

**ORIGINAL**

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

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**VERIFIED PETITION OF SOUTHERN INDIANA )  
 GAS AND ELECTRIC COMPANY D/B/A )  
 CENTERPOINT ENERGY INDIANA SOUTH )  
 FOR: (1) APPROVAL OF AN ADJUSTMENT TO )  
 ITS ELECTRIC SERVICE RATES THROUGH ITS )  
 TRANSMISSION, DISTRIBUTION, AND )  
 STORAGE SYSTEM IMPROVEMENT CHARGE )  
 (“TDSIC”) RATE SCHEDULE; (2) APPROVAL OF )  
 CAPITAL EXPENDITURES AND TDSIC COSTS; )  
 (3) AUTHORITY TO DEFER 20% OF THE )  
 APPROVED CAPITAL EXPENDITURES AND )  
 TDSIC COSTS FOR RECOVERY IN )  
 PETITIONER’S NEXT GENERAL RATE CASE; )  
 (4) APPROVAL OF PETITIONER’S UPDATED 5- )  
 YEAR ELECTRIC PLAN, ALL PURSUANT TO )  
 IND. CODE § 8-1-39-9; (5) AUTHORIZATION TO )  
 DEFER AND RECOVER ON AN INTERIM BASIS )  
 80% OF ELIGIBLE AND APPROVED CAPITAL )  
 EXPENDITURES AND TDSIC COSTS WITH THE )  
 UPDATED TDSIC 1 PLAN AND TO DEFER 20% )  
 OF THE ELIGIBLE AND APPROVED CAPITAL )  
 EXPENDITURES AND TDSIC COSTS FOR )  
 RECOVERY IN CEI SOUTH’S NEXT RATE )  
 CASE; (6) AUTHORIZATION TO RECOVER THE )  
 REMAINING UNRECOVERED VARIANCE )  
 FROM 44910 TDSIC 14; AND (7) APPROVAL OF )  
 AN ADJUSTMENT TO CEI SOUTH’S )  
 AUTHORIZED NET OPERATING INCOME. )**

**CAUSE NO. 45894 TDSIC 2**

**APPROVED: MAY 27 2026**

**INTERIM ORDER OF THE COMMISSION**

**Presiding Officers:**

**David E. Ziegner, Commissioner**

**Kristin E. Kresge, Administrative Law Judge**

On February 5, 2026, Southern Indiana Gas and Electric Company d/b/a CenterPoint Energy Indiana South (“CEI South”) filed its Verified Petition with the Indiana Utility Regulatory Commission (“Commission”), initiating this Cause. CEI South also filed the direct testimony and attachments of the following witnesses:

- Stephen R. Rawlinson, Director, Electric Engineering for CEI South;
- Chrissy M. Behme, Manager, Regulatory Reporting for CEI South; and

- Matthew A. Rice, Director, Indiana Electric Regulatory and Rates for CEI South.

On April 6, 2026, the Indiana Office of Utility Consumer Counselor (“OUCC”) filed the direct testimony and attachments of the following witnesses:

- Kaleb G. Lantrip, Utility Analyst in the OUCC’s Electric Division; and
- Roopali Sanka, Utility Analyst in the OUCC’s Electric Division.

On April 20, 2026, CEI South filed a Motion to Extend Rebuttal Filing Date. On April 23, 2026, the Presiding Officers issued a Docket Entry granting the motion and continuing the evidentiary hearing in this Cause to May 14, 2026. On April 24, 2026, CEI South filed a Motion for Interim Order and to Stay the Procedural Schedule, which the Presiding Officers granted in their April 29, 2026, Docket Entry.

On May 11, 2026, CEI South filed a Joint Stipulation for Implementation of Proposed Rates in an Interim Order.

The Commission held an evidentiary hearing on interim rates in this Cause at 10:00 a.m. on May 14, 2026, in Hearing Room 222, 101 West Washington Street, Indianapolis, Indiana. CEI South and the OUCC appeared at and participated in the hearing by counsel, and the offered testimony and exhibits of CEI South and the OUCC were admitted into the record without objection.

Based on the applicable law and the evidence of record, the Commission finds:

**1. Notice and Jurisdiction.** Notice of the hearing in this Cause was given and published by the Commission as required by law. CEI South is a public utility as that term is defined in Ind. Code §§ 8-1-2-1(a) and 8-1-39-4. Under Ind. Code ch. 8-1-39, the Commission has jurisdiction over a public utility’s petition to approve rate schedules establishing a Transmission, Distribution, and Storage System Improvement Charge (“TDSIC”) that will allow for the periodic adjustment of the public utility’s basic rates and charges to provide for timely recovery of 80% of approved capital expenditures and TDSIC costs. Therefore, the Commission has jurisdiction over CEI South and the subject matter of this proceeding.

**2. CEI South’s Characteristics.** CEI South is a corporation organized and existing under Indiana law with its principal office located at 211 NW Riverside Drive, Evansville, Indiana. CEI South provides retail electric service to the public and owns and operates electric generating plant and distribution system facilities for the production, storage, transmission, distribution, and furnishing of electric service to approximately 150,000 electric consumers in southwestern Indiana. Its service territory is spread throughout seven counties: Pike, Gibson, Dubois, Posey, Vanderburgh, Warrick, and Spencer.

