

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**PETITION OF NORTHERN INDIANA PUBLIC )  
SERVICE COMPANY FOR (1) AUTHORITY )  
TO MODIFY ITS RATES AND CHARGES FOR )  
GAS UTILITY SERVICE THROUGH A PHASE )  
IN OF RATES; (2) MODIFICATION OF THE )  
SETTLEMENT AGREEMENTS APPROVED IN )  
CAUSE NO. 43894; (3) APPROVAL OF NEW ) CAUSE NO. 44988  
SCHEDULES OF RATES AND CHARGES, )  
GENERAL RULES AND REGULATIONS, )  
AND RIDERS; (4) APPROVAL OF REVISED )  
DEPRECIATION RATES APPLICABLE TO ITS )  
GAS PLANT IN SERVICE; (5) APPROVAL OF )  
NECESSARY AND APPROPRIATE )  
ACCOUNTING RELIEF; AND (6) )  
AUTHORITY TO IMPLEMENT TEMPORARY )  
RATES CONSISTENT WITH THE )  
PROVISIONS OF IND. CODE CH. 8-1-2-42.7 )**

**NIPSCO INDUSTRIAL GROUP’S MOTION TO WITHDRAW THE  
WORKPAPERS OF MICHAEL P. GORMAN**

The NIPSCO Industrial Group (“Industrial Group”), by counsel, hereby requests to withdraw what had previously been submitted to the Commission as MPG Confidential Workpapers 1-26 (“Confidential Workpapers”).

On March 6, 2018, the Industrial Group filed its Motion for Confidential Treatment (“Motion”) of the Confidential Workpapers, which was granted on a preliminary basis by Docket Entry dated June 7, 2018. At that time, the Industrial Group submitted the Confidential Workpapers to the Commission on CD-ROM, in a sealed envelope designated as confidential and proprietary material and subject to a preliminary order of confidentiality. By Docket Entry dated

August 22, 2018, the Commission requested additional information regarding the Confidential Workpapers, and ordered the Industrial Group to respond on or before August 30, 2018.

At this time, in light of the procedural posture of this case and having reviewed the Commission's determinations in Cause No. 45029 regarding this issue, the Industrial Group seeks to withdraw the Confidential Workpapers. Upon a grant of its request, the Industrial Group would also request that its March 6, 2018 Motion be withdrawn from consideration by the Commission.

The Confidential Workpapers consist of the source data that Mr. Gorman referenced in his testimony and exhibits. A Confidential Workpaper Index was included with the Motion, and for ease of reference is attached to this motion as Exhibit A. Mr. Gorman does not have permissions from the subscription services or the authors of the source data that would allow him to provide the Confidential Workpapers to the Commission in a manner that would potentially result in the copying and distribution of the Confidential Workpapers through a public records request. Copies of the Confidential Workpapers were previously provided to all parties that had executed a nondisclosure agreement with the Industrial Group. To the extent the Commission has specific questions regarding the derivation of any of Mr. Gorman's conclusions, the Industrial Group is prepared to provide a written explanation upon request.

WHEREFORE, the Industrial Group respectfully requests that the Commission allow the Industrial Group to withdraw the confidential workpapers of Michael P. Gorman, and for all other appropriate relief. Upon the issuance of a Docket Entry granting the motion to withdraw, the Industrial Group will retrieve the Confidential Workpapers from the Commission. Finally, upon granting of the motion to withdraw and retrieval of the Confidential Workpapers, the Industrial Group would also request that its March 6, 2018 Motion for Confidential Treatment be withdrawn from Commission consideration, and that the corresponding request for additional information contained in the Commission's August 22, 2018 Docket Entry be deemed moot.

Respectfully submitted,

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## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing has been served upon the following via electronic mail, this 29<sup>th</sup> day of August, 2018:

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# Northern Indiana Public Service Company

## Cause No. 44988

### Confidential Workpaper Index

(Supporting the direct testimony and attachments of Michael P. Gorman on behalf of The NIPSCO Industrial Group.)

