

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**VERIFIED PETITION OF SOUTHERN INDIANA GAS AND )  
ELECTRIC COMPANY D/B/A CENTERPOINT ENERGY )  
INDIANA SOUTH (“CEI SOUTH”) FOR (1) AUTHORITY )  
TO MODIFY ITS RATES AND CHARGES FOR ELECTRIC )  
UTILITY SERVICE THROUGH A PHASE-IN OF RATES, (2) )  
APPROVAL OF NEW SCHEDULES OF RATES AND )  
CHARGES, AND NEW AND REVISED RIDERS, )  
INCLUDING BUT NOT LIMITED TO A NEW TAX )  
ADJUSTMENT RIDER AND A NEW GREEN POWER )  
RIDER (3) APPROVAL OF A CRITICAL PEAK PRICING )  
 (“CPP”) PILOT PROGRAM, (4) APPROVAL OF REVISED )  
DEPRECIATION RATES APPLICABLE TO ELECTRIC )  
AND COMMON PLANT IN SERVICE, (5) APPROVAL OF )  
NECESSARY AND APPROPRIATE ACCOUNTING RELIEF, )  
INCLUDING AUTHORITY TO CAPITALIZE AS RATE )  
BASE ALL CLOUD COMPUTING COSTS AND DEFER TO )  
A REGULATORY ASSET AMOUNTS NOT ALREADY )  
INCLUDED IN BASE RATES THAT ARE INCURRED FOR )  
THIRD-PARTY CLOUD COMPUTING ARRANGEMENTS, )  
AND (6) APPROVAL OF AN ALTERNATIVE )  
REGULATORY PLAN GRANTING CEI SOUTH A WAIVER )  
FROM 170 IAC 4-1-16(f) TO ALLOW FOR REMOTE )  
DISCONNECTION FOR NON-PAYMENT )**

**CAUSE NO. 45990**

**INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR**

**PUBLIC’S EXHIBIT NO. 13-S**

**SETTLEMENT TESTIMONY OF OUCC WITNESS APRIL M. PARONISH**

**July 19, 2024**

Respectfully submitted,



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**SETTLEMENT TESTIMONY OF OUCC WITNESS APRIL M. PARONISH  
CAUSE NO. 45990  
SOUTHERN INDIANA GAS AND ELECTRIC COMPANY D/B/A  
CENTERPOINT ENERGY INDIANA SOUTH**

1 **Q: Please state your name, employer, business address, and current position.**

2 A: My name is April M. Paronish, and my business address is 115 West Washington  
3 Street, Suite 1500 South, Indianapolis, Indiana 46204. I am employed as an  
4 Assistant Director in the Indiana Office of Utility Consumer Counselor's  
5 ("OUCC") Electric Division.

6 **Q: Are you the same April M. Paronish who earlier filed direct testimony in this**  
7 **proceeding?**

8 A: Yes.

9 **Q: Did you review the Stipulation and Settlement Agreement dated May 20, 2024,**  
10 **("Settlement Agreement"), settlement testimony, and rebuttal testimony, in**  
11 **this proceeding?**

12 A: Yes. I reviewed portions of the Settlement Agreement, settlement testimony, and  
13 rebuttal testimony pertinent to the issues I discuss within my testimony.

14 **Q: What is the purpose of your settlement testimony?**

15 A: The purpose of my settlement testimony is to address issues and concerns with the  
16 pending Settlement Agreement among Southern Indiana Gas and Electric Company  
17 d/b/a CenterPoint Energy Indiana South ("CEI South," "Company," or  
18 "Petitioner"), SABIC Innovative Plastics Mt. Vernon, LLC ("SABIC"), and the  
19 CEI South Industrial Group ("Industrial Group") (collectively "Settling Parties").<sup>1</sup>

20 I also address issues and concerns with CEI South's rebuttal testimony.

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<sup>1</sup> For purposes of this proceeding, the Industrial Group includes Consolidated Grain and Barge, CountryMark Refining and Logistics, LLC, Marathon Petroleum Company, and Toyota Motor Manufacturing of Indiana, Inc.

1 **Q: Has anything in the Settlement Agreement, settlement testimony or rebuttal**  
2 **testimony changed your positions or the recommendations you testified to in**  
3 **your direct testimony?**

4 A: On the issue of communicating with customers regarding remote disconnections,  
5 CEI South generally agreed in rebuttal with certain recommendations I made in my  
6 direct testimony, although this agreement did not fully transfer to the Settlement  
7 Agreement. On the issues relating to billing and the Critical Peak Pricing (“CPP”)  
8 Pilot, the Settlement Agreement did not address my concerns, and my  
9 recommendations remain the same as I stated in my direct testimony. Furthermore,  
10 the Settlement Agreement states that all disputed items not expressly delineated in  
11 the agreement shall remain as proposed in CEI South’s case-in-chief, as modified  
12 by Petitioner’s rebuttal position where applicable.<sup>2</sup>

13 **Q: If you do not address a specific item in your testimony, should this be**  
14 **construed to mean you agree with CEI South’s proposal or the Settlement**  
15 **Agreement?**

16 A: No. My silence on any issue, action, or adjustment should not be construed as an  
17 endorsement. Also, my silence in response to any actions or adjustments stated or  
18 implied by Petitioner should not be construed as an endorsement.

