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INDIANA UTILITY  
REGULATORY COMMISSION

**Petitioner’s Exhibit No. 1**  
**Cause No. 45772**  
**Northern Indiana Public Service Company LLC**  
**Page 1**

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**VERIFIED DIRECT TESTIMONY OF MICHAEL HOOPER**

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	<u>Page</u>
Introduction .....	2
NIPSCO Overview .....	5
NIPSCO’s Structure and Strategic Vision.....	14
This Proceeding .....	33
Overview of NIPSCO’s Case-In-Chief .....	39
Notices .....	39

**Introduction**

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

2 A1. My name is Michael W. Hooper and my business address is 801 East 86<sup>th</sup>  
3 Avenue, Merrillville, Indiana 46410. I am President and Chief Operating  
4 Officer for Northern Indiana Public Service Company LLC ("NIPSCO" or  
5 "Company").

6 **Q2. Please describe your educational background.**

7 A2. I received a Bachelor of Science in Mechanical Engineering with Honors in  
8 1995 from the West Virginia Institute of Technology. I am a licensed Project  
9 Management Professional (PMP), a graduate of the Strategic Leadership  
10 program from The Ohio State University Fisher College of Business.

11 **Q3. Please provide a summary of your professional experience.**

12 A3. I began my career at American Electric Power ("AEP") in 1995 as a Project  
13 Engineer. I served at AEP for 16 years, where I held multiple positions,  
14 including Manager of Major Projects Commissioning and Acceptance,  
15 Manager of Project Scheduling, Estimating and Controls, Manager of  
16 Outage Planning and Scheduling, and Supervisor of Outage and Planning  
17 for Northeast Generation and Technical Support. During my tenure at

1       AEP, I was part of a team that managed budgets to within two percent for  
2       at least three (3) consecutive years, which could primarily be attributed to  
3       the organization's strong foundation in Earned Value Management and  
4       integration of schedule and cost. Upon my departure in 2011, I was serving  
5       as Director of Project Controls for Generation Major Projects. I joined  
6       NIPSCO in February 2011 as Vice President of Major Projects. In that role,  
7       I was responsible for oversight for strategic planning, project planning, and  
8       execution of all major generation, distribution, and transmission projects  
9       (generally projects in excess of \$2 million) at NIPSCO. In 2014, I was named  
10      Senior Vice President of Major Projects and Electric Field Operations for  
11      NIPSCO. In this role, I was responsible for the successful planning,  
12      management, and execution of the Company's key construction projects in  
13      Gas & Electric Generation, Transmission, and Distribution areas, as well as  
14      oversight of the Company's Electric Field Operations. I was promoted to  
15      Senior Vice President, Electric Operations on July 1, 2015. I served as Senior  
16      Vice President of Regulatory, Legislative Affairs and Strategy starting on  
17      October 16, 2018. I accepted my current position of President and Chief  
18      Operating Officer in June 2020.

1 **Q4. What are your responsibilities as President?**

2 A4. As President, I am responsible for all operations, regulatory strategy,  
3 customer, community, compliance, and financial functions at NIPSCO and  
4 for ensuring safe, reliable, and affordable service to NIPSCO's 1.2 million  
5 electric and gas customers across the state.

6 **Q5. Have you previously testified before this or any other regulatory**  
7 **commission?**

8 A5. Yes. I previously submitted testimony before the Indiana Utility  
9 Regulatory Commission ("Commission") in support of NIPSCO's most  
10 recent gas rate case in Cause No. 45621 and its last electric rate case in Cause  
11 No. 45159. I also provided testimony before the Commission on behalf of  
12 NIPSCO in Cause Nos. 44688, 44012 and 44311.

13 **Q6. What is the purpose of your direct testimony?**

14 A6. The purpose of my testimony is to provide an overview of NIPSCO and its  
15 role in northern Indiana. I briefly describe NIPSCO's electric system and  
16 NIPSCO's corporate structure, strategic vision, and its commitments to its  
17 stakeholders. I explain how NIPSCO's vision and commitments have been

1           embraced and executed since its last electric base rate proceeding,<sup>1</sup> and I  
2           describe NIPSCO's customer service goals. I also explain why NIPSCO is  
3           filing this case at this time and provide a brief overview of NIPSCO's case-  
4           in-chief.

5   **Q7. Are you sponsoring any attachments to your testimony in this Cause?**

6   A7. Yes. I am sponsoring Attachments 1-A through 1-D, all of which were  
7           prepared by me or under my direction and supervision.

**NIPSCO Overview**

8   **Q8. Please briefly describe NIPSCO's operations and facilities.**

9   A8. NIPSCO and its predecessor companies have been serving northern  
10          Indiana for over 100 years. NIPSCO provides natural gas service to  
11          approximately 850,000 customers in 32 counties across the northern third  
12          of Indiana and electric service to more than 483,000 customers in 20 counties  
13          in northwest Indiana.<sup>2</sup>

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<sup>1</sup>        *Verified Petition of N. Ind. Pub. Serv. Co.*, Cause No. 45159 (IURC Dec. 4, 2019).

<sup>2</sup>        NIPSCO is authorized by the Commission to provide electric utility service to the public in all or part of Benton, Carroll, DeKalb, Elkhart, Fulton, Jasper, Kosciusko, LaGrange, Lake, LaPorte, Marshall, Newton, Noble, Porter, Pulaski, Saint Joseph, Starke, Steuben, Warren and White Counties in northern Indiana.

1 **Q9. Please provide an overview of NIPSCO's current electric generating**  
2 **operations.**

3 A9. As discussed in greater detail by NIPSCO Witness Talbot, NIPSCO  
4 generates, transmits, and distributes electricity to more than 483,000  
5 customers in 20 counties in the northern part of Indiana. The NIPSCO  
6 generating facilities have a total installed capacity of 2,299 net megawatts  
7 ("MW") and consist of seven (7) separate generation sites, including the  
8 R.M. Schahfer Generating Station ("Schahfer"), Michigan City Generating  
9 Station ("Michigan City"), Sugar Creek Generating Station ("Sugar Creek"),  
10 Rosewater Wind Farm ("Rosewater"), Indiana Crossroads I Wind Farm  
11 ("Crossroads Wind I"), and two (2) hydroelectric generating sites (Oakdale  
12 and Norway). Of the total capacity, 51.20% is from coal-fired units, 30.80%  
13 is from natural gas-fired units, 17.57% is from Renewables (wind), and  
14 0.43% is from hydroelectric units. During the year ended December 31,  
15 2021, NIPSCO generated 81% and purchased 19% of its electric  
16 requirements.

