STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC PURSUANT TO IND. CODE §§ 8-1-2-42, 8-1-2-42.7 AND 8-1-2-61 FOR (1) AUTHORITY TO MODIFY ITS RETAIL RATES AND CHARGES FOR GAS 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 A NEW SALES RECONCILIATION ADJUSTMENT MECHANISM; (4) APPROVAL OF REVISED GAS DEPRECIATION RATES APPLICABLE TO ITS GAS PLANT IN SERVICE; (5) APPROVAL OF NECESSARY AND APPROPRIATE ACCOUNTING RELIEF, INCLUDING BUT NOT LIMITED TO APPROVAL OF CERTAIN DEFERRAL MECHANISMS FOR PENSION, OTHER POST-RETIREMENT BENEFITS, AND LINE LOCATE EXPENSES; AND (6) TO THE EXTENT NECESSARY, APPROVAL OF ANY OF THE RELIEF REQUESTED HEREIN PURSUANT TO IND. CODE CH. 8-1-2.5.	)	**CAUSE NO. 45967**

VERIFIED PETITION FOR GENERAL RATE INCREASE AND ASSOCIATED RELIEF UNDER INDIANA CODE §§ 8-1-2-42.7 AND 8-1-2-61 AND NOTICE OF PROVISION OF INFORMATION IN ACCORDANCE WITH THE COMMISSION'S MINIMUM STANDARD FILING REQUIREMENTS

Northern Indiana Public Service Company LLC ("NIPSCO" or "Petitioner") respectfully requests that the Indiana Utility Regulatory Commission ("Commission") issue an order (1) authorizing NIPSCO to modify its retail rates and charges for gas utility service through a phase-in of rates; (2) approving new schedules of rates and charges, general rules and regulations, and riders (both existing and new); (3) approval of a new Sales Reconciliation Adjustment mechanism; (4) approving revised gas depreciation rates applicable to its gas plant in service; and (5) approving necessary and appropriate accounting relief, including but not limited to approval of certain deferral mechanisms for pension, other post-retirement benefits ("OPEB"), and line locate expenses. Only to the extent the Commission deems it necessary to grant the relief requested herein, Petitioner also seeks approval of its requests as an alternative regulatory plan and hereby elects to become subject to Ind. Code § 8-1-2.5. This filing is made pursuant to Ind. Code §§ 8-1-2-42, 8-1-2-42.7 ("Section 42.7"), 8-1-2-61, and Ind. Code ch. 8-1-2.5.

In accordance with the Commission's General Administrative Order 2013-5 (Rate Case Standard Procedural Schedule and Recommended Best Practices for Rate Cases Submitted under Ind. Code § 8-1-2-42.7) ("GAO 2013-5"), NIPSCO hereby provides its Notice of Intent to File Information required under the Minimum Standard Filing Requirements ("MSFRs"), 170 IAC 1-5-1 *et seq.*, as applicable, to provide support for this Petition and to reduce or avoid disputes. In accordance with 170 IAC 1-1.1-8 and 1-1.1-9 of the Commission's Rules of Practice and Procedure, NIPSCO submits the following information in support of this Petition.

<u>Petitioner's Corporate Status</u>

1. NIPSCO is a limited liability company organized and existing under the laws of the State of Indiana with its principal office and place of business at 801 East 86th Avenue, Merrillville, Indiana. NIPSCO is a wholly owned subsidiary of NiSource Inc., an energy holding company whose stock is listed on the New York Stock Exchange.

<u>Petitioner's Regulated Status</u>

2. NIPSCO is a "public utility" within the meaning of Ind. Code § 8-1-2-1 and 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. NIPSCO is also an "energy utility" within the meaning of Ind. Code § 8-1-2.5-2 and provides "retail energy service" as that term is defined by Ind. Code § 8-1-2.5-3. NIPSCO is also a "utility" within the meaning of Ind. Code § 8-1-2-42.7(c).

<u>Petitioner's Operations</u>

3. NIPSCO is authorized by the Commission to provide natural gas utility service to the public in all or part of Adams, Allen, Benton, Carroll, Cass,

Clinton, DeKalb, Elkhart, Fulton, Howard, Huntington, Jasper, Kosciusko, LaGrange, Lake, LaPorte, Marshall, Miami, Newton, Noble, Porter, Pulaski, St. Joseph, Starke, Steuben, Tippecanoe, Tipton, Wabash, Warren, Wells, White and Whitley Counties in northern Indiana. NIPSCO renders such gas utility service by means of utility plant, property, equipment, and related facilities owned, operated, managed and controlled by it (collectively referred to as the "Utility Property"), which are used and useful for the convenience of the public in the production, storage, transmission, distribution and furnishing of gas.

4. During the 12 months ended December 31, 2022, NIPSCO delivered more than 363 Million Dekatherms of natural gas to approximately 859,000 residential, commercial, industrial, wholesale, and other customers in accordance with its tariffs, rules and regulations. More than 68% of that throughput was provided to NIPSCO's industrial customers, making its proportion of industrial load among the highest in the industry.

<u>Petitioner's Existing Rates and Rate Structure</u>

5. The Commission's July 27, 2022 Order in Cause No. 45621 (the "2022 Rate Order") approved a Stipulation and Settlement Agreement among NIPSCO, the Indiana Office of Utility Consumer Counselor ("OUCC"), and the majority of

intervenors in that proceeding (the "45621 Settlement").[1] The 2022 Rate Order approved a two-step change in rates. Step 1 rates took effect on September 1, 2022 based upon rate base as of June 30, 2022. Step 2 rates took effect March 1, 2023, based upon rate base as of December 31, 2022.

6. NIPSCO's petition initiating Cause No. 45621 was filed with the Commission on September 29, 2021. Therefore, in accordance with Ind. Code § 8-1-2- 42(a), more than 15 months have passed since the filing date of NIPSCO's most recent request for a general increase in its basic rates and charges.

7. NIPSCO's current gas depreciation rates are based on the depreciation study filed in Cause No. 45621 and approved in the 2022 Rate Order. NIPSCO's current common and electric depreciation rates and last common and electric depreciation study were approved in the Commission's August 2, 2023 Order in Cause No. 45772. NIPSCO proposes no change to its common depreciation accrual rates in this Cause.

8. Pursuant to Ind. Code § 8-1-2-42(g), NIPSCO files a quarterly Gas Cost Adjustment ("GCA") proceeding in Cause No. 43629-GCA-XXX to adjust its

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[1] The 45621 Settlement was entered into on March 2, 2022, by and between NIPSCO, NIPSCO Industrial Group ("Industrial Group"), and Steel Dynamics, Inc. The other parties did not oppose the 45621 Settlement.

rates to account for fluctuation in its gas costs. The cost of bad debt expense associated with the cost of gas is reflected in NIPSCO's GCA.

