

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF NORTHERN INDIANA)
PUBLIC SERVICE COMPANY LLC)
PURSUANT TO IND. CODE §§ 8-1-2-42.7, 8-1-)
2-61 AND IND. CODE § 8-1-2.5-6 FOR (1))
AUTHORITY TO MODIFY ITS RATES AND)
CHARGES FOR ELECTRIC UTILITY)
SERVICE THROUGH A PHASE IN OF)
RATES; (2) APPROVAL OF NEW) **CAUSE NO. 45159**
SCHEDULES OF RATES AND CHARGES,)
GENERAL RULES AND REGULATIONS,)
AND RIDERS; (3) APPROVAL OF REVISED)
COMMON AND ELECTRIC DEPRECIATION)
RATES APPLICABLE TO ITS ELECTRIC)
PLANT IN SERVICE; (4) APPROVAL OF)
NECESSARY AND APPROPRIATE)
ACCOUNTING RELIEF; AND (5) APPROVAL)
OF A NEW SERVICE STRUCTURE FOR)
INDUSTRIAL RATES.)

PETITIONER'S SUBMISSION OF FIRST SET OF CORRECTIONS

Northern Indiana Public Service Company LLC ("NIPSCO"), by counsel,
respectfully submits the attached corrections to its prepared case-in-chief:

Direct Testimony of Michael Hooper (Petitioner's Exhibit No. 2)
Page 7, Line 9, delete "As discussed further below," to correct a scrivener's error. Page 12, Line 7, replace the word "margin" with the word "revenue" in the Question to match what was provided in the Answer. Page 14, Line 3, delete "as further discussed below," to correct a scrivener's error.

<p align="center">Direct Testimony of Curt A. Westerhausen, Petitioner’s Exhibit No. 19, Attachment 19-A</p>
<p>NIPSCO’s proposed Electric Tariff, Original Sheet No. 45, Rule 15.3, change “After Hours / Same Day Charge of \$55.00” to “After Hours / Same Day Charge of \$75.00” and Rule 15.4, change “Trip Charge in the amount of \$40.00” to “Trip Charge in the amount of \$55.00” to reflect the numbers included in the previously filed Verified Direct Testimony of Curt A. Westerhausen (Petitioner’s Exhibit No. 19), Attachment 19-D (workpapers supporting the Reconnection and Trip Charges) and NIPSCO’s working paper required by 170 IAC 1-5-16(a)(3)(B). This was a scrivener’s error in the Tariff.</p>
<p align="center">Direct Testimony of Curt A. Westerhausen, Petitioner’s Exhibit No. 19, Attachment 19-D</p>
<p>Pages [.4], [.6], [.7], [.10], [.11] and [.13]. Since Attachment 19-D is an excel file and unable to redline, NIPSCO has provided a document describing those changes. NIPSCO is not requesting a change to its rates proposed in this proceeding.</p>
<p align="center">Direct Testimony of Benjamin Felton, Petitioner’s Exhibit No. 7</p>
<p>Page 7, Line 11, replace “NIPSCO has 61 transmission substations” with “NIPSCO has 63 transmission substations” to correct a scrivener’s error.</p>
<p align="center">Direct Testimony of Jennifer L. Shikany, Petitioner’s Exhibit No. 3</p>
<p>Page 95, Line 14, replace “\$106,140,745 and \$143,252,315” with “\$102,923,994 and \$142,329,364.” This change was made to reflect the proper net book value of Baily Units 7 and 8.</p>

Unless noted above, NIPSCO is providing a clean and redlined version of the revised pages. The clean version will be included in the court reporter’s copies offered into evidence at the hearing.

Respectfully submitted,

A handwritten signature in cursive script, reading "Claudia J. Earls", positioned above a horizontal line.

Claudia J. Earls (No. 8468-49)

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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was served upon the following via electronic transmission this 2nd day of January, 2019 to:

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Claudia J. Earls

1 August 27, 2019, which is the end of the 300 day schedule, the Company's
2 "Step 1" rates will be calculated to reflect the actual rate base, and related
3 depreciation expense, as well as the actual capital structure as of June 30,
4 2019, to become effective on September 1, 2019. Once approved, these rates
5 would remain in effect until replaced by Commission approved rates as
6 part of NIPSCO's proposed "Step 2" compliance filing.

7 In "Step 2" NIPSCO would recalculate rates to reflect actual rate base, and
8 related depreciation expense, as well as the actual capital structure as of
9 December 31, 2019. NIPSCO will also recalculate the demand charge for
10 Rate 831 based upon actual firm demand. NIPSCO anticipates making a
11 compliance filing using those new calculations in February 2020 with rates
12 going into effect upon approval of the Commission.

13 **Q12. Does NIPSCO's request in this proceeding satisfy the statutory "fifteen**
14 **month rule" for a general rate case?**

15 A12. Yes. Consistent with Ind. Code § 8-1-2-42(a), NIPSCO's Petition in this
16 Cause was filed more than 15 months after October 1, 2015, the date the
17 Company filed its petition in Cause No. 44688, which was the most recent

1 (Cause No. 43969) and expanded in our 2015 electric rate case (Cause No.
2 44688). The interruptible credits and attendant registration of
3 approximately 530 MWs of Load Modifying Resources at Midcontinent
4 Independent System Operator, Inc. ("MISO") facilitated the retirement of
5 NIPSCO's Bailly Generating Units 7 and 8. Included in this filing are the
6 cost savings from the retirement of the coal-fired Bailly Generating Units.

