

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

**PETITION OF INDIANA MICHIGAN POWER)
COMPANY FOR APPROVAL OF A TARIFF)
RATE AND ACCOMPANYING TARIFF TERMS)
AND CONDITIONS FOR THE PROCUREMENT)
OF EXCESS DISTRIBUTED GENERATION)
PURSUANT TO IND. CODE CH. 8-1-40.)**

CAUSE NO. 45506

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

PUBLIC'S EXHIBIT NO. 1

TESTIMONY OF OUCC WITNESS JOHN E. HASELDEN

JULY 13, 2021

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Jason Haas", written in a cursive style.

T. Jason Haas, Attorney No. 34983-29
Tiffany Murray, Attorney No. 28916-49
OUCC Deputy Consumer Counselors

TESTIMONY OF OUCC WITNESS JOHN E. HASELDEN
CAUSE NO. 45506
INDIANA MICHIGAN POWER COMPANY

I. INTRODUCTION

1 **Q: Please state your name, business address, and employment capacity.**

2 A: My name is John E. Haselden. My business address is 115 West Washington Street,
3 Suite 1500 South, Indianapolis, Indiana 46204. I am a Senior Utility Analyst in the
4 Electric Division of the Indiana Office of Utility Consumer Counselor (“OUCC”).
5 I describe my educational background, professional work experience, and
6 preparation for this filing in Appendix A to my testimony.

7 **Q: Have you previously testified before the Indiana Utility Regulatory**
8 **Commission (“Commission”)?**

9 A: Yes. I have testified in many proceedings on a number of issues before the
10 Commission, including rate cases, demand side management, renewable energy,
11 environmental trackers, and applications for Certificates of Public Convenience and
12 Necessity.

13 **Q: What is the purpose of your testimony?**

14 A: My testimony addresses Indiana Michigan Power Company’s (“I&M” or
15 “Petitioner”) request for approval of an excess distributed generation (“EDG”)
16 tariff (“Rider EDG tariff”) rate in this Cause.¹ In particular, my testimony addresses
17 I&M’s erroneous definition and application of the term “excess distributed
18 generation” in its proposed Rider EDG tariff, which does not comply with the

¹ See Petitioner’s Verified Petition, March 1, 2021.

1 definition of EDG in I.C. § 8-1-40-5. Therefore, the OUCC recommends the
2 Commission deny I&M's request for approval of its proposed Rider EDG tariff.

3 **Q: Please describe the review and analysis you conducted to prepare your**
4 **testimony.**

5 A: I reviewed the Verified Petition, Direct Testimony and Exhibits I&M submitted in
6 this Cause. I reviewed OUCC testimony and the Commission's order in Cause No.
7 45378.

II. DEFINITION AND APPLICATION OF EXCESS DISTRIBUTED
GENERATION KWH IN I&M'S RIDER EDG TARIFF AND THE STATUTE

8 **Q: How is the term "excess distributed generation" defined in the statute?**

9 A: I.C. § 8-1-40-5 states "excess distributed generation" means the "difference
10 between: (1) the electricity that is supplied by an electricity supplier to a customer
11 that produces distributed generation; and (2) the electricity that is supplied back to
12 the electricity supplier by the customer." As identified in this section, two critical
13 components must be present to determine EDG: 1) the electricity that is supplied
14 by an electricity supplier; and 2) the electricity that is supplied back to the
15 electricity supplier. Additionally, this section explicitly defines EDG as the
16 resulting difference between these two components. Therefore, to determine EDG,
17 the utility or electricity supplier must first take the difference between the electricity
18 supplied to the distributed generation ("DG") customer and the electricity supplied
19 back by the DG customer.

