

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE VERIFIED JOINT)
PETITION OF NEWTON COUNTY REMC AND)
NORTHERN INDIANA PUBLIC SERVICE)
COMPANY FILED PURSUANT TO IND. CODE 8-1-)
2.3-4(a) FOR APPROVAL OF WRITTEN CONSENT)
FOR NORTHERN INDIANA PUBLIC SERVICE)
COMPANY TO PROVIDE ELECTRIC SERVICE TO)
THE HOOSIER WIND PROJECT AND THE BENTON)
COUNTY WIND FARM LOCATED WITHIN THE)
SERVICE AREA OF NEWTON COUNTY REMC.)

CAUSE NO. 43928

APPROVED:

SEP 29 2010

BY THE COMMISSION:

David E. Veleta, Administrative Law Judge

On July 30, 2010, Newton County Rural Electric Membership Corporation (the "REMC") and Northern Indiana Public Service Company ("NIPSCO") (collectively "Joint Petitioners") filed a Verified Joint Petition with the Indiana Utility Regulatory Commission (the "Commission"). Pursuant to Indiana Code § 8-1-2.3-4(a), the Joint Petition seeks Commission approval of Limited and Conditional Consent to Serve Agreements (the "Consent Agreements") entered into by the REMC and NIPSCO with the Hoosier Wind Project, LLC ("HWP") and the Benton County Wind Farm LLC ("BCWF")(collectively the "Wind Farms"), respectively, allowing NIPSCO to provide retail electric service on a limited and conditional basis to the Wind Farms within the REMC's assigned service area in Benton County, Indiana. A copy of the Consent Agreements and the Legal Description of the Wind Farms were attached to the Joint Petition.

On August 31, 2010, the Indiana Office of Utility Consumer Counselor ("OUCC") prefiled the testimony of Ronald L. Keen, Senior Analyst in the Resource Planning and Communications Division.

Pursuant to notice published as required by law, proof of which was incorporated into the record by reference and placed in the official files of the Commission, a public hearing was held in this Cause on September 8, 2010, at 2:30 p.m., in Judicial Courtroom 224 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. Joint Petitioners and the OUCC appeared at and participated in the hearing, and Joint Petitioners and the OUCC presented evidence. No members of the general public appeared or sought to testify at the hearing.

Based upon the applicable law and the evidence presented, the Commission now finds:

1. Commission Jurisdiction. The REMC is a rural electric membership corporation organized and existing under the laws of the State of Indiana, with its principal office and place of business located in Goodland, Indiana.¹ The REMC is engaged in the business of distributing, furnishing, and selling retail electric service to the public in Benton and Newton counties in the State

¹ Since the filing of the Petition in this cause, Newton County REMC has relocated its principal place of business from Kentland, Indiana to Goodland, Indiana.

of Indiana, and has charter authority to do so. NIPSCO is a corporation organized under the laws of the State of Indiana. NIPSCO qualifies as a “public utility” under Indiana Code § 8-1-2-1 and is engaged in the business of generating, transmitting, distributing, and selling retail electric service to the public within the State of Indiana, including portions of Benton County, and has charter authority to do so. Each Joint Petitioner is an “electricity supplier” within the meaning of Indiana Code § 8-1-2.3-2(b). Joint Petitioners request approval of consent to serve agreements under Indiana Code § 8-1-2.3-4(a). Therefore, the Commission has jurisdiction over the parties and the subject matter of this Cause.

The Commission has previously considered issues pertaining to the construction and operation of HWP and BCWF in Cause Nos. 43484, 43485, and 43068, respectively.

