

ORIGINAL

STATE OF INDIANA

Commissioner	Yes	No	Not Participating
Huston	√		
Veleta	√		
Ziegner	√		

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE VERIFIED)
 PETITION OF INDIANA MICHIGAN)
 POWER COMPANY FOR APPROVAL OF A)
 2026-2028 DEMAND SIDE MANAGEMENT)
 (DSM) PLAN, INCLUDING ENERGY)
 EFFICIENCY (EE) PROGRAMS, DEMAND)
 RESPONSE (DR) PROGRAMS, AND)
 CONSERVATION VOLTAGE REDUCTION)
 (CVR); ASSOCIATED ACCOUNTING AND)
 RATEMAKING TREATMENT, INCLUDING)
 TIMELY RECOVERY THROUGH I&M'S)
 DSM/EE PROGRAM COST RIDER OF)
 ASSOCIATED COSTS, INCLUDING)
 PROGRAM OPERATING COSTS, NET LOST)
 REVENUE, AND FINANCIAL INCENTIVES;)
 AND IF NECESSARY, AUTHORITY TO)
 CONTINUE IMPLEMENTATION OF ITS)
 2023-2025 DSM PLAN UNTIL A FINAL)
 ORDER IS ISSUED IN THIS PROCEEDING)

CAUSE NO. 46255

APPROVED: DEC 30 2025

ORDER OF THE COMMISSION

Presiding Officers:

David E. Ziegner, Commissioner
Sean M. Gorman, Administrative Law Judge

On May 30, 2025, Indiana Michigan Power Company (“Petitioner”) filed its Verified Petition, Request for Expedited Consideration, and Request for Interim Relief if Necessary (“Petition”) with the Indiana Utility Regulatory Commission (“Commission”), seeking approval of its proposed 2026-2028 Demand Side Management (“DSM”) Plan and proposed cost recovery through its DSM/EE Program Cost Rider (“DSM Rider”).

Also on May 30, 2025, Petitioner prefiled its case-in-chief testimony, including the direct testimony, attachments, and workpapers of the following witnesses:

- Jon C. Walter, Regulatory Innovations Manager for Petitioner
- Jeffrey R. Huber, Principal with GDS Associates, Inc.
- Latorial A. Harris, Customer Program Services Manager for Petitioner
- Mark Sklar-Chik, Resource Planning Analyst for American Electric Power Service Corporation (“AEPSC”)
- Stacie R. Gruca, Regulatory Analysis and Case Manager for Petitioner
- Stephen Hornyak, Regulatory Consultant for AEPSC

The Citizens Action Coalition of Indiana, Inc. (“CAC”) filed its Motion to Intervene in this Cause on June 2, 2025, which was granted on June 13, 2025.

On September 12, 2025, Petitioner filed a Notice of Stipulation and Settlement on behalf of Petitioner, the Indiana Office of Utility Consumer Counselor (“OUCC”), and the CAC (collectively, “Settling Parties”), along with a Stipulation and Settlement Agreement (“Settlement Agreement”).

On October 8, 2025, Petitioner filed its Submission of Settling Parties’ Joint Exhibit 1 on behalf of the Settling Parties, which included an amended Settlement Agreement. Also on October 8, 2025, Petitioner filed Mr. Walter’s settlement testimony; the CAC filed the settlement testimony of Dan Mellinger, Principal at Energy Futures Group; and the OUCC filed the settlement testimony of Roopali Sanka, Utility Analyst in the Electric Division.

On October 24, 2025, Petitioner filed a Notice of Substitution of Witness, indicating that Ms. Gruca’s testimony would be adopted by Andrew J. Williamson, Vice President of Regulatory and Finance for Petitioner.

An evidentiary hearing was held in this Cause at 9:00 a.m. on October 27, 2025, in Room 224, PNC Center, 101 West Washington Street, Indianapolis, Indiana. At the hearing, Petitioner, the CAC, and the OUCC appeared by counsel and offered their respective evidence and attachments, which were admitted into the record without objection.

Based upon the applicable law and evidence presented, the Commission now finds:

1. Notice and Commission Jurisdiction. Notice of the hearing in this Cause was given and published as required by law. Petitioner is a “public utility” as defined in Ind. Code § 8-1-2-1 and Ind. Code § 8-1-8.5-1, and an “electricity supplier” pursuant to Ind. Code § 8-1-8.5-10. Pursuant to Ind. Code § 8-1-8.5-10 and 170 IAC 4-8, as well as Ind. Code §§ 8-1-2-10, -12, and -42, the Commission has jurisdiction over Petitioner’s DSM Plan, energy efficiency (“EE”) program offerings, and associated cost recovery. Therefore, the Commission has jurisdiction over Petitioner and the subject matter of this Cause.

2. Petitioner’s Characteristics. Petitioner is a wholly-owned subsidiary of American Electric Power Company, Inc. and is a corporation organized and existing under the laws of the State of Indiana, with its principal office located at Indiana Michigan Power Center, Fort Wayne, Indiana. Petitioner renders electric utility service in the State of Indiana, and owns and operates plant and equipment within the state that are used for the generation, transmission, delivery, and furnishing of electric utility service to the public.

3. Requested Relief. Petitioner requested Commission approval of its proposed DSM Plan, including EE Programs, Demand Response (“DR”) Programs, Conservation Voltage Reduction (“CVR”) plan, and associated accounting and ratemaking treatment. Petitioner’s proposed DSM Plan covers the three-calendar-year period of 2026 through 2028.

The EE Plan includes: 1) EE goals; 2) a portfolio of EE programs designed to achieve energy and demand savings goals; 3) program budgets and costs; and 4) independent evaluation, measurement, and verification (“EM&V”) procedures.

The DR Plan contains: 1) DR programs; 2) program budgets and costs; 3) independent EM&V procedures; and, 4) demand savings goals.

The CVR Plan contains: 1) plans for future cost-effective CVR deployment; 2) program budgets and costs; and 3) independent EM&V procedures. As discussed below, the DSM Plan goals and supporting programs were modified by the Settlement Agreement.

As further discussed below, Petitioner also requested DSM Plan cost recovery through Petitioner's DSM Rider, including the direct costs (including EM&V) and indirect costs of the EE and DSM programs, net lost revenue, and shared savings financial incentives.

Petitioner requested authority to increase the Income Qualified Weatherproofing ("IQW") program budget and savings, and associated cost recovery, if certain measure rebates are not included in the State of Indiana's Home Energy Appliance Rebates program, subject to Petitioner's DSM Oversight Board ("OSB") approval.

Petitioner requested authority to roll forward into the next program year any unused and approved budget funds that remain unspent at the end of a plan year.

Finally, in the event the Commission's Order in this proceeding is not issued by year-end 2025, Petitioner requested that the Commission grant interim relief allowing it to continue the implementation of its existing 2023-2025 DSM Plan approved by the Commission in its Order in Cause No. 45701("45701 Order") and associated DSM/EE Rider plan component until a final order is issued in this Cause.¹

4. Evidence Presented.

A. Petitioner's Case-in-Chief. Mr. Walter presented Petitioner's proposed DSM Plan, consisting of the EE Plan, DR Plan, and CVR Plan. He described the programs, goals, and costs, including lost revenue recovery and proposed financial incentives. Mr. Walter also testified regarding the DSM Plan's demand and energy impact and its cost/benefit analysis. He opined that the DSM Plan is reasonable and consistent with Petitioner's 2024 Integrated Resource Plan ("IRP"), 2024 Market Potential Study ("MPS") and the December 2023 State Utility Forecasting Group Forecast. Finally, Mr. Walter testified regarding EM&V, the status of large customer opt-out, Petitioner's requests for spending flexibility, proposed reporting, and the cost components used to calculate the revenue requirement.

Mr. Harris testified regarding Petitioner's implementation and execution of its DSM Plan., explaining that the DSM Plan provides a diverse portfolio of programs and measures from which customers can choose based on their own individual circumstances. He also discussed Petitioner's strategies for implementing and marketing the plan to achieve customer participation, and Petitioner's approaches to enhance customer engagement.

Mr. Sklar-Chik discussed Petitioner's 2024 IRP, including Petitioner's load forecast, and the demand-side resources included in Petitioner's Preferred Portfolio. He explained that the 2024 IRP provides an economic level of EE resources for the IRP planning period. He opined that the

¹ Due to the timing of this Final Order's issuance, the interim relief requested by the Petitioner is unnecessary.

overall level of EE savings in Petitioner’s 2024 IRP Preferred Portfolio is reasonable and cost-effective.

Mr. Huber described the 2024 MPS and explained how its results were used to create EE, DR, and distributed energy resources inputs used in the development of Petitioner’s 2024 IRP. He stated that the 2024 MPS included new primary market research and a review of current measure offerings and programs, historical savings, and projected energy savings opportunities to develop estimates of technical, economic, and achievable potential.

Mr. Williamson discussed cost recovery, ratemaking, and accounting treatment for the 2026-2028 DSM Plan. He also sponsored an updated DSM/EE Rider, Home Energy Management Rider (“Rider H.E.M.”), and Work Energy Management Rider (“Rider W.E.M.”). He explained that the DSM/EE Rider factors will be updated after the Commission issues its Order in this proceeding and stated that those factors will be updated and reconciled annually during the DSM Plan period. Mr. Williamson explained that the proposed updates to the H.E.M and W.E.M Riders are needed to achieve consistency with the program names and descriptions identified by Mr. Harris.

Mr. Hornyak supported the customer class revenue allocation and rate design associated with the recovery of costs related to the DSM Plan. He also provided the calculation of the Company’s DSM Rider factors for each year of the DSM Plan and provided the resulting impacts on Petitioner’s residential customers.

B. Evidence in Support of the Settlement Agreement. The attached Settlement Agreement resolves all contested issues in this Cause among the Settling Parties. Witnesses for Petitioner, the OUCC, and the CAC explained the terms of the Settlement Agreement and opined that the Settlement Agreement is reasonable, beneficial for customers, in the public interest, and should be approved. The Settling Parties requested the Commission issue its order approving the Settlement Agreement by the end of 2025 to allow the timely and efficient implementation of the 2026-2028 DSM Plan.

1. Petitioner’s Settlement Testimony. Mr. Walter testified that the Settlement Agreement makes changes to Petitioner’s proposal in the following areas: OSB governance; EE Plan; EE Plan spending flexibility; DR Plan; and financial incentives. He noted that the Settlement Agreement provides that any matters not addressed by the Settlement Agreement are to be adopted as proposed by Petitioner in its case-in-chief.

Mr. Walter testified that the Settlement Agreement makes changes to the OSB governance document in several areas, such as OSB membership (adding and terminating members), OSB voting member changes, processes and rights, and amendments to governance provisions.

Mr. Walter testified that the Settlement Agreement includes the same EE, DR, and CVR programs proposed by Petitioner but includes modifications to some programs and a new DR Commercial & Industrial (“C&I”) Curtailable Rate Program. The programs included are as follows:

EE Programs

Residential:

Home Energy Engagement
Home Energy Products
Midstream
Online Energy Checkup
Multi-Family Direct Install
Income-Qualified Weatherproofing

C&I:

Work Custom
Work Midstream
Work Prescriptive
Work Strategic Energy Management
Work Direct Install

DR Programs

Residential

Critical Peak Pricing
Time-of-Use Rate
EV Rate
Thermostat Direct Load Control
Air Conditioner Direct Load Control
EV Chargers Direct Load Control
Behavioral

Commercial:

Critical Peak Pricing
Time-of-Use Rate
Thermostat Direct Load Control
Peak Time Rebate
Curtable Rate

Mr. Walter explained that the Settlement Agreement makes the following modifications to Petitioner's proposed EE programs:

- Includes residential Home Energy Products shell air sealing measures, at a 75% net-to-gross ratio.
- Moves all the residential and C&I measures designated as "Emerging Technology" and "Innovative" in the MPS from the EE Plan (the "Base Plan") to the Emerging Tech Plan (except for the Work Strategic Energy Management Program).
- Provides that during the first quarter of each EE Plan year, Petitioner will present to the OSB an Emerging Tech measure implementation plan; the Settlement Agreement recognizes that additional budget authority may be needed for this, which can be approved by unanimous OSB vote.

- Creates a category of New Emerging Technology for measures or programs not included in the EE Plan, for possible implementation using the overspend budget.
- Recognizes that federal EE standard baseline changes are possible and creates implementation flexibility for Petitioner to modify the DSM Plan accordingly, subject to notification to the OSB and majority OSB vote approval.
- Provides for EE spending flexibility for additional reasonably achievable and cost-effective EE savings (except that income-qualified programs are not required to be cost-effective). The spending flexibility is up to 10%, with an additional 5% of spending flexibility for New Emerging Technology (subject to a unanimous OSB vote). This spending flexibility is specific to this 2026-2028 DSM Plan — i.e., the dollars cannot be rolled over to a subsequent DSM Plan.
- Provides that spending flexibility may be used for mid-year customer EE opt-ins, subject to unanimous OSB vote.

