

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF NORTHERN INDIANA PUBLIC)
SERVICE COMPANY LLC FOR (1) AUTHORITY TO)
MODIFY ITS RATES AND CHARGES FOR GAS)
UTILITY SERVICE THROUGH A PHASE IN OF)
RATES; (2) APPROVAL OF NEW SCHEDULES OF)
RATES AND CHARGES, GENERAL RULES AND)
REGULATIONS, AND RIDERS; (3) APPROVAL OF)
REVISED DEPRECIATION RATES APPLICABLE TO)
ITS GAS PLANT IN SERVICE; (4) APPROVAL OF)
MECHANISM TO MODIFY RATES PROSPECTIVELY)
FOR CHANGES IN FEDERAL OR STATE INCOME)
TAX RATES, UTILITY RECEIPTS TAX RATES, AND)
PUBLIC UTILITY FEE RATES; (5) APPROVAL OF)
NECESSARY AND APPROPRIATE ACCOUNTING)
RELIEF; AND (6) AUTHORITY TO IMPLEMENT)
TEMPORARY RATES CONSISTENT WITH THE)
PROVISIONS OF IND. CODE § 8-1-2-42.7.)

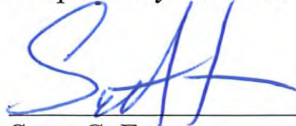
CAUSE NO. 45621

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR'S

PUBLIC'S EXHIBIT NO. 3 – TESTIMONY OF OUCC WITNESS
HEATHER R. POOLE

January 20, 2022

Respectfully submitted,



Scott C. Franson
Attorney No. 27839-49
Deputy Consumer Counselor

**NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC
CAUSE NO. 45621
TESTIMONY OF OUCC WITNESS HEATHER R. POOLE**

I. INTRODUCTION

1 **Q: Please state your name and business address.**

2 A: My name is Heather R. Poole, and my business address is 115 West Washington
3 Street, Suite 1500 South, Indianapolis, IN 46204.

4 **Q: By whom are you employed and in what capacity?**

5 A: I am employed by the Indiana Office of Utility Consumer Counselor ("OUCC") as
6 the Director of the Natural Gas Division. I have worked as a member of the OUCC's
7 Natural Gas Division since December of 2010. For a summary of my educational
8 and professional experience, as well as my preparation for this case, please see the
9 Appendix attached to my testimony.

10 **Q: What is the purpose of your testimony?**

11 A: I address certain elements of Northern Indiana Public Service Company LLC's
12 ("NIPSCO" or "Petitioner") request for a rate increase through a phase-in of rates
13 utilizing a forward-looking test year. I sponsor and address OUCC adjustments
14 relating to the Corporate Incentive Plan ("CIP") expense and amortization expenses
15 for rate case expense and the COVID regulatory asset. I also address NIPSCO's
16 Unaccounted For Gas ("UAFG") in the Gas Cost Adjustment ("GCA").

17 **Q: What are your recommendations?**

18 A: I recommend reductions to Petitioner's CIP expense. I recommend reductions to
19 Petitioner's rate case expense, and changes to the amortization periods for the
20 COVID regulatory asset and rate case expense amortization. I also recommend a
21 reduction in the UAFG cap included within the GCA.

1 **Q: To the extent you do not address a specific item or adjustment, should that be**
2 **construed to mean you agree with Petitioner's proposal?**

3 A: No. Not addressing a specific item or adjustment NIPSCO proposes does not indicate
4 my agreement or approval. Rather, the scope of my testimony is limited to the
5 specific items addressed herein.

II. CORPORATE INCENTIVE PLAN EXPENSE

6 **Q: What is Petitioner's proposed forward test year amount for CIP expense?**

7 A: NIPSCO's 2022 CIP ratemaking expense for the twelve months ending December
8 31, 2002 is \$6,231,262. (Petitioner's Exhibit No. 19-S2, Workpaper OM 12, Page
9 [.1].) NIPSCO's witness Cartella states:

10 As it is an important piece to overall total rewards earned by NIPSCO
11 employees, the Company has included in the cost of service and is
12 requesting recovery of the "target" level of expense for all employees.
13 Target is most representative of an expected, normal level of on-going
14 CIP expense. The target level represents the annual CIP expense as if
15 there were no adjustments for achieving results above or below
16 expected level of performance.

17 (Petitioner's Exhibit No. 12, page 17, line 17 to page 18, line 5.)

18 **Q: Do you agree with including the target level of annual CIP expense in base**
19 **rates?**

20 A: No. In response to OUCC DR 9-001, NIPSCO indicated the level of payout for the
21 period of 2018 to 2020 ranged from 50% to 75%, which is well below the target
22 100% level included in NIPSCO's case-in-chief. (Attachment HRP-1, page 4;
23 NIPSCO Response to OUCC Data Request ("DR") 9-001.)

24 **Q: Has the Commission indicated what level of incentive plan should be included**
25 **in base rates?**

26 A: Yes. In Cause No. 45235, the Commission stated: "I&M's evidence is that only the
27 target level of incentive compensation is included in its revenue requirement, and all

1 incentive compensation in excess of target is effectively allocated to shareholders.”

2 *In re Indiana Michigan Power Company*, Cause No. 45235, Final Order page 63

3 (Ind. Util. Regulatory Comm’n March 11, 2020.) However, based on history,

4 NIPSCO’s employees have not hit a target level of CIP expense for the last 3 years.

5 Including a target amount of CIP expense in rates does not reflect a representative

6 amount of ongoing expense.

7 **Q: What is your recommendation for CIP Expense to be included in base rates?**

8 A: I recommend NIPSCO recover CIP expenses based on the historical average. A

9 percentage of 60.5% should be used to calculate CIP Expenses included in base rates.

10 This is the average percentage paid to employees for 2018-2020. (Attachment HRP-

11 1, page 3.) Applying a percentage of 60.5% to NIPSCO’s calculation of annual CIP

12 expense results in total CIP expense of \$3,769,820. (Attachment HRP-1, page 2.)

13 Subtracting the OUCC’s 2022 ratemaking amount of \$3,769,820 from the 2022

14 budget amount of \$5,762,119 results in the OUCC’s ratemaking adjustment of

15 (\$1,992,299). (Attachment HRP-1, page 1.)

16 **Q: What happens if the Commission includes CIP expense in base rates at target,**
17 **and NIPSCO continues to pay out CIP expense at less than target?**

18 A: NIPSCO’s customers will pay for expenses that are not being paid to NIPSCO

19 employees.

III. AMORTIZATION EXPENSE

A. COVID Regulatory Asset

1 **Q: What is Petitioner's proposed forward test year amount for the amortization of**
2 **the COVID regulatory asset?**

3 A: NIPSCO's 2022 amortization expense for the COVID regulatory asset for the twelve
4 months ending December 31, 2022 is \$1,368,690. (Petitioner's Exhibit No. 19-S2,
5 Workpaper AMTZ 6, Page [1].) NIPSCO's witness Newcomb states: "Adjustment
6 AMTZ 6-22R is to increase amortization expense in the amount of \$1,368,690 to
7 recover the COVID Regulatory Asset balance for the Forward Test Year... NIPSCO
8 is proposing to amortize this asset over a 2-year period consistent with the period of
9 time over which these amounts will have been deferred." (Petitioner's Exhibit No. 3,
10 page 52, lines 1-9.)