9. Pursuant to the Commission's December 28, 2011 Order in Cause No. 44001, NIPSCO files an annual proceeding in Cause No. 44001-GDSM-XX for recovery of program costs associated with approved demand side management and energy efficiency programs through its Rider 272 – Gas Demand Side Management (GDSM) Rider and Appendix C - GDSM Factors (the "GDSM Mechanism").[2]

10. Pursuant to the Commission's November 4, 2010 Order in Cause No. 43894, NIPSCO files an annual update to Appendix E – Unaccounted for Gas Percentage for recovery through NIPSCO's quarterly GCA proceeding in accordance with Ind. Code § 8- 1-2-42(g) in Cause No. 43629-GCA-XXX.

11. Pursuant to the Commission's January 28, 2015 Order in Cause No. 44403-TDSIC-1, NIPSCO filed a semi-annual proceeding in Cause No. 44403-TDSIC-XX to recover 80% of approved capital expenditures and TDSIC costs

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[2] The Commission's May 9, 2007 Order in Cause No. 43051 initially approved the GDSM Mechanism. The Commission's December 28, 2011 Order in Cause No. 44001 approved NIPSCO's request to change to a semi-annual reconciliation. The Commission's February 22, 2017 Order in Cause No. 44001-GDSM-10 approved NIPSCO's request to change from a semi-annual to annual filing. The Commission's November 21, 2018 Order in Cause No. 45012 approved NIPSCO's request for recovery of lost revenues through the GDSM Mechanism.

incurred in connection with NIPSCO's eligible transmission, distribution, and storage system improvements ("TDSIC Projects") through its Rider 288 – Adjustment of Charges for Transmission, Distribution and Storage System Improvement Charge and Appendix F – Transmission, Distribution and Storage System Improvement Charge Adjustment Factor ("TDSIC Mechanism"). Pursuant to the Commission's July 22, 2020 Order in Cause No. 45330, NIPSCO now files the TDSIC Mechanism in Cause No. 45330-TDSIC-XX.

12. Pursuant to the Commission's September 19, 2018 Order in Cause No. 45007, NIPSCO filed a semi-annual proceeding in Cause No. 45007-FMCA-XX to recover 80% of approved federally mandated costs through its Rider 290 – Federally Mandated Cost Adjustment Rider and Appendix G – FMCA Factors ("FMCA Mechanism"). Pursuant to the Commission's December 1, 2021 Order in Cause No. 45560, NIPSCO also filed the FMCA Mechanism in Cause No. 45560-FMCA-XX. Pursuant to the Commission's December 28, 2022 Order in Cause No. 45703, NIPSCO now files the FMCA Mechanism in Cause No. 45703-FMCA-XX.

13. Pursuant to the Commission's March 15, 2012 Order in Cause No. 44081,[3] as approved under Ind. Code § 8-1-2.5, NIPSCO offers the following

[3] The Commission approved a modification to and the indefinite extension of NIPSCO's Alternative Regulatory Plan ("ARP") applicable to natural gas utility service previously approved by the Commission on March 31, 2010 in Cause No. 43837, as modified in the Commission's August

programs as part of its approved alternative regulatory plan (referred to herein as its "Gas ARP Programs"):

(a) Rate 230 - Large Volume Negotiated Sales Service - a negotiated sales rate for large volume sales customers. This program was originally approved by the Commission in Cause No. 40342.

(b) Rate 234A - Off-Peak Commercial and Industrial Interruptible Negotiated Service - a negotiated sales rate for commercial and industrial customers. This program was original approved by the Commission in Cause No. 40342.

(c) Rate 240 - Liquefied Natural Gas (LNG) Service - a negotiated rate interruptible service provided from NIPSCO's LNG facilities when available. This program was originally approved by the Commission in Cause No. 40342.

(d) Rate 245 - Supplier Aggregation Service (SAS) - supplier aggregation service allowing for the aggregation of customer load by qualifying third-party gas suppliers ("Choice Suppliers") to Choice Program customers. This program was originally approved by the Commission in Cause No. 40342.

(e) Rate 251 - Fixed Gas Bill Service (also known as DependaBill) - a fixed bill program offered to residential, commercial, and small industrial customers receiving service under Rates 211, 215, 221 and 225. This program was originally approved by the Commission in Cause No. 42097.

(f) Rider 242A- Optional Storage Service Rider - a negotiated rate for transportation customers for long-term storage using on-system storage assets. This program was originally approved by the Commission in Cause No. 40342.

(g) Riders 247 and 248 - Gas Parking Service (GPS) Rider and Gas Lending Service (GLS) Rider - negotiated rates offered to transportation customers for short term storage using on-system

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28, 2013 Order in Cause No. 43894 and the Commission's May 31, 2011 Order in Consolidated Cause Nos. 43941, 43942, and 43943.

storage assets. This program was originally approved by the Commission in Cause No. 40342.

(h) Rider 280 - Supplier Choice Delivery Service (SCDS) Rider (the "Choice Program") - a supplier choice program for NIPSCO residential, commercial and small industrial customers under Rates 111, 115, 121 and 125. This program was originally approved by the Commission in Cause No. 40342.

(i) Rider 281 - Price Protection Service Rider - a fixed price program offered to residential, commercial, and small industrial customers receiving service under Rates 111, 115, 121 and 125. This program was originally approved by the Commission in Cause No. 40342.

(j) Gas Cost Incentive Mechanism ("GCIM") - a sharing mechanism providing an incentive for NIPSCO to optimize its gas supply purchases so as to produce shared benefits for NIPSCO and its jurisdictional customers subject to the Gas Cost Adjustment ("GCA"). The GCIM was originally approved by the Commission in Cause No. 40342. The sharing mechanism was modified in consolidated Cause Nos. 42800 and 42884 to a uniform 50% / 50% sharing of benefits with GCA customers.[4]

(k) Capacity Release Incentive - a sharing mechanism providing an incentive for NIPSCO to optimize its release of under-utilized pipeline capacity so as to produce shared benefits for NIPSCO and its jurisdictional customers subject to the GCA. The Capacity Release Incentive was originally approved by the Commission as an amendment to the ARP approved in Cause No. 40342.[5]

The Gas ARP Programs provide for ongoing dialogue and an opportunity for the update of the ARP at the conclusion of the first year after approval, and every

[4] The Commission approved revisions to the GCIM on June 28, 2017 in 30-Day Filing No. 50061, June 17, 2020 in 30-Day Filing No. 50347, and on May 30, 2023 in Cause No. 43629-GCA-66. A revision to the GCIM is also currently pending approval in Cause No. 43629-GCA-68.

