

Dr. Bradley Borum
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Indiana Utility Regulatory Commission
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AstraZeneca
Mt. Vernon Supply Site
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Re: Vectren June 2020 IRP Submission to IURC
05 October 2020

Dr. Borum:

We at Astrazeneca– Mount Vernon, IN (AZ-MTV) have thoroughly reviewed the Integrated Resource Plan (IRP) submitted to the Indiana Utility Regulatory Commission (IURC) and am fond of the strides Vectren is making to reduce carbon foot print in the SW Indiana community. We are in strategic support of your efforts to use natural gas and renewables for generating electricity. Natural gas is proving to be a sustainable fuel from a reliability and cost perspective. Idling coal plants will insure clean ground water as ash ponds at coal generating plants are idled. Additionally, air pollution and particulate matter have appeared to have an adverse impact on the higher than normal cancer statistics in SW Indiana compared to other regions of the Midwest and United States in general.

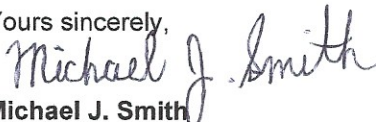
As you know, AZ as a Corporation is striving to be carbon neutral at its North American manufacturing sites by 2025, and has participated in the Dow Jones Sustainability Index assessment process. Renewables from this decision are a large part of our consideration in what we can do to meet Corporate Environmental goals.

We're heavily evaluating how we can reduce environmental impact at MTV in the waste arena. We plan to be 100% "land fill" free by the end of 2020. Most of our plant waste is re-purposed as steam energy for use in the City of Indianapolis via Covanta. We're evaluating solar and cogeneration along with Vectren renewable options to reach our environmental impact goals. Options for synthetic gas to reduce our foot print might also be a welcome addition. However, cost goals from federal governmental pressures toward pharmaceutical pricing are an important variable in our competition against sister plants all across North America including Puerto Rico.

We are concerned as well, with where regulated pricing from renewables accepted by the IURC will land Vectren considering it's higher than state average for generation cost for coal plants in particular. We are in a region of the state of Indiana where electricity costs are considerably higher than state average.

We are in full support of renewables for a cleaner state, but would hope that gas turbines of the highest efficiency are considered, voltage and VAR control aren't forgotten on the technical acumen front, and costs are held in reasonable check. A substantial increase in utility cost challenges our Cost of Goods Sold (COGS) KPI metric and hurts our viability in the marketplace against major competitors in other regions and even our own sister plants in the US and Europe.

Yours sincerely,



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