Further, Mr. Walter explained that the Settlement Agreement makes the following modifications to the DR programs:

- Petitioner will work with the MPS vendor and collaborate with the OSB on the C&I Curtailable Rate Program, with a target of June 30, 2026 to present a proposal to the OSB.
- Once the status of the Home AC DR program in Michigan is determined (which is implemented jointly with the Indiana program), Petitioner will make a presentation to the OSB (targeted for year-end 2025) regarding continuing this program in Indiana. If the program is expected to be cost-effective, it will be restarted with budget and savings goals as proposed in the case-in-chief.
- Petitioner will revise its DR program requirements that call for a minimum participation of one year in a particular program, to make an exception in the case of a customer seeking to migrate between the iControl program and another DR Plan program (except for the Home AC DR program).

Mr. Walter stated that the Settlement Agreement further provides that, annually following the peak demand season, Petitioner will report to the Settling Parties the results of its non-DR Plan DR tariffs and programs. The Settlement Agreement also states that the Settling Parties will collaborate to determine if expanding DR Plan program eligibility can be implemented during the term of the DR Plan. This may include removing requirements to allow customers to enroll in a combination of programs as set out in the Settlement Agreement, subject to Petitioner's implementation and administration resources and budget availability, and subject to a unanimous OSB vote. In addition, Petitioner also agrees to implement, in good faith, initiatives to improve the cost-effectiveness of DR Plan programs in collaboration with the OSB. Finally, Petitioner agrees to collaborate with the OSB to include and report on additional tracking metrics for its DSM Plan programs, once a year, following the completion of each annual DR event season. Specific tracking metrics are identified in the Settlement Agreement.

With respect to program cost recovery, lost revenue recovery, and financial incentives, Mr. Walter testified that the Settlement Agreement retains the current procedures for timely cost recovery of DSM Plan program costs through the DSM Rider, continued authority to defer the

over- and under-recovery of program costs, and continued recovery of lost revenues consistent with current practice. In addition, he stated that the Settlement Agreement maintains the same EE shared savings incentive mechanism as is currently in place for the Base EE plan; creates a new incentive structure for the Emerging Tech EE plan; and creates additional overspending authority for New Emerging Technologies. Finally, he noted that the Settlement Agreement retains the current DR shared savings incentive mechanism.

Mr. Walter testified that the above Settlement Agreement modifications result in a revised revenue requirement for the DSM Plan of \$139,740,809, which represents a decrease of \$1,974,524 from the case-in-chief revenue requirement of \$141,715,333. Mr. Walter testified that the cost-effectiveness of the DSM Plan improved slightly, from 1.88 to 1.94 under the Utility Cost Test (“UCT”).

2. CAC’s Settlement Testimony. Mr. Mellinger testified on behalf of the CAC in support of the Settlement Agreement. Mr. Mellinger stated that the Settlement Agreement addresses many of the issues the CAC had with Petitioner’s proposal. He noted that the Settlement Agreement commits to achieving EE savings totaling 379,386 MWh or 98% of the revised 2024 IRP Preferred Portfolio. He noted that while the energy efficiency savings target in the Settlement Agreement does not equal 100% of the revised 2024 IRP Preferred Portfolio, the CAC believes it is a reasonable compromise reached through settlement negotiations. He stated that the EE program design changes agreed to in the Settlement Agreement include reasonable and cost-effective changes. He also noted that separately tracking and reporting emerging technology measures will provide OSB members greater insight into the success of these measures. He added that calculating a performance incentive for emerging technologies separately from the Base EE plan will sufficiently motivate Petitioner to pursue emerging technologies that may be less cost effective today but are expected to deliver improved benefits and reduced costs in the future.

Mr. Mellinger testified that the Settlement Agreement includes a number of changes to Petitioner’s case-in-chief proposal regarding DR, including modification of the DR savings goal and program design. Mr. Mellinger explained that the DR savings goal may increase by 15% to 143.4 MW (if the Home AC DR program resumes as proposed in Petitioner’s case-in-chief) or decrease by 1% to 123.2 MW (if the Home AC DR program remains in maintenance mode). Mr. Mellinger also described various program adjustments, relative to Petitioner’s case-in-chief proposal. Mr. Mellinger testified that the DR financial incentive mechanism remains the same as proposed in Petitioner’s case-in-chief (and the same as approved in Cause No. 45701 (“45701 Order”)), with the exception that performance will be measured against the percentage of the DR target achieved through actual reductions, rather than the percentage of the DR target that is merely enrolled. He stated that the method and metric for using actual DR savings to determine performance incentives will still need to be defined in collaboration with the OSB.

Mr. Mellinger also noted that the Settlement Agreement retained the lost revenue cap approved in previous proceedings. He concluded his testimony by stating his belief that the Settlement Agreement is reasonable and in the public interest, and recommended approval of the Settlement Agreement by the Commission.

3. The OUCC's Settlement Testimony. Ms. Sanka testified on behalf of the OUCC in support of the Settlement Agreement. She emphasized that affordability is crucial to the OUCC, and that the OUCC negotiated to ensure Petitioner's DSM programs are cost-effective and the DSM measure included in the DSM Plan optimize both EE and DR savings. She provided an overview of the terms of the Settlement Agreement, explaining that under the Settlement Agreement, Petitioner may seek OSB approval to use additional flex funding for cost-effective programs to pursue additional energy savings. She added that Petitioner may also seek OSB approval for additional funding to incorporate emerging technologies into programs; and Petitioner will be permitted to apply spending flexibility of up to 10% (inclusive) of portfolio direct costs for the DSM Plan toward programs with a UCT score greater than 1.0. She noted that income-qualified programs do not need to be cost-effective to seek flex funding. She stated that additional spending flexibility of up to an additional 5% (meaning spending flexibility over 10.0% and up to 15%) of the portfolio direct costs for the DSM Plan may be authorized for New Emerging Technology only with a unanimous vote of the OSB. Additionally, the Settlement Agreement provides that transferring or "rolling over" funds from any prior DSM Plan or to any subsequent DSM Plan is not applicable to the flex spending amounts within this current DSM Plan.

Ms. Sanka testified the terms of the Settlement Agreement provide for a new governance document be adopted for the OSB which includes the operation of the OSB and the voting process. Ms. Sanka testified that these additional provisions are beneficial to the members of the OSB, increase the effectiveness of the OSB, and are in the public interest.

Ms. Sanka testified that the Settlement Agreement serves the public interest by providing additional customer value.

5. Commission Discussion and Findings. Petitioner seeks approval of its 2026-2028 DSM Plan pursuant to Ind. Code § 8-1-8.5-10 and 170 IAC 4-8, as modified by the Settlement Agreement.

A. Consideration of Settlement Agreements. Settlements presented to the Commission are not ordinary contracts between private parties. *U.S. Gypsum, Inc. v. Ind. Gas Co., Inc.*, 735 N.E.2d 790, 803 (Ind. 2000). When the Commission approves a settlement, that settlement "loses its status as a strictly private contract and takes on a public interest gloss." *Id.* (quoting *Citizens Action Coal. of Ind., Inc. v. PSI Energy, Inc.*, 664 N.E.2d 401, 406 (Ind. Ct. App. 1996)). Thus, the Commission "may not accept a settlement merely because the private parties are satisfied; rather [the Commission] must consider whether the public interest will be served by accepting the settlement." *Citizens Action Coal.*, 664 N.E.2d at 406.

In addition, any Commission decision, ruling, or order, including the approval of a settlement, must be supported by specific findings of fact and sufficient evidence. *U.S. Gypsum*, 735 N.E.2d at 795 (citing *Citizens Action Coal. of Ind., Inc. v. Pub. Serv. Co.*, 582 N.E.2d 330 (Ind. 1991)). The Commission's procedural rules require that settlements be supported by probative evidence. 170 IAC 1-1.1-17(d). Before the Commission can approve the Settlement Agreement, the Commission must determine whether the evidence in this Cause sufficiently supports a conclusion that the Settlement Agreement is reasonable, just, and consistent with the purpose of Ind. Code ch. 8-1-2 and that it serves the public interest. Here, the parties have presented

substantial evidence from which we can assess the reasonableness of the terms of the Settlement Agreement.

B. Presentation of a Plan. Petitioner is an electricity supplier as defined by Ind. Code § 8-1-8.5-10(a) and with its Petition in this Cause, it has made a submission under Ind. Code § 8-1-8.5-10(h) seeking approval of a proposed DSM Plan containing both EE programs and DR programs.

Ind. Code 8-1-8.5-10(h) provides as follows:

Beginning not later than calendar year 2017, and not less than one (1) time every three (3) years, an electricity supplier shall petition the commission for approval of a plan that includes:

- (1) Energy efficiency goals;
- (2) Energy efficiency programs to achieve the energy efficiency goals;
- (3) Program budgets and program costs; and
- (4) Evaluation, measurement and verification procedures that must include independent evaluation, measurement and verification.

Based on the evidence presented, as discussed below, we find that Petitioner's proposed DSM Plan, as modified by the Settlement Agreement, satisfies the requirements of Ind. Code § 8-1-8.5-10(h).

1. EE Goals. Ind. Code § 8-1-8.5-10(c) defines "energy efficiency goals" as:

All energy efficiency produced by cost effective plans that are:

- (1) Reasonably achievable;
- (2) Consistent with an electricity supplier's integrated resource plan; and
- (3) Designed to achieve an optimal balance of energy resources in an electricity supplier's service territory.

The evidence indicates that the Settlement Agreement slightly increases Petitioner's initial proposed energy savings goal by 0.03% of Petitioner's retail sales. From the initially proposed goal of 364,700 MWh to the Settlement Agreement's goal of 379,434 MWh, including Emerging Technology energy savings, the energy savings target increase is 4%. Petitioner's 2024 IRP Preferred Portfolio included energy savings of 370,600 MWh for 2026-2028. There was a dispute about Petitioner's 2024 IRP Preferred Portfolio's energy efficiency potential since the savings were held flat across 2026-2028 compared to the MPS showing increasing savings. The CAC estimated the Preferred Portfolio therefore should instead have shown 385,847 MWh. The Settlement Agreement reflects a reasonable compromise to resolve this issue, committing Petitioner to achieve savings totaling 379,434 MWh.

The Settlement Agreement also changes the demand savings goal, which, as initially proposed by Petitioner for 2026-2028, was 124.4 MW. The Settlement Agreement increases the demand savings goal by 15% to 143.4 MW if the Home AC DR program resumes consistent with

Petitioner’s case-in-chief testimony. This increased goal allows for the addition of programs previously identified in the MPS, including a Commercial Curtailable Rate and residential Peak Time Rebates, which improves the Settlement Agreement’s DR Plan cost-effectiveness UCT score from 1.60 to 1.98. If the Home AC DR program remains in “maintenance mode,” the DR goal would decrease by 1% to 123.2 MW. The OSB will make a determination on whether to include the Home AC DR program at the original higher goal or the reduced goal. We find this is a reasonable compromise and process by which to determine the appropriate final demand savings goal. The evidence shows that the demand savings goal is also reasonably consistent with Petitioner’s 2024 IRP and is consistent with achieving an optimal balance of energy resources in Petitioner’s service territory.

Based on the evidence of record, we find that the Settlement Agreement’s modified energy and demand savings goals are reasonably achievable, consistent with Petitioner’s 2024 IRP, and are designed to achieve an optimal balance of energy resources in Petitioner’s service territory.

2. EE and DR Programs to Achieve EE Goals. The evidence shows that Petitioner’s proposed 2026-2028 EE and DR programs were modified by the Settlement Agreement to provide a reasonable compromise between the Settling Parties on issues of importance to the Settling Parties – such as savings goals, and certain programmatic changes. In addition, the Settlement Agreement allows Petitioner, in collaboration with the OSB, to make reasonable changes to the overall portfolio mix of programs and measures to provide flexibility to address changing conditions. The evidence shows that the program portfolio, as modified by the Settlement Agreement, is more cost-effective.

The Settlement Agreement does not make changes to Petitioner’s proposed CVR Plan, and the Settling Parties agree the CVR Plan should be approved as proposed by Petitioner in its case-in-chief. Mr. Walter’s direct testimony provided details regarding Petitioner’s CVR Plan and showed the overall CVR Plan is cost-effective. In his testimony, Mr. Walter proposed to continue reporting the energy and demand savings resulting from CVR operation as part of the energy and demand savings reported for the EE Plan and to recover the resulting lost revenue from these energy savings as part of the DSM Plan revenue requirement. We find this provision is reasonable and consistent with the Commission’s prior approval of Petitioner’s CVR Plan in the 45701 Order.

Based on the evidence presented, the Commission finds Petitioner’s offering of its EE and DR programs, as modified by the Settlement Agreement, and the CVR program as proposed by Petitioner in its case-in-chief, are reasonably designed to achieve EE and DR goals.

