

# For Immediate Release Mar. 3, 2021

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## CenterPoint/Vectren North Gas Rate Case: OUCC Invites Consumer Comments

If you are a Vectren North customer and would like to comment on the utility's pending natural gas rate request, you have the chance to do so.

The Indiana Office of Utility Consumer Counselor (OUCC), the state agency representing consumer interests in cases before the Indiana Utility Regulatory Commission (IURC), is reviewing the utility's request and is scheduled to file testimony on Mar. 31, 2021.

#### **Written consumer comments**

While using its legal and technical resources to review Vectren's request, including examining the utility's books and operations, the OUCC is inviting written comments from customers through Mar. 24, 2021.

Consumers who wish to submit comments for the case record are encouraged to do so in writing. Comments are welcome via the OUCC's website at **www.in.gov/oucc/2361.htm**, by email at **uccinfo@oucc.IN.gov**, or by mail at:

Consumer Services Staff Indiana Office of Utility Consumer Counselor 115 W. Washington St., Suite 1500 South Indianapolis, IN 46204

The OUCC needs to receive all written consumer comments no later than Mar. 24, 2021 so that it can: 1) Consider them in preparing its testimony and 2) File them with the Commission to be included in the case's formal evidentiary record. Comments should include the consumer's **name**, **mailing address**, and a reference to either "**IURC Cause No. 45468**" or Vectren North. 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 is currently scheduled to hold a public field hearing on Vectren's request on Tuesday, Mar. 16, 2021 in the Carmel Middle School Cafeteria (300 S. Guilford Rd. in Carmel). The hearing is scheduled to begin at 6:00 p.m. and is statutorily required in this case. A live stream of the hearing will be available online, with links posted on the OUCC and IURC home pages.

Sworn comments presented at the field hearing will carry the same weight as written consumer comments filed by the OUCC.

Due to the COVID-19 pandemic, customers who wish to speak during the field hearing are encouraged to participate by telephone instead of appearing at the venue in person. Those who appear at the venue will be required to wear face coverings and comply with CDC social distancing guidelines.

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Consumers who plan to speak at the hearing via telephone or in person are encouraged to RSVP no later than Noon on Mar. 16, 2021. To RSVP, call 1-317-232-5888 or visit **www.IN.gov/OUCC**.

- Oral comments during the live hearing will become part of the case record, along with written consumer comments submitted to the OUCC by Mar. 24.
- Each consumer who speaks during the hearing will be sworn in and will speak directly to the Commission under oath and on the record.
- Customers who speak by phone on Mar. 16 will do so by calling 1-415-655-0001, before 5:50 p.m. Each caller should enter the following meeting number when prompted: 185 229 6420#.

The field hearing's sole purpose is to receive public testimony.

- Utilities do not make presentations or answer questions during field hearings. The focus, again, is on public input. In this case, Vectren filed testimony and exhibits in December 2020.
- 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 any intervening parties.
- No final decisions will be made at the Mar. 16 hearing.

#### **Case overview**

This case focuses on natural gas rates in Vectren's North territory, which includes more than 620,000 customers in the 51-county area formerly served by Indiana Gas Co. Vectren is a wholly owned subsidiary of CenterPoint Energy.

The utility is proposing a \$20.8 million annual increase in two phases and states in testimony that its request is due to higher operating and maintenance costs, and \$818 million in infrastructure investments since 2008.

Current base rates for Vectren North's gas utility received IURC approval in 2008 and were reduced in 2018 due to the federal Tax Cuts and Jobs Act. Total billing amounts have also varied due to changes in wholesale commodity costs along with incremental increases to pay for specific infrastructure and federally mandated costs as allowed by Indiana law.

Vectren North's testimony and exhibits show that its request, when fully implemented, would raise total residential gas charges as follows:

Monthly Usage	Current Gas Bill	Proposed Gas Bill
20 therms	\$31.91	\$33.63
50 therms	\$50.98	\$53.64
100 therms	\$79.75	\$82.97

Each Vectren North residential gas bill includes \$17.59 in monthly fixed charges that do not vary among customers: 1) An \$11.25 customer service charge and 2) A \$6.34 Compliance and System Improvement Adjustment (CSIA) which is used to recover specific costs for infrastructure projects and compliance with federal pipeline safety mandates. Vectren North's pending request would replace both of these charges with a \$21.50 monthly customer service charge. The remainder of the bill varies by customer usage.

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Base distribution rates comprise approximately 55 percent of a typical Vectren North residential bill. They cover "non-gas" costs such as operating and maintenance expenses and capital infrastructure improvements. The remaining 45 percent of a typical monthly bill pays for the natural gas itself, which the utility recovers on a dollar-for-dollar basis subject to OUCC review and IURC approval every three months.

Additional parties that have formally intervened in this case include the Citizens Action Coalition of Indiana, a group of Vectren North's industrial customers (General Motors, Honda of America Manufacturing, Tate & Lyle Ingredients, and USG Corporation), Steel Dynamics, and Direct Energy Business Marketing. Any testimony they file is due on Mar. 31, 2021.

A final Commission order is currently expected in October 2021.

Vectren's request for a natural gas rate increase in its southwestern Indiana service territory is pending in a separate docket.

The OUCC is posting case updates online at <a href="https://www.in.gov/oucc/featured-topics/vectren-north-gas-rates">www.in.gov/oucc/featured-topics/vectren-north-gas-rates</a>. Case updates are also available through the agency's monthly electronic newsletter. Consumers can subscribe at <a href="https://www.in.gov/oucc/news">www.in.gov/oucc/news</a>.

(IURC Cause No. 45468)

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.