11 **Q: Do you agree with the amount Petitioner has proposed to include in base rates**
12 **for the COVID Regulatory Asset?**

13 A: Yes. The amounts included in the regulatory asset comply with the Commission's
14 June 29, 2020 Order and August 12, 2020 Order in Cause No. 45380 authorizing the
15 use of regulatory accounting for these COVID-19 related impacts.

16 **Q: Do you agree with the amortization period Petitioner has proposed associated**
17 **with the COVID Regulatory Asset?**

18 A: No. I do not agree with the two-year amortization period Petitioner used to determine
19 the COVID Regulatory Asset for the twelve months ended December 31, 2022.
20 There is no rule dictating a regulatory asset must be amortized over the same period
21 over which it was accumulated. For administrative efficiency, I recommend NIPSCO
22 amortize the COVID Regulatory Asset over the same period as the remaining rate

1 case expense left over from Cause No. 44988. NIPSCO witness Newcomb states:
2 “Cause No. 44988 Amortization was approved with a 7-year amortization period,
3 and NIPSCO is proposing to continue amortizing over the remaining 33 months of
4 that period as of December 31, 2022.” (Petitioner’s Exhibit No. 3, page 50, lines 15-
5 18.)

6 **Q: Please explain why administrative efficiency is important.**

7 A: When an amortization period included in base rates expires, the utility should file a
8 compliance filing removing those costs from base rates. NIPSCO is proposing to
9 amortize the TDSIC Regulatory Asset over 4 years, the FMCA Regulatory Asset
10 over 4 years, the remaining amortization from Cause No. 44988 over 33 months, the
11 COVID Regulatory Asset over 2 years, and the rate case expense over 2 years. When
12 a utility has multiple amortization periods, administrative efficiency is lost when
13 multiple compliance filings are made with the Commission, as the OUCC’s and the
14 Commission’s resources are tied up reviewing multiple compliance filings. For
15 administrative efficiency, I recommend combining some of the amortization periods
16 so less compliance filings are needed. OUCC witness Mark Grosskopf also discusses
17 amortization periods in his testimony. (Public’s Exhibit No. 1.)

18 **Q: What is your recommendation for the COVID Regulatory Asset?**

19 A: I recommend amortizing the COVID Regulatory Asset over 33 months for an annual
20 amortization expense of \$995,411. (Attachment HRP-2, page 1.) This amortization
21 amount of \$995,411 was calculated by taking the total COVID Regulatory Asset of
22 \$2,737,381 divided by thirty-three months, multiplied by twelve months to arrive at
23 an annual amount to include in base rates. (Attachment HRP-2, page 2.) This

1 amortization period matches the remaining rate case expense amortization from
2 Cause No. 44988. At the end of 33 months, Petitioner can make one compliance
3 filing to remove both of these amortization expirations.

4 If Petitioner files a general rate case before the expiration of the amortization
5 period of 33 months, any unamortized portion of the COVID Regulatory Asset can
6 be rolled into Petitioner's next rate case. Therefore, Petitioner will be ensured to
7 collect the entire amount of the COVID Regulatory Asset. If Petitioner does not file
8 a general rate case before the expiration of the amortization period of 33 months,
9 Petitioner should file a revised tariff to remove the annual amortization portion from
10 base rates. Therefore, NIPSCO's customers will not be required to pay more than the
11 total amount of \$2,737,381 for the COVID Regulatory Asset.

B. Rate Case Expense

12 **Q: What is Petitioner's proposed forward test year amount for rate case expense?**

13 A: NIPSCO's 2022 amortization expense for rate case expense for the twelve months
14 ending December 31, 2022 is \$807,549. (Petitioner's Exhibit No. 19-S2, Workpaper
15 AMTZ 7, Page [.1].) NIPSCO's witness Newcomb states: "Adjustment AMTZ 7-
16 22R is to increase amortization expense in the amount of \$807,549 to recover gas
17 rate case expense for the Forward Test Year. NIPSCO is proposing to amortize this
18 asset over a 2-year period consistent with the period over which these amounts will
19 have been deferred." (Petitioner's Exhibit No. 3, page 52, lines 14-17.)

20 **Q: Do you agree with the amount Petitioner has proposed to include in base rates**
21 **for rate case expense?**

22 A: No, for two reasons. First, as shown on Petitioner's workpaper AMTZ 7-22R, page

1 [.2], Petitioner has included 9 different costs in rate case expense. These include the
2 cost-of-service study, depreciation study, legal counsel, weather normalization
3 study, return on equity study, customer notification, billing system new rate
4 implementation, witness travel and employee travel. I do not agree with the amount
5 included for the billing system new rate implementation of 4,523 hours for a total
6 cost of \$200,000, or \$44.22 per hour. In response to OUCC DR 1-008, Petitioner
7 indicated the number of hours for the billing system new rate implementation were
8 reflective of the number of hours used in the last gas rate case, Cause No. 44988.
9 (Attachment HRP-3, page 4; NIPSCO Response to OUCC DR 1-008.) In response
10 to OUCC DR 8-004, Petitioner stated the actual number of hours expended for the
11 billing system rate implementation in Cause No. 44988 was 3,097 hours.
12 (Attachment HRP-3, page 5; NIPSCO Response to OUCC DR 8-004.) Petitioner has
13 based the estimated cost for the billing system new rate implementation in this case
14 off the estimated number of hours in Cause No. 44988 instead of the actual hours
15 expended in Cause No. 44988. The OUCC understands the number of hours for the
16 billing system implementation might increase in this case, but Petitioner has not
17 justified an increase of 46% over the actual hours in the last rate case. NIPSCO's last
18 rate case in Cause No. 44988 is similar to this rate case in that it utilized a forward-
19 looking test year and had a 2-step rate implementation. Therefore, the number of
20 actual hours in the last case should be a good indication of how many hours it will
21 take in this case for the rate implementation. I recommend a reduction of 1,426 hours
22 from NIPSCO's estimate. (4,523 hours estimated in this case less 3,097 actual hours
23 from the last case.) Using the same hourly rate as NIPSCO used of \$44.22 as

1 discussed above, results in a billing system new rate implementation cost of
2 \$136,945. (Attachment HRP-3, page 3.) This results in total pro forma rate case
3 expense of \$1,552,043. (Attachment HRP-3, page 2.)

4 Second, OUCC witness Courter reduces rate case expense by 50%. Pro forma
5 rate case expense of \$1,552,043 referenced above multiplied by 50% results in total
6 rate case expense of \$776,021. (Attachment HRP-3, page 2.)

7 **Q: Do you agree with the amortization period Petitioner has proposed associated**
8 **with rate case expense?**

9 A: No. I do not agree with the two-year amortization period Petitioner used to determine
10 the ratemaking expense for the twelve months ended December 31, 2022. Petitioner
11 implemented its first TDSIC Plan filing in Cause No. 44403 in 2014 and
12 implemented its second TDSIC Plan filing in Cause No. 45330 in 2020. Ind. Code §
13 8-1-39-9(3) states: "A public utility that implements a TDSIC under this chapter
14 shall, before the expiration of the public utility's approved TDSIC plan, petition the
15 commission for review and approval of the public utility's basic rates and charges
16 with respect to the same type of utility service." NIPSCO's last rate case was
17 approved in 2018, in the middle of its first TDSIC Plan. NIPSCO's pending rate case
18 was filed in 2021, in the middle of its second TDSIC Plan. NIPSCO's current TDSIC
19 Plan in Cause No. 45330 runs through the end of 2025.