3. EE and DR Program Budgets and Costs. Mr. Walter’s settlement testimony identifies the annual budget associated with the DSM Plan, as modified by the Settlement Agreement. The Settlement Agreement identifies the following budgeted costs under the DSM Plan:

Program Costs - \$71,095,757

DSM Planning - \$945,000

Lost Revenue - \$59,905,658

Shared Savings / Financial Incentive - \$7,794,394

Total Cost of Three-Year DSM Plan - \$139,740,809

We find that these budgeted amounts reasonably reflect the amount necessary to achieve the agreed energy and demand savings goals.

In addition, the Settling Parties agreed to modify the percentage of spending flexibility from its current level of 12.5% to 10% (inclusive) of the Portfolio direct costs for the 2026-2028 DSM Plan towards programs with a UCT score greater than 1.0, except that income-qualified programs are not required to be cost-effective. Additional spending flexibility of an incremental 5% may be authorized for New Emerging Technology only with a unanimous vote of the OSB. All spending flexibility amounts are not eligible for transfer or “rollover” from any prior DSM Plan to any subsequent DSM Plan. The record shows these flexible spending provisions will give Petitioner and the OSB sufficient ability to modify programs as needed throughout the term of the DSM Plan. Given OSB involvement and oversight, we find this compromise to be reasonable.

Spending flexibility allows utilities working in collaboration with their OSB to react in a timely manner to changing circumstances during the implementation of a Commission-approved DSM Plan. Moreover, any use of spending flexibility to pursue cost-effective energy savings must be approved by the OSB, in accordance with the OSB’s governing provisions and the applicable provisions of the Settlement Agreement. Therefore, we find the agreed spending flexibility provisions of the Settlement Agreement are reasonable.

4. Independent EM&V and Reporting Procedures. The record shows Petitioner’s EM&V methodology is designed to meet all the evaluation requirements of 170 IAC 4-8-4 and is consistent with the EM&V framework already in place for Petitioner.

In addition, Petitioner committed to continue reporting to the Commission and to the OSB scorecard information consistent with the 45701 Order. Like the EM&V for the EE Plan, Petitioner will provide for annual EM&V reporting on its DR Plan programs and will provide these reports to the Commission for review during annual combined EE Plan and DR Plan DSM Rider reconciliations. With respect to the CVR Plan, the record shows that Petitioner plans to continue reporting energy and demand savings resulting from CVR operation as part of the energy and demand savings reported for the EE Plan.

Based upon our review of the evidence of record, we find that Petitioner’s proposed reporting is reasonable. The quarterly scorecards and annual EM&V report shall be filed under this Cause. We also find that the proposed EM&V procedures to independently verify the results of the DSM programs and the estimated EM&V costs are reasonable. Accordingly, we find that the EM&V and reporting procedures for Petitioner’s DSM Plan, as modified by the Settlement Agreement, are reasonable and compliant with Ind. Code § 8-1-8.5-10.

C. Reasonableness of Petitioner’s Proposed 2026-2028 DSM Plan. Having determined that Petitioner’s proposed DSM Plan, as modified by the Settlement Agreement, complies with the statutory requirements for submission of an EE plan, we must consider certain factors to determine whether a proposed DSM Plan is reasonable and should be approved. The

Commission is required to consider the following ten factors enumerated in Ind. Code § 8-1-8.5-10(j) to determine the overall reasonableness of the proposed plan:

- (1) Projected changes in customer consumption of electricity resulting from the implementation of the plan.
- (2) A cost and benefit analysis of the plan, including the likelihood of achieving the goals, of the energy efficiency programs included in the plan.
- (3) Whether the plan is consistent with the following:
 - a. The state energy analysis developed by the commission under section 3 of this chapter.
 - b. The electricity supplier's most recent long-range integrated resource plan submitted to the commission.
- (4) The inclusion and reasonableness of procedures to evaluate, measure and verify the results of the energy efficiency programs included in the plan, including the alignment of the procedures with applicable environmental regulations, including federal regulations concerning credits for emission reductions.
- (5) Any undue or unreasonable preference to any customer class resulting, or potentially resulting, from the implementation of an energy efficiency program or from the overall design of a plan.
- (6) Comments provided by customers, customer representatives, the office of utility consumer counselor, and other stakeholders concerning the adequacy and reasonableness of the plan, including alternative or additional means to achieve energy efficiency in the electricity supplier's service territory.
- (7) The effect, or potential effect, in both the long term and short term, of the plan on the electric rates and bills of customers that participate in energy efficiency programs compared to the electric rates and bills of customers that do not participate in energy efficiency programs.
- (8) The lost revenues and financial incentives associated with the plan and sought to be recovered or received by the electricity supplier.
- (9) The electricity supplier's current integrated resource plan and the underlying resource assessment.
- (10) Any other information the commission considers necessary.

170 IAC 4-8 includes similar requirements and also extends those requirements to demand response programs. Accordingly, we consider the proposed DSM Plan as modified under the Settlement Agreement – both EE and DR – under the Ind. Code § 8-1-8.5-10(h) and (j) criteria:

1. Projected Changes in Customer Consumption of Electricity. Mr. Walter identified the annual projected savings resulting from the implementation of the DSM Plan, as modified by the Settlement Agreement. In total, the three-year EE programs project energy savings of 379,433,510 kWh and demand savings of 58,399 kW. Mr. Walter also identified the annual projected savings resulting from the implementation of the DSM Plan's DR programs.

The projections shown in the Settlement Agreement indicate how customer consumption is expected to change as a result of Petitioner's implementation of the DSM Plan as agreed to in the Settlement Agreement. Because Petitioner's proposed programs are projected to result in energy savings of 0.83% of eligible retail sales, we expect a corresponding decrease in customer

consumption of electricity compared to what it would be without the programs. Accordingly, we find that Petitioner has met the requirement of Ind. Code § 8-1-8.5-10(j)(1).

2. Cost Benefit Analysis. 170 IAC 4-8-2 requires the use of, at a minimum, four tests – the participant cost test, ratepayer impact measure test, program administrator (utility cost) cost test, and total resource cost test – as part of the cost-benefit analysis required by Ind. Code § 8-1-8.5-10(j)(2). Each test is designed to compare various costs and benefits from a different perspective.

Mr. Walter testified that Petitioner evaluated the cost effectiveness of its proposed portfolio of EE programs using these standard tests. Mr. Walter explained how the DSM Portfolio cost effectiveness changed because of the Settlement Agreement and estimated the UCT score from the application of the Settlement Agreement’s terms to be 1.94, not including the impacts from the IQW Program. We note that Ind. Code § 8-1-8.5-10(h) authorizes the assistance programs regardless of whether a program is cost effective.

In evaluating past DSM Plans, the Commission has emphasized the cost-effectiveness of the entire program portfolio to support the availability of a suite of programs. *See, e.g., Indiana Michigan Power Co.*, Cause No. 45285 at 30 (IURC Feb. 3, 2021). This approach creates the opportunity for a broad range of customers to participate in utility-sponsored EE programs. Therefore, based on the evidence presented, we find that the DSM Plan portfolio of programs is cost effective.

3. Consistency with State Energy Analysis and Utility’s Most Recent Long-Range IRP. Regarding consistency with Petitioner’s most recent IRP, we found above that the DSM Plan EE goals as modified by the Settlement Agreement are consistent with Petitioner’s 2024 IRP. We also find that the DSM Plan, as modified by the Settlement Agreement, is consistent with Petitioner’s 2024 IRP.

4. EM&V. For the reasons discussed above in Section 5.B.4, we find that the EM&V for the proposed three-year DSM Plan is reasonable and compliant with Ind. Code § 8-1-8.5-10 as is role of the OSB in the EM&V process as agreed-to in the Settlement Agreement.

5. Undue or Unreasonable Preference to Customer Classes. The record shows that beginning with Petitioner’s MPS, Petitioner designed the EE Plan to build opportunity for proactive customer engagement in the programs. No evidence showing any undue or unreasonable preference to any customer class resulting, or potentially resulting, from the implementation of a proposed program or from the overall design of the DSM Plan has been presented. Thus, our analysis finds that the DSM Plan as modified by the Settlement Agreement does not present any undue or unreasonable preference to customer classes.

6. Stakeholder Comments. Section 10(j)(6) requires the Commission to consider comments provided by customers, customer representatives, the OUCC, or other stakeholders regarding the DSM Plan adequacy and reasonableness. Both the OUCC and CAC commented on the DSM Plan through their respective direct and settlement testimony, which the Commission considered in making its determinations in this Order.

7. Effect or Potential Effect of the Plan on Electric Rates and Customer Bills of Participants and Non-Participants. Petitioner provided evidence of the short-term bill impacts on customers. Upon implementation of the Settlement Agreement, the overall rate impact to a typical residential customer using 1,000 kWh of electricity per month will be a monthly rate decrease of \$0.22 or 0.1% . Petitioner also provided cost-effectiveness tests which demonstrate that, over the planning horizon, the utility’s revenue requirement is lower than it would be without the DSM Plan. We therefore find that the effects or potential effects of the DSM Plan on electric rates and customer bills of participants and non-participants are reasonable.

8. Lost Revenue and Financial Incentives. In assessing the overall reasonableness of the plan, we are required to consider the lost revenues and financial incentives associated with the DSM Plan that are sought to be recovered or received by the electricity supplier.

a. Lost Revenues. In its case-in-chief, Petitioner sought to recover lost revenues associated with its 2026-2028 DSM Plan through its DSM Rider in the same manner as is currently in place for Petitioner’s 2023-2025 DSM Plan. That is, maintenance of the lost revenue cap as approved by the Commission in Cause No. 45285, such that lost revenue for all measures installed in 2026-2028 will be limited to: (a) three years, (b) the life of the measure, or (c) until new rates are implemented pursuant to a final order in Petitioner’s next base rate case, whichever occurs earlier. We find the continued lost revenue recovery proposed by Petitioner in its case-in-chief and as outlined in the Settlement Agreement to be reasonable.

b. Financial Incentives. The record shows the Settlement Agreement terms related to financial incentives reflect, in large part, a continuation of the current structures which we previously found reasonable and approved. Additionally, the Emerging Technology financial incentive structure contains an additional adjustment to the UCT net benefit calculation for Emerging Technology products or programs that are not cost-effective; the benefits associated with such are multiplied by 1.67 before netting the UCT costs to arrive at the net benefit amounts. We also note that Emerging Technology measures in the Emerging Tech EE Plan will first be presented to the OSB each year with additional Emerging Technology products added through spending flexibility, subject to unanimous OSB vote. Accordingly, we find that the Settlement Agreement terms reflect a reasonable manner in which to promote target attainment and encourage Petitioner to pursue additional cost-effective savings for both EE Plan energy savings and DR Plan demand savings, while also incenting Petitioner to pursue promising emerging technologies. Accordingly, we find that the financial incentive structures agreed to by the Settling Parties appropriately address both under and over performance of agreed upon targets and are therefore reasonable.

9. Utility’s Current IRP and the Underlying Resource Assessment. Based on our review of the evidence, the governing statute, and the discussion above, we find that the evidence demonstrates that the DSM Plan as modified by the Settlement Agreement is consistent with Petitioner’s 2024 IRP.

B. Other Considerations. Section 10(j)(10) permits the Commission to consider any other information that the Commission considers necessary. We note that Indiana law strongly favors settlement as a means of resolving contested proceedings. *Mendenhall v. Skinner & Broadben*, 728 N.E.2d 140, 145 (Ind. 2000) (“The policy of the law generally is to discourage litigation and encourage negotiation and settlement of disputes.”). The Commission also credits the collaboration between the CAC, the OUCC and Petitioner in developing the Settlement Agreement, especially the additional agreed-upon role the OSB will play in revising the Plan. Accordingly, we find that each of these additional considerations weigh in favor of approving the DSM Plan as agreed upon by the Settling Parties in the Settlement Agreement.

C. Program Cost Recovery. Petitioner requests that it be authorized to recover program costs through its approved DSM Rider. Ind. Code § 8-1-8.5-10(k)(2) provides that once an electricity supplier’s EE plan is approved, the Commission shall allow the electricity supplier to recover all associated program costs on a timely basis through a periodic rate adjustments mechanism. The Commission’s DSM rules also provide authorization for the recovery of such program costs. *See* 170 IAC 4-8-5. Having found Petitioner’s DSM Plan, as modified by the Settlement Agreement, to be reasonable in its entirety, we therefore find that Petitioner shall be authorized to recover its associated program costs, including direct and indirect costs of operating the programs.

D. Lost Revenues and Financial Incentives. If the Commission finds that an electricity supplier’s plan is reasonable, Ind. Code §§ 8-1-8.5-10(k) and 8-1-8.5-10(o) require us to allow an electricity supplier to recover the following:

- (1) Reasonable financial incentives that:
 - a. Encourage implementation of cost-effective energy efficiency programs; or
 - b. Eliminate or offset regulatory or financial bias:
 - i. Against energy efficiency programs; or
 - ii. In favor of supply side resources.
- (2) Reasonable lost revenues.