[5] The Commission approved revisions to the Capacity Release Sharing Mechanism on June 17, 2020 in 30-Day Filing No. 50347.

twenty-four months thereafter.[6] Other than changing the tariff series number from the Series 200 to the Series 300, there are no proposed changes to the Gas ARP Programs or the regulatory treatment of these Gas ARP Programs. As was agreed in the Stipulation and Settlement Agreement approved in the Commission's September 19, 2018 Order in Cause No. 44988, NIPSCO requests that margins from these Gas ARP Programs be included in the GCA net operating income earnings test pursuant to Ind. Code §§ 8-1-2-42(g)(3)(C) and 8-1-2-42.3 except for: (a) NIPSCO's GCIM, Capacity Release, and Optional Storage Service Rider, which shall be treated as below-the-line but shall continue to be shared with customers through the GCA as provided in the Current Gas ARP; (b) NIPSCO's DependaBill program; and (c) NIPSCO's Price Protection Service.

<u>Petitioner's Operating Results Under Existing Rates</u>

14. Since the 2022 Rate Order, NIPSCO's cost of providing service has increased. NIPSCO has and must continue to make significant capital expenditures for additions, replacements, and improvements to its Utility Property, in compliance with various applicable state and federal pipeline safety requirements and to maintain safe and reliable service. In addition, changes in NIPSCO's Utility Property warrant the implementation of revised depreciation

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[6] 44081 Order at 20.

rates. Further, NIPSCO seeks recovery of a modest increase in operations and maintenance expenses that is needed to maintain safe and reliable service. Specifically, NIPSCO's actual operations and maintenance expenses during the historic base period of the calendar year 2022 was greater than that included in NIPSCO's approved revenue requirement in Cause No. 45621. NIPSCO is forecasting an increase of less than 4% from the actual operations and maintenance expenses during the historic base period. It is necessary and appropriate to recognize these and other costs of providing retail gas service by establishing new rates and charges.

15. NIPSCO's existing rates are below the level required to provide revenues adequate to recover its necessary and reasonable operating expenses and afford NIPSCO the opportunity to earn a fair return upon the fair value of its property to which NIPSCO is lawfully entitled. Consequently, a rate increase is necessary and appropriate to provide NIPSCO an opportunity to recover its operating expenses and earn a fair return on the fair value of its property used and useful in providing service to its customers. The proposed rate increase is also necessary and appropriate to provide revenues which will enable NIPSCO to continue to attract capital required for additions, replacements, and improvements to its Utility Property and to comply with regulatory mandates and otherwise provide adequate and reliable service at a reasonable cost.

16. As of the date of this Verified Petition, NIPSCO estimates that the proposed increase to its total revenues from basic rates and charges, the riders as reset upon effectiveness of new base rates, will represent an increase of $161,897,007, or 16.29%, over NIPSCO's current pro forma retail rates subject to increase. Rates for individual customers and different customer classes may change by amounts less than or greater than the average increase for all customers. The increase from base rates shall take effect in two steps. Step 1 rates would become effective on a services rendered basis as soon as possible following the issuance of an Order in this Cause. Based on a 300-day procedural schedule, NIPSCO anticipates a Commission Order would be received August 20, 2024, which would make Step 1 rates effective no later than September 1, 2024. In Step 2, NIPSCO will update its basic rates and charges to reflect actual rate base, related annualized depreciation and amortization expense, and actual capital structure based on the December 31, 2024 Forward Test Year cutoff date. NIPSCO is proposing that these rates will become effective as soon as possible after the end of the test year, which is estimated to be on or about March 1, 2025, for all services rendered on or after that date. The pro forma net operating income statement in the form required by the Commission's GAO 2020-5 is attached hereto as Attachment A and is sponsored by Witness Richard D. Weatherford.

17. Upon the issuance of an Order in this Cause, NIPSCO proposes to implement Step 1 rates based upon the actual rate base, annualized depreciation, and capital structure as of June 30, 2024 and forecasted results of operations for the test year as found in the Order. For Step 2 rates, NIPSCO proposes to update to the actual rate base, capital structure, and annualized depreciation expense as of December 31, 2024. Consistent with the Commission's prior orders in future test year rate cases, NIPSCO proposes that the Step 1 and Step 2 rates would take effect immediately upon filing on an interim-subject-to-refund basis, with other parties being offered a period of sixty (60) days to review and present any objections. If needed to resolve any objections, NIPSCO would propose the Commission conduct a hearing and rates would be trued up, retroactive to the date such rates were put into place.

Statutory Authority for Requested Relief

18. This Petition is filed pursuant to Ind. Code §§ 8-1-2-42, 8-1-2-42.7, and 8-1-2-61, and, to the extent necessary, Ind. Code ch. 8-1-2.5. Other provisions of the Public Service Commission Act, as amended, Ind. Code § 8-1-2-1, *et seq.* that may be applicable to the subject matter of this proceeding include, but are not limited to, Ind. Code §§ 8-1-2-4, 6, 10, 12, 19, 20, 21, 23, 29, 42, 42.7, 68 and 71; Ind. Code ch. 8-1-8.4; Ind. Code ch. 8-1-39; and Ind. Code § 5-14-3-4.

19. In accordance with GAO 2013-5, on September 25, 2023, NIPSCO provided its Notice of Intent to File Rate Case to the Commission. A copy thereof was provided to stakeholders who attended a prefiling meeting regarding NIPSCO's filing of this rate case.

Test Year and Rate Base Cutoff Date

20. In accordance with Ind. Code § 8-1-2-42.7(d)(1), NIPSCO proposes and requests that a forward looking test year be used in this proceeding on the basis of projected data for the twelve (12) month period ending December 31, 2024. The historic base period utilized by NIPSCO in this proceeding is the twelve (12) month period ending December 31, 2022. In addition, NIPSCO is utilizing its actual capital structure and cost of capital based on NIPSCO's forecasted test-year-end regulatory capital structure as of December 31, 2024 for purposes of calculating a fair return on the fair value of its property.

Petitioner's Requested Relief

21. NIPSCO seeks approval of changes to its basic rates and charges for gas utility service and associated accounting relief as proposed in its evidence to be presented in this proceeding that will provide NIPSCO with the opportunity to recover its ongoing costs of providing gas utility service and earn a fair return on the fair value of its property.

