STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF NORTHERN INDIANA PUBLIC SERVICE COMPANY FOR AUTHORITY TO MODIFY ITS RATES AND CHARGES FOR ELECTRIC UTILITY SERVICE AND FOR APPROVAL OF: (1) CHANGES TO ITS ELECTRIC SERVICE TARIFF INCLUDING A NEW SCHEDULE OF RATES AND CHARGES AND CHANGES TO THE GENERAL RULES AND REGULATIONS AND CERTAIN RIDERS; (2) REVISED DEPRECIATION ACCRUAL RATES; (3) INCLUSION IN ITS BASIC RATES AND CHARGES OF THE COSTS ASSOCIATED WITH CERTAIN PREVIOUSLY APPROVED QUALIFIED POLLUTION CONTROL PROPERTY, CLEAN COAL TECHNOLOGY, CLEAN ENERGY PROJECTS AND FEDERALLY MANDATED COMPLIANCE PROJECTS; AND (4) ACCOUNTING RELIEF TO ALLOW NIPSCO TO DEFER, AS A REGULATORY ASSET OR LIABILITY, CERTAIN COSTS FOR RECOVERY IN A FUTURE PROCEEDING.	CAUSE NO. 44688

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

TESTIMONY OF

GLENN A. WATKINS – PUBLIC'S EXHIBIT NO. 11

JANUARY 22, 2015

Respectfully submitted,

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CERTIFICATE OF SERVICE

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VERIFIED DIRECT TESTIMONY

OF

GLENN A. WATKINS

ON BEHALF OF THE

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

JANUARY 22, 2016

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VERIFIED DIRECT TESTIMONY OF GLENN A. WATKINS ON BEHALF OF INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Glenn A. Watkins. My business address is 9030 Stony Point Parkway, Suite 580, Richmond, Virginia 23235.

Q. WHAT IS YOUR PROFESSIONAL AND EDUCATIONAL BACKGROUND?

A. I am a Principal and Senior Economist with Technical Associates, Inc., which is an economics and financial consulting firm with an office in Richmond, Virginia. Except for a six month period during 1987 in which I was employed by Old Dominion Electric Cooperative, as its forecasting and rate economist, I have been employed by Technical Associates continuously since 1980.

During my 35-year career at Technical Associates, I have conducted hundreds of marginal and embedded cost of service, rate design, cost of capital, revenue requirement, and load forecasting studies involving electric, gas, water/wastewater, and telephone utilities throughout the United States and Canada and have provided expert testimony in Alabama, Arizona, Delaware, Georgia, Illinois, Indiana, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Vermont, Virginia, South Carolina, Washington, and West Virginia. In addition, I have provided expert testimony before State and Federal courts as well as before State legislatures. A more complete description of my education and experience is provided in Attachment GAW-1.

Q. HAVE YOU PREVIOUSLY PROVIDED TESTIMONY BEFORE THIS COMMISSION?

A. Yes. I recently provided testimony on behalf of the Office of Utility Consumer Counselor ("OUCC") in the pending Indianapolis Power & Light Company rate case.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. Technical Associates has been retained by the OUCC to assist in its evaluation of the accuracy and reasonableness of Northern Indiana Public Service Company's ("NIPSCO" or "Company") retail class cost of service study, proposed distribution of revenues by class, rate design, and other tariff issues. The purpose of my testimony, therefore, is to comment on NIPSCO's proposals on these issues and to present my findings and recommendations based on the results of the studies I have undertaken on behalf of the OUCC.

II. SUMMARY OF TESTIMONY

Q. PLEASE PROVIDE A SUMMARY OF YOUR FINDINGS AND RECOMMENDATIONS IN THIS CASE.

A. With regard to class cost allocations (class cost of service), I have determined that NIPSCO's proposed allocation of fixed generation costs based on the 4-CP method does not reflect cost causation imposed upon NIPSCO and should not be relied upon. Instead, I have conducted my studies based upon the 12-CP, Probability of Dispatch, Base-Intermediate-Peak, and Peak & Average methods. I have no other cost allocation disagreements with Dr. Gaske's study. When my recommended cost of service studies are considered, a significantly different level of profits (ROR) at current rates is obtained as well as attendant class revenue responsibility.

