

November 21, 2014

Via Electronic Filing – 30 Day Filings - Electric

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 Northern Indiana Public Service Company's ("NIPSCO") proposed revisions to Rate 634 – Rate for Electric Service – Industrial Power Service for Air Separation & Hydrogen Production Market Customers. The referenced filing consists of NIPSCO's proposed revisions to alter the available capacity under Rate 634, alter the calculation of Contract (Billing) Demand, and identify parameters relating to curtailment and interruption of service. The revisions are shown in the attached redlined tariff. The revisions impact Industrial Customers primarily in the air separation and hydrogen production process industry requesting new or increased service under Rate 634 and that execute a contract with NIPSCO as required under the Rate. Currently only one customer takes service under Rate 634.

The proposed revisions are intended to increase the amount of capacity available under Rider 634, alter the calculation of Contract (Billing) Demand, and identify parameters relating to curtailment and interruption of service under Rate 634. Specifically, the proposed revisions increase the capacity available under Rate 634 to 329,000 kilowatts but also specify that any demand over 276,000 kilowatts is curtailable and interruptible. In addition, the proposed revisions provide a more predictable calculation of Contract (Billing) Demand to the Rate 634 customer while still allowing the customer to increase or decrease its Contract (Billing) Demand within certain parameters.

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The current Rate 634 customer is expected to increase its demand in the near future, and the proposed revisions to Rate 634 are intended to provide an alternative that could be revenue neutral to the current tariff depending upon the actual increased demand scenario. This filing does not impact any other rate schedule. 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:

Frank A. Shambo
Vice President, Regulatory and Legislative Affairs
Northern Indiana Public Service Company
150 West Market Street, Suite 600
Indianapolis, Indiana 46204
317-684-4905
317-684-4918 (Fax)
fshamb@nisource.com

In accordance with 170 IAC 1-6-5(3), the proposed tariff sheet is attached. In accordance with 170 IAC 1-6-5(4), the work paper supporting this filing is attached.

In accordance with 170 IAC 1-6-5(5), I have 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 ("OUCC").

In accordance with 170 IAC 1-6-6, 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>). A copy of the notice to be published in a newspaper of general circulation that has a circulation encompassing the highest number of NIPSCO customers affected by this filing is attached hereto. A copy of the proof of publication will be provided immediately upon its receipt.

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

Sincerely,



Frank A. Shambo
Vice President, Regulatory and Legislative
Affairs

Encl.

cc (w/encl. – via email transmission)

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

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Indiana Utility Regulatory Commission

RATE 634
RATE FOR ELECTRIC SERVICE
INDUSTRIAL POWER SERVICE FOR
AIR SEPARATION & HYDROGEN PRODUCTION MARKET CUSTOMERS

No. 1 of 7 Sheets

TO WHOM AVAILABLE

Available to Industrial Customers primarily in the air separation and hydrogen production process industry whose facilities are located in Indiana adjacent to existing sub-transmission and transmission electric facilities having capacity sufficient to meet the Customer's requirements, subject to the conditions set forth in this Rate Schedule and the Company Rules. Total capacity available under this Rate Schedule is limited to 329,000 kilowatts.

Customer shall contract for an initial definite amount of electrical capacity which shall be no less than 150,000 kilowatts, which may include the aggregation of multiple delivery points to facilitate interruption of load. Customer shall also contract for at least 40 percent (40%) of its total electric load as interruptible in accordance with Option D under Rider 675.

CHARACTER OF SERVICE

The Company will supply a primary metered transmission service to the extent of the capacity available from its electric supply lines, at such frequency, phase, regulation and voltage as it has available at the location where service is required.

The Customer, at its own expense, shall furnish, supply, install and maintain, beginning at the point of delivery all necessary equipment for transmitting, protecting, switching, transforming, converting, regulating and utilizing said electric energy on the premises of the Customer.

The Customer will also supply in accordance with plans and specifications furnished by the Company and at a mutually agreed upon location on the Customer's property, suitable buildings, structures, and foundations to house and support the metering and any protecting, switching, and relaying equipment that may be supplied by the Company.

