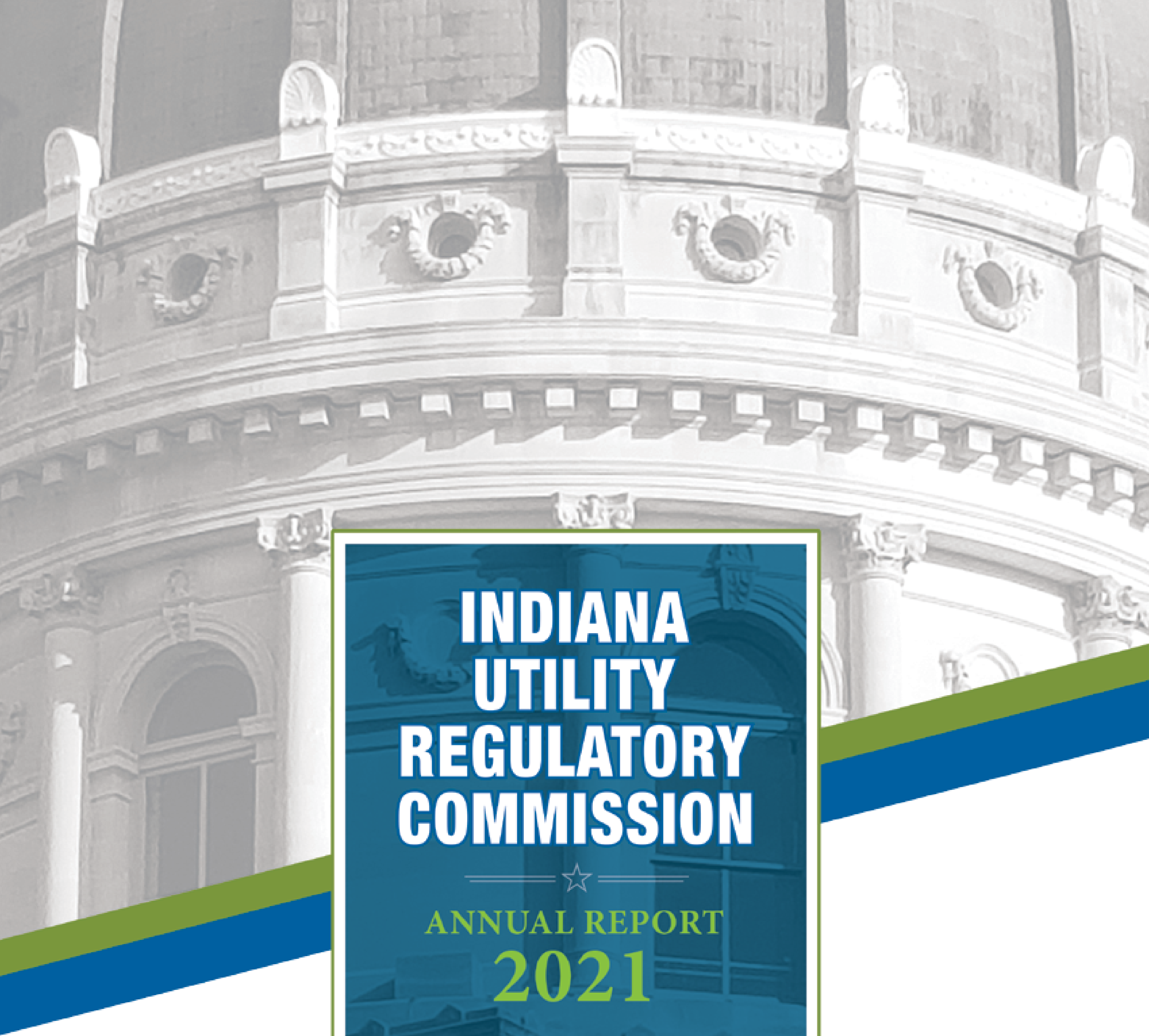

INDIANA UTILITY REGULATORY COMMISSION

ANNUAL REPORT 2021

Eric Holcomb
Governor of Indiana

Suzanne Crouch
Lt. Governor

Dear Governor Holcomb and Members of the Indiana General Assembly,

We are proud to present the Indiana Utility Regulatory Commission's (Commission's) Annual Report for Fiscal Year 2021. Like previous reports before it, we are excited to share with you the work of the Commission over the past year, and how the Commission continues to closely evaluate emerging trends and innovations, tackle challenges like aging infrastructure, and adapt to legislative updates made at the state and federal levels. We take seriously the responsibility entrusted to the Commission to ensure Hoosier utilities provide safe and reliable service at just and reasonable rates.

The Commission was not immune to the unprecedented challenges Indiana faced this year; the public health emergency due to the novel coronavirus (COVID-19) pandemic caused several processes and procedures to change at the Commission. Our staff worked remotely (now back in the office full-time), and we successfully adapted to ensure the public and our stakeholders received the highest levels of government service from our agency. Under these new circumstances, we made every effort to conduct business in an open and transparent way with the highest level of integrity and will continue to do so.

The Commission is grateful for the opportunity to continue serving Hoosiers. We are aware that changes continue to impact the utility industry in profound ways. As Indiana policymakers continue to thoughtfully navigate through these changes and challenges, the Commission and its dedicated staff stand ready to be a resource regarding Indiana's utilities and the regulatory process.

Thank you for your service to our great state, and please know the Commission is always open to you.

Sincerely,

James F. Huston
Chairman

Sarah E. Freeman
Commissioner

Stefanie N. Krevda
Commissioner

David L. Ober
Commissioner

David E. Ziegner
Commissioner

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IURC ANNUAL REPORT 2021

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Our Mission

The Indiana Utility Regulatory Commission (Commission or IURC) is an administrative agency that hears evidence in cases filed before it and makes decisions based on the evidence presented in those cases. The Commission is required by state statute to be impartial and make decisions in the public interest to ensure regulated utilities provide safe and reliable service at just and reasonable rates.

The Commission also serves as a resource to the legislature, executive branch, state agencies, and the public by providing information regarding Indiana's utilities and the regulatory process. In addition, Commissioners and staff are actively involved with regional, national, and federal organizations affecting utility issues in Indiana.

Upon taking office in January 2017, Governor Eric Holcomb outlined five priorities to guide his administration:

1. **Cultivate a strong and diverse economy to ensure that Indiana remains a magnet for jobs.**
2. **Fund a long-term roads and bridges plan that takes the greatest advantage of our location.**
3. **Develop a 21st century skilled and ready workforce.**
4. **Attack the drug epidemic.**
5. **Provide great government service at a great value for taxpayers.**

The Commission, with its mission and statutory framework as guideposts, has adopted objectives for Fiscal Year 2021 that align with the Governor's priorities to take Indiana to the Next Level.

IURC Next Level Priorities for 2021

1. **Improve communication and collaboration on the docketed case process.**
2. **Focus on knowledge transfer, succession planning, and professional development.**
3. **Work with stakeholders to determine opportunities to improve procedural efficiencies.**

In accordance with Indiana Code § 8-1-1-14, the Commission offers to the Indiana General Assembly the suggestion to review the many and varied statutes that require the Commission to submit reports to the Governor and the Indiana General Assembly and assess which of these requirements are still necessary and whether the reporting requirements should be consolidated to provide one reporting deadline.

Regulatory Responsibility

The Commission was created by and receives its authority primarily from Indiana Code Title 8, which sets forth the types of utilities under the Commission's jurisdiction and the framework for the Commission's determinations.

The Commission regulates various aspects of Indiana public utilities' business, including rates and charges, financing, bonding, environmental compliance plans, and service territories. The Commission has regulatory oversight concerning construction projects, as well as acquisition of additional plant and equipment assets. It also has the authority to initiate investigations of regulated utilities' rates and practices and to promulgate rules governing utility service and various processes and procedures.

The bipartisan Commission consists of five commissioners who are appointed by the Governor to staggered four-year terms. A dedicated and well-educated professional staff (who have earned various degrees including accounting, finance, economics, engineering, and law) advises the Commission regarding regulatory matters and pending cases. The Commission also includes a Pipeline Safety Division, which oversees compliance with state and federal pipeline safety regulations, and a Consumer Affairs Division, which provides dispute resolution services for customers and utilities.

You can view the Commission's annual budget and the public utility fee calculation in *Appendix A*.

Indiana Utility Regulatory Commission
INDIANA
IURC

The Commissioners

Jim Huston
Commission Chair

Jim Huston was appointed to the Commission by Governor Mike Pence on Sept. 3, 2014, and was reappointed by Governor Eric Holcomb on March 31, 2017, and on March 31, 2021. He was named Chairman of the Commission by Governor Holcomb in March 2018 following the retirement of Jim Atterholt. He serves on the National Association of Regulatory Utility Commissioners (NARUC) Committee on Gas and also serves on the Gas Technology Institute's Public Interest Advisory Committee. Before his appointment, Chairman Huston served as chief of staff at the Indiana State Department of Health. During Governor Daniels's administration, he served as executive director of the Office of Faith-Based and Community Initiatives.

Chairman Huston worked as the scheduler and travelling aide to Governor Robert Orr and has served as assistant deputy treasurer for the State of Indiana and as deputy commissioner for the Bureau of Motor Vehicles. He also served as deputy chief of staff to Congressman David McIntosh, district director to Congressman Steve Buyer, and deputy chief of staff to Congressman Todd Rokita.

Chairman Huston earned his Bachelor of Science and Master of Arts degrees from Ball State University. He also is a 1987 recipient of the Sagamore of the Wabash Award and is a member of Brownsburg Kiwanis.

Chairman Huston and his wife Christy have been married 34 years and are the proud parents of four boys: John, Georgetown Law candidate, (wife Lt. JG Lauren) grandson Clark, of Chicago, Ill.; Captain Luke (wife Faith), who is based at Fort Bragg, N.C.; David, (wife Shae), who is a student at the Indiana University School of Medicine; and Joseph, who is at home with mom and dad. The Hustons reside in Brownsburg and are members of Calvary United Methodist Church.

Sarah Freeman
Commissioner

Sarah Freeman was appointed by Governor Mike Pence as Commissioner on Sept. 19, 2016, and reappointed by Governor Eric Holcomb on Dec. 29, 2017. Commissioner Freeman chairs NARUC's Subcommittee on Education and Research and is a member of the NARUC Committee on Telecommunications. Commissioner Freeman is Vice President of the Board of Directors for the Organization of MISO States (OMS) and serves on the Board of Directors for the Universal Service Administrative Company, the Advisory Board for the Financial Research Institute at the University of Missouri, and the Executive Committee of the National Council on Electricity Policy. She previously represented the Commission on the Board of Directors for the Organization of PJM States (OPSI).

Prior to her appointment, Commissioner Freeman served as a senior staff attorney with the nonpartisan Indiana Legislative Services Agency for 16 years, where she drafted utility and transportation legislation and served as counsel to numerous legislative committees. In addition, Commissioner Freeman was a member of the Executive Committee of the National Conference of State Legislatures (NCSL) and the NCSL Task Force on Cybersecurity.

A native Hoosier, Commissioner Freeman earned her undergraduate degrees in psychology, French, and political science from Indiana University – Bloomington and her juris doctor degree from the Indiana University Maurer School of Law.

Stefanie Krevda
Commissioner

Stefanie Krevda was appointed Commissioner by Governor Eric Holcomb on May 21, 2018. She is a member of the NARUC Committee on Energy Resources and the Environment, NARUC Committee on Critical Infrastructure, NARUC Subcommittee on Clean Coal and Carbon Management and participates in the NARUC-DOE Nuclear Energy Partnership. Additionally, Commissioner Krevda leads the Commission's cross-functional internal team focused on cybersecurity and serves on Governor Eric Holcomb's Indiana Executive Council on Cybersecurity. For 10 years, Commissioner Krevda has worked in public service and the non-profit sector. Before her appointment as Commissioner, she served as Executive Director of External Affairs at the Commission.

Prior to her role at the Commission, she served as Chief of Staff and Interim Director at the State Personnel Department, which delivers human resources services to state agencies, collectively serving more than 28,000 employees. She also worked as Special Assistant to the CEO/President at Lumina Foundation, and was a legislative and policy gubernatorial aid in the office of Governor Mitch Daniels. She is a 2014 graduate of the Richard G. Lugar Excellence in Public Service Series and a 2011 graduate of the Indiana Leadership Forum.

Commissioner Krevda is a 2009 graduate of Purdue University. She and her husband reside in Zionsville, Indiana, with their children.

David Ober
Commissioner

David Ober was appointed by Governor Eric Holcomb on April 2, 2018, and was reappointed by Governor Eric Holcomb on Jan. 24, 2020. He serves as Chair of the National Regulatory Research Institute Board of Directors, Co-Vice Chair of the NARUC Committee on Water, and is a member of the Mid-America Regulatory Conference. He also serves as a member of the Board of Directors and Executive Committee for OPSI.

Prior to his appointment, Commissioner Ober served House District 82 in the Indiana House of Representatives representing Allen, Elkhart, LaGrange, Noble and Whitley counties (2012-2018).

Commissioner Ober has held a variety of leadership positions throughout his career in state government, including service as a member of the House Ways and Means Committee, as Assistant Majority Whip for the House Republican Caucus (2014-2016), and as Chairman of the House Committee on Energy, Utilities and Telecommunications from 2016 to 2018.

Commissioner Ober is a 2009 graduate of Purdue University Northwest. He and his wife Maggie reside in Zionsville, Indiana and attend Traders Point Christian Church.

David Ziegner
Commissioner

David Ziegner was appointed to the Commission on Aug. 25, 1990, by Governor Evan Bayh and has received continuous reappointments from Governor Frank O'Bannon, Governor Mitch Daniels, Governor Mike Pence, and Governor Eric Holcomb, with the most recent reappointment occurring in March 2019.

Commissioner Ziegner is part of the Nuclear Energy Partnership, which is a partnership between the NARUC Center for Partnerships and Innovation and the U.S. Department of Energy Office of Nuclear Energy. He is former Treasurer of NARUC and a member and former vice-chair of the NARUC Committee on Electricity and is former chair of its Clean Coal and Carbon Sequestration Subcommittee. He is a member of the Mid-America Regulatory Conference.

Additionally, he is a former chairman of the Advisory Council of the Center for Public Utilities at New Mexico State University and of the Consortium for Electric Reliability Technology Solutions Industry Advisory Board. He is a former member of the Advisory Council of the Electric Power Research Institute.

Commissioner Ziegner earned his Bachelor of Arts degree in history and journalism from Indiana University in 1976. He obtained his juris doctor degree from the Indiana University School of Law in Indianapolis in 1979 and was admitted to the Indiana Bar and U.S. District Court in that same year.

Prior to joining the Commission, he served as a staff attorney for the Legislative Services Agency, where he developed his background in both utility and regulatory issues. As the agency's senior staff attorney, he specialized in legislative issues concerning utility reform, local measured telephone service, the citizens' utility board, and pollution control. He also served as the general counsel for the Commission prior to his appointment.

Commissioner Ziegner and his wife Barbara reside in Greenwood and are members of Northminster Presbyterian Church.

Executive Team

Ryan Heater
Chief of Staff

Ryan Heater leads all operational areas of the Commission, including Administrative Law Judges, External Affairs, Office of General Counsel, and Technical Operations (including energy, water/wastewater, communications, research, policy and planning, and pipeline safety) as Chief of Staff. He also serves as strategic advisor and counsel to the Commission Chair and Commissioners. Ryan is a graduate of Purdue University and the Indiana University Robert H. McKinney School of Law. He joined the Commission staff in July 2018.

Ryan Hadley
Executive Director of External Affairs

Ryan Hadley leads the Commission's legislative, media, and stakeholder management strategies and advises the Commission on related issues. He oversees the Consumer Affairs Division, which provides dispute resolution services to customers and utilities. Additionally, he directs the disbursement strategy of the Underground Plant Protection Account fund, intended to raise awareness of Indiana's 811 Law and provide education on safe digging practices. Ryan is a graduate of the University of Southern Indiana. He joined the Commission staff in May 2015.

Beth Heline
General Counsel

Beth Heline serves as the chief legal advisor to the Commission, as well as the Commission's ethics officer. She manages the Office of General Counsel attorneys and legal assistant, who provide complete legal support for all aspects of the Commission's operations and statutory requirements. Additionally, they conduct legal research on a wide range of issues, participate in matters before the Federal Energy Regulatory Commission (FERC) and Federal Communications Commission (FCC), and oversee Commission rulemakings. Heline earned a Bachelor of Arts degree from Western Michigan University and a juris doctor from Valparaiso University School of Law. She has served at the Commission for 16 years.

Loraine Seyfried
Chief Administrative Law Judge

Loraine Seyfried leads the Commission's staff of administrative law judges who, along with the Commissioners, preside over docketed proceedings before the Commission.

She assists in the management of the Commission's hearing docket by making initial recommendations on case assignments and procedure, overseeing the hearing process, and providing advice in the preparation and review of Commission decisions. Judge Seyfried earned a Bachelor of Arts degree from Purdue University and a juris doctor degree from Southern Illinois University School of Law. She has served the Commission for 16 years.

Technical Operations

In addition to overseeing all operational areas of the Commission, including Administrative Law Judges, External Affairs, and the Office of General Counsel, Chief of Staff Ryan Heater manages the technical divisions that monitor and evaluate regulatory, legislative, and policy initiatives that affect the electric, natural gas, water, wastewater, telecommunications, information, and video industries, and all of their customers. The technical divisions perform research, analyze testimony in docketed proceedings, advise the Commission, and address utility issues outside of docketed proceedings.

The technical divisions analyze requests by utilities to adjust their rates and charges through rate cases (with the exception of the telecommunications industry) and many types of regulatory filings, including fuel adjustment, federal environmental compliance, and infrastructure improvement proceedings. Regulatory cases can span anywhere from three months to almost a year, involving the review of hundreds of pages of evidence submitted by several parties in each case. The technical divisions also review the utilities' 30-day administrative filings. The 30-day administrative filing process is designed to allow certain types of requests, such as changes to reconnect fees and rate adjustment mechanisms, to be reviewed and approved by the Commission in a more expeditious and less costly manner than a formal docketed case. Additionally, staff analyzes the annual reports for all jurisdictional utilities. Staff also reviews the periodic earnings review of each utility with more than 5,000 customers.

Technical operations also includes the Pipeline Safety Division, which administers federal and state pipeline safety standards that apply to all intrastate natural gas and hazardous liquid pipeline operators.

Administrative Law Judges

Chief Administrative Law Judge Loraine Seyfried and her team of five judges preside over docketed proceedings before the Commission and provide legal research, advice, and support to the Commissioners in the drafting of orders. The team of administrative law judges have diverse legal backgrounds gained through prior private practice and working for other state and local agencies. This division is supported by two court reporters and two paralegals.

Office of General Counsel

The Commission's General Counsel Beth Heline leads a team of three assistant general counsels and a legal assistant. The Office of General Counsel works on Commission assignments including appeals of Commission orders, rulemakings, review of Commission contracts and affiliate contracts, consumer affairs questions and appeals, pipeline safety violations, legislative affairs, public record requests, comments and filings to regional and federal agencies, and other legal research. Members of the team also act as legal counsel to Commission testimonial staff and provide legal support to the Indiana Underground Plant Protection Advisory Committee.

External Affairs

Executive Director of External Affairs Ryan Hadley leads a team that serves to maintain productive and transparent relationships with the media, legislators, customers, sister agencies, and other external stakeholders. The team provides neutral policy and legislative analysis, develops internal and external communication and outreach strategies, provides information and educates stakeholders on Commission processes and procedures, engages with customers and utilities to resolve disputes, and advises the Commission regarding external issues. The team accomplishes these efforts by working cross-functionally in the organization to effectively respond to and communicate about complex industry matters. Additionally, the division includes the technical support team, which supports the agency with all day-to-day information- and technology-related needs.

Consumer Affairs Division

Consumer Affairs Division Director Kenya McMillin leads a team of four analysts and an intake coordinator who are responsible for providing dispute resolution services through reasonable and timely determinations for customers of jurisdictional utilities, in accordance with Indiana Code, Indiana Administrative Code, and Commission-approved tariffs. The types of issues handled by the division include extension of service and credit, deposits, billing, termination of service, customer rights, and utility responsibilities. Director McMillin earned a Bachelor of Science degree from Indiana University-Purdue University Indianapolis and has served the Commission for 20 years.

Energy Division

Energy Division Director Jane Steinhauer leads a team of 12 employees who assist the Commission in regulating the rates and charges of electricity utilities, natural gas local distribution companies, and intrastate pipelines. Director Steinhauer earned a Bachelor of Science from Indiana University-Purdue University Indianapolis and a Master's in Business Administration from Butler University. She has served the Commission for 35 years.

The Energy Division monitors and evaluates regulatory and policy initiatives affecting the state's electric and natural gas industries. It also reviews and analyzes evidence to advise the Commission on regulatory proceedings initiated by Indiana electric and natural gas utilities involving rates, environmental compliance plans, permission to build or purchase power generation plants, energy-efficiency programs, reliability, fuel cost adjustments, service territories, Commission-initiated investigations, pipeline safety violation appeals, and many other issues.

Research, Policy, and Planning Division

Research, Policy, and Planning Division Director Dr. Brad Borum leads a team of three chief technical advisors. Dr. Borum earned a Bachelor of Science from Coe College, a Master of Economics, and a PhD in Economics from Michigan State University and has served the Commission for 35 years.

The Research, Policy, and Planning Division was established to provide the Commission with an analysis of the electric industry, including monitoring of regional transmission organizations, reviewing regulatory matters at the Federal Energy Regulatory Commission, and analyzing integrated resource plans. The division provides advice and education to the Commission on a wide variety of topics. Integrated resource planning, because it is related to all aspects of the electric industries, is the primary focus of this division. However, the division also monitors federal and regional electric grid issues and developments, evaluates changes in federal and state regulation, and reviews the economics of the energy industry to understand the impacts on Indiana.

Water and Wastewater Division

Water and Wastewater Division Director Curt Gassert leads a team of five analysts who monitor and evaluate regulatory and policy issues affecting the water and wastewater industries. Director Gassert earned a Bachelor of Science from Indiana University and is a Certified Public Accountant. He has served with the Commission for 15 years.

The majority of the division's time is spent reviewing evidence in regulatory proceedings and advising the Commission. The types of regulatory proceedings include rate changes, acquisitions, financing requests, service territory matters, infrastructure and revenue trackers, and other matters. Division staff also provide assistance with Commission rulemakings and complaints submitted to the Consumer Affairs Division. The division assists in Commission investigations, both formal and informal, that frequently involve the resolution of problems related to at-risk water or wastewater utilities.

Communications Division

Communications Division Director Pamela Taber leads a team of three analysts who manage Indiana-specific issues related to telecommunications and video services, as the Commission is both the sole video franchise authority and the direct marketing authority for video service providers in Indiana. Director Taber earned a Bachelor of Science in Accounting from Ball State University and is a Certified Public Accountant. She has served the Commission for 38 years.

The division provides advice to the Commission on telecommunications issues, such as numbering issues, slamming and cramming, telecommunications providers of last resort, eligible telecommunications carriers, and disputes between carriers. The division also advises the Commission on the certification of communications service providers and tracks and stores information about all types of communications providers and the areas where they offer their services. In addition, the division monitors the federal Lifeline program in Indiana, which provides essential phone service to low-income Hoosiers.

Pipeline Safety Division

Pipeline Safety Division Director Bill Boyd leads a team of 12 pipeline professionals with over 200 years of combined experience. Director Boyd earned a Bachelor of Science in Business from Indiana University and has 45 years of pipeline safety experience; he has served the Commission for 17 years. Director Boyd serves on the National Association of Pipeline Safety Representatives (NAPSR)'s legislative committee, which reviews the Pipeline and Hazardous Materials Safety Administration's (PHMSA) proposed federal regulatory initiatives to evaluate the cost-benefit analysis and risk assessment, as well as the practicability, feasibility, and reasonableness, of each proposal. Director Boyd also serves on NAPSR's Liaison Committee, which, along the same lines, attempts to interpret federal proposals and gather and share NAPSR's opinions and analyses.

The primary focus of the division is to ensure compliance with federal and state pipeline safety standards that apply to all intrastate natural gas and hazardous liquid pipeline operators, regardless of whether or not they are under the Commission's regulatory authority for rates and charges.

Pipeline safety engineers enforce the safety standards established by the U.S. Department of Transportation (U.S. DOT) as adopted in Indiana, which apply to the design, installation, inspection, testing, construction, extension, operation, replacement, and maintenance of pipeline facilities. The division also enforces state law adopting the U.S. DOT's anti-drug program for gas operators within Indiana, as well as U.S. DOT's integrity management, operator qualification, and damage prevention regulations. In addition, the division is responsible for investigating possible violations of the Indiana 811 Law (Ind. Code chapter 8-1-26).

ACCOMPLISHMENTS & HIGHLIGHTS

ACCOMPLISHMENTS & HIGHLIGHTS

318 Cases adjudicated in the last fiscal year that include rate, infrastructure improvement, environmental compliance, gas cost adjustment, and other types of cases

$710,860.88 Amount invested from fines levied by the Commission for pipeline safety violations toward awareness, education, training, and incentive programs to support the Indiana 811 Law

1,112 Pipeline inspection days completed in Calendar Year 2020 to ensure the safety of the intrastate pipeline system

100% The score the Pipeline Safety Division's gas program received from PHMSA during its annual inspection

$93,898 Amount refunded to utility customers via dispute resolution services provided by the Consumer Affairs Division

19 The number of Eligible Telecommunications Carrier designation cases that were approved by the Commission to enable those communication service providers to receive more than $168 million of federal support over 10 years to deploy broadband

Docketed Cases

During Fiscal Year 2021, 330 new petitions were filed with the Commission. Petitions are given a docket number upon receipt and generally assigned both an administrative law judge and a commissioner, who serve as the presiding officers.

To access information pertaining to a docketed case, visit our Online Services Portal at ***https://iurc.portal.in.gov/***. Here, you can search for a case by entering the cause number, industry, petition type, case status, petition filing date, or petitioner, and clicking Search. To watch hearings that are live streamed, please visit ***https://www.in.gov/iurc/watch-the-iurc-live/***.

For purposes of the graph below, case numbers for 2020-2021 by sector are:

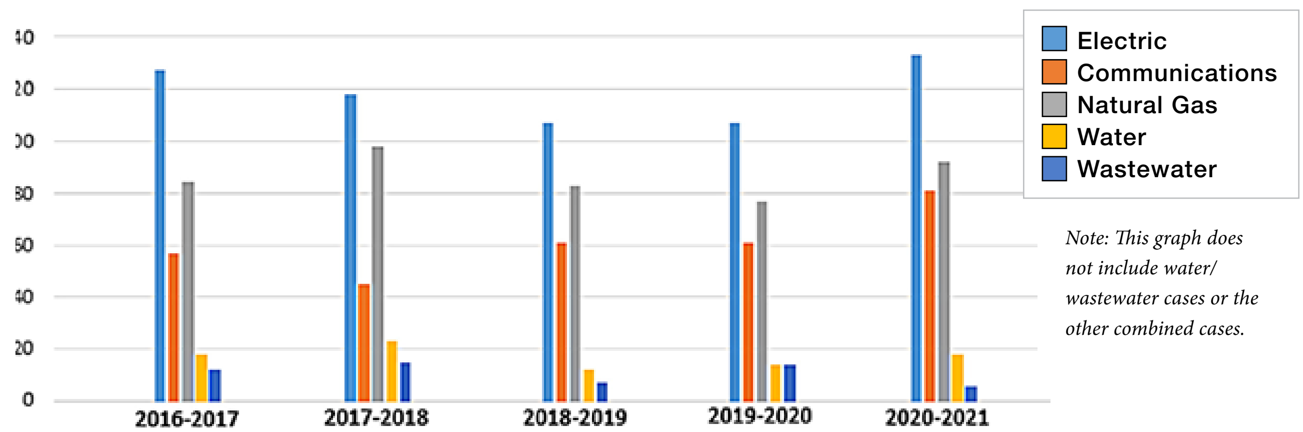
- **Electric: 133**
- **Communications: 81**
- **Gas and pipeline safety: 92**
- **Water: 18**
- **Wastewater: 6**

Agency Response to COVID-19 Pandemic

Beginning in mid-March 2020, the Commission implemented a number of updates and procedural changes to help ease the regulatory burden during the public health emergency caused by the novel coronavirus (COVID-19) and to reiterate utilities' flexibility regarding customers' bills and fees, in accordance with Indiana Administrative Rules. The Commission also implemented several procedural and logistical changes to ensure the safety of the agency's employees and its stakeholders upon the reopening of the Commission's office in June 2020, when some Commission employees returned to working in the office. As the Commission returned to normal operations in early July 2021, the modifications to Commission processes that were changed due to the COVID-19 pandemic were rescinded. Additionally, all Commission staff returned to working in the office full time by July 6, 2021, and the office has been fully open to the public since that time.

Per the request of the Legislative Council, a summary of actions taken during the public health emergency, as well as preparations that have been taken or will be taken by the Commission to address future emergencies, were compiled

Petitions Filed by Industry (5-year comparison)



Note: This graph does not include water/wastewater cases or the other combined cases.

in an Emergency Response Report submitted to the Legislative Council in mid-September 2020. To learn more about the procedural changes and logistical actions taken by the Commission during the COVID-19 pandemic, the full report can be found on the Commission's website.

Additionally, on May 27, 2020, the Commission initiated an investigation (IURC Cause No. 45380) into the impact of COVID-19 on Hoosier ratepayers and utilities. The investigation includes two phases; an Order was issued in Phase 1 of the investigation on June 29, 2020. In the Phase 1 Order, the Commission denied utilities' request for lost revenue but authorized the use of regulatory accounting for certain COVID-19 related impacts and found that the service rules and tariffs of jurisdictional utilities should be temporarily amended to prohibit utility service disconnections for 45 days beyond the expiration of Executive Order 20-28, through Aug. 14, 2020, for all customers of jurisdictional utilities, and prohibited the collection of certain utility fees (late fees, convenience fees, deposits, and reconnection fees). Many utilities implemented a disconnection moratorium voluntarily prior to the Governor's Executive Order.

On Aug. 12, 2020, the Commission issued an Order requiring extended payment arrangements (a minimum of six months long) be offered by jurisdictional utilities through Oct. 12, 2020. In the Order, the Commission also continued to suspend the collection of certain utility fees, including late fees, deposits, and disconnection/reconnection fees) for an additional 60 days, until Oct. 12, 2020, for residential customers.

Utilities have been filing monthly status updates regarding payment plans, disconnections, and other statistics since the August 2020 Order. On Aug. 25, 2021, the Commission issued an order closing the investigation, while also providing for certain monthly status reports to continue through December 2021. The Order states, "The Commission appreciates the effort by all parties in this proceeding to assist with addressing the pandemic's impacts and anticipate those efforts will continue until the pandemic is resolved."

For more information about the case, including filings and other documents, visit the Commission's Online Services Portal at ***http://iurc.portal.in.gov/***, click on "Search for a Docketed Case" and search by the Cause Number 45380.

Report to the 21st Century Energy Policy Development Task Force

In 2019, as part of House Enrolled Act (HEA) 1278, the Indiana General Assembly created the 21st Century Energy Policy Development Task Force (Task Force) under Ind. Code chapter 2-5-45 and directed the Commission to study and report on statewide impacts of transitions and changes regarding electricity generation under Ind. Code § 8-1-8.5-3.1 (b). Specifically, the Commission was directed to:

[C]onduct a comprehensive study of the statewide impacts, both in the near term and on a long term basis, of:

(1) transitions in the fuel sources and other resources used to generate electricity by electric utilities; and

(2) new and emerging technologies for the generation of electricity, including the potential impact of such technologies on local grids or distribution infrastructure…on electric generation capacity, system reliability, system resilience, and the cost of electric utility service for consumers.

As part of the study, the SUFG modeled different resource portfolios and their impacts on customer prices. The Lawrence Berkeley National Laboratory (LBNL) provided detailed analysis from the perspective of the electric utility distribution system, and Indiana University prepared an analysis of the community impacts of coal-fired generation retirements.

Originally due on July 1, 2020, Governor Holcomb extended the timeline for the report to Aug. 14, 2020, through Executive Order 20-31. The Commission's report is available on its website at: ***https://www.in.gov/iurc/research-policy-and-planning-division/hea-1278-energy-study/***.

Improving Procedural Efficiencies Project

As part of its Next Level priorities and strategic planning, the Commission and its staff continue to evaluate how to improve its processes and procedures, particularly with regard to the Commission's docketed cases, to ensure each case record is as robust as possible for decision-making.

In April 2020, Commission staff identified two general areas of focus, with more specific items for consideration under each area. These two areas were: 1) improve the information provided in initial filings and petitions to ensure better education and background on issues being presented; and 2) improve the organization of information in docketed cases to ensure consistency from all parties. The Commission requested comments and had two rounds of stakeholder feedback, which ultimately resulted in the Commission issuing a General Administrative Order (GAO) 2020-05 on Improving Procedural Efficiencies.

In 2021, the Commission proposed an additional issues list, which focused on updating the Minimum Standard Filing Requirements rule (170 IAC 1-5) and Demand Side Management and Energy Efficiency proceedings. See ***https://www.in.gov/iurc/docketed-cases/find-a-docketed-case/improving-procedural-efficiencies/***.

Commission staff invited comments from interested stakeholders by July 2, 2021; these comments can be found at the link above. Commission staff will be conducting additional outreach through the remainder of 2021 and expect this effort to result in the Commission issuing GAOs, as well as starting a rulemaking to amend the Commission's Minimum Standard Filing Requirements in Title 170 Ind. Admin. Code 1-5.

Integrated Resource Planning

Under Indiana law, electric utilities are required to provide safe and reliable service in an efficient and cost-effective manner. Indiana's largest electric utilities include five investor-owned utilities, which are Duke Energy Indiana, LLC (Duke), Indiana Michigan Power Company (I&M), AES Indiana (formerly known as Indianapolis Power & Light Company or IPL), Northern Indiana Public Service Company, LLC (NIPSCO), and Southern Indiana Gas and Electric Company (d/b/a CenterPoint Energy Indiana South) (CenterPoint), as well as the three member-owned wholesale power utilities – Indiana Municipal Power Agency (IMPA), Hoosier Energy, and Wabash Valley Power Association (WVPA). To ensure adequate resources have been planned to meet its ongoing and future cost-effective reliable service obligation, these utilities employ state-of-the-art tools and work with their stakeholders to develop credible integrated resource plans (IRPs). IRPs evaluate a broad range of feasible and economically viable resource alternatives — including utility-owned resources, energy efficiency, demand response, and customer-owned resources — over a 20-year planning period.

IRPs are analytically challenging and complex and affect virtually all aspects of utility operations and long-term objectives. To address the inherent complexities of IRPs, the Commission hosts an annual Contemporary Issues Technical Conference to discuss IRPs. The Commission, with the assistance of various stakeholders, invites experts to discuss methods for addressing complex issues. The 2021 Technical Conference was scheduled as a three-part virtual series with sessions on June 8, July 15, and Aug. 19, 2021. The focus of each session was on a different aspect of the analysis and modeling of energy efficiency resource options in the IRP process. The sessions include presenters from Lawrence Berkeley National Laboratory, Indiana investor-owned utilities (IOUs), and other participants in the IRP stakeholder advisory process.

Utility Collaboratives

In recent electric rate cases, the Commission directed AES Indiana, NIPSCO, I&M, and most recently, Duke, to participate in public collaborative processes with interested stakeholders, including Commission staff, the Indiana Office of Utility Consumer Counselor (OUCC), local communities, and customer and industrial advocacy groups, for the purpose of increasing utility operation and management transparency and reporting timeliness by developing and implementing performance-based metrics that are reviewed annually. Generally, performance metrics were developed in the areas of public safety, reliability, customer satisfaction, utility operations, and affordability, with more specific metrics established based on the utility. The stakeholders met frequently to develop comprehensive, performance-based metrics for the utilities. These collaborations allow a better, more transparent assessment of the utility and its performance over time through the required reporting of metrics. Annual performance metric reports are filed and made available through the Commission's Online Services Portal.

Information Provided to Small Water and Wastewater Utilities and Municipalities

Due to challenges that small water and wastewater utilities face, such as the replacement of aging infrastructure and small customer bases to share infrastructure improvement costs, the Commission's Water and Wastewater Division provides small water and wastewater utilities with educational assistance. The Commission has focused its educational assistance in two major areas: hands-on training and information on its website. Based on prior successes, the Commission continues to hold workshops on how to complete the Commission's small utility rate application and annual report, the basics of utility accounting, and tools for strategic planning and asset management. In November 2020, during the COVID-19 pandemic, Division staff changed the format of the Commission's Small Utility Workshop. The new, web-based format allowed the traditional day-long workshop to be broken up into four different topic-based segments. Staff considers the shift in format change to be successful, not only in conducting this important training during a pandemic, but also because there were attendees who could attend specific segments of the training, whom otherwise may not have attended the full-day, in-person workshop.

To make educational materials more accessible, the Commission continues to find ways to improve its website by providing useful documents to utilities, such as standard operating procedures, generic maintenance plans and forms, best practice guides, emergency response, conservation, and board training. The Commission's website also houses a small utility toolkit, which provides Commission-specific regulatory information, infrastructure funding options, and other assistance.

From July 1, 2020, to June 30, 2021, five utilities completed the rate application for small utilities without the use of a consultant, greatly reducing rate case expenses that are ultimately passed along to customers. Ind. Code § 8-1-2-61.5, amended by Senate Enrolled Act (SEA) 472 (2019), increased the number of utilities that can file small rate applications from those serving fewer than 5,000 customers to those serving fewer than 8,000 customers, and expanded eligibility to divisions of large utilities that serve less than 5,000 customers. With these enhancements, the Commission expects more utilities will take advantage of this efficient, cost-saving measure in the future.

In addition, Commission staff continues to work with municipalities regarding the passage of HEA 1131 in the 2020 legislative session. HEA 1131 adds Ind. Code § 8-1-

2-101.5 which requires municipally owned water and wastewater utilities to comply with the Commission's main extension rules with regards to main extension agreements entered into after June 30, 2020. Commission staff created a detailed document about the law change, a one-page overview, and two documents regarding the dispute resolution process and contract information.

Underground Plant Protection Account

The Underground Plant Protection Account (UPPA) is funded by fines levied by the Commission for violations of the Indiana 811 Law. Funds are used to provide public awareness, education, and incentive programs designed to reduce damages to buried utility facilities during excavation.

While COVID-19 continues to affect in-person UPPA fund outreach, during Fiscal Year 2021 the Commission-administered fund supported more than $700,000 in awareness, training, incentive, and education initiatives focused on underground utility safety. A sample of these programs included:

- Continuing the partnership with the Indiana Broadcasters Association (IBA) to air more than 50,000 utility safety focused public service announcements across Indiana on broadcast TV, as well as AM and FM radio stations
- Partnering with Hirons & Company Communications to begin a full suite of online utility safety marketing efforts
- Partnering with the Children's Museum of Indianapolis to bring utility safety content to the nation's highest-rated children's museum
- Fully funding the first completely online Midwest Damage Prevention Training Conference, hosting nearly 500 attendees

Additionally, the Commission, through the UPPA fund and in collaboration with the state's Management Performance Hub, created a data visualization map of Indiana using damage data collected by the Pipeline Safety Division. The map, which was launched on March 19, 2021, allows for the visualization of damages and the ability to search for damage trends more effectively. The dashboard is publicly available and can be viewed at ***https://www.in.gov/iurc/pipeline-safety-division/damage-to-underground-facilities/indiana-pipeline-damages-map/***.

Participation in 988 Suicide Prevention Hotline Implementation

The Federal Communication Commission's (FCC's) designation of 988 as a three-digit code to reach the National Suicide Prevention Hotline necessitates that two Indiana area codes must transition to 10-digit dialing for local calls. The FCC recognized in its July 17, 2020, Suicide Hotline Order that some areas of the country that have not implemented 10-digit dialing and already have 988 in use as an exchange number will have technical difficulties implementing the three-digit hotline. To remedy this problem, the FCC mandated the implementation of 10-digit dialing for local calls in such area codes across the country; in Indiana, this affects area codes 219 and 574. The rest of Indiana was not affected as those areas already had 10-digit dialing, either due to area code overlays or to not having 988 as an exchange number. Commission staff participates in conference calls managed by the North American Numbering Plan Administrator to establish implementation milestones, educational outreach goals, and to discuss technical issues. In addition, the Commission and the OUCC coordinated and have been doing their own targeted customer outreach, including press releases, YouTube videos, website messaging, and emails to alarm companies and public law enforcement associations. Ten-digit dialing for area codes 219 and 574 started on Apr. 24, 2021, and will be mandatory starting on Oct. 24, 2021.

The FCC's Rural Digital Opportunity Fund (RDOF) Phase I Auction Impact on Indiana

In January 2020, the FCC established the RDOF, allocating up to $20.4 billion over 10 years through a two-phase competitive reverse auction to help connect unserved rural homes and small businesses to high-speed broadband. The FCC also requires RDOF participants to offer voice telephony services, including stand-alone voice. To prepare for the RDOF Auction's impact on Indiana, the Communications Division tracked FCC orders and policy developments leading up to auction throughout 2020. The RDOF Auction resulted in more than $168 million of federal support for broadband deployment to more than 152,000 locations in Indiana over 10 years.

