

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF NORTHERN INDIANA PUBLIC )  
SERVICE COMPANY LLC PURSUANT TO IND. CODE )  
§§ 8-1-242.7, 8-1-2-61 AND 8-1-2.5-6 FOR (1) )  
AUTHORITY TO MODIFY ITS RETAIL RATES AND )  
CHARGES FOR ELECTRIC UTILITY SERVICE )  
THROUGH A PHASE IN OF RATES; (2) APPROVAL )  
OF NEW SCHEDULES OF RATES AND CHARGES, )  
GENERAL RULES AND REGULATIONS, AND RIDERS )  
(BOTH EXISTING AND NEW); (3) APPROVAL OF )  
REVISED COMMON AND ELECTRIC )  
DEPRECIATION RATES APPLICABLE TO ITS ) CAUSE NO. 46120  
ELECTRIC PLANT IN SERVICE; (4) APPROVAL OF )  
NECESSARY AND APPROPRIATE ACCOUNTING )  
RELIEF, INCLUDING, BUT LIMITED TO, )  
AUTHORITY TO CAPITALIZE AS RATE BASE ALL )  
EXPENDITURES FOR IMPROVEMENTS TO )  
PETITIONER'S INFORMATION TECHNOLOGY )  
SYSTEMS THROUGH THE DESIGN, DEVELOPMENT, )  
AND IMPLEMENTATION OF A WORK AND ASSET )  
MANAGEMENT ("WAM") PROGRAM, TO THE )  
EXTENT NECESSARY; AND (5) APPROVAL OF )  
ALTERNATIVE REGULATORY PLANS FOR THE )  
PARTIAL WAIVER OF 170 IAC 4-1-16(f) AND )  
PROPOSED REMOTE DISCONNECTION AND )  
RECONNECTION PROCESS AND, TO THE EXTENT )  
NECESSARY, IMPLEMENTATION OF A LOW )  
INCOME PROGRAM. )

**INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR**  
**PUBLIC'S EXHIBIT NO. 2**  
**REDACTED TESTIMONY OF OUCC WITNESS**  
**BRIAN R. LATHAM**

Respectfully submitted,

INDIANA OFFICE OF UTILITY CONSUMER  
COUNSELOR



Adam J. Kashin, Attorney No. 37960-49  
Deputy Consumer Counselor

Matthew W. Kappus, Attorney No. 35807-49  
Deputy Consumer Counselor

Lorraine Hitz, Attorney No. 18006-29  
Senior Deputy Consumer Counselor

**TESTIMONY OF OUCC WITNESS BRIAN R. LATHAM**  
**CAUSE NO. 46120**  
**NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC**

**I. INTRODUCTION**

1 **Q: Please state your name and business address.**

2 A: My name is Brian R. Latham, and my business address is 115 West Washington  
3 Street, Suite 1500 South, Indianapolis, Indiana 46204.

4 **Q: By whom are you employed and in what capacity?**

5 A: I am employed as a Utility Analyst in the Indiana Office of Utility Consumer  
6 Counselor's ("OUCC") Electric Division. A summary of my educational  
7 background and experience is included in Appendix A attached to my testimony.

8 **Q: What is the purpose of your testimony?**

9 A: I am sponsoring the OUCC's overall revenue requirement recommendation in this  
10 case, and I incorporate the other OUCC witnesses' recommendations in the revenue  
11 requirement calculations. I adjust Northern Indiana Public Service Company LLC's  
12 ("NIPSCO" or "Petitioner") test year rate base to include the depreciation changes  
13 OUCC witness Roxie McCullar sponsors. I address the need for a bad debt expense  
14 adjustment if NIPSCO's Low Income Program is approved. Additionally, I make  
15 recommendations regarding NIPSCO's proposed recovery of its unprotected  
16 Accumulated Deferred Income Tax ("ADIT") funds from the 2017 Tax Cut and  
17 Jobs Act. Finally, I address NIPSCO's proposal to calculate and establish a  
18 regulatory asset if NIPSCO is required to remedy any inconsistencies with

1 normalization rules due to the Internal Revenue Service's ("IRS") recent Private  
2 Letter Ruling ("PLR").

3 **Q: Have you previously testified before the Commission?**

4 A: Yes.

5 **Q: If your testimony does not address a specific topic, issue, or item, should it be**  
6 **construed to mean you agree with Petitioner's proposal?**

7 A: No. My silence on any issue should not be construed as an endorsement. Also, my  
8 silence in response to any actions or adjustments stated or implied by Petitioner  
9 should not be construed as an endorsement.

10 **Q: Please describe the review you conducted to prepare your testimony.**

11 A: I reviewed Petitioner's testimony, schedules, workpapers and Petitioner's  
12 responses to discovery requests. I also reviewed the Final Orders from NIPSCO  
13 cases (Cause Nos. 45772, 45910, 45926, and 46028) that are relevant to this  
14 proceeding. I attended OUCC case team meetings and meetings that included  
15 NIPSCO, OUCC, and other intervenors' technical staff.

## II. REVENUE REQUIREMENTS

16 **Q: Please summarize the OUCC's findings regarding NIPSCO's revenue**  
17 **requirement.**

18 A: NIPSCO proposes a \$424,756,681<sup>1</sup> annual revenue increase, but the OUCC's  
19 analysis shows NIPSCO's evidence warrants only a \$259,348,594<sup>2</sup> annual revenue  
20 increase. When netted with NIPSCO's proposed \$56,096,064<sup>3</sup> fuel adjustment, the  
21 OUCC's recommended increase is \$203,252,530<sup>4</sup> compared with NIPSCO's

---

<sup>1</sup> Petitioner's Exhibit No. 3, - Attachment A-S2 p. 1, l. 2, Column F.

<sup>2</sup> Schedule BRL-1, p. 2, l. 28.

<sup>3</sup> Petitioner's Exhibit No. 3, - Attachment A-S2 p. 1, l. 2, Column I.

<sup>4</sup> Schedule BRL-1, p. 2, l. 42.

1 proposed \$368,660,618<sup>5</sup> increase. NIPSCO's net proposed increase represents a  
2 20.1% (\$368,660,618/\$1,829,598,917<sup>6</sup>) increase compared to the OUCC's  
3 recommended net increase of 11.1%.<sup>7</sup> The OUCC's analysis uses a 6.68%<sup>8</sup>  
4 weighted average cost of capital ("WACC") compared to NIPSCO's proposed  
5 7.59%<sup>9</sup> WACC.

6 **Q: Have you prepared schedules to support and accompany your testimony?**

7 A: Yes. The following schedules reflect the issues OUCC witnesses address in this  
8 Cause:

9 Schedule BRL-1 - Revenue Requirement and Revenue Conversion Factor as of  
10 May 31, 2025, and December 31, 2025;

11 Schedule BRL-2 - Original Cost Rate Base as of May 31, 2025, and December  
12 31, 2025;

13 Schedule BRL-3 - Comparative Net Operating Income Statements for the  
14 Twelve Months Ending May 31, 2025;

15 Schedule BRL-4 - Comparative Net Operating Income Statements for the  
16 Twelve Months Ending December 31, 2025;

17 Schedule BRL-5 - Comparative Capital Structure and WACC as of May 31,  
18 2025;

19 Schedule BRL-6 - Comparative Capital Structure and WACC as of December  
20 31, 2025;

21 Schedule BRL-7 - Net Operating Income Statements for Twelve Months  
22 Ending December 31, 2022, and December 31, 2023;

23 Schedule BRL-8 - Balance Sheets as of December 31, 2022, and December 31,  
24 2023;

---

<sup>5</sup> Petitioner's Exhibit No. 3, - Attachment A-S2 p. 1, l. 2, Column K.

<sup>6</sup> Petitioner's Exhibit No. 3, - Attachment A-S2 p. 1, l. 2, Column E.