### **I. REMOTE DISCONNECTION/RECONNECTION**

19 **Q: In the OUCC’s case-in-chief, you made recommendations regarding a**  
20 **customer notification period to collect customer information, methods of**  
21 **communication, and language for use when communicating with Petitioner’s**  
22 **customers. Did CEI South accept these recommendations within its rebuttal**  
23 **testimony?**

24 A: Largely, yes. In her rebuttal testimony, CEI South’s witness Amy Folz stated, “CEI  
25 South commits to proactively soliciting customer contact information through a

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<sup>2</sup> Cause No. 45990, Joint Stipulation and Settlement Agreement, pg. 22.

1 communication campaign at least three months before implementing the remote  
2 disconnection program and continue each month until the program is  
3 implemented.”<sup>3</sup> Ms. Folz also agreed, in principle, with the language I  
4 recommended for communicating with customers. However, the Settlement  
5 Agreement has an inconsistency with Ms. Folz’s rebuttal position that I discuss  
6 below.

7 **A. Notification Period**

8 **Q: What did you recommend in the OUCC’s case-in-chief regarding a**  
9 **notification period?**

10 A: In the OUCC’s case-in-chief, I recommended “...the Company begin a proactive  
11 campaign to collect customer information at least three months before  
12 implementing the remote disconnection program and continue each month until the  
13 program is implemented.”<sup>4</sup> Further, I recommended “...CEI South proactively  
14 solicit this information through a communication campaign to obtain missing or  
15 incomplete contact information and minimize the number of outdated customer  
16 phone numbers and e-mail addresses.”<sup>5</sup>

17 **Q: In Petitioner’s rebuttal testimony, did CEI South respond to your concern that**  
18 **there may be thousands of customers for whom the Company either does not**  
19 **have a phone number or may have inaccurate phone numbers?**

20 A: Yes. Ms. Folz indicates in her rebuttal testimony that CEI South has “134,972  
21 customers eligible for remote disconnect for non-payment due to their meter model  
22 type with 132,867 of those customers having a phone number in CEI South’s

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<sup>3</sup> Petitioner’s Exhibit No. 5-R, Rebuttal Testimony of Amy L. Folz, p. 5, ll. 24-26.

<sup>4</sup> Public’s Exhibit No. 13, Direct Testimony of April M. Paronish, p. 11, ll. 15-17.

<sup>5</sup> *Id.*, p. 5, ll. 16-19.

1 customer information system.”<sup>6</sup> She states this results in “only 2,105 [customers  
2 who are eligible for remote disconnection] not having a phone number in the  
3 Company’s system.”<sup>7</sup>

4 **Q: Given this information, do you continue to recommend there be at least a  
5 three-month communication campaign regarding Petitioner’s ability to  
6 remotely disconnect/reconnect in advance of implementing the waiver of 170  
7 I.A.C. 4-1-16(f)?**

8 A: Yes. This notice period remains needed because: 1) as Ms. Folz explains, there are  
9 at least 2,105 customers eligible for remote disconnection for whom CEI South has  
10 no phone number; and 2) there may be many more eligible customers for whom  
11 CEI South has an incorrect phone number due to a data entry error or an outdated  
12 or changed phone number that customers have not updated with the Company.

13 **Q: In rebuttal testimony, how did CEI South respond to your request?**

14 A: Ms. Folz’s rebuttal testimony states, “CEI South commits to proactively soliciting  
15 customer contact information through a communication campaign at least three  
16 months before implementing the remote disconnection program and continue each  
17 month until the program is implemented” (emphasis added).<sup>8</sup> I agree with these  
18 changes.

19 **Q: Did CEI South preserve this commitment within the Settlement Agreement?**

20 A: No. Section 9 of the Settlement Agreement states, in part: “CEI South agrees to  
21 incorporate the protections contained in the rebuttal testimony of CEI South witness  
22 Folz and Paragraph B.10 below.” However, Section 10.d.i.1 of the Settlement

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<sup>6</sup> Petitioner’s Exhibit No. 5-R, Rebuttal Testimony of Amy L. Folz p. 5, ll. 3-5.

<sup>7</sup> *Id.*, p. 5, l. 7.

<sup>8</sup> *Id.*, p. 5, ll. 24-26.

1 Agreement states: “CEI South will provide at least thirty (30) days advance notice  
2 to customers before implementing the remote disconnection/reconnection  
3 proposal.”

