

Indiana Utility Regulatory Commission



Discussion of Licensing Issues

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Authority to Provide Service



- Assigned Service Area
 - Each electric utility has an assigned service area where they are authorized to furnish power
 - Utility must continue to provide adequate and reliable service or risk losing exclusive right to serve

Authority to Provide Service



- Assigned Service Area (cont.)
 - Adjacent providers may modify boundaries with Commission approval
 - Maps of service area boundaries are maintained by Commission

Authority to Provide Service



- Certificate of Public Need
 - Before construction, purchase or lease of a facility designed to generate electricity a utility must first petition the commission
 - Exceptions include:
 - Facilities for single person use
 - Facilities for alternative energy production
 - Municipal plants producing less than 10,000 KW



Authority to Provide Service

- Certificate of Public Need (cont.)
 - Required analysis includes:
 - Projection of future growth needs
 - Need for generating reserves
 - Optimum size, location and fuel mix to meet needs
 - Availability of State or Regional resources
 - Comparative cost of meeting needs through other options

Application Procedures



- Petition is filed with the Commission
 - Assigned a unique cause number for tracking purposes
 - Assigned to an Administrative Law Judge
 - Public Hearing process begins

Public Notice Requirements



- The public must be adequately notified before Commission Hearings can take place
 - A minimum of ten (10) days in advance
 - Newspapers of general circulation, printed and published in the English language
 - Notice in the part of the state where the company is located and in the local community that will be impacted by the case.

Types of Hearings Before the Commission



- Prehearing Conference
 - Initial hearing in a case
 - Commission issues a Prehearing Conf. Order
- Evidentiary Hearing
 - Parties present formal testimony to the Commission



Hearing Procedures

- Administrative Law Judge presides over all Hearings
 - Proceeding open to the public;
 - Testimony is placed “on the record” by a court reporter
 - Witnesses are subject to cross examination by other Parties
 - Commission may ask witnesses clarifying questions



Hearing Procedures

- Governed by administrative rules promulgated by the Commission
 - Requirements for Pleadings and Filings
 - Petitions to Intervene
 - Presentation of Evidence
 - Submittal of Proposed Orders
 - Appeals to the full Commission of decisions made by the Presiding Officer



Consideration of Other Materials

- Administrative Notice
 - By rule the Commission may take Notice of certain types of information
 - Done either on its own motion or by a motion of a participating party
 - Could be a relevant administrative rule, previous commission order, or documents previously filed with the commission.



Private Negotiations

- Parties sometimes settle a pending case
 - Settlement Discussions are private
 - Commission must review Settlement in an open proceeding
 - Settlement may be approved or rejected
 - Settlement must be supported by probative evidence and be found to be in the public interest



Commission Orders

- Pursuant to state law
- Written disposition of case
- Specific to the facts of the case
- Commission 'speaks only through its orders'
 - Relies upon and establishes precedent
 - Signals to enable predictability
 - Order is basis for appeal



Post Approval Obligations

- Licensee
 - Reporting as required by Commission
 - Updates on construction progress
 - Assurance of capacity
 - Technical
 - Managerial
 - Financial



Post Approval Obligations

- Commission
 - Monitoring to ensure terms of approval are met
 - Ongoing forecasting of State and Regional generation needs
 - Valuation of property additions for ratemaking purposes



Questions