For the reasons set forth in Section 5.C.8. above, we find that Petitioner’s proposed recovery of lost revenues and entitlement to financial incentives is reasonable; therefore, Petitioner is authorized to recover lost revenues and financial incentives as outlined in the Settlement Agreement.

E. Oversight Board. Petitioner requests approval to continue to utilize its OSB to assist and provide flexibility in the administration of its 2026-2028 DSM Plan. In addition, the Settlement Agreement updates and modifies the OSB governance procedures, providing more detail and clarity around OSB membership (adding and terminating members), OSB voting member changes, processes and rights, and amendments to governance provisions. Based on our review of the record, we find that Petitioner’s proposed ongoing use of the OSB is a key component of Petitioner’s DSM Plan. Further, based upon our review of the changes to the OSB governance document contained in the Settlement Agreement, we find such changes to be useful and reasonable.

F. Conclusion on Proposed DSM Plan, as Modified by the Settlement Agreement. Based on the evidence presented and the above discussion and findings, the Commission finds that Petitioner’s proposed DSM Plan, as modified by the Settlement Agreement, to be reasonable in its entirety and is approved.

The parties agree that the Settlement Agreement should not be used as precedent in any other proceeding or for any other purpose, except to the extent necessary to implement or enforce its terms. Consequently, with regard to future citation of the Settlement Agreement, we find that our approval herein should be construed in a manner consistent with our finding in *Richmond Power & Light*, Cause No. 40434, 1997 WL 34880849 at *7-8 (IURC March 19, 1997).

G. Confidential Information. On May 30, 2025, Petitioner filed a Motion For Protection And Nondisclosure Of Confidential And Proprietary Information with a supporting affidavit asserting that certain information to be submitted to the Commission was trade secret information as defined in Ind. Code § 24-2-3-2 and should be treated as confidential in accordance with Ind. Code §§ 5-14-3-4 and 8-1-2-29. A Docket Entry was issued on June 9, 2025, wherein the Presiding Officers determined the information should be held confidential on a preliminary basis, after which the information was submitted under seal. After reviewing the information and our consideration of the affidavit, we find the information is trade secret information as defined in Ind. Code § 24-2-3-2, is exempt from public access and disclosure pursuant to Ind. Code §§ 5-14-3-4 and 8-1-2-29, and shall be held confidential and protected from public access and disclosure by the Commission.

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

1. The Settlement Agreement, a copy of which is attached, is approved.
2. Petitioner’s proposed 2026-2028 DSM Plan, as modified by the Settlement Agreement, including the proposed budgets, is approved.
3. Petitioner’s request for timely recovery of costs associated with its 2026-2028 DSM Plan, including direct (including EM&V costs), and indirect costs of operating the programs, lost revenue, and EE and DR financial incentives as provided for in the Settlement Agreement, is approved.
4. In accordance with the Settlement Agreement, Petitioner’s requested accounting and ratemaking treatment, including the authority to defer the over- and under-recoveries of projected DSM program costs through the DSM Rider pending reconciliation in subsequent rider periods, is approved.
5. The accounting procedures necessary to implement the recovery of lost revenue, shared savings, and DR financial incentives as provided in the Settlement Agreement are approved.
6. Before implementing the DSM Rider factors resulting from the Settlement Agreement approved in this Cause, Petitioner shall make a compliance filing of its DSM Rider tariff sheet, including its DSM Rider Factors, for approval by the Commission’s Energy Division

setting forth the DSM Rider and Factors, and the OUCC and intervenors shall have 21 days thereafter to review the compliance filing and advise of any discrepancies, corrections, or objections.

7. Petitioner's proposed updates to Rider H.E.M. and Rider W.E.M. tariffs are approved.

8. In accordance with 170 IAC 4-8-4, Petitioner shall file quarterly scorecards and its EM&V reports under this Cause, with the first scorecard associated with the DSM Plan to be filed by April 30, 2026. Petitioner shall also file annually a final EM&V report for each program year with the Commission on or before April 30 under this Cause and post to its website, annually, a document containing information, data, and results from its EM&V activities.

9. The governance structure of Petitioner's OSB shall continue for the 2026-2028 DSM Plan period, as modified by the Settlement Agreement.

10. The information submitted under seal in this Cause pursuant to Petitioner's request for confidential treatment is determined to be confidential trade secret information as defined in Ind. Code § 24-2-3-2 and shall continue to be held as confidential and exempt from public access and disclosure pursuant to Ind. Code §§ 5-14-3-4 and 8-1-2-29.

11. This Order shall be effective on and after the date of its approval.

HUSTON, VELETA, AND ZIEGNER CONCUR:

APPROVED: DEC 30 2025

**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

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE VERIFIED)
PETITION OF INDIANA MICHIGAN POWER)
COMPANY FOR APPROVAL OF A 2026-2028)
DEMAND SIDE MANAGEMENT (DSM) PLAN,)
INCLUDING ENERGY EFFICIENCY (EE))
PROGRAMS, DEMAND RESPONSE (DR))
PROGRAMS, AND CONSERVATION VOLTAGE)
REDUCTION (CVR); ASSOCIATED)
ACCOUNTING AND RATEMAKING)
TREATMENT, INCLUDING TIMELY RECOVERY)
THROUGH I&M'S DSM/EE PROGRAM COST)
RIDER OF ASSOCIATED COSTS, INCLUDING)
PROGRAM OPERATING COSTS, NET LOST)
REVENUE, AND FINANCIAL INCENTIVES; AND)
IF NECESSARY, AUTHORITY TO CONTINUE)
IMPLEMENTATION OF ITS 2023-2025 DSM PLAN)
UNTIL A FINAL ORDER IS ISSUED IN THIS)
PROCEEDING)

IURC JOINT
EXHIBIT No. 1
10-27-25
DATE REPORTER

CAUSE NO. 46255

OFFICIAL EXHIBITS

SUBMISSION OF SETTLING PARTIES' JOINT EXHIBIT 1

Petitioner, Indianan Michigan Power Company ("I&M"), by counsel, and on behalf of itself and the Indiana Office of Utility Consumer Counsel ("OUCC"), and the Citizens Action Coalition of Indiana, Inc. ("CAC"), jointly (the "Settling Parties") in this Cause, respectfully submits the attached Settling Parties' Joint Exhibit 1.

Dated October 8, 2025

Respectfully submitted,

By: Kay E Pashos

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Attorneys for Indiana Michigan Power Company


CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served this 8th day of October, 2025, by email transmission, hand delivery or United States Mail, first class, postage prepaid to:

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Kay E. Pashos

*One of the attorneys for Indiana Michigan
Power Company*

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE VERIFIED)
PETITION OF INDIANA MICHIGAN POWER)
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RIDER OF ASSOCIATED COSTS, INCLUDING)
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REVENUE, AND FINANCIAL INCENTIVES; AND)
IF NECESSARY, AUTHORITY TO CONTINUE)
IMPLEMENTATION OF ITS 2023-2025 DSM PLAN)
UNTIL A FINAL ORDER IS ISSUED IN THIS)
PROCEEDING)

STIPULATION AND SETTLEMENT AGREEMENT

Indiana Michigan Power Company ("I&M" or "Company"), the Indiana Office of Utility Consumer Counselor ("OUCC"), and Intervenor Citizens Action Coalition of Indiana, Inc. ("CAC"), (collectively the "Settling Parties" and individually "Settling Party"), solely for purposes of compromise and settlement and having been duly advised by their respective staff, experts and counsel, stipulate and agree the terms and conditions set forth below represent a fair, just and reasonable resolution of the matters set forth below, subject to their incorporation by the Indiana Utility Regulatory Commission ("IURC" or "Commission") into a final, non-appealable order ("Final Order") without modification or further condition that may be unacceptable to any Settling Party. If the Commission does not approve this Stipulation and Settlement Agreement ("Settlement Agreement"), in its entirety, the entire Settlement Agreement shall be null and void and deemed withdrawn, unless otherwise agreed to in writing by the Settling Parties.

I. TERMS AND CONDITIONS.

As a settlement of this proceeding only and without serving as a precedent for future proceedings, the Settling Parties agree to Commission approval of I&M’s proposed 2026-2028 Demand Side Management (“DSM”) Plan and associated accounting and ratemaking treatment modified as follows.

A. DSM Oversight Board (“OSB”) Governance.

1. The agreed upon Attachment A, I&M DSM Oversight Board (“OSB”) Governance document, shall be adopted.
2. I&M will continue to discuss with the OSB further opportunities for customer outreach and awareness of Energy Efficiency (“EE”) and Demand Response (“DR”) program availability, including marketing efforts.
3. I&M agrees to collaborate with the OSB on the selection of the consultant to conduct, and the development of, the next Market Potential Study (“MPS”).

B. EE Plan.

1. Energy Savings Goal.
 - i. The EE Plan savings target will be split into two categories: Base EE Plan and Emerging Tech EE Plan. The Base EE Plan, which includes the addition of residential air sealing measure savings and budgets and the removal of Emerging Technology measure savings and budgets, forecasted annual and three-year energy savings target is adjusted to 370,876,483 gross kWh, as outlined in the Table 1A below.

Table 1A

	2026	2027	2028	Total
Annual EE Savings Goal (gross kWh)	121,526,575	124,703,288	124,646,620	370,876,483
Annual EE Plan Budget (\$)	19,524,262	20,670,550	21,448,152	61,642,964

The Emerging Tech EE Plan forecasted annual and three-year energy savings potential is adjusted to 8,509,794 gross kWh, as outlined in the Table 1B below.

Table 1B

	2026	2027	2028	Total
Annual EE Savings Goal (gross kWh)	2,396,513	2,802,789	3,310,492	8,509,794
Annual EE Plan Budget (\$)	524,406	658,545	771,821	1,954,772

2. Modifications to Plan.

- i. I&M will include the residential Home Energy Products (“HEP”) shell air sealing measures listed in Attachment B at a 75% net-to-gross ratio.
- ii. As mentioned above, I&M will move all residential and C&I commercial and industrial (“C&I”) measures designated as “Emerging Technology” and “Innovative” in the I&M MPS and originally included in the EE Plan from Base EE Plan targets and budgets, listed in Table 2 in Attachment B, except for the Work Strategic Energy Management Program, to the Emerging Tech EE Plan. During the first quarter of each program year of the EE Plan, I&M will present to the OSB an Emerging Tech measure implementation plan for which Emerging Tech measures are deemed viable for implementation testing. The parties recognize additional budget authority may be required for Emerging Tech Plan annual implementation and administration, which can be approved through a unanimous OSB vote.
- iii. In addition, an additional category of New Emerging Technology will be created for Emerging Technology measures or programs not included in the initially-proposed EE Plan, for possible implementation using a New Emerging Technology overspend budget. All New Emerging Technology (and associated energy and demand savings) will be available for implementation during the EE Plan three-year period and subject to the New Emerging Technology terms and budgets set forth herein.
- iv. Table 3 in Attachment B lists EE Plan changes set forth in B.2.ii. and B.2.iii. above. Table 4 in Attachment B lists the changed EE Plan program, sector, and portfolio level Utility Cost Test (“UCT”) scores.
- v. For measures that are impacted by federal standard baseline changes during the 3-year term of the DSM Plan, the Settling Parties further agree and stipulate implementation flexibility for I&M to modify impacted DSM Plan measures and program budgets according to such evolving federal standards changes so long as such changes are timely communicated to the OSB by I&M and agreed upon by the OSB via a majority vote.

3. Spending Flexibility.

- i. The OSB will be authorized to pursue additional reasonably achievable, cost-effective energy savings by exercising spending flexibility, except that income qualified programs are not required to be cost-effective. More specifically, I&M will be permitted to apply spending flexibility of up to 10% (inclusive) of the portfolio direct costs for the 2026-2028 DSM Plan towards programs with a UCT score greater than 1.0, except that income-qualified programs are not required to be cost-effective. Additional spending flexibility of up to an additional 5% (meaning spending flexibility over 10.0% and up to 15%) of the portfolio direct costs for the 2026-2028 DSM Plan may be authorized for New Emerging Technology only with a unanimous vote of the OSB.
 - ii. The Settling Parties explicitly agree that all Flexible Spending amounts included within this Plan are specific to this Plan and are not eligible for transfer or “rollover” from any prior DSM Plan or to any subsequent DSM Plan.
4. Spending flexibility described in Section B.3.i. can be used for New Emerging Technology to fund new programs or products identified by the Settling Parties that maintain cost-effectiveness for the affected program, except for income-qualified programs which are not required to be cost-effective. Any use of spending flexibility for New Emerging Technology will require a unanimous OSB vote with such vote to be held within 10 business days of the notice of such a request. When I&M presents a proposal to the OSB for the use of spending flexibility for the use of New Emerging Technology, it will include the methodology, cost-effectiveness assumptions, and other relevant research to justify the expenditure.

