

ORIGINAL

Commissioner	Yes	No	Not Participating
Zay	√		
Deig	√		
Swinger			√
Veleta	√		
Ziegner	√		

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

**VERIFIED PETITION OF DUKE ENERGY)
INDIANA, LLC FOR: (1) APPROVAL OF AN)
ADJUSTMENT TO ITS ELECTRIC SERVICE)
RATES THROUGH ITS TRANSMISSION,)
DISTRIBUTION AND STORAGE SYSTEM)
IMPROVEMENT CHARGE (“TDSIC”) RATE)
SCHEDULE, TARIFF NO. 65; (2) AUTHORITY TO)
DEFER 20% OF THE APPROVED CAPITAL) **CAUSE NO. 45647 TDSIC 5**
EXPENDITURES AND TDSIC COSTS FOR)
RECOVERY IN PETITIONER’S NEXT GENERAL) **APPROVED: APR 08 2026**
RATE CASE; (3) APPROVAL OF PETITIONER’S)
UPDATED 6-YEAR ELECTRIC PLAN, PURSUANT)
TO IND. CODE § 8-1-39-9; AND (4) APPROVAL OF)
TARGETED ECONOMIC DEVELOPMENT)
PROJECTS AND RECOVERY OF COSTS)
ASSOCIATED WITH THE PROJECTS, PURSUANT)
TO IND. CODE § 8-1-39-9(b)(1).)**

ORDER OF THE COMMISSION

Presiding Officers:

David E. Veleta, Commissioner

Kristin E. Kresge, Administrative Law Judge

On October 30, 2025, Duke Energy Indiana, LLC (“DEI” or “Petitioner”) filed a Verified Petition with the Indiana Utility Regulatory Commission (“Commission”) requesting: (1) approval of an adjustment to its Transmission, Distribution, and Storage System Improvement Charge (“TDSIC”) Rate Schedule via Standard Contract Rider No. 65 (“Tariff 65” or “TDSIC Tracker”) to effectuate the timely recovery of 80% of capital expenditures and TDSIC costs in connection with Petitioner’s in-service eligible transmission, distribution, and storage system improvements, including targeted economic development (“TED”), net of amounts in base rates; (2) authority to defer, as a regulatory asset, the remaining 20% of eligible and approved capital expenditures and TDSIC cost (including TED), with carrying costs, for recovery in Petitioner’s next general rate case; (3) approval of DEI’s updated six-year plan for eligible transmission, distribution, and storage system improvements (“TDSIC 2.0 Plan”), pursuant to Ind. Code § 8-1-39-9; (4) approval of TED projects and associated cost recovery for those projects, pursuant to Ind. Code § 8-1-39-9(b)(1); (5) approval of interim deferral for future recovery through the TDSIC Tracker of 80% of eligible and approved capital expenditures and TDSIC costs in connection with the TDSIC 2.0 Plan, including TED; and (6) approval to adjust Petitioner’s authorized return for purposes of Ind. Code § 8-1-2-42(d)(3) to reflect the incremental earnings that will result from this TDSIC Tracker filing upon Commission approval. Also on October 30, 2025, DEI prefiled the direct testimony of the following witnesses:

- Jeremy K. Lewis, Director of Power Grid Operations Distribution Project Management at Duke Energy Business Services, LLC (“DEBS”);
- Martin D. Dickey, Vice President, Construction and Maintenance, Power Grid Operations at DEBS;
- Erin Schneider, Managing Director of Economic Development at DEI; and
- Cheryl L. Dunchak, Manager, Rates & Regulatory Strategy at DEI.

On December 2, 2025, Petitioner filed its Revised Verified Petition, Testimony, and Workpaper (“Revised Petition”). The Revised Petition corrected an error in the revenue requirement associated with the TED construction work in progress (“CWIP”) balances in Ms. Dunchak’s testimony. On December 30, 2025, the Commission approved the ENTEK, Nucor Corporation, Bastian Solutions, Grillo’s Pickles, Amazon, NorthPoint Business Park, Novo Nordisk, and Stevanato Group projects in the subdocket as TED projects for inclusion in DEI’s TDSIC 2.0 Plan.

On January 30, 2026, the Indiana Office of Utility Consumer Counselor (“OUCC”) prefiled the direct testimony of Kaleb G. Lantrip, Senior Utility Analyst in its Electric Division. On February 2, 2026, the OUCC filed a correction to Mr. Lantrip’s testimony to include an omitted affirmation page.

On February 18, 2026, DEI prefiled the rebuttal testimony of Mr. Lewis and Ms. Dunchak. On February 25, 2026, DEI responded to a Docket Entry issued by the Commission on February 18, 2026.

An evidentiary hearing was held in this Cause commencing at 9:30 a.m. on March 2, 2026, in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. Petitioner and the OUCC, by counsel, participated in the hearing, and the evidence of each party was admitted without objection.

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

1. Notice and Jurisdiction. Notice of the hearing was given and published by the Commission as required by law. DEI is a public utility as defined in Ind. Code §§ 8-1-2-1(a) and 8-1-39-4. Under Ind. Code §§ 8-1-39-10 and -11, the Commission has jurisdiction over Petitioner’s updated TDSIC 2.0 Plan, including TED Projects. Under Ind. Code § 8-1-39 and Ind. Code § 8-1-2-42, the Commission also has authority over certain changes to DEI’s rates and charges. Therefore, the Commission has jurisdiction over DEI and the subject matter of this proceeding.

2. Petitioner’s Characteristics. DEI is an Indiana limited liability company with its principal office located in Plainfield, Indiana. Petitioner is a wholly-owned subsidiary of Duke Energy Indiana Holdco, LLC and has corporate power and authority to supply electric utility service to the public within Indiana. DEI owns, operates, manages, and controls plant, property, and equipment for the production, transmission, distribution, and furnishing of electric service and directly supplies electric energy to approximately 900,000 customers located in 69 Indiana counties. Petitioner also sells electric energy for resale to other public utilities that, in turn, supply electric utility service to customers in areas Petitioner does not directly serve.

