

February 20, 2012

Via Electronic Filing – 30 Day Filings - Gas

Brenda A. Howe
Secretary to the Commission
Indiana Utility Regulatory Commission
101 West Washington Street
Suite 1500 East
Indianapolis, Indiana 46204

RE: NIPSCO 30 Day Filing Pursuant to 170 IAC 1-6-1 et seq.

Dear Ms. Howe:

In accordance with 170 IAC 1-6-1, enclosed please find (1) NIPSCO's First Revised Sheet No. 15 – General Rules and Regulations – Rule 3 – Character of Service (“Gas Service Rule”) and (2) NIPSCO's First Revised Sheet Nos. 19, 20, 21 and 22– General Rules and Regulations – Rule 6 – Service Extensions and Modifications (“Gas Extensions Rule”). The revisions impact Residential and Non-Residential Customers requesting NIPSCO to provide facilities for rendering standard gas service under its IURC Gas Service Tariff, Original Volume No. 7. The revisions are shown in the attached redlined tariff sheet.

The proposed revisions to its (1) Gas Extensions Rule are intended to mirror its extensions rule applicable to its customers receiving electric service under its IURC Electric Service Tariff and (2) Gas Service Rule are intended to reflect the revisions to its Gas Extensions Rule. 170 IAC 1-6-3(3) states that changes to rules and regulations of the utility are an allowable type of filing. Thus, this filing is an allowable request under 170 IAC 1-6-3. This filing does not require confidential treatment nor does it seek any other relief identified in 170 IAC 1-6-4, so it is not prohibited under the Commission's Rule.

In accordance with 170 IAC 1-6-5(2), contact information for the utility regarding this filing is:

Michael J. Martin
Director, Regulatory & Governmental Policy
Northern Indiana Public Service Company
101 West Ohio Street, Suite 1707
Indianapolis, Indiana 46204
317-684-4909 (Direct)
317-684-4918 (Fax)
mmartin@nisource.com

Brenda A. Howe
Indiana Utility Regulatory Commission
February 20, 2012
Page 2

In accordance with 170 IAC 1-6-5(3), the proposed tariff sheets are attached. There are no workpapers necessary to support this filing as required in 170 IAC 1-6-5(4).

In accordance with 170 IAC 1-6-5(5), Michael J. Martin has verified this letter as to these representations in compliance with 170 IAC 1-6-5(5). A copy of this filing is being provided via electronic mail to the Indiana Office of Utility Consumer Counselor.

In accordance with 170 IAC 1-6-6, NIPSCO provided notice to its customers in Lake County on February 17, 2012. A copy of the notice that was published is attached hereto. A copy of the proof of publication will be provided upon its receipt. NIPSCO has posted notice of this change in its local customer service office at 3229 Broadway, Gary, Indiana and has placed the notice on its website under pending tariffs (see <http://www.nipSCO.com/About-us/Rates-Tariffs/30-Day-Filings.aspx>).

Please let me know if the Commission Staff has any questions or concerns about this submission.

Sincerely,

A handwritten signature in black ink that reads "Michael J. Martin". The signature is fluid and cursive, with a large loop at the end of the last name.

Michael J. Martin
Director, Regulatory & Governmental Policy

Encl.

cc (w/ encl. – via email transmission)

A. David Stippler, Indiana Office of Utility Consumer Counselor
(dstippler@oucc.in.gov, infomgt@oucc.in.gov)

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

3. CHARACTER OF SERVICE

3.1 Standard Installation

The Company will supply a Residential Customer served from a medium pressure system (60 psig or less) without charge for a service of not more than 150 feet in length from the property line of the Customer to the service connection at the meter. A charge will be made by the Company for a service in excess of 150 feet in length from the property line of the customer to the service connection at the meter in accordance with Rule 6.1.

For Residential Service, the maximum Customer required delivery pressure shall be 2 psig. Any Customer requiring pressure exceeding 2 psig will be ineligible for the Residential Rate, and will instead be served under the applicable General Service.

The Company will supply a non-Residential Customer served from a medium pressure system (60 psig or less) without charge for a service 150 feet or less of 2 inch Iron Pipe Size or smaller pipe from the property line of the Customer to the service connection at the meter set with a delivery pressure of 10 Psig or less. A charge will be made by the Company for a service in excess of 150 feet, an IPS pipe larger than 2 inches or a delivery pressure of greater than 10 Psig in accordance with Rule 6.1.