7 **Q19. What is NIPSCO's overall revenue increase requested in this proceeding?**

8 A19. Approximately \$21.4 million, or 1.4% above the revenue requirement of
9 NIPSCO's 2015 rate case plus the inclusion of trackers that NIPSCO
10 customers will be paying by the time the Step 2 rates in this proceeding are
11 implemented.

12 **Q20. This does not appear to be a substantial request for increased revenues,**
13 **how would you characterize this case?**

14 A20. As further explained by NIPSCO Witness Kelly, this is a policy case dealing
15 with the changing energy marketplace.

16 **Q21. Please briefly explain NIPSCO's rationale for its proposed response to**
17 **this changing energy marketplace.**

1 **Q23. Are there any additional potential cost savings that over time might offset**
2 **the loss of firm industrial load?**

3 A23. Yes, NIPSCO's generation needs will change over time, and its remaining
4 firm customers will receive the benefits of those changes.

Adjustments Made to NIPSCO's Revenue Requirements

5 **Q24. Please briefly identify the Revenue Requirement Adjustments that you**
6 **are discussing.**

7 A24. I discuss the policy rationale for our proposed depreciation rates, our
8 proposal for treatment of excess ADIT, our proposal for the treatment of
9 various RTO charges, off system sales and Rider 776 revenues.

10 **Q25. Please explain NIPSCO's proposals related to depreciation.**

11 A25. As discussed above and as more fully explained by NIPSCO Witness
12 Augustine, NIPSCO's coal-fired generating units have seen a decrease in
13 utilization in the economically optimized MISO market. With current
14 natural gas prices, NIPSCO's coal-fired generating units that have
15 historically been used to serve base-load find themselves being the
16 marginal units. As more fully explained by NIPSCO Witness Felton,
17 ramping up and down aging coal units causes increased maintenance costs

18

Petitioner's Exhibit No. 2
Northern Indiana Public Service Company LLC

Revised Page 7

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2 "Step 1" rates will be calculated to reflect the actual rate base, and related
3 depreciation expense, as well as the actual capital structure as of June 30,
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6 part of NIPSCO's proposed "Step 2" compliance filing.

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Deleted: margin

A19. Approximately \$21.4 million, or 1.4% above the revenue requirement of NIPSCO's 2015 rate case plus the inclusion of trackers that NIPSCO customers will be paying by the time the Step 2 rates in this proceeding are implemented.

Q20. This does not appear to be a substantial request for increased revenues, how would you characterize this case?

A20. As further explained by NIPSCO Witness Kelly, this is a policy case dealing with the changing energy marketplace.

Q21. Please briefly explain NIPSCO's rationale for its proposed response to this changing energy marketplace.

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GENERAL RULES AND REGULATIONS
Applicable to Electric Service

15.2 Non-Sufficient Funds

A charge of \$20.00 to reimburse the Company for its cost incident to Non-Sufficient Funds will be assessed.

15.3 After Hours / Same Day Charge.

If Customer requests that electric service be initially connected or disconnected outside of normal business hours or on the same day the request is submitted, Customer shall be charged an After Hours / Same Day Charge of \$75.00 in addition to any other applicable charges for each connection or Disconnection.

15.4 Trip Charge.

If Customer schedules an appointment in association with a service request, and the Company's serviceman is not able to gain access to Company's facilities due to the absence of the Customer, the Customer shall be charged a Trip Charge in the amount of \$55.00 at the time an appointment is rescheduled by the Customer.

15.5 AMR Opt-Out Charge.

If Customer does not permit Company to install a meter employing AMR on Customer's Premise, Company shall charge Customer a monthly AMR Opt-Out Charge of \$15 per service location each month to recognize the cost of manually reading the meter. The charge shall cease to be applied once an AMR meter is installed and Company receives the first automatic reading from the meter. If Customer already has an AMR meter, Company will not replace it with a non-AMR meter at Customer's request. In the event that a non-AMR fails, Company will replace it with an AMR meter.

A Customer who does not permit installation includes a Customer who communicates to the Company that AMR installation is refused; does not timely respond to the Company's request to schedule an AMR meter installation; fails to complete the installation appointment; or otherwise does not allow the Company to use AMR for the Customer's service. A Customer who misses an AMR installation appointment will also be subject to the Trip Charge under Rules 9.5 and 15.4.

NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Electric Service Tariff
Original Volume No. 1314
Cancelling All Previously Approved Tariffs

GENERAL RULES AND REGULATIONS
Applicable to Electric Service

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15.4 Trip Charge.

If Customer schedules an appointment in association with a service request, and the Company's serviceman is not able to gain access to Company's facilities due to the absence of the Customer, the Customer shall be charged a Trip Charge in the amount of \$~~40~~55.00 at the time an appointment is rescheduled by the Customer.

15.5 AMR Opt-Out Charge.

If Customer does not permit Company to install a meter employing AMR on Customer's Premise, Company shall charge Customer a monthly AMR Opt-Out Charge of \$15 per service location each month to recognize the cost of manually reading the meter. The charge shall cease to be applied once an AMR meter is installed and Company receives the first automatic reading from the meter. If Customer already has an AMR meter, Company will not replace it with a non-AMR meter at Customer's request. In the event that a non-AMR fails, Company will replace it with an AMR meter.

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Issued Date

7/18/2016

/ / 2019

Effective Date

9/29/2016

6/30/2019



12/21/2018

Change 1: Remove Meter Reader salaries from Labor Rate calculations (Page .11, cleared cells C12, C13:F18)

We have confirmed with Operations and with Revenue Recovery that Meter Readers should no longer be considered for Trip Charge labor rate calculations as they are unqualified to perform that service, and should not have been used for the

Background: Reconnection Fee labor rate calculations. (In previous rate cases, they were correctly not included in the Reconnection Fee calculations. In this rate case, they were erroneously brought in). However, we now have clarification that we should not use them for either the Reconnect Fee or Trip Charge calculations.

