

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF NORTHERN )  
INDIANA PUBLIC SERVICE COMPANY LLC )  
FOR APPROVAL OF RIDER 889 – EXCESS ) CAUSE NO. 45505  
DISTRIBUTED GENERATION RIDER FOR )  
THE PROCUREMENT OF EXCESS )  
DISTRIBUTED GENERATION PURSUANT )  
TO IND. CODE CH. 8-1-40. )

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AMENDED VERIFIED PETITION

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Northern Indiana Public Service Company LLC (“NIPSCO” or “Petitioner”) petitions the Indiana Utility Regulatory Commission (“Commission”) for approval of Rider 889 – Excess Distributed Generation Rider (“EDG Rider”) for the procurement of excess distributed generation pursuant to Ind. Code ch. 8-1-40 (the “Statute”). In accordance with 170 IAC 1-1.1-8 and 1-1.1-9 of the Commission’s Rules of Practice and Procedure, Petitioner submits the following information in support of this petition.

**Petitioner’s Corporate Status**

1. Petitioner is a limited liability company existing under the laws of the State of Indiana with its principal office and place of business at 801 East 86th Avenue, Merrillville, Indiana. Petitioner renders electric and gas public utility service in the State of Indiana and owns, operates, manages and controls, among other things, plant and equipment within the State of Indiana used for the

generation, transmission, distribution and furnishing of such service to the public. Petitioner is a wholly-owned subsidiary of NiSource Inc., an energy holding company whose stock is listed on the New York Stock Exchange.

### **Petitioner's Regulated Status**

2. Petitioner is a "public utility" within the meaning of Ind. Code §§ 8-1-39-4 and 8-1-2-1 and is an "energy utility" providing "retail energy service" within the meaning of Ind. Code §§ 8-1-2.5-2 and 3. Petitioner is subject to the jurisdiction of this Commission in the manner and to the extent provided by the Public Service Commission Act, as amended, and other pertinent laws of the State of Indiana.

### **Petitioner's Operations**

3. Petitioner 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. Petitioner provides electric utility service to approximately 476,000 customers. Petitioner owns, operates, manages and controls plant and equipment within the State of Indiana that is in service and used and useful in the generation, transmission, distribution and furnishing of such service to the public. Petitioner has maintained and continues to maintain its properties in a reliable state of operating conditions.

## **Background**

4. The Statute establishes the regime under which Petitioner procures electricity supplied by customers with qualifying distributed generation resources and offsets the cost of the electricity supplied to such customers. Section 10 of the Statute requires that an electricity supplier's net metering tariff remain available until the earlier of the following: "(1) January 1 of the first calendar year after the calendar year in which the aggregate amount of net metering facility nameplate capacity under the electricity supplier's net metering tariff equals at least one and on-half percent (1.5%) of the most recent summer peak load of the electricity supplier [or] (2) July 1, 2022." Section 12 of the Statute requires the reservation of 40% of the capacity for participation by residential customers, and 15% of the capacity for participation by biomass customers, and the remaining 45% for all other customers with eligible distributed generation.

5. As of January 1, 2021, the aggregate amount of net metering facility nameplate capacity under Petitioner's net metering tariff exceeds 1.5% of its most recent summer peak load (the statutory threshold). As of January 31, 2021, Petitioner has not exceeded the 40% capacity reservation for participation by residential customers, or the 15% capacity reservation for participation by biomass customers (the capacity threshold). Petitioner has exceeded the remaining 45% capacity for participation by all other customers with eligible distributed generation. Since Petitioner has reached the statutory threshold but not the

capacity threshold for residential and/or biomass capacity, Petitioner will continue to accept applications and connect installations for residential and biomass customers until January 1 of the year following the capacity threshold being reached or July 1, 2022, whichever comes first.

6. Pursuant to Section 12 of the Statute and 170 IAC 4-4.2-4(b), Petitioner has sole discretion regarding the availability of net metering capacity in excess of 1.5% of its summer peak load. Pursuant to Section 11 of the Statute, in no event can net metering be made available by Petitioner after June 30, 2022. Although Petitioner will continue accepting applications under the Net Metering Rider while the EDG Rider is pending approval and will honor all applications that are approved by December 31, 2021,<sup>1</sup> NIPSCO does not anticipate the remaining capacity for residential and biomass customers will be exhausted before July 1, 2022.<sup>2</sup> As a result, in accordance with Sections 10 and 16 of the Statute, Petitioner is requesting approval of its EDG Rider to establish a rate for the procurement of excess distributed generation.<sup>3</sup>

7. The procedure under which public utilities may request a rate for the

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<sup>1</sup> Consistent with Section 10 of the Statute.

<sup>2</sup> The current levels of participation in the three customer categories is provided in accompanying testimony.

<sup>3</sup> This EDG Rider and the applicable rate are being proposed for implementation effective January 1, 2022 with respect to all customers, other than biomass or residential customers. As noted above, NIPSCO will continue to offer net metering to biomass and residential customers until the earlier of January 1 of the year following which the capacity threshold is reached, or July 1, 2022.

procurement of excess distributed generation by the electricity supplier (as defined in Section 4 of the Statute) is governed by Section 16 of the Statute and requires Petitioner to petition the Commission for approval of such rate.

8. Petitioner's proposed EDG Rider establishes a rate for the procurement of excess distributed generation that is consistent with Section 17 of the Statute, which states in part that the Commission shall review a petition filed under Section 16 of the Statute and, after notice and public hearing:

. . . approve a rate to be credited to participating customers by the electricity supplier for excess distributed generation if the commission finds that the rate requested by the electricity supplier was accurately calculated and equals the product of: (1) the average marginal price of electricity paid by the electricity supplier during the most recent calendar year; multiplied by (2) one and twenty-five hundredths (1.25).

