

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF NORTHERN INDIANA PUBLIC )  
SERVICE COMPANY LLC PURSUANT TO IND. CODE )  
§§ 8-1-2-42.7, 8-1-2-61, AND, 8-1-2.5-6 FOR (1) )  
AUTHORITY TO MODIFY ITS RETAIL RATES AND )  
CHARGES FOR ELECTRIC UTILITY SERVICE )  
THROUGH A PHASE IN OF RATES; (2) APPROVAL )  
OF NEW SCHEDULES OF RATES AND CHARGES, )  
GENERAL RULES AND REGULATIONS, AND )  
RIDERS (BOTH EXISTING AND NEW); (3) )  
APPROVAL OF A NEW RIDER FOR VARIABLE NON- )  
LABOR O&M EXPENSES ASSOCIATED WITH COAL- )  
FIRED GENERATION; (4) MODIFICATION OF THE )  
FUEL COST ADJUSTMENT TO PASS BACK 100% OF )  
OFF-SYSTEM SALES REVENUES NET OF )  
EXPENSES; (5) APPROVAL OF REVISED COMMON )  
AND ELECTRIC DEPRECIATION RATES )  
APPLICABLE TO ITS ELECTRIC PLANT IN )  
SERVICE; (6) APPROVAL OF NECESSARY AND )  
APPROPRIATE ACCOUNTING RELIEF, INCLUDING )  
BUT NOT LIMITED TO APPROVAL OF (A) CERTAIN )  
DEFERRAL MECHANISMS FOR PENSION AND )  
OTHER POST-RETIREMENT BENEFITS EXPENSES; )  
(B) APPROVAL OF REGULATORY ACCOUNTING )  
FOR ACTUAL COSTS OF REMOVAL ASSOCIATED )  
WITH COAL UNITS FOLLOWING THE )  
RETIREMENT OF MICHIGAN CITY UNIT 12, AND )  
(C) A MODIFICATION OF JOINT VENTURE )  
ACCOUNTING AUTHORITY TO COMBINE )  
RESERVE ACCOUNTS FOR PURPOSES OF PASSING )  
BACK JOINT VENTURE CASH, (7) APPROVAL OF )  
ALTERNATIVE REGULATORY PLANS FOR THE (A) )  
MODIFICATION OF ITS INDUSTRIAL SERVICE )  
STRUCTURE, AND (B) IMPLEMENTATION OF A )  
LOW INCOME PROGRAM; AND (8) REVIEW AND )  
DETERMINATION OF NIPSCO'S EARNINGS BANK )  
FOR PURPOSES OF IND. CODE § 8-1-2-42.3. )

IURC US  
INTERVENOR'S Steel  
EXHIBIT NO. 3  
4-26-23  
DATE REPORTER

CAUSE NO. 45772

OFFICIAL  
EXHIBITS

SUBMISSION OF PREFILED VERIFIED SETTLEMENT TESTIMONY OF  
RALPH R. RIBERICH, JR.  
ON BEHALF OF INTERVENOR UNITED STATES STEEL CORPORATION

United States Steel Corporation (“U.S. Steel”), by counsel, hereby submits the Settlement  
Testimony of Ralph R. Riberich, Jr.

Respectfully submitted,



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Counsel for Intervenor,  
United States Steel Corporation

Date: March 17, 2023

1 **Q1. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND BRIEF BUSINESS**  
2 **DESCRIPTION.**

3 A. My name is Ralph R. Riberich, Jr. I am the same Ralph Riberich who filed Direct  
4 Testimony in this Cause on behalf of United States Steel ("USS"), which has been a major  
5 industrial customer of Northern Indiana Public Service Company ("NIPSCO") and one of  
6 its highest electrical users for decades.

7 **Q2. WHAT IS THE PURPOSE OF THIS TESTIMONY?**

8 A. The purpose of my testimony is to support the Stipulation and Settlement Agreement filed  
9 on March 10, 2023 ("Settlement") between NIPSCO; the NIPSCO Industrial Group;  
10 NLMK Indiana; Walmart Inc.; RV Industry User's Group; the Indiana Office of Utility  
11 Consumer Counselor; and USS (collectively the "Settling Parties") resolving all disputes,  
12 claims and issues arising from this proceeding as among the Settling Parties, including  
13 revenue requirement, cost of service, rate design, and cost allocation issues.

