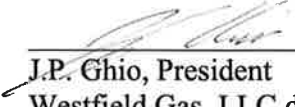
WESTFIELD GAS, LLC D/B/A CITIZENS GAS OF
WESTFIELD

By: _____


J.P. Ghio, President

VERIFICATION

The undersigned affirms under the penalties for perjury that the foregoing representations are true to the best of his knowledge, information and belief.



J.P. Ghio, President
Westfield Gas, LLC d/b/a Citizens Gas of Westfield

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing “Verified Petition” of Westfield Gas, LLC d/b/a Citizens Gas of Westfield was served on the Indiana Office of Utility Consumer Counselor by delivering a copy thereof to said office on this 26th day of August, 2022.



An Attorney for Petitioner, Westfield Gas, LLC
d/b/a Citizens Gas of Westfield

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