

**FILED**

**SEP 27 2016**

**INDIANA UTILITY  
REGULATORY COMMISSION**

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

VERIFIED EMERGENCY PETITION OF )  
THE CITY OF INDIANAPOLIS, AS )  
SUCCESSOR TRUSTEE OF A PUBLIC )  
CHARITABLE TRUST, D/B/A CITIZENS )  
GAS, INDIANA GAS COMPANY, INC. )  
D/B/A VECTREN ENERGY DELIVERY OF )  
INDIANA, INC., SOUTHERN INDIANA ) CAUSE NO. 44094  
GAS AND ELECTRIC COMPANY D/B/A/ )  
VECTREN ENERGY DELIVERY OF )  
INDIANA, INC., AND NORTHERN )  
INDIANA PUBLIC SERVICE COMPANY )  
FOR THE APPROVAL OF NECESSARY )  
AND TEMPORARY ALTERATIONS TO )  
THE ALTERNATIVE REGULATORY PLAN )  
APPROVED IN CAUSE NO. 43669. )

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**COMPLIANCE FILING – UPDATED USF FACTORS**

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In accordance with the Indiana Utility Regulatory Commission's December 7, 2011 Order in this Cause, Petitioner Northern Indiana Public Service Company, by counsel, respectfully submits its updated annual Appendix D – Universal Service Fund (USF) Factors to be applicable during the 2016-2017 heating season. In support hereof, NIPSCO states as follows:

1. NIPSCO proposes that its USF Factors for Rates 411, 415, 421, 425 and 451 customers for the 2016-2017 heating season and that the monthly fixed USF charge for Rates 428, 430, 434A and 438 be set as shown below:

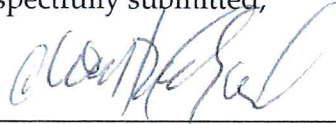
Summary of Rates (see Appendix D)		
Rate Class	Rate per therm used per month	Rate per month
Rate 411	\$0.000000	
Rate 415	\$0.000000	
Rate 421	\$0.000000	
Rate 425	\$0.000000	
Rate 428		\$125.00
Rate 430		\$125.00
Rate 434A		\$30.00
Rate 438		\$30.00
Rate 451 - Residential	\$0.000000	
Rate 451 - General Service	\$0.000000	

2. NIPSCO's updated Appendix D – Universal Service Fund (USF) Factor tariff sheet reflecting the residential and general service USP factors and monthly charge to customers under Rates 428, 430, 434A, and 438 to be in effect from October 1, 2016 through September 30, 2017 is attached hereto as Exhibit A.

3. Workpapers supporting NIPSCO's updated Appendix D– Universal Service Fund tariff sheet to be in effect from October 1, 2016 through September 30, 2017 is attached hereto as Exhibit B.

4. While Exhibit B reflects a small negative revenue requirement (\$ (23,136) compared to a forecasted program cost of \$1,524,158), NIPSCO proposes a zero factor in anticipation of variances in enrollment and weather conditions.

Respectfully submitted,



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Attorney for Northern Indiana Public Service  
Company

## CERTIFICATE OF SERVICE

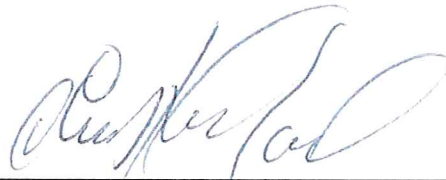
The undersigned hereby certifies that on September 27, 2016, a copy of the foregoing was served via email transmission upon the following:

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Christopher C. Earle

NORTHERN INDIANA PUBLIC SERVICE COMPANY  
IURC Gas Service Tariff  
Original Volume No. 7

Seventh Revised Sheet No. 155  
Superseding  
Sixth Revised Sheet No. 155

APPENDIX D  
UNIVERSAL SERVICE FUND (USF) FACTOR

RATE SCHEDULES

Rate	Charge
Rate 411	A charge of \$0.000000 per therm used per month
Rate 415	A charge of \$0.000000 per therm used per month
Rate 421	A charge of \$0.000000 per therm used per month
Rate 425	A charge of \$0.000000 per therm used per month
Rate 428	A charge of \$125.00 per month
Rate 430	A charge of \$125.00 per month
Rate 434A	A charge of \$30.00 per month
Rate 438	A charge of \$30.00 per month
Rate 451 – Residential	A charge of \$0.000000 per therm used per month
Rate 451 – General Service	A charge of \$0.000000 per therm used per month