3. Background to this Proceeding. DEI's six-year TDSIC 2.0 plan, which consists of various projects to improve safety, reliability, or modernize Petitioner's transmission, distribution, and storage systems, was approved on June 15, 2022, in the Commission's Order in Cause No. 45647 ("45647 Order"). The relief approved in the 45647 Order included authorizing Petitioner to recover 80% of its TDSIC 2.0 Plan costs through Tracker 65 to defer 20% of eligible and approved capital expenditures and TDSIC costs with carrying costs under Ind. Code § 8-1-39-9(b), and recovery of the deferred post-in-service TDSIC 2.0 Plan costs as part of Petitioner's next general rate case. Thereafter, the Commission has issued additional Orders approving updates to the TDSIC 2.0 plan, including the inclusion of multiple TED projects, and authorizing the associated cost recovery through Petitioner's TDSIC Tracker.

4. Relief Requested. DEI requests approval of additional updates to its TDSIC 2.0 Plan for eligible transmission, distribution, and storage system improvements and cost recovery pursuant to Ind. Code § 8-1-39-9 using the rate adjustment mechanism approved in the 45647 Order. In accordance with Ind. Code § 8-1-39-9(a), Petitioner seeks an Order approving: (1) an adjustment to its TDSIC Rate Schedule via Tariff No. 65 to effectuate the timely recovery of 80% of approved capital expenditures and TDSIC costs, including TED, less amounts moved to base rates, to be effective for bills rendered after a final order in this Cause until replaced by subsequently approved factors; (2) the capital expenditures and TDSIC costs incurred for in-service TDSIC and TED projects from January 1, 2024, through June 30, 2025 ("Recovery Period"), less amounts moved to base rates, and the reconciliation of TDSIC costs for the Recovery Period, and the forecasted TDSIC costs upon which the proposed factors are based; (3) defer 20% of eligible TDSIC costs (including TED), with carrying costs, in connection with the updated TDSIC 2.0 Plan, for recovery in its next general rate case; (4) updates to the updated TDSIC 2.0 Plan filed with DEI's Verified Petition, pursuant to Ind. Code § 8-1-39-9; (5) the interim deferral and recovery of 80% of eligible and approved capital expenditures and TDSIC costs in connection with Petitioner's updated TDSIC 2.0 Plan through the TDSIC Tracker and the costs (including TED), in connection with the updated TDSIC 2.0 Plan, for recovery in Petitioner's next general rate case; and (6) an adjustment of Petitioner's authorized return for purposes of Ind. Code § 8-1-2-42(d)(3) to reflect the incremental earnings that will result from this TDSIC Tracker filing upon Commission approval.

5. Petitioner's Case-in-Chief.

A. Jeremy K. Lewis Testimony. Mr. Lewis testified that, pursuant to the Order in Cause No. 45647 TDSIC 4 ("TDSIC 4"), DEI delayed its Spring 2025 Tracker 65 rate update to Fall 2025 due to receiving a base rate case order in early 2025 in Cause No. 46038 ("46038 Order"). Therefore, this filing requests rate recovery associated with the costs tracked in Tracker 65 related to the TDSIC 2.0 projects as of June 30, 2025, and provides an update of DEI's TDSIC 2.0 Plan for the remainder of 2025 through 2028. He testified that in Spring 2026, DEI will return to its normal filing cadence as approved in the 45647 Order; however, the Spring 2026 recovery filing will only include the second half of 2025. Mr. Lewis testified that for all TDSIC 2.0 Plan projects, excluding TED, placed in-service during the Recovery Period, actual capital costs incurred for those projects were approximately 4% lower than estimated in TDSIC 4, including use of contingency and under-run. Operation and maintenance ("O&M") costs during the Recovery Period for in-service projects were 7% under what was estimated in TDSIC 4. Mr. Lewis testified that DEI's updated TDSIC 2.0 Plan, excluding TED projects, continues to reflect

the \$1,851,443,166 capital investment per the 45647 Order. He testified that after the first 30 months of the TDSIC 2.0 Plan, DEI is on track to deliver the proposed objectives at the cost approved by the Commission. The updated TDSIC 2.0 Plan includes an updated forecast for the remainder of the TDSIC 2.0 Plan. Regarding Petitioner's TED projects, this update reflects a total investment of \$659,114,045.

Mr. Lewis testified that project execution risks, such as hurricane support, loss of outage capability, loss of contractor resources, local weather events, permitting delays, material availability, and lead times, could delay in-service dates from one recovery filing to the next which DEI manages by carrying over those projects to the next recovery filing. He testified that the TDSIC projects in-service as of June 30, 2024, have been moved into base rates pursuant to the 46038 Order. Each of the projects identified in the updated TDSIC 2.0 Plan are for the purposes of safety, reliability, or system modernization. He described DEI's management structure for the TDSIC program and explained the difference between the five discrete program categories included in the updated TDSIC 2.0 Plan and the inspection or assessment-based program categories. Mr. Lewis testified that DEI is executing the TDSIC 2.0 Plan within scope, schedule, and cost. Although supply chain availability continued to impact completion of the overall TDSIC 2.0 Plan during the Recovery Period, DEI was within 4% of the Recovery Period in-service estimates.

Mr. Lewis testified that although there were some standards improvements, movement between years, and priority changes, the overall scope of the TDSIC Distribution System Circuit Improvement Projects completed during the Recovery Period did not change. He testified that the actual total investment for these projects in-service during the Recovery Period was 2% over the forecast. Factors such as outage constraints, labor costs, material availability, and global supply chain issues can drive cost variances. Mr. Lewis explained the larger variances in the Distribution System Circuit Improvement portfolio. He also testified that, during the Recovery Period, contingency and under-run were applied to two distribution projects with variances greater than 20% to bring them to within 20% as required for Class 2 estimating.

Petitioner's updated forecast shows DEI intends to complete most of the transmission and distribution scope of work identified through 2025 within \$11.2 million of the approved TDSIC 2.0 Plan, excluding contingency, which is approximately a 2% variance. Cost fluctuations associated primarily with labor and material have impacted cost estimates and scope. As the projects are developed into a better class of cost estimate, the scope of the projects becomes more defined, providing additional customer value. Mr. Lewis stated that while the exact scope and cost identified in the original TDSIC 2.0 Plan may not be achieved, the overall value to Petitioner's customers for the dollars spent is projected to be equivalent. Mr. Lewis testified that with the updated TDSIC 2.0 Plan there has been the conventional movement of projects between years and to or from the alternate list due to factors such as managing schedules impacted by material availability and lead times, planned outages, storm response, permitting delays, and standards changes. He testified these changes have been incorporated into the updated TDSIC 2.0 Plan, and Petitioner is able to deliver on its plan commitment by the end of 2028. He testified that the conventional movement of projects to or from the alternate list is typically the result of projects progressing through scope review, engineering, and execution. Overall, Mr. Lewis stated projects remain in alignment within the approved six-year plan scope. Mr. Lewis testified DEI continues to execute the TDSIC 2.0 Plan as approved and estimates a benefit to cost ratio of 2.6 after the six

years.

