



For Immediate Release

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NIPSCO Gas Rate Settlement Approved

A settlement agreement in Northern Indiana Public Service Company's (NIPSCO's) natural gas rate case has received Indiana Utility Regulatory Commission (IURC) approval this week. The agreement was reached by parties including the Indiana Office of Utility Consumer Counselor (OUCC), industrial customers, and NIPSCO.

The approved agreement:

- Reduces the utility's original request by \$48.9 million.
- Limits the monthly residential customer charge increase to \$3.00. NIPSCO had proposed raising the current \$11.00 charge to \$19.50. The agreement sets the charge at \$14.00.
- Resolves all issues regarding tax relief due to the federal Tax Cuts & Jobs Act, including crediting customers for 2018 taxes collected at the former 35 percent rate.
- Authorizes a 9.85 percent return on equity (ROE). NIPSCO's gas utility had sought to raise the authorized ROE to 10.7 percent.
- Will phase the new rates in over the next two years.

"This agreement will ensure that the utility will have the revenues needed to complete numerous upgrades throughout its gas transmission and distribution system, while mitigating the rate impact as much as possible," said Indiana Utility Consumer Counselor Bill Fine. "The OUCC is committed to addressing aging infrastructure, reliability, and safety, as they will continue to be critical issues for utilities and their customers throughout the nation."

NIPSCO's electric rates were not at issue in this case.

(IURC Cause No. 44988)

The Indiana Office of Utility Consumer Counselor (OUCC) represents Indiana consumer interests before state and federal bodies that regulate utilities. As a state agency, the OUCC's mission is to represent all Indiana consumers to ensure quality, reliable utility services at the most reasonable prices possible through dedicated advocacy, consumer education, and creative problem solving.

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