The RDOF auction drew new types of eligible telecommunication carrier (ETC) petitioners, which resulted in several auction participants submitting new certificate of territorial authority (CTA) applications or updates to existing CTAs or certificates of public convenience and necessity (CPCNs) in 2020/21 to prepare for the ETC designation process. The Commission approved 19 new ETC designations and completed them prior to the FCC's June 7, 2021, deadline so that those entities would be eligible to receive the RDOF funding. The FCC expects to complete its review process and disperse funds during the Fall of 2021.

A second phase of RDOF funding is planned in the near future to reach areas that continue to be unserved or under-served. This will likely entail additional ETC designation requests. No specific dates have been announced.

Field Hearings & IRP Stakeholder Meetings

The Commissioners heard from the public on several important issues before the Commission over the last fiscal year, including traveling to four field hearings for base rate cases and several IRP stakeholder meetings around the state. Due to the COVID-19 pandemic, the Commission conducted field hearings in accordance with Ind. Code § 8-1-2-61(b), while adhering to social distancing guidelines and providing a virtual option for utility customers to participate in the process.

Field hearings are public hearings that give utility customers an opportunity to speak in favor of or against pending cases before the Commission. If a utility seeks an increase in revenue in a base rate case that exceeds $2.5 million, at least one field hearing held in the largest municipality within a utility's service territory is required. Hearings are documented by a court reporter, and testimony is offered in the case as evidence by the OUCC. In Fiscal Year 2021, the Commission held four hearings around the state: one for Crawfordsville Power & Light's rate case (Cause No. 45420), one for the City of Columbus Municipal Water Utility's rate case (Cause No. 45427), one in Carmel for CenterPoint Energy Indiana North's rate case (Cause No. 45468), and one in Evansville for CenterPoint Energy Indiana South's rate case (Cause No. 45447).

A hallmark of Indiana's IRP process is open stakeholder participation in a concerted effort to narrow areas of controversy regarding the IRP and facilitate timely decisions by the Commission regarding future resources. The Commission has assiduously sought to encourage broad stakeholder participation to ensure a variety of perspectives are considered. Utilities generally hold at least three public advisory sessions to provide meaningful input into the development of the IRPs. As the importance of the IRPs and the potential costs of resource decisions have increased, utilities have scheduled more meetings to better address stakeholder concerns. The utilities also provide educational programs for participants in the stakeholder process.

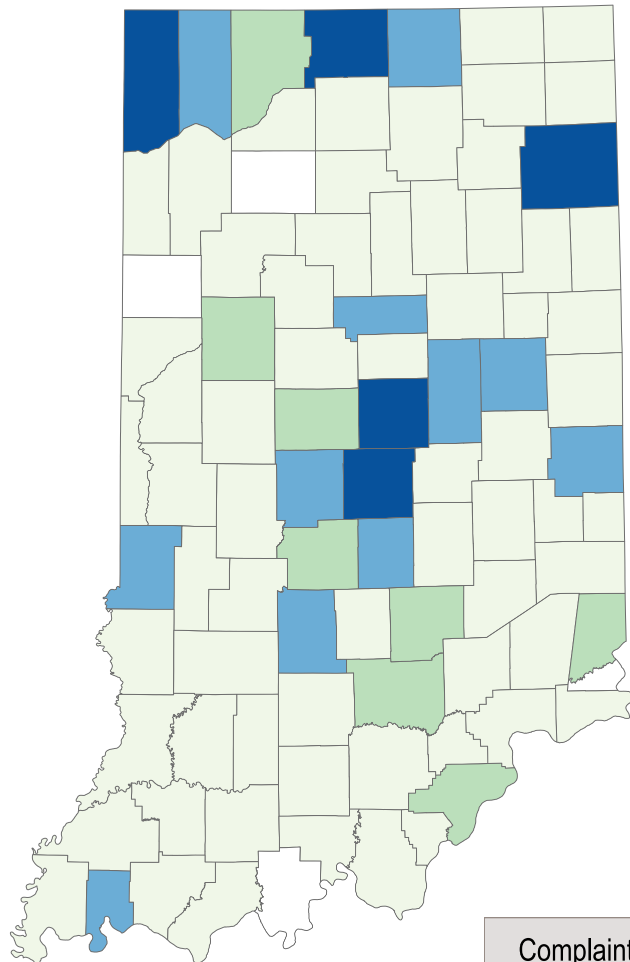
Public advisory sessions are currently being held by Duke, I&M, and NIPSCO in preparation of their IRPs due to be submitted November 2021.

These utilities submit an IRP once every three years on a staggered schedule, pursuant to the Commission's IRP rule, 170 IAC 4-7. Both Hoosier Energy and IMPA submitted their respective IRPs on Nov. 2, 2020, and CenterPoint submitted its IRP on June 29, 2020. Duke, I&M, NIPSCO, and WVPA are all expected to submit IRPs in November 2021.

Consumer Affairs Division

In Fiscal Year 2021, the Commission's Consumer Affairs Division handled 10,530 calls, 529 online complaints, 36 emails, 66 letters, 2 faxes, and 1 walk-in resulting in 2,484 complaints/inquiries. The Consumer Affairs Division was fully operational during the pandemic and was able to provide normal dispute resolution services to customers experiencing issues with their utilities. The complaints/inquiries spanned all industries concerning a wide-ranging list of utility-related issues, but billing was the most common. Billing issues can be complicated, often involving customer confusion over bill formats or questions regarding unexpected increases in bill amounts. $93,898 in billing adjustments were refunded to customers due to the Consumer Affairs Division resolutions to customer complaints.

Consumer Affairs Division Complaints/Inquiries by County



Although the Commission has limited authority over video, telecommunications, and information services providers, complaints/inquiries about these providers are a significant portion of the division's workload. In fact, more than 48% of complaints/inquiries received in Fiscal Year 2021 by the Consumer Affairs Division were related to these industries. In total, this fiscal year, the complaints/inquiries involving video, telecommunication, and information services providers increased nearly 10% due to the pandemic. Even with limited statutory authority, the Consumer Affairs Division continues to be a resource for customers by connecting with these providers to come to a resolution.

In prior Fiscal Year 2020, the Division received 177 complaints/inquiries from March 18, 2020, through June 6, 2020, ranging from disconnection of service, billing dispute, service, and service denial that pertained to the disconnection moratorium. In Fiscal Year 2021, the Division received 60 of the same types of complaints/inquiries from July 1, 2020, through Dec. 20, 2020, regarding the disconnection moratorium. Throughout the moratorium, the Division worked to educate both customers and utilities of the applicable rules based on the Commission orders, and consistently rendered binding determinations to ensure compliance with the orders.

A table with a breakdown of complaints/inquiries by county during Fiscal Year 2021 can be found in *Appendix B*.

If customers cannot resolve their concerns with their regulated utility, they may contact the Commission's Consumer Affairs Division by phone at 1-800-851-4268 or online at ***https://iurc.portal.in.gov/***.

Interventions and Comments

In order to ensure Indiana's interests are represented at the federal and regional levels, one of the various duties the Office of General Counsel undertakes is drafting and filing pleadings or comments with federal and regional entities. The Office of General Counsel is also responsible for intervening in cases where the Commission or state of Indiana's interests should be represented. The Office of General Counsel, on behalf of the Commission, intervened, provided comments, or participated in proceedings 21 times in Fiscal Year 2021. These include the following:

- Two comments and three interventions to the FERC.
  - In comments filed in FERC docket AD20-19, on Aug. 17, 2020, the Commission observed that FERC's proposed incentive for certain cybersecurity upgrades is inefficient and should change to grant eligibility only for specific prioritized standards, maximizing the incentive's effectiveness and mitigating potential prudence issues.
  - In comments filed in FERC docket EL21-12 on Nov. 19, 2020, the Commission argued to preserve state authority to opt-out of allowing direct retail customer participation at the wholesale level for demand response and therefore objected to a complaint by Voltus requesting that FERC overturn its previous allowance of a state opt-out for demand response participation in the wholesale market.
- Eight filings, resolutions, or letters through the Commission's participation in the Organization of PJM States, Inc., regarding the PJM Interconnection, LLC.
- Eight filings, resolutions, or letters through the Commission's participation in the Organization of MISO States, regarding the Midcontinent Independent System Operator, Inc.

General Administrative Orders

In Fiscal Year 2021, the Commission issued the following GAOs:

- **GAO 2020-4** – Policy Governing **Indiana 811 Law Hearings** approved July 22, 2020, which revoked GAO 2016-3 because it was superseded by Title 170 Ind. Admin. Code 1-1.1-5.5.
- **GAO 2020-5** – Policy Governing **Improving Procedural Efficiencies** approved Dec. 29, 2020, which published Improving Procedural Efficiencies Guidelines and Recommendations that incorporated feedback from stakeholders and staff.
- **GAO 2020-6** – Policy Governing the **Interest Rate for Gas Customer Deposits** approved Dec. 29, 2020, which set the interest rate gas utilities must credit on customer deposits.
- **GAO 2021-1** – Policy Governing **Commissioner Participation via Electronic Communication** approved June 2, 2021, which published the electronic meetings policy, an Indiana Open Door Law requirement for electronic meetings, and superseded GAO 2020-3, the former electronic meetings policy.

Rulemakings

Before the Commission can adopt rules or make changes to its existing rules, it must follow the formal rulemaking process. This ensures the opportunity for public comment and allows the issues at hand to be fully vetted. In addition to the formal process dictated by state procedures, it is the practice of the Commission to hold informal workshops and discussions with stakeholders prior to initiating a formal rulemaking. Although the rule development process can extend the time the rule is discussed, it helps achieve common ground among stakeholders before the formal process begins. For more information or to access documents and public comments related to these rulemakings, please visit ***https://www.in.gov/iurc/rulemakings/rulemakings-pending-and-effective/.***

The following are rulemakings completed in Fiscal Year 2021:

- **Revisions to Procedural Rules (IURC RM #18-02 – previously IURC RM #15-02; LSA #19-378)**: The rules are revised to address the management of electronic filing; this rule also addresses inconsistencies in the ex parte rule. The rule development process for this rulemaking was started in 2015 when the Commission started the revision of its database system and a draft proposed rule was circulated to stakeholders for comments and input. The rule was filed with the Legislative Services Agency on June 10, 2020, and took effect on July 10, 2020.
- **Revisions to Commission Review of Rates and Charges Outside of Municipal Boundaries (RM #19-06; LSA #20-89)**: The rule is revised to incorporate changes made by the General Assembly to Ind. Code § 8-1.5-3-8.3. In addition, certain changes are being made to bring the filing requirements into compliance with the Commission's procedural rules and to lessen the regulatory burden on petitioners. The rule was filed with the Legislative Services Agency on July 20, 2021, and took effect on Aug. 19, 2021.

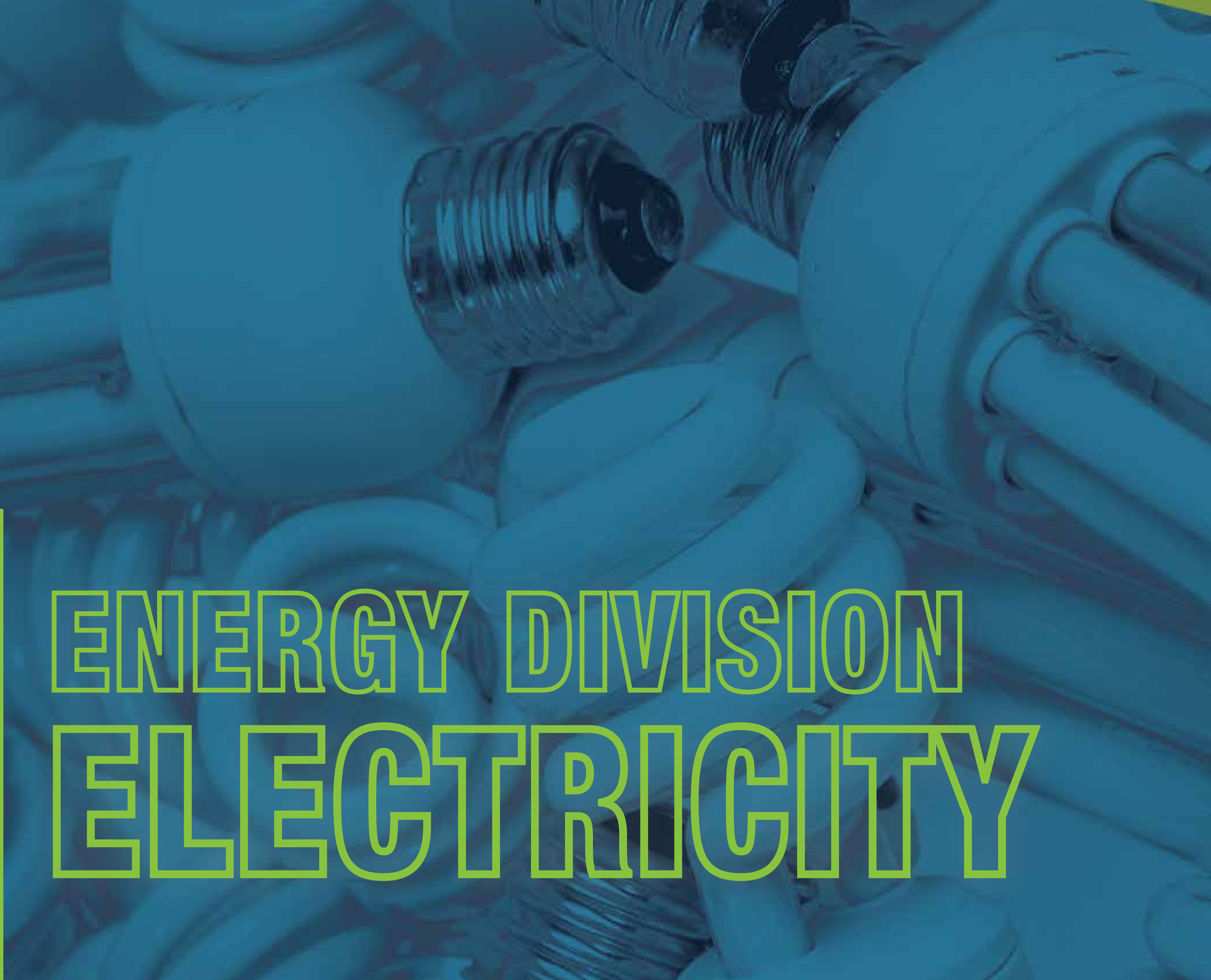
The following are current rulemakings at the Commission:

- **Revisions to Sub-billing Rules (RM #20-02)**: The rule will be revised to incorporate changes made by the General Assembly in House Enrolled Act 1664-2019, which amended Ind. Code § 8-1-2-1.2 to expand the ability to sub-bill to include not only landlords, but also to condominium associations and homeowners' associations. The rule will also clarify certain provisions in the rule with respect to sub-billing for water and wastewater service. The draft rule was sent to Office of Management and Budget requesting an exception from the rulemaking moratorium on Sept. 3, 2020.
- **Revisions to Minimum Pipeline Safety Standards (RM #20-03; LSA #21-213)**: The rule will amend Title 170 Ind. Admin. Code 5-3 concerning minimum pipeline safety standards to incorporate new federal pipeline safety standards through 2021 and to make various updates and revisions to Indiana-specific safety standards related to relief valves, farm taps, low pressure stations, uprate plans, construction packets, and the establishment of Maximum Allowable Operating Pressure on distribution systems. The Notice of Intent to adopt a rule for this rulemaking was published on June 2, 2021, and the Notice of Proposed Rulemaking was approved by the Commission on Aug. 11, 2021.
- **2021 Re-adoptions (IURC RM #21-01; LSA #21-204)**: Readopted rules that would have expired on Jan. 1, 2021, including title 170 Ind. Admin. Code 5-2 regarding classification of accounts, and title 170 Ind. Admin. Code 10-2 regarding preservation of records. The Indiana Register published the Notice of Intent to readopt these rules on June 2, 2021.

Appeals

When Commission orders are appealed, the Commission's Office of General Counsel works with the Indiana Attorney General's Office (which represents the Commission in state court) and assists in drafting briefs to the Indiana Court of Appeals and the Indiana Supreme Court. In Fiscal Year 2021, a total of nine briefs were drafted in the following cases:

- IURC Cause No. 45055, 19A-EX-2964, *Delaware County Regional Water District v. Muncie Sanitary District*, regarding the expansion of Muncie Sanitary District's service territory. The Commission's brief responding to the petition to transfer was filed on Sept. 28, 2020. The Commission's order was affirmed on Feb. 8, 2021.
- IURC Cause No. 45264, 20A-EX-800, *IPL Industrial Group, et. al. v. IPL*, regarding approval of IPL's (now AES Indiana's) Transmission Distribution System Improvement Charge (TDSIC). The Commission filed its response brief in the Court of Appeals on Aug. 26, 2020, and its response brief to the petition to transfer on Jan. 7, 2021. The Commission's Order was affirmed on April 13, 2021.
- IURC Cause No. 45321, 20A-EX-1417, *Realgy v. Northern Indiana Public Service Company (NIPSCO)*, regarding termination of Realgy's choice provider contract. The Commission filed its response brief on Nov. 25, 2020. The Commission's Order was affirmed on Feb. 24, 2021.
- IURC Cause No. 45362, 20A-EX-2199, *OUCC v. Citizens of Westfield*, regarding the acquisition of JLB Development, Inc. by Citizens of Westfield. The Commission filed its response brief on June 1, 2021. The case is pending a decision by the Court of Appeals.
- IURC 30-Day Filing Nos. 50331 and 50332, 20A-EX-1384, *Solarize Indiana Inc., v. IURC*, regarding approval of Vectren's (now CenterPoint's) rates to purchase from qualified facilities. The Commission filed its response brief in the Court of Appeals on Dec. 8, 2020, and its response brief to the petition to transfer on April 5, 2021. The case is pending a decision by the Indiana Supreme Court.
- IURC Cause No. 45253, 20A-EX-1404, *OUCC v. Duke*, regarding Duke's general rates case. The Commission filed its response brief in the Court of Appeals on Dec. 14, 2020. The Commission's Order was affirmed on May 13, 2021, but the OUCC has requested transfer to the Indiana Supreme Court.



ENERGY DIVISION

ELECTRICITY

ENERGY DIVISION—ELECTRICITY

Regulatory Responsibility

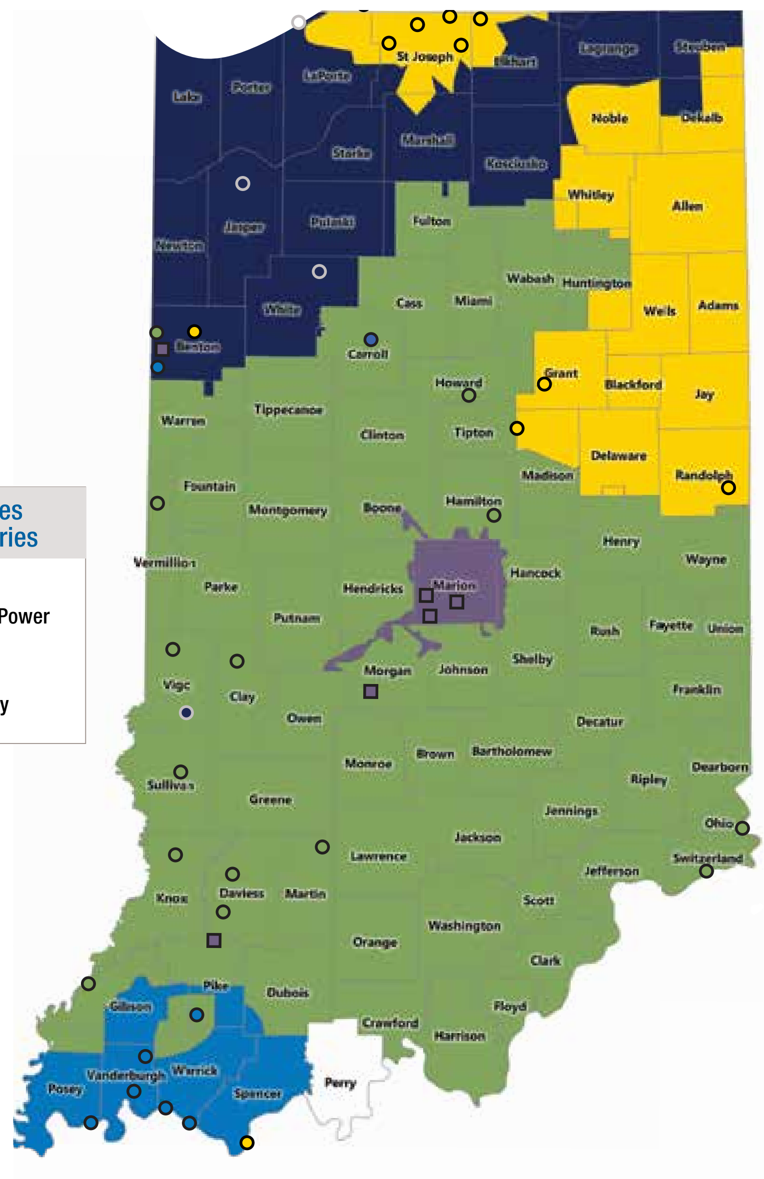
There are three types of electric utilities in Indiana—investor-owned utilities (IOUs), municipally owned utilities, and rural electric membership cooperatives (REMCs). The Commission has full jurisdiction over IOUs, including rates and charges, as well as customer service terms and conditions. In addition, the Commission reviews and approves long-term financing for IOUs, municipals that have not opted out of the Commission's jurisdiction for rates and charges, the Indiana Municipal Power Agency (IMPA), and Wabash Valley Power Association (WVPA). Generally, all Indiana electric utilities wanting to build, buy, or lease new generation facilities must first have their proposals reviewed and approved by the Commission. The Commission also has jurisdiction over all Indiana electric utilities' retail service territories. The electric utilities under the Commission's rate jurisdiction served approximately 2.7 million customers and had total revenues of approximately $8.1 billion for Calendar Year 2020 *(see Appendix C)*.

Investor-Owned Utilities

Five major IOUs operate in Indiana and are for-profit enterprises funded by debt (bonds) and equity (stock).

The five IOUs, all of which are fully regulated by the Commission, are listed to the right. The simplified map to the right shows the counties in which the investor-owned electric utilities have service territory. Electric cooperatives serve most of the rural areas *(see map on page 28)*.

Electric Service Territories



Indiana Utilities Service Territories

- Duke Energy
- Indiana Michigan Power
- AES Indiana
- NIPSCO
- CenterPoint Energy

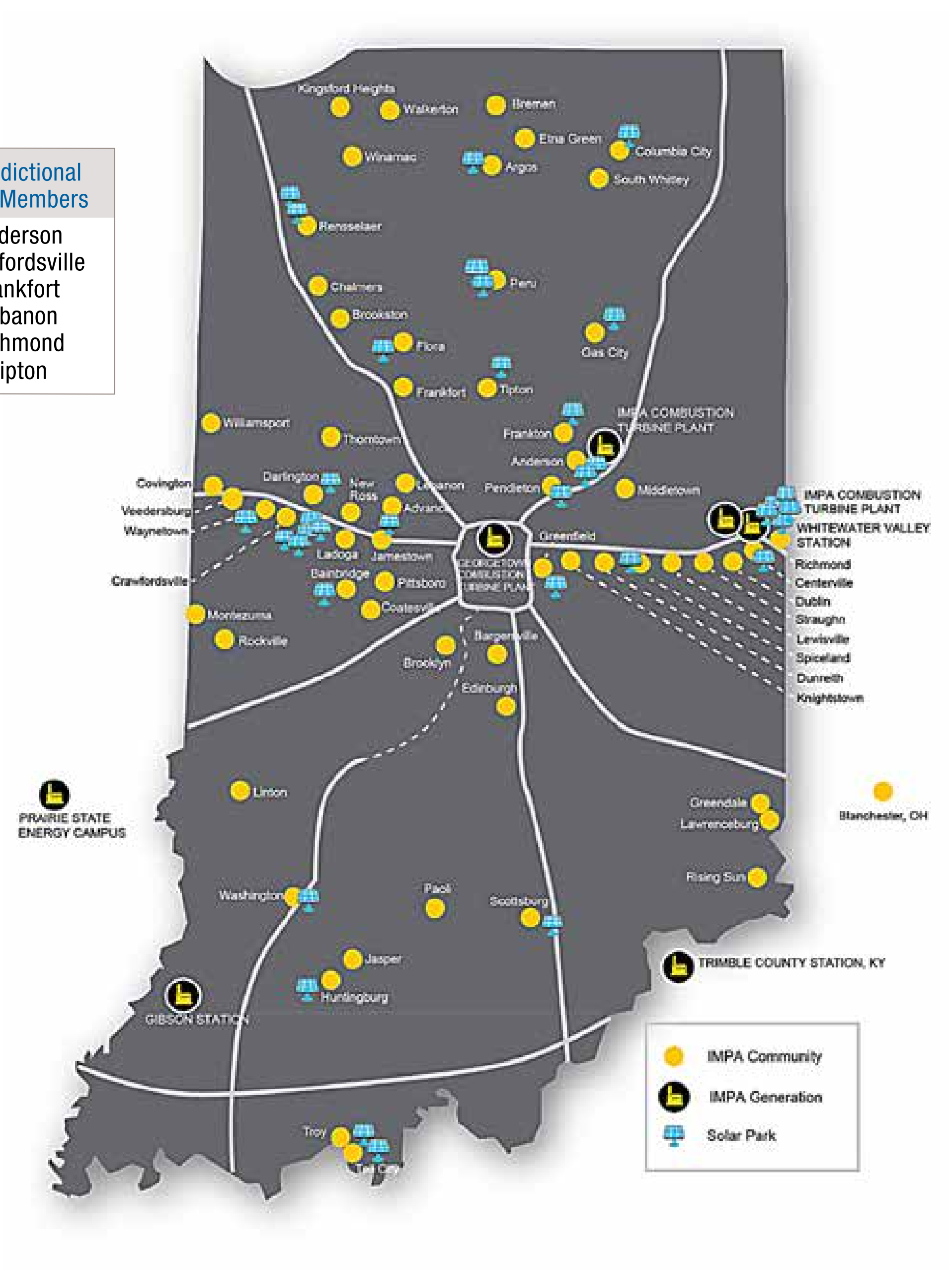
- Duke Energy Indiana, LLC (Duke), is based in Plainfield, Indiana, and is a subsidiary of Duke Energy Corporation headquartered in Charlotte, North Carolina. The utility serves 852,000 customers in 69 of the 92 counties located in Indiana.
- Indiana Michigan Power Company (I&M) is based in Fort Wayne, Indiana, and is a subsidiary of American Electric Power Company, Inc. (AEP) headquartered in Columbus, Ohio. The utility serves 470,000 customers in two noncontiguous parts of northeastern and north central Indiana.
- AES Indiana (formerly Indianapolis Power and Light Company or IPL) is based in Indianapolis, Indiana, and is a subsidiary of the AES Corporation headquartered in Arlington, Virginia. The utility serves more than 511,000 customers in the greater Indianapolis area.
- Northern Indiana Public Service Company, LLC (NIPSCO), is a subsidiary of NiSource Inc., which is headquartered in Merrillville, Indiana. The utility serves 477,000 electric customers in northwestern Indiana.
- Southern Indiana Gas and Electric Company (d/b/a CenterPoint Energy Indiana South) is based in Evansville, Indiana, and is a subsidiary of CenterPoint Energy headquartered in Houston, Texas. The utility serves 148,000 customers in a small part of southwestern Indiana, including Evansville.

Municipally Owned Utilities

The municipally owned electric utilities under the Commission's rate jurisdiction are Anderson, Auburn, Crawfordsville, Frankfort, Lebanon, Richmond, and Tipton. In 1980, a group of municipalities created IMPA to jointly finance and operate generation and transmission facilities, as well as meet members' power needs through a combination of member-owned generating facilities, member-dedicated generation, and purchased power. Of the 72 municipally owned electric utilities in the state, 60 are members of IMPA, including six of the eight municipal electric utilities regulated by the Commission. *See Appendix D*.

Jurisdictional IMPA Members
Anderson
Crawfordsville
Frankfort
Lebanon
Richmond
Tipton

Statewide Map of Indiana Municipal Power Agency Members and Generating Resources

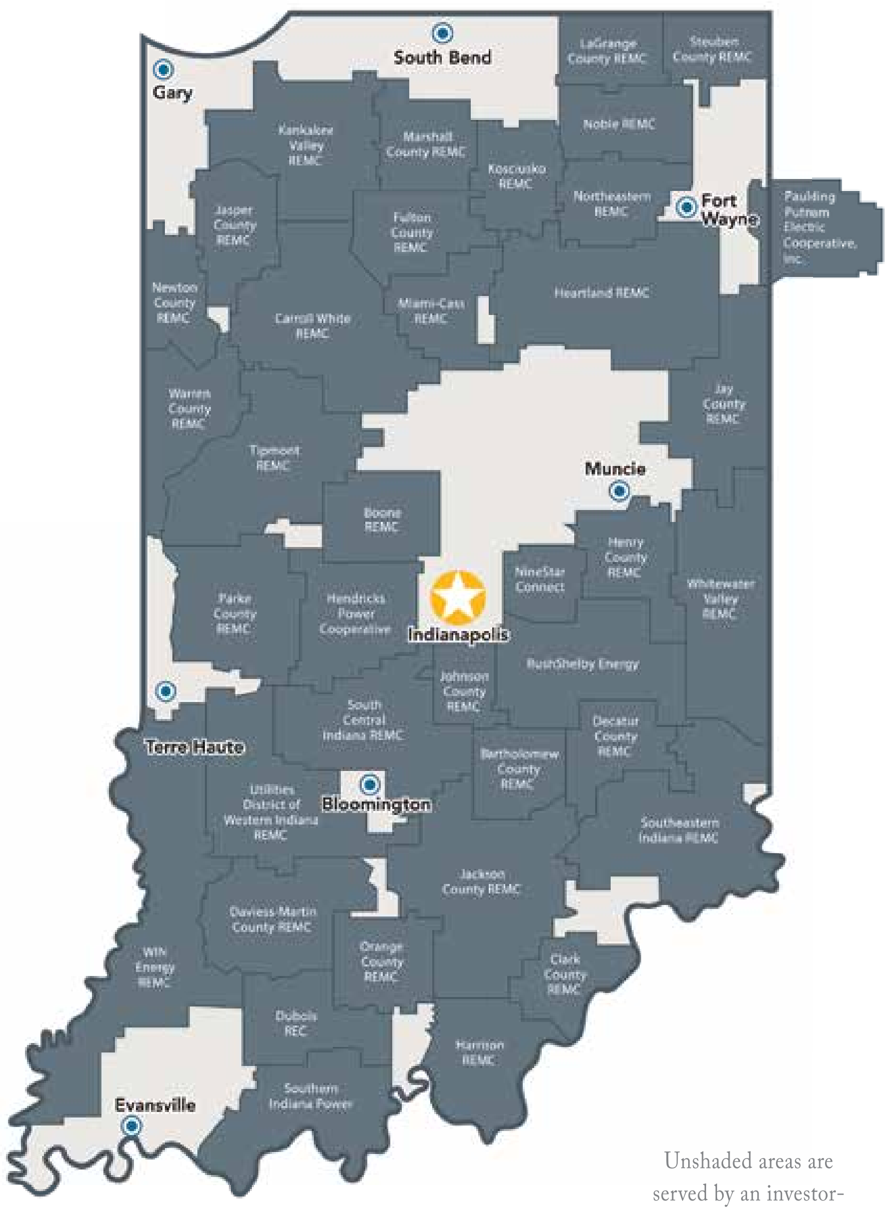


Rural Electric Membership Cooperatives

REMCs are customer-owned distribution utilities, most of which are members of either Hoosier Energy, located in the southern part of the state, or WVPA, located in the northern part of the state. Hoosier Energy and WVPA are power generating and transmission member-owned organizations formed to supply power to the REMCs.

The Commission's regulation of Hoosier Energy and WVPA is primarily limited to decisions to purchase, build, or lease generation facilities, and the review of their integrated resource plans (IRPs). No REMCs remain under Commission authority for rate regulation as all have exercised the option to withdraw from the Commission's jurisdiction as provided by Ind. Code § 8-1-13-18.5.

Indiana Electric Cooperatives
Member Cooperatives



Unshaded areas are served by an investor-owned or municipal utility.

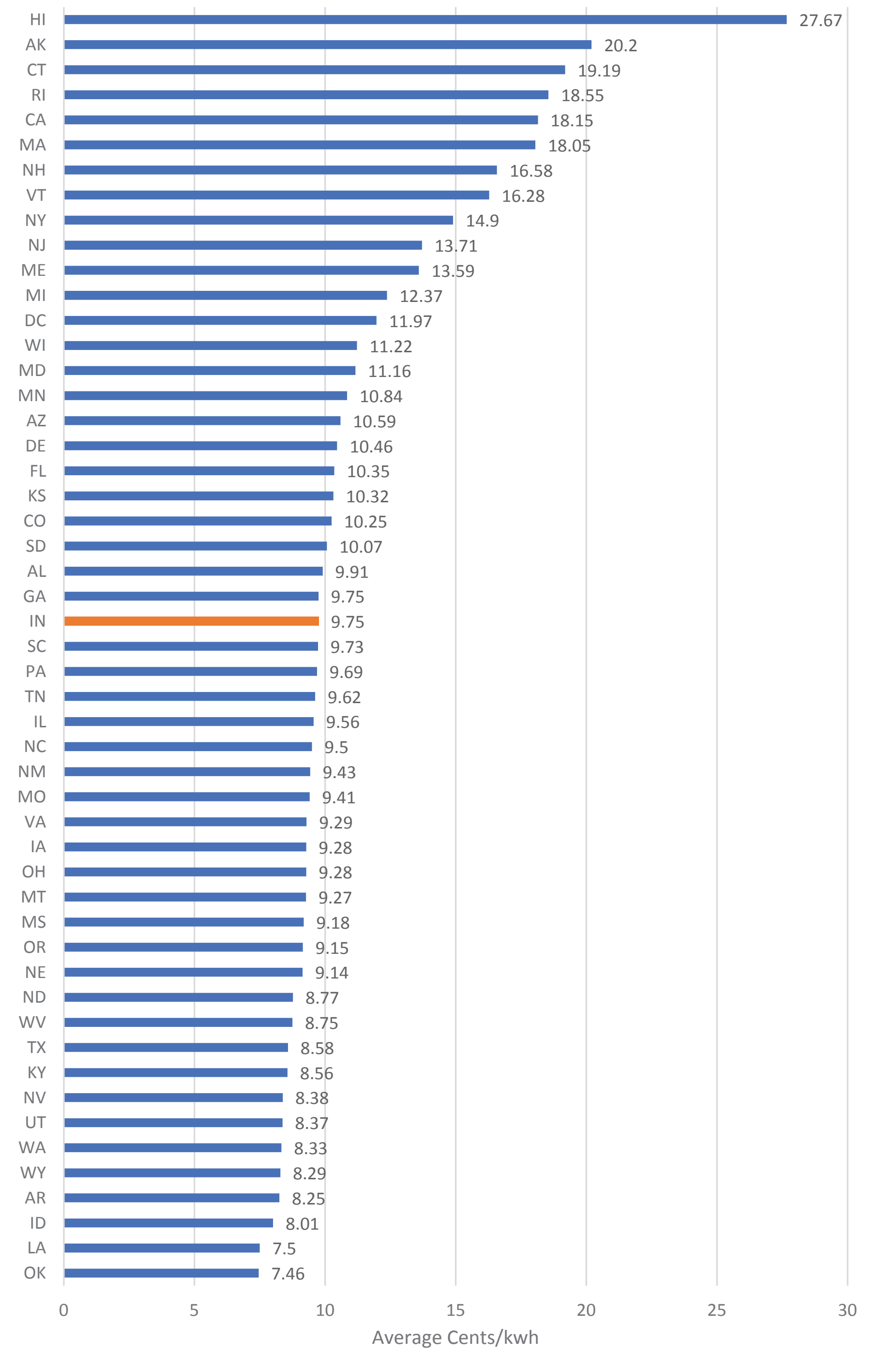
Competitiveness of Rates

Indiana's average retail prices for electricity continue to be competitive both nationally and regionally. State average electricity prices are the composite average price for all rate classes, including residential, commercial, and industrial customers.

Indiana's average total customer retail rates historically have compared favorably to those of the rest of the nation. They ranked as the 4th lowest in 2004 and the 27th lowest in 2020, according to Electric Power Monthly. The variability in ranking is the result of many factors, including environmental requirements, the timing of rate cases (both in and out of state), required investments to maintain infrastructure, and fluctuations in the cost of fuel. Investment costs to address environmental mandates and general trends in coal and natural gas prices have influenced Indiana's relative price advantage.

Neighboring states' total customer retail rate rankings for 2020 are as follows: Kentucky – 9th, Illinois – 23rd, Ohio – 17th, and Michigan – 40th. However, rates and rankings can fluctuate from year to year, depending on environmental regulations and the commodity prices of coal and natural gas.

2020 Average State Electricity Retail Prices (All Customer Classes) by state, in cents/kwh



How Indiana Compares

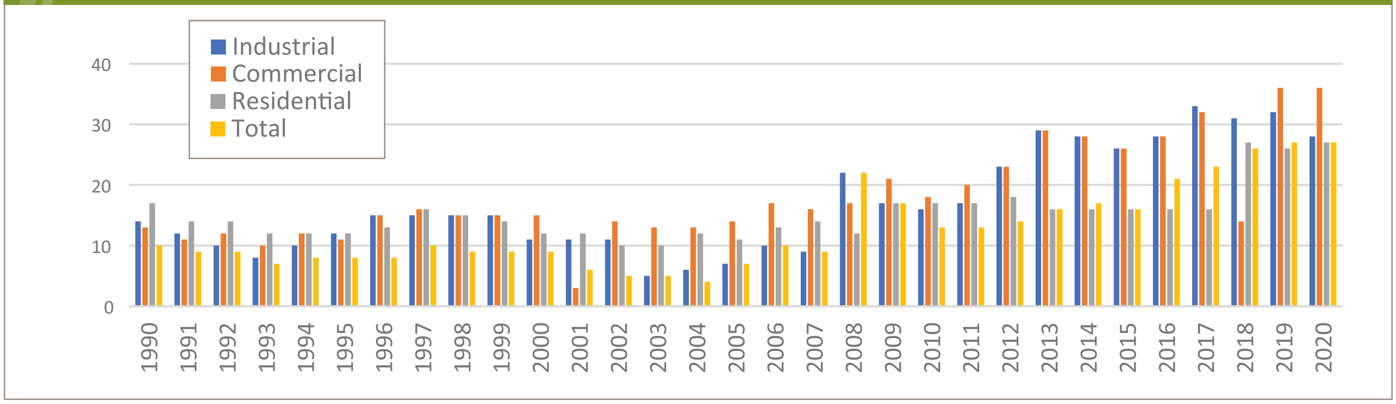
Differences and variations in rates can be seen between the various customer classes—residential, commercial, and industrial. Due to a number of factors, each class has been affected differently from a ranking standpoint.

When focusing solely on rankings, Indiana is still competitive; however, its average electricity price ranking has lost ground to other states in recent years due to changes in the commodity markets and compliance with federal environmental regulations. If Indiana is to remain competitive moving forward, long-term planning and a well-developed, holistic evaluation of potential solutions to address rising costs are critical.

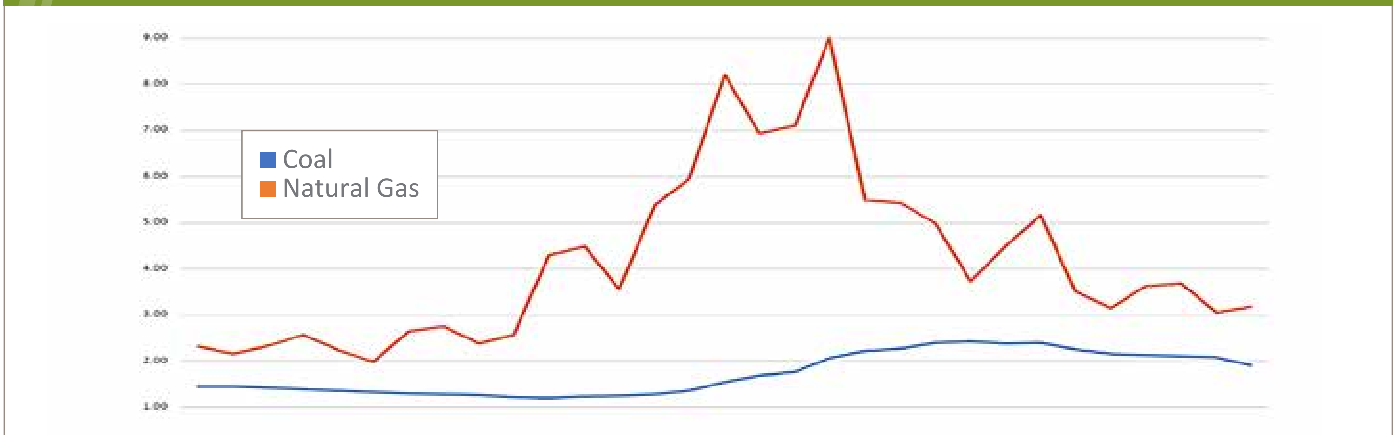
The following chart illustrates the relative price advantage over time compared to natural gas.