4 **Q: Please describe your concerns with this inconsistency.**

5 A: It is unfortunate this three-month minimum advance notice was retracted as part of  
6 the settlement. This provision will likely have less impact upon the industrial  
7 customers who entered into the Settlement Agreement. However, it would provide  
8 other customers eligible for remote disconnections with advance notice that the  
9 Company may begin disconnections for non-payment without an on-site visit. In  
10 OUCC DR 53.1(a), I attempted to ascertain whether any customer classes other  
11 than the residential class would be impacted by the waiver; however, CEI South’s  
12 response did not directly answer the question. Instead, CEI South only stated “it  
13 will apply to customers with meters that have remote capability.”<sup>9</sup> In a follow-up  
14 response, CEI South’s counsel indicated, “Currently meters with this capability are  
15 primarily in the residential and small commercial classes.”<sup>10</sup> CEI South  
16 inexplicably walked back its offer of a more reasonable approach that would have  
17 benefited residential ratepayers by giving these customers more time to become  
18 aware of Petitioner’s new disconnection process. This settlement term is not in the  
19 public interest; consequently, the OUCC objects to the Settlement Agreement’s 30-

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<sup>9</sup> Attachment AMP-1-S: CEI South response to OUCC DR 53.1(a) and follow-up response.

<sup>10</sup> *Id.*

1 day notice and recommends approval of the three-month communication campaign  
2 referenced in Ms. Folz's rebuttal testimony.

### 3 **B. Communication Methods**

4 **Q: You provided a variety of methods CEI South should use to communicate its**  
5 **approval to remotely disconnect customers for non-payment. Did the**  
6 **Company agree to those methods in its rebuttal testimony?**

7 A: Yes. According to Ms. Folz, "CEI South accepts the proposed methods [identified  
8 in my Direct Testimony] with the addition of methods typically used by CEI South  
9 to communicate with customers (i.e., social media and news release)."<sup>11</sup> Ms. Folz  
10 further stated, "CEI South will commit to the following communication  
11 methods"<sup>12</sup>:

- 12 1. CEI South Website:
  - 13 • Promotional popup/notification on home page.
  - 14 • Promotional popup/notification on customer account dashboard
  - 15 page.
  - 16 • Prompt for customers to update their contact information.
- 17 2. On Bill
  - 18 • A bill insert regarding the process change and the need for accurate
  - 19 account information.
- 20 3. Auto Dial
  - 21 • An auto dial notification message regarding the process change and
  - 22 need for accurate contact information.
- 23 4. Texts
  - 24 • A text notification message regarding the process change and need
  - 25 for accurate contact information. Note – This method may be limited
  - 26 by character limitations.
- 27 5. Email
  - 28 • An email notification to customers with e-mail addresses on file
  - 29 with CEI South notifying customers of the process changes, using
  - 30 the modified proposed language.

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<sup>11</sup> Folz Rebuttal p. 7, ll. 13-15.

<sup>12</sup> Folz Rebuttal, p. 7, ll. 20-31, and p. 8, ll. 1-14.

1                   6. Social Media

- 2                   • CEI South will use Nextdoor, Facebook, and X to provide  
3                   information on this process change and the request for accurate  
4                   contact information.

5                   7. News Release

- 6                   • CEI South will use a news release to provide information on this  
7                   process change and the request for accurate contact information.

8    **Q: Do you agree with the communication methods CEI South identified in Ms.**  
9    **Folz's rebuttal testimony?**

10   **A:** Yes. In fact, the Company agreed to add additional communication channels and  
11   suggested minor modifications to the language. I agree with the additional  
12   communication channels, as they provide the ability to reach even more customers,  
13   thus making it more likely that some customers with incorrect, outdated, or no  
14   contact information will become aware of Petitioner's new remote disconnection  
15   policy. However, since CEI South under the settlement now seeks to alert  
16   customers to its ability to remotely disconnect/reconnect customers within just 30  
17   days of implementation, instead of three-months, I recommend the Indiana Utility  
18   Regulatory Commission ("Commission"), instead, order the Company to adhere to  
19   the three-month notice position taken in Ms. Folz's rebuttal testimony.

20   **C. Customer Communication Language**

21   **Q: Did you suggest specific language to use when communicating with customers**  
22   **through various communication channels about Petitioner's new**  
23   **disconnection practice?**

24   **A:** Yes. In my direct testimony I provided language to use during the three-month  
25   campaign prior to implementing remote disconnection/reconnection.

26   **Q: Did CEI South agree to adopt the suggested language?**

27   **A:** Yes. Ms. Folz indicated CEI South agrees, in principle, with the language I  
28   proposed in my direct testimony. However, she also proposed "slight modifications



1 such as the Company name (from a branding standpoint),”<sup>13</sup> the additional  
2 communication methods outlined above, “and more clear steps to access the  
3 customer’s online account”<sup>14</sup> would be utilized. She further stated, “CEI South will  
4 commit to providing the OUCC, and other intervenors, with a copy of the  
5 Company’s language.”<sup>15</sup>

6 **Q: Do you agree with CEI South’s proposal to modify the language you proposed**  
7 **in your direct testimony?**

8 A: Yes, I agree with CEI South slightly modifying the language provided in my direct  
9 testimony. However, I will add, since CEI South indicates the language proposed  
10 in my direct testimony “may require slight modifications,”<sup>16</sup> I request the  
11 Commission afford the OUCC at least seven business days to review and comment,  
12 if necessary, on CEI South’s proposed modified language.

