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**VERIFIED DIRECT TESTIMONY OF RICHARD D. WEATHERFORD**

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	<u>Page No.</u>
Forward Test Year.....	7
MSFRs and GAO 2013-5.....	9
Rate Relief Requested .....	11
Revenue Requirement .....	16
Operating Revenue .....	26
Expense Adjustments .....	30
Fuel and Purchased Power (“FPP”) Cost Adjustments.....	30
Operations and Maintenance (O&M) Expense Adjustments .....	32
Depreciation and Amortization Adjustments .....	51
Taxes Other Than Income Adjustments .....	65
Income Taxes Adjustments.....	71
Proposed Revenue Increase.....	72
Net Original Cost Rate Base .....	75
Weighted Average Cost of Capital.....	78
Required Net Operating Income .....	94
Approval of Account-By-Account Depreciation Rates .....	95
Rider Changes .....	95
Revenue Credit.....	96
Books and Records.....	99
NIPSCO’s Accounting Practices .....	99
Allocation of NIPSCO Common Costs .....	105
NCSC Charges.....	106

1 **Q1. Please state your name, business address, and title.**

2 A1. My name is Richard D. Weatherford. My business address is 801 East 86th  
3 Avenue, Merrillville, Indiana 46410. I am employed by NiSource Corporate  
4 Services Company ("NCSC"), and my title is Lead Regulatory Analyst,  
5 Regulatory – Rate Case Execution.

6 **Q2. On whose behalf are you submitting this direct testimony?**

7 A2. I am submitting this testimony on behalf of Northern Indiana Public Service  
8 Company LLC ("NIPSCO" or "the Company").

9 **Q3. Please briefly describe your educational and professional background.**

10 A3. I graduated from Virginia Commonwealth University School of Business  
11 with a Bachelor of Science in Accounting in 2016. My professional career  
12 started with CFO Professional Services, as an Associate from 2016-2017. In  
13 December of 2017, I accepted a position with the Virginia State Corporation  
14 Commission as a Utility Accountant. During my tenure with the Virginia  
15 State Corporation Commission, I accepted the role of Senior Utility  
16 Specialist (January 2020) and Principal Utility Specialist (April 2021) where  
17 I worked on numerous different public utility rate applications as a  
18 Revenue Requirement witness. My career at NiSource Inc. ("NiSource")

1 began in April 2022 as a Lead Regulatory Analyst in Regulatory, Rate Case  
2 Execution.

3 **Q4. What are your responsibilities as Lead Regulatory Analyst, Regulatory –**  
4 **Rate Case Execution?**

5 A4. As Lead Regulatory Analyst, Regulatory – Rate Case Execution, I am  
6 responsible for providing regulatory support for NiSource and its  
7 operating companies, including NIPSCO. My responsibilities include  
8 planning, preparing, and oversight of the revenue requirement and cost of  
9 service for base rate proceedings. My role also entails standardization and  
10 continuous improvement within the regulatory department.

11 **Q5. Have you previously testified before the Indiana Utility Regulatory**  
12 **Commission (“Commission”) or any other regulatory commission?**

13 A5. Yes. I previously submitted testimony before the Commission in NIPSCO's  
14 most recent gas rate case in Cause No. 45967. I have also previously  
15 submitted testimony or staff reports before the Virginia State Corporation  
16 Commission (the “Virginia Commission”) in Docket Nos. PUR-2018-00145,  
17 PUR-2018-00194, PUR-2019-00046, PUR-2019-00090, PUR-2020-00106, PUR-

1           2021-00058, PUR-2021-00144, and PUR-2021-00301 on behalf of the Division  
2           of Utility Accounting and Finance of the Virginia Commission.

3   **Q6. What is the purpose of your direct testimony in this proceeding?**

4   A6. The primary purpose of my direct testimony is to present the results of  
5       NIPSCO's electric operations ("NIPSCO Electric") for the period beginning  
6       January 1, 2023 and ending December 31, 2023 (the "Historic Base Period"),  
7       and the projected results for the period beginning January 1, 2025 and  
8       ending December 31, 2025 (the "Forward Test Year"), adjusted on a pro  
9       forma basis for the normalization and annualization of certain amounts  
10      included in these periods. I show that retail electric revenues at current  
11      rates do not and will not produce a level of net operating income sufficient  
12      to provide a fair return on the net original cost of NIPSCO's property, plant,  
13      and equipment owned, operated, and serving jurisdictional electric  
14      customers. I also quantify the amount by which retail electric revenues  
15      should be increased so that the Company may have the opportunity to  
16      recover its expenses and earn a fair and reasonable return. Specifically, my  
17      testimony:

- 18      • Provides an explanation of the Company's use of a historical base  
19      period and forward looking test year;

- 1       •       Briefly discusses the application of General Administrative Order  
2           2013-5 ("GAO 2013-5) and Minimum Standard Filing Requirements  
3           ("MSFRs");
- 4       •       Discusses the Company's proposed rate relief in this proceeding;
- 5       •       Provides an overview of the attachments sponsored in this Cause;  
6           and
- 7       •       Supports normalization/annualization adjustments made to the  
8           Historic Base Period, forecast adjustments to the 2024 Forecast  
9           Period and Forward Test Year, and ratemaking adjustments made to  
10          the Forward Test Year to support the Company's proposed basic  
11          rates and charges.

12   **Q7. Are you sponsoring any attachments to your direct testimony in this**  
13   **Cause?**

14   A7. Yes. I am sponsoring Attachments 3-A-S1 through Attachment 3-C-S1 and  
15   Attachments 3-A-S2 through Attachment 3-C-S2, Attachment 3-D,  
16   Attachment 3-E, and Attachment 3-F, all of which were prepared by me or  
17   under my direction and supervision. The reference to "S1" represents the  
18   attachments for Step 1 rates, which are based on operations and  
19   maintenance ("O&M") expense inclusive of Schahfer Units 17 and 18 costs,  
20   projected rate base, related depreciation and amortization expense, and  
21   capital structure as of the proposed May 31, 2025, Step 1 cutoff date. The  
22   reference to "S2" represents the attachments for Step 2 rates, which are  
23   based on O&M expense that excludes Schahfer Units 17 and 18 costs,

1 projected rate base, related depreciation and amortization expense, and  
2 capital structure as of the December 31, 2025, Forward Test Year cutoff date.  
3 The attachments designated "S1" will be updated in a compliance filing to  
4 show actual rate base and capital structure as of May 31, 2025 (rather than  
5 the projected), as well as (to the extent not in service by that date) the Gibson  
6 and Fairbanks Solar Generation Facilities ("Gibson" and "Fairbanks,"  
7 respectively), based upon the rate base phase-in approach discussed by  
8 NIPSCO Witness Bytnar. The attachments designated "S2" support  
9 NIPSCO's request as of the end of the Forward Test Year in this filing. As  
10 further described below, I also sponsor a portion of the workpapers  
11 included in Petitioner's Confidential Exhibit No. 18-X (S1, S2). I am also  
12 sponsoring Attachment A to the Verified Petition, which is the form of Net  
13 Operating Income Statement at present and proposed rates recommended  
14 by General Administrative Order 2020-05 ("GAO 2020-05").

15 **Q8. Please describe Petitioner's Confidential Exhibit No. 18-X (S1, S2).**

16 A8. Petitioner's Confidential Exhibit No. 18-S2 includes an Adjustment Matrix  
17 that shows each of the Company's adjustments and the witness supporting  
18 the adjustment. The Adjustment Matrix is followed by workpapers that  
19 support each of the adjustments. These workpapers are organized by and

1 are aligned with the individual adjustments included in Attachment 3-C-  
2 S2. Petitioner's Confidential Exhibit No. 18-S1 provides the same  
3 information, however, only for the adjustments that changed between Step  
4 1 (S1) and Step 2 (S2).

5 **Forward Test Year**

6 **Q9. Please state the test year NIPSCO is proposing for use in setting rates in**  
7 **this proceeding.**

8 A9. NIPSCO's proposed rates are based on a forward looking test year  
9 beginning January 1, 2025, and ending December 31, 2025. This is  
10 consistent with Ind. Code § 8-1-2-42.7, which states that the Commission  
11 shall approve a test period that is "(1) A forward looking test period  
12 determined on the basis of projected data for the twelve (12) month period  
13 beginning not later than twenty-four (24) months after the date on which  
14 the utility petitions the commission for a change in its basic rates and  
15 charges." The beginning of the Forward Test Year is less than 24 months  
16 after the date on which the petition in this case was filed.

17 **Q10. Has the Company provided information supporting a comparable**  
18 **historic base period?**

1 A10. Yes. The Company has provided information for the Historic Base Period.  
2 NIPSCO is also providing information for the period beginning January 1,  
3 2024, and ending December 31, 2024 (the "2024 Forecast Period"), for  
4 comparison purposes.

5 **Q11. Has the Company made any adjustments to the Historic Base Period or**  
6 **the Forward Test Year?**

7 A11. Yes. The Company has proposed both ratemaking and forward looking  
8 adjustments to the Historic Base Period and Forward Test Year to support  
9 the forecasted amounts for the Forward Test Year as well as the  
10 normalization and annualization of these periods. Each of these  
11 adjustments is sponsored by a NIPSCO witness and is supported by  
12 attachments and workpapers as further described below.

13 **Q12. How are adjustments between the Historic Base Period and the Forward**  
14 **Test Year labeled in the revenue requirements schedules?**

15 A12. Each pro forma adjustment fits at least one of the labels shown below:<sup>1</sup>

- 16
- Historic Base Period 2023

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<sup>1</sup> As explained by NIPSCO Witness Lash, the Fuel and Purchased Power Adjustments also include a Generation Transition Adjustment (Adjustment XX-GT) and are reflected in the cost of service in Adjustment PF-6.



- 1       •       Normalization Adjustment XX-23)
- 2       •       Normalized Historic Base Period 2023
- 3       •       Forecast Adjustment (for 2024) (Adjustment XX-24)
- 4       •       2024 Forecast Period
- 5       •       Forecast Adjustment (for 2025) (Adjustment XX-25)
- 6       •       Forward Test Year 2025
- 7       •       Ratemaking Adjustment (Adjustment XX-25R)
- 8       •       Pro forma Forward Test Year 2025

9       If there is more than one adjustment, those adjustments would include an  
10       “A” (first adjustment) or “B” (second adjustment) designation. For  
11       example, if there are two Normalization Adjustments to the Historic Base  
12       Period 2023, they would be designated as Adjustment XX-1A-23 and  
13       Adjustment XX-1B-23.

14       **MSFRs and GAO 2013-5**

15       **Q13. Has NIPSCO filed the information required under the Commission's**  
16       **MSFRs (170 IAC 1-5-1 through 16)?**

17       A13. Yes. In its Petition filed in this Cause, NIPSCO provided notice of its intent  
18       to file information required under the MSFRs in this proceeding –  
19       recognizing, of course, that the MSFRs were designed with historic test  
20       years in mind, so that the MSFRs are not a perfect fit with a projected

1 forward looking test year rate case. Based on this, as recommended by  
2 GAO 2013-5, NIPSCO used the MSFRs as guidance as to the categories of  
3 information to include in its case in chief and supporting documentation.  
4 Also, for certain MSFRs, NIPSCO provided a reference to where the  
5 Forward Test Year information can be found in its Case-in-Chief.

6 **Q14. Has NIPSCO followed GAO 2013-5 Appendix B as it relates to the**  
7 **MSFRs?**

8 A14. Yes. Appendix B, Page 2, Footnote 1, states that the “[h]istoric base period  
9 is the most recent twelve-month period of available data with an ending  
10 date that mirrors the . . . future test year ending date.” In preparing the data  
11 responsive to the MSFRs for this proceeding, NIPSCO has provided all data  
12 for the Historic Base Period (calendar year 2023). In accordance with 170  
13 IAC 1-5-14(1), NIPSCO has provided historic information by month for the  
14 months of January 2023 through July 2024, the latest date for which such  
15 historic information is available at the time of the petition filing. As  
16 additional information becomes available, NIPSCO will supplement its  
17 response through the date of the final hearing. Additionally, NIPSCO has  
18 provided supporting models and calculations supporting amounts  
19 included in the Forward Test Year. As further described above, this

1 information can be found in Petitioner's Confidential Exhibit No. 18-X (S1  
2 and S2).

3 **Q15. Has NIPSCO followed GAO 2013-5 Appendix B as it relates to the**  
4 **supporting documentation for changes between the Historic Base Period**  
5 **and the Forward Test Year?**

6 A15. Yes. NIPSCO witnesses have provided various attachments and  
7 workpapers to support and document the Forward Test Year. Specifically,  
8 each change between the Historic Base Period and the Forward Test Year is  
9 reflected as an individual adjustment in the revenue requirement  
10 attachments and explained in testimony. These attachments are explained  
11 in further detail below.

12 **Rate Relief Requested**

13 **Q16. What relief is NIPSCO requesting in this proceeding?**

14 A16. As shown in Attachment 3-A-S2, the Company is requesting that retail  
15 electric rates be designed to recover through base rates the gross retail  
16 electric revenue amount of \$2,198,259,534, (Page 1, Line 2, Column L). This  
17 amount is a total increase of \$368,660,618, which includes a reduction in  
18 base cost of fuel of \$56,096,064 (Page 1, Line 2, Column I) related to federal  
19 Income Tax Credit ("ITC") and Production Tax Credit ("PTC") proceeds as

1 well as the fuel reduction from the retirement of Schahfer Units 17 and 18  
2 as of the end of the Forward Test Year. All else being equal, rates based  
3 upon this level of annual retail electric revenue requirement will provide  
4 NIPSCO with an opportunity to earn annual jurisdictional net operating  
5 income of \$700,542,840 (Page 2, Line 50, Column F). NIPSCO's proposed  
6 rates have been calculated using NIPSCO's requested return on the  
7 Forward Test Year original cost rate base and capital structure.  
8 Calculations supporting this request are presented in Attachment 3-A-S2  
9 through Attachment 3-C-S2.

10 **Q17. Why are you showing a reduction to the base cost of fuel as part of the**  
11 **overall requested revenue increase?**

12 A17. As explained by Witness Whitehead, and supported by Witnesses Bass,  
13 Robles, and Lash, NIPSCO is reducing its base cost of fuel to reflect ITC and  
14 PTC proceeds and the retirement of Schahfer Units 17 and 18. Typically,  
15 changes in the cost of fuel have offsetting changes to fuel revenues. A  
16 reduction in the base cost of fuel would typically have a corresponding  
17 reduction to revenues at present rates rather than at proposed rates.  
18 However, NIPSCO proposed adjustments for ITC and PTC proceeds and  
19 the retirement of Schahfer Units 17 and 18 are not the typical adjustment to

1 fuel cost because they are not test year adjustments. Absent this rate case,  
2 NIPSCO would not see these reductions during the Forward Test Year,  
3 either on the fuel expense or fuel revenue side. These are adjustments  
4 NIPSCO is proposing in this rate case, and so, the corresponding revenue  
5 reduction is more appropriately seen as an adjustment at proposed rates.  
6 This is how it is shown in Attachment 3-A-S2.

7 **Q18. Please describe how NIPSCO will ensure that the basic rates and charges**  
8 **that are implemented in this proceeding will reflect rate base that is used**  
9 **and useful.**

10 A18. NIPSCO's proposed base rates in this proceeding are calculated based on  
11 forecasted rate base and capital structure for the Forward Test Year.  
12 NIPSCO is proposing to implement the requested rate relief in this  
13 proceeding in a two-step process to reasonably reflect the utility property  
14 that is used and useful at the time rates are placed into effect. NIPSCO  
15 Witness Bytnar describes the potential for up to two additional steps related  
16 to the Fairbanks and Gibson solar projects, to the extent these projects are  
17 not in service by the general rate base cutoff for Step 1. Witness Bytnar also  
18 explains how these potential additional steps would be combined with Step

1           1 to the extent these projects are placed in service before the filing of the  
2           Step 1 compliance filing in this Cause.

3           My presentation assumes that both Fairbanks and Gibson will be placed in  
4           service before Step 1 rates are implemented and my schedules reflect an  
5           adjustment to the basic rates and charges in two distinct steps. As part of  
6           Step 1, in anticipation of receiving a Commission Final Order (the "Order")  
7           on Day 300 (July 8, 2025) of the rate case standard procedural schedule as  
8           described in GAO 2013-5, NIPSCO is proposing to update its requested  
9           relief to be effective subsequent to the Order based upon an actual rate base  
10          and capital structure cutoff date of May 31, 2025, as well as the rate base  
11          specifically associated with Fairbanks and Gibson, to the extent either is  
12          placed in service after May 31, 2025 but before the submission of the Step 1  
13          compliance filing. As part of its compliance filing, in addition to any other  
14          changes identified in the Order, NIPSCO will update its basic rates and  
15          charges to reflect Step 1 expense as approved in the Commission's Order,  
16          actual rate base, related annualized depreciation and amortization expense,  
17          and actual capital structure based on the May 31, 2025 cutoff date. Step 1  
18          rates would remain in effect until replaced by Commission-approved rates

1 resulting from NIPSCO's proposed second compliance filing to implement  
2 Step 2 rates.

3 As part of Step 2, NIPSCO is proposing to file a second compliance filing  
4 subsequent to the end of the Forward Test Year. In Step 2, NIPSCO will  
5 update its basic rates and charges to reflect Step 2 expense and Step 2 base  
6 cost of fuel as approved in the Order, actual rate base, related annualized  
7 depreciation and amortization expense, and actual capital structure based  
8 on the December 31, 2025, Forward Test Year cutoff date. NIPSCO is  
9 proposing that these rates will become effective as soon as possible after the  
10 end of the Forward Test Year. Consistent with the Commission's prior  
11 orders in future test year rate cases, NIPSCO proposes that Step 1 and Step  
12 2 rates take effect immediately upon filing on an interim-subject-to-refund  
13 basis, with other parties being offered a period of sixty (60) days to review  
14 and present any objections. If needed to resolve any objections, NIPSCO  
15 would propose the Commission conduct a hearing and rates would be  
16 trued up retroactive to the date such rates were put into place.

17 **Q19. Why is NIPSCO proposing to update its basic rates and charges to reflect**  
18 **Step 2 expense and base cost of fuel?**

1 A19. The reduction to base cost of fuel associated with ITC and PTC proceeds is  
2 reflected in Step 1 rates. However, Step 2 base cost of fuel and expense is  
3 further reduced to reflect the retirement of Schahfer Units 17 and 18.  
4 Throughout the Forward Test Year, Schahfer Units 17 and 18 will be in  
5 service, and NIPSCO will be incurring expenses related to their operation.  
6 Therefore, these test year expenses are appropriately included in Step 1. As  
7 of the end of the Forward Test Year, these two units will have been retired,  
8 and NIPSCO has reflected projected reductions to expense as a result of  
9 those retirements as a reduction to Step 2 rates. This is why NIPSCO shows  
10 a lower level of O&M expense and base cost of fuel for Step 1 and Step 2.

11 **Q20. Has NIPSCO presented a revenue requirement for both Step 1 and Step**  
12 **2 in this filing?**

13 A20. Yes. Attachment 3-A-S1 through Attachment 3-C-S1 detail the Step 1  
14 revenue requirement. Attachment 3-A-S2 through Attachment 3-C-S2  
15 detail the Step 2 revenue requirement.

16 **Revenue Requirement**

17 **Q21. Please describe the attachments that support NIPSCO's revenue**  
18 **requirement.**



1 A21. Attachment 3-A-S2 (pages 1 and 2) is NIPSCO's Statement of Operating  
2 Income for the Forward Test Year shown on a forecasted basis, with pro  
3 forma adjustments, to arrive at operating income at current and proposed  
4 rates. Attachment 3-A-S2 (page 3) shows the calculation of the required net  
5 operating income. NIPSCO is requesting that its base rates be calculated to  
6 afford an opportunity to earn a return equal to the weighted average cost  
7 of capital as applied to the Forward Test Year original cost rate base. This  
8 will afford NIPSCO the opportunity to earn a fair return on the Company's  
9 net original cost rate base. Attachment 3-A-S2 (page 4) is a summary of  
10 Rate Base.

11 Attachment 3-A-S2 (page 5) is a summary of the capital structure.  
12 Attachment 3-B-S2 includes the major components of the revenue  
13 requirement (e.g., Operating Revenue, Fuel and Purchased Power Costs,  
14 Operations and Maintenance Expense, etc.) with detail for each major  
15 "subcomponent," as well as the actual and projected rate base and capital  
16 structure as of December 31, 2023, December 31, 2024, and December 31,  
17 2025. Attachment 3-C-S2 shows, by subcomponent, the changes between  
18 the Historic Base Period and the Forward Test Year including a listing of  
19 each individual normalization, forecast, and ratemaking adjustment. This

1 reconciliation from the Historic Base Period to the Forward Test Year is  
2 discussed further below. Finally, Petitioner's Confidential Exhibit No. 18-  
3 S2 shows the witness supporting each of the adjustments and includes the  
4 workpapers supporting each adjustment.

5 **Q22. How was the revenue requirement for the Forward Test Year developed?**

6 A22. At a high level, the proposed revenue requirement is based on 2023 Historic  
7 Base Year actuals that are forecasted for changes that are reasonably  
8 anticipated to occur before the end of the Forward Test Year. In this filing,  
9 for each revenue requirement component, NIPSCO provides support and  
10 models to describe the changes from the 2023 actual results to the 2025  
11 forecasted amounts that are used for ratemaking purposes. This  
12 documentation supports the proposed 2023 and 2025 normalization and  
13 ratemaking adjustments, and where applicable, the 2024 and 2025 forecast  
14 adjustments.

15 This is substantially the same level of detail that was provided in NIPSCO  
16 electric retail base rate requests in Cause Nos. 45159 and 45772, and  
17 NIPSCO's gas retail base rate requests in Cause Nos. 44988, 45621, and  
18 45967, all of which used a forward looking or projected test period. The

1           only difference in the methodology in this filing relates to additional  
2           adjustments for Fuel and Purchased Power ("FPP"), O&M, and Taxes Other  
3           than Income ("OTX") expenses.

4   **Q23. Please describe the additional adjustments for FPP, O&M, and OTX**  
5   **expenses in this proceeding.**

6   A23. As described in greater detail below, as a result of the retirement of Schahfer  
7   Units 17 and 18 by the end of the Forward Test Year (December 31, 2025),  
8   NIPSCO is proposing a different level of FPP, O&M, and OTX expense in  
9   both Step 1 (May 31, 2025, cutoff) and Step 2 (December 31, 2025, cutoff).  
10   For Step 1 the FPP, O&M, and OTX expenses are inclusive of an expense  
11   level that allows NIPSCO to recover its costs associated with operating  
12   Schahfer Units 17 and 18 through the end of the Forward Test Year  
13   (December 31, 2025). For Step 2 the FPP, O&M, and OTX expenses exclude  
14   FPP, O&M, and OTX expenses associated with operating Schahfer Units 17  
15   and 18, to reflect in rates an annualized going forward level of FPP, O&M,  
16   and OTX expenses.

17   **Q24. What are the FPP, O&M, and OTX adjustments that differ between Step**  
18   **1 and Step 2?**

1 A24. The following table illustrates the FPP, O&M, and OTX adjustments that  
2 differ between Step 1 and Step 2:<sup>2</sup>

<b>Adjustment</b>	<b>Description</b>	<b>Step 1 Adjustment</b>	<b>Step 2 Adjustment</b>	<b>Difference</b>
FPP-1/PF-6	Retail Sales	\$0	\$(22,533,029)	\$(22,533,029)
FPP-2/PF-6	Interdepartmental	\$0	\$(46,322)	\$(46,322)
OM-1-25R	Labor	\$8,603,595	\$(3,342,467)	\$(11,946,061)
OM-2-25R	Electric Operations	\$(4,921,335)	\$(23,978,339)	\$(19,057,004)
OM-14-25R	Medical Benefits	\$990,616	\$225,678	\$(764,938)
OM-16-25R	Other Emp. Ben.	\$553,150	\$85,428	\$(467,722)
OTX-2-25R	Payroll Taxes	\$658,175	\$(255,699)	\$(913,874)
Total		5,884,201	\$(49,884,750)	\$(55,728,951)

3 **Q25. Why are Adjustments FPP 1 and FPP 2 also labeled Adjustment PF-6 in**  
4 **the table above?**

5 A25. As I explained previously, this reduction in base cost of fuel is shown as an  
6 adjustment to revenues at proposed rates because, absent the request being  
7 made in this case, it would not be a Forward Test Year reduction. The  
8 retirement of Schahfer Units 17 and 18 will occur on December 31, 2025, and

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<sup>2</sup> With the inclusion of the projected reductions to NIPSCO's Step 1 rates of more than \$14.2 million, the total cost savings resulting from the retirement of Schahfer Units 17 and 18 is \$70 million.

1 will ultimately result in a reduction to fuel expense subsequent to the end  
2 of the Forward Test Year. As a result, NIPSCO has reflected an associated  
3 reduction to proposed base cost of fuel in the cost of service through  
4 Adjustment PF-6, as the revenues associated with the reduction are not  
5 representative of test year revenues at current rates.

6 **Q26. Please describe how your attachments are organized to walk through the**  
7 **development of the future test year revenue requirement.**

8 A26. Attachment 3-A-S2 (pages 1 and 2) is NIPSCO's Statement of Operating  
9 Income for the Forward Test Year shown on a forecasted basis with pro  
10 forma adjustments at current and proposed rates. This attachment serves  
11 as a summary of the revenue requirement and also serves as a map with  
12 references to the supporting attachments and workpapers that support the  
13 forecast adjustments, pro forma adjustments, and required net operating  
14 income included in this filing. Specifically, Column B shows the actual  
15 results for the Historic Base Period, the twelve months ended December 31,  
16 2023. Column C shows the proposed pro forma, forecast and ratemaking  
17 adjustments. Column D shows the schedule reference to each of the line  
18 items in Column C. Column E shows the pro forma Forward Test Year  
19 (twelve months ended December 31, 2025) results based on current rates.

1 Column F shows the pro forma adjustments necessary to produce the  
2 required net operating income. Column G shows the pro forma reference  
3 to each of the line items in Column F. Column H shows the resulting pro  
4 forma results based on proposed rates prior to the base cost of fuel  
5 adjustment. Column I shows the pro forma adjustments to include a  
6 reduction for the Investment Tax Credit ("ITC"), Production Tax Credit  
7 ("PTC"), and fuel reduction from the retirement of Schahfer Units 17 and  
8 18. Column J shows the pro forma reference to each of the line items in  
9 Column I. Column K shows the total adjustments necessary to produce the  
10 required net operating income. Column L shows the resulting pro forma  
11 results based on proposed rates.

12 **Q27. Please explain the references in Attachment 3-A-S2 (pages 1 and 2),**  
13 **Columns D, G, and J.**

14 A27. The revenue requirement as shown on Attachment 3-A-S2 is divided into a  
15 number of subsections. These subsections include Operating Revenue  
16 (Line 7), Fuel and Purchased Power Costs (Line 14), Operations and  
17 Maintenance Expenses (Line 22), Depreciation Expense (Line 29),  
18 Amortization Expense (Line 36), Taxes Other Than Income (Line 44), and  
19 Income Taxes (Line 47). These groupings are generally consistent with 170

1 IAC 1-5-8(a)(1)(C). NIPSCO has created “modules” for each of these major  
2 groupings to provide additional transparency and detail that support the  
3 pro forma adjustments and forecast adjustments related to these groupings.  
4 The reference to these modules, which are included in Attachment 3-B-S2,  
5 are shown in Column D unless otherwise noted. The references in Column  
6 G and J are to Attachment 3-C-S2, where detail support can be found for the  
7 pro forma adjustments necessary to produce the required net operating  
8 income.

9 **Q28. Please explain the module concept in more detail.**

10 A28. As described above, the module for each grouping is referenced in Column  
11 D of Attachment 3-A-S2. Each module represents a “drill-down” into the  
12 subcomponents of the overall grouping. These modules are included in  
13 Attachment 3-B-S2. For example, in the Operating Revenue subsection in  
14 Attachment 3-A-S2, Column D references the REV Module, Col X. Those  
15 references are found in Attachment 3-B-S2. The REV Module is the drill-  
16 down detail for “Operating Revenues” consisting of multiple  
17 “subcomponents” as shown in Column A. Column C of Attachment 3-A-  
18 S2 provides a summary of the total value of the normalization,

1           annualization, forecast, and ratemaking adjustments related to each  
2           individual subcomponent.

3   **Q29. Please explain how the documentation is organized under each**  
4   **individual subcomponent in Attachment 3-B-S2.**

5   A29. There are certain "subcomponents" that are impacted by multiple pro  
6   forma adjustments. Therefore, to summarize this information, NIPSCO  
7   created a reconciliation for each subcomponent that steps through the  
8   following categories:<sup>3</sup>

- 9           •     Column A - Historic Base Period (twelve months ended December  
10           31, 2023);
- 11           •     Column B - Normalization Adjustments (identified throughout as  
12           Adjustment "XX-23");
- 13           •     Column C - Normalized Historic Base Period (ending December 31,  
14           2023);
- 15           •     Column D - Forecast Adjustments which represent adjustments to  
16           transition from the Historic Base Period to the 2024 Forecast Period  
17           (identified throughout as Adjustment "XX-24");
- 18           •     Column E - 2024 Forecast Period (ending December 31, 2024);
- 19           •     Column F - Forecast Adjustments which represent adjustments to  
20           transition from the 2024 Forecast Period to the 2025 Forward Test  
21           Year (identified throughout as Adjustment "XX-25");

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<sup>3</sup>           As explained by NIPSCO Witness Lash, the Fuel and Purchased Power Adjustments also include a Generation Transition Adjustment (Adjustment XX-25GT).



- 1       •       Column G - Forward Test Year (ending December 31, 2025);
- 2       •       Column H - Ratemaking Adjustments (identified throughout as
- 3               Adjustment "XX-25R"); and
- 4       •       Column I - Pro forma Forward Test Year (ending December 31, 2025)
- 5               at current rates (proposed revenue requirement for ratemaking
- 6               purposes in this case)

7       The reconciliation related to each of the subcomponents and individual  
8       adjustments is included in Attachment 3-C-S2. For example, Retail  
9       Revenues is the first subcomponent of Operating Revenues shown on  
10       Attachment 3-B-S2, REV Module, Line 1. The reconciliation related to this  
11       subcomponent, which details the amounts listed, is found in Attachment 3-  
12       C-S2, REV 1. Finally, the workpapers supporting each adjustment shown  
13       in Column B in Attachment 3-C-S2 can be found in Petitioner's Confidential  
14       Exhibit No. 18-S2.

15   **Q30. Are there certain pro forma adjustments that impact multiple**  
16   **subcomponents?**

17   A30. Yes. For example, pro forma Adjustment REV 1B-23 impacts REV 1, REV  
18       4, REV 5, REV 6, and REV 7. Therefore, in an effort to show how the pro  
19       forma adjustments impact each subcomponent, NIPSCO has included a  
20       matrix for Revenue that summarizes the impact of each normalization and

1           ratemaking adjustment on the individual subcomponents in Attachment 3-  
2           B-S2.

3   **Q31. In the context of a future or projected test period, what standards or**  
4           **decision criteria did you use in making normalization, forecast, and**  
5           **ratemaking adjustments?**

6   A31. Normalization, forecast, and ratemaking adjustments were made as  
7           necessary to reflect NIPSCO's judgment as to revenues and costs that will  
8           be incurred in 2025 and will occur on an ongoing basis, including the impact  
9           of ratemaking decisions coming out of this rate case proceeding.

10   **Operating Revenue**

11   **Q32. Please describe how Operating Revenue Adjustments are organized.**

12   A32. Attachment 3-A-S2 (Page 1, Lines 2 through 6) shows the total Operating  
13           Revenue as of December 31, 2023; Pro forma Adjustments at December 31,  
14           2023; Forecast Adjustments at December 31, 2024; Forecast Adjustments at  
15           December 31, 2025; and Ratemaking Adjustments at December 31, 2025.  
16           Column D provides a reference for each line item to Attachment 3-B-S2,  
17           REV Module; Column G shows the Attachment 3-C-S2 pro forma reference  
18           to each of the line items in Column F; and Column J shows the Attachment  
19           3-C-S2 pro forma reference to each of the line items in Column I.

1        Attachment 3-B-S2, REV Module, shows the subcomponent detail for the  
2        2024 and 2025 forecasted Operating Revenues. Attachment 3-C-S2, REV 1  
3        through REV 16, include the detailed reconciliation showing the individual  
4        adjustments for each subcomponent. This attachment also shows the 2024  
5        and 2025 forecasted Operating Revenues. Petitioner's Confidential Exhibit  
6        No. 18-S2 shows the witness supporting each of the Revenue Adjustments  
7        and includes the workpapers supporting each adjustment.

8        **Q33. Please provide a summary of the normalization, forecast, and ratemaking**  
9        **pro forma adjustments related to revenue.**

10       A33. Attachment 3-B-S2 includes a Revenue Matrix ("REV Matrix") that  
11       summarizes the pro forma adjustments related to revenue. NIPSCO has  
12       provided this matrix for the revenue adjustments because certain revenue  
13       normalization, forecast, and ratemaking adjustments impact multiple  
14       subcomponents within revenue. The adjustments shown in Attachment 3-  
15       B-S2, REV Module and REV Matrix, are included in individual adjustments  
16       and reconciliations in Attachment 3-C-S2. Additionally, the supporting  
17       workpapers can be found in Petitioner's Confidential Exhibit No. 18-S2.

18       Attachment 3-B-S2, REV Module and REV Matrix, includes the

1 normalization, forecast, and ratemaking adjustments sponsored by  
2 NIPSCO Witness Lash listed in the table below.

Description	Adjustment	Amount
<b>Attachment 3-C-S2, REV 1 – Retail Revenues</b>		
Weather Normalization	REV 1A-23	\$23,583,628
Customer Migration	REV 1B-23	\$145,434
Forecasted 2024	REV 1-24	\$169,781,587
Forecasted 2025	REV 1-25	\$(67,007,270)
<b>Attachment 3-C-S2, REV 2 – Generation Credit</b>		
Normalization	REV 2-23	\$(4,576,856)
Forecasted 2025	REV 2-25	\$(4,386,191)
<b>Attachment 3-C-S2, REV 3 – FMCA and ECRM Tracker</b>		
Normalization	REV 3-23	\$50
<b>Attachment 3-C-S2, REV 4 – RA Tracker</b>		
Customer Migration	REV 4-23	\$(2,623)
Forecasted 2024	REV 4-24	\$(4,107,581)
Forward Test Year	REV 4-25R	\$1,808,131
<b>Attachment 3-C-S2, REV 5 –TDSIC Tracker</b>		
Customer Migration	REV 5-23	\$(621)
Forecasted 2024	REV 5-24	\$(12,176,563)
Forecasted 2025	REV 5-25	\$43,533,405
Forward Test Year	REV 5-25R	\$24,577,606
<b>Attachment 3-C-S2, REV 6 – RTO Tracker</b>		
Customer Migration	REV 6-23	\$(9,396)
Forecasted 2024	REV 6-24	\$9,849,060

Forecasted 2025	REV 6-25	\$(594,146)
Forward Test Year	REV 6-25R	\$(40,791,314)
<b>Attachment 3-C-S2, REV 7 – DSM</b>		
Customer Migration	REV 7-23	\$25,342
Forecasted 2024	REV 7-24	\$6,159,115
Forecasted 2025	REV 7-25	\$1,444,505
Forward Test Year	REV 7-25R	\$(11,133,377)
<b>Attachment 3-C-S2, REV 8 – Interdepartmental Sales</b>		
Normalization	REV 8-23	\$1,879,015
Forecasted 2024	REV 8-24	\$581,534
Forecasted 2025	REV 8-25	\$(162,510)
Forward Test Year	REV 8-25R	\$573,940
<b>Attachment 3-C-S2, REV 9 – OSS</b>		
Normalization	REV 9-23	\$(20,269)
<b>Attachment 3-C-S2, REV 10 – Non-Jurisdictional Tracker</b>		
Forecasted 2024	REV 10-24	\$(3,964,245)
Forecasted 2025	REV 10-25	\$4,143,876
Forward Test Year	REV 10-25R	\$(71,968,102)
<b>Attachment 3-C-S2, REV 11 – Transmission</b>		
Forecasted 2024	REV 11-24	(\$755,429)
<b>Attachment 3-C-S2, REV 12 – Forfeited Discounts</b>		
Normalization	REV 12-23	\$(9)
Forecasted 2024	REV 12-24	\$103,364
<b>Attachment 3-C-S2, REV 13 – Miscellaneous Service</b>		
Forecasted 2024	REV 13-24	\$(203,093)
<b>Attachment 3-C-S2, REV 14 – Rent</b>		

Forecasted 2024	REV 14-24	\$97,090
<b>Attachment 3-C-S2, REV 15 – Other Electric Revenue</b>		
Normalization	REV 15-23	\$(4,839,769)
Forecasted 2024	REV 15-24	\$42,770
<b>Attachment 3-C-S2, REV 16 – ECT</b>		
Forecasted 2024	REV 16-24	\$6,991,566
Forecasted 2025	REV 16-25	\$6,836,868
Forward Test Year	REV 16-25R	\$(13,828,434)

1 **Expense Adjustments**

Fuel and Purchased Power (“FPP”) Cost Adjustments

2 **Q34. Please describe how FPP Cost Adjustments are organized.**

3 A34. Attachment 3-A-S2 (Page 1, Lines 9 through 13) shows the total Fuel and  
4 Purchased Power Costs as of December 31, 2023; Pro forma Adjustments at  
5 December 31, 2023; Forecast Adjustments at December 31, 2024; Forecast  
6 Adjustments at December 31, 2025; and Ratemaking Adjustments at  
7 December 31, 2025. Column D provides a reference for each line item to  
8 Attachment 3-B-S2, FPP Module; Column G shows the Attachment 3-C-S2  
9 pro forma reference to each of the line items in Column F; Column J shows  
10 the Attachment 3-C-S2 pro forma reference to each of the line items in  
11 Column I. Attachment 3-B-S2, FPP Module, shows the subcomponent  
12 detail for the 2024 and 2025 forecasted Fuel and Purchased Power Costs.

1        Attachment 3-C-S2, FPP 1 through FPP 4, include the detailed reconciliation  
2        showing the individual adjustments for each subcomponent. This  
3        attachment also shows the 2024 and 2025 forecasted Fuel and Purchased  
4        Power Costs. Petitioner's Confidential Exhibit No. 18-S2 shows the witness  
5        supporting each of the FPP Adjustments and includes the workpapers  
6        supporting each adjustment.

7        **Q35. Please provide a summary of the normalization, forecast, ratemaking, and**  
8        **generation transition pro forma adjustments related to fuel and**  
9        **purchased power.**

10       A35. The adjustments shown in Attachment 3-B-S2, FPP Module, are included in  
11       individual adjustments and reconciliations in Attachment 3-C-S2.  
12       Additionally, the supporting workpapers can be found in Petitioner's  
13       Confidential Exhibit No. 18-S2.

14       Attachment 3-B-S2, FPP Module includes the normalization, forecast,  
15       ratemaking, and generation transition adjustments sponsored by NIPSCO  
16       Witness Lash listed in the table below:

17

Description	Adjustment	Amount
<b>Attachment 3-C-S2, FPP 1 – Retail Sales</b>		
Weather Normalization	FPP 1A-23	\$4,923,290
Customer Migration	FPP 1B-23	\$0
Forecasted 2024	FPP 1-24	\$(43,593,539)
Forecasted 2025	FPP 1-25	\$(67,065,617)
Generation Transition	FPP 1-25GT	\$(22,533,029)
<b>Attachment 3-C-S2, FPP 2 – Interdepartmental Sales</b>		
Normalization	FPP 2-23	\$260,753
Forecasted 2024	FPP 2-24	\$61,243
Forecasted 2025	FPP 2-25	\$(135,569)
Ratemaking	FPP 2-25R	\$96,067
Generation Transition	FPP 2-25GT	\$(46,322)
<b>Attachment 3-C-S2, FPP 3 – Investment Tax Credit</b>		
Generation Transition	FPP 3-25GT	\$(2,395,113)
<b>Attachment 3-C-S2, FPP 4 – Production Tax Credit</b>		
Generation Transition	FPP 4-25GT	\$(30,781,018)

Operations and Maintenance (O&M) Expense Adjustments

- 1 **Q36. Please describe how O&M Expense adjustments are organized.**
- 2 A36. Attachment 3-A-S2 (Page 1, Lines 17 through 21) shows the total O&M
- 3 Expenses as of December 31, 2023; Pro forma Adjustments at December 31,
- 4 2023; Forecast Adjustments at December 31, 2024; Forecast Adjustments at
- 5 December 31, 2025; and Ratemaking Adjustments at December 31, 2025.



1 Column D provides a reference for each line item to Attachment 3-B-S2,  
2 O&M Module; Column G shows the Attachment 3-C-S2 pro forma  
3 reference to each of the line items in Column F; and Column J shows the  
4 Attachment 3-C-S2 pro forma reference to each of the line items in Column  
5 I. Attachment 3-B-S2, O&M Module, shows the subcomponent detail for  
6 the 2024 and 2025 forecasted O&M Expenses. Attachment 3-C-S2, OM 1  
7 through OM 22, include the detailed reconciliation showing the individual  
8 adjustments for each subcomponent. This attachment also shows the 2024  
9 and 2025 forecasted O&M Expenses. Petitioner's Confidential Exhibit No.  
10 18-S2 shows the witness supporting each of the O&M Adjustments and  
11 includes the workpapers supporting each adjustment.

