

IURC Response to Written Comments on IRP Strawman Proposed Rule

The Indiana Utility Regulatory Commission (“IURC” or “Commission”) received written comments from many parties on the IRP “Strawman” Proposed Rule. After careful consideration of these comments, a number of changes have been made to the Draft Proposed Rule. For purposes of transparency, this document summarizes key comments and provides the IURC staff response.

170 IAC 4-7-1 Definitions

Select comments and the IURC staff response are provided in Table 1.

Table 1. Summary of Comments on Definitions Section and IURC Staff Responses

Comment	Response
Eliminate “acknowledgement”	The term has been eliminated – instead, the review process is being referred to as what it is - a compliance determination. Please see the section regarding 170 IAC 4-7-2 and Table 2 for further description.
Eliminate “contemporary methods”.	The term has been kept, as it is used elsewhere to require that IRP methodology must be consistent with best industry practices.
Add definition for “energy storage”.	The definition of “energy storage” has been added because of its use in the Resource Integration section of the rule. Because there is not a single, authoritative definition of electric energy storage, which encompasses a wide range of technologies and applications, the definition introduced is quite general.
Retain definition of “lost opportunity”.	The definition was not retained because it is not used elsewhere in the rule.
Various suggestions were made that requested definitional changes to “conservation”, “demand-side management”, “demand-side measure”, “energy efficiency improvement”, “avoided cost”, and “total resource cost test”.	No definitional additions or changes were made in regard to these terms. IURC staff does not believe the IRP rule is the appropriate vehicle to more precisely define these terms.
“Supply-side resource” should include a generation asset sited on customer property.	“Distributed generation” was added to the definition of “supply-side resource”.
Add definition for “waste energy recovery”.	Not added because the term is not used elsewhere in the rule.
Add definition for “load”.	Not added because no added value was perceived by clarifying the term.

170 IAC 4-7-2 Procedures and effects of filing integrated resource plans

The majority of comments in this section pertained to the acknowledgement/compliance review process. While the term “acknowledgement” has been eliminated, a compliance

determination made by the IURC Electricity Division Director (“Director”) has been retained, with right of appeal to the full Commission. Other comments suggested reducing the planning and forecasting horizon to 10 years and converting to a three year cycle filing. Neither of these suggestions has been incorporated. Resource decisions in the near-term are affected by conditions and projected resource changes that occur beyond ten years from now. The two year filing frequency appears to have been suitable for IRP filing entities thus far and adopting a triennial filing would lead to use of an older, staler IRP in the third year after a filing. Filing frequency may be revisited if the compliance review and public advisory processes are found to overly crowd the IRP window.

Some comments supported the acknowledgement/compliance review process, while others raised concerns. Comments suggesting changes or requesting clarification are summarized along with any responses in Table 2. The revised language states that the standard of review is compliance with the rule.

Table 2. Summary of Comments on Compliance Review Process and IURC Staff Responses

Comment	Response
Due to a variety of concerns, the acknowledgement process should be eliminated	The acknowledgement process has been more clearly defined as a compliance determination. Currently, the IRP is an informational filing. A substantive review of IRPs is beneficial for a variety of reasons, including the following benefits observed in other states with such processes: incenting participation in the public advisory process, narrowing the margin of dissension among parties in subsequent cases, educational value to all parties, and improved quality of intervention and utility analyses in subsequent cases. By introducing an enforceable compliance review process coupled with the substantive requirements in the rule, the proposed rule should lead to a robust IRP process if implemented faithfully.
Review determination implies approval for methodologies and resource action(s), which may disadvantage a party in a CPCN case	The Draft Proposed Rule contains protective language stating a compliance determination does not constitute pre-approval or authorization of any resource action. This is typical in most IRP states, which have reported no problems with the distinction, even in states that go beyond Indiana’s proposed compliance standard (commonly states have a “reasonableness” standard that also applies to the resources selected in the IRP). Neither the Commission nor any parties are legally bound by outcomes in the IRP process (including methodologies) in subsequent cases. The proposed rule clarifies and codifies the connection between the IRP and resource actions (consistency language allowing for fully explained and justified discrepancies). Legally, this changes nothing (e.g., a CPCN in its entirety must be fully explained and justified), but in effect it puts focused scrutiny on any IRP-resource action discrepancies.
IRP process substitutes for the CPCN process	IRP process <i>supplements</i> the CPCN process. Participation in the IRP process does not preclude a party from raising issues in a CPCN. It is expected that some analytical issues would be resolved in the IRP process, thus parties would agree on those topics in subsequent cases.

