

OFFICIAL
EXHIBITS

Petitioner's Exhibit No. 1
Northern Indiana Public Service Company LLC
Cause No. 44733-TDSIC-7

IURC
PETITIONER'S

Page 1

EXHIBIT NO. 1

DATE 1-5-21

REPORTER LR

VERIFIED DIRECT TESTIMONY OF ALISON M. BECKER

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

2 A1. My name is Alison M. Becker. My business address is 150 W. Market Street, Suite
3 600, Indianapolis, Indiana 46204. I am employed by Northern Indiana Public
4 Service Company LLC ("NIPSCO" or the "Company") as Manager of Regulatory
5 Policy.

6 Q2. Please summarize your educational and employment background.

7 A2. I graduated from the University of Evansville with a Bachelor of Arts degree with
8 a double major in History and Political Science and a Masters of Business
9 Administration from Valparaiso University. I received my Juris Doctor from the
10 Indiana University Robert H. McKinney School of Law in 2016. I was a Governor's
11 Fellow from 1997 to 1998 and then worked as a Budget Analyst for the Indiana
12 State Budget Agency from 1998 to 2000. In 2000, I joined the Indiana Family and
13 Social Services Administration as the Director of Fiscal Services for the Division of
14 Disability, Aging and Rehabilitative Services and was promoted to the Director of
15 Developmental Disabilities Services in 2003. From 2004 until 2008, I held
16 management positions within nonprofit organizations providing services to

1 individuals with developmental disabilities and community health centers. I
2 joined NiSource in 2008 as a Lead Performance Measurement Analyst in
3 Information Technology Service Performance. After leaving the Company briefly
4 in 2008, I accepted the position of Senior Analyst, Regulatory Policy for NIPSCO
5 in 2009 and was promoted to my current position as Manager, Regulatory Policy
6 in 2011.

7 **Q3. What are your responsibilities as Manager of Regulatory Policy?**

8 A3. As Manager of Regulatory Policy, I am and/or have been responsible for
9 supporting a variety of regulatory initiatives before the Indiana Utility Regulatory
10 Commission ("Commission") including: NIPSCO's electric and gas demand side
11 management and energy efficiency filings; NIPSCO's electric and gas
12 Transmission, Distribution, and Storage System Improvement Charge ("TDSIC")
13 filings; NIPSCO's gas Federally Mandated Cost Adjustment Mechanism filings;
14 NIPSCO's electric vehicle and economic development pilot approved in Cause No.
15 44016; the development, negotiation and filing of NIPSCO's demand response
16 tariffs approved in Cause No. 43566-MISO-1; and the development of revised line
17 extension practices governing residential real estate developments as approved by
18 the Commission in Cause No. 43706. I also served as Chair of the Demand Side

1 Management Coordination Committee and as a member of its subcommittees, as
2 created in the Commission's December 9, 2009 Phase II Order in Cause No. 42693.

3 **Q4. Have you previously testified before this or any other regulatory commission?**

4 A4. Yes. I previously testified before the Commission in NIPSCO's Electric TDSIC
5 tracker proceedings in Cause No. 44733-TDSIC-XX, and NIPSCO's Gas TDSIC
6 tracker proceedings in Cause No. 44403-TDSIC-XX. I also testified before the
7 Commission supporting NIPSCO's currently pending request in Cause No. 45183
8 for a Certificate of Public Convenience and Necessity for federally mandated
9 projects associated with NIPSCO's proposed PHMSA Compliance Project to
10 comply with various provisions of the U.S. Department of Transportation,
11 Pipeline and Hazardous Materials Safety Administration. I have also testified
12 before the Commission in NIPSCO's requests for approval of electric and gas
13 demand side management and energy efficiency programs in Cause Nos. 44001,
14 44363, 44496, 44501, 44634, 44637, 45011 and 45012, including various semi-annual
15 tracker filings (Cause Nos. 43618-DSM-XX and 44001-GDSM-XX).

16 **Q5. What is the purpose of your direct testimony in this proceeding?**

17 A5. The purpose of my testimony is to (1) provide a summary of Ind. Code ch. 8-1-39

(the "TDSIC Statute"),¹ (2) provide background on NIPSCO's TDSIC and its currently-approved 7-Year Electric Plan, (3) provide a summary of NIPSCO's request for relief in this proceeding, (4) confirm NIPSCO's request is in compliance with the TDSIC Statute, and (5) discuss NIPSCO's stakeholder outreach prior to filing its request for relief in this proceeding.

Q6. Are you sponsoring any attachments to your direct testimony?

A6. Yes. I am sponsoring Attachment 1-A, which is a copy of NIPSCO's Verified Petition initiating this Cause and Confidential Attachment 1-B, which is NIPSCO's presentation relating to its updates to the 7-Year Electric Plan provided to its stakeholders on August 26, 2020.

REQUESTED RELIEF

Q7. Please summarize NIPSCO's request for relief in this proceeding.

A7. In this proceeding, pursuant to the TDSIC Statute and the 44733 Settlement,²

¹ Ind. Code Ch. 8-1-39 (Transmission, Distribution, and Storage System Improvement Charges and Deferrals) was enacted as part of Senate Enrolled Act 560 and became effective on April 30, 2013, which was amended in House Enrolled Act No. 1470 and became effective on April 24, 2019.

² 7-Year Plan and Transmission, Distribution and Storage System Improvement Charge ("TDSIC") Settlement Agreement entered into March 24, 2016 by and among NIPSCO, the Indiana Office of Utility Consumer Counselor ("OUCC"), Indiana Municipal Utilities Group ("IMUG"), LaPorte County Board of Commissioners, NIPSCO Industrial Group and United States Steel Corporation (the "Settling Parties") in Cause No. 44733 (the "44733 Settlement").