12 **Q37. Please provide a summary of the normalization, forecast, and ratemaking**  
13 **pro forma adjustments related to O&M.**

14 A37. Attachment 3-B-S2 includes an O&M Module that summarizes the pro  
15 forma adjustments related to O&M. The adjustments shown in Attachment  
16 3-B-S2, O&M Module are included in individual adjustments and  
17 reconciliations in Attachment 3-C-S2. Petitioner's Confidential Exhibit No.  
18 18-S2 shows the witness supporting each of the O&M Adjustments and  
19 includes the workpapers supporting each adjustment.

1 Q38. Please provide a summary of the OM 1 Labor adjustments shown on  
2 Attachment 3-B-S2, O&M Module, Line 1.

3 A38. The labor adjustments shown on Attachment 3-B-S2, O&M Module, Line 1,  
4 are to increase/(decrease) electric operating expenses to Historic Base  
5 Period, 2024 Forecast Period, and Forward Test Year labor expense as  
6 follows:

Attachment 3-C-S2, OM 1 – Labor		
Description	Adjustment	Amount
Normalization	OM 1-23	\$4,533,566
Forecast	OM 1-24	\$6,735,874
Forecast	OM 1-25	\$3,507,492
Ratemaking	OM 1-25R	\$(3,342,467)

7 These adjustments are made to reflect:

- 8 • Removal of expense associated with Union contract signing bonuses  
9 and expenses associated with prior periods to normalize the Historic  
10 Base Period;
- 11 • Average 2023 Salaries, exclusive of spot bonuses, education  
12 reimbursement, and Union contract signing bonuses applied against  
13 NIPSCO's June 30, 2024, actual headcount;
- 14 • Merit increases that have or will occur in 2024 and 2025;
- 15 • A three-year average (12-months ended December 31, 2021-2023)  
16 level of special pays expense (e.g., spot bonuses, Union contract  
17 signing bonuses, and education reimbursement);

- 1           • The reclass of Non-Trackable Fuel handling that was expensed to  
2           non-labor Cost Elements that will be expensed to Labor Cost  
3           Elements going forward;
  
- 4           • An incremental level of additional Labor expense associated with  
5           open positions expected to be filled by the beginning of or during  
6           the Forward Test Year;
  
- 7           • An incremental level of additional Labor expense associated with  
8           additional positions anticipated to be filled during the Forward Test  
9           Year to operate NIPSCO's wholly owned Solar generation facilities;
  
- 10          • The removal of Labor expense associated with the retirement of  
11          Schahfer Units 17 and 18, as sponsored by NIPSCO Witness Cocking;  
12          and
  
- 13          • An electric allocation percentage and normalized labor expense  
14          percentage based on normalized 2023 labor.

15   **Q39. Please explain the removal of Labor expense associated with the**  
16   **retirement of Schahfer Units 17 and 18.**

17   A39. The retirement of Schahfer Units 17 and 18 will occur at the conclusion of  
18   the Forward Test Year in this case (December 31, 2025). Although coal fired  
19   generation facilities are complex to operate and the operating costs do not  
20   cease instantly upon retirement, based on information available at this time,  
21   NIPSCO anticipates a headcount in the Generation department to occur  
22   over a lengthy period of time. As described further by NIPSCO Witness  
23   Cocking, NIPSCO is proposing this adjustment in a good faith effort to

1 reflect anticipated cost savings that are expected to occur after the  
2 retirement of Schahfer Units 17 and 18.

3 **Q40. Does the removal of Labor expense associated with the retirement of**  
4 **Schahfer Units 17 and 18 only impact the Step 2 revenue requirement?**

5 A40. Yes. For Step 1, Labor expense is identical to the Step 2 calculation except  
6 that it does not include the removal of Labor expense associated with the  
7 retirement of Schahfer Units 17 and 18. The difference between Step 1 and  
8 Step 2 is shown in above in Question / Answer 24.

9 **Q41. Please provide a summary of the OM 2 Electric Operations adjustments**  
10 **shown on Attachment 3-B-S2, O&M Module, Line 2.**

11 A41. Adjustment OM 2 shown on Attachment 3-B-S2, O&M Module, Line 2, are  
12 to increase/(decrease) electric operating expenses to Historic Base Period,  
13 2024 Forecast Period, and Forward Test Year O&M expense as follows:

Description	OM 2-23	OM 2-24	OM 2-25	OM 2-25R
Planned Outage	-	\$(983,423)	\$(255,000)	\$(4,252,340)
Forced Outage	-	-	\$642,248	\$(3,251,257)
Variable Chemicals	\$(7,370,192)	-	-	-
Generation Base Mait.	-	-	\$2,462,134	\$(17,543,353)
Solar Generation	-	-	\$3,705,525	\$7,249,428
Vegetation	-	\$533,048	\$555,395	\$3,203,224

Line Locates	-	-	\$1,361,383	-
PD & Trans. Base Mait	\$1,033,258	-	\$(1,108,545)	\$675,269
Nontrackable Fuel	-	-	\$(1,126,206)	\$(10,059,309)
Capacity Purchase	-	-	\$(3,591,223)	-
Variance <sup>4</sup>	\$9,618	-	-	-
Total	\$(6,327,316)	\$(450,375)	\$2,645,712	\$(23,978,339)

1           NIPSCO Witness Cocking sponsors the amounts associated with OM 2-24,  
2           OM 2-25, and OM 2-25R adjustments except Capacity Purchases, which is  
3           sponsored by NIPSCO Witness Robles. I am sponsoring OM 2-23. If these  
4           adjustments are not made, the Forward Test Year Electric Operations  
5           expense would be overstated.

6   **Q42. Please explain adjustment OM 2-23.**

7   A42. Adjustment OM 2-23 normalizes the Historical Base Period by removing  
8           the variables chemicals that are now part of the Environmental Cost  
9           Tracker, and remove expenses associated with prior periods to normalize  
10          the Historic Base Period. If these adjustments are not made, the Historic  
11          Base Period Electric Operations expense would be overstated.

---

<sup>4</sup> This amount represents the variance of 2023 balances when comparing an activity and cost element view.

1 **Q43. Please explain the removal of Electric Operations expense associated**  
2 **with the retirement of Schahfer Units 17 and 18.**

3 A43. As noted previously, the retirement of Schahfer Units 17 and 18 will occur  
4 at the conclusion of the Forward Test Year in this case (December 31, 2025).  
5 After the Forward Test Year, NIPSCO anticipates a reduction in operating  
6 expenses relating to Forced Outages, Planned Outages, Generation Base  
7 Maintenance, and Fuel Handling. As described further by NIPSCO Witness  
8 Cocking, NIPSCO is proposing this adjustment in a good faith effort to  
9 reflect anticipated cost savings that are expected to occur after the  
10 retirement of Schahfer Units 17 and 18.

11 **Q44. Does the removal of operating expenses associated with the retirement of**  
12 **Schahfer Units 17 and 18 only impact the Step 2 revenue requirement?**

13 A44. Yes. For Step 1, Electric Operations expense is identical to the Step 2  
14 calculation except that it does not include the removal of operating  
15 expenses related to Forced Outages, Generation Base Maintenance, and  
16 Fuel Handling associated with the retirement of Schahfer Units 17 and 18.  
17 The difference between Step 1 and Step 2 is shown in Question / Answer  
18 24.

1 **Q45. Please provide a summary of the OM 5 Nonrecoverable adjustments**  
2 **shown on Attachment 3-B-S2, O&M Module, Line 5.**

3 A45. Adjustment OM 5 shown on Attachment 3-B-S2, O&M Module, Line 5, is to  
4 decrease Forward Test Year electric operating expenses in the amount of  
5 \$974,796 to remove the following expenses:

<b>Adjustment</b>	<b>Amount</b>	<b>Cost Type</b>
OM 5A-25R	\$(468,257)	Lobbying expenses
OM 5B-25R	\$(128,341)	Advertising expenses
OM 5C-25R	\$(378,198)	Certain expenses that NIPSCO is not seeking recovery

6  
7 A summary of these adjustments can also be found on Attachment 3-C-S2,  
8 OM 5. If these adjustments are not included, the Forward Test Year electric  
9 operating expenses would be overstated.

10 **Q46. Please provide a summary of the OM 6 Corporate Service Bill**  
11 **adjustments shown on Attachment 3-B-S2, O&M Module, Line 6.**

12 A46. Adjustments OM 6-23, OM 6-24, and OM 6-25 are to increase/(decrease)  
13 Historic Base Period electric operating expenses in the amount of  
14 \$(8,486,952), \$8,978,906, and \$6,272,827, respectively. These adjustments  
15 are made to normalize and forecast Corporate Service Bill expenses.  
16 Adjustment OM-6-25R is to decrease the Forward Test Year operating

1 expenses by \$2,310,426 to reflect various adjustments and the removal of  
2 profit sharing. NIPSCO Witness Bly sponsors the amounts associated with  
3 all OM 6 adjustments.

4 **Q47. Please provide a summary of the OM 7 Corporate Insurance adjustment**  
5 **shown on Attachment 3-B-S2, O&M Module, Line 7.**

6 A47. Adjustment OM 7-25R is to increase Forward Test Year electric operating  
7 expenses in the amount of \$3,050,319 to reflect the annualized level of  
8 corporate insurance expense based on 2023 actual electric allocation and  
9 increases in premiums for policies that were either renewed after the close  
10 of the Historic Base Period or will be renewed before the end of the Forward  
11 Test Year. If this adjustment is not included, Forward Test Year electric  
12 operating expenses would be understated.

13 **Q48. Please provide a summary of the OM 8 Rents and Leases adjustments**  
14 **shown on Attachment 3-B-S2, O&M Module, Line 8.**

15 A48. Adjustment OM 8-23 is to decrease Historic Base Period electric operating  
16 expense in the amount of \$119,234 to reflect the removal of the Gary Indiana  
17 business office lease expense and costs inadvertently recorded to NIPSCO  
18 Electric. If this adjustment is not included, Historic Base Period electric



1 operating expenses would be overstated. Adjustment OM 8-25R is to  
2 increase Forward Test Year electric operating expense in the amount of  
3 \$7,018,999 to reflect the level of rents and leases based on 2023 normalized  
4 electric allocation and to reflect 100% of the annualized solar landowner  
5 agreement payments.

6 **Q49. Please provide a summary of the OM 9 Environmental Reserve**  
7 **adjustment shown on Attachment 3-B-S2, O&M Module, Line 9.**

8 A49. Adjustment OM 9-23 is to decrease Historic Base Period electric operating  
9 expenses in the amount of \$2,246,413 related to environmental expenses  
10 that NIPSCO is not seeking to recover in base rates. If this adjustment is  
11 not included, the Historic Base Period electric operating expenses would be  
12 overstated.

13 **Q50. Please provide a summary of the OM 10 Uncollectibles adjustments**  
14 **shown on Attachment 3-B-S2, O&M Module, Line 10.**

15 A50. Adjustments OM 10-24 is to increase electric operating expense in the  
16 amount of \$226,619. Adjustment OM 10-25 is to decrease electric operating  
17 expense in the amount of \$118,372. These adjustments to the 2024 and 2025  
18 forecast period reflect a seven-year average of NIPSCO Electric write-offs

1 applied to NIPSCO Electric residential and commercial forecasted revenue.  
2 Adjustment OM 10-25R is to increase Forward Test Year electric operating  
3 expenses in the amount of \$42,445 to reflect bad debt (uncollectibles)  
4 expense based on a seven-year average of NIPSCO Electric write-offs  
5 applied to residential and commercial revenue in the Future Test Year.

6 **Q51. Please provide a summary of the OM 11 Short-Term Incentive**  
7 **Compensation ("STI") adjustments shown on Attachment 3-B-S2, O&M**  
8 **Module, Line 11.**

9 A51. Adjustment OM 11-23 is to decrease Historic Base Period electric operating  
10 expenses in the amount of \$6,722,703 to normalize NIPSCO's STI expenses  
11 to reflect a payout consistent with target levels. Adjustment OM 11-24 is to  
12 increase Historic Base Period electric operating expenses in the amount of  
13 \$711,024 to reflect payout at the 2024 target levels. NIPSCO Witness Eyre  
14 discusses the reasonableness and competitiveness of NIPSCO wages and  
15 salaries, including incentive compensation. If these adjustments are not  
16 included, the Historic Base Period electric operating expenses would be  
17 overstated.

18 **Q52. Please provide a summary of the OM 12 Pension adjustments shown on**

1        **Attachment 3-B-S2, O&M Module, Line 12.**

2        A52. Adjustments OM 12-24 and OM 12-25 are to decrease Historic Base Period  
3        electric operating expense in the amount of \$410,405 and \$782,380  
4        respectively, based upon the July 2023 Aon actuary report and 2023 actual  
5        electric allocations. Adjustment OM 12-25R decreases Forward Test Year  
6        operating expenses in the amount of \$874,995 related to NIPSCO's pension  
7        plan to reflect the updated July 2024 Aon actuary report and 2023 actual  
8        electric allocations and capitalization. If these adjustments are not  
9        included, Forward Test Year electric operating expenses would be  
10       overstated.

11       **Q53. Please provide a summary of the OM 13 Other Post Employment Benefits**  
12       **("OPEB") adjustments shown on Attachment 3-B-S2, O&M Module, Line**  
13       **13.**

14       A53. Adjustments OM 13-24 and OM 13-25 are to decrease Historic Base Period  
15       electric operating expense in the amount of \$182,569 and \$139,525,  
16       respectively, based upon the July 2023 Aon actuary report and 2023 actual  
17       electric allocations. Adjustment OM 13-25R is to increase Forward Test  
18       Year operating expenses in the amount of \$333,135 related to NIPSCO's  
19       OPEB plan to reflect the updated July 2024 Aon actuary report and 2023

1 actual electric allocation and capitalization. If these adjustments are not  
2 included, Forward Test Year electric operating expenses would be  
3 understated

4 **Q54. Please provide a summary of the OM 14 Medical Benefits adjustments**  
5 **shown on Attachment 3-B-S2, O&M Module, Line 14.**

6 A54. Adjustments OM 14-24 and OM 14-25 are to increase Historic Base Period  
7 electric operating expenses in the amount of \$3,580,385 and \$1,093,225,  
8 respectively, utilizing the July 2023 Aon actuarial report related to  
9 NIPSCO's employee medical benefits and 2023 actual electric allocation and  
10 capitalization. Adjustment OM 14-25R utilizes 2025 headcount as detailed  
11 in Adjustment OM-1-S2 and the July 2024 Aon actuarial report to increase  
12 Forward Test Year electric operating expenses in the amount of \$225,678  
13 related to NIPSCO's employee medical benefits. The adjustment also  
14 reflects the 2023 actual electric allocation and capitalization. If these  
15 adjustments are not included, Forward Test Year electric operating  
16 expenses would be understated.

17 **Q55. Please explain the removal of Medical Benefits expenses related to the**  
18 **reduction of Generation department headcount that relates to the**

1        **retirement of Schahfer Units 17 and 18.**

2        A55. As noted previously, the retirement of Schahfer Units 17 and 18 will occur  
3        at the conclusion of the Forward Test Year in this case (December 31, 2025).  
4        Based upon the anticipated future reduction in headcount in the Generation  
5        department to occur over a lengthy period of time following the end of the  
6        Forward Test Year, there would be a corresponding impact on associated  
7        Medical Benefits. NIPSCO is proposing this adjustment in a good faith  
8        effort to reflect anticipated cost savings in Medical Benefits expenses that  
9        are expected to occur after the retirement of Schahfer Units 17 and 18.

10      **Q56. Does the removal of the Medical Benefits expenses related to the**  
11      **reduction of Generation department headcount only impact the Step 2**  
12      **revenue requirement?**

13      A56. Yes. For Step 1, Medical Benefits expense is identical to the Step 2  
14      calculation except that it does not include the removal of the Medical  
15      Benefits expenses related to the reduction of Generation department  
16      headcount for the retirement of Schahfer Units 17 and 18. The difference  
17      between Step 1 and Step 2 is shown in above in Question / Answer 24.

18      **Q57. Please provide a summary of the OM 15 Other Benefits adjustment**

1        **shown on Attachment 3-B-S2, O&M Module, Line 15.**

2        A57. Adjustment OM 15-23 is to decrease Historic Base Period electric operating  
3        expenses in the amount of \$59,677 to normalize other benefits expense by  
4        removing non-recurring severance payments. If this adjustment is not  
5        included, Historic Base Period electric operating expenses would be  
6        overstated.

7        **Q58. Please provide a summary of the OM 16 Other Employee Benefits**  
8        **adjustments shown on Attachment 3-B-S2, O&M Module, Line 16.**

9        A58. Adjustments OM 16-24 and OM 16-25 are to increase Historic Base Period  
10        electric operating expenses by \$9,394 and \$238,342, respectively, utilizing  
11        the July 2023 Aon actuarial report related to NIPSCO's other employee  
12        benefits. The adjustments also reflect 2023 actual electric allocation and  
13        capitalization. Adjustment OM 16-25R utilizes 2025 headcount as detailed  
14        in Adjustment OM-1-25R-S2 and the July 2024 Aon actuarial report to  
15        increase Forward Test Year operating expenses in the amount of \$85,428  
16        related to NIPSCO's other employee benefits. The adjustment also reflects  
17        2023 actual electric allocation and capitalization. If these adjustments are  
18        not included, Forward Test Year electric operating expenses would be  
19        understated.

1 **Q59. Please explain the removal of Other Employee Benefits expense**  
2 **associated with the retirement of Schahfer Units 17 and 18.**

3 A59. As noted previously, the retirement of Schahfer Units 17 and 18 will occur  
4 at the conclusion of the Forward Test Year in this case (December 31, 2025).  
5 Based upon the anticipated future reduction in headcount in the Generation  
6 department to occur over a lengthy period of time following the end of the  
7 Forward Test Year, there would be a corresponding impact on associated  
8 Other Employee Benefits. NIPSCO is proposing this adjustment in a good  
9 faith effort to reflect anticipated cost savings in Other Employee Benefits  
10 expenses that are expected to occur after the retirement of Schahfer Units  
11 17 and 18.

12 **Q60. Does the removal of the Other Employee Benefits expenses related to the**  
13 **reduction of Generation department headcount only impact the Step 2**  
14 **revenue requirement?**

15 A60. Yes. For Step 1, Other Employee Benefits expense is identical to the Step 2  
16 calculation except that it does not include the removal of the Other  
17 Employee Benefits expenses related to the reduction of Generation  
18 department headcount for the retirement of Schahfer Units 17 and 18. The

1 difference between Step 1 and Step 2 is shown above in Question / Answer  
2 24.

3 **Q61. Please provide a summary of the OM 17 Long Term Incentive Plan**  
4 **("LTIP") adjustments shown on Attachment 3-B-S2, O&M Module, Line**  
5 **17.**

6 A61. Adjustment OM 17-23 is to increase Historical Base Period electric  
7 operating expenses in the amount of \$2,382 related to NIPSCO's LTIP  
8 expense to reflect a payout consistent with 2023 target levels. Adjustment  
9 OM 17-24 is to decrease 2024 Forecast Period electric operating expenses by  
10 \$283,615 to reflect a payout consistent with 2024 target levels. Adjustment  
11 OM 17-25 is to increase 2025 Forecast Period electric operating expense by  
12 \$172,701 to reflect a payout consistent with 2025 target levels. Additionally,  
13 Adjustments OM 17-24 and OM 17-25 reflect LTIP net of capitalization, as  
14 NIPSCO began to capitalize a portion of LTIP on its books beginning in  
15 April of 2024. NIPSCO Witness Eyre discusses the reasonableness and  
16 competitiveness of NIPSCO wages and salaries, including incentive  
17 compensation. If these adjustments are not included, Forward Test Year  
18 electric operating expenses would be overstated.



1 **Q62. Please provide a summary of the OM 18 Profit-Sharing adjustment**  
2 **shown on Attachment 3-B-S2, O&M Module, Line 18.**

3 A62. Adjustment OM 18-25R is to decrease Forward Test Year electric operating  
4 expenses in the amount of \$955,866 to remove profit sharing expenses in  
5 the Forward Test Year. NIPSCO is not seeking recovery of these amounts  
6 in this proceeding. If this adjustment is not included, Forward Test Year  
7 electric operating expenses would be overstated.

8 **Q63. Please provide a summary of the OM 19 Benefits Administration**  
9 **adjustment shown on Attachment 3-B-S2, O&M Module, Line 19.**

10 A63. Adjustment OM 19-24 is to increase Historic Base Period electric operating  
11 expenses in the amount of \$37,292 related to NIPSCO's benefit  
12 administration expense to reflect 2023 actual electric allocation. If this  
13 adjustment is not included, Forward Test Year electric operating expenses  
14 would be understated.

15 **Q64. Please provide a summary of the OM 20 RTO adjustment shown on**  
16 **Attachment 3-B-S2, O&M Module, Line 20.**

17 A64. Adjustment OM 20-23 is to decrease Historic Base Period electric operating  
18 expenses in the amount of \$4,839,777 for certain MISO transmission

1 revenues reported on MISO Schedules 1, 2, 7, 8, and 26 in Adjustments REV  
2 12-23 and REV 15-23, which are required because 100% of transmission  
3 revenues from the aforementioned MISO schedules are passed back to  
4 customers through NIPSCO's RTO Adjustment tracker. If this adjustment  
5 is not included, Historic Base Period electric operating expenses would be  
6 overstated. Adjustment OM 20-24 is to increase electric operating expense  
7 in the amount of \$2,925,715 to reflect forecasted RTO cash expense for 2024.  
8 Adjustment OM 20-25 is to decrease electric operating expense in the  
9 amount of \$594,146 to reflect forecasted RTO cash expense for 2025.  
10 Adjustment OM 20-25R is to decrease Forward Test Year electric operating  
11 expenses in the amount of \$40,791,314 to remove RTO expenses from base  
12 rates. NIPSCO is proposing that all RTO expenses continue to be recovered  
13 through the RTO tracker in this proceeding. If this adjustment is not  
14 included, the Forward Test Year electric operating expenses would be  
15 overstated.

16 **Q65. Please provide a summary of the OM 21 Cause Nos. 44688, 45159, and**  
17 **45772 Amortization adjustment shown on Attachment 3-B-S2, O&M**  
18 **Module, Line 21.**

1 A65. Adjustment OM 21-23 is to decrease Historic Base Period electric operating  
2 expenses in the amount of \$1,321,479 to reclassify the O&M expense related  
3 to the Cause Nos. 44688, 45159, and 45772 regulatory asset amortization  
4 associated with prior rate case expense, prior TDSIC and FMCA 20%  
5 regulatory assets, and COVID costs, to amortization expense for  
6 ratemaking, which is included in AMTZ 8. A related adjustment was made  
7 to amortization expense in Adjustment AMTZ 8-23. If this adjustment is  
8 not included, Historic Base Period electric operating expenses would be  
9 overstated.

10 **Q66. Please provide a summary of the OM 22 Cause No. 45772 Settlement**  
11 **adjustment shown on Attachment 3-B-S2, O&M Module, Line 22**

12 A66. Adjustment OM 22-25R is to decrease Forward Test Year electric operating  
13 expense by \$1,055,188, as set forth in Section B.4(f) of the Stipulation and  
14 Settlement Agreement approved in Cause No. 45772.

15 **Depreciation and Amortization Adjustments**

16 **Q67. Is NIPSCO proposing to implement new depreciation rates in this**  
17 **proceeding?**

18 A67. Yes. NIPSCO is proposing to implement new depreciation rates, as  
19 sponsored by NIPSCO Witness Spanos, in Step 2 of this proceeding. As a

1 result, NIPSCO computed Step 1 depreciation expense, utilizing currently  
2 approved depreciation rates, applied against forecasted original cost plant-  
3 in-service, as sponsored by NIPSCO Witness Bytnar, as of May 31, 2025.  
4 NIPSCO computed Step 2 depreciation expense by applying proposed  
5 depreciation rates, as sponsored by NIPSCO Witness Spanos, to forecasted  
6 original cost plant-in-service, as sponsored by NIPSCO Witness Bytnar, as  
7 of December 31, 2025.

8 **Q68. Why are depreciation rates not being implemented with Step 1 rates?**

9 A68. Step 1 rates will include utility plant in service for Schahfer Units 17 and 18  
10 as it is not retiring until December 31, 2025. Proposed depreciation rates, as  
11 sponsored by NIPSCO Witness Spanos, are based upon forecasted utility  
12 plant in service after the retirement of Schahfer Units 17 and 18.  
13 Implementing these rates on utility plant in service including Schahfer  
14 Units 17 and 18 would be inconsistent with how the depreciation study was  
15 conducted. As such, NIPSCO is proposing to utilize the previously  
16 approved rates until Step 2, which will exclude Schahfer Units 17 and 18  
17 utility plant in service as a result of their retirement.

18 **Q69. Please describe how Depreciation ("DEPR") and Amortization**

1           **(“AMTZ”) Expense adjustments are organized.**

2    A69. Attachment 3-A-S2 (Pages 1 and 2, Lines 24 through 28 and Lines 31  
3           through 35) shows the total Depreciation and Amortization Expense as of  
4           December 31, 2023, Pro forma Adjustments at December 31, 2023, Forecast  
5           Adjustments at December 31, 2024, Forecast Adjustments at December 31,  
6           2025, and Ratemaking Adjustments at December 31, 2025. Column D  
7           provides a reference for each line item to Attachment 3-B-S2, DEPR Module  
8           and AMTZ Module, and Column G shows the Attachment 3-C-S2 pro  
9           forma reference to each of the line items in Column F. Attachment 3-B-S2,  
10          DEPR Module and AMTZ Module, shows the subcomponent detail for the  
11          2024 and 2025 forecasted Depreciation and Amortization. Attachment 3-C-  
12          S2, DEPR 1 through 3 and AMTZ 1 through 11, include the detailed  
13          reconciliations showing the individual adjustments for each  
14          subcomponent. This attachment also shows the 2024 and 2025 projected  
15          Depreciation and Amortization. I discuss each adjustment, referring to  
16          other Company witnesses where necessary. NIPSCO Witness Bytnar  
17          sponsors each of the projected utility plant in service components related to  
18          Depreciation and Amortization Expenses, as well as the overall forecasting  
19          process relating to these amounts. Petitioner's Confidential Exhibit No. 18-

1        S2 shows the witness supporting each of the Depreciation and  
2        Amortization Adjustments and includes the workpapers supporting each  
3        adjustment.

4        **Q70. Please provide a summary of the DEPR 1 Electric Plant Asset**  
5        **Depreciation adjustments shown on Attachment 3-B-S2, DEPR Module,**  
6        **Line 1.**

7        A70. The adjustments shown on line 1 of Attachment 3-B-S2, DEPR Module,  
8        represent the following:

- 9                • Adjustment DEPR 1-24 is to increase 2024 Forecast Period  
10                depreciation expense by \$50,454,701 to reflect NIPSCO's currently  
11                approved depreciation accrual rates applied against forecasted plant  
12                in service as of December 31, 2024;
- 13                • Adjustment DEPR 1-25 is to increase 2025 Forecast Period  
14                depreciation expense by \$67,094,133 to reflect NIPSCO's currently  
15                approved depreciation accrual rates applied against forecasted plant  
16                in service as of December 31, 2025, inclusive of Schahfer Units 17 and  
17                18;
- 18                • Adjustment DEPR 1A-25R is to decrease Forward Test Year  
19                depreciation expense by \$21,352,919 to reclassify depreciation  
20                expense related to Schahfer Units 17 and 18 to amortization expense  
21                as a result of their retirement;
- 22                • Adjustment DEPR 1B-25R is to reflect NIPSCO's proposed  
23                depreciation accrual rates, in accordance with the proposed  
24                depreciation study, applied against Forward Test Year projected  
25                jurisdictional plant in service, exclusive of Schahfer Units 17 and 18,  
26                as a result of their retirement; and

- 1           • Adjustment DEPR 1C-25R is to remove depreciation expense related  
2           to NIPSCO's non-jurisdictional assets.

3           NIPSCO Witness Bytnar sponsors the projected utility plant in service  
4           balances on which NIPSCO's currently approved and proposed  
5           depreciation rates are being applied. NIPSCO Witness Spanos sponsors the  
6           proposed depreciation study that includes the proposed depreciation  
7           accrual rates in which projected Forward Test Year plant in service balances  
8           are being applied. If these adjustments are not included, Forward Test Year  
9           depreciation expense would be understated.

10   **Q71. Please provide a summary of the Electric Common Depreciation**  
11   **adjustments shown on Attachment 3-B-S2, DEPR Module, Line 2.**

12   A71. Adjustment DEPR 2-24 and DEPR 2-25 are to decrease common  
13   depreciation expense in the amount of \$1,971,409 and \$389,267, respectively  
14   for the 2024 Forecast Period and 2025 Forecast Period. These adjustments  
15   are calculated by applying NIPSCO's currently approved depreciation  
16   accrual rates to the forecasted plant in service balances at the end of the 2024  
17   Forecast Period and 2025 Forecast Period. Adjustment DEPR 2-25R is to  
18   decrease common depreciation rates by \$410,094 to reflect NIPSCO's  
19   proposed common depreciation accrual rates, in accordance with the

1 proposed depreciation study, applied against Forward Test Year projected  
2 plant in service. NIPSCO Witness Bytnar sponsors the projected utility  
3 plant in service on which NIPSCO's currently approved common  
4 depreciation rates are being applied. NIPSCO Witness Spanos sponsors the  
5 proposed depreciation study that includes the proposed common  
6 depreciation accrual rates in which projected Forward Test Year plant in  
7 service balances are being applied. If these adjustments are not included,  
8 the Forward Test Year electric common depreciation expenses would be  
9 overstated.

10 **Q72. Please provide a summary of the Cause No. 44688, 45159, and 45772**  
11 **Tracker Amortization adjustment shown on Attachment 3-B-S2, DEPR**  
12 **Module, Line 3.**

13 A72. Adjustment DEPR 3-23 is to decrease Historic Base Period depreciation  
14 expense by \$2,752,431 to reclassify the depreciation expense related to  
15 Cause No. 44688, 45159, and 45772 regulatory asset to amortization, which  
16 is included in AMTZ 8 and a related adjustment is made thereto.

17 **Q73. Please provide a summary of the Electric Plant Asset Amortization**  
18 **adjustments shown on Attachment 3-B-S2, AMTZ Module, Line 1.**



1 A73. The adjustments shown on line 1 of Attachment 3-B-S2, AMTZ Module,  
2 represent the following:

- 3 • Adjustment AMTZ 1-24 is to increase 2024 Forecast Period electric  
4 amortization expense by \$3,343,644 to reflect the application of  
5 NIPSCO's amortization rates to forecasted 2024 Electric plant in  
6 service;
- 7 • Adjustment AMTZ 1-25 is to increase 2025 Forecast Period electric  
8 amortization expense by \$3,916,646 to reflect the application of  
9 NIPSCO's amortization rates to forecasted 2025 Electric plant in  
10 service; and
- 11 • Adjustment AMTZ 1-25R is to increase Forward Test Year electric  
12 amortization expense by \$2,321,856 to reflect the annualization of the  
13 December 31, 2025, level of amortization expense.

14 NIPSCO Witness Bytnar sponsors the projected utility plant in service on  
15 which NIPSCO's amortization table is being applied. If these adjustments  
16 are not included Forward Test Year amortization expense would be  
17 understated.

18 **Q74. Please provide a summary of the Electric Common Amortization**  
19 **adjustments shown on Attachment 3-B-S2, AMTZ Module, Line 2.**

20 A74. The adjustments shown on line 2 of Attachment 3-B-S2, AMTZ Module,  
21 represent the following:

- 22 • Adjustment AMTZ 2-24 is to decrease 2024 Forecast Period electric  
23 amortization expense by \$1,383,076 to reflect the application of

1 NIPSCO's amortization rates to forecasted 2024 Electric common  
2 plant in service;

3 • Adjustment AMTZ 2-25 is to decrease 2025 Forecast Period electric  
4 amortization expense by \$1,203,138 to reflect the application of  
5 NIPSCO's amortization rates to forecasted 2025 Electric common  
6 plant in service; and

7 • Adjustment AMTZ 2-25R is to increase Forward Test Year electric  
8 amortization expense by \$410,724 to reflect the annualization of the  
9 December 31, 2025, level of amortization expense.

10 NIPSCO Witness Bytnar sponsors the projected utility plant in service on  
11 which NIPSCO's amortization table is being applied. If these adjustments  
12 are not included Forward Test Year amortization expense would be  
13 overstated.

14 **Q75. Please provide a summary of the Schahfer Units 14, 15, 17, and 18**  
15 **Regulatory Asset Amortization adjustments shown on Attachment 3-B-**  
16 **S2, AMTZ Module, Line 3.**

17 A75. The adjustments shown on line 3 of Attachment 3-B-S2, AMTZ Module, are  
18 calculated by amortizing the net book value of each retired Schahfer  
19 generating unit, exclusive of cost of removal, as of the retirement date  
20 through June 30, 2034, and represent the following:

21 • Adjustment AMTZ 3-24 increases electric amortization expense by  
22 \$1,380,632 to reflect an annualized level of Schahfer Units 14 & 15  
23 regulatory asset amortization;

- 1           • Adjustment AMTZ 3-25 decreases electric amortization expense by  
2           \$8,634 to reflect an annualized level of Schahfer Units 14 & 15  
3           regulatory asset amortization; and
  
- 4           • Adjustment AMTZ 3-25R increases electric amortization expense by  
5           \$21,352,919 to reflect an annualized level of Schahfer Units 14 and  
6           15, and the reclass of Schahfer Units 17 and 18 from depreciation, as  
7           a result of their retirement, to regulatory asset amortization.

8           NIPSCO Witness Bytnar sponsors the projected Regulatory Asset balance  
9           on which NIPSCO's amortization table is being applied. If these  
10          adjustments are not included, the Forward Test Year electric amortization  
11          expenses would be understated.

12   **Q76. Please provide a summary of the WAM Regulatory Asset Amortization**  
13   **adjustments shown on Attachment 3-B-S2, AMTZ Module, Line 4.**

14   A76. Adjustment AMTZ 4-25R is to increase Forward Test Year electric  
15          amortization expense in the amount of \$2,023,206 to reflect the amortization  
16          of WAM costs. The amortization reflects a 15-year amortization period for  
17          deferred Capital and O&M costs and a 10-year amortization period for  
18          deferred cloud costs. In Cause No. 46025, which is still ongoing as of the  
19          filing of this testimony, NIPSCO has sought deferral treatment for certain  
20          WAM related costs to be amortized through base rates. These costs deferred  
21          and projected to be deferred, which will be amortized, comprises one-time  
22          O&M expenses, depreciation and amortization, and PISCC. Since a Final

1 Order will be issued in that proceeding after this case has been filed, and to  
2 the extent the Commission's Order deviates from NIPSCO's relief sought  
3 in that proceeding, NIPSCO will update the WAM Regulatory Asset  
4 Amortization on Rebuttal. If this adjustment is not included, the Forward  
5 Test Year electric amortization expenses would be understated.

6 **Q77. Please provide a summary of the Joint Venture Renewable Regulatory**  
7 **Asset Amortization adjustments shown on Attachment 3-B-S2, AMTZ**  
8 **Module, Line 5.**

9 A77. The adjustments shown on line 5 of Attachment 3-B-S2, AMTZ Module, are  
10 calculated by amortizing the regulatory asset in rate base over 30 years  
11 related to wind and solar projects and as supported in the respective  
12 CPCNs and are as follows:

- 13 • Adjustment AMTZ 5-24 is to increase electric amortization expense  
14 by \$17,145,484; and
- 15 • Adjustment AMTZ 5-25 is to increase electric amortization expense  
16 by \$42,877.

17 NIPSCO Witness Bytnar sponsors the projected regulatory asset balance on  
18 which NIPSCO's amortization table is being applied. If these adjustments  
19 are not included, the Forward Test Year electric amortization expenses  
20 would be understated.

1 **Q78. Please provide a summary of the TDSIC Regulatory Asset Amortization**  
2 **adjustment shown on Attachment 3-B-S2, AMTZ Module, Line 6.**

3 A78. Adjustment AMTZ 6-25R is to increase Forward Test Year electric  
4 amortization expense in the amount of \$9,579,731 to recover the 20%  
5 deferred TDSIC Regulatory Asset balance. NIPSCO is proposing to  
6 amortize this asset over a 2-year period. If this adjustment is not included,  
7 the Forward Test Year electric amortization expenses would be  
8 understated.

9 **Q79. Please provide a summary of the Sugar Creek Purchase Acquisition**  
10 **Amortization adjustment shown on Attachment 3-B-S2, AMTZ Module,**  
11 **Line 7.**

12 A79. Adjustment AMTZ 7-23 represents an increase in Historic Base Year electric  
13 amortization expense in the amount of \$2,540,514 for the Historic Base  
14 Period to include Sugar Creek purchase acquisition premium in  
15 amortization. Amortization related to the Sugar Creek purchase  
16 acquisition premium is recorded in FERC Account 425, Miscellaneous  
17 Amortization, in accordance with FERC guidance, but included above the  
18 line for ratemaking purposes. In Cause No. 43996, the Company was issued  
19 a certificate of public convenience and necessity to acquire the Sugar Creek

1 generating facility at its full purchase price. This reclassification has been  
2 reflected in every general rate case since the acquisition and is also reflected  
3 in NIPSCO's quarterly earnings test. If this adjustment is not included, the  
4 Historic Base Period electric amortization expenses would be understated.

5 **Q80. Please provide a summary of the Cause Nos. 44688, 45159, and 45772**  
6 **Amortization adjustments shown on Attachment 3-B-S2, AMTZ Module,**  
7 **Line 8.**

8 A80. Adjustment AMTZ 8-23 is to increase Historic Base Period electric  
9 amortization expense by \$13,102,474. This level of amortization expense  
10 reflects the current amortization schedule. Portions of this amount were  
11 reclassified from O&M expense in Adjustment OM 21-23, depreciation  
12 expense in Adjustment DEPR 1-23 and property tax expense in OTX 1-23,  
13 to amortization expense for ratemaking purposes. The other portions were  
14 reclassified from Other Interest Expense, FERC Account 431, and  
15 Miscellaneous Non-Operating Income, FERC Account 421, for ratemaking  
16 purposes. Cause No. 44688 Amortization was approved with a 7-year  
17 amortization period, and NIPSCO has ceased amortizing those costs as of  
18 the period ending September 30, 2023, as reflected in adjustment AMTZ 8-  
19 23. Cause No. 45159 Amortization was approved with a 7-year amortization

1 period, and NIPSCO is proposing to continue amortizing over the  
2 remaining 12 months of that period as of December 31, 2025. Cause No.  
3 45772 Amortization was approved with a 7-Year amortization period for  
4 the FMCA and TDSIC Regulatory Assets, and NIPSCO is proposing to  
5 continue amortizing over the remaining 55 months of that period as of  
6 December 31, 2025. Additionally, Cause No. 45772 Amortization was  
7 approved with a 4-year amortization period for deferred COVID costs and  
8 Rate Case costs and NIPSCO is proposing to continue amortizing over the  
9 remaining 19 months as of December 31, 2025. Adjustments AMTZ 8-24  
10 and AMTZ 8-25 are to increase 2024 and 2025 Forecast Period electric  
11 amortization expense by \$2,591,470 and \$70,896, respectively, to include the  
12 annual level of Cause No. 45159 and 45772 amortization expense associated  
13 with prior rate case expense, prior TDSIC and FMCA 20% regulatory assets,  
14 prior TDSIC Remand, MATS, Electric EDR Rider, and COVID costs. If these  
15 adjustments are not included, Forward Test Year electric amortization  
16 expenses would be understated.

17 **Q81. Please provide a summary of the Electric Rate Case Expense adjustment**  
18 **shown on Attachment 3-B-S2, AMTZ Module, Line 9.**

1 A81. Adjustment AMTZ 9-25R is to increase Forward Test Year electric  
2 amortization expense in the amount of \$1,293,126 to include electric rate  
3 case expense. NIPSCO is proposing to amortize this asset over a 2-year  
4 period consistent with the period of time over which these amounts will  
5 have been deferred. If this adjustment is not included, the Forward Test  
6 Year electric amortization expenses would be understated.

7 **Q82. Please provide a summary of the CIS Rider 677 adjustment shown on**  
8 **Attachment 3-B-S2, AMTZ Module, Line 10.**

9 A82. Adjustment AMTZ 10-25R is to increase Forward Test Year electric  
10 amortization expense in the amount of \$2,845,699 associated with its  
11 Economic Development Rider, CIS Rider 677. NIPSCO is proposing to  
12 amortize this asset over a 6-year period consistent with the period of time  
13 over which these amounts will have been deferred. If this adjustment is not  
14 included, the Forward Test Year electric amortization expenses would be  
15 understated.

16 **Q83. Please provide a summary of the Wholly Owned Solar Farm Regulatory**  
17 **Asset Amortization adjustment shown on Attachment 3-B-S2, AMTZ**  
18 **Module, Line 11.**



1 A83. Adjustment AMTZ 11-25R is to increase Forward Test Year electric  
2 amortization in the amount of \$8,448,157. This amount comprises a 5-year  
3 amortization of deferred O&M costs of \$5,120,165 and a 30-year  
4 amortization of deferred post in service carrying charges and depreciation  
5 of \$3,327,992. NIPSCO Witness Bytnar sponsors the projected regulatory  
6 asset balance on which NIPSCO's amortization table is being applied. If this  
7 adjustment is not included, the Forward Test Year electric amortization  
8 expense would be understated.