<p>Due process is violated by improperly delegating responsibilities of the Commissioners to staff</p>	<p>The Draft Proposed Rule now contains an appeals process, whereby the utility or another party may challenge the Director’s compliance determination before the Commission in a docketed proceeding. The IURC’s General Counsel’s Office has assessed this and determined it to be a legally sound procedure, as long as the Commission has the opportunity to make a final determination in an appeals process.</p>
<p>Staff needs to describe the rationale for a deficiency and should not issue instructions to correct deficiencies, which is the utility’s responsibility</p>	<p>The intent of the Draft Proposed Rule is not to have staff prescribe corrective actions for IRP deficiencies; however, the Strawman language could have been interpreted that way. The language has been altered so that the Director must explain why deficient portions are not in compliance and may request that the utility revise and resubmit its IRP (or incorporate in next biennial filing) to address these deficiencies. How the utility corrects any deficiencies is up to the utility and is the utility’s responsibility.</p>
<p>If staff identifies a deficiency, is there a time limit for resubmission or could a utility wait until its next CPCN or IRP filing to make corrections? Corrections should be made as soon as possible.</p>	<p>The timing of resubmission would be determined on a case-by-case basis and depends on the nature of the revision(s) requested. Some revisions may be relatively simple and an updated IRP may be reasonable within a short time frame. Some revisions may be time-intensive (e.g., re-running modeling that significantly alters results and requires updating subsequent portions of the IRP). For such time-intensive revisions, it may be appropriate to request that revisions are made in the subsequent IRP filing.</p>
<p>Testimonial staff need to be designated for each IRP cycle</p>	<p>The IURC’s Office of General Counsel has determined that neither the Director nor any IURC staff participating in the compliance review of an IRP need to be pre-designated as testimonial staff. On appeal to the Commission, the compliance determination will be reviewed based on the documents submitted under the IRP rule (i.e., the IRP, any written and reply comments, and the Director’s written compliance determination). This review by the Commission on appeal will be similar to the current process to review determinations by the IURC’s Consumer Affairs Division, which is done on the record and without testimony or advice from the Consumer Affairs Division staff. If issues in a pending CPCN case are simultaneously at issue during an IRP process/review, then staff communications with the utility and commenting parties would be limited to publicly noticed forums, pursuant to the Commission’s existing ex parte rules.</p>
<p>May lead to an unnecessarily contentious IRP process</p>	<p>An example illustrating heavy IRP litigation was cited in one set of comments based on an order from the New Mexico PUC. IURC staff followed up with the New Mexico PUC, which stated that IRPs had not been litigated, but rather the order referred to heavy litigation in other filings (renewable energy (“RE”) and energy efficiency (“EE”) filings).</p> <p>A robust IRP process by definition will contain disputes; however it is very beneficial to address these disagreements in a collaborative process in advance of resource actions. The</p>

	proposed IRP process (including compliance review, public advisory, and contemporary issues processes) will involve more resources on behalf of utilities, the Commission, and any interested parties; however the benefits should far outweigh the added resource costs. Benefits should also include reducing resource demands in subsequent cases.
Only an acknowledged (compliant) IRP can be used in a CPCN	This was not the intention of the Strawman rule but the language could have been clearer. New language has been introduced in the Draft Proposed Rule that connects any resource action (e.g., CPCN) to the last filed IRP, without the need to wait for a compliance determination.
Duplicative for IRP review when it is covered in CPCN	As stated earlier, addressing analytical issues in advance is a very valuable supplement to the CPCN process. Staff expects improved CPCN analyses, intervention quality, narrowed dissent, and ultimately higher quality resource decisions, as evidenced anecdotally in other states.
Response time for comments on IRPs should be changed to 90 days	Comment period extended from 75 to 90 days based on the number, volume, and complexity of the filings and the time of year in which the IRP review is taking place.
Compliance determination needs a deadline	A compliance determination deadline of 60 days after comments are received (150 days total after IRP filing) is being introduced.
The commission should be required to make comments available on its website.	New language stating that written and responsive comments shall be made available on the commission's website has been added.