1 **Q: How does I&M characterize the flow of electricity at the meter?**

2 A: I&M witness Kurt Cooper states: "IC 8-1-40-5 refers to the supply to the customer
3 (I will use 'delivered') and supply from customer back to the utility (I will use
4 'received')." ² Mr. Cooper continues:

5 "When customer generation is less than the customers'
6 consumption, a 'delivered' scenario is present and all delivered kWh
7 are recorded on that register. When the customer generation exceeds
8 their consumption (excess generation), a 'received' scenario is
9 present and all kWh to be procured by I&M is recorded on that
10 register." ³

11 **Q: How does I&M propose to measure and bill EDG?**

12 A: I&M witness Dona Seger-Lawson states: "Following the statutory definition of
13 excess distributed generation, I&M will measure excess distributed generation by
14 recording each instance where the amount of energy produced by the customer-
15 owned generation exceeds the amount of energy that is being consumed at that point
16 in time." ⁴ Mr. Cooper states: "The customer will get billed their standard retail
17 tariff rate for all kWh recorded on the delivered register and will be credited at the
18 current Procured Generation Credit Rate for all kWh recorded on the received
19 register." ⁵

20 **Q: Did I&M correctly apply the definition of the term "excess distributed
21 generation" as defined in I.C. § 8-1-40-5 in its proposed Rider EDG tariff?**

22 A: No. As shown in the testimony above and in Rider EDG (Petitioner's Attachment
23 KCC-1, page 3 of 7), I&M proposes crediting the customer for the power
24 cumulatively registered on the meter channel received by the Company from the

² Pre-Filed Verified Direct Testimony of Kurt C. Cooper, p. 4, ll. 8-9.

³ Cooper Direct, p. 4, ll. 13-17.

⁴ Pre-Filed Verified Direct Testimony of Dona Seger-Lawson, p. 6, ll. 20-23.

⁵ Cooper Direct, p. 4, ll. 20-22.

1 customer. The tariff states: “The meter register will record instances when the
2 eligible onsite generation is producing more than what is being consumed at the
3 premises (excess distributed generation) and the customer will be credited for the
4 total of this excess generation on the customer’s current bill for the billing period.”
5 This description is not the *difference* between: (1) the electricity that is supplied by
6 an electricity supplier to a customer that produces distributed generation; and (2)
7 the electricity that is supplied back to the electricity supplier by the customer, as
8 specified in the statute. The methodology in the tariff incorrectly calculates EDG
9 by determining the difference between onsite generation and consumption, as
10 measured in the “received” register, which is *not* included in the statutory definition
11 of EDG and therefore cannot be used to calculate EDG. The methodology also
12 ignores the statutory component of “electricity that is supplied by an electricity
13 supplier to a customer that produces distributed generation,” or electricity that is
14 “delivered” to the customer.

15 **Q: Has the Commission ruled on this issue in another proceeding?**

16 **A:** Yes, the Commission recently approved Vectren South’s proposal in Cause No.
17 45378. However, I&M’s proposal is different from Vectren South’s proposal
18 because I&M’s proposal specifically references, both in testimony and in the tariff,
19 these non-statutory factors as the basis for the EDG methodology. Additionally, the
20 OUCC respectfully disagrees with the Commission’s decision in Cause No. 45378
21 and has appealed the final order.

III. RECOMMENDATION

1 **Q: What does the OUCC recommend in this proceeding?**

2 A: The proposed Rate EDG tariff does not comply with the definition of EDG stated
3 in I.C. § 8-1-40-5. The methodology proposed in Rider EDG incorrectly calculates
4 EDG by using factors not listed in the statute. Therefore, the Commission should
5 deny I&M's request for approval of its proposed Rider EDG tariff.

6 **Q: Does this conclude your testimony?**

7 A: Yes.

APPENDIX TO TESTIMONY OF
OUCC WITNESS JOHN E. HASELDEN

1 **Q: Please describe your educational background.**

2 A: I am a graduate of Purdue University with a Bachelor of Science degree in Civil
3 Engineering. I am also a graduate of Indiana University with the degree of Master of
4 Business Administration, majoring in Finance. I am a registered Professional Engineer in
5 the State of Indiana. I have attended and presented at numerous seminars and conferences
6 on topics related to demand-side management (“DSM”) and renewable energy.