For General Service, suitable arrangements shall be made between the Company and the Customer with regard to the extent of the service facilities installed by the Company in accordance with Rules 4.1 and 6.1.

The Company will locate the point at which the Company's meter installation will attach to the Customer's piping, and the Customer's piping shall be run to this point for attachment to the meter. In no event shall the service line be run under or through any portion of the building then constructed or to be constructed at a future date, except at the point immediately preceding the metering location.

The Company will extend its distribution mains a reasonable distance, as may be determined by the Company for the purpose of supplying gas service for a new connection.

After installation, any required relocation of the Company's facilities due to changes made either at the Customer's request or as the result of the Customer's activity that causes the installation to be out of compliance with the Minimum State Safety Standards for the Transportation of Gas and Related Pipeline Facilities shall be made at the Customer's expense.

3.2 Average Heating Value

Gas supplied under the Rate Schedules shall have a monthly average heating value of approximately 1,000 Btu per cubic foot.

Effective Pending, 2012



GENERAL RULES AND REGULATIONS
Applicable to Gas Service

6. SERVICE EXTENSIONS AND MODIFICATIONS

6.1 Extension of Services Beyond Standard Installations

Upon request by a Residential Customer or Non-Residential Customer for service, the Company will provide necessary facilities for rendering a Standard Installation under Rule 3.1 at no charge.

6.1.1 The following definitions shall be applicable to this Rule:

6.1.1.1 "Margin Credits" for Residential Customers shall be equal to \$1,800 for each residential meter. "Margin Credits" for Non-Residential Customers shall be equal to the present value of gross margin (revenue minus gas cost) associated with each Non-Residential meter as estimated by the Company for a 6 year period.

6.1.1.2 "Margin Costs" shall be equal to 0.52 multiplied by the total amount of actual costs for the extension of gas facilities, as estimated by the Company using the information provided to the Commission in the Company's annual filings pursuant to 170 IAC 5-1-27(D).

6.1.1.3 The values identified in (a) and (b) shall be subject to change in any proceeding proposing adjustment to NIPSCO's basic rates and charges or in a separate proceeding filed in conformance with the Commission's rules and regulations.

6.1.2 For extension of lines and services beyond a Standard Installation for Residential Customers, a contribution must be provided when the Margin Costs exceed the Margin Credits.

6.1.3 For extension of lines and services beyond a Standard Installation for Non-Residential Customers, the Non-Residential Customer must provide a contribution, a letter of credit in a form satisfactory to the Company, or minimum guarantee prior to facilities installation when the Margin Costs exceed the Margin Credits; provided, however, if in the opinion of Company (i) the estimated cost of such extension and the prospective margin to be received from it is so meager or speculative as to make it doubtful whether the Margin Credits from the extension would ever pay a fair return on the investment involved in such extension, or (ii) with slight or no immediate demand for service, or (iii) in the case of an installation requiring extensive equipment with slight or irregular service, or (iv) the estimated cost of the extension otherwise places Company and/or other customers at risk of recovering the costs associated with the investment; then in any of the above cases, Company may require, in advance of materials procurement or construction, a deposit or adequate provision of payment from the initial applicant(s) in the amount of the total estimated cost of construction and other improvements.

6.1.4 Deposits held may be returned to initial applicant(s) based on the amount of Margin Credits received by Company, for a period of six (6) years and up to the amount of the original deposit, in at least annual installments.

Effective Pending, 2012



GENERAL RULES AND REGULATIONS
Applicable to Gas Service

- 6.1.5 In the event that the initial applicant(s) is (are) required to make any deposit, Company shall upon request make available to the initial applicant(s) the information used to establish the basis for the applicable deposit amount.
- 6.1.6 For each Customer, exclusive of the initial applicants considered in the making of an extension, connected to such an extension within the period of six years from the completion of such extension, the gas utility shall refund to such initial applicants, in proportion to their respective contributions toward the cost of such extension, an amount equal to the present value of gross margin over a 6 year period of each meter when each meter comes on line, less the cost to service such new customer, but the total of all refunds to any such applicants shall in no event exceed the aforesaid contribution of such applicants.