17 **Q10. Please provide an overview of NIPSCO's current electric transmission**  
18 **operations.**

1 A10. As discussed in greater detail by NIPSCO Witness Talbot, NIPSCO's  
2 transmission system is interconnected with seven neighboring electric  
3 utilities. As discussed in greater detail by NIPSCO Witness Campbell,  
4 NIPSCO participates in transmission service and wholesale energy markets  
5 operated by the Midcontinent Independent System Operator, Inc.  
6 ("MISO"). MISO is a nonprofit organization created in compliance with the  
7 Federal Energy Regulatory Commission to improve the flow of electricity  
8 in the regional marketplace and to enhance electric reliability.  
9 Additionally, it is responsible for managing the energy markets,  
10 transmission constraints, the day-ahead, real-time and Financial  
11 Transmission Rights markets and the ancillary services market. NIPSCO  
12 transferred functional control of its electric transmission assets to MISO in  
13 2003 and transmission service for NIPSCO occurs under the MISO Open  
14 Access Transmission, Energy and Operating Reserve Markets Tariff.

15 **Q11. Please describe NIPSCO's retail customer base.**

16 A11. Table 1 below summarizes NIPSCO's retail customers by group as of  
17 December 31, 2021:

**Table 1 – 2021 Historic Base Period Customer Data<sup>3</sup>**

	<b>Customers</b>	<b>Test Year Volumes (MWh)</b>
Residential Sales	422,436	3,546,813
Commercial Sales	58,010	3,698,031
Industrial Sales	2,135	8,253,705
Other	716	79,140
<b>TOTAL</b>	<b>483,297</b>	<b>15,577,689</b>

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2 **Q12. Please describe the nature of NIPSCO's customer base and how that**  
3 **impacts NIPSCO's risk profile.**

4 A12. As Table 1 above illustrates, NIPSCO is unique in that its large industrial  
5 customers have historically accounted for more than fifty percent of its  
6 energy sales. As those customers compete globally, they demand electric  
7 rates that more accurately reflect the marginal cost of energy production.  
8 As discussed in greater detail by NIPSCO Witness Campbell, NIPSCO  
9 received approval for a change to its large industrial service structure  
10 ("Rate 831") in NIPSCO's last electric rate case (Cause No. 45159). As  
11 NIPSCO proceeds with the retirement of its coal-fired generation and its  
12 replacement alternatives, Rate 831 allows NIPSCO to address its industrial  
13 customers' needs for a market sensitive rate structure, while offering

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<sup>3</sup> The period beginning January 1, 2021 and ending December 31, 2021. Source: NIPSCO response to 170 IAC 1-5-8(a)(3)(B) and 170 IAC 1-5-8(a)(3)(C).

1 protection to its remaining customers that they will not be responsible for  
2 replacement generation cost to serve industrial load that is more volatile  
3 and more able to leave the system with stranded cost. NIPSCO believes  
4 that Rate 831 has met its intended goals to retain NIPSCO's industrial load  
5 in Northern Indiana as well as providing continued contribution to the  
6 fixed production costs to serve these customers as NIPSCO executes its  
7 planned generation transition. As discussed in greater detail by NIPSCO  
8 Witness Whitehead, NIPSCO has reached agreement with Rate 831  
9 customers for the continuation of Rate 831, with modifications. Rate 831  
10 has worked to help retain the level of production from NIPSCO's largest  
11 customers with the potential to expand their production in the region. Its  
12 continuation, as proposed by NIPSCO under what is now called "Rate 531,"  
13 will allow NIPSCO to balance the interests of all stakeholders and position  
14 NIPSCO to provide safe and reliable service at just and reasonable rates.

15 **Q13. Please describe NIPSCO's role in northern Indiana.**

16 A13. NIPSCO is headquartered in Merrillville, Indiana and plays a critical role  
17 in northern Indiana, an area in which safe, reliable, and affordable energy  
18 service is critically important. NIPSCO is continually focused on improving

1 customer service, enhancing the availability and reliability of electricity and  
2 natural gas, and providing an infrastructure to support new jobs and  
3 economic growth. In addition to the safety and reliability benefits provided  
4 by the Company's investments, these investments also provide the  
5 ancillary benefit of energizing the local economies through the wages paid  
6 to the skilled labor necessary to complete the work.

7 As a critical energy provider in the region, NIPSCO embraces its mission to  
8 engage its customers, employees, and community partners to continuously  
9 improve and partner with these stakeholders in supporting the success of  
10 the communities it serves. To this end, NIPSCO's leadership team and  
11 other employees serve critical roles in various community organizations.  
12 There are many examples of NIPSCO's efforts to work with and support  
13 the communities it serves.

14 NIPSCO's Charity of Choice effort has provided more than \$1.2 million to  
15 community organizations over the last twelve years. In 2022, the focus is  
16 on employee volunteerism to give back to the communities NIPSCO serves.  
17 In August, over 125 employees worked to support 26 different volunteer  
18 projects throughout NIPSCO's service territory. These projects include

1 outdoor beautification, painting buildings with educational murals, and  
2 volunteering at various STEM programs like the Challenger Learning  
3 Center in Hammond, Indiana.

4 In 2018, NIPSCO introduced a Public Safety Education and Training Action  
5 Grant program to provide funding for community and youth public safety  
6 education programming and training for first responders. Over the last  
7 four years, NIPSCO has funded 62 projects totaling \$223,000 for safety  
8 education and training programs. These projects include improvements to  
9 community safety villages, new emergency responder equipment, and  
10 school educational safety programs. In 2022, NIPSCO will award an  
11 additional \$60,000.

12 Since 2016, NIPSCO's Environmental Grant program has donated \$439,000  
13 to help 109 projects come to fruition across Northern Indiana. The grant  
14 program funds diverse environmental restoration and education projects  
15 across NIPSCO's service territory. In 2022, projects are focused on  
16 pollinators of all shapes and sizes including monarch butterflies, bluebirds  
17 and bees, funding native plants for their sustainable food sources and  
18 habitats, as well as corresponding education programs for communities

1 and citizens of all ages. Additionally, funding is provided for Lakeshore  
2 Public Media to share the documentary "Shifting Sands" with the public  
3 and for events including Girl Scouts' Earth Day celebration and Envirofest  
4 at Elkhart Environmental Center.

5 **Q14. Please describe steps NIPSCO has taken to help customers save energy**  
6 **and reduce their monthly bills.**

7 A14. NIPSCO has taken major steps in helping customers save energy and  
8 reduce their monthly bills. From senior leadership to front line employees,  
9 NIPSCO has continued to elevate its internal emphasis on energy efficiency.  
10 This includes enhanced communication with the statewide stakeholders,  
11 including governmental agencies, other utilities, and consumer parties. As  
12 described in greater detail by NIPSCO Witness Whitehead, NIPSCO has  
13 dedicated staff to energy efficiency measures and manages the  
14 development and implementation of such measures to the benefit of its  
15 electric and gas customers. NIPSCO's electric energy efficiency programs  
16 have helped customers save more than 1.4 million megawatt hours from  
17 2010 through June 30, 2021. NIPSCO offers a variety of programs for all  
18 customer segments (residential, commercial, and industrial) and looks to

1 help customers manage current energy costs and to assist NIPSCO in  
2 reducing or deferring future generation needs.