## II. CEI SOUTH RESIDENTIAL BILL ISSUES

13 **Q: In your direct testimony you mentioned some CEI South customers receiving**  
14 **statements for greater than a 30-day billing cycle. Do you continue to have**  
15 **concerns related to this issue?**

16 A: Yes. In his rebuttal testimony, Petitioner’s witness Matthew A. Rice indicates the  
17 Company would be moving to a new billing system as of July 1, 2024. He states  
18 CEI South “is working to keep billing cycles as close to 30 days as possible to  
19 minimize the potential for high bills caused by longer than normal billing cycles.”<sup>17</sup>  
20 However, CEI South simply working to keep bills as close to 30 days as possible  
21 is not a commitment to do so. I request the Commission, to the extent possible,

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<sup>13</sup> Folz Rebuttal, p. 7, ll. 5-6.

<sup>14</sup> *Id.*, p. 7, ll. 6-7.

<sup>15</sup> *Id.*, p. 7, ll. 8-9.

<sup>16</sup> Folz Rebuttal, p. 7, ll. 4-5.

<sup>17</sup> Petitioner’s Exhibit No. 19-R, Rebuttal Testimony of Matthew A. Rice, p. 5, ll. 15-18.

1 enforce the “Bills will be rendered monthly” provision contained in CEI South’s  
2 Terms and Conditions, Sheet No. 80, page 6 and the reference to “monthly” rates  
3 and charges in Rate RS Residential Service, Sheet No. 10, p. 1. This issue is not  
4 addressed in the Settlement Agreement.

5 **Q: Your direct testimony indicates some issues surrounding customers receiving**  
6 **detailed bills. Can you elaborate?**

7 A: Yes. CEI South indicates it currently uses a manual process to produce detailed  
8 bills, and customers must call the Company each month to continue receiving a  
9 detailed bill.<sup>18</sup> In his rebuttal testimony, Mr. Rice testified that once the billing  
10 system is converted, CEI South will review options to increase the level of  
11 information on its bills, following system cut over. Mr. Rice also indicated CEI  
12 South’s agreement to bold the current message on the bill that lets customers know  
13 about the option to request an itemized bill, per the OUCC’s request. Additionally,  
14 Mr. Rice explained that CEI South is exploring the potential for an automated  
15 solution so customers who want to see more information quickly without calling  
16 the Company’s Customer Service line, may do so.<sup>19</sup>

17 **Q: What is your response to Mr. Rice’s testimony?**

18 A: I appreciate CEI South’s willingness to bold information on the bill that describes  
19 how customers can obtain a detailed bill. However, it is both unfortunate and  
20 nonsensical that CEI South did not explore the potential for an automated detailed  
21 billing solution before cutting over to its new system as of July 1, 2024. The  
22 prospect of an automated detailed billing solution should have been investigated

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<sup>18</sup> Rice Rebuttal, p. 49, ll. 25-27.

<sup>19</sup> *Id.*, p. 50, ll. 2-9.

1 while gathering user/system requirements and included in the system design (or  
2 software modification) phase – not after the system was already designed/modified  
3 and delivered.

4 **Q: Do you have any recommendations to alleviate customers needing to call each**  
5 **month to request a detailed bill?**

6 A: Yes. If Petitioner remains unable to automate the creation of detailed bills in the  
7 future, I recommend the Company collect the names of its customers who have  
8 requested a detailed bill each month and, as part of CEI South's monthly billing,  
9 generate detailed bills without those customers needing to call Customer Service  
10 every month to make this request.

11 **Q: Did CEI South maintain the above billing related commitments in the**  
12 **Settlement Agreement?**

13 A: No. Instead, the Settlement Agreement states, "as soon as practicable after issuance  
14 of a final order and after implementation of EIP,"<sup>20</sup> billings will include the  
15 following additional items:

- 16 • Service Charge
- 17 • Variable Charge (charges tied to usage)
- 18 • FAC
- 19 • Sales Tax
- 20 • Total

21 **Q: What is your response to these billing commitments?**

22 A: I am perplexed by the above identified "additional line items." "Total Electric  
23 Charge," "State Sales Tax," and "Service Charge" are already included on a  
24 customer's bill. The FAC line item is new; however, CEI South has several

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<sup>20</sup> Pg. 20, Item 12 of Settlement Agreement. I assume that "EIP" refers to CEI South's new billing system, Enterprise Information Program, but the acronym is not defined in the Settlement Agreement.