2. Relief Sought. Joint Petitioners request Commission approval of the REMC’s consent for NIPSCO to serve as a third-party supplier of “station power” for the Wind Farms in the event they are unable to self-supply station power for the generating facilities. Pursuant to the Consent Agreements, the REMC consents to NIPSCO providing retail electric service for station power to the HWP and the BCWF generating facilities for an initial term of three years, with up to three (3) successive five-year renewal terms. Joint Petitioners state consents to serve under Indiana Code § 8-1-2.3-4(a) would be beneficial in this instance, rather than service territory boundary changes under Indiana Code § 8-1-2.3-6 because both the HWP facilities and the BCWF facilities are interspersed among other retail customers of the REMC, making a boundary modification impractical. The Joint Petitioners further state the Consent Agreements for which approval is requested in this proceeding are limited in duration and will not cause the duplication of electric utility facilities; waste of materials or resources; or uneconomic, inefficient, or inadequate electric service to the public, and will not require a change in the electricity supplier for existing customers of either utility. There is no evidence to the contrary before the Commission in this proceeding.

3. Approval of Written Consent. Joint Petitioners seek relief pursuant to Indiana Code § 8-1-2.3-4(a) that provides, in applicable part, that:

As long as an electricity supplier continues to provide adequate retail service, it shall have the sole right to furnish retail electric service to each present and future consumer within the boundaries of its assigned service area and no other electricity supplier shall render or extend retail electric service within its assigned service area unless the electricity supplier with the sole right consents thereto in writing and the commission approves.

The REMC has the sole right to furnish retail electric service within its service territory. However, Joint Petitioners state the REMC will consent to NIPSCO’s provision of electricity to both the HWP and BCWF generating facilities in the event they are unable to self supply station power for the generating facilities.

Based upon the law and the evidence discussed above, the Commission finds the REMC’s consent to allow NIPSCO to provide electricity to the Wind Farms under the terms of the Consent Agreements, as set forth in the Joint Petition, should be approved. According to the Verified Petition, BCWF has already executed a Rate 824 service agreement with NIPSCO, and NIPSCO contemplates that service will be provided to HWP under that rate as well.

More specifically, the Commission finds the Consent Agreements' terms are reasonable and the Consent Agreements should be approved. The Commission further finds the terms of NIPSCO's provision of service to HWP and BCWF, as described above and in the Verified Joint Petition, are reasonable and should be approved.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:

1. Newton County REMC's consent to allow Northern Indiana Public Service Company to provide electric service on a limited and conditional basis to the Hoosier Wind Project, LLC and Benton County Wind Farm, LLC generating facilities within the REMC's assigned service area in Benton County, Indiana, is approved.

2. The Limited and Conditional Consent to Serve Agreements between Newton County REMC and Northern Indiana Public Service Company and Hoosier Wind Project LLC is approved.

3. The Limited and Conditional Consent to Serve Agreements between Newton County REMC and Northern Indiana Public Service Company with respect to Benton County Wind Farm, LLC is approved.

4. Northern Indiana Public Service Company is authorized to provide service to the Hoosier Wind Project LLC and Benton County Wind Farm, LLC generating facilities as described above in Finding Paragraph 3 above and in the Verified Joint Petition.

5. Within thirty (30) days of the date that service is transferred from Newton County REMC to Northern Indiana Public Service Company pursuant to the Limited and Conditional Consent to Serve Agreement with Hoosier Wind Project LLC, Newton County REMC shall file notice with the Commission that it is no longer providing electric service to that facility.

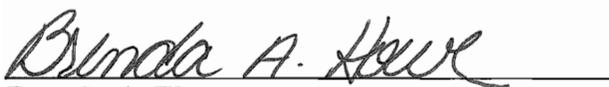
6. Newton County REMC and Northern Indiana Public Service Company shall file in this Cause, at least twelve (12) months prior to the expiration of the initial term of the Consent to Serve Agreements with Hoosier Wind Project LLC and Benton County Wind Farm, LLC, respectively, and the expiration date of any subsequent renewals thereof, a notice indicating whether the Consent to Serve Agreement referenced above has been renewed or terminated.

7. This Order shall be effective on and after the date of its approval.

HARDY, ATTERHOLT, LANDIS AND ZIEGNER CONCUR; MAYS ABSENT:

APPROVED: SEP 29 2010

I hereby certify that the above is a true and correct copy of the Order as approved.


Brenda A. Howe
Secretary to the Commission