<sup>7</sup> Schedule BRL-1, p. 2, l. 43.

<sup>8</sup> Schedule BRL-6. p. 2, l. 19.

<sup>9</sup> Petitioner's Exhibit No. 3, - Attachment A-S2 p. 5, l. 8, Column E.

- 1 Schedule BRL-9 - Taxes Other than Income Comparison;  
2 Schedule BRL-10 - Operating and Maintenance Expense Comparison;  
3 Schedule BRL-11- Revenue Comparison;  
4 Schedule BRL-12- OUCC Expense Adjustments.

5 **Q: Where are the schedules listed above located?**

6 A: Schedules BRL-1 through BRL-9 and BRL-11 are attached to this testimony. BRL-  
7 10 and BRL-12 are confidential and are filed as such. The schedules are also  
8 included in a separate confidential submission along with supporting workpapers.  
9 The separate submission is in Microsoft Excel with the OUCC's formulas intact.  
10 Schedule BRL-1 provides the Revenue Requirements (discussed above) and the  
11 Gross Revenue Conversion calculation. The OUCC's Gross Revenue Conversion  
12 calculation is the same as NIPSCO's calculation.

13 **Q: Please describe Schedule BRL-2.**

14 A: Schedule BRL-2 is a Rate Base Summary comparing NIPSCO's proposed test year  
15 rate base with the OUCC's proposed test year rate base.

16 **Q: Please describe Schedules BRL-3 and BRL-4.**

17 A: Schedules BRL-3 and BRL-4 are test year financial statements that compare  
18 NIPSCO's and the OUCC's income statements.

19 **Q: Please describe Schedules BRL-5 and BRL-6.**

20 A: Schedules BRL-5 and BRL-6 are the capital structures proposed by NIPSCO and  
21 the WACC comparisons. BRL-5 is calculated as of May 31, 2025, and BRL-6 is as  
22 of December 31, 2025. The only difference between the OUCC's and NIPSCO's  
23 weighted average cost of capital is the difference in the proposed cost of equity  
24 between the parties.

1 **Q: Please describe Schedules BRL-7 and BRL-8.**

2 A: Schedule BRL-7 is NIPSCO's income statements for the twelve months ending  
3 December 31, 2022, and 2023. Schedule BRL-8 is the balance sheets as of  
4 December 31, 2022, and 2023.

5 **Q: Please describe Schedules BRL-9, BRL-10, BRL-11, and BRL-12.**

6 A: BRL-9 is a comparison of NIPSCO's and the OUCC's adjustments for taxes other  
7 than income. Schedule BRL-10 (confidential) is a comparison of the OUCC's and  
8 NIPSCO's operating expense adjustments. Schedule BRL-11 is a comparison of  
9 the OUCC's and NIPSCO's revenue adjustments. BRL-12 (confidential) is a list of  
10 the OUCC's expense adjustments.

11 **Q: Are you directly sponsoring any adjustments?**

12 A: No. My testimony incorporates OUCC witness McCullar's recommended  
13 \$12,557,759 depreciation expense reduction, as shown on workpaper Depr-1-S2  
14 included in my Excel schedules.

15 **Q: Does your testimony address specifics about NIPSCO's proposed Low-Income  
16 Program?**

17 A: No. OUCC witness April M. Paronish discusses this proposal in greater detail and  
18 presents the OUCC's position on NIPSCO's Low-Income Program proposal.  
19 Pertinent to my testimony is that NIPSCO proposes to collect \$2,377,600 in fixed

1 charges from its customers and contribute \$400,000 of shareholder funds to offset  
2 \$2,777,600 in charges to its low-income customers.

3 **Q: Why does NIPSCO's bad debt need to be adjusted if the proposed Low-Income**  
4 **Program is approved?**

5 A: NIPSCO's Low-Income Program, as proposed, would reduce Petitioner's accounts  
6 receivable by up to \$2,777,600 (over the course of a year), which would then reduce  
7 the amount subject to bad debt expense up to the same \$2,777,600.

### III. TAXES

8 **Q: What is NIPSCO proposing regarding its unprotected ADIT resulting from**  
9 **the 2017 Tax Cut and Jobs Act?**

10 A: NIPSCO's unprotected ADIT will be completely amortized in approximately four  
11 years.<sup>10</sup> Once fully amortized, NIPSCO asks to make a compliance filing to update  
12 its rates to reflect the removal of unprotected ADIT from rates. NIPSCO is  
13 requesting approval to establish a regulatory asset account if there is any delay  
14 between the completion of the amortization period and the effective date of the new  
15 rates.<sup>11</sup>

16 **Q: Did NIPSCO request recovery of its proposed regulatory asset?**

17 A: No. NIPSCO witness Harding did not address the recovery of NIPSCO's proposed  
18 regulatory asset.

19 **Q: Do you agree with NIPSCO's proposed treatment of its fully amortized**  
20 **unprotected ADIT?**

21 A: I agree in part. I agree with NIPSCO's proposed compliance filing, as this method  
22 should be the simplest and lowest cost alternative to adjust rates. I also have no

---

<sup>10</sup> Petitioner's Exhibit No. 14, Verified Direct Testimony Jennifer A. Harding, p. 11, ll. 5-6.

<sup>11</sup> *Id.*, p. 11, ll. 8-13.

1 objection to NIPSCO's proposed regulatory asset to recover any over-returned  
2 unprotected ADIT. However, I recommend the Commission reject any NIPSCO  
3 request to apply any rate of return or carrying costs to this proposed regulatory  
4 asset. NIPSCO already has a timeframe for when it expects unprotected ADIT to  
5 be fully amortized; therefore, I recommend NIPSCO timely initiate its compliance  
6 filing prior to the expected full amortization date with a proposed date certain for  
7 its rate adjustment to commence. Using this methodology will allow a regulatory  
8 asset or liability to be established to account for any material over- or under-  
9 recovery of unprotected ADIT without the necessity of a return "on" the regulatory  
10 asset.

#### IV. NORMALIZATION

11 **Q: What is NIPSCO requesting regarding IRS Private Letter Rulings ("PLR")?**

12 A: NIPSCO seeks the Commission's approval to calculate and establish a regulatory  
13 asset permitting recovery of amounts that would undo any inconsistencies with the  
14 normalization rules as outlined in certain PLRs.<sup>12</sup>

15 **Q: On what basis does NIPSCO request this treatment?**

16 A: The IRS issued three PLRs on March 8, 2024, one of which involved an Indiana  
17 utility. That utility's questions to the IRS concerned its stand-alone ADIT in the  
18 context of participation in its parent corporation's consolidated tax return under a  
19 Tax Allocation Agreement. The questions asked were reiterated as statements the  
20 IRS's PLR, as follows:

---

<sup>12</sup> Harding Direct, p.26, ll. 17-18, through p. 27, ll. 1-2.



- 1                    1. Reducing Taxpayer's stand-alone Deferred Tax Asset ("DTA") by  
2                    reason of the Tax Allocation Agreement ("TAA") payments would  
3                    violate the deferred tax reserve computational rules of § 1.167(1)-  
4                    1 (h)(2).
- 5                    2. Reducing Taxpayer's standalone NOLC-DTA [Net Operating  
6                    Loss Carry Forward] by reason of the TAA payments as an offset  
7                    to the total EDIT [Excess Deferred Income Taxes] available to be  
8                    amortized, would constitute a violation of the normalization  
9                    requirements of tax Cut and Jobs Act section 13001.
- 10                   3. Reducing Taxpayer's standalone NOLC-DTA by reason of the  
11                   TAA payments would result in Taxpayer losing its right to claim  
12                   accelerated depreciation on all of its State public utility property.  
13                   However, as described, this disallowance of Taxpayer's right to  
14                   claim accelerated depreciation would only occur under facts not  
15                   present in this case.<sup>13</sup>

16    **Q:    Is NIPSCO affected by this PLR?**

17    A    No. PLRs are applicable only to the entity requesting the ruling. Nonetheless, it is  
18           my understanding NIPSCO is researching the potential impact of this IRS PLR on  
19           NIPSCO.<sup>14</sup>

20    **Q:    Is there a proceeding before the Commission regarding the issuance of these**  
21           **PLRs and the impact on the requesting utility?**

22    A:    Yes, under Cause No. 46080. It is my understanding that the case has been fully  
23           briefed, and a Commission decision is pending.