170 IAC 4-7-2.1 Public advisory process

Comments generally supported the opportunity for stakeholders to be involved with the IRP development process, however some raised concerns. Comments raising concerns or suggesting changes, and the associated IURC staff responses, are listed in Table 3.

Table 3. Summary of Comments on Public Advisory Process and IURC Staff Responses

Comment	Response
Process will be a target for special interest groups advocating to skew results in their favor or liking. No basis for claim that substantive discourse will result. Many will lack the expertise and knowledge to comment beneficially. Benefits depend on effort invested by stakeholders.	It has been the experience in some public advisory processes in other states for special interest groups to advocate for assumptions in their favor or liking, especially initially. In well-managed processes, where the meeting administrator steers the dialogue toward focused substantive input, this problem has been greatly reduced. Furthermore, after the initial meeting the subject matter gets highly technical, and the experience in other states has been for the input to be more on-topic in more topic-specific subsequent meetings. In addition, many stakeholders have found great educational benefit, and the sophistication and quality of their input in subsequent IRP cycles and resource proceedings has been elevated. Numerous states have observed this, and IURC staff would be happy to provide the contact information for utilities and PUC staff in these states. It is true

	that the benefits depend on effort invested by stakeholders, and presumably they will only participate if they find sufficient benefit. Benefits also depend on the utility’s process management and willingness to work with stakeholders.
Utilities should not be forced to incorporate unrealistic assumptions. Suggest changes to ensure process sticks to meaningful input, control of meetings can be maintained, and that utilities do not have to respond to issues that are not meaningful.	IURC staff agrees with the basis of this comment. The Draft Proposed Rule states this is an <u>advisory</u> process and that the utility shall consider and respond to all <u>relevant</u> input received. To emphasize this point even further, the word “relevant” has been added to two other lines in this section.
The meeting requirement regarding the preferred resource portfolio should be held after filing the IRP.	The intent was to have stakeholders’ input on the selection of the preferred resource portfolio at the appropriate stage of IRP development (evaluating performance of candidate portfolios). It is more useful to have this input at a point where the utility can adjust/respond before it files the IRP. Note that, while the rule only requires two meetings, the experience in other states indicates additional meetings are beneficial to cover material in-depth. This should be determined in a timely manner and gauged by the level of stakeholder interest. Thus, utilities should hold the initial meeting far enough in advance to schedule additional meetings based on input by stakeholders.
Remove dependence of holding additional meetings based on the level of interest from the public and interested parties and allowing participants to request that items be placed on the meeting agenda.	While utilities have the responsibility of managing the process, they need to be responsive and accommodating to the interests of their stakeholders. This means permitting stakeholders to provide input regarding the (relevant) topics and number of meetings.
The utility should determine the timing of meetings and establish a process for accepting and responding to comments. Remove provision stating that the timing of meetings shall provide an opportunity for public participation in a timely manner that it may affect the outcome of the IRP efforts.	The Draft Proposed Rule does not preclude the utility from establishing a process for receiving input, provided that it complies with other provisions of the rule. The language on meeting timing determinants is not changed because the meetings should meet the needs of the utility’s schedule, as well as allow time for the utility to make adjustments based on stakeholder input (critical to the ability of stakeholders to provide input into IRP development).
If Commission staff participate in a utility’s process they must be precluded from later participation in any commission or staff decision concerning the content of the IRP or any resource action where that IRP	Participation by IURC staff in the proposed public advisory process would be in accordance with the existing ex parte rules. Under the Commission’s existing ex parte rules, Commissioners and IURC staff are allowed to meet with utilities, even regarding issues that are expected to be in subsequent proceedings before the Commission, as long as those meetings occur at least 30 days prior to the opening filing in a related proceeding. In addition,

is introduced as evidence.	participating in publicly noticed open meetings is not prohibited as an ex parte communication.
If necessary, adjust the IRP timelines so that a utility may address stakeholder concerns before an IRP is finalized and submitted.	The proposed rule requires utilities to schedule meetings in a manner that allows for adequate time for stakeholder concerns to be addressed during IRP development. If it becomes clear that the public advisory process cannot be completed in a timely manner, a filing extension may be considered.
Rule should specify that a utility must respond to stakeholder concerns in good faith.	The rule encourages this by requiring the utilities to consider and respond to all relevant input received.

