



For Immediate Release

Aug. 31, 2023

News Media Contact:

Olivia Rivera, (317) 232-3394 or

orivera@oucc.in.gov

CenterPoint Energy Electric Infrastructure Plan

Consumer Comments Invited, IURC Hearing Scheduled for Sept. 13 in Evansville

If you would like to comment on CenterPoint Energy Indiana's (CEI's) proposed five-year electric infrastructure improvement plan, with corresponding rate increases, you have two opportunities to do so.

- The Indiana Office of Utility Consumer Counselor (OUCC) is inviting written comments for the case record through Friday, Sept. 15, 2023.
- In addition, the Indiana Utility Regulatory Commission (IURC) will hold a public field hearing on Wednesday, Sept. 13, 2023 in Evansville.

Written Consumer Comments

Consumers who wish to submit written comments for the case record may do so via the OUCC's website at www.in.gov/oucc/2361.htm, by email at uccinfo@oucc.in.gov, or by mail at:

Public Comments
Indiana Office of Utility Consumer Counselor (OUCC)
115 W. Washington St., Suite 1500 SOUTH
Indianapolis, IN 46204

The OUCC – the state agency representing consumer interests in IURC cases – needs to receive all written consumer comments **no later than Friday, Sept. 15, 2023**, so that it can file them with the Commission to be included in the case's formal evidentiary record. Comments should include the consumer's **name, city, & zip code**, and a reference to either "**IURC Cause No. 45894**" or **CenterPoint Energy TDSIC**. Consumers with questions about submitting written comments can contact the OUCC's consumer services staff toll-free at 1-888-441-2494.

Public Field Hearing

The IURC's public field hearing on CEI's request is scheduled for Wednesday, Sept. 13, 2023, at the Old National Events Center Plaza (715 Locust Street, Evansville) in the Locust Room. The hearing is scheduled to begin at 6:00 p.m. local time.

No final decisions about the case will be made at the hearing. The sole purpose of a field hearing is to receive public testimony.

- Consumers will be able to speak directly to the Commission under oath and on the record.
- Oral comments presented during the field hearing will become part of the case record. They will carry the same weight as written comments the OUCC files.
- Utilities do not make presentations or answer questions during field hearings. The focus, again, is on public input. In this case, CEI filed testimony and exhibits in May 2023.
- Commissioners are not allowed to answer questions about the case. They will ultimately render a decision after weighing evidence from the utility, the OUCC, and intervening parties.

(Continued)

Infrastructure Plan Law

CEI has filed its proposed plan under an Indiana law that passed in 2013 and was updated in 2019.

- The law allows an investor-owned electric or natural gas utility to seek IURC approval of a five-to-seven-year infrastructure improvement plan. The IURC must rule on the request within 210 days.
- If the plan is approved, the utility may then adjust rates as often as every six months, subject to OUCC review and IURC approval, to recover project costs as they are incurred. The OUCC and IURC review periods are limited to 60 and 120 days, respectively.
- The rate adjustments – under a Transmission, Distribution, and Storage System Improvement Charge (TDSIC) mechanism – may not exceed two percent of the utility's total retail revenues.
- Recovery of 20 percent of the costs must be deferred until the utility's next base rate case, which must be filed before the plan ends.

Case Overview

CEI received IURC approval of a seven-year electric infrastructure plan in 2017. The proposed \$514 million plan was reduced to \$447 million under a settlement agreement and covers projects from 2017 through 2023. Rates have increased through TDSIC tracker cases since the plan was approved.

CEI is now proposing a new, five-year electric infrastructure plan. According to the utility's testimony and exhibits:

- The proposed projects would be built from 2024 through 2028.
- Projects include transmission line rebuilds, substation rebuilds and security upgrades, wood pole replacements, and additional distribution system upgrades throughout the utility's southwestern Indiana electric service territory.
- The TDSIC tracker would add \$2.55 to a 1,000-kilowatt hour (kWh) monthly residential bill in 2024. This charge would rise to \$5.33 in 2025, \$8.34 in 2026, \$11.81 in 2027, and \$14.68 in 2028.

The new tracker rate increases requested in this case are in addition to CEI's current base electric rates approved in 2011, tracker increases under the utility's first TDSIC plan which were implemented in 2017 through 2023, and various additional trackers through which CEI may adjust its rates subject to OUCC review and IURC approval. All Indiana investor-owned electric utilities use trackers, with CEI using them to recover costs for generating fuel, environmental compliance, regional transmission, energy efficiency programs, and system reliability.

The OUCC filed testimony in this case on Aug. 16, 2023, recommending the Commission:

- Use its discretion and restrict project approvals only to those that are fully supported with accurate and complete cost estimates.
- Require CEI South to use more appropriate and more accurate estimates.
- Deny rate recovery for any projects without quantified benefits.
- Scrutinize the proposed plan in the context of the utility's reliability metrics.
- Ensure that any rate recovery through future TDSIC trackers is based on the cost of equity, capital structure and depreciation to be approved in CEI South's upcoming rate case, in which a Commission order is expected next year. CEI South's current rates are 12 years old and have the highest authorized return on equity of any Indiana electric investor-owned utility.

(Continued)

Under the law's timing requirements, the IURC must issue an order on the proposed plan by Dec. 20, 2023. The OUCC is posting case updates online at www.in.gov/oucc/electric/key-cases-by-utility/vectren-electric-rates/vectren-electric-infrastructure-plan/.

CEI is among four of the state's five major electric utilities that have received IURC approval to implement TDSIC plans and trackers.

CEI is required to initiate a new base rate case before the IURC no later than Dec. 31, 2023. The rate case will be in a docketed proceeding separate from the TDSIC plan and trackers and is expected to conclude in Fall 2024.

Natural gas rates and services are not at issue in this case. Five-year infrastructure plans for both of CenterPoint Energy's Indiana gas utilities received IURC approval in 2022.

(IURC Cause No. 45894)

The Indiana Office of Utility Consumer Counselor (OUCC) represents Indiana consumer interests before state and federal bodies that regulate utilities. As a state agency, the OUCC's mission is to represent all Indiana consumers to ensure quality, reliable utility services at the most reasonable prices possible through dedicated advocacy, consumer education, and creative problem solving.