1 additional trackers it is not proposing to include. The other new item, if I understand  
2 CEI South's intention, is a "Variable Charge (charges tied to usage)." It is unclear  
3 how the "Variable Charge" would be displayed, e.g., if this would include not only  
4 the kWhs used, as currently provided on electric bills, but also the actual rate/kWh  
5 that customers could recalculate themselves. I expect the variable rate to be  
6 provided alongside the already existing kWh usage. I also expect the variable rate  
7 multiplied by the kWh usage to be displayed as a total.

8 **Q: Do you agree with the Settlement Agreement regarding the timeline for**  
9 **customer bill transparency and what information customers will be provided**  
10 **on their monthly bills?**

11 A: No. CEI South should be transparent about all the fees/charges it wants customers  
12 to pay each month.

13 **Q: What do you recommend?**

14 A: I recommend the Commission direct CEI South to comply with the OUCC's  
15 position regarding bill transparency, as set forth in my direct testimony, and provide  
16 a more detailed breakdown within customers' bills. Furthermore, if CEI South  
17 cannot automate its process for customers to receive monthly detailed bills, I  
18 recommend the Commission direct Petitioner to find a way to capture the customers  
19 who want to have a monthly bill and effectuate this billing without customers  
20 needing to call each month.

### **III. CRITICAL PEAK PRICING PILOT**

21 **Q: Do you continue to have concerns with CEI South's proposed Critical Peak**  
22 **Pricing ("CPP") Pilot?**

23 A: Yes. While CEI South filed additional information in its rebuttal to satisfy the  
24 Commission's requirements for a pilot under General Administrative Order 2020-

1           05 (“GAO 2020-05”), which should have been in its case-in-chief, issues remain.<sup>21</sup>

2           OUCC witness David Dismukes, Ph.D. will discuss some of the outstanding issues

3           related to the proposed CPP Pilot, and I will address others, as detailed below.

4       **Q:    How does the Settlement Agreement address the CPP Pilot?**

5       A:    Section 7.a of the Settlement Agreement states:

6                           Critical Peak Pricing Pilot, Rider ADR, and Green Energy Rider.  
7                           The Settling Parties stipulate and agree that CEI South’s Critical  
8                           Peak Pricing Pilot, Rider ADR, and Green Energy Rider should be  
9                           approved as proposed by CEI South. CEI South commits to  
10                          providing all parties to this Cause a copy of the contract with the  
11                          demand response aggregator after it has been signed.

12      **Q:    Does the Settlement Agreement address any of the concerns you raised in your**  
13      **direct testimony regarding the CPP Pilot?**

14      A:    No.

15      **Q:    What are the Commission’s requirements for a pilot under GAO 2020-05?**

16      A:    Section V. of GAO 2020-05 states:

17                          The following shall apply to applications for approval of pilot  
18                          programs:

19                          A pilot program means a limited experiment designed to evaluate  
20                          the costs and benefits of the program. Applications for approval of  
21                          pilot programs should show the costs of programs and describe the  
22                          benefits to both participants and non-participants. Applications for  
23                          pilot programs shall:

- 24                               A. Fully describe the need and goals of the program;  
25                               B. Propose and design objective evaluation criteria to  
26                               measure the success or usefulness of the pilot program;  
27                               C. Provide an estimate of all the costs of the pilot program;  
28                               D. Allow for reasonable flexibility;  
29                               E. Propose a timeline for completion and termination of the  
30                               pilot program; and  
31                               F. Include testimony regarding why the program is in the  
32                               public interest, including how participants, non-participants,  
33                               and/or the general public may be affected.

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<sup>21</sup> Rice Rebuttal, p. 28, l. 25 through p. 35, l. 9.

1 **Q: Please explain how the Company's proposed pilot continues to be**  
2 **inconsistent with GAO 2020-05.**

3 A: The following pilot parameters continue to be problematic:

4 **A. Fully Describe the Need and Goals of the Program**

5 **Q: Did you address this aspect in your direct testimony?**

6 A: No. But because the Settlement Agreement states the pilot should be approved as  
7 proposed by CEI South, I address statements Mr. Rice made within his rebuttal  
8 testimony concerning the absence of OUCC comments upon the CPP Pilot during  
9 the Integrated Resource Plan ("IRP") stakeholder meetings. He specifically asserts  
10 on page 30, lines 12-13: "CPP was not raised in their official comments, and no one  
11 from the OUCC raised an issue publicly in a stakeholder meeting or within any of  
12 the tech-to-tech meetings."

13 **Q: What is your response to Mr. Rice's criticism?**

14 A: It is irrelevant whether the OUCC or other stakeholders commented on this issue  
15 during the IRP process. Furthermore, it is extremely prejudicial and inappropriate  
16 for Petitioner to criticize the OUCC for not then raising concerns with the program  
17 now presented for approval. It must be emphasized that an IRP is a non-binding  
18 statement of general intention by a utility, and not a docketed proceeding in which  
19 a utility seeks specific relief.