1 NIPSCO seeks (1) approval of an adjustment to its Appendix J – Transmission,
2 Distribution and Storage System Improvement Charge to be applicable for electric
3 bills rendered by NIPSCO during the billing cycles of February through July 2021,
4 or until replaced by different factors that are approved in a subsequent
5 proceeding, to effectuate the timely recovery of 80% of approved capital
6 expenditures and TDSIC costs incurred in connection with NIPSCO's eligible
7 transmission, distribution, and storage system improvements; (2) authority to
8 defer, as a regulatory asset, 20% of eligible and approved capital expenditures and
9 TDSIC costs incurred in connection with its Commission-approved 7-Year Plan
10 and record ongoing carrying charges based on the current overall weighted
11 average cost of capital on all deferred TDSIC costs until such costs are included for
12 recovery in NIPSCO's next general rate case; (3) approval of NIPSCO's Updated
13 7-Year Plan ("Plan Update-7"), including actual and proposed estimated capital
14 expenditures and TDSIC costs that exceed the amounts approved in the TDSIC-6
15 Order; and (4) approval to defer and recover 80% of eligible and approved capital
16 expenditures and TDSIC costs in connection with Plan Update-7 through the
17 TDSIC and to defer 20% of eligible and approved capital expenditures and TDSIC
18 costs in connection with Plan Update-7, for recovery in its next general rate case,

1 all pursuant to the TDSIC Statute and the Commission's TDSIC Orders.³ NIPSCO
2 is also requesting a modification to the ratemaking authority under the TDSIC
3 mechanism, which was originally approved by the Commission's February 17,
4 2014 Order in Cause No. 44371 (the "44371 Order").

5 **Q8. Is NIPSCO requesting approval of any actual or proposed estimated capital**
6 **expenditures and TDSIC costs that exceed the amounts approved in Plan**
7 **Update-6?**

8 A8. Yes. NIPSCO is requesting approval of Plan Update-7, including the actual capital
9 expenditures incurred through July 31, 2020 shown on Petitioner's Exhibit No. 1,
10 Attachment 1-A, Attachment 1, Schedule 1, as well as updated cost estimates for
11 the Projects designated in Plan Update-1, including actual and proposed estimated
12 capital expenditures and TDSIC costs that exceed the amounts approved in Plan
13 Update-6.

³ The Commission's 44733 Order, TDSIC-1 Order, TDSIC-1-S1 Order, TDSIC-2 Order, TDSIC-3 Order, TDSIC-4 Order, TDSIC-5 Order, and TDSIC-6 Order are herein referred to as the "TDSIC Orders."

1 COMPLIANCE WITH TDSIC STATUTE

2 Q9. Has NIPSCO included its currently-approved 7-Year Plan ("Plan Update-6")
3 approved by the Commission in its TDSIC-6 Order as part of this filing as
4 required by Ind. Code § 8-1-39-9?

5 A9. Yes. A public version of NIPSCO's currently-approved 7-Year Plan (Plan Update-
6 6) is attached to the Verified Petition initiating this Cause as Confidential Exhibit
7 Electric Plan Update-6 (Redacted). The confidential version of NIPSCO's
8 currently-approved 7-Year Plan is the subject of a motion for protection of
9 confidential information currently pending in this proceeding.

10 Q10. Has NIPSCO included an updated 7-Year Plan as part of this filing as required
11 by Ind. Code § 8-1-39-9?

12 A10. Yes. NIPSCO Witness Vamos sponsors NIPSCO's proposed updated 7-Year Plan
13 (Plan Update-7), which is attached to the Verified Petition initiating this Cause as
14 Confidential Exhibit Electric Plan Update-7 (Redacted). Mr. Vamos also provides
15 detailed testimony and exhibits to support Plan Update-7.

16 Q11. Are all the TDSIC projects included for recovery in the proposed TDSIC-7
17 factors eligible transmission, distribution, and storage system improvements
18 under Ind. Code § 8-1-39-2?

1 A11. Yes. All TDSIC projects included for recovery in this filing were or will be
2 undertaken for the purpose of safety, reliability, system modernization, or
3 economic development as required by Ind. Code § 8-1-39-2.

4 **Q12. Were any of the TDSIC projects included for recovery in the proposed TDSIC-**
5 **7 factors included in NIPSCO's rate base in Cause No. 45159?**

6 A12. No. In conformance with Ind. Code § 8-1-39-2, none of the projects included for
7 recovery in the proposed TDSIC-7 factors were included in NIPSCO's rate base in
8 Cause No. 45159.

9 **Q13. Are all of the TDSIC projects that are included for recovery in the proposed**
10 **TDSIC-7 factors designated in Plan Update-7?**

11 A13. Yes. Pursuant to Ind. Code § 8-1-39-9, NIPSCO is requesting approval of all of the
12 projects designated in Plan Update-7 that are included for recovery in the
13 proposed TDSIC-7 factors.

14 **Q14. Is this petition being filed consistent with Ind. Code § 8-1-39-9(f), which**
15 **requires that a petition be filed no more often than once every six months?**

16 A14. Yes. The last time NIPSCO filed a TDSIC adjustment filing for timely recovery of
17 its TDSIC costs was August 21, 2019.

1 **Q15. Ind. Code § 8-1-39-9(d) states that a public utility may not file a petition under**
2 **Ind. Code § 8-1-39-9(a) within nine (9) months after the date on which the**
3 **Commission issued an order changing Petitioner's basic rates and charges.**
4 **When was NIPSCO's last electric rate case order?**

5 **A15.** The Commission issued an order changing Petitioner's basic rates and charges on
6 December 4, 2019 in Cause No. 45159, which means more than nine (9) months
7 have passed since the issuance of that order.

8 **Q16. Ind. Code § 8-1-39-9(e) states that a public utility that implements a TDSIC**
9 **under Ind. Code ch. 8-1-39 shall, before the expiration of the utility's approved**
10 **TDSIC plan, petition the Commission for review of the public utility's basic**
11 **rates and charges with respect to the same type of utility service. Does NIPSCO**
12 **intend to comply with this section?**

13 **A16.** NIPSCO has complied with this requirement through its filing in Cause No. 45159
14 on October 31, 2018. The Commission issued a Final Order in that Cause on
15 December 4, 2019.