9 **Taxes Other Than Income Adjustments**

10 **Q84. Please describe how the Taxes Other than Income ("OTX") Adjustments**  
11 **are organized.**

12 A84. Attachment 3-A-S2 (Page 2, Lines 39 through 43) shows the total Taxes  
13 Other than Income as of December 31, 2023, Pro forma Adjustments at  
14 December 31, 2023, Forecast Adjustments at December 31, 2024, Forecast  
15 Adjustments at December 31, 2025, and Ratemaking Adjustments at  
16 December 31, 2025. Column D provides a reference for each line item to  
17 Attachment 3-B-S2, OTX Module, Column G shows the Attachment 3-C-S2  
18 pro forma reference to each of the line items in Column F, and Column J  
19 shows the Attachment 3-C-S2 pro forma reference to each of the line items

1 in Column I. Attachment 3-B-S2, OTX Module, shows the “subcomponent”  
2 detail for the 2024 and 2025 forecasted OTX. Attachment 3-C-S2, OTX 1  
3 through OTX 5, includes the detailed reconciliation showing the individual  
4 adjustments for each subcomponent. This attachment also shows the 2024  
5 and 2025 forecasted OTX. Petitioner's Confidential Exhibit No. 18-S2 shows  
6 the witness supporting each of the OTX Adjustments and includes the  
7 workpapers supporting each adjustment.

8 **Q85. Please provide a summary of the normalization, forecast, and ratemaking**  
9 **pro forma adjustments related to OTX.**

10 A85. Attachment 3-B-S2 includes a OTX Module that summarizes the pro forma  
11 adjustments related to OTX. The adjustments shown in Attachment 3-B-S2,  
12 OTX Module are included in individual adjustments and reconciliations in  
13 Attachment 3-C-S2. Additionally, the supporting workpapers can be found  
14 in Petitioner's Confidential Exhibit No. 18-S2.

15 Attachment 3-B-S2, OTX Module, includes the forecast adjustments  
16 sponsored by NIPSCO Witness Bass listed in the table below.

17

Attachment 3-C-S2, OTX 1 – Property Tax		
Description	Adjustment	Amount
Forecasted 2024	OTX 1-24	\$3,131,052
Forecasted 2025	OTX 1-25	\$5,488,346
Ratemaking	OTX 1-25R	\$(1,221,883)

1  
2 NIPSCO Witness Bass supports the 2023 effective property tax rate applied  
3 against the 2024 and 2025 gross plant balances. NIPSCO Witness Bytnar  
4 supports the terminal 2024, 2025, and 2025R gross plant balances.

5 **Q86. Please provide a summary of the Property Tax adjustments shown on**  
6 **Attachment 3-B-S2, OTX Module, Line 1.**

7 A86. The adjustments shown on line 1 of Attachment 3-B-S2, OTX Module,  
8 represent the following:

- 9
- 10 • Adjustment OTX 1-23 is to decrease Historic Base Period electric  
11 property tax expense by \$248,457 to reclassify the property tax  
12 expense related to Cause Nos. 44688, 45159, and 45772 regulatory  
13 asset amortization to amortization expense for ratemaking purposes,  
which is included in AMTZ 5.

14 If this adjustment is not made, Historic Base Period electric property tax  
15 expense would be overstated.

16 **Q87. Please provide a summary of the OTX 2 Payroll Taxes adjustments shown**  
17 **on Attachment 3-B-S2, OTX Module, Line 2.**

1 A87. The adjustments shown on line 1 of Attachment 3-B-S2, OTX Module,  
2 represent the following:

- 3 • Adjustment OTX 2-23 decreases Historic Base Year electric payroll  
4 tax expense by \$167,469 to reflect the impact to payroll tax expense  
5 associated with the removal of union contract signing bonuses and  
6 reversal of credits recorded to expense associated with prior periods  
7 (OM 1-23) and the decrease to STI expense to reflect 2023 target  
8 levels (OM 11-23);
- 9 • Adjustment OTX 2-24 increases 2024 Forecast Period electric payroll  
10 tax expense by \$569,688 to reflect the impact to payroll tax expense  
11 for the incremental increase to labor expense (OM 1-24-S2) and  
12 incremental increase to STI expense (OM 11-24);
- 13 • Adjustment OTX 2-25 increases 2025 Forecast Period electric payroll  
14 tax expense by \$268,323 to reflect the impact to payroll tax expense  
15 for the incremental increase to labor expense (OM 1-25-S2); and
- 16 • Adjustment OTX 2-25R decreases Forward Test Year electric payroll  
17 tax expense by \$255,699 to reflect the impact to payroll tax expense  
18 for the incremental increase to labor expense (OM 1-25R-S2).

19 If these adjustments are not included, Forward Test Year electric payroll tax  
20 expense would be understated.

21 **Q88. Please explain the removal of Payroll Tax expenses related to the**  
22 **reduction of Generation department headcount that relates to the**  
23 **retirement of Schahfer Units 17 and 18.**

24 A88. This relates to the anticipated future reduction in headcount following the  
25 retirement of Schahfer Units 17 and 18 and after the conclusion of the

1 Forward Test Year in this case (December 31, 2025). NIPSCO is proposing  
2 this adjustment in a good faith effort to reflect anticipated cost savings in  
3 Payroll Taxes expenses that are expected to occur from the retirement of  
4 Schahfer Units 17 and 18.

5 **Q89. Does the removal of the Payroll Tax expenses related to the reduction of**  
6 **Generation department headcount that relates to the retirement of**  
7 **Schahfer Units 17 and 18 only impact the Step 2 revenue requirement?**

8 A89. Yes. For Step 1, Payroll Tax expense is identical to the Step 2 calculation  
9 except that it does not include the removal of Payroll Tax expense  
10 associated with the retirement of Schahfer Units 17 and 18. The difference  
11 between Step 1 and Step 2 is shown above in Question / Answer 24.

12 **Q90. Please provide a summary of the OTX 3 Sales Tax adjustment shown on**  
13 **Attachment 3-B-S2, OTX Module, Line 3.**

14 A90. Adjustment OTX 3-23 is to increase Historic Base Period electric sales tax in  
15 the amount of \$11,952 to remove nonrecurring sales tax credits from sales  
16 tax expense. If this adjustment is not included, the Historic Base Period  
17 electric sales tax expenses would be understated.

18 **Q91. Please provide a summary of the OTX 4 Utility Receipts Tax ("URT")**

1           **adjustment shown on Attachment 3-B-S2, OTX Module, Line 4.**

2    A91.   Adjustment OTX 4-23 is to increase Historic Base Period URT expenses in  
3           the amount of \$208,800 to reflect the reversal of a 2022 true-up entry  
4           recorded to NIPSCO's books in the Historic Base Period and the repeal of  
5           URT enacted by HEA 1002-2022.

6    **Q92.   Please provide a summary of the Public Utility Fee Total adjustments**  
7           **shown on Attachment 3-B-S2, OTX Module, Line 5.**

8    A92.   The adjustments shown on line 5 of Attachment 3-B-S2, OTX Module,  
9           represent the incremental impact to Public Utility Fee tax expense to reflect  
10          the change in total revenue, as illustrated in Attachment 3-B-S2, REV  
11          Module, less the amounts illustrated for REV 8, REV 12 through REV 15,  
12          and OM 10, and applied against the 2024 public utility fee rate. The public  
13          utility fee adjustments shown on Attachment 3-B-S2, OTX Module, Line 5,  
14          adjust the 2024 Forecast Period, 2025 Forecast Period, and Forward Test  
15          Year public utility fee expense as follows:

16

Attachment 3-C-S2, OTX 5 – Public Utility Fee Total		
Description	Adjustment	Amount
Forecasted 2024	OTX 5-24	\$703,334
Forecasted 2025	OTX 5-25	\$(23,866)
Forward Test Year	OTX 5-25R	\$(167,067)

1           If these adjustments are not made, Forward Test Year public utility fee tax  
2           expense would be understated.

3           **Income Taxes Adjustments**

4           **Q93. Please describe how the Income Taxes (ITX) Adjustments are organized.**

5           A93. Attachment 3-A-S2 (Page 2, Line 47) shows the total Income Taxes as of  
6           December 31, 2023, and Ratemaking Adjustment at December 31, 2025.  
7           Column D provides a reference for each line item to Attachment 3-C-S2,  
8           ITX-1, Column G shows the Attachment 3-C-S2 pro forma reference to each  
9           of the line items in Column F, and Column J shows the Attachment 3-C-S2  
10          pro forma reference to each of the line items in Column I. Attachment 3-C-  
11          S2, ITX 1, includes the detailed reconciliation showing the individual  
12          adjustments. This attachment also shows the pro forma Federal and State  
13          Income Tax expense at current and proposed rates. Petitioner's  
14          Confidential Exhibit No. 18-S2 shows the witness supporting each of the

1 ITX Adjustments and includes the workpapers supporting each  
2 adjustment.

3 **Q94. Please provide a summary of the ratemaking pro forma adjustment**  
4 **related to ITX.**

5 A94. Attachment 3-A-S2, ITX, includes the adjustment sponsored by NIPSCO  
6 Witness Bass listed in the table below.

Attachment 3-C-S2, ITX 1 – Income Taxes		
Description	Adjustment	Amount
Forward Test Year	ITX 1-25R	\$104,999,844

7  
8 If this adjustment is not included, the Forward Test Year electric income  
9 taxes would be understated.

10 **Proposed Revenue Increase**

11 **Q95. What is NIPSCO's total Step 1 and Step 2 requested increase?**

12 A95. NIPSCO's total Step 1 requested increase is \$319,066,887 and the total Step  
13 2 requested increase is \$368,660,618, both compared to pro forma revenues  
14 at present rates. The total increase is computed by adding Adjustment PF-  
15 1 and PF-5 shown on Page 1 of Attachment 3-A-S1 and Attachment 3-A-S2.  
16 Unlike past cases, NIPSCO is proposing a different level of O&M between



1 Steps 1 and 2, with the differences being those that I have explained  
2 previously in my testimony.

3 **Q96. Please explain Adjustments PF-1 through PF-4 on Attachment 3-C-S2, PF**  
4 **Adjustments.**

5 A96. Adjustment PF-1 shows the calculation of the increased gross revenue from  
6 base rates in the amount of \$424,756,681 (PF-1), which is calculated to  
7 provide the opportunity to earn a return of 7.59 percent on net original cost  
8 rate base of \$9,229,813,441 (as shown on Attachment 3-C-S2, PF  
9 Adjustments). The revenue requirement is calculated by determining the  
10 requested increase in operating income. The requested level of operating  
11 income is equal to the proposed rate of return applied to the net original  
12 cost rate base, as shown on page 3 of Attachment 3-A-S2. As shown on page  
13 3, the requested increase in net operating income is \$700,542,840. This  
14 amount is then adjusted for the following increases to calculate the increase  
15 in revenue requirement of \$424,756,681: (a) \$1,941,733 of uncollectible  
16 accounts expense (PF-2); (b) \$637,135 of PUF (PF-3); and (c) \$104,999,844 of  
17 federal and state income taxes (PF-4). See below for a summary of the  
18 adjustments mentioned above:

<u>Line No.</u>	<u>Description</u>	<u>Revenue Deficiency</u>
1	Increase in Net Operating Income (NOI Shortfall)	\$ 317,177,970
2	Uncollectible Accounts Expense	1,941,733
3	Public Utility Fee	637,135
4	Federal and State Income Taxes	<u>104,999,844</u>
5	Increase in Revenue Requirement	\$ 424,756,681

1 **Q97. Please explain Adjustments PF-5 through PF-9 on Attachment 3-C-S2, PF**  
2 **Adjustments.**

3 A97. Adjustments PF-5 through PF-9 show the impact to the revenue  
4 requirement associated with the reduction in base cost of fuel related to ITC,  
5 PTC, and the Fuel Reduction related to the retirement of Schahfer Units 17  
6 and 18 and are as follows: (a) \$56,096,064 reduction to revenue (PF-5); (b)  
7 \$55,755,482 reduction to Fuel and Purchase Power (PF-6); (c) \$256,438  
8 reduction to uncollectible accounts expense (PF-7); (d) \$84,144 reduction to  
9 PUF (PF-8); and (e) for illustrative purposes only, a federal and state income  
10 tax expense neutral adjustment of \$0 (PF-9) as the reduction to revenue (PF-  
11 5) and expense (PF-6 through PF-8) net to zero ). See below for a summary  
12 of the adjustments mentioned above:

<u>Line No.</u>	<u>Description</u>	<u>Revenue Deficiency</u>
6	Decrease in FPP Associated with ITC & PTC & Schahfer U17/18 Retirement	(55,755,482)
7	Uncollectible Accounts Expense	(256,438)
8	Public Utility Fee	(84,144)
9	Federal and State Income Taxes	-
10	Revenue Requirement Decrease Associated with Reduction to FPP for ITC/PTC & Schahfer U17/18 Retirement	\$ (56,096,064)

1 **Net Original Cost Rate Base**

2 **Q98. Please explain the Rate Base amounts included in Attachment 3-B-S2, RB**  
3 **Module.**

4 A98. Attachment 3-B-S2, RB Module, quantifies NIPSCO's December 31, 2025,  
5 forecasted net original cost rate base. Column A shows the actual rate base  
6 as of December 31, 2023. Column B shows the normalization adjustments.  
7 Column C shows the normalized Rate Base value as of December 31, 2023.  
8 Column D and Column F represent the 2024 and 2025 forecast adjustments  
9 to arrive at a forecasted rate base value as of December 31, 2025 (Column  
10 G). Column H shows the ratemaking adjustments. Column I shows the pro  
11 forma rate base as of December 31, 2025. Petitioner's Confidential Exhibit  
12 No. 18-S2 shows the witness supporting each of the Rate Base Adjustments  
13 and includes the workpapers supporting each adjustment. NIPSCO  
14 Witness Bytnar discusses the overall capital planning process.

1 Q99. Please provide a summary of the forecast pro forma adjustments related  
2 to rate base.

3 A99. Attachment 3-B-S2 includes a Rate Base Module that summarizes the pro  
4 forma adjustments related to rate base. The adjustments shown in  
5 Attachment 3-B-S2, RB Module, are included in individual adjustments and  
6 reconciliations in Attachment 3-C-S2. Additionally, the supporting  
7 workpapers can be found in Petitioner's Confidential Exhibit No. 18-S2.

8 Attachment 3-B-S2, RB, includes the forecast adjustments sponsored by  
9 NIPSCO Witness Bytnar listed in the table below.

Description	Adjustment	Amount
<b>Attachment 3-C-S2, RB 1 – Electric Utility Plant</b>		
Forecasted 2024	RB 1-24	\$1,180,032,559
Forecasted 2025	RB 1-25	\$970,676,499
<b>Attachment 3-C-S2, RB 2 – Non-Jurisdictional Plant</b>		
Ratemaking 2025	RB 2-25R	\$(615,962,258)
<b>Attachment 3-C-S2, RB 3 – Common Allocated</b>		
Forecasted 2024	RB 3-24	\$17,417,208
Forecasted 2025	RB 3-25	\$61,397,512
<b>Attachment 3-C-S2, RB 4 – Electric Accumulated Depreciation and Amortization</b>		
Forecasted 2024	RB 4-24	\$(176,651,765)
Forecasted 2025	RB 4-25	\$986,317,797

<b>Attachment 3-C-S2, RB 5 – Non-jurisdictional Accumulated Depreciation and Amortization</b>		
Forecasted 2024	RB 5-24	\$11,016,623
Forecasted 2025	RB 5-25	\$11,016,623
Ratemaking 2025	RB 5-25R	\$106,452,110
<b>Attachment 3-C-S2, RB 6 – Common Allocated Accumulated Depreciation and Amortization</b>		
Forecasted 2024	RB 4-24	\$(20,701,928)
Forecasted 2025	RB 4-25	\$(15,286,692)
<b>Attachment 3-C-S2, RB 7 – Schahfer Units 14, 15, 17, &amp; 18 Regulatory Asset</b>		
Forecasted 2024	RB 7-24	\$(56,435,153)
Forecasted 2025	RB 7-25	\$125,073,291
<b>Attachment 3-C-S2, RB 8 – WAM Regulatory Asset</b>		
Forecasted 2024	RB 8-24	\$18,479,443
Forecasted 2025	RB 8-25	\$9,757,564
<b>Attachment 3-C-S2, RB 9 – Renewable Joint Venture Regulatory Asset</b>		
Forecasted 2024	RB 9-24	\$(27,924,381)
Forecasted 2025	RB 9-25	\$(28,019,333)
<b>Attachment 3-C-S2, RB 10 – Cause No. 45772 and 45159 Regulatory Asset</b>		
Forecasted 2024	RB 10-24	\$(11,379,240)
Forecasted 2025	RB 10-25	\$(11,477,838)
<b>Attachment 3-C-S2, RB 11 – TDSIC Regulatory Asset</b>		
Forecasted 2024	RB 11-24	\$6,795,716
Forecasted 2025	RB 11-25	\$11,883,680

<b>Attachment 3-C-S2, RB 12 – Wholly Owned Solar Farms Regulatory Asset</b>		
2023 Normalization	RB 12-23	\$(463,828,697)
Forecasted 2024	RB 12-24	\$20,177,069
Forecasted 2025	RB 12-25	\$79,662,691
<b>Attachment 3-C-S2, RB 13 – Materials &amp; Supplies</b>		
Forecasted 2025	RB 13-25	\$(13,617,008)
<b>Attachment 3-C-S2, RB 14 – Production Fuel</b>		
Forecasted 2024	RB 14-24	\$(7,511,457)
Forecasted 2025	RB 14-25	\$(42,087,684)

1 **Weighted Average Cost of Capital**

2 **Q100. What capital structure is NIPSCO projecting for ratemaking purposes in**  
3 **this proceeding?**

4 A100. The Company is projecting the capital structure as of December 31, 2025,  
5 which is reflected in Attachment 3-A-S2 (page 5). Attachment 3-B-S2, CS  
6 Module, provides each major “subcomponent,” as well as the actual and  
7 estimated capital structure as of December 31, 2023, December 31, 2024, and  
8 December 31, 2025. Attachment 3-C-S2 shows, by subcomponent, the  
9 changes between the Historic Base Period and the Forward Test Year,  
10 including a listing of each individual forecast and ratemaking adjustment.  
11 Finally, Petitioner’s Confidential Exhibit No. 18-S2 shows the witness

1 supporting each of the Capital Structure Adjustments and includes the  
2 workpapers supporting each adjustment.

3 **Q101. Can you please elaborate further on Attachment 3-A-S2 (page 5)?**

4 A101. Yes. Attachment 3-A-S2 (page 5) shows the computation of the weighted  
5 average cost of capital for NIPSCO as of December 31, 2025. Column A lists  
6 the components of capital, including common equity, long-term debt,  
7 customer deposits, deferred income taxes, post-retirement liability, prepaid  
8 pension asset, and Post-1970 ITC. Column B shows the projected  
9 outstanding balance for each component as of December 31, 2025. The  
10 components of capital in Column A and projected December 31, 2025,  
11 outstanding balances in Column B were obtained from Attachment 3-B-S2,  
12 CS Module. Column C shows the percent each component represents of  
13 the total capitalization. Column D shows the cost rate for each component.  
14 Column E shows the weighted average cost for each component. The cost  
15 of Post-1970 ITC represents the weighted average cost of investor-supplied  
16 capital, which is computed on Lines 9 through 11. The total of Column E,  
17 on Line 8, of 7.59 percent, is the Company's weighted average cost of capital  
18 for the Forward Test Year.

1 **Q102. Has NIPSCO presented a calculation of the 2024 and 2025 capital**  
2 **structure?**

3 A102. Yes. The 2024 and 2025 capital structure is shown on Attachment 3-B-S2,  
4 CS Module. Column A shows the actual capital structure balances as of  
5 December 31, 2023. The activity in Column B, representing normalization  
6 adjustments, is added to Column A to calculate normalized capital  
7 structure balances as of December 31, 2023 (Column C). Column D and  
8 Column F represent the 2024 and 2025 forecast adjustments added to  
9 Column C to arrive at the December 31, 2025, capital structure balances  
10 (Column G). Column H represents NIPSCO's proposed ratemaking  
11 adjustments which are added to Column G to arrive at the December 31,  
12 2025, pro forma capital structure balances (Column I). Attachment 3-C-S2,  
13 CS 1 through CS 7, represent the details for each adjustment included in  
14 Column B, Column D, Column F, and Column H of Attachment 3-B-S2, CS  
15 Module. Petitioner's Confidential Exhibit No. 18-S2 shows the witness  
16 supporting each of the Capital Structure Adjustments and includes the  
17 workpapers supporting each adjustment.

18 **Q103. What cost rate has been utilized for Common Equity on Attachment 3-A-**  
19 **S2 (page 5)?**



1 A103. The cost rate for Common Equity found on Attachment 3-A-S2 (page 5) is  
2 10.60 percent. NIPSCO Witness Rea recommends and supports a cost of  
3 common equity for NIPSCO's jurisdictional electric utility operations is in  
4 the range of 10.60 to 11.15 percent and concludes that a point estimate at  
5 the midpoint of this range, or 10.85 percent, is the appropriate cost of equity  
6 to apply in the instant proceeding. NIPSCO Witness Whitehead explains  
7 that NIPSCO selected a cost of equity of 10.60%, which is at the low end of  
8 the recommended range, to mitigate the increase in customer rates.

9 **Q104. What cost rate has been utilized for Long-Term Debt on Attachment 3-A-**  
10 **S2 (page 5)?**

11 A104. The cost rate for Long-Term Debt found on Attachment 3-A-S2 (page 5) is  
12 5.20 percent. Petitioner's Confidential Exhibit No. 18-S2, CS 2, Page [.3],  
13 supports the cost rate based on the Company's projected long-term debt  
14 outstanding at December 31, 2025.

15 **Q105. Please elaborate further on Petitioner's Confidential Exhibit No. 18-S2,**  
16 **CS 2, Page [.3]?**

17 A105. Petitioner's Confidential Exhibit No. 18-S2, CS 2, Page [.3], shows a detailed  
18 schedule of long-term debt, reflecting the Company's projected debt

1 outstanding as of December 31, 2025. Column A reflects the interest rate  
2 associated with each debt issue. A description of the individual debt  
3 issuances is shown in Column B. Columns C and D reflect the dates of  
4 issuance and dates of maturity, respectively. The principal amount of long-  
5 term debt projected to be outstanding at December 31, 2025, is shown in  
6 Column K. Column L reflects the amount of the annual interest  
7 requirement, which is the interest rate (Column A) multiplied by the  
8 principal amount (Column K). Column M reflects the effective overall cost  
9 of debt, which is also reflected on Attachment 3-A-S2 (page 5). Included in  
10 lines 30-35 are six expected debt issuances which reflect NIPSCO's current  
11 financing plan information and will be updated for actuals and/or revised  
12 assumptions as new information becomes available during the course of  
13 this proceeding.

14 **Q106. How were debt discounts, debt expenses, and call premiums on early**  
15 **redemption of long-term debt considered in the determination of**  
16 **NIPSCO's weighted cost of long-term debt?**

17 A106. The annual amortization amounts are included as a debt cost. The  
18 unamortized balances are subtracted from the principal amount of  
19 outstanding debt, leaving a balance of \$5,468,979,284 (Attachment 3-A-S2,

1 Page 5, Column B, Line 2). These amounts represent debt costs that need  
2 to be considered in the determination of NIPSCO's cost of capital.

3 **Q107. Have NIPSCO's debt financings been approved by the Commission?**

4 A107. Yes. All of the debt identified on Attachment 3-C-S2, CS 2, has been, or will  
5 be, issued pursuant to orders of the Commission. Most recently, the  
6 Commission's August 14, 2024 Order in Cause No. 46048 (amending its  
7 December 14, 2022 Order in Cause No. 45737) approved a Financing Plan  
8 for NIPSCO to issue bonds, notes, or other evidence of indebtedness during  
9 the period January 1, 2023, through December 31, 2024, in an amount not to  
10 exceed \$1,700,000,000. NIPSCO's Financing Plan for NIPSCO to issue  
11 bonds, notes, or other evidence of indebtedness during the period January  
12 1, 2025, through December 31, 2025, in an amount not to exceed  
13 \$1,000,000,000, is currently pending in Cause No. 46106.

14 **Q108. What cost rate has been utilized for Customer Deposits on Attachment 3-**  
15 **A-S2 (page 5)?**

16 A108. The cost rate for Customer Deposits found on Attachment 3-A-S2 (page 5)  
17 is 5.76 percent, which is a blended rate reflecting the different rates  
18 applicable to the deposits of gas and electric customers. The rate is blended

1           because the capital structure relates to the NIPSCO legal entity, and  
2           therefore, deposit balances reflect deposits related to both the gas and  
3           electric businesses. In accordance with General Administrative Order 2022-  
4           03, the rate to be paid on gas deposits effective January 1, 2024, is 5.00  
5           percent. In accordance with 170 IAC 4-1-15(f)(1), the rate to be paid on  
6           electric deposits is 6.00 percent. For combination customers, the deposits  
7           are not distinguishable, and therefore, NIPSCO pays the higher rate of 6.00  
8           percent. The gas rate of 5.00 percent is paid only to gas-only customers  
9           (those who do not receive electric service from NIPSCO). Petitioner's  
10          Confidential Exhibit No. 18-S2, CS 3, Page [.2], shows the calculation of the  
11          cost rate based on the Company's actual customer deposits at December 31,  
12          2023, and the currently approved rates.

13          **Q109. Please explain the Post-Retirement Liability reflected on Attachment 3-**  
14          **A-S2 (page 5)?**

15          A109. The Post-Retirement Liability reflects the Accounting Standards  
16          Codification 715, Compensation - Retirement Benefits ("ASC 715") OPEB  
17          accrual expense (previously referred to as Statement of Financial  
18          Accounting Standard No. 106 ("SFAS 106")) in excess of the cash basis or  
19          Pay-As-You-Go Method ("PAYGO"). NIPSCO was authorized to include

1 Statement of Financial Accounting Standard No. 106 expense (now  
2 incorporated into ASC 715-60) in its cost of service for ratemaking purposes.  
3 Additionally, the Commission authorized NIPSCO to commence the  
4 amortization of the expense that had been deferred as a regulatory asset  
5 pursuant to the Commission's December 30, 1992, Order in Cause No.  
6 39348. The Commission also found that the cumulative difference between  
7 the ASC 715-60 (SFAS 106) expense and the cash outlay for post-retirement  
8 benefits other than pensions should be treated as zero cost capital. NIPSCO  
9 computed this adjustment by starting with the ASC 715-60 (SFAS 106) gross  
10 accrual amounts (which includes all of the expenses deferred in the  
11 regulatory asset prior to February 1, 1997), then reducing for amounts paid  
12 as calculated under the PAYGO, then finally reducing by the capitalized  
13 portion. In this fashion, the amount reflected as zero cost capital is  
14 essentially equivalent to the amount that would have been recorded as ASC  
15 715-60 (SFAS 106) expense in excess of the PAYGO since February 1, 1997,  
16 together with the amount of the original regulatory asset that has been  
17 amortized, all as provided for in the Commission's June 11, 1997, Order in  
18 Cause No. 40688.

19 **Q110. Please explain the forecasted Prepaid Pension Asset shown on**

1        **Attachment 3-B-S2, CS Module.**

2        A110. The forecasted Prepaid Pension Asset on Attachment 3-B-S2, CS Module,  
3        Line 6, represents the difference between the forecasted cumulative amount  
4        of cash contributions to NIPSCO's pension trust fund and the forecasted  
5        cumulative amount of pension costs that will be recorded on NIPSCO's  
6        books and records in accordance with GAAP. The pension trust fund  
7        contributions in excess of historical accrued pension cost represents  
8        investor capital contributions. As I explain later, NIPSCO's retail electric  
9        customers benefit from investor capital contributions because earnings on  
10        excess pension trust fund cash contributions (Prepaid Pension Asset) serve  
11        to reduce pension expense. I also explain that the Company's pension  
12        funding strategy (1) is in part mandated by Federal regulations; (2) is an  
13        ordinary cost of doing business; and (3) results in costs prudently incurred  
14        on behalf of customers. For these reasons, and to not understate the cost of  
15        service, costs incurred associated with the Company's pension funding  
16        strategy should be included in the determination of the jurisdictional  
17        revenue requirement in this proceeding. To capture the costs associated  
18        with this program, as shown in Attachment 3-B-S2, CS Module, Line 6, the  
19        Company has included the balance of the Prepaid Pension Asset as a

1 component of NIPSCO's overall weighted average cost of capital.  
2 Reflecting the Prepaid Pension Asset in this fashion operates as the mirror  
3 image of the Post-Retirement Liability. It is also how both the Prepaid  
4 Pension Asset and Post-Retirement Liability have been reflected in several  
5 recent gas and electric rate cases for NIPSCO.

6 **Q111. How is the Prepaid Pension Asset reflected on NIPSCO's books?**

7 A111. NIPSCO recognizes a pension liability on its balance sheet equal to the  
8 difference between the pension plan assets and accumulated benefit  
9 obligations, as required under GAAP. Additionally, NIPSCO recognizes a  
10 regulatory asset on its balance sheet equal to accumulative actuarial  
11 gains/losses and prior service costs that have not yet been amortized  
12 through expense. The Prepaid Pension Asset represents the net amount of  
13 the funded status and the regulatory asset.

14 **Q112. What is the difference between the ASC 715 and the Prepaid Pension**  
15 **Asset?**

16 A112. Net periodic pension cost is an income statement concept that measures the  
17 attribution of the pension benefit obligation on a pro rata, accrual basis to  
18 the period being measured. The ASC 715 calculation of net periodic benefit

1 cost is used to derive the amount of pension expense included in the O&M  
2 portion of the revenue requirement. The Prepaid Pension Asset is derived  
3 from balance sheet values. The Prepaid Pension Asset can be compared to  
4 other zero-cost capital items in the capital structure such as deferred taxes  
5 or the post-retirement liability. These items should be considered when  
6 setting rates to appropriately calculate NIPSCO's overall weighted average  
7 cost of capital.

8 **Q113. Have you projected the amount of Prepaid Pension Asset to be included**  
9 **in NIPSCO's weighted average cost of capital?**

10 A113. Yes. As of December 31, 2025, cumulative contributions will exceed the  
11 projected cumulative amount of pension expense determined in accordance  
12 with ASC 715 by \$372,308,313. (Attachment 3-A-S2, Page 5, Column B, Line  
13 6.)

14 **Q114. How do the additional pension contributions benefit customers?**

15 A114. The additional pension contributions to the trust fund result in additional  
16 trust fund investment income that directly reduces annual ASC 715 pension  
17 expense. Additionally, the Pension Benefit Guaranty Corporation  
18 ("PBGC") requires qualified pension plans under the U.S. tax code to pay



1       yearly insurance premiums equal to a flat rate times the number of  
2       participants in the plan and a variable rate times the unfunded vested  
3       benefits. As such, pension funding directly reduces the PBGC premiums  
4       charged to the qualified plan and serves to reduce expense. The current  
5       forecasted pension expense, based on the July 2024 Aon actuarial report, of  
6       approximately \$5,258,351 reflected in Attachment 3-C-S2, OM 12, is  
7       inclusive of this savings.

8       **Q115. Did NIPSCO include any pension contributions in the 2024 and 2025**  
9       **forecasts used in this proceeding?**

10      A115. No. NIPSCO did not include any planned pension contributions in its 2024  
11      and 2025 forecast, however, NIPSCO is continuously evaluating the overall  
12      benefits of additional pension contributions. NIPSCO has made no pension  
13      fund contributions since 2017.

14      **Q116. Has the Commission previously approved the inclusion of a utility's**  
15      **prepaid pension assets in the capital structure and overall weighted**  
16      **average cost of capital?**

17      A116. Yes. The Commission approved settlement agreements reflecting a WACC  
18      that included the full prepaid pension asset in its Capital Structure and

1 Overall Weighted Average Cost of Capital in its July 31, 2024, Order in  
2 Cause No. 45967, August 2, 2023, Order in Cause No. 45772, July 27, 2022,  
3 Order in Cause No. 45621, December 4, 2019, Order in Cause No. 45159,  
4 September 19, 2018, Order in Cause No. 44988, and July 18, 2016, Order in  
5 Cause No. 44688.

6 **Q117. Does NIPSCO also have a prepaid asset related to OPEB?**

7 A117. No. NIPSCO has an OPEB liability which reflects NIPSCO's OPEB accrual  
8 expense in excess of the cash basis (or PAYGO). As previously discussed,  
9 in accordance with the Commission's June 11, 1997, Order in Cause No.  
10 40688, NIPSCO has included the cumulative difference between this  
11 expense and the cash outlay for these benefits as zero cost capital in  
12 NIPSCO's Capital Structure and calculation of the Weighted Average Cost  
13 of Capital. NIPSCO's proposed treatment of the Prepaid Pension Asset is  
14 consistent with NIPSCO's historical treatment of NIPSCO's OPEB liability.

15 **Q118. Please provide a summary of the Common Equity adjustments shown on**  
16 **Attachment 3-B-S2, CS Module, Line 1.**

17 A118. Adjustments CS 1-24 and CS 1-25 are to increase Historic Base Period  
18 Common Equity in the amounts of \$910,756,219 and \$1,411,785,607,

1           respectively. The adjustments reflect the projected increase in Retained  
2           Earnings from the Historic Base Period. In addition, the adjustment reflects  
3           an increase to Additional Paid in Capital. The combination of adjustments  
4           is calculated so as to maintain a reasonable capital structure, consistent with  
5           the capital structure deemed reasonable in NIPSCO's most recent financing  
6           plan by the Commission's December 14, 2022 Order in Cause No. 45737, as  
7           amended in Cause No. 46048. If these adjustments are not included,  
8           Forward Test Year Common Equity would be understated.

9           **Q119. Please provide a summary of the Long-Term Debt adjustments shown on**  
10           **Attachment 3-B-S2, CS Module, Line 2.**

11           A119. Adjustments CS 2-24 and CS 2-25 are to increase Historic Base Period Long-  
12           Term Debt in the amounts of \$760,014,508 and \$1,000,014,508, respectively,  
13           to reflect a total issuance of \$1,835,000,000 of long-term debt based on  
14           NIPSCO's most current financing plan information that will be updated for  
15           actuals and/or revised assumptions as new information becomes available  
16           during the course of the instant proceeding. As noted above, the  
17           Commission's December 14, 2022, Order in Cause No. 45737, as amended  
18           in Cause No. 46048, approved a Financing Plan for NIPSCO to issue bonds,  
19           notes, or other evidence of indebtedness during the period January 1, 2023,

1 through December 31, 2024 in an amount not to exceed \$1,700,000,000.  
2 NIPSCO's Financing Plan for NIPSCO to issue bonds, notes, or other  
3 evidence of indebtedness during the period January 1, 2025, through  
4 December 31, 2025, in an amount not to exceed \$1,000,000,000, is currently  
5 pending in Cause No. 46106. If this adjustment is not included, Forward  
6 Test Year Long-Term Debt would be understated.

7 **Q120. Please provide a summary of the Deferred Income Tax adjustments**  
8 **shown on Attachment 3-B-S2, CS Module, Line 4.**

9 A120. Adjustments CS 4-24 and CS 4-25 are to increase Historic Base Period  
10 Accumulated Deferred Income Taxes in the amount of \$102,173,432 and  
11 \$166,037,069, respectively. NIPSCO Witness Bass sponsors these  
12 adjustments to Deferred Income Taxes. If these adjustments are not  
13 included, Historic Base Period Accumulated Deferred Income Taxes would  
14 be understated.

15 **Q121. Please provide a summary of the OPEB adjustments shown on**  
16 **Attachment 3-B-S2, CS Module, Line 5.**

17 A121. The adjustments shown on line 5 of Attachment 3-B-S2, CS Module,  
18 represent the following:

- 1           • Adjustment CS 5-24 decreases OPEB by \$10,760,936 based on the  
2           July 2023 Aon actuarial report;
- 3           • Adjustment CS 5-25 decreases OPEB by \$10,085,213 based on the  
4           July 2023 Aon actuarial report; and
- 5           • Adjustment CS 5-25R decreases OPEB by \$119,137 based on the  
6           updated July 2024 Aon actuarial report.

7           If these adjustments are not included, Forward Test Year OPEB reflected in  
8           the capital structure would be overstated.

9           **Q122. Please provide a summary of the Prepaid Pension Asset adjustments**  
10           **shown on Attachment 3-B-S2, CS Module, Line 6.**

11          A122. The adjustments shown on line 6 of Attachment 3-B-S2, CS Module,  
12          represent the following:

- 13           • Adjustment CS 6-24 increases Prepaid Pension by \$34,280,469 based  
14           on the July 2023 Aon actuarial report;
- 15           • Adjustment CS 6-25 increases Prepaid Pension by \$15,825,000 based  
16           on the July 2023 Aon actuarial report; and
- 17           • Adjustment CS 6-25R decreases Prepaid Pension by \$1,694,000 based  
18           on the updated July 2024 Aon actuarial report.

19          If these adjustments are not included, Forward Test Year Prepaid Pension  
20          reflected in the capital structure would be understated.

21          **Q123. Please provide a summary of the Post-1970 ITC adjustments shown on**  
22          **Attachment 3-B-S2, CS Module, Line 7.**

1 A123. Adjustments CS 7-23 and CS 7-24 decrease Post-1970 ITC by \$217,016.  
2 NIPSCO Witness Bass sponsors these adjustments. If these adjustments are  
3 not made, Forward Test Year Post-1970 ITC reflected in the capital structure  
4 would be overstated.

5 **Required Net Operating Income**

6 **Q124. Please explain the calculation of NIPSCO's proposed "Required Net**  
7 **Operating Income" on Attachment 3-A-S1, Page 3.**

8 A124. As discussed above, NIPSCO's proposed "Required Net Operating  
9 Income" for purposes of designing rates is calculated by multiplying  
10 NIPSCO's proposed net original cost "Total Rate Base" in the amount of  
11 \$8,826,944,924 by NIPSCO's proposed "Rate of Return" in the amount of  
12 7.53 percent. This calculation results in a total "Required Net Operating  
13 Income" of \$664,668,953 for purpose of designing rates.

14 **Q125. Please explain the calculation of NIPSCO's proposed "Required Net**  
15 **Operating Income" on Attachment 3-A-S2, Page 3.**

16 A125. As discussed above, NIPSCO's proposed "Required Net Operating  
17 Income" for purposes of designing rates is calculated by multiplying  
18 NIPSCO's proposed net original cost "Total Rate Base" in the amount of  
19 \$9,229,813,441 by NIPSCO's proposed "Rate of Return" in the amount of

1           7.59 percent. This calculation results in a total "Required Net Operating  
2           Income" of \$700,542,840 for purpose of designing rates.

3           **Approval of Account-By-Account Depreciation Rates**

4           **Q126. Is NIPSCO seeking approval of depreciation rates on an account-by-  
5           account basis?**

6           A126. Yes. The depreciation study sponsored by NIPSCO Witness Spanos  
7           proposes specific depreciation rates by FERC account. I have confirmed  
8           that NIPSCO's accounting software is compatible with rates established on  
9           an account-by-account basis, and NIPSCO is requesting that the  
10          Commission approve the use of the rates proposed by NIPSCO Witness  
11          Spanos on that basis. These rates would take effect at the end of the Test  
12          Year.

13          **Rider Changes**

14          **Q127. Does NIPSCO anticipate updating its current Riders upon the  
15          implementation of new rates?**

16          A127. Yes. Upon the receipt of a Commission order in this proceeding, NIPSCO  
17          anticipates submitting a compliance filing to reflect the impact of new basic  
18          rates and charges on the individually impacted Riders. The table below is  
19          a summary of Rider updates NIPSCO anticipates reflecting in the

1 compliance filing upon the implementation of new rates. As described  
2 above, this will include a two-step compliance filing process. Specifically,  
3 NIPSCO will continue to include capital expenditures in the TDSIC Rider  
4 until such amounts are included in base rates (e.g., will continue to include  
5 in rider if not in service at May 31, 2025 (Step 1) or December 31, 2025 (Step  
6 2)).

<b>Rider</b>	<b>Rider Name</b>	<b>Description of Adjustment</b>
570	Adjustment of Charges for Cost of Fuel Rider ("FAC")	Update the cost of fuel included in base rates
571	Adjustment of Charges for Regional Transmission Organization ("RTO")	Updated cost allocation
574	Adjustment of Charges for Resource Adequacy ("RA")	Updated cost allocation and reflect capacity purchases included in base rates
583	Demand Side Management Adjustment Mechanism ("DSM")	Updated lost margin savings
588	Adjustment of Charges for Transmission, Distribution and Storage System Improvement Charge	Updated cost allocation; Remove projects in base rates; and remove deferred revenue requirement included in base rates
594	Adjustment of Charges for Environmental Cost Tracker	Updated cost allocation

7

8 **Revenue Credit**

9 **Q128. Please provide an overview of NIPSCO’s revenue credit mechanism.**



1 A128. NIPSCO's credit mechanism, as approved in Cause No. 45159, was  
2 designed to provide a credit to customers for the declining net book value  
3 of Schahfer and Michigan City Coal generation facilities upon their  
4 respective retirements. The remaining net book value, exclusive of cost of  
5 removal, would be included in NIPSCO's rate base as a regulatory asset and  
6 amortize off through 2032. On January 26, 2022, NIPSCO made a 30-day  
7 filing to reduce its base rates to reflect the change in the Schahfer Units 14  
8 and 15 net book value, exclusive of cost of removal, from December 31,  
9 2019, as included in Cause No. 45159 Step 2 rates, to December 31, 2021. The  
10 credit was calculated by multiplying the change in net book value of the  
11 retired assets by the Company's weighted average cost of capital.  
12 Additionally, NIPSCO agreed to include its computation evidence  
13 supporting the 2022 credit in its Cause No. 45772 case-in-chief, and the  
14 other parties reserved their right to raise objections in their respective cases-  
15 in-chief in that proceeding.