170 IAC 4-7-2.2 Contemporary issues meeting

Comments on the contemporary issues meeting section that voiced concerns or suggested changes are summarized in Table 4 along with associated IURC staff responses.

Table 4. Summary of Comments on Contemporary Issues Meeting and IURC Staff Responses

Comment	Response
A meeting deadline should be included so the meeting does not delay or interfere with IRP development (various deadlines proposed).	A meeting deadline of one year prior to the IRP filing date has been added.
The purpose should be clarified and stated.	The Draft Proposed Rule does not state the purposes of any of the sections of the rule, as purposes are not typically put in administrative rules. As used in other states, possible purposes of the Contemporary Issues Meeting include: identify issues in advance of utilities' IRP development processes, assist with the formulation and review of IRP expectations to ensure contemporary methods (best industry practices) are used, improve the efficiency and effectiveness of stakeholder involvement by addressing issues in a collective forum prior to utilities' individual public advisory processes, and serve to spur collaboration on multi-utility planning efforts.
A utility should not be required to adopt any practices or methodologies identified at such meetings but should include a discussion of its reasoning in the IRP.	The purpose of any written guidance will be to communicate staff expectations early in the process. While any written guidance would not be enforceable, it may influence the Director's compliance determination. With the compliance appeals process, if a utility does not believe the Director's expectations are appropriate and it results in a non-compliance determination, the utility may challenge the Director's determination before the Commission by filing an appeal.
Concern that "contemporary methods" could be used by Commission to dictate the type of analysis conducted.	The intention is to hold IRPs to a minimum substantive standard that is based on best industry practices, with a focus on the optimality of methods and accuracy of inputs. The Contemporary Issues Meeting and Contemporary Methods will be based on the professional judgment of IURC staff, but are

	not designed to result in prescriptive direction from IURC staff. Rather, the Contemporary Issues Meeting and Contemporary Methods will provide for an open dialogue between the utilities and IURC staff. The contemporary methods requirement provides a minimum safeguard for IRP quality that leaves the utility with flexible choices and only limits utility choice when necessary to prevent inadequate resource planning.
Concerned staff could advocate a “one size fits all” IRP methodology that may be inappropriate for varied utility systems.	Routine dialogue that is begun early in the process will improve the reasonability of staff expectations, which will be sensitive to the heterogeneity of utilities.
Due to ex parte restrictions, a utility may be precluded from advocating its views in the meeting, thus precluding a robust discussion.	Ex parte restrictions are not applicable since the meeting will be publicly noticed.
Concerned that the provision connecting the rule to the Utility Powerplant Construction Law has been deleted.	The provision has been moved to the section on applicability (170 IAC 4-7-0.1)

170 IAC 4-7-3 Waiver or variance requests

Comments on the waiver or variance request procedure that voiced concerns or suggested changes are summarized in Table 5 along with associated IURC staff responses.

Table 5. Summary of Comments on Waiver or Variance Requests and IURC Staff Responses

Comment	Response
Prompt consideration of waiver is important to provide the utility certainty. Suggest a response deadline and a provision to explain any denial.	The value of expediency is noted. A 15 day deadline has been introduced and a provision that any denial shall include a reason for the denial.
The request should be made in a docketed proceeding.	Automatically triggering a docketed review would undermine the expediency objective and would be unnecessary if the request were not controversial. An appeals process has been introduced to ensure all parties can be heard if they disagree with the Director’s acceptance or denial of the request.
The confidentiality language has been deleted and now requires a utility to request a waiver or a variance in order to restrict access to proprietary information. Suggest confidentiality continue to be handled through non-disclosure agreements. Specific categories of information could automatically be labeled confidential.	The confidentiality procedure was removed because the original IRP rule was written prior to a general, formal process being established for handling confidential information. IRPs will follow the existing procedures in 170 IAC 1-1.1-4. Utilities sometimes vary in what they view as

	confidential, so an automatic categorical designation has not been included.
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170 IAC 4-7-4 Methodology and documentation requirements

Comments on the methodology and documentation requirements section that voiced concerns or suggested changes are summarized in Table 6 along with associated IURC staff responses.