Mr. Lewis testified no projects or categories were added to the distribution circuit projects in the updated TDSIC 2.0 Plan. For 2025, the overall project scopes for Distribution Circuit Improvement Plan remained largely the same. Due to variables such as emerging system priorities and work plan levelization, individual work orders within the projects were pulled into the Distribution Circuit Improvement Plan in 2025. However, unit counts remain in tolerance with the six-year TDSIC 2.0 Plan scope.

Mr. Lewis provided an updated cost estimate for the distribution circuit improvement projects in the updated TDSIC 2.0 Plan. He testified no known individual factors impacted the overall financial forecast for the full six-year Distribution Circuit Improvement Plan. However, factors have impacted the 2025 financial forecast within the Distribution Circuit Improvement Plan. DEI has continued to experience supply chain material cost and lead time variability that have impacted the financial forecasts. Mr. Lewis testified that although the extent and ongoing impact has proven difficult to measure due to market condition variables, the updated TDSIC 2.0 Plan reflects known material cost increases. The updated TDSIC 2.0 Plan also reflects the standard 3% escalation for anticipated labor rate adjustments.

In describing factors that have driven Distribution Circuit Improvement Plan variances for 2025, Mr. Lewis testified that the TDSIC 2.0 Plan forecasted the Distribution Circuit Improvement Plan in 2025 to be \$137.9 million, and DEI is currently projecting this to be \$125.7 million, which is a \$12.2 million decrease. He explained that a decrease of \$24.2 million was a result of the period restatement for 2025. This was offset by a \$12 million increase as a result of pulling work forward from outer years to accelerate execution and levelize the six-year plan. He testified the overall scope and intent of the Distribution Circuit Improvement Plan has not changed.

Mr. Lewis testified that Petitioner's methodology for recoverable O&M expenditures in the TDSIC 2.0 Plan has not changed. Compared to the TDSIC 2.0 Plan, Petitioner's forecasted six-year O&M cost in the updated TDSIC 2.0 Plan has increased from \$12.6 million to \$14.8 million. He testified that as the TDSIC 2.0 Plan progresses, O&M will continue to move due to the progressive elaboration of project estimates.

Mr. Lewis testified that transmission and distribution combined forecasted six-year total indirect projections have decreased 8%, while distribution indirect costs for TDSIC projects show a 6% decrease in overall six-year projections.

Mr. Lewis testified that Petitioner provided a comprehensive list of each project in the updated Distribution Circuit Improvement Plan and a detailed forecast update for the 2025 distribution circuit projects that includes an update for the remainder of 2025 and for the remaining three years of the updated TDSIC 2.0 Plan. He testified that Petitioner is 99% engineered for 2026, and 80% of the 2027 estimates now reflect Class 2 estimates with the final year of the updated TDSIC 2.0 Plan at Class 4. He opined the public convenience and necessity require the distribution circuit improvements included in Petitioner's updated TDSIC 2.0 Plan, and he testified the estimated costs and benefits are consistent with the approved plan and justified by the incremental benefits attributable to the plan.

B. Martin D. Dickey Testimony. Mr. Dickey testified that the transmission substation, distribution substation, and transmission line portions of the TDSIC 2.0 Plan are being executed within the scope and schedule identified in Cause No. 45647. Individual project schedules continue to be adjusted based upon material lead times and changes in scheduled outages. Mr. Dickey testified that for the transmission managed work scope DEI placed 118 projects in-service during the Recovery Period with actual capital costs incurred for those projects of \$126.9 million, which is approximately 10% lower than the estimated \$141 million in TDSIC 4, prior to the application of contingency. He testified that 24 of these projects were placed in-service during the second quarter of 2025. Expected additional charges received for these projects after June 30, 2025 will be requested for recovery in the next TDSIC 2.0 rate recovery filing. Mr. Dickey testified that nine transmission managed projects did not go into service as planned in 2024, however, eight of the nine were in-service by June 30, 2025. He testified that there were no notable changes related to project scope and cost during the Recovery Period. No transmission projects from the alternate list were moved into the TDSIC 2.0 Plan during the Recovery Period.

Mr. Dickey provided in-service costs for the transmission managed projects placed into service by June 30, 2025. One project required application of contingency to bring the variance to 20% more than the estimated cost. He testified that 36 projects came in under their estimates in either capital or O&M. He provided a summary of each project with variance explanations. He testified that, during the Recovery Period, DEI's actual O&M expenses for transmission managed projects were \$3.2 million, which was 28% less than the \$4.5 million estimate. He testified the estimated costs and benefits are consistent with the approved plan and justified by the incremental benefits attributable to the plan.

Mr. Dickey testified that Petitioner projects \$946.9 million in transmission capital additions in the six-year updated TDSIC 2.0 Plan, which is within 0.5% of the approved cost estimate in Cause No. 45647. Petitioner forecasted that for Q3 and Q4 of 2025, \$151.2 million in Transmission Substation, Distribution Substation, and Transmission Line capital projects will be placed in service.

Mr. Dickey testified Petitioner has continued to refine project scopes and costs. For the remaining 2025 projects, engineering is complete, outage schedules are defined, material has been delivered or is on order with projected delivery dates, and labor estimates from internal or contract crews are finalized for all but 42 of the 196 projects. As adjustments were made to ensure alignment with the work outlined in Cause No. 45647, the schedules from 2026 through 2028 were updated. As projects push to 2026 and beyond, due to material lead time and cost of materials, Petitioner will manage available outages causing construction schedules to adjust as Petitioner works through material, supply chain, and outage constraints. He testified that the estimates of these project costs range from Class 3 to Class 4 until further refined through the development, engineering, and workplan process.

