
VERIFIED DIRECT TESTIMONY OF ROBERT C. SEARS

1 **Q1. Please state your name, business address, and title.**

2 A1. My name is Robert C. Sears. My business address is 150 W. Market Street,
3 Suite 600, Indianapolis, Indiana 46204. I am employed by Northern Indiana
4 Public Service Company LLC ("NIPSCO" or the "Company") as Director of
5 Regulatory Policy.

6 **Q2. Please describe your educational and employment background.**

7 A2. I earned a Bachelor of Science degree in electrical engineering technology
8 from the University of Southern Indiana in 1986. I also earned a Certificate
9 of Recognition for completion of the studies and requirements of the Kelley
10 Partnership for Leadership Development from the Indiana University
11 Kelley School of Business in 2003. I have served in the role of Director of
12 Regulatory Policy since August 2020 and the Director of Demand Side
13 Management since October 2020. Prior to that time, I was employed by
14 Vectren Utility Holdings, Inc. ("Vectren") or its predecessor companies
15 since 1987 in a variety of positions. Previously, I was Vice President of
16 Energy Solutions and Planning with the primary responsibility for the

1 overall planning and operation of the Company's emerging technology,
2 DSM and conservation programs, market research, resource planning, and
3 economic development activities. Prior to that, I was Director of
4 Conservation. In that role, I was responsible for managing all aspects of gas
5 and electric conservation, energy efficiency, and demand response
6 programs for Vectren's three regulated utilities. I also held a variety of
7 other positions, including Director of Revenue Administration (with
8 responsibility for the management of all aspects of revenue cycle
9 operations), Director of Customer Service (with responsibility for customer
10 service, billing, and customer systems support for all Vectren utility
11 operations), Manager of Energy Services and Manager of DSM Services
12 (with responsibility for the development and delivery of energy efficiency
13 and demand response programs), Residential and Commercial Marketing
14 Supervisor, and New Business Service Representative.

15 **Q3. What are your responsibilities as Director of Regulatory Policy?**

16 A3. As Director of Regulatory Policy, I am responsible for working internally
17 and with key external regulatory stakeholders on gas and electric
18 regulatory policies, initiatives, and other key issues for NIPSCO. I am also
19 responsible for overseeing the design, implementation, and day-to-day

1 responsibilities of NIPSCO's demand side management and energy
2 efficiency programs. This includes leading the DSM team, supporting the
3 integrated resource planning process as it relates to energy efficiency, and
4 working collaboratively with NIPSCO's vendors and customers, Customer
5 Service, Communications, and Regulatory departments to assure that all
6 programs are run in an efficient and effective way.

7 **Q4. What is the purpose of your direct testimony?**

8 A4. The purpose of my direct testimony is to support NIPSCO's request for
9 approval of Rider 889 – Excess Distributed Generation Rider (“EDG Rider”)
10 for inclusion in NIPSCO's approved IURC Electric Service Tariff, Original
11 Volume No. 14 (“Electric Tariff”) in accordance with the requirements of
12 Indiana Code ch. 8-1-40 (the “Distributed Generation Statute”).

13 **Q5. Are you sponsoring any attachments to your direct testimony?**

14 A5. Yes. I am sponsoring Attachment 1-A, which is a copy of NIPSCO's
15 Amended Verified Petition in this Cause,¹ which was prepared by me or
16 under my direction and supervision.

¹ Contemporaneously with submission of NIPSCO's revised case-in-chief in the Cause, NIPSCO is also filing a motion to amend its Verified Petition, filed in this Cause on March 1, 2021.

1 **Summary of Distributed Generation Statute**

2 **Q6. How does the Distributed Generation Statute define Distributed**
3 **Generation?**

4 A6. The term "Distributed Generation" as defined in Ind. Code § 8-1-40-3:

5 (a) As used in this chapter, "distributed generation" means electricity
6 produced by a generator or other device that is:

- 7 (1) located on the customer's premises;
- 8 (2) owned by the customer;
- 9 (3) sized at a nameplate capacity of the lesser of:
 - 10 (A) not more than one (1) megawatt; or
 - 11 (B) the customer's average annual consumption
 - 12 of electricity on the premises; and
- 13 (4) interconnected and operated in parallel with the electricity
- 14 supplier's facilities in accordance with the commission's
- 15 approved interconnection standards.