16 **ECONOMIC DEVELOPMENT PROJECTS**

17 **Q17. What does the TDSIC Statute say about Economic Development Projects?**

18 **A17.** Under Section 2 of the TDSIC Statute, "eligible transmission, distribution, and

1 storage system improvements" means:

2 new or replacement electric or gas transmission, distribution, or
3 storage utility projects that: (1) a public utility undertakes for
4 purposes of . . . economic development . . .; (2) were not included in
5 the public utility's rate base in its most recent general rate case; and
6 (3) either were: (A) described in the public utility's TDSIC plan and
7 approved by the commission under section 10 of this chapter and
8 authorized for TDSIC treatment; (B) described in the public utility's
9 update to the public utility's TDSIC plan under section 9 of this
10 chapter and authorized for TDSIC treatment by the commission; or
11 (C) approved as a targeted economic development project under
12 section 11 of this chapter.

13 Therefore, there are three general types of economic development projects: (a)
14 those approved by the Commission as part of a utility's TDSIC plan; (b) those
15 approved by the Commission as part of a utility's update to its TDSIC plan; and
16 (c) targeted economic development projects as defined under Section 11.

17 **Q18. Has the Commission approved any economic development projects as part of**
18 **NIPSCO's 7-Year Plan?**

19 **A18.** Yes. In the 44733 Settlement, the Settling Parties agreed to inclusion of up to \$3.5
20 million for an Economic Development project for the LaPorte County Kingsbury
21 Industrial Park ("Kingsbury Projects") including a \$2.5 million project for
22 substation upgrades as provided for in the Rate Case Settlement and up to \$1.0
23 million for other distribution infrastructure upgrades. NIPSCO Witness Vamos

1 provides an update on the Kingsbury Projects.

2 **Q19. To date, has NIPSCO identified or undertaken any Targeted Economic**
3 **Development Projects that are eligible for recovery through the Electric TDSIC?**

4 A19. To date, NIPSCO has not undertaken any Targeted Economic Development
5 Projects that are eligible for recovery through the Electric TDSIC. However,
6 NIPSCO continues to work with interested parties on potential projects, and it will
7 continue to keep TDSIC stakeholders informed to the extent the projects are
8 developed enough to present to them prior to submitting in a TDSIC filing.

9 **STAKEHOLDER OUTREACH**

10 **Q20. Did NIPSCO meet with the OUCC and interested stakeholders prior to filing**
11 **its Petition in this Cause?**

12 A20. Yes. NIPSCO met with the OUCC and interested stakeholders⁴ on August 26,
13 2020, at which time NIPSCO identified known changes to the 7-Year Plan that
14 would be included in Plan Update-7. NIPSCO also discussed its proposal to
15 modify the ratemaking authority granted in the 44371 Order. NIPSCO appreciates
16 the time and attention of the OUCC and the stakeholders throughout the TDSIC

⁴ NIPSCO invited the OUCC, Citizens Action Coalition of Indiana, Inc., NIPSCO Industrial Group, LaPorte County, and the Indiana Municipal Utilities Group ("IMUG"). Only the OUCC and IMUG participated the WebEx meeting.

1 process.

2 As of the time of this filing, NIPSCO is not aware of any unresolved issues, but
3 recognizes that the OUCC and the stakeholders may continue to ask questions and
4 reserve comment on any further issues that they may identify as a result of the
5 filing. The presentation relating to its updates to the 7-Year Plan that NIPSCO
6 provided to the OUCC and its stakeholders during the August 26, 2020 meeting
7 is attached hereto as Confidential Attachment 1-B.

8 **Q21. In the Settlement Agreement approved by the Commission's TDSIC-1-S1**
9 **Order, NIPSCO agreed to include in its presentation at its electric TDSIC**
10 **stakeholder meeting (held approximately four weeks prior to its electric TDSIC**
11 **filing date) the number of mast arm rotation and power supply cable**
12 **replacements associated with the TDSIC LED Street Lighting Project, along**
13 **with the associated costs. Did NIPSCO comply with this requirement?**

14 **A21. Yes. NIPSCO included the number of mast arm rotation and power supply cable**
15 **replacements associated with the TDSIC LED Street Lighting Project, along with**
16 **the associated costs, in its August 26, 2020 stakeholder presentation (Confidential**
17 **Attachment 1-B, Page 19).**

1 **Q22. Are there any additional updates included in Plan Update-7 that were not**
2 **previously provided to the stakeholders?**

3 A22. Yes. There were two updates that increased the 2020 Plan estimate and one that
4 increased the 2022 Plan estimate. A Project Change Request ("PCR") for Circuit
5 Rebuild – Waterloo – 1299 (Project ID DLRNL36) was processed twice and was
6 corrected after the August 26, 2020 Stakeholder meeting. This change caused the
7 2020 Plan to increase by \$176,305. Line Engineering – Distribution (Project ID
8 DLE1) increased by \$310,811. A request to increase funding to the Line
9 Engineering – Distribution project was sought after the August 26, 2020
10 stakeholder meeting, so NIPSCO reversed the PCR that approved a project
11 decrease that was dated May 12, 2020 to account for the subsequent request to
12 increase funding. There was also an increase to Underground Cable Replacement
13 Project (Project ID DUG1) of \$989 in 2022 to ensure that the Plan number matched
14 the supporting detail in the Asset Register included in Confidential Appendix 2 -
15 Asset Register for Deliverability and Condition Based Projects. Lastly,
16 approximately \$6 million of the Underground Cable Replacement Project variance
17 identified on slide 5 of the August 26, 2020 Stakeholder Presentation is now being
18 classified as part of the construction that is expected to be completed beyond the
19 plan horizon. The project estimate for the Underground Cable Project has not

1 changed.


2 CONCLUSION

3 Q23. Does this conclude your prefiled direct testimony?

4 A23. Yes.

VERIFICATION

I, Alison M. Becker, Manager of Regulatory Policy for 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.