C. DSM/EE Opt-In.

Consistent with the current opt-in tariff language, if any customer(s) exercises a mid-program year opt-in during the 2026-2028 DSM Plan period, I&M will engage the OSB to determine the applicability and reasonableness for the use of the spending flexibility identified in Section I.B.3 above for such opt-in customer(s). Such use of spending flexibility is subject to unanimous OSB vote.

D. Demand Response (DR) Plan.

1. Demand Savings Goal.

- i. The DR Plan forecasted three-year demand savings target associated with Demand Response shall be adjusted to the demand savings levels shown in the table below. The adjustment in savings goals consists of two DR Plan program changes:

1. the increase of demand savings potential for I&M’s residential iControl Behavioral program by the addition of savings potential associated with the residential Peak Time Rebates (PTR) program modeled in the MPS.
2. the increase of demand savings potential and budget for an I&M commercial and industrial curtailment program.

In addition, and as further discussed below, for the time being, the demand savings potential from the DR Plan Home AC DR Program savings level will remain as proposed initially by I&M in its case-in-chief.

- ii. From the DR Plan demand savings changes identified above, the DR Plan forecast annual savings goals and DR program budgets will change to the amounts shown in the table below.¹

	2026	2027	2028
Annual DR Plan Savings Goal (gross MW)	21.33	38.93	62.91
Annual DR Plan Budget (\$)	2,723,031	4,164,541	5,230,269

2. The Settling Parties recognize and agree that issues surrounding capacity needs, resource adequacy, need for and cost-effectiveness of DR programs in general, changes occurring that may adversely affect the cost-effectiveness of the Home AC DR program, and details regarding the Market Potential Study’s C&I Curtailment program, remain fluid and unknown at this time. Accordingly, the Settling Parties agree as follows:
 - i. I&M will work with the Market Potential Study vendor to ascertain detailed assumptions about the C&I Curtailment program, and to determine whether and to what extent the program overlaps with existing I&M DR tariffs and programs. Following this, I&M will present to and collaborate with the OSB to finalize a design and implementation strategy for such Curtailment program and to determine whether the program retains cost-effectiveness and if the program will not create undue customer confusion for customers and I&M service providers. I&M proposes a target date of June 30, 2026, by which it will present such information to the OSB, along with a proposed

¹ This table does not assume full implementation of the Home AC DR program, but instead the lower maintenance levels for 2026-2028. If the Home AC DR Program returns to full implementation mode pursuant to the process outlined below in Term I(D)(2)(ii), associated savings and budget will be increased to account for that change.

C&I Curtailment program design and implementation strategy, which will then be subject to a vote by the OSB.

- ii. Once the status of the Home AC DR program in Michigan is determined (insofar as the program is currently implemented jointly with the Indiana program), I&M will work with the Home AC DR vendor to obtain any adjusted pricing for such program for Indiana, as well as any adjusted program design, budget, savings, and cost-effectiveness particulars, which I&M will present to the OSB. I&M anticipates this presentation can take place by December 31, 2025. The Home AC DR program will continue to be “paused” until I&M makes this presentation and the OSB makes a determination as to the future of the Home AC DR program. Full implementation of the Home AC DR program going forward will be re-started if the going forward program is expected to be cost-effective. If fully implemented, I&M will be authorized to utilize up to the Home AC DR budget included in its initially-proposed DSM Plan (case-in-chief testimony), and will maintain those associated savings included in its initially-proposed DSM Plan (case-in-chief testimony). If that is not the case, I&M will operate the program going forward for existing participating customers only. The Settling Parties recognize that re-starting new enrollments in the Home AC DR program in full implementation mode may require increased budget authority.
- iii. After the peak demand season is over, I&M will report to the Settling Parties, at a high level, aggregate basis, the results of its non-DSM Plan DR tariffs and programs (such as Rider DLMS, any tariffs based on PJM Pre-Emergency, Demand Response, or Economic products, and I&M contracts with specific customers separately approved by the IURC). The reported results will include the dates DR events were called, the customer response to such events being called, and the MWs of DR savings obtained during such events. While such DR tariffs and programs will not become part of the DSM Plan, the Settling Parties are free to take any position(s) regarding such tariffs and programs in other appropriate dockets.

3. Modifications to Plan.

- i. The Settling Parties will collaborate to determine if expanding DR Plan program eligibility can be implemented during the DR Plan period. At a minimum, expanded DR Plan program eligibility may include removing requirements to allow customers to enroll in the following combination of programs, subject to I&M’s DR program implementation and administration resource availability and capability, DR Plan budget availability, and unanimous OSB vote:

1. Residential time-of-use rates (R.S. TOU) and Smart Thermostat Program.
 2. Residential time-of-use rates (R.S. TOU) and Home AC Direct Load Control.
 3. Residential time-of-use rates (R.S. TOU) and iControl Program.
 4. Commercial time-of-use rates (G.S. TOU) and DLC Thermostat Program.
 5. Commercial time-of-use rates (G.S. TOU) and Peak Time Rebates.
- ii. I&M will revise its DR program requirements of a minimum participation for one year to include an exception in the case that a customer seeks to migrate between the iControl program and another DR Plan program, except for the Home AC Program. Such a customer would be allowed to shift enrollment from iControl to another DR program (except for Home AC Program), without having to first complete the full year of participation in the iControl program.
 - iii. I&M will work with the OSB to evaluate its DR program participation requirements where appropriate.
 - iv. I&M agrees to implement in good faith initiatives to improve the cost-effectiveness of DR Plan programs in collaboration with the OSB. These items include but are not limited to:
 1. I&M will work with the OSB to determine the appropriate cost-effectiveness assumptions for DR Plan program, other than avoided cost assumptions.
 2. I&M agrees to collaborate with the OSB on opportunities for developing a more robust strategy for EE and DR. Specifically, I&M will evaluate and potentially implement new strategies specific to smart thermostats (“tstats”) to demonstrate how the marketing and delivery can achieve goals of increased adoption rates and improve cost effectiveness.
4. I&M agrees to collaborate with the OSB to include and report on additional tracking metrics for its DR Plan programs as follows, once per year following the completion of each annual DR event season.

- **EE/DR co-deployment** – number of customers that enrolled in a DR program through enrollment channels available via EE offering within a given year, by program/tariff.
- **Deployment of enablement devices** – count of equipment/devices delivered through EE downstream rebates that will increase opportunities for enrollment in DR (e.g., smart tstats,).
- **Event participation** – # of enrolled customers that actively opt-out of participation for a given event (e.g., actively override DR controls), tracked by program and event date/time, for Home AC and smart tstat only.
- **DR Enrollment** - DR program enrollment changes as a percent of customers participating in DR programs.
- **Participation by demographic criteria: IQ, >65 yrs, and rural communities** – # and pct of total customers enrolled in DR programs/tariffs based on income eligibility, age (>65 years), and rural communities (based on designated ZIP code or census areas).
- **Peak Impacts as a function of temperature** – hourly load reduction of each event for event-based programs, measured in MWs, and the heat index measured at a designated weather monitoring station during the event hour.
- **Demand Reduction vs. Capability** – provide both (1) actual kW reduction by program and portfolio for each DR event day and (2) the DR capability, reflecting the enrolled capacity by program/portfolio for each event day for smart tstat program only.

E. Accounting Matters.

1. Timely cost recovery through the DSM/EE Rider shall be approved as proposed by I&M in its case-in-chief except as modified herein.
2. Continued authority to defer the over and under recovery of DSM/EE program costs through the DSM Rider pending reconciliation in subsequent rider periods will be approved as proposed by I&M.
3. Lost Revenues. The Settling Parties agree to maintain the existing lost revenue cap as approved in Cause No. 45701 and Cause No. 45285, such that lost revenue for all measures installed in 2026-2028 will be limited to (a) three years, (b) the life of the measure, or (c) until new rates are implemented pursuant to a final order in I&M's next base rate case, whichever occurs earlier.
4. Energy Efficiency Financial Incentive.

- i. The Settling Parties agree to maintain the energy efficiency shared savings incentive mechanism as approved in Cause No. 45701 for the Base EE Plan:

Energy Savings Achievement Level	Incentive (based on UCT net benefits) *	Incentive (based on program spending) *
<60%	0.0%	0.0%
60-69.99%	5.0%	7.0%
70-79.99%	7.0%	10.5%
80-89.99%	8.0%	12.0%
90-99.99%	9.5%	13.5%
100-104.99%	12.0%	15.0%
105-114.99%	15.0%	16.5%
≥115%	18.0%	18.0%
*Actual incentive is the lesser of the incentives based on dollar amount derived from applying these incentives at the sector level.		

- ii. The savings goal and performance incentive structure as filed will be maintained. Separately, any use of Spending Flexibility, as discussed above, will be associated with additional energy and/or demand savings outside of the savings goal as agreed to by the OSB, wherein I&M will have an opportunity to earn a performance incentive on those additional energy and/or demand savings using the same, but separately calculated, performance incentive mechanism. The use of Spending Flexibility for New Emerging Technologies to fund new programs or products will be evaluated separately, regardless of cost effectiveness. For the Emerging Tech EE Plan and for Spending Flexibility used for New Emerging Technologies to fund new programs or products that are not cost effective, the separately calculated incentive mechanism will be in accordance with the following table:

Separately Calculated Financial Incentives for New, Non-Cost-Effective Emerging Technology Programs or Products		
Energy Savings Achievement Level	Incentive (based on program spending) *	Incentive (based on NPV of Modified UCT net benefits¹) *
<60%	0.0%	0.0%
60-69.99%	7.0%	5.0%
70-79.99%	10.5%	7.0%
80-89.99%	12.0%	8.0%
90-99.99%	13.5%	9.5%
100-104.99%	15.0%	12.0%
105-114.99%	16.5%	15.0%
≥115%	18.0%	18.0%

* Actual incentive is the lesser of the incentives based on dollar amount derived from applying these incentives at the sector level.

¹ Modified UCT net benefits are derived by first multiplying the UCT benefits by 1.67 for the calculation of the Modified UCT.

5. Demand Response Financial Incentive. The Settling Parties agree to maintain the demand response shared savings incentive mechanism as approved in Cause No. 45701, based on actual MW reduction:

DR FIM Target Earnings Structure	
Percent of MW Target of Incremental Actual DR Reduction	DR Earnings Percent of Incremental O&M
<60%	0%
60-79.99%	2%
80-89.99%	4%
90-99.99%	6%
100-109.99%	8%
≥110%	10%

F. Other.

1. Any matters not addressed by this Settlement Agreement will be adopted as proposed by I&M in its direct case.

II. PRESENTATION OF THE SETTLEMENT AGREEMENT TO THE COMMISSION.

- A. The Settling Parties shall support this Settlement Agreement before the Commission and request that the Commission expeditiously accept and approve the Settlement Agreement.
- B. The Settling Parties may file testimony specifically supporting the Settlement Agreement. The Settling Parties agree to provide each other with an opportunity to review drafts of testimony supporting the Settlement Agreement and to consider the input of the other Settling Parties. Such evidence, together with the direct and rebuttal evidence previously prefiled in this Cause will be offered into evidence without objection and the Settling Parties hereby waive cross-examination of each other's witnesses. The Settling Parties propose to submit this Settlement Agreement and related evidence conditionally, and if the Commission fails to approve this Settlement Agreement in its entirety without any change or condition(s) unacceptable to any Settling Party, the Settlement and supporting evidence shall be withdrawn, and the Commission will continue to hear this Cause with the proceedings resuming at the point they were suspended by the filing of this Settlement Agreement.
- C. A Commission Order approving this Settlement Agreement shall be effective immediately, and the agreements contained herein shall be unconditional, effective and binding on all Settling Parties as an Order of the Commission.

III. EFFECT AND USE OF SETTLEMENT AGREEMENT.

- A. It is understood that this Settlement Agreement is reflective of a negotiated settlement and neither the making of this Settlement Agreement nor any of its provisions shall constitute an admission by any Settling Party in this or any other litigation or proceeding. It is also understood that each and every term of this Settlement Agreement is in consideration and support of each and every other term.
- B. Neither the making of this Settlement Agreement (nor the execution of any of the other documents or pleadings required to effectuate the provisions of this Settlement Agreement), nor the provisions thereof, nor the entry by the Commission of a Final Order approving this Settlement Agreement, shall establish any principles or legal precedent applicable to Commission proceedings other than those resolved herein.
- C. The Settling Parties agree that this Settlement Agreement and each term, condition, methodology, and exclusion contained herein reflect a fair, just, and reasonable resolution and compromise for the purpose of settlement in this proceeding. The Settlement Agreement shall not constitute, and shall not be used as, precedent or be deemed an admission by any person or entity in any other proceeding before the Commission except to the extent necessary to implement or enforce this Settlement Agreement.
- D. This Settlement Agreement is solely the result of compromise in the settlement process and except as provided herein, is without prejudice to and shall not constitute a waiver of any position that any Settling Party may take with respect to any or all of the items resolved here and in any future regulatory or other proceedings.