3 **Q15. Please describe NIPSCO's efforts to support low-income customers.**

4 A15. NIPSCO remains sensitive to its customers in need, as demonstrated by  
5 NIPSCO's work and support of an energy efficiency weatherization  
6 program targeted towards NIPSCO's low-income gas and electric  
7 customers, as well as NIPSCO's low-income appliance replacement  
8 program in its electric energy efficiency proceeding. NIPSCO recognizes  
9 the demographics of its service territory and, while its Low Income Home  
10 Energy Assistance Program ("LIHEAP") qualified gas customers can  
11 participate in a bill assistance program, there is no such additional bill  
12 assistance program for its LIHEAP electric customers. As discussed in  
13 greater detail by NIPSCO Witness Becker, NIPSCO is proposing to offer a  
14 bill assistance program to its low-income electric customers, which will  
15 allow NIPSCO to better provide electric energy service to its customers at  
16 economical and reasonable costs, similar to what NIPSCO already provides  
17 for its gas customers.

1 **Q16. Did NIPSCO initiate programs to support its customers during the**  
2 **COVID-19 pandemic?**

3 A16. Yes. With many NIPSCO customers impacted financially by the COVID-19  
4 pandemic, NIPSCO quickly reacted to better serve its customers in need.  
5 NIPSCO voluntarily suspended service shut offs for non-payment, waived  
6 late fees, and waived deposits and reconnect fees for customers to have  
7 service re-established. NIPSCO also extended and expanded payment  
8 plans for all customers. NIPSCO continues to offer its customers six-month  
9 payment plans, and eligible LIHEAP customers can access twelve-month  
10 payment plans. NIPSCO also made donations to the American Red Cross  
11 of Indiana to provide pandemic relief support to customers.

**NIPSCO's Structure and Strategic Vision.**

12 **Q17. Please describe briefly NIPSCO and its relationship with its parent**  
13 **company, NiSource Inc. ("NiSource").**

14 A17. NIPSCO is one of six natural gas and electric companies in the NiSource  
15 family of utility companies. NiSource is headquartered in Merrillville,  
16 Indiana, and through its gas utility subsidiaries, represents one of the  
17 largest natural gas utility companies in the United States, serving nearly 4

1 million natural gas and electric customers across six states under the  
2 NIPSCO and Columbia Gas brands. NIPSCO is Indiana's largest natural  
3 gas distribution company and the second largest electric distribution  
4 company, serving approximately 850,000 natural gas and 483,000 electric  
5 customers. NIPSCO and the other NiSource operating companies employ  
6 about 7,300 employees. Approximately 2,800 of those jobs are NIPSCO  
7 employees located in the State of Indiana as well as the NiSource corporate  
8 employees based in the Merrillville corporate headquarters and more than  
9 900 contractor resources and support personnel working in NIPSCO's  
10 service territory, making NIPSCO among the largest employers in Indiana  
11 and one of the largest employers in the northwest region of the State.

12 **Q18. Please describe NIPSCO's strategic vision.**

13 A18. At NIPSCO we aspire to be a premier regulated electric and gas utility  
14 company. We work to achieve this by delivering on our commitments for  
15 our customers, employees, and shareholders through a focus on our  
16 priorities. Safety is our foundational commitment. As reflected in our  
17 continuing implementation of our Safety Management System ("SMS"),  
18 which has matured to become a core operating model safety drives our

1       daily decisions and SMS has enhanced how we identify and prioritize  
2       investments to reduce risks. NIPSCO is committed to supporting the  
3       transition to more sustainable energy. While NIPSCO's transition to more  
4       renewable generation is driven by projected economic savings for  
5       customers, NIPSCO's investments in renewable energy also support its  
6       strategic priority to drive decarbonization pathways, while its electric and  
7       gas transmission and distribution systems modernization investments  
8       support NIPSCO's continued provision of safe, reliable, and resilient  
9       service. NIPSCO is focused on enhancing our customers' experience,  
10      including offering 24/7 start, stop, move service to customers through  
11      NIPSCO's mobile app or website, offering customer service assistance  
12      through live web chat, and providing customers real-time electric outage  
13      alerts. NIPSCO also provides dependable financial performance to support  
14      continued investment in critical infrastructure. Our strategic vision consists  
15      of three primary objectives: (1) to invest in NIPSCO's generation transition  
16      and needed infrastructure programs at our utilities to continue serving our  
17      customers safely and reliably; (2) to strengthen our financial foundation for  
18      access to capital to continue making ongoing investments in service quality,  
19      sustainability, modernization, and reliability; and (3) to enhance processes,

1 performance, safety, and reliability to provide excellent customer service.  
2 Achieving these core objectives ultimately will serve the interests of all  
3 NIPSCO's key stakeholders, including customers, employees,  
4 communities, and its financial stakeholders.

5 **Q19. Why is ongoing infrastructure investment a core objective for NIPSCO?**

6 A19. As the provider of critically important services to residential, commercial,  
7 and industrial customers, NIPSCO plays an important role in the safety,  
8 comfort, and economic vitality of the communities we serve. Much of the  
9 infrastructure operated by NIPSCO has been in service for many decades,  
10 and significant ongoing investment is required to maintain the systems to  
11 reliably meet current and long-term safety and customer needs. For  
12 NIPSCO's electric service, this includes ongoing investments in  
13 environmental compliance projects and investments in transmission and  
14 distribution assets. As discussed in greater detail by NIPSCO Witness  
15 Talbot, ongoing investment in NIPSCO's electric distribution system is  
16 required to (1) maintain safe and reliable performance while proactively  
17 replacing aging, high risk equipment across the system; (2) maintain  
18 adequate system capacity to reliably serve customer loads; and (3)

1 modernize NIPSCO's electric grid with technologies that support improved  
2 reliability, asset health and condition, and preparing for future customer  
3 growth. Targeted transmission investment by NIPSCO individually and  
4 through its participation in MISO will continue.

5 **Q20. Please describe NIPSCO's generation transition plan.**

6 A20. Coming out of NIPSCO's 2018 Integrated Resource Plan ("IRP"), and as  
7 more fully discussed by NIPSCO Witness Augustine, NIPSCO started  
8 down a path to retire its coal-fired generation fleet and replace this retiring  
9 fleet with predominantly wind, solar, and storage resources. As discussed  
10 in the 2018 IRP, the driver of this transition was estimated economic savings  
11 for customers over the long-term view of 30 years relative to other options  
12 for meeting the future energy needs for our customers. NIPSCO has  
13 worked diligently to procure the renewable generation facilities outlined in  
14 the 2018 IRP. NIPSCO Witness Campbell discusses where NIPSCO stands  
15 in its generation transition, including specifically the status of NIPSCO's  
16 various renewable generation projects and some of the early benefits the  
17 projects are providing to customers. In NIPSCO's most recent IRP, which  
18 was submitted to the Commission in November of 2021, the

1       appropriateness and cost-effectiveness of NIPSCO's generation transition  
2       was generally confirmed. NIPSCO Witness Augustine discusses how, due  
3       to updated commodity price inputs and new resource costs, NIPSCO's 2021  
4       IRP also concluded that further diligence is needed on preferred  
5       replacement resources, including new thermal peaking and storage  
6       capacity. These resources will also play an important role in maintaining a  
7       reliable resource portfolio by providing attributes, such as black start  
8       capability. To that end, NIPSCO issued a request for proposals in August  
9       2022 to evaluate these technology options and expects to continue this  
10      diligence through the remainder of the year and into 2023.