16 **Q129. Did other parties raise objections to NIPSCO's generation credit**  
17 **calculation in their cases-in-chief in Cause No. 45772.**

18 A129. No.

1 **Q130. Did the amortization period for the Schahfer Units 14 and 15 Regulatory**  
2 **Asset change as a result of the Cause No. 45772 Settlement Agreement?**

3 A130. Yes. As reflected in the Cause No. 45772 Settlement Agreement, the parties  
4 agreed to extend the amortization of the Schahfer Unit 14 and 15 Regulatory  
5 Asset from December 31, 2032, to June 30, 2034, or one and a half years.

6 **Q131. Is NIPSCO proposing a change to its generation credit mechanism as**  
7 **introduced in Cause No. 45159 in this proceeding?**

8 A131. No.

9 **Q132. In addition to Schahfer Units 14 and 15, will Schahfer Units 17 and 18 be**  
10 **reflected in a generation credit mechanism filing subsequent to the**  
11 **implementation of Step 2 rates in this proceeding?**

12 A132. Yes. As stated previously in my testimony, the generation credit  
13 mechanism is designed to provide a credit to customers for the declining  
14 net book value, exclusive of cost of removal, of NIPSCO's coal generation  
15 stations upon their retirement. Consequently, as reflected in Attachment  
16 3B-S2 Rate Base Module, NIPSCO is including the remaining net book value  
17 of Schahfer Units 17 and 18, in conjunction with Schahfer Units 14 and 15,  
18 as a regulatory asset in rate base, as sponsored by NIPSCO Witness Bytnar.

1 Those units will retire on December 31, 2025, and identical to Schahfer Units  
2 14 and 15, will amortize through June 30, 2034. NIPSCO proposes to  
3 implement its Step 2 rates in this proceeding as soon as possible after  
4 issuance of the order but no later than March 1, 2026, and as a result, will  
5 make a subsequent compliance filing in this proceeding to reflect the  
6 change in the Schahfer Units 14, 15, 17, and 18 Regulatory Asset net book  
7 value from December 31, 2025 to December 31, 2026, with rates reflecting  
8 that change to be implemented by March 1, 2027.

9 **Books and Records**

NIPSCO's Accounting Practices

10 **Q133. Please provide an overview of the Corporate Accounting department.**

11 A133. The Corporate Accounting department performs internal accounting  
12 functions for all of the NiSource regulated utilities, including NIPSCO's gas  
13 and electric operations. Two of the primary functions provided for  
14 NIPSCO are General Accounting and Asset Accounting. First, in  
15 performing its general accounting duties, the department maintains the  
16 accounting books and records for NIPSCO's electric and gas operations.  
17 Corporate Accounting also prepares financial statements and reports for  
18 internal use and external distribution. Second, in fulfilling its asset

1           accounting duties, the department manages the books and records related  
2           to NIPSCO's fixed assets.

3   **Q134. What is the basis for NIPSCO's accounting and financial reporting?**

4   A134. NIPSCO's accounting and financial reporting policies and practices are in  
5           conformance with GAAP. The Financial Accounting Standards Board  
6           ("FASB") is recognized by the accounting profession as the primary body  
7           for establishing the standards embodied in GAAP.

8   **Q135. Are there other accounting standards and rules NIPSCO must follow?**

9   A135. Yes. As a company whose securities are traded in interstate commerce,  
10          NiSource and its subsidiaries are subject to the accounting principles  
11          established by the Securities and Exchange Commission ("SEC"). While the  
12          SEC recognizes FASB as the primary authority for the establishment of  
13          GAAP accounting standards, it also promulgates its own rules that govern  
14          financial statements to be included in SEC filings and interprets GAAP as  
15          part of its review of those filings. The SEC's rulings and interpretations of  
16          GAAP in the context of the numerous and often complex transactions  
17          involving publicly held companies are considered to be of equal authority  
18          as FASB pronouncements within the accounting profession. Financial

1 statements filed with the SEC must be accompanied by the opinion of an  
2 independent auditor that the statements have been prepared in accordance  
3 with GAAP.

4 **Q136. Is GAAP the same as the FERC Uniform System of Accounts?**

5 A136. No. The Uniform System of Accounts ("USofA") is an accounting standard  
6 prescribed by FERC for most major utilities, including NIPSCO. The  
7 Commission adopted the USofA as the standard for Indiana utilities in its  
8 administrative rules at 170 IAC 5-2-3. While there are some differences  
9 between GAAP and the USofA, they are generally consistent with one  
10 another. The GAAP financial statements differ from the FERC USofA  
11 primarily in the classification of accumulated deferred income taxes,  
12 regulatory assets and liabilities, cost of removal obligations, maturities of  
13 long-term debt, and equity treatment of post-in-service carrying charges.

14 **Q137. Are NIPSCO's books and records kept in accordance with the USofA?**

15 A137. Yes.

16 **Q138. How are audits of NIPSCO's financial books and records performed and**  
17 **by whom?**

1 A138. Formal audits of the financial books and records of NiSource and its  
2 affiliates, including NIPSCO, are performed annually by Deloitte and  
3 Touche USA, LLP. In addition, the internal audit department of NiSource  
4 supplements the audits performed by Deloitte & Touche on some  
5 transactional matters.

6 **Q139. What other controls does NIPSCO utilize to ensure the accuracy of its**  
7 **accounting books and records and financial statements?**

8 A139. NIPSCO follows the directives of the FERC USofA, the FASB, GAAP, and  
9 Sarbanes-Oxley regulations, as well as various internally-established  
10 control procedures. Examples of internally-established control procedures  
11 include: authority limits and approvals required for expenditures and  
12 general ledger transactions; bank and general ledger account  
13 reconciliations; and access limitations to the general ledger accounting  
14 system. The books and records of NIPSCO are also subject to audit by the  
15 Indiana Office of the Utility Consumer Counselor ("OUCC"), the  
16 Commission, and FERC.

17 **Q140. Is NIPSCO providing financial statements for the Historic Base Period?**

1 A140. Yes. Attachment 3-D includes NIPSCO's (1) Consolidated Balance Sheet,  
2 as of the last day of the Historic Base Period (2023) and of the twelve (12)  
3 month period preceding the Historic Base Period (2022); (2) Consolidated  
4 Statement of Cash Flow, as of the last day of the Historic Base Period (2023);  
5 and (3) Statement of Consolidated Income, as of the last day of the Historic  
6 Base Period (2023) and of the twelve (12) month period preceding the  
7 Historic Base Period (2022). These financial statements are also provided  
8 in NIPSCO's Submission of Minimum Standard Filing Requirements in 170  
9 IAC 1-5-6(1)(A), 170 IAC 1-5-6(1)(B), and 170 IAC 1-5-6(1)(C).

10 **Q141. Is NIPSCO providing forecasted financial statements for the Forward**  
11 **Test Year?**

12 A141. Attachment 3-E includes NIPSCO's forecasted (1) Consolidated Balance  
13 Sheet; (2) Consolidated Statement of Cash Flow; and (3) Statement of  
14 Consolidated Income, all for the twelve months ended December 31, 2025.

15 **Q142. How was NIPSCO's 2025 forecasted electric utility income statement and**  
16 **consolidated balance sheet developed?**

17 A142. NIPSCO's forecasted electric utility income statement and consolidated  
18 balance sheet as of December 31, 2025, were prepared in accordance with

1 NIPSCO's normal forecasting processes as described in my testimony and  
2 attachments. They are based on the consolidation of data provided by  
3 business units and various corporate departments. The forecast is fully  
4 integrated between the income statement, balance sheet and statement of  
5 cash flows. The forecasted financial statements have been prepared  
6 assuming present rates.

7 **Q143. How was NIPSCO's 2025 forecasted consolidated statement of cash flows**  
8 **developed?**

9 A143. NIPSCO's forecasted consolidated statement of cash flows for the twelve  
10 months ended December 31, 2025, is a function of the items reflected in the  
11 forecasted balance sheet. Cash needs dictate the extent of debt and equity  
12 that is necessary to operate the business, given the timing of cash inflows  
13 and outflows.

14 **Q144. Does NIPSCO's forecasted consolidated balance sheet fairly and**  
15 **reasonably reflect the account balances expected during 2025?**

16 A144. Yes, at current rates. The forecasted consolidated balance sheet is based on  
17 the capital expenditures, operating costs, and capital structure reasonably  
18 necessary for the going forward operation of the NIPSCO Electric utility.



1           The forecasted consolidated balance sheet contains the components of rate  
2           base as shown in Attachments 3-A and 3-B-S2.

3           **Allocation of NIPSCO Common Costs**

4           **Q145. What are common costs and how are they allocated between NIPSCO's**  
5           **gas and electric operations?**

6           A145. Common costs represent costs that must be incurred by both the gas and  
7           electric functions in performing their regular business activities, but which  
8           can also be shared or pooled between both functions. A typical example of  
9           a common cost is the cost to bill customers. Both gas customers and electric  
10          customers must be billed, but combination utilities like NIPSCO can pool  
11          billing activities in a single common department to avoid duplicating costs  
12          and resources. Because common costs represent pooled costs of both the  
13          gas and electric functions, these costs must be allocated between gas and  
14          electric using common allocation ratios that measure the cost causation  
15          relationship between the gas and electric functions for these costs.

16          **Q146. Please explain how common cost allocation ratios are applied by**  
17          **NIPSCO.**

18          A146. Common cost allocation ratios are updated twice each year to reflect the  
19          most current information. The most current calculation of each ratio is

1 applied to all common costs when they are booked to allocate the cost  
2 between gas and electric. The most recent calculation of these allocators is  
3 shown on Attachment 3-F.

4 **NCSC Charges**

5 **Q147. What is NCSC and what is its relationship to NIPSCO?**

6 A147. NCSC is a subsidiary of NiSource and an affiliate of NIPSCO within the  
7 NiSource corporate organization. NCSC provides a range of services to  
8 NiSource's operating companies, which include NIPSCO. These services  
9 include the allocation and billing of charges to the NiSource operating  
10 companies for services provided by both NCSC and third-party vendors,  
11 which is further described by NIPSCO Witness Bly.

12 **Q148. Please explain how NCSC charges are booked by NIPSCO.**

13 A148. Monthly billing information is made available to the affiliates, including  
14 NIPSCO, that reflects all information necessary to identify the costs charged  
15 and the services rendered for that month. The information includes  
16 detailed line item charges including the coding structure that NCSC uses to  
17 distribute those costs to affiliates like NIPSCO. These codes include the  
18 NiSource chart of accounts which consists of the FERC account, Cost  
19 Element, the NiSource internal department responsible for the charge, the

1 Activity and Billing Pool codes which categorize the nature of the service  
2 provided, the allocation basis or direct Billing Pool used to distribute the  
3 cost to NIPSCO, and other descriptive information.

4 NIPSCO maps each line item charge to the same FERC account used by  
5 NCSC with the exception of a few items that are reflected elsewhere as  
6 noted in FERC Form 1 page 429 – Transactions with Associated (Affiliated)  
7 Companies.

8 The ratios used to allocate NCSC charges include certain allocators that  
9 have been developed specifically for allocating charges received from  
10 NCSC between electric and gas. These ratios replicate the allocation  
11 methodology for electric and gas that NCSC used to allocate these costs to  
12 NIPSCO. In contrast to common costs, NCSC charges are expenses charged  
13 to NCSC and then billed to NIPSCO. Many of the NCSC charges billed to  
14 NIPSCO have been allocated among multiple operating companies.  
15 NIPSCO apportions those expenses between gas and electric following the  
16 same allocations methodologies used within NCSC so that the  
17 methodology is consistent from beginning to end.

18 **Q149. Are NCSC charges split between gas and electric operations in the same**

1           **way as common costs are allocated between gas and electric operation?**

2    A149. Not completely. The common costs described earlier in my testimony are  
3           expenses billed directly to NIPSCO as an operating company or generated  
4           internally by common departments at NIPSCO. Those NIPSCO common  
5           costs are allocated between gas and electric using the allocation ratios  
6           described above. The ratios used to allocate NCSC charges include certain  
7           allocators that have been developed specifically for allocating charges  
8           received from NCSC between electric and gas. These additional ratios  
9           replicate the allocation methodology for electric and gas that NCSC used to  
10          allocate these costs to NIPSCO.

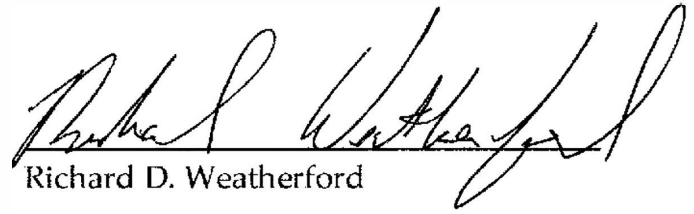
11          In contrast to common costs, NCSC charges are expenses charged to NCSC  
12          and then billed to NIPSCO. Many of the NCSC charges billed to NIPSCO  
13          have been allocated among multiple operating companies as described by  
14          NIPSCO Witness Bly. NIPSCO apportions those expenses between gas and  
15          electric following the same allocations methodologies used within NCSC so  
16          that the methodology is consistent from beginning to end.

17    **Q150. Does this conclude your prefiled direct testimony?**

18    A150. Yes.

## VERIFICATION

I, Richard D. Weatherford, Lead Regulatory Analyst, Regulatory – Rate Case Execution, for NiSource Corporate Services Company, affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information, and belief.



Richard D. Weatherford

Date: September 12, 2024

Northern Indiana Public Service Company LLC  
Statement of Operating Income  
Actual, Pro forma, and Proposed  
For the Twelve Month Period Ending May 31, 2025

Line No.	Description	Actual	Pro forma Adjustments Increases (Decreases)	Attachment 3-B <sup>1</sup> Reference <sup>1</sup>	Pro forma Results Based on Current Rates	Pro forma Adjustments	Attachment 3-C Reference	Pro forma Results Based on Proposed Rates	Pro forma Adjustments to Include ITC/PTC	Attachment 3-C Reference	Total Pro forma Adjustments Increases (Decreases)	Pro forma Results Based on Proposed Rates
	A	B	C	D	E	F	G	H	I	J	K	L
<b>1</b>	<b>Operating Revenue</b>											
2	Revenue (Actual / Pro Forma)	\$ 1,767,968,828		REV, Col A	\$ 1,829,598,917	352,445,674	PF - 1 - S1	\$ 2,182,044,591	(33,378,786)	PF - 5 - S1	319,066,887	\$ 2,148,665,804
3	Pro forma Adjustments December 31, 2023		16,183,927	REV, Col B								
4	2024 Year-Over-Year Increase/(Decrease)		172,399,174	REV, Col D								
5	2025 Year-Over-Year Increase/(Decrease)		(16,191,462)	REV, Col F								
6	Ratemaking Adjustments December 31, 2025		(110,761,550)	REV, Col H								
7	Total Operating Revenue	\$ 1,767,968,828	\$ 61,630,089		\$ 1,829,598,917	\$ 352,445,674		\$ 2,182,044,591	\$ (33,378,786)		\$ 319,066,887	\$ 2,148,665,804
<b>8</b>	<b>Fuel &amp; Purchased Power</b>											
9	Fuel and Purchased Power Costs (Actual / Pro Forma)	\$ 435,087,415		FPP, Col A	\$ 329,634,043	-		\$ 329,634,043			(33,176,130)	\$ 296,457,913
10	Pro forma Adjustments December 31, 2023		5,184,043	FPP, Col B								
11	2024 Year-Over-Year Increase/(Decrease)		(43,532,296)	FPP, Col D								
12	2025 Year-Over-Year Increase/(Decrease)		(67,201,186)	FPP, Col F								
13	Ratemaking Adjustments December 31, 2025		96,067	FPP, Col H					(33,176,130)	PF - 6 - S1, FPP, Col J		
14	Total Fuel and Purchased Power Costs	\$ 435,087,415	\$ (105,453,372)		\$ 329,634,043	\$ -		\$ 329,634,043	\$ (33,176,130)		\$ (33,176,130)	\$ 296,457,913
15	Gross Margin	\$ 1,332,881,413	\$ 167,083,461		\$ 1,499,964,873	\$ 352,445,674		\$ 1,852,410,547	\$ (202,656)		\$ 352,243,018	\$ 1,852,207,891
<b>16</b>	<b>Operations and Maintenance Expenses</b>											
17	Operations and Maintenance Expenses (Actual / Pro Forma)	\$ 522,342,734		O&M, Col A	\$ 499,637,586	1,611,170	PF - 2 - S1	\$ 501,248,756	(152,588)	PF - 7 - S1	1,458,582	\$ 501,096,169
18	Pro forma Adjustments December 31, 2023		(25,597,223)	O&M, Col B								
19	2024 Year-Over-Year Increase/(Decrease)		21,887,863	O&M, Col D								
20	2025 Year-Over-Year Increase/(Decrease)		12,295,875	O&M, Col F								
21	Ratemaking Adjustments December 31, 2025		(31,291,663)	O&M, Col H								
22	Total Operations and Maintenance Expense	\$ 522,342,734	\$ (22,705,147)		\$ 499,637,586	\$ 1,611,170		\$ 501,248,756	\$ (152,588)		\$ 1,458,582	\$ 501,096,169
<b>23</b>	<b>Depreciation Expense</b>											
24	Depreciation Expense (Actual / Pro Forma)	\$ 271,619,214		DEPR, Col A	\$ 361,985,758			\$ 361,985,758			-	\$ 361,985,758
25	Pro forma Adjustments December 31, 2023		(2,752,431)	DEPR, Col B								
26	2024 Year-Over-Year Increase/(Decrease)		48,483,292	DEPR, Col D								
27	Budget Adjustments June 30, 2025		55,652,305	DEPR, Col F								
28	Ratemaking Adjustments May, 31 2025		(11,016,623)	DEPR, Col H								
29	Total Depreciation Expense	\$ 271,619,214	\$ 90,366,544		\$ 361,985,758	\$ -		\$ 361,985,758	\$ -		\$ -	\$ 361,985,758

Northern Indiana Public Service Company LLC  
Statement of Operating Income  
Actual, Pro forma, and Proposed  
For the Twelve Month Period Ending May 31, 2025

Line No.	Description	Actual	Pro forma Adjustments Increases (Decreases)	Attachment 3-B <sup>1</sup> Reference	Pro forma Results Based on Current Rates	Pro forma Adjustments	Attachment 3-C Reference	Pro forma Results Based on Proposed Rates	Pro forma Adjustments to Include ITC/PTC	Attachment 3-C Reference	Total Pro forma Adjustments Increases (Decreases)	Pro forma Results Based on Proposed Rates
A	B	C	D	E	F	G	H	I	J	K	L	
<b>30</b>	<b>Amortization Expense</b>											
31	Amortization Expense (Actual / Pro Forma)	\$ 93,159,655		AMTZ, Col A	\$ 148,202,456			\$ 148,202,456			\$ -	\$ 148,202,456
32	Pro forma Adjustments December 31, 2023		15,642,588	AMTZ, Col B								
33	2024 Year-Over-Year Increase/(Decrease)		23,078,154	AMTZ, Col D								
34	Budget Adjustments June 30, 2025		2,055,762	AMTZ, Col F								
35	Ratemaking Adjustments May,31 2025		14,266,297	AMTZ, Col H								
36	Total Amortization Expense	\$ 93,159,655	\$ 55,042,801		\$ 148,202,456	\$ -		\$ 148,202,456	\$ -		\$ -	\$ 148,202,456
<b>37</b>	<b>Taxes</b>											
<b>38</b>	<b>Taxes Other than Income</b>											
39	Taxes Other than Income (Actual / Pro Forma)	\$ 35,013,168		OTX, Col A	\$ 44,224,095			\$ 44,224,095			\$ -	\$ 44,224,095
40	Pro forma Adjustments December 31, 2023		(195,174)	OTX, Col B								
41	2024 Year-Over-Year Increase/(Decrease)		4,404,074	OTX, Col D								
42	2025 Year-Over-Year Increase/(Decrease)		5,732,803	OTX, Col F				\$ -			\$ -	\$ -
43	Ratemaking Adjustments December 31, 2025		(730,775)	OTX, Col H		528,669	PF - 3 - S1	\$ 528,669	(50,068)	PF - 8 - S1	478,600	\$ 478,600
44	Total Taxes Other Than Income	\$ 35,013,168	\$ 9,210,927		\$ 44,224,095	\$ 528,669		\$ 44,752,764	\$ (50,068)		\$ 478,600	\$ 44,702,696
45	Operating Income Before Income Taxes	\$ 410,746,641	\$ 35,168,336		\$ 445,914,978	\$ 350,305,835		\$ 796,220,813	\$ -		\$ 350,305,835	\$ 796,220,813
<b>46</b>	<b>Income Taxes</b>											
47	Federal and State Taxes (Actual / Pro Forma)	\$ 47,253,086	(2,825,790)	Attachment 3-C-S1, ITX 1	\$ 44,427,296	87,124,564	PF - 4 - S1	\$ 131,551,860	-	PF - 9 - S1	87,124,564	\$ 131,551,860
48	Total Taxes	\$ 82,266,254	\$ 6,385,137		\$ 88,651,391	\$ 87,653,233		\$ 176,304,624	\$ (50,068)		\$ 87,603,165	\$ 176,254,556
49	Total Operating Expenses including Income Taxes	\$ 969,387,857	\$ 129,089,334		\$ 1,098,477,192	\$ 89,264,403		\$ 1,187,741,594	\$ (202,656)		\$ 89,061,747	\$ 1,187,538,938
50	Required Net Operating Income	\$ 363,493,556	\$ 37,994,126		\$ 401,487,682	\$ 263,181,271		\$ 664,668,953	\$ -		\$ 263,181,271	\$ 664,668,953

Footnote 1 - Unless otherwise noted

Northern Indiana Public Service Company LLC  
Calculation of Proposed Revenue Increase  
Based on Pro forma Operating Results  
Original Cost Rate Base Estimated at May 31, 2025

Line No.	Description	Revenue Deficiency
1	Net Original Cost Rate Base	\$ 8,826,944,924
2	Rate of Return	7.53%
3	Net Operating Income	664,668,953
4	Pro forma Net Operating Income	401,487,682
5	Increase in Net Operating Income (NOI Shortfall)	263,181,271
6	Effective Incremental Revenue / NOI Conversion Factor	74.673%
7	Increase in Revenue Requirement (Based on Net Original Cost Rate Base) (Line 5 / Line 6)	\$ 352,445,674
8	One	1.000000
9	Less: Public Utility Fee	0.001500
10	Less: Bad Debt	0.004571
11	State Taxable Income	0.993929
12	Taxable Adjusted Gross Income Tax	0.993929
13	Adjusted Gross Income Tax Rate	0.049000
14	Adjusted Gross Income Tax	0.048703
15	Line 11 less line 14	0.945226
16	One	1.000000
17	Less: Federal Income Tax Rate	0.210000
18	One Less Federal Income Tax Rate	0.790000
19	Effective Incremental Revenue / NOI Conversion Factor	74.673%



Northern Indiana Public Service Company LLC  
Summary of Rate Base  
As of May 31, 2025

<u>Line No.</u>	<u>Description</u>	<u>Pro forma As Of May 31, 2025</u>	<u>Attachment 3-B-S1 Reference</u>
	<b><u>Rate Base</u></b>		
1	Utility Plant	\$ 11,177,574,648	RB, Col I
2	Non Jurisdictional Plant	-	RB, Col I
3	Common Allocated	388,851,452	RB, Col I
	<b>Total Electric Utility Plant</b>	<u>11,566,426,100</u>	RB, Col I
4	Utility Plant Accumulated Depreciation	(4,090,961,889)	RB, Col I
5	Non Jurisdictional Plant Accumulated Depreciation	-	RB, Col I
6	Common Allocated Accumulated Depreciation	(253,497,239)	RB, Col I
	<b>Total Electric Accumulated Depreciation</b>	<u>(4,344,459,128)</u>	RB, Col I
	<b>Net Electric Utility Plant</b>	<u>\$ 7,221,966,972</u>	RB, Col I
7	Schahfer Units 14. 15. 17 and 18 Retirement	512,540,884	RB, Col I
8	WAM - Regulatory Asset	25,314,847	RB, Col I
9	Renewable Energy Joint Venture Investments	789,211,227	RB, Col I
10	Cause Nos. 44688, 45772, & 45159 Remainder	31,220,367	RB, Col I
11	Electric TDSIC Cause Nos. 44733 and 45557	11,521,582	RB, Col I
12	Electric Wholly Owned Solar Farms	61,424,047	RB, Col I
13	Materials & Supplies	126,337,307	RB, Col I
14	Production Fuel	47,407,692	
	<b>Total Electric Rate Base</b>	<u>\$ 8,826,944,924</u>	RB, Col I

Northern Indiana Public Service Company LLC  
Capital Structure  
As Of May 31, 2025

Line No.	Description	Total Company Capitalization	Percent of Total	Cost	Weighted Average Cost
	A	B	C	D	E
1	Common Equity	\$ 6,784,926,641	52.90%	10.60%	5.61%
2	Long-Term Debt	4,768,970,821	37.18%	5.09%	1.89%
3	Customer Deposits	59,885,295	0.47%	5.76%	0.03%
4	Deferred Income Taxes	1,594,868,575	12.43%	0.00%	0.00%
5	Post-Retirement Liability	(1,678,340)	-0.01%	0.00%	0.00%
6	Prepaid Pension Asset	(380,551,396)	-2.97%	0.00%	0.00%
7	Post-1970 ITC	174,612	0.00%	8.32%	0.00%
8	Totals	<u>\$ 12,826,596,207</u>	<u>100.00%</u>		<u>7.53%</u>

Cost of Investor Supplied Capital

	Description	Total Company Capitalization	Percent of Total	Cost	Weighted Average Cost
	A	B	C	D	E
9	Common Equity	\$ 6,784,926,641	58.72%	10.60%	6.22%
10	Long-Term Debt	4,768,970,821	41.28%	5.09%	2.10%
11	Totals	<u>\$ 11,553,897,462</u>	<u>100.00%</u>		<u>8.32%</u>

Northern Indiana Public Service Company LLC  
Summary Statement of Fuel and Purchased Power Expense  
Twelve Months Ended December 31, 2023 thru Pro forma Twelve Months Ending December 31, 2025

Line No.	Subcomponent	Twelve Months Ended December 31, 2023 A	Normalization Adjustments B FPP <X>-23	Normalized Twelve Months Ended December 31, 2023 C = A + B	Forecast Adjustments D FPP <X>-24	Forecast Twelve Months Ending December 31, 2024 E = C + D	Forecast Adjustments F FPP <X>-25	Forecast Twelve Months Ending December 31, 2025 G = E + F	Ratemaking Adjustments H FPP <X>-25R	Ratemaking Twelve Months Ending December 31, 2025 I = G + H	Generation Transition Adjustments J FPP <X>-25GT	Pro forma Twelve Months Ending December 31, 2025 K = I + J
1	Retail Sales	\$ 434,597,781	4,923,290	\$ 439,521,071	(43,593,539)	\$ 395,927,533	(67,065,617)	\$ 328,861,915	-	\$ 328,861,915	-	\$ 328,861,915
2	Interdepartment Sales	489,634	260,753	750,387	61,243	811,630	(135,569)	676,061	96,067	772,128	-	\$ 772,128
3	Investment Tax Credits	-	-	-	-	-	-	-	-	-	(2,395,113)	\$ (2,395,113)
4	Production Tax Credits	-	-	-	-	-	-	-	-	-	(30,781,018)	\$ (30,781,018)
5	<b>Total Fuel and Purchased Power Expense</b>	<u>\$ 435,087,415</u>	<u>\$ 5,184,043</u>	<u>\$ 440,271,458</u>	<u>\$ (43,532,296)</u>	<u>\$ 396,739,162</u>	<u>\$ (67,201,186)</u>	<u>\$ 329,537,976</u>	<u>\$ 96,067</u>	<u>\$ 329,634,043</u>	<u>\$ (33,176,130)</u>	<u>\$ 296,457,913</u>

Northern Indiana Public Service Company LLC  
Summary Statement of Operations and Maintenance Expense  
Twelve Months Ended December 31, 2023, thru Pro forma Twelve Months Ending December 31, 2025

Line No.	Subcomponent	Twelve Months Ended	Normalized	Year-Over-Year	Forecast	Year-Over-Year	Forecast	Rate-making	Pro Forma	
		December 31, 2023	Twelve Months Ended December 31, 2023	Increase / (Decrease)	Twelve Months Ending December 31, 2024	Increase / (Decrease)	Twelve Months Ending December 31, 2025	Adjustments	Twelve Months Ending December 31, 2025	
Adjustment Reference		A	C = A + B	D	E = C + D	F	G = E + F	H	I = G + H	
			OM<X>-23	OM<X>-24		OM<X>-25		OM<X>-25R-S1		
1	Labor	\$ 106,922,277	\$ 4,533,566	\$ 111,455,843	\$ 6,735,874	\$ 118,191,717	\$ 3,507,492	\$ 121,699,208	\$ 8,603,595	\$ 130,302,803
2	Electric Operations	144,040,911	(6,327,316)	137,713,595	(450,375)	137,263,220	2,645,712	139,908,932	(4,921,335)	134,987,597
3	Other Departments	33,781,200	-	33,781,200	-	33,781,200	-	33,781,200	-	33,781,200
4	TDSIC	-	-	-	-	-	-	-	-	-
5	Non-Recoverable	-	-	-	-	-	-	-	(974,796)	(974,796)
6	Corporate Service Bill	114,193,347	(8,486,952)	105,706,395	8,978,906	114,685,300	6,272,827	120,958,127	(2,310,426)	118,647,701
7	Corporate Insurance	14,126,508	-	14,126,508	-	14,126,508	-	14,126,508	3,050,319	17,176,827
8	Rents & Leases	3,665,491	(119,234)	3,546,256	-	3,546,256	-	3,546,256	7,018,999	10,565,255
9	Environmental Reserve	2,246,413	(2,246,413)	-	-	-	-	-	-	-
10	Uncollectible	5,785,891	-	5,785,891	226,619	6,012,510	(118,372)	5,894,138	42,445	5,936,582
11	STI	17,128,553	(6,722,703)	10,405,850	711,024	11,116,874	-	11,116,874	-	11,116,874
12	Pension	7,326,131	-	7,326,131	(410,405)	6,915,727	(782,380)	6,133,347	(874,995)	5,258,351
13	OPEB	7,539,769	-	7,539,769	(182,569)	7,357,200	(139,525)	7,217,675	333,135	7,550,810
14	Medical Benefits	8,944,713	-	8,944,713	3,580,385	12,525,098	1,093,225	13,618,323	990,616	14,608,939
15	Other Benefits	428,926	(59,677)	369,249	-	369,249	-	369,249	-	369,249
16	Other Employee Benefits	8,127,351	-	8,127,351	9,394	8,136,745	238,342	8,375,087	553,150	8,928,237
17	LTIP	1,225,667	2,382	1,225,049	(283,615)	941,434	172,701	1,114,135	-	1,114,135
18	Profit Sharing	955,866	-	955,866	-	955,866	-	955,866	(955,866)	-
19	Benefits Administration	1,285,718	-	1,285,718	37,292	1,323,009	-	1,323,009	-	1,323,009
20	RTO	43,299,523	(4,839,777)	38,459,745	2,925,715	41,385,461	(594,146)	40,791,314	(40,791,314)	-
21	Cause No. 44688, 45159 & 45772 Amortization	1,321,479	(1,321,479)	-	-	-	-	-	-	-
22	Cause No. 45772 Settlement Adjustment	-	-	-	-	-	-	-	(1,055,188)	(1,055,188)
23	<b>Total Operations and Maintenance Expense</b>	<b>\$ 522,342,734</b>	<b>\$ (25,587,605)</b>	<b>\$ 496,755,129</b>	<b>\$ 21,878,245</b>	<b>\$ 518,633,374</b>	<b>\$ 12,295,875</b>	<b>\$ 530,929,249</b>	<b>\$ (31,291,663)</b>	<b>\$ 499,637,586</b>

Northern Indiana Public Service Company LLC  
Summary Statement of Depreciation Expense  
Twelve Months Ended December 31, 2023 through Pro Forma Twelve Months Ending May 31, 2025

Line No.	Subcomponent	Twelve Months Ended December 31, 2023 A	Normalization Adjustments B DEPR<X>-23-S1	Normalized Twelve Months Ended December 31, 2023 C = A + B	Year-Over-Year Increase / (Decrease) D DEPR<X>-24-S1	Projected Twelve Months Ending December 31, 2024 E = C + D	Year-Over-Year Increase / (Decrease) F DEPR<X>-25-S1	Projected Twelve Months Ending May 31, 2025 G = E + F	Rate-making Adjustments H DEPR<X>-25R-S1	Pro forma Twelve Months Ending May 31, 2025 I = G + H
1	Electric Plant Asset Depreciation	\$ 265,872,488	\$ -	\$ 265,872,488	\$ 50,454,701	\$ 316,327,189	\$ 55,770,302	\$ 372,097,490	\$ (11,016,623)	\$ 361,080,867
2	Electric Common Depreciation Expense	2,994,296	-	2,994,296	(1,971,409)	1,022,887	(117,997)	904,890	-	904,890
3	Cause No. 44688, 45159, & 45772 - Tracker Amortization	2,752,431	(2,752,431)	-	-	-	-	-	-	-
4	<b>Total Depreciation Expense</b>	<u>\$ 271,619,214</u>	<u>\$ (2,752,431)</u>	<u>\$ 268,866,783</u>	<u>\$ 48,483,292</u>	<u>\$ 317,350,075</u>	<u>\$ 55,652,305</u>	<u>\$ 373,002,381</u>	<u>\$ (11,016,623)</u>	<u>\$ 361,985,758</u>

Northern Indiana Public Service Company LLC  
Summary Statement of Amortization Expense  
Twelve Months Ended December 31, 2023 through Pro Forma Twelve Months Ending May 31, 2025

Line No.	Subcomponent	Twelve Months Ended December 31, 2023 A	Normalization Adjustments B AMTZ<X>-23	Normalized Twelve Months Ended December 31, 2023 C = A + B	Year-Over-Year Increase / (Decrease) D AMTZ<X>-24	Forecasted Twelve Months Ending December 31, 2024 E = C + D	Year-Over-Year Increase / (Decrease) F AMTZ<X>-25	Forecasted Twelve Months Ending May 31, 2025 G = E + F	Ratemaking Adjustments H AMTZ<X>-25R	Pro forma Twelve Months Ending May 31, 2025 I = G + H
	<b>Adjustment Reference</b>									
1	Electric Plant Asset Amortization	\$ 5,620,827	\$ -	\$ 5,620,827	\$ 3,343,644	\$ 8,964,471	\$ 2,604,228	\$ 11,568,699	\$ 1,159,738	\$ 12,728,436
2	Electric Common Amortization	21,865,927	-	21,865,927	(1,383,076)	20,482,851	(653,615)	19,829,236	(1,244,536)	18,584,700
3	Schahfer Units 14 and 15 Retirement Regulatory Asset Amortization	55,054,521	-	55,054,521	1,380,632	56,435,153	(8,634)	56,426,519	-	56,426,519
4	WAM Regulatory Asset Amortization	-	-	-	-	-	-	-	1,801,362	1,801,362
5	Joint Venture Renewable Reg Asset Amortization	10,618,381	-	10,618,381	17,145,484	27,763,865	42,887	27,806,751	-	27,806,751
6	TDSIC Regulatory Asset Amortization	-	-	-	-	-	-	-	5,760,791	5,760,791
7	Sugar Creek Amortization	-	2,540,514	2,540,514	-	2,540,514	-	2,540,514	-	2,540,514
8	Cause No. 44688, 45159, and 45772 Amortization	-	13,102,074	13,102,074	2,591,470	15,693,544	70,896	15,764,441	-	15,764,441
9	Electric Rate Case Expense Amortization	-	-	-	-	-	-	-	1,293,126	1,293,126
10	CIS Rider 677 Amortization	-	-	-	-	-	-	-	2,845,699	2,845,699
11	Wholly Owned Solar Farm Regulatory Asset Amortization	-	-	-	-	-	-	-	2,650,117	2,650,117
12	<b>Total Amortization Expense</b>	<u>\$ 93,159,655</u>	<u>\$ 15,642,588</u>	<u>\$ 108,802,244</u>	<u>\$ 23,078,154</u>	<u>\$ 131,880,398</u>	<u>\$ 2,055,762</u>	<u>\$ 133,936,160</u>	<u>\$ 14,266,297</u>	<u>\$ 148,202,456</u>

Northern Indiana Public Service Company LLC  
Summary Statement of Taxes Other Than Income Expense  
Twelve Months Ended December 31, 2023, thru Pro forma Twelve Months Ending December 31, 2025

Line No.	Subcomponent	Twelve Months Ended December 31, 2023	Normalization Adjustments	Normalized Twelve Months Ended December 31, 2023	Year-Over-Year Increase/(Decrease)	Budget Twelve Months Ending December 31, 2024	Year-Over-Year Increase/(Decrease)	Budget Twelve Months Ending December 31, 2025	Rate-making Adjustments	Pro forma Twelve Months Ending December 31, 2025
	Adjustment Reference	A	B	C = A + B	D	E = C + D	F	G	H	I = G + H
			OTX<X>-23		OTX<X>-24		OTX<X>-25-S1		OTX<X>-25R-S1	
1	Property Tax	\$ 23,671,242	\$ (248,457)	\$ 23,422,786	\$ 3,131,052	\$ 26,553,838	\$ 5,488,346	\$ 32,042,183	\$ (1,221,883)	\$ 30,820,300
2	Payroll Taxes	9,360,104	(167,469)	9,192,635	569,688	9,762,322	268,323	10,030,646	658,175	10,688,820
3	Sales Tax	(11,952)	11,952	-	-	-	-	-	-	-
4	URT Total	(208,800)	208,800	-	-	-	-	-	-	-
5	Public Utility Fee	2,202,573	-	2,202,573	703,334	2,905,908	(23,866)	2,882,042	(167,067)	2,714,975
6	<b>Total Taxes Other than Income</b>	<u>\$ 35,013,168</u>	<u>\$ (195,174)</u>	<u>\$ 34,817,994</u>	<u>\$ 4,404,074</u>	<u>\$ 39,222,068</u>	<u>\$ 5,732,803</u>	<u>\$ 44,954,871</u>	<u>\$ (730,775)</u>	<u>\$ 44,224,095</u>

Northern Indiana Public Service Company  
Summary Statement of Rate Base  
As of December 31, 2023 through Forecasted as of May 31, 2025

Line No.	Subcomponent	Actuals as of December 31, 2023 A	Normalization Adjustments B RB<X>-23	Normalized as of December 31, 2023 C = A + B	Year-Over-Year Increase/(Decrease) D RB<X>-24	Forecasted As of December 31, 2024 E = C + D	Year-Over-Year Increase/(Decrease) F RB<X>-25-S1	Forecasted as of May 31, 2025 G = E + F	Rate Making Adjustments H RB<X>-25R-S1	Pro Forma as of May 31, 2025 I = G + H
<b>Electric Rate Base</b>										
1	Utility Plant	E \$ 8,166,127,638	\$ -	\$ 8,166,127,638	\$ 1,180,032,559	\$ 9,346,160,197	\$ 1,831,414,450	\$ 11,177,574,648	\$ -	\$ 11,177,574,648
2	Non Jurisdictional Plant	N 615,962,258	-	615,962,258	0	615,962,258	-	615,962,258	(615,962,258)	-
3	Common Allocated	C 340,908,536	-	340,908,536	17,417,208	358,325,744	30,525,708	388,851,452	-	388,851,452
	<b>Total Electric Utility Plant</b>	<b>9,122,998,432</b>	<b>-</b>	<b>9,122,998,432</b>	<b>1,197,449,767</b>	<b>10,320,448,199</b>	<b>1,861,940,158</b>	<b>12,182,388,358</b>	<b>(615,962,258)</b>	<b>11,566,426,100</b>
4	Utility Plant Accumulated Depreciation and Amortization	E (3,787,446,610)	-	(3,787,446,610)	(176,651,765)	(3,964,098,375)	(126,863,514)	(4,090,961,889)	-	(4,090,961,889)
5	Non Jurisdictional Plant Accumulated Depreciation and Amortization	N (84,418,864)	-	(84,418,864)	(11,016,623)	(95,435,487)	(4,590,260)	(100,025,747)	100,025,747	-
6	Common Allocated Accumulated Depreciation and Amortization	C (226,639,100)	-	(226,639,100)	(20,701,928)	(247,341,028)	(6,156,211)	(253,497,239)	-	(253,497,239)
	<b>Total Electric Accumulated Depreciation and Amortization</b>	<b>(4,098,504,573)</b>	<b>-</b>	<b>(4,098,504,573)</b>	<b>(208,370,317)</b>	<b>(4,306,874,890)</b>	<b>(137,609,985)</b>	<b>(4,444,484,875)</b>	<b>100,025,747</b>	<b>(4,344,459,128)</b>
	<b>Net Electric Utility Plant</b>	<b>\$ 5,024,493,859</b>	<b>\$ -</b>	<b>\$ 5,024,493,859</b>	<b>\$ 989,079,450</b>	<b>\$ 6,013,573,309</b>	<b>\$ 1,724,330,174</b>	<b>\$ 7,737,903,482</b>	<b>\$ (515,936,511)</b>	<b>\$ 7,221,966,972</b>
7	Schahfer Units 14 and 15 Retirement	592,487,087	-	592,487,087	(56,435,153)	536,051,934	(23,511,050)	512,540,884	-	512,540,884
8	WAM - Regulatory Asset	-	-	-	18,479,443	18,479,443	6,835,404	25,314,847	-	25,314,847
9	Renewable Energy Joint Venture Investments	828,810,331	-	828,810,331	(27,924,381)	800,885,949	(11,674,722)	789,211,227	-	789,211,227
10	Cause Nos. 45772 & 45159 Remainder	47,382,040	-	47,382,040	(11,379,240)	36,002,800	(4,782,433)	31,220,367	-	31,220,367
11	Electric TDSIC Cause Nos. 44733 and 45557	-	-	-	6,795,716	6,795,716	4,725,866	11,521,582	-	11,521,582
12	Electric Wholly Owned Solar Farms	463,828,697	(463,828,697)	-	20,177,069	20,177,069	41,246,978	61,424,047	-	61,424,047
13	Materials & Supplies	126,337,307	-	126,337,307	-	126,337,307	-	126,337,307	-	126,337,307
14	Production Fuel	65,267,664	-	65,267,664	(7,511,457)	57,756,207	(10,348,515)	47,407,692	-	47,407,692
	<b>Total Electric Rate Base</b>	<b>\$ 7,148,606,985</b>	<b>\$ (463,828,697)</b>	<b>\$ 6,684,778,287</b>	<b>\$ 931,281,446</b>	<b>\$ 7,616,059,733</b>	<b>\$ 1,726,821,702</b>	<b>\$ 9,342,881,435</b>	<b>\$ (515,936,511)</b>	<b>\$ 8,826,944,924</b>