Indiana's dependence on coal as a fuel source for electricity generation has contributed to the state's relatively low-cost electricity, which has historically created an important economic development advantage. However, investment costs to address environmental mandates, the general trending of increased coal prices observed since 2003, low natural gas and renewable energy prices, and the replacement of aging infrastructure have reduced Indiana's relative price advantage.

Indiana Customer Class Rate National Ranking



Average Cost of Fuel, Electric Utilities, Nationwide ($/mmBTU)



	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Coal	1.45	1.45	1.41	1.39	1.35	1.32	1.29	1.27	1.25	1.22	1.20	1.23	1.25	1.28	1.35
Natural Gas	2.32	2.15	2.33	2.56	2.23	1.98	2.64	2.76	2.38	2.57	4.30	4.49	3.56	5.39	5.96

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Coal	1.54	1.69	1.77	2.07	2.22	2.27	2.40	2.43	2.38	2.39	2.25	2.16	2.12	2.11	2.08	1.91
Natural Gas	8.21	6.94	7.11	9.02	5.50	5.43	5.00	3.74	4.49	5.17	3.52	3.15	3.62	3.68	3.06	3.19

Customer Bills

The Commission issues a residential electric bill survey annually that compares the rates of Indiana regulated utilities. This information is summarized in *Appendices E-H*.

Indiana's regulatory statutes include rate adjustment mechanisms, also known as trackers, for certain expenses and capital investments. Rate adjustment mechanisms provide timelier flow-through of specifically defined and approved costs to retail rates, compared to adjustments that would occur as the result of a rate case.

An electric customer's bill consists of four main components:

1. **Base rates**
2. **Expense adjustments**
   (which are adjustable rate mechanisms)
3. **A service charge**
4. **Capital adjustments**
   (which are adjustable rate mechanisms)

The relative weighting of elements in customer bills varies in part due to the size of a utility's construction program and how much time has passed since its last base rate case. Generally, the base rate and service charge together account for more than 70% of the bill. The remaining bill components include expense-related trackers, which range from 13% to 25% of the bill, and capital trackers that account for less than 5% of the bill.

Infrastructure and TDSIC

To encourage replacement of aging infrastructure and investment in transmission and distribution systems, the legislature created a rate adjustment mechanism called the Transmission, Distribution, and Storage System Improvement Charge (TDSIC), which covers projects related to safety, reliability, system modernization, and economic development. Examples of electric utility projects include investments in substations, circuits, underground cables, and breakers/transformers. Absent the TDSIC mechanism, these investments would have to await consideration for cost recovery in a base rate case. Using TDSIC, regulated electric and natural gas utilities can petition for preapproval of investments and cost recovery on a timelier basis.

The TDSIC statute, Ind. Code chapter 8-1-39, was amended in 2019 by House Enrolled Act (HEA) 1470 to further define what constitutes "eligible transmission, distribution, and storage system improvements," and allow utilities to submit five to seven-year TDSIC plans, instead of only seven-year plans. HEA 1470 also delineated that a utility can include new projects or improvements throughout the course of its TDSIC plan.

TDSIC Update

A utility-specific TDSIC plan includes projects to upgrade infrastructure over a five- to seven-year time period. After the Commission approves the initial plan, utilities file updates to the plans for ongoing review and recovery of investments. The table below shows that current TDSIC plans have been approved to invest a total of more than $4.3 billion in eligible projects.

Current TDSIC Utility Plans Approved

Utility Name	7-year Plan Approved Investment Amount	7-year Plan Approved Investments to Date	Percent of Approved Amount in Rates
AES Indiana	$1,218,454,910	$46,146,000	3.79%
CenterPoint Energy Indiana	$446,508,000	$216,911,546	48.58%
Duke Energy Indiana	$1,408,300,000	$714,400,000	50.73%
NIPSCO	$1,251,954,035	$661,818,653	52.86%
Total	$4,325,216,945	$1,639,276,199	37.90%

Generation

Indiana's Commission-regulated electric utilities are required to supply power from an integrated portfolio of resources at the lowest reasonable cost, while providing safe and reliable service. To accomplish this, utilities must strategically plan on both a short-term and long-term basis, a process known as integrated resource planning. Each IOU, IMPA, Hoosier Energy, and WVPA are required to submit an integrated resource plan (IRP) to the Commission.

Integrated Resource Planning

Under Indiana law, electric utilities are required to provide safe and reliable service in an efficient and cost-effective manner. Indiana's largest electric utilities include five investor-owned utilities, which are Duke, I&M, AES Indiana, NIPSCO, and CenterPoint Energy Indiana South (CenterPoint), as well as the three member-owned wholesale power utilities – IMPA, Hoosier Energy, and WVPA. To ensure adequate resources have been planned to meet its ongoing and future cost-effective reliable service obligation, these utilities employ state-of-the-art tools and work with their stakeholders to develop credible IRPs. IRPs evaluate a broad range of feasible and economically viable resource alternatives - including utility-owned resources, energy efficiency, demand response, and customer-owned resources - over a 20-year planning period.

These utilities submit an IRP once every three years on a staggered schedule, pursuant to the Commission's IRP rule, 170 IAC 4-7. Both Hoosier Energy and IMPA submitted their respective IRPs on Nov. 2, 2020, and CenterPoint submitted its IRP on June 29, 2020. Duke, I&M, NIPSCO, and WVPA are all expected to submit IRPs in November 2021.

IRPs are analytically challenging and complex and affect virtually all aspects of utility operations and long-term objectives. To address the inherent complexities of IRPs, the Commission hosts an annual Contemporary Issues Technical Conference to discuss IRPs. The Commission, with the assistance of various stakeholders, invites experts to discuss methods for addressing complex issues. The 2021 Technical Conference was scheduled as a three-part virtual series with sessions on June 8, July 15, and Aug. 19, 2021. The focus of each session was on a different aspect of the analysis and modeling of energy efficiency resource options in the IRP process. The sessions include presenters from Lawrence Berkeley National Laboratory, Indiana IOUs, and other participants in the IRP stakeholder advisory process.

Energy efficiency refers to measures or technologies that reduce the consumption of energy, while demand response refers to measures, technologies, or incentives and pricing programs that reduce or curtail usage during periods of peak demand. Energy efficiency and demand response programs are also examined within the utilities' IRPs.

Indiana's Generation Fuel Mix

In 2011, the fuel sources for electric power generation meeting Indiana's needs were:

- Coal: 77.7%
- Nuclear: 8.9%
- Natural gas: 7.5%
- Wind: 2.5%
- Other fuels: 3.5%

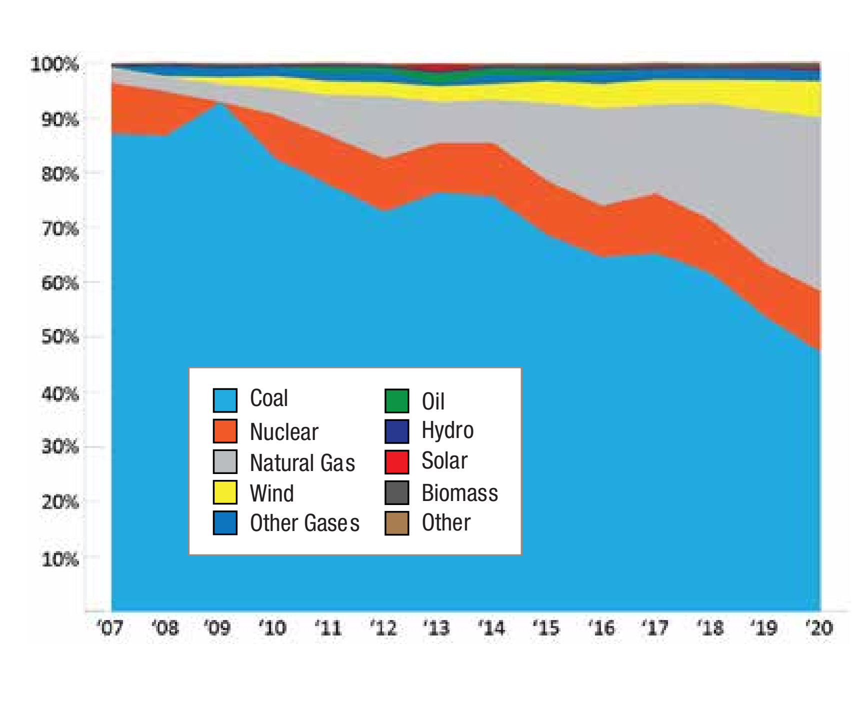
Since that time, large wind farms harnessing Indiana's abundant wind energy resources have joined the Indiana generation fleet and natural gas prices have decreased. The current U.S. Energy Information Administration (EIA) data projects Indiana's fuel source mix for 2020 as follows:

- Coal: 47.3%
- Natural gas: 31.7%
- Nuclear: 11.1%
- Wind: 6.5%
- Other fuels: 3.5%

Although the majority of Indiana's electric energy needs are met through coal-fired, natural gas-fired, and nuclear generation at utility-owned facilities, wind and other renewable energy sources are increasingly contributing to the generation of electricity consumed in the state.

Additionally, I&M's Cook nuclear plant in Michigan (with approximately 67% of the total production allocated to Indiana) is represented by the nuclear portion of the table. In 2019, coal generation for Indiana customers accounted for 53.7% of Indiana's needs. Coal generation's share of the generation fuel mix decreased in 2020 to 47.3%. This is due to a variety of factors, including environmental regulations, market prices, and the continued shift away from fossil fuel generation that is prevalent in the industry, not only in Indiana but across the nation. The chart on the right shows the percentage share of each generation source from 2007 through 2020. It illustrates Indiana's diversifying generation portfolio.

Indiana's Generation Fuel Mix



Indiana's Generation Fuel Mix Percentages (2007-2020)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Coal	87.1%	86.7%	92.8%	82.6%	77.7%	72.9%	76.3%	75.6%	68.5%	64.6%	65.3%	61.6%	53.7%	47.3%
Nuclear	9.2%	8.0%	0.0%	7.9%	8.9%	9.6%	9.1%	9.8%	9.9%	9.3%	10.8%	9.7%	9.7%	11.1%
Natural Gas	2.8%	2.6%	3.3%	4.8%	7.5%	11.4%	7.4%	7.8%	14.2%	17.8%	16.2%	21.3%	27.9%	31.7%
Wind	0.0%	0.2%	1.2%	2.2%	2.5%	2.5%	2.9%	2.9%	4.0%	4.4%	4.6%	4.3%	5.5%	6.5%
Other Gases	0.0%	1.7%	1.6%	1.6%	1.6%	2.0%	0.4%	1.8%	1.0%	2.0%	1.8%	1.9%	2.0%	1.8%
Oil	0.1%	0.1%	0.1%	0.1%	1.0%	0.7%	2.0%	1.1%	1.2%	0.5%	0.1%	0.1%	0.1%	0.1%
Hydro	0.3%	0.3%	0.4%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%	0.3%	0.2%	0.2%	0.3%
Solar	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%	0.1%	0.1%	0.2%	0.3%	0.2%	0.3%	0.4%
Biomass	0.2%	0.2%	0.3%	0.2%	0.3%	0.3%	0.0%	0.3%	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%
Other	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%	0.3%	0.3%	0.3%	0.3%	0.5%

Coal Plant Retirements and Projected Unit Retirements

Indiana has seen a significant number of coal-fired generation units retire from 2010 to 2021. Thirty-two of the 60 coal-fired generation units in Indiana have retired. Of the 32 units to retire, only four of the retiring units were less than 50 years old. Environmental regulations caused a number of these units to retire earlier than might have otherwise been the case, but increasingly these units are retiring because they are no longer competitive in a power market with low natural gas prices and declining renewable energy prices.

Based on IRPs, Indiana utilities are planning to retire as many as 24 coal generation units between 2021 and 2038. It is important to remember that these are projected retirements, not definite.

Retired Coal Fired Units Since 1-1-2010

Generating Unit	Owner	Summer Rating (MW)	Retire Date	Age at Retire Date
Edwardsport Unit 7 (1949)	Duke	45	01-01-10	61
Edwardsport Unit 8 (1951)	Duke	75	01-01-10	59
Mitchell Unit 4 (1956)	NIPSCO	125	09-01-10	54
Mitchell Unit 5 (1959)	NIPSCO	125	09-01-10	51
Mitchell Unit 6 (1959)	NIPSCO	125	09-01-10	51
Mitchell Unit 11 (1970)	NIPSCO	110	09-01-10	40
State Line Unit 1 (1929)	Merchant	197	01-31-12	83
State Line Unit 2 (1929)	Merchant	318	01-31-12	83
Gallagher Unit 1 (1959)	Duke	140	01-31-12	53
Gallagher Unit 3 (1960)	Duke	140	01-31-12	52
Harding Street Unit 3 (1941)	IPL	35	07-01-13	72
Harding Street Unit 4 (1947)	IPL	35	07-01-13	66
Ratts Unit 2 (1970)	Hoosier	121	12-31-14	44
Ratts Unit 1 (1970)	Hoosier	42	03-10-15	45
Tanners Creek Unit 1 (1951)	I&M	145	06-01-15	64
Tanners Creek Unit 2 (1952)	I&M	142	06-01-15	63
Tanners Creek Unit 3 (1953)	I&M	195	06-01-15	62
Tanners Creek Unit 4 (1956)	I&M	500	06-01-15	59
Eagle Valley 3 (1951)	IPL	40	04-15-16	65
Eagle Valley 4 (1953)	IPL	55	04-15-16	63
Eagle Valley 5 (1955)	IPL	61	04-15-16	61
Eagle Valley 6 (1956)	IPL	100	04-15-16	60
Wabash River Unit 2 (1953)	Duke	85	04-15-16	63
Wabash River Unit 3 ((1954)	Duke	85	04-15-16	62
Wabash River Unit 4 (1955)	Duke	85	04-15-16	61
Wabash River Unit 5 (1956)	Duke	95	04-15-16	60
Wabash River Unit 6 (1968)	Duke	318	04-15-16	48
Bailly Unit 7 (1962)	NIPSCO	160	05-31-18	56
Bailly Unit 8 (1968)	NIPSCO	320	05-31-18	50
Petersburg Unit 1 (1967)	IPL	220	01-01-21	54
Gallagher Unit 2 (1958)	Duke	140	06-01-21	62
Gallagher Unit 4 (1961)	Duke	140	06-01-21	59

Projected Coal Fired Unit Retirements Up to 2038				
Generating Unit	**Owner**	**Summer Rating (MW)**	**Projected Retire Date**	**Age at Retire Date**
Brown Unit 1 (1979)	CenterPoint	245	12-31-23	44
Brown Unit 2 (1986)	CenterPoint	245	12-31-23	37
Petersburg Unit 2 (1969)	AES Indiana	410	1-1-23	54
Merom Unit 1 (1983)	Hoosier	501	12-31-23	40
Merom Unit 2 (1982)	Hoosier	482	12-31-23	41
Culley Unit 2 (1966)	CenterPoint	90	12-31-23	50
Warrick Unit 4 (ALCOA, 1970))	CenterPoint	150	12-31-23	53
Schahfer Unit 14 (1976)	NIPSCO	431	12-31-23	47
Schahfer Unit 15 (1979)	NIPSCO	472	12-31-23	44
Schahfer 17 (1983)	NIPSCO	361	12-31-23	40
Schahfer 18 (1986)	NIPSCO	361	12-31-23	37
Gibson Unit 5 (1982)	Duke	620	5-31-26	40
Michigan City Unit 12 (1974)	NIPSCO	469	12-31-28	54
Cayuga Unit 1 (1970)	Duke	500	5-31-28	58
Cayuga Unit 2 (1972)	Duke	495	5-31-28	56
Rockport Unit 1 (1984)	I&M	1300	12-31-28	44
Rockport Unit 2 (1989)	I&M	1300	12-31-28	39
Whitewater Valley Unit 1 (1955)	IMPA	30	5-31-34	79
Whitewater Valley Unit 2 (1973)	IMPA	60	5-31-34	61
Gibson Unit 4 (1979)	Duke	622	5-31-34	55
Gibson Unit 3 (1978)	Duke	630	5-31-34	56
Gibson Unit 1 (1976)	Duke	630	5-31-38	62
Gibson Unit 2 (1975)	Duke	630	5-31-38	63

Renewable Energy

Although it is still a small portion of the generation mix in Indiana, electricity generation from renewable energy sources continues to increase in the state. In addition to net metering, the Commission has approved utility-scale renewable generation facilities, utility power purchase agreements (PPAs), and feed-in tariffs, which allow utilities to diversify their generation portfolios by purchasing renewable energy.

Batteries can provide distribution system reliability support and are further expected to be a significant factor in the continued expansion of renewable generation. IOUs currently operate or are in the process of bringing online the following battery projects in Indiana found on the next page.

Renewable Generation Operating in Indiana		
Resource Type	**Installed MW**	**% of Total Installed Renewable MW in State**
Wind	2,969.3	81.4%
Solar	551.9	15.1%
Hydro	58.1	1.6%
Biomass Digesters/ Landfill Gas	70.6	1.9%

Indiana IOU Battery Projects

Utility	Location	Battery Type	Battery Capacity	Battery Status
Duke	Camp Atterbury	Lithium Ion	5 MW	Operational
Duke	Naab	Lithium Ion	5 MW	Operational
I&M	Churubusco	Sodium Sulfur	12 MW	Operational
AES Indiana	Indianapolis	Lithium Ion	20 MW	Operational
CenterPoint	Highway 41 Facility	Lithium Ion	1 MW	Operational
CenterPoint	Evansville Urban Facility	Lithium Ion	2 MW	Operational
CenterPoint	Urban Living Research Center	Lithium Ion	.3 MW	Battery RFP in Development

Net Metering/Excess Distributed Generation

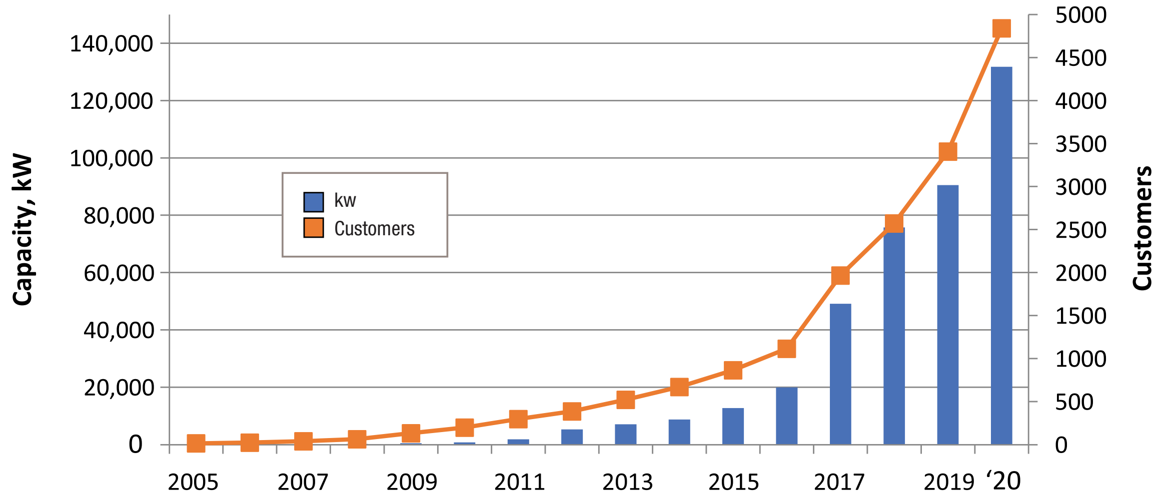
Indiana electric customers may self-supply a portion of their electric usage by installing renewable energy facilities, such as wind turbines or solar panels, while also relying on the electric utility as a back-up provider. If the amount of electricity the customer receives from the utility is greater than the amount of generation from the customer's facility supplied to the utility, the difference is charged to the customer. If the amount the customer receives from the utility is less than the amount of generation delivered to the utility from the customer's facility, the customer receives a credit for the excess supply. Under net metering, the netting period is monthly, and the credit is a one-to-one credit at essentially the retail electric rate.

The Commission established its net metering rule in 2004 requiring investor-owned electric utilities to interconnect and credit customers that had qualifying facilities. The rule was expanded in 2011 to make net metering available to all customer classes with energy production facilities with a capacity of one megawatt (MW) or less. Additionally, a utility could limit the total capacity under the net metering tariff to 1% of its most recent summer peak load.

In 2017, Indiana Code chapter 8-1-40 was enacted, increasing the capacity of Indiana's net metering tariff by 50% of a utility's most recent summer peak load, from 1% in the Commission's rule to 1.5%. Of that 1.5%, the law provides a 40% capacity reservation for residential customers and 15% reservation for organic waste biomass within net metering tariffs. The Commission updated its net metering rule accordingly.

Ind. Code chapter 8-1-40 also provided for a transition from net metering tariffs to new excess distributed generation tariffs. Customers who installed qualifying facilities before Dec. 31, 2017, remain net metering customers until July 1, 2047, and customers who install facilities between Jan. 1, 2018, and June 30, 2022, or until the utility reaches 1.5% of its summer peak load (whichever is earlier), remain net metering customer until July 1, 2032. Customers who install qualifying facilities outside of these timeframes will receive an excess distributed generation rate. Electricity

Indiana Electric IOU Net Metering Capacity and Customer Count



generated by customers that exceeds their on-site needs is supplied to the utility. Under the statute, the credit for excess distributed generation is the average annual wholesale price (approximately three cents per kWh) plus 25%. The Commission approved the first excess distributed generation tariff filed by CenterPoint and, at time of publication of this report, is considering similar petitions by the other IOUs. In the approved excess distributed generation tariff, netting occurs on an instantaneous basis to credit the customer's excess electricity consistent with the statute. More information about net metering can be found on the Commission's website.

Approximately 4,800 customers had installed net metering capacity of 132 MW as of the end of calendar year 2020.

Voluntary Clean Energy Portfolio Standard Program

Ind. Code chapter 8-1-37 established a voluntary program that provides incentives to participating electricity suppliers that supply specified percentages of clean energy to their Indiana retail electric customers. In part, Ind. Code § 8-1-37-12(a)(1) ties incentives with a goal that "clean energy" be "at least ten percent (10%) of the total electricity obtained by the participating electricity supplier to meet the energy requirements of its Indiana retail electric customers during the base year" by Dec. 31, 2025. To date, no utilities have sought to participate in the Voluntary Clean Energy Portfolio Standard program.

Indiana's Electricity Outlook

The State Utility Forecasting Group (SUFG) was established by Ind. Code § 8-1-8.5-3.5 to provide an independent forecast of Indiana's electricity needs. The most recent report is "Indiana Electricity Projections: The 2019 Forecast" which can be found here: ***https://www.purdue.edu/discoverypark/sufg/docs/publications/2019%20forecast%20final.pdf*** .

The 2019 forecast shows slightly lower growth in both electricity sales and demand. The average compound growth rate in energy over the next 20 years is 0.67%. This compares to 0.88% in the 2018 forecast. The peak demand is projected to increase by just 0.060% in the next 20 years, compared to 0.83% in the 2018 forecast. Despite the forecast for residential and commercial sectors to increase slightly, the industrial electricity sales are anticipated to slow from 1.45% in the 2018 forecast to 1.26% in the updated forecast. With slower growth in peak demand, the future resource needs are delayed and reduced.

The first year in which Indiana requires additional resources is 2024. Long-term resource needs are projected to be about 5,700 MW by 2030, but this is lower than the amount forecast in 2017 by 600 MW. By 2037, Indiana will need an additional 14,000 MW. It is important to note that SUFG does not advocate any specific means of achieving the resource needs or the location. The SUFG's Indiana Electricity Projections reports are available at: ***https://www.purdue.edu/discoverypark/sufg/resources/publications.php***.

The SUFG's forecast predicts Indiana electricity prices will continue to rise in real (inflation adjusted) terms but peak in 2021 rather than 2023 and are about 0.7 cents per kilowatt-hour lower in the long term than previously projected due to fewer resource additions, lower projected natural gas prices, and lower tax rates. The price projections include costs attributable to existing environmental regulations but not proposed or future rules. Even without new environmental regulations, many aging coal-fired units are facing retirement or earlier-than-expected shutdown in the next several years due to existing environmental regulations and market forces such as the relatively low-price projections for natural gas. As a result of the retirement of coal-fired generation, new resources will be acquired which will affect future prices.

It should be noted that SUFG's forecast was made prior to the public health emergency and the resulting reductions in electricity usage which may or may not be temporary. A 2021 forecast is being developed and will likely be issued in November 2021.

Ind. Code § 8-1-8.8-14 requires the SUFG to conduct an annual study on the use, availability, and economics of using the clean energy resources listed in Ind. Code § 8-1-37-4(a)(1) through Ind. Code § 8-1-37-4(a)(6). The Commission may also direct the SUFG to study the use of additional clean energy resources in the state. The SUFG's 2020 Indiana Renewable Energy Resources Study is available on the SUFG's website at ***https://www.purdue.edu/discoverypark/sufg/resources/publications.php***.

Report to the 21st Century Energy Policy Development Task Force

In 2019, as part of HEA 1278, the Indiana General Assembly created the 21st Century Energy Policy Development Task Force (Task Force), under Ind. Code chapter 2-5-45, and directed the Commission to study and report on statewide impacts of transitions and changes regarding electricity generation under Ind. Code § 8-1-8.5-3.1 (b). Specifically, the Commission was directed to:

[C]onduct a comprehensive study of the statewide impacts, both in the near term and on a long term basis, of:

(1) transitions in the fuel sources and other resources used to generate electricity by electric utilities; and

(2) new and emerging technologies for the generation of electricity, including the potential impact of such technologies on local grids or distribution infrastructure…

on electric generation capacity, system reliability, system resilience, and the cost of electric utility service for consumers.

As part of the study, the SUFG modeled different resource portfolios and their impacts on customer prices. The Lawrence Berkeley National Laboratory (LBNL) provided detailed analysis from the perspective of the electric utility distribution system, and Indiana University prepared an analysis of the community impacts of coal-fired generation retirements.

Originally due on July 1, 2020, Governor Holcomb extended the timeline for the report to Aug. 14, 2020, through Executive Order 20-31. The Commission's report is available on its website at: ***https://www.in.gov/iurc/research-policy-and-planning-division/hea-1278-energy-study/***.

With the passage of HEA 1220, effective April 26, 2021, the Indiana General Assembly reestablished the Task Force to study and report on additional energy topics, including securitization, fair retail rate structures, distributed energy resources and FERC Order 2222, effects of plant closures, energy efficiency, green zones, electricity storage, electric vehicle deployment and charging stations, and demand response.

The Impact of Federal Environmental Regulations

The impact of federal environmental regulations is greater in Indiana than in most other states because of Indiana's historical use of coal for the majority of its electricity generation. Coal-fired power plants generated 47.3% of the projected electric generation by fuel type for Indiana customers in 2020, down from approximately 77.7% in 2011. Nationally, about 19.3% of electricity is generated from coal, down from 45% in 2010, according to 2020 EIA data.

Complicating the electric utilities' planning for compliance with federal environmental regulations is the number of regulations and uncertainty regarding what final rules will require. The regulations include:

- The U.S. EPA's Cross State Air Pollution Rule (CSAPR), which was upheld by the U.S. Supreme Court in 2014. The U.S. EPA proposed an update to the CSAPR, and the update became effective May 2017. On Sept. 13, 2019, the U.S. Court of Appeals for the DC Circuit remanded the CSAPR Update to the EPA to address the court's holding that the rule unlawfully allows significant contribution to continue beyond downwind attainment deadlines. On March 15, 2021, EPA finalized the Revised Cross-State Air Pollution Rule Update for the 2008 ozone National Ambient Air Quality Standards (NAAQS). Starting in the 2021 ozone season, the rule will require additional emissions reductions of nitrogen oxides (NOX) from power plants in 12 states, including Indiana.
- The U.S. EPA's Mercury and Air Toxics Standards (MATS) was promulgated in 2012, upheld by the U.S. Court of Appeals for the District of Columbia Circuit in 2014, and then remanded back to the District of Columbia Circuit by the U.S. Supreme Court in 2015. In April 2016, the U.S. EPA issued a final finding that it is appropriate and necessary to set standards for emissions of air toxics from coal-fired and oil-fired power plants. In April 2020, U.S. EPA completed a reconsideration of the appropriate and necessary finding for MATS, revising the 2016 supplemental cost finding, and finding that it is not "appropriate and necessary" to regulate electric utility steam generating units under section 112 of the Clean Air Act. The MATS rule remains in effect.
- In June 2019, the EPA issued the final Affordable Clean Energy (ACE) rule, which replaces the previously-proposed Clean Power Plan rule. The ACE rule establishes emission guidelines for states to use when developing plans to limit carbon dioxide at their coal-fired electric generating units. The rule also sets guidelines for states to develop performance standards for power plants to increase the amount of power produced relative to the amount of coal burned. The rule includes six candidate technologies that plants can employ to comply with the new regulations.
- The U.S. EPA's final Disposal of Coal Combustion Residuals from Electric Utilities rule became effective in October 2015. The rule establishes a comprehensive set of requirements for the disposal of coal combustion residuals (CCR), commonly known as coal ash, from coal-fired power plants. On Aug. 28, 2020, EPA finalized revisions to its CCR rule. All of the changes would generally give states more ability to manage coal ash issues and incorporate the Water Infrastructure Improvements for the Nation Act, or WIIN Act.

In September 2015, the U.S. EPA finalized its Steam Electric Power Generating Effluent Limitations Guidelines rule (ELG), which includes requirements for wastewater from power plants, including ash handling and scrubber wastewaters. However, in June 2017, the U.S. EPA granted petitions for administrative reconsideration of the final rule and has postponed impending deadlines until the reconsideration is complete. In April 2019, the U.S. Court of Appeals for the Fifth Circuit vacated parts of the U.S. EPA's final ELG. On Aug. 31, 2020, EPA finalized the Steam Electric Reconsideration Rule that establishes effluent limits for flue gas desulfurization wastewater and for bottom ash transport water applicable to existing steam electric power generators.

2021 Legislative Session Overview

The 2021 session included legislation providing a regulatory oversight mechanism to foster transparency during the ongoing electricity resource transformation and authorizing a pilot program for a tool to address the cost of that transformation.

HEA 1520 directed the Commission to receive, analyze, and report upon the electric utilities' plans to provide resources to ensure the continued reliable provision of electric service to Indiana customers. Ind. Code § 8-1-8.5-13 leverages the reporting that most of the electric utilities do with their respective regional transmission organizations. The interconnected nature of the electric grid is such that local decisions have regional impacts, and likewise, what happens on a regional level has local impacts. The transparency to be implemented through this statute's directive will work to ensure all stakeholders are aware of the broader resource landscape and are in position to proactively address any potential challenges to system reliability.

Senate Enrolled Act (SEA) 386 authorized a pilot program for considering and approving cost securitization for retiring electric utility generation assets. Securitization is a financing tool that, when designed properly, can serve to reduce customer costs of retiring a generation plant before the plant's full investment has been recovered. The tool includes issuing bonds with enhanced credit security so that the financing cost of the bonds are markedly lower than the financing cost of traditional means to address the end-of-life remaining investment. The strength of the state's commitment embodied in the terms of the statute create the required credit security. The Commission is engaged in a rulemaking as directed by Ind. Code § 8-1-40.5-19 to implement the pilot program.

Regional Transmission Organizations

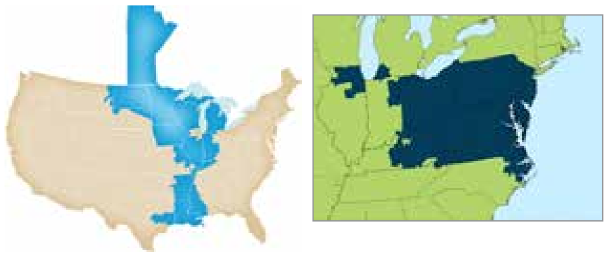
Participation in regional transmission organizations (RTOs) by Indiana electric utilities provides a number of benefits for Indiana's electric customers. In addition to greater reliability, RTOs provide lower costs through more efficient regional transmission planning than is possible when individual utilities act alone. The vast regional scope of the RTOs allows Indiana's customers to experience the financial and operational benefits of a diverse resource mix and variations in customer demand. For example, Indiana might experience high peak demand due to hot weather at the same time that North Dakota has more moderate weather and lower demand, which would allow a portion of Indiana's peak demand to be satisfied with what would then be relatively lower-cost and available generation resources from North Dakota.

In addition, RTOs operate markets to achieve their reliability goals. These markets enable customers to realize the lowest possible wholesale energy prices while ensuring reliability.

Characteristics of the RTOs Serving Indiana

RTO Characteristics	MISO	PJM
Participating Indiana Utilities	AEP, AES Indiana, CenterPoint, Duke, Hoosier Energy, IMPA, NIPSCO, and WVPA	AEP (including its Indiana subsidiary I&M), IMPA, and WVPA
Transmission Lines	71,800 miles	84,236 miles
Generation Capacity	175,528 MW	180,086 MW
Annual Billings	$29.9 billion	$49.8 billion
Headquarters	Carmel, Indiana	Audubon, Pennsylvania

Regional Transmission Organizations



Two RTOs operate in Indiana: Midcontinent Independent System Operator, Inc. (MISO) and PJM Interconnection, LLC (PJM). The Federal Energy Regulatory Commission (FERC) regulates these organizations, and Commission staff closely monitors developments in each RTOs stakeholder processes.

The reliability risk is diversified over the entirety of the RTOs' footprints – from the Rocky Mountains to the Atlantic Ocean – which assists in managing reserve margin needs. A reserve margin is the amount of extra generation capacity available to serve customer loads in the event of a system contingency, such as the planned or unplanned outage of a generation plant or a high-capacity transmission line. The electric industry historically maintained planning reserve margins in the range of 15% to 20%. However, with the development of RTOs, the necessary level of reserve margins has fallen compared to what individual utilities would have to maintain if they were not in an RTO. The comparatively reduced reserve margins reflect one of the benefits of more efficient regional coordination.

Interaction with RTOs

Commissioners and staff remain dedicated to RTO matters on a regular basis through a variety of means. Commission staff participate in two different work groups that are exclusively devoted to RTO matters. The Energy Division has a working group that discusses and resolves issues pertinent to rate adjustment trackers and other proceedings brought before the Commission. Additionally, an RTO-FERC Team consisting of Office of General Counsel, Research, Policy and Planning Division, and Energy Division staff members work on RTO and FERC issues that affect Indiana and its regulated utilities. These issues are developed and are manifested through various forms of feedback to the RTOs and in filings and comments at FERC.

Another mode of IURC involvement in RTO matters is by way of participation in both Organization of MISO States (OMS) and Organization of PJM States Inc. (OPSI). Encouraged by FERC in the early 2000s, Regional State Committees were formed to engage with the RTOs. Since Indiana has regulated utilities that are members of both MISO and PJM, the Commission participates in both OMS and OPSI. The Board of Directors of these groups consist of commissioners from each of the member states. Commissioners Sarah Freeman and David Ober are the Commission's Board representatives in these organizations and both currently serve in an officer role on their organization's Board of Directors - Commissioner Freeman is the OMS Vice President and Commissioner Ober is the OPSI Vice President. In these roles, they help to develop understanding and positions on issues such as transmission planning and cost allocation, resource adequacy, energy markets and RTO operations.

FERC Order 2222

On Sept. 17, 2020, FERC approved Order 2222, which requires RTOs and states to allow distributed energy resources (DERs), individually or through aggregators, to participate directly in all regionally organized wholesale electric markets. Under the new rule, RTOs must revise their tariffs to establish DERs and DER aggregators as a type of market participant, which would allow them to register their resources under one or more participation models that accommodate the physical and operational characteristics of those resources. Upon implementation, DERs will be able to participate in day ahead and real time energy, capacity, and ancillary services markets run by the RTOs.

DERs include any resource located on the distribution system or behind a customer meter (e.g., electric storage, distributed generation, demand response, energy efficiency, thermal storage, and electric vehicles and their charging equipment). Because DERs are connected to the electric distribution system regulated by the state, it is important for the state and the Commission to understand the possible impacts of FERC Order 2222.

ENERGY DIVISION
NATURAL GAS

IURC ANNUAL REPORT 2021

ENERGY DIVISION— NATURAL GAS

Regulatory Responsibility

In Indiana, the Commission regulates the rates, charges, and terms of service for intrastate pipelines and local gas distribution companies (LDCs). The Commission reviews gas cost adjustments (GCAs), financial arrangements, service territory requests, and conducts investigatory proceedings. It also analyzes various forms of alternative regulatory proposals, such as rate decoupling, rate adjustment mechanisms, and customer choice initiatives.

The Commission has full regulatory authority over 17 natural gas distribution utilities in Indiana whose 2020 annual operating revenues total over $1.69 billion *(See Appendix I)*. These utilities maintain plants in service of approximately $7.7 billion and serve roughly 1.87 million customers. Of the utilities regulated by the Commission, one is a not-for-profit, one is a municipality, and 15 are investor-owned utilities (IOUs). Citizens Gas, Northern Indiana Public Service Company, LLC (NIPSCO), Indiana Gas Company, Inc. d/b/a CenterPoint Energy Indiana North (previously Vectren North), and Southern Indiana Gas and Electric Company d/b/a CenterPoint Energy Indiana South (previously Vectren South), represent the four largest natural gas utilities in the state and collectively serve 95% of the state's natural gas customers. See *Appendix J* for the list of gas utilities under Commission rate jurisdiction.

Investor-Owned Utilities

IOUs are for-profit enterprises funded by debt (bonds) and equity (stock). The largest natural gas IOUs regulated by the Commission are NIPSCO and CenterPoint Energy Indiana.

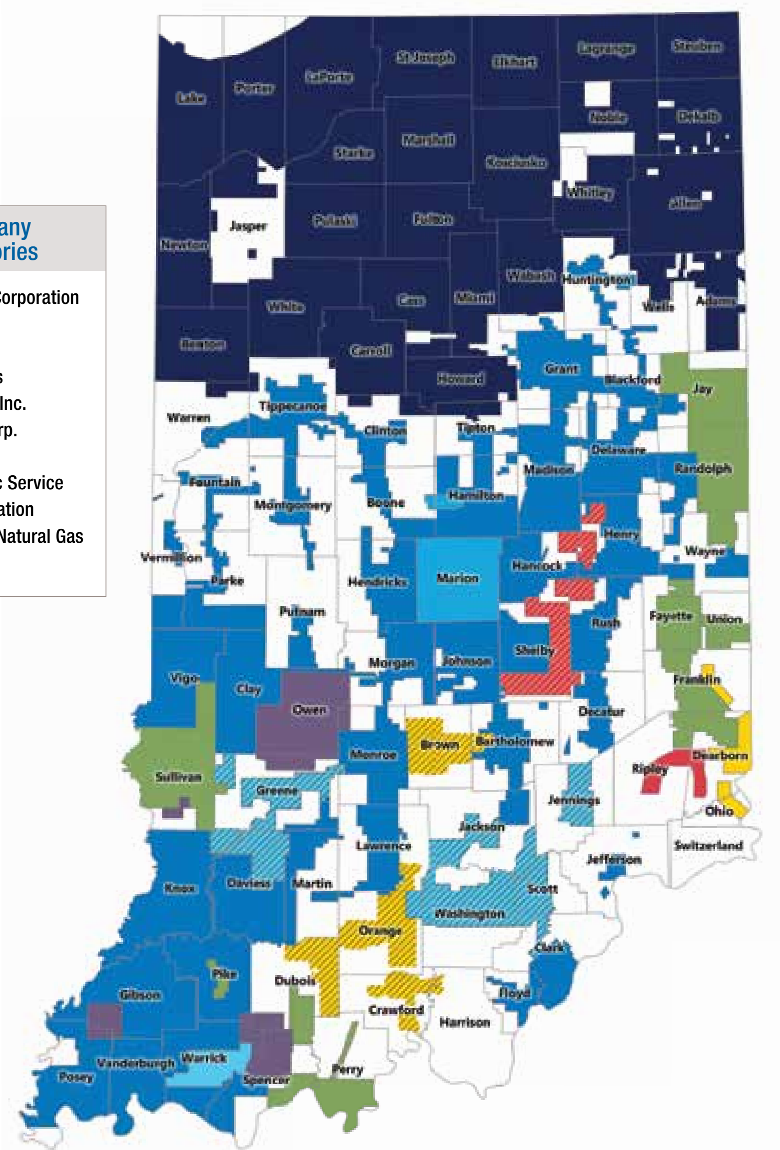
- NIPSCO is a subsidiary of NiSource, Inc., headquartered and based in Merrillville, Indiana. The natural gas utility serves more than 771,000 customers in northern Indiana.
- CenterPoint Energy Indiana is based in Evansville, Indiana, and is a subsidiary of CenterPoint Energy headquartered in Houston, Texas. CenterPoint Energy Indiana operates two separate entities: CenterPoint Energy Indiana North and CenterPoint Energy Indiana South. The natural gas utility serves over 625,000 customers in central and southern Indiana through CenterPoint Energy Indiana North and an additional 114,000 customers in southwestern Indiana through CenterPoint Energy Indiana South.