11      **Q21. Please explain NIPSCO's decision to keep Schahfer Units 17 and 18 in**  
12      **service through 2025 and the implications of that decision in this case.**

13      A21. NIPSCO takes its responsibility to provide safe, reliable, and affordable  
14      electric service to its customers very seriously. As discussed in greater  
15      detail by NIPSCO Witnesses Campbell and Augustine, NIPSCO evaluated  
16      where it was in its generation transition in early 2022, NIPSCO worked with  
17      its internal and external subject matter experts to evaluate the appropriate

1 timing of coal-fired generation resource retirements.<sup>4</sup> The conclusion of this  
2 evaluation was that, based on delays to solar and solar plus storage projects  
3 related to circumstances beyond NIPSCO's control, as publicly announced  
4 in May of this year, Schahfer Units 17 and 18 would operate beyond May  
5 of 2023 but will retire by the end of 2025. The primary driver of this decision  
6 was ensuring NIPSCO had adequate resources available to serve its  
7 customers' needs.

8 **Q22. You reference expected savings associated with NIPSCO's generation**  
9 **transition, but NIPSCO is now seeking a rate increase. Please explain**  
10 **why this is the case.**

11 A22. NIPSCO's 2018 IRP estimated as much as \$4 billion in cost savings  
12 associated with the generation transition plan over a 30-year time horizon.  
13 This estimate was based on evaluating the costs of retaining NIPSCO's coal-  
14 fired generation fleet as compared to the path NIPSCO is on. The expected  
15 savings related most directly to avoided capital expenditures for  
16 environmental compliance at the coal-fired units and avoided fuel costs.

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<sup>4</sup> As discussed by NIPSCO Witness Augustine, NIPSCO has engaged in ongoing analysis to evaluate the various changes that have occurred in the energy market.

1           However, it is important to note that the renewable generation facilities  
2           NIPSCO has implemented and is implementing, as well as the transmission  
3           upgrades necessary to ensure reliability during and after the transition,  
4           require up-front capital investment. There will be ongoing, substantial  
5           savings associated with not needing to purchase and transport coal or the  
6           chemicals necessary to burn coal, but these accrue over time—which is the  
7           reason why the IRP evaluates costs and benefits over the long-term.  
8           NIPSCO is currently seeking to begin recovering its renewable generation  
9           investments, which increases customer costs today to realize meaningful  
10          savings over time. This is discussed further by NIPSCO Witness Augustine.

11   **Q23. Understanding NIPSCO has not fully completed its generation**  
12   **transition, when will customer benefits associated with the transition**  
13   **begin to be realized?**

14   A23. As discussed in greater detail by NIPSCO Witness Campbell, NIPSCO  
15   customers have already begun to see some of the benefits associated with  
16   NIPSCO's generation transition, as NIPSCO retired Schahfer Units 14 and  
17   15 in October of 2021 and has brought three wind generation projects  
18   online—two under the Build Transfer Agreement ("BTA") or Joint Venture

1 structure, and one under a power purchase agreement (“PPA”) structure.  
2 There are several examples of benefits currently being realized by  
3 customers from these wind projects. First, since NIPSCO’s wind projects  
4 (Rosewater and Jordan Creek) went into service in late 2020, NIPSCO  
5 customers have been served by the lower-cost, cleaner energy produced by  
6 these facilities. The same is true for the Indiana Crossroads Wind facility  
7 that went into service in late 2021. Second, throughout this time, NIPSCO  
8 has also sold the renewable energy credits (“RECs”) associated with this  
9 wind generation and returned all proceeds to customers as a credit in the  
10 Fuel Adjustment Clause (“FAC”) proceeding on a dollar-for-dollar basis.  
11 Third, to the extent there has been more energy produced from the facilities  
12 than is needed to meet the load needs of NIPSCO’s customers, NIPSCO has  
13 sold this excess energy into the MISO market and returned net proceeds to  
14 customers through what is called “off-system sales,” or OSS.<sup>5</sup> Finally, after  
15 an appropriate level of reserves was built up, NIPSCO has recently begun

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<sup>5</sup> As discussed by NIPSCO Witness Campbell, crediting OSS margins used to be split between the FAC and the regional transmission organization (“RTO”) tracker, but NIPSCO is proposing to credit all OSS through the FAC going forward.

1 to return excess cash distributions associated with Rosewater and Indiana  
2 Crossroads Wind (the BTA projects) through the FAC.

3 With two solar BTA projects (Dunn's Bridge I and Indiana Crossroads)  
4 coming online in 2023, there will be additional benefits to customers even  
5 during the period when NIPSCO continues its transition away from coal-  
6 fired generation. The benefits listed above for the in-service wind projects  
7 will also be realized for the solar projects, but the quantity or materiality  
8 will continue to grow as additional projects are brought online. The  
9 customer benefits for REC sales, credit of OSS, and return of cash  
10 distributions from the Joint Ventures are further quantified and discussed  
11 by NIPSCO Witness Campbell but are currently estimated to be in excess  
12 of \$50 million per year.

13 **Q24. Considering these investments, is it important that NiSource maintain a**  
14 **strong investment grade credit rating?**

15 A24. Yes. To successfully execute on our vision, NiSource needs to operate from  
16 a solid financial foundation, with adequate liquidity and access to capital  
17 on reasonable terms to support our ongoing investment in NIPSCO's  
18 operations. Access to capital on reasonable terms is the lifeblood of any

1 capital-intensive business and an important objective for NIPSCO. Access  
2 to capital is particularly critical for NIPSCO because of the need to make  
3 ongoing investments in service quality, safety, compliance and reliability  
4 and the ability to obtain that capital on reasonable terms is important to  
5 manage the customer rate impact of such investments. For these reasons,  
6 NiSource is focused on maintaining its corporate credit ratings. NIPSCO  
7 Witness Rea provides additional detail about the status and importance of  
8 access to capital on competitive terms as a driver for NIPSCO's success in  
9 meeting its commitments to stakeholders.

10 **Q25. What is NiSource's current credit rating?**

11 A25. NiSource's credit ratings with the three rating agencies have continued a  
12 positive trend based on its continued execution of its long-term  
13 infrastructure investment plan. As of August 1, 2022, NiSource's credit  
14 ratings were:

<b>Rating Agency</b>	<b>Credit Rating</b>
Standard and Poor's	BBB+
Fitch	BBB
Moody's	Baa2

1   **Q26. Does the regulatory environment in Indiana impact NIPSCO's ability to**  
2       **obtain debt and equity on reasonable terms?**

3   A26. Absolutely. Credit rating agencies closely follow and assess regulatory  
4       proceedings and their impact on a company's financial condition. The  
5       financial market, including credit rating agencies, continually monitor  
6       NIPSCO's ability to obtain consistent, timely, and reasonable regulatory  
7       treatment related to its regulatory filings, and these regulatory outcomes  
8       have a significant impact of how NIPSCO (and NiSource) are viewed in  
9       terms of investment risk. Specific regulatory outcomes also drive  
10      improvements in the NiSource balance sheet and overall financial  
11      performance, thereby increasing the likelihood for stabilization or  
12      improvement in the corporate credit rating.