Mr. Dickey reviewed the notable changes in project scope and cost in the Transmission Line Programs. He testified that Petitioner's inspection program for wood poles reflects the overall program failure rate of 7.5% as reported in the last TDSIC 2.0 Plan update. DEI inspected 62,087 poles over the first three years of inspections with a running failure rate of replacement of 7.37%. He noted that the 2025 inspection failure rate of replacement was lower compared to previous years due to the increased number of 138kV and higher circuits inspected. Based upon the 2026

planned inspection program, DEI is expecting the yearly failure rate to increase to or slightly above 7.5%, as the 138kV and higher circuits represent 25% of the inspection plan. Petitioner will continue to review and update the rate of replacement in future filings. Mr. Dickey testified that in the updated TDSIC 2.0 Plan, Petitioner is targeting to replace a total of 4,343 wood poles through the six-year TDSIC 2.0 Plan, which is an increase of 1,020 poles from the last TDSIC 2.0 Plan update. He stated this increase reflects efficiencies in planning pole replacements and lower contractor costs.

Mr. Dickey described the notable changes in project scope and cost for a group of projects supporting the Attica area of operations and within the pole replacement program. As discussed in Mr. Dickey's testimony in TDSIC 4, the Attica area outage constraint issue was to be resolved by installing a Static Synchronous Compensator ("STATCOM") at the Attica Harrison Steel substation. However, after further engineering, it was determined that the harmonic distortion was so significant that the STATCOM, by itself, would not be able to reduce the flicker to the Institute of Electrical and Electronics Engineers recommended values that were specified. This resulted in pushing one of the Attica projects from a 2028 project to the alternate list. Mr. Dickey testified that DEI hired the Electric Power Research Institute to develop a comprehensive solution to the Attica area of operations that will mitigate both the flicker and harmonic distortion. After identifying the required equipment necessary to mitigate the power quality concerns, DEI will estimate the material and labor costs needed to execute the project in future TDSIC testimony. Mr. Dickey testified that the scope change to the transmission pole replacement program aligns with the distribution pole replacement and reinforcement program approved in Cause No. 44720 TDSIC 3 by updating the capability of reinforcements, or C-Truss, as an option within the program.

Mr. Dickey testified that over the past five years, DEI continued to see historic changes in material lead times and supplier delays resulting in increased project costs and delayed construction and outage schedules. Projects could be delayed three or four years to accommodate extended material lead times. He testified that the flow of raw materials has delayed equipment deliveries from Petitioner's suppliers, which also affects commodities such as steel transmission poles and substation steel structures. He testified that inflation, increasing demand, and a nationwide spike in infrastructure improvements have impacted project costs, but changes in transmission timing, scope, and cost are reflected in the updated TDSIC 2.0 Plan. He testified Petitioner uses scale and experience to excel at cost saving measures; however, these measures have been limited by the current record demand environment. To mitigate costs associated with the rapidly changing material lead times, Mr. Dickey testified that Petitioner continues to collaborate across multiple departments by utilizing analytic tools and processes to mitigate costs, while ensuring timely material delivery. He testified that transmission and substation supplier contracts underwent an extensive review and negotiation process in 2024, and DEI incorporated a second-tier portal event to encourage pricing competition amongst suppliers. He testified that the updated TDSIC 2.0 Plan continues to be justified by the incremental benefits and remains on target with the costs approved in Cause No. 45647.

Mr. Dickey testified that DEI adjusted the transmission pole replacement program to include pole reinforcements, which aligns with the distribution pole and reinforcement program, but is not requesting additional spend for the program. He testified that this allows DEI to touch more poles in the inventory, thus improving reliability, while spending no additional dollars. In the next TDSIC 2.0 Plan update, DEI will share the scope and cost estimates for projects executing

C-Truss reinforcements with the pole reinforcement and replacement program. He testified that six transmission improvement projects were moved into the updated TDSIC 2.0 Plan from the alternate list and ten improvement projects were moved out of the TDSIC 2.0 Plan to the alternate list or cancelled all together due to: (i) the inability to complete related to the STATCOM issue; (ii) material, resources, and outage constraints; and (iii) extensive scope changes. Due to material delays, real estate negotiations, lost outages, emergent work requirements or access issues, ten transmission improvement projects were moved from 2025 to later years. Twenty-five transmission improvement projects were moved into 2025 from future years due to availability of materials, outages, construction crews, or scope elaboration.

Mr. Dickey stated Petitioner is continually improving estimates and processes and forecasts the updated TDSIC 2.0 Plan staying under the capital cost approved in Cause No. 45647. He testified there have been no significant changes impacting Petitioner's O&M estimates over the six years. He testified Petitioner has provided the best estimate of the costs of the eligible transmission improvements, public convenience and necessity require each component of the updated TDSIC 2.0 Plan, and the estimated costs justify the incremental benefits of the updated TDSIC 2.0 Plan.

C. Erin Schneider Testimony. Ms. Schneider testified that the proposed TED Projects will expand various manufacturing and logistics industries in Indiana and attract similar companies to collaborate and grow together, aligning directly with the Indiana Economic Development Corporation's goal and mission to grow an economy of the future and aggressively pursue opportunities at a state and local level for Hoosier jobs. She testified the proposed TED Projects will also allow Petitioner to work with local and regional partners to achieve their economic goals and grow stronger, more resilient communities. Ms. Schnieder testified the new jobs created by the proposed TED Projects will positively impact the local communities, and the capital investment will increase the tax base and overall economy within that region and Indiana.

1. ENTEK. Ms. Schneider testified that ENTEK is building a \$1.5 billion manufacturing facility in Terre Haute that will produce lithium-ion battery components for electric vehicles, energy storage, and data centers. To support the new facility, Ms. Schneider testified that DEI will install a new 138kV switching station with two positions allocated to customer feeds, and new 138kV East and West transmission lines to the new switching station. She testified ENTEK will generate approximately 640 high-wage jobs.

Ms. Schneider testified Petitioner's estimated cost for the ENTEK Project is \$71.3 million. Ms. Schneider testified that Petitioner's estimated costs associated with the ENTEK Project are justified by the incremental benefits, including the creation of jobs, capital investments, and increased tax base.

2. Nucor Corporation. Ms. Schneider testified that Nucor Corporation is investing approximately \$115 million to modernize its existing Nucor Steel sheet mill in Crawfordsville and to construct a new facility. To support the new production facility, Ms. Schneider testified that DEI will upgrade to a 22.4 MVA bank. She testified Nucor Corporation will create up to 200 additional jobs. Ms. Schneider testified Petitioner's estimated cost for the Nucor Corporation Project is \$3.7 million. Ms. Schneider testified that Petitioner's estimated costs

associated with the Nucor Corporation Project are justified by the incremental benefits, including the creation of jobs, capital investments, and increased tax base.