Effective 10/1/2017





**NORTHERN INDIANA PUBLIC SERVICE COMPANY  
UNIVERSAL SERVICE FUND (USF) RIDER 473**

**PROGRAM YEAR 7**

Rates Effective: October 1, 2016 through September 30, 2017  
 Revenue Requirement Period: December 1, 2016 through May 31, 2017  
 Reconciliation Period: October 1, 2015 through September 30, 2016 (September Estimated)

Calculation of Program Forecast (December 1, 2016 through May 31, 2017)					
(A) Tiers	(B) Discount Levels	(C) Historical % of Customer per Tier (2015-2016)	(D) Forecasted Number of Customers (C)*(Column D Total)	(E) Average Monthly Bill - Dec 1, 2015 through May 31, 2016 (Rate 411)	(F) Program Forecast (6 months) (B)*(D)*(E)*6
Tier 1	11%	30%	9,600	\$ 59.53	\$ 377,182
Tier 2	20%	62%	19,840	\$ 59.53	\$ 1,417,290
Tier 3	26%	8%	2,560	\$ 59.53	\$ 237,739
<b>Total</b>		<b>100%</b>	<b>32,000</b>		<b>\$ 2,032,211</b>

Calculation of Prior Period Variance (October 1, 2015 through September 30, 2016)					
(G) USF and Hardship Distribution	(H) Prior Year (Over)/Under Collection	(I) NIPSCO USF Contributions	(J) NIPSCO Hardship Contributions	(K) Customer Contributions	(L) Total Prior Period Variance (G)+(H)-(I)-(J)-(K)
\$ 1,127,293	\$ (1,536,359)	\$ 166,649	\$ 92,140	\$ 879,440	\$ (1,547,295)

Calculation of Revenue Requirement (October 1, 2016 through September 30, 2017)			
(M) Program Forecast (F)*75%	(N) Total Prior Period Variance (L)	(O) Hardship Forecast	(P) Total Revenue Requirement (M)+(N)+(O)
\$ 1,524,158	\$ (1,547,295)	\$ -	\$ (23,136)

Calculation of Rates (Large Transportation & Industrial)				
(Q) Large Transportation & Industrial Rate Class	(R) Rates per month	(S) Number of Customers	(T) Annual Revenue Check (R)*(S)*12	(U) Remaining Revenue (P)-(T)
Rate 428	\$ 125.00	202	\$ 303,000	
Rate 430	\$ 125.00	-	\$ -	
Rate 434A	\$ 30.00	-	\$ -	
Rate 438	\$ 30.00	91	\$ 32,760	
<b>Total</b>		<b>293</b>	<b>\$ 335,760</b>	<b>\$ (358,896)</b>

Calculation of Rates (Residential & General Service)					
(V) Residential & General Service Rate Class	(W) Annual Program Forecast (Therms) - October 1, 2016 through September 30, 2017	(X) Revised Annual Program Forecast Ratio (Therms)	(Y) General Service Rate per therms used per month (U)/(X Total)	(Z) Residential Rate per therms used per month (Y)*2	(AA) Revenue Check (Z)*(W) & (Y)*(W)
Rate 411 & 415	580,610,000	1,161,220,000		\$ (0.000504)	\$ (292,836)
Rate 421 & 425	261,960,000	261,960,000	\$ (0.000252)		\$ (66,061)
<b>Total</b>	<b>842,570,000</b>	<b>1,423,180,000</b>			<b>\$ (358,897)</b>

Summary of Rates (see Appendix D)		
(AB) Rate Class	(AC) Rate per therm used per month	(AD) Rate per month
Rate 411	\$ (0.000504)	
Rate 415	\$ (0.000504)	
Rate 421	\$ (0.000252)	
Rate 425	\$ (0.000252)	
Rate 428		\$ 125.00
Rate 430		\$ 125.00
Rate 434A		\$ 30.00
Rate 438		\$ 30.00
Rate 451 - Residential	\$ (0.000504)	
Rate 451 - General Service	\$ (0.000252)	