Alison M. Becker

Dated: September 29, 2020

Attachment 1-A

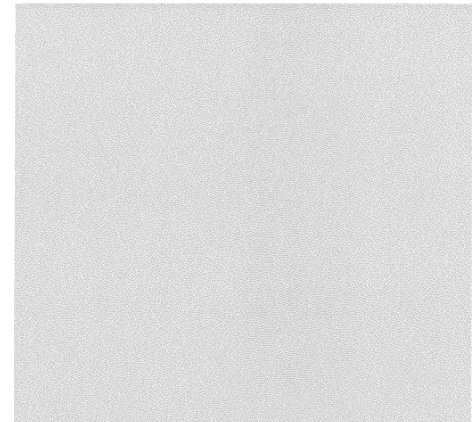
[Verified Petition – Not duplicated herein]

Electric TDSIC Plan Update-7 Pre-filing Stakeholder Meeting

August 26, 2020



This presentation contains information
that is considered confidential and not for
public access



Discussion Outline

NIPSCO's Electric TDSIC Plan provides:

- **Investments in energy infrastructure that serve northern Indiana communities;**
- **Continued safe and reliable service to customers; and**
- **A foundation to help fuel job creation and economic growth**

- **Introductions**
- **Objectives**
 - 7-Year Plan Overview
 - Review Plan Updates
 - Ratemaking Changes
 - Streetlight Update
- **Next Steps**

Please help us make this discussion informal and informative – ask questions!

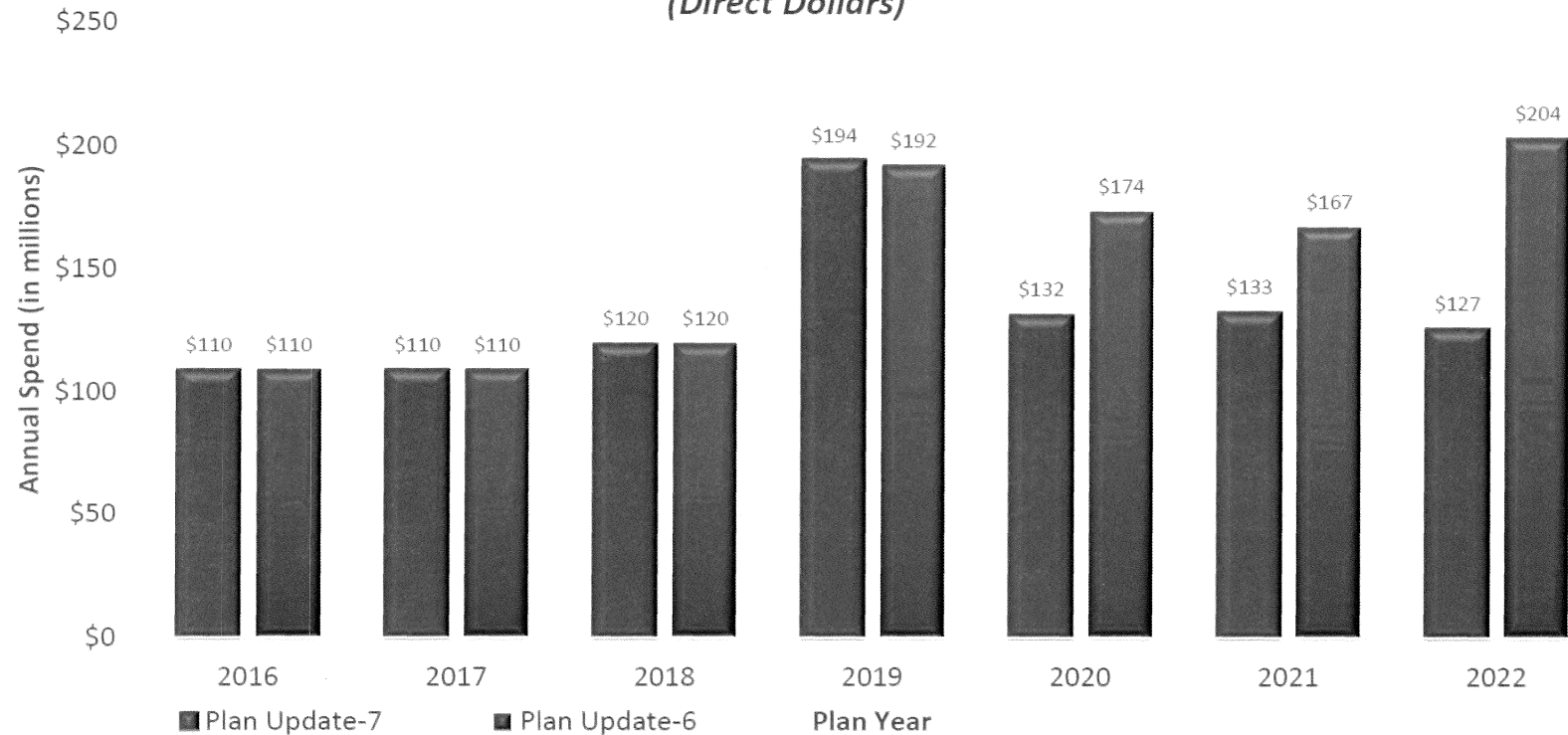
Electric Plan Update-7

7-Year TDSIC Plan Changes

- 2019 is now a completed year with final project costs
- 2020 project estimates are updated
- 2021 detailed estimates replace previous parametric estimates
- Project moves between years are incorporated
- 2021 and 2022 contain certain projects with additional scope for increased project efficiency and customer reliability
- Project portfolio adjusted to include pandemic considerations (hospitals, essential businesses)
- Projects were reprioritized or resequenced causing construction for some projects to start beyond the plan horizon
- Transmission 38.2% / Distribution 61.8%
- Projects in-service as of 12/31/2019 are part of rate base and not included in the tracker

NIPSCO Electric 7-Year TDSIC Plan

Plan Update-7 vs Plan Update-6 (Direct Dollars)