The Commission has jurisdiction over a number of smaller LDCs that serve Indiana residents. For a complete listing, see *Appendix J*.

Natural Gas Service Territories

Approx. Company Service Territories

- Boonville Natural Gas Corporation
- Citizens Energy Group
- CenterPoint Energy
- Community Natural Gas
- Fountaintown Gas Co., Inc.
- Indiana Natural Gas Corp.
- Midwest Natural Gas
- Northern Indiana Public Service
- Ohio Valley Gas Corporation
- South Eastern Indiana Natural Gas
- Sycamore Gas Co., Inc.



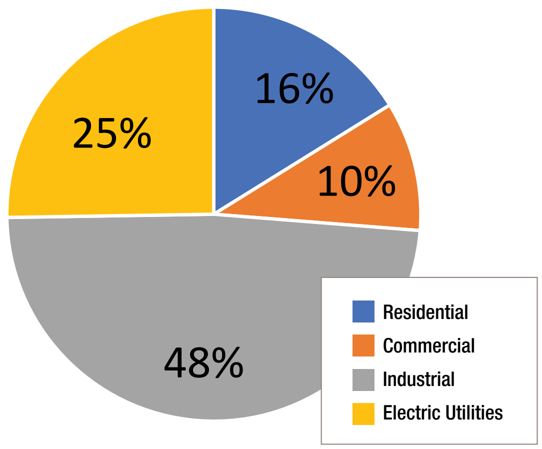
Municipal Utilities

Citizens Gas is a public charitable trust that is treated as a municipality for regulatory purposes and serves approximately 279,000 customers primarily in the Indianapolis metropolitan area. The remainder of the municipal gas utilities have elected to withdraw from Commission jurisdiction over their rates and charges and the issuance of stocks, bonds, and other evidence of indebtedness under Ind. Code §§ 8-1.5-3-9 and 8-1.5-3-9.1. However, the withdrawn utilities still remain under the jurisdiction of the Commission's Pipeline Safety Division.

Supply and Demand

Indiana's LDCs serve three types of customers: residential, commercial, and industrial. According to the U.S. Energy Information Administration (EIA), in 2019 (the most recent year with complete data at the time of publication), Indiana's residential customers consumed approximately 143 million dekatherms (Dth) of the state's total gas consumed by all customers, commercial customers used in excess of 88 million Dth, industrial customers consumed 426 million Dth (the ninth highest in the nation), and electric utilities used approximately 226 million Dth. Out of the 31,099 million Dth consumed in the United States in 2019, Indiana ranked 11th with slightly more than 934 million Dth. The pie chart below displays the percentage used by each type of customer.

Percentage of Natural Gas Used by Customer Type (2019)



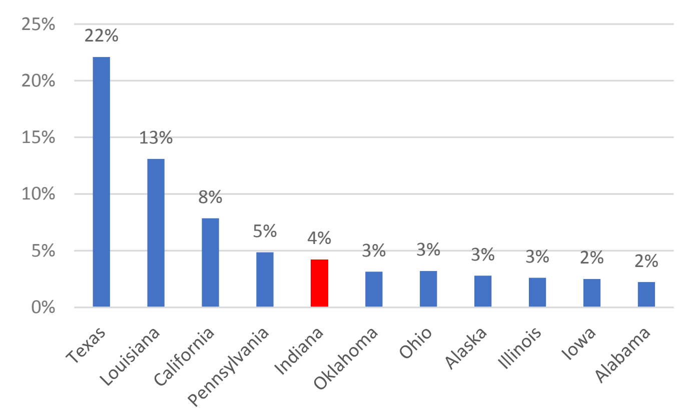
Natural Gas Consumption Change Year over Year

	2018	2019
Residential customers	144.2 million Dth	142.8 million Dth
Industrial customers	419.1 million Dth	426 million Dth
Natural gas used by electric utilities	196.2 million Dth	225.7 million Dth
Commercial customers	86.1 million Dth	88.2 million Dth
Vehicles	0.800 million Dth	0.002 million Dth
Total national usage	30,139 million Dth	31,099 million Dth

Drivers of Demand

Marketed production of natural gas reached a record high in 2019, continuing the steady growth observed since 2005. In January 2020, the EIA estimated annual growth of natural gas production through 2025 to hover around 2%. The repercussions of the COVID-19 pandemic, however, ushered in a contraction of consumption, rising storage capacity utilization, and a price collapse. As a result, the EIA expects consumption to decline by 3% in 2020 and 5% in 2021. Global demand for natural gas decreased in 2019 following a milder winter and slower economic growth.

Top 10 States for Industrial Consumption
Percentage of Total National Industrial Consumption (2019)



Key factors driving longer-term demand for energy include growing economy and population, increasing use of renewables, increasing consumption of natural gas and electricity, and changing technology, behavior, and policy that affects energy efficiency in vehicles, end-use equipment, and lighting. EIA projects consumption of natural gas will continue to grow driven by expectations that natural gas prices will remain low compared with historical levels. The industrial sector consumes more energy than any other end-use sector and is projected to grow nearly twice as fast as any other end-use sector between 2020 and 2050. The previous graph on page 45 displays the top 10 states for industrial consumption.

Supply-side Factors

New technology and lower extraction costs have led to increased drilling for non-conventional gas supplies (e.g., coal bed methane, shale gas, and tight sands) in the last decade. While coal-bed methane continues to decline through 2050 because of unfavorable economics, off-shore gas production is projected to stay nearly flat over the 50-year horizon as production from new discoveries generally offset declines in current fields. Growing demand in domestic and export markets leads to increasing natural gas spot prices at the U.S. benchmark Henry Hub through 2050 despite continued technological advances that support increased production. Taken as a whole, these production factors will continue to overwhelm swings in demand leading to relatively stable and low prices relative to coal, according to the EIA's Annual Energy Outlook (AEO) 2020.

Other developments affecting the supply in the long term include Federal Energy Regulatory Commission (FERC) approvals for liquefied natural gas (LNG) facilities (including LNG export terminals), which, according to EIA, will result in the U.S. becoming a net exporter of natural gas. After 2030, EIA is projecting a rapid increase in LNG exports and increased imports from Mexico to displace the LNG exports. Canadian imports are expected to remain stable for a few more years before declining.

LNG Exports

The U.S. was a net exporter of LNG in 2017 through 2019 (exports were greater than imports), largely because of increases in U.S. natural gas production, declines in natural gas imports by pipeline, and increases in LNG export terminal capacity. In the EIA's AEO 2021 Reference case, U.S. natural gas production continues to grow, and end use consumption and LNG trade remains uncertain. In the long term, because of expected increase in international demand for natural gas, EIA expects U.S. LNG exports to more than double between 2020 and 2029. It is important to be mindful that the price and demand dynamics for natural gas, both domestically and internationally, are very complex and nuanced (e.g., subject to changes in public policy, international trade policies, economic conditions, etc.) which makes it difficult to project future conditions.

Historically, most LNG was traded under long-term, oil price-linked contracts, in part because oil could substitute for natural gas for industry use and for power generation. However, as the LNG export market expands, contracts are expected to change with weaker ties to oil prices, especially in the U.S. Thus, LNG exports will increasingly be less sensitive to the oil-to-natural gas price relationship. If the current price discrepancies between the U.S. and European Union markets persist, the price differences give U.S. natural gas producers the opportunity to increase profits by exporting LNG.

FERC regulates LNG export facilities under Section 3 of the Natural Gas Act. As of April 16, 2021, FERC reported that there are seven LNG export existing terminals. Construction is underway at four LNG export terminals. Fourteen additional LNG export terminals have been approved but are not yet under construction as of April 16, 2021. In addition, six projects currently have been proposed or are in the pre-filing stages.

Winter Storm Uri

An extreme cold weather event in February 2021 brought arctic weather conditions to a significant portion of the U.S. For the week ending February 19, U.S. Heating Degree Days ("HDDs") reached 254, or nearly 40% colder than normal, according to the National Oceanic and Atmospheric Administration. The extreme temperatures resulted in gas well freeze-offs and pipeline restrictions. It has been estimated that those freeze-offs caused approximately 20% of the U.S gas production to be taken out of the market, triggering a perfect storm of low supply with high demand.

The freeze-offs impacted a major supply region known as the mid-continent region that normally has abundant gas output and associated low prices. In response to the tightening of supply, storage and pipeline operators, as well as LDCs, issued a series of postings, restrictions, and flow orders to help maintain the reliability of the gas system.

Indiana natural gas utilities, being serviced by midwest LDCs, experienced extremely high prices during this timeframe. One utility reported that gas closed at a record \$204.85/Dth during this period, while intra-day prices traded as high as \$250.00/Dth in Chicago. This high cost of natural gas caused a very large under collection during the February gas cost adjustment reconciliation for some gas utilities. As a result, the Commission allowed the variance to be recovered over an adjusted timeframe to help ease the impact to customers.

The increase experienced in the different regions, especially the almost 900% increase in the Mid-Continent region, can be seen in the below table. As of July 1, 2021, the average daily pricing has returned to more normal expected pricing.

Average natural gas spot prices ($MMBtu)

Region	Feb. 2021	Jan. 2021	Change prior month (%)	Feb. 2021	Change prior year (%)
Gulf Coast	9.007	2.581	249.0	1.809	398.0
Mid-Continent	25.123	2.514	899.7	1.710	1,370.3
Northeast	5.201	3.023	72.0	1.891	175.1
West	13.586	2.631	416.5	1.609	744.3

Data compiled March 1,2021.
Source: S&P Global Market Intelligence

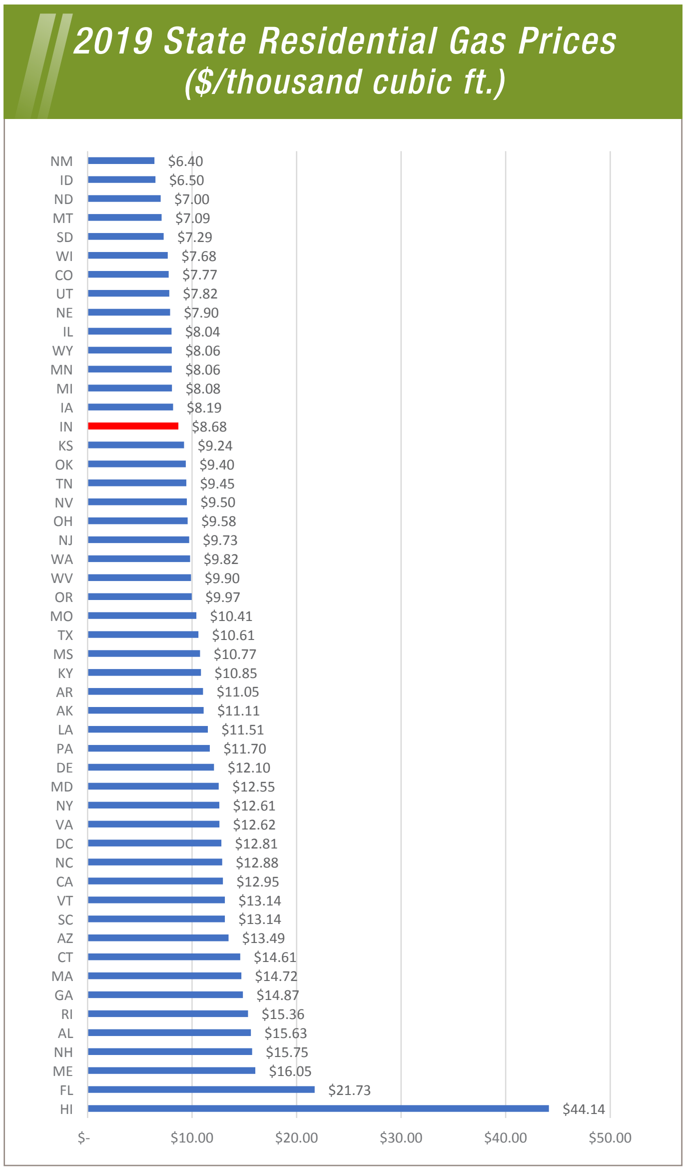
Pricing and Economics

Over the last 10 years, Indiana has consistently performed well in comparison with other states for residential and commercial delivered (bundled) gas prices. Gas moves through the transmission system to the distribution system, where LDCs deliver gas to customers on either a bundled basis (i.e., commodity and transportation) or unbundled basis (i.e., the customer buys gas from a producer or marketer and pays the LDC to transport the gas from the city gate to the customer's facilities).

Based upon the most recent data from the EIA (2019), Indiana had the 15th lowest average residential gas prices nationally and 9th lowest average residential gas prices in the Midwest *(i.e., Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin)* in 2019. The state average residential gas price decreased from \$8.72 per thousand cubic feet in 2018 to \$8.68 per thousand cubic feet in 2019. These prices are higher than the commonly referenced Henry Hub commodity cost because they are retail prices which include costs for pipeline transportation, storage, and local delivery in addition to the basic commodity charge for natural gas. Neighboring states' average residential retail rates per thousand cubic feet for 2019 are as follows: Illinois – \$8.04, Kentucky – \$10.85, Michigan – \$8.08, and Ohio – \$9.58.

Indiana had the 18th lowest average commercial natural gas prices nationally and 9th lowest average commercial natural gas prices in the Midwest for 2019. Indiana's 2019 average commercial price was

$6.397 per thousand cubic feet, which is lower than the 2019 average price of $7.37 per thousand cubic feet. Neighboring states' average commercial retail rates for 2019 were as follows: Illinois – $7.02, Kentucky – $8.60, Michigan – $6.81, and Ohio – $5.97 per thousand cubic feet.



In 2019, Indiana average industrial gas prices decreased to $5.76 per thousand cubic feet from $6.10 per thousand cubic feet in 2018. Neighboring states' average industrial retail rates for 2019 were as follows: Illinois – $5.25, Kentucky – $4.06, Michigan – $6.01, and Ohio – $6.21 per thousand cubic feet.

Note that the data used in this section was the most recent complete data available as of July 1, 2021. Therefore, the analysis is based on 2019 statistics. Once the information is updated by the EIA, 2020 and 2021 data will be available at the EIA's website for residential, commercial, and industrial prices at ***www.eia.gov***.

Rate Adjustment Mechanisms

When natural gas utilities incur costs beyond their control (e.g., federal regulations and market price volatility), the costs typically occur outside the timeframe of a rate case. For natural gas utilities to recover these costs in a timely manner, state law allows them to petition the Commission for approval of a rate adjustment mechanism to recover some or all of those costs.

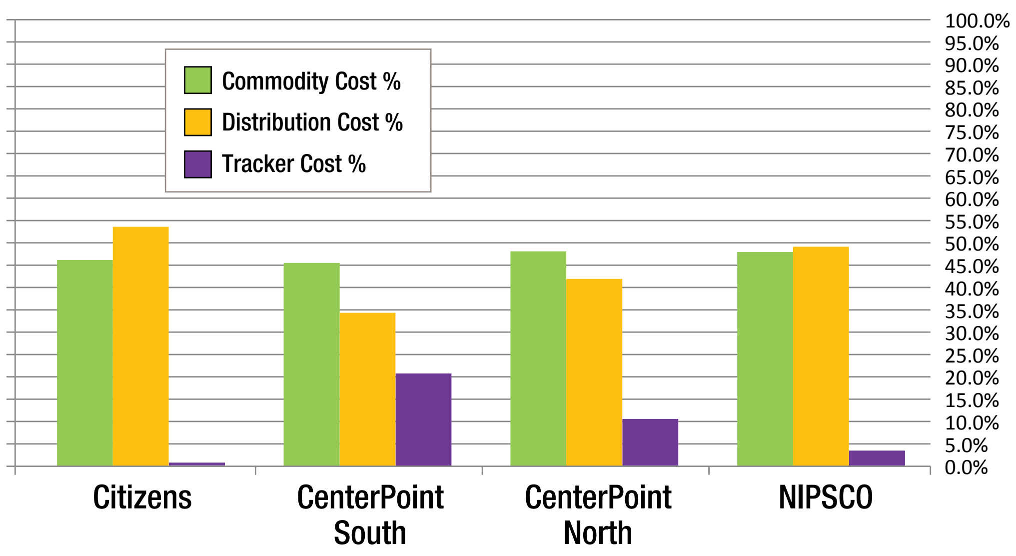
A rate adjustment mechanism assists in the timely recovery of costs, which improves the financial health of the utility. Before costs are passed on to customers, the Indiana Office of Utility Consumer Counselor reviews the underlying support for the requested rate adjustment and may provide evidence supporting or contesting the request in proceedings. These proceedings are usually expedited processes that occur much faster than a general rate case proceeding. Regardless, the Commission considers evidence submitted by all parties before rendering a decision.

Residential Gas Bills

Natural gas residential customers typically paid more for natural gas in 2021 than in 2020, as demonstrated from the residential natural gas survey in ***Appendices K and L***. In 2020, a residential customer using 200 therms would have received a bill for $151.56. In 2021, this bill would have increased to $153.82. However, residential gas bills in 2021 are lower than the five-year industry average of $156.73.

Residential Gas Bill Comparison (2012 - 2021) 200 Therms Per Month

Breakdown of Residential Billing Components for the Largest Natural Gas Utilities



The cost of the actual natural gas commodity accounts for a majority of a customer's bill. On average, gas usage accounts for approximately 50%, while distribution costs account for approximately 48%. Rate adjustment mechanisms approved by the Commission account for approximately 2% of a customer's monthly gas bill.

Utilities do not profit from the gas commodity portion of customers' bills because the cost of gas is a dollar-for-dollar pass-through. The overall weighted cost of gas and a utility's purchasing practices are reviewed before approval by the Commission. For costs to be approved, each utility must demonstrate that its purchases were prudent. This means utilities must make reasonable efforts to mitigate price volatility, which includes having a program that considers current and forecasted market conditions and the price of natural gas. One way to achieve this is by having a diversified portfolio (i.e., a balance of purchases such as fixed, spot market, and storage gas).

Infrastructure and TDSIC

To transport natural gas to end-use customers, utilities maintain thousands of miles of transmission pipelines and distribution mains. Over time, the natural gas industry has studied and developed best practices for the maintenance and replacement of aging infrastructure. Although age is one factor in considering whether a pipeline needs to be replaced, the type of material used (e.g., bare steel, cast iron, or plastic), its location, and the relative risk to public safety are also considered. In accordance with pipeline safety standards, utilities perform inspections of their pipeline facilities on a regular basis to help identify areas at risk. Based on the results of these inspections, corrective actions are initiated. In some cases, this includes implementing replacement programs for existing bare steel, cast iron, or wrought iron systems. Many of these pipes need to be replaced because older pipelines of this nature were not coated or cathodically protected when they were installed decades ago. Consequently, corrosion and leaks have developed over time. To enhance reliability and safety, many utilities now use plastic pipe for their distribution systems.

Age Profile

Indiana's natural gas infrastructure consists of more than 78,500 miles of intrastate pipelines, which have been placed in service over the past 80-plus years. Included in this total are more than 42,000 miles of distribution mains that transport gas within a given service area to points of connection with pipes serving individual customers. Nearly 47% of the state's distribution mains are at least 30 years old. Also included in the state's infrastructure are approximately 1,795 miles of transmission lines that transport gas from a source(s) of supply to one or more distribution centers, large-volume customers, or other pipelines that interconnect sources of supply. Typically, transmission lines differ from gas mains in that they operate at higher pressures and are longer with a greater distance between connections. Approximately 62% of the state's transmission mains are at least 40 years old.

Transmission Lines vs. Distribution Lines Comparison

Age	Transmission Lines		Distribution Mains	
Years old	Miles	% of Total	Miles	% of Total
80+	0.08	0.00%	461	1.09%
70-80	1	0.06%	289	0.68%
60-70	238	13.25%	2,057	4.88%
50-60	631	35.13%	7,223	17.12%
40-50	240	13.38%	3,983	9.44%
30-40	168	9.36%	5,874	13.92%
20-30	229	12.77%	7,320	17.35%
10-20	167	9.32%	5,478	12.98%
0-10	105	5.86%	4,844	11.48%
Unknown	15	0.86%	4,664	11.05%
Total	**1,795**	**100.00%**	**42,194**	**100.00%**

Federal guidelines for integrity management require that operators, including LDCs, and pipeline companies make every effort to assess threats to their pipelines. The replacement of aging infrastructure continues to be a focus, as demand for service connections continues to increase. Indiana Code chapter 8-1-39 provides for recovery of the costs of replacing aging gas transmission and distribution pipelines, as well as the expansion of gas pipelines to certain unserved areas, through a rate adjustment mechanism called the transmission, distribution, and storage system improvement charge (TDSIC).

As a result of the TDSIC filings, the Commission has approved the replacement of a significant amount of aging infrastructure.

TDSIC Update

TDSIC plans include projects to upgrade infrastructure over a five- to seven-year time period. After the Commission approves the initial plan, utilities file updated plans for additional review. The table below shows that current TDSIC plans have been approved to invest a total of more than $1.27 billion in eligible projects.

Current TDSIC Utility Plans Approved

Utility Name	7-year Plan Approved Investment Amount	Investment Amount Included in Rates to Date	% of Approved Amount in Rates
NIPSCO	$948,676,520	$142,899,728	15.06%
CenterPoint Energy Indiana North	$277,442,000	$163,710,721	59.01%
CenterPoint Energy Indiana South	$43,103,000	$25,105,218	58.24%
Community Natural Gas	$2,766,924	$3,052,978	110.34%*
Midwest Natural Gas	$2,284,591	$1,267,119	55.46%
Total	$1,274,273,035	$336,065,764	26.37%

** Community Natural Gas had two projects that exceeded the initial cost estimates due to unforeseen circumstances, such as encountering rock and the need for additional pipe to accommodate a higher number of customers and demand. Based on the evidence provided, the Commission approved the increased investment amount.*

WATER AND WASTEWATER DIVISION

WATER AND WASTEWATER DIVISION

Regulatory Responsibility

The Commission regulates only a fraction of the state's water and wastewater utilities (as of July 1, 2021, 65 of approximately 525 water utilities and 24 of approximately 550 wastewater utilities). As shown below, regulated water and wastewater utilities exhibit a variety of legal forms. The legal form of a utility determines the existence and extent of the Commission's regulatory authority. Although many water and wastewater utilities initially were fully regulated, Ind. Code §§ 8-1-2.7-2, 8-1.5-3-9, and 8-1.5-3-9.1, allows certain utility types to withdraw from the Commission's rate jurisdiction. For other water and wastewater utilities, the Commission has limited or no regulatory authority.

Jurisdictional Water & Wastewater Utilities

Type of Utility	Number of Jurisdictional Utilities
Municipal Water	21
Not-For-Profit Water	24
Investor-Owned Water	4
Conservancy District Water	2
Water Authority	4
Not-For-Profit Wastewater	4
Investor-Owned Wastewater	10
Not-For-Profit Water/Wastewater	3
Investor-Owned Water/Wastewater	7

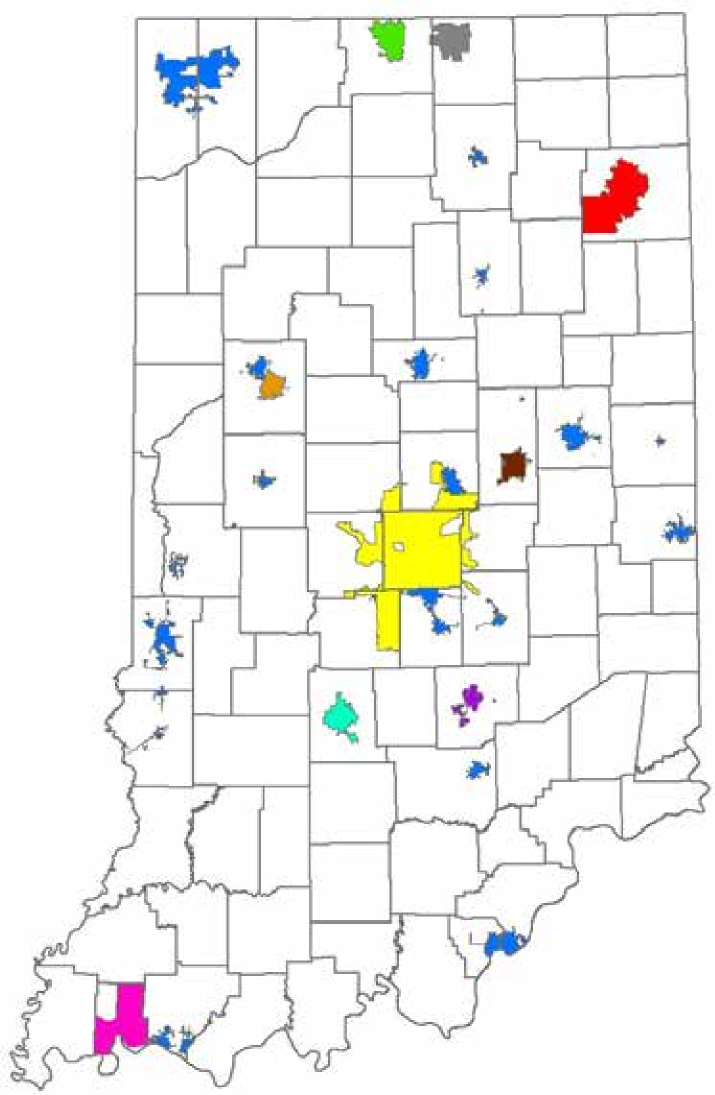
The 65 water utilities that are regulated by the Commission provide service to approximately 45% of Indiana's water residential customers. This is because the largest rate regulated water utilities serve primarily urban areas that are more densely populated. Most water utilities whose rates are not regulated by the Commission serve only a small number of customers.

The 24 wastewater utilities that are regulated by the Commission provide service to about 15% of Indiana's residential wastewater customers. This is because most customers are served by municipal wastewater systems, which are not fully regulated by the Commission. Based on data reported in 2020, only four Commission-regulated wastewater utilities serve more than 5,000 customers:

- CWA Authority, Inc. (249,624 customers)
- Hamilton Southeastern Utilities, Inc. (24,219 customers)
- Aqua Indiana, Inc. (20,253 customers)
- Citizens Wastewater of Westfield (14,589 customers)

From data reported to the Commission in 2020, which includes utilities not currently under Commission rate jurisdiction, regulated water systems have \$5.86 billion of utility plant in service, annual revenues of \$695.99 million *(see Appendix M)*, and a total rate base of \$3.312 billion. Regulated wastewater utilities have \$3.77 billion of utility plant in service, annual revenues of \$340.23 million *(see Appendix N)*, and a total rate base of \$2.15 billion.

Largest Regulated Water Utilities and the Number of Customers



Note: Fire protection customers and interdepartmental sales are not included; municipal systems are based on city boundaries and may not represent the actual service territory.

WATER AND WASTEWATER DIVISION

Although all water and wastewater utilities are overseen at the federal level by the U.S. Environmental Protection Agency (U.S. EPA), there is no single state agency that regulates all of the water and wastewater utilities in the state. Indiana's water and wastewater utilities are regulated or provided financial assistance by five state agencies: the Commission, Indiana Department of Environmental Management (IDEM), Indiana State Department of Health (ISDH), Department of Natural Resources (DNR), and the Indiana Finance Authority (IFA). The Commission mainly regulates the economic aspects of a utility, ensuring that its rates are reasonable. IDEM and ISDH oversee water quality, and DNR has oversight on well construction and monitors Indiana's groundwater levels. The IFA manages the Wastewater and Drinking Water State Revolving Fund (SRF) Loan Programs and provides low-interest loans to Indiana communities for projects that improve wastewater and drinking water infrastructure. Under Ind. Code § 5-1.2-11.5-9, added by SEA 4 (2019), IFA serves as the coordinator of water-related programs and activities in the state, including coordinating the collection and sharing of information concerning water and wastewater service and providing leadership regarding investment, affordability, supply, and economic development related to water and wastewater service.

Recent legislation changed the Commission's statutory authority over investor-owned and not-for-profit utilities. Under Ind. Code chapter 8-1-1.9, added by SEA 362 (2018), investor-owned and not-for-profit utilities organized after June 30, 2018, cannot withdraw from the Commission's rate jurisdiction until 10 years have passed from the utility's organization date. Prior to SEA 362, certain investor-owned and not-for-profit utilities were allowed to withdraw from the Commission's rate jurisdiction immediately after organization. Ind. Code chapter 8-1-1.9 was amended by House Enrolled Act (HEA) 1131 (2020) to add that a municipality that creates a water utility with fewer than 8,000 customers remains under the Commission's jurisdiction for 10 years.

State Agency Jurisdiction over Water and Wastewater Utilities

Type of Utility	IDEM					IURC							DNR			ISDH
	NPDES Permitting[1]	Construction Permits	Operator Certification	Monthly Report of Operation	Oversee Entity Start-up	Rates and Charges	Rules and Regulations	Territory Authority (CTA)	Annual Report	Ability to Withdraw from Jurisdiction	No Jurisdiction	Oversee Entity Start-up	Significant Water Withdraw Reporting	Dam/Levee Permitting (if applicable)	Oversee Entity Start-up	Permitting On-site Sewage Systems (if applicable)
Investor-Owned Water		✓	✓	✓		✓	✓		✓	✓ [2]		✓	✓	✓		
Investor-Owned Wastewater	✓	✓	✓	✓		✓	✓	✓	✓	✓ [2]		✓				✓
Not-for-Profit Water		✓	✓	✓		✓	✓		✓	✓ [3]		✓	✓	✓		
Not-for-Profit Wastewater	✓	✓	✓	✓		✓	✓	✓	✓	✓ [3]		✓				✓
Water Authority		✓	✓	✓		✓	✓		✓	✓			✓	✓		
Municipal Water		✓	✓	✓		✓			✓	✓ [3]		✓	✓	✓		
Municipal Wastewater	✓	✓	✓	✓							✓					✓
Regional Water District		✓	✓	✓	✓						✓		✓	✓		
Regional Sewer District	✓	✓	✓	✓	✓						✓ [4]					✓
Conservancy Water District		✓	✓	✓		✓ [5]			✓ [5]	✓			✓	✓	✓	
Conservancy Sewer District	✓	✓	✓	✓							✓				✓	✓

[1] A majority of wastewater utilities utilize a treatment system where effluent is discharged into an open stream and an NPDES permit is required. A small number of wastewater utilities use an onsite treatment system permitted by ISDH.

[2] Investor-owned utilities with 300 or fewer customers can opt out of the IURC's jurisdiction, per I.C. § 8-1-2.7-1.3. If organized after June 30, 2018, the utility cannot opt out until 10 years have passed from its organization date.

[3] Newly organized not-for-profit utilities and municipal water utilities with fewer than 8,000 customers cannot opt out until 10 years have passed from the organization date.

[4] Campgrounds served by regional sewer districts have the ability to appeal to the Commission's Consumer Affairs Division for an informal review of a disputed matter, per I. C. § 13-26-11-2.1.

[5] IURC has jurisdiction over water conservancy districts that make an election to provide water service under I. C. § 14-33-20 in its District Plan. Water conservancy districts with fewer than 2,000 customers can opt out of the IURC's jurisdiction, per I. C. § 8-1-2.7-1.3. The IURC has jurisdiction over wastewater conservancy district's rates for customers outside the District's boundaries.

Note: This table provides an overview of state agency jurisdiction over water and wastewater utilities to offer a concise presentation. Thus, limitations exist. For instance, many wastewater utilities send their effluent to another utility for treatment and are not required to obtain an NPDES permit. Similarly, many water utilities purchase their entire water supply and would not be required to report significant water withdraws to DNR. Also, the table does not identify every aspect of each agency's jurisdiction.

Service Areas

Indiana statutes regulate service areas for the water and wastewater industry differently. Investor-owned and not-for-profit wastewater utilities must obtain a certificate of territorial authority (CTA), which prevents other utilities from serving customers within the same territory. As economic and population growth has occurred in certain parts of Indiana, wastewater utilities have requested expansion of their CTAs. Municipal water and wastewater utilities are not granted a CTA; however, municipal water and wastewater utilities have the authority to serve any customer inside the municipal boundaries and up to four miles outside of their boundaries.

In 2014, the state legislature gave the Commission authority to approve municipal ordinances that establish exclusive water or wastewater territory outside municipal boundaries under Indiana Code chapter 8-1.5-6. Since then, 14 municipalities have filed petitions:

- Chandler
- Demotte
- Georgetown
- Huntertown
- Michigan City
- Nashville
- Santa Claus
- Chesterfield
- Elberfeld
- Greenfield
- Logansport
- Muncie
- New Albany
- Valparaiso

Although customer growth enables utilities to generate economies of scale and provides rate stability, competition for new territory can lead to service area disputes. Service area disputes arise out of one utility's actions to claim territory in areas near another utility's territory.

Examples of such actions include the following:

- Extension of water mains to serve areas where service is marginally feasible at best, in an effort to discourage another utility from providing service.
- More than one utility installs infrastructure in the same area to serve customers.
- When one utility providing 100% of a neighboring system's water supply seeks to limit the supply provided or, in extreme cases, to completely shut off the water. When water supply is limited, a provider hopes to gain a competitive advantage to be the sole supplier to future customers.

In the first two examples, customer rates in the area might increase due to inefficient expansion of infrastructure or the duplication of facilities such as underground pipes.

The Indiana Administrative Code (IAC) includes specific rules on the route and costs when water or wastewater utilities provide service to new customers and are required to extend a water or wastewater main. However, generally speaking, municipalities are not required to follow the Commission's customer service rules in the IAC. Under Ind. Code § 8-1-2-101.5, added by HEA 1131 (2020), the state legislature directed all municipalities, regardless of whether they are under the Commission's jurisdiction for rates and charges, to follow the Commission's main extension rules in the IAC, including the ability to resolve disputes through the Commission's Consumer Affairs Division. HEA 1287 (2021) lowers the threshold required by a water or wastewater utility to extend service to developed but underserved areas without a deposit or adequate assurance of performance from customers.

Acquisition, Consolidation, and Small Utilities

For water and wastewater utilities, acquisitions and consolidations can include investor-owned utilities buying smaller investor-owned utilities, investor-owned utilities buying municipal utilities (called privatization), and municipalities buying investor-owned utilities (called municipalization).

In 2015, Indiana established Ind. Code chapter 8-1-30.3, to provide incentives to encourage the acquisition of poor performing water and wastewater utilities and municipal utilities serving fewer than 5,000 customers. SEA 257

(2016), provided further incentives for utility acquisitions by allowing value to be given to donated property, which is generally referred to as contributions in aid of construction (CIAC). Thus, SEA 257 modified long-standing regulatory principles to allow an acquiring utility to earn a return on an acquired utility's CIAC. SEA 472 (2019) further expanded the incentives to all water or wastewater utilities serving fewer than 8,000 customers and modified some of the Commission's regulatory approval processes for streamlined acquisitions that are less than 2% of the acquiring utility's rate base. Ind. Code chapter 30.3, as amended by HEA 1131 (2020), expanded the criteria for municipalities to fewer than 8,000 customers from 5,000 customers, clarified the qualifications of an appraiser, clarified how an appraisal is determined, and expanded the criteria as to when a cost differential is reasonable.

Acquisitions and consolidations can create efficiencies, lower costs, and reduce the number of poor performing water and wastewater utilities. Since the utility acquisition legislation passed, the average cost per customer being acquired has nearly doubled and a shift toward larger municipal utilities has taken place. In eight cases prior to the passage of the acquisition legislation, the average price per customer was $2,522 and the average size of the utility acquired was fewer than 600 customers. Since the legislation passed, the average size of an acquired utility is approximately 1,162 customers and the average price per customer is $5,912.[1] An increase in the purchase price is likely attributed, in part, to the inclusion of donated property in the purchase price. Also, the higher average purchase prices per customer does not include costs the acquiring utility might incur to bring the acquired utility up to a state of efficiency.

[1]Acquisitions excluded from this calculation include Cause No. 45362 (under appeal) and Cause No. 45360 (purchase price included the purchase of a golf course).

Update on Acquisition Cases

As of July 1, 2021, the Commission has decided seven cases utilizing Ind. Code chapter 8-1-30.3: Indiana-American Water Company, Inc. has acquired five municipalities with fewer than 5,000 customers: Georgetown (IURC Cause No. 44915), Charlestown (IURC Cause No. 44976), Lake Station (IURC Cause No. 45041), Sheridan (IURC Cause No. 45050), and Riley (IURC Cause No. 45290), as well as one investor-owned utility with fewer than 5,000 customers: Wastewater One, LLC (IURC Cause No. 45461). Citizens Wastewater of Westfield has acquired one investor-owned utility with fewer than 5,000 customers: JLB Development, Inc. (IURC Cause No. 45362), which is on appeal. Details of the seven cases are below:

Details of the Seven Cases as of July 1, 2020

Entity Acquired	Commission Cause Number	Purchase Price + Transaction Costs (to be included in Net Original Cost Rate Base)	Number of Customers	Commission Order Date
Georgetown Water Utility	44915	$6.529 million	1,309 water	10/11/2017
Charlestown Water Utility	44976	$13.584 million	2,898 water	3/14/2018
Lake Station Water Utility	45041	$20.199 million	3,443 water	8/15/2018
Sheridan Water and Wastewater Utility	45050	$10.93 million	1,261 water; 1,233 wastewater	9/13/2018
Town of Riley Wastewater System	45290	$1.545 million	430 water	3/31/2020
Wastewater One, LLC	45461	$0.52 million	93 water; 78 wastewater	6/23/21
JLB Development, Inc.	45362	$0.575 million	6 wastewater	10/28/2020

With the recent changes to Ind. Code chapter 8-1-30.3, the Commission anticipates more acquisition filings in the foreseeable future.

Other Acquisitions

Under Ind. Code chapter 8-1.5-2, a not-for-profit utility acquired a municipality (IURC Cause No. 45138) and a municipality acquired a portion of another municipality (IURC Cause No. 45348). Under Ind. Code § 8-1-2-83, a municipality acquired a portion of an investor-owned utility (IURC Cause No. 45270), a not-for-profit utility acquired an investor-owned utility (IURC Cause No. 45360), and a conservancy district acquired a not-for-profit utility (IURC Cause No. 45484). Under Ind. Code § 8-1-2-89 a municipality acquired a not-for-profit utility (IURC Cause No. 45407). Details of the six cases are shown below.

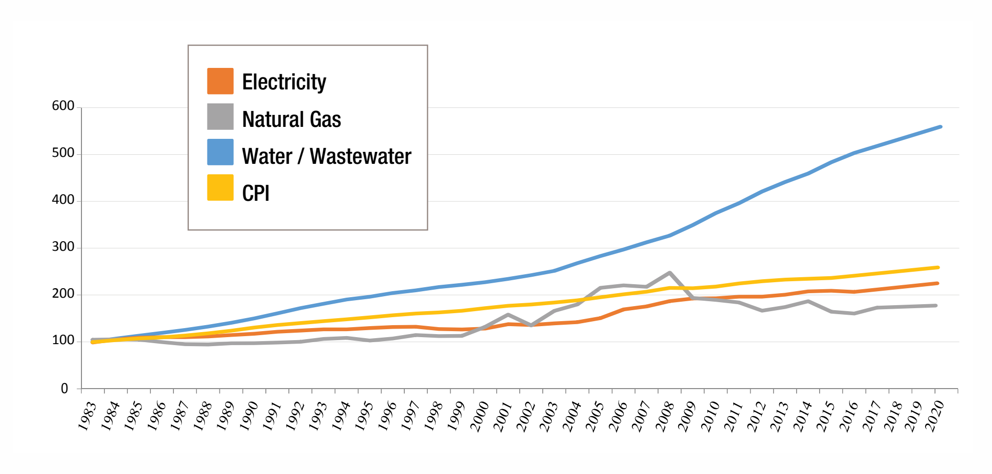
Details of the Six Cases as of July 1, 2020

Acquisition	Commission Cause Number	Purchase Price + Transaction Costs	Number of Customers	Commission Order Date
Ninestar Connect acquiring Town of Cumberland - Gem Water	45138	$4.0 million	670	12/19/2018
City of Anderson acquiring a portion of Citizens of South Madison water system	45270	$1.00	3 including a mobile home park	1/2/2020
Town of New Palestine acquiring a portion of Town of Cumberland's wastewater system	45348	$1.15 million	140	6/17/2020
Green Acres Subdivision Sewer System, Inc. acquired Howard County Utilities, Inc.	45360	$2.20 million (includes golf course)	200	11/18/2020
Town of Georgetown acquired Lakeland Lagoon Sewer Corp.	45407	$1.00	38	12/16/2020
East Shore Conservancy District acquired East Shore Corp.	45484	$1.595 million	102	4/28/2021

Pricing and Economics

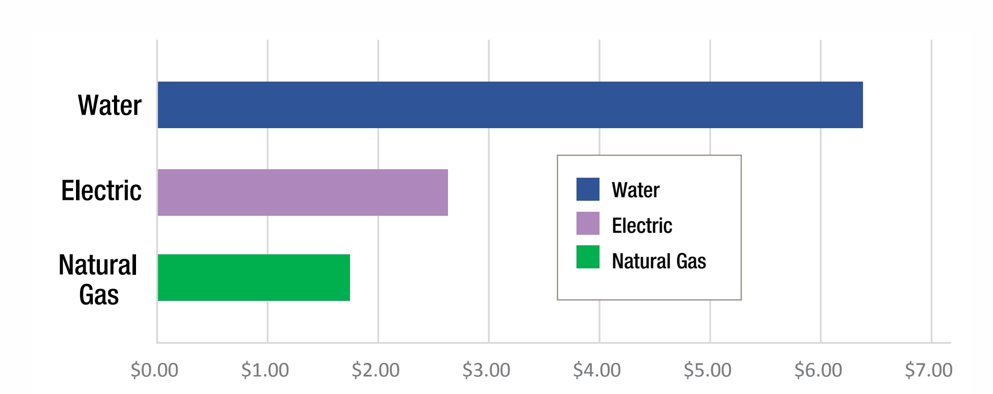
Nationally, water and wastewater rates are increasing more rapidly than energy rates and outpacing inflation and the overall consumer price index (CPI), which is a measure of the average change over time in the prices paid by customers. For example, from 2011 to 2020, water and wastewater rates rose 4.34% per year, but the CPI rose at a slower pace of 1.80% per year. Water and wastewater rates are increasing in Indiana for several reasons: replacement of aging infrastructure, compliance with the U.S. EPA standards (e.g., water quality and wastewater effluent), increases in expenses (e.g., labor, chemical, and power), maintenance projects to uphold the quality of service, and the relocation of facilities.