22. Among other requested relief, NIPSCO is proposing a new Sales Reconciliation Adjustment mechanism that would decouple NIPSCO's margin per customer recovery from sales volumes that are affected by customer usage patterns and weather. Under this mechanism, NIPSCO will defer the difference between the NIPSCO monthly Authorized Test Year Base Rate Gross Margin Revenues authorized in this Cause as adjusted for actual customer growth (the Adjusted Authorized Test Year Base Rate Gross Margin Revenues) and actual Gross Margin Revenues on a monthly basis from the date of the Step 1 implementation of new rates until they are recovered in the proposed Sales Reconciliation Adjustment. As explained by Witness Robert D. Sears, to the extent the Sales Reconciliation Adjustment is approved as proposed, NIPSCO seeks authority to modify its existing 2024-2026 Energy Efficiency Plan approved in Cause No. 45850 to eliminate the lost revenue recovery component. Pursuant to the Commission's final Order in *Southern Ind. Gas & Elec. Co. & Indiana Gas Co.,* Cause Nos. 42943 and 43046 (IURC 12/1/2006), p. 48, the Commission possesses jurisdiction to approve NIPSCO's proposed Sales Reconciliation Adjustment pursuant to the Commission's traditional authority over rate design and tracking mechanisms under Ind. Code § 8-1-2-42(a). Only to the extent the Commission deems it necessary, NIPSCO also requests approval of its Sales Reconciliation Adjustment mechanism pursuant to Ind. Code ch. 8-1-2.5.

23. NIPSCO's proposed relief is detailed in its case-in-chief filed contemporaneous herewith and includes, but is not limited to, the following:

(a) Gas Service Tariff, Standard Contract and Rate Release Form. NIPSCO seeks approval of changes to its basic rates and charges for gas utility service that will provide NIPSCO with the opportunity to earn a fair return on the fair value of its property. NIPSCO seeks approval of changes to its Gas Service Tariff, including changing from Series 200 Rate Schedules to Series 300 Rate Schedules, as proposed in its evidence to be presented in this proceeding. The overall structure of NIPSCO's tariffs remains the same.

(b) Depreciation Rates. NIPSCO seeks approval to revise its gas depreciation rates applicable to its gas plant in service as proposed in its evidence to be presented in this proceeding. NIPSCO continues to use the depreciation rates applicable to its common plant as approved by the Commission in NIPSCO's last electric general rate proceeding in Cause No. 45772.

(c) Previously Approved TDSIC Projects and Federally Mandated Compliance Projects. NIPSCO has been recognizing for ratemaking purposes the cost of previously approved TDSIC Projects and Federally Mandated Compliance Projects and associated operating expense through its TDSIC Mechanism and FMCA Mechanism. NIPSCO proposes to reflect in its basic rates and charges the capital costs and operating expenses associated with (1) TDSIC Projects previously approved by the Commission in Cause Nos. 44403 and 45330, and (2) Federally Mandated Compliance Projects previously approved by the Commission in Cause Nos. 45007, 45183, 45560, and 45703, that were or are projected to be completed and in service at the end of the forward test year (December 31, 2024) and that are currently being recovered through the TDSIC Mechanism and FMCA Mechanism. NIPSCO is also seeking recovery of amortization of regulatory assets that were deferred under the TDSIC Mechanism and FMCA Mechanism. When new tariff sheets are filed based upon the final order in this proceeding, NIPSCO proposes to adjust, as applicable, its then current TDSIC and FMCA adjustment factors to reflect the removal of the in-service plant and related expenses as of the same effective date and modify its allocation factors consistent with the Commission's Order, subject to any necessary variance reconciliations in the ongoing TDSIC and FMCA proceedings.

(d) Gas Demand Side Management ("GDSM"). NIPSCO proposes to exclude from its basic rates and charges all costs associated with its GDSM program. Further, to the extent NIPSCO's proposed Sales Reconciliation Adjustment mechanism is approved as proposed, NIPSCO seeks to amend its existing 2024-2026 Energy Efficiency Plan approved in Cause No. 45850 to remove the recovery of lost margins as described in NIPSCO's case-in-chief herein.

(e) Sales Reconciliation Adjustment. As explained, NIPSCO proposes a new quarterly mechanism to recover order granted fixed costs for specific rate classes subject to volumetric fixed cost recovery.

(f) Accounting Relief. As explained in NIPSCO's case-in-chief, NIPSCO seeks accounting authority to implement the relief sought in this proceeding including authority to implement a pension and postretirement benefits other than pensions, and line locate expenses balancing accounts, through which future differences between the actual amount that would be recorded to expense differs from the amount included in the revenue requirement approved herein would be deferred into a regulatory asset or liability, as the case may be, for recovery/pass-back in the ensuing general rate case..

(g) Regulatory Assets. NIPSCO proposes to recover through its revenue requirement certain costs NIPSCO has deferred in accordance with the Commission's Orders.

(h) Prepaid Pension Asset. NIPSCO's pension plan is currently in a net prepaid pension asset position, which is the net of the related pension obligation and regulatory asset in accordance with governing accounting standards. This prepaid pension asset reduces the pension cost that would otherwise be reflected in the revenue requirement and preserves the integrity of the pension fund. NIPSCO proposes that its rates reflect this asset as part of its capital structure.

Petitioner's Supporting Information and Evidence

24. NIPSCO's case-in-chief, workpapers and information required by GAO 2013-5, GAO 2020-05, the MSFRs, and Ind. Code § 8-1-2-42.7, are being filed contemporaneous with this Petition to aid the Commission in processing this Petition. The supporting workpapers for pro-forma adjustments are also being provided in Excel format on electronic media with formulas intact pursuant to the best practices set forth in GAO 2013-5 and GAO 2020-05. As required by, and to facilitate review of the filing, NIPSCO has attached to this Petition, as Attachment B, an index of issues, requests, and supporting witnesses. A summary of the witness testimony is attached hereto as Attachment C.

Confidential Information

25. In accordance with 170 IAC 1-5-15(e)(2), the electronic copy of the cost of service study is to be treated as confidential and protected from disclosure to the public under Ind. Code §§ 5-14-3-4 and 8-1-2-29. In addition, NIPSCO will be submitting other information as part of its MSFRs that is confidential and trade secret information. NIPSCO is filing a motion for protective order in accordance with 170 IAC 1-1.1-4 and to otherwise comply with 170 IAC 1-5-3 contemporaneous with this Petition. NIPSCO has entered into a Standard Form Nondisclosure Agreement with the OUCC and will work with any intervenors to

negotiate an acceptable nondisclosure agreement to facilitate the production of the confidential information as appropriate.

<u>Procedural Matters</u>

26. In accordance with 170 IAC 1-1.1-9(a)(8), NIPSCO has worked with the OUCC and other stakeholders to develop an agreed procedural schedule, which is being separately filed as directed in GAO-2013-5. To the extent necessary or appropriate and in accordance with 170 IAC 1-1.1-15(b) and GAO 2013-5, NIPSCO requests that a prehearing and preliminary hearing be promptly set by the Commission as soon as practical for the purpose of addressing procedural matters including setting a procedural schedule in this proceeding that will allow completion of this proceeding in accordance with GAO 2013-5 and Ind. Code § 8-1-2-42.7.