13      Finally, I would note that the credit rating agencies, and financial markets  
14      in general, understandably are interested in and sensitive to the regulatory  
15      process itself, including the degree to which proceedings are transparent  
16      and understandable, as well as the timeframe within which filings are  
17      processed. Financial stakeholders understand these processes and have a  
18      sense that when cases are processed within a reasonable time, they will

1           have more confidence in each jurisdiction's regulatory process and its  
2           impact on the regulated companies they evaluate.

3   **Q27. How has NIPSCO approached its commitment to top-tier customer**  
4   **satisfaction and brand perception?**

5   A27. NIPSCO's commitment to top-tier customer satisfaction and brand  
6   perception has been demonstrated by year-over-year improvement in  
7   customer satisfaction and brand perception metrics. NIPSCO achieved an  
8   overall Customer Satisfaction Index score of 729 in the 2022 midpoint J.D.  
9   Power Electric Residential Survey, an increase of 23 points over the  
10   Company's 2018 results. In addition, NIPSCO's Power Quality and  
11   reliability score has increased by 7 points since 2018, resulting in a score of  
12   763 through mid-year 2022 study results. NIPSCO works to resolve our  
13   customer's concerns when they arise. NIPSCO has not had a Commission-  
14   justified electric consumer complaint since 2020 and only 1 Commission-  
15   justified complaint since 2018. NIPSCO aspires for even better performance  
16   and is optimistic that our continued focus on improving customer service  
17   will produce further improvements.

1 NIPSCO continues to introduce service enhancements for its customers  
2 including an enhanced and simplified web presence and introduction of  
3 improved billing and payment options. In August 2021, we also launched  
4 the free NIPSCO mobile app, available for both Apple and Android users.  
5 Since the launch, more than 125,000 customers have downloaded the  
6 NIPSCO mobile app.

7 **Q28. Has NIPSCO introduced any new initiatives to improve service to its**  
8 **customers?**

9 A28. Yes. NIPSCO is investing in many new improvements to provide more  
10 efficient service to customers and focusing on using digitization to provide  
11 an enhanced experience for customers. Allowing customers to lead the  
12 way, we promoted digital options, like paperless billing, as well as  
13 introduced new technology to improve the customer experience through  
14 the introduction of a new mobile app, the ability for customers to connect  
15 with customer care agents online via live or automated chat. We have also  
16 added an online feature to allow customers to start, stop, or move their  
17 existing service. We also recently launched a new, conversational  
18 Interactive Voice Response (IVR) system, designed to make it easier for

1 customers to get customer service by telephone. These new tools give  
2 customers the ability to do business in the channel they prefer with ease.  
3 NIPSCO also expects continued enhancements to customer experience as  
4 NIPSCO rolls out Advanced Metering Infrastructure (AMI) over the next  
5 few years.

6 **Q29. Has NIPSCO delivered on its commitment to environmental**  
7 **stewardship?**

8 A29. Yes. NIPSCO's plan progressed on many fronts throughout 2021. We  
9 continued to advance initiatives aimed at making our electric generation  
10 coal-free by 2026-2028. We completed a third wind generation project,  
11 broke ground on two solar projects, and received regulatory approval to  
12 complete another nine renewable energy projects. We also retired two of  
13 the four coal generating units at Schahfer. NIPSCO's 2021 IRP identified a  
14 mix of lower-cost, cleaner energy sources to replace Michigan City,  
15 NIPSCO's last remaining coal generation, when it retires between 2026 and  
16 2028. This is projected to result in tremendous environmental  
17 improvement. By 2030 compared to a base year of 2005, we expect to reduce  
18 our direct (scope 1) greenhouse gas emissions by 90%, reduce our coal ash

1 generation by 100%, and reduce by 99% our water withdrawal, wastewater  
2 discharge, nitrogen oxides, sulfur dioxide and mercury air emissions.

3 NIPSCO's parent company, NiSource, continues to be identified as a  
4 sustainability leader, as evidenced by the quality of disclosures and  
5 reporting, and by recognition received from environmental, social, and  
6 governance ("ESG") raters and rankers including:

- 7 • NiSource was named to the Dow Jones Sustainability North America  
8 Index for the eighth consecutive year. NiSource was one of seven  
9 U.S. utility companies on the 2021 list, which validates the  
10 advancements we continue to make in our sustainability strategy.
- 11 • NiSource continued its listing in the FTSE4Good Index Series, which  
12 identifies NiSource as a company that demonstrates strong ESG  
13 practices.
- 14 • MSCI upgraded NiSource from an 'A' to an 'AA' ESG rating,  
15 acknowledging its robust performance on key issues.
- 16 • Newsweek magazine named NiSource as one of America's Most  
17 Responsible Companies, recognizing us as an environmental and  
18 social steward to the communities we serve.

- 1           •       NiSource also joined the Low-Carbon Resources Initiative in 2021.

2   **Q30. Has NIPSCO delivered on its commitment to continued improvement in**  
3       **employee diversity, equity, and inclusion (“DEI”) as well as employee**  
4       **engagement to be among the best places to work?**

5   A30. At NIPSCO, our day-to-day work can be as diverse as the types of careers  
6       we offer, and that means a variety of opportunities that help our employees  
7       feel excited about their work and growth. NIPSCO intends to be a great  
8       place to work for our employees. Our hiring process ensures we employ  
9       people who support our values and, once on board, we give them the tools  
10      they need to deliver for our customers, all while fostering an inclusive  
11      workplace where people feel supported as they grow and develop in their  
12      careers. NIPSCO takes its employee relations seriously and is committed  
13      to advance an inclusive and diverse culture of acceptance and  
14      accountability throughout the organization by recognizing and celebrating  
15      the differences among our employees, customers, and communities.  
16      NIPSCO's parent company, NiSource, recently added a Vice President &  
17      Chief Diversity, Equity & Inclusion Officer role to partner with  
18      stakeholders and sponsors across the organization to enhance and

1       implement an organization-wide diversity, equity and inclusion vision and  
2       strategy.

3       NIPSCO also continues to pursue opportunities to enhance engagement  
4       and involvement by providing its employees with charitable and  
5       community outreach opportunities as well as support for employee  
6       training and development and inclusion and diversity initiatives. As an  
7       example, NIPSCO encourages employees to get involved and make a  
8       difference by participating in Employee Resource Groups (“ERGs”) which  
9       are formed to serve as a resource both for the organization as well as the  
10      members of the ERG and are a catalyst for ensuring a fully inclusive and  
11      engaged work environment that provides opportunities for all employees.

