#### STATE OF INDIANA

#### INDIANA UTILITY REGULATORY COMMISSION

**VERIFIED PETITION OF INDIANAPOLIS POWER & COMPANY** ("IPL"), LIGHT AN**INDIANA** CORPORATION, FOR **(1) ISSUANCE OF** CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE CONSTRUCTION OF COMBINED CYCLE GAS TURBINE GENERATION **FACILITY** ("CCGT"); **(2) ISSUANCE OF** CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONVERT COAL FIRED **GENERATING FACILITIES TO GAS; (3) APPROVAL** OF THE CONSTRUCTION OF TRANSMISSION, PIPELINE AND OTHER FACILITIES; (4) APPROVAL OF ASSOCIATED RATEMAKING AND ACCOUNTING TREATMENT; **(5) AUTHORITY** TO **TIMELY** RECOVER 80% OF THE COSTS INCURRED DURING CONSTRUCTION AND OPERATION OF THE GAS REFUELING **PROJECT** THROUGH IPL'S ENVIRONMENTAL COMPLIANCE COST RECOVERY ADJUSTMENT; (6) AUTHORITY TO REGULATORY ASSETS TO RECORD (A) 20% OF THE REVENUE REQUIREMENT FOR COSTS, INCLUDING, CAPITAL, OPERATING. MAINTENANCE, DEPRECIATION TAX AND FINANCING COSTS ON THE REFUELING PROJECT WITH CARRYING COSTS AND (B) POST-IN-SERVICE ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION, BOTH **DEBT** AND EQUITY, **AND DEFERRED** DEPRECIATION ASSOCIATED WITH THE PROJECTS UNTIL SUCH COSTS ARE REFLECTED IN RETAIL ELECTRIC RATES; AND (7) ISSUANCE OF A **NECESSITY CERTIFICATE** TO **TRANSPORT** ) NATURAL GAS IN INDIANA )

# FILED August 13, 2013 INDIANA UTILITY REGULATORY COMMISSION

**CAUSE NO. 44339** 

#### PETITIONER'S SUPPLEMENTAL TESTIMONY

Indianapolis Power & Light Company ("Petitioner"), by counsel, hereby submits the Verified Supplemental Testimony of Dennis Dininger.

## Respectfully submitted,

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#### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing was served upon the following via electronic mail this 13th day of August, 2013.

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Teresa M. Nyhart

#### VERIFIED SUPPLEMENTAL DIRECT TESTIMONY

OF

**DENNIS C. DININGER** 

ON BEHALF OF

INDIANAPOLIS POWER & LIGHT COMPANY

**CAUSE NO. 44339** 

#### Petitioner's Exhibit DCD-S1 (PUBLIC)

### VERIFIED SUPPLEMENTAL DIRECT TESTIMONY OF DENNIS DININGER ON BEHALF OF INDIANAPOLIS POWER & LIGHT COMPANY

- 1 Q1. Please state your name, employer and business address.
- 2 A1. My name is Dennis Dininger. I am employed by Indianapolis Power & Light Company
- 3 ("IPL" or the "Company"), One Monument Circle, Indianapolis, Indiana, 46204.
- 4 Q2. What is your position with IPL?
- 5 A2. I am Director, Commercial Operations.
- 6 Q3. Are you the same Dennis Dininger who previously submitted direct testimony in this
- 7 Cause?
- 8 A3. Yes.
- 9 Q4. What is the purpose of your supplemental direct testimony in this proceeding?
- 10 A4. In my direct testimony (at 7) I discussed how natural gas will be supplied to the Eagle
- Valley CCGT. I explained that IPL will conduct a competitive bidding process to solicit
- bids for gas transportation and supply services. I added (at 10) that IPL may decide to
- construct and operate the gas pipeline necessary to interconnect the Eagle Valley CCGT
- with the gas supplier if doing so is a more cost effective option than paying the supplier
- to construct and operate the facility. My supplemental testimony updates this part of my
- direct testimony.
- 17 Q5. What is the status of the competitive bidding process for the solicitation of bids for
- gas transportation and supply services?

#### **Petitioner's Exhibit DCD-1 (PUBLIC)**

1	A5.	The Request for Proposals ("RFP") for the natural gas lateral pipeline and transportation
2		services was issued to five pipeline companies on August 6, 2013. IPL issued the RFP to
3		Vectren, Citizens Energy Group (Citizens Gas), Energy Transfer (owner of Panhandle
4		Eastern Pipeline Company, LP), Tallgrass Energy Partners, LP (managing owner of the
5		Rockies Express Pipeline "REX") and Boardwalk Pipeline Partners (owner of Texas Gas
6		Transmission Pipeline). All five are expected to provide a proposal by the October 21,
7		2013 due date. TransCanada (owner of ANR Pipeline Company) declined to bid.

# 8 Q6. Does IPL still seek the Commission to issue to IPL a certificate of necessity for the transport of gas within Indiana?

- A6. No, not at this time. IPL is proceeding with the RFP and believes that there will be sufficient competitive responses to the RFP to provide the gas transportation service, including the construction of the gas lateral pipeline to the new Eagle Valley CCGT. With five capable and qualified pipeline companies expected to provide proposals, IPL is confident that it will secure competitive offers for provision of the gas lateral pipeline and gas transportation services.
  - I wanted to update my direct testimony so that the Commission and the parties may be aware of the current status of the project. This update should streamline the matters under consideration in this Cause because it renders it unnecessary for the Commission to determine in this proceeding whether a certificate for the transport of natural gas within Indiana should be issued to IPL.
- 21 Q7. Does this conclude your prefiled supplemental direct testimony?
- 22 A7. Yes, it does.

#### VERIFICATION

I, Dennis C. Dininger, Director, Commercial Operations for Indianapolis Power & Light Company, affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information, and belief.

Dennis C. Dininger

Dated: August 12, 2013