6.2 New Residential Development Procedures

Before the Company will undertake facility investment and extensions of service to residential developments or phase thereof:

6.2.1 The following definitions shall be applicable to this Rule:

- 6.2.1.1 As used in this Rule, “extensions” shall refer to extension of Company facilities required in order to provide gas service as requested by Customer(s) or prospective Customer(s).
- 6.2.1.2 As used in this Rule, “Margin Credit” shall be equal to the total product of the planned number of residential meters multiplied by \$1,800. This amount shall be subject to change in any proceeding proposing adjustment to NIPSCO’s basic rates and charges initiated after 2010, or in a separate proceeding filed in conformance with the Commission’s rules and regulations.
- 6.2.1.3 As used in this Rule, “Margin Costs” shall be equal to 0.52 multiplied by the total amount of actual costs for the extension of gas facilities to a specific Development, as estimated by the Company using the information provided to the Commission in the Company’s annual filings pursuant to 170 IAC 5-1-27(D).

6.2.2 Upon request for gas service by initial applicants (a developer or a group of prospective Customers located in the same area), Company will extend, without charge, its facilities including distribution mains, underground service pipes, meters and other equipment necessary to provide the service, provided:

- 6.2.2.1 the Margin Credits for the specific Development are equal to or greater than the Margin Costs for that Development; and
- 6.2.2.2 the prospective patronage or demand is of such permanency as to warrant the capital expenditure involved.

Effective Pending, 2012



GENERAL RULES AND REGULATIONS
Applicable to Gas Service

- 6.2.3 If the Margin Costs of the facilities necessary to provide the gas service requested by initial applicant(s) exceeds the Margin Credit from such extension as provided in 6.2.2, Company shall make such extension if the initial applicant(s) meets one of the following conditions:
- 6.2.3.1 Upon adequate provision for payment to Company by initial applicant(s) of that part of the Margin Costs in excess of the Margin Credits as provided in 6.2.2; or
- 6.2.3.2 If in the opinion of Company (a) the estimated cost of such extension and the prospective margin to be received from it is so meager or speculative as to make it doubtful whether the Margin Credits from the extension would ever pay a fair return on the investment involved in such extension, or (b) with slight or no immediate demand for service, or (c) in the case of an installation requiring extensive equipment with slight or irregular service, or (d) the estimated cost of the extension otherwise places Company and/or other customers at risk of recovering the costs associated with the investment; then in any of the above cases Company may require, in advance of materials procurement or construction, a deposit or adequate provision of payment from the initial applicant(s) in the amount of the total estimated cost of construction and other improvements.
- 6.2.3.2.1 Deposits held may be returned to initial applicant(s) based on the amount of Margin Credits received by Company, for a period of six (6) years and up to the amount of the original deposit, in at least annual installments.
- 6.2.3.2.2 In the event that the initial applicant(s) is (are) required to make any deposit, Company shall upon request make available to the initial applicant(s) the information used to establish the basis for the applicable deposit amount.
- 6.2.4 Initial applicant(s) may, at its (their) option, submit, or require Company to submit, or the Company, on its own may submit, to the Commission the terms of service and deposit or Contribution determined by Company under 6.2.3.1 or 6.2.3.2 for review and determination as to the reasonableness of said terms.
- 6.2.5 For each new Customer, exclusive of the initial applicant(s) considered in the making of an extension, connected to such an extension within the period of six (6) years from the completion of such extension, Company shall refund to such initial applicant(s), in proportion to their respective contribution(s) toward the cost of such extension, an amount equal to the Margin Credits from such new Customer(s), less the estimated cost to serve such new Customer(s), but the total of all refunds to any such initial applicant(s) shall in no event exceed the individual contribution of such applicant. Where a deposit is required under 6.2.3.2, the total of all refunds to all initial applicant(s) in aggregate shall in no event exceed the total aggregate deposit of all initial applicant(s). Such estimated Margin Credits from new Customer(s) shall also be subject to the provisions of 6.2.3.2.

Effective Pending, 2012



GENERAL RULES AND REGULATIONS
Applicable to Gas Service

6.2.6 Company shall not be required to make extension as provided in this Rule unless Customer(s) to be initially served by such extension upon its installation has (have) entered into an agreement with Company setting forth the obligations and commitments of the parties consistent with the provisions of this tariff.