Effect: Removing Meter Reader hourly rates from the blended labor rate calculations caused the blended labor rates to increase, which causes the calculated rates to increase. **However, we are not changing our proposed rates.**

Details:	Page .11	2017	2018	2019
		Hourly Rate	Hourly Rate	Hourly Rate
	New Blended Labor Rates	\$38.31	\$39.65	\$41.04
	Old Blended Labor Rates	\$35.24	\$36.02	\$37.74
	Difference	\$3.08	\$3.63	\$3.30

Page .6	Total Cost Per Trip	After Hours	Sundays
New Reconnection Fee Calcs	\$97.08	\$113.08	\$129.08
Old Reconnection Fee Calcs	\$92.07	\$106.79	\$121.50
Difference	\$5.01	\$6.29	\$7.58

Also reflected on Page .5, Excel row 7

Proposed Rate - remains unchanged \$90.00 \$110.00 \$130.00

Page .7	Total Cost Per Trip	After Hours
New Trip Charge Calcs	\$66.26	\$87.21
Old Trip Charge Calcs	\$62.89	\$82.16
Difference	\$3.37	\$5.05

Also reflected on Page .5, Excel row 15

Proposed Rate - remains unchanged \$55.00 \$75.00

12/21/2018

Change 2: Correct cost per call from \$0.375 to \$0.0375 (Page .10, cell D20)

Background: In further review of the supplied data, Revenue Recovery discovered an error in the Cost Per Call she had provided for call aheads, which affected the Number of call-ahead Calls, and ultimately the Reconnect Fee calculations.

Effect: Correcting the Cost per Call caused the displayed Number of Calls to increase, and caused the calculated rates to decrease by \$0.34. However, we are not changing our proposed rates.

Page .10

Details:

New Cost per Call	\$0.04
Old Cost per Call	<u>\$0.38</u>
	-\$0.34

New Number of Calls	216,907
Old Number of Calls	<u>21,691</u>
	195,216

Page .6	Total Cost Per Trip	After Hours	Sundays
New Reconnection Fee Calcs	\$96.75	\$112.74	\$128.74
Old Reconnection Fee Calcs	<u>\$97.08</u>	<u>\$113.08</u>	<u>\$129.08</u>
Difference	-\$0.34	-\$0.34	-\$0.34

Also reflected on Page .5, Excel row 7

Proposed Rate - remains unchanged	\$90.00	\$110.00	\$130.00
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12/21/2018

Change 3: Corrected label references

Background: In further review of the supplied data in answering data requests,
we discovered some incorrect label references

Effect: **No material effect: labeling only**

Details: Added page references to Page .4, Excel row 16

Corrected labels on Page .10:

E24 Changed from [.10] to [.9]

E31 Changed from [.10] to [.9]

E32 Changed from [.10] to no reference

Corrected labels on Page .13:

F10:F12 Changed from [.6] to [.9], [.4]

H10:H12 Changed from [.6] to [.9], [.4]

J10:J11 Changed from [.6] to [.9], [.4]

J12 Changed from [.6] to [.4]

NIPSCO Miscellaneous Charges Calculation

2018 Electric Rate Case

Historic Test Year 1/1/17-12/31/17

Forward Test Year 1/1/19-12/31/19

	(A)	(B)	(C)	(D) [B + C]
Line No.	Year	Reconnect Fee	Trip Charge	Total Cost
1	2019	\$ 739,260	\$ 68,860	\$ 808,120
2	2017	\$ 574,980	\$ 50,080	\$ 625,060
3 (Line 1 - Line 2)	Difference	\$ 164,280	\$ 18,780	\$ 183,060
		[.2]	[.3]	

Reconciliation of Other Revenues

	FTY
Transmission	\$ 14,199,538
Forfeited Discounts	\$ 4,017,218
Miscellaneous Service Revenue	\$ 1,098,246
Rent Revenue	\$ 2,400,000
Other Revenue	\$ 225,648
	\$ 21,940,650
Incremental Trip Charges	\$ 18,780 [.3]
Incremental Reconnect Charges	\$ 164,280 [.2]
	\$ 22,123,710

NIPSCO Miscellaneous Charges Calculation

2018 Electric Rate Case

Historic Test Year 1/1/17-12/31/17

Forward Test Year 1/1/19-12/31/19

Page [.2]

(A) (B) (C) (D)
[B * C]

Line No.		# of Trips	Cost per Trip	Total Cost	
1	Reconnect Fee 2019	8,214	\$ 90.00	\$ 739,260	[.4]
2	Reconnect Fee 2017	8,214	\$ 70.00	\$ 574,980	[.4]
3 (Line 1 - Line 2)	Difference			\$ 164,280	[.1]

NIPSCO Miscellaneous Charges Calculation

2018 Electric Rate Case

Historic Test Year 1/1/17-12/31/17

Forward Test Year 1/1/19-12/31/19

Page [.3]

(A) (B) (C) (D)
[B * C]

Line No.		# of Trips	Cost per Trip	Total Cost	
1	Trip Charge 2019	1,252	\$ 55.00	\$ 68,860	[.4]
2	Trip Charge 2017	1,252	\$ 40.00	\$ 50,080	[.4]
3 (Line 1 - Line 2)	Difference			\$ 18,780	[.1]