24    **Q:    Does the OUCC agree with NIPSCO's requested PLR treatment?**

25    A:    No. First, the PLR does not apply to NIPSCO, but to another utility. Second,  
26           because the Commission is considering the implications and application of the PLR  
27           in Cause No. 46080, it is premature to agree to any treatment for NIPSCO. If

---

<sup>13</sup> See PLR-107770-22, p. 13.

<sup>14</sup> Harding Direct, p. 26, ll. 10-13.

1 warranted, the circumstances or nature of NIPSCO's PLR concerns may be  
2 reviewed in a sub-docket in this proceeding or a separately docketed proceeding.

**V. RECOMMENDATIONS**

3 **Q: Please summarize your recommendations to the Commission in this Cause.**

4 A: I recommend the Commission:

- 5 • Deny NIPSCO's proposed revenue requirement and accept the OUCC's  
6 recommended revenue requirement instead, increasing rates by  
7 \$203,252,530 or 11.1%;
- 8 • Deny NIPSCO any rate of return applied to a regulatory asset tracking  
9 ADIT recovery;
- 10 • Deny NIPSCO's request to establish a regulatory asset to recover  
11 amounts pursuant to the IRS normalization rules as set forth in the PLR  
12 cited by NIPSCO; and
- 13 • If the Commission approves NIPSCO's proposed Low-Income  
14 Program, reduce bad debt expense in the same manner that NIPSCO's  
15 bad debt expense is increased as a result of its revenue requirement  
16 increase.

17 **Q: Does this conclude your testimony?**

18 A: Yes.

**APPENDIX A**  
**QUALIFICATIONS OF BRIAN R. LATHAM**

1 **Q: Please describe your educational background and experience.**

2 A: I graduated from Northern Illinois University in DeKalb, Illinois, with a bachelor's  
3 degree in accounting. I then attended Illinois State University in Normal, Illinois,  
4 and obtained a master's degree in accounting. In addition, I have participated in  
5 various continuing education programs sponsored by my current and former  
6 employers.

7 I began my employment in 1992 as a Staff Accountant with OSI Industries  
8 (Aurora, Illinois). In 1995, I was hired as a cost accountant at Rexnord in  
9 Milwaukee, Wisconsin. In 1998, I was hired as a cost accounting manager at  
10 Morton Metalcraft (Morton, Illinois) and eventually promoted to a Controller role  
11 at Illinois Machine and Tool Works. In 2001, I was hired at Hamernik Associates,  
12 where I was a work-out and bankruptcy consultant. I was an independent financial  
13 recruiter in 2007 and 2008. In March 2008, I was hired as Vice President of Finance  
14 for Junior Achievement of Central Indiana. In 2009, I was hired as a Utility Analyst  
15 for the Indiana Utility Regulatory Commission, where I worked as a member of the  
16 Water Division Staff, reviewing water and wastewater utility filings and making  
17 recommendations based on witness' testimony and Indiana law. In 2018, I was  
18 hired as Controller for Aqua Indiana, where I was responsible for Aqua Indiana's  
19 financial operations, and my roles included the oversight and accountability of the  
20 monthly, quarterly, and annual financial closings and reporting, SOX and audit  
21 compliance, budget, forecasting, and five-year planning, regulatory petitions,

1            acquisitions, and other strategic projects. After a short stint as Controller at Senior  
2            Home Companions, I was hired at the OUCC as a Utility Analyst in October 2022.

3                       At the OUCC I have provided written testimony ranging from rate cases to  
4            clean energy generation facilities and regional transmission organization  
5            adjustments. I work on demand supply management relationships and commission  
6            investigation teams. I attended the NARUC Staff Subcommittee on Accounting and  
7            Finance Spring Conference in early April 2023.

**Northern Indiana Public Service Company LLC  
Calculation of Proposed Revenue Increase  
Based on Pro forma Operating Results  
Original Cost Rate Base Estimated at May 31, 2025**

Line No.	Description	NIPSCO Revenue Deficiency	OUCC Revenue Deficiency
1	Net Original Cost Rate Base	\$ 8,826,944,924	\$ 8,826,387,973
2	Rate of Return	7.53%	6.68%
3	Net Operating Income	664,668,953	589,602,717
4	Pro forma Net Operating Income	401,487,682	422,021,664
5	Increase in Net Operating Income (NOI Shortfall)	263,181,271	167,581,053
6	Effective Incremental Revenue NOI Conversion Factor	133.917%	133.917%
7	Increase in Revenue Requirement (Based on Net Original Cost Rate Base) (Line 5 / Line 6)	\$ 352,445,674	\$ 224,420,290
8	One	(A) 1.000000	1.000000
9	Less: Public Utility Fee	(B) 0.001500	0.001500
10	Less: Bad Debt	(C) 0.004571	0.4571%
11	State Taxable Income		
12	Taxable Adjusted Gross Income Tax	(D=A-B-C) 0.993929	0.993929
13	Adjusted Gross Income Tax Rate (Statutory)	(E) 0.049000	0.049000
14	Adjusted Gross Income Tax	(F=DxE) 0.048703	0.048703
15	Line 11 less line 14	(G=D-F) 0.945226	0.945226
16	Less: Federal Income Tax Rate	(I) 0.210000	0.210000
17	One Less Federal Income Tax Rate	(J=A-I) 0.790000	0.790000
18	Effective Incremental Revenue / NOI Conversion Factor (Lines 16/(15*18)).	(K=A/(G*J) 133.917%	133.917%
19	Proposed Increase	\$ 352,445,674	\$ 224,420,290
20	Reduce FPP for ITC/PTC	(33,378,787)	(33,378,787)
21	Net Proposed Increase	\$ 319,066,887	\$ 191,041,503

**Gross Margin  
Calculation of Proposed Revenue Increase  
Based on Pro forma Operating Results  
Original Cost Rate Base Estimated at December 31, 2025**

Line No.	Description	NIPSCO Revenue Deficiency	OUCC Revenue Deficiency
22	Net Original Cost Rate Base	\$ 9,229,813,441	\$ 9,229,256,490
23	Rate of Return	7.59%	6.68%
24	Net Operating Income	700,542,840	616,514,334
25	Pro forma Net Operating Income	383,364,871	422,851,316
26	Increase in Net Operating Income (NOI Shortfall)	317,177,970	193,663,017
27	Effective Incremental Revenue NOI Conversion Factor	133.917%	133.917%
28	Increase in Revenue Requirement (Based on Net Original Cost Rate Base) (Line 5 / Line 6)	\$ 424,756,681	\$ 259,348,594
29	One	(A) 1.000000	1.000000
30	Less: Public Utility Fee	(B) 0.001500	0.001500
31	Less: Bad Debt	(C) 0.004571	0.004571
32	State Taxable Income		
33	Taxable Adjusted Gross Income Tax	(D=A-B-C) 0.993929	0.993929
34	Adjusted Gross Income Tax Rate (Statutory)	(E) 0.049000	0.049000
35	Adjusted Gross Income Tax	(F=DxE) 0.048703	0.048703
36	Line 11 less line 14	(G=D-F) 0.945226	0.945226
37	Less: Federal Income Tax Rate	(I) 0.210000	0.210000
38	One Less Federal Income Tax Rate	(J=A-I) 0.790000	0.790000
39	Effective Incremental Revenue / NOI Conversion Factor (Lines 16/(15*18)).	(K=A/(G*J) 133.917%	133.917%
40	Proposed Increase	\$ 424,756,681	\$ 259,348,594
41	Reduce FPP for ITC/PTC & Schahfer U17/18 Retirement	(56,096,064)	(56,096,064)
42	Net Proposed Increase	\$ 368,660,617	\$ 203,252,530
43	Increase	20.1%	11.1%