With regard to the distribution of any overall increase authorized in this case to individual classes, I have developed a different recommendation to that proposed by Dr. Gaske. My recommendation considers the results of several cost allocation methodologies as well as recognition of the ratemaking principle of gradualism.

NIPSCO's proposed large increases to the residential and small commercial fixed monthly customer charges should be rejected wherein the current rates should be maintained.

III. CLASS COST OF SERVICE

Q. PLEASE BRIEFLY EXPLAIN THE CONCEPT OF A CLASS COST OF SERVICE STUDY ("CCOSS") AND ITS PURPOSE IN A RATE PROCEEDING.

A. Generally, there are two types of cost of service studies used in public utility ratemaking: marginal cost studies and embedded, or fully allocated, cost studies. Consistent with the practices of the Indiana Utility Regulatory Commission ("Commission"), NIPSCO has utilized a traditional embedded cost of service study for purposes of establishing the overall revenue requirement in this case, as well as for class cost of service purposes.

Embedded class cost of service studies are also referred to as fully allocated cost studies because the majority of a public utility's plant investment and expense is incurred to serve all customers in a joint manner. Accordingly, most costs cannot be specifically attributed to a particular customer or group of customers. To the extent that certain costs can be specifically attributed to a particular customer or group of customers, these costs are directly assigned to that customer or group in the CCOSS. Since most of the utility's costs of providing service are jointly incurred to serve all or most customers, they must be allocated across specific customers or customer rate classes.

It is generally accepted that to the extent possible, joint costs should be allocated to customer classes based on the concept of cost causation. That is, costs are allocated to customer classes based on analyses that measure the causes of the incurrence of costs to the utility. Although the cost analyst strives to abide by this concept to the greatest extent practical, some categories of costs, such as corporate overhead costs, cannot be attributed to specific exogenous measures or factors, and must be subjectively assigned or allocated to customer rate classes. With regard to those costs in which cost causation can be attributed, there is often disagreement among cost of service experts on what is an appropriate cost causation measure or factor; e.g., peak demand, energy usage, number of customers, etc.

Q. WHAT ARE THE PRIMARY DRIVERS INFLUENCING ELECTRIC UTILITY COST ALLOCATION STUDIES?

A. Although electric utility cost allocation studies tend to be somewhat complex in that several rate base and expense items tend to be allocated based on internally generated allocation factors, all allocation factors are ultimately a direct function of class contributions to: (a) demands (kW); (b) energy usage (kWh); or, (c) number of customers. In this regard, energy usage (kWh) and number of customers are readily known and measured from billing and financial records. However, class contributions to demands (kW) are not always readily known for every rate class. That is, while some larger user class' demands are known with certainty because they are metered and measured utilizing interval demand meters, other small volume class demands must be estimated based on sample data since these class' meters only measure monthly energy (kWh) usage. Because the vast majority of vertically integrated electric utilities rate base and expense account items are allocated based on some measure of demand, this is a most critical component within the cost allocation process. In other words, the estimation of class contributions to demand serve as the foundation for any class cost allocation study. Therefore, if there are deficiencies or biases within the estimation of class contributions to demand, the resulting cost allocation study will have serious deficiencies or biases and may even be meaningless.

Q. IN YOUR OPINION, HOW SHOULD THE RESULTS OF A CCOSS BE UTILIZED IN THE RATEMAKING PROCESS?

A. Although there are certain principles used by all cost of service analysts, there are often significant disagreements on the specific factors that drive individual costs. These disagreements can and do arise as a result of the quality of data and level of detail available from financial records. There are also fundamental differences in opinions regarding the cost causation factors that should be considered to properly allocate costs to rate schedules or customer classes. Furthermore, and as mentioned previously, numerous subjective decisions are required to allocate the myriad of jointly incurred costs.