<u>Petitioner's Counsel</u>

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

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<u>Customer Notification</u>

28. In accordance with Ind. Code § 8-1-2-61(a), NIPSCO will publish notice of the filing of this Petition in a newspaper of general circulation published in each Indiana county in which NIPSCO renders gas service. In accordance with 170 IAC 4-1-18(C), NIPSCO will furnish to each residential customer (via bill messaging, bill inserts, or similar mailing) within forty-five (45) days of this Petition, a notice which fairly summarizes the nature and extent of the proposed changes.

WHEREFORE, Petitioner Northern Indiana Public Service Company respectfully requests that the Indiana Utility Regulatory Commission approve the agreed procedural schedule being filed contemporaneous with this Verified Petition or otherwise promptly conduct a prehearing conference and preliminary hearing for purposes of establishing the procedural parameters of this proceeding, make such other investigation and hold such hearings as are necessary or advisable and thereafter, make and enter an order in this Cause by August 20, 2024:

(a) Finding that NIPSCO's existing rates and charges for gas utility service should be increased; determining, and by order fixing, modified rates and charges to be observed in the future by NIPSCO; and authorizing and approving the filing by NIPSCO of new schedules of rates and charges applicable to its gas utility service on a phased-in basis that will provide just, reasonable, sufficient and non-confiscatory rates;

(b) Approving various changes in the terms, conditions and provisions of NIPSCO's Gas Service Tariff (including rates, charges, rules and riders), Rate Release Form, and Standard Contract as proposed in NIPSCO's evidence herein;

(c) Authorizing NIPSCO to revise its depreciation rates as proposed in NIPSCO's evidence herein;

(d) Granting accounting authority necessary to implement the relief authorized in a Final Order in this Cause;

(e) Approving NIPSCO's proposed Sales Reconciliation Adjustment mechanism as proposed in NIPSCO's evidence herein;

(f) Approving the other requests set forth in this Petition and in NIPSCO's evidence herein; and

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

Dated this 25th day of October, 2023.

Northern Indiana Public Service Company LLC

Erin E. Whitehead
Vice President
Regulatory Policy 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: October 25, 2023.

Erin E. Whitehead
Vice President
Regulatory Policy and Major Accounts

CERTIFICATE OF SERVICE

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

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Dated this 25th day of October, 2023.

Bryan M. Likins

Cause No. XXXXX
Northern Indiana Public Service Company LLC

Sch. 1 **Revenue Requirement**

Line			Petitioner	Sch./WP Ref.
1	Original Cost Rate Base	$	3,484,810,045	Petitioner's Exhibit No. 3, Attachment 3-A-S2, Page 4
2	Times: Weighted Average Cost of Capital		7.48%	Petitioner's Exhibit No. 3, Attachment 3-A-S2, Page 5
3	Net Operating Income Required for Return on Original Cost Rate Base		260,663,791	
4	Less: Net Operating Income at Pro forma Present Rates		139,717,946	Linked to Sch. 4 NOI
5	Net Revenue Increase Required		120,945,846	
6	Times: Gross Revenue Conversion Factor		133.8591%	Linked to GRCF Sch.
7	Recommended Gross Revenue Increase Required	$	161,897,007	Linked from GRCF Sch.
8	Operating Revenues Subject to Increase at Present Rates	$	993,975,293	Linked to Sch. 4 NOI
9	Recommended Percentage Increase over Revenues Subject to Increase at Present Rates: (Line 7/Line 8) *		16.29%	

Current Average Monthly Gas Bill for Residential Customer using 72 therms (Includes all monthly charges normally applicable to Rate Class 211/311 residential customers.)	Therms	Without Rate Case Before New Rates September 1, 2024 Factor		After Step 2 New Rates March 1, 2025** Factor	Bill
Customer charge			$ 16.25		$ 25.50
Delivery charge	72	$ 0.279300	$ 20.11	$ 0.358640	$ 25.82
Average gas charge (12 month forecasted average)	72	$ 0.398300	$ 28.68	$ 0.411300	$ 29.61
FMCA charge (12 month forecasted average)	72	$ 0.026932	$ 1.94	$ 0.018504	$ 1.33
TDSIC charge (12 month forecasted average)	72	$ 0.112853	$ 8.13	$ 0.012204	$ 0.88
GDSM charge	72	$ 0.010458	$ 0.75	$ 0.011054	$ 0.80
USP charge	72	$ 0.003559	$ 0.26	$ 0.003559	$ 0.26
Total			$ 76.11		$ 84.20
				Estimated Rate Increase	10.63%

*Note: Recommended Percentage Increase over Revenues Subject to Increase at Present Rates is inclusive of all rate classes.
**Note: Current Average Monthly Gas Bill presented for Rate 211 (Proposed 311) residential customer class.
See Petitioner's Exhibit No. 2 (Q/A 20 through Q/A 23) for an explanation of the calculation of the bill impact.
Petitioner's Exhibit No. 16, Attachment 16-E shows billl impact for Rates 311, and Attachment 16-F shows bill impact for Rates 315, 321, and 325 at current and proposed rates at all consumption levels.

Rate Assumptions:
Customer and delivery charges change with expected new Step 1 and 2 rate implementations.
FMCA and TDSIC rates post March 1, 2025 exclude estimated revenues from capital investments expected in base rates.
DSM rates post March 1, 2025 include the recovery of lost margins.
USP rates held constant.

Cause No. XXXXX
Northern Indiana Public Service Company LLC

Sch. GRCF **Gross Revenue Conversion Factor**

Petitioner					
Line	**Gross Revenue Conversion Factor**	**Input Rate**	**GRCF Calculation Factor**	**Sch. 4 NOI's Pro forma Proposed Rate Adjustments**	**References (Links to Sch. 4)**
1	Gross Revenue Increase Required		100%	$161,897,007	Linked from Sch. 4 NOI's Pro forma Proposed Total Operating Revenues Adjustment. (Note: Sch.1's Recommended Revenue Increase is also linked from this "GRCF's Gross Revenue Increase Inquired" amount.)
2	Less: Bad Debt Rate	0.4170%	0.4170%	$675,172	Linked to Sch. 4
3	Sub-total		99.5830%	$161,221,835	
4	Less: Current IURC Fee effective July 1 of each year	0.1467603%	0.1468%	$237,601	Linked from Sch. 4
5	Income Before State Income Taxes		99.4362%	$160,984,235	
6	Less: State Income Tax (Current State Income Tax Rate * Line 5)	4.9000%	4.8724%	$7,888,228	Linked from Sch. 4 (State Income Tax rate used is a blended rate. See WP Taxes.)
7	IN Utility Receipts Tax (URT rate * Line 1)[a]	0.00%	0.0000%	$0	Linked from Sch. 4
8	Income Before Federal Income Taxes		94.5638%	$153,096,007	
9	Less: Federal Income Tax (Current Federal Income Tax Rate* Line 8)	21%	19.8584%	$32,150,162	Linked from Sch. 4
10	Change in Operating Income		74.7054%	$ 120,945,846	Ties to Sch. 4 NOI's Proforma Proposed NOI Adj.
11	Gross Revenue Conversion Factor (Line 1/ Line 10)		133.8591%		Linked from Sch. 1 Line 8

Utility Receipts Tax Tips:

a **Utility Receipts Tax Calculation for utilities with Sales-for-Resale customers:**

Sales-for-Resale revenues are not subject to Utility Receipts Tax, and must be deducted from total Operating Revenues.