9. Pursuant to Section 18 of the Statute, compensation to the EDG Rider customer shall take the form of credit on the customer's monthly bill and any excess credit shall be carried forward and applied against future charges to the customer for as long as the customer receives electric service from the electricity supplier at the premises.

10. On March 1, 2021, NIPSCO filed its Verified Petition and case-in-chief initiating this Cause. On April 7, 2021, the Commission issued a final order in Cause No. 45378, in which it made certain findings regarding the Statute.

11. On April 22, 2021, NIPSCO filed an Unopposed Motion to Vacate

Procedural Schedule, which indicated NIPSCO had determined it was advisable for NIPSCO to file an amended petition and a new case-in-chief in this Cause. This motion was granted via Docket Entry issued on April 23, 2021.

12. On May 3, 2021, NIPSCO filed a Joint Motion for Approval of Agreed Procedural Schedule, which provided that NIPSCO “shall prefile with the Commission its prepared testimony and exhibits constituting its case-in-chief on or before May 10, 2021.” This joint motion was granted via Docket Entry issued on May 4, 2021 and ordered NIPSCO to “prefile with the Commission its prepared testimony and exhibits constituting its revised case-in-chief on or before May 10, 2021.”

13. Consistent with its prior representations and the Commission’s May 4 Docket Entry, NIPSCO is filing this Verified Amended Petition (“Amended Petition”).<sup>4</sup>

### **Relief Sought by Petitioner**

14. In accordance with the Statute, Petitioner requests Commission approval of its EDG Rider for the procurement of excess distributed generation.

### **Summary of Petitioner’s EDG Rider**

15. Section 5 of the Statute defines “excess distributed generation” as

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<sup>4</sup> Contemporaneously herewith, NIPSCO is filing a Motion to Amend Petition, in which it seeks leave to file this Amended Petition.

“the difference between: (1) the electricity that is supplied by an electricity supplier to a customer that produces distributed generation; and (2) the electricity that is supplied back to the electricity supplier by the customer.” Under the EDG Rider, Petitioner will capture the inflow and outflow of energy as measured by the utility meter on an instantaneous basis.<sup>5</sup> The resulting kilowatt-hour (“kWh”) that is captured during each cycle measured by a customer’s meter will be totaled. The total as recorded by the inflow channel will be utilized at the end of monthly billing cycle as the amount of energy in kWh to bill under the customer’s standard tariff rate. The resulting total kWh that is recorded by the outflow channel will be utilized at the end of monthly billing cycle as the amount of energy in kWh used in the calculation of the DG Billing Credit applied to the customer’s monthly utility bill.

16. The EDG Rider will be updated annually by March 1, to be effective April 1, via a compliance filing, as required by Section 16 of the Statute.

17. NIPSCO will continue to offer its Net Metering Rider to customers based on the capacity availability of the category. For non-reserved capacity, NIPSCO will continue accepting applications while the EDG Rider is pending approval and will honor applications approved by December 31, 2021. For residential or biomass capacity, NIPSCO will continue to offer the Net Metering

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<sup>5</sup> Witness Kirkham describes the capabilities of the meters NIPSCO will utilize for customers taking service under the EDG Rider.

Rider until January 1 of the year following the capacity threshold being reached or July 1, 2022, whichever is earlier. Assuming NIPSCO has an approved EDG Rider at that time, new qualifying residential and biomass applicants will then participate under the EDG Rider. If the threshold is met for either of those categories before NIPSCO has an approved EDG Rider, which is not expected, NIPSCO will treat residential and biomass applicants in a similar fashion to the non-reserved applicants. NIPSCO will also continue to keep its customers updated about the status of residential and biomass capacity, including if it appears the applicable threshold for either category will be met before July 1, 2022.

#### **Applicable Law**

18. Petitioner considers the provisions of the Public Service Commission Act, as amended, including Ind. Code ch. 8-1-40, among others, and 170 IAC 4-4.2 *et seq.* to be applicable to the subject matter of this Petition and believes that such statutes and regulations provide the Commission authority to approve the requested relief.

#### **Petitioner's Counsel**

19. The names and addresses of persons authorized to accept service of papers in this proceeding are:



**Counsel of Record:**

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**Procedural Schedule**

20. A procedural schedule in this Cause has already been established pursuant to the Commission's docket entry issued on May 4, 2021.

WHEREFORE, Northern Indiana Public Service Company LLC respectfully requests that the Commission promptly publish notice, make such other investigation and hold such hearings as are necessary or advisable, and thereafter make and enter appropriate orders in this Cause:

(a) Approving a rate for the procurement of excess distributed generation, in accordance with Ind. Code § 8-1-40-16 and Ind. Code § 8-1-40-17;

(b) Approving Petitioner's proposed Rider 889 – Excess Distributed Generation Rider;

(c) Approving Petitioner's proposed revisions to other changes to its IURC Electric Service Tariff, Original Volume No. 14, necessary to incorporate the

EDG Rider into the Electric Tariff;

(d) Granting to Petitioner such additional and further relief as may be deemed necessary or appropriate.

Dated this 10<sup>th</sup> day of May, 2021.

Northern Indiana Public Service Company LLC



Erin E. Whitehead  
Vice President, Regulatory and Major Accounts

**Verification**

I affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information, and belief.

Dated: May 10, 2021.



Erin E. Whitehead  
Vice President, Regulatory and Major Accounts

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## CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing was served by email transmission upon the following:

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Dated this 24<sup>th</sup> day of May, 2021.

  
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