DETERMINATION OF AMOUNT OF ELECTRIC SERVICE SUPPLIED

The electric service to be supplied under this Rate Schedule shall be measured as to Maximum Demand, Energy Consumption and Reactive Kilovolt-Amperes by an IDR Meter to be installed by the Company.

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RATE 634
RATE FOR ELECTRIC SERVICE
INDUSTRIAL POWER SERVICE FOR
AIR SEPARATION & HYDROGEN PRODUCTION MARKET CUSTOMERS

No. 2 of 7 Sheets

CURTAILMENT AND INTERRUPTIONS

Customer shall be subject to Interruptions and Curtailments as follows:

1. Curtailments of demand over 276,000 kilowatts shall be permitted under this Rate Schedule without limitation as to quantity or duration; and
2. Interruptions of demand over 276,000 kilowatts shall be permitted under this Rate Schedule subject to the following limitations:
 - a. No more than one (1) per day,
 - b. No more than 12 consecutive hours,
 - c. No more than two (2) consecutive days,
 - d. No more than three (3) in any seven (7) days of the week,
 - e. No more than 100 hours per rolling 365 days
3. The demand (kW) that is available for Interruptions and Curtailments under this Rate Schedule is equal to the positive difference between actual demand and 276,000 kilowatts, and
4. This Rate Schedule does not alter or limit Company from calling Curtailments pursuant to Rule 13 of the General Rules and Regulations Applicable to Electric Service. To the extent that Customer takes service under Rider 675 – Interruptible Industrial Service Rider, this Rate Schedule does not alter Customer’s Interruptible Contract Demand under Rider 675 nor does it limit Company from calling Curtailments or Interruptions pursuant to Rider 675. Curtailments and Interruptions under this Rate Schedule are separate and independent from any Curtailments and Interruptions called under Rider 675.
5. The Company shall provide at least one (1) hour advanced notice before an Interruption or Curtailment. Adjustments to the requested Interruptible demand may be increased with a minimum of one (1) hour notice during the Interruption, but in no event shall Company request Customer to reduce its demand below 276,000 kilowatts during an Interruption called under Rate Schedule. Once notice is given to a Customer, an Interruption of a minimum of at least four (4) consecutive hours in length will be deemed to have occurred for purposes of the above limits even if the Company subsequently provides a notice of cancellation of such Interruption.
6. Company may call an Interruption when the applicable real-time LMPs for the Company’s load zone are reasonably forecasted by the Company to be in excess of the Company’s current Commission approved purchased power benchmark that is utilized to develop the Company’s fuel cost charge under Rider 670. Company shall provide a good faith estimate of the duration of an Interruption based upon the information available to Company.

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CURTAILMENT AND INTERRUPTIONS (CONTINUED)

Customers may elect to buy-through an Interruption subject to the Energy Charge provided below.

RATE

The Rates for electric service rendered under this schedule are based upon the measurement of electric energy at the voltage supplied to the Customer. The electric service and Energy supplied hereunder shall be billed under a three-part rate consisting of a Demand Charge plus an Energy Charge plus applicable Riders. The Demand Charge and Energy Charge are as follows:

Demand Charge

The Demand Charge for any month shall be:

\$16.00 per kilowatt for all kilowatts of Contract Demand (Billing Demand) in the month.

Energy Charge

\$0.033646 per kilowatt hour for all energy used in any hour below the Customer's Contract Demand.

\$0.045877 per kilowatt hour for all energy used in any hour above the Customer's Contract Demand up to and including 225,000 kW.

\$0.042000 per kilowatt hour for all energy used in any hour above 225,000 kW.

During Interruptions, all kilowatt hours used in excess of the integrated hourly demand of 276,000 kilowatts shall be subject to an energy charge equal to the Real-Time LMP for the Company's load zone plus a non-fuel energy charge as follows:

Rate 634: \$0.003009 per kilowatt hour.