Pro forma Present Sales for Resale Revenues as a % of Total Revenues Subject to Increase:

Line			Ref.
12	Total Pro forma Present Sales for Resale Revenues	$0	N/A
13	Divided by: Total Operating Revenues Subject to Increase	$993,975,293	Sch. 4
14	% Operating Revenues That are Exempt from Utility Receipts Tax	0.0000%	
15	% Operating Revenues Subject to Utility Recepts Tax (1 -Line 14)	100.0000%	

Revised Line 7: Utility Receipts Tax (URT rate of 0.00% * Line 15 * Line 1)

The IN Utility Receipts Tax was repealed effective July 1, 2022.

Cause No. XXXXX
Northern Indiana Public Service Company LLC

Sch. 4 Net Operating Income (NOI) **Pro Forma Net Operating Income Statement**

	Base Period Ended 12/31/2022	Pro forma Present Adjustments	Sch./WP References	Pro forma Present Rates	Pro forma Proposed Adjustments	Sch./WP References	Pro forma Proposed Rates
Operating Revenues:							
Gas Operating Revenues	$ 1,055,517,597		Petitioner's Exhibit No. 3, Attachment 3-B-S2, REV Module	$ 993,975,293	$ 161,897,007		$ 1,155,872,300
Retail Sales		$ (107,134,400)	REV 1				
ARP Revenues		(16,771,998)	REV 2				
TDSIC Revenues		48,112,551	REV 3				
FMCA Revenues		(2,052,010)	REV 4				
DSM Revenues		(452,633)	REV 5				
Transportation Revenues		16,212,440	REV 6				
Off-system Displacements		(2,600)	REV 7				
Other Gas Revenues		1,913,069	REV 8				-
InterDept Sales		(67,194)	REV 9				-
Forfeited Discounts		(1,016,907)	REV 10				-
Misc Service Revenue		(282,773)	REV 11				-
Rent from Gas Property		151	REV 12				-
Operating Revenues Subject to Increase Total	1,055,517,597	(61,542,304)		993,975,293	161,897,007	Linked to GRCF	1,155,872,300
Other Revenues:							
N/A	-	-		-			-
Other Revenues Total	-	-		-			-
Operating Revenues Total	1,055,517,597	(61,542,304)		993,975,293			1,155,872,300
Operations & Maintenance Expense:							
Gas Costs (Trackable)			Petitioner's Exhibit No. 3, Attachment 3-B-S2, COGS Module				
Retail Sales	544,895,672	(153,967,815)	COGS 1	390,927,857			390,927,857
ARP Gas Cost	8,508,706	(1,327,876)	COGS 2	7,180,831			7,180,831
Transportation Gas Cost	991,912	(991,912)	COGS 3	-			-
InterDept Sales	290,646	(62,457)	COGS 4	228,189			228,189
Other	2,006,669	-	COGS 5	2,006,669			2,006,669
Operations & Maintenance Expense (Non-Gas Costs)			Petitioner's Exhibit No. 3, Attachment 3-B-S2, O&M Module				
Labor	64,738,883	7,166,157	OM 1	71,905,040			71,905,040
Gas Operations	43,884,251	1,969,092	OM 2	45,853,342			45,853,342
Other Departments	26,401,836	-	OM 3	26,401,836			26,401,836
FMC	4,892,863	(4,892,863)	OM 4	-			-
TDSIC	-	-	OM 5	-			-
Nonrecoverable Expenses	-	(940,647)	OM 6	(940,647)			(940,647)
Corporate Service Bill	66,970,678	2,262,706	OM 7	69,233,384			69,233,384
Corporate Insurance	9,102,764	166,800	OM 8	9,269,564			9,269,564
Rents & Leases	5,955,138	2,494,585	OM 9	8,449,723			8,449,723
Environmental Reserve	6,533,874	(6,533,874)	OM 10	-			-
Uncollectibles	4,801,851	(2,687,356)	OM 11	2,114,495	$675,172	Linked to GRCF	2,789,667
STI	5,130,471	605,187	OM 12	5,735,658			5,735,658
Pension	(3,910,024)	7,739,055	OM 13	3,829,030			3,829,030
OPEB	1,966,167	1,789,066	OM 14	3,755,233			3,755,233
Medical Benefits	5,490,672	1,382,156	OM 15	6,872,828			6,872,828
Other Benefits	(171,685)	393,178	OM 16	221,493			221,493
Other Employee Benefits	4,107,986	673,346	OM 17	4,781,332			4,781,332
LTIP	543,141	53,306	OM 18	596,447			596,447
Profit Sharing	316,613	(316,613)	OM 19	-			-
Benefits Administration	744,331	(48,966)	OM 20	695,365			695,365
Cause No. 44988 & 45621 Amortization	1,384,822	(1,384,822)	OM 21	-			-
Operations & Maintenance Expense Total	805,578,238	(146,460,570)		659,117,668	675,172		659,792,840
Depreciation & Amortization:							
Depreciation Expense			Petitioner's Exhibit No. 3, Attachment 3-B-S2, DEPR Module				
Gas Plant Asset Depreciation	73,963,938	43,519,954	DEPR 1	117,483,892			117,483,892
Gas Common Depreciation Expense	1,146,923	2,917,033	DEPR 2	4,063,956			4,063,956
Amortization Expense			Petitioner's Exhibit No. 3, Attachment 3-B-S2, AMTZ Module				
Gas Plant Asset Amortization	2,389,175	955,287	AMTZ 1	3,344,462			3,344,462
Gas Common Amortization	7,850,053	9,096,442	AMTZ 2	16,946,495			16,946,495
TDSIC Regulatory Asset	-	4,257,163	AMTZ 3	4,257,163			4,257,163
FMCA Regulatory Asset	-	2,177,476	AMTZ 4	2,177,476			2,177,476
Cause No. 44988 and 45621 Amortization	-	10,083,012	AMTZ 5	10,083,012			10,083,012
Gas Rate Case Expense	-	1,112,216	AMTZ 6	1,112,216			1,112,216
Depreciation & Amortization Total	85,350,090	74,118,582		159,468,672			159,468,672

