

**STATE OF INDIANA
INDIANA UTILITY REGULATORY COMMISSION**

**IN THE RULE DEVELOPMENT
PHASE OF RM 15-06**

**INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR'S PRELIMINARY
COMMENTS ON POSSIBLE REVISIONS TO INDIANA'S CURRENT INTEGRATED
RESOURCE PLAN ("IRP") AND DEMAND SIDE MANAGEMENT ("DSM") RULES**

The Indiana Office of Utility Consumer Counselor ("OUCC") submits these preliminary comments on possible revisions to the Indiana Utility Regulatory Commission's ("Commission's") current administrative rules on integrated resource plans ("IRPs") (170 IAC 4-7) and demand side management ("DSM") programs (170 IAC 4-8).

The OUCC's proposed changes to the Commission's current DSM Rule are minimal, self-explanatory, and clearly shown in standard red-lined format. (See Attachment 1.)

The OUCC's proposed changes to the IRP Rule (Attachment 2) may be more difficult to discern, since they are superimposed on the Commission's 2012 draft IRP Rule ("2012 Strawman"), which shows changes developed during the pre-rulemaking phase of RM 11-07. The Commission's 2012 Strawman contains edits marked in the manner prescribed for Indiana rulemaking proceedings. Bold, black, non-underlined text is used to denote proposed additions, as follows: **2012 Strawman proposed additions**. Black strike-through lines are used to identify text proposed for deletion in the 2012 Strawman: ~~text deleted from Strawman proposal~~. The OUCC is recommending that the Commission consider reinserting much of the text that was marked for deletion in the 2012 Strawman. That text is shown as black, bold, underlined text, such as: **reinserted original text deleted in 2012 Strawman**. Other new changes proposed by

the OUCC appear in standard red-lined format. New additions are shown in red, bold, underlined text: **new additions**. New proposed deletions are marked with standard red-lined strike-through markings, as follows: ~~new deletions~~.

The OUCC's proposed edits to the 2012 Strawman address 2015 changes to the Indiana Code (i.e., S.E.A. 412, a/k/a P.L. 246-2015, now codified in various sections of I.C. 8-1-8.5). Other substantive changes the OUCC proposed are intended to address concerns expressed by a number of people involved in the IRP public stakeholder process. The OUCC's proposed changes should help ensure that utility IRP optimization and dispatch model results are unbiased, using scenarios and values developed through the public stakeholder process to identify the optimized least-cost resource portfolio. If applicable, utilities could also run a separate set of inputs through their optimization and dispatch models to develop and present their own preferred candidate resource portfolios. Utilities choosing to submit separate model results based on utility-specific values and assumptions would submit an additional candidate resource portfolio, explaining key differences between the stakeholder-developed optimized least-cost portfolio and any separate candidate resource portfolio developed by the utility.

The OUCC also proposes changes to the content and use of the IURC Electric Division Director's draft and final reports to improve the accuracy and independence of final IRP model results. The utilities would also be required to respond to substantive comments in the Director's reports and, if indicated, to re-run their IRP models with the recommended changes.

The OUCC understands that these comments will be considered, along with those submitted by other interested stakeholders, as the Commission develops a new strawman proposal in RM 15-06. The OUCC looks forward to reviewing other stakeholders' preliminary

recommendations, realizing that the language the Commission ultimately decides to include in its proposed rules will invite further comment from all interested stakeholders.

Respectfully submitted,

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