**3. Background.** On December 27, 2023, the Commission issued an Order in Cause No. 45894 (“45894 Order”), approving the utility’s Five-Year Plan. In the 45894 Order, the Commission: (1) approved CEI South’s 2024 – 2028 TDSIC Plan (“45894 TDSIC Plan”); (2) found the projects identified in the 45894 TDSIC Plan are “eligible transmission, distribution, and

storage system improvements”; (3) approved CEI South’s proposed method of calculating a pretax return; authorized deferral of post in service TDSIC Plan costs, including carrying costs, on an interim basis until such costs are recovered via the TDSIC mechanism or base rates through its next general rate case; (4) authorized deferral of depreciation expense on TDSIC Plan investments on an interim basis until such costs are recovered via the TDSIC mechanism or base rates through its next general rate case; (5) authorized amortization and recovery of TDSIC plan development costs over a five-year period; (6) authorized allocation of costs associated with the TDSIC Plan in accordance with their findings set for in the 45894 Order; (7) authorized to continue recovering TDSIC Plan distribution charges via a fixed monthly charge from residential customers; (7) authorized deferral and later recovery as part of its next two general rate cases of 20% of eligible and approved capital expenditures and TDSIC costs; (9) authorized CEI South to file semiannual adjustments to its TDSIC Plan under this Cause No. 45894; and (10) authorized CEI South to adjust its authorized return to reflect any approved, incremental earnings associated with the TDSIC.

4. **Relief Requested.** The parties have stipulated to CEI South being authorized to implement the TDSIC rates shown in Petitioner’s Exhibit No. 3, Attachment MAR-2. This is the sole issue addressed in this Interim Order. The issue of the final TDSIC rates and all other issues raised in CEI South’s Verified Petition and the parties’ respective evidence will be addressed in a Final Order on a later date.

5. **Summary of the Evidence.**

A. **CEI South’s Evidence supporting the Interim Rates.** Mr. Rice, CEI South’s Director, Indiana Electric Regulatory and Rates, described the process for calculating the proposed TDSIC rates by rate class, including a description of the supporting schedules in Attachment MAR-1 in Petitioner’s Ex. No. 3. He ultimately testified that his Attachment MAR-2 in Petitioner’s Ex. No. 3 is the proposed CEI South Tariff Sheet, Sheet No. 75 – Appendix K, which contains the company’s proposed TDSIC rates and charges.

CEI South’s proposed rates and charges result in a volumetric rate credit for residential customers and a rate credit or reduction in rate charge for most other customer classes. When interim rates are approved, residential customers will move from a charge of \$0.000767 per kWh to a credit of \$(0.001288) per kWh.

B. **OUCC’s Evidence.** The OUCC’s evidence will be summarized and considered in the Final Order in this Cause.

C. **Joint Stipulation.** The Joint Stipulation for Implementation of Proposed Rates in an Interim Order states that the parties desire to allow rate credits to be implemented as soon possible and not be delayed by discussions between the parties attempting to resolve their disputed issues in this Cause. As a result, the parties agree that CEI South should be authorized to implement the TDSIC rates shown in Petitioner’s Ex. No. 3, Attachment MAR-2 without modification as interim TDSIC rates effective on June 1, 2026, or as soon thereafter as practicable. The Joint Stipulation also states that the interim TDSIC rates are subject to modification by the Commission in a Final Order in this Cause and that any such modification may be applied

retroactively to the date the interim TDSIC rates are implemented. Finally, the Stipulation makes clear that neither party waives its rights to provide case-in-chief, supplemental, or rebuttal evidence that proposed different TDSIC rates or cost disallowances and, specifically, that the OUCC does not waive any disputed issues or proposed disallowances addressed in its pre-filed case-in-chief evidence.

**6. Commission Discussion and Findings.** Having reviewed the evidence submitted by the parties, including the Joint Stipulation, we agree that CEI South should be authorized to implement the TDSIC rates shown on Petitioner’s Ex. No. 3, Attachment MAR-2 as interim TDSIC rates effective upon approval of a revised Appendix K by the Commission’s Energy Division as required in the ordering paragraphs below. The proposed interim rates will result in a savings to most of CEI South’s customers, with residential customers moving from a volumetric charge for TDSIC rates to a bill credit. Based on the evidence presented, a residential customer using 1,000 kWh per month, will receive a monthly bill credit of \$0.96 and a monthly savings of approximately \$1.81 compared to the current rate.

We, therefore, find that the implementation of interim rates is reasonable and in the public interest and will provide an immediate savings to CEI South’s residential customers and to most other customers. We therefore find that CEI South should be authorized to implement the proposed interim TDSIC rates, which shall remain in effect until the Commission issues a Final Order in this Cause.

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

1. CEI South is authorized to implement the TDSIC rates shown on Petitioner’s Ex. No. 3, Attachment MAR-2, on an interim basis until the Commission issues a Final Order in this Cause.
2. Prior to implementing the interim TDSIC rates, CEI South shall file under this Cause a revised Appendix K tariff sheet for approval by the Energy Division that reflects the Commission’s findings in this Order.
3. This Order shall be effective on and after the date of its approval.

**ZAY, DEIG, SWINGER, VELETA, AND ZIEGNER CONCUR:**

**APPROVED: MAY 27 2026**

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

\_\_\_\_\_ on behalf of  
**Dana Kosco**  
**Secretary of the Commission**