20 NIPSCO proposes a two-year amortization period consistent with the amount
21 of time over which the assets have been accumulated. There is no rule dictating
22 expenses or regulatory assets must be amortized over the same period over which
23 they were accumulated. Because these costs were incurred for the filing of a rate
24 case, it makes sense to amortize these regulatory assets over the life of the new rates.

1 NIPSCO has already fulfilled its duty of filing a rate case before the expiration of its
2 current TDSIC Plan that runs through the end of 2025. Therefore, there is no
3 requirement that NIPSCO file another rate case within 2 years. NIPSCO's history of
4 filing rate cases indicates a much longer time frame between cases. Cause No. 43894
5 was filed on May 3, 2010. Cause No. 44988 was filed on September 27, 2017. This
6 pending case was filed on September 29, 2021. History indicates the average amount
7 of time between NIPSCO's rate cases is 5.5 years. NIPSCO's customers shouldn't
8 bear the burden of an expedited recovery of these costs when these rates will likely
9 be in effect for a much longer period. I recommend a 5-year amortization period for
10 rate case expense.

11 **Q: What is your recommendation for rate case expense?**

12 A: I recommend amortizing rate case expense over five (5) years for an annual
13 amortization expense of \$155,204. (Attachment HRP-3, page 1.) This amortization
14 amount of \$155,204 was calculated by taking total OUCC rate case expense of
15 \$776,021 and amortizing over 5 years. (Attachment HRP-3, page 2.)

16 If Petitioner files a general rate case before the expiration of the amortization
17 period of five years, any unamortized portion of the rate case expense can be rolled
18 into Petitioner's next rate case. Therefore, Petitioner will be ensured to collect the
19 entire amount of rate case expense. If Petitioner does not file a general rate case
20 before the expiration of the amortization period of five years, Petitioner should file a
21 revised tariff to remove the annual amortization portion from base rates. Therefore,
22 NIPSCO's customers will not be required to pay more than the total amount of
23 \$776,021 for rate case expense. Further, OUCC witness Grosskopf recommends

1 changing the amortization periods for TDSIC and FMCA expenses to 5 years. As
2 explained above, having the amortization periods for the rate case, TDSIC, and
3 FMCA expense recoveries end at the same time would provide administrative
4 efficiency for any future compliance filings.

IV. UNACCOUNTED FOR GAS CAP IN THE GAS COST ADJUSTMENT

5 **Q: What unaccounted for gas (“UAFG”) percentage does NIPSCO include in its**
6 **Gas Cost Adjustment (“GCA”)?**

7 A: In the settlement for Cause No. 43894:

8 The cost of UAFG will be fully recoverable within the GCA
9 mechanism consistent with the methodology approved in the
10 Commission Order for Vectren Energy Delivery of Indiana (North
11 and South) (Cause Nos. 43298 and 43112, respectively) and Citizens
12 Gas & Coke Utility (Cause No. 37399-GCA-95), based on a
13 maximum system-wide UAFG rate of 1.04%. Customers served
14 directly from the transmission system will pay the system-wide
15 UAFG percentage rate less .10, and the rate for other customers,
16 including Choice customers, PPS and Depend-a-Bill will be set at an
17 amount in order for NIPSCO to recover the system-wide percentage.
18 The Parties agree that NIPSCO’s UAFG percentage shall be updated
19 annually, capped at the 1.04% maximum.

20 (Cause No. 43894 Settlement Agreement, page 13.)

21 **Q: Is the cap included in NIPSCO’s current GCA the same 1.04% maximum as**
22 **was approved in Cause No. 43894?**

23 A: Yes. NIPSCO’s current UAFG cap in the GCA filings (Cause No. 43629) is the same
24 1.04% cap as was agreed to in the settlement agreement and approved by the
25 Commission in Cause No. 43894. *In re Northern Indiana Public Service Company*,
26 Cause No. 43894, Final Order p. 48 (Ind. Util. Regulatory Comm’n Nov. 4, 2010).

27 **Q: Did NIPSCO propose any changes to its UAFG cap within the GCA in this case?**

28 A: No. NIPSCO did not propose any changes to its UAFG cap within the GCA in this

1 case.

2 **Q: Do you agree with NIPSCO continuing to use 1.04% as the cap in the GCA?**

3 A: No. The UAFG percentage of 1.04% was approved in Cause No. 43894 when
4 Petitioner did not have a TDSIC or FMCA Plan in place. However, Cause No. 43894
5 was a settled case, and Petitioner agreed that none of the terms of the settlement
6 would be considered precedential. (Cause No. 43894, Settlement Agreement, page
7 13.) Therefore, previous approval of 1.04% UAFG does not automatically make the
8 percentage reasonable in this case. According to Ind. Code § 8-1-39-2, an eligible
9 TDSIC program “means new or replacement electric or gas transmission,
10 distribution, or storage utility projects that: (1) a public utility undertakes for
11 purposes of safety, reliability, system modernization, or economic development,
12 including the extension of gas service to rural areas.” The implementation of TDSIC
13 projects is designated to improve and modernize the transmission, distribution, and
14 storage system, and reduce the overall change of gas leakage, leading to a lower
15 percentage of UAFG.

16 In Cause No. 44988, Petitioner’s witness Andrew Campbell stated:

17 In addition to regular maintenance and inspection programs, the
18 recent and planned investments to NIPSCO’s gas system approved in
19 Cause No. 44403 as part of its Gas TDSIC Plan are intended to
20 increase long term reliability by replacing infrastructure and allowing
21 access to gas in more rural areas...He stated that reducing a gas
22 utility’s priority pipe percentage increases safety and reliability of the
23 system...Priority pipe is more likely to develop leaks that require
24 repair and lead to higher unaccounted for gas (“UAFG”) costs. Gas
25 companies aspire for a low percentage of priority pipe to achieve
26 these benefits. He explained that UAFG is the portion of gas that is
27 delivered to the distribution system which cannot be accounted for
28 through sales or other known uses. UAFG is a cost of providing gas
29 service to customers because all gas systems, regardless of how well
30 maintained, have some level of UAFG. A well maintained system will

1 reduce this expense because less gas is lost through leaks. NIPSCO's
2 low percentage of priority pipe helps NIPSCO maintain a low UAFG.

3 *In re Northern Indiana Public Service Company*, Cause No. 44988,
4 Final Order pp. 32-33 (Ind. Util. Regulatory Comm'n Sep. 19, 2018).

5 Petitioner has made TDSIC filings since 2014 and the UAFG percentage has
6 consistently been lower than the cap since 2012. (Attachment HRP-4, page 1.) The
7 10-Year UAFG percentage summary shows NIPSCO's annual UAFG percentage for
8 the period of August 2011 to July 2021. (*Id.*) The implementation of on-going TDSIC
9 projects have resulted in a lower UAFG percentage than the cap set in Cause No.
10 43894. Therefore, I recommend lowering the maximum annual UAFG percentage
11 from 1.04% to the 10-year average of 0.69%. (*Id.*)

V. RECOMMENDATIONS

12 **Q: What is your recommendation regarding NIPSCO's CIP expense?**

13 A: I recommend a total CIP expense of \$3,769,820, a reduction of \$1,992,299 from
14 NIPSCO's 2022 budget.

15 **Q: What are your recommendations relating to amortization expense?**

16 A: I recommend the COVID Regulatory Asset be amortized over 33 months to arrive at
17 an annual amount of \$995,411 to be included in base rates. I recommend rate case
18 expense be reduced to \$776,021 and amortized over 5 years to arrive at an annual
19 amount of \$155,204 to be included in base rates.