NIPSCO Miscellaneous Charges Calculation

2018 Electric Rate Case

Historic Test Year 1/1/17-12/31/17

Revised Page [.4]

HISTORICAL TRIP CHARGES SUMMARY

Charge Type	Jan17-Dec17	Percent of Total	# of Trips
Trip Charge	\$ 34,690.00	5.62%	750
Return Trip Charge	\$ 19,320.00	3.13%	502
Reconnect Charge	\$ 563,194.70	91.25%	8,214
Totals	<u>\$ 617,204.70</u>	<u>100.00%</u>	<u>9,466</u>

[.13]

[.13]

NIPSCO Miscellaneous Charges Calculation

2018 Electric Rate Case

Historic Test Year 1/1/17-12/31/17

Revised Page [.5]

	Total Cost Per Trip	After Hours	Sundays
Disconnect/Reconnect At the Meter	\$ 96.75	\$ 112.74	\$ 128.74
Proposed Rates	\$ 90.00	\$ 110.00	\$ 130.00
Current 2018 Electric Tariff	\$ 70.00	\$ 85.00	\$ 100.00
Current 2018 Gas Tariff	\$ 90.00	\$ 110.00	\$ 130.00
	[.6]	[.6]	[.6]

	Total Cost Per Trip	After Hours	Sundays
Trip Charges	\$ 66.26	\$ 87.21	n/a
Proposed Rates	\$ 55.00	\$ 75.00	n/a
Current 2018 Electric Tariff	\$ 40.00	\$ 55.00	n/a
Current 2018 Gas Tariff	\$ 55.00	\$ 75.00	n/a
	[.7]	[.7]	

NIPSCO Miscellaneous Charges Calculation
2018 Electric Rate Case
Historic Test Year 1/1/17-12/31/17

Revised Page [.6]

Reconnection Fee

		(A)	(B)	(C) [A * B]	(D)	(E) [C + D]	(F)	(G) [E / F], or [E]	(H)	(I)
Line No.		Annual Direct Cost	Overhead	Total Payroll w/OH	Total Truck	Total Cost	Annual Activity Level	Total Cost Per Trip	After Hours	Sundays
1	Revenue Recovery per SONP	\$ 914,624	1.3526	\$ 1,237,153		\$ 1,237,153	209,094	\$ 5.92	\$ 5.92	\$ 5.92
2	Call Ahead per call	\$ 8,134	N/A	\$ 8,134		\$ 8,134	216,907	\$ 0.04	\$ 0.04	\$ 0.04
3	CCC per credit call	\$ 3,375,407	1.3526	\$ 4,565,693		\$ 4,565,693	454,536	\$ 10.04	\$ 10.04	\$ 10.04
4	Central Operations - SONP-TONP orders	\$ 396,044	1.3526	\$ 535,703		\$ 535,703	70,081	\$ 7.64	\$ 7.64	\$ 7.64
	Field Op. SONP									
5	Travel Time – Truck & Serviceman	SP = \$38.31/Hr								
6		T = \$8.93/Hr								
7		TT = 15.0 Min								
8		Total = \$ 11.81	1.3526	\$ 12.96	\$ 2.23	\$ 15.19	N/A	\$ 15.19	\$ 15.19	\$ 15.19
9	Work Time – Truck & Serviceman @ the meter	SP = \$38.31/Hr								
10		T = \$8.93/Hr								
11		WT = 20.2 Min								
12		Total = \$ 15.87	1.3526	\$ 17.41	\$ 3.00	\$ 20.41	N/A	\$ 20.41	\$ 20.41	\$ 20.41
	Field Op. TONP									
13	Travel Time – Truck & Serviceman	SP = \$38.31/Hr								
14		T = \$8.93/Hr								
15		TT = 20.3 Min								
16		Total = \$ 16.02	1.3526	\$ 17.57	\$ 3.03	\$ 20.60	N/A	\$ 20.60	\$ 29.38	\$ 38.17
17	Work Time – Truck & Serviceman @ the meter	SP = \$38.31/Hr								
18		T = \$8.93/Hr								
19		WT = 16.7 Min								
20		Total = \$ 13.15	1.3526	\$ 14.42	\$ 2.48	\$ 16.91	N/A	\$ 16.91	\$ 24.12	\$ 31.33
21										
		[.10] [.11]	[.8]			[.10]				
22	WT	Work Time		Disconnect/Reconnect At the Meter				Total Cost Per Trip	After Hours	Sundays
23	TT	Travel Time						\$ 96.75	\$ 112.74	\$ 128.74
24	SP	Service Person				Proposed Rates		\$ 90.00	\$ 110.00	\$ 130.00
25	T	Truck				Current 2018 Electric Tariff		\$ 70.00	\$ 85.00	\$ 100.00
26								[.5]	[.5]	[.5]

NIPSCO Miscellaneous Charges Calculation
2018 Electric Rate Case
Historic Test Year 1/1/17-12/31/17

Revised Page [.7]