16 (b) The term does not include electricity produced by the following:

- 17 (1) An electric generator used exclusively for emergency
- 18 purposes.
- 19 (2) A net metering facility (as defined in 170 IAC 4-4.2-1(k))
- 20 operating under a net metering tariff.

21
22 **Q7. How does the Distributed Generation Statute define Excess Distributed**
23 **Generation?**

24 A7. Section 5 of the Distributed Generation Statute defines Excess Distributed
25 Generation as "the difference between: (1) the electricity that is supplied by
26 an electricity supplier to a customer that produces distributed generation;

1 and (2) the electricity that is supplied back to the electricity supplier by the
2 customer.”

3 **Q8. Please summarize the requirements of the Distributed Generation**
4 **Statute as it relates to net metering.**

5 A8. The Distributed Generation Statute requires that NIPSCO maintain a net
6 metering tariff with capacity available for net metering customers based
7 upon one and one-half percent (1.5%) of its summer peak load. Section 10
8 requires that the net metering tariff remain available to customers until the
9 earlier of January 1 of the first calendar year after the calendar year in which
10 the 1.5% capacity threshold is reached, or July 1, 2022. Section 12 requires
11 that NIPSCO reserve 40% of available capacity for residential customers,
12 and 15% of available capacity for organic waste biomass facilities, with the
13 remaining amount of available capacity for commercial, industrial, and
14 other customers (the “unreserved amount”). Section 10 of the Distributed
15 Generation Statute also addresses what is required once the 1.5% capacity
16 amount is reached. Witness Kirkham explains where NIPSCO stands with
17 respect to net metering capacity and how NIPSCO will transition from Net
18 Metering under Rider 880 to Excess Distributed Generation under
19 proposed Rider 889.

1 **Q9. What does the Distributed Generation Statute require once the 1.5%**
2 **capacity amount is reached?**

3 A9. Section 10 of the Distributed Generation Statute states:

4 Subject to sections 13 and 14 of this chapter, a net metering
5 tariff of an electricity supplier must remain available to the
6 electricity supplier's customers until the earlier of the
7 following:

8 (1) January 1 of the first calendar year after the
9 calendar year in which the aggregate amount of net metering
10 facility nameplate capacity under the electricity supplier's net
11 metering tariff equals at least one and one-half percent (1.5%)
12 of the most recent summer peak load of the electricity
13 supplier.

14 (2) July 1, 2022.

15 Before July 1, 2022, if an electricity supplier reasonably
16 anticipates, at any point in a calendar year, that the aggregate
17 amount of net metering facility nameplate capacity under the
18 electricity supplier's net metering tariff will equal at least one
19 and one-half percent (1.5%) of the most recent summer peak
20 load of the electricity supplier, the electricity supplier shall, in
21 accordance with section 16 of this chapter, petition the
22 commission for approval of a rate for the procurement of
23 excess distributed generation.

24 **Q10. Please generally describe the Excess Distributed Generation ("EDG")**
25 **service NIPSCO is required to provide according to the Distributed**
26 **Generation Statute.**

1 A10. In accordance with Ind. Code § 8-1-40-16, not later than March 1, 2021,
2 NIPSCO was required to petition the Commission for approval of a rate for
3 the procurement of excess distributed generation. NIPSCO timely
4 submitted a Verified Petition on March 1, 2021, which initiated this Cause,
5 but is submitting an Amended Verified Petition contemporaneously
6 herewith.

7 In accordance with Ind. Code § 8-1-40-10, the EDG tariff must be in place
8 before (1) January 1 of the first calendar year in which the amount of
9 nameplate capacity served under NIPSCO's net metering tariff meets 1.5%
10 of the utility's summer peak load, or (2) July 1, 2022, whichever is earlier.

11 The EDG tariff essentially replaces the utility's net metering tariff for any
12 customer that installs an eligible generation facility that is not
13 grandfathered under Ind. Code §§ 8-1-40-13 or -14. In accordance with Ind.
14 Code § 8-1-40-11, the net metering tariff terms and conditions expire for
15 new (non-grandfathered) customers on July 1, 2022.