Prior to 9 AM CST day-ahead, a Customer may elect in writing to Company to pay the Day-Ahead LMP for the Company's load zone in place of the Company's Real-Time LMP for the Company's load zone for any energy taken by the Customer pursuant to this Rate during any Interruptions that occur for that operating day. These charges shall be separate and distinct from any energy charges assessed under Rider 675 and Rider 675 energy charges shall not apply to kilowatt hours used in excess of the integrated hourly demand of 276,000 kilowatts.

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DETERMINATION OF CONTRACT DEMAND

For purposes of this Rate Schedule, the on-peak hours shall be (i) 11 a.m. Central Standard Time through and including 7 p.m. Central Standard Time during the months of June, July, August and September and (ii) 1 p.m. Central Standard Time through and including 9 p.m. Central Standard Time during January, February March, April, May, October, November and December, all excluding Saturdays, Sundays, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

Prior to Customer taking service under this Rate Schedule, Customer and Company shall enter into a contract that identifies the initial standard rate Contract Demand. Thereafter, Customer may, upon 60 days' notice to Company, elect to increase its Contract Demand (Billing Demand). Beginning twenty-four (24) months after the effective date of this Rate Schedule listed below, Customer shall have a one-time option to, upon 60 days' notice to Company, reduce its Contract Demand (Billing Demand) by up to 10%. Thereafter, if Customer's average on-peak demand levels recorded for each half hour interval during any three consecutive months exceed Customer's initial standard Contract Demand, then the Contract Demand (Billing Demand) shall revert back to the initial standard Contract Demand identified in the contract.

DETERMINATION OF DEMAND

The Customer's demand of electric energy supplied shall be determined for each half-hour interval of the month and said demand in kilowatts for each half-hour interval shall be two times the number of kilowatt hours recorded during each such half-hour interval. The phrase "half-hour interval" shall mean the thirty (30) minute period beginning or ending on a numbered clock hour as indicated by the clock controlling the metering equipment.

DETERMINATION OF LAGGING REACTIVE KILOVOLT AMPERES

The Customer's requirements in Lagging Reactive Kilovolt Amperes shall be determined for each half-hour interval of the month and shall be two times the number of Lagging Reactive Kilovolt Ampere Hours recorded during such half-hour interval. No effect whatsoever shall be given hereunder to Customer's leading Reactive Kilovolt Amperes, if any.

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ADJUSTMENT FOR CUSTOMER'S PEAK PERIOD LAGGING REACTIVE KILOVOLT AMPERES

The number of Reactive Kilovolt Amperes shall be computed each month for a Power Factor of 85% lagging using as the basis of said computation the Customer's maximum kilowatt demand for the month during the Peak Period hours thereof.

If the Customer's Maximum Peak Period Requirement in Lagging Reactive Kilovolt Amperes for the month is greater than the number of Reactive Kilovolt Amperes at a Power Factor of 85% lagging, determined as above, an amount equal to the product of \$0.30 multiplied by said difference shall be added to the Customer's bill.

If the Customer's Maximum Peak Period Requirement in Lagging Reactive Kilovolt Amperes for the month is less than the number of Reactive Kilovolt Amperes at a Power Factor of 85% lagging, determined as above, an amount equal to the product of \$0.30 multiplied by said difference shall be deducted from the Customer's bill.

The Customer agrees to control and limit Maximum Off-Peak Period Requirement in Lagging Reactive Kilovolt Amperes so that, as related to the Maximum Off-Peak Period Kilowatt Demand, it shall not exceed in ratio or numerical proportion the ratio of the Maximum Peak Period Requirement in Lagging Reactive Kilovolt Amperes and the Maximum Peak Period Kilowatt Demand; except that if such Maximum Off-Peak Period Kilowatt Demand is less than the Maximum Peak Period Kilowatt Demand, the Customer's Maximum Off-Peak Period Requirement in Lagging Reactive Kilovolt Amperes may equal the Customer's Maximum Peak Period Requirement in Lagging Reactive Kilovolt Amperes.