6.2.7 Company reserves the right, with respect to Customers whose establishments are remote from Company's existing suitable facilities, whose potential load qualifies for any economic development rider as may be applicable in Company's tariff, or whose load characteristics or load dispersal require unusual investments by Company in service facilities, to make special agreements as to duration of contract, reasonable guarantee of revenues, or other service conditions, provided that such special agreements are made on a non-discriminatory basis.

6.3 Temporary Service

The charge for temporary service, where existing facilities can be utilized to supply gas is consistent with the cost filings submitted annually to the IURC pursuant to the IURC Rules (170 IAC 5-1-27). The applicable Rate Schedule shall apply for service furnished. The charge for temporary service other than those stated above shall be determined by estimating the cost of construction and removal of facilities, including labor, material, stores freight and handling, and job order overhead, less any estimated salvage value of material recovered. Temporary installation may continue for a period of more than twelve (12) months, if such installation conforms to the requirements of a permanent installation.

6.4 Excess Facilities

In the event service facilities in excess of a standard service under Rule 3.1 are requested by the Customer or are required to serve the Customer's load, the Company will extend such facilities therefore, subject to the following conditions:

6.4.1 The type, extent, and location of such service facilities shall be determined by agreement between the Company and the Customer;

6.4.2 Such service facilities shall be the property of the Company;

6.4.3 The Customer shall agree to pay to the Company a monthly rental equal to two and two tenths percent (2.20%) of the estimated installed cost of the excess facilities;

6.4.4 The monthly rental shall be appropriately adjusted if a change is made in the excess facilities provided by the Company;

6.4.5 The Customer shall provide power as specified by the Company, if so required, to operate such service facilities; and

6.4.6 Such other conditions as are reasonably necessary due to special conditions of service.

Effective Pending, 2012



GENERAL RULES AND REGULATIONS
Applicable to Gas Service

3. CHARACTER OF SERVICE

3.1 Standard Installation

The Company will supply a Residential Customer served from a medium pressure system (60 psig or less) without charge for a service of not more than 150 feet in length from the property line of the Customer to the service connection at the meter. A charge ~~based on current prices~~ will be made by the Company for a service in excess of 150 feet in length from the property line of the customer to the service connection at the meter in accordance with Rule 6.1.

For Residential Service, the maximum Customer required delivery pressure shall be 2 psig. Any Customer requiring pressure exceeding 2 psig will be ineligible for the Residential Rate, and will instead be served under the applicable General Service.

The Company will supply a non-Residential Customer served from a medium pressure system (60 psig or less) without charge for a service 150 feet or less of 2 inch Iron Pipe Size or smaller pipe from the property line of the Customer to the service connection at the meter set with a delivery pressure of 10 Psig or less. A charge ~~based on current prices~~ will be made by the Company for a service in excess of 150 feet, an IPS pipe larger than 2 inches or a delivery pressure of greater than 10 Psig in accordance with Rule 6.1.

For General Service, suitable arrangements shall be made between the Company and the Customer with regard to the extent of the service facilities installed by the Company in accordance with Rules 4.1 and 6.1.

The Company will locate the point at which the Company's meter installation will attach to the Customer's piping, and the Customer's piping shall be run to this point for attachment to the meter. In no event shall the service line be run under or through any portion of the building then constructed or to be constructed at a future date, except at the point immediately preceding the metering location. The Company will extend its distribution mains a reasonable distance, as may be determined by the Company for the purpose of supplying gas service for a new connection.

After installation, any required relocation of the Company's facilities due to changes made either at the Customer's request or as the result of the Customer's activity that causes the installation to be out of compliance with the Minimum State Safety Standards for the Transportation of Gas and Related Pipeline Facilities shall be made at the Customer's expense.

3.2 Average Heating Value

Gas supplied under the Rate Schedules shall have a monthly average heating value of approximately 1,000 Btu per cubic foot.