Northern Indiana Public Service Company LLC  
Summary of Capital Structure  
Twelve Months Ended December 31, 2023, thru Pro forma Twelve Months Ending May 31, 2025

Line No.	Subcomponent Adjustment Reference	Twelve Months Ended	Normalization	Normalized	Year-Over-Year	Forecast	Year-Over-Year	Forecast	Rate-making	Pro Forma
		December 31, 2023	Adjustments CS<X>-23-S1	Twelve Months Ended December 31, 2023	Increase / (Decrease) CS<X>-24-S1	Twelve Months Ending December 31, 2024	Increase / (Decrease) CS<X>-25-S1	Twelve Months Ending May 31, 2025	Adjustments CS<X>-25R-S1	Twelve Months Ending May 31, 2025
1	Common Equity	\$ 5,395,587,397	\$ -	\$ 5,395,587,397	\$ 910,756,219	\$ 6,306,343,616	\$ 478,583,025	\$ 6,784,926,641	\$ -	\$ 6,784,926,641
2	Long-Term Debt	3,708,950,268	-	3,708,950,268	760,014,508	4,468,964,776	300,006,045	4,768,970,821	-	4,768,970,821
3	Customer Deposits	59,885,295	-	59,885,295	-	59,885,295	-	59,885,295	-	59,885,295
4	Deferred Income Taxes	1,423,513,030	-	1,423,513,030	102,173,432	1,525,686,463	69,182,112	1,594,868,575	-	1,594,868,575
5	Post-Retirement Liability	13,235,128	-	13,235,128	(10,760,936)	2,474,191	(4,202,172)	(1,727,981)	49,640	(1,678,340)
6	Prepaid Pension Asset	(420,719,782)	-	(420,719,782)	34,280,469	(386,439,313)	6,593,750	(379,845,563)	(705,833)	(380,551,396)
7	Post-1970 ITC	608,644	-	608,644	(217,016)	391,628	(217,016)	174,612	-	174,612
8	<b>Total Capital Structure</b>	<u>\$ 10,181,059,979</u>	<u>\$ -</u>	<u>\$ 10,181,059,979</u>	<u>\$ 1,796,246,676</u>	<u>\$ 11,977,306,655</u>	<u>\$ 849,945,744</u>	<u>\$ 12,827,252,400</u>	<u>\$ (656,193)</u>	<u>\$ 12,826,596,207</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Fuel and Purchase Power  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, forecast changes for the twelve months ending December 31, 2024 and 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Fuel and Purchase Power - December 31, 2023		\$ 434,597,781
2	Normalization adjustment -Weather Norm	FPP 1A-23	4,923,290
3	Normalization adjustment - Small Migration	FPP 1B-23	4,923,290
			<u>4,923,290</u>
4	Normalized FPP for the twelve months ended December 31, 2023		<u>\$ 439,521,071</u>
5	Year-Over-Year Increase/(Decrease) Fuel and Purchase Power for the twelve months ending December 31, 2024	FPP 1-24	<u>(43,593,539)</u>
6	Forecasted FPP for the twelve months ending December 31, 2024		<u>\$ 395,927,533</u>
7	Year-Over-Year Increase/(Decrease) Fuel and Purchase Power for the twelve months ending December 31, 2025	FPP 1-25	<u>(67,065,617)</u>
8	Forecasted FPP for the twelve months ending December 31, 2025		<u>\$ 328,861,915</u>
9	Ratemaking Adjustment to increase/decrease Fuel and Purchase Power		-
10	Ratemaking FPP for the twelve months ending December 31, 2025		<u>\$ 328,861,915</u>
11	Adjustment to increase/decrease Fuel and Purchase Power for retirement of U17/18		-
12	Ratemaking FPP for the twelve months ending December 31, 2025		<u>\$ 328,861,915</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Fuel and Purchase Power  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, forecast changes for the twelve months ending December 31, 2024 and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Fuel and Purchase Power - December 31, 2023</b>		\$ 489,634
2	Normalization adjustment - LNG Normalization	<b>FPP 2-23</b>	260,753
3	<b>Normalized fuel and purchase power for the twelve months ended December 31, 2023</b>		<b>\$ 750,387</b>
4	Pro Forma adjustment to Increase/(Decrease) Fuel and Purchase Power for the twelve months ending December 31, 2024	<b>FPP 2-24</b>	61,243
5	<b>Forecasted fuel and purchase power for the twelve months ending December 31, 2024</b>		<b>\$ 811,630</b>
6	Pro Forma adjustment to Increase/(Decrease) Fuel and Purchase Power for the twelve months ending May 31, 2025	<b>FPP 2-25</b>	(135,569)
7	<b>Forecasted fuel and purchase power for the twelve months ending December 31, 2025</b>		<b>\$ 676,061</b>
8	Adjustment for increased LNG Liquefaction Volumes	<b>FPP 2-25R</b>	96,067
9	<b>Ratemaking fuel and purchase power for the twelve months ending December 31, 2025</b>		<b>\$ 772,128</b>
10	Adjustment for reduced fuel expense for U17/18 Retirement		\$ -
11	<b>Pro Forma fuel and purchase power for the twelve months ending December 31, 2025</b>		<b>\$ 772,128</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, electric O&M expenses for Labor to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Expense - December 31, 2023		<u>\$ 106,922,277</u>
2	Normalization Adjustment to reverse credits to expense associated with prior periods and remove the Union Contract Signing Bonus	OM 1-23	<u>4,533,566</u>
3	Normalized expense for the twelve months ended December 31, 2023		<u>\$ 111,455,843</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	OM 1-24	<u>6,735,874</u>
5	Forecasted expense for the twelve months ending December 31, 2024		<u>\$ 118,191,717</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	OM 1-25	<u>3,507,492</u>
7	Forecasted expense for the twelve months ending December 31, 2025		<u>\$ 121,699,208</u>
8	Pro Forma adjustment to Increase/(Decrease) Labor Expense for ratemaking purposes associated with increased headcount and additional positions	OM 1-25R	<u>8,603,595</u>
9	Ratemaking expense for the twelve months ending December 31, 2025		<u>\$ 130,302,803</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance (O&M) Expense  
Twelve Months Ending December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric operations O&M expenses to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	<b>Actual Expense - December 31, 2023</b>		\$ 144,040,911
2	Normalization Adjustment to remove variable chemicals prior to ECT tracker and one-time expense adjustment	OM 2-23	<u>(6,327,316)</u>
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b><u>\$ 137,713,595</u></b>
4	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2023	OM 2-24	<u>(450,375)</u>
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b><u>\$ 137,263,220</u></b>
6	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2024	OM 2-25	<u>2,645,712</u>
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 139,908,932</u></b>
8	Pro Forma adjustment to increase planned outages for 3 year average	OM 2A-25R-S1	497,808
9	Pro Forma adjustment to reduce generation expenses for retirement of U17/18	OM 2B-25R-S1	(16,547,064)
10	Pro Forma adjustment to annualize ongoing solar generation expense	OM 2C-25R-S1	7,249,428
11	Pro Forma adjustment to increase vegetation for increase miles	OM 2D-25R-S1	3,203,224
12	Pro Forma adjustment for work continuity contract	OM 2E-25R-S1	1,036,561
13	Pro Forma adjustment to remove Non-jurisdictional expenses	OM 2F-25R-S1	<u>(361,292)</u>
14	Total Pro Forma adjustment	OM 2-25R-S1	<u>(4,921,335)</u>
15	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 134,987,597</u></b>

**Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023 O&M expense to reflect higher medical expense for the twelve months ending December 31, 2024 and December 31, 2025, and decreases December 31, 2025 electric medical expense based on transfers and electric allocations based on 2023 actuals, adjusted for the NIPSCO estimated headcount, and inclusion of the VEBA Trust return.

Line No.	Description	Adjustment	Summer Update Amount
A	B	C	
1	<b>2023 Actual electric Medical Expense, Net of Transfers</b>		\$ 8,944,713
2	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ended December 31, 2023		-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 8,944,713</b>
4	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2024	<b>OM 14-24</b>	3,580,385
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 12,525,098</b>
6	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2025	<b>OM 14-25</b>	1,093,225
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 13,618,323</b>
8	Pro forma to decrease electric medical costs based on true-up transfers and electric allocations based on 2023 actuals, the estimated NIPSCO headcount, and the VEBA Trust return.	<b>OM 14-25R</b>	990,616
9	<b>Ratemaking expense for the twelve months ending December 31, 2025, Net of Transfer</b>		<b>\$ 14,608,939</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric O&M expenses for other employee benefits to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual expense - December 31, 2023		\$ 8,127,351
2	Normalization Adjustment N/A		-
3	Normalized expense for the twelve months ended December 31, 2023		<u>\$ 8,127,351</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	OM 16-24	9,394
5	Forecasted expense for the twelve months ending December 31, 2024		<u>\$ 8,136,745</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	OM 16-25	238,342
7	Forecasted expense for the twelve months ending December 31, 2025		<u>\$ 8,375,087</u>
8	Pro forma adjustment to increase / (decrease) other employee benefit expenses for Ratemaking based on updated Aon Report, true-up transfers and electric allocations using 2023 actuals and adjusting for the NIPSCO estimated headcount.	OM 16-25R	553,150
9	Ratemaking expense for the twelve months ending December 31, 2025		<u>\$ 8,928,237</u>

Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Depreciation Expense  
Twelve Months Ending May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric depreciation expenses for electric plant to reflect Forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual expense - December 31, 2023		\$ 265,872,488
2	Normalization Adjustment N/A	DEPR 1-23	-
3	Normalized expense for the twelve months ended December 31, 2023		<u>\$ 265,872,488</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	DEPR 1-24	50,454,701
5	Forecasted expense for the twelve months ending December 31, 2024		<u>\$ 316,327,189</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	DEPR 1-24	55,770,302
7	Forecasted expense for the twelve months ending May 31, 2025		<u>\$ 372,097,490</u>
8	Pro Forma adjustment to Increase/(Decrease) depreciation expense for Ratemaking related to the implementation of new rates	DEPR 1A-25R-S1	
9	Pro Forma adjustment to Increase/(Decrease) depreciation expense for Ratemaking to remove nonjurisdictional depreciation expense	DEPR 1B-25R	(11,016,623)
		DEPR 1-25R-S1	(11,016,623)
10	Ratemaking expense for the twelve months ending May 31, 2025		<u><u>\$ 361,080,867</u></u>



**Northern Indiana Public Service Company  
Pro Forma Adjustment to Depreciation Expense  
Twelve Months Ending May 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023, electric common depreciation expenses for electric plant to reflect forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025 and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	<b>Actual expense - December 31, 2023</b>		\$ 2,994,296
2	Normalization Adjustment N/A	DEPR 2-23	-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<u>\$ 2,994,296</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	DEPR 2-24	<u>(1,971,409)</u>
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<u>\$ 1,022,887</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	DEPR 2-25	(117,997)
7	<b>Forecasted expense for the twelve months ending May 31, 2025</b>		<u>\$ 904,890</u>
8	Pro Forma adjustment to Increase/(Decrease) depreciation expense for Ratemaking	DEPR 2-25R-S1	-
9	<b>Ratemaking expense for the twelve months ending May 31, 2025</b>		<u>\$ 904,890</u>

Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Amortization Expense  
Twelve Months Ending May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023 test year electric plant asset amortization expense to reflect projected changes for the twelve months ending December 31, 2024 and May 31, 2025.

Line No.	Description A	Adjustment B	Amount C
1	Actual expense - December 31, 2023		\$ 5,620,827
2	Normalization adjustment N/A	AMTZ 1-23-S1	-
3	Normalized expense for the twelve months ended December 31, 2023		<u>\$ 5,620,827</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 1-24-S1	<u>3,343,644</u>
5	Projected expense for the twelve months ending December 31, 2024		<u>\$ 8,964,471</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	AMTZ 1-25-S1	<u>2,604,228</u>
7	Projected expense for the twelve months ending May 31, 2025		<u>\$ 11,568,699</u>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 1-25R-S1	<u>1,159,738</u>
9	Ratemaking expense for the twelve months ending May 31, 2025		<u>\$ 12,728,436</u>

**Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Depreciation and Amortization Expense  
Twelve Months Ending May 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023 test year electric common amortization expense to reflect Forecasted changes for the twelve months ending December 31, 2024 and May 31, 2025.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual expense - December 31, 2023</b>		\$ 21,865,927
2	Normalization adjustment N/A	AMTZ 2-23-S1	-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 21,865,927</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 2-24-S1	(1,383,076)
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 20,482,851</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	AMTZ 2-25-S1	(653,615)
7	<b>Forecasted expense for the twelve months ending May 31, 2025</b>		<b>\$ 19,829,236</b>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 2-25R-S1	(1,244,536)
9	<b>Ratemaking expense for the twelve months ending May 31, 2025</b>		<b>\$ 18,584,700</b>

**Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Depreciation and Amortization Expense  
Twelve Months Ending June 30, 2025**

This pro forma adjusts the twelve months ended December 31, 2023 test year Schahfer Units 14 and 15 Retirement amortization expense to reflect Forecasted changes for the twelve months ending May 31, 2024, and May 31, 2025.

Line No.	Description A	Adjustment B	Amount C
1	<b>Actual expense - December 31, 2023</b>		\$ 55,054,521
2	Normalization Adjustment N/A	AMTZ 3-23-S1	-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 55,054,521</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 3-24-S1	1,380,632
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 56,435,153</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	AMTZ 3-25-S1	(8,634)
7	<b>Forecasted expense for the twelve months ending May 31, 2025</b>		<b>\$ 56,426,519</b>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 3-25R-S1	-
9	<b>Ratemaking expense for the twelve months ending May 31, 2025</b>		<b>\$ 56,426,519</b>

**Northern Indiana Public Service Company LLC**  
**Pro forma Adjustment to Depreciation and Amortization Expense**  
**Twelve Months Ending May 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023, electric amortization expenses for the Electric Work Asset Management (WAM) Regulatory Asset to reflect normalization adjustment(s), projected changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual expense - December 31, 2023		\$ -
2	Normalization Adjustment N/A	AMTZ 4-23-S1	-
3	Normalized expense for the twelve months ended December 31, 2023		<u>\$ -</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 4-24-S1	-
5	Projected expense for the twelve months ending December 31, 2024		<u>\$ -</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	AMTZ 4-25-S1	-
7	Projected expense for the twelve months ending May 31, 2025		<u>\$ -</u>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 4-25R-S1	<u>1,801,362</u>
9	Ratemaking expense for the twelve months ending May 31, 2025		<u><u>\$ 1,801,362</u></u>

**Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Depreciation and Amortization Expense  
Twelve Months Ending May 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023, electric amortization expenses for the Electric TDSIC Regulatory Asset to reflect normalization adjustment(s), Forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	<b>Actual expense - December 31, 2023</b>		\$ -
2	Normalization adjustment N/A	AMTZ 6-23-S1	-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<u>\$ -</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 6-24-S1	-
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<u>\$ -</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	AMTZ 6-25-S1	-
7	<b>Forecasted expense for the twelve months ending May 31, 2025</b>		<u>\$ -</u>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 6-25R-S1	5,760,791
9	<b>Ratemaking expense for the twelve months ending May 31, 2025</b>		<u><u>\$ 5,760,791</u></u>

**Northern Indiana Public Service Company LLC**  
**Pro forma Adjustment to Depreciation and Amortization Expense**  
**Twelve Months Ending May 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023, electric amortization expenses for the Renewable Wholly Owned Solar Farm Regulatory Asset to reflect normalization adjustment(s), Forecasted changes for the twelve months ending December 31, 2024, May 31, 2025, and ratemaking adjustment(s) for the twelve months ending May 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	Actual expense - December 31, 2023		\$ -
2	Normalization Adjustment N/A	AMTZ 11-23-S1	-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ -</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 11-24-S1	-
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ -</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	AMTZ 11-25-S1	-
7	<b>Forecasted expense for the twelve months ending May 31, 2025</b>		<b>\$ -</b>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 11-25R-S1	2,650,117
9	<b>Ratemaking expense for the twelve months ending May 31, 2025</b>		<b>\$ 2,650,117</b>

**Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Taxes Other Than Income  
Twelve Months Ending December 31, 2025**

This pro forma adjustment increases the twelve months ended December 31, 2023, Electric Taxes Other than Income for Payroll expenses to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	<b>Actual Expense - December 31, 2023</b>		\$ 9,360,104
2	Normalization adjustment to Increase / (Decrease) expense to reflect a short term incentive compensation payout with target levels	<b>OTX 2-23</b>	<u>(167,469)</u>
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b><u>\$ 9,192,635</u></b>
4	Year-Over-Year Increase/(Decrease) expense for the twelve months ending December 31, 2024	<b>OTX 2-24</b>	569,687
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b><u>\$ 9,762,322</u></b>
6	Year-Over-Year Increase/(Decrease) expense for the twelve months ending December 31, 2025	<b>OTX 2-25</b>	268,323
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 10,030,646</u></b>
8	Pro Forma adjustment to Increase / (Decrease) payroll tax expense based on actual electric allocation	<b>OTX 2-25R-S1</b>	658,175
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 10,688,820</u></b>



Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base gross utility plant to reflect forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 8,166,127,638
2	Normalization adjustment N/A	RB 1-23	-
3	Normalized balance as of December 31, 2023		\$ 8,166,127,638
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 1-24	1,180,032,560
5	Forecasted balance for the twelve months ending December 31, 2024		\$ 9,346,160,197
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	RB 1-25-S1	1,831,414,450
7	Forecasted balance for the twelve months ending May 31, 2025		\$ 11,177,574,648
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 1-25R-S1	-
9	Ratemaking balance for the twelve months ending May 31, 2025		\$ 11,177,574,648

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base non-jurisdictional gross plant to reflect forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 615,962,258
2	Normalization adjustment N/A	RB 2-23	-
3	Normalized balance as of December 31, 2023		\$ 615,962,258
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 2-24	-
5	Forecasted balance for the twelve months ending December 31, 2024		\$ 615,962,258
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	RB 2-25-S1	-
7	Forecasted balance for the twelve months ending May 31, 2025		\$ 615,962,258
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 2-25R-S1	(615,962,258)
9	Ratemaking balance for the twelve months ending May 31, 2025		\$ -

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base common gross plant to reflect forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 340,908,536
2	Normalization adjustment N/A	RB 3-23	-
3	Normalized balance as of December 31, 2023		\$ 340,908,536
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 3-24	17,417,208
5	Forecasted balance for the twelve months ending December 31, 2024		\$ 358,325,744
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	RB 3-25-S1	30,525,708
7	Forecasted balance for the twelve months ending May 31, 2025		\$ 388,851,452
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 3-25R-S1	-
9	Ratemaking balance for the twelve months ending May 31, 2025		\$ 388,851,452

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base electric accumulated depreciation and amortization to reflect forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ (3,787,446,610)
2	Normalization adjustment N/A	RB 4-23	-
3	Normalized balance as of December 31, 2023		<u>\$ (3,787,446,610)</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 4-24	<u>(176,651,765)</u>
5	Forecasted balance for the twelve months ending December 31, 2024		<u>\$ (3,964,098,375)</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	RB 4-25-S1	<u>(126,863,514)</u>
7	Forecasted balance for the twelve months ending May 31, 2025		<u>\$ (4,090,961,889)</u>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 4-25R-S1	-
9	Ratemaking balance for the twelve months ending May 31, 2025		<u>\$ (4,090,961,889)</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base non-jurisdictional accumulated depreciation and amortization to reflect forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ (84,418,864)
2	Normalization adjustment N/A	RB 5-23	-
3	Normalized balance as of December 31, 2023		\$ (84,418,864)
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 5-24	(11,016,623)
5	Forecasted balance for the twelve months ending December 31, 2024		\$ (95,435,487)
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	RB 5-25-S1	(4,590,260)
7	Forecasted balance for the twelve months ending May 31, 2025		\$ (100,025,747)
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 5-25R-S1	100,025,747
9	Ratemaking balance for the twelve months ending May 31, 2025		\$ -

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base common accumulated depreciation and amortization to reflect forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ (226,639,100)
2	Normalization adjustment N/A	RB 6-23	-
3	Normalized balance as of December 31, 2023		<u>\$ (226,639,100)</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 6-24	(20,701,928)
5	Forecasted balance for the twelve months ending December 31, 2024		<u>\$ (247,341,028)</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	RB 6-25-S1	(6,156,211)
7	Forecasted balance for the twelve months ending May 31, 2025		<u>\$ (253,497,239)</u>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 6-25R-S1	-
9	Ratemaking balance for the twelve months ending May 31, 2025		<u><u>\$ (253,497,239)</u></u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base Schahfer Units 14 and 15 Retirement Net Plant to reflect forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 592,487,087
2	Normalization adjustment N/A	RB 7-23	-
3	Normalized balance as of December 31, 2023		<u>\$ 592,487,087</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 7-24	(56,435,153)
5	Forecasted balance for the twelve months ending December 31, 2024		<u>\$ 536,051,934</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	RB 7-25-S1	(23,511,050)
7	Forecasted balance for the twelve months ending May 31, 2025		<u>\$ 512,540,884</u>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 7-25R-S1	-
9	Ratemaking balance for the twelve months ending May 31, 2025		<u>\$ 512,540,884</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base Work Asset Management (WAM) regulatory assets to reflect forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ -
2	Normalization adjustment N/A	RB 8-23-S1	-
3	Normalized balance as of December 31, 2023		\$ -
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 8-24-S1	18,479,443
5	Forecasted balance for the twelve months ending December 31, 2024		\$ 18,479,443
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	RB 8-25-S1	6,835,404
7	Forecasted balance for the twelve months ending May 31, 2025		\$ 25,314,847
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 8-25R-S1	-
9	Ratemaking balance for the twelve months ending May 31, 2025		\$ 25,314,847



Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base renewable energy joint venture investments regulatory assets to reflect forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 828,810,331
2	Normalization adjustment N/A	RB 9-23	-
3	<b>Normalized balance as of December 31, 2023</b>		<b>\$ 828,810,331</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 9-24	(27,924,381)
5	<b>Forecasted balance for the twelve months ending December 31, 2024</b>		<b>\$ 800,885,949</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 9-25-S1	(11,674,722)
7	<b>Forecasted balance for the twelve months ending May 31, 2025</b>		<b>\$ 789,211,227</b>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 9-25R-S1	-
9	<b>Ratemaking balance for the twelve months ending May 31, 2025</b>		<b>\$ 789,211,227</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base regulatory assets from Cause Nos. 45159 and 45772 remainder to reflect Forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 47,382,040
2	Normalization adjustment N/A	RB 10-23-S1	-
3	Normalized balance as of December 31, 2023		<u>\$ 47,382,040</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 10-24-S1	(11,379,240)
5	Forecasted balance for the twelve months ending December 31, 2024		<u>\$ 36,002,800</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	RB 10-25-S1	(4,782,433)
7	Forecasted balance for the twelve months ending May 31, 2025		<u>\$ 31,220,367</u>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 10-25R-S1	-
9	Ratemaking balance for the twelve months ending May 31, 2025		<u><u>\$ 31,220,367</u></u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, for the Electric TDSIC Cause Nos. 44733 and 45557 regulatory asset to reflect forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment(s) for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ (0)
2	Normalization adjustment N/A	RB 11-23	-
3	<b>Normalized balance as of December 31, 2023</b>		<b>\$ -</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 11-24	6,795,716
5	<b>Forecasted balance for the twelve months ending December 31, 2024</b>		<b>\$ 6,795,716</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	RB 11-25-S1	4,725,866
7	<b>Forecasted balance for the twelve months ending May 31, 2025</b>		<b>\$ 11,521,582</b>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 11-25R-S1	-
9	<b>Ratemaking balance for the twelve months ending May 31, 2025</b>		<b>\$ 11,521,582</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base renewable energy wholly owned solar farm regulatory assets to reflect forecasted changes for the twelve months ending May 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 463,828,697
2	Normalization adjustment N/A	RB 12-23	(463,828,697)
3	Normalized balance as of December 31, 2023		\$ -
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 12-24	20,177,069
5	Forecasted balance for the twelve months ending December 31, 2024		\$ 20,177,069
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	RB 12-25	41,246,978
7	Forecasted balance for the twelve months ending May 31, 2025		\$ 61,424,047
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 12-25R	-
9	Ratemaking balance for the twelve months ending May 31, 2025		\$ 61,424,047

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base materials and supplies to reflect forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Materials and Supplies - December 31, 2023</b>		\$ 126,337,307
2	Normalization Adjustment NA	RB 13-23-S1	-
3	<b>Normalized Materials and Supplies as of December 31, 2023</b>		<b>\$ 126,337,307</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 13-24-S1	-
5	<b>Forecasted balance for the twelve months ending December 31, 2024</b>		<b>\$ 126,337,307</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	RB 13-25-S1	-
7	<b>Forecasted balance for the twelve months ending May 31, 2025</b>		<b>\$ 126,337,307</b>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 13-25R-S1	-
9	<b>Ratemaking balance for the twelve months ending May 31, 2025</b>		<b>\$ 126,337,307</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base production fuel to reflect forecasted changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment for the twelve months ending May 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	Actual balance - December 31, 2023		\$ 65,267,664
2	Normalization Adjustment N/A	RB 14-23-S1	-
3	Normalized balance as of December 31, 2023		<u>\$ 65,267,664</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 14-24-S1	<u>(7,511,457)</u>
5	Forecasted balance for the twelve months ending December 31, 2024		<u>\$ 57,756,207</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending May 31, 2025	RB 14-25-S1	<u>(10,348,515)</u>
7	Forecasted balance for the twelve months ending May 31, 2025		<u>\$ 47,407,692</u>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 14-25R-S1	
9	Ratemaking balance for the twelve months ending May 31, 2025		<u>\$ 47,407,692</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Capital Structure  
As of May 31, 2025

This pro forma adjusts the balance as of December 31, 2023, capital structure for common equity to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024 and May 31, 2025, and ratemaking adjustment(s) for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Balance - December 31, 2023		\$ 5,395,587,397
2	Normalization Adjustment N/A		-
3	Normalized balance as of December 31, 2023		<u>\$ 5,395,587,397</u>
4	Year-Over-Year Increase/(Decrease) balance as of December 31, 2024	CS 1-24-S1	910,756,219
5	Forecasted balance as of December 31, 2024		<u>\$ 6,306,343,616</u>
6	Year-Over-Year Increase/(Decrease) balance as of December 31, 2025	CS 1-25-S1	478,583,025
7	Forecasted balance as of May 31 2025		<u>\$ 6,784,926,641</u>
8	Pro Forma adjustment N/A	CS 1-25R-S1	-
9	Ratemaking balance as of May 31, 2025		<u><u>\$ 6,784,926,641</u></u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Capital Structure  
As of May 31, 2025

This pro forma adjusts the balance as of December 31, 2023, capital structure for long term debt to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment(s) for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Balance - December 31, 2023		\$ 3,708,950,268
2	Normalization adjustment N/A		-
3	Normalized balance as of December 31, 2023		<u>\$ 3,708,950,268</u>
4	Year-Over-Year Increase/(Decrease) balance as of December 31, 2024	CS 2-24-S1	760,014,508
5	Forecasted balance as of December 31, 2024		<u>\$ 4,468,964,776</u>
6	Year-Over-Year Increase/(Decrease) balance as of May 31, 2025	CS 2-25-S1	300,006,045
7	Forecasted balance as of May 31, 2025		<u>\$ 4,768,970,821</u>
8	Pro Forma adjustment N/A		-
9	Ratemaking balance as of May 31, 2025		<u><u>\$ 4,768,970,821</u></u>



**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Capital Structure  
As of May 31, 2025**

This pro forma adjusts the balance as of December 31, 2023, capital structure for deferred income taxes to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment(s) for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Balance - December 31, 2023</b>		\$ 1,423,513,030
2	Normalization adjustment to Increase / (Decrease) the balance		-
3	<b>Normalized balance as of December 31, 2023</b>		<u>\$ 1,423,513,030</u>
4	Year-Over-Year Increase/(Decrease) balance as of December 31, 2024	CS 4-24-S1	102,173,432
5	<b>Forecasted balance as of December 31, 2024</b>		<u>\$ 1,525,686,463</u>
6	Year-Over-Year Increase/(Decrease) balance as of May 31, 2025	CS 4-25-S1	69,182,112
7	<b>Forecasted balance as of May 31, 2025</b>		<u>\$ 1,594,868,575</u>
8	Pro Forma adjustment to Increase / (Decrease) the balance for Ratemaking		-
9	<b>Ratemaking balance as of May 31, 2025</b>		<u><u>\$ 1,594,868,575</u></u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Capital Structure  
As of May 31, 2025

This pro forma adjusts the balance as of December 31, 2023, capital structure for post-retirement liability to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024 and May 31, 2025 and ratemaking adjustment(s) for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Balance - December 31, 2023		\$ 13,235,128
2	Normalization adjustment N/A		-
3	Normalized balance as of December 31, 2023		<u>\$ 13,235,128</u>
4	Year-Over-Year Increase/(Decrease) balance as of December 31, 2024	CS 5-24-S1	<u>(10,760,936)</u>
5	Forecasted balance as of December 31, 2024		<u>\$ 2,474,191</u>
6	Year-Over-Year Increase/(Decrease) balance as of May 31, 2025	CS 5-25-S1	<u>(4,202,172)</u>
7	Forecasted balance as of May 31, 2025		<u>\$ (1,727,981)</u>
8	Pro Forma adjustment to reflect the current Aon forecast received July 2024	CS 5-25R-S1	<u>49,640</u>
9	Ratemaking balance as of May 31, 2025		<u>\$ (1,678,340)</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Capital Structure  
As of May 31, 2025

This pro forma adjusts the balance as of December 31, 2023, capital structure for prepaid pension asset to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024 and May 31, 2025, and ratemaking adjustment(s) for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Balance - December 31, 2023		\$ (420,719,782)
2	Normalization Adjustment N/A		-
3	Normalized balance as of December 31, 2023		<u>\$ (420,719,782)</u>
4	Year-Over-Year Increase/(Decrease) balance as of December 31, 2024	CS 6-24-S1	<u>34,280,469</u>
5	Forecasted balance as of December 31, 2024		<u>\$ (386,439,313)</u>
6	Year-Over-Year Increase/(Decrease) balance as of May 31, 2025	CS 6-25-S1	<u>6,593,750</u>
7	Forecasted balance as of May 31, 2025		<u>\$ (379,845,563)</u>
8	Pro Forma adjustment to reflect the current Aon Hewitt forecast received July 2024	CS 6-25R-S1	<u>(705,833)</u>
9	Ratemaking balance as of May 31, 2025		<u><u>\$ (380,551,396)</u></u>

**Northern Indiana Public Service Company LLC**  
**Pro Forma Adjustment to Capital Structure**  
**As of May 31, 2025**

This pro forma adjusts the balance as of December 31, 2023, capital structure for Post-1970 ITC to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and May 31, 2025, and ratemaking adjustment(s) for the twelve months ending May 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Balance - December 31, 2023</b>		\$ 608,644
2	Normalization adjustment N/A		-
3	<b>Normalized balance as of December 31, 2023</b>		<u>\$ 608,644</u>
4	Year-Over-Year Increase/(Decrease) balance as of December 31, 2024	CS 7-24-S1	<u>(217,016)</u>
5	<b>Forecasted balance as of December 31, 2024</b>		<u>\$ 391,628</u>
6	Year-Over-Year Increase/(Decrease) balance as of May 31, 2025	CS 7-25-S1	<u>(217,016)</u>
7	<b>Forecasted balance as of May 31, 2025</b>		<u>\$ 174,612</u>
8	Pro Forma adjustment N/A		-
9	<b>Ratemaking balance as of May 31, 2025</b>		<u><u>\$ 174,612</u></u>

Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Income Taxes  
For the Twelve Month Period Ending May 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, federal and state income tax expense to reflect income tax expense based on pro forma current revenues. Additionally, this adjustment shows the PF adjustment to reflect income tax at the proposed revenue requirement.

Line No.	Description	Adjustments	Amount
	A	B	C
1	Actual Federal and State Income Taxes - December 31, 2023		\$ 47,253,086
2	Pro Forma adjustment to Increase / (Decrease) expense for Current Rates	ITX 1-25R-S1	<u>(2,825,790)</u>
3	<b>Federal and State Income Taxes at Pro Forma Current Rates</b>		<b><u>\$ 44,427,296</u></b>
4	Pro Forma adjustment to Increase / (Decrease) expense for Proposed Revenue	PF-4-S1	87,124,564
5	<b>Federal and State Income Taxes at Proposed Revenue</b>		<b><u>\$ 131,551,860</u></b>

Northern Indiana Public Service Company LLC  
Pro forma Adjustment Based on Proposed Rates  
For the Twelve Month Period Ending May 31, 2025

The proposed adjustments increase twelve months ending December 31, 2023, test year Revenue (PF-1 & PF-5) and Expense (PF-2 through PF-4 & PF-6 through PF-9) to reflect fuel & purchased power, uncollectible, utility receipts tax, public utility fees, and income taxes based on the proposed revenue requirement.

Line No.	Description	Amount			
		B	C	D	E
		PF-1-S1	PF-2-S1	PF-3-S1	PF-4-S1
		Revenue Requirement	Uncollectible Accounts	Public Utility Fee Rate	Fed/State Income Taxes
1	Revenue Requirement Deficiency	\$ 263,181,271	\$ 352,445,674	\$ 352,445,674	\$ 352,445,674
2	Rate	133.9174602%	0.4571400%	0.1500000%	19.8497481% Fed State 4.8702501%
3	Increase in Pro forma Test Year Revenue and O&M Expense Based on Proposed Rates	\$ 352,445,674	\$ 1,611,170	\$ 528,669	\$ 87,124,564
		<b>PF-5-S1</b>			
		<b>Revenue Requirement</b>			
4	Pro-Forma Adjustments to Reduce FPP for ITC/PTC	A \$ (33,176,130)			
5	Times: 1- Effective Income Tax Rate	75.13%			
6	Pro-Forma Adjustment to Reduce FPP for ITC/PTC - Net of Tax	\$ (24,924,895)			
7	Times: Revenue Multiplier	133.9174602%			
8	Decrease in Pro forma Test Year Revenue Based on Proposed Rates	B \$ (33,378,786)			
		PF-6-S1	PF-7-S1	PF-8-S1	PF-9-S1
		FPP-X-25GT	Uncollectible Accounts	Public Utility Fee Rate	Fed/State Income Taxes
9	Pro-Forma Adjustments to Reduce FPP for ITC/PTC	A \$ (33,176,130)			
10	Decrease in Pro forma Test Year Revenue Based on Proposed Rates	B \$ (33,378,786)	\$ (33,378,786)	\$ (33,378,786)	\$ -
11	Times: Rate		0.4571400%	0.1500000%	24.871%
12	Decrease in Pro forma Test Year FPP and O&M Expense Based on Proposed Rates	\$ (33,176,130)	\$ (152,588)	\$ (50,068)	\$ -

Northern Indiana Public Service Company LLC  
Statement of Operating Income  
Actual, Pro forma, and Proposed  
For the Twelve Month Period Ending December 31, 2025

Line No.	Description	Actual	Pro forma Adjustments Increases (Decreases)	Attachment 3-B Reference <sup>1</sup>	Pro forma Results Based on Current Rates	Pro forma Adjustments	Attachment 3-C Reference	Pro forma Results Based on Proposed Rates	Pro forma Adjustments to Include ITC/PTC & U17/18 Fuel Reduction	Attachment 3-C Reference	Total Pro forma Adjustments Increases (Decreases)	Pro forma Results Based on Proposed Rates
	A	B	C	D	E	F	G	H	I	J	K	L
<b>1</b>	<b>Operating Revenue</b>											
2	Revenue (Actual / Pro Forma)	\$ 1,767,968,828		REV, Col A	\$ 1,829,598,917	424,756,681	PF - 1 - S2	\$ 2,254,355,598	(56,096,064)	PF - 5 - S2	368,660,618	\$ 2,198,259,534
3	Pro forma Adjustments December 31, 2023		16,183,927	REV, Col B								
4	2024 Year-Over-Year Increase/(Decrease)		172,399,174	REV, Col D								
5	2025 Year-Over-Year Increase/(Decrease)		(16,191,462)	REV, Col F								
6	Ratemaking Adjustments December 31, 2025		(110,761,550)	REV, Col H								
7	Total Operating Revenue	\$ 1,767,968,828	\$ 61,630,089		\$ 1,829,598,917	\$ 424,756,681		\$ 2,254,355,598	\$ (56,096,064)		\$ 368,660,618	\$ 2,198,259,534
<b>8</b>	<b>Fuel &amp; Purchased Power</b>											
9	Fuel and Purchase Power Cost (Actual / Pro Forma)	\$ 435,087,415		FPP, Col A	\$ 329,634,043	-		\$ 329,634,043			(55,755,482)	\$ 273,878,561
10	Pro forma Adjustments December 31, 2023		5,184,043	FPP, Col B								
11	2024 Year-Over-Year Increase/(Decrease)		(43,532,296)	FPP, Col D								
12	2025 Year-Over-Year Increase/(Decrease)		(67,201,186)	FPP, Col F								
13	Ratemaking Adjustments December 31, 2025		96,067	FPP, Col H					(55,755,482)	PF - 6 - S2, FPP, Col J		
14	Total Fuel and Purchased Power Costs	\$ 435,087,415	\$ (105,453,372)		\$ 329,634,043	\$ -		\$ 329,634,043	\$ (55,755,482)		\$ (55,755,482)	\$ 273,878,561
15	Gross Margin	\$ 1,332,881,413	\$ 167,083,461		\$ 1,499,964,873	\$ 424,756,681		\$ 1,924,721,555	\$ (340,582)		\$ 424,416,100	\$ 1,924,380,973
<b>16</b>	<b>Operations and Maintenance Expenses</b>											
17	Operations and Maintenance Expenses (Actual / Pro Forma)	\$ 522,342,734		O&M, Col A	\$ 467,401,861	1,941,733	PF - 2 - S2	\$ 469,343,594	(256,438)	PF - 7 - S2	1,685,295	\$ 469,087,156
18	Pro forma Adjustments December 31, 2023		(25,587,605)	O&M, Col B								
19	2024 Year-Over-Year Increase/(Decrease)		21,878,245	O&M, Col D								
20	2025 Year-Over-Year Increase/(Decrease)		12,295,875	O&M, Col F								
21	Ratemaking Adjustments December 31, 2025		(63,527,388)	O&M, Col H								
22	Total Operations and Maintenance Expense	\$ 522,342,734	\$ (54,940,873)		\$ 467,401,861	\$ 1,941,733		\$ 469,343,594	\$ (256,438)		\$ 1,685,295	\$ 469,087,156
<b>23</b>	<b>Depreciation Expense</b>											
24	Depreciation Expense (Actual / Pro Forma)	\$ 271,619,214		DEPR, Col A	\$ 389,034,290			\$ 389,034,290			-	\$ 389,034,290
25	Pro forma Adjustments December 31, 2023		(2,752,431)	DEPR, Col B								
26	2024 Year-Over-Year Increase/(Decrease)		48,483,292	DEPR, Col D								
27	2025 Year-Over-Year Increase/(Decrease)		66,704,866	DEPR, Col F								
28	Ratemaking Adjustments December 31, 2025		4,979,349	DEPR, Col H								
29	Total Depreciation Expense	\$ 271,619,214	\$ 117,415,076		\$ 389,034,290	\$ -		\$ 389,034,290	\$ -		\$ -	\$ 389,034,290