CUSTOMER LOAD INFORMATION

If requested by the Company, the Customer shall cooperate with the Company by furnishing the Company in writing on or before the first day of August each year a statement of its estimates of the Customer's future load on the Company by months for a subsequent Period of thirty (30) months.

The Customer shall make a reasonable effort to provide the Company in writing with a reasonably accurate hourly load forecast on a daily basis.

The Customer shall notify the Company of any material increase in load no less than sixty (60) days prior to the addition of that load.

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CUSTOMER LOAD INFORMATION (CONTINUED)

The Customer's dispatcher shall cooperate with the Company's dispatcher by furnishing, from time to time, such load information and operating schedules which will enable the Company to plan its generating operations.

Failure to comply with requested information on an ongoing basis may result in Customer being moved to another Rate Schedule, upon ninety days written notice to Customer.

The accuracy of the information herein called for is not guaranteed by the Customer and reliance thereon shall be at the sole risk of the Company.

CUSTOMER'S FAILURE TO COMPLY WITH REQUESTED INTERRUPTIONS OR CURTAILMENT

A Customer is deemed to have failed to comply with a Curtailment or Interruption when the Customer's current integrated Demand, as measured by the meters installed by the Company, has not decreased to a level of the higher of (i) 276,000 or (b) the previous hour's integrated hourly demand immediately preceding notice less the amount of Curtailment or Interruption requested under this Rate Schedule.

If a Customer fails to comply with a Curtailment, Customer's Contract Demand (Billing Demand) shall be equal to the highest of Customer's actual demand levels recorded for each half hour interval during Curtailment. In addition, a Customer failing to comply with a Curtailment shall be subject to the above energy charge during a Curtailment and, the Customer shall be liable for any charges and/or penalties from any outside agency(ies) or duly applicable organization including MISO, FERC and ReliabilityFirst Corporation for failure to comply with a Curtailment. Penalties and charges may be, but are not limited to, penalties associated with disqualification as a Load Modifying Resource.

For Interruptions, the only consequence of such compliance failure will be that the Customer will be deemed to have elected to buy-through its Interruption pursuant to the Energy charge under this Rider to the extent the Customer failed to interrupt its demand.

GENERAL TERMS AND CONDITIONS OF SERVICE

Any Customer requesting service under this Rate Schedule shall enter into a written contract for an initial period of not less than three years, and such contract shall continue thereafter for a total period of not more than ten years unless terminated by either party giving to the other at least one year prior written notice of the termination of such contract.

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GENERAL TERMS AND CONDITIONS OF SERVICE (CONTINUED)

The Delivery Points for electric power and energy delivered under this tariff and contract shall be at the sole discretion of the Company.

RULES AND REGULATIONS

Service hereunder shall be subject to the Company Rules and IURC Rules.

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NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Electric Service Tariff
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Cancelling All Previously Approved Tariffs

First Revised Sheet No. 79
Superseding
Original Sheet No. 79

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RATE 634
RATE FOR ELECTRIC SERVICE
INDUSTRIAL POWER SERVICE FOR
AIR SEPARATION & HYDROGEN PRODUCTION MARKET CUSTOMERS

No. 1 of 7 Sheets

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TO WHOM AVAILABLE

Available to Industrial Customers primarily in the air separation and hydrogen production process industry whose facilities are located in Indiana adjacent to existing sub-transmission and transmission electric facilities having capacity sufficient to meet the Customer's requirements, subject to the conditions set forth in this Rate Schedule and the Company Rules. Total capacity available under this Rate Schedule is limited to 329,000 kilowatts.

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Customer shall contract for an initial definite amount of electrical capacity which shall be no less than 150,000 kilowatts, which may include the aggregation of multiple delivery points to facilitate interruption of load. Customer shall also contract for at least 40 percent (40%) of its total electric load as interruptible in accordance with Option D under Rider 675.