12      NIPSCO continues to work to create a more diverse and representative  
13      workforce across all levels of our enterprise, and to ensure equal  
14      opportunities for growth and advancement. To further cultivate this  
15      environment, we have pursued a broad range of initiatives designed to  
16      enhance DEI throughout our company. We also maintained our strong  
17      focus on advancing career development initiatives through efforts such as

1           our diverse talent mentoring program. We showcase our diverse workforce  
2           and DEI initiatives in internal and external communications.

3           To strengthen our ability to promote DEI within specific areas and  
4           functions, our existing framework also has evolved to focus on five key  
5           pillars: Business Operations; Branding & Communication; Talent  
6           Acquisition; Talent Management; and Strategic Partners. This new  
7           approach will strengthen our ability to ensure that we advance our  
8           diversity goals within all of our corporate activities.

9           NIPSCO has also launched a concentrated effort to increase the diversity of  
10          our frontline workers. In 2022, we partnered with Dawson Line School in  
11          Chicago, Illinois, and as a result, 20% of NIPSCO's candidates attending the  
12          last three line school classes have been diverse. We look forward to  
13          continuing this partnership, as well as identifying new ways to increase the  
14          diversity of our frontline workers, which will not only increase our  
15          preparedness for 24/7 response, but also better reflect the communities we  
16          serve.

17          In February of 2022, NiSource was named by *Forbes* magazine as one of  
18          America's Best Large Employers, and number 276 out of the 500 companies

1 listed. NiSource was also named as number 58 for America's Best  
2 Employers for Diversity, and the top company in the utility segment.  
3 NiSource was also named number 49 for America's Best Employers for  
4 Women, second in the utility segment.

**This Proceeding**

5 **Q31. Why is NIPSCO filing this case at this time?**

6 A31. NIPSCO is filing this case primarily to recover pre-approved investments  
7 related to its execution of its ongoing generation transition and to  
8 modernize and improve the safety and reliability of its electric  
9 infrastructure. Recovery of these investments—along with return on the  
10 investments and associated tax impacts—are estimated to be 90% of the  
11 requested increase. As discussed in greater detail by NIPSCO Witness  
12 Whitehead, it is the level of this unrecovered investment which necessitates  
13 the rate increase NIPSCO is requesting in this proceeding. This results in  
14 NIPSCO's current rates being insufficient to recover the increased costs of  
15 providing service to its customers. NIPSCO needs to continue to invest in  
16 the generation transition plan outlined in the 2018 IRP and affirmed in the  
17 2021 IRP to bring the long-term financial and environmental benefits to our

1 customers while we continue to maintain system reliability and resiliency.  
2 These investments require up-front capital that results in near term rate  
3 increases but provide the ability to transition to a more affordable long term  
4 generation portfolio that is less dependent on volatile fuel markets. Seeking  
5 recovery of these investments shortly after they have started to serve  
6 customers is also in NIPSCO's customers' best interest, as waiting to seek  
7 recovery would lead to growth in the recoverable investments as they are  
8 deferred. NIPSCO must also continue to keep its substations, poles, and  
9 wires operating reliably for the future and continue to modernize the grid  
10 to bring customers greater benefits and options.

11 **Q32. What are some of the challenges faced by NIPSCO?**

12 A32. This is a pivotal time for the electric utility industry in general, and for  
13 NIPSCO. Energy technology is rapidly evolving, public policies addressing  
14 climate change are quickly advancing, customer requirements are  
15 becoming increasingly sophisticated, and system reliability and resilience  
16 remain paramount. Those factors have changed how the electric grid is  
17 used, and what will be demanded of it as customers more actively manage  
18 their energy use and adopt emerging and advanced technologies.

1        Although our strategic priorities are forward-looking, we also focus on  
2        near-term operating efficiency and excellence, safety, and customer  
3        satisfaction.

4        NIPSCO will have completed four renewable projects by the end of the  
5        Forward Test Year and needs to include these assets in rate base for  
6        recovery. Each of these projects have previously been approved by the  
7        Commission and delaying the recovery of these investments will only result  
8        in higher rates to customers. Moreover, supply chain issues have delayed  
9        several of NIPSCO's other planned, approved renewable generation  
10       projects, requiring NIPSCO to retain coal beyond the Forward Test Year.  
11       This results in a portion of the capital investments related to the generation  
12       transition being incorporated into rate base while needing to continue the  
13       operation of a portion of the coal fleet. In addition, the current economic  
14       environment and energy market is driving increases in fuel, purchased  
15       power, and capacity costs since our last general base rate case (Cause No.  
16       45159), which impacts base fuel costs for customers as well. The partial  
17       generation transition and current market conditions results in a rate  
18       increase for all customers.

1 **Q33. Has NIPSCO considered the impact of a rate increase on customers?**

2 A33. The Company realizes that rate increases will always have an impact on  
3 customers. In light of NIPSCO's prudent capital investments, which are  
4 necessary to retire and replace aging infrastructure, a rate increase is  
5 unavoidable. As outlined earlier in my testimony, the Company has taken,  
6 and will continue to take, specific measures to assist those financially  
7 insecure customers.

8 **Q34. How does NIPSCO think about affordability as it approaches a rate case?**

9 A34. Affordability is about more than just what a customer's bill may be, and it  
10 relates directly to what portion of the customer's income goes to pay for  
11 electricity. Customer affordability is top-of-mind for NIPSCO, including as  
12 it prepared this filing. This includes awareness of the current economic  
13 environment, which NIPSCO understands presents challenges for its  
14 residential, commercial, and industrial customers.

15 In fact, overall concerns about long-term affordability are what is driving  
16 NIPSCO to make the investments it is now seeking to recover from  
17 customers. And as NIPSCO began this generation transition, NIPSCO  
18 leveraged available opportunities to do so in the most economical way

1 possible. For example, coming out of the 2018 IRP, NIPSCO first focused  
2 on executing wind projects to capture the value of production tax credits,  
3 which in 2018 were set to expire in the short-term, and later focused on solar  
4 projects that utilize investment tax credits. Additionally, rather than  
5 developing and outright owning its renewable generation projects,  
6 NIPSCO proposed and is utilizing a relatively novel joint venture structure,  
7 which leverages with a “tax equity partner” who can most effectively utilize  
8 all available tax attributes from the projects. This was done specifically to  
9 reduce total project costs, which is for the ultimate benefit of NIPSCO’s  
10 customers. The benefits of NIPSCO’s strategic investments, which NIPSCO  
11 is seeking to begin recovering now, will accrue directly to customers for  
12 decades to come.

13 **Q35. Are there specific actions the Company is taking in this case to maintain**  
14 **affordable bills for its customers?**

15 A35. As discussed in greater detail by NIPSCO Witness Whitehead, NIPSCO has  
16 taken steps to mitigate the bill impact related to this rate case including the  
17 adoption of the Average Service Life (ASL) depreciation methodology in its  
18 filing position and reflecting a lower return on equity than the target

1 recommended by NIPSCO Witness Rea. NIPSCO has also included  
2 estimates of the financial benefits, which are passed back dollar-for-dollar  
3 to customers related to the renewable projects and off-system sales.  
4 Additionally, as further discussed by NIPSCO Witnesses Whitehead and  
5 Blissmer, NIPSCO is proposing a mechanism to track the variable operation  
6 and maintenance costs related to the coal-fired generation units so that the  
7 reduction in these costs related to lower dispatch and/or market pricing  
8 could be passed back to customers in a timely manner. This approach has  
9 the added benefit of timely removal of these costs to customers upon the  
10 retirement of the coal generation units.