16 **Q11. Did the Distributed Generation Statute create a specific EDG rate that**
17 **differs from the net metering retail rate?**

1 A11. Yes. The Distributed Generation Statute created a specific EDG rate that
2 differs from the net metering retail rate. Specifically, under Section 17 of
3 the Distributed Generation Statute, the marginal price of electricity to be
4 used for Excess Distributed Generation ("Marginal DG Price") is calculated
5 as (1) the average marginal price of electricity paid by the electricity
6 supplier during the most recent calendar year; multiplied by (2) one and
7 twenty-five hundredths (1.25).

8 **Q12. What does the Distributed Generation Statute say about measuring the**
9 **amount of Excess Distributed Generation?**

10 A12. Under Section 5 of the Distributed Generation Statute, Excess Distributed
11 Generation is the difference between the electricity provided to the
12 customer by the electricity supplier and the electricity the customer
13 supplies back to the supplier. In the Commission's April 7, 2021 order in
14 Cause No. 45378 ("Vectren Order") (at 34-36), the Commission found that
15 the instantaneous Outflow calculation of a meter, such as those meters used
16 by NIPSCO, is capturing the "difference" between the electricity the utility
17 is supplying to the customer and the electricity the customer is supplying

1 to the utility, and thus is a measurement of “excess distributed generation”
2 as defined under Section 5 of the Distributed Generation Statute.²

3 **Q13. Please explain how Distributed Generation differs from Net Metering.**

4 A13. The Distributed Generation Statute made two substantial changes for
5 Distributed Generation resources. First, it set an end date to Net Metering,
6 based upon the installation date of the Distributed Generation resources
7 (Ind. Code §§ 8-1-40-7 13 and 14) and the timing of when the aggregate
8 operating Net Metering capacity reached the statutory cap (Ind. Code § 8-
9 1-40-10). This was a critical step established by the General Assembly to
10 sunset the incentive provided by Net Metering for the installation of
11 Distributed Generation resources.

12 Second, Ind. Code ch. 8-1-40 defined the process for compensating EDG
13 customers for EDG – a separate and distinct process for compensation than
14 the process that had been available for traditional Net Metering customers.
15 Stated differently, the Distributed Generation Statute did not just change
16 the applicable rate that would be paid to excess generation, but also

² See, e.g., page 35 of the Vectren Order, where the Commission stated: “Essentially, the meter counts what is going through the meter and puts it into either the inflow or the outflow ‘bucket,’ but to get into the outflow ‘bucket,’ the meter has computed the difference between the two components under Section 5.”

1 modified the way in which the excess generation would be calculated.
2 Based on the language of the Distributed Generation Statute, it appears
3 clear the process was not intended to simply echo the language from the
4 Net Metering tariff requirements set forth in 170 IAC 4-4.2, but rather
5 intentionally deviated to differentiate EDG customers from those eligible
6 for Net Metering. One of those deviations was defining EDG without
7 specification for the measurement period which exists under 170 IAC 4-4.2-
8 7. Another deviation was to explicitly specify how the EDG rate would be
9 calculated. The retail rate designed for EDG under the Distributed
10 Generation Statute was intended to result in customers being paid the
11 average market price for energy, plus a 25% adder.

12 **Proposed EDG Rider**

13 **Q14. Please summarize NIPSCO's proposed EDG Rider.**

14 A14. In accordance with Ind. Code § 8-1-40-16, NIPSCO is requesting approval
15 of its EDG Rider to establish a rate for the procurement of excess distributed
16 generation. The EDG Rider will apply to any customer that is not eligible
17 for the Net Metering Rider, as more fully discussed by Witness Kirkham.
18 In accordance with the Distributed Generation Statute, any non-reserved
19 customer that has submitted a complete application prior to October 1, 2021

1 will be considered eligible under the Net Metering Rider. In accordance
2 with the Distributed Generation Statute, all residential and biomass
3 customers will be considered eligible under the Net Metering Rider until
4 the category threshold is reached, or July 1, 2022, whichever is earlier.