Comparison of Utility Prices From 1983 to 2020



Capital Investment per Dollar of Revenue in 2019

Amount of utility investment in utility facilities relative to each dollar earned



Source: Utility Annual Reports

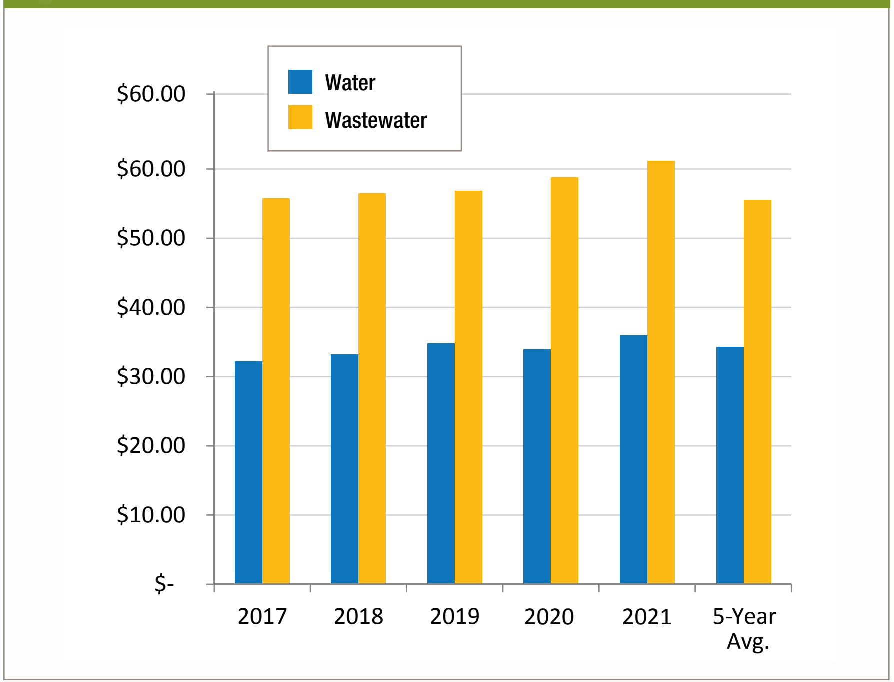
Financial Profile of Water Sector

One of the reasons for the general increase in water rates compared to electricity or natural gas rates is the water sector remains extremely capital intensive. For Commission-regulated utilities, in 2019, investor-owned water utilities invested more capital-per-dollar of revenue generated than investor-owned electric or natural gas utilities. The ratio for the water utilities is higher due to the need for large capital investments, coupled with relatively lower revenues. Consequently, water utilities typically seek to increase general rates to replace necessary infrastructure.

Rate Increases

Overall, in 2020, the number of general rate increase requests, which excludes rate adjustment mechanisms, was similar to those made in 2019. In 2020, six water utilities were approved for general rate increases averaging 17% and one wastewater utility was approved for general rate increase totaling 7%. To date in 2021, six water utilities were approved for rate increases. As of Jan. 1, 2021, the average water and wastewater rates approved by the Commission were relatively low at $34.22 per 5,000 gallons for water *(see Appendix O)* and $57.81 per 5,000 gallons for wastewater *(see Appendix P)*.

Water/Wastewater Residential Bill Comparison for 5,000 Gallons Consumption 2017 – 2021



Affordable Service

With rising water and wastewater rates, national organizations and Indiana are looking at affordability. Two articles in *American Water Works Association (AWWA)* journals in 2018 show that a low-income customer devotes a higher percentage of their total income to pay for water and wastewater service. One article showed that nationally the percentage of households in single-family buildings that paid 3% or more of their income for water and wastewater service increased, from 7.4% in 1990 to 10.5% in 2015. Another article showed that a low-middle class four-person household in Indianapolis would pay 13.5% of their disposable income on water and wastewater service (7th highest out of 25 largest cities). An AWWA article in 2019, using 329 utilities across the United States and 2017 water and wastewater rates, showed that households at the local 20th percentile income level must spend an average of 9.7% of their disposable income and/or work 9.5 hours at minimum wage to pay for monthly water and wastewater service.

The Indiana legislature has taken note of the affordability issue in a few ways. First, the Indiana General Assembly adopted a policy through in Ind. Code § 8-1-2-0.5 recognizing the need for protecting affordability of utility service for present and future generations of Indiana citizens. Second, under Ind. Code § 8-1-2-46, a Commission-regulated water or wastewater utility is allowed to establish a low-income customer assistance program for qualified customers to receive discounted rates.

In recently completed cases, Indiana American Water Company and CWA Authority have established low-income programs. Indiana American Water Company has a pilot program in Muncie, Terre Haute, and Gary. During the first three years of the pilot program, shareholders and ratepayers commit to funding a total of $600,000 each. The accounting structure, automated letters, and bill messages for the program have been developed, but enrollment has been low due to COVID-19. Annually, CWA Authority will provide $1.1 million in bill credits and $400,000 for infrastructure repairs or water conservation appliances with $1.3 million coming from ratepayers through a surcharge on the customer's bill and $200,000 funded by CWA Authority. Through June 30, 2020, CWA provided bill credits to 5,132 customers and infrastructure funds to 324 customers.

Two new programs administered by the Indiana Housing and Community Development Authority (IHCDA) will benefit Hoosiers most in need. In 2021, the IHCDA received $381 million from the U.S. Department of Treasury and created the Indiana Emergency Rental Assistance (IERA). Under IERA, eligible renters will receive assistance for following expenses: current rent and arrears, past due utility payments (gas, electric, water, sewer, and trash), past due home energy expenses (fuel oil, propane, firewood, or coal), and past due internet. Eligible households may receive up to 12 months of assistance. A renter who received Low Income Home Energy Assistance Program (LIHEAP) during the 2020-2021 program year is eligible to receive IERA assistance in 2021. The U.S. Department of Treasury's preference is direct payments to the landlord/property owner and the utility company on behalf of the eligible household; however, if the landlord/property owner refuses payment, IHCDA has the option of providing direct assistance. Elkhart, Hamilton, Lake, Marion, and St. Joseph Counties, as well as the City of Fort Wayne, are operating separate rental assistance programs and eligible renters in those areas will need to apply to their county- or city-specific programs.

The federal government has created a new low-income program for water/wastewater customers, Low Income Household Water Assistance Program (LIHWAP), which is modeled after LIHEAP. Funding for the program, which totals $1.138 billion in 2021, came from the Consolidated Appropriations Act of 2021 and the American Rescue Plan Act of 2021. In June 2021, Indiana's designee for LIHWAP, IHCDA, received $23.13 million. The funds are expected to begin to be distributed in October 2021 and must be expended by Sept. 30, 2023.

Tax Investigation Results and Future Tax Investigations

On Jan. 3, 2018, the Commission issued an Order initiating an investigation of the impact of the federal Tax Cuts and Jobs Act of 2017 (TCJA) on investor-owned utilities in the state. In the investigation, the Commission considered the impacts from the federal tax legislation and how any resulting benefits may be realized by Hoosier ratepayers.

On Jan. 27, 2021, the Commission closed its investigation. The Commission approved annual reductions for six investor-owned utilities totaling more than $18.8 million for water and wastewater utility customers. Included in the annual rate reductions is approximately $4.7 million associated with the amortization of CIAC, which was agreed to as part of a negotiated settlement in a TCJA related case.

For future tax investigations, SEA 349 (2021) provides that the Commission shall approve a proposed surcharge for water and wastewater utilities regarding change in applicable federal or state income tax rates if the IURC finds that: (1) the surcharge has been calculated correctly; and (2) the water or wastewater utility's proposal is just and reasonable. Moreover, the Commission may address the issues of normalization of accumulated deferred income taxes in a sub-docket.

Water Supply

Because utility rates are based on cost of service, the traditional forces of supply and demand do not determine pricing. However, as more water will be needed to keep up with demand, the cost of developing and obtaining that water requires additional investment, which is ultimately reflected in rates. Although average water use is believed to be declining, peak use is largely believed to be increasing. Unless measures are taken to mitigate peak use, additional investment may be required to meet peak demand.

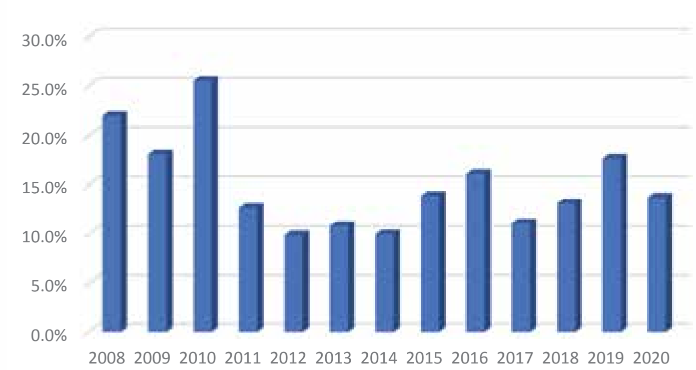
Northern Indiana's groundwater resources are considered good to excellent, with access to many surface water sources, including Lake Michigan. Central Indiana's groundwater resources are fair to good, and its access to surface water includes many rivers and streams, along with several reservoirs. Southern Indiana has a limited supply of groundwater and has access to several rivers for surface supply, but streams do not have a hydraulic connection to ground water. Reservoirs exist but drinking water supplies are not fully utilized. This may be attributed to the higher cost of treatment and delivery associated with surface water facilities.

Consistent with the Water Infrastructure Task Force's recommendation, IFA began assisting utilities with long term planning by establishing Water Infrastructure Study Areas. As of June 1, 2021, regional study groups were scheduled to convene between April and July 2021. The IFA also conducted a Central Indiana Water Study. A public meeting to present the final results of the study was held this summer.

Water Loss

Because the cost of obtaining water resources and making that water potable is expensive, the water industry is focusing its efforts on reducing water loss to mitigate additional costs. Nationally, the AWWA has an extensive program for water

Percentage of Utilities Exceeding 25% Water Loss



utilities to complete water audits, which reveal water loss. Locally, Ind. Code chapter 8-1-30.8, added by SEA 4 (2019), requires every water utility to annually perform an audit of its water distribution system to determine the causes of the water utility's "non-revenue" water. The results of the audit must be verified by an independent evaluator and reported to IFA in even-numbered years.

The Commission includes a section on water loss in the annual report forms and requires utilities with water loss greater than 10% to report efforts they take to reduce water loss. These efforts appeared to have an immediate effect on utilities reporting a high percentage of water loss. However, in recent years, the Commission has seen a gradual increase in the percentage of utilities reporting water loss in excess of 25%.

Based on the regulated water utilities' annual reports to the Commission, approximately 143.3 billion gallons of water were pumped or purchased in Calendar Year 2020, and 118.2 billion gallons of water were either sold to customers or used for firefighting or system maintenance, which is a 17.51% water loss. As water utilities focus efforts on improving infrastructure, covered in a later section, water losses should decrease.

Water Efficiency

Water efficiency programs are being developed by individual utilities and at the state and national levels in an effort to manage customer usage. For example, the two largest water utilities under Commission jurisdiction have had plans approved to use water more efficiently. At the state level, DNR has developed water conservation goals and objectives, as required by the Great Lakes Compact. At the national level, the U.S. EPA has developed the WaterSense program. This program labels water efficiency appliances, products, services, and practices (e.g., low-flow shower heads, low-water washing machines, and low-flow irrigation systems). For example, if a household can save 40,000 gallons per year and water rates are $3.00 per 1,000 gallons, the savings amount to approximately $120 per year. For many ratepayers, the wastewater bill is based on water usage, so a decrease in water consumption also reduces the wastewater bill.

Infrastructure

Much of the nation's infrastructure will need full-scale replacement over the next few decades. In order to have adequate, Indiana-specific data regarding water infrastructure, the Indiana General Assembly instructed the IFA to review utility management and funding for infrastructure replacement, among other topics, in a series of reports. The published reports, found on the Commission's Water and Wastewater Division webpage at ***https://www.in.gov/iurc/water-and-wastewater-division/***, highlight a need for more utilities to develop asset management and infrastructure replacement schedules, and invest in the replacement of critical infrastructure at a quicker pace.

SEA 348 (2021) created the Task Force for Wastewater Infrastructure Investment and Service to Underserved Areas to study management of wastewater systems, sources of funding, regulation of wastewater systems, connection of underserved properties, and financing options, and develop a long-term plan for addressing wastewater needs. The Task Force will submit a report to the Indiana General Assembly no later than Dec. 1, 2021.

Age Profile of Mains

Aging infrastructure is one of the most critical issues in the water and wastewater industry today because it is costly to replace infrastructure that is largely underground. Water systems are comprised of wells (for groundwater), treatment facilities, water tanks, and distribution systems. Water distribution systems are composed of pipes, valves, and pumps that move water from the treatment plant or water tanks to end users. Wastewater collection systems are composed of gravity main, pumping stations, and force mains. Throughout Indiana, these pipes vary in age and material. Many older water systems built during the turn of the last century consist of highly durable products such as cast iron and wood piping that have lasted more than 120 years. Many early wastewater collection systems utilized vitrified clay pipe, which, while very corrosion resistant, is susceptible to fracturing, resulting in structural problems and increased infiltration and inflow into the systems. Some modern pipe materials have failed to achieve expected life expectancies such as asbestos cement (transite), post war cast iron, and truss pipe which are now being actively targeted for replacement. Utilities have become more aggressive in their capital planning strategy, moving toward increasing investment in water infrastructure replacement that takes into account the life expectancy of the pipe currently in the ground. Although this increased investment will have an immediate upward impact on rates, reliability of the system will improve as infrastructure replacement approaches a pace that is sustainable.

Due to the age of their water systems, Indiana's oldest communities are experiencing an increase of breaks in water mains made of cast iron pipe manufactured and installed in the mid-1940s and early 1950s. This particular generation of cast iron has prematurely become more brittle with age and is failing. Deterioration can worsen in piping that was installed in highly corrosive soils. As this generation of piping requires replacement, our oldest and largest communities are already dealing with its oldest infrastructure reaching the end of its useful life. These communities bear the greatest financial burden because these two generations of pipes represent the majority of their distribution systems. Many utilities are actively continuing to target this generation of piping for replacement in their capital improvement plans. Eventual replacement of this generation of piping is expected to take decades as the mains were installed during a period of rapid growth. Availability of funding through the State Revolving Loan program has greatly helped in accelerating replacement over the past few years. Anticipated federal funding for infrastructure projects beginning in 2021 may further accelerate these replacements.

Newer collection/distribution systems rely on polyvinyl chloride (PVC), high-density polyethylene (HDPE), concrete, and ductile iron piping. Modern plastic pipes such as PVC and HDPE have strong corrosion resistance properties but generally have weaker structural properties. This requires utilities to place greater emphasis on alteration of ground conditions and full-time construction inspection to ensure proper installation to achieve the desired longevity of the infrastructure. In many cases, utilities may prefer a structurally stronger pipe such as ductile iron or concrete at a greater material cost to mitigate the risk associated with installation errors, especially municipal utilities who are obligated to accept the lowest bid when procuring construction services.

Projected Infrastructure Costs

In 2012, the U.S. EPA (EPA) projected the 20-year need (2012- 2031) for Indiana's wastewater system to be approximately $7.2 billion. The largest category of need is combined sewer overflow (CSO) correction. In this category, Indiana has made significant improvements since 2004. However, the EPA still ranks Indiana 8th in the country for the highest documented need for CSO correction at $3.2 billion reported in 2012. The Commission regulates Indiana's largest CSO system (CWA Authority, a separate nonprofit corporate subsidiary of Citizens Energy Group in Indianapolis); however, the number of remaining combined systems are municipal utilities located in cities, such as Evansville, Fort Wayne, Jeffersonville, Kokomo, and Lafayette, and are regulated by their elected local governments. These combined systems are engaged in a variety of CSO control projects ranging from storage tunnels to other forms of offsite storage and satellite treatment. The most complex and expensive CSO is the Deep Rock Tunnel Connector Project in Indianapolis, which is being built by CWA Authority. In February 2017, the Indiana Advisory Commission on Intergovernmental Relations issued a report titled "Indiana Faces Significant Funding Gap for Water Infrastructure over Next 20 Years" (Report). This Report indicated the total needs for Indiana's wastewater systems from 2015 through 2034 range from $8.2 to $10.0 billion.

In March 2018, the U.S. EPA released its sixth report to Congress for drinking water infrastructure needs (2015 Report). Drinking Water State Revolving Fund capitalization grants for fiscal years 2018 through 2021 are allocated to states based on the 2015 Report findings. The state of Indiana's 20-year eligible needs increased when compared to the 2011 Assessment from $7.3 billion to $7.5 billion. As shown in the table below, "Transmission and Distribution Main" is by far the largest project needs category at $5.1 billion.

Out of 38 states that fully participated, 23 reported greater needs than Indiana. The IFA's Evaluation of Indiana's Water Utilities Report in 2016 indicated the need for initial infrastructure costs of $2.3 billion and $815 million annually to maintain the infrastructure. The U.S. EPA and IFA figures are estimates, and they did not use the same methodology to determine cost, which makes a comparison difficult.

The IFA has been tasked with dividing the state into study areas to determine area water and wastewater infrastructure priorities.

Project Category Comparison

Project Category	20-Year Eligible Need (in billions January 2015 dollars)
Transmission and Distribution Main	$5.1
Treatment	1.2
Storage	0.7
Source	0.4
Other	0.1
Total	$7.5

State Mechanisms to Fund Infrastructure

Water and wastewater utilities have three specific mechanisms designed to recover the cost of distribution system and collection system infrastructure, the infrastructure improvement charge (IIC), the system integrity adjustment (SIA) and service enhancement improvement projects. Pursuant to Ind. Code chapter 8-1-31, water and wastewater utilities in Indiana can seek to recover costs of up to 10% of the utility's revenue in its most recent rate case for the replacement of distribution system and collection system infrastructure through an IIC. The IIC mechanism allows a utility to recover its costs outside of a general rate case, thereby receiving cost recovery more quickly. The water or wastewater utility must receive approval from the Commission before establishing an IIC surcharge. Under Ind. Code § 8-1-31-13, amended by SEA 254 (2020), infrastructure related to highway, street, or road construction does not apply to the 10% cap.

Ind. Code chapter 8-1-31.5 allows an eligible water or wastewater utility to petition the Commission to establish an SIA mechanism used to recover or credit an adjustment amount based on the eligible utility's Commission-approved revenues. A utility may collect an SIA up to 48 months after the establishment of the SIA mechanism or the date on which the Commission issues an order in the utility's next general rate case. The revenues from the SIA must fund new water distribution system or wastewater collection system infrastructure.

Since 2017, CWA Authority filed for two SIAs, which the Commission has granted in IURC Cause No. 44990. Through these two orders CWA Authority has been authorized to collect approximately $16 million. To date, no other utility has requested an SIA.

SEA 254 (2020) established Ind. Code chapter 8-1-31.7 Service Enhancement Improvement Projects for Water and Wastewater Utilities, which is a new mechanism to fund infrastructure for all water and wastewater utilities under the Commission's jurisdiction. It creates a partial tracker (80%) for expenditures related to direct or indirect compliance with the Water Pollution Control Act; Safe Drinking Water Act; any law, order, or regulation EPA, U.S. Corps of Engineers, IDEM, U.S. Department of Transportation, INDOT, DNR, or local government regulation. Expenditures are also included for the installation of new plant/equipment or replacement of plant/equipment to further or maintain health, safety, or environmental protection of utility's customers, employees, or the public. The other 20% of the costs are deferred, with carrying costs, and recovered as part of a utility's next general rate case. To recover these costs, a utility must obtain preapproval of its plan from the Commission for some service enhancement improvements. If actual costs exceed by more than 25% the projected costs set forth in the utility's plan, specific approval by the Commission is required before being authorized in the next general rate case. The Commission has 210 days after the filing of a utility's case-in-chief to issue its order to approve a plan and 60 days to issue an order for the tracker. As of July 1, 2021, no utility has filed a petition under Ind. Code chapter 8-1-31.7.

SEA 348 (2021) establishes the water infrastructure grant program to be administered by the IFA as a source of money for grants, loans, and other financial assistance for planning, designing, acquisition, construction, renovation, improvement, or expansion of water systems, wastewater collection and treatment systems, or storm water collection and treatment systems.

Lead Service Lines

Water quality issues related to lead service lines have been addressed recently by both the Indiana General Assembly and the Commission. In 2017, the Indiana General Assembly addressed lead service line replacement by creating Ind. Code chapter 8-1-31.6. Traditionally, utilities typically only maintain and operate facilities and equipment that the utilities own. Through the traditional regulatory model, utilities are given an opportunity to earn a fair rate of return on the utility-owned infrastructure that is "used and useful" for the provision of safe and reliable service. Utilities do not replace or maintain (thus do not receive a rate of return on) customer-owned infrastructure (e.g., service lines). In addition to the existing ability of a utility to earn a fair rate of return on utility-owned equipment, Ind. Code chapter 8-1-31.6 allows a utility to earn a rate of return on customer-owned lead service lines that a utility has replaced through a Commission-approved plan. This allows the utility to recoup its costs for replacing the customer-owned lead service lines from all customers within its service territory. The utility may or may not own or maintain that service line in the future, depending on the utility's approved plan. A water utility can include its approved plan for replacing customer-owned lead service lines under the IIC mechanism. The costs associated with replacing customer-owned lead service lines, however, do not count against the 10% IIC revenue limitation.

In January 2018, Indiana American Water Company filed IURC Cause No. 45043, which was Indiana's first lead service line replacement program petition. The Commission approved the plan on July 25, 2018, which entails replacing approximately 51,000 lead service lines at an approximate cost of $178 million in 2017 dollars with a completion time between 10 and 24 years. The case was appealed by the OUCC due to concerns with specific language utilized in Indiana American Water Company's indemnification clause. In 2019, the case was reversed and remanded by the Court of Appeals with instructions for the Commission to issue additional findings with respect to the license agreement attached to the Lead Service Line Replacement Plan including the indemnification and release clause. On Aug. 7, 2019, the Commission complied with the Court of Appeals instructions. To date, Indiana American Water Company remains the only utility in Indiana with a Commission approved Lead Service Line program under Ind. Code chapter 8-1-31.6.

In 2019, the Indiana General Assembly amended the definition of "customer lead service line improvement" to include galvanized steel service lines, allowing an investor-owned utility the same opportunity to earn the same rate of return on the customer-owned portion of a galvanized steel service line as that of a lead service line.

Indiana code chapter 8-1-31.6, amended by SEA 254 (2020), clarified municipal utilities can recover the cost of replacing customer-owned lead service lines. The additional sections are primarily duplication of language investor-owned utilities use to recover such costs.

EPA's Revised Lead and Copper rule will take effect on Dec. 16, 2021. This effective date was extended from June 17, 2021, in order to provide EPA more time to consider revisions. While the earliest replacement activities under that rule are not anticipated to begin until 2024, the rule is anticipated to require water utilities to begin planning, testing, and taking inventory of the service lines within their systems. Such work is likely to identify more lead service lines in systems that did not anticipate having lead service lines in their systems. Implementation of the federal regulations could place additional upward pressure on rates. The resulting effect on future lead service line replacements will be unknown until this work has commenced.

Government Program Funding

To assist with the high capital costs associated with the water and wastewater industry, numerous federal and state funding options are available for infrastructure investment. These programs include the State Revolving Loan Fund, U.S. Department of Agriculture Rural Development loans and grants, the Community Focus Fund, and private activity bonds. In 2014, the federal Water Infrastructure Finance and Innovation Act (WIFIA) was enacted, which provides low interest rate financing for the construction of water and wastewater infrastructure. Recently, the EPA announced a program targeted specifically at state infrastructure financing authority borrowers, the SWIFIA program. For Fiscal Year 2021, the EPA has approximately $1 billion in financing available for this program. In 2016, the Water Infrastructure Improvements for the Nation (WIIN) was enacted. The WIIN includes the Water Resources Development Act, which authorizes $100 million for communities facing drinking water emergencies, including helping communities recover from lead contamination.

Under HEA 1001 (2021), Indiana provided $20 million for a Water Infrastructure Assistance Fund, which is a source of money for grants, loans, and other financial assistance administered by the IFA. Forty percent of the money is targeted to utilities serving fewer than 3,200 customers. To receive assistance from the state fund, a utility must have and maintain an asset management program, participate in cooperative activities with one or more other utilities, and determine and eliminate causes of non-revenue water. These funds, along with federal funds, are currently being used to assist Indiana communities.

The Indiana office of the U.S. Department of Agriculture Rural Development reported that, in 2020, Indiana received grants for water and wastewater projects totaling $37.3 million.

COMMUNICATIONS DIVISION

COMMUNICATIONS DIVISION

Regulatory Responsibility

The Commission's Communications Division monitors communications-related regulatory proceedings and policy initiatives at the federal, state, and local levels that could affect the interests of Indiana communications service providers (CSPs) and their customers. The division assesses the possible impacts of those policies and whether comments should be filed in those proceedings or whether the information should be forwarded to other state agencies for review. As part of these monitoring efforts, the Communications Division responds to inquiries from the Indiana General Assembly, the Office of the Governor and the Office of the Lieutenant Governor, other state agencies, members of the media, communications service providers, and the public on various communications-related topics. Additionally, the division implements a state universal service program and provides recommendations to the Commission on several types of matters, including numbering issues, carrier-to-carrier disputes, eligible telecommunication carrier (ETC) designations, applications for certificates of territorial authority (CTAs) for CSPs and certificates of franchise authority (CFAs) for video service providers (VSPs). The division also implements the Commission's role as the sole franchise authority for the provision of video service in the state of Indiana and the direct marketing authority for video service providers wanting to conduct direct marketing activities in the state.

All CSPs must receive a CTA from the Commission to offer any telecommunications services, information services, or video services in Indiana. Providers of video service must hold a video service franchise from the Commission or an unexpired local franchise obtained prior to the Commission's designation as the sole franchising authority in the state. Additionally, the Commission designates all ETCs in the state, which enables those carriers to obtain support from the federal Universal Service Fund (USF). Federal USF support is aimed at expanding the availability of both telephone and broadband services and networks. It also supports discounted phone service to eligible low-income households.

The Commission is responsible for making determinations regarding a successor provider of last resort (POLR), in the event a current POLR withdraws from a given area of the state. Although the Commission has no jurisdiction over the approval of retail rates and charges of CSPs, the Commission continues to approve intrastate access rates and charges for local exchange carriers in Indiana. From time to time, the Commission also approves changes in the monthly surcharges on customer bills for the Indiana Universal Service Fund and the Indiana Telephone Relay Access Corporation (InTRAC).

In addition, the Commission resolves carrier-to-carrier disputes, manages policies regarding telephone numbering resources, including area code relief (pursuant to federal and state law), protects customers from unauthorized changes to their service (cramming) and unauthorized changes in their service providers (slamming), and enforces federal customer service standards for video.

Communications issues under consideration at the federal level are regularly tracked and considered by the division. Because it is essential to identify and act (when appropriate) upon the many federal policy matters that have the potential to affect Indiana, the division monitors, reviews, and provides analysis and recommendations to the Commission about possible Commission participation in federal rulemakings and cases. This ensures that the concerns and needs of Indiana are heard by federal agencies, such as the Federal Communications Commission (FCC), the National Telecommunications and Information Administration, and the Rural Utilities Service within the U.S. Department of Agriculture, among others. Additionally, the division has brought issues under discussion at the federal level to the attention of other Indiana state agencies that would possibly be affected by action on those issues, including the Indiana Office of the Attorney General, the Lieutenant Governor's Office, the Statewide 911 Board, and the Indiana Family and Social Services Administration.

Video Franchise Authority

In 2006, the Commission became the sole franchise authority for the issuance of new video service franchises. Before this time, VSPs were subject to exclusively held local franchises. Since 2006, 66 VSPs have applied for and been granted state-issued franchises. The number of providers varies by county, with some locations being more competitive than others. The industry also has seen some consolidation over the last few years, and it is likely that trend will continue as current and future mergers are approved. Additionally, the rise of streaming video like satellite-based video services has brought added competition to the video cable providers by offering consumers an alternative video service option to traditional cable packages. Currently, streaming video is not treated as a traditional video provider and, therefore, is not required to obtain a state-issued franchise. However, the Commission continues to grant state-issued franchises and video providers continue to enter the market offering more competitive prices and services options to keep up with the changing market.

The traditional technologies used to provide video service to Indiana customers include coaxial cable, hybrid fiber coax, fiber to the premise (FTTP), fiber to the node (FTTN), very-high-bit-rate digital subscriber line (VDSL), and asymmetric digital subscriber line (ADSL). The Commission does not regulate the rates and charges for video service and does not collect or maintain programming and pricing options offered by VSPs to Indiana customers. However, through its Consumer Affairs Division, the Commission does enforce the federal video customer service standards established by the FCC.

Designation of Eligible Telecommunications Carriers (ETCs)

A CSP must be designated as an ETC to receive support from the federal universal service high-cost or Lifeline program. Under the Telecommunications Act of 1996, states are given sole authority to designate communications companies as ETCs (unless a state cedes this authority to the FCC). ETCs receive federal support for the provision, maintenance, and upgrading of facilities and services for which the support is intended. In the case of the high-cost program, ETCs receive monetary support to deploy, maintain, and provision voice telephony and broadband service throughout their ETC service area. In the case of the Lifeline program, ETCs are reimbursed for providing a monthly discount on communications service for eligible low-income subscribers.

There are three types of ETCs in Indiana:

1. Incumbent Local Exchange Carriers (ILECs): These carriers are all eligible for high-cost support (also known as Connect America Fund (CAF) support) and must offer the Lifeline discount on the supported services. These providers became ETCs after the passage of the federal Telecommunications Act of 1996. There are currently 42 ILECs that are ETCs in the state. This category of ETC includes all of the state's ILECs, with the exception of some portions of Indiana Bell's (d/b/a AT&T Indiana) ILEC territory. AT&T Indiana relinquished its ETC designation for portions of its service area in 2017.

2. Competitive Facilities-based Carriers: These carriers may be mobile or fixed wireless providers or local exchange carriers that wish to receive high-cost support to build and maintain their networks. There are currently 29 competitive carriers that are ETCs. Four of these companies have been ETCs for over 10 years. Six companies were approved as competitive ETCs in early 2019 as a result of the FCC's CAF II Reverse Auction to serve areas the FCC deemed unserved for broadband. In 2020, the FCC began another auction to reach more unserved areas called the Rural Digital Opportunity Fund (RDOF) Phase I Auction, which resulted in 19 new or expanded ETCs (including both ILECs and CLECs) approved in Indiana in 2021. The RDOF auction drew new types of competitive ETCs, many of which were not traditional CSPs, such as rural electrical cooperatives or cable companies, and this resulted in several new CTA applications or updates to existing CTAs in 2020/21 to prepare for the ETC designation process.

3. Lifeline-only Wireless ETCs: These carriers state they will only seek funding from the Lifeline fund, not the high-cost fund. Most of these ETCs do not have their own facilities-based network even though it is a requirement in the Telecommunications Act. The FCC found that it was in the public's interest to forbear from this requirement for mobile wireless ETCs that only provide Lifeline. There are currently 11 Lifeline-only mobile wireless ETCs.

Relinquishments of Eligible Telecommunications Carriers Designations

Telecommunications carriers that are designated as ETCs in Indiana may request to relinquish that designation pursuant to 47 U.S.C. § 214(e)(4). The Commission's role in areas served by more than one ETC is to require that the remaining ETCs ensure that all customers served by the relinquishing ETC will continue to have service, and to require sufficient notice to permit the purchase or construction of adequate facilities to meet increased demand, if needed. No ETCs sought to relinquish their designation in 2020.

FCC Designated 988 as National Suicide Prevention Hotline Number

On July 17, 2020, the FCC released an order implementing the three-digit code, 988, for the National Suicide Prevention Lifeline. The FCC believes that the three-digit hotline will help ensure ubiquitous deployment of 988, thereby easing access to suicide prevention and crisis intervention services, decreasing the stigma surrounding suicide and mental health crises, and ultimately saving lives. All telecommunications carriers and VoIP providers must implement the hotline by July 16, 2022. During the transition to 988, Americans who need help should continue to contact the National Suicide Prevention Lifeline by calling 1-800-273-8255 (1-800-273-TALK) and through online chats. Veterans and service members may reach the Veterans Crisis Line by pressing 1 after dialing, chatting online at www.veteranscrisisline.net, or texting 838255.

This FCC order impacts two Indiana area codes, 219 and 574, because it mandates 10-digit dialing for local calls rather than the seven-digit dialing still in place in those area codes. The FCC Order recognizes that some areas of the country that have not implemented 10-digit dialing and already have 988 in use as an exchange number will have technical difficulties implementing the three-digit hotline. To remedy this problem, the FCC mandated the implementation of 10-digit dialing for local calls in such area codes. The Commission has been and will continue to be involved in implementation planning, outreach, and education. Commission staff participated in conference calls which are hosted by North American Numbering Plan Administrator (NANPA) to establish implementation milestones, educational outreach goals, and to discuss technical issues. The NANPA established implementation milestones in collaboration with telecommunications industry stakeholders and affected state commissions, as follows:

- April 24, 2021 – Permissive dialing period began, which means customers should begin dialing 10 digits (area code + telephone number) for all local calls. If customers forget and dial just seven digits, their call will still be completed.
- October 24, 2021- Mandatory 10-digit dialing will begin for all local calls, which means that on and after this date, local calls dialed with only seven digits may not be completed, and a recording will inform customers that their call cannot be completed as dialed; they must hang up and dial again using the area code and the seven-digit number.

Beginning July 16, 2022, dialing “988” will route callers to the National Suicide Prevention Lifeline.

In addition to certain outreach milestones undertaken by NANPA and telecommunications carriers, the Commission and the Indiana Office of Utility Consumer Counselor (OUCC) have coordinated to do their own targeted customer outreach, including press releases, YouTube videos, website messaging, and emails to alarm companies and public law enforcement associations. In particular, the Commission has learned from past area code relief cases that small alarm companies are often challenged to reprogram security equipment within the six-month transition period between permissive dialing and mandatory 10-digit dialing, so Commission outreach efforts emphasize educating alarm companies and their customers about the pending changes.

Competition and Pricing

The Commission is statutorily charged with analyzing the effects of competition and technological change on universal service and the pricing of all telecommunications services offered in Indiana. Because detailed information on the effects of competition and technology changes on pricing of telecommunications services offered in Indiana is unavailable, this section focuses on efforts to provide telecommunications service availability in Indiana. This is often referred to as universal service, which has been a key factor in reaching areas that are difficult to serve. In addition to various programs within the FCC’s federal USF, the Commission oversees a state program called the Indiana Universal Service Fund (IUSF). Over the last few years, the FCC has expanded the definition of universal service to include federal support for both broadband and voice telephony services. With that in mind, this section also addresses several federal and state efforts to increase broadband availability.

Indiana Universal Service Fund

The IUSF was established by Commission Order in 2007 in response to revenue reductions caused by changes to the FCC rules that affected small rural ILEC territories. The Commission found that the fund would be competitively neutral and promote just, reasonable, and affordable rates for telephony-based services, as required by the federal Telecommunications Act of 1996.

The Commission oversees the IUSF through the IUSF Administrator (currently Solix, Inc.) and in consultation with the Commission Oversight Committee, which consists of representatives of various segments of the communications industry, as well as the OUCC.

The IUSF is funded by a small surcharge on intrastate retail telecommunications revenue. The IUSF Oversight Committee has recommended the IUSF maintain a balance of $2 million; however, billed intrastate retail telecommunications revenue has been steadily decreasing since the establishment of the fund. In 2008, billed intrastate retail telecommunications revenue was $2.96 billion. In 2020, total revenue declined to $961 million, which is a decrease of 68% since inception. As a result, the IUSF Oversight Committee has recommended, and the Commission has approved, six increases in the IUSF monthly surcharge on retail customers' bills – from 0.538% of billed Indiana telecommunications revenue at the inception of the IUSF in October 2007, to 1.40%, effective April 1, 2021.

Periodic Reviews for the IUSF

When the IUSF was established, the Commission determined it should be reviewed every three years (the Triennial Review) to ensure that the operations of the IUSF are meeting the Commission's objectives of preserving and advancing universal service within the state, and ensure that the processes, funding levels, size, and operation and administration of the IUSF remain adequate and sufficient, among other considerations. The last Triennial Review was completed in 2018 and the next one will be opened later in Calendar Year 2021.

Additionally, the Commission determined that rural telephone companies that receive IUSF monies should complete a qualifications test every three years to demonstrate continued need for IUSF support. The last qualifications test was completed in 2019. The Commission determined that 31 companies continue to qualify for IUSF support which varies in amount for each company. Annual disbursements to the 31 rural telephone companies total $11,503,682. The next qualifications test is due in 2022.

The Connect America Fund ("CAF")

At the federal level, efforts by the FCC have been implemented under certain circumstances to provide financial support, through a program under the federal USF (i.e., the CAF), to provide incentive for ETCs to deploy broadband in rural areas, in addition to the voice telephony services that all ETCs are required to offer. CAF support has been determined and awarded in two broad phases, generally known as CAF I and CAF II. Both CAF I and CAF II consisted of several phases (the CAF I program has expired).

In Indiana, AT&T, Frontier, and CenturyLink accepted CAF II funds totaling $51.1 million annually. In addition to these three companies, Cincinnati Bell Telephone Company, which primarily serves Ohio, but also serves the Peoria and West Harrison exchanges in southeast Indiana, received CAF Phase II support.

It is important to note that deployment of broadband using CAF II funding may not reach all of the locations within a census block, depending on whether all of the residences or businesses were originally counted as locations or missed that count because they were built at a later date. Also, the carrier may elect to deploy to a somewhat smaller number of locations (i.e., 95%) and have its funding reduced accordingly.

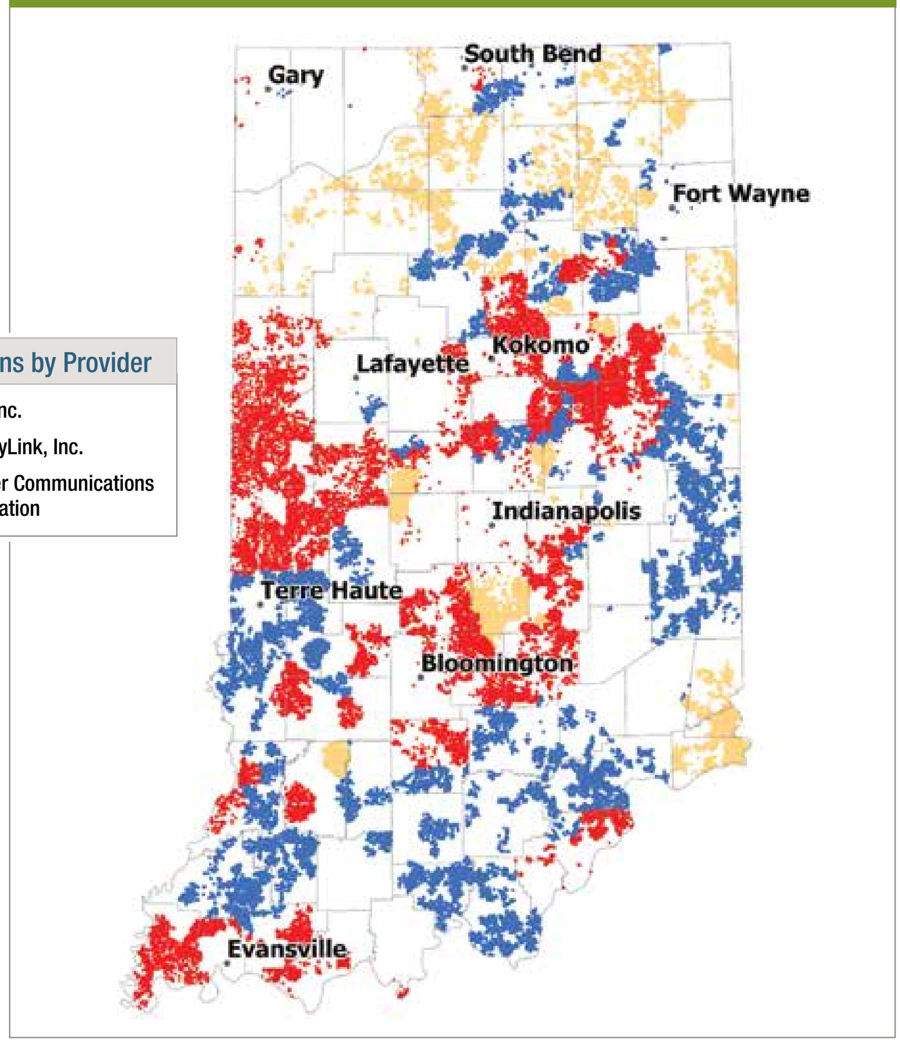
However, when a carrier already is receiving federal support for a particular census block, that census block may no longer quality for state support. This is meant to avoid duplicate funding for the same locations. However, the result is, in some situations, a particular location(s) within such a census block could be excluded from the opportunity to have broadband service deployed to it from either program.

