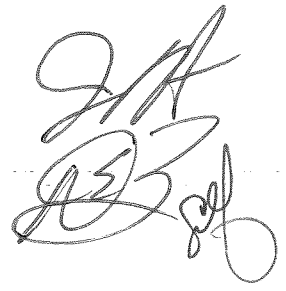


ORIGINAL



STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE VERIFIED PETITION)
OF INDIANA MICHIGAN POWER COMPANY)
FOR APPROVAL OF DEMAND SIDE)
MANAGEMENT (DSM) PLAN, INCLUDING)
ENERGY EFFICIENCY (EE) PROGRAMS, AND)
ASSOCIATED ACCOUNTING AND)
RATEMAKING TREATMENT, INCLUDING) CAUSE NO. 44841
TIMELY RECOVERY THROUGH I&M'S)
DSM/EE PROGRAM COST RIDER OF) APPROVED: DEC 06 2017
ASSOCIATED COSTS, INCLUDING PROGRAM)
OPERATING COSTS, NET LOST REVENUE,)
FINANCIAL INCENTIVES, AND CARRYING)
CHARGES AND DEPRECIATION EXPENSE ON)
CAPITAL EXPENDITURES AND ASSOCIATED)
OPERATIONS AND MAINTENANCE EXPENSE.)

ORDER OF THE COMMISSION ON RECONSIDERATION

Presiding Officers:

David E. Ziegner, Commissioner

Loraine L. Seyfried, Chief Administrative Law Judge

On September 20, 2017, the Indiana Utility Regulatory Commission ("Commission") issued its Order in this Cause approving a Settlement Agreement entered into by Indiana Michigan Power Company ("I&M"), the Indiana Office of Utility Consumer Counselor, the I&M Industrial Group, and the City of Fort Wayne, Indiana (jointly, "Settling Parties"), concerning I&M's request for approval of a Demand Side Management Plan.

On October 10, 2017, the Citizens Action Coalition of Indiana, Inc. ("CAC") filed a Petition for Reconsideration of the Commission's September 20, 2017 Order ("DSM Order"). In its Petition, CAC requests the Commission reconsider its decision concerning I&M's energy efficiency ("EE") goals as set forth in Section 6(A)(1) of the DSM Order. The Settling Parties filed their Joint Response in Opposition on October 20, 2017 and CAC filed its Reply on October 27, 2017.

CAC argues that the DSM Order is inconsistent with the Commission's decision in *N. Ind. Pub. Serv. Co.*, Cause No. 44634 (IURC Dec. 30, 2015) ("44634 Order") where the Commission denied Northern Indiana Public Service Company's ("NIPSCO") request for approval of an EE plan because NIPSCO failed to provide EE goals consistent with Ind. Code § 8-1-8.5-10(c). CAC argues that like NIPSCO's Integrated Resource Plan ("IRP") which selected only a lighting program for residential customers, I&M's IRP also selected only a residential lighting program. While we agree that both NIPSCO's and I&M's IRPs placed significant reliance on residential lighting, there was a substantial difference in the thoroughness of the IRP analysis conducted by

the utilities and how it was used to support the utility's proposed plan. As we explained in our Order, NIPSCO's IRP contained significant flaws and limitations, which resulted in NIPSCO relying almost exclusively on a market potential study to determine its EE goals and failing to demonstrate its proposed EE plan was consistent with its IRP or designed to achieve an optimal balance of energy resources in its service territory. 44634 Order at pp. 33-34. Unlike NIPSCO's IRP, which considered two scenarios and only discussed one, I&M's IRP analysis considered four cases (revolving around different treatment of its Rockport generating units), each of which was analyzed under five different fundamental pricing scenarios. Including three sensitivity evaluations, 23 combinations of scenarios and price conditions were optimized. *See* Admin. Notice Ex. 1. Consequently, the Commission was presented with very different facts in this proceeding from what was presented by NIPSCO in Cause No. 44634.

CAC also argues that I&M's IRP assigned very expensive prices to all of its EE bundles. This is the same argument that the Commission has already considered and we decline to reconsider it.

Accordingly, CAC's Petition for Reconsideration is denied.

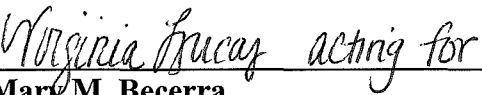
IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:

1. CAC's Petition for Reconsideration is denied.
2. This Order shall be effective on and after the date of its approval.

FREEMAN, HUSTON, AND ZIEGNER CONCUR; ATTERHOLT AND WEBER ABSENT:

APPROVED:

I hereby certify that the above is a true and correct copy of the Order as approved.


Mary M. Becerra
Secretary of the Commission