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CHARACTER OF SERVICE

The Company will supply a primary metered transmission service to the extent of the capacity available from its electric supply lines, at such frequency, phase, regulation and voltage as it has available at the location where service is required.

The Customer, at its own expense, shall furnish, supply, install and maintain, beginning at the point of delivery all necessary equipment for transmitting, protecting, switching, transforming, converting, regulating and utilizing said electric energy on the premises of the Customer.

The Customer will also supply in accordance with plans and specifications furnished by the Company and at a mutually agreed upon location on the Customer's property, suitable buildings, structures, and foundations to house and support the metering and any protecting, switching, and relaying equipment that may be supplied by the Company.

DETERMINATION OF AMOUNT OF ELECTRIC SERVICE SUPPLIED

The electric service to be supplied under this Rate Schedule shall be measured as to Maximum Demand, Energy Consumption and Reactive Kilovolt-Amperes by an IDR Meter to be installed by the Company.

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NORTHERN INDIANA PUBLIC SERVICE COMPANY
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Cancelling All Previously Approved Tariffs

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Superseding
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RATE 634
RATE FOR ELECTRIC SERVICE
INDUSTRIAL POWER SERVICE FOR
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CURTAILMENT AND INTERRUPTIONS

Customer shall be subject to Interruptions and Curtailments as follows:

1. Curtailments of demand over 276,000 kilowatts shall be permitted under this Rate Schedule without limitation as to quantity or duration; and
2. Interruptions of demand over 276,000 kilowatts shall be permitted under this Rate Schedule subject to the following limitations:
 - a. No more than one (1) per day,
 - b. No more than 12 consecutive hours,
 - c. No more than two (2) consecutive days,
 - d. No more than three (3) in any seven (7) days of the week,
 - e. No more than 100 hours per rolling 365 days
3. The demand (kW) that is available for Interruptions and Curtailments under this Rate Schedule is equal to the positive difference between actual demand and 276,000 kilowatts, and
4. This Rate Schedule does not alter or limit Company from calling Curtailments pursuant to Rule 13 of the General Rules and Regulations Applicable to Electric Service. To the extent that Customer takes service under Rider 675 – Interruptible Industrial Service Rider, this Rate Schedule does not alter Customer’s Interruptible Contract Demand under Rider 675 nor does it limit Company from calling Curtailments or Interruptions pursuant to Rider 675. Curtailments and Interruptions under this Rate Schedule are separate and independent from any Curtailments and Interruptions called under Rider 675.
5. The Company shall provide at least one (1) hour advanced notice before an Interruption or Curtailment. Adjustments to the requested Interruptible demand may be increased with a minimum of one (1) hour notice during the Interruption, but in no event shall Company request Customer to reduce its demand below 276,000 kilowatts during an Interruption called under Rate Schedule. Once notice is given to a Customer, an Interruption of a minimum of at least four (4) consecutive hours in length will be deemed to have occurred for purposes of the above limits even if the Company subsequently provides a notice of cancellation of such Interruption.
6. Company may call an Interruption when the applicable real-time LMPs for the Company’s load zone are reasonably forecasted by the Company to be in excess of the Company’s current Commission approved purchased power benchmark that is utilized to develop the Company’s fuel cost charge under Rider 670. Company shall provide a good faith estimate of the duration of an Interruption based upon the information available to Company.

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AIR SEPARATION & HYDROGEN PRODUCTION MARKET CUSTOMERS

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CURTAILMENT AND INTERRUPTIONS (CONTINUED)

Customers may elect to buy-through an Interruption subject to the Energy Charge provided below.

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RATE

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The Rates for electric service rendered under this schedule are based upon the measurement of electric energy at the voltage supplied to the Customer. The electric service and Energy supplied hereunder shall be billed under a three-part rate consisting of a Demand Charge plus an Energy Charge plus applicable Riders. The Demand Charge and Energy Charge are as follows:

Demand Charge

The Demand Charge for any month shall be:

\$16.00 per kilowatt for all kilowatts of Contract Demand (Billing Demand) in the month.

