

The Director's primary areas of focus include the interrelated topics of load forecasting; demand side management (DSM), which includes energy efficiency (EE) and demand response (DR); resource optimization and risk analysis; and the treatment of the Five Pillars.

A. Load Forecast

- a. **Comment: Itron's usual document explaining SAE models was not included in the IRP and it should have been for readers not familiar with them.**

Response: A document that includes an explanation of SAE models can be included in future reports.

- b. **Comment: There are no details provided on how the industrial and "other" forecasts are created aside from stating that industrial is customized for each customer based on knowledge provided by the member system and "other" is a simple trend and judgment process.**

Response: This process has not changed from the previous IRP. The Industrial Consumers are forecasted on a case by case basis relying on historical energy and demand data, member key account knowledge of recent developments and future expectations.

- c. **Comment: There is no explanation of how peak producing weather is determined in the body of the report or even a reference to where it can be found.**

Response: Appendix B contains information on how the peak producing weather is determined.

- d. **Comment: There is very little information provided about the peak models.**

Response: Individual member system peak demands forecast coincident and non-coincident peaks are developed using a statistical model driven by the electric energy forecast and peak producing weather. This is a regression model that uses historical meter data with normal peak weather to build an hourly demand forecast. We can add more clarity around the demand forecast process in future IRPs.

- e. **Comment: Overall, the load forecast write-up in the 2023 IRP has noticeably less detail on the models than in Hoosier Energy's 2020 IRP.**

Response: Hoosier Energy's documentation on long-term forecasting has been adjusted to meet current RUS standards, which require less detail than the previous iterations. We are happy to include any additional forecasting

details the IURC director sees as fit. We will incorporate more details in future reports based on the comments provided.

B. Energy Efficiency

- a. **Comment:** Energy efficiency and demand response resources are hard coded into the planning model. Thus, EE and DR resources were not considered on a comparable basis with supply-side resources.

Response: The GDS Market Potential Study identified energy efficiency and demand response options for residential and non-residential customer categories. These blocks were hard coded into the model and assumed to be pursued by Hoosier Energy and its Members. While the model did not directly compare EE and DR to supply-side resources, the quantities hard coded into the model, and thus selected by Hoosier Energy, were small enough that they would have been replaced by market purchases.

Additionally, while Hoosier Energy can make EE and DR programs available in its role as wholesale provider, decisions regarding which EE and DR programs are pursued are made by Hoosier Energy's member systems on an individual basis.

- b. **Comment:** There is little information on the assumptions used to determine the utility avoided costs and how these costs were used in the MPS to select the potential EE and DR measures for implementation. Were transmission and distribution costs considered in the avoided cost calculation? If yes, how much were these costs? How were these avoided T&D costs calculated?

Response: T&D costs were included in the avoided cost calculation of the MPS. As stated on P. 29 of the MPS Report, "The Total Cost Resource Cost (TRC) test was used to determine the cost-effectiveness of each DR program. Benefits are based on avoided demand, energy (including load shifting), wholesale cost reductions and T&D costs. Costs include incremental program equipment costs (such as control switches or smart thermostats), fixed program capital costs (such as the cost of a central controller), program administrative, marketing, and evaluation costs. Incremental equipment program costs are included for both new and replacement units (such as control switches) to account for units that are replaced at the end of their useful life". Hoosier Energy will work to better illuminate the calculation process in its 2026 IRP.

C. Resource Optimization and Risk Analysis

- a. **Comment: As much as 857 MW of capacity that comes online before 2027 is preselected outside of the optimization process, this would seem to minimize the value of the model optimization if such a large part of the portfolio is left outside of the process.**

Response: Hoosier Energy also conducted a series of model runs that did not include the 857 MW of supply-side resources and evaluated alternative resources. The selected resources were pursued after an extensive review of these results and other market and resource options outside of the IRP process.

- b. **Comment: Once the preferred portfolio is determined, there is no discussion of the short-term action plan. The Director infers that this is because 757 MW out of 857 MW of supply-side resource additions through 2028 were locked in across all portfolios. This does not include the EE and DR resources locked in as well.**

Response: Hoosier Energy agrees with the Director's statement that the new resources obviate the need for an extensive short-term analysis, thus we made the decision to provide a short-term action plan that was broader than those that we provided in previous IRPs. This allows flexibility in our approach to manage risk around our portfolio.

- c. **Comment: Hoosier Energy stated that reliability was an important consideration that guided IRP development, but reliability was not included in the scorecard as a metric nor is the discussion of reliability coherent. The discussion of reliability is scattered across several locations in the IRP (See Hoosier Energy IRP, pp. 171, 201, 205, and 209), and there does not appear to be a single place where the different aspects of the reliability discussions are tied together.**

Response: The Scorecard was developed by Hoosier Energy's Board, who declined to use Reliability as a criterion because they are unwilling to accept less than 100% reliability. Reliability and Resiliency were addressed through the Quanta study, which Hoosier Energy provided as an attachment to its IRP. Hoosier Energy will strive to improve the presentation of information in its 2026 IRP.

D. Hoosier Energy's Consideration of the Five Pillars

- a. **Comment: Consideration of the Five Pillars seems to be treated as an afterthought in the IRP report and analysis development process. Only two of the Five Pillars specified in the statute are explicitly represented**

**in the scorecard metrics presented above. The two pillars are affordability (by metrics 1a-1c and 2a-2b) and environmental sustainability (by metrics 2a-2c).**

Response: Hoosier Energy explicitly represented Stability, Affordability and Environmental Sustainability in its scorecard because those attributes were specifically prioritized by our Board. Reliability and Resiliency were addressed through the Quanta study, which Hoosier Energy provided as an attachment to its IRP. Hoosier Energy will strive to improve the presentation of information in its 2026 IRP.

E. General Comments

**Comment: The comments above note several places where information was not presented at all or was presented in a disjointed or confusing fashion. This is particularly the case when addressing the topic of reliability and the Five Pillars.**

Response: Hoosier Energy believes that the Five Pillars are represented in the IRP, but that the prioritization represented in the Scorecard is filtered through Board priorities. Hoosier Energy will strive to improve the presentation of information in its 2026 IRP.