Each year, providers are required to report the address of each location within assigned census blocks where broadband has been made available using CAF II funds. The map to the right gives a general idea of the locations where each provider has made broadband available at speeds of at least 10/1 Mbps using CAF II model-based support funds for 2016 to 2020. The location points are for individual addresses and have been enlarged for visual purposes. Therefore, each location point is not a representation of the location's actual size.

In 2020, CAF II deployment data indicated AT&T exceeded its deployment obligation in line with program requirements. CenturyLink reported an 87% buildout percentage in Indiana for Filing Year 2020, and Frontier reported an 89% buildout figure for the same period. Some of these numbers differ from what was reported in previous years because the companies can revise previous year's data when necessary. All three companies also notified the FCC that they are accepting a seventh year of funding, which goes through the end of 2021.

In the second phase of the CAF II program (the reverse auction phase), the FCC identified eligible census blocks where AT&T, Frontier, and CenturyLink

2016-2020 CAF II Model-Based Support Funded Broadband Deployment Locations



Number of CAF II Funded Deployed Locations & Milestone Percentages

	AT&T		CenturyLink		Frontier		Total Deployed Locations
2016	124	0%	516	1%	5,582	9%	6,222
2017	7,472	16%	2,009	6%	24,836	41%	34,317
2018	11,585	25%	3,068	10%	37,175	62%	51,828
2019	22,738	50%	8,193	27%	46,971	78%	77,902
2020	51,313	113%	26,155	87%	53,560	89%	131,028

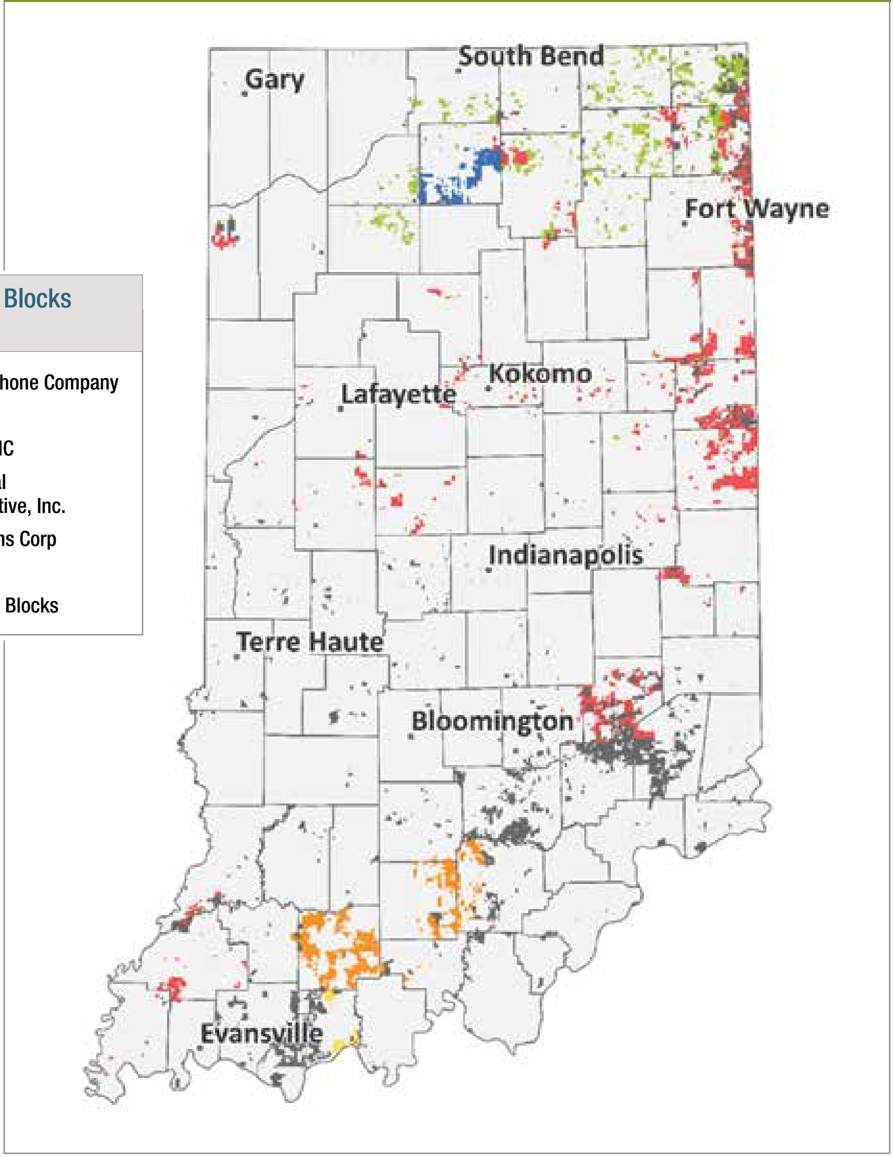
Note: These numbers have been pulled directly from the Universal Service Administrative Company's (USAC)'s public data portal but should not be considered final or exact. Providers can revise information from years past at any time.

had previously elected not to accept an offer of model-based support (in CAF II, Phase I). The funding was awarded through a reverse auction (FCC Auction 903), in which carriers submitted bids to provide the highest performance broadband networks and services at the lowest cost (simplistically, the lowest bidder in a particular area wins). The FCC allowed winning bidders to assign census blocks to an affiliate. Six winning bidders were selected for Indiana:

- Benton Ridge Telephone Company (assigned to affiliate, W.A.T.C.H. TV)
- Mercury Wireless
- Orange County REMC
- Perry-Spencer Rural Telephone Cooperative, Inc.
- RTC Communications Corp. (assigned to affiliate, Marshall County Fiber)
- Wisper ISP, Inc.

At the end of the auction, out of 33,847 total eligible Indiana locations, the FCC had assigned 24,530 Indiana locations to those six companies; 9,317 locations remained unassigned in Indiana at the conclusion of the auction. The census blocks with unassigned locations are indicated in dark gray on the map to the right. To receive CAF II auction support, the FCC required winning bidders to obtain ETC designation. The Commission designated the six winning bidders, listed on the previous page, as ETCs on Feb. 20, 2019. These ETCs are required to meet and report on their first broadband deployment milestone of 40% of the locations by the end of the third year of support, which will be in 2022. They are required to achieve an additional 20% deployment every following year until reaching 100% deployment at the end of the sixth year of support.

CAF II (Auction 903) Results – Census Blocks with Assigned and Unassigned Locations



The map on the previous page shows census blocks in Indiana containing locations assigned to these six winning bidders in FCC Auction 903 to provide broadband service. The map also includes census blocks with unassigned locations.

Four Performance Tiers and Two Latency Options

Performance Tier	Speed	Monthly Usage Allowance	Weight
Minimum	≥ 25/3 Mbs	≥ 250 GB or U.S. Median, whichever is higher	50
Baseline	≥ 50/5 Mbs	≥ 250 GB or U.S. Median, whichever is higher	35
Above Baseline	≥ 100/20 Mbs	≥ 2 Terabytes (TB)	20
Gigabit	≥ 1 Gbs/500 Mbs	≥ 2 TB	0

Latency	sort by Requirement	sort by Weight
Low Latency	≤ 100 ms	0
High Latency	≤ 750 ms; Mean Opinion Score (MOS) of ≥ 4 for voice communications	40

The Rural Digital Opportunity Fund (RDOF)

In January 2020, the FCC adopted the RDOF, allocating up to $20.4 billion over 10 years through a two-phase competitive reverse auction to help connect millions of unserved rural homes and small businesses to high-speed broadband. RDOF will more than double the minimum speeds that were required in the CAF II auction to 25/3 Mbps, weighting bids for services with faster speeds (at least 1 Gigabit per second downstream and at least 500 Megabits per second upstream) and lower latency more heavily in the auction, and awarding support to the bidder offering the best-performing network once the total price of all bids falls below the auction's budget.

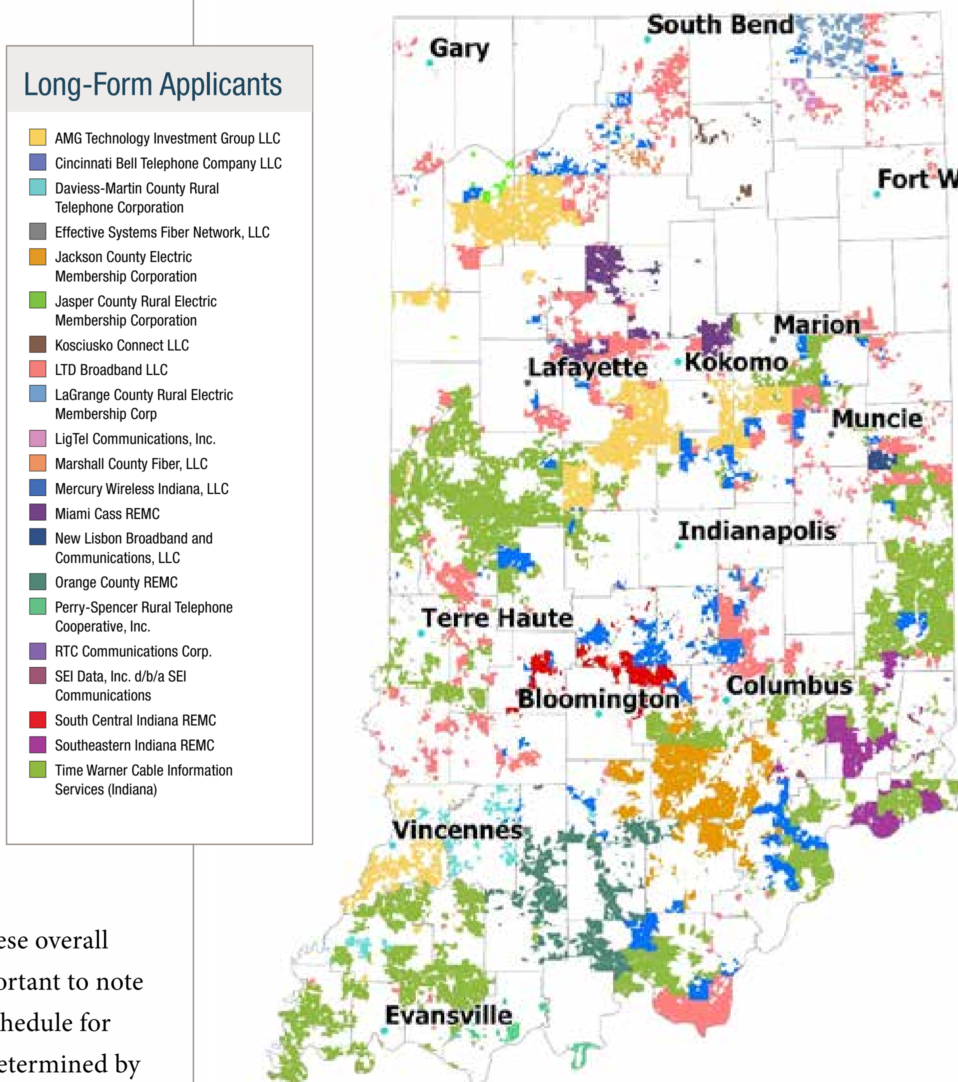
Phase I of the RDOF auction began on Oct. 29, 2020, and ended on Nov. 25, 2020, following 19 rounds of bidding. RDOF support will only be provided for fixed locations; support for 5G mobile broadband will be provided through the new 5G Fund.

There were four performance tiers and two latency options for the RDOF Phase I auction (see table above).

RDOF support recipients are permitted to offer a variety of broadband service offerings, as long as they offer at least one stand-alone voice plan and one service plan that provides broadband at the relevant performance tier and latency requirements, and these plans must be offered at rates that are reasonably comparable to rates offered in urban areas. For voice service, a support recipient will be required to certify that the pricing of its service is no more than the applicable reasonably-comparable rate benchmark that the FCC's Wireline Competition Bureau releases each year. For broadband services, a support recipient will be required to certify that the pricing of a service that meets the required performance tier and latency performance requirements is no more than the applicable reasonably comparable rate benchmark, or that it is no more than the non-promotional price the support recipient charges for a comparable fixed wireline broadband service in urban areas in the state or U.S. territory where the ETC receives support.

In addition, the FCC has established the following timeframes to govern RDOF I broadband deployment efforts: RDOF Phase I recipients must serve 40% of the estimated number of locations in a state by the end of the third year of support and an additional 20% by the end of the fourth and fifth years of support. Revised location totals will be announced by the end of year six. If there are fewer actual locations than originally estimated by the cost model, support recipients must serve 100% of the actual (revised) number of locations. If there are more locations than originally estimated by the cost model, support recipients must serve 100% of the originally estimated number of locations by the end of year six and must serve the remainder of the locations by the end of year eight. All support recipients must serve locations newly built after the revised location total but before the end of year eight upon reasonable request. Notwithstanding these overall buildout deadlines, it is important to note that the exact deployment schedule for each individual location is determined by the carriers themselves, not the FCC.

RDOF Phase 1 (Auction 904) Provisionally Awarded Census Blocks to Long-Form Applicants



On Oct. 8, 2020, the FCC released the final list of eligible areas that were completely unserved with broadband operating at speeds of at least 25/3 Mbps. On Dec. 7, 2020, the FCC issued a Public Notice announcing the 180 winning bidders of a total of $9.23 billion in support over 10 years covering 5,220,833 locations. This leaves at least $11.17 billion available to be awarded in Phase II of the RDOF auction which will be for partially served locations, locations that were not won in Phase I, and precision agriculture support for eligible farms and ranches. The $9.23 billion included $169,379,964.50 awarded to 11 winning bidders in 152,983 locations in Indiana. Post-auction, winning bidders could divide (assign) some or all of their winning bids to related entities using the Divide Winning Bids Process.

To receive RDOF funding from the FCC, each of the long form applicants in the following table, other than Cincinnati Bell, requested designation from the IURC as a new Eligible Telecommunications Carrier (ETC) or requested an expansion of an existing ETC designation. These are the 19 ETC requests, mentioned earlier in the report, that the Communications Division handled in early 2021. Cincinnati Bell was already designated as an ETC in the Census blocks it won.

RDOF Phase 1 Auction Winners – Census Blocks, Locations, and Amounts of Support

Long-Form Applicant Name	Total # of Eligible Census Blocks	Total # of Locations	Total 10 Years of Support	Winning Bidder
AMG Technology Investment Group LLC	2,235	11,803	$18,947,203.50	AMG
Cincinnati Bell Telephone Company LLC	9	68	$56,802.00	Cincinnati Bell Inc.
Daviess-Martin County Rural Telephone Corporation	381	1,371	$3,565,039.40	Daviess-Martin
Jackson County Rural Electric Membership Corporation	1,105	7,999	$2,188,212.00	NRTC Phase I RDOF Consortium
Jasper County Rural Electric Membership Corporation	47	262	$281,470.00	NRTC Phase I RDOF Consortium
Kosciusko Connect LLC	66	571	$385,496.10	Rural Electric Cooperative Consortium
LaGrange County Rural Electric Membership Corp	345	2,314	$1,631,109.70	NRTC Phase I RDOF Consortium
LigTel Communications, Inc.	65	416	$385,924.00	LigTel
LTD Broadband LLC	5,458	31,330	$54,456,917.90	LTD
Marshall County Fiber, LLC	101	758	$645,254.00	Co-op Connections Consortium
Mercury Wireless Indiana, LLC.	2,384	20,961	$9,746,150.00	Mercury Wireless, Inc.
Miami Cass REMC	654	3,391	$4,719,512.50	NRTC Phase I RDOF Consortium
New Lisbon Broadband and Communications, LLC	65	281	$393,412.00	NRTC Phase I RDOF Consortium
Orange County REMC	823	6,521	$5,946,190.40	NRTC Phase I RDOF Consortium
Perry-Spencer Rural Telephone Cooperative, Inc.	101	565	$1,186,542.80	Rural American Broadband Consortium
RTC Communications Corp.	4	30	$78,006.00	Co-op Connections Consortium
SEI Data, Inc. d/b/a SEI Communications	23	136	$64,345.80	NRTC Phase I RDOF Consortium
South Central Indiana REMC	488	4,131	$3,405,921.90	NRTC Phase I RDOF Consortium
Southeastern Indiana REMC	637	5,107	$888,747.40	NRTC Phase I RDOF Consortium
Time Warner Cable Information Services (Indiana),	7,672	54,541	$59,927,209.10	CCO Holdings, LLC

Video Franchise Fee Report

The Commission is required under Indiana Code § 8-1-34-24.5 to gather information from local government units that receive video franchise fees under a certificate issued by the Commission, or an unexpired local franchise issued by the unit before July 1, 2006. For Calendar Year 2020, the Commission received responses from 179 local government units, which is down from the 212 units reporting for 2019. Of those 179 local units responding for 2020, three indicated that no franchise fees were collected. Two hundred and sixty video franchises were reported as providing service and paying franchise fees in the remaining 176 reporting units. Of those 260 franchises, 246 were providing service under a state-issued franchise and 14 were providing service under a local franchise. The responding units reported payments of franchise fees totaling approximately $13.4 million.

The following is a broad analysis of the data reported for 2020:

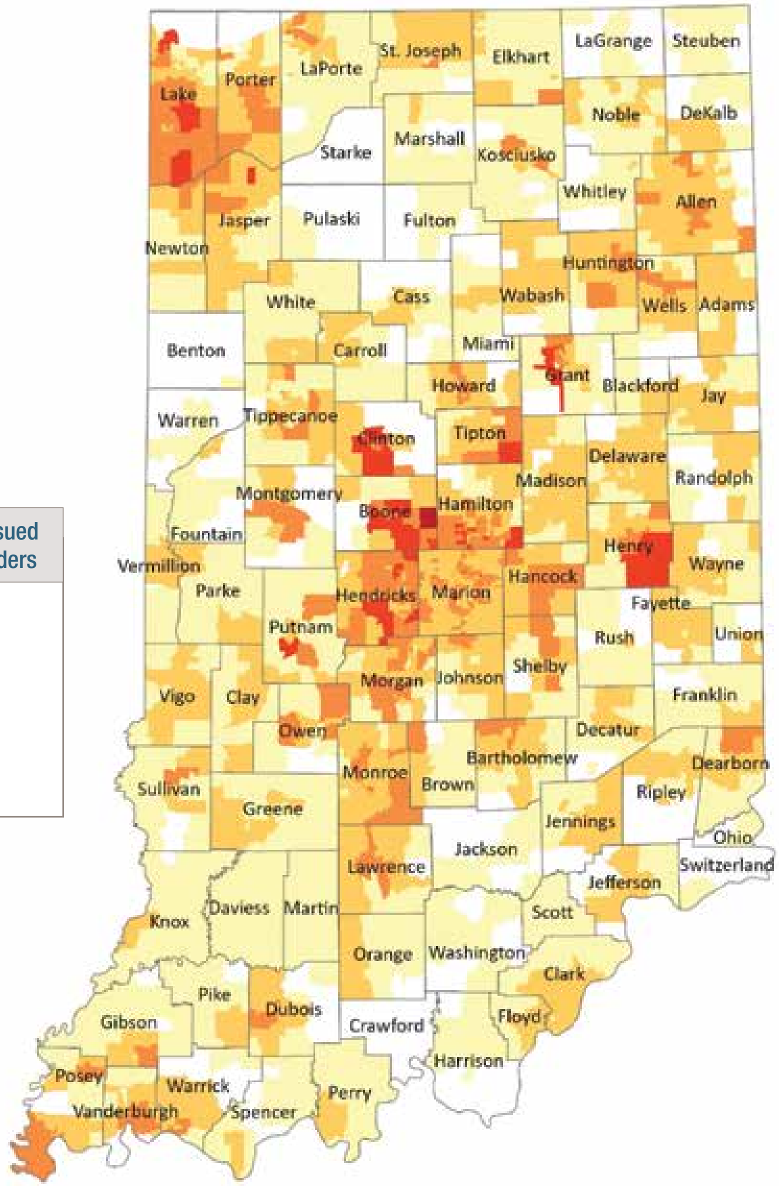
- Responses were received from nine of the 92 counties in Indiana; those responses are included in the 179 total responses received in 2020 and described on page 78.
- Most of the reporting units deposit video franchise fees in their respective general funds.
- Most of the reporting units use the video franchise fees for public safety or to cover general operating expenses. Some use the fees for maintenance of rights-of-way, roads, and other infrastructure.
- 118 of the 160 units reported their franchise fee rates. Those rates vary from 1% to 5%, with the majority set at either 3% or 5%.
- Many units did not provide the requested information about the rate charged, how the rate was established, and the date the rate was set. Conversations with some clerk-treasurers in previous years indicated that turnover in the office makes it difficult to provide that type of information in a timely fashion.
- The number of units submitting the report was down significantly for 2020. The Commission staff will send a reminder near the end of 2021 to attempt to achieve better compliance next year.

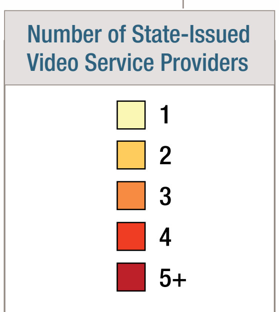
To view the Video Franchise Fee Report, see ***Appendix Q***.

Biennial Video Service Area Reporting and Video Competition

In each odd-numbered year, VSPs are required to report the areas in the state, by census block group, where they offer video service under a state-issued video franchise certificate. The Commission reached out to the holders of the 74 active state-issued video franchise certificates requesting they provide the required biennial information specific to each video franchise certificate held. The following map shows where video providers with state-issued video franchise certificates offered video service to customers in census block groups at the end of 2020. It may appear that there is no video service being offered in various pockets of the state; however, it is likely that these areas are served by providers that have an unexpired local franchise agreement, which are not reported for the map. Upon the expiration of local franchise agreements, providers are required to apply for a state-issued franchise in order to continue to serve that area.

Number of Service Providers Reported Offering Video Service in Each Census Block Group





As shown in the map, Crawford County and Starke County are the only counties that were not reported to offer video service by a provider with a state-issued video franchise in any portion of either county. Eleven counties have only one state-issued video provider offering service. Sixty-two counties have between two and four providers, and 17 counties have five or more providers offering video service. Hamilton County has the most providers offering video service under state-issued franchises with eight providers, followed by Clinton and Hendricks counties, both with seven providers.

COMMUNICATIONS DIVISION

PIPELINE SAFETY DIVISION

PIPELINE SAFETY DIVISION

Regulatory Responsibility

The Commission's Pipeline Safety Division (PSD) is responsible for enforcing state regulations, which incorporate federal safety regulations for Indiana's intrastate gas pipeline facilities, as established under Indiana Code chapter 8-1-22.5.

The Pipeline Safety Act of 1968 established the federal pipeline safety program. This program establishes a framework and organizational structure for federal certification of state pipeline safety programs (49 U.S.C. chapter 601). This framework promotes pipeline safety through exclusive federal authority for the regulation of interstate pipeline facilities and federal certification of participating states for responsibility over all or part of intrastate pipeline facilities.

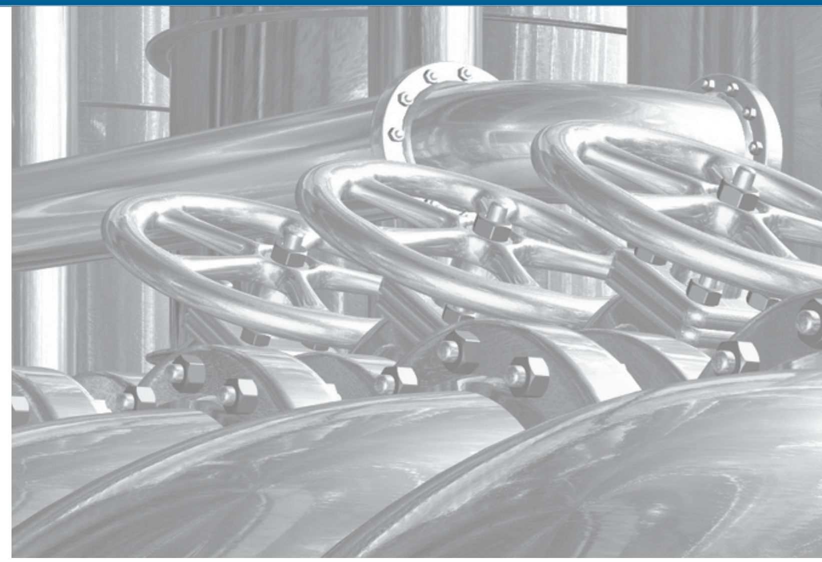
The federal/state partnership is the cornerstone for ensuring uniform implementation of the pipeline safety program nationwide. It also authorizes federal grants to reimburse, in part, a state agency's personnel, equipment, and activity costs. Grant amounts (up to 80% of program costs) are primarily determined through annual evaluations of the state's program, its annual reporting, and the availability of federal grant dollars. Indiana's program, as established by state statute (Ind. Code chapter 8-1-22.5), has historically received high marks from the annual federal evaluations.

Indiana's Pipeline Safety Program

The PSD's primary mission is to ensure the safe and reliable operation of Indiana's intrastate pipeline transportation system. This is largely accomplished through inspections, as well as training, outreach programs, investigations of pipeline accidents, and enforcement through compliance requirements and monetary sanctions. During 2020, the PSD completed 1,112 inspection days of 90 operators and 170 associated inspection units, safely resolving 182 probable violations.

The PSD operates in partnership with the U.S. Department of Transportation's (U.S. DOT) Pipeline and Hazardous Materials Safety Administration's (PHMSA) under a certification agreement. PHMSA provides a grant on a calendar year basis designed to provide reimbursement of up to 80% of the costs of operating the program. The actual reimbursement amount of the grant is determined by the levels of funding available to PHMSA and the program's overall annual performance score. The annual performance score is based on the results of an annual visit and review of the program by PHMSA evaluators, as well as the level of compliance with certification requirements reported in the Annual Progress Report, which is provided to PHMSA. For 2020, the program received an overall score of 100%. The program received a two-point reduction due to the state legislature not adopting higher maximum civil penalty levels as prescribed in the certification agreement.

Recently, PHMSA has announced changes that will affect the PSD's work. To start, the "Pipeline Safety: Safety of Gas Transmission Pipelines: MAOP Reconfirmation, Expansion of Assessment Requirements, and Other Related Amendments" rule covers a variety of safety matters faced by natural gas operators, including recovering traceable, verifiable and complete documentation to support a system's maximum allowable operating pressure (MAOP). The rule enhances the integrity management of gas transmission pipelines. Transmission pipelines currently conduct mandatory periodic assessments within defined "High



Consequence Areas"; the new rule expands upon those areas, resulting in an increase in assessments.

PHMSA recently published an advisory bulletin to all operators advising them of a self-executing mandate from the "Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2020" (PIPES Act of 2020). Operators are now given additional responsibility by developing procedures to minimize releases of natural gas from their pipeline facilities. This includes intentional venting during normal operations.

Additionally, the PSD is responsible for tracking and investigating all alleged violations of the state's Indiana 811 Law and is active in a variety of damage prevention efforts. In 2020, the PSD investigated 2,159 excavation damage cases. As a result of these investigations, the Commission ordered the issuance of 311 warning letters and required training in 232 instances for pipeline safety violations, as recommended by the Underground Plant Protection Advisory Committee (UPPAC). In addition, UPPAC recommended and the Commission approved 580 civil penalties, totaling $1,097,200. Where violations were found, 23% were operator violations, 36% were excavator violations related to dig tickets, and 24% were other types of excavator error.

The penalties assessed against excavators and operators under the Indiana 811 Law are remitted to the Underground Plant Protection Account. By statute, the Commission

administers the account, providing programs for public awareness, training and education, and incentives to reduce excavation-related damages.

For 2019, PHMSA awarded Indiana a perfect score on its Indiana 811 program and a perfect score on its Excavation Damage Evaluation. Indiana's program continues to serve as a model for other states to create and/or refine their damage prevention programs.

Based on a settlement agreement between the Commission's PSD and Northern Indiana Public Service Co., LLC (NIPSCO) approved by the Commission on March 17, 2021 (IURC Cause No. 44970 S3), the PSD filed petitions for penalties against NIPSCO for violations occurring in 2019. The petition cited violations stemming from failures by NIPSCO to keep accurate maps and records of its underground facilities, and its failure to locate its pipelines in two days as required by its own pipeline safety procedures. In Cause No. 44970 S3, the Commission approved a penalty of $1,138,000 for violations related to NIPSCO's failure to locate or mark its pipelines in two days as required by its own pipeline safety procedures occurring in 2019.

Based on a similar settlement agreement between the PSD and Vectren Energy Delivery of Indiana, Inc. (Vectren), now known as CenterPoint Energy Indiana, the PSD petitioned for penalties against Vectren for 2019 pipeline safety violations. In Cause Number 45094 S3, the Commission approved a penalty of $894,000 on March 29, 2021, related to violations committed by Vectren occurring in 2019.

The penalties assessed against NIPSCO and Vectren cases under Ind. Code chapter 8-1-22.5 are remitted to the state's General Fund.

In 2021, the PSD issued an Advisory Penalty Matrix that applies to Indiana natural gas operators for certain locating violations occurring on and after July 1, 2021. As indicated by its name, the Advisory Penalty Matrix is simply advisory; the Commission still determines the final amount of any penalty. The goal of the Advisory Penalty Matrix is to encourage better compliance through progressive penalties that recognize the hazards involved in large numbers of locate violations while also recognizing the inherent differences between larger and smaller gas operators.

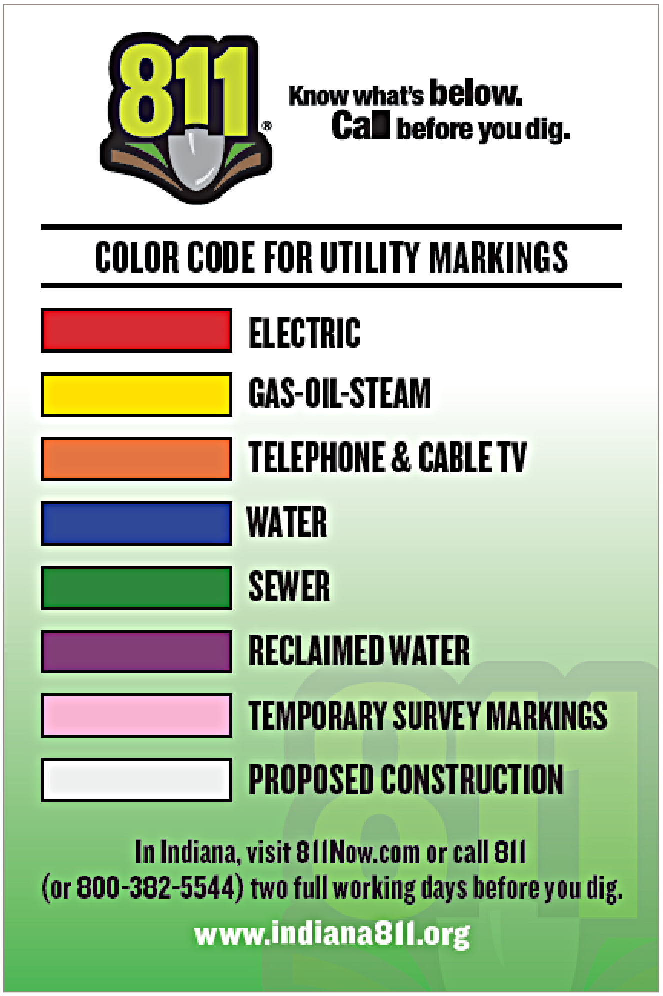
Indiana 811 Law

Excavation damages pose the single greatest risk to safe operations of natural gas and hazardous liquid pipeline systems throughout the country. To help address this risk, Indiana's Damage to Underground Facilities Law (Ind. Code chapter 8-1-26), also known as the Indiana 811 Law, establishes requirements that both excavators and underground facility owners must follow regarding excavation projects. The law also establishes an enforcement process that includes possible civil penalties of up to $10,000 for each violation of the law.

The UPPAC was established by Ind. Code chapter 8-1-26 and is comprised of representatives from various stakeholder groups appointed by the Governor. The UPPAC acts in an advisory capacity and makes penalty recommendations to the Commission after reviewing the findings of the PSD's investigations of alleged violations.

The PSD is actively engaged with various damage prevention stakeholder groups through Damage Prevention Councils, which are comprised of underground facility owners, locating firms, individual excavators, and Indiana 811. These councils are designed to facilitate open communication and transparency and foster industry relationships. They provide an open forum for stakeholders to offer ideas for improvement, express concerns, and discuss matters concerning their performance with damage prevention.

Additionally, the PSD attends stakeholder meetings designed to facilitate additional discussions and open communication among the various stakeholder groups including pipeline operators, excavators, locators, Indiana 811, etc. These meetings result in the identification of several areas of mutual concern and the development of potential solutions.



Depth Study

In 2009, the Indiana General Assembly mandated a report for best practices concerning the vertical location of underground facilities for purposes of Ind. Code chapter 8-1-26, specifically looking at the viability and economic feasibility of technologies used to locate underground facilities.

In March 2011, the Common Ground Alliance (CGA), a national, member-driven association dedicated to public and environmental safety and the prevention of damage to underground facilities, completed a study sponsored by the U.S. DOT. This study identified the best practices regarding damage prevention. Generally, the CGA recommends hand digging or soft digging within a 24-inch tolerance on all sides of underground facilities as the safest practice. Vacuum digging (the use of high-pressure water or air that breaks up the soil), accompanied by a powerful vacuum that removes the loosened soil, is also an acceptable alternative identified by CGA.

The CGA, equipment manufacturers, and the PSD all strongly recommend hand digging, air cutting, or vacuum excavation to expose underground pipe for visual verification.

Emerging technologies, such as new mapping techniques using utility marker balls and cell phones for mapping facilities in Geographic Information Systems (GIS), are being developed to help reduce excavation damages and improve operator facility maps. Marker balls also allow locators to identify the location of underground facilities more easily and accurately in certain situations. Although new technology continues to be explored to address problems associated with difficult-to-locate gas lines and determining the depth of such lines, providing pipeline depth information to those performing excavation activities could result in unintended consequences, such as the over-reliance on pipeline depth information and the use of mechanical equipment within specified tolerance zones where hand digging would be a safer alternative. Therefore, the PSD does not recommend providing excavators a linear elevation of underground facilities.

UNDERGROUND PLANT PROTECTION ACCOUNT

Indiana Utility Regulatory Commission

IURC

IURC ANNUAL REPORT 2021

UNDERGROUND PLANT PROTECTION ACCOUNT

The Underground Plant Protection Account (UPPA) fund was established in 2009 under Ind. Code chapter 8-1-26. The fund is the accumulation of civil penalties that have been levied and collected due to violations of Indiana's Damage to Underground Facilities law—also known as the Indiana 811 Law. Civil penalties from Indiana 811 Law violations are approved by the Commission.

Permitted Use of UPPA Funds

UPPA funds are used to provide programs designed to reduce damages to buried facilities during excavation and minimize violations of the Indiana 811 Law. Per Indiana Code § 8-1-26-24, uses of UPPA funds must fall into at least one of three categories:

- Public awareness programs concerning underground plant protection
- Training and educational programs for contractors, excavators, locators, operators, and other persons involved in underground plant protection
- Incentive programs for contractors, excavators, locators, operators, and other persons involved in underground plant protection designed to reduce the number of Indiana 811 Law violations

All uses of UPPA funds strictly follow state of Indiana procurement guidelines. UPPA funds are overseen by a committee of Commission representatives, which includes:

- Commission Chair
- Commissioner
- Chief Administrative Law Judge
- Chief of Staff
- Executive Director of External Affairs
- General Counsel
- Director of Pipeline Safety
- UPPA Fund Program Manager

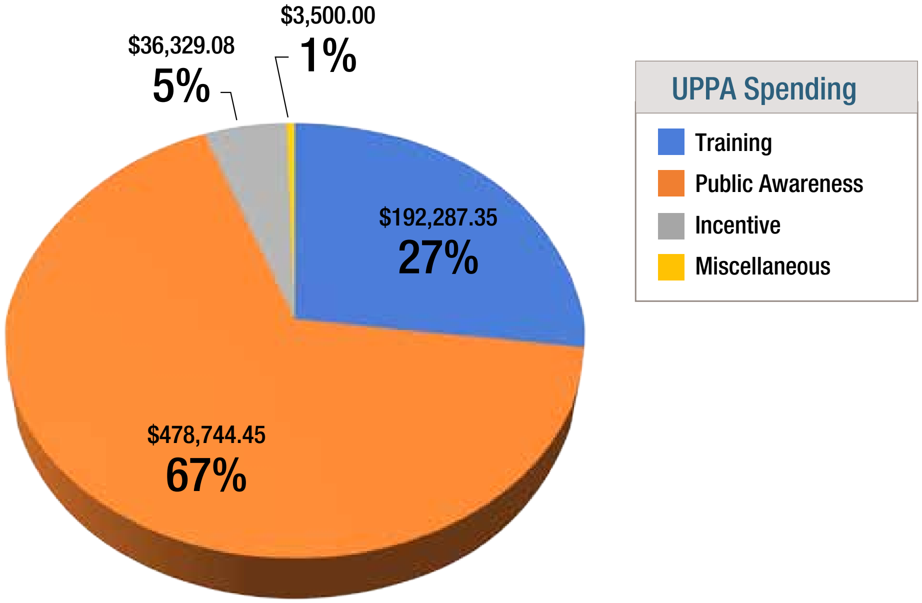
The following provides several examples of UPPA Fund uses during Fiscal Year 2021.

- Through the Commission's renewal of the Indiana Broadcasters Association's (IBA) Public Education Program (PEP), the Commission has continued to run significant Indiana 811 Law messaging on AM radio, FM radio, and broadcast television stations based in Indiana. Approximately 50,000 spots ran across the state during Fiscal Year 2021.
- Partnered with Indiana-based Hirons & Company Communications to begin a full suite of online utility safety marketing efforts. The campaign delivered over 36 million digital safety message impressions throughout the summer of 2021.
- Through the UPPA, the Commission continued to contract with professional safety compliance training company Paradigm Alliance to improve coordination between the four Indiana Damage Prevention Councils (DPCs), increase outreach to potential attendees, and arrange for dedicated training sessions to improve the safety skills of DPC members that meet throughout the state.

- The Commission continues to expand its free, online safety training system designed for professionals who work in excavation. Those professionals include, but are not limited to, landscapers, plumbers, concrete workers, and heavy construction workers. Expanded topics include "Advanced Worksite Documentation", which teaches the basics of photography skills and how to ensure worksite documentation is usable for investigators, and "Operator Responsibilities", which explains the roles and responsibilities utility operators have when it comes to locating and marking buried facilities. The free training courses can be accessed at *www.SafeDigIndiana.com* and are open to any individual wanting to learn more about working safely around utilities, how to properly document a jobsite in case of a damage, and how the Indiana 811 Law and 811 system affects them. More than 1,400 excavation-related professionals have taken the online training.

Total investment in safety programs through the UPPA fund in Fiscal Year 2021 was $710,860.88.

FY 2021 UPPA Spending Breakdown



The Commission maintains a dedicated UPPA fund website at ***https://www.in.gov/iurc/pipeline-safety-division/uppa-fund/***, where current account balances, spending and deposit history, training opportunities, and awarded grants and contracts are regularly updated. UPPA-specific spending can be tracked on an interactive spending map that can be viewed at ***https://www.in.gov/iurc/pipeline-safety-division/uppa-fund/upp-account-spending-geographic-grants-contracts/***.

UPPA funds are statutorily dedicated to training, education, incentive, and public awareness efforts focused on utility safety and do not revert to the state's General Fund at the end of a fiscal year.

Those interested in creating a project focused on increasing underground facility safety can apply for a grant from the UPPA fund or contact the UPPA Fund Manager at ***https://www.in.gov/iurc/pipeline-safety-division/uppa-fund/underground-plant-protection-upp-account-spending-plan-suggestions/***.