14 **USS'S SUPPORT OF SETTLEMENT**

15 **Q3. MR. RIBERICH, DO YOU SUPPORT THE PROPOSED SETTLEMENT?**

16 A. Yes. The Settlement is a reasonable resolution of numerous disputed issues in this case and  
17 allows for the continuation of existing Rate 831 (via the new Rate 531) for Large Industrial  
18 customers.

19 **Q4. DOES THE SETTLEMENT BENEFIT NIPSCO'S CUSTOMERS?**

20 A. Yes. The Settlement provides numerous benefits to customers that likely would not have  
21 been achieved in full if this case had been litigated. It reduces NIPSCO's overall proposed  
22 revenue requirement, and provides benefits, the most important of which is a significant  
23 reduction to NIPSCO's proposed rates from what was presented in NIPSCO's rebuttal

1 testimony. As to USS's specific interests, the fundamental structure of Rate 531 remains  
2 unchanged and fully recovers the settled revenue requirement associated with the class.  
3 Customer eligibility for the rate, how the service tiers will work, and how Large Industrial  
4 Customers will contribute to NIPSCO's revenue requirement have not changed from what  
5 NIPSCO originally proposed in its Petition in this Cause. The Large Industrial Customers  
6 proactively agreed to commit to set amount of Tier 1 Firm Contract Demand elections and  
7 a calculated demand rate that fully recovers the required settled revenue requirement for  
8 Rate 531. Without such a commitment, the Revenue Requirement Settlement as it relates  
9 to Rate 531 is meaningless, because no customer can be forced, either by NIPSCO or the  
10 Commission, to take a set level of firm demand.

11 **Q5. ARE YOU FAMILIAR WITH THE COMMISSION'S POLICY AND STANDARD**  
12 **OF REVIEW FOR SETTLEMENT AGREEMENTS?**

13 **Q6.** Yes. The Commission's rules, at 170 IAC 1-1.1-17, provide that it is the policy of the  
14 Commission to review and accept appropriate settlements. A settlement must be supported  
15 by probative evidence so that the Commission may make appropriate findings of fact and  
16 determine whether the evidence supports the Commission's conclusion regarding the  
17 settlement. The Commission may reject, in whole or in part, any proposed settlement if the  
18 Commission determines the settlement is not in the public interest. I understand that  
19 settlements are favored as a matter of policy because they help resolve proceedings with  
20 greater certainty, speed and administrative efficiency than litigation. I recognize that the  
21 Commission will closely examine the Settlement and evidentiary record and determine  
22 whether it is reasonable and in the public interest.

1 **Q7. WHY IS APPROVAL OF THE SETTLEMENT CONSISTENT WITH THE**  
2 **PUBLIC INTEREST?**

3 **Q8.** Approval of the Settlement as it is written is consistent with the public interest because the  
4 Settlement represents a comprehensive resolution of all the issues in this proceeding by the  
5 Settling Parties. As the evidence of the Settling Parties reflects, the Settlement resolves all  
6 disputed issues surrounding NIPSCO's revenue requirement, cost of service, and rate  
7 design. Ultimately, the Settlement provides NIPSCO with an opportunity to earn sufficient  
8 revenues to provide reasonably adequate service and a fair return on its investment. The  
9 Settlement also balances the interests of the utility's current and future customers in  
10 receiving reasonable service at a fair cost.

11 **CONCLUSION**

12 **Q9. PLEASE SUMMARIZE YOUR RECOMMENDATIONS TO THE IURC.**

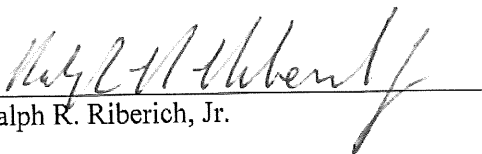
13 A. I recommend that the Commission approve the Settlement, as it is the just and reasonable  
14 result of the arm's length negotiations of many parties with divergent interests.

15 **Q10. DOES THIS CONCLUDE YOUR TESTIMONY?**

16 A. Yes, it does.

### VERIFICATION

I affirm under the penalties of perjury that the foregoing Prefiled Verified Settlement Testimony is true to the best of my knowledge, information and belief as of the date here filed.

  
Ralph R. Riberich, Jr.

## **CERTIFICATE OF SERVICE**

I hereby certify that on March 17, 2023, a copy of the foregoing was served upon the following via electronic mail:

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