Energy Charge

\$0.033646 per kilowatt hour for all energy used in any hour below the Customer's Contract Demand.

\$0.045877 per kilowatt hour for all energy used in any hour above the Customer's Contract Demand up to and including 225,000 kW.

\$0.042000 per kilowatt hour for all energy used in any hour above 225,000 kW.

During Interruptions, all kilowatt hours used in excess of the integrated hourly demand of 276,000 kilowatts shall be subject to an energy charge equal to the Real-Time LMP for the Company's load zone plus a non-fuel energy charge as follows:

Rate 634: \$0.003009 per kilowatt hour.

Prior to 9 AM CST day-ahead, a Customer may elect in writing to Company to pay the Day-Ahead LMP for the Company's load zone in place of the Company's Real-Time LMP for the Company's load zone for any energy taken by the Customer pursuant to this Rate during any Interruptions that occur for that operating day. These charges shall be separate and distinct from any energy charges assessed under Rider 675 and Rider 675 energy charges shall not apply to kilowatt hours used in excess of the integrated hourly demand of 276,000 kilowatts.

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Superseding
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RATE 634
RATE FOR ELECTRIC SERVICE
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DETERMINATION OF CONTRACT DEMAND

For purposes of this Rate Schedule, the on-peak hours shall be (i) 11 a.m. Central Standard Time through and including 7 p.m. Central Standard Time during the months of June, July, August and September and (ii) 1 p.m. Central Standard Time through and including 9 p.m. Central Standard Time during January, February March, April, May, October, November and December, all excluding Saturdays, Sundays, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

Prior to Customer taking service under this Rate Schedule, Customer and Company shall enter into a contract that identifies the initial standard rate Contract Demand. Thereafter, Customer may, upon 60 days' notice to Company, elect to increase its Contract Demand (Billing Demand). Beginning twenty-four (24) months after the effective date of this Rate Schedule listed below, Customer shall,

have a one-time option to, upon 60 days' notice to Company, reduce its Contract Demand (Billing Demand) by up to 10%. Thereafter, if Customer's average on-peak demand levels recorded for each half hour interval during any three consecutive months exceed Customer's initial standard Contract Demand, then the Contract Demand (Billing Demand) shall revert back to the initial standard Contract Demand identified in the contract,

DETERMINATION OF DEMAND

The Customer's demand of electric energy supplied shall be determined for each half-hour interval of the month and said demand in kilowatts for each half-hour interval shall be two times the number of kilowatt hours recorded during each such half-hour interval. The phrase "half-hour interval" shall mean the thirty (30) minute period beginning or ending on a numbered clock hour as indicated by the clock controlling the metering equipment.

DETERMINATION OF LAGGING REACTIVE KILOVOLT AMPERES

The Customer's requirements in Lagging Reactive Kilovolt Amperes shall be determined for each half-hour interval of the month and shall be two times the number of Lagging Reactive Kilovolt Ampere Hours recorded during such half-hour interval. No effect whatsoever shall be given hereunder to Customer's leading Reactive Kilovolt Amperes, if any.

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- Deleted: electric energy shall be determined by calculating the average of each on-peak half-hour demand recorded during the period of July 1, 2009 through and including June 30, 2010. Thereafter, the Contract Demand
- Deleted: be determined as follows:¶
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- ¶ For the year 2013 and each year thereafter, on or before January 15 of each year (the "current calendar year"), Company shall calculate the arithmetic average (the "Average Annual Demand") of
- Deleted: actual
- Deleted: the preceding calendar year, and: ¶
- ¶ if the Average Annual Demand for any year exceeds one hundred twelve and one-half percent (112.5%) of the Contract Demand in effect for that year
- Deleted: for the current calendar year shall be increased by an amount equal to one half of the difference between the Average Annual
- Deleted: and the Contract Demand;¶
- ¶ if the Average Annual Demand for any year is less than eighty-seven and one half percent (87.5%) of the
- Deleted: in effect for that year, then the Contract Demand for the current calendar year shall be decreased by an amount equal one half of the difference between the Average Annual Demand and the Contract Demand; and¶
- ¶ if the Average Annual Demand for any year is the same or greater than 87.5% of the Contract... [1]
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First Revised Sheet No. 83
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ADJUSTMENT FOR CUSTOMER'S PEAK PERIOD LAGGING REACTIVE KILOVOLT AMPERES

The number of Reactive Kilovolt Amperes shall be computed each month for a Power Factor of 85% lagging using as the basis of said computation the Customer's maximum kilowatt demand for the month during the Peak Period hours thereof.