Effective ~~Pending, 2012/7/1/2011~~



GENERAL RULES AND REGULATIONS
Applicable to Gas Service

6. SERVICE EXTENSIONS AND MODIFICATIONS

6.1 Extension of Services Beyond Standard Installations

Upon request by a Residential Customer or Non-Residential Customer for service, the Company will provide necessary facilities for rendering a Standard Installation service under Rule 3.1 at no charge. ~~A contribution, a letter of credit in a form satisfactory to the Company, or minimum guarantee will be necessary prior to facilities installation when facilities beyond the standard installation pursuant to Company Rule 3.1 are required to serve the Residential Customer.~~

~~A Non-Residential Customer must provide a contribution, a letter of credit in a form satisfactory to the Company, or minimum guarantee prior to facilities installation when the estimated direct installed costs of the facilities installed less the Customer's estimated present value of gross margin (revenue minus gas cost) for a 6 year period is greater than zero. Once the Customer comes online, the Customer shall be entitled to the estimated direct installed costs of the facilities installed less the greater of the Customer's estimated present value of gross margin for a 6 year period or the estimated installed costs of the standard service installation as defined in Rule 3.1. Any such funds acquired under these conditions will be netted against any required Customer deposit before rendering service.~~

6.1.1 The following definitions shall be applicable to this Rule:

6.1.1.1 "Margin Credits" for Residential Customers shall be equal to \$1,800 for each residential meter. "Margin Credits" for Non-Residential Customers shall be equal to the present value of gross margin (revenue minus gas cost) associated with each Non-Residential meter as estimated by the Company for a 6 year period.

6.1.1.2 "Margin Costs" shall be equal to 0.52 multiplied by the total amount of actual costs for the extension of gas facilities, as estimated by the Company using the information provided to the Commission in the Company's annual filings pursuant to 170 IAC 5-1-27(D).

6.1.1.3 The values identified in (a) and (b) shall be subject to change in any proceeding proposing adjustment to NIPSCO's basic rates and charges or in a separate proceeding filed in conformance with the Commission's rules and regulations.

6.1.2 For extension of lines and services beyond a Standard Installation for Residential Customers, a contribution must be provided when the Margin Costs exceed the Margin Credits.

6.1.3 For extension of lines and services beyond a Standard Installation for Non-Residential Customers, the Non-Residential Customer must provide a contribution, a letter of credit in a form satisfactory to the Company, or minimum guarantee prior to facilities installation when the Margin Costs exceed the Margin Credits; provided, however, if in the opinion of Company (i) the estimated cost of such extension and the prospective margin to be received from it is so meager or speculative as to make it doubtful whether the Margin Credits from the extension would ever pay a fair return on the investment involved in such extension, or

Effective ~~Pending, 2012/1/2011~~

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

(ii) with slight or no immediate demand for service, or (iii) in the case of an installation requiring extensive equipment with slight or irregular service, or (iv) the estimated cost of the extension otherwise places Company and/or other customers at risk of recovering the costs associated with the investment; then in any of the above cases, Company may require, in advance of materials procurement or construction, a deposit or adequate provision of payment from the initial applicant(s) in the amount of the total estimated cost of construction and other improvements.

6.1.4 Deposits held may be returned to initial applicant(s) based on the amount of Margin Credits received by Company, for a period of six (6) years and up to the amount of the original deposit, in at least annual installments.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

6.1.5 ~~In the event that the initial applicant(s) is (are) required to make any deposit, Company shall upon request make available to the initial applicant(s) the information used to establish the basis for the applicable deposit amount.~~

6.1.6 For each Customer, exclusive of the initial applicants considered in the making of an extension, connected to such an extension within the period of six years from the completion of such extension, the gas utility shall refund to such initial applicants, in proportion to their respective contributions toward the cost of such extension, an amount equal to the present value of gross margin over a 6 year period of each meter when each meter comes on line, less the cost to service such new customer, but the total of all refunds to any such applicants shall in no event exceed the aforesaid contribution of such applicants.

6.2 New Residential Development Procedures

Before the Company will undertake facility investment and extensions of service to residential developments or phase thereof:

6.2.1 ~~The following definitions shall be applicable to this Rule:~~

6.2.1.1 ~~(a)~~ As used in this Rule, “extensions” shall refer to extension of Company facilities required in order to provide gas service as requested by Customer(s) or prospective Customer(s).

6.2.1.2 ~~(b)~~ As used in this Rule, “Margin Credit” shall be equal to the total product of the planned number of residential meters multiplied by \$1,800. This amount shall be subject to change in any proceeding proposing adjustment to NIPSCO’s basic rates and charges initiated after 2010, or in a separate proceeding filed in conformance with the Commission’s rules and regulations.