Table 6. Summary of Comments on Methodology and Documentation Requirements and IURC Staff Responses

Comment	Response
Transmission planning is now handled by RTOs and therefore requiring transmission data is not needed.	<p>FERC Order 1000 states that regional transmission processes must “provide all stakeholders the opportunity to provide input into what they believe are transmission needs driven by Public Policy Requirements” (para. 203). The IRP rule derives its authority from the Utility Powerplant Construction law, and therefore IRP objectives constitute public policy requirements. The Order also states that transmission providers “have an affirmative obligation... to evaluate alternative [including transmission and non-transmission alternatives] that may meet the needs of the region more efficiently or cost-effectively [than a transmission provider’s proposed transmission solutions],” para. 80. The Order provides a path for FERC and states to combine their different jurisdictions to achieve the common goal of identifying the resource mix (including transmission) that serves consumers in a reliable and cost-effective manner (see Scott Hempling’s “Who Should Do What? How Order 1000’s Regional Transmission Planning Can Support State Resource Planning”, May 2012).</p> <p>Utilities do not control the transmission planning process, but they can influence it by bringing proposals before their RTO, which considers such input in determining transmission solutions that achieve reliable and cost-effective service for customers. Therefore, utilities should seek to integrate the output of the transmission-inclusive IRP into the regional transmission planning process. At the same time, various transmission options an RTO is considering may have differing implications for a utility’s IRP. Thus, the regional planning process should serve as an IRP input. IRP and regional transmission planning are interdependent processes; each depends on the other to maximize cost-effectiveness.</p>
Suggest eliminating requirement to compare models because it’s burdensome to the point of possibly requiring a utility to buy a model it does not intend to use.	The intent is for the utility to demonstrate familiarity with the variety of models available and provide a rationale for their model choice; not to require utilities to purchase multiple models, some of which they will not use in the IRP. To avoid the concern of the comment and confusion on the extent of “model comparison”, the language has been altered to require that the reason for use of a particular model(s) is stated.
Ensure utility is not	The summary is intended only for the most recent advisory process and,

<p>required to summarize the public advisory process from the prior IRP periods. Also, replace requirement for summary to include key issues discussed and how the utility addressed them with a requirement to summarize topics about which the utility informed attendees.</p>	<p>for clarification purposes, the requirement for a summary now specifies only the most recent public advisory process.</p> <p>The suggestion to change the summary content misses a central point of the public advisory process. The summary should highlight how the utility was responsive to the key issues raised by stakeholders. Responsiveness may include altering the utility’s approach or maintaining it while providing a rationale. The public advisory process is intended to be more than an educational seminar conducted by utilities; relevant stakeholder input must be considered and responded to.</p>
<p>Does “self-generation” in (b)(5) apply only to net metering, feed-in tariff arrangements, or both?</p>	<p>Refer to the rule’s definition for self-generation: “means an electric generation facility primarily for the customer’s own use and not for the primary purpose of producing electricity, heat, or steam for sale to or for the public for compensation.” By this definition, a self-generation resource includes those that fall under net metering but not feed-in tariff arrangements. However, the intent is to take into account all types of customer owned generation. Therefore, “customer self-generation” has been replaced with “distributed generation”, which encompasses all customer owned facilities. The definition of “distributed generation” has been clarified to include “self-generation,” which remains a defined term.</p>
<p>Delete requirement for transmission maps.</p>	<p>The requirement was originally added based on the request of a party. This is not an essential component of IRP and has been deleted.</p>
<p>Utilities should provide clear information on all demand-side resources, including DR, fuel conversion, load management, specific distinct types of EE, and any other DSM.</p>	<p>No additional informational requirements are viewed as necessary because a great deal of specific demand-side resource information will be required in order to comply with sections 6, 7, and 8.</p>
<p>Avoided cost calculation must be transparent and accessible to interested members of the public who lack technical expertise in utility issues.</p>	<p>The rule already requires “an explanation, with supporting documentation, of the avoided cost calculation” as well as “an estimate of the utility’s avoided cost for each year of the preferred resource portfolio.” Compliance with these provisions should lead to transparent and accessible avoided cost calculations. For audiences lacking technical expertise, once the process is underway a stakeholder or IURC staff may request that a utility describe the avoided cost calculation in simple terms in its IRP summary document.</p>