Cause No. XXXXX
Northern Indiana Public Service Company LLC

Sch. 4 Net Operating Income (NOI) **Pro Forma Net Operating Income Statement**

	Base Period Ended 12/31/2022	Pro forma Present Adjustments	Sch./WP References	Pro forma Present Rates	Pro forma Proposed Adjustments	Sch./WP References	Pro forma Proposed Rates
Taxes Other Than Income:							
			Petitioner's Exhibit No. 3, Attachment 3-B-S2, OTX Module				
Property Tax Expense	14,332,832	3,319,371	OTX 1	17,652,203			17,652,203
Payroll Taxes Expense	4,468,441	584,926	OTX 2	5,053,367			5,053,367
Sales Tax	(413,154)	413,154	OTX 3	-			-
IN Gross Utilty Receipts Tax Expense	8,464,076	(8,464,076)	OTX 4	-	$0	Linked to GRCF	-
Utility Regulatory Assessment (IURC Fee) Expense	922,813	510,958	OTX 5	1,433,771	$237,601	Linked to GRCF	1,671,372
Taxes Other Than Income Total	27,775,008	(3,635,667)		24,139,341	237,601		24,376,941
Income Taxes:							
			Petitioner's Exhibit No. 3, Attachment 3-C-S2,				
Federal and State Income Taxes	17,561,373	(6,029,707)	ITX	11,531,666	$40,038,389	Linked to GRCF	51,570,055
Income Taxes Total	17,561,373	(6,029,707)		11,531,666	40,038,389		51,570,055
Total Operating Expenses	936,264,709	(82,007,362)		854,257,347	40,951,161		895,208,509
Net Operating Income	$ 119,252,887	$ 20,465,058		$ 139,717,946	$ 120,945,846	Ties to GRCF	$ 260,663,791

Norther Indiana Public Service Company LLC (NIPSCO)
2023-24 Gas Rate Case
Index of Issues, Requests, and Supporting Witnesses[1]

GENERAL		
Subject	**Request**	**Supporting Witness(es) (Petitioner's Exhibit No. Reference)**
Test Year	Twelve Months Ended December 31, 2024.	• Weatherford (No. 3)
Historical Base Period	Twelve Months Ended December 31, 2022.	• Weatherford (No. 3)
Minimum Standard Filing Requirements	Organization of workpapers and other information in support of requested relief in accordance with the Commission's GAO 2013-05 and the Minimum Standard Filing Requirements (MSFRs).	• Weatherford (No. 3)

REVENUE REQUIREMENT		
Subject	**Request**	**Supporting Witness(es) (Petitioner's Exhibit No. Reference)**
Overall Revenue Increase	Total annual increase in revenue of approximately $161,897,007 or 16.29% in two steps.	• Hooper (No. 1) (overall policy) • Sears (No. 2) (overview and drivers)

[1] This Index of the Company's case-in-chief is intended to comply with the Commission's General Administrative Order ("GAO") 2020-05. As indicated in the GAO this Index is intended to highlight issues and is not an exhaustive list of the requests in this proceeding. A complete account of the requested relief can be found in the case- in-chief, including but not limited to petition, testimony, attachments, workpapers, and MSFR responses.

		• Exhibit No. 3, Attachments 3-A-S1 and 3-A-S2 • Accounting adjustments support (No. 19)
Financial Forecast	Set rates based on Test Year financial forecast with adjustments as necessary. Reflect forecasted O&M and capital investments in rates based on work plans, as adjusted.	• Dousias (No. 4) (rate base forecast and development) • Weatherford (No. 3) (adjustments to pro forma net operating income, rate base, forecasted O&M, and capital structure)
Revenue Forecast	Test Year weather normalized revenue forecast.	• Bartos (No. 15) (weather normalization) • Davis (No. 17) (revenue and cost of goods sold forecast based upon weather normalization) • Robles (No. 10) (forecasted cost of gas sold, forecasted gas in storage, forecasted on-system storage activity and adjustment to test year revenues to remove forecasted off-system displacement revenues)
Return on Equity (ROE)	Authorize 10.7% ROE.	• Sears (No. 2) (policy) • Rea (No. 13) (evaluation)
Weighted Average Cost of Capital (WACC)	Authorize forecasted WACC of 7.48% applied to original cost rate base.	• Weatherford (No. 3) • Rea (No. 13)
Compensation Benefits	Compensation and benefit programs.	• Eyre (No. 11)
Corporate Allocations	Service Company allocations.	• Bly (No. 5) (NSCS budgeting process)

		• Gode (No. 6) (expenses, adjustments, and allocation) • Baryenburch (No. 7) (overall reasonableness and necessity)
Depreciation	Setting new depreciation rates and reflect the resulting depreciation expense in base rates based on depreciation study.	• Spanos (No. 12)
Deferrals	Request deferred accounting authority for line locate expenses. Requested deferred accounting authority for pension and OPEB expenses.	• Smith (No. 9) • Weatherford (No. 3)
Prepaid Pension Asset	Reflect in capital structure.	• Weatherford (No. 3)
Taxes	Reflect forecasted Test Year tax expense in base rates.	• Bass (No. 14)
Terms and Conditions of Service and Tariffs	Description of changes.	• Sears (No. 2)
Forecasted Rate Base	Reflects forecasted capital projects in rate base Description of forecast technique.	• Dousias (No. 4) (overall forecasting methodology and rate base forecast)
Cost of Service Study and Overall Rate Design	Description of overall ACOSS. Description of rate design.	• Taylor (No. 16)

COST OF SERVICE AND RATE DESIGN		
Subject	**Request**	**Supporting Witness(es) (Petitioner's Exhibit No. Reference)**
Class Cost of Service Study (CCOSS)	Propose gradualism to address subsidy and bill impact to move classes closer to Straight-Fixed-Variable pricing.	• Taylor (No. 16)
Overall Rate Design	Allocation of revenue increase.	• Sears (No. 2) (overview) • Taylor (No. 16) (rate design)
New Rider Proposals	Propose Rider 392 – Sales Reconciliation Adjustment.	• Sears (No. 2) (Sales Reconciliation Adjustment Mechanism • Dousias (No. 4) • Taylor (No. 16)
Terms and Conditions of Service – Tariffs	Modifications to tariffs and new tariff offerings.	• Sears (No. 2) • Robles (No. 10) (changes to Rates 228 and 238)

Northern Indiana Public Service Company LLC (NIPSCO)
2023-24 Gas Rate Case
Summary of Witness Testimony[1]