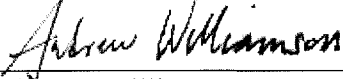
- E. The Settling Parties agree the evidence in support of this Settlement Agreement constitutes substantial evidence sufficient to support this Settlement Agreement and provides an adequate evidentiary basis upon which the Commission can make any findings of fact and conclusions of law necessary for the approval of this Settlement Agreement, as filed. The Settling Parties shall prepare and file an agreed proposed order with the Commission as soon as reasonably possible after the filing of this Settlement Agreement and the final evidentiary hearing.
- F. The communications and discussions during the negotiations and conferences and any materials produced and exchanged concerning this Settlement Agreement all relate to offers of settlement and shall be confidential, without prejudice to the position of any Settling Party, and are not to be used in any manner in connection with any other proceeding or otherwise.
- G. If a Settling Party wishes to issue a press release or other public announcement about this Settlement agreement, that party agrees to work collaboratively with the other Settling Parties on form, wording, and timing of such. Each Settling Party agrees to work collaboratively with the other Settling Parties on form, wording, and timing of any response(s) to such a press release or other public announcement, which shall also be consistent with such announcement and must not disparage any of the Settling Parties with respect to the Settlement Agreement.
- H. The Settling Parties have represented and agreed that they are fully authorized to execute the Settlement Agreement on behalf of their respective clients, and their successor and assigns, which will be bound thereby.

- I. The undersigned Settling Parties shall not appeal or seek rehearing, reconsideration or a stay of the Commission Order approving this Settlement Agreement in its entirety and without change or condition(s) unacceptable to any Settling Party (or related orders to the extent such orders are specifically implementing the provisions of this Settlement Agreement).
- J. The provisions of this Settlement Agreement shall be enforceable by any Settling Party upon approval and incorporation into a Final Order first before the Commission and thereafter in any state court of competent jurisdiction as necessary.
- K. This Settlement Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(signature pages follow)

ACCEPTED AND AGREED AS OF THE 11th DAY OF SEPTEMBER, 2025.

INDIANA MICHIGAN POWER COMPANY



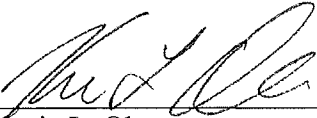
Andrew J. Williamson
Vice President, Regulatory & Finance
Indiana Michigan Power Center
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INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR



Thomas R. Harper
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CITIZENS ACTION COALITION OF INDIANA, INC.



Kerwin L. Olson
Executive Director
Citizens Action Coalition of Indiana, Inc.
1915 West 18th Street, Suite C
Indianapolis, Indiana 46202

Attachment A

**INDIANA MICHIGAN POWER COMPANY
DEMAND SIDE MANAGEMENT OVERSIGHT BOARD
GOVERNANCE PROVISIONS**

1. **Purpose.** The purpose of these Governance Provisions is to set out the role and the procedures that will govern the operations of the Indiana Michigan Power Company (I&M) Demand Side Management (DSM) Oversight Board (OSB) (hereinafter, the “DSM OSB”).

2. **Role of the DSM OSB.** The role of the DSM OSB is to:
 - a. Collaborate with I&M to promote the efficient use of electricity throughout I&M’s service territory through the development and oversight of programs that encourage customers to conserve electricity, use energy efficiently, and educate customers about the benefits of DSM;
 - b. Advise and provide input regarding the market potential study, implementation of programs, and evaluation, measurement & verification (EM&V) processes;
 - c. Advise and provide input regarding the selection of vendors for market potential studies, program implementation, and EM&V, subject to I&M business sensitive and confidential information and data sharing practices and requirements;
 - d. Advise and provide input regarding the use of program operating funds collected pursuant to Commission approved DSM Plans.

3. **Duration.** The DSM OSB shall serve from the effective date of this governance document until superseded or modified as approved by the Commission.

4. **Members of the DSM OSB.**
 - a. **Voting Members.** The five voting members of the I&M DSM OSB include: I&M, I&M Industrial Group, Citizens Action Coalition of Indiana (CAC), the City of Fort Wayne and the Indiana Office of Utility Consumer Counselor (OUCC).
 - b. **Adding Members.** The DSM OSB may elect new Voting Members upon a unanimous vote of the Voting Members. Should that occur, I&M will provide notice of the addition to the Commission and other members of the DSM OSB.
 - c. **Terminating Members.** I&M may not be removed from the DSM OSB. OUCC and CAC may not be involuntarily removed from the DSM OSB unless directed by the Commission. The OUCC and CAC may voluntarily withdraw from the DSM OSB at any time. Should that occur, I&M will provide notice of the withdrawal to the

Commission and other members of the DSM OSB.

- d. Quorum of Voting Members. A quorum (majority) of Voting Members, one of which must include I&M, is required to conduct any meetings of the DSM OSB and to transact or vote upon any business of the DSM OSB.

5. Voting.

a. Appointment of Voting Representatives to DSM OSB.

- i. Each Voting Member shall have one (1) vote. Each Voting Member may designate one (1) Voting Representative to represent it on the DSM OSB. A Voting Member shall be an employee of the Voting Member organization.
- ii. Each Voting Member may freely remove its designated Voting Representative to the DSM OSB, particularly with respect to DSM OSB voting rights upon advance notice to the other Voting Members.
- iii. Each Voting Member shall promptly fill vacancies created if its Voting Representative to the DSM OSB ceases to participate in that capacity upon advance notice to Voting Members.

b. DSM OSB Voting Rights. A vote of the five (5) DSM OSB Voting Members will be taken on the following issues as they arise:

- i. Selection of the EM&V vendor;
- ii. Application of the EM&V results to shared savings, lost revenues and final energy savings;
- iii. Request by I&M to move approved funds between sectors;
- iv. Any I&M proposal to reassign more than 25% of a sector's total budget to other programs in the same sector;
- v. Any I&M request to spend up to 10% more than the estimated total budget for each sector, as shown in the DSM Plan;
- vi. Any I&M request to move approved program funds to another program from the low-income program that is being provided despite its inability to score as cost-effective;
- vii. Any I&M request to change DSM program customer incentive levels by more than 15%;

- viii. Use of emerging technology budgets, as approved by the Commission, which shall be subject to unanimous vote and such vote shall be held no earlier than 10 business days of the notice of such request;
- ix. Any decisions to stop, restart, or pause any I&M DSM programs; and
- x. Any decision to terminate or not renew a contract with an implementation vendor, shall be put to a vote of the OSB. If the result of the vote is not unanimous, I&M may proceed to terminate or not renew a vendor contract at its discretion.

c. Voting Process.

- i. I&M will provide five (5) business days advance notice of the need for a vote by the DSM OSB, unless otherwise agreed upon.
- ii. I&M will provide all pertinent information concerning any issues to be voted on as soon as it becomes available, so the DSM OSB can make informed decisions, but not less than five (5) business days before the vote, unless otherwise agreed by all voting members.
- iii. The provision of information by the Company should not be read to mean that the Company is required to research or obtain information on behalf of any DSM OSB member(s).
- iv. DSM OSB members will act in good faith to not use requests for information to unnecessarily delay voting on any issue.
- v. If a vote is properly noticed to all voting members of the DSM OSB and a member fails to act by the designated voting deadline, that failure to act will reduce the number of votes on that issue.
- vi. The vote is determined by a simple majority vote of the voting members participating in the particular vote, unless otherwise provided herein.
- vii. If a Voting Member has not cast a vote within five (5) business days, I&M will proceed under the assumption that there are no objections to the request from the Voting Member that has not cast a vote, unless otherwise agreed by a quorum.

6. DSM OSB Communications.

a. Quarterly DSM OSB Meetings.

- i. I&M will hold meetings with its DSM OSB at least quarterly, with meeting dates determined by the DSM OSB.

- ii. DSM OSB members can submit agenda items to I&M before each quarterly meeting. I&M will distribute meeting agendas for the quarterly meetings to DSM OSB members no less than five (5) business days before each meeting.
 - iii. The quarterly meetings will provide I&M an opportunity to gather feedback from DSM OSB members on performance to date and seek input on upcoming program and budget decisions.
- b. DSM OSB Communication Between Quarterly Meetings.
- i. DSM OSB members may communicate one-on-one or in a joint DSM OSB meeting or conference call between quarterly DSM OSB meetings if needed to vote on proposals that require DSM OSB approval, get feedback, obtain program or budget updates, address questions, or discuss concerns.
 - ii. If a vote is required between quarterly meetings, the voting shall be conducted electronically within five (5) business days of the notice, subject to the same advance notice requirements discussed above.
 - iii. I&M will provide monthly scorecards consistent with current format within forty-five (45) days of the end of each month, based on all data available at that time. If any data is missing or needs to be confirmed, I&M will note that on the scorecard.
 - iv. I&M will use its best efforts to ensure that DSM OSB members have all appropriate information to be fully informed on the progress of I&M's DSM Plan.

7. Advance Notice of Future Filings.

- a. I&M will notify DSM OSB members prior to making a future DSM plan or reconciliation filing to provide a reasonable opportunity for discussion and input.
- b. I&M will file periodic updates, address questions, or discuss concerns. If a vote is required between quarterly meetings, the voting shall be conducted electronically within five (5) business days of the notice, subject to the same advance notice requirements discussed above.
- c. I&M will provide monthly scorecards consistent with current format within forty-five (45) days of the end of each month, based on all data available at that time. If any data is missing or needs to be confirmed, I&M will note that on the scorecard.
- d. I&M will use its best efforts to ensure that all members have all appropriate information to be fully informed on the progress of I&M's DSM Plan.

8. Dispute Resolution Process.

- a. If there is an issue concerning a pending action by I&M that any voting member of the DSM OSB indicates is in need of further discussion or escalation, I&M will delay implementation of any items that do not require immediate action, so that I&M management and DSM OSB Voting Members' management can discuss the matter further to ensure a sufficient opportunity for input is provided before action is taken.
- b. That management conversation shall happen within three (3) business days of a request, unless otherwise agreed. However, if the matter is time sensitive, I&M and management of the concerned DSM OSB Voting Member will make every effort to provide management personnel for immediate discussion (within one (1) business day or as otherwise agreed).
- c. The DSM OSB Voting Members agree to use this escalation process in good faith, escalating only those matters appropriate for stakeholder management's consideration.
- d. This dispute resolution process does not limit or otherwise affect the DSM OSB Voting Members' ability to seek relief from the Commission.

9. Broader Stakeholder Input. This process does not limit the ability of I&M to seek other interested stakeholder input beyond the members of the DSM OSB.

10. Amendment of Governance Provisions.

- a. Amendments to these governance provisions may be proposed by a resolution presented by a Voting Member to all of the DSM OSB Voting Members. Amendments may be adopted by a unanimous vote of the Voting Members or until otherwise ordered by the Commission.
- b. These Governance Provisions will remain in effect, unless otherwise agreed by a unanimous vote of the Voting Members or otherwise ordered by the Commission.
- c. Any Voting Member may request Commission approval of changes to these Governance Provisions in future I&M DSM plan approval cases.

11. Contracts and Loans. The DSM OSB is not a legal entity and does not have authority to execute contracts or loans on its own behalf or on behalf of I&M. The DSM OSB and all non-I&M members of the DSM OSB shall not be liable for any expenses or costs related to I&M's DSM programs.

12. Minutes of Board Meetings and Recordkeeping.

- a. I&M, on behalf of the DSM OSB, shall take minutes of Board meetings and provide each Voting Member the opportunity to add comments or make corrections thereto before the Voting Members take a vote on the acceptance of the minutes of the

Board meetings. I&M shall comply with any reporting requirements imposed by the Commission.

- b. The DSM OSB Members shall be provided by I&M:
 - i. A monthly scorecard apprising the members of the DSM program results, including expenditures, impacts, and participants/measures. This information will be provided on a year-to-date and previous month basis.
 - ii. Any other information I&M is required to report to the Commission.

13. **Fiscal Year**. The fiscal year for I&M's DSM programs shall begin on the first day of January of each year and end on the last day of December of each year, unless changed by a Commission Order for the budgetary authority for I&M to implement DSM programs.

14. **Confidential Information**. I&M will identify information that is deemed confidential, proprietary or competitively sensitive information that must be protected from public disclosure (if disclosed in writing or in the form of tangible materials, the materials to be marked "confidential"). If any information includes trade secrets or other protected confidential information, DSM OSB members will be required to execute, or to have executed, appropriate non-disclosure agreements before I&M provides confidential, proprietary, or competitively sensitive information.