20 **Q: Did Petitioner share the concept of a CPP Pilot during its most recent IRP**  
21 **process?**

22 A: Yes. But it did not share many details surrounding the CPP Pilot. It appears  
23 Petitioner is attempting to convince the Commission that if the OUCC does not  
24 raise every possible objection in the IRP process, then it has somehow missed the

1 opportunity to address this program. The IRP stakeholder process is not the avenue  
2 for seeking approval or any ruling by the Commission on a component of the IRP.  
3 To hold the Commission, OUCC, or any intervenor to such a standard would be  
4 prejudicial in addition to being impractical. Neither the Commission nor OUCC  
5 should expend limited State resources on investigating an incomplete and suggested  
6 program that may never be filed for formal approval. Commission precedent clearly  
7 dictates that a petitioner bears the burden of proof in any docketed proceeding.<sup>22</sup>

8 **Q: Can you offer any additional examples of why OUCC recommendations**  
9 **should be based on evidence in docketed cases rather than suggestions made**  
10 **during the IRP process?**

11 A: Yes. Mr. Rice's suggestion is similar to asking the OUCC to weigh in on demand-  
12 side management ("DSM") program design, budgets by program, final make-up of  
13 measures by program, et cetera during the IRP Stakeholder process. In DSM  
14 programs there is a filing, and the OUCC and other intervenors are afforded  
15 approximately 12 weeks to review the details of the program portfolio, including  
16 budgets by program, budgets for non-program spend, program measure  
17 composition by program, program or measure incentives, benefit-cost calculations,  
18 the length of the program, and other pertinent information.

19 **Q: Do you view the CPP Pilot in the same regard as a DSM program?**

20 A: Yes. While the CPP Pilot is different because it must meet the requirements of GAO  
21 2020-05 (for pilot programs only) and DSM programs must meet their own

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<sup>22</sup> See *City of Evansville, Indiana*, Cause No. 45073, Order of the Commission, p. 8, December 19, 2018: "[The Petitioner] is reminded that it bears the burden of proof in demonstrating it is entitled to its requested relief. The OUCC should not have to request or otherwise seek basic supporting documentation that should have been provided with Petitioner's case-in-chief to support its requested relief."

1 requirements under statute, they both require filings for approval before the  
2 Commission.

3 In that filing, a utility should provide the evidence to support its proposed  
4 pilot in its case-in-chief, and the OUCC then has an opportunity to analyze details,  
5 issue data requests, and provide its recommendations to the Commission.

6 Providing comments to CEI South or to the Commission during an IRP  
7 stakeholder meeting is not a prerequisite to provide testimony in this Cause  
8 regarding CEI South's proposed CPP Pilot, and any inference otherwise is  
9 misplaced.

10 **B. Propose and Design Objective Criteria to Measure the Success or Usefulness**  
11 **of the Pilot Program**

12 **Q: In your direct testimony you indicate using the same vendor, Cadmus, to both**  
13 **design and perform evaluation, measurement, and verification (“EM&V”) on**  
14 **the CPP Pilot is an inherent conflict of interest. Does this continue to be an**  
15 **issue?**

16 A: Yes.

17 **Q: Does Petitioner’s witness Justin L. Forshey’s rebuttal testimony disagree with**  
18 **your contention that CEI South was non-responsive to your question**  
19 **regarding whether it ever used the same vendor to both design and perform**  
20 **EM&V?**

21 A: Yes, but I take issue with Petitioner’s characterization. OUCC data request (“DR”)

22 44.1 asked CEI South the following:

23 Please indicate whether CEI South (or formerly Vectren) has ever  
24 used the same vendor *to both design and perform EM&V*  
25 (evaluation, measurement, and verification) on an energy efficiency  
26 or any other demand side management program. If yes, please  
27 provide the name of the program(s), the name of the vendor(s), and  
28 the years these programs were implemented, and the year EM&V  
29 was performed (emphasis added).

30  
31 CEI South responded:  
32



1 Please see CEI South's response to OUCC DR 5.31. Cadmus  
2 provides program recommendations in the EM&V report each year  
3 to improve the delivery of programs and maximize savings  
4 achievement. Additionally, Cadmus assisted with program delivery  
5 of CEI South's Residential Specialty Lighting Program as we began  
6 discontinuing lighting offerings due the Energy Independence and  
7 Security Act backstop provision issued by the U.S. Department of  
8 Energy. Cadmus has evaluated the Residential Specialty Lighting  
9 program since its inception in 2021.

10  
11 Petitioner's response to DR 44.1 is evasive. The answer explains CEI South used  
12 its EM&V vendor, Cadmus, to assist "with program *delivery* of CEI South's  
13 Residential Specialty lighting Program..." it does not explain whether it has used  
14 the same vendor to both design and perform EM&V on its DSM programs, as DR  
15 44.1 asks (emphasis added).