3. Bastian Solutions. Ms. Schneider testified that Bastian Solutions is building a \$164 million corporate headquarters and manufacturing facility in Noblesville. To support the 164-acre campus, Ms. Schneider testified that DEI will construct a new Noblesville Howe Road substation and extend a distribution line to the customer. She testified Bastian Solutions will create approximately 255 new jobs, in addition to the approximate 400 retained and relocated jobs to the new campus.

Ms. Schneider testified Petitioner's estimated cost for the Bastian Solutions Project is \$16.9 million. She stated the upgrades required for the Bastian Solutions Project will also provide additional capacity to support future customer growth in the Noblesville area. Ms. Schneider testified that Petitioner's estimated costs associated with the Bastian Solutions Project are justified by the incremental benefits, including the creation of jobs, capital investments, and increased tax base.

4. Grillo's Pickles. Ms. Schneider testified that Grillo's Pickles is constructing a new \$54 million manufacturing facility in Taylorsville to meet the growing national demand for its products. To support the new food manufacturing facility, Ms. Schneider testified that DEI will add a circuit breaker to an existing bank at Edinburgh and extend a distribution line to a location where load will be transferred to free up capacity to serve the customer. She testified that Grillo's Pickles will create approximately 150 new jobs.

Ms. Schneider testified Petitioner's estimated cost for the Grillo's Pickles Project is \$3.3 million. She testified that Petitioner's estimated costs associated with the Grillo's Pickles Project are justified by the incremental benefits, including the creation of jobs, capital investments, and increased tax base.

5. Amazon. Ms. Schneider testified that Amazon purchased a 600,000 square foot building in Greenfield to serve as a fulfillment and distribution center. To support the new facility, DEI will upgrade a bank to a 33.6 MVA bank, add two circuit breakers, and extend a distribution line to the customer. She testified that Amazon will invest \$80 million in the new facility and create approximately 800 jobs.

Ms. Schneider testified Petitioner's estimated cost for the Amazon Project is \$11.4 million. She testified there are available industrial sites in the area for future economic development and the upgrades required for the Amazon Project will also provide additional distribution capacity to support future customer growth in the Greenfield area. Ms. Schneider testified Petitioner's estimated costs associated with the Amazon Project are justified by the incremental benefits, including the creation of jobs, capital investment, and increased tax base.

6. NorthPoint Business Park. Ms. Schneider testified that the NorthPoint Business Park in Westfield spans over 300 acres and can accommodate over 2.5 million square feet of buildings for advanced manufacturing, logistics, and offices. It is the current home to Abbott Laboratories and Gordon Food Services. She testified there is also additional

development adjacent to the existing NorthPoint Business Park in NorthPoint II, which is equipped to accommodate a mega-site project, advanced manufacturing operations, and corporate campuses. Ms. Schneider estimated that the NorthPoint Business Park Project has already created more than 800 jobs and nearly \$200 million in capital investment, with the potential for hundreds more jobs and millions more in investment given the 250 acres still available. She testified that the associated wages from these jobs will positively impact the region.

Ms. Schneider testified that DEI is proposing to invest \$9.7 million to extend service to the NorthPoint Business Park Project, which consists of DEI installing an additional bank at the Westfield Dunbar substation, including a 33.6 MVA transformer, and extending distribution lines to provide additional capacity for future customer growth. She testified that proactively building the transmission infrastructure will increase the capacity at NorthPoint Business Park, which will in turn decrease the time to meet new customers' schedules and attract new jobs and new capital investment to the region.

Ms. Schneider testified that Petitioner's estimated costs associated with the NorthPoint Business Park Project are justified by the incremental benefits, including the creation of jobs, capital investment, and increased tax base.

7. Novo Nordisk. Ms. Schneider testified that in late 2024, Novo Nordisk acquired three Catalent Pharma Solutions facilities for \$11 billion, including Catalent's Bloomington location, which is expanding to boost manufacturing capacity and increase production of diabetes and weight loss drugs. To support the Novo Nordisk Project, DEI will upgrade the transformer at Bloomington Strong Road to a 22.4 MVA transformer, add a second circuit breaker, and extend distribution to the customer. She testified that Novo Nordisk will retain 2,400 jobs at the Bloomington facility.

Ms. Schneider testified Petitioner's estimated cost for the Novo Nordisk Project is \$4.7 million. The upgrades required for the Novo Nordisk Project will also provide additional distribution capacity to support future customer growth in the Bloomington area. Ms. Schneider testified that Petitioner's estimated costs associated with the Novo Nordisk Project are justified by the incremental benefits, including the creation of jobs and capital investment.

8. Stevanato Group. Ms. Schneider testified that Stevanato Group is constructing a new \$145 million facility in Fishers. To support the new facility, Ms. Schneider testified that DEI will construct a new Fishers East Substation and extend a distribution line to the customer. She testified that Stevanato Group will generate approximately 230 jobs.

Ms. Schneider testified that Petitioner's estimated cost for the Stevanato Group Project is approximately \$14.3 million. She stated the upgrades required for the Stevanato Group Project will also provide additional capacity to support future customer growth in the Fishers area. Ms. Schneider testified Petitioner's estimated costs associated with the Stevanato Group Project are justified by the incremental benefits, including the creation of jobs and capital investment.

9. Previously Approved TED Projects. Ms. Schneider provided updates on Petitioner’s previously approved TED projects, including updated scope and cost estimates for the River Ridge Commerce Center and Malarkey Roofing projects.

She testified concerning River Ridge that following study results of the load flow models by the Midcontinent Independent System Operator (“MISO”), additional work including upgrades to the existing 345 kV system are needed. The cost for this additional work will increase the total cost of the project from \$112.7 million to \$215.6 million. The updated costs are included in the TDSIC 2.0 Plan. The Commission through a Docket Entry sought further description from Petitioner on the study process referred to, including how solutions are identified and endorsed by MISO. Petitioner responded the MISO Transmission Expansion Plan (“MTEP”) process at MISO considers needs and solutions through a stakeholder process and if approved, they are incorporated into the annual MISO MTEP Report.