Ex. No.	Witness Name	Summary of Testimony
1	Michael Hooper	Mr. Hooper provides an overview of NIPSCO and its role in northern Indiana. He explains why NIPSCO is filing this case at this time and provides a brief overview of NIPSCO's case-in-chief.
2	Robert C. Sears	Mr. Sears discusses certain statutory requirements and explains the key drivers and objectives for filing this case. He introduces NIPSCO's proposed Sales Reconciliation Adjustment, summarizes NIPSCO's principles and objectives for designing rates in this proceeding, and describes NIPSCO's proposed IURC Gas Service Tariff, Original Volume No. 10, including the Schedule of Rates, Riders and General Rules and Regulations (the "Proposed Tariff"), proposed standard Agreement for Gas Service (for Rates 325, 328 and 338), and proposed Rate Release Form, and explains how the Proposed Tariff differs from NIPSCO's IURC Gas Service Tariff, Original Volume No. 9, currently on file with the Commission (the "Current Tariff").
3	Richard D. Weatherford	Mr. Weatherford presents the overall revenue requirement. He sponsors the results of NIPSCO's gas operations for the period beginning January 1, 2022 and ending December 31, 2022 (the "Historic Base Period"), and the projected results for the period beginning January 1, 2024 and ending December 31, 2024 (the "Forward Test Year"), adjusted on a pro forma basis for the normalization

[1] This Summary of the Company's case-in-chief witness testimony is intended facilitate review of this filing but is not an exhaustive list of the requests in this proceeding. A complete account of the requested relief can be found in the case-in-chief, including but not limited to petition, testimony, attachments, exhibits, workpapers, and MSFR responses.

		and annualization of certain amounts included in these periods. He quantifies the amount by which retail gas revenues should be increased so that the Company may have the opportunity to earn a fair and reasonable return. He supports NIPSCO's requests for deferred accounting for pensions and other post-retirement benefits and line locate expense. Finally, he presents the implementation in two steps of the proposed increase.
4	Elizabeth A. Dousias	Ms. Dousias presents NIPSCO's forecasted rate base as of June 30, 2024 (Step 1) and December 31, 2024 (Step 2), which reflects the Forward Test Year investment level that is utilized within the revenue requirement sponsored by NIPSCO Witness Weatherford. She also supports the proposed new Rider 392 – Sales Reconciliation Adjustment Mechanism.
5	Nick Bly	Mr. Bly presents the projected operation and maintenance ("O&M") expenses associated with services provided by NiSource Corporate Services Company ("NCSC") to NIPSCO, and any adjustments to those expenses for the 2023 Forecast Period and the Forward Test Year.
6	Gunnar J. Gode	Mr. Gode supports the actual O&M expenses associated with services provided by NCSC to NIPSCO for the Base period and the projected level of such expenses during the Forward Test Year.
7	Patrick L. Baryenbruch	Mr. Baryenbruch evaluates the reasonableness and necessity, of the services provided during the Historic Base Period, by NCSC to NIPSCO's gas utility.
8	Orville Cocking	Mr. Cocking provides an overview of NIPSCO's gas operations and maintenance, storage and liquefied natural gas, and damage prevention organizations. He describes NIPSCO's pipeline safety programs and processes, describes the types of pipeline compliance regulations with which

		NIPSCO must comply, and addresses NIPSCO's plan to update its communications technology associated with its gas meters. Finally, he sponsors a portion of NIPSCO's O&M expense adjustment included in Adjustment OM 2-24.
9	Rick Smith	Mr. Smith provides an overview of NIPSCO's Damage Prevention Organization, describes NIPSCO's ongoing focus on damage prevention, and sponsors a portion of NIPSCO's O&M expense adjustment included in Adjustment OM 2-24. He also supports NIPSCO's request for deferred accounting for line locate expenses.
10	Rosalva Robles	Ms. Robles describes NIPSCO's gas infrastructure and explains how the quality of that system supports the safe delivery of natural gas. She also describes proposed changes to NIPSCO's Rates 228 and 238 in its Current Tariff. In addition, she discusses the planning assumptions that support NIPSCO's forecasted cost of gas sold, forecasted gas in storage, and forecasted on-system storage activity. Finally, she provides support for the adjustment to the Company's test year revenues to remove forecasted off-system displacement revenues.
11	Kirstie Eyre	Ms. Eyre supports NiSource total rewards, which includes supporting details for total rewards programs, policies, and philosophies including base compensation/wages, incentive compensation, and employee benefits such as healthcare and dental coverage. She also sets forth comparative analyses to establish the reasonableness and competitiveness of the wages, salaries, and incentive compensation provided to employees.
12	John J. Spanos	Mr. Spanos explains the methods and procedures used in the Depreciation Study and sets forth the annual depreciation rates as of December 31, 2022.

		He presents and explains the depreciation accrual rates developed for projected electric and common plant in service as of December 31, 2024.
13	Vincent V. Rea	Mr. Rea recommends the appropriate rate of return on common equity and overall rate of return for NIPSCO's jurisdictional gas operations in relation to its revenue requirement calculation.
14	Jonathan Bass	Mr. Bass presents and supports NIPSCO's federal and state income tax expense and taxes other than income tax expense adjustments for the Forward Test Year at present and proposed rates. He also presents and supports NIPSCO's Accumulated Deferred Income Taxes and Post 1970 Investment Tax Credit balances and related pro forma adjustments, which are included as components of NIPSCO's capital structure.
15	Malissa Bartos	Ms. Bartos explains four analyses: (1) how residential and commercial billing month sales for the Historic Base Period are normalized for weather; (2) the adjustment to unbilled Historic Base Period consumption to reflect the unbilled estimate that would have been made under normal weather conditions; (3) how design day consumption is derived; and (4) the number of customers and usage forecast for the 2023 Forecast Period and the Forward Test Year.
16	John D. Taylor	Mr. Taylor describes the Atrium Cost of Service Model (Atrium Model) used for NIPSCO's gas cost of service study and the various cost allocation principles, factors that influence the cost allocation framework, and the underlying methodology and basis used in the Company's gas cost of service studies. He describes the "Special Studies" employed to apportion the various categories of plant and O&M expenses to the respective customer classes. He presents the class-by-class rate of return results and corresponding revenue

		surpluses or deficiencies from NIPSCO's ACOSS including the resulting unit costs by class for customer, demand, and energy-related costs with the ACOSS. He discusses revenue allocation and rate design principles and the appropriate guidelines for use in evaluating class revenue levels and rate structures. He also explains and supports the allocation of the Company's revenue deficiency to the various rate classes consistent with the class revenue mitigation objectives discussed by NIPSCO Witness Sears. He supports NIPSCO's proposed Sales Reconciliation Adjustment. Finally, he discusses NIPSCO's rate design proposals.
17	Estana Davis	Ms. Davis supports NIPSCO's revenue adjustments for weather normalization, large migrations, small migrations, lighting, demand side management ("DSM") true-up, DSM lost margin, interdepartmental, and cost of gas sold adjustments.
18	Andrew L. Trump	Mr. Trump provides context for the Business Case, explains key observations and results of the Business Case, and briefly explains NIPSCO's plan to implement new communications modules for its gas meters.
19		Accounting adjustments support