

August 5, 2016

Jeremy Comeau
Assistant General Counsel
Indiana Utility Regulatory Commission
101 W. Washington St., Ste. 1500 East
Indianapolis, IN 46204

Dear Mr. Comeau:

Hoosier Energy would like to thank the Indiana Utility Regulatory Commission for providing this additional opportunity to comment on its proposed Integrated Resource Plan and Demand Side Management Rulemaking. Following its review of the Draft Proposed Rule, Hoosier Energy has determined that it does not have additional comments at this time.

The Commission also provided a series of questions requesting information on the cost impact of complying with the Draft Proposed Rule. Hoosier Energy offers the following responses to these questions:

1. What specific revisions in the rule increase or decrease the hours and/or costs of preparing an IRP?

Response: The change from a two-year filing schedule to a three-year filing schedule should save costs in the long run as fewer IRP filings will be required. In addition, the removal of the requirement to prescreen demand-side resources based upon cost-benefit tests will slightly decrease the number of hours required to prepare the IRP, which should equate to minor cost savings.

2. Do any revisions to the public advisory process increase or decrease the cost of conducting or participating in the process?

Response: Not applicable to Hoosier Energy.

3. Will there be a change in costs for responses to the director's report?

Response: Hoosier Energy does not anticipate that there will be an appreciable change in costs for responses to the director's report.

4. Will there be an increased cost to the resource assessment reporting?

Response: Hoosier Energy anticipates that there will be an increased cost as a result of the required Resource Adequacy Assessment Report, which will require input from its Power

Markets staff. The additional cost will be attributable to documenting any differences between the information in the report to the ISO and that provided in the most recent IRP.

5. Are there other indirect costs that will change? If so, can those costs be itemized?

Response: Hoosier Energy anticipates that the analytical requirements outlined throughout 170 IAC 4-7 will require additional modeling and assessment. Hoosier Energy estimates that the annual impact of these changes will be between \$25,000 - \$50,000.

6. Will there be cost savings attributable to any revisions of the rule, including the move from a two-year schedule to a three-year schedule?

Response: The move from a two-year IRP filing schedule to a three-year schedule should save costs in the long run as fewer filings will be required and costs attributable to IRP analysis and filings will be allocated to a larger number of years.

7. What will be the itemized change in direct costs for preparing and filing energy efficiency plans imposed by the rule itself (not already required by the underlying statute)?

Response: Not applicable to Hoosier Energy.

8. Are there indirect costs based on the DSM rule that will increase or decrease? If so, can those costs be itemized?

Response: Not applicable to Hoosier Energy.

Sincerely,

HOOSIER ENERGY RURAL ELECTRIC COOPERATIVE, INC.

A handwritten signature in black ink, appearing to read "Richard Gillingham". The signature is written in a cursive style with a long horizontal stroke at the end.

Richard Gillingham
Resource Planning Analyst