**Northern Indiana Public Service Company LLC**  
**Summary of Rate Base**

Line No.	Description	NIPSCO		OUCC		Variance
		Pro forma As Of May 31, 2025	Pro forma As Of May 31, 2025	OUCC Witness	Pro forma As Of May 31, 2025	
<b>Rate Base</b>						
1	Utility Plant	\$ 11,177,574,648	\$ 11,177,574,648		\$ -	
2	Non Jurisdictional Plant	-	-		-	
3	Common Allocated	388,851,452	388,851,452		-	
	<b>Total Electric Utility Plant</b>	<u>11,566,426,100</u>	<u>11,566,426,100</u>		<u>-</u>	
4	Utility Plant Accumulated Depreciation	(4,090,961,889)	(4,090,961,889)		-	
5	Non Jurisdictional Plant Accumulated Depreciation	-	-		-	
6	Common Allocated Accumulated Depreciation	(253,497,239)	(253,497,239)		-	
	<b>Total Electric Accumulated Depreciation</b>	<u>(4,344,459,128)</u>	<u>(4,344,459,128)</u>		<u>-</u>	
	<b>Net Electric Utility Plant</b>	<u>\$ 7,221,966,972</u>	<u>\$ 7,221,966,972</u>		<u>\$ -</u>	
7	Schahfer Units 14. 15. 17 and 18 Retirement	512,540,884	512,540,884		-	
8	WAM - Regulatory Asset	25,314,847	25,314,847		-	
9	Renewable Energy Joint Venture Investments	789,211,227	789,211,227		-	
10	Cause Nos. 44688, 45772, & 45159 Remainder	31,220,367	31,220,367		-	
11	Electric TDSIC Cause Nos. 44733 and 45557	11,521,582	11,521,582		-	
12	Electric Wholly Owned Solar Farms	61,424,047	61,424,047		-	
13	Materials & Supplies	126,337,307	125,780,356	G. Krieger	(556,951)	
14	Production Fuel	47,407,692	47,407,692		-	
	<b>Total Electric Rate Base</b>	<u>\$ 8,826,944,924</u>	<u>\$ 8,826,387,973</u>		<u>\$ (556,951)</u>	

Northern Indiana Public Service Company LLC  
 Summary of Rate Base

Line No.	Description	NIPSCO		OUCC		Variance
		Pro forma As Of <u>12/31/2025</u>	Pro forma As Of <u>12/31/2025</u>	OUCC Witness	Pro forma As Of <u>12/31/2025</u>	
<b>Rate Base</b>						
15	Utility Plant	\$ 10,316,836,696	\$ 10,316,836,696		\$ -	
16	Non Jurisdictional Plant	-	-		-	
17	Common Allocated	419,723,256	419,723,256		-	
	<b>Total Electric Utility Plant</b>	<u>10,736,559,953</u>	<u>10,736,559,953</u>		<u>-</u>	
18	Utility Plant Accumulated Depreciation	(2,977,780,579)	(2,977,780,579)		-	
19	Non Jurisdictional Plant Accumulated Depreciation	-	-		-	
20	Common Allocated Accumulated Depreciation	(262,627,721)	(262,627,721)		-	
	<b>Total Electric Accumulated Depreciation</b>	<u>(3,240,408,299)</u>	<u>(3,240,408,299)</u>		<u>-</u>	
	<b>Net Electric Utility Plant</b>	<u>\$ 7,496,151,653</u>	<u>\$ 7,496,151,653</u>		<u>\$ -</u>	
21	Schahfer Units 14. 15. 17 and 18 Retirement	661,125,225	661,125,225		-	
22	WAM - Regulatory Asset	28,237,008	28,237,008		-	
23	Renewable Energy Joint Venture Investments	772,866,616	772,866,616		-	
24	Cause Nos. 44688, 45772, & 45159 Remainder	24,524,961	24,524,961		-	
25	Electric TDSIC Cause Nos. 44733 and 45557	18,679,396	18,679,396		-	
26	Electric Wholly Owned Solar Farms	99,839,760	99,839,760		-	
27	Materials & Supplies	112,720,299	112,163,348	G. Krieger	(556,951)	
28	Production Fuel	15,668,523	15,668,523		-	
	<b>Total Electric Rate Base</b>	<u>\$ 9,229,813,441</u>	<u>\$ 9,229,256,490</u>		<u>\$ (556,951)</u>	



**Northern Indiana Public Service Company LLC**  
**Net Operating Income Statement**  
**Based on Pro forma Operating Results and Forecasts**  
**Forecast for the Twelve Months Ending May 31, 2025 (\$1)**

Line No.	Actual	Adjustments	Pro forma @ Current	Pro forma	Pro forma @ Proposed	Pro forma Adjs, ITC, PTC	Pro forma -proposed	
			Rates	Adjustments	Rates		rates	
1	Operating Revenue	\$ 1,767,968,828	\$ 61,630,089	\$ 1,829,598,917	\$ 352,445,674	\$ 2,182,044,591	\$ (33,378,787)	\$ 2,148,665,804
2	Fuel & Purchased Power	329,537,976	96,067	329,634,043	-	329,634,043	(33,176,130)	296,457,913
3	Gross margin	1,438,430,852	61,534,022	1,499,964,874	352,445,674	1,852,410,548	(202,657)	1,852,207,891
4	O&M Expenses	530,929,250	(31,291,662)	499,637,588	1,611,170	501,248,757	(152,588)	501,096,169
5	Depreciation Expense	268,866,783	93,118,974	361,985,758	-	361,985,758		361,985,758
6	Amortization Expense	108,802,244	39,400,213	148,202,456		148,202,456		148,202,456
7	Taxes Other than Income	44,954,870	(730,775)	44,224,095	528,669	44,752,764	(50,069)	44,702,695
8	Operating Income before Income Taxes	484,877,706	(38,962,728)	445,914,978	350,305,835	796,220,813	-	796,220,813
9	Income Taxes (Federal & State)	47,253,086	(2,825,790)	44,427,296	87,124,564	131,551,860	-	131,551,860
10	Total Taxes	92,207,956	(3,556,565)	88,651,391	87,653,233	176,304,624	(50,069)	176,254,555
11	Total Operating Expenses w/ Income Taxes	1,000,806,233	97,670,960	1,098,477,192	89,264,403	1,187,741,595	(202,657)	1,187,538,938
12	Net Income	\$ 437,624,620	\$ (36,136,938)	\$ 401,487,682	\$ 263,181,270	\$ 664,668,953	\$ -	\$ 664,668,953

**OUCC**  
**Net Operating Income Statement**  
**Based on Pro forma Operating Results and Forecasts**  
**Forecast for the Twelve Months Ending May 31, 2025 (\$1)**

