

ORIGINAL

**GENERAL ADMINISTRATIVE ORDER
OF THE INDIANA UTILITY REGULATORY COMMISSION
2016-5**

WHEREAS, in accordance with Indiana Code section 8-1-2-49(2), no management, construction, engineering, or similar contract, made after March 8, 1933, with any affiliated interest shall be effective unless the contract shall first have been filed with the Commission.

WHEREAS, in accordance with Indiana Code section 8-1-2-49(2), if, after investigation and a hearing, the Commission finds that the affiliate contract is not in the public interest, it is authorized by statute to disapprove such contract.

WHEREAS, the Commission has found that certain contract provisions are generally necessary in order for an affiliate contract to be deemed in the public interest.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Policy Governing the Filing of Affiliate Contracts Pursuant to Indiana Code section 8-1-2-49(2), which is attached to the General Administrative Order as Appendix A, is adopted by this Commission, and GAO 2016-1 is hereby superseded.

Absent

Carol A. Stephan, Commission Chair



James F. Huston, Commissioner



Angela Rapp Weber, Commissioner



David E. Ziegner, Commissioner



Sarah E. Freeman, Commissioner

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



Mary M. Becerra, Secretary to the Commission

Date: SEP 28 2016

APPENDIX A

Procedures Governing the Filing and Review of Affiliate Contracts Pursuant to Indiana Code section 8-1-2-49(2)

In order to be considered in the public interest, the Indiana Utility Regulatory Commission (“Commission”) has determined that affiliate contracts must, at minimum, conform to the following standards and procedures:

I. Applicability

Where applicable, the definitions set forth in IC 8-1-2-1 shall be applied to this General Administrative Order.

II. Scope of the Commission’s Review

The provisions of this General Administrative Order provide the general parameters to which affiliate contracts must adhere. These parameters do not limit the Commission’s ability to review fully the express terms of each affiliate contract.

III. “Affiliate contract” Defined

“Affiliate contract” means a management, construction, engineering, or similar contract, made after March 8, 1933, with any affiliated interest, as defined in IC 8-1-2-49.

IV. Affiliate Contracts in the Public Interest

In order to be considered in the public interest, as required by IC 8-1-2-49, affiliate contracts must, at minimum, do the following:

- (a) Include clear and reasonably detailed information regarding costs and how they are calculated. This information should be reasonably detailed relative to the cost of products or services in the contract.
- (b) Include clear information regarding the scope of work or duties of the parties. This information should be reasonably detailed relative to the nature of the contract.

Affiliate contract should also do the following:

- (a) Include the following terms:
 - (1) A definite termination date, not more than five (5) years from the effective date of the contract.
 - (2) Notice that the contract, pursuant to IC 8-1-2-49(2), shall not be effective until it is filed with the Commission.
- (b) Exclude the following terms:

- (1) A provision that provides for an automatic contract renewal or renewal without notice to all contracting parties and the Commission.
- (2) A provision that provides for an effective date that is prior to filing with the Commission.
- (3) Any provision that is contrary to the utility's own tariff, policies, or rules.

V. Filing Affiliate Contracts with the Commission

Affiliate contracts shall be filed electronically with the Commission's Office of General Counsel by attaching the pertinent materials in an email addressed to GeneralCounsel@urc.IN.gov and shall be considered filed on the date submitted.

An affiliate contract filing should contain the following:

- (a) Contact information for the utility or attorney sending the affiliate contract.
- (b) A discreet affiliate contract number, with that number included at the top of the underlying contract and all amendments, task orders, change orders, and any other contract changes or attachments.
- (c) If an affiliate contract is the result of a hearing before the Commission or is anticipated to be referenced in a hearing, the hearing cause number shall be clearly referenced in the contract. The contract must be filed in the cause as well as separately filed with the Commission's Office of General Counsel for review.
- (d) If filing an amendment or other contract change or attachment, the entire underlying contract must be included to facilitate proper review.