She testified that the inclusion of distribution line work increases the cost estimate for Malarkey Roofing from \$7.2 million to \$10.3 million. The updated costs are included in the TDSIC 2.0 Plan.

Ms. Schieder testified that both these projects continue to be required for the public’s convenience and necessity.

D. Cheryl L. Dunchak Testimony. Ms. Dunchak testified that, due to the 46038 Order being issued in early 2025, Petitioner delayed its Spring 2025 Tariff 65 rate update filing. She stated that Petitioner’s last Tariff 65 rate update filing, approved in Cause No. 45647 TDSIC 3, included TDSIC 2.0 Plan projects as of December 31, 2023. She testified that this filing requests rate recovery associated with the costs tracked in the TDSIC Tracker related to the TDSIC 2.0 Plan in-service projects for the Recovery Period, along with a final reconciliation for the TDSIC 1.0 Plan approved in Cause No. 44720. It also includes a plan update for the remainder of 2025 through 2028. She testified that DEI will return to its normal cadence approved in the 45647 Order in the Spring of 2026; however, that recovery filing will only include the remaining second half of 2025.

Ms. Dunchak testified that Petitioner used the ratemaking treatment approved in the 45647 Order, including TED projects, in developing the proposed TDSIC factors. The Final Order in Cause No. 45647 TDSIC 2 authorized CWIP ratemaking for approved TED projects incurred at the end of each cut-off period. She testified the TED projects’ CWIP value is added to the other TDSIC in-service investments for which Petitioner is authorized to earn a return, and retail electric rates are adjusted via Tariff 65 to include the revenue effect of such investments.

Ms. Dunchak testified the following costs were included in developing the TDSIC factors: 80% of the retail jurisdictional costs of (1) Petitioner’s capital investment in TDSIC 2.0 Plan projects that were in-service as of June 30, 2025 (the “Cutoff Date”), which will be recovered via depreciation, less amounts moved to base rates; (2) the return on the TED CWIP balance as of the Cutoff Date; (3) the depreciation incurred for the in-service projects during January 1, 2024 through February 28, 2025, less amounts already included in the development of prior TDSIC rates; (4) O&M expenses, including fringe benefits and payroll taxes, incurred through the Cutoff Date for the in-service TDSIC 2.0 Plan projects, less amounts already included in developing prior

TDSIC rates; (5) property tax expense incurred during the Recovery Period based on ending investment balances from December 31, 2023 and 2024, less amounts already included in developing prior TDSIC rates; (6) the forecasted depreciation for the July 2025 through December 2025 period related to projects that were in-service as of the Cutoff Date and forecasted property tax expenses for July 2025 through December 2025 related to the TDSIC 2.0 Plan projects in service; (7) forecasted O&M expense for July through December 2025; (8) post-in-service carrying costs accrued for the in-service projects during the Recovery Period; (9) the amortization of TDSIC 2.0 Plan development costs; (10) a reconciliation of amounts billed to customers during the Recovery Period based on forecasts included in the Step 1 Compliance Filing under Cause No. 46038 and Cause No. 45647 TDSIC 3 to actual costs authorized for collection during the 18 month period; and (11) a final reconciliation for the TDSIC 1.0 Plan (filed under Cause No. 44720) that compares total billed to customers over the TDSIC 1.0 Plan years to actual costs. She testified that since costs related to wholesale customers did not receive an allocation for transmission and distribution costs in the 46038 Order, the retail costs reflect 100% allocation to retail in the rate development schedules. Ms. Dunchak testified projects owned by DEI's joint owners were removed from the costs for rate development.

Ms. Dunchak provided tariff sheets in Attachment 4-A (CLD) to Petitioner's Exhibit No. 4, reflecting the proposed TDSIC factors to be billed upon Commission approval. She provided schedules, in Attachments 4-B (CLD), 4-E (CLD) and 4-G (CLD) to Petitioner's Exhibit No. 4, supporting the proposed TDSIC factors. Ms. Dunchak testified that the total capital investment balance, as of the Cutoff Date for both the TDSIC 2.0 Plan and TED, is zero. She testified that the Step 1 Compliance Filing under Cause No. 46038 transferred the TDSIC investment as of June 30, 2024, to base rates. The remaining investment balance in the Recovery Period will move to base rates via the Step 2 Compliance Filing, planned for Q1 2026 which has an earlier effective date than the May 2026 projected effective date for this filing. Ms. Dunchak provided the accumulated depreciation amounts as of the Cutoff Date, less amounts moved to base rates, and actual depreciation expense incurred for the TDSIC projects during the Recovery Period that went in service prior to the transfer to base rates, as well as the forecasted depreciation expense for July 2025 through December 2025, net of depreciation credits for retirements. She testified the forecasted depreciation was set at zero due to all of the asset base as of the Cutoff Date being transferred to base rates. Forecasting of depreciation expense will resume in future rate recovery filings. Ms. Dunchak provided the actual project-related O&M expense incurred during the Recovery Period for in-service projects and the forecasted O&M expense for July 2025 through December 2025. She also provided the property tax expense incurred during the Recovery Period and forecasted property tax, based on the Recovery Period in-service investments, to be incurred during the July 2025 through December 2025 period. Similar to depreciation expense, forecasted property tax expense has been set to zero due to the asset base as of the Cutoff Date being transferred to base rates. She testified that the forecasting of property tax expense will resume in future rate recovery filings. Ms. Dunchak provided schedules supporting the final amounts for the TDSIC 1.0 Plan. Ms. Dunchak described the determination of the revenue conversion factors.

Ms. Dunchak testified that upon approval of the proposed factors, the monthly bill for a typical residential customer using 1,000 kilowatt hours ("kWhs") per month will decrease by \$1.33 or approximately 0.86% from the most recently approved factor.

Ms. Dunchak testified that her Attachments 4-D (CLD) and 4-F (CLD) to Petitioner's Exhibit No. 4 show the total 20% deferral amounts from this TDSIC filing for the TDSIC 2.0 Plan and TED in-service projects through the Cutoff Date, which have been transferred to base rates via the 46038 Order.

