



COST PROPOSAL

Performance Based Ratemaking Study
Request for Proposal 24-77644

for

Indiana Department of Administration

On behalf of
The Indiana Utility Regulatory Commission

March 7, 2024

800 University Bay Dr #400
Madison, WI 53705-2299

608.231.2266
www.LRCA.com

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by

Christensen Associates Energy Consulting, LLC

March 7, 2024

This document provides the cost assumptions, conditions, and constraints for the Performance Based Ratemaking Study for the Indiana Utility Regulatory Commission ("IURC") by Christensen Associates Energy Consulting, LLC ("CA Energy Consulting"). This file accompanies the Cost Proposal Template provided in Attachment D.

COST ASSUMPTIONS, CONDITIONS AND CONSTRAINTS

This document lists and describes cost assumptions, conditions, and constraints relative to the prices presented on the Cost Proposal Template provided in Attachment D.

Assumption 1: Stakeholder Engagement Process

Our budget was constructed under the assumption that CA Energy Consulting will design the survey instrument, recruit respondents, collect information via an online portal, and organize the resulting responses. Costs are likely to be reduced if the IURC instead opens a docket to collect stakeholder comments.

Assumption 2: Status Meeting

The "Status Meeting" task budget sums the total cost of regular status meetings from the beginning of the project in May 2024 through October 2025. We assume that these meetings will always include our team's Project Manager and will include additional support staff on an as-needed basis.

Assumption 3: Draft Report

The "Draft Report" task budget includes the following tasks from the Technical Proposal: a review of economic theory related to PBR, a review of PBR in other jurisdictions, a scenario analysis for recommendations, and the drafting of the report itself. In addition, we propose to conduct the drafting of the report in separate pieces in the form of several memoranda, drawing together these documents into a final report. Thus, the "Draft Report" budget consists of the research and writing required for this project.

Assumption 4: Travel for Participation in Presentation to Indiana General Assembly

The "Participation in Presentation to Indiana General Assembly" task includes travel expenses, covering airfare, two nights of hotel lodging, and meals. This task also includes preparation for the presentation in the form of creating PowerPoint slides, practicing, and discussing with IURC staff.

Assumption 5: Data

The budget assumes that CA Energy Consulting will not need to purchase any data. As with past projects of similar nature, we will rely upon our internal database, as well as including information obtained through the stakeholder engagement process. We do not anticipate this project involves data that would require purchasing.