5 **Q15. How is NIPSCO's proposal for the EDG Rider informed by its current**
6 **metering capabilities?**

7 A15. NIPSCO currently has dual channel meters that have the capability to
8 measure "inflow" and "outflow" either monthly or instantaneously. In the
9 future, an AMI metering system and other billing technologies could allow
10 NIPSCO to consider other periods to measure and compensate customers
11 with Distributed Generation.

12 **Q16. How will NIPSCO measure EDG under the EDG Rider?**

13 A16. NIPSCO plans to use a two channel metering system, as more fully
14 described by Witness Kirkham, to measure the net difference in all energy
15 consumed by the customer (delivered by the utility) and net difference of
16 all energy produced (received by the utility) onto the grid by a customer-
17 owned generator in Indiana. NIPSCO will measure EDG by recording the
18 instantaneous net difference in the amount of energy produced by the

1 customer-owned generation which exceeds the amount of energy that is
2 being consumed at that point in time.³

3 **Q17. Is NIPSCO's metering measuring the net difference of the kWh amount**
4 **and monetizing the difference?**

5 A17. Yes. The Outflow is the net difference, in kWh, of the "electricity that is
6 supplied back to the electricity supplier by the customer" and the
7 "electricity that is supplied by an electricity supplier to a customer." This
8 net difference amount is what Rider EDG is applied to in accordance with
9 Ind. Code § 8-1-40-5.

10 **Q18. Will NIPSCO's proposed EDG Rider continue to provide Distributed**
11 **Generation customers the opportunity to offset the full retail rate for**
12 **energy produced by their Distributed Generation system?**

13 A18. Yes. To the extent that the electricity produced by the customer's
14 Distributed Generation system offsets the energy being used by the
15 customer on an instantaneous basis, the customer would be using the

³ Consistent with Ind. Code § 8-1-40-3(b), NIPSCO's definition of EDG does not include electricity produced by (1) an electric generator used exclusively for emergency purposes or (2) a metering facility operating under NIPSCO's net metering tariff.

1 electricity produced by their Distributed Generation system to completely
2 avoid paying the full retail rate of NIPSCO.

3 **Q19. Has the Commission expressed support for the instantaneous**
4 **measurement or netting approach proposed by NIPSCO?**

5 A19. Yes. In Cause No. 45378, the Commission was presented with a proposal
6 by Southern Indiana Gas and Electric Company d/b/a Vectren Energy
7 Delivery of Indiana, Inc. that proposed instantaneous netting, which was
8 challenged by several parties who advocated for monthly netting. In the
9 Vectren Order, the Commission made several findings in which it
10 ultimately determined that instantaneous netting was a just and reasonable
11 approach to calculating the excess distributed generation by a Distributed
12 Generation customer.

13 **Q20. What were some of the key findings by the Commission in the Vectren**
14 **Order, and how did that inform NIPSCO's proposal for instantaneous**
15 **netting?**

16 A20. In its Vectren Order (at 37), the Commission found that the instantaneous
17 measurement of EDG (or "instantaneous netting"), using the components
18 the General Assembly set forth in Section 5 and calculating the rate per

1 Section 17, yields rates that are just and reasonable. This finding was
2 supported by the Commission's belief that the Distributed Generation
3 Statute is intended to be a transition away from the net metering construct
4 for new Distributed Generation customers, with the primary value of
5 Distributed Generation creation in the retail rate context being its offsetting
6 of demand behind the meter. The Commission also noted that Section 19
7 provides support that the General Assembly intended to eliminate potential
8 subsidies to EDG customers, which supports approval of instantaneous
9 netting, as it reasonably limits using the grid as Distributed Generation
10 customer storage.

11 Finally, the Commission also called into the question the appropriateness
12 of utilizing monthly netting, when it stated: "[a]ccordingly, we *cannot*
13 *conclude it is just and reasonable* for Petitioner's other customers to subsidize
14 the payback periods of DG customers by the continuation of monthly
15 netting as opposed to instantaneous netting." (emphasis added)

16 As noted above, NIPSCO's metering technology only affords the possibility
17 of using monthly netting or instantaneous netting. The Distributed
18 Generation Statute does not specify the frequency with which a utility must

1 calculate EDG, but left this decision to the Commission to exercise its
2 expertise and discretion in determining the reasonableness of a utility's
3 proposed netting period for EDG. NIPSCO believes instantaneous netting
4 is a just and reasonable proposal and is consistent with the Distributed
5 Generation Statute. This position is informed by the Vectren Order,
6 including the language noted above.