Ms. Dunchak stated that, based on the updated TDSIC 2.0 Plan costs, estimated post-in-service carrying costs, and estimated depreciation expense, and subject to the statutory 2% revenue cap, the average annual total rate impact compared to retail revenue for the 12 months ending June 30, 2025, is estimated to be 1.06% or less over the six-year plan period. When factoring in the approved and proposed TED projects, the average annual total retail rate impact is estimated to be 1.43% or less over the six-year plan period. Ms. Dunchak noted the rate impact will vary based on a number of variables, including the following: (1) the actual allowance for funds used during construction ("AFUDC") and the actual AFUDC rates applied to the approved projects; (2) the actual capital structure, cost of capital rates, and revenue conversion factors in effect for the Tariff 65 filings; (3) the timing of the updated TDSIC 2.0 Plan projects, cash flows, and approvals under the TDSIC Tracker; (4) the final costs of the updated TDSIC 2.0 Plan; and (5) the actual depreciation lives of the investments. Ms. Dunchak testified when taking the anticipated growth associated with the proposed TED Projects into account, remaining retail customers are expected to benefit from lower rates realized through spreading Petitioner's fixed costs over the increased load from the TED projects.

6. OUCC's Direct Evidence. Mr. Lantrip confirmed DEI's calculation of proposed billed factors. He testified that no new project categories were proposed by DEI and the TDSIC 2.0 Plan continues to be executed within the framework approved by the Commission. He testified that the updated TDSIC 2.0 Plan, including TED projects, has increased approximately \$145 million compared to the original plan approved in the 45647 Order. Excluding TED projects, he testified that the updated TDSIC 2.0 Plan has decreased by approximately \$33 million compared to the last update in TDSIC 4. He testified that the OUCC does not dispute the recovery of project costs included in this filing, nor does it challenge the estimating methodologies, use of contingency, or execution flexibility previously approved by the Commission. While the OUCC does not oppose the inspection-based projects included in the updated TDSIC 2.0 Plan, Mr. Lantrip recommended the Commission reiterate its expectation that work performed under inspection-based TDSIC projects remains directly related to the execution of the approved TDSIC 2.0 Plan to ensure consistency with the intent of the approved Plan. Mr. Lantrip recommended approval of Petitioner's updated TDSIC 2.0 Plan.

7. DEI's Rebuttal Evidence. Mr. Lewis disputed Mr. Lantrip's variance calculations between the updated TDSIC 2.0 Plan expenditures and the previous plan update in TDSIC 4. He testified that the increase in the updated total TDSIC 2.0 Plan expenditures from the TDSIC 4 plan update, including TED projects, is \$179.7 million, and that there was no change in expenditures when excluding TED (which remains at \$1.85 billion).

Ms. Dunchak testified that the cut-off date of DEI's Step 2 Compliance filing in Cause No. 46038 is December 31, 2025, with an expected effective date prior to the rates for which approval is sought in this filing. Therefore, the projects in-service as of the updated TDSIC 2.0 Plan's Cutoff Date will be included in base rates and are not factored into the rates in this filing. Ms. Dunchak also testified that there is no bill credit associated with the \$9.4 million TDSIC 1.0 Plan

overcollection. She explained that the revenues over collected have been allocated to the TDSIC 2.0 Plan and are included in the revenues used in its reconciliation, which ultimately produces a larger overcollection associated with the TDSIC 2.0 Plan that reduces the overall revenue requirement used in the TDSIC 2.0 factor development.

8. Commission Discussion and Findings. DEI submitted its Revised Petition and supporting testimony to demonstrate compliance with the requirements of Ind. Code § 8-1-39-9 and the Final Orders in Cause Nos. 45647, 44720, and 46038.

A. Past and Future Rate Case Timing and TDSIC Timing. Ind. Code § 8-1-39-9(d) states that “[e]xcept as provided in section 15 of this chapter, a public utility may not file a petition under subsection (a) within nine (9) months after the date on which the commission issues an order changing the public utility’s basic rates and charges with respect to the same type of utility service.” DEI’s most recent retail electric base rate order changing basic rates and charges was issued on January 29, 2025, in Cause No. 46038. DEI filed its petition in this Cause on October 30, 2025. The Commission, therefore, finds that DEI’s petition in this Cause was filed more than nine months after the date on which the Commission issued an order in Petitioner’s last general rate case in accordance with Ind. Code § 8-1-39-9(d).

Ind. Code § 8-1-39-9(f) states that “[a] public utility may file a petition under this section not more than one time every six months.” The petition in this Cause was filed more than six months after Petitioner’s last TDSIC rate recovery case initiated in Cause No. 45647 TDSIC 3 on April 29, 2024. Mr. Lewis testified Petitioner will continue to submit Tariff 65 rate update filings in the spring of each year until the remaining TDSIC 2.0 Plan projects are included in base rates. The Commission finds Petitioner’s Cause No. 45647 TDSIC 5 filing is consistent with Ind. Code § 8-1-39-9(f).

B. Petitioner’s Updated TDSIC 2.0 Plan. As described in the testimony and exhibits of Messrs. Lewis and Dickey and incorporated into DEI’s petition by reference, Petitioner provided an updated TDSIC 2.0 Plan. This testimony confirmed that in the updated TDSIC 2.0 Plan, no projects were added to the approved TDSIC 2.0 Plan, and project moves between years were consistent with the approved TDSIC Settlement. No party contended that Petitioner’s updated TDSIC 2.0 Plan does not meet the requirements of Ind. Code § 8-1-39-9, and Mr. Lantrip testified that the OUCC recommended the Commission approve DEI’s updated TDSIC 2.0 Plan. The Commission finds the updated TDSIC 2.0 Plan is reasonable, meets the requirements of Ind. Code § 8-1-39-9, and should be approved.

C. Capital Expenditures and TDSIC Costs. Attachments 4-B (CLD) and 4-E (CLD), as revised, to Petitioner’s Exhibit No. 4 show Petitioner’s total capital investment for its TDSIC 2.0 and TED projects placed into service through June 30, 2025, were \$430,166,937 and \$67,459,104, respectively. Revised Attachment 4-E (CLD) to Petitioner’s Exhibit No. 4 also shows Petitioner’s capital investment for TED CWIP was \$77,276,360. Attachment 4-G (CLD) to Petitioner’s Exhibit No. 4 shows Petitioner’s total capital investment for its TDSIC 1.0 projects placed into service through June 30, 2025, was \$1,404,630,519, which was under the cumulative TDSIC 1.0 capital cost cap of \$1,408,300,000 as agreed in the TDSIC Settlement and approved in the 44720 Order. DEI witnesses Lewis and Dickey explained why the project variances were

reasonable and justified. OUCC witness Lantrip raised no concerns with Petitioner's 2023 spending for transmission and distribution projects.