APPENDICES

APPENDICES

Commission's Budget and 2019-2020 Public Utility Fee Calculation

2021-2022 (FY22) Budget As Passed

Utility Regulatory Commission	$ 8,911,987.00	
Utility Consumer Counselor	$ 6,907,660.00	
Expert Witness Fund	$ 787,998.00	
Contingency Fund	$ 250,000.00	
Total 2021-2022 Budget		$ 16,857,645.00

2020-2021 (FY21) Budget Augmentations

Utility Regulatory Commission		$ -
Utility Consumer Counselor		$ -

2019-2020 (FY20) Reversions

Utility Regulatory Commission	463,608.31	
Utility Consumer Counselor	786,495.27	
Expert Witness Fund	182,723.26	
Contingency Fund	$ 250,000.00	
Bond Fee Collections	$ 126,300.00	
Municipal Fee Collections	$ 195,132.33	
Other Revenue	$ -	
Total 2019-2020 (FY20) Reversions		$ 2,004,259.17

Prior Year Adjustments

Expert Witness Fund adjustment	107,594.43	
IURC Pre-FY2020 Purchase Orders reduced in FY2020	2,257.07	
OUCC Pre-FY2020 Purchase Orders reduced in FY2020	161.13	
Pipeline Safety Grant Revenue	$ -	
Total Adjustments		$ 110,012.63
Billable Portion of the 2021-2022 (FY22) Budget		$ 14,743,373.20

2020 Utility Intra-State Revenues

Electric Utilities	8,726,769,482.16	
Gas Utilities	1,448,023,562.51	
Sewer Utilities	59,308,058.24	
Telecommunication Utilities	1,051,234,049.16	
Water Utilities	268,309,922.40	
Total Utility Intra-State Revenues		$ 11,553,645,074.47

2021-2022 Public Utility Fee Billing Rate

Billable Portion of the 2021-2022 Budget	$ 14,743,373.20	
Divide by: Total 2020 Utility Intra-State Revenues	$ 11,553,645,074.47	
2021-2022 Public Utility Fee Billing Rate		0.001276080

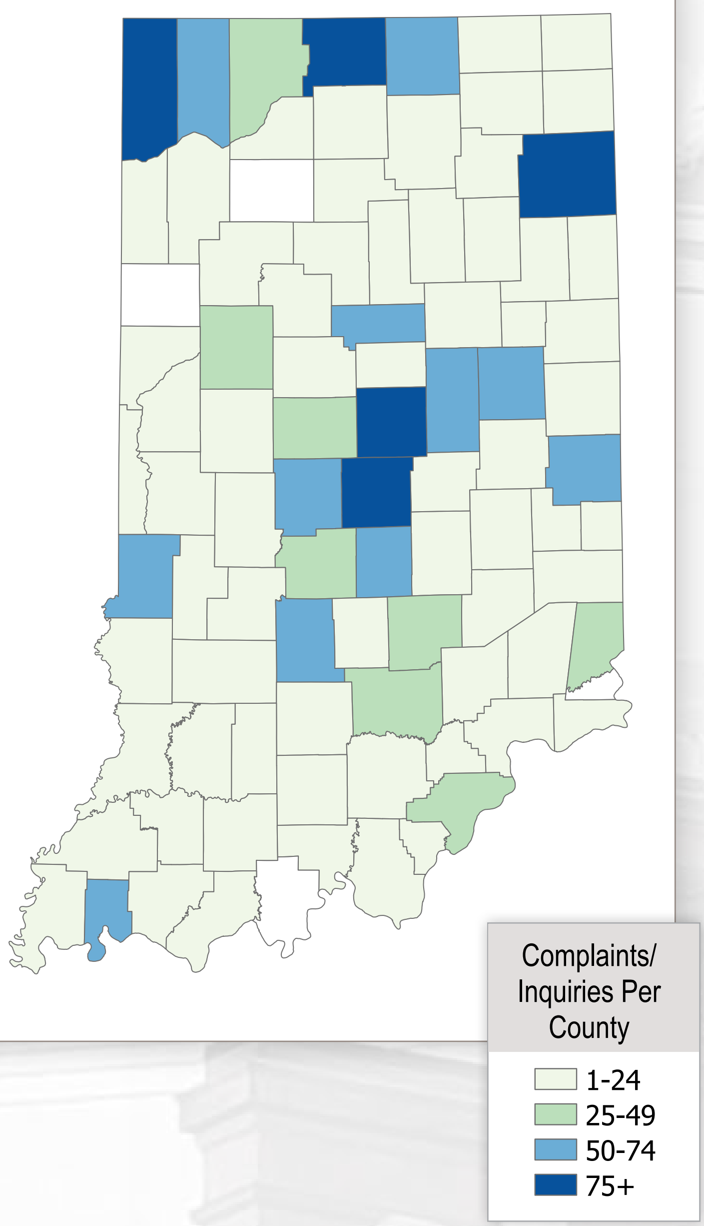
Consumer Affairs Division Complaints/Inquiries by County

COUNTY	COUNT OF CASE #
Adams	3
Allen	137
Bartholomew	32
Blackford	5
Boone	29
Brown	6
Carroll	4
Cass	12
Clark	28
Clay	15
Clinton	7
Crawford	2
Daviess	6
De Kalb	4
Dearborn	27
Decatur	7
Delaware	67
Dubois	1
Elkhart	53
Fayette	14
Floyd	22
Fountain	1
Franklin	4
Fulton	5
Gibson	9
Grant	22
Greene	5
Hamilton	104
Hancock	21
Harrison	5
Hendricks	53
Henry	21
Howard	57
Huntington	7
Jackson	25
Jasper	2
Jay	8
Jefferson	11
Jennings	12
Johnson	69
Knox	10
Kosciusko	22
La Porte	43
Lagrange	4
Lake	198
LaPorte	1

COUNTY	COUNT OF CASE #
Lawrence	15
Madison	55
Marion	620
Marshall	13
Martin	5
Miami	13
Monroe	72
Montgomery	9
Morgan	28
Newton	2
Noble	7
Orange	6
Owen	3
Parke	6
Pike	2
Porter	50
Posey	7
Putnam	17
Randolph	12
Ripley	8
Rush	3
Scott	2
Shelby	12
Spencer	5
St. Joseph	93
Starke	2
Steuben	8
Sullivan	10
Switzerland	3
Tippecanoe	33
Tipton	2
Union	4
Vanderburgh	55
Vermillion	2
Vigo	20
Wabash	13
Warren	4
Warrick	12
Washington	9
Wayne	22
Wells	3
White	13
Whitley	4

Grand Total.........2,484

Consumer Affairs Division Complaints/Inquiries by County



APPENDIX C

Revenues for Jurisdictional Electric Utilities

REVENUES FOR YEAR ENDING DEC. 31, 2020

Rank	Utility Name	Operation Revenues	% of Total Revenues
1	Duke Energy Indiana, LLC	$2,777,594,451	34.38%
2	Northern Indiana Public Service Company, LLC	$1,544,852,219	19.12%
3	Indiana Michigan Power Company d/b/a AEP	$1,484,192,821	18.37%
4	AES Indiana	$1,352,984,892	16.75%
5	CenterPoint Energy Indiana South	$554,589,532	6.86%
6	Anderson Municipal Light & Power Company	$82,951,780	1.03%
7	Richmond Municipal Power & Light	$78,005,761	0.97%
8	Citizens Thermal Energy	$63,366,207	0.78%
9	Auburn Municipal Electric	$39,756,875	0.49%
10	Crawfordsville Municipal Electric	$33,919,043	0.42%
11	Frankfort Municipal Light & Power	$31,670,624	0.39%
12	Lebanon Municipal Utilities - Electric	$22,400,600	0.28%
13	Tipton Municipal Electric	$12,311,279	0.15%
14	Greenfield Mills, Inc.	$14,509	0.00%
	TOTAL	$8,078,610,593	100.00%

Jurisdiction over Municipal Electric Utilities

MUNICIPAL UTILITIES UNDER THE COMMISSION'S JURISDICTION		
Anderson	Crawfordsville	Lebanon
Auburn	Frankfort	Richmond
		Tipton

MUNICIPAL UTILITIES WITHDRAWN FROM THE COMMISSION'S JURISDICTION (IND. CODE § 8-1.5-3-9)		
Advance	Etna Green	New Ross
Argos	Ferdinand	Oxford
Avilla	Flora	Paoli
Bainbridge	Frankton	Pendleton
Bargersville	Garrett	Peru
Batesville	Gas City	Pittsboro
Bluffton	Greendale	Rensselaer
Boswell	Greenfield	Rising Sun
Bremen	Hagerstown	Rockville
Brooklynn	Huntingburg	Scottsburg
Brookston	Jamestown	South Whitley
Cannelton	Jasper	Spiceland
Centerville	Kingsford Heights	Straughn
Chalmers	Knightstown	Tell City
Chrisney	Ladoga	Thorntown
Coatesville	Lawrenceburg	Troy
Columbia City	Lewisville	Veedersburg
Covington	Linton	Walkerton
Crane	Logansport	Warren
Darlington	Middletown	Washington
Dublin	Mishawaka	Waynetown
Dunreith	Montezuma	Williamsport
Edinburgh	New Carlisle	Winamac

APPENDIX E

Residential Electric Bill Survey

JULY 1, 2021

MUNICIPAL UTILITIES	KWH			
	500	1000	1500	2000
Anderson Municipal Light & Power Company	$67.14	$114.57	$162.00	$209.43
Auburn Municipal Electric	$59.10	$111.20	$163.30	$215.39
Crawfordsville Municipal Electric	$65.91	$116.82	$167.73	$218.64
Frankfort Municipal Light & Power	$56.35	$104.70	$153.05	$201.40
Lebanon Municipal Utilities - Electric	$60.14	$110.52	$157.09	$203.66
Richmond Municipal Power & Light	$61.31	$109.24	$157.17	$201.35
Tipton Municipal Electric	$52.82	$99.66	$144.20	$188.73

INVESTOR-OWNED UTILITIES	KWH			
	500	1000	1500	2000
AES Indiana	$70.89	$116.92	$162.95	$208.99
CenterPoint Energy Indiana South	$89.10	$163.20	$237.29	$311.39
Duke Energy Indiana	$76.08	$129.45	$177.75	$226.04
Indiana Michigan Power Company	$83.10	$150.53	$215.26	$280.00
Northern Indiana Public Service Co.	$85.35	$157.01	$228.67	$300.32

ALL JURISDICTIONAL UTILITIES	KWH			
	500	1000	1500	2000
Average for 2021 Survey	$68.94	$123.65	$177.21	$230.45
Average for 2020 Survey	$66.40	$119.64	$175.59	$231.40
% Change	3.83%	3.35%	0.92%	-0.41%

Residential Electric Bill Survey Year-to-Year Comparison

(BASED ON 1,000 KWH)

MUNICIPAL UTILITIES	2021	2020	% CHANGE
Anderson Municipal Light & Power Company	$114.57	$114.78	-0.18%
Auburn Municipal Electric	$111.20	$111.20	0.00%
Crawfordsville Municipal Electric	$116.82	$105.42	10.81%
Frankfort Municipal Light & Power	$104.70	$100.14	4.55%
Lebanon Municipal Utilities - Electric	$110.52	$110.82	-0.27%
Richmond Municipal Power & Light	$109.24	$98.67	10.71%
Tipton Municipal Electric	$99.66	$101.04	-1.37%
Municipal Averages	$109.53	$106.01	3.32%

INVESTOR-OWNED UTILITIES	2021	2020	% CHANGE
AES Indiana	$116.92	$111.55	4.81%
CenterPoint Energy Indiana South	$163.20	$156.75	4.11%
Duke Energy Indiana	$129.45	$119.61	8.23%
Indiana Michigan Power Company	$150.53	$153.34	-1.83%
Northern Indiana Public Service Co.	$157.01	$152.40	3.02%
Investor-Owned Averages	$143.42	$138.73	3.38%

Residential Electric Bill Comparison

RESIDENTIAL BILL FOR 1,000 KWH USAGE, JULY 1 OF EACH YEAR

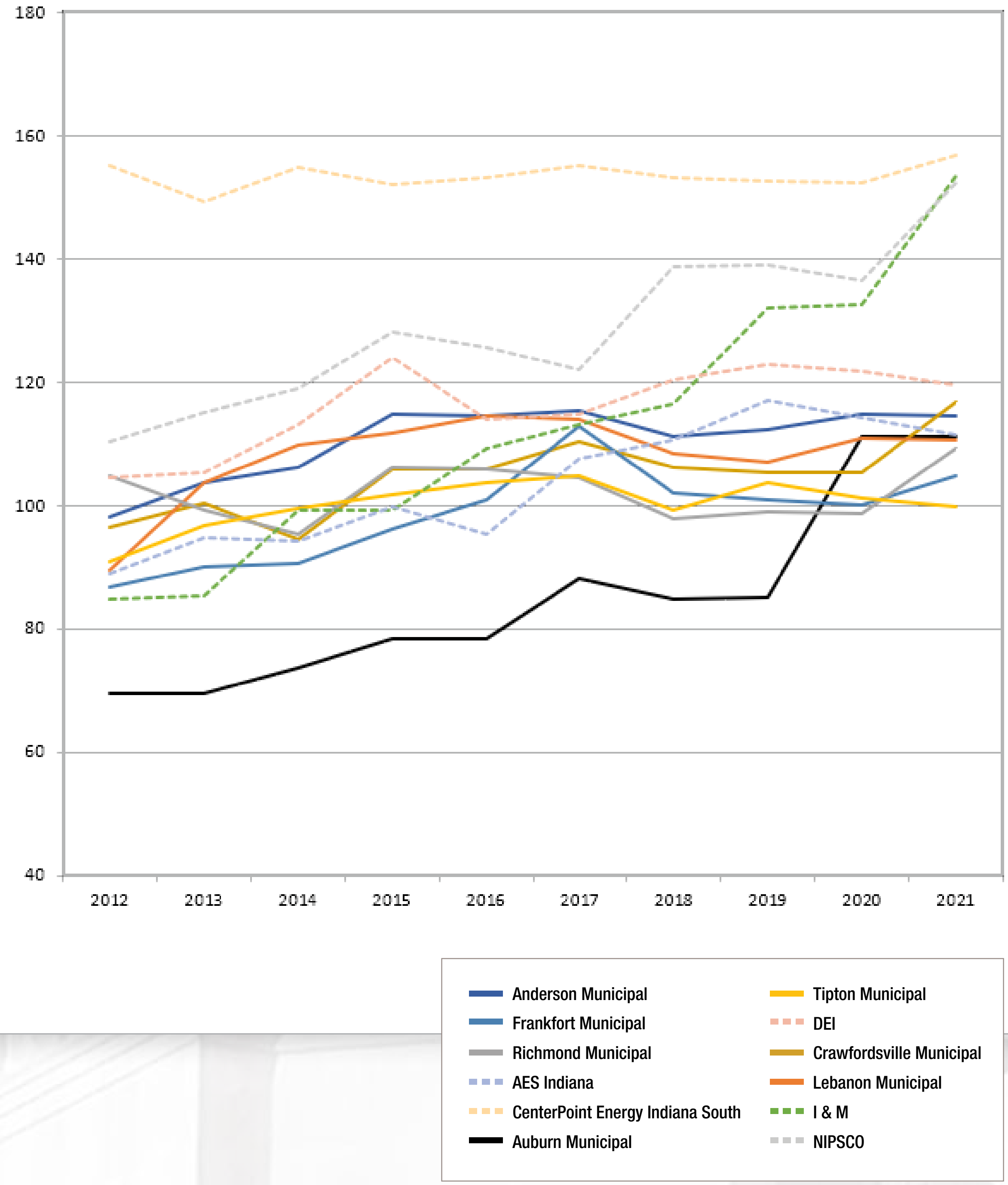
MUNICIPAL UTILITIES	2012	2021	CHANGE	% CHANGE
Anderson Municipal Light & Power Company	$98.10	$114.57	$16.47	16.79%
Auburn Municipal Electric	$69.58	$111.20	$41.62	59.82%
Crawfordsville Municipal Electric	$96.51	$116.82	$20.31	21.04%
Frankfort Municipal Light & Power	$86.64	$104.70	$18.06	20.84%
Lebanon Municipal Utilities - Electric	$89.54	$110.52	$20.98	23.43%
Richmond Municipal Power & Light	$104.88	$109.24	$4.36	4.16%
Tipton Municipal Electric	$90.92	$99.66	$8.74	9.61%

INVESTOR-OWNED UTILITIES	2012	2021	CHANGE	% CHANGE
AES Indiana	$94.73	$116.92	$22.19	23.42%
CenterPoint Energy Indiana South	$149.28	$163.20	$13.92	9.32%
Duke Energy Indiana	$105.38	$129.45	$24.07	22.84%
Indiana Michigan Power Company	$85.41	$150.53	$65.12	76.24%
Northern Indiana Public Service Co.	$115.17	$157.01	$41.84	36.33%

Yearly Residential Electric Bill Comparison Chart

RESIDENTIAL BILL FOR 1,000 KWH USAGE, JULY 1 OF EACH YEAR

YEARLY RESIDENTIAL ELECTRIC BILL COMPARISON CHART



Revenues of Jurisdictional Natural Gas Utilities

OPERATING REVENUES FOR YEAR ENDING DEC. 31, 2020

Rank	Utility Name	Operating Revenues	% of Total Revenues
1	Northern Indiana Public Service Co.	$ 711,775,376	42.10%
2	CenterPoint Energy Indiana North	$ 566,333,666	33.50%
3	Citizens Gas	$ 224,568,181	13.28%
4	CenterPoint Energy Indiana South	$ 100,181,824	5.93%
5	Ohio Valley Gas Corporation & Ohio Valley Gas, Inc.	$ 31,146,432	1.84%
6	Midwest Natural Gas Corporation	$ 13,663,915	0.81%
7	Sycamore Gas Company	$ 9,325,361	0.55%
8	Indiana Natural Gas Corporation	$ 6,838,752	0.40%
9	Community Natural Gas Co., Inc.	$ 6,794,185	0.40%
10	Citizens Gas of Westfield	$ 4,499,829	0.27%
11	Fountaintown Gas Company, Inc.	$ 3,609,292	0.21%
12	Boonville Natural Gas Corporation	$ 4,375,236	0.26%
13	Indiana Utilities Corporation	$ 4,224,352	0.25%
14	South Eastern Indiana Natural Gas Co., Inc.	$ 1,936,432	0.11%
15	Switzerland County Natural Gas Co.	$ 1,021,798	0.06%
16	Valley Rural Utility Company	$ 426,066	0.03%
	Total Operating Revenues	$ 1,690,720,697	100.00%

Jurisdiction over Natural Gas Utilities

MUNICIPAL UTILITIES WITHDRAWN FROM THE COMMISSION'S JURISDICTION (IND. CODE § 8-1.5-3-9)*		
Aurora	Jasonville	New Harmony
Bainbridge	Jasper	Osgood
Batesville	Lapel	Pittsboro
Chrisney	Linton	Poseyville
Grandview	Montezuma	Rensselaer
Huntingburg	Napoleon	Roachdale

INVESTOR-OWNED UTILITIES UNDER THE COMMISSION'S JURISDICTION	
Boonville Natural Gas Corporation	Midwest Natural Gas Corporation
CenterPoint Energy Indiana North	Northern Indiana Public Service Co.
CenterPoint Energy Indiana South	Ohio Valley Gas Corporation
Citizens Gas of Westfield	Ohio Valley Gas, Inc.
Community Natural Gas Co., Inc.	South Eastern Indiana Natural Gas Co., Inc.
Fountaintown Gas Company, Inc.	Switzerland County Natural Gas Co.
Indiana Natural Gas Corporation	Sycamore Gas Company
Indiana Utilities Corporation	

NOT-FOR-PROFIT UTILITIES UNDER THE COMMISSION'S JURISDICTION
Valley Rural Utility Company

MUNICIPAL UTILITIES UNDER THE COMMISSION'S JURISDICTION
Citizens Gas (for regulatory purposes only)

** Please note that these utilities are still under the jurisdiction of the Commission's Pipeline Safety Division.*

Residential Natural Gas Bill Survey

COMPARISON BY 200 THERM USAGE (JAN. 1, 2021)

Rank	Utility Name	Ownership	Cause No. of Last Rate Case	150 Therms	200 Therms	250 Therms
1	Valley Rural Utility Company	NFP	42115	$141.06	$182.66	$224.26
2	Sycamore Gas Company	IOU	45072	$142.96	$180.74	$218.54
3	Ohio Valley Gas Corp. (TXG)	IOU	44891	$138.07	$179.18	$220.29
4	Indiana Utilities	IOU	45116	$136.52	$174.45	$212.38
5	South Eastern Indiana Natural Gas Co.	IOU	45027	$136.58	$174.36	$212.14
6	Ohio Valley Gas, Inc.	IOU	44891	$133.91	$173.63	$213.35
7	Ohio Valley Gas Corp. (ANR)	IOU	44891	$129.76	$168.10	$206.44
8	Switzerland County Natural Gas	IOU	45117	$130.72	$166.93	$203.13
9	Boonville Natural Gas	IOU	45215	$126.97	$162.18	$197.39
10	Community Natural Gas	IOU	45214	$124.57	$156.11	$187.65
11	Midwest Natural Gas	IOU	44880	$121.82	$154.94	$188.05
12	Citizens Gas of Westfield	IOU	43624	$113.00	$141.21	$169.42
13	Indiana Natural Gas	IOU	44453	$108.27	$139.54	$170.81
14	Fountaintown Gas	IOU	44292	$106.12	$136.12	$166.13
15	Northern Indiana Public Service Co. (NIPSCO)	IOU	44988	$95.47	$122.64	$149.79
16	Citizens Gas	MUN	43975	$94.24	$120.16	$146.07
17	CenterPoint Energy Indiana North	IOU	43298	$95.32	$119.92	$144.52
18	CenterPoint Energy Indiana South	IOU	43112	$93.57	$115.86	$138.15
	Industry Average			**$120.50**	**$153.82**	**$187.14**

For Purposes of this Comparison: 100 Therms = 100 Ccf = 10 Dth = 10 Mcf
Rates do not Include NTA

Residential Natural Gas Bill 5-Year Comparison (2016-2021)

BILLS CALCULATED ON RATES IN EFFECT JAN. 1 OF EACH YEAR

Rank	Utility Name	5-Year Average	2021 Bills	2020 Bills	2019 Bills	2018 Bills	2017 Bills
1	Ohio Valley Gas Corp. (TXG)	$183.00	$179.18	$173.92	$188.13	$191.51	$182.26
2	Valley Rural Utility Company	$180.38	$182.66	$182.99	$190.33	$158.08	$187.85
3	Indiana Utilities	$177.32	$174.45	$177.30	$171.64	$184.57	$178.65
4	Ohio Valley Gas, Inc.	$176.83	$173.63	$168.37	$182.57	$184.43	$175.14
5	Sycamore Gas Company	$174.71	$180.74	$168.11	$174.60	$168.28	$181.84
6	Boonville Natural Gas	$171.22	$162.18	$162.39	$167.82	$183.30	$180.40
7	Ohio Valley Gas Corp. (ANR)	$170.31	$168.10	$162.83	$177.03	$176.47	$167.14
8	South Eastern Indiana Natural Gas Co.	$167.66	$174.36	$184.47	$163.76	$162.01	$153.71
9	Community Natural Gas	$156.91	$156.11	$140.85	$163.56	$158.79	$165.24
10	Midwest Natural Gas	$156.06	$154.94	$143.42	$165.01	$150.80	$166.15
11	Switzerland County Natural Gas	$155.69	$166.93	$164.98	$148.48	$151.77	$146.29
12	Citizens Gas of Westfield	$150.85	$141.21	$137.67	$163.25	$151.39	$160.75
13	Indiana Natural Gas	$145.63	$139.54	$137.36	$145.94	$146.36	$158.94
14	Fountaintown Gas	$145.41	$136.12	$152.28	$162.72	$138.28	$137.65
15	Citizens Gas	$133.03	$120.16	$121.80	$141.78	$136.88	$144.54
16	CenterPoint Energy Indiana North	$130.80	$119.92	$117.79	$134.37	$138.38	$143.56
17	CenterPoint Energy Indiana South	$124.18	$115.86	$113.30	$127.53	$132.62	$131.58
18	Northern Indiana Public Service Co. (NIPSCO)	$121.06	$122.64	$118.20	$130.51	$114.64	$119.31
	Industry Average	$156.73	$153.82	$151.56	$161.06	$157.14	$160.06

For Purposes of this Comparison: 100 Therms = 100 Ccf = 10 Dth = 10 Mcf
Rates do not include NTA

Revenues for Jurisdictional Water Utilities

REVENUES FOR YEAR ENDING DEC. 31, 2019

Rank	Utility Name	Operating Revenues	% of Total Revenues
1	Indiana American Water	$223,282,116	32.08%
2	Citizens Water	204,973,651	29.45%
3	Fort Wayne Municipal Water Utility	49,504,068	7.11%
4	Evansville Municipal Water Works Dept.	38,353,279	5.51%
5	South Bend Municipal Water	20,068,484	2.88%
6	Bloomington Municipal Water	17,648,697	2.54%
7	Anderson Municipal Water Works	11,172,958	1.61%
8	Lafayette Municipal Water Works	10,850,514	1.56%
9	Citizens Water of Westfield, LLC	9,911,938	1.42%
10	Michigan City Municipal Water Works	7,745,354	1.11%
11	City of Elkhart	7,612,906	1.09%
12	East Chicago Municipal Water Dept.	7,015,858	1.01%
13	Schererville Municipal Water Works	6,490,045	0.93%
14	Stucker Fork Conservancy District	5,002,448	0.72%
15	Columbus Municipal Water Utility	4,886,008	0.70%
16	Chandler Municipal Water Works	4,159,844	0.60%
17	Marion Municipal Water Works	4,086,943	0.59%
18	Jackson County Water Utility, Inc.	3,790,645	0.54%
19	Cataract Lake Water Corporation	3,592,690	0.52%
20	Brown County Water Utility, Inc.	3,592,690	0.52%
21	Auburn Municipal Water Utility	3,547,753	0.51%
22	Silver Creek Water Corporation	3,186,980	0.46%
23	Martinsville Municipal Water Utility	2,791,596	0.40%
24	Edwardsville Water Corporation	2,632,849	0.38%
25	Community Utilities of Indiana, Inc.	2,480,788	0.36%
26	Gibson Water, Inc.	2,319,333	0.33%
27	Princeton Municipal Water	2,219,142	0.32%
28	Eastern Bartholomew Water Corporation	2,075,330	0.30%
29	Morgan County Rural Water Corporation	2,069,240	0.30%
30	Eastern Heights Utilities, Inc.	2,042,463	0.29%
31	New Castle Municipal Water Works	2,013,953	0.29%
32	Boonville Municipal Water Works	1,980,976	0.28%
33	Ellettsville Municipal Water Utility	1,898,038	0.27%
34	Floyds Knobs Water Company, Inc.	1,758,462	0.25%

(continued)

Revenues for Jurisdictional Water Utilities

REVENUES FOR YEAR ENDING DEC. 31, 2019

Rank	Utility Name	Operating Revenues	% of Total Revenues
35	German Township Water District, Inc.	1,665,599	0.24%
36	Southwestern Bartholomew Water Corporation	1,634,120	0.23%
37	East Lawrence Water Authority	1,633,160	0.23%
38	Town of Cedar Lake Utilities	1,328,290	0.19%
39	Southern Monroe Water Authority	1,293,743	0.19%
40	Tri-Township Water Corporation	1,050,945	0.15%
41	Fortville Municipal Water Works	1,048,750	0.15%
42	Marysville Otisco Nabb Water Corporation	920,561	0.13%
43	Van Buren Water, Inc.	840,897	0.12%
44	Aqua Indiana, Inc.	809,141	0.12%
45	North Dearborn Water Corporation	808,532	0.12%
46	Washington Township Water Authority	753,948	0.11%
47	LMS Townships Conservancy District	742,443	0.11%
48	B & B Water Project, Inc.	728,679	0.10%
49	Sullivan-Vigo Rural Water Corp.	673,427	0.10%
50	NineStar Connect	503,735	0.07%
51	Clinton Township Water Company	460,827	0.07%
52	Tri-County Conservancy District	446,129	0.06%
53	Everton Water Corporation	334,598	0.05%
54	St. Anthony Water Utilities, Inc.	323,705	0.05%
55	Ogden Dunes Municipal Water	320,465	0.05%
56	Mapleturn Utilities, Inc.	283,484	0.04%
57	Kingsbury Utility Corporation	269,641	0.04%
58	Apple Valley Utilities, Inc.	84,518	0.01%
59	Libertytree Campground Owners and Members Assoc.	76,235	0.01%
60	Pleasantview Utilities, Inc.	64,875	0.01%
61	Wastewater One dba River's Edge Utility, Inc.	47,097	0.01%
62	J.B. Waterworks, Inc.	35,107	0.01%
63	Shady Side Drive Water Corporation	22,452	0.00%
64	Wells Homeowners Association, Inc.	13,435	0.00%
65	Pioneer Water, LLC	7,796	0.00%
66	Bluffs Basin Utility Company, LLC	5,237	0.00%
	Total Revenues	$695,989,610	100%

APPENDIX N

Revenues for Jurisdictional Wastewater Utilities

REVENUES FOR YEAR ENDING DEC. 31, 2019

Rank	Utility Name	Operating Revenues	% of Total Revenues
1	CWA Authority, Inc.	$283,320,897	83.27%
2	Aqua Indiana, Inc.	17,510,524	5.15%
3	Hamilton Southeastern Utilities, Inc.	14,880,769	4.37%
4	Citizens Wastewater of Westfield, LLC	12,800,892	3.76%
5	American Suburban Utilities, Inc.	3,589,158	1.05%
6	Community Utilities of Indiana, Inc.	2,435,775	0.72%
7	Indiana American Water	1,323,282	0.39%
8	Eastern Richland Sewer Corporation	1,087,937	0.32%
9	Driftwood Utilities, Inc.	792,335	0.23%
10	LMH Utilities Corporation	725,086	0.21%
11	Kingsbury Utility Corporation	508,308	0.15%
12	Apple Valley Utilities, Inc.	238,889	0.07%
13	Doe Creek Sewer Utility, Inc.	232,829	0.07%
14	Howard County Utilities, Inc.	181,906	0.05%
15	NineStar Connect	120,440	0.04%
16	Sani Tech, Inc.	109,985	0.03%
17	Pleasantview Utilities, Inc.	93,325	0.03%
18	Southeastern Utilities, Inc.	72,444	0.02%
19	South County Utilities, Inc.	55,503	0.02%
20	Hillview Estate Subdivision	54,955	0.02%
21	JLB Development, Inc.	54,324	0.02%
22	Wastewater One dba River's Edge Utility, Inc.	20,985	0.01%
23	Bluffs Basin Utility Company, LLC	10,950	0.00%
24	Webster Development, LLC	4,658	0.00%
25	Gutting Environmental, LLC	2,650	0.00%
	Total Revenues	$340,228,806	100.00%

Residential Water Bill Survey

COMPARISON BY GALLON USAGE (5,000 GALLONS OR 668.4028 CU. FT. – JAN 1, 2021)

Utility Name	Ownership	Case Cause No.	Order Date	Monthly Bill
Anderson Municipal	Municipal	44510	3/4/15	$27.88
Apple Valley	IOU	44551-U	4/6/16	$25.72
Aqua Indiana, Inc.	IOU			
Darlington Water Division	IOU	45314-U	5/28/20	$57.49
Lake County Water Division	IOU	43962	7/27/11	$49.31
Wedgewood Park Water Division	IOU	44814	12/28/16	$32.68
Auburn*	Municipal	44985	4/18/18	$32.07
B&B Water Project	NFP	44755	10/13/16	$38.22
Bloomington, inside city*	Municipal	44855	3/29/17	$26.50
Bloomington, outside city*	Municipal	44855	3/29/17	$27.82
Bluffs Basin	IOU	42188	3/5/03	$28.15
Brown County	NFP	45210	5/15/20	$64.28
Cataract Lake Water Corporation	NFP	44897-U	5/31/17	$45.68
Cedar Lake - Westside/Eastside	Municipal	45180	7/10/19	$43.55
Cedar Lake - Robins Nest Waterworks	Municipal	45180	7/10/19	$26.31
Cedar Lake - Krystal Oaks Subdivision	Municipal	45180	7/10/19	$35.50
Chandler, Town*	Municipal	45062	2/6/19	$35.33
Citizens Water	Municipal	44644	4/20/16	$33.23
Citizens Water of Westfield	IOU	44273	11/25/13	$33.41
Clinton Township	NFP	43696	10/14/09	$38.59
Columbus*	Municipal	39425	3/29/94	$10.69
Community Utilities of Indiana (CUII) - Lake Co.	IOU	44724	12/27/18	$42.67
CUII - Porter, Jasper, and Newton Counties	IOU	44724	12/27/18	$42.15
Cordry Sweetwater - outside district	C.D.		5/20/71	$18.65
Country Acres	NFP	36972	12/8/82	$6.00
East Chicago	Municipal	44826	4/26/17	$18.66
East Lawrence Water	NFP	43630	9/16/09	$47.55
Eastern Bartholomew	NFP	44903	11/21/17	$27.35
Eastern Heights	NFP	42839	4/20/06	$21.59
Edwardsville Water	NFP	44642	12/27/15	$45.89
Elkhart	Municipal	43191	7/11/07	$12.84
Ellettsville	Municipal	44670	4/13/16	$30.58
Evansville	Municipal	45073	12/19/18	$37.93

(continued)

Residential Water Bill Survey

COMPARISON BY GALLON USAGE (5,000 GALLONS OR 668.4028 CU. FT. – JAN 1, 2021)

Utility Name	Ownership	Case Cause No.	Order Date	Monthly Bill
Floyds Knobs	NFP	45112-U	3/20/19	$50.97
Fort Wayne, inside City	Municipal	45125	4/10/19	$28.39
Fort Wayne, outside City	Municipal	45125	4/10/19	$32.12
German Township	NFP	45340-U	12/28/20	$35.63
Gibson Water	NFP	45080	11/21/18	$47.18
Hancock Rural Tel. Corp. d/b/a Ninestar Connect - GEM Water System	NFP	45138	12/19/18	$32.40
Hancock Rural Tel. Corp. d/b/a Ninestar Connect - Sugar Creek & Philadelphia	NFP	44776	9/30/16	$44.40
Hancock Rural Tel. Corp. d/b/a Ninestar Connect - Heartland Resort Campgr.	NFP	44776	9/30/16	$18.36
Indiana American	IOU			
Area One*				
Crawfordsville, Johnson County (Franklin, Greenwood, New Whiteland), Kokomo (Kokomo, Russiaville, Sheridan), Muncie, Newburgh (Newburgh, Yankeetown, Noblesville), Northwest (Burns Harbor, Chesterton, Gary, Hobart, Merrillville, Portage, Porter, South Haven), Richmond, Seymour, Shelbyville, Somerset, Southern Indiana (Jeffersonville, Charlestown, Clarksville, Georgetown, New Albany), Sullivan (Sullivan, Merom), Wabash, Terre Haute (Wabash Valley) (Terre Haute, Marion Heights, Farmersburg, Mecca), Warsaw, Waveland, West Lafayette	IOU	45142	6/26/19	$45.32
Yankeetown*	IOU	45142	6/26/19	$55.32
West Lafayette*	IOU	45142	6/26/19	$43.88
Seymour*	IOU	45142	6/26/19	$44.72
Sheridan*	IOU	45142	6/26/19	$45.32
Summitville*	IOU	45142	6/26/19	$44.34
Area Two*				
Mooresville*	IOU	45142	6/26/19	$40.24
Winchester*	IOU	45142	6/26/19	$40.24
J.B. Waterworks	IOU	45311-U	4/29/20	$43.93
Jackson County	NFP	44986	4/17/19	$57.17
Kingsbury	IOU	44589-U	7/5/18	$52.26
Lafayette	Municipal	45006	5/16/18	$18.03
Lafayette- rural	Municipal	45006	5/16/18	$18.82
LMS Townships	C.D.	44900-U	8/2/17	$28.58
Libertytree Campground	NFP	41662	12/22/04	$8.58
Lizton	Municipal	45274	11/27/19	$78.45
Mapleturn	NFP	37039	9/28/03	$30.00

(continued)

Residential Water Bill Survey

COMPARISON BY GALLON USAGE (5,000 GALLONS OR 668.4028 CU. FT. – JAN 1, 2021)

Utility Name	Ownership	Case Cause No.	Order Date	Monthly Bill
Marion*	Municipal	42720	3/30/05	$27.02
Martinsville*	Municipal	45262	5/13/20	$39.80
Marysville-Otisco-Nabb	NFP	42476-U	1/14/04	$43.10
Michigan City*	Municipal	44538	5/27/15	$27.05
Morgan County Rural	NFP	45198	10/29/19	$62.45
New Castle	Municipal	42984	9/13/06	$27.14
North Dearborn	NFP	43736	10/1/09	$17.13
Ogden Dunes	Municipal	44384-U	4/9/14	$35.47
Painted Hills	IOU	37017	10/17/83	$27.75
Pence	NFP	44051	2/1/12	$35.00
Pioneer	IOU	44309-U	1/15/14	$40.85
Pleasant View	IOU	44352-U	3/12/14	$48.45
Princeton	Municipal	43652	3/3/10	$39.36
Schererville*	Municipal	42872	12/14/05	$28.36
Shady Side Drive	NFP	45014-U	4/11/18	$54.50
Silver Creek*	NFP	45363-U	9/2/20	$33.28
South Bend, inside*	Municipal	44951	3/7/18	$21.96
South Bend, outside*	Municipal	44951	3/7/18	$24.27
Southern Monroe	NFP	43952	5/11/11	$34.80
Southwestern Bartholomew	NFP	44754	8/24/16	$51.54
St. Anthony	NFP	39193	10/19/91	$42.35
Stucker Fork Conservancy Dist. (City of Austin customers)	C.D.	44987	7/25/18	$38.79
Stucker Fork Conservancy Dist.	C.D.	44987	7/25/18	$30.05
Sullivan-Vigo	NFP	42599	6/23/04	$73.50
Tri-Township	NFP	40327	4/17/96	$19.85
Van Buren Water	NFP	44566	8/26/15	$35.65
Washington Twp. Of Monroe	NFP	44469	6/25/14	$47.32
Wastewater One, LLC dba River's Edge Utility, Inc.	IOU	44876-U	8/9/17	$64.50
Wells Homeowners Association	NFP	40056	4/12/95	$30.00

**Fire protection surcharge of 5/8 inch meter included.*

Residential Wastewater Bill Survey

COMPARISON BY GALLON USAGE (5,000 GALLONS OR 668.4028 CU. FT. – JAN 1, 2021)

Utility Name	Ownership	Last Rate Case Cause No.	Order Date	Ave. Monthly Bill
American Suburban Utilities, Inc.	IOU	44676	11/30/2016	$53.23
Apple Valley Utilities, Inc.	IOU	44551	4/4/2016	$49.40
Aqua Indiana, Inc.	IOU			
Lake County Wastewater Division (formerly Consumers Indiana Water Company)	IOU	42190	6/19/2002	$58.09
Southern Hills Wastewater Division (formerly Heir Industries, Inc.)	IOU	43949	7/27/2011	$65.58
Aboite Wastewater Division - Unmetered (formerly Utility Center, Inc.)	IOU	43874	4/13/2011	$59.96
Aboite Wastewater Division - Metered (formerly Utility Center, Inc.)	IOU	44752	4/13/2011	$55.06
Sani Tech Division	IOU	45385	9/23/2020	$76.00
Southeastern Division	IOU	45385	9/23/2020	$61.71
South Haven Division	IOU	44533	5/28/2019	$72.17
Wildwood Wastewater Division (formerly Wildwood Shores Utilities Corporation)	IOU	43699-U	5/19/2010	$58.22
Wymberly Wastewater Division (formerly Wymberly, Chimneywood, Wastewater One, Galena)	IOU	42877-U	3/22/2006	$77.48
Crawford County (formerly White Oak Sewage Treatment, LLC)	IOU	45308-U	3/11/2020	$54.00
Bluffs Basin Utility Company, LLC	IOU	42188	3/5/2003	$46.88
Citizens Wastewater of Westfield	IOU	44835	5/31/2017	$55.80
Citizens Wastewater of Westfield (Unmetered)	IOU	44835	5/31/2017	$86.38
Community Utilities of Indiana (formerly Indiana Water Service in Lake County)	IOU	44724	1/24/2018	$61.34
Community Utilities of Indiana (Porter, Jasper, and Newton Counties)	IOU	44724	1/24/2018	$61.34
Country Acres Property Owners Association	NFP	36972	12/16/1982	$6.00
CWA Authority, Inc. (Citizens Energy Group)	NFP			
CWA Authority, Inc. (Metered)	NFP	45151	7/29/2019	$63.51
CWA Authority, Inc. (Unmetered - 1 occupant)	NFP	45151	7/29/2019	$46.78

(continued)

Residential Wastewater Bill Survey

COMPARISON BY GALLON USAGE (5,000 GALLONS OR 668.4028 CU. FT. – JAN 1, 2021)