Northern Indiana Public Service Company LLC  
Statement of Operating Income  
Actual, Pro forma, and Proposed  
For the Twelve Month Period Ending December 31, 2025

Line No.	Description	Actual	Pro forma Adjustments Increases (Decreases)	Attachment 3-B Reference <sup>1</sup>	Pro forma Results Based on Current Rates	Pro forma Adjustments	Attachment 3-C Reference	Pro forma Results Based on Proposed Rates	Pro forma Adjustments to Include ITC/PTC & U17/18 Fuel Reduction	Attachment 3-C Reference	Total Pro forma Adjustments Increases (Decreases)	Pro forma Results Based on Proposed Rates
	A	B	C	D	E	F	G	H	I	J	K	L
<b>30</b>	<b>Amortization Expense</b>											
31	Amortization Expense (Actual / Pro Forma)	\$ 93,159,655		AMTZ, Col A	\$ 182,974,471			\$ 182,974,471			-	\$ 182,974,471
32	Pro forma Adjustments December 31, 2023		15,642,588	AMTZ, Col B								
33	2024 Year-Over-Year Increase/(Decrease)		23,078,154	AMTZ, Col D								
34	2025 Year-Over-Year Increase/(Decrease)		2,818,657	AMTZ, Col F								
35	Ratemaking Adjustments December 31, 2025		48,275,416	AMTZ, Col H								
36	Total Amortization Expense	\$ 93,159,655	\$ 89,814,816		\$ 182,974,471	\$ -		\$ 182,974,471	\$ -		\$ -	\$ 182,974,471
<b>37</b>	<b>Taxes</b>											
<b>38</b>	<b>Taxes Other than Income</b>											
39	Taxes Other than Income (Actual / Pro Forma)	\$ 35,013,168		OTX, Col A	\$ 43,310,222			\$ 43,310,222			-	\$ 43,310,222
40	Pro forma Adjustments December 31, 2023		(195,174)	OTX, Col B								
41	2024 Year-Over-Year Increase/(Decrease)		4,404,074	OTX, Col D								
42	2025 Year-Over-Year Increase/(Decrease)		5,732,803	OTX, Col F								
43	Ratemaking Adjustments December 31, 2025		(1,644,649)	OTX, Col H		637,135	PF - 3 - S2	\$ 637,135	(84,144)	PF - 8 - S2	552,991	\$ 552,991
44	Total Taxes Other Than Income	\$ 35,013,168	\$ 8,297,054		\$ 43,310,222	\$ 637,135		\$ 43,947,357	\$ (84,144)		\$ 552,991	\$ 43,863,213
<b>45</b>	<b>Operating Income Before Income Taxes</b>	\$ 410,746,641	\$ 6,497,388		\$ 417,244,030	\$ 422,177,814		\$ 839,421,843	\$ -		\$ 422,177,814	\$ 839,421,843
<b>46</b>	<b>Income Taxes</b>											
47	Federal and State Taxes (Actual / Pro Forma)	\$ 47,253,086	(13,373,927)	Attachment 3-C-S2, ITX 1	\$ 33,879,159	104,999,844	PF - 4 - S2	\$ 138,879,003	-	PF - 9 - S2	104,999,844	\$ 138,879,003
48	Total Taxes	\$ 82,266,254	\$ (5,076,873)		\$ 77,189,381	\$ 105,636,979		\$ 182,826,360	\$ (84,144)		\$ 105,552,835	\$ 182,742,216
<b>49</b>	<b>Total Operating Expenses including Income Taxes</b>	\$ 969,387,857	\$ 147,212,146		\$ 1,116,600,003	\$ 107,578,712		\$ 1,224,178,715	\$ (340,582)		\$ 107,238,130	\$ 1,223,838,133
<b>50</b>	<b>Required Net Operating Income</b>	\$ 363,493,556	\$ 19,871,315		\$ 383,364,871	\$ 317,177,970		\$ 700,542,840	\$ -		\$ 317,177,970	\$ 700,542,840

Footnote 1 - Unless otherwise noted



Northern Indiana Public Service Company LLC  
Calculation of Proposed Revenue Increase  
Based on Pro forma Operating Results  
Original Cost Rate Base Estimated at December 31, 2025

Line No.	Description			Revenue Deficiency
1	Net Original Cost Rate Base			\$ 9,229,813,441
2	Rate of Return			7.59%
3	Net Operating Income			700,542,840
4	Pro forma Net Operating Income			383,364,871
5	Increase in Net Operating Income (NOI Shortfall)			317,177,970
6	Effective Incremental Revenue NOI Conversion Factor			74.673%
7	Increase in Revenue Requirement (Based on Net Original Cost Rate Base) (Line 5 / Line 6)			\$ 424,756,681
8	One	1.000000		
9	Less: Public Utility Fee	0.001500		
10	Less: Bad Debt	0.004571		
11	State Taxable Income		0.993929	
12	Taxable Adjusted Gross Income Tax	0.993929		
13	Adjusted Gross Income Tax Rate	0.049000		
14	Adjusted Gross Income Tax		0.048703	
15	Line 11 less line 14			0.945226
16	One		1.000000	
17	Less: Federal Income Tax Rate		0.210000	
18	One Less Federal Income Tax Rate			0.790000
19	Effective Incremental Revenue / NOI Conversion Factor			74.673%

Northern Indiana Public Service Company LLC  
Summary of Rate Base  
As Of December 31, 2025

<u>Line No.</u>	<u>Description</u>	<u>As Of December 31, 2025</u>	<u>Attachment 3-B-S2 Reference</u>
	<b><u>Electric Rate Base</u></b>		
1	Utility Plant	\$ 10,316,836,696	RB, Col I
2	Non Jurisdictional Plant	-	RB, Col I
3	Common Allocated	419,723,256	RB, Col I
	<b>Total Electric Utility Plant</b>	<u>10,736,559,953</u>	RB, Col I
4	Utility Plant Accumulated Depreciation and Amortization	(2,977,780,579)	RB, Col I
5	Non Jurisdictional Plant Accumulated Depreciation and Amortization	-	RB, Col I
6	Common Allocated Accumulated Depreciation and Amortization	(262,627,721)	RB, Col I
	<b>Total Electric Accumulated Depreciation and Amortization</b>	<u>(3,240,408,299)</u>	RB, Col I
	<b>Net Electric Utility Plant</b>	<u>\$ 7,496,151,653</u>	RB, Col I
7	Schahfer Units 14, 15, 17 and 18 Retirement Net Plant	661,125,225	RB, Col I
8	WAM Regulatory Asset	28,237,008	RB, Col I
9	Renewable Energy Joint Venture Investments	772,866,616	RB, Col I
10	Cause Nos. 45772 & 45159 Remainder	24,524,961	RB, Col I
11	Electric TDSIC Cause Nos. 44733 and 45557	18,679,396	RB, Col I
12	Wholly Owned Solar Farms - Regulatory Asset	99,839,760	RB, Col I
13	Materials & Supplies	112,720,299	RB, Col I
14	Production Fuel	15,668,523	RB, Col I
	<b>Total Electric Rate Base</b>	<u>\$ 9,229,813,441</u>	RB, Col I

Northern Indiana Public Service Company LLC  
Capital Structure  
As Of December 31, 2025

Line No.	Description	Total Company Capitalization	Percent of Total	Cost	Weighted Average Cost
	A	B	C	D	E
1	Common Equity	\$ 7,718,129,223	53.01%	10.60%	5.62%
2	Long-Term Debt	5,468,979,284	37.56%	5.20%	1.95%
3	Customer Deposits	59,885,295	0.41%	5.76%	0.02%
4	Deferred Income Taxes	1,691,723,532	11.62%	0.00%	0.00%
5	Post-Retirement Liability	(7,491,885)	-0.05%	0.00%	0.00%
6	Prepaid Pension Asset	(372,308,313)	-2.56%	0.00%	0.00%
7	Post-1970 ITC	174,612	0.00%	8.36%	0.00%
8	<b>Totals</b>	<b>\$ 14,559,091,748</b>	<b>100.00%</b>		<b>7.59%</b>

Cost of Investor Supplied Capital

	Description	Total Company Capitalization	Percent of Total	Cost	Weighted Average Cost
	A	B	C	D	E
9	Common Equity	\$ 7,718,129,223	58.53%	10.60%	6.20%
10	Long-Term Debt	5,468,979,284	41.47%	5.20%	2.16%
11	<b>Totals</b>	<b>\$ 13,187,108,507</b>	<b>100.00%</b>		<b>8.36%</b>

Northern Indiana Public Service Company LLC  
Summary Statement of Revenue  
Twelve Months Ended December 31, 2023 thru Pro forma Twelve Months Ending December 31, 2025

Line No.	Subcomponent	Twelve Months Ended December 31, 2023 A	Normalization Adjustments B REV <X>-23	Normalized Twelve Months Ended December 31, 2023 C = A + B	Forecast Adjustments D REV <X>-24	Forecast Twelve Months Ending December 31, 2024 E = C + D	Forecast Adjustments F REV <X>-25	Forecast Twelve Months Ending December 31, 2025 G = E + F	Ratemaking Adjustments H REV <X>-25R	Pro forma Twelve Months Ending December 31, 2025 I = G + H
1	Retail Revenue	\$ 1,579,197,529	\$ 23,729,062	\$ 1,602,926,591	\$ 169,781,587	\$ 1,772,708,178	\$ (67,007,270)	\$ 1,705,700,908	\$ -	\$ 1,705,700,908
2	Generation Credit	4,576,856	(4,576,856)	-	-	-	(4,386,191)	(4,386,191)	-	(4,386,191)
3	FMCA and ECRM Tracker	(50)	50	-	-	-	-	-	-	-
4	RA Tracker	(4,068,813)	(2,623)	(4,071,436)	(4,107,581)	(8,179,017)	-	(8,179,017)	1,808,131	(6,370,886)
5	TDSIC Tracker	37,410,483	(621)	37,409,861	(12,176,563)	25,233,299	43,533,405	68,766,704	24,577,606	93,344,310
6	RTO Tracker	31,545,797	(9,396)	31,536,401	9,849,060	41,385,461	(594,146)	40,791,314	(40,791,314)	-
7	DSM Revenue	15,475,302	25,342	15,500,645	6,159,115	21,659,760	1,444,505	23,104,265	(11,133,377)	11,970,888
8	Interdepartment Sales	2,317,710	1,879,015	4,196,725	581,534	4,778,259	(162,510)	4,615,748	573,940	5,189,689
9	Off-System Sales	20,269	(20,269)	-	-	-	-	-	-	-
10	Non-jurisdictional Tracker	71,788,471	-	71,788,471	(3,964,245)	67,824,226	4,143,876	71,968,102	(71,968,102)	-
11	Transmission	16,416,370	0	16,416,370	(755,429)	15,660,941	-	15,660,941	-	15,660,941
12	Forfeited Discounts	4,948,941.3	(9)	4,948,933	103,364	5,052,296	-	5,052,296	-	5,052,296
13	Miscellaneous Service Revenue	1,070,511	-	1,070,511	(203,093)	867,418	-	867,418	-	867,418
14	Rent Revenue	2,361,895	-	2,361,895	97,090	2,458,985	-	2,458,985	-	2,458,985
15	Other Electric Revenue	4,907,557	(4,839,769)	67,788	42,770	110,558	-	110,558	-	110,558
16	Environmental Cost Tracker	-	-	-	6,991,566	6,991,566	6,836,868	13,828,434	(13,828,434)	-
17	<b>Total Revenue</b>	<u>\$ 1,767,968,828</u>	<u>\$ 16,183,927</u>	<u>\$ 1,784,152,755</u>	<u>\$ 172,399,174</u>	<u>\$ 1,956,551,929</u>	<u>\$ (16,191,462)</u>	<u>\$ 1,940,360,467</u>	<u>\$ (110,761,550)</u>	<u>\$ 1,829,598,917</u>

Northern Indiana Public Service Company LLC  
Revenue Normalization and Ratemaking Adjustments Summary

Petitioner's Exhibit No. 3  
Attachment 3-B  
REV Matrix

Line No.	A	B	C	D	E	F	G	H	I	J	K
		Pro forma Adj. Description	Weather Normalization	Customer Migration	Generation Credit	FMCA/ECR	Interdepartment	Off-System Sales	Forfeited Discounts	Other Electric Revenue	Total Normalization Adjustments
	Subcomponent	Att. 4-B / Att. 4-C	REV 1A-23	REV 1B-23	REV 2-23	REV 3-23	REV 8-23	REV 9-23	REV 12-23	REV 15-23	REV Module Column B
1		REV 1	\$ 23,583,628	\$ 145,434							\$ 23,729,062
2		REV 2			\$ (4,576,856)						\$ (4,576,856)
3	Retail Revenue	REV 3				\$ 50					\$ 50
4	Generation Credit FMCA and ECRM Tracker	REV 4		\$ (2,623)							\$ (2,623)
5	RA Tracker	REV 5		\$ (621)							\$ (621)
6	TDSIC Tracker	REV 6		\$ (9,396)							\$ (9,396)
7	RTO Tracker	REV 7		\$ 25,342							\$ 25,342
8	DSM Revenue	REV 8					\$ 1,879,015				\$ 1,879,015
9	Interdepartment Sales	REV 9						\$ (20,269)			\$ (20,269)
10	Off-System Sales	REV 10									\$ -
11	Non-jurisdictional Tracker	REV 11									\$ -
12	Transmission	REV 12							\$ (9)		\$ (9)
13	Forfeited Discounts	REV 13									\$ -
14	Miscellaneous Service Revenue	REV 14									\$ -
15	Rent Revenue	REV 15								\$ (4,839,769)	\$ (4,839,769)
16	Other Electric Revenue	REV 16									\$ -
17	Environmental Cost Tracker										\$ -
18											
19		<b>TOTAL</b>	\$ 23,583,628	\$ 158,136	\$ (4,576,856)	\$ 50	\$ 1,879,015	\$ (20,269)	\$ (9)	\$ (4,839,769)	\$ 16,183,927

Line No.	A	B	C	D	E	F	G	H	Q	
		Pro forma Adj. Description	RA	TDSIC Annualization	RTO	DSM lost Margins	Interdepartmental	Remove Non-jurisdictional Tracker	ECT Tracker	Total Ratemaking Adjustments
	Subcomponent	Att. 4-B / Att. 4-C	REV 4-25R	REV 5-25R	REV 6-25R	REV 7-25R	REV 8-25R	REV 10-25R	REV 16-25R	REV Module Column H
20		REV 1								\$ -
21	Retail Revenue	REV 2								\$ -
22	Generation Credit FMCA and ECRM Tracker	REV 3								\$ -
23	RA Tracker	REV 4	\$ 1,808,131							\$ 1,808,131
24	TDSIC Tracker	REV 5		\$ 24,577,606						\$ 24,577,606
25	RTO Tracker	REV 6			\$ (40,791,314)					\$ (40,791,314)
26	DSM Revenue	REV 7				\$ (11,133,377)				\$ (11,133,377)
27	Interdepartment Sales	REV 8					\$ 573,940			\$ 573,940
28	Off-System Sales	REV 9								\$ -
29	Non-jurisdictional Tracker	REV 10						\$ (71,968,102)		\$ (71,968,102)
30	Transmission	REV 11								\$ -
31	Forfeited Discounts	REV 12								\$ -
32	Miscellaneous Service Revenue	REV 13								\$ -
33	Rent Revenue	REV 14								\$ -
34	Other Electric Revenue	REV 15								\$ -
35	Environmental Cost Tracker	REV 16							\$ (13,828,434)	\$ (13,828,434)
36										\$ -
37										
38		<b>TOTAL</b>	\$ 1,808,131	\$ 24,577,606	\$ (40,791,314)	\$ (11,133,377)	\$ 573,940	\$ (71,968,102)	\$ (13,828,434)	\$ (110,761,550)

Northern Indiana Public Service Company LLC  
Summary Statement of Fuel and Purchased Power Expense  
Twelve Months Ended December 31, 2023 thru Pro forma Twelve Months Ending December 31, 2025

Line No.	Subcomponent	Twelve Months Ended December 31, 2023 A	Normalization Adjustments B FPP <X>-23	Normalized Twelve Months Ended December 31, 2023 C = A + B	Forecast Adjustments D FPP <X>-24	Forecast Twelve Months Ending December 31, 2024 E = C + D	Forecast Adjustments F FPP <X>-25	Forecast Twelve Months Ending December 31, 2025 G = E + F	Ratemaking Adjustments H FPP <X>-25R	Ratemaking Twelve Months Ending December 31, 2025 I = G + H	Generation Transition Adjustments J FPP <X>-25GT	Pro forma Twelve Months Ending December 31, 2025 K = I + J
1	Retail Sales	\$ 434,597,781	4,923,290	\$ 439,521,071	(43,593,539)	\$ 395,927,533	(67,065,617)	\$ 328,861,915	-	\$ 328,861,915	(22,533,029)	\$ 306,328,886
2	Interdepartment Sales	489,634	260,753	750,387	61,243	811,630	(135,569)	676,061	96,067	772,128	(46,322)	725,806
3	Investment Tax Credits	-	-	-	-	-	-	-	-	-	(2,395,113)	(2,395,113)
4	Production Tax Credits	-	-	-	-	-	-	-	-	-	(30,781,018)	(30,781,018)
5	<b>Total Fuel and Purchased Power Expense</b>	<u>\$ 435,087,415</u>	<u>\$ 5,184,043</u>	<u>\$ 440,271,458</u>	<u>\$ (43,532,296)</u>	<u>\$ 396,739,162</u>	<u>\$ (67,201,186)</u>	<u>\$ 329,537,976</u>	<u>\$ 96,067</u>	<u>\$ 329,634,043</u>	<u>\$ (55,755,482)</u>	<u>\$ 273,878,561</u>

Northern Indiana Public Service Company LLC  
Summary Statement of Operations and Maintenance Expense  
Twelve Months Ended December 31, 2023, thru Pro forma Twelve Months Ending December 31, 2025

Line No.	Subcomponent	Twelve Months Ended	Normalized	Normalized	Year-Over-Year	Forecast	Year-Over-Year	Forecast	Forecast	Pro Forma
		December 31, 2023	Adjustments	December 31, 2023	Increase / (Decrease)	December 31, 2024	Increase / (Decrease)	December 31, 2025	Adjustments	December 31, 2025
Adjustment Reference		A	B	C = A + B	D	E = C + D	F	G = E + F	H	I = G + H
			OM<X>-23		OM<X>-24		OM<X>-25		OM<X>-25R	
1	Labor	\$ 106,922,277	\$ 4,533,566	\$ 111,455,843	\$ 6,735,874	\$ 118,191,717	\$ 3,507,492	\$ 121,699,208	\$ (3,342,467)	\$ 118,356,742
2	Electric Operations	144,040,911	(6,327,316)	137,713,595	(450,375)	137,263,220	2,645,712	139,908,932	(23,978,339)	115,930,593
3	Other Departments	33,781,200	-	33,781,200	-	33,781,200	-	33,781,200	-	33,781,200
4	TDSIC	-	-	-	-	-	-	-	-	-
5	Non-Recoverable	-	-	-	-	-	-	-	(974,796)	(974,796)
6	Corporate Service Bill	114,193,347	(8,486,952)	105,706,395	8,978,906	114,685,300	6,272,827	120,958,127	(2,310,426)	118,647,701
7	Corporate Insurance	14,126,508	-	14,126,508	-	14,126,508	-	14,126,508	3,050,319	17,176,827
8	Rents & Leases	3,665,491	(119,234)	3,546,256	-	3,546,256	-	3,546,256	7,018,999	10,565,255
9	Environmental Reserve	2,246,413	(2,246,413)	-	-	-	-	-	-	-
10	Uncollectible	5,785,891	-	5,785,891	226,619	6,012,510	(118,372)	5,894,138	42,445	5,936,582
11	STI	17,128,553	(6,722,703)	10,405,850	711,024	11,116,874	-	11,116,874	-	11,116,874
12	Pension	7,326,131	-	7,326,131	(410,405)	6,915,727	(782,380)	6,133,347	(874,995)	5,258,351
13	OPEB	7,539,769	-	7,539,769	(182,569)	7,357,200	(139,525)	7,217,675	333,135	7,550,810
14	Medical Benefits	8,944,713	-	8,944,713	3,580,385	12,525,098	1,093,225	13,618,323	225,678	13,844,001
15	Other Benefits	428,926	(59,677)	369,249	-	369,249	-	369,249	-	369,249
16	Other Employee Benefits	8,127,351	-	8,127,351	9,394	8,136,745	238,342	8,375,087	85,428	8,460,515
17	LTIP	1,225,667	2,382	1,225,049	(283,615)	941,434	172,701	1,114,135	-	1,114,135
18	Profit Sharing	955,866	-	955,866	-	955,866	-	955,866	(955,866)	-
19	Benefits Administration	1,285,718	-	1,285,718	37,292	1,323,009	-	1,323,009	-	1,323,009
20	RTO	43,299,523	(4,839,777)	38,459,745	2,925,715	41,385,461	(594,146)	40,791,314	(40,791,314)	-
21	Cause No. 44688, 45159 & 45772 Amortization	1,321,479	(1,321,479)	-	-	-	-	-	-	-
22	Cause No. 45772 Settlement Adjustment	-	-	-	-	-	-	-	(1,055,188)	(1,055,188)
23	<b>Total Operations and Maintenance Expense</b>	<b>\$ 522,342,734</b>	<b>\$ (25,587,605)</b>	<b>\$ 496,755,129</b>	<b>\$ 21,878,245</b>	<b>\$ 518,633,374</b>	<b>\$ 12,295,875</b>	<b>\$ 530,929,249</b>	<b>\$ (63,527,388)</b>	<b>\$ 467,401,861</b>

Northern Indiana Public Service Company LLC  
Summary Statement of Depreciation Expense  
Twelve Months Ended December 31, 2023 through Pro Forma Twelve Months Ending December 31, 2025

Line No.	Subcomponent	Twelve Months Ended December 31, 2023 A	Normalization Adjustments B DEPR<X>-23	Normalized Twelve Months Ended December 31, 2023 C = A + B	Year-Over-Year Increase / (Decrease) D DEPR<X>-24	Projected Twelve Months Ending December 31, 2024 E = C + D	Year-Over-Year Increase / (Decrease) F DEPR<X>-25	Projected Twelve Months Ending December 31, 2025 G = E + F	Ratemaking Adjustments H DEPR<X>-25R	Pro forma Twelve Months Ending December 31, 2025 I = G + H
1	Electric Plant Asset Depreciation	\$ 265,872,488	\$ -	\$ 265,872,488	\$ 50,454,701	\$ 316,327,189	\$ 67,094,133	\$ 383,421,321	\$ 5,389,442	\$ 388,810,764
2	Electric Common Depreciation Expense	2,994,296	-	2,994,296	(1,971,409)	1,022,887	(389,267)	633,620	(410,094)	223,526
3	Cause No. 44688, 45159, & 45772 - Tracker Amortization	2,752,431	(2,752,431)	-	-	-	-	-	-	-
4	<b>Total Depreciation Expense</b>	<b>\$ 271,619,214</b>	<b>\$ (2,752,431)</b>	<b>\$ 268,866,783</b>	<b>\$ 48,483,292</b>	<b>\$ 317,350,075</b>	<b>\$ 66,704,866</b>	<b>\$ 384,054,941</b>	<b>\$ 4,979,349</b>	<b>\$ 389,034,290</b>



Northern Indiana Public Service Company LLC  
Summary Statement of Amortization Expense  
Twelve Months Ended December 31, 2023 through Pro Forma Twelve Months Ending December 31, 2025

Line No.	Subcomponent	Twelve Months Ended December 31, 2023 A	Normalization Adjustments B AMTZ<X>-23	Normalized Twelve Months Ended December 31, 2023 C = A + B	Year-Over-Year Increase / (Decrease) D AMTZ<X>24	Forecasted Twelve Months Ending December 31, 2024 E = C + D	Year-Over-Year Increase / (Decrease) F AMTZ<X>-25	Forecasted Twelve Months Ending December 31, 2025 G = E + F	Rate-making Adjustments H AMTZ<X>-25R	Pro forma Twelve Months Ending December 31, 2025 I = G + H
1	Electric Plant Asset Amortization	\$ 5,620,827	\$ -	\$ 5,620,827	\$ 3,343,644	\$ 8,964,471	\$ 3,916,646	\$ 12,881,117	\$ 2,321,856	\$ 15,202,972
2	Electric Common Amortization	21,865,927	-	21,865,927	(1,383,076)	20,482,851	(1,203,138)	19,279,713	410,724	19,690,437
3	Schahfer Units 14, 15, 17 and 18 Retirement Regulatory Asset Amortization	55,054,521	-	55,054,521	1,380,632	56,435,153	(8,634)	56,426,519	21,352,919	77,779,438
4	WAM Regulatory Asset	-	-	-	-	-	-	-	2,023,206	2,023,206
5	Joint Venture Renewable Reg Asset Amortization	10,618,381	-	10,618,381	17,145,484	27,763,865	42,887	27,806,751	-	27,806,751
6	TDSIC Regulatory Asset Amortization	-	-	-	-	-	-	-	9,579,731	9,579,731
7	Sugar Creek Acquisition Amortization	-	2,540,514	2,540,514	-	2,540,514	-	2,540,514	-	2,540,514
8	Cause No. 44688, 45159, and 45772 Amortization	-	13,102,074	13,102,074	2,591,470	15,693,544	70,896	15,764,441	-	15,764,441
9	Electric Rate Case Expense Amortization	-	-	-	-	-	-	-	1,293,126	1,293,126
10	CIS Rider 677 Amortization	-	-	-	-	-	-	-	2,845,699	2,845,699
11	Wholly Owned Solar Farm Regulatory Asset Amortization	-	-	-	-	-	-	-	8,448,157	8,448,157
12	<b>Total Amortization Expense</b>	<b>\$ 93,159,655</b>	<b>\$ 15,642,588</b>	<b>\$ 108,802,244</b>	<b>\$ 23,078,154</b>	<b>\$ 131,880,398</b>	<b>\$ 2,818,657</b>	<b>\$ 134,699,055</b>	<b>\$ 48,275,416</b>	<b>\$ 182,974,471</b>

Northern Indiana Public Service Company LLC  
Summary Statement of Taxes Other Than Income Expense  
Twelve Months Ended December 31, 2023, thru Pro forma Twelve Months Ending December 31, 2025

Line No.	Subcomponent	Twelve Months Ended	Normalization	Normalized	Year-Over-Year	Budget	Year-Over-Year	Budget	Rate-making	Pro forma
		December 31, 2023	Adjustments	Twelve Months Ended December 31, 2023	Increase/(Decrease)	Twelve Months Ending December 31, 2024	Increase/(Decrease)	Twelve Months Ending December 31, 2025	Adjustments	Twelve Months Ending December 31, 2025
Adjustment Reference		A	B	C = A + B	D	E = C + D	F	G = E + F	H	I = G + H
			OTX<X>-23		OTX<X>-24		OTX<X>-25		OTX<X>-25R	
1	Property Tax	\$ 23,671,242	\$ (248,457)	\$ 23,422,786	\$ 3,131,052	\$ 26,553,838	\$ 5,488,346	\$ 32,042,183	\$ (1,221,883)	\$ 30,820,300
2	Payroll Taxes	9,360,104	(167,469)	9,192,635	569,688	9,762,322	268,323	10,030,646	(255,699)	9,774,947
3	Sales Tax	(11,952)	11,952	-	-	-	-	-	-	-
4	URT Total	(208,800)	208,800	-	-	-	-	-	-	-
5	Public Utility Fee	2,202,573	-	2,202,573	703,334	2,905,908	(23,866)	2,882,042	(167,067)	2,714,975
6	<b>Total Taxes Other than Income</b>	<u>\$ 35,013,168</u>	<u>\$ (195,174)</u>	<u>\$ 34,817,994</u>	<u>\$ 4,404,074</u>	<u>\$ 39,222,068</u>	<u>\$ 5,732,803</u>	<u>\$ 44,954,871</u>	<u>\$ (1,644,649)</u>	<u>\$ 43,310,222</u>

Northern Indiana Public Service Company  
Summary Statement of Rate Base  
As of December 31, 2023 through Forecasted as of December 31, 2025

Line No.	Subcomponent	Actuals as of December 31, 2023 A	Normalization Adjustments B RB<X>-23	Normalized as of December 31, 2023 C = A + B	Year-Over-Year Increase/(Decrease) D RB<X>-24	Forecasted As of December 31, 2024 E = C + D	Year-Over-Year Increase/(Decrease) F RB<X>-25	Forecasted as of December 31, 2025 G = E + F	Rate Making Adjustments H RB<X>-25R	Pro Forma as of December 31, 2025 I = G + H
<b>Electric Rate Base</b>										
1	Utility Plant	E \$ 8,166,127,638	\$ -	\$ 8,166,127,638	\$ 1,180,032,559	\$ 9,346,160,197	\$ 970,676,499	\$ 10,316,836,696	\$ -	\$ 10,316,836,696
2	Non Jurisdictional Plant	N 615,962,258	-	615,962,258	-	615,962,258	-	615,962,258	(615,962,258)	-
3	Common Allocated	C 340,908,536	-	340,908,536	17,417,208	358,325,744	61,397,512	419,723,256	-	419,723,256
	<b>Total Electric Utility Plant</b>	<b>9,122,998,432</b>	<b>-</b>	<b>9,122,998,432</b>	<b>1,197,449,767</b>	<b>10,320,448,199</b>	<b>1,032,074,011</b>	<b>11,352,522,211</b>	<b>(615,962,258)</b>	<b>10,736,559,953</b>
4	Utility Plant Accumulated Depreciation and Amortization	E (3,787,446,610)	-	(3,787,446,610)	(176,651,765)	(3,964,098,375)	986,317,797	(2,977,780,579)	-	(2,977,780,579)
5	Non Jurisdictional Plant Accumulated Depreciation and Amortization	N (84,418,864)	-	(84,418,864)	(11,016,623)	(95,435,487)	(11,016,623)	(106,452,110)	106,452,110	-
6	Common Allocated Accumulated Depreciation and Amortization	C (226,639,100)	-	(226,639,100)	(20,701,928)	(247,341,028)	(15,286,692)	(262,627,721)	-	(262,627,721)
	<b>Total Electric Accumulated Depreciation and Amortization</b>	<b>(4,098,504,574)</b>	<b>-</b>	<b>(4,098,504,574)</b>	<b>(208,370,317)</b>	<b>(4,306,874,891)</b>	<b>960,014,481</b>	<b>(3,346,860,410)</b>	<b>106,452,110</b>	<b>(3,240,408,299)</b>
	<b>Net Electric Utility Plant</b>	<b>\$ 5,024,493,859</b>	<b>\$ -</b>	<b>\$ 5,024,493,859</b>	<b>\$ 989,079,450</b>	<b>\$ 6,013,573,308</b>	<b>\$ 1,992,088,493</b>	<b>\$ 8,005,661,801</b>	<b>\$ (509,510,148)</b>	<b>\$ 7,496,151,653</b>
7	Schahler Units 14, 15, 17 and 18 Retirement	592,487,087	-	592,487,087	(56,435,153)	536,051,934	125,073,291	661,125,225	-	661,125,225
8	Work Asset Management Regulatory Asset	-	-	-	18,479,443	18,479,443	9,757,564	28,237,008	-	28,237,008
9	Renewable Energy Joint Venture Investments	828,810,331	-	828,810,331	(27,924,381)	800,885,949	(28,019,333)	772,866,616	-	772,866,616
10	Cause Nos. 45772 & 45159 Remainder	47,382,040	-	47,382,040	(11,379,240)	36,002,800	(11,477,338)	24,524,961	-	24,524,961
11	Electric TDSIC Cause Nos. 44733 and 45557	-	-	-	6,795,716	6,795,716	11,883,680	18,679,396	-	18,679,396
12	Wholly Owned Solar Farms - Regulatory Asset	463,828,697	(463,828,697)	-	20,177,069	20,177,069	79,662,691	99,839,760	-	99,839,760
13	Materials & Supplies	126,337,307	-	126,337,307	-	126,337,307	(13,617,008)	112,720,299	-	112,720,299
14	Production Fuel	65,267,664	-	65,267,664	(7,511,457)	57,756,207	(42,087,684)	15,668,523	-	15,668,523
	<b>Total Electric Rate Base</b>	<b>\$ 7,148,606,984</b>	<b>\$ (463,828,697)</b>	<b>\$ 6,684,778,287</b>	<b>\$ 931,261,446</b>	<b>\$ 7,616,039,733</b>	<b>\$ 2,123,263,855</b>	<b>\$ 9,739,323,588</b>	<b>\$ (509,510,148)</b>	<b>\$ 9,229,813,441</b>

Northern Indiana Public Service Company LLC  
Summary of Capital Structure  
Twelve Months Ended December 31, 2023, thru Pro forma Twelve Months Ending December 31, 2025

Line No.	Subcomponent	Twelve Months Ended December 31, 2023	Normalization Adjustments CS<X>-23	Normalized Twelve Months Ended December 31, 2023	Year-Over-Year Increase / (Decrease) CS<X>-24	Forecast Twelve Months Ending December 31, 2024	Year-Over-Year Increase / (Decrease) CS<X>-25	Forecast Twelve Months Ending December 31, 2025	Rate-making Adjustments CS<X>-25R	Pro Forma Twelve Months Ending December 31, 2025
	<b>Adjustment Reference</b>									
1	Common Equity	\$ 5,395,587,397	\$ -	\$ 5,395,587,397	\$ 910,756,219	\$ 6,306,343,616	\$ 1,411,785,607	\$ 7,718,129,223	\$ -	\$ 7,718,129,223
2	Long-Term Debt	3,708,950,268	-	3,708,950,268	760,014,508	4,468,964,776	1,000,014,508	5,468,979,284	-	5,468,979,284
3	Customer Deposits	59,885,295	-	59,885,295	-	59,885,295	-	59,885,295	-	59,885,295
4	Deferred Income Taxes	1,423,513,030	-	1,423,513,030	102,173,432	1,525,686,463	166,037,069	1,691,723,532	-	1,691,723,532
5	Post-Retirement Liability	13,235,128	-	13,235,128	(10,760,936)	2,474,191	(10,085,213)	(7,611,022)	119,137	(7,491,885)
6	Prepaid Pension Asset	(420,719,782)	-	(420,719,782)	34,280,469	(386,439,313)	15,825,000	(370,614,313)	(1,694,000)	(372,308,313)
7	Post-1970 ITC	608,644	-	608,644	(217,016)	391,628	(217,016)	174,612	-	174,612
8	<b>Total Capital Structure</b>	<u>\$ 10,181,059,979</u>	<u>\$ -</u>	<u>\$ 10,181,059,979</u>	<u>\$ 1,796,246,676</u>	<u>\$ 11,977,306,655</u>	<u>\$ 2,583,359,956</u>	<u>\$ 14,560,666,611</u>	<u>\$ (1,574,863)</u>	<u>\$ 14,559,091,748</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Revenue  
Twelve Months Ending December 31, 2023

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric revenue for base retail revenue to reflect normalization adjustments, Forecast adjustments for 2024 and 2025, and ratemaking adjustments for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ 1,579,197,529
2	Weather Normalization	REV 1A - 23	23,583,628
3	Small Customer Migration	REV 1B - 23	145,434
4	Total Normalization		<u>23,729,062</u>
5	Normalized revenue for the twelve months ended December 31, 2023		<u>\$ 1,602,926,591</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 1-24	<u>169,781,587</u>
7	Forecasted revenue for the twelve months ending December 31, 2024		<u>\$ 1,772,708,178</u>
8	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 1-25	<u>(67,007,270)</u>
9	Forecasted revenue for the twelve months ending December 31, 2025		<u>\$ 1,705,700,908</u>
10	Ratemaking adjustment to decreased Fuel Recovery for U17/18 retirement	REV 1-25R	-
11	Ratemaking revenue for the twelve months ending December 31, 2025		<u>\$ 1,705,700,908</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operating Revenue  
Twelve Months Ended December 31, 2023

This Pro Forma adjustment decreases the twelve months ended December 31, 2023 operating revenue to normalize weather.

Line No.	Description	Adjustments	Amount
	A	B	C
1	<b>Retail Sales Revenue by Rates</b>		
2	Total Retail Sales Revenue - Rate 511		\$ 17,623,870
3	Total Retail Sales Revenue - Rate 521		3,946,786
4	Total Retail Sales Revenue - Rate 523		993,118
5	Total Retail Sales Revenue - Rate 524		638,704
6	Total Retail Sales Revenue - Rate 526		<u>381,150</u>
7	<b>Increase in the Twelve Months Ended December 31, 2023 Operating Revenue</b>	<b>REV 1A-23</b>	<b><u>\$ 23,583,628</u></b>

Workpaper REV 1B-23

Page [.1]

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operating Revenue  
Twelve Months Ended December 31, 2023**

**This Pro Forma adjustment decreases the twelve months ended December 31, 2023 operating revenue for large customer rate migration in order to match migrations included in the Forecast for the twelve months ending December 31, 2023.**

Line No.	Description	Adjustment	Amount
	A	B	C
<b>1</b>	<b>Retail Sales by Rate</b>		
2	Total Retail Sales Revenue - Rate 821		\$ 4,997,380
3	Total Retail Sales Revenue - Rate 823		\$ 725,764
4	Total Retail Sales Revenue - Rate 824		\$ (8,141,930)
5	Total Retail Sales Revenue - Rate 826		\$ 1,083,596
6	Total Retail Sales Revenue - Rate 841		\$ 1,735
	Total Retail Sales Revenue - Rate 843		\$ 1,491,590
7	Increase in the Twelve Months Ended December 31, 2023 Operating Revenue	<b>REV 1B-23</b>	<u>\$ 158,135</u>
<b>8</b>	<b>Revenues by Subcomponent</b>		
9	Retail Sales	<b>REV 1B-23, REV 1</b>	\$ 145,434
10	FMCA Tracker	<b>REV 1B-23, REV 3</b>	\$ -
11	RA Tracker	<b>REV 1B-23, REV 4</b>	\$ (2,623)
12	TDSIC Tracker	<b>REV 1B-23, REV 5</b>	\$ (621)
13	RTO Tracker	<b>REV 1B-23, REV 6</b>	\$ (9,396)
14	DSM Tracker	<b>REV 1B-23, REV 7</b>	\$ 25,342
15	Increase in the Twelve Months Ended December 31, 2023 Operating Revenue	<b>REV 1B-23</b>	<u>\$ 158,135</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Revenue Credit to reflect normalization adjustment(s), and Forecast changes for the twelve months ending December 31, 2024, and December 31, 2025

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ 4,576,856
2	Normalization related to prior generation credit regulatory liability		<u>(4,576,856)</u>
3	Normalized revenue for the twelve months ended December 31, 2023		<u>\$ -</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 2-24	<u>-</u>
5	Forecasted revenue for the twelve months ending December 31, 2024		<u>\$ -</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 2-25	<u>(4,386,191)</u>
7	Forecasted revenue for the twelve months ending December 31, 2025		<u>\$ (4,386,191)</u>



Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric revenue for the Federally Mandated Capital and Expense tracker and Environmental Cost Tracker to reflect a normalized historic test period.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ (50)
2	Normalization adjustment to remove tracker revenue	REV 3-23	50
3	<b>Normalized revenue for the twelve months ended December 31, 2023</b>		<b>\$ -</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 3-24	-
5	<b>Forecasted revenue for the twelve months ending December 31, 2024</b>		<b>\$ -</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 3-25	-
7	<b>Forecasted revenue for the twelve months ending December 31, 2025</b>		<b>\$ -</b>
8	Ratemaking Adjustment	REV 3-25R	-
9	<b>Ratemaking revenue for the twelve months ending December 31, 2025</b>		<b>\$ -</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric revenue for Resource Adequacy tracker to reflect forecast changes for the twelve months ending December 31, 2024 and December 31, 2025, and ratemaking adjustment for Forecasted Test Year December 31, 2025 as described below.