	2016	2017	2018	2019	2020	2021	2022	Total
Plan Update-7	\$109.5	\$109.7	\$120.1	\$194.4	\$131.9	\$133.1	\$126.5	\$925.3
Plan Update-6	\$109.5	\$109.7	\$120.1	\$192.1	\$173.5	\$167.3	\$203.5	\$1,075.7
Variance	\$0.0	\$0.0	\$0.0	\$2.3	(\$41.6)	(\$34.2)	(\$77.0)	(\$150.4)

Electric Plan Update-7

7-Year TDSIC Plan Changes

(A)	(B)	(C)
Project ID	Plan Update-7 vs Plan Update-6 Changes*	
	Plan Update-6 Approved Plan	
TSNRS18	New/Rebuild Substation - New Michigan City Substation (2021 and 2022)	
Various	2019 Distribution Circuit Rebuilds	
DLNRL42	Circuit Rebuild - South Hammond - 12-720 (2021)	
DSNRS35	Creston Substation Add Second Transformer (2022)	
DSBRU36	Breaker Upgrade - Aetna - 3475, 34kV N. Bus, 34kV S. Bus (2022)	
DLNRL36	Circuit Rebuild - Waterloo - 1299 (2020)	
TLST1	Steel Structure Life Extension Projects - Transmission (2020)	
TSTU8	Replace Transformer - Gary Avenue - 345/138kV XFR (2022)	
DUG1	Underground Cable Replacement Projects (2022)	
Various	2020 Transmission Circuit Rebuilds	
Various	Construction beyond plan horizon (2019, 2020, 2021, and 2022)	
Various	Other Net Projects	
	Plan Update-7 Proposed Plan	

*Cost in Direct Dollars in Millions

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Electric Plan Update-7

2019 Project Cost Variances

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Project ID	Project Title	Plan Update-7 (Proposed)	Plan Update-6 (Approved)	Plan Variance	Moves	Cost Change
DLNRL35	Circuit Rebuild - Roxana - 12-316					
DLNRL34	Circuit Rebuild - Wawasee - 12-441					
DLNRL40	Circuit Rebuild - Hyde Park - 12-291					
DLNRL37	Circuit Rebuild - Wolcottville - 1231					
DSBRU11	Breaker Upgrade - McKinley Breaker and Recloser Upgrade (12kV)					
DLNRL41	Circuit Rebuild - North Judson - 12-222					
TSNRS14	East Chicago Substation					
Various	Construction beyond plan horizon					
Various	Other Projects					
Total						

Confidential Information – Not for Public Access

Electric Plan Update-7

2020 Project Cost Variances

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Project ID	Project Title	Plan Update-7 (Proposed)	Plan Update-6 (Approved)	Plan Variance	Moves	Cost Change
DLNRL36	Circuit Rebuild - Waterloo - 1299					
DSNRS37	New Nappanee Substation					
D4KVL17	4kV Conversion - Central - 5443					
TLE1	Line Engineering - Transmission					
DLED1	LED Street Lighting					
TLNRL17	Circuit 6997 Rebuild - Kosciusko					
DSTU13	Replace Transformer - Parr - #1 Transformer					
TLNRL16	Circuit 6907 Rebuild - Monticello					
TLNRL15	Circuit 6934 Rebuild - Green Acres Phase 3					
TLST1	Steel Structure Life Extension Projects - Transmission					
Various	Construction beyond plan horizon					
Various	Other Projects					
	Total					