Utility Name	Ownership	Last Rate Case Cause No.	Order Date	Ave. Monthly Bill
CWA Authority, Inc. (Unmetered - 2 occupants)	NFP	45151	7/29/2019	$51.80
CWA Authority, Inc. (Unmetered - 3 occupants)	NFP	45151	7/29/2019	$66.85
CWA Authority, Inc. (Unmetered - 4 occupants)	NFP	45151	7/29/2019	$81.90
Damon Run Conservancy District (outside district)	CD	44146	6/19/2013	$97.73
Devon Woods Utilities, Inc.	IOU	40234-U	1/31/1996	$41.88
Doe Creek Sewer Utility	IOU	43530-U	6/10/2009	$48.00
Driftwood Utilities, Inc.	NFP	43790-U	6/3/2010	$38.10
Eastern Richland Sewer Corporation	NFP	44271-U	6/26/2013	$42.46
Gutting Real Estate, LLC	IOU	44387	4/29/2015	$50.00
Hamilton Southeastern Utilities, Inc.	IOU	44683	11/9/2016	$35.04
Hancock Rural Telephone Corporation dba Ninestar Connect	COOP	44776	8/24/2016	$48.27
Hillview Estates Subdivision Utilities, Inc.	IOU	45132-U	1/24/2019	$64.00
Green Acres Subdivision Sewer System, Inc.	NFP	45360	11/18/2020	$122.55
Indiana American Water Company - Muncie & Somerset	IOU	44450	1/28/2015	$73.19
Indiana American Water Company- Town of Riley (metered customers)	IOU	45290	3/31/2020	$75.35
Indiana American Water Company- Town of Riley (unmetered customers)	IOU	45290	3/31/2020	$67.61
JLB Development, Inc.	IOU	39868	4/28/1995	$65.53
Kingsbury Utility Corporation	IOU	44590	9/19/2018	$46.90
Kingsbury Utility Corporation (unmetered)	IOU	44590	9/19/2018	$46.27
LMH Utilities Corporation	IOU	45307-U	7/29/2020	$48.00
Mapleturn Utilities, Inc.	NFP	44843-U	2/1/2017	$65.03
Pleasantview Utilities, Inc.	IOU	44351-U	3/26/2014	$42.86
South County Utilities, Inc.	IOU	43799-U	6/16/2010	$64.85
Wastewater One, LLC dba Rivers Edge	IOU	43115	8/25/2010	$39.85
Webster Development, LLC (w/out meter)	IOU	44244-U	5/22/2013	$98.60
Webster Development, LLC (w/meter)	IOU	44244-U	5/22/2013	$100.60

APPENDIX Q

Disclaimer: *Please note that the purpose of which funds were spent is presented in this Video Franchise Fee Report as closely as possible to a verbatim representation of the explanation provided by the local government unit in its response to the Commission. Minor punctuation and typographical errors have been corrected.*

Video Franchise Fee Report

Submitting Unit (and) Franchise Holder	Type of Franchise	Amount Received (rounded)	Fund Account(s)	Purpose of Funds Used	% Charged	Date Set	Establishment Method
Akron, Town of							
Comcast	State	$ 1,035	101 -General Fund	The cable franchise fees the Town of Akron receipts in a calendar year are used to help the general fund expenditures. These expenditures include telephone, cable and computer/internet fees.	3%	5/7/85	Ordinance No. 7-85
Rochester Telephone Company	State	$ 2,272	101-604 Revenue General Cable Franchise Fee		3%	7/18/00	Ordinance No. AMC2-1A 1-9
Albany, Town of							
Comcast	State	$ 21,531	General Fund	Police Salaries			
Anderson, City of							
AT&T	State	$ 94,777	Cable TV Franchise		5%	9/13/02	Cable Communications
Comcast	State	$ 53,256					
Angola, City of							
Mediacom Communications Corp.	Local	$ 40,904	General Fund - Cable TV Receipts (101-000.00-00364.00	Support the Information Technology Department	5%	2/18/03	Ordinance No. 1107-2003
Ashley, Town of							
Mediacom	State	$ 1,717	General Fund	Governmental Expenditures	5%		
Atlanta, Town of							
Comcast	State	$ 3,397	General Fund	Governmental Expenditures		2007	
Endeavor Communications	State	$ 867				2015	
Auburn, Civil City of							
Mediacom Communications Corp.	State	$ 28,491	General Fund	The fees are used to supplement the maintenance of the Right-of-way. Mowing, weed spraying, tree/shrub trimming. This includes the cost of labor and equipment required to perform these maintenance tasks. It is imperative to have this supplemental income so that local utility rates are not subject to increases.	3%	4/29/04	Ordinance 2004-05
Auburn Essential Services	State	$ 3,804					
Avilla, Town of							
Medicom Communications	State	$ 4,874	General Fund	General town, cable TV, internet franchise	5%	5/17/2017	Filed with the state by Mediacom Communications
Bargersville, Town of							
Comcast of Illinois/Indiana/Ohio,LLC	State	$ 12,862	General Fund	Operating Expenses	3%	9/26/00	Written Agreement
Bedford, City of							
Comcast Cable	State	$ 153,653	General Fun	General fund expenditures are used on office supplies, repair/maintenance, supplies/service on equipment, insurance and fuel for vehicles, Utility payments, and improvements to buildings.	5%	N/A	Unknown
Indiana Bell	State	$ 18,334					
Berne, City of							
Comcast of Illinois/ Indiana/ Ohio, LLC	State	$ 21,471	General Fund	To help fund the General Fund expenses	5%	7/9/1990	Ordinance #379
Benton Ridge Telephone Company	State	$ 1,178				7/8/2002	Amended Ordinance #379 with Ordinance #519
Bicknell, City of							
Avenue Broadband Communications	State	$ 24,578	General Fund	Operating Expenses	5%	January-December 2020	
Bluffton, City of							
Craigville Telephone Co Inc d/b/a AdamsWells TV	State	$ 34,933	General Fund	Public Safety, Dispatch, Police and Fire	3%	4/16/1973	Set by Ordinance 494
Mediacom LLC	Local	$ 14,594			5%	6/1/2009	Set by AdamsWells agreement
Boonville, City of							
Charter Communications	State	$ 47,915	General	To help fund the Police Department and General Expense	5%	10/13/04	Ordinance 2004-24
Wide Open West	State	$ 19,700				12/19/05	Ordinance 2005-11
Bourbon, Town of							
Mediacom	State	$ 25	***	Not really a Franchise Fee - Rent for building partially located on our property		4/27/20	Amendment to Lease per Attorney Mark Wagner

(continued)

Video Franchise Fee Report

Submitting Unit (and) Franchise Holder	Type of Franchise	Amount Received (rounded)	Fund Account(s)	Purpose of Funds Used	% Charged	Date Set	Establishment Method
Bremen, Town of							
Mediacom Communications Corp.	State	$ 24,220	General Fund	Funding utilized in General Operations in serving our community such as sidewalk replacement programs and other Town Property Improvements	5%	8/25/05	Council Approved on 11/22/2004
Bristol, Town of							
Comcast	State	$ 15,877	General	General Fund expenditures are used on office supplies, repair/maintenance, supplies/service on equipment, insurance and fuel for vehicles	3%	3/18/04	Franchise
Brownsburg, Town of							
AT&T Video Franchise	State	$ 104,477	101.639 Video		5%	2/10/1994	Ordinance 93-54
Comcast T.V. Franchise	State	$ 125,517	101.640 T.V.				
Brownstown, Town of							
Comcast of Illinois/Indiana/Ohio, LLC	State	$ 22,707	General Fund - Cable TV Franchise Fees	Support local law enforcement and services provided by the Town of Brownstown	3%	9/14/1981	Franchise Agreement (Ordinance #2000-04)
Bruceville, Town of							
Avenue Broadband Communications	State	$ 6,035	General Fund - Cable TV Franchise Fee	Miscellaneous funds for our general fund budget	3%	7/14/98	By Contract
Burlington, Town of							
Cable One, Inc.	State	$ 2,090	General Fund: Revenue Name - Cable TV Franchise	To aid in maintaining alleyways and curbs to ensure access to cable lines	2%	4/16/2001 & 4/2/1985	Ordinance 2-2001 (Renewal & Extension) & Ordinance 85 1 A
Burns Harbor, Town of							
Comcast Cable Communications Group	State	$ 28,311	General Fund	The Town of Burns Harbor uses franchise fees to assist in the payment of general service expenditures that pertain to the maintenance and policing of the public right-of-way property.	5%	4/11/07	Town Ordinance No. 200-2007
Campbellsburg, Town of							
Charter Communications	State	$ 1,067	General Fund	General operating expenses of the town			
Carbon, Town of							
NewWave Communications	State	$ 1,993	General Fund	General operating expenses	5%	4/5/82	By ordinance
Cedar Lake, Town of							
Comcast	State	$ 167,778	General Fund #101	Streetlights, maintenance of streetlights, easement maintenance	5%	11/26/02	Agreement Amendment w/ Lake County Cable TV Consortium
Chandler, Town of							
Charter Communications	State	$ 11,688	General Fund	General town operating expenses	5%	9/19/05	Ordinance 2005-10
WOW	State	$ 8,475					
Chesterfield, Town of							
Comcast	State	$ 19,496	General Fund/Public Safety	All money is used to help maintain our Police Officers. It helps with salaries, up-to-date training for our officers and necessary equipment to ensure our residents are safe as well as our officers.	5%	1983	Ordinance #111.11 State Code 26-36-1-1
Indiana Bell	State	$ 4,891					
Chesterton, Town of							
Comcast Cable Communications Group	State	$ 187,482	General Fund	The Town of Chesterton uses franchise fees to assist in the payment of general service expenditures that pertain to the maintenance and policing of the public right of way property	5%	8/14/95	Ordinance 95-1
Clark County board of Commissioners							
Charter Communications	State	$ 232,999	Cable TV Franchise	Information Technology Fund	3%		
Indiana Bell	State	$ 34,684					
Cloverdale, Town of							
Clay County Rural Telephone (Endeavor)	State	$ 4,426	Gen/Cable TV Franchise 101640		3%	3/15/05	Ordinance 1995-5
Coatesville, Town of							
Endeavor Communications	State	$ 1,255	General	To lower property taxes			
Cable One	State	$ 699					

(continued)

APPENDIX Q

Video Franchise Fee Report

Submitting Unit (and) Franchise Holder	Type of Franchise	Amount Received (rounded)	Fund Account(s)	Purpose of Funds Used	% Charged	Date Set	Establishment Method
Columbia City, City of							
Mediacom	State	$ 37,083	General Fund - Franchise Fees	Operating Expenses	5%	6/17/11	Agreement with Mediacom
Columbus, City of							
Comcast Financial Agency Corp	State	$ 272,596	General Fund	Information Services, telephone, internet, maintenance agreements machinery and equipment with the IT Department	5%	10/19/93	Ordinance No. 44, 1993
Indiana Bell Telephone Company	State	$ 88,753					
Connersville, City of							
Comcast	State	$ 114,468	Cable Fund	All fees are used to support the City of Connersville's Local Access Television Station	5%	6/16/97	Ord. 3586
Metronet	State	$ 44,578					
Converse, Town of							
Oak Hill Cable	State	$ 1,008	General Fund	General purposes			
Covington, City of							
Cable One	State	$ 9,103	City of Covington Electric Fund	Pole Maintenance	4%	11/1/93	Ordinance #93-15
Crawfordsville, City of							
Comcast Cable Communications, Inc	State	$ 40,114			3%	10/11/05	Ordinance 26-2005
ATT Video, IND Bell Tele Inc	State	$ 11,151				12/1/09	Letter of Agreement
Metronet Fibernet LLC	State	$ 58,599				3/10/14	Ordinance 12-2014
Crown Point, City of							
Comcast Cable	State	$ 397,997	General Fund	This revenue is helpful with public safety and/or any legal use of it.			
Indiana Bell Telephone Company	State	$ 104,586					
Culver, Town of							
Mediacom	Local	$ 7,277	General Fund	The funds support the efforts of the local fire department, emergency medical services and police department as well as the clerk's office.			
Dale, Town of							
Perry Spencer Communication	State	$ 9	General	General Expenses			
Daleville, Town of							
Indiana Bell Telephone Company	State	$ 1,877	MISC. Revenue	General Operating	5%	9/12/83	Ordinance 83-4
Decatur, City of							
Mediacom Communications Corp.	Local	$ 18,634			3%	5/20/14	Ordinance No 2014-3
Benton Ridge Telephone Company CFS C4 COMM	State	$ 345					
DeMotte, Town of							
Comcast Cable	State	$ 28,028	General - Cable TV	As part of the General Fund expenses			
Dubois County							
Charter Communications	State	$ 10,710	County General	General operations of the county	3%	5/15/06	Ordinance
PSC	State	$ 4,461				4/4/16	Ordinance
Dublin, Town of							
Comcast	State	$ 7,795	General Fund	Police, fire, and parks	5%	11/14/95	Ordinance
New Lisbon Telephone Company	State	$ 146					
East Chicago, City of							
Indiana Bell Tel. Co.	State	$ 25,782	City of East Chicago General Fund 0101 - Cable TV Franchise Acct. No. 364000	The cable franchise fees were used to fund the city's general fund public safety budget 2019 - $17,065,286.00	5%	7/13/04	EC Ordinance No. 03- 0025
Comcast Financial Agency Corp.	State	$ 142,014					
East Germantown, Town of							
Comcast	State	$ 855	General Fund	Routine expenses for the town			
Ellettsville, Town of							
Comcast	State	$ 36,335	General Fund - Cable Television Receipts	Police and fire protection, Planning and administrative services	5%	7/12/10	by Ordinance 10-11
Evansville, City of							
Spectrum (Charter Communications)	State	$ 776,658	Spectrum: General Fund (0101) Finance (1011301) Spectrum (364000)	These funds are deposited into the City's General Fund and are used for operational expenses	5%	9/9/98	By Ordinance G-98-35
Wide Open West (WOW)	State	$ 502,595	Wide Open West: General Fund (0101), Finance (1011301) Wide Open West! (364001)		5%	8/26/98	By Ordinance G-98-31

(continued)

Video Franchise Fee Report

Submitting Unit (and) Franchise Holder	Type of Franchise	Amount Received (rounded)	Fund Account(s)	Purpose of Funds Used	% Charged	Date Set	Establishment Method
Ferdinand, Town of							
Perry-Spencer Communications	State	$ 8,666	General Fund - Franchise Fees	Fees are used for the costs and expenses incurred by the town to process and administer cable TV franchise fees and to maintain town right of ways used by cable TV providers	3%	7/1/06	Ordinance No. 13-02 Based on franchise fee prior to 7/1/06
Fishers, Town of							
Comcast	State	$ 347,544	First Internet Bank (General Account	It covers basic operating expenses for the City of Fishers	5%	2/21/11	Resolution No. R022111
CMN RUS INC	State	$ 50,887					
Charter Communications	State	$ 14,107					
Ninestar	State	$ 1,687					
Central Indiana Communications	State	$ 1,081					
Fort Branch, Town of							
Wide Open West Finance LLC (WOW)	State	$ 5,832	General, a franchise fee account	It is treated as general revenue. The fees are out into the general operating fund which supports the police department public safety.			
Charter Communications	State	$ 5,712					
Fort Wayne, City of							
Comcast of Fort Wayne Limited Partnership	State	$ 1,613,968	General Fund, Cable Fund	General Fund deposits are used for current general operations of the city. Cable Fund deposits are used for local cable access providers and content producers.	5%	11/14/95	Local Ordinance G- 27-95
Frontier Communications	State	$ 589,451				7/20/95	Master Agreement
Fowlerton, Town of							
Comcast	State	$ 1,296	General Fund	Used to help maintain sidewalks			
Fremont, Town of							
Mediacom	Local	$ 1,993	General Fund	To help fund the General Fund which funds Police Court, Street and Town			
Gibson County							
Charter Communications	State	$ 7,356	General Fund	These funds were used to supplement the County General Fund			
Cable One	State	$ 713					
Grabill, Town of							
Mediacom	Local	$ 3,701	General Fund - A franchise fee revenue account	Used as general revenue the funds support the effore of the local fire department and clerks office			
Grandview, Town of	**No franchise fees collected**						
Greendale, City of							
Comcast	State	$ 19,973	General Fund	Operating Costs (Personnel, Supplies and Services)	3%	3/1/21	By Contract/ Agreement
Greenfield, City of							
Comcast	State	$ 188,321	Info Tech Franchise Fees	Used to fund our information technology department	5%	5/23/85	Ordinance 1985-10
Indiana Bell	State	$ 59,701					
Central Indiana Communications	State	$ 3,959					
Hagerstown, Town of							
Comcast	State	$ 28,846	General Fund		5%	11/1/93	Ordinance #1-1993
New Lisbon Telephone Company	State	$ 61					
Hammond, City of							
AT&T	State	$ 85,400	Cable Receipts/General Fund	Operating expenses for general fund	5%	4/14/80	Ord#4612
Wide Open West	State	$ 149,746					
Comcast	State	$ 568,209					
Hanover, Town of							
Cinergy Metronet	State	$ 4,229	General Fund	Personal services, supplies, other services and charges			
Charter	State	$ 18,689					
Harmony, Town of							
Avenue Broadband Communications	State	$ 4,247	General	General purposes	5%	1-Jan-19	Cable co. established
Highland, Town of							
Comcast/Xfinity Cable	State	$ 282,481	Corporation General Fund, franchise fee revenue account	It is treated as general revenue. The fees are out into the general operating fund which supports the police department public safety.	5%	3/27/2000	Ordinance 1136
Indiana Bell Telephone Company, Inc	State	$ 98,364					

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APPENDIX Q

Video Franchise Fee Report

Submitting Unit (and) Franchise Holder	Type of Franchise	Amount Received (rounded)	Fund Account(s)	Purpose of Funds Used	% Charged	Date Set	Establishment Method
Huntingburg, City of							
Charter Communications	State	$ 53,748	City of Huntingburg General Fund	Police protection, fire department services, safety, general administration-property tax replacement	5%	12/6/06	State automatically terminated local agreements by operation of law on 12/6/2006. Rate is same as negotiated by city.
Perry Spencer Communications	State	$ 3,163					
Huntington, City of							
Metronet	State	$ 37,443					
Comcast	State	$ 40,698					
Jasonville, City of							
NewWave Communications	State	$ 4,707	General Fund/Cable Franchise	It is used for General Fund expenses	5%	3/16/81	Ordinance 1981-4
Jasper, City of							
Charter Communications/Spectrum/ Time Warner Cable	State	$ 177,544	General Fund	Franchise fees are deposited into the General Fund of the City of Jasper. Used to pay the expenses of operating the City of Jasper's government, police, fire, and street departments	5%	6/7/03	Ordinance 2003-25
Perry Spencer Communications	State	$ 714					
Johnson County							
Comcast	State	$ 345,593	County General Fund	Help fund the county general budget	5%	7/8/2013	Ordinance 2013-09 (amended 95-22)
AT&T (Indiana Bell)	State	$ 84,978					
CMN-RUS	State	$ 52,411					
Central Indiana Communications	State	$ 5,636					
Kentland, Town of							
Mediacom Communications	State	$ 6,763	Cable TV Franchise Fee				
Town of Kentland (Reimbursement for use on Storm Water Project)	State	$ 16,203					
Kirklin, Town of							
Swayzee Telephone Co.	State	$ 452	General	General Fund expenditures			
Knox, City of							
Mediacom	Local	$ 12,127	general	It is receipted into our general fund and is used for general operations of the city			
Kosciusko County							
Comcast	State	$ 68,453	County General/Cable TV Fees	The fees are receipted into the General Fund to help sustain the State approved General Fund budget			
Kouts, Town of							
Mediacom	Local	$ 10,653	General Fund	Miscellaneous Daily Operations	5%	6/20/05	Ordinance 2005-6
LaCrosse, Town of							
Mediacom Communications Corp.	State	$ 294	General	To pay for the town's mediacom invoice for internet services	3%	10/8/08	Section 4-1-17 of LaCrosse Municipal Code
LaGrange County							
Mediacom	Local	$ 3,691					
Lanesville, Town of							
Charter Communications	State	$ 30,288	General - Franchis Fee Receipts	Supplies maintenance vehicle	5%	3/30/99	Negotiation and agreement
LaPorte, City of							
Comcast	State	$ 261,245	General-Cable TV Franchise	General Fund for Public Safety (Police and Fire)			
Lawrenceburg, City of							
Comcast	State	$ 12,593	Municipal Development Fund	The MDF Fund is one of our most versatile funds. This fund allows for a variety of city functions, ie: special crimes unit funding, several charity donations, as well as the local school system, etc.	3%	4/1/96	Ordinance 4-1996
Ligonier, City of							
Mediacom LLC	State	$ 743	General Fund	Revenue is used to help offset the decline in tax revenue due to property tax caps	3%	8/9/99	Resolution 08-09-99

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Video Franchise Fee Report

Submitting Unit (and) Franchise Holder	Type of Franchise	Amount Received (rounded)	Fund Account(s)	Purpose of Funds Used	% Charged	Date Set	Establishment Method
Linden, Town of							
TDS	State	$ 4,023	General Fund	General Fund Budget			
Mulberry Coopoerative Telephone Co	State	$ 235					
Loogootee, City of							
Cable One	State	$ 17,284		General Fund	3%	9/1/11	
Madison, City of							
MetroNet	State	$ 79,205	General Fund	For pay services by local cable access channels			
Charter (Spectrum)	State	$ 60,057					
Markleville, Town of							
Comcast of Illinois/Indiana/Ohio, LLC	State	$ 1,882	Cable Franchise Fund	2094 43 B296 I298	3%	1/10/01	Ordinance 2001-1
Ninestar Connect	State	$ 2,035					
McCordsville, Town of							
AT&T	State	$ -	General Fund	Fees were used or spent for any purposed allowed by the State Board of Accounts relative to the General Fund	3%	various	Contract
Charter Communications	State	$ 1,961					
Comcast	State	$ 25,064					
Ninestar Connect	State	$ 4,179					
Medaryville, Town of							
Mediacom cable	State	$ 619		General Fund- TV cable/franchise			
Mentone, Town of							
Comcast	State	$ 7,860		Operating costs			
Middlebury, Town of							
Comcast, Inc	State	$ 30,081	General Fund	General town expenses			
Middletown, Town of							
Comcast of Illinois/ Indiana/Ohio, LLC	State	$ 14,298	General	General (Police, Fire Department, EMS, Dispatch)	5%	7/18/97	Franchise Agreement
Milford, Town of							
Mediacom	State	$ 1,354	General	General Fund purchases			
Millersburg, Town of							
Quality Cablevision	State	$ 297	General Fund				
Milton, Town of							
Comcast	State	$ 1,865	General Fund	General town expenses			
Monon, Town of							
Comcast	State	$ 5,289	Town of Monon - General Fund	TV Cable	2%	5/3/88	Agreement/Resolution with the Monon Town Council on 5/3/88
Monroe City, Town of							
Avenue Broadband Communications	State	$ 4,117	Town of Monroe City General Fund	General Operating	3%	4/6/11	Agrement with Cable Company
Monroeville, Town of							
Mediacom Communications Corp.	Local	$ 3,218	General Fund	To fund the general fund for all its intents and purposes			
Montezuma, Town of							
New Wave Communications/Cable One	State	$ 2,009	General Fund	Supplements the general fund balance for various appropriations within the General Fund budget	3%	1/1/13	Contract
Montgomery County							
Metro Fibernet	State	$ 31,650	County General	County General Budget	2%	2/25/21	Resolution No 3-2014
Monticello, City of							
Comcast	State	$ 42,361	Fund 205 Sidewalk & Curb	The City of Monticello uses the franchise fees for annual sidewalk and curb maintenance. Our street commissioner provides a list of sidewalks and curbs that need replaced annually to the mayor and city council for consideration. Annually, we are able to repair and/or install new sidewalks.	5%	11/1/05	State Issued
Lightstream	State	$ 2,684			5%	7/1/15	Ordinance 2015-6
Mooresville, Town of							
Indiana Bell	State	$ 26,578	General Fund	Reported as revenue source for the purpose of funding the town's General Fund Budget			
Comcast	State	$ 60,168					

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APPENDIX Q

Video Franchise Fee Report

Submitting Unit (and) Franchise Holder	Type of Franchise	Amount Received (rounded)	Fund Account(s)	Purpose of Funds Used	% Charged	Date Set	Establishment Method
Mount Vernon, City of							
Charter Communications	State	$ 25,001	General Fund	Operations of the entity	5%		Revenue
Wowway	State	$ 22,561					
Munster, Town of							
Comcast	State	$ 296,324	Fund 247 Technology	Video franchise fees have been used in 2019 to fund all technology personnel, equipment, software, and maintenance of said equipment	5%	12/20/82	Ordinance #727
Indiana Bell Telephone	State	$ 83,735					
Nashville, Town of							
Avenue Broadband Communications, LLC	State	$ 9,572	General Fund	The franchise fees are deposited and expended out of our general fund. The Town of Nashville calculates our general fund budget using these revenues as a source to help our public safety and public vehicles	2%	9/8/84	Ordinance 1981-5
New Albany, City of							
Charter	State	$ 253,327	General Fund	To support the general opertaing funds of the city	3%	1/3/77	Ordinance
AT&T	State	$ 61,311			5%	11/16/89	Ordinance
New Carlisle, Town of							
Comcast	State	$ 14,069	General Fund	The general fund contains six departments including the Police Department, Clerk's Office, Town Council Parks Dept Fire Dept and Amulance Dept. The franchise fee is used as one reveune source to support the various needs of each of these departments in the general fund including staffing suplies training and equipment			
New Harmony, Town of							
Sparklight	State	$ 2,485	General Fund	Police and fire protection			
New Pekin, Town of							
Spectrum (Charter Communications)	State	$ 6,532	General Fund	Police equipment, park security, update/maintenance projects as needed	5%	10/19/99	Resolution #1999-06
New Whiteland, Town of							
Comcast	State	$ 18 994	General Fund	Fees are used to fund our annual budget	3%	12/2/03	Ordinance 1070
MetroNet	State	$ 12,085			5%		Approved by Jo. Co. RDC when MetroNet was first installed
Newburgh, Town of							
Wide Open West (WOW!)	State	$ 44,212	General Fund	For any general fund expenditures	5%	11/10/93	Ordinance 1993-12
Charter Communications	State	$ 15,689					
North Liberty, Town of							
Mediacom	State	$ 4,677	Town of North Liberty General Fund/ 1st Source Bank	Franchise fees are added to the other revenues of the Town of North Liberty General Fund to pay public safety expenses, street lights, town hall expenses and wage and benefits	3%	7/30/81	Ordinance 1981-5 North Liberty Cable Television Franchise
North Manchester, Town of							
Mediacom Communications Corp	State	$ 2,895	Sidewalk Maintenance and Improvement Fund	The Town of North Manchester uses franchise fees to offset the cost of replacing sidewalks in the community. The property owner applies for a permit and is required to pay for half the labor to install the sidewalk. The town uses franchise fees to pay the other half of the sidewalk.	3%	10/1/03	Through franchise agreement
MetroNet, Inc.	State	$ 4,957					
Oakland City, City of							
Cable One	State	$ 7,392	General Fund	Expenditures for office supplies, repair/maintenance, service equipment, improvements on city owned property			
Orleans, Town of							
Cable One	State	$ 188	General - Cable TV Franchise Fees	General Maint.			

(continued)

Video Franchise Fee Report

Submitting Unit (and) Franchise Holder	Type of Franchise	Amount Received (rounded)	Fund Account(s)	Purpose of Funds Used	% Charged	Date Set	Establishment Method
Osceola, Town of							
Comcast of Indiana/ Michigan, LLC	State	$ 12,641	General Fund - 101640.000 Cable Franchise Fees	The franchise fees are appropriated into the annual budget each year to help pay for telephone internet, and misc. communication expenditures	3%	11/5/01	Per agreement signed by Town Council 11/5/01
Owensville, Town of							
Charter Communications	State	$ 12,503	General Cable TV Franchise	Supplemental revenue for the general fund	5%		Ordinance 2005-2
Palmyra, Town of							
Charter Communication/Spectrum	State	$ 5,591					
Paoli, Town of							
Avenue Broadband Communication (NewWave)	State	$ 442	General Fund - Cable TV Franchise	These fees are deposited into our General Fund to be used for the following year to help fund our budget for the police, volunteer fire dept and town needs.	$1.00 per subscriber or 1%	9/4/96	Contract w/Grantee passed in a Town Council Meeting and documented in the minutes
Paragon, Town of							
New Wave Communications	State	$ 80					
Pendleton, Town of							
Comcast	State	$ 67,675	General Fund	Operating expenses in the general fund	5%	8/31/98	Resolution 1998-16
Petersburg, City of							
Cable One	State	$ 16,496	General Fund - Cable TV Franchise Fee				
Pittsboro, Town of							
Bright House Networks	State	$ 16,624	General Cable TV Franchise	Genereal operations of the municipality	3%	10/27/94	Resolution 94-7
Plainfield, Town of							
Comcast	State	76424.27 & 10494.00	Cable TV Franchise/General Fund 10100005-364000	Maintenance and improvements of right-of-ways		2/28/94	Ordinance 07-1994
Charter Communications	State	$ 15,272					
Indiana Bell Telephone Co.	State	$ 88,619					
Plymouth, City of							
Comcast Financial Agency Corporation	State	$ 29,534	General Fund - cable TV Franchise	Offset property taxes, fund departments ofthe General fund, including the police and fire departments	3%	9/24/90	Public Hearing
Porter, Town of							
Comcast	State	$ 76,896	General Fund	Any legal service	5%	9/5/95	Ordinance 95-13
Prince's Lakes, Town of							
Avenue Broadband Communications	State	$ 11,621	General Fund	Generalexpenses	5%		
Princeton, City of							
Charter Communicatiosn	State	$ 199,551	General Fund - Cable TV Receipts		5%	4/23/15	Ordinance 1986-15, See also Ordinance #1973-6, 1984-4, 1998-5 & 2001-2
Remington, Town of							
Comcast	State	$ 5,823	General Fund	General fund expenditures are used on office supplies, repair/maintenance, supplies/service on equipment insurance and fuel for vehicles Utility payments, and improvements to buildings.			
Rising Sun, City of							
Comcast	State	$ 8,728	General	General government and public safety	3%	2/3/94	Ordinance
Rome City, Town of							
Mediacom	State	$ 7,598	General	Maintenance for town	3%	8/1/06	Franchise Agreement

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Video Franchise Fee Report

Submitting Unit (and) Franchise Holder	Type of Franchise	Amount Received (rounded)	Fund Account(s)	Purpose of Funds Used	% Charged	Date Set	Establishment Method
Roseland, Town of							
Comcast Financial Agency	State	$ 4,004	General Fund	General Fund expenditures are used on office supplies, repair/maintenance, operating supplies, towninsurance, utilities, and police fuel	3%	1993	Ordinance
Indiana Bell Telephone Company	State	$ 1,468	General Fund		5%	1993	Ordinance
Rossville, Town of							
Comcast Cable Communications	State	$ 5,133	Town of Rossville- General Fund	The funds were used to provide for the 2020 General Fund budget to cover shortfalls in budget due to continued cuts from State revenue and property taxes			
Rushville, City of							
Comcast of Montana/Indiana/ Kentucky/Utah	State	$ 31,183	General Fund/ Cable Franchise Fee	The funds are used for broadband related expenditures, governmental programming, and education	3%	5/25/05	Per agreement dated 5/25/05
Sandborn, Town of							
Cable One (New Wave)	State	$ 853	General Fund	General improvements	N/A		
Santa Claus, Town of							
PSC (Perry Spencer Communications)	State	$ 8,676	101640.000 Gen/Cable TV Franchise	The funds received from the franchise fees are used in the general budget that includes our clerk, treasurer, police, planning & zoning, community center & fire department budgets.	3%	12/20/04	Agreement between the town of Santa Claus and PSC
Schererville, Town of							
Comcast Cable	State	$ 405,165	Cable TV Fund	Promotion of local governent in the town, as well as, repairs to streets, alleys, and ditches	5%	11/10/93	Ordinance No.1258
Indiana BellTelephone	State	$ 93,289			5%	3/5/99	Ordinance No. 1258A
Schneider, Town of							
Mediacom	Local	$ 1,248	General Fund	Governmental activities	3%	1/1/09	Ordinance #1989
Selma, Town of							
Indiana Bell Franchise Fees	State	$ 763	General Fund	To help offset the cost of the police & departments	5%	In 1998	Ordinance
Shelburn, Town of							
Cable One	State	$ 2,876		The fees were deposited into the General Fund of the town. The franchise fees were used to pay lawfully incurred bills of the Town of Shelburn			
Sheridan, Town of							
Swayzee Telephone Co.	State	$ 1,771	Cable TV Franchise	No specific purpose other than miscellaneous expenses	3%	7/9/80	Ordinance No. 1980-1
Shirley, Town of							
Comcast	State	$ 7,623					
Central Indiana Communications	State	$ 1,163	General - Cable TV Franchise	General funds	5%	7/1/06	Ord. 1394
Shoals. Town of							
Cable One Inc.	State	$ 3,124		The fees were deposited into the general fund of the town. The franchise fees were used to pay lawfully incurred bills of the town of Shoals.			
Silver Lake, Town of							
Comcast Communications	State	$ 2,634	General Fund	General Fund expenditures are used to fund Police and Fire Department equipment and supplies, general town equipment, office supplies, insurance expenses, fuel, and other expenses approved by the Department of Local Government and Finance.	5%	10/4/98	Ordinance 98-10-04
Speedway, Town of							
AT&T	State	$ 53,472	General Fund/TV Franchise Fees	Speedway Cable Network - operations, equipment, etc	5%	7/1/94	Town of Speedway Ordinance 834
Comcast	State	$ 93,872					
Spiceland, Town of							
Comcast	State	$ 5,423	General				
Stilesville, Town of							
Cable One	State	$ 136	General Fund	Monthly bills/invoices at the time it was received.			
Communication Corp. of Indiana (TDS)	State	$ 2,964					
Stinesville, Town of							
Comcast/Xfinity Cable`	State	$ 1 124	General Fund	It is treated as general revenue	5%	5/6/05	Ordinance #2015-5

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Video Franchise Fee Report

Submitting Unit (and) Franchise Holder	Type of Franchise	Amount Received (rounded)	Fund Account(s)	Purpose of Funds Used	% Charged	Date Set	Establishment Method
Straughn, Town of							
Comcast	State	$ 445	Electric Fund	Unspent but will be used for General needs within the town			
Syracuse, Town of							
Mediacom	Local	$ 10,765	General Fund	General government expenses within general fund			
Tell City, City of							
Comcast Cable Communications, Inc.	State	$ 27,411	General fund	Cable franchise fee supports Board of Public Works & Safety efforts in maintenance of streets, materials, fuel, insurance, equipment and continuing education/training of police, dispatchers, and volunteer fire department to better protect and serve our citizens.	5%	7/7/85	Ordinance 617
Perry-Spencer Communications, Inc. d/b/a PSC	State	$ 24,884			5%	1/1/14	
Terre Haute, City of							
Charter Communication	State	$ 265,837			5%	2/6/06	Special Ordinance #72, 1983
Cable One/Avenue Broadband	State	$ 9,948					
Thorntown, Town of							
CMN-RUS Metronet	State	$ 4,728	101640 Gen/Cable TV Franchise	The fees were deposited into the general fund of the town. The franchise fees were used to pay lawfully incurred bills of the town of Thorntown.			
Comcast	State	$ 399					
Tipton, City of							
Comcast	State	$ 39,873	General Fund 101640	Funds are receipted into the City General Operating Fund	5%	8/12/02	Addendum to franchise agreement of 1987
Tipton Telephone Company (TDS)	State	$ 26,759			5%	8/8/15	State of Indiana Cause No. 44614 VSP 01
Union City, City of							
Charter Communications	State	$ 21,549	General Fund	The money was used to help fund MidWest Tv, Inc., a non-profit corporation which operates the public access TV franchise as a PEG station.	3%	8/16/90	Ordinance No. 90-10
Uniondale, Town of							
Mediacom Communications Corp.	Local	$ 181	General	General budet			
Utica, Town of							
Charter Communications	Local	$ 1,897	General	General Fund expenses	3%	2020	Local cable television franchise agreement
Veedersburg, Town of							
Cable One	State	$ 4,595	General - Franchise Fees	Town Operations	2%	1/19/82	By Ordinance #02-82
Wakarusa, Town of							
Comcast of Indiana/Michgan LLC	State	$ 9,035	General Fund	Added to operating cash	3%	5/5/97	Franchise Agreement-Contract
Walkerton, Town of							
Mediacom	State	$ 2,282	Electric	Needed supplies or maintenance of poles. Wages, benefits and any necessary items needed for repairs.	3%	8/8/96	Signed Agreement between town and Mediacom
Wanatah, Town of							
Mediacom Communications Corp.	State	$ 1,202	General Fund/Cable Franchising Fee	All fees are deposited into the general fund and used for accounts payable	3%	8/8/96	By Town Council Approval

(continued)

APPENDIX Q

Video Franchise Fee Report

Submitting Unit (and) Franchise Holder	Type of Franchise	Amount Received (rounded)	Fund Account(s)	Purpose of Funds Used	% Charged	Date Set	Establishment Method
Warsaw, City of							
Comcast	State	$ 51,832	General Fund	Maintenance and improvements of sidewalks and curbing	3%	12/17/99 and June of 2006	Ordinance No. 99-12-2 & State Agreement
Mediacom	State	$ 1,194				8/1/13	State Agreement
Wayne County							
Comcast Financial	State	$ 30,601	County General	To help fund public access TV station WCTV ($20,000) and balance in general fun to support maintenance of infrastructure used by cable company.	4%	3/1/04	Negotiated as part of Revenue
New Lisbon Telephone	State	$ 3,270			5%	10/1/16	Contact with Commissioners' office by NL rep
Wells County							
Mediacom	State	$ 1,054	Cable Fees	General County Business	3%	11/29/93	Follow the Regulations of the FCC Ordinance# 1993-10
Comcast	State	$ 3,803					
Craigville Telephone	State	$ 7,821					
West Baden Springs, Town of							
Sparklight (New Wave)	State	$ 3,469	General Fund	Fiber Optic		10/4/79	Ordinance 79-2 & Ordinance 93-12
West College Corner, Town of							
Charter Communications	State	$ 2,393	General Fund	General Fund expenditures for office supplies/repairs, Maintenance, supplies/service on equipment, insurance, and utility payments			
West Lafayette, City of							
Comcast	State	$ 94,034	General Fund	City operations including services for maintenance of rights of way (Engineering), City administration, and public safety (Police and Fire)	3%	2/5/96	Ord #34-95; converted in 2006 to State Franchise
CMN-RUS, Inc. (aka MetroNet)	State	$ 72,211				2012-related Redev com TIF Bond	State Franchise
Mulberry Coopoerative Telephone Co	State	$ 882					
Westport, Town of							
Comcast Financial Agency Corporation	State	$ 4,593	101640 Gen/Cable TV Franchise Fee	General Budget Items	2.5% of quarterly customer earnings	6/9/97	Agreed contract between Holder and Town Council
Sunman Telecommunications Corp - ETC	State	$ 3,000			ETC - $1500 twice a year		Agreed contract between Holder and Town of Westport
Westville, Town of							
Mediacom Communications Corp.	State	$ 1,538	General Fund	To help fund General Fund operations (Police Dept., Fire Dept. Contract, Salaries, General Operations)			
Acme Communications	State	$ 1,381					
Whiteland, Town of							
Comcast	State	$ 18,246	General Fund	General Expenses to run local government	3%	1/1/81	Ordinance 81-1 w/ Town council
Metronet	State	$ 14,918			5%	2006	Indiana Communications Act
Wilkinson, Town of							
Central Indiana Cable	State	$ 517	General Fund	General Fund	3%		
Comcast	State	$ 952					
Winamac, Town of	No franchise fees collected						
Winchester, City of							
Comcast of Illinois/ Indiana/ Ohio	State	$ 38,232	General Fund	Technology	5%	3/20/00	Ordinance No. 2000-2
Windfall, Town of	No franchise fees collected						

(continued)

APPENDIX Q

Video Franchise Fee Report

Submitting Unit (and) Franchise Holder	Type of Franchise	Amount Received (rounded)	Fund Account(s)	Purpose of Funds Used	% Charged	Date Set	Establishment Method
Winfield, Town of							
Comcast	State	$ 57,869	General Fund	The Town of Winfield utilizes video franchise fees to repair and maintain the public right of ways along the roadways.	5%	6/15/04	Contract
AT&T (Indiana Bell)	State	$ 12,864					
Wingate, Town of							
Taxxconnexx LLC	State	$ 2,616	General Fund	General Fund expenditures			
Wolcott, Town of							
Comcast	State	$ 1,277	Town of Wolcott, General Fund	Salaries, employee benefits, municipal and street operating expenses, etc. The franchise fees are deposited in the Town's General Fund, which are monies to operate the municipality	2%	8/1/95	State of Indiana Wolcott Ordinance #95-2
Woodburn, City of							
Comcast	State	$ 3,725	General Fund	General Operations	3%	1/1/06	Changes made to the IC established at state level
Woodlawn Heights, Town of							
Indiana Bell	State	$ 392	General Fund	Public Safety			
Yorktown, Town of							
Comcast	State	$ 68,250	General Fund - Cable TV Receipts	These funds were used to offset the cost of the police department expenses	3%	1997	Ordinance
Indiana Bell/AT&T	State	$ 5,860			5%		
Zionsville, Town of							
Communications Corporation of Indiana	State	$ 17,233	General	Any legal purpose (General Fund cash reserves)	3%	4/5/82	Ordinance #82-03 (Omega Cable of Zionsville)
Indiana Bell Telephone Company Incorporated	State	$ 20,445					
Charter Communications	State	$ 41,287					
Metronet	State	$ 20,648					
TOTAL FEES COLLECTED		**$13,432,482.09**					

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