

**INDIANA MICHIGAN POWER COMPANY
JULY 12, 2024 COMMENTS
ON IURC 170 IAC 4-4.3 STRAWMAN, RM #24-01**

I. INTRODUCTION

Indiana Michigan Power Company (I&M or the Company) submits these comments on the Indiana Utility Regulatory Commission's (IURC or Commission) initial Strawman proposal on changes to 170 IAC 4-4.3 and to the additional input Commission Staff requested comments on via email after the June 11, 2024 Stakeholder Meeting. I&M appreciates this opportunity to provide these comments.

II. GENERAL COMMENTS

Replacing "Generator" with "Facility"

Replacing the term "Customer Generator" with "Customer Facility" could have unintended consequences. This change may imply this rule could apply to both load, end-use connections, as well as generation connecting equipment owned by retail customers. This edit can shift the way the document may be interpreted and could lead to potential conflicts of definition with utility tariffs and the North American Electric Reliability Corporations (NERC) rules. Demand and supply equipment are both connected via customer facilities but have two distinct processes for interconnects. I&M recommends leaving the term "generator" throughout the document, as it is a clearer term to identify facilities that produce electricity to the system. Alternatively, I&M encourages replacing "Customer Generator" with Distributed Energy Resource (DER). DER is the emerging industry term which is a term that already appears in 170 IAC 4-4.3 Strawman Revisions to update the IEEE standard to 1547-2018.

For additional consideration by the IURC, the Federal Energy Regulatory Commission (FERC) issued Order No. 901 on October 19, 2023, which included directives on new or modified (NERC) reliability standard projects to address inverter-based resources (IBR) and distributed energy resources (DER). In response, NERC provided a three-year work plan¹ with four key milestones in January 2024, detailing how NERC will address all aspects of Order 901 with standard development projects. In May 2024, NERC provided a mapping document² detailing milestone activities with NERC's standard development mapping of FERC Order 901. From the mapping document, please note that:

- existing NERC Project 2022-02³ and Project 2020-06⁴ will have new Standard Authorization Requests (SAR) to address data sharing and IBR model validation; and
- there are pending SARs on planning and operational studies (i.e., these may become future NERC standard development projects).

¹ [NERC Three-Year Work Plan](#)

² [NERC Mapping Document](#)

³ [NERC Project 2022-02](#)

⁴ [NERC Project 2020-06](#)

There is also another existing project, Project 2023-08,⁵ (modifications of MOD-031 demand and energy data) which addresses existing and forecasted DER information.

Additionally, please note NERC reliability standards are applicable to the Distribution Provider (DP), which is defined as “Provides and operates the “wires” between the transmission system and the end-use customer. For those end-use customers who are served at transmission voltages, the Transmission Owner also serves as the DP. Thus, the DP is not defined by a specific voltage, but rather as performing the distribution function at any voltage”.⁶

III. IURC Specific Requests

1. IURC staff requests input regarding the potential costs and benefits of these changes and the identities of impacted parties.
 - a. Any information that can be provided on benefits to the general public, regulated community, businesses and other regulated entities, local partners, individuals, families, and small businesses would be helpful.
2. When considering possible direct and indirect benefits, consider questions such as the following:
 - a. Will the regulation save time or money for your agency or entity? Does the regulation decrease compliance costs?
 - b. Does the regulation increase business profitability by reducing costs?
 - c. Does the regulation make the market more competitive?
 - d. Does the regulation decrease the price of goods or services?
 - e. Does the regulation create benefits for public health or safety?
 - f. Any information that can be provided on the costs to the general public, regulated community, businesses and other regulated entities, local partners, individuals, families, and small businesses would be helpful as well.
3. When considering possible direct and indirect costs, consider questions such as the following:
 - a. Does the regulation increase compliance costs?

⁵ [NERC Project 2023-08](#)

⁶ [NERC Reliability Standards - Glossary of Terms](#)

- b. Will the regulation require individuals or businesses to change their behavior or procedures to comply?
- c. Will the regulation require regulated parties to buy new equipment or software, take more time to complete tasks, hire new workers, take new training, develop new procedures, provide additional information, or take additional actions to comply?
- d. Will the regulation require more time or money for your agency or entity?
- e. Does the regulation decrease business profitability by increasing costs?
- f. Does the regulation make it more difficult to enter the market?
- g. Does the regulation increase the price of goods or services?

I&M Response: In consideration of the proposed questions by the IURC, I&M provides the following. While implementation of IEEE 1547-2018 may be somewhat more onerous on DER implementation it has become the industry standard and accommodates NERC rules. IEEE 1547-2018 promotes the integrity and reliability of the electric grid, and it is appropriate to update 170 IAC 4-4.3 to reference this standard.

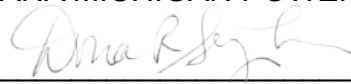
IV. CONCLUSION

I&M appreciates the opportunity provided by the Commission for interested stakeholders to provide comments on the 170 IAC 4-4.3 Strawman Revisions. As stated above, I&M's main concern with the changes are unintended consequences to interpretation of 170 IAC 4-4.3 are accepted as proposed. I&M submits these comments for consideration by the Commission along with additional resources to assist with the final decision to updated 170 IAC 4-4.3.

Respectfully submitted,

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