170 IAC 4-7-5 Energy and demand forecasts

The primary comments received dealt with whether to keep the various load shape requirements. One set of comments stated that the identified load shapes are redundant and do not need to be provided separately in the IRP. The IURC staff agree with another set of comments

stating that utilities should continue to provide information on a variety of load shapes because it is necessary to properly analyze all resources.

170 IAC 4-7-6 Resource assessment

Comments on the resource assessment section that voiced concerns or suggested changes are summarized in Table 7 along with associated IURC staff responses.

Table 7. Summary of Comments on Energy and Demand Forecasts and IURC Staff Responses

Comment	Response
Language mandating consideration of an existing resource is not necessary and redundant.	Considering existing resources is crucial (as comment noted, it should not be a foregone conclusion), and the requirement should be clearly stated in the rule.
Certain assumptions are very speculative after 10 years and requiring it in detail may give a misimpression on the level of accuracy.	Agreed that forecasts become more speculative over time. However, these values are still important because they drive resource decisions. If there is concern about misimpressions on accuracy, the utility could explain its level of confidence in the forecasts within the IRP.
Including resources expected to become commercially available could introduce substantial dispute and is better left to utilities' discretion.	Agreed that projecting the commercial viability of resources is very challenging. The utilities have valuable insight, but not sole discretion on this matter. This is an appropriate topic for contemporary issues meetings, where the input of all parties may be considered, and the rule now states that IURC staff may request particular resources through this mechanism. This does not preclude the utility from considering, or stakeholders from later urging the consideration of, resources not listed by IURC staff.
Transmission requirements are unnecessary and duplicitous given the role of RTOs. Utilities should discuss how transmission and distribution ("T&D") help the utility meet its future electric requirements, not be required to consider T&D as a resource. Suggest cutting the transmission component of avoided cost.	As previously discussed, utilities still play an important role in transmission planning. Given the potential for new and upgraded T&D to serve as a compliment and cost-effective substitute for other resources, the provision requiring its treatment as a resource remains. The transmission component of avoided cost also remains an important aspect of IRP.
Does the existing resource requirement refer to the utility's existing resources or other existing resources? Should it consider existing resources in its service territory, the RTO footprint or anywhere?	This refers to the continued use of only the utility's existing resources. The analysis would be stronger if existing units owned by others and located anywhere the utility could reasonably expect to deliver energy from were included. Provisions elsewhere in the rule provide for this, however, there are practical limitations to how many of these "outside" existing resources could be included.
Require a description of any expected changes to existing generating capacity involving	Power sales are already handled in the forecast. Requiring reporting on facility sales will probably not add value. Future facility sales are very difficult to anticipate and, if a utility

facility or power sales.	were seeking to sell a unit, it would likely keep this information confidential. If not confidential, the utility would address it. If a utility had already sold a facility, then it would not be included as an existing utility resource.
A description and assessment of energy storage systems should be required. Feasible, complimentary energy storage should be identified and described along with a new supply-side resource option.	Energy storage is added in 4-7-8 on resource integration.
An analysis of the potential of distributed generation to reduce T&D costs and lower peak demand.	Assessing this potential is encompassed by other requirements in the rule (e.g., avoided costs). Also, see addition of distributed generation to 4-7-8 on resource integration and addition of distributed generation to definition of supply side resources.
Explicit additional guidance needed on how participating utilities address cogeneration (“cogen”). Comment provides language for extensive additional requirements on cogen treatment.	Cogen is a valuable and important resource and may easily be overlooked in an IRP without specific attention being called to it. The rule already provides for resources of this nature in 4-7-8(b)(4). Note that cogen also qualifies as distributed generation, which is addressed elsewhere in the rule. The rule does not contain extensive requirements for the consideration of any particular resource (just resource categories). Therefore, extensive requirements specific to cogen will not be included at this time. However, such considerations would be appropriate discussion pieces for a contemporary issues meeting and/or in a utility’s public advisory process.
Add requirement that CHOICE plans must be analyzed in the IRP. VCEPS rule states that resources are to be evaluated through IRP modeling, but current IRP rule does not provide for such.	Not mentioning CHOICE plans in the IRP rule does not preclude a utility from using IRP modeling as the basis for its CHOICE plan. If a utility wanted to test a resource portfolio(s) that complied with the VCEPS targets it may do so in its IRP.
Utilities should compare the costs of their resources to those of third party providers.	Agreed and already covered by the rule. The definition of a resource includes those a third party may provide (including power purchase or facility purchase). Utilities are also required to treat resources on a comparable basis.