Line No.			Pro forma @ Current		Pro forma @ Proposed		Pro forma -proposed	
	Actual	Adjustments	Rates	Adjustments	Rates	Pro forma Adjs, ITC, PTC	rates	
1	Operating Revenue	\$ 1,767,968,828	\$ 61,630,089	\$ 1,829,598,917	\$ 224,420,290	\$ 2,054,019,207	\$ (33,378,787)	\$ 2,020,640,420
2	Fuel & Purchased Power	329,537,976	(8,874,773)	320,663,203	-	320,663,203	(33,176,130)	287,487,073
3	Gross margin	1,438,430,852	70,504,862	1,508,935,714	224,420,290	1,733,356,004	(202,657)	1,733,153,347
4	O&M Expenses	530,929,250	(35,727,278)	495,201,972	1,025,915	496,227,885	(152,588)	496,075,297
5	Depreciation Expense	268,866,783	93,118,974	361,985,758		361,985,758		361,985,758
6	Amortization Expense	108,802,244	36,617,865	145,420,108		145,420,108		145,420,108
7	Taxes Other than Income	44,954,870	(986,127)	43,968,743	336,630	44,305,373	(50,069)	44,255,304
8	Operating Income before Income Taxes	484,877,706	(22,518,572)	462,359,134	223,057,744	685,416,879	-	685,416,879
9	Income Taxes (Federal & State)	47,253,086	(6,915,616)	40,337,470	55,476,692	95,814,161	-	95,814,161
10	Total Taxes	92,207,956	(7,901,743)	84,306,213	55,813,322	140,119,535	(50,069)	140,069,466
11	Total Operating Expenses w/ Income Taxes	1,000,806,233	86,107,818	1,086,914,050	56,839,237	1,143,753,286	(202,657)	1,143,550,629
12	Net Income	\$ 437,624,620	\$ (15,602,956)	\$ 422,021,664	\$ 167,581,053	\$ 589,602,718	\$ -	\$ 589,602,718

**Northern Indiana Public Service Company LLC**  
**Net Operating Income Statement**  
**Based on Pro forma Operating Results and Forecasts**  
**Forecast for the Twelve Months Ending December 31, 2025 (\$2)**

Line No.	Actual	Adjustments	Pro forma @ Current	Pro forma	Pro forma @ Proposed	Pro forma Adjs, ITC, PTC	Pro forma -proposed	
			Rates	Adjustments	Rates		rates	
1	Operating Revenue	\$ 1,767,968,828	\$ 61,630,089	\$ 1,829,598,917	\$ 424,756,681	\$ 2,254,355,598	\$ (56,096,064)	\$ 2,198,259,534
2	Fuel & Purchased Power	329,537,976	96,067	329,634,043	-	329,634,043	(55,755,482)	273,878,561
3	Gross margin	1,438,430,852	61,534,022	1,499,964,874	424,756,681	1,924,721,556	(340,582)	1,924,380,974
4	O&M Expenses	530,929,250	(63,527,388)	467,401,862	1,941,733	469,343,594	(256,438)	469,087,156
5	Depreciation Expense	268,866,783	120,167,507	389,034,290	-	389,034,290		389,034,290
6	Amortization Expense	108,802,244	74,172,227	182,974,471		182,974,471		182,974,471
7	Taxes Other than Income	44,954,870	(1,644,649)	43,310,222	637,135	43,947,357	(84,144)	43,863,213
8	Operating Income before Income Taxes	484,877,706	(67,633,675)	417,244,029	422,177,814	839,421,844	-	839,421,844
9	Income Taxes (Federal & State)	47,253,086	(13,373,927)	33,879,159	104,999,844	138,879,003	-	138,879,003
10	Total Taxes	92,207,956	(15,018,576)	77,189,381	105,636,979	182,826,360	(84,144)	182,742,216
11	Total Operating Expenses w/ Income Taxes	1,000,806,233	115,793,770	1,116,600,004	107,578,712	1,224,178,716	(340,582)	1,223,838,133
12	Net Income	\$ 437,624,620	\$ (54,259,748)	\$ 383,364,870	\$ 317,177,970	\$ 700,542,840	\$ -	\$ 700,542,841

**OUCC**  
**Net Operating Income Statement**  
**Based on Pro forma Operating Results and Forecasts**  
**Forecast for the Twelve Months Ending December 31, 2025 (\$2)**

Line No.	Actual	Adjustments	Pro forma @ Current	Pro forma	Pro forma @ Proposed	Pro forma Adjts, ITC, PTC	Pro forma -proposed		
			Rates	Adjustments	Rates		rates		
1	Operating Revenue	\$ 1,767,968,828	\$ 61,630,089	\$ 1,829,598,917	\$ 259,348,594	\$ 2,088,947,511	\$ (56,096,064)	\$ 2,032,851,447	
2	Fuel & Purchased Power	329,537,976	(8,874,773)	320,663,203	-	320,663,203	(55,755,482)	264,907,721	
3	Gross margin	1,438,430,852	70,504,862	1,508,935,714	259,348,594	1,768,284,308	(340,582)	1,767,943,727	
4	O&M Expenses	530,929,250	(71,651,021)	459,278,229	1,185,586	460,463,815	(256,438)	460,207,378	
5	Depreciation Expense	268,866,783	107,609,711	376,476,495		376,476,495		376,476,495	
6	Amortization Expense	108,802,244	69,956,877	178,759,121		178,759,121		178,759,121	
7	Taxes Other than Income	44,954,870	(1,900,001)	43,054,869	389,023	43,443,892	(84,144)	43,359,748	
8	Operating Income before Income Taxes	484,877,706	(33,510,705)	451,367,000	257,773,985	709,140,986	-	709,140,985	
9	Income Taxes (Federal & State)	47,253,086	(18,737,402)	28,515,684	64,110,968	92,626,652	-	92,626,652	
10	Total Taxes	92,207,956	(20,637,403)	71,570,553	64,499,991	136,070,544	(84,144)	135,986,400	
11	Total Operating Expenses w/ Income Taxes	1,000,806,233	85,278,166	1,086,084,398	65,685,577	1,151,769,975	(340,582)	1,151,429,393	
12	Net Income	\$ 437,624,620	\$ (14,773,304)	\$ 422,851,316	\$ 193,663,017	\$ 616,514,334	\$ -	\$ 616,514,333	
		\$	-	\$	-	\$	-	\$	0

**NIPSCO / OUCC**  
**Net Operating Income Statement Variance**  
**Based on Pro forma Operating Results and Forecasts**  
**Forecast for the Twelve Months Ending December 31, 2025 (\$2)**

Line No.	NIPSCO	OUCC	Variance
1 Proposed Increase Revenue (Net)	\$ 368,660,617	\$ 203,252,530	\$ (165,408,087)
2 Fuel & Purchased Power	(55,755,482)	(55,755,482)	-
3 Gross margin	424,416,099	259,008,012	(165,408,087)
4 O&M Expenses	1,685,295	929,149	(756,147)
5 Depreciation Expense	-	-	-
6 Amortization Expense	-	-	-
7 Taxes Other than Income	552,991	304,879	(248,112)
8 Operating Income before Income Taxes	422,177,813	257,773,985	(164,403,828)
9 Income Taxes (Federal & State)	104,999,844	64,110,968	(40,888,876)
10 Total Taxes	105,552,835	64,415,847	(41,136,988)
11 Total Operating Expenses w/ Income Taxes	107,238,130	65,344,995	(41,893,135)
12 Net Income	<u>\$ 317,177,969</u>	<u>\$ 193,663,017</u>	<u>\$ (123,514,952)</u>
	-	-	

Northern Indiana Public Service Company LLC  
Capital Structure  
As Of May 31, 2025

NIPSCO CALCULATION

Line No.	Description	Total Company Capitalization	Percent of Total	Cost	NIPSCO Weighted Average Cost
	A	B	C	D	E
1	Common Equity	\$ 6,784,926,641	52.90%	10.60%	5.61%
2	Long-Term Debt	4,768,970,821	37.18%	5.09%	1.89%
3	Customer Deposits	59,885,295	0.47%	5.76%	0.03%
4	Deferred Income Taxes	1,594,868,575	12.43%	0.00%	0.00%
5	Post-Retirement Liability	(1,678,340)	-0.01%	0.00%	0.00%
6	Prepaid Pension Asset	(380,551,396)	-2.97%	0.00%	0.00%
7	Post-1970 ITC	174,612	0.00%	8.32%	0.00%
8	Totals	<u>\$ 12,826,596,207</u>	<u>100.00%</u>		<u>7.53%</u>