6.2.1.3 ~~(c)~~ As used in this Rule, “Margin Costs” shall be equal to 0.52 multiplied by the total amount of actual costs for the extension of gas facilities to a specific Development, as estimated by the Company using the information provided to the Commission in the Company’s annual filings pursuant to 170 IAC ~~§~~5-1-27(D).

Effective ~~2012/1/2011~~ Pending, 2012/1/2011



GENERAL RULES AND REGULATIONS
Applicable to Gas Service

~~6. SERVICE EXTENSIONS AND MODIFICATIONS (continued)~~

~~6.2 New Residential Development Procedures (continued)~~

~~6.2.2 (d)~~ Upon request for gas service by initial applicants (a developer or a group of prospective Customers located in the same area), Company will extend, without charge, its facilities including distribution mains, underground service pipes, meters and other equipment necessary to provide the service, provided:

~~6.2.2.1 the Margin Credits for the specific Development are equal to or greater than the Margin Costs for that Development; and~~

~~6.2.2.2 the prospective patronage or demand is of such permanency as to warrant the capital expenditure involved.~~

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

~~(1) the Margin Credits for the specific Development are equal to or greater than the Margin Costs for that Development; and~~

~~(2) the prospective patronage or demand is of such permanency as to warrant the capital expenditure involved.~~

~~6.2.3 (e)~~ If the Margin Costs of the facilities necessary to provide the gas service requested by initial applicant(s) exceeds the Margin Credit from such extension as provided in ~~6.2.2(d) above~~, Company shall make such extension if the initial applicant(s) meets one of the following conditions:

~~6.2.3.1 (1)~~ Upon adequate provision for payment to Company by initial applicant(s) of that part of the Margin Costs in excess of the Margin Credits as provided in ~~6.2.2(d) above~~; or

~~6.2.3.2 (2)~~ If in the opinion of Company (a) the estimated cost of such extension and the prospective margin to be received from it is so meager or speculative as to make it doubtful whether the Margin Credits from the extension would ever pay a fair return on the investment involved in such extension, or (b) with slight or no immediate demand for service, or (c) in the case of an installation requiring extensive equipment with slight or irregular service, or (d) the estimated cost of the extension otherwise places Company and/or other customers at risk of recovering the costs associated with the investment; then in any of the above cases Company may require, in advance of materials procurement or construction, a deposit or adequate provision of payment from the initial applicant(s) in the amount of the total estimated cost of construction and other improvements.

~~6.2.3.2.1 (i)~~ Deposits held may be returned to initial applicant(s) based on the amount of Margin Credits received by Company, for a period of six (6) years and up to the amount of the original deposit, in at least annual installments.

~~6.2.3.2.2 (ii)~~ In the event that the initial applicant(s) is (are) required to make any deposit, Company shall upon request make available to the initial applicant(s) the information used to establish the basis for the applicable deposit amount.

~~6.2.1 6. SERVICE EXTENSIONS AND MODIFICATIONS (continued)~~

~~6.2 New Residential Development Procedures (continued)~~

~~6.2.4~~ Initial applicant(s) may, at its (their) option, submit, or require Company to submit, or the Company, on its own may submit, to the Commission the terms of service and deposit or

Effective ~~Pending, 2012/1/2011~~

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

Contribution determined by Company under ~~6.2.3.1 or 6.2.3.2(e)(1) or (e)(2)~~ for review and determination as to the reasonableness of said terms.

6.2.5 For each new Customer, exclusive of the initial applicant(s) considered in the making of an extension, connected to such an extension within the period of six (6) years from the completion of such extension, Company shall refund to such initial applicant(s), in proportion to their respective contribution(s) toward the cost of such extension, an amount equal to the Margin Credits from such new Customer(s), less the estimated cost to serve such new Customer(s), but the total of all refunds to any such initial applicant(s) shall in no event exceed the individual contribution of such applicant. Where a deposit is required under ~~6.2.3.2(e)(2) above~~, the total of all refunds to all initial applicant(s) in aggregate shall in no event exceed the total aggregate deposit of all initial applicant(s). Such estimated Margin Credits from new Customer(s) shall also be subject to the provisions of ~~6.2.3.2(e)(2) above~~.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

6.2.6 Company shall not be required to make extension as provided in this Rule unless Customer(s) to be initially served by such extension upon its installation has (have) entered into an agreement with Company setting forth the obligations and commitments of the parties consistent with the provisions of this tariff.