11 NIPSCO works diligently to prudently maintain and even reduce operating  
12 costs wherever possible to minimize bill increases as well. NIPSCO is  
13 working to complete the remaining renewable projects as timely as possible  
14 to lock in fuel savings for customers for decades to come. NIPSCO is a  
15 leading Indiana utility with respect to the transition from coal and is  
16 making the needed capital investments related to this transition sooner than  
17 other Indiana utilities, which will result in some near-term price increases  
18 in comparison to our Indiana peers. The Company realizes that rate

1           increases will always have an impact on customers; however, the long-term  
2           benefits and savings to customers of the generation transition investments  
3           are supported by the 2018 and 2021 IRP.

**Overview of NIPSCO's Case-In-Chief**

4   **Q36. Please identify the witnesses offered by the Company.**

5   A36. Attachment 1-A identifies NIPSCO's witnesses and the subject matter of  
6           their testimony.

**Notices**

7   **Q37. Did NIPSCO provide notice of its intent to file an electric rate case in**  
8           **accordance with the Commission's General Administrative Order 2013-**  
9           **5?**

10   A37. Yes. Attachment 1-B is a copy of NIPSCO's notice that was hand delivered  
11           to the Secretary to the Commission on August 15, 2022, a copy of which was  
12           provided to the Indiana Office of Utility Consumer Counselor ("OUCC")  
13           and other anticipated intervenors via email transmission. NIPSCO met  
14           with the OUCC, the NIPSCO Industrial Group, and anticipated intervenors  
15           to discuss its filing in August.

1 **Q38. Will NIPSCO publish notice of the filing of this case in each county**  
2 **where it provides electric service?**

3 A38. Yes. Attachment 1-C will be a copy of each of the Publishers' Affidavits  
4 associated with the notices published in accordance with the law and  
5 Commission practice. This attachment will be organized alphabetically by  
6 county and will be filed with the Commission once all the Publishers'  
7 Affidavits have been received.

8 **Q39. Will NIPSCO provide its residential customers with written notice of the**  
9 **relief requested in this proceeding?**

10 A39. Yes. Attachment 1-D will be a copy of the written notice provided to  
11 residential customers within 45 days of the filing of the petition in this  
12 proceeding. This notice will be provided as a bill insert to our residential  
13 customers consistent with the Commission's rules. This attachment will be  
14 filed with the Commission when available.

15 **Q40. Does this conclude your prefiled direct testimony?**

16 A40. Yes.

## VERIFICATION

I, Michael Hooper, President and Chief Operating Officer of Northern Indiana Public Service Company LLC, affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information and belief.



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Michael Hooper

Date: September 19, 2022

**Northern Indiana Public Service Company LLC (NIPSCO)  
2022 Electric Rate Case  
Summary of Witness Testimony<sup>1</sup>**

<b><u>Ex. No.</u></b>	<b><u>Witness Name</u></b>	<b><u>Summary of Testimony</u></b>
1	Michael Hooper	Provides an overview of NIPSCO and its role in northern Indiana. Describes NIPSCO's electric system and NIPSCO's corporate structure, strategic vision, and its commitments to its stakeholders. Explains how NIPSCO's vision and commitments have been embraced and executed since its last electric base rate proceeding and describes NIPSCO's customer service goals. Explains why NIPSCO is filing this case at this time.
2	Erin E. Whitehead	Discusses statutory requirements and provides a brief background of NIPSCO's existing electric rates. Explains the key drivers and objectives for filing this case. Summarizes NIPSCO's principles and objectives for designing rates in this proceeding, and describes NIPSCO's proposed service Tariff, and proposed Rate Release Form. Explains how the proposed Tariff differs from the Tariff currently on file with the Commission, including newly-proposed riders and rates. Supports revisions to NIPSCO's industrial rate service structure through the modified alternative regulatory plan ("ARP") that will be implemented through proposed Rate 531, as well as a settlement with current customers taking service under Rate 831.

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<sup>1</sup> This Summary of the Company's case-in-chief witness testimony is intended facilitate review of this filing but is not an exhaustive list of the requests in this proceeding. A complete account of the requested relief can be found in the case-in-chief, including but not limited to petition, testimony, attachments, exhibits, workpapers, and MSFR responses.

3	Jennifer L. Shikany	Presents the results of NIPSCO's Electric operations for the Historic Base Period, and the projected results for the Forward Test Year, adjusted on a pro forma basis for the normalization and annualization of certain amounts included in these periods. Establishes that retail electric revenues at current rates do not and will not produce a level of net operating income sufficient to provide a fair return on the net original cost of NIPSCO's property, plant, and equipment owned, operated, and serving jurisdictional electric customers. Quantifies the amount by which retail electric revenues should be increased. Presents NIPSCO's Revenue Credit calculation, proposed regulatory accounting for actual cost of removal following retirement of the last coal unit, and proposed pension/OPEB balancing account.
4	Kevin J. Blissmer	Presents schedules that demonstrate NIPSCO's projected rate base as of June 30, 2023 (Step 1) and December 31, 2023 (Step 2). Supports NIPSCO's request to correct the calculation of the earnings bank in its Fuel Adjustment Clause trackers to reflect the correct amount of non-jurisdictional tax expense. Proposes changes to Rider 574 Adjustment of Charges for Resource Adequacy (RA Tracker Mechanism) and new Rider 590 Adjustment of Charges for Variable Costs of Coal-Fired Generation (the Variable Cost Tracker Mechanism).
5	Angela Camp	Explains and supports an overview of the financial planning and budgeting processes used at NIPSCO and NIPSCO electric utility's 2023 annual financial plan (the NIPSCO Electric 2023 Financial Plan), which was finalized in the third quarter of 2022, which is the underlying basis for the rate request in this proceeding. Sponsors the budget amounts for 2022.

6	Nick Bly	Describes the NiSource Corporate Services Company (“NCSC”) budgeting process and how that relates to the financial plan for NIPSCO. Supports the O&M expenses associated with services provided by NCSC to NIPSCO, and adjustments to those expenses for the 2022 Budget Period, and the Forward Test Year.
7	Gunnar J. Gode	Provides background on the relationship between NCSC and NIPSCO. Supports actual operation and maintenance (O&M) expenses associated with services provided by NCSC to NIPSCO for the Historic Base Period, as well as certain normalization adjustments to those expenses.
8	Patrick L. Baryenbruch	Presents the results of the study undertaken to determine reasonableness and necessity, of the services provided during the Historic Base Period, by NCSC to NIPSCO’s electric utility.
9	Ronald E. Talbot	Describes NIPSCO’s generation fleet and NIPSCO’s electric transmission and distribution systems. Discusses customer service and electric reliability programs. Describes the significant investments NIPSCO has made to its generation and transmission and distribution systems in recent years. Explains various pro-forma expense adjustments.
10	Kelly R. Carmichael	Discusses current major environmental regulations with which NIPSCO must comply and proposed regulations that NIPSCO anticipates will be implemented in the near term. Addresses how NIPSCO has evaluated the cumulative impact of future environmental requirements on its resource planning. Describes the costs associated with the number of nitrogen oxide (NOx) allowances NIPSCO anticipates will flow through NIPSCO’s proposed Rider 590 – Adjustment of Charges for Variable Costs of Coal Fired Generation.