170 IAC 4-7-7 Selection of future resources

Comments on the selection of future resources section that voiced concerns or suggested changes are summarized in Table 8 along with associated IURC staff responses.

Table 8. Summary of Comments on Selection of Future Resources and IURC Staff Responses

Comment	Response
Environmental regulations are often lengthy and detailed descriptions could increase the volume of an IRP	Requiring an analysis of how existing and proposed units, at the facility and aggregate levels, conform to a utility’s environmental compliance plan is important and

significantly. Cut requirements for facility specific and aggregate compliance options and associated impacts as well as running scenarios for different potential environmental regulations.	necessary information. The provision on running scenarios that fell under (a)(2)(B) was cut due to redundancy. Regulatory risk and uncertainty is broadly included in 4-7-8 on resource integration. Testing the impact of various scenarios is critical in developing a robust IRP, granted it requires more work and will result in a lengthier IRP. It will require judgment to develop a sufficient range of scenarios without being unnecessarily time-intensive.
Characterizing water as “external” is confusing. Suggest removing.	“External” has been cut.
If a utility is unable to demonstrate the effect on load for a DSM program, what value does it serve in the IRP? Refer to (e).	In some cases, assessing the load impact ex ante is very difficult, but it is still desirable to mention it in the IRP because the program may still have an impact. This may be the case for programs using new technologies or processes for which little load impact information exists. Such a program would come under close scrutiny and may be an appropriate fit for a pilot program.
Air emission reporting should explicitly include, but not be limited to, greenhouse gas emissions.	Environmental impacts are listed categorically in the rule without specifying particular pollutants or stressors. It is not necessary to specify one in particular.

170 IAC 4-7-8 Resource integration

Comments on the resource integration section that voiced concerns or suggested changes are summarized in Table 9 along with associated IURC staff responses.

Table 9. Summary of Comments on Resource Integration and IURC Staff Responses

Comment	Response
Evaluating every potential resource would be virtually impossible and a poor use of time.	This comment supported the removal of “all” in the provision requiring all resources to be evaluated on a consistent and comparable basis. While “all” was removed, this provision still applies to the full resource evaluation process (including screening and integrated modeling), and thus applies to the provision on commercially available technologies in 4-7-6(c). All commercially available technologies should at least initially be considered (some may be evaluated and cut without massive time requirements via resource screening).
Projecting rates is not relevant to resource planning and is unnecessary because the IRP results are not designed for that purpose and are not accurate predictors of rate impacts.	Agreed that IRP results are generally not useful predictors of actual rate impacts, thus the requirement for assessing rate impacts is removed. However, the reporting of portfolio costs on a rate basis (total cost per kWh) as well as a total cost basis is kept. The former is an important measure when comparing resource portfolios containing differing levels of demand side management (“DSM”), where total kWh varies between the portfolios. In this case, it is possible to have a portfolio with a comparatively lower total cost but a higher

	total cost/kWh (and vice versa). Also, requirement for consistency with electricity price assumption used in forecast is kept.
Referring to treating resources on a consistent and comparable basis, won't utilities need to enter a predetermined amount of DSM to meet the statewide goal?	The utilities may run a modeling constraint that effectively sets a floor for DSM investment commensurate to the statewide goal. It would also be valuable to run the models without this constraint to assist in the evaluation of the goal's cost-effectiveness.
Essential that utilities fairly assess the potential contribution of energy storage over the entire length of the planning period in comparison to adding a new plant. Also need to stress the importance of assessing renewable energy, especially distributed generation.	Agreed. Distributed generation is traditionally difficult to evaluate in a centralized planning approach. Energy storage is relatively new to IRP and much of the current generation expansion software does not account well for it. As a result, particular attention is useful to ensure these resources are not overlooked. Both energy storage and distributed generation have been added to (b)(4), which calls particular attention to utilizing, to the extent practical, all economical resources listed.