Trip Charge

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	
				[A * B]		[C + D]		[E / F], or [E]		
Line No.		Annual Direct Cost	Overhead	Total Payroll w/OH	Total Truck	Total Cost	Annual Activity Level	Total Cost Per Trip	After Hours	
1	CCC per customer call	\$9,299	1.3526	\$ 12,577.56		\$ 12,577.56	1,252	\$ 10.05	\$ 10.05	
2	Work Management Center (WMC) - Trip orders	\$6,553	1.3526	\$ 8,863.69		\$ 8,863.69	1,252	\$ 7.08	\$ 7.08	
3	Field Op Trip									
4	Travel Time – Truck & Serviceman	SP = \$38.31/Hr								
5		T = \$8.93/Hr								
6		TT = 20.9 Min								
7		Total = \$16.46	1.3526	\$ 18.05	\$ 3.11	\$ 21.16	N/A	\$ 21.16	\$ 30.19	[((Line 4)*0.5 * [Line 6]/60) * (B) + (G)]
8	Work Time – Truck & Serviceman	SP = \$38.31/Hr								
9		T = \$8.93/Hr								
10		WT = 27.6 Min								
11		Total = \$21.75	1.3526	\$ 23.86	\$ 4.11	\$ 27.97	N/A	\$ 27.97	\$ 39.90	[((Line 8)*0.5 * [Line 10]/60) * (B) + (G)]
		[.9] [.12]	[.8]			[.9]				
12		WT Work Time						Total Cost Per Trip	After Hours	
13		TT Travel Time						\$ 66.26	\$ 87.21	
14		SP Service Person						\$ 55.00	\$ 75.00	
15		T Truck						\$ 40.00	\$ 55.00	
16								[.5]	[.5]	

Trip Charges		Total Cost Per Trip	After Hours
		\$ 66.26	\$ 87.21
	Proposed Rates	\$ 55.00	\$ 75.00
	Current 2018 Electric Tariff	\$ 40.00	\$ 55.00

NIPSCO Miscellaneous Charges Calculation

2018 Electric Rate Case

Historic Test Year 1/1/17-12/31/17

Petitioner's Exhibit No. 19

Attachment 19-D

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PAYROLL OVERHEAD CALCULATIONS

<u>Payroll Overhead Rate</u>	<u>from 2018 ERC PR OH Rate</u>	
Benefits Cost	21.61%	
Payroll Taxes	7.65%	
Bargaining Unit Bonuses	6.00%	
Total	<u>35.26%</u>	<u>[.6] [.7] [.9]</u>

NIPSCO Miscellaneous Charges Calculation

2018 Electric Rate Case

Historic Test Year 1/1/17-12/31/17

TRIP CHARGE CALCULATIONS

Charge Type	Jan17-Dec17	Percent of Total	# of Trips
Trip Charge	\$ 34,690.00 [.13]	5.62% [.13]	750 [.13]
Return Trip Charge	\$ 19,320.00 [.13]	3.13% [.13]	502 [.13]
Reconnect Charge	\$ 563,194.70 [.13]	91.25% [.13]	
Totals	\$ 617,204.70	100.00%	1,252 [.7]

Number of Orders	Total Calls / Orders	Trip Charge Calls / Orders	Percent of Total
CCC	1,376,378 [.10]	1,252	0.090963%
WMC/Central Ops	362,105 [.10]	1,252	0.345756%

Annual Direct Labor	Total Labor	Percent of Total	Trip Charge Labor
CCC	\$ 10,222,311 [.10]	0.090963%	\$ 9,298.56 [.7]
WMC/Central Ops	\$ 1,895,240 [.10]	0.345756%	\$ 6,552.91 [.7]
Total	\$12,117,551	0.130814%	\$ 15,851.47

Labor per Call / Order w/o OH	Trip Charge Labor	Trip Charge Calls / Orders	Labor per Call / Order	Payroll OH Rate	Labor per Call / Order w/ PR OH
CCC	\$ 9,298.56	1,252	\$ 7.43	1.3526 [.8]	\$ 10.05
WMC/Central Ops	\$ 6,552.91	1,252	\$ 5.23	1.3526 [.8]	\$ 7.08
Total	\$ 15,851.47		\$ 12.66		\$ 17.13

NIPSCO Miscellaneous Charges Calculation
2018 Electric Rate Case
Historic Test Year 1/1/17-12/31/17

Petitioner's Exhibit No. 19
Attachment 19-D
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SONP/TONP COSTS WORKSHEET

Revenue Recovery

\$ 1,532,508	O&M
<u>\$ 8,134</u>	less Call Aheads
\$ 1,524,374	
<u>60%</u>	Related to SONP / TONP work activities
\$ 914,624.42 [.6]	
<u>209,094 [.6]</u>	SONP Orders generated
\$4.37	Cost per SONP

Call Ahead

\$ 8,134 [.6]	Cost of calls
/ <u>216,907 [.6]</u>	Number of calls
= \$0.04	Cost per call

CCC

		<u>SONP / TONP</u>	<u>Total Calls</u>	
\$ 10,222,311 [.9]	Labor			
<u>33.02%</u>	Credit calls = 454,536 of the total 1,376,378 calls	454,536	1,376,378	[.9]
\$ 3,375,407 [.6]				
<u>454,536 [.6]</u>	# Credit calls from above period			
\$7.43	Cost per call			

Dispatch & ESSO

\$ 1,895,240 [.9]	LABOR Dispatch			
<u>13.85%</u>	SONP/TONPs Dispatch = 50,139 / 362,105 total orders	50,139	362,105	[.9]
262,426				
\$ 2,426,188	LABOR ESSO Dispatch Only			
<u>5.51%</u>	SONP/TONPs ESSO = 19,942 / 362,105 total orders	19,942	362,105	
133,619				
\$ 396,044 [.6]	Total WMC & ESSO related to collection work (SONPs/TONPs)			
<u>70,081 [.6]</u>	Total Collection orders			
\$ 5.65	Cost per order			

NIPSCO Miscellaneous Charges Calculation

2018 Electric Rate Case

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Historic Test Year 1/1/17-12/31/17