7 **Conclusion**

8 **Q21. Does NIPSCO believe its proposed EDG measurement and**
9 **compensation complies with the Distributed Generation Statute?**

10 A21. Yes. NIPSCO's proposal for instantaneous netting and compensation for
11 EDG based upon the Real-Time LMP is in compliance with the Distributed
12 Generation Statute, including as interpreted and applied by the
13 Commission in the Vectren Order, and produces rates that are just and
14 reasonable.

15 **Q22. Does this complete your prepared direct testimony?**

16 A22. Yes.

VERIFICATION

I, Robert C. Sears, Director of Regulatory Policy for Northern Indiana Public Service Company LLC, affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information and belief.

/s/ Robert C. Sears
Robert C. Sears

Date: May 10, 2021

Attachment 1-A

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF NORTHERN)
INDIANA PUBLIC SERVICE COMPANY LLC)
FOR APPROVAL OF RIDER 889 – EXCESS) CAUSE NO. 45505
DISTRIBUTED GENERATION RIDER FOR)
THE PROCUREMENT OF EXCESS)
DISTRIBUTED GENERATION PURSUANT)
TO IND. CODE CH. 8-1-40.)

AMENDED VERIFIED PETITION

Northern Indiana Public Service Company LLC (“NIPSCO” or “Petitioner”) petitions the Indiana Utility Regulatory Commission (“Commission”) for approval of Rider 889 – Excess Distributed Generation Rider (“EDG Rider”) for the procurement of excess distributed generation pursuant to Ind. Code ch. 8-1-40 (the “Statute”). In accordance with 170 IAC 1-1.1-8 and 1-1.1-9 of the Commission’s Rules of Practice and Procedure, Petitioner submits the following information in support of this petition.

Petitioner’s Corporate Status

1. Petitioner is a limited liability company existing under the laws of the State of Indiana with its principal office and place of business at 801 East 86th Avenue, Merrillville, Indiana. Petitioner renders electric and gas public utility service in the State of Indiana and owns, operates, manages and controls, among other things, plant and equipment within the State of Indiana used for the

generation, transmission, distribution and furnishing of such service to the public. Petitioner is a wholly-owned subsidiary of NiSource Inc., an energy holding company whose stock is listed on the New York Stock Exchange.

Petitioner's Regulated Status

2. Petitioner is a "public utility" within the meaning of Ind. Code §§ 8-1-39-4 and 8-1-2-1 and is an "energy utility" providing "retail energy service" within the meaning of Ind. Code §§ 8-1-2.5-2 and 3. Petitioner is subject to the jurisdiction of this Commission in the manner and to the extent provided by the Public Service Commission Act, as amended, and other pertinent laws of the State of Indiana.

Petitioner's Operations

3. Petitioner is authorized by the Commission to provide electric utility service to the public in all or part of Benton, Carroll, DeKalb, Elkhart, Fulton, Jasper, Kosciusko, LaGrange, Lake, LaPorte, Marshall, Newton, Noble, Porter, Pulaski, Saint Joseph, Starke, Steuben, Warren and White Counties in northern Indiana. Petitioner provides electric utility service to approximately 476,000 customers. Petitioner owns, operates, manages and controls plant and equipment within the State of Indiana that is in service and used and useful in the generation, transmission, distribution and furnishing of such service to the public. Petitioner has maintained and continues to maintain its properties in a reliable state of operating conditions.

Background

4. The Statute establishes the regime under which Petitioner procures electricity supplied by customers with qualifying distributed generation resources and offsets the cost of the electricity supplied to such customers. Section 10 of the Statute requires that an electricity supplier's net metering tariff remain available until the earlier of the following: "(1) January 1 of the first calendar year after the calendar year in which the aggregate amount of net metering facility nameplate capacity under the electricity supplier's net metering tariff equals at least one and on-half percent (1.5%) of the most recent summer peak load of the electricity supplier [or] (2) July 1, 2022." Section 12 of the Statute requires the reservation of 40% of the capacity for participation by residential customers, and 15% of the capacity for participation by biomass customers, and the remaining 45% for all other customers with eligible distributed generation.