7 **Q: Please describe your utility business experience.**

8 A: I began employment with Indianapolis Power & Light Company in April 1982 as a Design
9 Project Engineer in the Mechanical-Civil Design Engineering Department. I was
10 responsible for a wide variety of power plant projects from budget and cost estimation
11 through the preparation of drawings, specifications, purchasing and construction
12 supervision.

13 In 1987, I became a Senior Engineer in the Power Production Planning Department.
14 I was responsible for assisting and conducting studies concerning future generation
15 resources, economic evaluations, and other studies.

16 In 1989, I was promoted to Division Supervisor of Fuel Supply and in 1990, became
17 Director of Fuel Supply. I was responsible for the procurement of the various fuels used at
18 IPL’s generating stations.

19 In 1993, I became Director of Demand-Side Management. I was responsible for the
20 development, research, implementation, monitoring, and evaluation of all marketing and

1 DSM programs. In particular, I was responsible for the start-up of this new department and
2 for the start-up and implementation of the DSM programs approved by the Commission in
3 its Order in Cause 39672 dated September 8, 1993. The DSM Department was dissolved
4 at IPL in 1997 and I left the company.

5 From 1997 until May 2006, I held the positions of Director of Marketing and later,
6 Director of Industrial Development and Engineering Services at The Indiana Rail Road
7 Company. I was responsible for the negotiation of coal transportation contracts with several
8 electric utilities, supervision of the Maintenance-of-Way and Communications and Signals
9 departments, project engineering, and development of large capital projects.

10 I rejoined IPL in May 2006 as a Principal Engineer in the Regulatory Affairs
11 Department. I was responsible for the evaluation and economic analysis of DSM programs
12 and assisted in the planning and evaluation of environmental compliance options and
13 procurement of renewable resources.

14 In May 2018, I joined the OUCC as a Senior Utility Analyst - Engineer. I review
15 and analyze utilities' requests and file recommendations on behalf of consumers in utility
16 proceedings. As applicable to a case, my duties may also include evaluating rate design
17 and tariffs, examining books and records, inspecting facilities, and preparing various
18 studies.

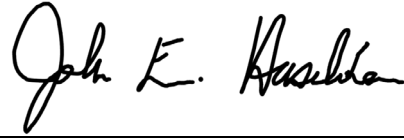
19 **Q: Have you previously testified before the Indiana Utility Regulatory Commission?**

20 **A:** Yes. I have provided testimony in several proceedings on behalf of IPL regarding the
21 subjects of Fuel Supply, DSM and renewable energy most recently in Cause Nos. 43485,
22 43623, 43960, 43740, 44328, 44018, and 44339. My testimony on DSM concentrated on

1 the evaluation, measurement and verification (“EM&V”) of DSM programs. My testimony
2 on renewable energy concentrated on IPL’s Rate REP (feed-in tariff, wind power purchase
3 agreements and solar energy. I have provided testimony on behalf of the OUCC in Cause
4 Nos. 43955 (DSM-7 and 8), 43827 (DSM-8 and 9), 43623 (DSM-19), 43405 (DSMA-17),
5 45086, 45145, 45193, 45194, 45235, 45245, 45253, 45285, 45370, 45387, 45465, 45485,
6 44733 (TDSIC-5, 7 and 8), and 44910 (TDSIC-4, 6, 7 and 8).

AFFIRMATION

I affirm, under the penalties for perjury, that the foregoing representations are true.



John E. Haselden
Senior Utility Analyst
Indiana Office of Utility Consumer Counselor
Cause No. 45506

July 13, 2021

Date

CERTIFICATE OF SERVICE

This is to certify that a copy of the Indiana Office of Utility Consumer Counselor's TESTIMONY FILING OF JOHN E. HASELDEN has been served upon the following parties of record in the captioned proceeding by electronic service on July 13, 2021.

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