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Ms. Beth E. Heline
General Counsel
Indiana Utility Regulatory Commission
101 W. Washington Street, Suite 1500 East
Indianapolis, Indiana 46204
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Re: 2022 Improving Procedural Efficiencies Initiative
Minimum Standard Filing Requirements rulemaking

Dear Ms. Heline:

Thank you for the opportunity to provide input and feedback on the Minimum Standard Filing Requirements rule strawman. While Northern Indiana Public Service Company LLC (NIPSCO) joins and supports the comments submitted by the Indiana Energy Association, I am submitting the attached additional comments on behalf of NIPSCO.

Sincerely,



Nicholas K. Kile, Attorney No. 15203-53

NIPSCO MSFR Rulemaking Comments

170 IAC 1-5-1 - Definition of Contingency

We recommend adding the words “unknown conditions” to the definition of “contingency” as currently drafted in Section 1. The revised definition would be as follows: “Contingency” means a percentage applied to any given project’s estimated cost for the purpose of accounting for estimating errors, **unknown conditions** or market conditions. We believe this definition better reflects the circumstances for which contingency is used.

170 IAC 1-5-4 - Multi-Year Rate Phase-In

In Subsection (b), we recommend a sentence be included clarifying that a utility may request two or more phases of its rate request. Utilities currently have the flexibility to phase-in a rate increase over more than two phases and we believe it is important to clarify that this flexibility exists in the rule.

170 IAC 1-5-5 - Requested Schedules

We do not understand what schedules the Commission is requesting in Sections 5(a)(7) and (8). With a forward looking test period, the utility will not have “actual” revenues or O&M in order to compare to amounts approved in the last rate case. Please clarify what information the Commission is seeking with this request.

170 IAC 1-5-8 – Workpapers Supporting Adjustments

Section 8(a)(2)(C) requires an electing utility to include a work paper for each adjustment which includes a “summary that generally describes each adjustment *developed from the historical test period or base period*, including, but not limited to, changes in price and in activity levels, separately detailed by elements of cost.” (emphasis added). Not all utilities have built their forecasted data for the forward looking test period by making individual adjustments to the base period. We recommend including an acknowledgment that a utility may not build its test year forecast from the historical test period or base period.

170 IAC 1-5-12.2 – Waiver of Rate Base Provisions

We would recommend including a provision in Section 12.2 which confirms that waiver requests made by the utility pursuant to 170 IAC 1-5-2.1 can apply to the proposed modifications to rate base made by the utility pursuant to 170 IAC 1-5-12.2. The energy market is in a tremendous state of change. All of the investor-owned electric utilities in the State are in the process of adding multiple sources of new generation over a period of years. While the rate base provision in 12.2 provides flexibility, the rule should be careful not to preclude alternative proposals that would better fit a utility’s individual situation. For instance, 12.2 plainly contemplates a major project update for an historic test period, but it is silent about whether a utility could propose a major project update after the conclusion of a forward looking test period. NIPSCO believes that the provision in 2.1 authorizing a request for a waiver from any provision of the rule would allow a utility to propose different time frames than those set forth in 12.2. Clearly stating this as an option

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would be preferable and would confirm that the Commission is authorized to decide such issues on a case-by-case basis.