In these regards, two different cost studies conducted for the same utility and time period can, and often do, yield different results. As such, regulators should consider CCOSS only as a guide, with the results being used as one of many tools to assign class revenue responsibility when cost causation factors cannot be realistically ascribed to some costs.

Q. HAVE THE HIGHER COURTS OPINED ON THE USEFULNESS OF COST ALLOCATIONS FOR PURPOSES OF ESTABLISHING REVENUE RESPONSIBILITY AND RATES?

A. Yes. In an important regulatory case involving Colorado Interstate Gas Company and the Federal Power Commission (predecessor to FERC), the United States Supreme Court stated:

> But where as here several classes of services have a common use of the same property, difficulties of separation are obvious. Allocation of costs is not a matter for the slide-rule. It involves judgment on a myriad of facts. It has no claim to an exact science.[1]

Q. DOES YOUR OPINION, AND THE FINDINGS OF THE U.S. SUPREME COURT, IMPLY THAT COST ALLOCATIONS SHOULD PLAY NO ROLE IN THE RATEMAKING PROCESS?

A. Not at all. It simply means that regulators should consider the fact that cost allocation results are not surgically precise and that alternative, yet equally defensible approaches may produce significantly different results. In this regard, when all reasonable cost allocation approaches consistently show that certain classes are over or under contributing to costs and/or profits, there is a strong rationale for assigning smaller or greater percentage rate increases to these classes. On the other hand, if one set of reasonable cost allocation approaches show dramatically different results than another reasonable approach, caution should be exercised in assigning disproportionately larger or smaller percentage increases to the classes in question.

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[1] 324 U.S. 581, 65 S. Ct. 829.

Q. PLEASE EXPLAIN HOW YOU PROCEEDED WITH YOUR ANALYSIS OF NIPSCO'S CCOSS.

A. In conducting my independent analysis, I reviewed the structure and organization of the Company's CCOSS and reviewed the accuracy and completeness of the primary drivers (allocators) used to assign costs to rate schedules and classes. Next, I reviewed NIPSCO's selection of allocators to specific rate base, revenue, and expense accounts. I then verified the accuracy of NIPSCO's CCOSS model by replicating its results using my own computer model. Finally, I adjusted certain aspects of the Company's study to better reflect cost causation and cost incidence by rate schedule and customer class.

Q. ARE THERE CERTAIN ASPECTS OF ELECTRIC UTILITY EMBEDDED CCOSS THAT TEND TO BE MORE CONTROVERSIAL THAN OTHERS?

A. Yes. For decades, cost allocation experts and to some degree, utility commissions, have disagreed on how generation and certain distribution plant accounts should be allocated across classes. Beyond a doubt, these two issue areas are the most contentious and often have the largest impact on the results of achieved class rates of return ("ROR").

A. <u>Generation Plant</u>

Q. BEFORE YOU DISCUSS SPECIFIC COST ALLOCATION METHODOLOGIES, PLEASE EXPLAIN HOW GENERATION/PRODUCTION-RELATED COSTS ARE INCURRED; I.E., PLEASE EXPLAIN THE COST CAUSATION CONCEPTS RELATING TO GENERATION/PRODUCTION RESOURCES.

A. Utilities design and build generation facilities to meet the energy and demand requirements of their customers on a collective basis. Because of this, and the physical laws of electricity, it is impossible to determine which customers are being served by which facilities. As such, production facilities are joint costs; i.e., used by all customers. Because of this commonality, production-related costs are not directly known for any customer or customer group and must somehow be allocated.