If the Customer's Maximum Peak Period Requirement in Lagging Reactive Kilovolt Amperes for the month is greater than the number of Reactive Kilovolt Amperes at a Power Factor of 85% lagging, determined as above, an amount equal to the product of \$0.30 multiplied by said difference shall be added to the Customer's bill.

If the Customer's Maximum Peak Period Requirement in Lagging Reactive Kilovolt Amperes for the month is less than the number of Reactive Kilovolt Amperes at a Power Factor of 85% lagging, determined as above, an amount equal to the product of \$0.30 multiplied by said difference shall be deducted from the Customer's bill.

The Customer agrees to control and limit Maximum Off-Peak Period Requirement in Lagging Reactive Kilovolt Amperes so that, as related to the Maximum Off-Peak Period Kilowatt Demand, it shall not exceed in ratio or numerical proportion the ratio of the Maximum Peak Period Requirement in Lagging Reactive Kilovolt Amperes and the Maximum Peak Period Kilowatt Demand; except that if such Maximum Off-Peak Period Kilowatt Demand is less than the Maximum Peak Period Kilowatt Demand, the Customer's Maximum Off-Peak Period Requirement in Lagging Reactive Kilovolt Amperes may equal the Customer's Maximum Peak Period Requirement in Lagging Reactive Kilovolt Amperes.

CUSTOMER LOAD INFORMATION

If requested by the Company, the Customer shall cooperate with the Company by furnishing the Company in writing on or before the first day of August each year a statement of its estimates of the Customer's future load on the Company by months for a subsequent Period of thirty (30) months.

The Customer shall make a reasonable effort to provide the Company in writing with a reasonably accurate hourly load forecast on a daily basis.

The Customer shall notify the Company of any material increase in load no less than sixty (60) days prior to the addition of that load.

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Issued Date
12/ /2014

Effective Date
12/ /2014



NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Electric Service Tariff
Original Volume No. 12
Cancelling All Previously Approved Tariffs

Original Sheet No. 83.1

RATE 634
RATE FOR ELECTRIC SERVICE
INDUSTRIAL POWER SERVICE FOR
AIR SEPARATION & HYDROGEN PRODUCTION MARKET CUSTOMERS

No. 6 of 7 Sheets

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CUSTOMER LOAD INFORMATION (CONTINUED)

The Customer's dispatcher shall cooperate with the Company's dispatcher by furnishing, from time to time, such load information and operating schedules which will enable the Company to plan its generating operations.

Failure to comply with requested information on an ongoing basis may result in Customer being moved to another Rate Schedule, upon ninety days written notice to Customer.

The accuracy of the information herein called for is not guaranteed by the Customer and reliance thereon shall be at the sole risk of the Company.

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CUSTOMER'S FAILURE TO COMPLY WITH REQUESTED INTERRUPTIONS OR CURTAILMENT

A Customer is deemed to have failed to comply with a Curtailment or Interruption when the Customer's current integrated Demand, as measured by the meters installed by the Company, has not decreased to a level of the higher of (i) 276,000 or (b) the previous hour's integrated hourly demand immediately preceding notice less the amount of Curtailment or Interruption requested under this Rate Schedule.