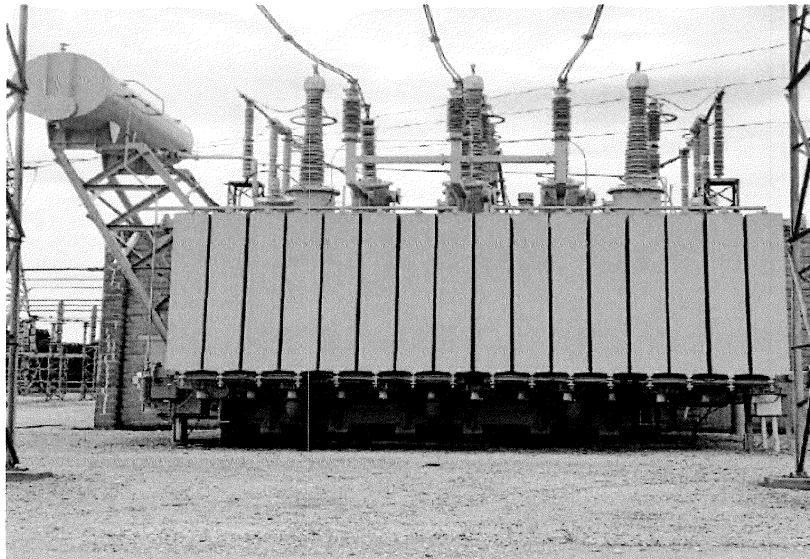
*Cost in Direct Dollars in Millions

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2020 Project Update

Lake George Substation 345kV / 138kV / 69kV / 34kV upgrade

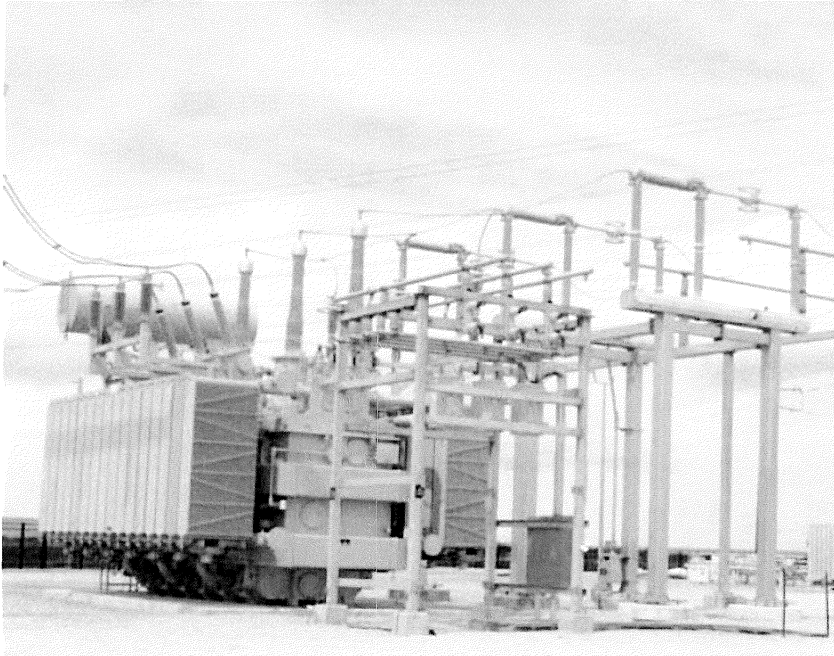
- 345/138kV Transformer replacement (Phase 1)
- (4) 69kV Breaker Replacements (Phase 1)
- Capacitor Bank Breaker (Phase 1)
- Ancillary new equipment (Phase 1 & Phase 2)
- (5) 69kV Breaker Replacements (Phase 2)
- Phase 1 completed June 5; Phase 2 to be completed by December 11



2020 Project Update

Leesburg Transformer, Breaker, & Relay Upgrade

- 345kV Transformer replacement (Phase 1)
- (3) 345kV & (4) 138kV Breaker Replacements (Phase 1)
- (1) 34509-24 Switch & (1) 13881-00 North Switch & (2) 69kV Switches (Phase 2)
- Ancillary new equipment (Phase 1 & Phase 2)
- Phase 1 completed June 1; Phase 2 to be completed by October 16



2020 Project Update

4kV Conversion – Central 5443

- Began construction on June 30, 2020
- 19 out of 290 poles have been replaced
- Approximately 6.3 miles of conductor to be replaced and converted to 12.5kV
- All 4kV conversions in the plan will be complete by year end 2020



Electric Plan Update-7

2021 Project Cost Variances

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Project ID	Project Title	Plan Update-7 (Proposed)	Plan Update-6 (Approved)	Plan Variance	Moves	Cost Change
TSNRS18	New/Rebuild Substation - New Michigan City Substation					
DLNRL42	Circuit Rebuild - South Hammond - 12-720					
TSNRS16	New/Rebuild Substation - Babcock - #3 & #4 138/69kV Transformers; Relay & Breaker Upgrades (69kV)					
TLNRL21	Circuit Rebuild - Kosciusko - 6997 - Phase 2					
DSBRU28	Breaker Upgrades - Division - Switchgear					
DSBRU19	Breaker Upgrade - Tod - #5 Switchgear					
DLNRL62	Circuit Rebuild - Laporte 1264					
TSNRS17	New/Rebuild Substation - Green Acres - #1 & #2 138/69kV Transformers; Breaker Upgrades (138kV & 69kV)					
DUG1	Underground Cable Replacement Projects					
DLED1	LED Street Lighting					
Various	Construction beyond plan horizon					
Various	Other Projects					
	Total					

*Cost in Direct Dollars in Millions

Confidential Information – Not for Public Access

Electric Plan Update-7

2022 Project Cost Variances

2022 Project Cost Variance						
(A)	(B)	(C)	(D)	(E)	(F)	(G)
Project ID	Project Title	Plan Update-7 (Proposed)	Plan Update-6 (Approved)	Plan Variance	Moves	Cost Change
TSNRS18	New/Rebuild Substation - New Michigan City Substation					
DSNRS35	Creston Substation Add Second Transformer					
DSBRU36	Breaker Upgrade - Aetna - 3475, 34kV N. Bus, 34kV S. Bus					
DSNRS39	New/Rebuild Substation - Hanover - #1 & #2 Transformer with Dbl. Switchgear					
DSBRU39	Breaker Upgrade - Munster - 3428, 3429					
DLNRL52	Circuit Rebuild - S Hammond - 12-719					
DSNRS31	Rebuild Substation - Woodmar - #1 Transformer & Switchgear					
DSTU9	Replace Transformer - Idaville #1 69/12kV					
DSNRS36	Rebuild Substation - Illinois - #1 69/12kV XFR and Switchgear Breakers					
TSTU8	Replace Transformer - Gary Avenue - 345/138kV XFR					
DUG1	Underground Cable Replacement Projects					
Various	Construction beyond plan horizon					
Various	Other Projects					
Total						