LABOR RATES

Field Operations

Serviceperson Hourly Rate (Blended Rate)

	<u>2017</u> <u>Hourly</u> <u>Rate</u>	<u>2018</u> <u>Hourly</u> <u>Rate</u>	<u>2019</u> <u>Hourly</u> <u>Rate</u>
Electric Metermen	36.97	38.26	39.60
Gas Servicemen	37.67	38.99	40.35
Electric Linemen	40.30	41.71	43.17
Average of Meter Reader, Linemen & Servicemen	<u>\$38.31</u>	<u>\$39.65</u>	<u>\$41.04</u>
	[.6]	[.7]	

TRUCK RATES

	<u>Truck Rate</u>	<u>Hourly Rate</u>
Chevy ExpressVan		\$ 5.55
F250		\$ 9.83
F350		\$ 7.53
F450		\$ 8.38
F550		\$ 13.34
Average of Serviceman trucks		<u>\$ 8.93</u>
		[.6] [.7]

NIPSCO Miscellaneous Charges Calculation
2018 Electric Rate Case
Historic Test Year 1/1/17-12/31/17

Reconnect Fee Times

2017

"ELECTRIC" Rate Case" 1/1/17-12/31/17	AVERAGE TRAVEL TIME (HH:MM:SS)	AVERAGE WORK TIME (HH:MM:SS)
CHECK AND FINAL	0:17:37	0:16:35
SONP ELECTRIC METER SMALL	0:14:49	0:23:20
SONP POLE	0:08:06	0:04:59
SONP ELECTRIC METER LARGE	0:07:48	0:16:03
TONP ELECTRIC METER LARGE	0:23:27	0:18:54
TONP ELECTRIC METER SMALL	0:17:14	0:14:30
TONP POLE	0:16:24	0:10:46
SONP 1ST METER	0:19:46	0:24:40

SONP at Meter	TONP at Meter	SONP / TONP at Pole
X		
X		
		X
X		
	X	
	X	
		X
X		
Avg Travel Time	0:15:00	0:20:20
Avg Work Time	0:20:10	0:16:42
		0:12:15
		0:07:52

	Avg. Travel Time (mins.)	Avg. Work Time (mins.)	Total Time (mins.)
At the Meter - SONP			
SONP Electric Meter Small	14.8167	23.3333	38.1500
SONP Electric Meter Large	7.8000	16.0500	23.8500
SONP 1st Meter	19.7667	24.6667	44.4333
Check and Final	17.6167	16.5833	34.2000
Average at the Meter	15.0000	20.1583	35.1583

[.6]

At the Meter - TONP			
TONP Electric Meter Small	17.2333	14.5000	31.7333
TONP Electric Meter Large	23.4500	18.9000	42.3500
Average at the Meter	20.3417	16.7000	37.0417

[.6]

At the Pole - SONP			
SONP Pole	8.1000	4.9833	13.0833
Average at the Pole	8.1000	4.9833	13.0833

[.6]

At the Pole - TONP			
TONP Pole	16.4000	10.7667	27.1667
Average at the Pole	16.4000	10.7667	27.1667

[.6]

At the Pole with an Easement*			
SONP Pole with an Easement	30.0000	45.0000	75.0000
TONP Pole with an Easement	30.0000	45.0000	75.0000

* (Estimated; not in CAD System)

Trip Charge Times

AVERAGE WORK & TRAVEL TIMES RELATED TO POSSIBLE TRIP CHARGES

	AVERAGE TRAVEL TIME (HH:MM:SS)	AVERAGE WORK TIME (HH:MM:SS)	# of Orders
SHUT OFF ELECTRIC - SMALL	0:24:07	0:18:20	18,041
SHUT OFF ELECTRIC - LARGE	0:15:57	0:22:23	1,101
TURN ON ELECTRIC - SMALL	0:20:32	0:38:26	19,731
TURN ON ELECTRIC - LARGE	0:19:22	0:19:37	676
INVESTIGATE WHAT MTR SERVES- ELECT	0:16:28	0:25:15	1,592
HI BILL INVESTIGATE - ELECTRIC	0:16:16	0:32:39	1,269
EXCHANGE ELECTRIC METER - SMALL	0:09:13	0:13:58	2,063
EXCHANGE ELECTRIC METER - LARGE	0:10:59	0:15:09	720
Totals			5,644

Average Travel Time	Average Work Time	Total Time
24.1	18.3	42.5
16.0	22.4	38.3
20.5	38.4	59.0
19.4	19.6	39.0
16.5	25.3	41.7
16.3	32.7	48.9
9.2	14.0	23.2
11.0	15.2	26.1
Average	16.6	23.2

Weighted Average

TRIP CHARGE TIME SUMMARY

of Orders	2017 Travel Time	2017 Work Time	2017 Total Time
	18,041	435,089	765,840
	1,101	17,561	42,205
	19,731	405,143	1,163,471
	676	13,092	26,353
	1,592	26,215	66,413
	1,269	20,642	62,075
	2,063	19,014	47,827
	720	7,908	18,816
	45,193	944,664	2,193,001

[.7]

20.9

[.7]

27.6

[.7]

48.5

NIPSCO Miscellaneous Charges Calculation
2018 Electric Rate Case
Historic Test Year 1/1/17-12/31/17

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HISTORICAL TRIP CHARGES SUMMARY