<u>Workpaper</u>	<u>Description</u>
MPG Confidential WP 1.pdf	<i>AUS Utility Reports</i> , various publication dates.
MPG Confidential WP 2.pdf	<i>Blue Chip Financial Forecasts</i> , December 1, 2013 - February 1, 2018.
MPG Confidential WP 3.xlsx	Blue Chip Projected Federal Funds Rate, 30 yr Treasury Bond Yields, and GDP Price Index workpaper.
MPG Confidential WP 4.pdf	<i>Duff &amp; Phelps, 2016 SBBI Yearbook</i> .
MPG Confidential WP 5.pdf	<i>Duff &amp; Phelps, 2017 SBBI Yearbook</i> .
MPG Confidential WP 6.pdf	<i>Duff &amp; Phelps, 2017 Valuation Handbook: Guide to Cost of Capital</i> .
MPG Confidential WP 7.pdf	<i>Morningstar, Inc., Ibbotson SBBI 2013 Valuation Yearbook</i> .
MPG Confidential WP 8.xlsx	GDP Forecast data, multiple sources.
MPG Confidential WP 9.pdf	<i>Mergent Bond Record</i> April 2004, February 2006, September 2010 and <i>Mergent Public Utility Manual</i> , 2003.
MPG Confidential WP 10.pdf	<i>Regulatory Research Associates</i> , Major Rate Case Decisions, multiple publication dates Jan.1997, Jan. 2011, and January 30, 2018.
MPG Confidential WP 11.xlsx	Market Intelligence Index Comparison data.
MPG Confidential WP 12.pdf	Market Intelligence growth rates.
MPG Confidential WP 13.pdf	<i>Moody's Investor Service</i> : "US Regulated Utilities: Lower Authorized Equity Returns will Not Hurt Near-Term Credit Profiles," March 10, 2015.
MPG Confidential WP 14.xlsx	Utility Capital Expenditures.
MPG Confidential WP 15.xlsx	S&P Gas Ratings by Category.
MPG Confidential WP 16.xlsx	S&P Financial Metrics.
MPG Confidential WP 17.xlsx	S&P NiSource Inc. Balance Sheet.
MPG Confidential WP 18.pdf	S&P Global Market intelligence, RRA Financial Focus: "Capital Expenditure Update," October 23, 2017.
MPG Confidential WP 19.pdf	<i>Standard &amp; Poor's Ratings Services</i> : "Corporate Industry Credit Research: Industry Top Trends 2016, Utilities," December 9, 2015.
MPG Confidential WP 20.pdf	<i>Standard &amp; Poor's RatingsDirect</i> : "Summary: Northern Indiana Public Service Co.," March 3, 2017.
MPG Confidential WP 21.pdf	<i>Standard &amp; Poor's Ratings Services</i> : "Criteria Methodology: Business Risk/Financial Risk Matrix Expanded," May 27, 2009.
MPG Confidential WP 22.pdf	<i>The Value Line Investment Survey</i> , November 17, December 1, and December 15, 2017 and January 26, 2018.
MPG Confidential WP 23.pdf	"Choice Among Methods of Estimating Share Yield," David Gordon, Myron Gordon, and Lawrence Gould, <i>The Journal of Portfolio Management</i> , Spring 1989.
MPG Confidential WP 24.pdf	"Fundamentals of Financial Management," Eugene F. Brigham and Joel F. Houston, Eleventh Edition 2007, Thomson South-Western, a Division of Thomson Corporation.

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### Confidential Workpaper Index

(Supporting the direct testimony and attachments of Michael P. Gorman on behalf of The NIPSCO Industrial Group.)

#### Workpaper

MPG Confidential WP 25.pdf

MPG Confidential WP 26.pdf

#### Description

"The Risk Premium Approach to Measuring a Utility's Cost of Equity," Eugene F. Brigham, Dilip K. Shome, and Steve R. Vinson, *Financial Management*, Spring 1985.

"The Market Risk Premium: Expectational Estimates Using Analysts' Forecasts," Robert S. Harris and Felicia C. Marston, *Journal of Applied Finance*, Volume 11, No. 1, 2001.