Line No.	Description A	Adjustment B	Amount C
1	Actual revenue - December 31, 2023		\$ (4,068,813)
2	Small Customer Migrations	REV 1B - 23	\$ (2,623)
3	Normalized revenue for the twelve months ended December 31, 2023		<u>\$ (4,071,436)</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 4-24	<u>(4,107,581)</u>
5	Forecasted revenue for the twelve months ending December 31, 2024		<u>\$ (8,179,017)</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 4-25	<u>-</u>
7	Forecasted revenue for the twelve months ending December 31, 2025		<u>\$ (8,179,017)</u>
8	Ratemaking Adjustment	REV 4-25R	<u>1,808,131</u>
9	Ratemaking revenue for the twelve months ending December 31, 2025		<u><u>\$ (6,370,886)</u></u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric revenue for the TDSIC tracker to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024 and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	Actual revenue - December 31, 2023		\$ 37,410,483
2	Small Customer Migration	REV 1B - 23	(621)
3	Normalized revenue for the twelve months ended December 31, 2023		<u>\$ 37,409,861</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 5-24	(12,176,563)
5	Forecasted revenue for the twelve months ending December 31, 2024		<u>\$ 25,233,299</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 5-25	43,533,405
7	Forecasted revenue for the twelve months ending December 31, 2025		<u>\$ 68,766,704</u>
8	Pro Forma adjustment to Increase / (Decrease) TDSIC revenue for Ratemaking	REV 5-25R	24,577,606
9	Ratemaking revenue for the twelve months ending December 31, 2025		<u><u>\$ 93,344,310</u></u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operating Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric revenue for the RTO Tracker to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ 31,545,797
2	Small Customer Migration	REV 1B - 23	\$ (9,396)
3	Normalized revenue for the twelve months ended December 31, 2023		\$ 31,536,401
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 6-24	\$ 9,849,060
5	Forecasted revenue for the twelve months ending December 31, 2024		\$ 41,385,461
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 6-25	(594,146)
7	Forecasted revenue for the twelve months ending December 31, 2025		\$ 40,791,314
8	Ratemaking adjustment to remove RTO Revenue	REV 6-25R	\$ (40,791,314)
9	Ratemaking revenue for the twelve months ending December 31, 2025		\$ -

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric revenue for the DSM tracker to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ 15,475,302
2	Normalization adjustment to Increase / (Decrease) revenue to the DSM tracker	REV 1B-23	25,342
3	<b>Normalized revenue for the twelve months ended December 31, 2023</b>		<b>\$ 15,500,645</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 7-24	6,159,116
5	<b>Forecasted revenue for the twelve months ending December 31, 2024</b>		<b>\$ 21,659,760</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 7-25	1,444,505
7	<b>Forecasted revenue for the twelve months ending December 31, 2025</b>		<b>\$ 23,104,265</b>
8	Pro Forma adjustment to Increase/(Decrease) revenue to true-up forecast to DSMA-19 Filing	REV 7A-25R	\$ 4,147,176
9	Pro Forma adjustment to Increase/(Decrease) to remove lost margins that will remain in DSMA Tracker	REV 7B-25R	(15,280,553)
10	<b>Ratemaking revenue for the twelve months ending December 31, 2025</b>		<b>\$ 11,970,888</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operating Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric revenue for Interdepartmental to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ 2,317,710
2	Normalization adjustment to Increase/(Decrease) revenue to Interdepartment Sales	REV 8-23	<u>1,879,015</u>
3	Normalized revenue for the twelve months ended December 31, 2023		<u>\$ 4,196,725</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 8-24	\$ 581,534
5	Forecasted revenue for the twelve months ending December 31, 2024		<u>4,778,259</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 8-25	<u>(162,510)</u>
7	Forecasted revenue for the twelve months ending December 31, 2025		<u>\$ 4,615,748</u>
9	Pro Forma adjustment for LNG update to Increase/(Decrease) revenue for the twelve months ending December 31, 2025	REV 8-25R	573,940
11	Ratemaking revenue for the twelve months ending December 31, 2025		<u>\$ 5,189,689</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric revenue for Off-System Sales to reflect forecast changes for the twelve months ending December 31, 2024 and December 31, 2025.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ 20,269
2	Normalization Adjustment N/A	REV 9-23	(20,269)
3	Normalized revenue for the twelve months ended December 31, 2023		<u>\$ -</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 9-24	-
5	Forecasted revenue for the twelve months ending December 31, 2024		<u>\$ -</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 9-25	-
7	Forecasted revenue for the twelve months ending December 31, 2025		<u>\$ -</u>
8	Ratemaking Adjustment N/A	REV 9-25R	-
9	Ratemaking revenue for the twelve months ending December 31, 2025		<u><u>\$ -</u></u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operating Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjustment decreases the twelve months ending December 31, 2025 operating revenue to remove Non-Jurisdictional revenue recorded in 456 accounts per Order 44156-RTO-1.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ 71,788,471
2	Normalization adjustment N/A	REV 10-23	\$ -
3	Normalized revenue for the twelve months ended December 31, 2023		\$ 71,788,471
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 10-24	(3,964,245)
5	Forecasted revenue for the twelve months ending December 31, 2024		\$ 67,824,226
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 10-25	4,143,875
7	Forecasted revenue for the twelve months ending December 31, 2025		\$ 71,968,102
8	Ratemaking adjustment to remove Non-Jurisdictional Project Revenue	REV 10-25R	(71,968,102)
9	Ratemaking revenue for the twelve months ending December 31, 2025		\$ -



Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric revenue for other transmission revenue to reflect forecast changes for the twelve months ending December 31, 2024, and December 31, 2025.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ 16,416,370
2	Normalization adjustment N/A		-
3	Normalized revenue for the twelve months ended December 31, 2023		<u>\$ 16,416,370</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 11-24	<u>(755,429)</u>
5	Forecasted revenue for the twelve months ending December 31, 2024		<u>\$ 15,660,941</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 11-25	<u>-</u>
7	Forecasted revenue for the twelve months ending December 31, 2025		<u>\$ 15,660,941</u>
8	Ratemaking Adjustment to remove TMEP revenue from forecasted test year	REV 11-25R	<u>-</u>
9	Ratemaking revenue for the twelve months ending December 31, 2025		<u><u>\$ 15,660,941</u></u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric Forfeited Discounts to reflect normalization adjustment, forecast changes for the twelve months ending December 31, 2024 and 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ 4,948,941
2	Normalization adjustment to remove RTO related revenue	REV 12-23	(9)
3	<b>Normalized revenue for the twelve months ended December 31, 2023</b>		<b>\$ 4,948,932</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 12-24	103,364
5	<b>Forecasted revenue for the twelve months ending December 31, 2024</b>		<b>\$ 5,052,296</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 12-25	-
7	<b>Forecasted revenue for the twelve months ending December 31, 2025</b>		<b>\$ 5,052,296</b>
8	Ratemaking Increase/(Decrease) to remove RTO related revenue	REV 12-25R	-
9	<b>Ratemaking revenue for the twelve months ending December 31, 2025</b>		<b>\$ 5,052,296</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric revenue for miscellaneous services to reflect forecast changes for the twelve months ending December 31, 2024 and 2025.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ 1,070,511
2	Normalization adjustment N/A	REV 13-24	-
3	Normalized revenue for the twelve months ended December 31, 2023		<u>\$ 1,070,511</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 13-24	(203,093)
5	Forecasted revenue for the twelve months ending December 31, 2024		<u>\$ 867,418</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 13-25	-
7	Forecasted revenue for the twelve months ending December 31, 2025		<u>\$ 867,418</u>
8	Ratemaking Adjustment N/A	REV 13-25R	-
9	Ratemaking revenue for the twelve months ending December 31, 2025		<u><u>\$ 867,418</u></u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric revenue for rent from electric property to reflect forecast changes for the twelve months ending December 31, 2024 and 2025.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ 2,361,895
2	Normalization adjustment N/A	REV 14-23	-
3	Normalized revenue for the twelve months ended December 31, 2023		<u>\$ 2,361,895</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 14-24	97,090
5	Forecasted revenue for the twelve months ending December 31, 2024		<u>\$ 2,458,985</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 14-25	-
7	Forecasted revenue for the twelve months ending December 31, 2025		<u>\$ 2,458,985</u>
8	Ratemaking Increase/(Decrease)	REV 14-25R	-
9	Ratemaking revenue for the twelve months ending December 31, 2025		<u><u>\$ 2,458,985</u></u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Revenue  
Twelve Months Ending December 31, 2023

This Pro Forma adjusts the twelve months ended December 31, 2023, Other Electric Revenues to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024 and 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ 4,907,557
2	Normalization adjustment	REV 15-23	(4,839,769)
3	Normalized revenue for the twelve months ended December 31, 2023		<u>\$ 67,788</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2022	REV 15-24	42,770
5	Forecasted revenue for the twelve months ending December 31, 2024		<u>\$ 110,558</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2023		-
7	Forecasted revenue for the twelve months ending December 31, 2025		<u>\$ 110,558</u>
8	Ratemaking Adjustment for 4 year average of Other Electric Revenues		-
9	Ratemaking revenue for the twelve months ending December 31, 2025		<u>\$ 110,558</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Revenue  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric revenue for the ECT Tracker to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual revenue - December 31, 2023		\$ -
2	Normalization adjustment to remove tracker revenue	REV 16-23	-
3	<b>Normalized revenue for the twelve months ended December 31, 2023</b>		<b>\$ -</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	REV 16-24	6,991,566
5	<b>Forecasted revenue for the twelve months ending December 31, 2024</b>		<b>\$ 6,991,566</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	REV 16-25	6,836,869
7	<b>Forecasted revenue for the twelve months ending December 31, 2025</b>		<b>\$ 13,828,434</b>
8	Ratemaking Adjustment Increase/(Decrease)	REV 16-25R	(13,828,434)
9	<b>Ratemaking revenue for the twelve months ending December 31, 2025</b>		<b>\$ -</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Fuel and Purchase Power  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, forecast changes for the twelve months ending December 31, 2024 and 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Fuel and Purchase Power - December 31, 2023</b>		\$ 434,597,781
2	Normalization adjustment -Weather Norm	<b>FPP 1A-23</b>	4,923,290
3	Normalization adjustment - Small Migration	<b>FPP 1B-23</b>	4,923,290
4	<b>Normalized FPP for the twelve months ended December 31, 2023</b>		<b>\$ 439,521,071</b>
5	Year-Over-Year Increase/(Decrease) Fuel and Purchase Power for the twelve months ending December 31, 2024	<b>FPP 1-24</b>	(43,593,539)
6	<b>Forecasted FPP for the twelve months ending December 31, 2024</b>		<b>\$ 395,927,533</b>
7	Year-Over-Year Increase/(Decrease) Fuel and Purchase Power for the twelve months ending December 31, 2025	<b>FPP 1-25</b>	(67,065,617)
8	<b>Forecasted FPP for the twelve months ending December 31, 2025</b>		<b>\$ 328,861,915</b>
9	Ratemaking Adjustment to increase/decrease Fuel and Purchase Power	<b>FPP 1-25R</b>	-
10	<b>Ratemaking FPP for the twelve months ending December 31, 2025</b>		<b>\$ 328,861,915</b>
11	Adjustment to increase/decrease Fuel and Purchase Power for retirement of U17/18	<b>FPP 1-25GT</b>	(22,533,029)
12	<b>Ratemaking FPP for the twelve months ending December 31, 2025</b>		<b>\$ 306,328,886</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operating Revenue  
Twelve Months Ended December 31, 2023

This Pro Forma adjustment decreases the twelve months ended December 31, 2023 fuel expense to normalize weather.

Line No.	Description	Adjustments	Amount
	A	B	C
<b>1</b>	<b>Retail Sales Revenue by Rates</b>		
2	Total Retail Sales Revenue - Rate 511		\$ 3,446,751
3	Total Retail Sales Revenue - Rate 521		733,555
4	Total Retail Sales Revenue - Rate 523		278,145
5	Total Retail Sales Revenue - Rate 524		220,093
6	Total Retail Sales Revenue - Rate 526		<u>244,746</u>
<b>7</b>	<b>Increase in the Twelve Months Ended December 31, 2023 Operating Revenue</b>	<b>FPP 1A-23</b>	<b><u>\$ 4,923,290</u></b>



Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Fuel Cost  
Twelve Months Ended December 31, 2023

This Pro Forma adjustment reclasses the twelve months ended December 31, 2023 fuel cost for small customer rate migration in order to match migrations included in the forecast for the twelve months ending December 31, 2023.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Retail Sales by Rate</b>		
2	Total Retail Sales Revenue - Rate 821		\$ 767,476
3	Total Retail Sales Revenue - Rate 823		\$ 134,622
4	Total Retail Sales Revenue - Rate 824		\$ (1,219,874)
5	Total Retail Sales Revenue - Rate 826		\$238,266
6	Total Retail Sales Revenue - Rate 841		\$308
	Total Retail Sales Revenue - Rate 843		\$79,202
7	Increase in the Twelve Months Ended December 31, 2023 Operating Revenue	<b>FPP 1B-23</b>	<u>\$ 0</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Fuel and Purchase Power  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, forecast changes for the twelve months ending December 31, 2024 and 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Fuel and Purchase Power - December 31, 2023</b>		\$ 489,634
2	Normalization adjustment - LNG Normalization	<b>FPP 2-23</b>	260,753
3	<b>Normalized fuel and purchase power for the twelve months ended December 31, 2023</b>		<b>\$ 750,387</b>
4	Pro Forma adjustment to Increase/(Decrease) Fuel and Purchase Power for the twelve months ending December 31, 2024	<b>FPP 2-24</b>	61,243
5	<b>Forecasted fuel and purchase power for the twelve months ending December 31, 2024</b>		<b>\$ 811,630</b>
6	Pro Forma adjustment to Increase/(Decrease) Fuel and Purchase Power for the twelve months ending December 31, 2025	<b>FPP 2-25</b>	(135,569)
7	<b>Forecasted fuel and purchase power for the twelve months ending December 31, 2025</b>		<b>\$ 676,061</b>
8	Adjustment for increased LNG Liquefaction Volumes	<b>FPP 2-25R</b>	96,067
9	<b>Ratemaking fuel and purchase power for the twelve months ending December 31, 2025</b>		<b>\$ 772,128</b>
10	Adjustment for reduced fuel expense for U17/18 Retirement	<b>FPP 2-25GT</b>	\$ (46,322)
11	<b>Ratemaking fuel and purchase power for the twelve months ending December 31, 2025</b>		<b>\$ 725,806</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Fuel and Purchased Power Expense  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2025, Electric Fuel and Purchased Power Expense for Generation Transition.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual FPP - December 31, 2023		\$ -
2	Normalization adjustment	FPP 3-23	-
3	<b>Normalized FPP for the twelve months ended December 31, 2023</b>		<b>\$ -</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	FPP 3-24	-
5	<b>Forecasted FPP for the twelve months ending December 31, 2024</b>		<b>\$ -</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	FPP 3-25	-
7	<b>Forecasted FPP for the twelve months ending December 31, 2025</b>		<b>\$ -</b>
8	Ratemaking Adjustment Increase/(Decrease)	FPP 3-25R	-
9	<b>Ratemaking FPP for the twelve months ending December 31, 2025</b>		<b>\$ -</b>
10	Generation Transition Adjustment Increase/(Decrease)	FPP 3-25GT	(2,395,113)
11	<b>Pro Forma FPP for the twelve months ending December 31, 2025</b>		<b>\$ (2,395,113)</b>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Fuel and Purchased Power Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2025, Electric Fuel and Purchased Power Expense for Generation Transition.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual FPP - December 31, 2023		\$ -
2	Normalization adjustment	FPP 4-23	-
3	<b>Normalized FPP for the twelve months ended December 31, 2023</b>		<b>\$ -</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	FPP 4-24	-
5	<b>Forecasted FPP for the twelve months ending December 31, 2024</b>		<b>\$ -</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	FPP 4-25	-
7	<b>Forecasted FPP for the twelve months ending December 31, 2025</b>		<b>\$ -</b>
8	Ratemaking Adjustment Increase/(Decrease)	FPP 4-25R	-
9	<b>Ratemaking FPP for the twelve months ending December 31, 2025</b>		<b>\$ -</b>
10	Generation Transition Adjustment Increase/(Decrease)	FPP 4-25GT	(30,781,018)
11	<b>Pro Forma FPP for the twelve months ending December 31, 2025</b>		<b>\$ (30,781,018)</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, electric O&M expenses for Labor to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Expense - December 31, 2023		<u>\$ 106,922,277</u>
2	Normalization Adjustment to reverse credits to expense associated with prior periods and remove the Union Contract Signing Bonus	OM 1-23	<u>4,533,566</u>
3	Normalized expense for the twelve months ended December 31, 2023		<u>\$ 111,455,843</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	OM 1-24	<u>6,735,874</u>
5	Forecasted expense for the twelve months ending December 31, 2024		<u>\$ 118,191,717</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	OM 1-25	<u>3,507,492</u>
7	Forecasted expense for the twelve months ending December 31, 2025		<u>\$ 121,699,208</u>
8	Pro Forma adjustment to Increase/(Decrease) Labor Expense for ratemaking purposes associated with Schahfer Unit 17/18 Retirement	OM 1-25R-S2	(11,946,061)
9	Pro Forma adjustment to Increase/(Decrease) Labor Expense for ratemaking purposes associated with increased headcount and additional positions	OM 1-25R	<u>8,603,595</u>
10	Total Adjustment		<u>(3,342,467)</u>
11	Ratemaking expense for the twelve months ending December 31, 2025		<u>\$ 118,356,742</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance (O&M) Expense  
Twelve Months Ending December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric operations O&M expenses to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	<b>Actual Expense - December 31, 2023</b>		\$ 144,040,911
2	Normalization Adjustment to remove variable chemicals prior to ECT tracker and one-time expense adjustment	OM 2-23	<u>(6,327,316)</u>
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b><u>\$ 137,713,595</u></b>
4	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2023	OM 2-24	<u>(450,375)</u>
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b><u>\$ 137,263,220</u></b>
6	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2024	OM 2-25	<u>2,645,712</u>
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 139,908,932</u></b>
8	Pro Forma adjustment to increase planned outages for 3 year average	OM 2A-25R-S2	497,808
9	Pro Forma adjustment to reduce generation expenses for retirement of U17/18	OM 2B-25R-S2	(35,604,068)
10	Pro Forma adjustment to annualize ongoing solar generation expense	OM 2C-25R-S2	7,249,428
11	Pro Forma adjustment to increase vegetation for increase miles	OM 2D-25R-S2	3,203,224
12	Pro Forma adjustment for work continuity contract	OM 2E-25R-S2	1,036,561
13	Pro Forma adjustment to remove Non-jurisdictional expenses	OM 2F-25R-S2	<u>(361,292)</u>
14	Total Pro Forma adjustment	OM 2-25R-S2	<u>(23,978,339)</u>
15	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 115,930,593</u></b>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, electric O&M expenses for Other Departments to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024 and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Expense - December 31, 2023</b>		\$ 33,781,200
2	Normalization Adjustment to reflect the reversal and removal of expense entries associated with out of period activity from prior periods and the 2023 base period	OM 3-23	-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 33,781,200</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	OM 3-24	-
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 33,781,200</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	OM 3-25	-
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 33,781,200</b>
8	Pro Forma adjustment to Increase / (Decrease) Other Department expense for Ratemaking to update the forecasted gas/electric allocation based upon the 2023 actual split	OM 3-25R	-
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ 33,781,200</b>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, electric O&M expenses for TDSIC to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024 and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	Actual Expense - December 31, 2023		\$ -
2	Normalization adjustment N/A		-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ -</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	OM 4-24	-
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ -</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	OM 4-25	-
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ -</b>
8	Ratemaking adjustment N/A	OM 4-25R	-
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ -</b>



Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ended December 31, 2025

This Pro Forma adjustment adjusts twelve months ended December 31, 2025 O&M expenses for non-recoverable expenses to reflect ratemaking adjustment(s), as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	2025 Ratemaking Non-recoverable O&M Expense		
2	<b><u>Ratemaking Adjustments</u></b>		
3	Pro Forma adjustment to Increase / (Decrease) O&M expense for the removal of Certain Lobbying Expenses	OM 5A-25R	(468,257)
4	Pro Forma adjustment to Increase / (Decrease) O&M expense for the removal of Certain Advertisement Expenses	OM 5B-25R	(128,341)
5	Pro Forma adjustment to Increase / (Decrease) O&M expense for the removal of Certain Non-recoverable Expenses	OM 5C-25R	(378,198)
6	2025 Ratemaking Increase/(Decrease)		\$ (974,796)
7	Ratemaking expense for the twelve months ending December 31, 2025	OM 5-25R	<u>\$ (974,796)</u>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operation and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, electric O&M expenses for the NCSC Corporate Service Bill to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	<b>Actual Expense - December 31, 2023</b>		<b>\$ 114,193,347</b>
2	Normalization adjustment to Increase / (Decrease) expense for LTIP		128,169
3	Normalization adjustment to Increase / (Decrease) expense for STI		(3,588,251)
4	Normalization adjustment to Increase / (Decrease) expense for Non-Recurring WAM Spend		(5,026,870)
5	<b>Total Normalization Adjustments</b>	<b>OM 6-23</b>	<b>(8,486,952)</b>
6	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 105,706,394</b>
7	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	<b>OM 6-24</b>	8,978,906
8	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 114,685,300</b>
9	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	<b>OM 6-25</b>	6,272,827
10	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 120,958,127</b>
	<b><u>Ratemaking Adjustments</u></b>		
11	Pro Forma adjustment to Increase / (Decrease) expense to reflect various adjustments	<b>OM 6-25R</b>	(2,310,426)
12	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ 118,647,701</b>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric O&M Expenses for Corporate Insurance to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual balance - December 31, 2023</b>		\$ 14,126,508
2	Normalization adjustment to Increase / (Decrease) Corporate Insurance expense to reflect an annualized level of expense		-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 14,126,508</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	OM 7-24	-
5	<b>Forecasted Expense for the twelve months ending December 31, 2024</b>		<b>\$ 14,126,508</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	OM 7-25	-
7	<b>Forecasted Expense for the twelve months ending December 31, 2025</b>		<b>\$ 14,126,508</b>
8	Pro Forma adjustment to Increase / (Decrease) Corporate Insurance expense to reflect the level of Corporate Insurance based on 2023 actual electric allocation and the expected ongoing level of expense	OM 7-25R	3,050,319
9	<b>Ratemaking balance for the twelve months ending December 31, 2025</b>		<b>\$ 17,176,827</b>

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**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric O&M expenses for Rents & Leases to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	<b>Actual Expense - December 31, 2023</b>		\$ 3,665,491
2	Normalization adjustment to Increase / (Decrease) Rent & Leases expense to reflect the removal of Lease expense associated with Gary Indiana Business Office and Capital Lease Depreciation Inadvertently recorded to NIPSCO Electric.	<b>OM 8-23</b>	<u>(119,234)</u>
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b><u>\$ 3,546,256</u></b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	<b>OM 8-24</b>	<u>-</u>
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b><u>\$ 3,546,256</u></b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	<b>OM 8-25</b>	<u>-</u>
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 3,546,256</u></b>
8	Pro Forma adjustment to Increase / (Decrease) Rent & Leases expense to reflect the level of rents and leases based on 2023 normalized electric allocation and transfers and the expected ongoing level of expense associated with Solar Land Owner Payments	<b>OM 8-25R</b>	<u>7,018,999</u>
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 10,565,255</u></b>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ended December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, electric O&M expenses for environmental expense to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Expense - December 31, 2023</b>		\$ 2,246,413
2	Normalization adjustment to Increase / (Decrease) expense to remove environmental expense	OM 9-23	<u>(2,246,413)</u>
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<u>\$ -</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	OM 9-24	<u>-</u>
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<u>\$ -</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	OM 9-25	<u>-</u>
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<u><u>\$ -</u></u>
8	Pro Forma adjustment N/A		<u>-</u>
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<u><u>\$ -</u></u>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, electric O&M expenses for uncollectibles to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Expense - December 31, 2023</b>		\$ 5,785,891
2	Normalization Adjustment N/A		-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 5,785,891</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	OM 10-24	226,619
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 6,012,510</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	OM 10-25	(118,372)
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 5,894,138</b>
8	Pro Forma adjustment to Increase / (Decrease) Bad Debt expense for Ratemaking based on seven year average write-offs and electric allocations based on 2023 actuals	OM 10-25R	42,445
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ 5,936,582</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025

This Pro Forma adjusts the twelve months ended December 31, 2023, electric O&M expenses for short term incentive (STI) to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Expense - December 31, 2023		\$ 17,128,553
2	Normalization adjustment to Increase / (Decrease) expense to normalize the STI expenses.	OM 11-23	(6,722,703)
3	Normalized expense for the twelve months ended December 31, 2023		<u>\$ 10,405,850</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	OM 11-24	711,024
5	Forecasted expense for the twelve months ending December 31, 2024		<u>\$ 11,116,874</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	OM 11-25	-
7	Forecasted expense for the twelve months ending December 31, 2025		<u>\$ 11,116,874</u>
8	Pro Forma adjustment to Increase / (Decrease) STI expense for Ratemaking based on 2023 actual transfers and electric allocation	OM 11-25R	-
9	Ratemaking expense for the twelve months ending December 31, 2025		<u><u>\$ 11,116,874</u></u>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, electric O&M expenses for pension to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	<b>Actual Expense - December 31, 2023</b>		\$ 7,326,131
2	Normalization adjustment N/A		<u>-</u>
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b><u>\$ 7,326,131</u></b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	<b>OM 12-24</b>	<u>(410,404)</u>
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b><u>\$ 6,915,727</u></b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	<b>OM 12-25</b>	<u>(782,380)</u>
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 6,133,347</u></b>
8	Pro forma adjustment to Increase (Decrease) expense for ratemaking based on the 2023 actual transfers, electric allocations, and updated Hewitt Report	<b>OM 12-25R</b>	<u>(874,995)</u>
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 5,258,351</u></b>



**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2025, electric O&M expenses for OPEB to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	<b>Actual Expense - December 31, 2023</b>		\$ 7,539,769
2	Normalization adjustment N/A		-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 7,539,769</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	<b>OM 13-24</b>	(182,569)
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 7,357,200</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	<b>OM 13-25</b>	(139,525)
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 7,217,675</b>
8	Pro Forma adjustment to Increase / (Decrease) OPEB expense for Ratemaking based on 2023 actual transfers and electric allocations	<b>OM 13-25R</b>	333,135
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ 7,550,810</b>

**Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023 O&M expense to reflect higher medical expense for the twelve months ending December 31, 2024 and December 31, 2025, and decreases December 31, 2025 electric medical expense based on transfers and electric allocations based on 2023 actuals, adjusted for the NIPSCO estimated headcount, and inclusion of the VEBA Trust return.

Line No.	Description	Adjustment	Summer Update Amount
	A	B	C
1	<b>2023 Actual electric Medical Expense, Net of Transfers</b>		\$ 8,944,713
2	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ended December 31, 2023		-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 8,944,713</b>
4	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2024	OM 14-24	3,580,385
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 12,525,098</b>
6	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2025	OM 14-25	1,093,225
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 13,618,323</b>
8	Pro forma to decrease electric medical costs based on true-up transfers and electric allocations based on 2023 actuals, the estimated NIPSCO headcount, and the VEBA Trust return.	OM 14-25R	225,678
9	<b>Ratemaking expense for the twelve months ending December 31, 2025, Net of Transfer</b>		<b>\$ 13,844,001</b>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, electric O&M expenses for other benefits to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Expense - December 31, 2023</b>		\$ 428,926
2	Normalization adjustment to Increase/ (Decrease) expense to remove non recurring severance pay	OM 15-23	<u>(59,677)</u>
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b><u>\$ 369,249</u></b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	OM 15-24	<u>-</u>
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b><u>\$ 369,249</u></b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	OM 15-25	<u>-</u>
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 369,249</u></b>
8	Pro Forma adjustment to Increase / (Decrease) other benefits expense for Ratemaking based on actual 2023 normalized electric allocation	OM 15-25R	<u>\$ -</u>
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b><u><u>\$ 369,249</u></u></b>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric O&M expenses for other employee benefits to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual expense - December 31, 2023</b>		\$ 8,127,351
2	Normalization Adjustment N/A		-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<u>\$ 8,127,351</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	<b>OM 16-24</b>	9,394
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<u>\$ 8,136,745</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	<b>OM 16-25</b>	238,342
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<u>\$ 8,375,087</u>
8	Pro forma adjustment to increase / (decrease) other employee benefit expenses for Ratemaking based on updated Aon Report, true-up transfers and electric allocations using 2023 actuals and adjusting for the NIPSCO estimated headcount.	<b>OM 16-25R</b>	85,428
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<u>\$ 8,460,515</u>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, electric O&M expenses for LTIP to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual expense - December 31, 2023</b>		\$ 1,222,667
2	Normalization adjustment to Increase / (Decrease) expense to normalize the LTIP expenses.	<b>OM 17-23</b>	<u>2,382</u>
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b><u>\$ 1,225,049</u></b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	<b>OM 17-24</b>	<u>(283,615)</u>
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b><u>\$ 941,434</u></b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	<b>OM 17-25</b>	<u>172,701</u>
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 1,114,135</u></b>
8	Pro Forma adjustment to Increase / (Decrease) LTIP expense for Ratemaking based on 2023 electric actuals allocation.	<b>OM17-25R</b>	<u>\$ -</u>
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b><u><u>\$ 1,114,135</u></u></b>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, electric O&M expenses for profit sharing to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Expense - December 31, 2023		\$ 955,866
2	Pro Forma adjustment N/A		-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 955,866</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	OM 18-24	-
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 955,866</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	OM 18-25	-
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 955,866</b>
8	Pro Forma adjustment to Increase / (Decrease) expense for Ratemaking by removing profit sharing expense	OM 18-25R	(955,866)
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ -</b>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric O&M expenses for Benefits Administration to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment	Amount C
1	<b>Actual expense - December 31, 2023</b>		\$ 1,285,718
2	Normalization Adjustment N/A		-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 1,285,718</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	<b>OM 19-24</b>	37,292
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 1,323,009</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	<b>OM 19-25</b>	-
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 1,323,009</b>
8	Pro Forma adjustment to Increase / (Decrease) benefits administration expense for Ratemaking based on 2023 actual Electric allocation.	<b>OM 19-25R</b>	-
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ 1,323,009</b>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, Electric O&M expenses for RTO to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	<b>Actual expense - December 31, 2023</b>		\$ 43,299,523
2	Normalization adjustment to Increase / (Decrease) expense for the reclass of MISO Transmission Revenue to Off-set MISO Transmission Expense <b>REV 15</b>	<b>OM 20A-23</b>	(4,839,769)
3	Normalization adjustment to Increase / (Decrease) expense for the reclass of RTO related revenue <b>REV 12</b>	<b>OM20B-23</b>	(9)
4	Normalization adjustment to Increase / (Decrease) expense for the removal of Gas expense	<b>OM20C-23</b>	-
5	Total Normalization adjustment to Increase / (Decrease) expense		(4,839,777)
6	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 38,459,745</b>
7	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	<b>OM 20-24</b>	2,925,716
8	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 41,385,461</b>
9	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	<b>OM 20-25</b>	(594,146)
10	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 40,791,314</b>
11	Pro Forma adjustment to Increase / (Decrease) RTO expense for Ratemaking to remove RTO from Base Rates	<b>OM 20-25R</b>	(40,791,314)
12	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ -</b>



**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ended December 31, 2025**

This Pro Forma adjusts the twelve months ended December 31, 2023, electric O&M expenses for Cause No. 44688, Cause No. 45159, and Cause No. 45772 amortization to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Expense - December 31, 2023</b>		\$ 1,321,479
2	Normalization adjustment to Increase / (Decrease) expense to reclassify the O&M expense related to the 44688, 45159, and 45772 regulatory asset amortization to amortization expense - <b>AMTZ 8</b>	<b>OM 21-23</b>	<u>(1,321,479)</u>
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<u>\$ -</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	<b>OM 21-24</b>	<u>-</u>
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<u>\$ -</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	<b>OM 21-25</b>	<u>-</u>
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<u>\$ -</u>
8	Pro Forma adjustment N/A		<u>-</u>
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<u><u>\$ -</u></u>

**Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Operations and Maintenance Expense  
Twelve Months Ending December 31, 2025**

This pro forma adjustment decreases the twelve months ending December 31, 2025 operations and maintenance expense to reflect the O&M adjustment pursuant to Section B.4.(f) of the Cause No. 45772 Settlement set to expire on June 30, 2034.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>2025 Ratemaking Operations and Maintenance Expense</b>		
2	Adjustment pursuant to Section B.4.(f) of the Cause No. 45772 Settlement that expire on June 30, 2034.	<b>OM 22-25R</b>	<u>(1,055,188)</u>
3	<b>2025 Ratemaking Operations and Maintenance Expense</b>		<u><b>\$ (1,055,188)</b></u>

Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Depreciation Expense  
Twelve Months Ending December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric depreciation expenses for electric plant to reflect Forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025 and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual expense - December 31, 2023</b>		\$ 265,872,488
2	Normalization Adjustment N/A	<b>DEPR 1-23</b>	-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 265,872,488</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	<b>DEPR 1-24</b>	50,454,701
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 316,327,189</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	<b>DEPR 1-25</b>	67,094,133
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 383,421,321</b>
8	Retirement of Schahfer Units 17 and 18 - Reg Asset Recovered through Amortization (Step 2) <b>AMTZ 3-25R-S2</b>	<b>DEPR 1A-25R-S2</b>	(21,352,919)
9	Pro Forma adjustment to Increase/(Decrease) depreciation expense related to the implementation of new rates on remaining gross plant post retirement (Step 2)	<b>DEPR 1B-25R-S2</b>	37,758,984
10	Pro Forma adjustment to Increase/(Decrease) depreciation expense to remove nonjurisdictional depreciation expense	<b>DEPR 1C-25R</b>	(11,016,623)
11	Total Adjustment	<b>DEPR 1-25R-S2</b>	5,389,442
12	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ 388,810,764</b>

**Northern Indiana Public Service Company  
Pro Forma Adjustment to Depreciation Expense  
Twelve Months Ending December 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023, electric common depreciation expenses for electric plant to reflect forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual expense - December 31, 2023</b>		\$ 2,994,296
2	Normalization Adjustment N/A	DEPR 2-23-S2	-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<u>\$ 2,994,296</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	DEPR 2-24-S2	(1,971,409)
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<u>\$ 1,022,887</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	DEPR 2-25-S2	(389,267)
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<u>\$ 633,620</u>
8	Pro Forma adjustment to Increase/(Decrease) depreciation expense for Ratemaking	DEPR 2-25R-S2	(410,094)
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<u><u>\$ 223,526</u></u>

Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Depreciation Expense  
Twelve Months Ending December 31, 2023

This pro forma adjusts the twelve months ended December 31, 2023, Electric depreciation expenses for Cause No. 44688, 45159 and 45772- Tracker Amortization to reflect projected changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	Actual expense - December 31, 2023		\$ 2,752,431
2	Normalization Adjustment	DEPR 3-23-S2	<u>(2,752,431)</u>
3	Normalized expense for the twelve months ended December 31, 2023		<u>\$ -</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	DEPR 3-24-S2	<u>-</u>
5	Projected expense for the twelve months ending December 31, 2024		<u>\$ -</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	DEPR 3-25-S2	<u>-</u>
7	Projected expense for the twelve months ending December 31, 2025		<u>\$ -</u>
8	Pro Forma adjustment to Increase/(Decrease) depreciation expense for Ratemaking	DEPR 3-25R-S2	<u>-</u>
9	Ratemaking expense for the twelve months ending December 31, 2025		<u><u>\$ -</u></u>

Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Amortization Expense  
Twelve Months Ending December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023 test year electric plant asset amortization expense to reflect Forecasted changes for the twelve months ending December 31, 2024 and December 31, 2025.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual expense - December 31, 2023		\$ 5,620,827
2	Normalization Adjustment N/A	AMTZ 1-23-S2	-
3	Normalized expense for the twelve months ended December 31, 2023		<u>\$ 5,620,827</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 1-24-S2	<u>3,343,644</u>
5	Forecasted expense for the twelve months ending December 31, 2024		<u>\$ 8,964,471</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	AMTZ 1-25-S2	<u>3,916,646</u>
7	Forecasted expense for the twelve months ending December 31, 2025		<u>\$ 12,881,117</u>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 1-25R-S2	<u>2,321,856</u>
9	Ratemaking expense for the twelve months ending December 31, 2025		<u><u>\$ 15,202,972</u></u>

**Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Depreciation and Amortization Expense  
Twelve Months Ending December 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023 test year electric common amortization expense to reflect Forecasted changes for the twelve months ending December 31, 2024 and December 31, 2025.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual expense - December 31, 2023</b>		\$ 21,865,927
2	Normalization Adjustment N/A	AMTZ 2-23-S2	-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 21,865,927</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 2-24-S2	(1,383,076)
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 20,482,851</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	AMTZ 2-25-S2	(1,203,138)
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 19,279,713</b>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 2-25R-S2	410,724
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ 19,690,437</b>

Workpaper AMTZ 3-S2  
Page [.1]

**Northern Indiana Public Service Company LLC**  
**Pro forma Adjustment to Depreciation and Amortization Expense**  
**Twelve Months Ending December 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023 test year Schahfer Units 14/15 and 17/18 Retirement amortization expense to reflect projected changes for the twelve months ending December 31, 2024, and December 31, 2025.

Line No.	Description A	Adjustment B	Amount C
1	Actual expense - December 31, 2023		\$ 55,054,521
2	Normalization Adjustment N/A	AMTZ 3-23-S2	-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 55,054,521</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 3-24-S2	1,380,632
5	<b>Projected expense for the twelve months ending December 31, 2024</b>		<b>\$ 56,435,153</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	AMTZ 3-25-S2	(8,634)
7	<b>Projected expense for the twelve months ending December 31, 2025</b>		<b>\$ 56,426,519</b>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 3-25R-S2	21,352,919
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ 77,779,438</b>



Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Depreciation and Amortization Expense  
Twelve Months Ending December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, electric amortization expenses for the Electric Work Asset Management (WAM) Regulatory Asset to reflect normalization adjustment(s), Forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	Actual expense - December 31, 2023		\$ -
2	Normalization Adjustment N/A	AMTZ 4-23-S2	-
3	Normalized expense for the twelve months ended December 31, 2023		<u>\$ -</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 4-24-S2	-
5	Forecasted expense for the twelve months ending December 31, 2024		<u>\$ -</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	AMTZ 4-25-S2	-
7	Forecasted expense for the twelve months ending December 31, 2025		<u>\$ -</u>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 4-25R-S2	<u>2,023,206</u>
9	Ratemaking expense for the twelve months ending December 31, 2025		<u><u>\$ 2,023,206</u></u>

**Northern Indiana Public Service Company LLC**  
**Pro forma Adjustment to Depreciation and Amortization Expense**  
**Twelve Months Ending December 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023, electric amortization expenses for the Renewable Joint Venture Regulatory Asset to reflect normalization adjustment(s), Forecasted changes for the twelve months ending December 31, 2024, December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual expense - December 31, 2023</b>		\$ 10,618,381
2	Normalization Adjustment N/A	AMTZ 5-23-S2	-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 10,618,381</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 5-24-S2	17,145,484
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 27,763,865</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	AMTZ 5-25-S2	42,887
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 27,806,751</b>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 5-25R-S2	-
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ 27,806,751</b>

**Northern Indiana Public Service Company LLC**  
**Pro forma Adjustment to Depreciation and Amortization Expense**  
**Twelve Months Ending December 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023, electric amortization expenses for the Electric TDSIC Regulatory Asset to reflect normalization adjustment(s), Forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual expense - December 31, 2023		\$ -
2	Normalization Adjustment N/A	AMTZ 6-23-S2	-
3	Normalized expense for the twelve months ended December 31, 2023		<u>\$ -</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 6-24-S2	-
5	Forecasted expense for the twelve months ending December 31, 2024		<u>\$ -</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	AMTZ 6-25-S2	-
7	Forecasted expense for the twelve months ending December 31, 2025		<u>\$ -</u>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 6-25R-S2	9,579,731
9	Ratemaking expense for the twelve months ending December 31, 2025		<u><u>\$ 9,579,731</u></u>

Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Amortization Expense  
Twelve Months Ending December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric amortization expenses for Sugar Creek Acquisition to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	Actual expense - December 31, 2023		\$ -
2	Normalization adjustment to Increase/(Decrease) expense to Sugar Creek purchase acquisition premium	AMTZ 7-23-S2	2,540,514
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b><u>\$ 2,540,514</u></b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 7-24-S2	(0)
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b><u>\$ 2,540,514</u></b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	AMTZ 7-25-S2	-
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 2,540,514</u></b>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 7-25R-S2	-
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b><u>\$ 2,540,514</u></b>

Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Depreciation and Amortization Expense  
Twelve Months Ending December 31, 2025

Amortization expense approved in Cause Nos. 44688, 45159 and 45772 is recorded in the income statement line item where the activity originated and, therefore, there are no actuals recorded in the amortization expense line item on the FERC books. This pro forma reflects the reclassification of such amortization amounts recorded in O&M, Depreciation, Property Taxes, and Other Income to the amortization expense line item for the twelve months ended December 31, 2023 for state ratemaking purposes, reflects Forecasted changes in 2024, and 2025, then reflects a ratemaking adjustment to allocate expense to electric based on 2023 actuals.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual expense - December 31, 2023		\$ -
2	Normalization Adjustment N/A	AMTZ 8-23-S2	13,102,074
3	Normalized expense for the twelve months ended December 31, 2023		<u>\$ 13,102,074</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 8-24-S2	2,591,470
5	Forecasted expense for the twelve months ending December 31, 2024		<u>\$ 15,693,544</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	AMTZ 8-25-S2	70,896
7	Forecasted expense for the twelve months ending December 31, 2025		<u>\$ 15,764,441</u>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 8-25R-S2	-
9	Ratemaking expense for the twelve months ending December 31, 2025		<u><u>\$ 15,764,441</u></u>

Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Depreciation and Amortization Expense  
Twelve Months Ending December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric amortization expense for electric rate case expenses to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	Actual expense - December 31, 2023		\$ -
2	Normalization Adjustment N/A	AMTZ 9-23-S2	-
3	Normalized expense for the twelve months ended December 31, 2023		<u>\$ -</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 9-24-S2	-
5	Forecasted expense for the twelve months ending December 31, 2024		<u>\$ -</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	AMTZ 9-25-S2	-
7	Forecasted expense for the twelve months ending December 31, 2025		<u>\$ -</u>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 9-25R-S2	1,293,126
9	Ratemaking expense for the twelve months ending December 31, 2025		<u>\$ 1,293,126</u>

**Northern Indiana Public Service Company LLC**  
**Pro forma Adjustment to Depreciation and Amortization Expense**  
**Twelve Months Ending December 31, 2025**

This pro forma adjustment increases the twelve months ending December 31, 2023 test year amortization expense to include the annual amortization of the discounts offered to certain customers under the Economic Development Rider (EDR) that were and are forecasted to be deferred in account 182 as of December 31, 2025.