Charge Type	Jan17-Dec17	Percent of Total	# of Trips
Trip Charge	\$ 34,690.00 [.9], [.4]	5.62% [.9], [.4]	750 [.9], [.4]
Return Trip Charge	\$ 19,320.00 [.9], [.4]	3.13% [.9], [.4]	502 [.9], [.4]
Reconnect Charge	\$ 563,194.70 [.9], [.4]	91.25% [.9], [.4]	8,214 [.4]
Totals	<u>\$ 617,204.70</u>	<u>100.00%</u>	<u>9,466</u>

Average Hourly Rates

Trip Charge	\$ 46.25
Return Trip Charge	\$ 38.49
Reconnect Charge	\$ 68.57

Charges and Credits	Jan 17	Feb 17	Mar 17	Apr 17	May 17	June 17	July 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17
Trip	\$ 2,915.00	\$ 2,970.00	\$ 2,915.00	\$ 2,145.00	\$ 2,255.00	\$ 2,915.00	\$ 2,750.00	\$ 2,310.00	\$ 3,835.00	\$ 3,740.00	\$ 3,850.00	\$ 2,090.00
Can't Get In (CGI)	\$ 1,400.00	\$ 1,480.00	\$ 1,920.00	\$ 1,120.00	\$ 1,360.00	\$ 2,400.00	\$ 1,360.00	\$ 2,480.00	\$ 1,600.00	\$ 1,800.00	\$ 1,480.00	\$ 920.00
Reconnection	\$ 51,754.77	\$ 72,441.71	\$ 60,394.51	\$ 38,697.42	\$ 46,923.93	\$ 44,850.92	\$ 35,832.36	\$ 59,098.97	\$ 37,088.32	\$ 50,597.21	\$ 40,450.14	\$ 25,064.44
TOTAL	<u>\$ 56,069.77</u>	<u>\$ 76,891.71</u>	<u>\$ 65,229.51</u>	<u>\$ 41,962.42</u>	<u>\$ 50,538.93</u>	<u>\$ 50,165.92</u>	<u>\$ 39,942.36</u>	<u>\$ 63,888.97</u>	<u>\$ 42,523.32</u>	<u>\$ 56,137.21</u>	<u>\$ 45,780.14</u>	<u>\$ 28,074.44</u>

Number of Trips	Jan 17	Feb 17	Mar 17	Apr 17	May 17	June 17	July 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17
Trip	79	76	75	63	59	69	80	58	80	82	92	56
Can't Get In (CGI)	35	37	52	30	40	64	36	64	48	47	41	27
Reconnection	784	1,107	896	602	713	682	563	883	554	765	605	406
TOTAL	<u>898</u>	<u>1,220</u>	<u>1,023</u>	<u>695</u>	<u>812</u>	<u>815</u>	<u>679</u>	<u>1,005</u>	<u>682</u>	<u>894</u>	<u>738</u>	<u>489</u>

NIPSCO Miscellaneous Charges Calculation
2018 Electric Rate Case
Historic Test Year 1/1/17-12/31/17

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FINAR	YEAR	MONTH	COUNT	AMOUNT	RATE
CGICH	2017	1	35	\$ 1,400.00	\$ 40.00
CGICH	2017	2	37	\$ 1,480.00	\$ 40.00
CGICH	2017	3	50	\$ 2,000.00	\$ 40.00
CGICH	2017	4	29	\$ 1,160.00	\$ 40.00
CGICH	2017	5	37	\$ 1,480.00	\$ 40.00
CGICH	2017	6	62	\$ 2,480.00	\$ 40.00
CGICH	2017	7	35	\$ 1,400.00	\$ 40.00
CGICH	2017	8	63	\$ 2,520.00	\$ 40.00
CGICH	2017	9	44	\$ 1,760.00	\$ 40.00
CGICH	2017	10	46	\$ 1,840.00	\$ 40.00
CGICH	2017	11	39	\$ 1,560.00	\$ 40.00
CGICH	2017	12	25	\$ 1,000.00	\$ 40.00
CGIRV	2017	3	2	\$ (80.00)	\$ (40.00)
CGIRV	2017	4	1	\$ (40.00)	\$ (40.00)
CGIRV	2017	5	3	\$ (120.00)	\$ (40.00)
CGIRV	2017	6	2	\$ (80.00)	\$ (40.00)
CGIRV	2017	7	1	\$ (40.00)	\$ (40.00)
CGIRV	2017	8	1	\$ (40.00)	\$ (40.00)
CGIRV	2017	9	4	\$ (160.00)	\$ (40.00)
CGIRV	2017	10	1	\$ (40.00)	\$ (40.00)
CGIRV	2017	11	2	\$ (80.00)	\$ (40.00)
CGIRV	2017	12	2	\$ (80.00)	\$ (40.00)
RECCH	2017	1	754	\$ 53,899.77	\$ 71.49
RECCH	2017	2	1056	\$ 76,311.71	\$ 72.26
RECCH	2017	3	869	\$ 62,494.37	\$ 71.92
RECCH	2017	4	573	\$ 40,882.94	\$ 71.35
RECCH	2017	5	685	\$ 48,946.73	\$ 71.46
RECCH	2017	6	653	\$ 47,147.98	\$ 72.20
RECCH	2017	7	536	\$ 37,767.95	\$ 70.46
RECCH	2017	8	852	\$ 61,475.63	\$ 72.15
RECCH	2017	9	535	\$ 38,707.52	\$ 72.35
RECCH	2017	10	736	\$ 52,847.21	\$ 71.80
RECCH	2017	11	588	\$ 41,655.67	\$ 70.84
RECCH	2017	12	377	\$ 27,571.17	\$ 73.13
RECCR	2017	1	30	\$ (2,145.00)	\$ (71.50)
RECCR	2017	2	51	\$ (3,870.00)	\$ (75.88)
RECCR	2017	3	27	\$ (2,099.86)	\$ (77.77)
RECCR	2017	4	29	\$ (2,185.52)	\$ (75.36)
RECCR	2017	5	28	\$ (2,022.80)	\$ (72.24)
RECCR	2017	6	29	\$ (2,297.06)	\$ (79.21)
RECCR	2017	7	27	\$ (1,935.59)	\$ (71.69)
RECCR	2017	8	31	\$ (2,376.66)	\$ (76.67)
RECCR	2017	9	19	\$ (1,619.20)	\$ (85.22)
RECCR	2017	10	29	\$ (2,250.00)	\$ (77.59)
RECCR	2017	11	17	\$ (1,205.53)	\$ (70.91)
RECCR	2017	12	29	\$ (2,506.73)	\$ (86.44)
TRPCH	2017	1	66	\$ 3,630.00	\$ 55.00
TRPCH	2017	2	65	\$ 3,575.00	\$ 55.00
TRPCH	2017	3	64	\$ 3,520.00	\$ 55.00
TRPCH	2017	4	51	\$ 2,805.00	\$ 55.00
TRPCH	2017	5	50	\$ 2,750.00	\$ 55.00
TRPCH	2017	6	61	\$ 3,355.00	\$ 55.00
TRPCH	2017	7	65	\$ 3,575.00	\$ 55.00
TRPCH	2017	8	50	\$ 2,750.00	\$ 55.00
TRPCH	2017	9	75	\$ 4,110.00	\$ 54.80
TRPCH	2017	10	75	\$ 4,125.00	\$ 55.00
TRPCH	2017	11	81	\$ 4,455.00	\$ 55.00
TRPCH	2017	12	47	\$ 2,585.00	\$ 55.00
TRPCR	2017	1	13	\$ (715.00)	\$ (55.00)
TRPCR	2017	2	11	\$ (605.00)	\$ (55.00)
TRPCR	2017	3	11	\$ (605.00)	\$ (55.00)
TRPCR	2017	4	12	\$ (660.00)	\$ (55.00)
TRPCR	2017	5	9	\$ (495.00)	\$ (55.00)
TRPCR	2017	6	8	\$ (440.00)	\$ (55.00)
TRPCR	2017	7	15	\$ (825.00)	\$ (55.00)
TRPCR	2017	8	8	\$ (440.00)	\$ (55.00)
TRPCR	2017	9	5	\$ (275.00)	\$ (55.00)
TRPCR	2017	10	7	\$ (385.00)	\$ (55.00)
TRPCR	2017	11	11	\$ (605.00)	\$ (55.00)
TRPCR	2017	12	9	\$ (495.00)	\$ (55.00)