If a Customer fails to comply with a Curtailment, Customer's Contract Demand (Billing Demand) shall be equal to the highest of Customer's actual demand levels recorded for each half hour interval during Curtailment. In addition, a Customer failing to comply with a Curtailment shall be subject to the above energy charge during a Curtailment and, the Customer shall be liable for any charges and/or penalties from any outside agency(ies) or duly applicable organization including MISO, FERC and ReliabilityFirst Corporation for failure to comply with a Curtailment. Penalties and charges may be, but are not limited to, penalties associated with disqualification as a Load Modifying Resource.

For Interruptions, the only consequence of such compliance failure will be that the Customer will be deemed to have elected to buy-through its Interruption pursuant to the Energy charge under this Rider to the extent the Customer failed to interrupt its demand.

GENERAL TERMS AND CONDITIONS OF SERVICE

Any Customer requesting service under this Rate Schedule shall enter into a written contract for an initial period of not less than three years, and such contract shall continue thereafter for a total period of not more than ten years unless terminated by either party giving to the other at least one year prior written notice of the termination of such contract.

Issued Date
12/__/2014

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12/__/2014



NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Electric Service Tariff
Original Volume No. 12
Cancelling All Previously Approved Tariffs

Original Sheet No. 83.2

RATE 634
RATE FOR ELECTRIC SERVICE
INDUSTRIAL POWER SERVICE FOR
AIR SEPARATION & HYDROGEN PRODUCTION MARKET CUSTOMERS

No. 7 of 7 Sheets

GENERAL TERMS AND CONDITIONS OF SERVICE (CONTINUED)

The Delivery Points for electric power and energy delivered under this tariff and contract shall be at the sole discretion of the Company.

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RULES AND REGULATIONS

Service hereunder shall be subject to the Company Rules and IURC Rules.

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Received: November 21, 2014

IURC 30-Day Filing No.: 3299

Indiana Utility Regulatory Commission

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in effect for that year, then the Contract Demand for the current calendar year shall be decreased by an amount equal one half of the difference between the Average Annual Demand and the Contract Demand; and

if the Average Annual Demand for any year is the same or greater than 87.5% of the Contract Demand in effect for that year and less than or equal to 112.5% of the Contract Demand for that year, then the Contract Demand for the current calendar year shall not change

Comparison of Revenues under current 634 Rate Schedule and proposed 634 Rate Schedule

Current Contract Demand	2014 expected average on-peak demand	Current 634 Rate Schedule Ratchet*	2015 Contract Demand under Current 634 Rate Schedule	2015 Contract Demand under Proposed 634 Rate Schedule and Amended Standard Contract
X	X + 26	$(X+26 - X)*0.5 = 13$	X+13	X+13

*If the Average Annual Demand for any year exceeds one hundred twelve and one-half percent (112.5%) of the Contract Demand in effect for that year, then the Contract Demand for the current calendar year shall be increased by an amount equal to one half of the difference between the Average Annual Demand and the Contract Demand

Note: Since there are no modifications proposed to the energy rates or blocks, the energy under the proposed 634 Rate Schedule with a contract demand of X+13 MW will be billed the same as a customer who has ratcheted to X+13 MW under the current 634 Rate Schedule

**Verified Statement of Northern Indiana Public Service Company
Concerning Notification of Customers Affected by November 21, 2014 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 (Lake County), a newspaper of general circulation that has a circulation encompassing the highest number of the utility's customers affected by the filing, on November 21, 2014; and
- I affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Dated this 21st day of November, 2014.



Frank A. Shambo
Vice President, Regulatory and Legislative Affairs

NOTICE OF 30-DAY FILING

On or about November 21, 2014, 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 Rate 634 – Rate for Electric Service – Industrial Power Service for Air Separation & Hydrogen Production Market Customers. The proposed revisions alter the available capacity under Rate 634, alter the calculation of Contract (Billing) Demand, and identify parameters relating to curtailment and interruption of service. The revisions impact Industrial Customers primarily in the air separation and hydrogen production process industry requesting new or increased service under Rate 634 and that execute a contract with NIPSCO as required under the Rate. A decision on the 30-Day Filing is anticipated at least thirty days after the November 21, 2014 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.