20 **Q: What is your recommendation relating to the UAFG cap in the GCA?**

21 A: I recommend NIPSCO's UAFG cap in the GCA be lowered from 1.04% to 0.69%.

22 **Q: Does this conclude your testimony?**

23 A: Yes.

APPENDIX TO TESTIMONY OF
OUCC WITNESS HEATHER R. POOLE

1 **Q: Describe your educational background and experience.**

2 A: I graduated from the School of Business at Ball State University in Muncie, Indiana
3 with a Bachelor of Science Degree in Accounting in May 2001, and a Master of
4 Science Degree in Accounting in May 2002. From September 2002 through
5 September 2010, I worked for London Witte Group, LLC, a CPA firm in
6 Indianapolis, Indiana, as a Senior Staff Accountant. I prepared and reviewed
7 individual, corporate, not-for-profit, property and payroll tax returns; prepared
8 compilations, reviews, and audit reports in compliance with GAAP for a variety of
9 utility companies and not-for-profit organizations; prepared depreciation
10 schedules; and guided clients through year-end accounting processes, including
11 preparation and review of adjusting entries. I prepared and reviewed Gas Cost
12 Adjustment (“GCA”) petitions, as well as annual reports filed with the Commission
13 for natural gas companies within the State of Indiana. I also prepared rate case
14 exhibits and schedules filed with the Commission on behalf of various gas utility
15 clients.

16 In December 2010, I began my employment with the OUCC as a Utility
17 Analyst II. In October 2012, I was promoted to Senior Utility Analyst. In February
18 2017, I was promoted to Assistant Director of the Natural Gas Division. In
19 December 2021, I was promoted to Director of the Natural Gas Division. My
20 current responsibilities include reviewing and analyzing rate cases filed by Indiana
21 natural gas, electric and water utilities with the Commission. I also review GCAs,

1 special contracts, tariff, financing, certificate of public necessity, pipeline safety
2 adjustment, gas demand side management, alternative regulatory plan, 7-Year Plan,
3 Federal Mandated Cost Adjustment Tracker, and Transmission, Distribution, and
4 Storage System Improvement Charge (“TDSIC”) Tracker cases for natural gas
5 utilities.

6 In May 2016, I passed the Certified Public Accountant (“CPA”) Exam and
7 obtained my CPA license in June 2016. While employed at the OUCC, I completed
8 NARUC’s Utility Rate School hosted by the Institute of Public Utilities at Michigan
9 State University and the Institute of Public Utilities Advanced Regulatory Studies
10 Program at Michigan State University. I am also a member of the Indiana CPA
11 Society.

12 **Q: Have you previously testified before the Commission?**

13 A: Yes. I have testified in GCAs, rate cases, TDSIC tracker cases, Federally Mandated
14 Cost Adjustment cases, 7-Year Plan cases, tariff, gas demand side management,
15 decoupling, and special contract cases involving gas and water utilities. I also
16 provided extensive testimony in the Commission’s investigation into the existing
17 GCA procedures and schedules.

18 **Q: What review and analysis have you conducted to prepare your testimony?**

19 A: I reviewed the petition, testimony, exhibits, and supporting documentation
20 submitted in this Cause. I reviewed NIPSCO’s responses to discovery from the
21 OUCC and Intervenors.

Northern Indiana Public Service Company LLC
Pro forma Adjustment to Operations and Maintenance Expense
Twelve Months Ending December 31, 2022

This pro forma adjusts the twelve months ended December 31, 2020, gas O&M expenses for CIP to reflect normalization adjustment(s), budget changes for the twelve months ending December 31, 2021, and December 31, 2022, and ratemaking adjustment(s) for the twelve months ending December 31, 2022, as described below.

Line No.	Description	Adjustment	Amount	Page Reference
	A	B	C	D
1	Actual Expense - December 31, 2020		\$ 3,753,005	
2	Normalization adjustment to Increase / (Decrease) expense to normalize the corporate incentive compensation expenses.		<u>2,902,974</u>	
3	Normalized expense for the twelve months ended December 31, 2020		<u>\$ 6,655,979</u>	
4	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2021		<u>(1,061,688)</u>	
5	Budgeted expense for the twelve months ending December 31, 2021		<u>\$ 5,594,291</u>	
6	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2022		<u>167,828</u>	
7	Budgeted expense for the twelve months ending December 31, 2022		<u>\$ 5,762,119</u>	
8	Pro Forma adjustment to Increase / (Decrease) CIP expense for Ratemaking based on 2020 actual transfers and gas allocation		<u>(1,992,299)</u>	
9	Ratemaking expense for the twelve months ending December 31, 2022		<u>\$ 3,769,820</u>	Attachment HRP-1, page 2

Northern Indiana Public Service Company LLC
12/31/22 Ratemaking Expense
O&M: CIP

Line No.	Description	2022R	Reference
	NIPSCO Total		
1	Gross Annual CIP Expense	\$ 23,710,523	Per NIPSCO
2	Payout Ratio	60.50%	Attachment HRP-1, page 3
3	Adjusted Annual CIP Expense	\$ 14,344,866	
4	Less CIP Transfers	(4,086,852)	28.49% per NIPSCO
5	Total Annual CIP Expense Net of Transfers	\$ 10,258,014	
	NIPSCO Gas		
6	Gas % Allocation	36.75%	Per NIPSCO
7	Total Annual CIP - Gas (Line 5 X Line 8)	\$ 3,769,820	To Attachment HRP-1, page 1

Northern Indiana Public Service Company LLC
O&M: CIP
3-Year Average of CIP Payouts

Year	Officers %	Non-Officers %	Average %	
2018	50.00%	75.00%	62.50%	Attachment HRP-1, page 4
2019	65.00%	73.00%	69.00%	Attachment HRP-1, page 4
2020	50.00%	50.00%	50.00%	Attachment HRP-1, page 4
			3-Year Average	<u>60.50%</u>

Cause No. 45621

Northern Indiana Public Service Company LLC's

Objections and Responses to

Indiana Office of Utility Consumer Counselor's Ninth Set of Data Requests

OUCR Request 9-001:

On page 18, lines 2-3 of Ms. Cartella's testimony, she states: "Target is most representative of an expected, normal level of on-going CIP expense." Please provide the actual percentage of payout levels of CIP (between 50% and 150%) for calendar years 2017, 2018, 2019 and 2020.

Objections:**Response:**

See table below for actual percentage of payout levels of CIP for incentive plan years 2016 (paid in 2017), 2017 (paid in 2018), 2018, 2019 and 2020.

Incentive Plan Year	Payout as % of Target-Officers	Payout as % of Target-Non-Officers
2016	117%	117%
2017	146%	149%
2018	50%	75%
2019	65%	73%
2020	50%	50%

Northern Indiana Public Service Company LLC
Pro forma Adjustment to Depreciation and Amortization Expense
Twelve Months Ending December 31, 2022

This pro forma adjusts the twelve months ended December 31, 2020, gas amortization expenses for the COVID Regulatory Asset to reflect normalization adjustment(s), projected changes for the twelve months ending December 31, 2021, and December 31, 2022, and ratemaking adjustment(s) for the twelve months ending December 31, 2022, as described below.