Attachment B

Table 1

Home Energy Products Residential Air Sealing Savings and Budget								
	2026 Energy Savings (kWh)	2027 Energy Savings (kWh)	2028 Energy Savings (kWh)	3-Year Total Savings (kWh)	2026 Budget	2027 Budget	2028 Budget	3-Year Total Budget
Air Sealing - electric resistance	3,004,761	3,004,761	3,004,761	9,014,282	\$423,519	\$431,481	\$439,643	\$1,294,643
Air Sealing - heat pump	1,906,425	1,906,425	1,906,425	5,719,274	\$268,714	\$273,766	\$278,945	\$821,425
Total	4,911,186	4,911,186	4,911,186	14,733,557	\$692,233	\$705,248	\$718,588	\$2,116,068

Table 2

EE Plan Emerging Technology Measures													
EE Plan Case-In-Chief Status*	EE Plan Program	BLG Library Name	Measure Technology Type**	IRP Bundle Number	2026 Energy Savings (kWh)	2027 Energy Savings (kWh)	2028 Energy Savings (kWh)	3-Year Energy Savings (kWh)	2026 Budget	2027 Budget	2028 Budget	3-Year Cost	3-Year Cost of Energy (\$/kWh)
In	Home Energy Products	Home Energy Management System	Emerging	1	16,543	41,209	68,556	126,308	\$1,754	\$4,477	\$7,635	\$13,866	0.11
In	Home Energy Products	Ozone Laundry	Emerging	1	114,899	171,571	189,784	476,253	\$47,832	\$71,880	\$80,026	\$199,737	0.42
In	Home Energy Products	Ozone Laundry IQ	Emerging	1	31,180	46,533	51,438	129,150	\$13,053	\$19,604	\$21,810	\$54,468	0.42
In	Home Energy Products	Smart Socket IQ	Emerging	1	2,311	2,545	3,186	8,042	\$337	\$378	\$481	\$1,195	0.15
In	Home Energy Products	Smart Socket HEP	Emerging	1	9,564	10,529	13,173	33,266	\$1,393	\$1,562	\$1,990	\$4,945	0.15
In	Home Energy Products	Clothes Washer CEE Advanced Tier	Emerging	1	408,748	416,570	423,157	1,248,475	\$99,666	\$102,599	\$105,269	\$307,534	0.25
In	Home Energy Products	Clothes Washer CEE Advanced Tier IQ	Emerging	1	119,756	123,317	126,039	369,112	\$29,200	\$30,372	\$31,361	\$90,933	0.25
In	Res Midstream	Advanced Wall Heater	Emerging	1	5,624	13,804	22,637	42,065	\$1,156	\$2,909	\$4,889	\$8,954	0.21
In	Res Midstream	Advanced Wall Heater IQ	Emerging	1	1,111	2,745	4,516	8,372	\$229	\$579	\$976	\$1,784	0.21
In	Res Midstream	HVAC Economizer	Emerging	1	8,587	12,735	13,980	35,301	\$7,539	\$11,460	\$12,895	\$31,894	0.9
In	Res Midstream	Integrated HVAC Controls	Emerging	1	111,914	165,943	182,115	459,972	\$27,013	\$41,056	\$46,184	\$114,254	0.25
In	Res Midstream	Integrated HVAC Controls IQ	Emerging	1	41,158	60,595	66,893	169,047	\$15,561	\$23,637	\$26,571	\$65,768	0.39
In	Res Midstream	Smart Vents/Sensors	Emerging	1	113,634	168,516	184,967	467,116	\$54,414	\$82,712	\$93,057	\$230,183	0.49
In	Res Midstream	Smart Vents/Sensors IQ	Emerging	1	25,767	38,186	41,878	105,831	\$19,596	\$29,766	\$33,461	\$82,823	0.78
In	Res Online Energy Check-up	Ultra-Efficient LED	Emerging	1	36,343	46,485	58,365	141,193	\$13,880	\$18,197	\$23,419	\$55,496	0.39
In	Res Online Energy Check-up	Ultra-Efficient LED IQ	Emerging	1	11,144	14,344	18,066	43,554	\$4,258	\$5,617	\$7,252	\$17,127	0.39
In	Work Custom	Building Benchmarking	Emerging	6	8,590	12,624	21,984	43,199	\$1,240	\$1,868	\$3,334	\$6,442	0.15
In	Work Custom	Business Energy Reports	Emerging	6	2,138	3,146	5,486	10,770	\$309	\$466	\$832	\$1,606	0.15
In	Work Custom	COM Competitions	Emerging	6	7,101	10,442	18,193	35,736	\$893	\$1,346	\$2,404	\$4,643	0.13
In	Work Custom	Data Center Hot/Cold Aisle Configuration	Emerging	6	174,708	173,571	163,302	511,579	\$25,221	\$25,683	\$24,768	\$75,671	0.15
In	Work Custom	Energy Recovery Ventilator - Com	Emerging	6	51,530	56,234	69,800	177,564	\$7,439	\$8,322	\$10,589	\$26,350	0.15
In	Work Custom	Server Virtualization	Emerging	6	576,336	608,323	608,323	1,792,981	\$83,200	\$90,013	\$92,263	\$265,476	0.15
In	Work Custom	Triple Pane Windows	Emerging	6	9,650	12,734	16,567	38,950	\$1,393	\$1,884	\$2,513	\$5,790	0.15
In	Work Midstream	Switch Reluctance Motors	Emerging	6	43,523	108,806	181,344	333,673	\$6,454	\$16,537	\$28,251	\$51,242	0.15
In	Work Prescriptive	Aerofloils	Emerging	6	165,235	158,500	146,329	470,063	\$18,612	\$18,300	\$17,317	\$54,229	0.12
In	Work Custom	BEIMS	Emerging	6	284,950	310,608	600,652	1,196,209	\$41,135	\$45,960	\$91,100	\$178,195	0.15
In	Work Prescriptive	ENERGY STAR Uninterrupted Power Supply	Emerging	6	13,648	10,402	7,804	31,855	\$1,537	\$1,201	\$924	\$3,662	0.11
In	Work Prescriptive	Spring Loaded Garage Door Hinge	Emerging	6	824	1,373	1,959	4,157	\$93	\$159	\$232	\$483	0.12
Total					2,396,513	2,802,789	3,310,492	8,509,794	\$524,406	\$658,545	\$771,821	\$1,954,772	0.23

Table 3

EE Plan Impact Summary - HEP Air Sealing Measure & Emerging Technology Measure Impact						
	Home Energy Products Air Sealing Measure 3-Year Energy Savings Increase (kWh)	Home Energy Products Air Sealing Measure 3-Year Budget Increase	EE Plan Emerging Technology Measure Energy Savings Moved* (kWh)	EE Plan Emerging Technology Measure 3-Year Budget Moved* (kWh)	Difference Settlement to Case-In-Chief 3-Year EE Plan Energy Savings* (kWh)	Difference Settlement to Case-In-Chief 3-Year EE Plan Budget Change*
Home Energy Products	14,733,557	\$2,116,068	2,390,607	\$672,698	12,342,950	\$1,443,370
Res Midstream			1,334,912	\$535,660	(1,334,912)	(\$535,660)
Res Online Energy Check-up			184,746	\$72,624	(184,746)	(\$72,624)
Work Custom			3,807,014	\$564,174	(3,807,014)	(\$564,174)
Work Midstream			333,673	\$51,242	(333,673)	(\$51,242)
Work Prescriptive			506,075	\$58,374	(506,075)	(\$58,374)
Total Increase/(Decrease)	14,733,557	\$2,116,068	8,557,027	\$1,954,772	6,176,529	\$161,296

Table 4

Program	3 Year EE Program USCRT Cost Test			Costs	Benefit Cost Ratio
	Benefits*				
	Avoided Energy	Avoided Capacity	Avoided T&D		
Home Energy Engagement	\$723,088	\$165,028	\$36,563	\$914,920	1.01
Home Energy Products	\$7,050,472	\$4,221,636	\$764,201	\$6,814,119	1.77
Res Midstream	\$5,064,104	\$3,079,075	\$568,068	\$7,124,609	1.22
Res Online Energy Check-up	\$1,393,504	\$836,371	\$163,266	\$2,178,087	1.10
Multi Family Direct Install	\$410,895	\$245,432	\$45,454	\$506,368	1.39
IQ Weatherproofing	\$449,867	\$180,402	\$33,578	\$3,024,689	0.22
Residential Total	\$16,091,931	\$8,727,945	\$1,611,130	\$20,662,791	1.24
Work Custom	\$26,956,294	\$7,639,538	\$1,434,389	\$16,624,465	2.17
Work Midstream	\$2,652,061	\$753,393	\$139,812	\$1,621,417	2.19
Work Prescriptive	\$34,031,261	\$9,698,526	\$1,830,424	\$17,658,467	2.58
Work Strategic Energy Mgmt	\$847,550	\$224,825	\$48,752	\$923,076	1.21
Work Direct Install	\$3,360,875	\$960,251	\$178,609	\$4,252,747	1.06
C&I Total	\$67,848,041	\$19,276,532	\$3,631,987	\$41,080,173	2.21
Portfolio Total	\$82,939,971	\$28,004,477	\$5,243,117	\$61,642,964	1.88
Residential Sector without IQ Weatherproofing	\$14,642,064	\$8,547,543	\$1,577,552	\$17,538,102	1.41
Portfolio without IQ Weatherproofing	\$82,490,104	\$27,824,075	\$5,209,539	\$58,618,276	1.97

Table 5

DR Plan Programs****														
Sector	Program	Program Status	Participants			Program Budget			Demand Savings (MW at-the-meter)			NPV	NPV Utility	UCT
			2026	2027	2028	2026	2027	2028	2026	2027	2028	Benefits	Costs	Ratio
Residential	DLC Central AC (IQ)	Existing	2,548	2,548	2,548	\$288,456	\$288,456	\$288,456	2.38	2.38	2.38	\$3,095,352	\$2,965,568	1.03
Residential	DLC Thermostat	Existing	7,653	8,748	9,844	\$733,730	\$813,145	\$892,157	8.47	9.38	10.22	\$18,912,475	\$14,897,359	1.27
Residential	DLC EV Chargers*	New	497	1,137	1,932	\$0	\$0	\$0	0.68	1.51	2.50	\$0	\$0	NA
Residential	EV Rate*	New	1,567	2,047	2,462	\$0	\$0	\$0	0.79	1.01	1.18	\$0	\$0	NA
Residential	Behavioral (iControl)	Existing	13,559	19,718	27,780	\$412,159	\$577,381	\$742,046	1.44	2.04	2.80	\$4,199,828	\$6,749,260	0.62
Residential	TOU with Enabling Technology	Existing	2,722	8,069	14,467	\$209,932	\$360,764	\$451,702	0.59	1.74	3.10	\$3,411,746	\$2,303,340	1.48
Residential	TOU without Enabling Technology	Existing	6,423	19,815	38,219	\$90,150	\$714,600	\$965,200	0.63	1.88	3.53	\$4,310,038	\$2,545,298	1.69
Residential	CPP with Enabling Technology	Existing	1,173	3,770	7,756	\$123,188	\$197,470	\$290,836	0.99	3.15	6.45	\$7,698,728	\$1,604,675	4.8
Residential	CPP without Enabling Technology	Existing	2,725	8,754	17,953	\$181,250	\$346,450	\$504,950	0.86	2.76	5.63	\$7,010,746	\$1,643,983	4.26
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Commercial	Curtailable Rate	New	40	130	270	\$163,771	\$204,396	\$290,010	1.61	5.10	10.30	\$14,758,271	\$2,787,463	5.29
	Total Residential		38,867	74,606	122,961	\$2,038,865	\$3,298,266	\$4,135,347	16.84	25.87	37.80	\$48,638,913	\$32,739,483	1.49
	Total Commercial		3,095	9,123	17,173	\$684,166	\$866,275	\$1,094,922	4.49	13.07	25.11	\$33,159,758	\$8,485,189	3.91
	Portfolio Total		41,962	83,729	140,134	\$2,723,031	\$4,164,541	\$5,230,269	21.33	38.93	62.91	\$81,798,671	\$41,224,672	1.98

176341886v3

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE VERIFIED)
PETITION OF INDIANA MICHIGAN POWER)
COMPANY FOR APPROVAL OF A 2026-2028)
DEMAND SIDE MANAGEMENT (DSM) PLAN,)
INCLUDING ENERGY EFFICIENCY (EE))
PROGRAMS, DEMAND RESPONSE (DR))
PROGRAMS, AND CONSERVATION VOLTAGE)
REDUCTION (CVR); ASSOCIATED) CAUSE NO. 46255
ACCOUNTING AND RATEMAKING)
TREATMENT, INCLUDING TIMELY RECOVERY)
THROUGH I&M'S DSM/EE PROGRAM COST)
RIDER OF ASSOCIATED COSTS, INCLUDING)
PROGRAM OPERATING COSTS, NET LOST)
REVENUE, AND FINANCIAL INCENTIVES; AND)
IF NECESSARY, AUTHORITY TO CONTINUE)
IMPLEMENTATION OF ITS 2023-2025 DSM PLAN)
UNTIL A FINAL ORDER IS ISSUED IN THIS)
PROCEEDING)

AMENDED STIPULATION AND SETTLEMENT AGREEMENT

Indiana Michigan Power Company ("I&M" or "Company"), the Indiana Office of Utility Consumer Counselor ("OUCC"), and Intervenor Citizens Action Coalition of Indiana, Inc. ("CAC"), (collectively the "Settling Parties" and individually "Settling Party"), hereby amend the September 11, 2025 Stipulation and Settlement Agreement entered into in this Cause, as follows.