Confidential Document - Do Not Distribute

Confidential Information

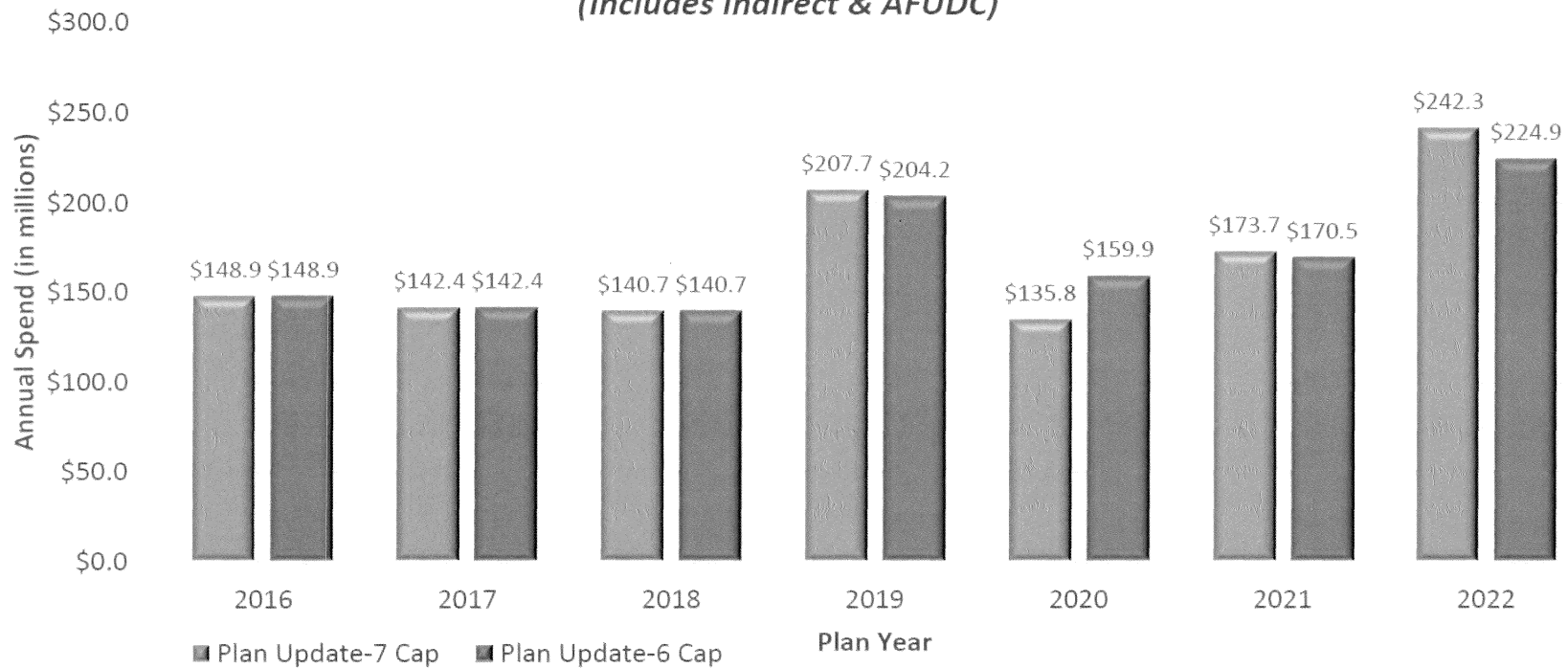
*Cost in Direct Dollars in Millions

Confidential Information

NIPSCO Electric 7-Year TDSIC Cap

7-Year TDSIC Cap Comparison

(Includes Indirect & AFUDC)



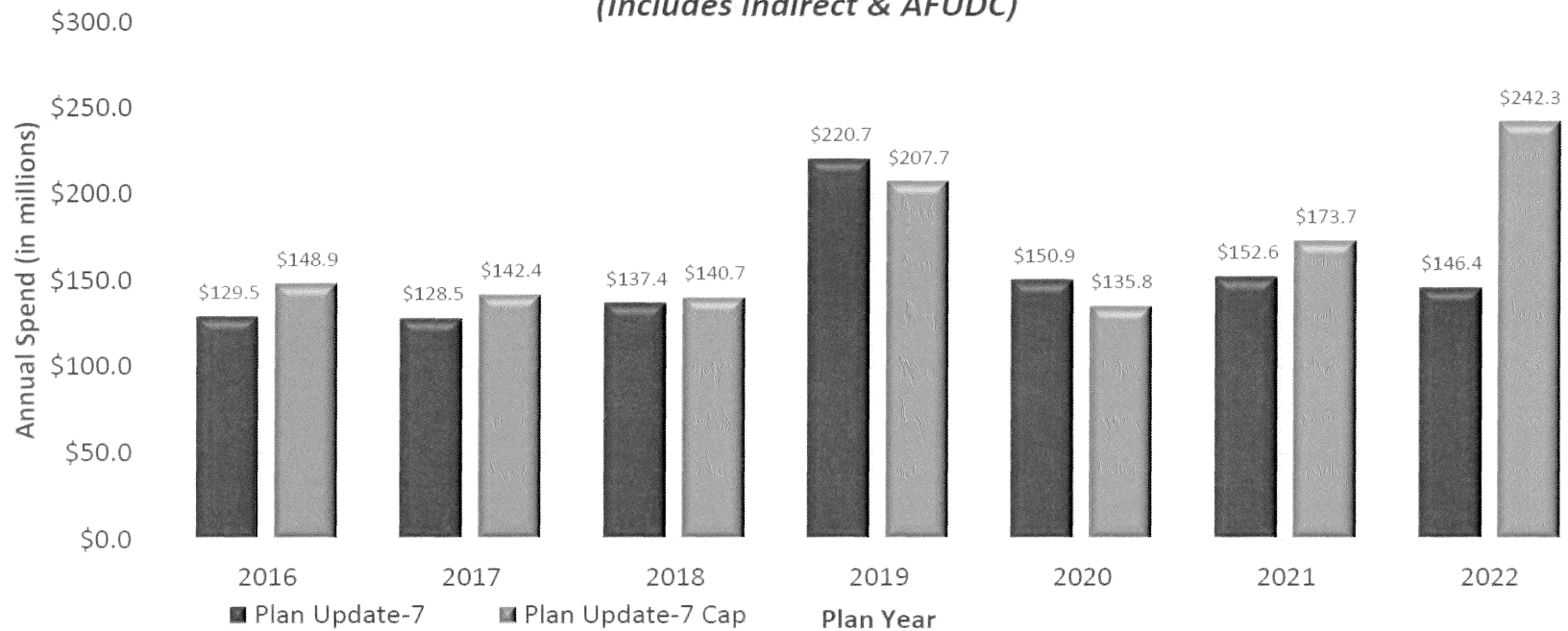
	2016	2017	2018	2019	2020	2021	2022	Total
Plan Update-7 Cap	\$148.9	\$142.4	\$140.7	\$207.7	\$135.8	\$173.7	\$242.3	\$1,191.6
Plan Update-6 Cap	\$148.9	\$142.4	\$140.7	\$204.2	\$159.9	\$170.5	\$224.9	\$1,191.6
Variance	\$0.0	\$0.0	\$0.0	\$3.5	(\$24.1)	\$3.2	\$17.4	\$0.0

Please reference Section 5(b) relating to Plan flexibility in the Settlement Agreement