Line No.	Description A	Adjustment B	Amount C	Page Reference D
1	Actual Expense - December 31, 2020		\$ -	
2	Normalization adjustment N/A		-	
3	Normalized expense for the twelve months ended December 31, 2020		<u>\$ -</u>	
4	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2021		-	
5	Projected expense for the twelve months ending December 31, 2021		<u>\$ -</u>	
6	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2022		-	
7	Projected expense for the twelve months ending December 31, 2022		<u>\$ -</u>	
8	Pro Forma adjustment to Increase / (Decrease) amortization expense for Ratemaking to recover the COVID Regulatory Asset balance		995,411	Attachment HRP-2, page 2
9	Ratemaking expense for the twelve months ending December 31, 2022		<u>\$ 995,411</u>	

Northern Indiana Public Service Company LLC
December 31, 2022 Ratemaking Expense
Amortization: Deferred Gas Covid Expense Balance

Line No.	Description	2022R	
	A	B	
1	Covid Reg Asset	\$ 2,737,381	Per NIPSCO
2	Amortization Period (Months)	<u>33</u>	
3	Monthly Amortization Expense	82,951	
4	12 Months	<u>12</u>	
5	Annual Amortization Expense	<u>\$ 995,411</u>	To Attachment HRP-2, page 1

Northern Indiana Public Service Company LLC
Pro forma Adjustment to Depreciation and Amortization Expense
Twelve Months Ending December 31, 2022

This pro forma adjusts the twelve months ended December 31, 2020, gas amortization expenses for the current gas rate case to reflect normalization adjustment(s), projected changes for the twelve months ending December 31, 2021, and December 31, 2022, and ratemaking adjustment(s) for the twelve months ending December 31, 2022, as described below.

Line No.	Description A	Adjustment B	Amount C	Page Reference D
1	Actual Expense - December 31, 2020		\$ -	
2	Normalization adjustment N/A		-	
3	Normalized expense for the twelve months ended December 31, 2020		\$ -	
4	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2021		-	
5	Projected expense for the twelve months ending December 31, 2021		\$ -	
6	Pro Forma adjustment to Increase/(Decrease) expense for the twelve months ending December 31, 2022		-	
7	Projected expense for the twelve months ending December 31, 2022		\$ -	
8	Pro Forma adjustment to Increase / (Decrease) amortization expense for Ratemaking to recover gas rate case expense		155,204	Attachment HRP-3, page 2
9	Ratemaking expense for the twelve months ending December 31, 2022		\$ 155,204	

Northern Indiana Public Service Company
Gas Rate Case Expense

Line No.	Vendor	Gas Rate Case Estimate	
	A	B	
1	Atrium - COS Study	224,900	Per NIPSCO
2	Gannett Fleming LLC - Depreciation Study	50,000	Per NIPSCO
3	BT Law - Legal Counsel	966,000	Per NIPSCO
4	Concentric (Melissa Bartos/Weather)	50,000	Per NIPSCO
5	ROE and Vince Rea	77,000	Per NIPSCO
6	Customer Notification - Print & Postage	10,000	Per NIPSCO
7	Billing System New Rate Implementation (4,523 hrs)	136,945	Attachment HRP-3, page 3
8	Witness Travel	17,340	Per NIPSCO
9	Employee Travel (ERS)	19,858	Per NIPSCO
10	TOTAL PRO FORMA RATE CASE EXPENSES	\$ 1,552,043	
11	Divided by 2 (OUCC Witness Courter Recommendation)	2	Public's Exhibit No. 5
12	Total OUCC Rate Case Expense	\$ 776,021	
13	Amortization Period	5	
14	Amortization Expense	<u>\$ 155,204</u>	To Attachment HRP-3, page 1

**Northern Indiana Public Service Company
Billing System New Rate Implementation Cost**

Line	Description	Amount	Reference
1	Total Cost per NIPSCO	\$ 200,000	Petitioner's Exhibit 19-S2, Workpaper AMTZ 7, Page [.2]
2	NIPSCO Estimate of Hours	<u>4,523</u>	Petitioner's Exhibit 19-S2, Workpaper AMTZ 7, Page [.2]
3	Average Cost per Hour	\$ 44.22	
4	OUCG Estimate of Hours	<u>3,097</u>	
5	New Cost per OUCG	<u>\$ 136,945</u>	To Attachment HRP-3, page 2

Cause No. 45621

Northern Indiana Public Service Company LLC's

Objections and Responses to

Indiana Office of Utility Consumer Counselor's First Set of Data Requests

OUCR Request 1-008:

In relation to the billing system rate implementation included in rate case expense, Petitioner's workpaper AMTZ 7-22R, Page [.2] indicates the estimated costs are based on 4,523 estimated hours. Please answer the following:

- a. Please indicate how this number of hours was derived.
- b. Please indicate when work will begin on the new rate implementation.
- c. If work has already begun on the new rate implementation, please explain how many hours have been completed, and a description of the work that has been completed.

Objections:**Response:**

- a. The number of hours were reflective of the number of hours used in the last gas rate case, Cause No. 44988.
- b. Work on the new rate implementation began on March 29, 2021.
- c. The project and project management has begun in terms of gathering requirements for changes to the customer information system (CIS) and the gas transportation system (EASy). Following the gathering of these requirements, the project's next steps include detailed functional design, coding, testing, implementation and post implementation for both systems, which also includes interface, on line views, reporting and bill print changes. Please see OUCR Request 1-008 Attachment A for details on billing system work.

Cause No. 45621

Northern Indiana Public Service Company LLC's

Objections and Responses to

Indiana Office of Utility Consumer Counselor's Eighth Set of Data Requests

OUCR Request 8-004:

In response to OUCR DR 1-008, subpart a. relating to the billing system rate implementation, Petitioner stated: "The number of hours were reflective of the number of hours used in the last gas rate case, Cause No. 44988." Per a review of the workpapers from Cause No. 44988, 4,523 hours were the estimated number of hours used in the rate case expense calculation in that Cause.

- a. Please provide the actual number of hours expended for the billing system rate implementation in Cause No. 44988.
- b. Please provide the supporting documentation for the actual number of hours expended.

Objections:**Response:**

Please note that NIPSCO will only include actual number of hours expended for the billing system rate implementation in Cause No. 45621.

- a. The actual number of hours expended for the billing system rate implementation in Cause No. 44988 was 3,097 hours.
- b. Please see OUCR Request 8-004 Attachment A for the supporting documentation for the actual number of hours expended.

Northern Indiana Public Service Company LLC
UAFG Cap in GCA
Cause No. 45621

Period	Actual UAFG Percentage	Reference
August 2011 - July 2012	0.68%	HRP Attachment-4, page 11; Cause No. 43629 GCA 24, Schedule 11A recalculation
August 2012 - July 2013	0.58%	HRP Attachment-4, page 10; Cause No. 43629 GCA 28, Schedule 11A recalculation
August 2013 - July 2014	0.77%	HRP Attachment-4, page 9; Cause No. 43629 GCA 32, Schedule 11A recalculation
August 2014 - July 2015	0.66%	HRP Attachment-4, page 8; Cause No. 43629 GCA 36, Schedule 11A
August 2015 - July 2016	0.64%	HRP Attachment-4, page 7; Cause No. 43629 GCA 40, Schedule 11A
August 2016 - July 2017	0.82%	HRP Attachment-4, page 6; Cause No. 43629 GCA 44, Schedule 11A
August 2017 - July 2018	0.60%	HRP Attachment-4, page 5; Cause No. 43629 GCA 48, Schedule 11A
August 2018 - July 2019	0.60%	HRP Attachment-4, page 4; Cause No. 43629 GCA 52, Schedule 11A
August 2019 - July 2020	0.62%	HRP Attachment-4, page 3; Cause No. 43629 GCA 56, Schedule 11A
August 2020 - July 2021	0.89%	HRP Attachment-4, page 2; Cause No. 43629 GCA 60, Schedule 11A
	<u>0.69%</u>	10-Year Average

NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC
Determination of Annual Unaccounted for Gas Level

Line #	Period	Volume Available (Sch 11 Line 16) Col A	With Unbilled		Net Cost of Gas (Sch 11 Line 27) Col E	Cost of Unaccounted for Gas Col F (Col D * Col E)	
			Total Sales (Sch 11 Line 23) Col B	Volume Unaccounted For (Sch 11 Line 25) Col C (Col A - Col B)			Percent Unaccounted For Col D (Col C / Col A)
1	Aug 2020	222,263,969	218,604,608	3,659,361	\$7,102,528		
2	Sep 2020	234,024,715	226,880,971	7,143,744	7,310,010		
3	Oct 2020	294,763,967	288,742,783	6,021,184	17,650,709		
4	Nov 2020	326,656,014	323,924,052	2,731,962	18,720,299		
5	Dec 2020	422,227,789	411,585,395	10,642,394	39,831,403		
6	Jan 2021	448,564,683	442,044,124	6,520,559	46,017,919		
7	Feb 2021	427,009,517	414,453,125	12,556,392	137,864,742		
8	Mar 2021	351,156,348	359,335,047	(8,178,699)	28,023,326		
9	Apr 2021	298,174,391	305,022,190	(6,847,799)	16,817,874		
10	May 2021	268,544,701	267,623,189	921,512	13,682,350		
11	Jun 2021	231,278,047	232,809,045	(1,530,998)	7,774,856		
12	Jul 2021	233,561,888	233,716,577	(154,689)	6,972,795		
13		<u>3,758,226,028</u>	<u>3,724,741,106</u>	<u>33,484,922</u>	0.89%	<u>\$347,768,811</u>	<u>\$3,095,142</u> ¹
14	Max Allowable Cost of Unaccounted for Gas				1.04%	\$347,768,811	\$3,616,796
15	Dollars to be Refunded to GCA Customers (Max(Line13-Line14;0))						\$0

¹ If the total in Column C is positive, then sales did not exceed gas available. If the total in Column C is negative, then the amount in Column F Line 13 will represent dollars to be refunded to the GCA customers.

NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC
Determination of Annual Unaccounted for Gas Level

Line #	Period	Volume Available (Sch 11 Line 16) Col A	Total Sales (Sch 11 Line 23) Col B	With Unbilled		Net Cost of Gas (Sch 11 Line 27) Col E	Cost of Unaccounted for Gas Col F (Col D * Col E)
				Volume Unaccounted For (Sch 11 Line 25) Col C (Col A - Col B)	Percent Unaccounted For Col D (Col C / Col A)		
1	Aug 2019	231,776,041	228,233,898	3,542,143		\$5,749,724	
2	Sep 2019	218,507,599	216,778,659	1,728,940		6,128,983	
3	Oct 2019	255,663,766	245,047,775	10,615,991		14,125,403	
4	Nov 2019	377,109,905	359,875,853	17,234,052		32,812,521	
5	Dec 2019	391,487,395	402,700,027	(11,212,632)		34,166,461	
6	Jan 2020	423,432,111	403,037,770	20,394,341		41,144,432	
7	Feb 2020	416,751,990	413,426,147	3,325,843		42,504,766	
8	Mar 2020	353,168,626	357,581,477	(4,412,851)		29,066,560	
9	Apr 2020	269,883,486	287,938,864	(18,055,378)		16,923,699	
10	May 2020	236,291,018	236,633,655	(342,637)		12,697,860	
11	Jun 2020	203,112,356	203,576,139	(463,783)		5,979,410	
12	Jul 2020	212,408,369	212,485,509	(77,140)		5,790,418	
13		<u>3,589,592,662</u>	<u>3,567,315,773</u>	<u>22,276,889</u>	0.62%	<u>\$247,090,237</u>	<u>\$1,531,959</u> ¹
14	Max Allowable Cost of Unaccounted for Gas				1.04%	\$247,090,237	\$2,569,738
15	Dollars to be Refunded to GCA Customers (Max(Line13-Line14;0))						\$0

¹ If the total in Column C is positive, then sales did not exceed gas available. If the total in Column C is negative, then the amount in Column F Line 13 will represent dollars to be refunded to the GCA customers.

NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC
Determination of Annual Unaccounted for Gas Level

Line #	Period	Volume Available (Sch 11 Line 16) Col A	With Unbilled		Net Cost of Gas (Sch 11 Line 27) Col E	Cost of Unaccounted for Gas Col F (Col D * Col E)	
			Total Sales (Sch 11 Line 23) Col B	Volume Unaccounted For (Sch 11 Line 25) Col C (Col A - Col B)			Percent Unaccounted For Col D (Col C / Col A)
1	Aug 2018	233,249,726	233,359,231	(109,505)	\$6,247,145		
2	Sep 2018	224,880,558	223,592,186	1,288,372	\$6,589,160		
3	Oct 2018	256,373,251	249,570,834	6,802,417	\$17,443,273		
4	Nov 2018	367,831,464	358,779,068	9,052,396	\$42,572,234		
5	Dec 2018	398,937,810	399,354,795	(416,985)	\$45,041,722		
6	Jan 2019	473,429,690	461,492,419	11,937,271	\$63,788,067		
7	Feb 2019	403,228,712	392,638,271	10,590,441	\$50,259,090		
8	Mar 2019	410,406,005	413,106,521	(2,700,516)	\$48,245,674		
9	Apr 2019	308,176,226	318,237,559	(10,061,333)	\$19,293,791		
10	May 2019	265,842,672	267,840,631	(1,997,959)	\$11,468,397		
11	Jun 2019	215,276,157	213,817,506	1,458,651	\$6,687,785		
12	Jul 2019	228,407,588	231,553,022	(3,145,434)	\$5,963,822		
13		<u>3,786,039,859</u>	<u>3,763,342,043</u>	<u>22,697,816</u>	0.60%	<u>\$323,600,160</u>	<u>\$1,941,601</u> ¹
14	Max Allowable Cost of Unaccounted for Gas				1.04%	\$323,600,160	\$3,365,442
15	Dollars to be Refunded to GCA Customers (Max(Line13-Line14;0))						\$0

¹ If the total in Column C is positive, then sales did not exceed gas available. If the total in Column C is negative, then the amount in Column F Line 13 will represent dollars to be refunded to the GCA customers.

NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC
Determination of Annual Unaccounted for Gas Level

Line #	Period	Volume Available (Sch 11 Line 16) Col A	With Unbilled		Net Cost of Gas (Sch 11 Line 27) Col E	Cost of Unaccounted for Gas Col F (Col D * Col E)
			Total Sales (Sch 11 Line 23) Col B	Volume Unaccounted For (Sch 11 Line 25) Col C (Col A - Col B)		
1	Aug 2017	224,409,778	220,910,578	3,499,200		\$7,437,567
2	Sep 2017	227,945,214	227,569,588	375,626		\$6,923,197
3	Oct 2017	256,457,256	244,580,644	11,876,612		\$15,148,291
4	Nov 2017	339,782,363	333,843,101	5,939,262		\$31,591,062
5	Dec 2017	438,064,723	438,448,047	(383,324)		\$50,711,401
6	Jan 2018	465,290,127	452,650,480	12,639,647		\$63,687,590
7	Feb 2018	386,444,076	392,488,107	(6,044,031)		\$45,166,434
8	Mar 2018	393,408,995	387,543,207	5,865,788		\$42,653,559
9	Apr 2018	337,255,366	337,206,097	49,269		\$27,242,134
10	May 2018	243,111,678	257,085,956	(13,974,278)		\$7,177,964
11	Jun 2018	220,828,429	222,148,591	(1,320,162)		\$6,603,176
12	Jul 2018	231,884,029	227,721,734	4,162,295		\$5,947,007
13		<u>3,764,882,034</u>	<u>3,742,196,130</u>	<u>22,685,904</u>	0.60%	<u>\$310,289,382</u> <u>\$1,861,736</u> ¹
14	Max Allowable Cost of Unaccounted for Gas				1.04%	\$310,289,382 \$3,227,010
15	Dollars to be Refunded to GCA Customers (Max(Line13-Line14;0))					\$0

¹ If the total in Column C is positive, then sales did not exceed gas available. If the total in Column C is negative, then the amount in Column F Line 13 will represent dollars to be refunded to the GCA customers.