16 Further, the second line of the response states: "Cadmus provides program  
17 recommendations in the EM&V report each year to improve the delivery of  
18 programs and maximize savings achievement." For clarity, the EM&V vendor is  
19 expected to provide findings from its EM&V studies and to provide  
20 recommendations to improve various aspects of the program. However, these are  
21 only recommendations. The utility and its DSM Oversight Board ("OSB") are not  
22 bound by these recommendations and can choose to modify programs as they see  
23 fit. Additionally, it is not only the utility who is determining whether to accept  
24 recommendations, but also the OSB, which creates another level of accountability  
25 for all parties involved. This activity does, therefore, not present the same conflict  
26 of interest concerns as a vendor both designing and subsequently performing  
27 EM&V on its own efforts. Throughout the years, utilities have taken great care to

1 ensure they do not use the same vendor to both design programs and to perform  
2 EM&V on the same DSM programs within any given evaluation year.

3 **Q: Are there other distinctions to be made between the DSM programs and the**  
4 **EM&V process versus the proposed CPP pilot?**

5 A: Yes. First, the EM&V vendor is independent of the utility and the vendor the DSM  
6 OSB selected to design programs. In the case of the CPP Pilot, there is no OSB,  
7 and there is no independence from the utility — it would be the fox watching the  
8 henhouse. Second, during the DSM EM&V process the OUCC and other OSB  
9 members participate in regularly scheduled calls with the EM&V vendor to  
10 understand what is transpiring and to discuss issues. Also, the OUCC and other  
11 OSB members have the opportunity to look at the draft EM&V report prior to  
12 finalizing and filing with the Commission. This is an important step, as it allows  
13 the OUCC and other stakeholders to find issues for the vendor to correct prior to  
14 finalizing the EM&V Report. For the CPP Pilot as proposed, there would be no  
15 independent third-party reviewing these reports prior to finalizing and submitting  
16 the report to the Commission.

17 **Q: What are your recommendations regarding the CPP Pilot?**

18 A: If the Commission approves this program, I recommend the Commission direct CEI  
19 South to choose two separate vendors – one to design its program and one to  
20 perform EM&V. However, if the Commission allows CEI South to use the same  
21 vendor to both design and perform EM&V on the CPP Pilot, an OSB-like process  
22 should be required. This would enable the OUCC and interested intervenors to  
23 participate and scrutinize the EM&V report prior to it being filed with the  
24 Commission.

1 **D. Allow for Reasonable Flexibility**

2 **Q: Did Mr. Rice address this issue in his rebuttal?**

3 A: Yes. He stated, "CEI South believes the pilot provides flexibility by incrementally  
4 developing its design, implementation, and evaluation in collaboration with, and  
5 with input from, the Commission and interested stakeholders" (emphasis added).<sup>23</sup>

6 **Q: In its case-in-chief, did CEI South convey that it would collaborate with  
7 interested stakeholders?**

8 A: No.

9 **Q: How did CEI South indicate in its rebuttal testimony that it will collaborate  
10 with interested stakeholders?**

11 A: CEI South indicated it "plans to meet with interested stakeholders to discuss  
12 progress and solicit feedback about every six months until the 2028 IRP stakeholder  
13 process begins..."<sup>24</sup> However, Petitioner did not elaborate and provide details  
14 regarding how "interested stakeholders" will be involved throughout the process.  
15 As an example, it is unknown whether stakeholders will be permitted to provide  
16 meaningful feedback on all aspects of the CPP Pilot, including EM&V process and  
17 reporting, and whether the Company will act upon that feedback, or if CEI South  
18 will ultimately choose what feedback it will act upon. This contrasts to DSM OSB  
19 issues where all parties can weigh in and a vote may be taken to determine  
20 outcomes.<sup>25</sup> If the Commission approves this program, CEI South should be  
21 required to provide a written plan explaining and committing to how the  
22 Commission, the OUCC, and intervenors can be involved throughout the CPP Pilot.

23 **E. Propose a Timeline for Completion and Termination of the Pilot Program**

---

<sup>23</sup> Rice Rebuttal, p. 32, ll. 18-21.

<sup>24</sup> *Id.*, p. 33, ll. 8-9.

<sup>25</sup> If a vote is taken and an OSB member disagrees with the outcome, it is any party's prerogative to take the issue to the Commission.

1 **Q: Did Petitioner provide the timeline for completion of the CPP Pilot in its**  
2 **rebuttal testimony?**

3 **A:** Yes. In his rebuttal testimony, Mr. Rice indicated the CPP Pilot would begin Q2 of  
4 2026. Since CEI South also indicates the CPP Pilot will last for two years, we can  
5 assume it will end by Q2 of 2028. I do not take issue with this timeline.

6 **Q: What do you recommend regarding the CPP Pilot?**

7 **A:** Given the continued concerns identified above, as well as those discussed in Dr.  
8 Dismukes' testimony, the OUCC recommends the Commission not approve the  
9 CPP Pilot. If the Commission approves the Pilot, I recommend it require CEI South  
10 to provide a written plan explaining and committing to how the Commission, the  
11 OUCC, and intervenors can be involved throughout the CPP Pilot.