- A. In Section I.B., to reflect a slight adjustment to the Emerging Tech energy savings goals, the following portion of that Section I.B. shall be amended to read as follows (changes highlighted):

The Emerging Tech EE Plan forecasted annual and three-year energy savings potential is adjusted to 8,557,027 gross kWh, as outlined in Table 1B below.

Table 1B

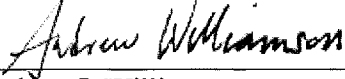
	2026	2027	2028	Total
Annual EE Savings Goal (gross kWh)	2,408,006	2,819,833	3,329,188	8,557,027
Annual EE Plan Budget (\$)	524,406	658,545	771,821	1,954,772

- B. In addition, to conform to the above adjustments, Attachment B Tables 1 through 5 shall be replaced with the attached amended Tables 1 through 5.

(signature pages follow)


ACCEPTED AND AGREED AS OF THE 8th DAY OF OCTOBER, 2025.

INDIANA MICHIGAN POWER COMPANY



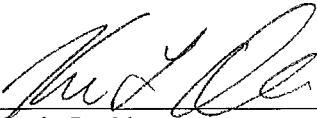
Andrew J. Williamson
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Indiana Michigan Power Center
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INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR



Thomas R. Harper
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Indiana Office of Utility Consumer Counselor
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CITIZENS ACTION COALITION OF INDIANA, INC.



Kerwin L. Olson
Executive Director
Citizens Action Coalition of Indiana, Inc.
1915 West 18th Street, Suite C
Indianapolis, Indiana 46202

Attachment B

Table 1

Home Energy Products Residential Air Sealing Savings and Budget								
	2026	2027	2028	3-Year	2026	2027	2028	3-Year
	Energy	Energy	Energy	Total	Budget	Budget	Budget	Total
	Savings	Savings	Savings	Energy				Budget
	(kWh)	(kWh)	(kWh)	(kWh)				
Air Sealing - electric resistance	3,004,761	3,004,761	3,004,761	9,014,282	\$423,519	\$431,481	\$439,643	\$1,294,643
Air Sealing - heat pump	1,906,425	1,906,425	1,906,425	5,719,274	\$268,714	\$273,766	\$278,945	\$821,425
Total	4,911,186	4,911,186	4,911,186	14,733,557	\$692,233	\$705,248	\$718,588	\$2,116,068

Table 2

EE Plan Emerging Technology Measures													
EE Plan Case-In-Chief Status*	EE Plan Program	BLG Library Name	Measure Technology Type**	IRP Bundle Number	2026 Energy Savings (kWh)	2027 Energy Savings (kWh)	2028 Energy Savings (kWh)	3-Year Energy Savings (kWh)	2026 Budget	2027 Budget	2028 Budget	3-Year Cost	3-Year Cost of Energy (\$/kWh)
In	Home Energy Products	Home Energy Management System	Emerging	1	16,543	41,209	68,556	126,308	\$1,754	\$4,477	\$7,635	\$13,866	0.11
In	Home Energy Products	Ozone Laundry	Emerging	1	114,899	171,571	189,784	476,253	\$47,832	\$71,880	\$80,026	\$199,737	0.42
In	Home Energy Products	Ozone Laundry IQ	Emerging	1	31,180	46,533	51,438	129,150	\$13,053	\$19,604	\$21,810	\$54,468	0.42
In	Home Energy Products	Smart Socket IQ	Emerging	1	2,311	2,545	3,186	8,042	\$337	\$378	\$481	\$1,195	0.15
In	Home Energy Products	Smart Socket HEP	Emerging	1	9,564	10,529	13,173	33,266	\$1,393	\$1,562	\$1,990	\$4,945	0.15
In	Home Energy Products	Clothes Washer CEE Advanced Tier	Emerging	1	408,748	416,570	423,157	1,248,475	\$99,666	\$102,599	\$105,289	\$307,554	0.25
In	Home Energy Products	Clothes Washer CEE Advanced Tier IQ	Emerging	1	119,756	123,317	126,039	369,112	\$29,200	\$30,372	\$31,361	\$90,933	0.25
In	Res Midstream	Advanced Wall Heater	Emerging	1	5,624	13,804	22,637	42,065	\$1,156	\$2,909	\$4,889	\$8,954	0.21
In	Res Midstream	Advanced Wall Heater IQ	Emerging	1	1,111	2,745	4,516	8,372	\$229	\$579	\$976	\$1,784	0.21
In	Res Midstream	HVAC Economizer	Emerging	1	8,587	12,735	13,980	35,301	\$7,539	\$11,460	\$12,895	\$31,894	0.9
In	Res Midstream	Integrated HVAC Controls	Emerging	1	111,914	165,944	182,115	459,973	\$27,013	\$41,056	\$46,184	\$114,254	0.25
In	Res Midstream	Integrated HVAC Controls IQ	Emerging	1	44,141	65,415	71,741	181,298	\$15,561	\$23,637	\$26,571	\$65,768	0.36
In	Res Midstream	Smart Vents/Sensors	Emerging	1	113,634	168,516	184,968	467,118	\$54,414	\$82,712	\$93,057	\$230,183	0.49
In	Res Midstream	Smart Vents/Sensors IQ	Emerging	1	34,278	50,798	55,710	140,787	\$19,596	\$29,766	\$33,461	\$82,823	0.59
In	Res Online Energy Check-up	Ultra-Efficient LED	Emerging	1	36,343	46,485	58,365	141,192	\$13,880	\$18,197	\$23,419	\$55,496	0.39
In	Res Online Energy Check-up	Ultra-Efficient LED IQ	Emerging	1	11,144	14,344	18,066	43,554	\$4,258	\$5,617	\$7,252	\$17,127	0.39
In	Work Custom	Building Benchmarking	Emerging	6	8,590	12,624	21,984	43,199	\$1,240	\$1,868	\$3,334	\$6,442	0.15
In	Work Custom	Business Energy Reports	Emerging	6	2,138	3,146	5,486	10,770	\$309	\$466	\$832	\$1,606	0.15
In	Work Custom	COM Competitions	Emerging	6	7,101	10,442	18,193	35,736	\$893	\$1,346	\$2,404	\$4,643	0.13
In	Work Custom	Data Center Hot/Cold Aisle Configuration	Emerging	6	174,706	173,571	163,302	511,579	\$25,221	\$25,683	\$24,768	\$75,671	0.15
In	Work Custom	Energy Recovery Ventilator - Com	Emerging	6	51,530	56,244	69,816	177,590	\$7,439	\$8,322	\$10,589	\$26,350	0.15
In	Work Custom	Server Virtualization	Emerging	6	576,336	608,323	608,323	1,792,981	\$83,200	\$90,013	\$92,263	\$265,476	0.15
In	Work Custom	Triple Pane Windows	Emerging	6	9,650	12,734	16,567	38,950	\$1,393	\$1,684	\$2,513	\$5,790	0.15
In	Work Midstream	Switch Reluctance Motors	Emerging	6	43,523	108,806	181,344	333,673	\$6,454	\$16,537	\$28,251	\$51,242	0.15
In	Work Prescriptive	Aerofloils	Emerging	6	165,235	158,500	146,329	470,063	\$18,612	\$18,300	\$17,317	\$54,229	0.12
In	Work Custom	BEIMS	Emerging	6	284,950	310,608	600,652	1,196,209	\$41,135	\$45,360	\$91,100	\$178,195	0.15
In	Work Prescriptive	ENERGY STAR Uninterrupted Power Supply	Emerging	6	13,648	10,402	7,804	31,855	\$1,537	\$1,201	\$924	\$3,662	0.11
In	Work Prescriptive	Spring Loaded Garage Door Hinge	Emerging	6	824	1,373	1,959	4,157	\$83	\$159	\$232	\$483	0.12
Total					2,408,006	2,819,833	3,329,188	8,557,027	\$524,406	\$658,545	\$771,821	\$1,954,772	0.23

Table 3

EE Plan Impact Summary - HEP Air Sealing Measure & Emerging Technology Measure Impact						
	Home Energy Products Air Sealing Measure 3-Year Energy Savings Increase (kWh)	Home Energy Products Air Sealing Measure 3-Year Budget Increase	EE Plan Emerging Technology Measure Energy Savings Moved* (kWh)	EE Plan Emerging Technology Measure 3-Year Budget Moved* (kWh)	Difference Settlement to Case-In-Chief 3-Year EE Plan Energy Savings* (kWh)	Difference Settlement to Case-In-Chief 3-Year EE Plan Budget Change*
Home Energy Products	14,733,557	\$2,116,068	2,390,607	\$672,698	12,342,950	\$1,443,370
Res Midstream			1,334,912	\$535,660	(1,334,912)	(\$535,660)
Res Online Energy Check-up			184,746	\$72,624	(184,746)	(\$72,624)
Work Custom			3,807,014	\$564,174	(3,807,014)	(\$564,174)
Work Midstream			333,673	\$51,242	(333,673)	(\$51,242)
Work Prescriptive			506,075	\$58,374	(506,075)	(\$58,374)
Total Increase/(Decrease)	14,733,557	\$2,116,068	8,557,027	\$1,954,772	6,176,529	\$161,296

Table 4

Program	Benefits*			Costs	Benefit Cost Ratio
	Avoided Energy	Avoided Capacity	Avoided T&D		
Home Energy Engagement	\$723,088	\$165,028	\$36,563	\$914,920	1.01
Home Energy Products	\$7,389,538	\$4,425,115	\$802,643	\$7,486,817	1.69
Res Midstream	\$5,310,343	\$3,229,491	\$597,096	\$7,660,268	1.19
Res Online Energy Check-up	\$1,467,448	\$881,090	\$171,265	\$2,250,711	1.12
Multi Family Direct Install	\$410,895	\$245,432	\$45,454	\$506,368	1.39
IQ Weatherproofing	\$449,867	\$180,402	\$33,578	\$3,024,689	0.22
Residential Total	\$15,751,180	\$9,126,558	\$1,686,599	\$21,843,773	1.22
Work Custom	\$27,547,867	\$7,805,681	\$1,467,137	\$17,188,640	2.14
Work Midstream	\$2,747,580	\$780,599	\$144,857	\$1,672,659	2.20
Work Prescriptive	\$34,141,211	\$9,729,927	\$1,836,476	\$17,716,841	2.58
Work Strategic Energy Mgmt	\$847,550	\$224,825	\$48,752	\$923,076	1.21
Work Direct Install	\$3,360,875	\$960,251	\$178,609	\$4,252,747	1.06
C&I Total	\$68,646,084	\$19,501,284	\$3,675,832	\$41,753,963	2.20
Portfolio Total	\$84,396,264	\$28,627,841	\$5,362,431	\$63,597,736	1.86
Residential Sector without IQ Weatherproofing	\$15,301,313	\$8,946,166	\$1,653,021	\$18,819,084	1.38
Portfolio without IQ Weatherproofing	\$83,946,397	\$28,447,439	\$5,328,853	\$60,573,047	1.94

Table 5

DR Plan Programs****														
Sector	Program	Program Status	Participants			Program Budget			Demand Savings (MW at-the-meter)			NPV Benefits	NPV Utility Costs	UCT Ratio
			2026	2027	2028	2026	2027	2028	2026	2027	2028			
Residential	DLC Central AC (IQ)	Existing	2,548	2,548	2,548	\$288,456	\$288,456	\$288,456	2.38	2.38	2.38	\$3,085,352	\$2,995,568	1.03
Residential	DLC Thermostat	Existing	7,653	8,748	9,844	\$733,730	\$813,145	\$892,157	8.47	9.38	10.22	\$18,912,475	\$14,897,359	1.27
Residential	DLC EV Chargers*	New	497	1,137	1,932	\$0	\$0	\$0	0.68	1.51	2.50	\$0	\$0	NA
Residential	EVRate*	New	1,567	2,047	2,462	\$0	\$0	\$0	0.79	1.01	1.18	\$0	\$0	NA
Residential	Behavioral (iControl)	Existing	13,559	19,718	27,780	\$412,159	\$577,381	\$742,046	1.44	2.04	2.80	\$4,199,828	\$6,749,260	0.62
Residential	TOU with Enabling Technology	Existing	2,722	8,069	14,467	\$209,932	\$360,764	\$451,702	0.59	1.74	3.10	\$3,411,746	\$2,303,340	1.48
Residential	TOU without Enabling Technology	Existing	6,423	19,815	38,219	\$90,150	\$714,600	\$965,200	0.63	1.88	3.53	\$4,310,038	\$2,545,298	1.69
Residential	CPP with Enabling Technology	Existing	1,173	3,770	7,756	\$123,188	\$197,470	\$290,836	0.99	3.15	6.45	\$7,698,728	\$1,604,675	4.8
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