Cost of Investor Supplied Capital

	Description	Total Company Capitalization	Percent of Total	Cost	Weighted Average Cost
	A	B	C	D	E
9	Common Equity	\$ 6,784,926,641	58.72%	10.60%	6.22%
10	Long-Term Debt	4,768,970,821	41.28%	5.09%	2.10%
11	Totals	<u>\$ 11,553,897,462</u>	<u>100.00%</u>		<u>8.32%</u>

Northern Indiana Public Service Company LLC  
Capital Structure  
As Of May 31, 2025

OUCC CALCULATION

Line No.	Description	Total Company Capitalization	Percent of Total	Cost	NIPSCO Weighted Average Cost
	A	B	C	D	E
12	Common Equity	\$ 6,784,926,641	52.90%	9.00%	4.76%
13	Long-Term Debt	4,768,970,821	37.18%	5.09%	1.89%
14	Customer Deposits	59,885,295	0.47%	5.76%	0.03%
15	Deferred Income Taxes	1,594,868,575	12.43%	0.00%	0.00%
16	Post-Retirement Liability	(1,678,340)	-0.01%	0.00%	0.00%
17	Prepaid Pension Asset	(380,551,396)	-2.97%	0.00%	0.00%
18	Post-1970 ITC	174,612	0.00%	7.39%	0.00%
19	Totals	<u>\$ 12,826,596,207</u>	<u>100.00%</u>		<u>6.68%</u>

Cost of Investor Supplied Capital

Description	Total Company Capitalization	Percent of Total	Cost	Weighted Average Cost	
A	B	C	D	E	
20	Common Equity	\$ 6,784,926,641	58.72%	9.00%	5.29%
21	Long-Term Debt	4,768,970,821	41.28%	5.09%	2.10%
22	Totals	<u>\$ 11,553,897,462</u>	<u>100.00%</u>		<u>7.39%</u>

Northern Indiana Public Service Company LLC  
Capital Structure  
As Of December 31, 2025

NIPSCO CALCULATION

Line No.	Description	Total Company Capitalization	Percent of Total	Cost	Weighted Average Cost
	A	B	C	D	E
1	Common Equity	\$ 7,718,129,223	53.01%	10.60%	5.62%
2	Long-Term Debt	5,468,979,284	37.56%	5.20%	1.95%
3	Customer Deposits	59,885,295	0.41%	5.76%	0.02%
4	Deferred Income Taxes	1,691,723,532	11.62%	0.00%	0.00%
5	Post-Retirement Liability	(7,491,885)	-0.05%	0.00%	0.00%
6	Prepaid Pension Asset	(372,308,313)	-2.56%	0.00%	0.00%
7	Post-1970 ITC	174,612	0.00%	8.36%	0.00%
8	Totals	<u>\$ 14,559,091,748</u>	<u>100.00%</u>		<u>7.59%</u>

Cost of Investor Supplied Capital

	Description	Total Company Capitalization	Percent of Total	Cost	Weighted Average Cost
	A	B	C	D	E
9	Common Equity	\$ 7,718,129,223	58.53%	10.60%	6.20%
10	Long-Term Debt	5,468,979,284	41.47%	5.20%	2.16%
11	Totals	<u>\$ 13,187,108,507</u>	<u>100.00%</u>		<u>8.36%</u>



Northern Indiana Public Service Company LLC  
Capital Structure  
As Of December 31, 2025

OUCC CALCULATION

Line No.	Description	Total Company Capitalization	Percent of Total	Cost	NIPSCO Weighted Average Cost
	A	B	C	D	E
12	Common Equity	\$ 6,784,926,641	52.90%	9.00%	4.76%
13	Long-Term Debt	4,768,970,821	37.18%	5.09%	1.89%
14	Customer Deposits	59,885,295	0.47%	5.76%	0.03%
15	Deferred Income Taxes	1,594,868,575	12.43%	0.00%	0.00%
16	Post-Retirement Liability	(1,678,340)	-0.01%	0.00%	0.00%
17	Prepaid Pension Asset	(380,551,396)	-2.97%	0.00%	0.00%
18	Post-1970 ITC	174,612	0.00%	6.47%	0.00%
19	Totals	<u>\$ 12,826,596,207</u>	<u>100.00%</u>		<u>6.68%</u>

Cost of Investor Supplied Capital

Description	Total Company Capitalization	Percent of Total	Cost	Weighted Average Cost	
A	B	C	D	E	
20	Common Equity	\$ 6,784,926,641	51.45%	9.00%	4.63%
21	Long-Term Debt	4,768,970,821	36.16%	5.09%	1.84%
22	Totals	<u>\$ 11,553,897,462</u>	<u>87.62%</u>		<u>6.47%</u>

**NIPSCO**  
**Income Statement**  
**For the Years Ended December 31, 2022 and 2023**

(Millions)	2023	2022
Operating Revenues		
Customer Revenues	\$ 2,687.6	\$ 2,791.3
Other Revenues	84.0	95.7
<b>Total Operating Revenues</b>	<b>2,771.6</b>	<b>2,887.0</b>
Operating Expenses		
Cost of Energy	888.4	1,132.2
Operation and Maintenance	787.8	740.4
Depreciation & Amortization	493.8	449.4
Loss (gain) on Sale of Assets	2.1	-
Other Taxes	57.9	72.1
<b>Total Operating Expenses</b>	<b>2,230.0</b>	<b>2,394.1</b>
Operating Income	541.6	492.9
Other Income		
Interest on Long Term Debt	(4.4)	(4.9)
Interest on Long Term Debt - Affiliated	(152.4)	(115.7)
Other Net	16.3	25.0
<b>Total Other Deductions, Net</b>	<b>(140.5)</b>	<b>(95.6)</b>
Income before Income Taxes	401.1	397.3
Income Taxes	62.2	68.8
Net Income	\$ 338.9	\$ 328.5
Net Income (loss) attributable to noncontrolling Interest	\$ (39.9)	\$ (12.3)
<b>Net Income Attributable to NIPSCO</b>	<b>\$ 378.8</b>	<b>\$ 340.8</b>

**NIPSCO  
Balance Sheet**

(in millions)	<u>As of 12/31/2023</u>	<u>As of 12/31/2022</u>
<b>ASSETS</b>		
<b>Property Plant &amp; Equipment</b>		
Utility plant	\$ 13,230.0	\$ 11,902.7
Accumulated depreciation and amortization	(4,041.60)	(3,831.70)
Net utility plant	9,188.40	8,071.00
Other property at cost, less accumulated depreciation	1,424.50	1,116.50
Net Property, Plant and Equipment	10,612.90	9,187.50
<b>Current Assets</b>		
Cash & Cash Equivalents	42.10	9.80
Restricted Cash	34.40	34.10
Accounts Receivable (less reserve)	350.40	409.80
Materials & Supplies at average cost	148.80	131.10
Electric Production Fuel, at average cost	65.30	68.80
Regulatory assets	110.90	114.70
Deposits to renewable generation asset developer	454.20	143.80
Other	188.40	305.30
Total Current Assets	1,394.50	1,217.40
<b>Other Assets</b>		
Regulatory assets	1,141.60	1,217.10
Goodwill	17.80	17.80
Deferred charges & other	127.00	120.10
Total Other Assets	1,286.40	1,355.00
<b>Total Assets</b>	<b>\$ 13,293.8</b>	<b>\$ 11,759.9</b>