Line No.	Description A	Adjustment B	Amount C
1	Actual expense - December 31, 2023		\$ -
2	Normalization adjustment N/A	AMTZ 10-23-S2	-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ -</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 10-24-S2	-
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ -</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	AMTZ 10-25-S2	-
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ -</b>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 10-25R-S2	2,845,699
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ 2,845,699</b>

**Northern Indiana Public Service Company LLC**  
**Pro forma Adjustment to Depreciation and Amortization Expense**  
**Twelve Months Ending December 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023, electric amortization expenses for the Renewable Wholly Owned Solar Farm Regulatory Asset to reflect normalization adjustment(s), Forecasted changes for the twelve months ending December 31, 2024, December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual expense - December 31, 2023		\$ -
2	Normalization Adjustment N/A	AMTZ 11-23-S2	-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ -</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	AMTZ 11-24-S2	-
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ -</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	AMTZ 11-25-S2	-
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ -</b>
8	Pro Forma adjustment to Increase/(Decrease) amortization expense for Ratemaking	AMTZ 11-25R-S2	8,448,157
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ 8,448,157</b>



**Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Taxes Other Than Income  
Twelve Months Ending December 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023, Electric Taxes Other than Income for Property Tax to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Expense - December 31, 2023</b>		<b>\$ 23,671,242</b>
2	Normalization adjustment to Increase / (Decrease) expense to reclass from Property Tax Expense to Amortization Expense - <b>AMTZ 8</b>	<b>OTX 1-23</b>	\$ (248,457)
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 23,422,785</b>
4	Year-Over-Year Increase/(Decrease) expense for the twelve months ending December 31, 2024	<b>OTX 1-24</b>	3,131,053
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 26,553,838</b>
6	Year-Over-Year Increase/(Decrease) expense for the twelve months ending December 31, 2025	<b>OTX 1-25</b>	5,488,346
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 32,042,183</b>
8	Pro Forma adjustment to Increase / (Decrease) property tax expense for Ratemaking based on updates for the most recent property tax filing and nonjurisdictional property.	<b>OTX 1-25R</b>	(1,221,883)
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ 30,820,300</b>

**Northern Indiana Public Service Company LLC**  
**Pro forma Adjustment to Taxes Other Than Income**  
**Twelve Months Ending December 31, 2025**

This pro forma adjustment increases the twelve months ended December 31, 2023, Electric Taxes Other than Income for Payroll expenses to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Expense - December 31, 2023</b>		\$ 9,360,104
2	Normalization adjustment to Increase / (Decrease) expense to reflect a short term incentive compensation payout with target levels	<b>OTX 2-23</b>	(167,469)
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<b>\$ 9,192,635</b>
4	Year-Over-Year Increase/(Decrease) expense for the twelve months ending December 31, 2024	<b>OTX 2-24-S2</b>	569,687
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<b>\$ 9,762,322</b>
6	Year-Over-Year Increase/(Decrease) expense for the twelve months ending December 31, 2025	<b>OTX 2-25-S2</b>	268,323
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<b>\$ 10,030,646</b>
8	Pro Forma adjustment to Increase / (Decrease) payroll tax expense based on actual electric allocation	<b>OTX 2-25R-S2</b>	(255,699)
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<b>\$ 9,774,947</b>

**Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Taxes Other Than Income  
Twelve Months Ending December 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023, Electric Taxes Other than Income for sales taxes to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Expense - December 31, 2023</b>		\$ (11,952)
2	Normalization adjustment to Increase / (Decrease) expense to remove nonrecurring sales tax expense.	<b>OTX 3-23</b>	<u>11,952</u>
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<u>\$ -</u>
4	Year-Over-Year Increase/(Decrease) expense for the twelve months ending December 31, 2024	<b>OTX 3-24</b>	<u>\$ -</u>
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<u>\$ -</u>
6	Year-Over-Year Increase/(Decrease) expense for the twelve months ending December 31, 2025	<b>OTX 3-25</b>	<u>-</u>
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<u>\$ -</u>
8	Pro Forma adjustment NA		<u>\$ -</u>
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<u><u>\$ -</u></u>

**Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Taxes Other Than Income  
Twelve Months Ending December 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023, Electric Taxes Other than Income for Utility Receipts Tax to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Expense - December 31, 2023</b>		\$ (208,000)
2	Normalization adjustment to Increase/ (Decrease) URT expense to reflect the repeal of URT enacted by HEA 100-2022	OTX 4-23	<u>208,800</u>
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		\$ -
4	Year-Over-Year Increase/(Decrease) expense for the twelve months ending December 31, 2024	OTX 4-24	<u>-</u>
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<u>\$ -</u>
6	Year-Over-Year Increase/(Decrease) expense for the twelve months ending December 31, 2023	OTX 4-25	<u>-</u>
7	<b>Forecasted expense for the twelve months ending December 31, 2023</b>		<u>\$ -</u>
8	Pro Forma adjustment to Increase / (Decrease) to URT expense	OTX 4-25R	<u>-</u>
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<u><u>\$ -</u></u>

**Northern Indiana Public Service Company LLC**  
**Pro forma Adjustment to Taxes Other Than Income**  
**Twelve Months Ending December 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023, Electric Taxes Other than Income for Public Utility Fee to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustments	Amount
	A	B	C
1	<b>Actual Expense - December 31, 2023</b>		\$ 2,202,573
2	Normalization adjustment N/A		-
3	<b>Normalized expense for the twelve months ended December 31, 2023</b>		<u>2,202,573</u>
4	Year-Over-Year Increase/(Decrease) expense for the twelve months ending December 31, 2024	<b>OTX 5-24</b>	<u>703,334</u>
5	<b>Forecasted expense for the twelve months ending December 31, 2024</b>		<u>\$ 2,905,908</u>
6	Year-Over-Year Increase/(Decrease) expense for the twelve months ending December 31, 2025	<b>OTX 5-25</b>	<u>(23,866)</u>
7	<b>Forecasted expense for the twelve months ending December 31, 2025</b>		<u>\$ 2,882,042</u>
8	Pro Forma adjustment to Increase / (Decrease) Public Utility Fee expense for Ratemaking to reflect the appropriate level of PUF expense based on the pro forma results at current rates	<b>OTX 5-25R</b>	<u>(167,067)</u>
9	<b>Ratemaking expense for the twelve months ending December 31, 2025</b>		<u>\$ 2,714,975</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base gross utility plant to reflect forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 8,166,127,638
2	Normalization adjustment N/A	RB 1-23	-
3	Normalized balance as of December 31, 2023		<u>\$ 8,166,127,638</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 1-24	1,180,032,559
5	Forecasted balance for the twelve months ending December 31, 2024		<u>\$ 9,346,160,197</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 1-25	970,676,499
7	Forecasted balance for the twelve months ending December 31, 2025		<u>\$ 10,316,836,696</u>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 1-25R	-
9	Ratemaking balance for the twelve months ending December 31, 2025		<u><u>\$ 10,316,836,696</u></u>

**Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025**

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base non-jurisdictional gross plant to reflect forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	Actual balance - December 31, 2023		\$ 615,962,258
2	Normalization adjustment N/A	RB 2-23	-
3	<b>Normalized balance as of December 31, 2023</b>		<b>\$ 615,962,258</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 2-24	-
5	<b>Forecasted balance for the twelve months ending December 31, 2024</b>		<b>\$ 615,962,258</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 2-25	-
7	<b>Forecasted balance for the twelve months ending December 31, 2025</b>		<b>\$ 615,962,258</b>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 2-25R	(615,962,258)
9	<b>Ratemaking balance for the twelve months ending December 31, 2025</b>		<b>\$ -</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base common gross plant to reflect forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 340,908,536
2	Normalization adjustment N/A	RB 3-23	-
3	Normalized balance as of December 31, 2023		\$ 340,908,536
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 3-24	17,417,208
5	Forecasted balance for the twelve months ending December 31, 2024		\$ 358,325,744
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 3-25	61,397,512
7	Forecasted balance for the twelve months ending December 31, 2025		\$ 419,723,256
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 3-25R	-
9	Ratemaking balance for the twelve months ending December 31, 2025		\$ 419,723,256



Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base accumulated depreciation and amortization to reflect forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	Actual balance - December 31, 2023		\$ (3,787,446,610)
2	Normalization adjustment N/A	RB 4-23	-
3	<b>Normalized balance as of December 31, 2023</b>		<b>\$ (3,787,446,610)</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 4-24	(176,651,765)
5	<b>Forecasted balance for the twelve months ending December 31, 2024</b>		<b>\$ (3,964,098,375)</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 4-25	986,317,797
7	<b>Forecasted balance for the twelve months ending December 31, 2025</b>		<b>\$ (2,977,780,579)</b>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 4-25R	-
9	<b>Ratemaking balance for the twelve months ending December 31, 2025</b>		<b>\$ (2,977,780,579)</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base non-jurisdictional accumulated depreciation and amortization to reflect forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ (84,418,864)
2	Normalization adjustment N/A	RB 5-23	-
3	Normalized balance as of December 31, 2023		\$ (84,418,864)
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 5-24	(11,016,623)
5	Forecasted balance for the twelve months ending December 31, 2024		\$ (95,435,487)
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 5-25	(11,016,623)
7	Forecasted balance for the twelve months ending December 31, 2025		\$ (106,452,110)
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 5-25R	106,452,110
9	Ratemaking balance for the twelve months ending December 31, 2025		\$ -

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base common accumulated depreciation and amortization to reflect forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ (226,639,100)
2	Normalization adjustment N/A	RB 6-23	-
3	Normalized balance as of December 31, 2023		\$ (226,639,100)
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 6-24	(20,701,928)
5	Forecasted balance for the twelve months ending December 31, 2024		\$ (247,341,028)
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 6-25	(15,286,692)
7	Forecasted balance for the twelve months ending December 31, 2025		\$ (262,627,721)
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 6-25R	-
9	Ratemaking balance for the twelve months ending December 31, 2025		\$ (262,627,721)

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base Schahfer Units 14, 15, 17, and 18 Retirement to reflect forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 592,487,087
2	Normalization adjustment N/A	RB 7-23	-
3	Normalized balance as of December 31, 2023		<u>\$ 592,487,087</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 7-24	<u>(56,435,153)</u>
5	Forecasted balance for the twelve months ending December 31, 2024		<u>\$ 536,051,934</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 7-25	<u>125,073,291</u>
7	Forecasted balance for the twelve months ending December 31, 2025		<u>\$ 661,125,225</u>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 7-25R	<u>-</u>
9	Ratemaking balance for the twelve months ending December 31, 2025		<u>\$ 661,125,225</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base Work Asset Management (WAM) regulatory assets to reflect Forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ -
2	Normalization adjustment N/A	RB 8-23-S2	-
3	Normalized balance as of December 31, 2023		\$ -
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 8-24-S2	18,479,443
5	Forecasted balance for the twelve months ending December 31, 2024		\$ 18,479,443
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 8-25-S2	9,757,564
7	Forecasted balance for the twelve months ending December 31, 2025		\$ 28,237,008
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 8-25R-S2	-
9	Ratemaking balance for the twelve months ending December 31, 2025		\$ 28,237,008

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base renewable energy joint venture investments regulatory assets to reflect Forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 828,810,331
2	Normalization adjustment N/A	RB 9-23-S2	-
3	Normalized balance as of December 31, 2023		\$ 828,810,331
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 9-24-S2	(27,924,381)
5	Forecasted balance for the twelve months ending December 31, 2024		\$ 800,885,949
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 9-25-S2	(28,019,333)
7	Forecasted balance for the twelve months ending December 31, 2025		\$ 772,866,616
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 9-25R-S2	-
9	Ratemaking balance for the twelve months ending December 31, 2025		\$ 772,866,616

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base regulatory assets from Cause Nos. 44688, 45159, and 45772 remainder to reflect Forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 47,382,040
2	Normalization adjustment N/A	RB 10-23-S2	-
3	Normalized balance as of December 31, 2023		<u>\$ 47,382,040</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 10-24-S2	<u>(11,379,240)</u>
5	Forecasted balance for the twelve months ending December 31, 2024		<u>\$ 36,002,800</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 10-25-S2	<u>(11,477,838)</u>
7	Forecasted balance for the twelve months ending December 31, 2025		<u>\$ 24,524,961</u>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 10-25R-S2	<u>-</u>
9	Ratemaking balance for the twelve months ending December 31, 2025		<u><u>\$ 24,524,961</u></u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, for the Electric TDSIC Cause Nos. 44733 and 45557 regulatory asset to reflect forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	Actual balance - December 31, 2023		\$ (0)
2	Normalization adjustment N/A	RB 11-23-S2	-
3	<b>Normalized balance as of December 31, 2023</b>		<b>\$ -</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 11-24-S2	6,795,716
5	<b>Forecasted balance for the twelve months ending December 31, 2024</b>		<b>\$ 6,795,716</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 11-25-S2	11,883,680
7	<b>Forecasted balance for the twelve months ending December 31, 2025</b>		<b>\$ 18,679,396</b>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 11-25R-S2	-
9	<b>Ratemaking balance for the twelve months ending December 31, 2025</b>		<b>\$ 18,679,396</b>



Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base renewable energy wholly owned solar farm regulatory assets to reflect forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 463,828,697
2	Normalization adjustment to remove balances related to investment and AFUDC that will convert to Utility Plant at project completion	RB 12-23-S2	(463,828,697)
3	Normalized balance as of December 31, 2023		\$ -
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 12-24-S2	20,177,069
5	Forecasted balance for the twelve months ending December 31, 2024		\$ 20,177,069
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 12-25-S2	79,662,691
7	Forecasted balance for the twelve months ending December 31, 2025		\$ 99,839,760
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 12-25R-S2	-
9	Ratemaking balance for the twelve months ending December 31, 2025		\$ 99,839,760

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base materials and supplies to reflect forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025 and ratemaking adjustment for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual balance - December 31, 2023		\$ 126,337,307
2	Normalization adjustment N/A	RB 13-23-S2	-
3	<b>Normalized balance as of December 31, 2023</b>		<b>\$ 126,337,307</b>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 13-24-S2	-
5	<b>Forecasted balance for the twelve months ending December 31, 2024</b>		<b>\$ 126,337,307</b>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 13-25-S2	(13,617,008)
7	<b>Forecasted balance for the twelve months ending December 31, 2025</b>		<b>\$ 112,720,299</b>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 13-25R-S2	-
9	<b>Ratemaking balance for the twelve months ending December 31, 2025</b>		<b>\$ 112,720,299</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Rate Base  
As of December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, Electric rate base production fuel to reflect forecasted changes for the twelve months ending December 31,2024, and December 31,2025, and ratemaking adjustment for the twelve months ending December 31,2025, as described below.

Line No.	Description A	Adjustment B	Amount C
1	Actual balance - December 31, 2023		\$ 65,267,664
2	Normalization adjustment N/A	RB 14-23-S2	-
3	Normalized balance as of December 31, 2023		<u>\$ 65,267,664</u>
4	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2024	RB 14-24-S2	<u>(7,511,457)</u>
5	Forecasted balance for the twelve months ending December 31, 2024		<u>\$ 57,756,207</u>
6	Year-Over-Year Increase/(Decrease) for the twelve months ending December 31, 2025	RB 14-25-S2	<u>(42,087,684)</u>
7	Forecasted balance for the twelve months ending December 31, 2025		<u>\$ 15,668,523</u>
8	Pro Forma adjustment to Increase/(Decrease) balance for Ratemaking	RB 14-25R-S2	-
9	Ratemaking balance for the twelve months ending December 31, 2025		<u>\$ 15,668,523</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Capital Structure  
As of December 31, 2025

This pro forma adjusts the balance as of December 31, 2023, capital structure for common equity to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024 and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Balance - December 31, 2023		\$ 5,395,587,397
2	Normalization Adjustment N/A		-
3	Normalized balance as of December 31, 2023		<u>\$ 5,395,587,397</u>
4	Year-Over-Year Increase/(Decrease) balance as of December 31, 2024	CS 1-24-S2	910,756,219
5	Forecasted balance as of December 31, 2024		<u>\$ 6,306,343,616</u>
6	Year-Over-Year Increase/(Decrease) balance as of December 31, 2025	CS 1-25-S2	1,411,785,607
7	Forecasted balance as of December 31, 2025		<u>\$ 7,718,129,223</u>
8	Pro Forma adjustment N/A	CS 1-25R-S2	-
9	Ratemaking balance as of December 31, 2025		<u>\$ 7,718,129,223</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Capital Structure  
As of December 31, 2025

This pro forma adjusts the balance as of December 31, 2023, capital structure for long term debt to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Balance - December 31, 2023</b>		\$ 3,708,950,268
2	Normalization adjustment N/A		-
3	<b>Normalized balance as of December 31, 2023</b>		<u>\$ 3,708,950,268</u>
4	Year-Over-Year Increase/(Decrease) balance as of December 31, 2024	CS 2-24-S2	760,014,508
5	<b>Forecasted balance as of December 31, 2024</b>		<u>\$ 4,468,964,776</u>
6	Year-Over-Year Increase/(Decrease) balance as of December 31, 2025	CS 2-25-S2	1,000,014,508
7	<b>Forecasted balance as of December 31, 2025</b>		<u>\$ 5,468,979,284</u>
8	Pro Forma adjustment N/A	CS 2-25R-S2	-
9	<b>Ratemaking balance as of December 31, 2025</b>		<u><u>\$ 5,468,979,284</u></u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Capital Structure  
As of December 31, 2025

This pro forma adjusts the balance as of December 31, 2023, capital structure for customer deposits to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Balance - December 31, 2023		\$ 59,885,295
2	Normalization adjustment N/A		-
3	Normalized balance as of December 31, 2023		<u>\$ 59,885,295</u>
4	Year-Over-Year Increase/(Decrease) balance as of December 31, 2024	CS 3-24	-
5	Forecasted balance as of December 31, 2024		<u>\$ 59,885,295</u>
6	Year-Over-Year Increase/(Decrease) balance as of December 31, 2025	CS 3-25	-
7	Forecasted balance as of December 31, 2025		<u>\$ 59,885,295</u>
8	Pro Forma adjustment N/A		-
9	Ratemaking balance as of December 31, 2025		<u>\$ 59,885,295</u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Capital Structure  
As of December 31, 2025

This pro forma adjusts the balance as of December 31, 2023, capital structure for deferred income taxes to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Balance - December 31, 2023		\$ 1,423,513,030
2	Normalization adjustment to Increase / (Decrease) the balance		-
3	<b>Normalized balance as of December 31, 2023</b>		<b>\$ 1,423,513,030</b>
4	Year-Over-Year Increase/(Decrease) balance as of December 31, 2024	CS 4-24-S2	102,173,432
5	<b>Forecasted balance as of December 31, 2024</b>		<b>\$ 1,525,686,463</b>
6	Year-Over-Year Increase/(Decrease) balance as of December 31, 2025	CS 4-25-S2	166,037,069
7	<b>Forecasted balance as of December 31, 2025</b>		<b>\$ 1,691,723,532</b>
8	Pro Forma adjustment to Increase / (Decrease) the balance for Ratemaking		-
9	<b>Ratemaking balance as of December 31, 2025</b>		<b>\$ 1,691,723,532</b>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Capital Structure  
As of December 31, 2025

This pro forma adjusts the balance as of December 31, 2023, capital structure for post-retirement liability to reflect normalization adjustment(s), forecasted changes for the twelve months ending December 31, 2024 and December 31, 2025 and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Balance - December 31, 2023		\$ 13,235,128
2	Normalization adjustment N/A		-
3	Normalized balance as of December 31, 2023		<u>\$ 13,235,128</u>
4	Year-Over-Year Increase/(Decrease) balance as of December 31, 2024	CS 5-24-S2	<u>(10,760,936)</u>
5	Forecasted balance as of December 31, 2024		<u>\$ 2,474,191</u>
6	Year-Over-Year Increase/(Decrease) balance as of December 31, 2025	CS 5-25-S2	<u>(10,085,213)</u>
7	Forecasted balance as of December 31, 2025		<u>\$ (7,611,022)</u>
8	Pro Forma adjustment to reflect the current Aon forecast received July 2024	CS 5-25R-S2	<u>119,137</u>
9	Ratemaking balance as of December 31, 2025		<u>\$ (7,491,885)</u>



Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Capital Structure  
As of December 31, 2025

This pro forma adjusts the balance as of December 31, 2023, capital structure for prepaid pension asset to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024 and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	<b>Actual Balance - December 31, 2023</b>		\$ (420,719,782)
2	Normalization Adjustment N/A		-
3	<b>Normalized balance as of December 31, 2023</b>		<u>\$ (420,719,782)</u>
4	Year-Over-Year Increase/(Decrease) balance as of December 31, 2024	CS 6-24-S2	<u>34,280,469</u>
5	<b>Forecasted balance as of December 31, 2024</b>		<u>\$ (386,439,313)</u>
6	Year-Over-Year Increase/(Decrease) balance as of December 31, 2025	CS 6-25-S2	<u>15,825,000</u>
7	<b>Forecasted balance as of December 31, 2025</b>		<u>\$ (370,614,313)</u>
8	Pro Forma adjustment to reflect the current Aon Hewitt forecast received July 2024	CS 6-25R-S2	<u>(1,694,000)</u>
9	<b>Ratemaking balance as of December 31, 2025</b>		<u><u>\$ (372,308,313)</u></u>

Northern Indiana Public Service Company LLC  
Pro Forma Adjustment to Capital Structure  
As of December 31, 2025

This pro forma adjusts the balance as of December 31, 2023, capital structure for Post-1970 ITC to reflect normalization adjustment(s), forecast changes for the twelve months ending December 31, 2024, and December 31, 2025, and ratemaking adjustment(s) for the twelve months ending December 31, 2025, as described below.

Line No.	Description	Adjustment	Amount
	A	B	C
1	Actual Balance - December 31, 2023		\$ 608,644
2	Normalization adjustment N/A		-
3	Normalized balance as of December 31, 2023		<u>\$ 608,644</u>
4	Year-Over-Year Increase/(Decrease) balance as of December 31, 2024	CS 7-24-S2	<u>(217,016)</u>
5	Forecasted balance as of December 31, 2024		<u>\$ 391,628</u>
6	Year-Over-Year Increase/(Decrease) balance as of December 31, 2025	CS 7-25-S2	<u>(217,016)</u>
7	Forecasted balance as of December 31, 2025		<u>\$ 174,612</u>
8	Pro Forma adjustment N/A		-
9	Ratemaking balance as of December 31, 2025		<u><u>\$ 174,612</u></u>

Northern Indiana Public Service Company LLC  
Pro forma Adjustment to Income Taxes  
For the Twelve Month Period Ending December 31, 2025

This pro forma adjusts the twelve months ended December 31, 2023, federal and state income tax expense to reflect income tax expense based on pro forma current revenues. Additionally, this adjustment shows the PF adjustment to reflect income tax at the proposed revenue requirement.

Line No.	Description	Adjustments	Amount
	A	B	C
1	Actual Federal and State Income Taxes - December 31, 2023		\$ 47,253,086
2	Pro Forma adjustment to Increase / (Decrease) expense for Current Rates	ITX 1-25R-S2	<u>(13,373,927)</u>
3	<b>Federal and State Income Taxes at Pro Forma Current Rates</b>		<b><u>\$ 33,879,159</u></b>
4	Pro Forma adjustment to Increase / (Decrease) expense for Proposed Revenue	PF-4-S2	104,999,844
5	<b>Federal and State Income Taxes at Proposed Revenue</b>		<b><u>\$ 138,879,003</u></b>

Northern Indiana Public Service Company LLC  
Pro forma Adjustment Based on Proposed Rates  
For the Twelve Month Period Ending December 31, 2025

The proposed adjustments increase twelve months ending December 31, 2023, test year Revenue (PF-1 & PF-5) and Expense (PF-2 through PF-4 & PF-6 through PF-9) to reflect fuel & purchased power, uncollectible, utility receipts tax, public utility fees, and income taxes based on the proposed revenue requirement.

Line No.	Description	Amount				
		B	C	D	E	
	A	PF-1-S2 Revenue Requirement	PF-2-S2 Uncollectible Accounts	PF-3-S2 Public Utility Fee Rate	PF-4-S2 Fed/State Income Taxes	
1	Revenue Requirement Deficiency	\$ 317,177,970	\$ 424,756,681	\$ 424,756,681	\$ 424,756,681	
2	Rate	133.9174602%	0.4571400%	0.1500000%	19.8497481% 4.8702501%	Fed State
3	Increase in Pro forma Test Year Revenue and O&M Expense Based on Proposed Rates	\$ 424,756,681	\$ 1,941,733	\$ 637,135	\$ 104,999,844	
		<b>PF-5-S2 Revenue Requirement</b>				
4	Pro-Forma Adjustments to Reduce FPP for ITC/PTC & Schahfer U17/18 Retirement	A \$ (55,755,482)				
5	Times: 1- Effective Income Tax Rate	75.13%				
6	Pro-Forma Adjustment to Reduce FPP for ITC/PTC & Schahfer U17/18 Retirement - Net of Tax	\$ (41,888,536)				
7	Times: Revenue Multiplier	133.9174602%				
8	Decrease in Pro forma Test Year Revenue Based on Proposed Rates	B \$ (56,096,064)				
		<b>PF-6-S2 PF-7-S2 PF-8-S2 PF-9-S2 FPP X-25G-S2 Uncollectible Public Utility Fed/State Accounts Fee Rate Income Taxes</b>				
9	Pro-Forma Adjustments to Reduce FPP for ITC/PTC & Schahfer U17/18 Retirement	A \$ (55,755,482)				
10	Decrease in Pro forma Test Year Revenue Based on Proposed Rates	B \$ (56,096,064)	\$ (56,096,064)	\$ (56,096,064)	\$ -	
11	Times: Rate		0.4571400%	0.1500000%	24.871%	
12	Decrease in Pro forma Test Year FPP and O&M Expense Based on Proposed Rates	\$ (55,755,482)	\$ (256,438)	\$ (84,144)	\$ -	

**Statements of Consolidated Operations**

Year Ended December 31, <i>(in millions)</i>	2023	2022
<b>Operating Revenues</b>		
Customer revenues	\$ 2,687.6	\$ 2,791.3
Other revenues	84.0	95.7
<b>Total Operating Revenues</b>	<b>2,771.6</b>	<b>2,887.0</b>
<b>Operating Expenses</b>		
Cost of energy	888.4	1,132.2
Operation and maintenance	787.8	740.4
Depreciation and amortization	493.8	449.4
Loss (gain) on sale of assets	2.1	—
Other taxes	57.9	72.1
<b>Total Operating Expenses</b>	<b>2,230.0</b>	<b>2,394.1</b>
<b>Operating Income</b>	<b>541.6</b>	<b>492.9</b>
<b>Other Income (Deductions)</b>		
Interest on long-term debt	(4.4)	(4.9)
Interest on long-term debt - affiliated	(152.4)	(115.7)
Other, net	16.3	25.0
<b>Total Other Deductions, Net</b>	<b>(140.5)</b>	<b>(95.6)</b>
<b>Income before Income Taxes</b>	<b>401.1</b>	<b>397.3</b>
<b>Income Taxes</b>	<b>62.2</b>	<b>68.8</b>
<b>Net Income</b>	<b>\$ 338.9</b>	<b>\$ 328.5</b>
Net income (loss) attributable to noncontrolling interest	\$ (39.9)	\$ (12.3)
<b>Net Income Attributable to NIPSCO</b>	<b>\$ 378.8</b>	<b>\$ 340.8</b>

**Consolidated Balance Sheets**

<i>(in millions)</i>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b><u>ASSETS</u></b>		
<b>Property, Plant and Equipment</b>		
Utility plant	\$ 13,230.0	\$ 11,902.7
Accumulated depreciation and amortization	(4,041.6)	(3,831.7)
Net utility plant	9,188.4	8,071.0
Other property, at cost, less accumulated depreciation	1,424.5	1,116.5
Net Property, Plant and Equipment <sup>(1)</sup>	10,612.9	9,187.5
<b>Current Assets</b>		
Cash and cash equivalents	42.1	9.8
Restricted cash	34.4	34.1
Accounts receivable (less reserve of \$11.9 and \$12.0, respectively)	350.4	409.8
Accounts receivable - affiliated	30.8	34.5
Income tax receivable	2.0	—
Gas storage	88.7	177.3
Materials and supplies, at average cost	148.8	131.1
Electric production fuel, at average cost	65.3	68.8
Exchange gas receivable	3.6	19.9
Regulatory assets	110.9	114.7
Deposits to renewable generation asset developer	454.2	143.8
Prepayments and other	63.3	73.6
Total Current Assets <sup>(1)</sup>	1,394.5	1,217.4
<b>Other Assets</b>		
Regulatory assets	1,141.6	1,217.1
Goodwill	17.8	17.8
Deferred charges and other	127.0	120.1
Total Other Assets	1,286.4	1,355.0
<b>Total Assets</b>	<b>\$ 13,293.8</b>	<b>\$ 11,759.9</b>

<sup>(1)</sup> Includes \$1,369.8 million and \$978.5 million at December 31, 2023 and December 31, 2022, respectively, of net property, plant and equipment assets and \$63.6 million and \$25.7 million at December 31, 2023 and December 31, 2022, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 4, "Noncontrolling Interest," for additional information.

**Consolidated Balance Sheets**

<i>(in millions)</i>	December 31, 2023	December 31, 2022
<b><u>MEMBER'S EQUITY AND LIABILITIES</u></b>		
<b>Member's Equity</b>		
Member's equity - NIPSCO	\$ 6,839.4	\$ 3,845.0
Noncontrolling interest in consolidated subsidiaries	505.6	326.4
<b>Total Member's Equity</b>	<b>7,345.0</b>	<b>4,171.4</b>
<b>Long-Term Debt</b>		
Long-term debt, excluding amounts due within one year	117.2	72.2
Long-term debt - affiliated, excluding amounts due within one year	3,651.0	2,786.0
<b>Total Long-Term Debt</b>	<b>3,768.2</b>	<b>2,858.2</b>
<b>Current Liabilities</b>		
Current portion of long-term debt	2.1	2.3
Current portion of long-term debt - affiliated	—	80.0
Short-term borrowings	157.6	207.2
Short-term borrowings - affiliated	51.8	530.7
Accounts payable	390.9	403.2
Accounts payable - affiliated	90.3	56.1
Customer deposits and credits	109.9	107.5
Taxes accrued	44.5	76.3
Interest accrued	17.3	49.5
Regulatory liabilities	123.6	91.5
Accrued compensation and employee benefits	81.2	65.9
Asset retirement obligations	72.5	35.5
Obligations to renewable generation asset developer	—	347.2
Other accruals	119.5	218.2
<b>Total Current Liabilities <sup>(1)</sup></b>	<b>1,261.2</b>	<b>2,271.1</b>
<b>Other Liabilities</b>		
Deferred income taxes	—	959.5
Accrued liability for postretirement and postemployment benefits	230.5	220.3
Regulatory liabilities	244.6	832.1
Asset retirement obligations	393.5	393.6
Other noncurrent liabilities and deferred credits	50.8	53.7
<b>Total Other Liabilities <sup>(1)</sup></b>	<b>919.4</b>	<b>2,459.2</b>
<b>Total Member's Equity and Liabilities</b>	<b>\$ 13,293.8</b>	<b>\$ 11,759.9</b>

<sup>(1)</sup> Includes \$68.3 million and \$128.2 million at December 31, 2023 and December 31, 2022, respectively, of current liabilities and \$55.7 million and \$30.6 million at December 31, 2023 and December 31, 2022, respectively, of other liabilities of consolidated VIEs that creditors do not have recourse to our general credit. Refer to Note 4, "Noncontrolling Interest," for additional information.

## Notes to Consolidated Financial Statements

Year Ended December 31, <i>(in millions)</i>	2023	2022
<b>Operating Activities</b>		
Net Income	\$ 338.9	\$ 328.5
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation and amortization	493.8	449.4
Deferred income taxes and investment tax credits	23.9	24.9
Other adjustments	(24.6)	(3.9)
Changes in Assets and Liabilities:		
Accounts receivable - affiliated	(24.6)	1.3
Accounts receivable	59.3	(72.4)
Gas storage and other inventories	60.8	(108.7)
Accounts payable - affiliated	34.2	7.6
Accounts payable	(28.4)	68.0
Exchange gas receivable/payable and over/under-recovered gas and fuel costs	136.8	(16.8)
Other accruals	(40.7)	26.1
Prepayments and other current assets	(9.6)	8.2
Regulatory assets/liabilities	(16.0)	(44.8)
Postretirement and postemployment benefits	(10.9)	32.7
Deferred charges and other noncurrent assets	(31.9)	(4.6)
Other noncurrent liabilities and deferral credits	(35.1)	(44.3)
<b>Net Cash Flows from Operating Activities</b>	<b>925.9</b>	<b>651.2</b>
<b>Investing Activities</b>		
Capital expenditures	(1,285.7)	(947.1)
Cost of removal	(124.2)	(100.1)
Milestone and final payments to renewable generation asset developer	(761.4)	(323.9)
<b>Net Cash Flows used for Investing Activities</b>	<b>(2,171.3)</b>	<b>(1,371.1)</b>
<b>Financing Activities</b>		
Proceeds from issuance of long-term debt - affiliated	865.0	435.0
Repayments of long-term debt - affiliated	(80.0)	—
Repayments of long-term debt and finance lease obligations	(3.7)	(12.2)
Proceeds from issuance of NiSource IRCA short-term debt – affiliated	51.8	—
Change in affiliated money pool borrowings	(502.4)	88.0
Change in short-term borrowings	(49.6)	207.2
Other debt related costs	(7.7)	(2.1)
Contributions from noncontrolling interests	240.9	21.2
Distributions to noncontrolling interests	(14.1)	(6.0)
Payments of obligations to renewable generation asset developers	(347.2)	—
Issuance of member's equity	1,125.0	—
<b>Net Cash Flows from Financing Activities</b>	<b>1,278.0</b>	<b>731.1</b>
Change in cash, cash equivalents and restricted cash	32.6	11.2
Cash, cash equivalents and restricted cash at beginning of period	43.9	32.7
<b>Cash, Cash Equivalents and Restricted Cash at End of Period</b>	<b>\$ 76.5</b>	<b>\$ 43.9</b>



**NORTHERN INDIANA PUBLIC SERVICE COMPANY**  
Forecasted GAAP Consolidated Balance Sheet 2025 (unaudited and current rates)

Year Ended December 31, <i>(dollars in millions)</i>	<b>2025</b>
<b>ASSETS</b>	
<b>Utility Plant, at original cost</b>	
Total Utility Plant	\$ 17,689.3
Less: Accumulated provision for depreciation and amortization	(4,717.3)
Net Utility Plant	12,971.9
<b>Other property</b>	122.0
<b>Net Property, Plant and Equipment</b>	<b>13,093.9</b>
<b>Current Assets</b>	
Cash and cash equivalents	22.3
Money Pool Deposits	720.4
Restricted Cash	-
Accounts Receivable - Unaffiliated	62.6
Accounts Receivable - Affiliated	275.9
Materials and Supplies	156.0
Gas inventory & Electric Production Fuel	155.9
Regulatory assets	118.6
Prepayments and Other	536.5
<b>Total Current Assets</b>	<b>2,048.2</b>
<b>Investments</b>	<b>726.6</b>
<b>Other Non-Current Assets</b>	
Regulatory Assets	1,170.5
Goodwill	17.8
Deferred charges and other	218.3
<b>Total Non-Current Assets</b>	<b>1,406.6</b>
<b>Total Assets</b>	<b>\$ 17,275.2</b>

**NORTHERN INDIANA PUBLIC SERVICE COMPANY**

Forecasted GAAP Consolidated Balance Sheet 2025 (unaudited and current rates)

Year Ended December 31, *(dollars in millions)***2025****CAPITALIZATION and LIABILITIES****Capitalization**

Membership Interest	\$	5,303.5
Retained earnings		4,032.1
<b>Total Common Stock Equity</b>		<b>9,335.6</b>
Long-term debt		5,597.4
<b>Total Capitalization</b>		<b>14,933.1</b>

**Current Liabilities**

Current Portion of Long-Term Debt		3.6
Short-term borrowings		140.9
Accounts payable - unaffiliated		376.1
Accounts payable - affiliated		205.5
Customer deposits and credits		74.0
Taxes accrued		9.3
Interest accrued		42.5
Accrued employment and postemployment costs		77.4
Regulatory liabilities		64.1
Other current liabilities		240.2
<b>Total Current Liabilities</b>		<b>1,233.8</b>

**Other Non-Current Liabilities and Deferred Credits**

Deferred income taxes		182.0
Deferred investment tax credits		42.9
Accrued liability for postretirement and postemployment benefits		211.1
Regulatory liabilities		334.7
Other noncurrent liabilities		337.7
<b>Total Other Liabilities and Deferred Credits</b>		<b>1,108.4</b>
<b>Total Capitalization and Liabilities</b>	\$	<b>17,275.2</b>

**NIPSCO Consolidated**  
**GAAP Forecasted Cash Flow Statement (unaudited and current rates)**  
**For the Twelve Months Ended December 31, 2025**  
*(dollars in millions)*

	Dec 31, 2025
<b><u>Operating Activities</u></b>	
Net Income	\$ 717.6
Adjustments to Reconcile Net Income to Net Cash from Continuing Operations:	
Depreciation and Amortization	653.3
Deferred Income Taxes and Investment Tax Credits	(51.4)
Stock Compensation Expense and 401(k) Profit Sharing Contribution	12.4
AFUDC Equity	(45.5)
Regulatory Assets/Liabilities	(86.1)
Other OPEB Benefits	(10.7)
Deferred Charges & Other Non Current Assets	58.7
Other Non Current Liabilities	(89.2)
Changes in Assets and Liabilities:	
Accounts Receivable - Unaffiliated	(3.2)
Income Tax Receivable	
Inventories	-
Accounts Payable - Affiliated	67.7
Accounts Payable - Unaffiliated	2.9
Customer Deposits and Credits	1.1
Taxes Accrued	154.6
Exchange Gas Receivable/Payable	-
Other Accruals	
Prepayments and Other Current Assets	(22.4)
Accrued Compensation & Employee Benefits	(16.5)
<b>Net Cash Flows from Operating Activities</b>	<b>\$ 1,343.2</b>
<b><u>Investing Activities</u></b>	
Capital Expenditures	\$ (2,583.5)
Other Investing Activities	(112.4)
<b>Net Cash Flows used for Investing Activities</b>	<b>\$ (2,695.9)</b>
<b><u>Financing Activities</u></b>	
Changes In Affiliated Borrowings	\$ 925.0
Issuance Of Common Stock	1,137.6
Other Changes To Long Term Debt	(4.4)
Dividends Paid	(316.0)
<b>Net Cash Flows from Financing Activities</b>	<b>\$ 1,742.2</b>

**NORTHERN INDIANA PUBLIC SERVICE COMPANY**  
GAAP Forecasted Statements of Electric Utility Income 2025 (unaudited and current rates)

Year Ended December 31, (dollars in millions)	<b>2025</b>
<b>Net Revenues</b>	
Total Net Revenue	\$ 1,447.5
<b>Operating Expenses</b>	
Operation and Maintenance	(466.2)
Depreciation & Amortization	(489.4)
Taxes Other Than Income	(39.6)
Total Operating Expenses	(995.3)
<b>Operating Income</b>	<b>452.2</b>
<b>Other Income (Deductions)</b>	
Interest Expense, Net	(113.0)
Other , net	(3.2)
Total Other (Deductions)	(116.1)
<b>Income before Income Taxes</b>	<b>336.1</b>
<b>Income Taxes</b>	<b>(72.5)</b>
Net Income	\$ 263.5

NORTHERN INDIANA PUBLIC SERVICE COMPANY  
Ratio Summary for Allocation of Common Expenses  
For the Period August 2024 to January 2025

<b>Ratio</b>	<b>Ratio Short Name</b>	<b>Description</b>	<b>% to Elec</b>	<b>% to Gas</b>
13	PC	# of Computing Devices	<b>58.69%</b>	<b>41.31%</b>
11	EMP	# of Employees	<b>64.74%</b>	<b>35.26%</b>
10	G-3	# of Retail Customers	<b>38.02%</b>	<b>61.98%</b>
G-2	G-2	All Customers	<b>36.15%</b>	<b>63.85%</b>
9	9	Automobile Units	<b>49.30%</b>	<b>50.70%</b>
E	E	Combination District Customers	<b>48.62%</b>	<b>51.38%</b>
7	7	Gross Depreciable Property and Operating Expenses	<b>66.93%</b>	<b>33.07%</b>
2	2	Gross Fixed Assets	<b>67.96%</b>	<b>32.04%</b>
1	1	Gross Fixed Assets and Operating Expenses	<b>67.80%</b>	<b>32.20%</b>
H	H	Investment	<b>68.19%</b>	<b>31.81%</b>
20	O&M	O&M Expenses	<b>64.77%</b>	<b>35.23%</b>
D	D	Payroll	<b>65.10%</b>	<b>34.90%</b>
Property Tax	PT	Property Tax allocation	<b>54.36%</b>	<b>45.64%</b>
MR	MR	Mainframe	<b>29.41%</b>	<b>70.59%</b>
MS	MS	NiFit	<b>66.27%</b>	<b>33.73%</b>