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Determination of Annual Unaccounted for Gas Level

Line #	Period	Volume Available (Sch 11 Line 16) Col A	With Unbilled		Net Cost of Gas (Sch 11 Line 27) Col E	Cost of Unaccounted for Gas Col F (Col D * Col E)	
			Total Sales (Sch 11 Line 23) Col B	Volume Unaccounted For (Sch 11 Line 25) Col C (Col A - Col B)			Percent Unaccounted For Col D (Col C / Col A)
1	Aug 2016	214,195,043	210,805,413	3,389,630	\$6,367,527		
2	Sep 2016	205,739,788	203,235,602	2,504,186	\$7,320,780		
3	Oct 2016	216,707,819	215,510,952	1,196,867	\$12,605,723		
4	Nov 2016	276,476,307	271,870,285	4,606,022	\$20,502,865		
5	Dec 2016	423,737,279	404,688,407	19,048,872	\$55,726,039		
6	Jan 2017	414,217,290	409,555,626	4,661,664	\$49,740,572		
7	Feb 2017	328,160,531	336,187,008	(8,026,477)	\$33,781,396		
8	Mar 2017	360,709,874	350,160,660	10,549,214	\$38,589,517		
9	Apr 2017	250,453,342	261,931,988	(11,478,646)	\$16,132,353		
10	May 2017	234,416,882	231,431,844	2,985,038	\$14,104,599		
11	Jun 2017	204,847,606	208,189,570	(3,341,964)	\$7,036,167		
12	Jul 2017	219,719,456	218,240,417	1,479,039	\$6,786,825		
13		<u>3,349,381,217</u>	<u>3,321,807,772</u>	<u>27,573,445</u>	0.82%	<u>\$268,694,363</u>	<u>\$2,203,294</u> ¹
14	Max Allowable Cost of Unaccounted for Gas				1.04%	\$268,694,363	\$2,794,421
15	Dollars to be Refunded to GCA Customers (Max(Line13-Line14;0))						\$0

¹ If the total in Column C is positive, then sales did not exceed gas available. If the total in Column C is negative, then the amount in Column F Line 13 will represent dollars to be refunded to the GCA customers.

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Determination of Annual Unaccounted for Gas Level

Line #	Period	Volume Available (Sch 11 Line 16) Col A	With Unbilled		Net Cost of Gas (Sch 11 Line 27) Col E	Cost of Unaccounted for Gas Col F (Col D * Col E)	
			Total Sales (Sch 11 Line 23) Col B	Volume Unaccounted For (Sch 11 Line 25) Col C (Col A - Col B)			Percent Unaccounted For Col D (Col C / Col A)
1	Aug 2015	217,054,695	216,086,717	967,978	\$5,952,735		
2	Sep 2015	207,833,853	205,184,587	2,649,266	6,613,348		
3	Oct 2015	247,687,977	245,492,261	2,195,716	12,191,334		
4	Nov 2015	284,511,812	279,058,186	5,453,626	24,771,648		
5	Dec 2015	329,527,209	322,290,889	7,236,320	32,234,542		
6	Jan 2016	427,731,678	409,915,615	17,816,063	52,077,909		
7	Feb 2016	380,722,060	388,395,750	(7,673,690)	42,012,463		
8	Mar 2016	317,191,943	324,643,178	(7,451,235)	24,662,372		
9	Apr 2016	285,730,787	285,469,304	261,483	15,877,755		
10	May 2016	242,245,668	242,096,851	148,817	8,997,324		
11	Jun 2016	222,128,398	223,439,675	(1,311,277)	6,077,483		
12	Jul 2016	219,253,519	217,849,691	1,403,828	6,138,213		
13		<u>3,381,619,599</u>	<u>3,359,922,704</u>	<u>21,696,895</u>	0.64%	<u>\$237,607,126</u>	<u>\$1,520,686</u> ¹
14	Max Allowable Cost of Unaccounted for Gas				1.04%	\$237,607,126	\$2,471,114
15	Dollars to be Refunded to GCA Customers (Max(Line13-Line14;0))						\$0

¹ If the total in Column C is positive, then sales did not exceed gas available. If the total in Column C is negative, then the amount in Column F Line 13 will represent dollars to be refunded to the GCA customers.

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Determination of Annual Unaccounted for Gas Level

Line #	Period	Volume Available (Sch 11 Line 16) Col A	Total Sales (Sch 11 Line 23) Col B	With Unbilled		Net Cost of Gas (Sch 11 Line 27) Col E	Cost of Unaccounted for Gas Col F (Col D * Col E)
				Volume Unaccounted For (Sch 11 Line 25) Col C (Col A - Col B)	Percent Unaccounted For Col D (Col C / Col A)		
1	Aug 2014	231,792,936	228,842,622	2,950,314		8,183,958	
2	Sep 2014	235,846,697	234,300,093	1,546,604		11,006,959	
3	Oct 2014	261,703,303	255,116,558	6,586,745		22,128,948	
4	Nov 2014	366,803,751	352,672,020	14,131,731		53,820,520	
5	Dec 2014	390,839,832	395,186,652	(4,346,820)		56,053,070	
6	Jan 2015	455,222,170	438,236,882	16,985,288		67,740,322	
7	Feb 2015	439,842,753	440,826,753	(984,000)		77,961,635	
8	Mar 2015	365,833,641	365,604,172	229,469		49,042,918	
9	Apr 2015	254,697,079	267,964,703	(13,267,624)		15,950,507	
10	May 2015	229,160,374	228,436,096	724,278		8,811,562	
11	Jun 2015	204,037,708	204,353,391	(315,683)		7,332,379	
12	Jul 2015	213,358,712	213,651,338	(292,626)		6,217,365	
13		<u>3,649,138,956</u>	<u>3,625,191,280</u>	<u>23,947,676</u>	0.66%	<u>384,250,143</u>	<u>\$2,536,051</u> ¹
14	Max Allowable Cost of Unaccounted for Gas				1.04%	384,250,143	\$3,996,201
15	Dollars to be Refunded to GCA Customers (Max(Line13-Line14;0))						\$0

¹ If the total in Column C is positive, than sales did not exceed gas available. If the total in Column C is negative, than the amount in Column F Line 13 will represent dollars to be refunded to the GCA customers.