**NIPSCO  
Balance Sheet**

(in millions)	<u>As of 12/31/2023</u>	<u>As of 12/31/2022</u>
<b>MEMBER'S EQUITY &amp; LIABILITIES</b>		
<b>Member's Equity</b>		
Member's Equity - NIPSCO	\$ 6,839	\$ 3,845
Noncontrolling interest in consolidated subsidiaries	505.6	326.4
<b>Total Member's Equity</b>	<b>7,345.0</b>	<b>4,171.4</b>
<b>Long Term Debt</b>		
Long Term debt, excluding amounts due within one year	117.2	72.2
Long Term debt, affiliated excluding amounts due within one year	3,651.0	2,786.0
<b>Total Long Term Debt</b>	<b>3,768.2</b>	<b>2,858.2</b>
<b>Current Liabilities</b>		
Current portion of long-term debt	2.1	2.3
Current portion of long-term debt - affiliated	-	80.0
Short-term borrowings	157.6	207.2
Short-term borrowings - affiliated	51.8	530.7
Accounts Payable	390.9	403.2
Accounts Payable - affiliated	90.3	56.1
Customer deposits and credits	109.9	107.5
Regulatory Liabilities	123.6	91.5
Obligations to renewable generation asset developer	-	347.2
Other current liabilities	335.0	445.4
<b>Total Current Liabilities</b>	<b>1,261.2</b>	<b>2,271.1</b>
<b>Other Liabilities</b>		
Deferred income taxes	-	959.5
Accrued liability for postretirement and postemployment benefits	230.5	220.3
Regulatory Liabilities	244.6	832.1
Asset retirement obligations	393.5	393.6
Other noncurrent liabilities and deferred credits	50.8	53.7
<b>Total Other Liabilities</b>	<b>919.4</b>	<b>2,459.2</b>
<b>Total Member's Equity and Liabilities</b>	<b>\$ 13,293.8</b>	<b>\$ 11,759.9</b>

**Northern Indiana Public Service Company LLC**  
**Schedule of Other Taxes Other than Income**  
**Based on Pro forma Operating Results and Forecasts**  
**Forecast for the periods May 31, 2025 (S1) and December 31, 2025 (S2)**

Line No.	2023			2024		2025					
	Actual	Adjustment	Normalized	Adjustment	Forecast	Year to Year	Change	S1	Change	S2	
1	Property Tax	\$ 23,671,242	\$ (248,457)	\$ 23,422,785	\$ 3,131,052	\$ 26,553,837	\$ 5,488,346	\$ (1,221,883)	\$ 30,820,300	\$ -	\$ 30,820,300
2	Payroll Tax	9,360,104	(167,469)	9,192,635	569,688	9,762,323	268,323	658,175	10,688,821	(913,874)	\$ 9,774,947
3	Sales Tax	(11,952)	11,952	-	-	-	-	-	-	-	-
4	URT Tax	(208,800)	208,800	-	-	-	-	-	-	-	-
5	Public Utility Fee	2,202,573	-	2,202,573	703,334	2,905,907	(23,866)	(167,067)	2,714,974	-	2,714,974
6	Total	35,013,167	(195,174)	34,817,993	4,404,074	39,222,067	5,732,803	(730,775)	44,224,095	(913,874)	43,310,221

**OUC**  
**Schedule of Other Taxes Other than Income**  
**Based on Pro forma Operating Results and Forecasts**  
**Forecast for the periods May 31, 2025 (S1) and December 31, 2025 (S2)**

Line No.	2023			2024		2025					
	Actual	Adjustment	Normalized	Adjustment	Forecast	Year to Year	Change	S1	Change	S2	
1	Property Tax	\$ 23,671,242	\$ (248,457)	\$ 23,422,785	\$ 3,131,052	\$ 26,553,837	\$ 5,488,346	\$ (1,221,883)	\$ 30,820,300	\$ -	\$ 30,820,300
2	Payroll Tax	9,360,104	(167,469)	9,192,635	569,688	9,762,323	268,323	402,823	10,433,469	(913,874)	\$ 9,519,595
3	Sales Tax	(11,952)	11,952	-	-	-	-	-	-	-	-
4	URT Tax	(208,800)	208,800	-	-	-	-	-	-	-	-
5	Public Utility Fee	2,202,573	-	2,202,573	703,334	2,905,907	(23,866)	(167,067)	2,714,974	-	2,714,974
6	Total	35,013,167	(195,174)	34,817,993	4,404,074	39,222,067	5,732,803	(986,127)	43,968,743	(913,874)	43,054,869

**Northern Indiana Public Service Company LLC/OUCC**  
**Schedule of Other Taxes Other than Income**  
**Based on Pro forma Operating Results and Forecasts**  
**Forecast for the periods May 31, 2025 (S1) and December 31, 2025 (S2)**

Line No.		S1					S2			
		Petitioner	OUCC	Variance	Witness		Petitioner	OUCC	Variance	Witness
1	Property Tax	\$ 30,820,300	\$ 30,820,300	\$ -		\$ 30,820,300	\$ 30,820,300	\$ -		
2	Payroll Tax	10,688,821	10,433,469	255,352	B. Baker	9,774,947	9,519,595	255,352	B. Baker	
3	Sales Tax	-	-	-		-	-	-		
4	URT Tax	-	-	-		-	-	-		
5	Public Utility Fee	2,714,974	2,714,974	-		2,714,974	2,714,974	-		
6	Total	44,224,095	43,968,743	255,352	-	43,310,221	43,054,869	255,352	-	

*"EXCLUDED FROM PUBLIC ACCESS PER ACCESS TO COURT RECORDS RULE 5."*

**CONFIDENTIAL**  
**OUCG ATTACHMENT BRL-10**  
**CAUSE NO. 46120**



**Northern Indiana Public Service Company LLC  
Schedule of Revenue Variance  
Based on Pro forma Operating Results and Forecasts  
Forecast for the periods May 31, 2025 (S1) and December 31, 2025 (S1)**

Line No.	2023			2024		2025						
	Actual	Adjustment	Normalized	Adjustment	Forecast	Year to Year	Adjustments	Profroma Adj	S1	Profroma Adj	S2	
1	Sub Total	1,579,197,529	\$ 23,729,062	\$ 1,602,926,591	\$ 169,781,587	\$ 1,772,708,178	\$ (4,739,350)	61,630,089	352,445,674	\$ 2,182,044,591	72,311,008	\$ 2,254,355,598
2	ITC/PTC & Fuel Adj.	-	-	-	-	-	-	-	(33,378,787)	\$ (33,378,787)	(22,717,277)	\$ (56,096,064)
3	Total	\$ 1,579,197,529	\$ 23,729,062	\$ 1,602,926,591	\$ 169,781,587	\$ 1,772,708,178	\$ (4,739,350)	\$ 61,630,089	\$ 319,066,887	\$ 2,148,665,804	\$ 49,593,731	\$ 2,198,259,534

**OUCC  
Schedule of Revenue Variance  
Forecast for the periods May 31, 2025 (S1) and December 31, 2025 (S2)**

Line No.	2023			2024		2025						
	Actual	Adjustment	Normalized	Adjustment	Forecast	Year to Year	Adjustments	Profroma Adj	S1	Profroma Adj	S2	
4	NIPSCO Proposal	\$ 1,579,197,529	\$ 23,729,062	\$ 1,602,926,591	\$ 169,781,587	\$ 1,772,708,178	\$ (4,739,350)	61,630,089	224,420,290	\$ 2,054,019,207	34,928,305	\$ 2,088,947,511
5	OUCC Adjs											
6	OUCC Adjs											
7	OUCC Adjs											
8	OUCC Adjs											
9	OUCC Adjs											
10	ITC/PTC & Fuel Adj.	-	-	-	-	-	-	-	(33,378,787)	\$ (33,378,787)	(22,717,277)	\$ (56,096,064)
11	Total	\$ 1,579,197,529	\$ 23,729,062	\$ 1,602,926,591	\$ 169,781,587	\$ 1,772,708,178	\$ (4,739,350)	\$ 61,630,089	\$ 191,041,503	\$ 2,020,640,420	\$ 12,211,028	\$ 2,032,851,447

**NIPSCO/OUCC  
Schedule of Revenue Variance  
Forecast for the periods May 31, 2025 (S1) and December 31, 2025 (S2)**

Line No.	2023			2024		2025						
	Actual	Adjustment	Normalized	Adjustment	Forecast	Year to Year	Adjustments	Profroma Adj	S1	Profroma Adj	S2	
12	Total Variance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 128,025,384	\$ 128,025,384	\$ 37,382,703	\$ 165,408,087

*"EXCLUDED FROM PUBLIC ACCESS PER ACCESS TO COURT RECORDS RULE 5."*

**CONFIDENTIAL**  
**OUCG ATTACHMENT BRL-12**  
**CAUSE NO. 46120**

**AFFIRMATION**

I affirm, under the penalties for perjury, that the foregoing representations are true.