5. As of January 1, 2021, the aggregate amount of net metering facility nameplate capacity under Petitioner's net metering tariff exceeds 1.5% of its most recent summer peak load (the statutory threshold). As of January 31, 2021, Petitioner has not exceeded the 40% capacity reservation for participation by residential customers, or the 15% capacity reservation for participation by biomass customers (the capacity threshold). Petitioner has exceeded the remaining 45% capacity for participation by all other customers with eligible distributed generation. Since Petitioner has reached the statutory threshold but not the

capacity threshold for residential and/or biomass capacity, Petitioner will continue to accept applications and connect installations for residential and biomass customers until January 1 of the year following the capacity threshold being reached or July 1, 2022, whichever comes first.

6. Pursuant to Section 12 of the Statute and 170 IAC 4-4.2-4(b), Petitioner has sole discretion regarding the availability of net metering capacity in excess of 1.5% of its summer peak load. Pursuant to Section 11 of the Statute, in no event can net metering be made available by Petitioner after June 30, 2022. Although Petitioner will continue accepting applications under the Net Metering Rider while the EDG Rider is pending approval and will honor all applications that are approved by December 31, 2021,¹ NIPSCO does not anticipate the remaining capacity for residential and biomass customers will be exhausted before July 1, 2022.² As a result, in accordance with Sections 10 and 16 of the Statute, Petitioner is requesting approval of its EDG Rider to establish a rate for the procurement of excess distributed generation.³

7. The procedure under which public utilities may request a rate for the

¹ Consistent with Section 10 of the Statute.

² The current levels of participation in the three customer categories is provided in accompanying testimony.

³ This EDG Rider and the applicable rate are being proposed for implementation effective January 1, 2022 with respect to all customers, other than biomass or residential customers. As noted above, NIPSCO will continue to offer net metering to biomass and residential customers until the earlier of January 1 of the year following which the capacity threshold is reached, or July 1, 2022.

procurement of excess distributed generation by the electricity supplier (as defined in Section 4 of the Statute) is governed by Section 16 of the Statute and requires Petitioner to petition the Commission for approval of such rate.

8. Petitioner's proposed EDG Rider establishes a rate for the procurement of excess distributed generation that is consistent with Section 17 of the Statute, which states in part that the Commission shall review a petition filed under Section 16 of the Statute and, after notice and public hearing:

. . . approve a rate to be credited to participating customers by the electricity supplier for excess distributed generation if the commission finds that the rate requested by the electricity supplier was accurately calculated and equals the product of: (1) the average marginal price of electricity paid by the electricity supplier during the most recent calendar year; multiplied by (2) one and twenty-five hundredths (1.25).

9. Pursuant to Section 18 of the Statute, compensation to the EDG Rider customer shall take the form of credit on the customer's monthly bill and any excess credit shall be carried forward and applied against future charges to the customer for as long as the customer receives electric service from the electricity supplier at the premises.

10. On March 1, 2021, NIPSCO filed its Verified Petition and case-in-chief initiating this Cause. On April 7, 2021, the Commission issued a final order in Cause No. 45378, in which it made certain findings regarding the Statute.

11. On April 22, 2021, NIPSCO filed an Unopposed Motion to Vacate

Procedural Schedule, which indicated NIPSCO had determined it was advisable for NIPSCO to file an amended petition and a new case-in-chief in this Cause. This motion was granted via Docket Entry issued on April 23, 2021.

12. On May 3, 2021, NIPSCO filed a Joint Motion for Approval of Agreed Procedural Schedule, which provided that NIPSCO “shall prefile with the Commission its prepared testimony and exhibits constituting its case-in-chief on or before May 10, 2021.” This joint motion was granted via Docket Entry issued on May 4, 2021 and ordered NIPSCO to “prefile with the Commission its prepared testimony and exhibits constituting its revised case-in-chief on or before May 10, 2021.”

