



For Immediate Release

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News Media Contact:

Anthony Swinger, (317) 233-2747 or

aswinger@oucc.IN.gov

Duke Energy Infrastructure case: Consumer comments invited *Proposed \$1.83 billion plan would raise rates over next 7 years*

If you would like to comment on Duke Energy's proposed infrastructure improvement plan, with corresponding rate increases, here's your chance. The Indiana Office of Utility Consumer Counselor (OUCC) is inviting written consumer comments through February 11, 2016 on the utility's proposed \$1.83 billion plan for electric transmission and distribution system improvements.

Duke Energy has filed its plan with the Indiana Utility Regulatory Commission (IURC) under a 2013 Indiana law.

- The law allows an investor-owned electric or natural gas utility to seek IURC approval of a seven-year infrastructure improvement plan. The IURC must rule on the request within 210 days.
- If the plan is approved, the utility may then adjust rates every six months, subject to OUCC review and IURC approval, to recover project costs as they are incurred. The OUCC and IURC review periods are limited to 60 and 90 days, respectively.
- The rate adjustments – under a Transmission, Distribution, and Storage System Improvement Charge (TDSIC) mechanism – may not exceed two percent of the utility's total retail revenues.
- Recovery of 20 percent of the costs must be deferred until the utility's next base rate case, which must be filed before the end of the seven-year period.

Duke Energy's testimony and exhibits state that:

- The proposed projects would be built from 2016 through 2023.
- Projects would include the installation of advanced metering infrastructure throughout Duke Energy's Indiana service territory. Other projects include replacements and improvements of substations, circuit breakers, transformers, poles, and lines.
- If the seven-year plan is approved by the IURC, Duke Energy's first TDSIC rate increase of about 0.58 percent would take effect in 2017.
- Estimated TDSIC rate increases from 2018 through 2023 would vary each year, ranging between 0.69 percent and 1.35 percent annually. The estimated average annual percentage increase over the seven-year term is about 0.93 percent.

The OUCC – the state agency representing consumer interests in cases before the IURC – is reviewing the utility's plan and anticipates filing testimony on February 18, 2016. A number of additional parties – including Wabash Valley Power Association, Inc., the Citizens Action Coalition of Indiana, and several industrial customers (Steel Dynamics, Inc., Nucor Steel, Eli Lilly & Company, General Motors, LLC, Marathon Petroleum Company LP, Sony DADC Americas, and Tate & Lyle Ingredients Americas, Inc.) – have intervened and are also expected to file testimony on February 18.

Under the law's timing requirements, the IURC must issue an order on the plan by early July 2016.

This latest filing is the second infrastructure plan Duke Energy has requested under the 2013 law. The IURC rejected Duke Energy's initial proposed \$1.87 billion infrastructure plan on various grounds in May 2015.

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The new tracker rate increases requested in this case are in addition to Duke Energy 's current Indiana base rates, which were approved in 2004, and in addition to various other trackers through which Duke Energy currently adjusts its rates subject to OUCC review and IURC approval. All Indiana investor-owned electric utilities use trackers, with Duke Energy using them to recover costs for generating fuel, environmental compliance, its integrated gasification combined cycle (IGCC) generation plant at Edwardsport, regional transmission, energy efficiency programs, critical infrastructure protection (cyber security), and other costs.

Consumers who wish to submit written comments for the case record may do so via the OUCC's Website at www.in.gov/oucc/2361.htm, or by mail, email or fax:

- Mail: Consumer Services Staff
Indiana Office of Utility Consumer Counselor
115 W. Washington St., Suite 1500 South
Indianapolis, IN 46204
- email: uccinfo@oucc.IN.gov
- Fax: (317) 232-5923

The OUCC needs to receive all written consumer comments no later than February 11, 2016 so that it can: 1) Consider them in preparing its testimony and 2) File them with the Commission to be included in the case's formal evidentiary record. Comments should include the consumer's **name, mailing address**, and a reference to "**IURC Cause No. 44720.**"

Consumers with questions about submitting written comments can contact the OUCC's consumer services staff toll-free at 1-888-441-2494.

An IURC hearing will be scheduled for a future date yet to be determined.

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(IURC Cause No. 44720)

The Indiana Office of Utility Consumer Counselor (OUCC) represents Indiana consumer interests before state and federal bodies that regulate utilities. As a state agency, the OUCC's mission is to represent all Indiana consumers to ensure quality, reliable utility services at the most reasonable prices possible through dedicated advocacy, consumer education, and creative problem solving.

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