A handwritten signature in black ink, appearing to read "B R Latham".

---

Brian R. Latham  
Utility Analyst II  
Indiana Office of Utility Consumer Counselor

Cause No. 46120  
NIPSCO, LLC

Date: December 19, 2024

## CERTIFICATE OF SERVICE

This is to certify that a copy of the **Indiana Office of Utility Consumer Counselor Public's Exhibit No. 2 Redacted Testimony of OUCC Witness Brian R. Latham** has been served upon the following counsel of record in the captioned proceeding by electronic service on December 19, 2024.

Tiffany Murray  
Bryan M. Likins  
**NiSource Corporate Services - Legal**  
150 West Market Street, Suite 600  
Indianapolis, Indiana 46204  
Murray Email: [tiffanymurray@nisource.com](mailto:tiffanymurray@nisource.com)  
Likins Email: [blikins@nisource.com](mailto:blikins@nisource.com)

Nicholas K. Kile  
Hillary J. Close  
Lauren M. Box  
Lauren Aguilar  
**Barnes & Thornburg LLP**  
11 South Meridian Street  
Indianapolis, Indiana 46204  
Kile Email: [nicholas.kile@btlaw.com](mailto:nicholas.kile@btlaw.com)  
Close Email: [hillary.close@btlaw.com](mailto:hillary.close@btlaw.com)  
Box Email: [lauren.box@btlaw.com](mailto:lauren.box@btlaw.com)  
Aguilar Email: [lauren.aguilar@btlaw.com](mailto:lauren.aguilar@btlaw.com)

### Copies to:

Robert C. Sears  
**NIPSCO, LLC**  
150 W. Market St., Ste 600  
Indianapolis, IN 46204  
Sears Email: [rsears@nisource.com](mailto:rsears@nisource.com)

Debi McCall  
**NISOURCE CORPORATE SERVICES - LEGAL**  
150 West Market Street, Suite 600  
Indianapolis, Indiana 46204  
McCall Email: [demccall@nisource.com](mailto:demccall@nisource.com)

### NLMK-Intervenor

Anne E. Becker  
Amanda Tyler  
**LEWIS KAPPES, P.C.**  
One American Square, Suite 2500  
Indianapolis, Indiana 46282-0003  
Becker Email: [abecker@lewis-kappes.com](mailto:abecker@lewis-kappes.com)  
Tyler Email: [atyler@lewis-kappes.com](mailto:atyler@lewis-kappes.com)

James W. Brew  
**STONE MATTHEIS XENOPOULOS & BREW, PC**  
1025 Thomas Jefferson St., N.W.  
8th Floor, West Tower  
Washington, D.C. 20007  
Brew Email: [jbrew@smxblaw.com](mailto:jbrew@smxblaw.com)

Barry A. Naum  
**Spilman Thomas & Battle, PLLC**  
1100 Bent Creek Boulevard, Suite 101  
Mechanicsburg, Pennsylvania 17050  
Naum Email: [bnaum@spilmanlaw.com](mailto:bnaum@spilmanlaw.com)

### RV Group Intervenor

Keith L. Beall  
**CLARK, QUINN, MOSES, SCOTT & GRAHN, LLP**  
320 N. Meridian St, Suite 1100  
Indianapolis, IN 46204  
Beall Email: [kbeall@clarkquinnlaw.com](mailto:kbeall@clarkquinnlaw.com)

### United Steelworkers Intervenor

Anthony Alfano, Attorney  
**UNITED STEELWORKERS**  
7218 W. 91st St.  
Bridgeview, IL 60455  
Alfano Email: [aalfano@usw.org](mailto:aalfano@usw.org)

### US Steel- Intervenor

Nikki G. Shoultz  
Kristina Kern Wheeler  
**BOSE MCKINNEY & EVANS LLP**  
111 Monument Circle, Suite 2700  
Indianapolis, IN 46204  
Shoultz Email: [nshoultz@boselaw.com](mailto:nshoultz@boselaw.com)  
Wheeler Email: [kwheeler@boselaw.com](mailto:kwheeler@boselaw.com)

**CAC-Intervenor**

Jennifer A. Washburn  
**CITIZENS ACTION COALITION**  
1915 West 18th Street, Suite C  
Indianapolis, Indiana 46202  
Washburn Email: [jwashburn@citact.org](mailto:jwashburn@citact.org)

Copy to: Reagan Kurtz  
Email: [rkurtz@citact.org](mailto:rkurtz@citact.org)

**Walmart-Intervenor**

Eric E. Kinder  
300 Kanawha Boulevard, East  
P. O. Box 273  
Charleston, WV 25321  
Phone: (304) 340-3893  
Fax: (304) 340-3801  
[ekinder@spilmanlaw.com](mailto:ekinder@spilmanlaw.com)

Barry A. Naum  
Steven W. Lee  
1100 Bent Creek Boulevard, Suite 101  
Mechanicsburg, PA 17050  
Phone: (717) 795-2742  
Fax: (717) 795-2743  
[bnaum@spilmanlaw.com](mailto:bnaum@spilmanlaw.com)  
[slee@spilmanlaw.com](mailto:slee@spilmanlaw.com)

**Industrial Group Intervenor**

Todd A. Richardson  
Joseph P. Rompala  
Emily R. Vlasak  
**LEWIS & KAPPES, P.C.**  
One American Square, Suite 2500  
Indianapolis, Indiana 46282-0003  
Richardson Email:  
[trichardson@lewis-kappes.com](mailto:trichardson@lewis-kappes.com)  
Rompala Email:  
[jrompala@lewis-kappes.com](mailto:jrompala@lewis-kappes.com)  
Vlasak Email:  
[evlasak@lewis-kappes.com](mailto:evlasak@lewis-kappes.com)

**LaPorte Co. Indiana Board of County**

**Commissioners-Intervenor**

Shaw R. Friedman  
Jeremy M. Noel  
Laura M. Nirenberg  
**FRIEDMAN & ASSOCIATES, P.C.**  
705 Lincolnway  
LaPorte, IN 46350  
Phone: (219) 326-1264  
Fax: (219) 326-6228  
[sfriedman.associates@frontier.com](mailto:sfriedman.associates@frontier.com)



---

Adam J. Kashin, Attorney No. 37960-49  
Deputy Consumer Counselor  
Matthew W. Kappus, Attorney No. 35807-49  
Deputy Consumer Counselor  
Lorraine Hitz, Attorney No. 18006-29  
Senior Deputy Consumer Counselor

**INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR**

115 West Washington Street, Suite 1500 South  
Indianapolis, IN 46204  
317-232-2494 Main Office  
317-233-3235 Adam's No.  
317-232-4237 Matt's No.  
317-232-2775 Lorraine's No.  
317-232-5923 Facsimile  
[infomgt@oucc.in.gov](mailto:infomgt@oucc.in.gov)  
[akashin@oucc.in.gov](mailto:akashin@oucc.in.gov)  
[mkappus@oucc.in.gov](mailto:mkappus@oucc.in.gov)  
[lhitz@oucc.in.gov](mailto:lhitz@oucc.in.gov)