6.2.7 Company reserves the right, with respect to Customers whose establishments are remote from Company's existing suitable facilities, whose potential load qualifies for any economic development rider as may be applicable in Company's tariff, or whose load characteristics or load dispersal require unusual investments by Company in service facilities, to make special agreements as to duration of contract, reasonable guarantee of revenues, or other service conditions, provided that such special agreements are made on a non-discriminatory basis.

6.3 Temporary Service

The charge for temporary service, where existing facilities can be utilized to supply gas is consistent with the cost filings submitted annually to the IURC pursuant to the IURC Rules (170 IAC 5-1-27). The applicable Rate Schedule shall apply for service furnished. The charge for temporary service other than those stated above shall be determined by estimating the cost of construction and removal of facilities, including labor, material, stores freight and handling, and job order overhead, less any estimated salvage value of material recovered. Temporary installation may continue for a period of more than twelve (12) months, if such installation conforms to the requirements of a permanent installation.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

~~6. SERVICE EXTENSIONS AND MODIFICATIONS~~ (continued)

6.4 Excess Facilities

In the event service facilities in excess of a standard service under Rule 3.1 are requested by the Customer or are required to serve the Customer's load, the Company will extend such facilities therefore, subject to the following conditions:

- 6.4.1 The type, extent, and location of such service facilities shall be determined by agreement between the Company and the Customer;
- 6.4.2 Such service facilities shall be the property of the Company;
- 6.4.3 The Customer shall agree to pay to the Company a monthly rental equal to two and two tenths percent (2.20%) of the estimated installed cost of the excess facilities;
- 6.4.4 The monthly rental shall be appropriately adjusted if a change is made in the excess facilities provided by the Company;
- 6.4.5 The Customer shall provide power as specified by the Company, if so required, to operate such service facilities; and

~~6.4.6~~—Such other conditions as are reasonably necessary due to special conditions of service.

~~6.4.6~~

Effective ~~2012/7/1/2011~~ Pending, 2012/7/1/2011



**Verified Statement of Northern Indiana Public Service Company
Concerning Notification of Customers Affected by February 20, 2012 30-Day Filing**

Northern Indiana Public Service Company complied with the Notice Requirements under 170 IAC 1-6-6 in the following manner:

- The attached notice was posted in a public place at NIPSCO's customer service office at 3229 Broadway, Gary, Indiana;
- The same notice was posted on NIPSCO's website under 30-Day Filings (see <http://www.nipSCO.com/About-us/Rates-Tariffs/30-Day-Filings.aspx>).
- A legal notice was published in the Post Tribune, a newspaper of general circulation that has a circulation encompassing the highest number of the utility's customers affected by the filing, on February 17, 2012. A copy of the Publisher's Affidavit will be submitted promptly upon receipt; and
- I affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Dated this 20th day of February, 2012.



Michael J. Martin
Director, Regulatory & Governmental Policy

NOTICE OF 30-DAY FILING

On or about February 16, 2012, Northern Indiana Public Service Company (“NIPSCO”) will submit to the Indiana Utility Regulatory Commission for approval under its 30-Day Filing procedures, 170 IAC 1-6-1, *et seq.* a revised (1) Rule 6 – Service Extensions and Modifications (“Gas Extensions Rule”) and (2) Rule 3 – Character of Service (“Gas Service Rule”). The referenced filing will consist of NIPSCO’s proposed revisions to its (1) Gas Extensions Rule are intended to mirror its extensions rule applicable to its customers receiving electric service under its IURC Electric Service Tariff and (2) Gas Service Rule are intended to reflect the revisions to its Gas Extensions Rule. The revisions impact Residential and Non-Residential Customers requesting NIPSCO to provide facilities for rendering standard gas service under its IURC Gas Service Tariff, Original Volume No. 7. A decision on the 30-Day Filing is anticipated at least thirty days after the February 16, 2012 filing date. Any objection to the filing should be directed to (a) the Secretary of the Indiana Utility Regulatory Commission, PNC Center, 101 West Washington Street, Suite 1500 East, Indianapolis, IN 46204 or (b) the Indiana Office of Utility Consumer Counselor, PNC Center, 101 West Washington Street, Suite 1500 South, Indianapolis, IN 46204.