NIPSCO Electric 7-Year TDSIC Plan

7-Year TDSIC Plan vs Cap

(Includes Indirect & AFUDC)



	2016	2017	2018	2019	2020	2021	2022	Total
Plan Update-7	\$129.5	\$128.5	\$137.4	\$220.7	\$150.9	\$152.6	\$146.4	\$1,065.8
Plan Update-7 Cap	\$148.9	\$142.4	\$140.7	\$207.7	\$135.8	\$173.7	\$242.3	\$1,191.6
Variance	(\$19.4)	(\$13.9)	(\$3.3)	\$13.0	\$15.1	(\$21.1)	(\$95.9)	(\$125.8)
Annual Amount in Excess of Allowed	\$0.0	\$0.0	\$0.0	\$0.0	\$0.5	(\$0.5)	\$0.0	\$0.0

Does not include Economic Development

*Kingsbury project will be added when timing is known

*\$1.192B cap increases when ED projects are added

Review the “Green Book”

Electric TDSIC Ratemaking Changes

- **NIPSCO is requesting the inclusion of projected depreciation and property tax**
 - Projected expenses will follow the billing periods for each TDSIC filing
 - Amounts are an estimate and will be reconciled in future periods
 - Ex. TDSIC 7 will be reconciled in TDSIC 9; TDSIC 8 will be reconciled in TDSIC 10
 - TDSIC 7 and 8 will include both the actual and projected amounts
 - TDSIC 9 will only include projected expenses and reconcile projected expenses from TDSIC 7
 - See illustrative example of the proposed changes to Attachment 1, Schedule 4 included on slides 17 and 18

Electric TDSIC Ratemaking Changes

NORTHERN INDIANA PUBLIC SERVICE CO.

Schedule of Total Depreciation and Property Tax Expenses - Distribution For the 6-Month Recovery Period of: February 1, 2021 through July 31, 2021

Line No.	(A) Period	(B) Depreciation Expense	(C) Property Tax Expense	(D) Total Expense (Col.B + Col.C)
1	Actual Expense			
2	July 2019 - July 2020	\$ 29,368	\$ 478,397	\$ 507,766
3	Projected Expense			
4	February 2021 - July 2021	\$ 142,280	\$ 53,417	\$ 195,697
5	Under/(Over) of Projected Expenses from TDSIC-XX (Sch 4, Pg 3, Line 4)			
6	Month - Month 202X	\$ -	\$ -	\$ -
7	Total Expense (Line 2 + Line 4 + Line 6)	\$ 171,649	\$ 531,815	\$ 703,463
8	Less: LED Street Lighting Revenue (Return of Expense) *			43,921
9	Expense Revenue Requirement (Line 7 - Line 8)			100% \$ 659,542
10	Less Deferred Revenue Requirement - Expense (Line 9 x 20%)			20% \$ 131,908
11	Adjusted Revenue Requirement - Expense (Line 9 - Line 10)			80% \$ 527,634
12	URT Rate			
13	Revenue Requirement Adjusted for Taxes (Line 11 x Line 12)			\$ 527,634

Electric TDSIC Ratemaking Changes

NORTHERN INDIANA PUBLIC SERVICE CO.

Reconciliation of Prior Period Projected Expenses (100%)
Month - Month 202X
For the 6 Month Billing Period of:
February 2021 - July 2021

	(A)	(B)	(C)	(D)
Line No.	Actual and Forecasted Expenses Relating to TDSIC-XX	Depreciation	Property Tax	Total Expense (Col B + Col C)
1	Transmission			
2	Actual	\$ 1,200	\$ 1,000	\$ 2,200
3	Forecast	600	500	1,100
4	Prior Period Variance (Line 2 - Line 3)	\$ 600	\$ 500	\$ 3,300
5	Distribution			
6	Actual	\$ 900	\$ 800	\$ 1,000
7	Forecast	450	400	700
8	Prior Period Variance (Line 6 - Line 7)	\$ 450	\$ 400	\$ 1,700
9	Total			
10	Actual	\$ 2,100	\$ 1,800	\$ 1,200
11	Forecast	1,050	900	400
12	Prior Period Variance (Line 10 - Line 11)	\$ 1,050	\$ 900	\$ 1,600

Electric Plan Update-7

Streetlighting Update

- Streetlight Mast Arm Rotation and Power Supply Cable Update (As of July 31, 2020)
 - Streetlights Replaced
 - 1,879 in 2020
 - 24,540 program to date
 - Total program cost \$345,108 in 2020 (\$9,539,855 total)
 - Mast Arm Rotations/Changeouts
 - 3 in 2020
 - 1,246 program to date
 - Total cost \$361 in 2020 (\$112,906 total)
 - Power Supply Cables Replaced
 - 75 in 2020
 - 1,352 program to date
 - Total cost \$7,916 in 2020 (\$103,197 total)
- Ratemaking Treatment
 - 50% of the revenue requirement associated with installed costs billed through Rate 750 and adjusted for in the TDSIC filings

Proposed Procedural Schedule

- NIPSCO Filing: September 29, 2020
- OUCC/Intervenors Filing: November 30, 2020
- NIPSCO Rebuttal: December 10, 2020
- Hearing: December 28, 2020
- Order: January 27, 2021

Discovery is available for all parties and shall be conducted on an informal basis. Any response or objection to a discovery request shall be made within ten calendar days of the receipt of such request. After the submission of OUCC / Intervenors filings, any response or objection to a discovery request shall be made within five business days of the receipt of such request. Discovery requests received after 5:00 p.m. EST on Monday through Thursday or after 12:00 p.m. EST on Fridays shall be deemed received the next business day. All discovery requests and responses shall be served on all parties of record. The parties have agreed to electronic service.

Next Steps

- Propose continuing the filing cadence of March and September
 - Previous cadence of filing was January and July
 - March and September still staggers Electric TDSIC filing with Gas TDSIC and Gas FMCA filings
 - Allows for the next filing period to be 6 months from this filing
- Schedule next pre-filing stakeholder meeting for February 2021