11	Andrew S. Campbell	Describes the Midcontinent Independent System Operator, Inc. (MISO) and the associated markets, NIPSCO's Generation Transition, Purchased Power and Joint Venture Build Transfer Agreements ("BTA"), and NIPSCO's capacity needs, including MISO Requirements, Resources, and Cost. Describes Demand Response Programs, revisions to Rate 831 (being renumbered 531 in this case) – Industrial Power Service – Large, NIPSCO's RA Tracker, NIPSCO's RTO Tracker, revisions to the FAC, and elimination of the Purchased Power Benchmark from the FAC. Also describes NIPSCO's PROMOD forecast, Rate 543, NIPSCO's pro forma adjustment for capacity purchases, NIPSCO's pro forma adjustment for Demand Response Resource, and NIPSCO's pro forma adjustment for liquefied natural gas, which is sponsored by NIPSCO Witness Siegler.
12	Patrick N. Augustine	Provides an overview of NIPSCO's resource planning process, including the overall approach and quantitative analysis methodology. Reviews the conclusions from NIPSCO's resource planning analyses over the last five years, including the 2018 IRP and 2021 IRP. Describes the most recent generation portfolio analysis that NIPSCO has conducted in the context of recent market and portfolio developments.
13	Kimberly Cartella	Supports NiSource total rewards, and sets forth comparative analyses to establish the reasonableness and competitiveness of the wages, salaries, and incentive compensation provided to employees.
14	Jeffrey T. Kopp	Describes the results of the Decommissioning Cost Study, which includes an update to the prior studies that were performed for NIPSCO's 2008 electric rate case in Cause No. 43526, NIPSCO's 2016 electric rate case in Cause No. 44688, and

		NIPSCO's 2018 electric rate case in Cause No. 45159.
15	John J. Spanos	Explains the methods and procedures used in the Depreciation Study and sets forth the annual depreciation rates as of December 31, 2021. Developed depreciation accrual rates for projected electric and common plant in service as of December 31, 2023.
16	Vincent V. Rea	Recommends the appropriate rate of return on common equity and overall rate of return for NIPSCO's jurisdictional electric operations in relation to its revenue requirement calculation.
17	Jennifer A. Harding	Presents and supports NIPSCO's federal and state income tax expense and taxes other than income tax expense adjustments for the Forward Test Year at present and proposed rates as shown in Petitioner's Exhibit No. 3, Attachment 3-A-S2 (Column E). Presents and supports NIPSCO's Accumulated Deferred Income Taxes (ADIT) and Post 1970 Investment Tax Credit (ITC) balances and related pro forma adjustments, which are included as components of NIPSCO's capital structure as shown in Petitioner's Exhibit No. 3, Attachment 3-A-S2. Presents the Company's proposed TRMM mechanism for capturing future federal and state tax law changes.
18	Malissa Bartos	Explains how Historic Base Period kilowatt hours (kWh) are normalized for weather. Explains the methodology used to develop the forecasted number of customers and usage for the Budget Period and the Forward Test Year.
19	John D. Taylor	Describes the Atrium Cost of Service Model (Atrium Model) used for NIPSCO's electric cost of service study and the various cost allocation principles, factors that influence the cost allocation framework, and the underlying methodology and basis used in the Company's electric cost of service

		<p>studies. Describes the “Special Studies” employed to apportion the various categories of plant and operation and maintenance (O&amp;M) expenses to the respective customer classes. Presents the class-by-class rate of return results and corresponding revenue surpluses or deficiencies from NIPSCO’s ACOSS including the resulting unit costs by class for customer, demand, and energy-related costs with the ACOSS. Discusses revenue allocation and rate design principles and the appropriate guidelines for use in evaluating class revenue levels and rate structures. Explains and supports the allocation of the Company’s revenue deficiency to the various rate classes consistent with the class revenue mitigation objectives discussed by NIPSCO Witness Whitehead. Discusses NIPSCO’s rate design proposals.</p>
20	Judith L. Siegler	<p>Supports NIPSCO’s revenue adjustments for weather normalization, large migrations, small migrations, lighting, DSM true-up, DSM lost margin, interdepartmental, and fuel and purchased power (FPP) adjustments.</p>
21	Alison M. Becker	<p>Supports NIPSCO’s proposed Low Income Program including explaining the details relating to and rationale for the proposed program.</p>
22		<p>Accounting adjustments support</p>



Erin A. Whitehead

Phone: 317-965-8334

Email: [ewhitehead@nisource.com](mailto:ewhitehead@nisource.com)

August 15, 2022

***Via Hand Delivery***

Dana Kosco  
Secretary of the Commission  
Indiana Utility Regulatory Commission  
101 West Washington Street, Suite 1500 East  
Indianapolis, Indiana 46204

**RE: *Notice of Intent to File Electric Rate Case***

Dear Ms. Kosco:

In accordance with Indiana Utility Regulatory Commission General Administrative Order 2013-5, Northern Indiana Public Service Company LLC hereby provides notice of its intent to file an electric rate case pursuant to Ind. Code § 8-1-2-42.7 on or after September 15, 2022. Please let me know if you have any questions or concerns about this notice.

Sincerely,

A handwritten signature in black ink that reads "Erin E. Whitehead". The signature is written in a cursive style and is positioned above a horizontal line.

Erin E. Whitehead

Vice President, Regulatory and Major Accounts

cc: ***Via Email Transmission***

William Fine ([wfine@oucc.in.gov](mailto:wfine@oucc.in.gov))

Anne E. Becker ([abecker@lewis-kappes.com](mailto:abecker@lewis-kappes.com))

Todd A. Richardson ([trichardson@lewis-kappes.com](mailto:trichardson@lewis-kappes.com))

Joseph Rompala ([jrompala@lewis-kappes.com](mailto:jrompala@lewis-kappes.com))

Jennifer Washburn ([jwashburn@citact.org](mailto:jwashburn@citact.org))

Nikki Shoultz ([nshoultz@boselaw.com](mailto:nshoultz@boselaw.com))

Kristina Wheeler ([kwheeler@boselaw.com](mailto:kwheeler@boselaw.com))

Jay Brew ([JWB@smxblaw.com](mailto:JWB@smxblaw.com))

**Attachment 1-C**

To be submitted as a late-filed exhibit

**Attachment 1-D**

To be submitted as a late-filed exhibit