Based upon the evidence presented, the Commission finds \$77,276,360, which equates to 80% of the approved TDSIC costs, is the DEI investment eligible for TDSIC Tracker recovery after considering in-service investment transferred to bases rate under Cause Nos. 46038 and 45253.

D. TDSIC Factors. Revised Attachment 4-A (CLD) to Petitioner's Exhibit No. 4 provided the TDSIC factors by rate code based on the calculated revenue requirements, including reconciliations of prior TDSIC factors. Petitioner's Revised Attachment 4-B (page 11), Revised 4-E (page 9), and 4-G (page 11) to Petitioner's Exhibit No. 4 shows these factors were designed to collect \$19,311,765 (including TED) from retail customers over the next 6 months. Mr. Lantrip testified the proposed TDSIC factor calculations appear to comport with the ratemaking and accounting treatment the Commission authorized in Cause Nos. 45647, TDSIC 4, and 44720 Orders.

The Commission finds that, based on the evidence, the TDSIC factors proposed in Petitioner's Revised Attachment 4-A to Petitioner's Exhibit No. 4 were correctly calculated and should be approved.

E. Deferred Costs. DEI requests authority for interim deferral for future recovery through the TDSIC Tracker of 80% of eligible and approved capital expenditures and TDSIC costs in connection with the TDSIC 2.0 Plan. DEI requests authority to defer recovery of the remaining 20% of eligible TDSIC costs associated with the approved capital expenditures that were not included in the 46038 Order and, thus, applicable to this proceeding, with carrying costs, to Petitioner's next base rate case.

The Commission finds DEI's proposed accounting and ratemaking treatment for these costs is approved. Consistent with the Commission's Order in Cause No. 44720 TDSIC 1, Petitioner shall continue to include in its TDSIC filings a separate schedule providing its calculation of the 20% deferred costs DEI intends to recover in its next base rate case as a result of each TDSIC tracker filing, as well as a running total of 20% deferred costs DEI intends to recover in this rate case.

F. Adjustment of Return Earned. As provided under Ind. Code § 8-1-39-13(b), DEI requests the Commission increase the authorized net operating income approved in the 46038 Order, and modified by subsequent Commission orders, to include the earnings associated with the TDSIC projects for purposes of the Ind. Code § 8-1-2-42(d)(3) earnings test. Based on the Commission's review of Ind. Code § 8-1-39-9 and the evidence in this Cause, the Commission finds DEI's requested adjustment of its return to reflect the incremental earnings of the TDSIC Tracker is reasonable and should be approved.

G. Effect on DEI's Customers. Revised Attachment 4-C (CLD) to Petitioner's Exhibit No. 4 shows the impact of the proposed TDSIC factors on the monthly bill of a residential customer using 1,000 kWhs. Upon approval, this bill will decrease by \$1.33 or

approximately 0.86% from the last approved factor, exclusive of state sales taxes. Mr. Lantrip stated he verified these calculations. For total retail, the average decrease subject to the 2% retail revenue cap in revenue requirements is (0.65)%, relative to revenue for the 18 months ended June 30, 2025.

9. Confidential Information. On October 30, 2025, Petitioner filed a motion for protection of confidential and proprietary information with supporting affidavits asserting that certain information to be submitted to the Commission was trade secrets information as defined in Ind. Code § 24-2-3-2 and should be treated as confidential in accordance with Ind. Code §§ 5-14-3-4 and 8-1-2-29. On November 12, 2025, the Presiding Officers issued a docket entry determining the information should be held confidential on a preliminary bases, after which the information was submitted under seal. After review of the information and consideration of the affidavits, we find the information is trade secret information as defined in Ind. Code § 24-2-3-2, is exempt from public access and disclosure pursuant to Ind. Code §§ 5-14-3-4 and 8-1-2-29, and shall be held confidential and protected from public access and disclosure by the Commission.

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

1. Petitioner's proposed adjustment to its TDSIC Rate Schedule via Tariff No. 65, to be applicable for bills beginning with the first billing cycle following approval of this Order, is approved.

2. Petitioner is authorized to recover 80% of the eligible TDSIC costs in the amount of \$19,311,765 incurred in connection with DEI's eligible transmission, distribution, and storage system improvements as presented in revised Attachment 4-B (CLD), revised Attachment 4-E (CLD), and Attachment 4-G (CLD) to Petitioner's Exhibit No. 4.

3. Petitioner's updated TDSIC 2.0 Plan is approved and the approved projects are designated as eligible transmission, distribution, and storage system improvements under Ind. Code §§ 8-1-39-9 and-2.

4. Petitioner is authorized to defer, as a regulatory asset, 20% of eligible and approved TDSIC costs and record ongoing carrying charges based on the current overall weighted cost of capital on all deferred TDSIC costs until such costs are included for recovery in Petitioner's next general rate case.

5. Petitioner is authorized to defer on an interim basis and recover 80% of eligible and approved capital expenditures and TDSIC costs in connection with the updated TDSIC 2.0 Plan through Tariff No. 65.

6. Petitioner shall continue including in its TDSIC filings a separate schedule that provides the 20% deferred amounts from each of DEI's TDSIC tracker filings that DEI intends to recover in its next base rate case, as well as a running total of the cumulative 20% amount deferred for future recovery in DEI's next base rate case.

7. Petitioner is authorized to adjust its authorized return to reflect approved earnings

associated with the TDSIC for purposes of Ind. Code § 8-1-2-42(d)(3), pursuant to Ind. Code § 8-1-39-13(b).

8. Prior to implementing the authorized rates, Petitioner shall file Tariff 65 under this Cause for approval by the Commission's Energy Division. Such rates shall be effective for the first billing cycle on or after the Order date subject to the Energy Division's review and agreement with the amounts reflected.

9. The confidential information filed in this Cause is trade secrets as defined by Ind. Code § 24-2-3-2 and exempt from public access and disclosure pursuant to Ind. Code §§ 5-14-3-4 and 8-1-2-29.

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

ZAY, DEIG, VELETA, AND ZIEGNER CONCUR; SWINGER NOT PARTICPATING:

APPROVED: APR 08 2026

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

**Dana Kosco
Secretary of the Commission**