Northern Indiana Public Service Company LLC
Determination of Annual Unaccounted for Gas Level
Cause No. 45621

Line #	Period	Volume Available (Sch. 11, Line 5)	Total Sales (Sch 11, Line 8)	Volume UAFG (Sch 11 Line 9)	Percent UAFG	Source
1	August 2013	21,125,062	21,017,305	107,757	0.51%	Cause No. 43629 GCA 28, Schedule 11
2	September 2013	21,926,585	21,814,770	111,815	0.51%	Cause No. 43629 GCA 29, Schedule 11
3	October 2013	25,172,002	25,043,590	128,412	0.51%	Cause No. 43629 GCA 29, Schedule 11
4	November 2013	32,718,805	32,551,919	166,886	0.51%	Cause No. 43629 GCA 29, Schedule 11
5	December 2013	42,058,158	41,843,614	214,544	0.51%	Cause No. 43629 GCA 30, Schedule 11
6	January 2014	46,772,552	46,337,553	434,999	0.93%	Cause No. 43629 GCA 30, Schedule 11
7	February 2014	42,220,376	41,827,715	392,661	0.93%	Cause No. 43629 GCA 30, Schedule 11
8	March 2014	37,519,674	37,170,749	348,925	0.93%	Cause No. 43269 GCA 31, Schedule 11
9	April 2014	29,295,751	29,023,283	272,468	0.93%	Cause No. 43269 GCA 31, Schedule 11
10	May 2014	24,823,882	24,592,971	230,911	0.93%	Cause No. 43269 GCA 31, Schedule 11
11	June 2014	21,827,823	21,624,834	202,988	0.93%	Cause No. 43629 GCA 32, Schedule 11
12	July 2014	22,362,717	22,154,724	207,994	0.93%	Cause No. 43629 GCA 32, Schedule 11
13	Total	367,823,386	365,003,026	2,820,361	0.77%	

Northern Indiana Public Service Company LLC
Determination of Annual Unaccounted for Gas Level
Cause No. 45621

Line #	Period	Volume Available (Sch. 11, Line 5)	Total Sales (Sch 11, Line 8)	Volume UAFG (Sch 11 Line 9)	Percent UAFG	Source
1	August 2012	20,369,010	20,228,493	140,517	0.69%	Cause No. 43629 GCA 24, Schedule 11
2	September 2012	19,731,681	19,595,564	136,117	0.69%	Cause No. 43629 GCA 25, Schedule 11
3	October 2012	24,390,008	24,221,671	168,337	0.69%	Cause No. 43629 GCA 25, Schedule 11
4	November 2012	30,063,913	29,856,472	207,442	0.69%	Cause No. 43629 GCA 25, Schedule 11
5	December 2012	33,561,749	33,330,181	231,568	0.69%	Cause No. 43629 GCA 26, Schedule 11
6	January 2013	38,646,861	38,449,789	197,072	0.51%	Cause No. 43629 GCA 26, Schedule 11
7	February 2013	36,980,682	36,792,081	188,601	0.51%	Cause No. 43629 GCA 26, Schedule 11
8	March 2013	37,264,286	37,074,241	190,045	0.51%	Cause No. 43629 GCA 27, Schedule 11
9	April 2013	26,496,254	26,361,165	135,089	0.51%	Cause No. 43629 GCA 27, Schedule 11
10	May 2013	21,978,216	21,866,091	112,125	0.51%	Cause No. 43629 GCA 27, Schedule 11
11	June 2013	20,451,374	20,347,046	104,328	0.51%	Cause No. 43629 GCA 28, Schedule 11
12	July 2013	21,167,735	21,059,781	107,954	0.51%	Cause No. 43629 GCA 28, Schedule 11
13	Total	331,101,770	329,182,575	1,919,195	0.58%	

Northern Indiana Public Service Company LLC
Determination of Annual Unaccounted for Gas Level
Cause No. 45621

Line #	Period	Volume Available (Sch. 11, Line 5)	Total Sales (Sch 11, Line 8)	Volume UAFG (Sch 11 Line 9)	Percent UAFG	Source
1	August 2011	18,079,359	17,959,985	119,373	0.66%	Cause No. 43629 GCA 20, Schedule 11
2	September 2011	20,070,976	19,938,522	132,453	0.66%	Cause No. 43629 GCA 21, Schedule 11
3	October 2011	22,972,298	22,820,673	151,624	0.66%	Cause No. 43629 GCA 21, Schedule 11
4	November 2011	28,031,688	27,846,713	184,975	0.66%	Cause No. 43629 GCA 21, Schedule 11
5	December 2011	34,793,473	34,563,849	229,624	0.66%	Cause No. 43629 GCA 22, Schedule 11
6	January 2012	37,251,524	36,994,452	257,073	0.69%	Cause No. 43629 GCA 22, Schedule 11
7	February 2012	35,037,008	34,795,229	241,780	0.69%	Cause No. 43629 GCA 22, Schedule 11
8	March 2012	28,616,791	28,419,292	197,499	0.69%	Cause No. 43629 GCA 23, Schedule 11
9	April 2012	23,721,810	23,558,174	163,637	0.69%	Cause No. 43629 GCA 23, Schedule 11
10	May 2012	22,055,860	21,903,639	152,221	0.69%	Cause No. 43629 GCA 23, Schedule 11
11	June 2012	20,644,488	20,502,041	142,446	0.69%	Cause No. 43629 GCA 24, Schedule 11
12	July 2012	20,589,175	20,447,088	142,086	0.69%	Cause No. 43629 GCA 24, Schedule 11
13	Total	311,864,450	309,749,658	2,114,792	0.68%	

AFFIRMATION

I affirm, under the penalties for perjury, that the foregoing representations are true.

Heather R. Poole

Heather R. Poole
Director - Natural Gas Division
Indiana Office of Utility Consumer
Counselor
Cause No. 45621
Northern Indiana Public Service Company
LLC

1-20-22

Date

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing ***OUCC'S TESTIMONY OF HEATHER R. POOLE*** has been served upon the following counsel of record in the captioned proceeding by electronic service on January 20, 2022.

Nicholas K. Kile
Hillary J. Close
Lauren M. Box
Barnes & Thornburg LLP
Email: Nicholas.kile@btlaw.com
Email: Hillary.close@btlaw.com
Email: Lauren.box@btlaw.com

Jennifer A. Washburn
Citizens Action Coalition
jwashburn@citact.org

Todd A. Richardson
Aaron A. Schmoll
Ellen Tennant
LEWIS & KAPPES, P.C.
Email: TRichardson@lewis-kappes.com
ASchmoll@lewis-kappes.com
ETennant@Lewis-kappes.com

Joseph P. Rompala
Tabitha L. Balzer
LEWIS & KAPPES, P.C.
Email: JRompala@lewis-kappes.com
TBalzer@lewis-kappes.com

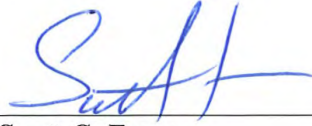
Robert E. Heidorn
Kathryn A. Bryan
NiSource Corporate Services - Legal
Email: rheidorn@nisource.com
Email: kbryan@nisource.com

Robert K. Johnson, Esq.
Steel Dynamics Inc.
Email: rjohnson@utilitylaw.us

Robert C. Sears
Erin E. Whitehead
**Northern Indiana Public Service Company
LLC**
Email: rsears@nisource.com
Email: ewhitehead@nisource.com

Copy to:
Reagan Kurtz
Citizens Action Coalition
rkurtz@citact.org

Debi McCall
NiSource Corporate Services - Legal
Email: demccall@nisource.com



Scott C. Franson
Attorney No. 27839-49
Deputy Consumer Counselor

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

115 West Washington Street
Suite 1500 South
Indianapolis, IN 46204
infomgt@oucc.in.gov
317/232-2494 – Telephone
317/232-5923 – Facsimile