13. Consistent with its prior representations and the Commission’s May 4 Docket Entry, NIPSCO is filing this Verified Amended Petition (“Amended Petition”).⁴

Relief Sought by Petitioner

14. In accordance with the Statute, Petitioner requests Commission approval of its EDG Rider for the procurement of excess distributed generation.

Summary of Petitioner’s EDG Rider

15. Section 5 of the Statute defines “excess distributed generation” as

⁴ Contemporaneously herewith, NIPSCO is filing a Motion to Amend Petition, in which it seeks leave to file this Amended Petition.

“the difference between: (1) the electricity that is supplied by an electricity supplier to a customer that produces distributed generation; and (2) the electricity that is supplied back to the electricity supplier by the customer.” Under the EDG Rider, Petitioner will capture the inflow and outflow of energy as measured by the utility meter on an instantaneous basis.⁵ The resulting kilowatt-hour (“kWh”) that is captured during each cycle measured by a customer’s meter will be totaled. The total as recorded by the inflow channel will be utilized at the end of monthly billing cycle as the amount of energy in kWh to bill under the customer’s standard tariff rate. The resulting total kWh that is recorded by the outflow channel will be utilized at the end of monthly billing cycle as the amount of energy in kWh used in the calculation of the DG Billing Credit applied to the customer’s monthly utility bill.

16. The EDG Rider will be updated annually by March 1, to be effective April 1, via a compliance filing, as required by Section 16 of the Statute.

17. NIPSCO will continue to offer its Net Metering Rider to customers based on the capacity availability of the category. For non-reserved capacity, NIPSCO will continue accepting applications while the EDG Rider is pending approval and will honor applications approved by December 31, 2021. For residential or biomass capacity, NIPSCO will continue to offer the Net Metering

⁵ Witness Kirkham describes the capabilities of the meters NIPSCO will utilize for customers taking service under the EDG Rider.

Rider until January 1 of the year following the capacity threshold being reached or July 1, 2022, whichever is earlier. Assuming NIPSCO has an approved EDG Rider at that time, new qualifying residential and biomass applicants will then participate under the EDG Rider. If the threshold is met for either of those categories before NIPSCO has an approved EDG Rider, which is not expected, NIPSCO will treat residential and biomass applicants in a similar fashion to the non-reserved applicants. NIPSCO will also continue to keep its customers updated about the status of residential and biomass capacity, including if it appears the applicable threshold for either category will be met before July 1, 2022.

Applicable Law

18. Petitioner considers the provisions of the Public Service Commission Act, as amended, including Ind. Code ch. 8-1-40, among others, and 170 IAC 4-4.2 *et seq.* to be applicable to the subject matter of this Petition and believes that such statutes and regulations provide the Commission authority to approve the requested relief.

Petitioner's Counsel

19. The names and addresses of persons authorized to accept service of papers in this proceeding are:

Counsel of Record:

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Procedural Schedule

20. A procedural schedule in this Cause has already been established pursuant to the Commission's docket entry issued on May 4, 2021.

WHEREFORE, Northern Indiana Public Service Company LLC respectfully requests that the Commission promptly publish notice, make such other investigation and hold such hearings as are necessary or advisable, and thereafter make and enter appropriate orders in this Cause:

(a) Approving a rate for the procurement of excess distributed generation, in accordance with Ind. Code § 8-1-40-16 and Ind. Code § 8-1-40-17;

(b) Approving Petitioner's proposed Rider 889 – Excess Distributed Generation Rider;

(c) Approving Petitioner's proposed revisions to other changes to its IURC Electric Service Tariff, Original Volume No. 14, necessary to incorporate the

EDG Rider into the Electric Tariff;

(d) Granting to Petitioner such additional and further relief as may be deemed necessary or appropriate.

Dated this 10th day of May, 2021.

Northern Indiana Public Service Company LLC



Erin E. Whitehead
Vice President, Regulatory and Major Accounts

Verification

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

Dated: May 10, 2021.



Erin E. Whitehead
Vice President, Regulatory and Major Accounts

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Northern Indiana Public Service Company LLC

CERTIFICATE OF SERVICE

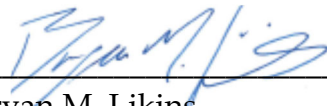
The undersigned hereby certifies that the foregoing was served by email transmission upon the following:

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