If all customer classes used electricity at a constant rate (load) throughout the year, there would be no disagreement as to the proper assignment of generation-related costs. All analysts would agree that energy usage in terms of kilowatt-hour ("kWh") would be the proper approach to reflect cost causation and cost incidence. However, such is not the case in that NIPSCO experiences periods (hours) of much higher demand during certain times of the year and across various hours of the day. Moreover, all customer classes do not contribute in equal proportions to these varying demands placed on the generation system. To further complicate matters the electric utility industry is unique in that there is a distinct energy/capacity trade-off relating to production costs. That is, utilities design their mix of production facilities (generation and power supply) to minimize the total costs of energy and capacity, while also ensuring there is enough available capacity to meet peak demands. The trade-off occurs between the level of fixed investment per unit of capacity kilowatt ("kW") and the variable cost of producing a unit of output (kWh). Coal and nuclear units require high capital expenditures resulting in large investment per kW, whereas smaller units with higher variable production costs generally require significantly less investment per kW. Due to varying levels of demand placed on the system over the course of each day, month, and year there is a unique optimal mix of production facilities for each utility that minimizes the total cost of capacity and energy; i.e., its cost of service.

Therefore, as a result of the energy/capacity cost trade-off, and the fact that the service requirements of each utility are unique, many different allocation methodologies have evolved in an attempt to equitably allocate joint production costs to individual classes.

Q. PLEASE EXPLAIN.

A. Total production costs vary each hour of the year. Theoretically, energy and capacity costs should be allocated to customer classes each and every hour of the year. This would result in 8,760 hourly allocations. Although such an analysis is possible with today's technology, hourly supply (generation) and demand (customer load) data is required to conduct such hour-by-hour analyses. While most utilities can and do record hourly production output, they often do not estimate class loads on an hourly basis (at least not for every hour of the year). With these constraints in mind, several allocation methodologies have been developed to allocate electric utility generation plant investment and attendant costs. Each of these methods has strengths and weaknesses regarding the reasonableness in reflecting cost causation.

Q. APPROXIMATELY HOW MANY COST ALLOCATION METHODOLOGIES EXIST RELATING TO THE ALLOCATION OF GENERATION PLANT?

A. The current National Association of Regulatory Utility Commissioners ("NARUC") Electric Utility Cost Allocation Manual discusses at least thirteen embedded demand allocation methods, while Dr. James Bonbright notes the existence of at least 29 demand allocation methods in his treatise Principles of Public Utility Rates.[2]

Q. BRIEFLY DISCUSS THE STRENGTHS AND WEAKNESSES OF COMMON GENERATION COST ALLOCATION METHODOLOGIES.

A. A brief description of the most common fully allocated cost methodologies and attendant strengths and weaknesses are as follows:

Single Coincident Peak ("1-CP") -- The basic concept underlying the 1-CP method is that an electric utility must have enough capacity available to meet its customers' peak coincident demand. As such, advocates of the 1-CP method reason that customers (or classes) should be responsible for fixed capacity costs based on their respective contributions to this peak system load. The major advantages to the 1-CP method are that the concepts are easy to understand, the analyses required to conduct a CCOSS are relatively simple, and the data requirements are significantly less than some of the more complex methods.

The 1-CP method has several shortcomings, however. First, and foremost, is the fact that the 1-CP method totally ignores the capacity/energy trade-off inherent in the electric utility industry. That is, under this method, the sole criterion for assigning one hundred percent of fixed generation costs is the classes' relative contributions to load during a

[2] Principles of Public Utility Rates, Second Edition, 1988, page 495.

single hour of the year. This method does not consider, in any way, the extent to which customers use these facilities during the other 8,759 hours of the year. This may have severe consequences because a utility's planning decisions regarding the amount and type of generation capacity to build and install are predicated not only on the maximum system load, but also on how customers demand electricity throughout the year, i.e., load duration. To illustrate, if a utility such as NIPSCO had a peak load of 3,000 mW and its actual optimal generation mix included an assortment of coal, hydro, combined cycle and combustion turbine units, the actual total cost of installed capacity is significantly higher than if the utility only had to consider meeting 3,000 mW for 1 hour of the year. This is because the utility would install the cheapest type of plant (i.e., peaker units) if it only had to consider one hour a year.