1 community while traveling throughout our service territory. On the safety
2 side, our focus on safety procedures and rules results in our front line teams
3 working with as little risk as possible, which is a boon when working with
4 dangerous energy, such as electric distribution/transmission circuits. We
5 continue to focus not only on appropriate training for employees, but also
6 on giving them the right tools and protective equipment to do their job.

7 **NIPSCO's Electric Transmission and Distribution Systems**

8 **Q31. Please describe NIPSCO's electric transmission system.**

9 A31. The NIPSCO electric transmission system consists of approximately 353
10 circuit miles of 345 kV, 756 circuit miles of 138 kV and 1,693 circuit miles of
11 69 kV transmission lines. In addition, NIPSCO has 63 transmission
12 substations. NIPSCO is interconnected with six neighboring utilities. The
13 Company has transmission interconnects with American Electric Power or
14 its affiliates, at the 345 kV, 138 kV, and 69 kV operating voltages. NIPSCO
15 also interconnects with Commonwealth Edison at 345 kV and 138 kV and
16 with Duke Energy Indiana at 345 kV, 138 kV and 69 kV. NIPSCO has a
17 single 138 kV interconnection with both Ameren and International
18 Transmission Company ("ITC") and a single 765kV interconnection with
19 Pioneer Transmission.

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14 its affiliates, at the 345 kV, 138 kV, and 69 kV operating voltages. NIPSCO
15 also interconnects with Commonwealth Edison at 345 kV and 138 kV and
16 with Duke Energy Indiana at 345 kV, 138 kV and 69 kV. NIPSCO has a
17 single 138 kV interconnection with both Ameren and International
18 Transmission Company ("ITC") and a single 765kV interconnection with
19 Pioneer Transmission.

1 **reflected in rate base?**

2 A166. Certain Bailly assets that were classified as production plant prior to the
3 retirement of the generation units, are now being used as transmission
4 assets. The original cost and accumulated depreciation related to the assets
5 which now comprise the Bailly synchronous condenser were transferred
6 from production plant to transmission plant. NIPSCO Witness Felton
7 discusses this in greater detail. All remaining balances were retired. Bailly
8 Unit 7 was retired in May 2018 and Unit 8 was retired in February 2018.
9 NIPSCO removed the original cost of the assets from gross plant and
10 accumulated depreciation at the respective retirement dates of the unit.

11 **Q167. What was the remaining net book value at the time the Bailly retirements**
12 **took place?**

13 A167. The remaining net book value of Unit 7 and Unit 8 was a debit balance in
14 accumulated depreciation of \$102,923,994 and \$142,329,364, respectively.
15 This debit represents unrecovered amounts at the date of the retirement.

16 **Q168. Were NIPSCO's rates that were in effect after the Bailly retirements**
17 **calculated to collect depreciation expense associated with Bailly?**

1 reflected in rate base?

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Deleted: 106,140,745

Deleted: 143,252,315