#### **IV. RECOMMENDATIONS**

12 **Q: What are the OUCC's recommendations in this Cause?**

13 **A:** The OUCC recommends the Commission:  
14 1. Adopt the recommendations included in my direct testimony, as modified by  
15 my settlement testimony;  
16 2. Require CEI South to increase its communications with customers regarding  
17 the remote disconnection/reconnection proposal prior to implementing this  
18 program for a minimum of three months;  
19 3. Reject CEI South's proposal adding only a few line items to bills and order the  
20 Company to file a plan with the Commission under this Cause detailing more  
21 comprehensive bill transparency and how CEI South will update its systems

1           and processes to perpetually provide detailed bills to customers who request  
2           these, rather than customers needing to call CEI South each month;

3           4. Limit CEI South's billing cycles to no more than 32 days as discussed in my  
4           direct testimony; and

5           5. Deny CEI South's proposed CPP Pilot. If the Commission approves the Pilot, I  
6           recommend it require CEI South to provide a written plan explaining and  
7           committing to how the Commission, the OUCC, and intervenors can be  
8           involved throughout the CPP Pilot.

9   **Q: Does this conclude your testimony?**

10  A: Yes, it does.

1. Regarding CEI South’s request for a waiver of 170 IAC 4-1-16(f), please indicate:
  - a. Whether this waiver applies to all customer classes, i.e., Industrial, Commercial, and Residential. If not, please explain.
  - b. Whether this waiver applies to all rate classes within each customer class. If not, please explain.
  - c. Whether CEI South’s tariff will be updated to indicate the ability to remotely disconnect for non-payment. If not, please explain.

**Response:**

- a. This waiver will apply to customers with meters that have remote capability. Please refer to Ms. Folz’ rebuttal testimony at pp. 4-5, which explains, “CEI South has 134,972 customers eligible for remote disconnect for non-payment due to their meter model type.”
- b. Please refer to CEI South’s response to subpart a.
- c. While CEI South had not planned to update the tariff to indicate CEI South’s ability to disconnect remotely for nonpayment, CEI South does not object to updating the tariff to indicate such, if the Commission approves CEI South’s request for a waiver of 170 IAC 4-1-16(f).

CEI South did plan to update the tariff, if the waiver was approved, however, to indicate that the reconnection charge shall be three dollars if reconnected remotely and \$40 at the meter.

**From:** [Close, Hillary](#)  
**To:** [Haas, Jason](#)  
**Subject:** RE: 45990 CEIS Response to OUCC DR 53  
**Date:** Wednesday, July 17, 2024 1:35:09 PM  
**Attachments:** [image003.png](#)  
[image004.png](#)  
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Jason,

Currently meters with this capability are primarily in the residential and small commercial classes. Meter type is based on the service amperage needed, not customer class. However, as indicated in the response, the waiver is requested based on meter capability. So as meters with capability to remote disconnect are added to other customer classes, the waiver would then also apply to those customer classes. I'll forward this email to the service list so everyone can see the follow-up.

Hillary

**Hillary Close** | Partner

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**From:** Haas, Jason <THaas@oucc.IN.gov>  
**Sent:** Wednesday, July 17, 2024 12:02 PM  
**To:** Close, Hillary <Hillary.Close@BTLaw.com>  
**Subject:** [EXTERNAL] RE: 45990 CEIS Response to OUCC DR 53

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Hillary,

I wanted to follow up on the response, as the response to part (a) does not answer the question asked. The question asks if the waiver applies to all customer classes, while the response gives the number of customers eligible for remote disconnect. Does this mean that customers from all classes are included in this number but whether a particular customer is subject to the waiver depends on the capability of their meter, or are there any particular customer classes, or rate classes, where customers do not have this capability? Please let me know if you would like to discuss. Thank you.



T. Jason Haas

Deputy Consumer Counselor

Indiana Office of Utility Consumer Counselor

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**Sent:** Tuesday, July 16, 2024 9:08 PM

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**Subject:** 45990 CEIS Response to OUCC DR 53

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Attached please find CEI South's Response to OUCC DR 53 in the above-referenced Cause.



Hillary

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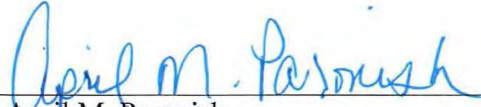
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**AFFIRMATION**

I affirm, under the penalties for perjury, that the foregoing representations are true.



---

April M. Paronish  
Electric Division Assistant Director  
Indiana Office of Utility Consumer Counselor

Cause No. 45990  
CenterPoint Energy Indiana South

July 19, 2024

---

Date

## CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing has been served upon the following counsel of record in the captioned proceeding by electronic service on July 19, 2024.

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Jeffery A. Earl  
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