170 IAC 4-7-9 Short term action plan

Comments on the section on the short term action plan that voiced concerns or suggested changes are summarized in Table 10 along with associated IURC staff responses.

Table 10. Summary of Comments on Short Term Action Plan Section and IURC Staff Responses

Comment	Response
Suggest eliminating the word “workable” as a descriptor of an implementation strategy because it is subjective and suggests a utility will strictly adhere to its IRP.	The term “workable strategy” was used in the existing rule, so it is unclear why applying it elsewhere in the rule would cause concern. The very value of a workable strategy implies that things change and the utility may not strictly adhere to a single course of action. “Workable strategy” has been cut in this section but note that the preferred resource portfolio remains, and by definition in the prior section contains a workable strategy.
Delete the obligation to describe differences between the short term action plans because they often change between IRPs and it will unnecessarily lengthen the plan.	The fact they often change suggests there is a need to examine the drivers of such changes, from which lessons may be learned to improve future IRPs.
Delete budgetary confidence range requirement because of the difficulty involved; data for some types of generation may be virtually impossible to develop with any range of confidence.	An estimated cost range is still valuable and attainable. To avoid confusion with the statistic term, “confidence range” has been replaced with “estimated range”.
Should be tested against a	If an action plan contains resource actions, then

comprehensive, well-designed, and properly timed RFP process to assess resources available from sources other than the utility itself.	implementation of the plan is where the RFP process will be undertaken. If done before then, vendors will not take RFPs seriously, thus undermining the cost estimate figures. Requests for Information may be useful, however. Through the full IRP process, including the action plan, the utility must evaluate resources from sources other than itself.
Require a summary of system impacts expected with implementation of the plan.	Financial impacts and risk/uncertainty performance of the preferred resource portfolio, which includes the action plan timeframe, are required in the prior section. Descriptions of environmental impacts are required in earlier stages of resource evaluation and could easily be figured for the preferred resource portfolio. All system impact summary information may be suitable for the IRP summary document.

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Comments on updates section that voiced concerns or suggested changes are summarized in Table 11 along with associated IURC staff responses.

Table 11. Summary of Comments on Updates Section and IURC Staff Responses

Comment	Response
Suggest deleting entire section. A biennial cycle combined with contemporary issues forum will provide for timely updates.	Updates are a valuable tool as substantial changes may occur, even between IRPs on two year cycle. The contemporary issues meeting is not intended for utilities to provide an update on the status or implementation of their preferred resource plan. Instead, it focuses on how best to conduct future resource planning.
Concerned that utilities will constantly be providing updates to their IRPs and would be particularly burdensome if required to go back through the public advisory process or conduct an entirely new IRP.	An update is not automatically required, being at the discretion of the utility, but questions about changing IRP drivers and results may be asked. The emphasis will be to check utility progress on implementing the short term action plan and if/how the short term action plan has changed (resource composition and timing) and why. It is assumed that resource planning is a constant process at utilities, and that requesting an update on what has changed between IRP filings (in a presentation or brief written summary) will not require extensive additional work. The Commission and/or its staff will be sensitive to requesting updates that would require considerable additional work. Requests would likely be more common and extensive under a three year IRP filing cycle. A request would never trigger a new public advisory process.
An update does not require acknowledgement (compliance determination).	Correct. A compliance determination only applies to the biennial IRP filing.
The IURC should clarify how changes are to be communicated. Another party	The IURC staff plans on using the Summer Reliability process, for the time being, as the IRP update forum and to communicate how and what information on updates should be provided. For

<p>offered language on using written and verbal communication, and the option to provide information in a docketed proceeding.</p>	<p>example, IRP update questions may be included with the questions that are sent out in advance for the Summer Reliability meeting. The communication method may change year to year, and thus is best left undefined in the rule. This communication method will most likely be a presentation or written summary.</p>
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