There are two other major shortcomings of the 1-CP method. First, the results produced with this method can be unstable from year to year. This is because the hour in which a utility peaks annually is largely a function of weather. Therefore, annual peak load depends on when severe weather occurs. If this occurs on a weekend or holiday, relative class contributions to the peak load will likely be significantly different than if the peak occurred during a weekday. Second, the other major shortcoming of the 1-CP method is often referred to as the "free ride" problem. This problem can easily be seen with a summer peaking utility that peaks about 5:00 p.m. Because street lights are not on at this time of day, this class will not be assigned any capacity costs and will, therefore, enjoy a "free ride" on the assignment of generation costs that this class requires.

4-CP -- The 4-CP method is identical in concept to the 1-CP method except that the peak loads during the highest four months are utilized. This method generally exhibits the same advantages and disadvantages as the 1-CP method.

Summer and Winter Coincident Peak ("S/W Peak") -- The S/W Peak method was developed because some utilities' annual peak load occurs in the summer during some years and in the winter during others. Because customers' usage and load characteristics may vary by season, the S/W Peak attempts to recognize this. This method is essentially the same as the 1-CP method except that two hours of load are considered instead of one. This method has essentially the same strengths and weaknesses as the 1-CP method, and in my opinion, is no more reasonable than the 1-CP method.

12-CP -- Arithmetically, the 12-CP method is essentially the same as the 1-CP method except that class contributions to each monthly peak are considered. Although the 12-CP method bears little resemblance to how utilities design and build their systems, the results produced by this method better reflect the cost incidence of a utility's generation facilities than does the 1-CP or 4-CP methods.

Most electric utilities have distinct seasonal load patterns such that there are high system peaks during the winter and summer months, and significantly lower system peaks during the spring and autumn months. By assigning class responsibilities based on their respective contributions throughout the year, consideration is given to the fact that utilities will call on all of their resources during the highest peaks, and only use their most efficient plants during lower peak periods. Therefore, the capacity/energy trade-off is implicitly considered to some extent under this method.

The major shortcoming of the 12-CP method is that accurate load data is required by class throughout the year. This generally requires a utility to maintain ongoing load studies. However, once a system to record class load data is in place, the administration and maintenance of such a system is not overly cumbersome for larger utilities.

Peak and Average ("P&A") -- The various P&A methodologies rest on the premise that a utility's actual generation facilities are placed into service to meet peak load and serve consumers demands throughout the entire year; i.e., are planned and installed to minimize total costs (capacity and energy). Hence, the P&A method assigns capacity costs partially on the basis of contributions to peak load and partially on the basis of consumption throughout the year. Although there is not universal agreement on how peak demands should be measured or how the weighting between peak and average demands should be performed, most electric P&A studies use class contributions to coincident-peak demand for the "peak" portion, and weight the peak and average loads based on the system coincident load factor, i.e., the load factor that represents the portion assigned based on consumption (average demand).

The major strengths of the P&A method are that an attempt is made to recognize the capacity/energy trade-off in the assignment of fixed capacity costs, and that data requirements are minimal.

Although the recognition of the capacity/energy trade-off is admittedly arbitrary under the P&A method, most other allocation methods also suffer some degree of arbitrariness. A potential weakness of the P&A method is that a significant amount of fixed capacity investment is allocated based on energy consumption, with no recognition given to lower variable fuel costs during off-peak periods. To illustrate this shortcoming, consider an off-peak or very high load factor class. This class will consume a constant amount of energy during the many cheaper off-peak periods. As such, this class will be assigned a significant amount of fixed capacity costs, while variable fuel costs will be assigned on a system average basis. This can result in an overburdening of costs if fuel costs vary significantly by hour. However, if the consumption patterns of the utility's various classes are such that there is little variation between class time differentiated fuel costs on an overall annual basis, the P&A method can produce fair and reasonable results.

Average and Excess ("A&E") -- The A&E method also considers both peak demands and energy consumption throughout the year. However, the A&E method is much different than the P&A method in both concept and application. The A&E method recognizes class load diversity within a system, such that all classes do not call on the utility's resources to the same degree, at the same times. Mechanically, the A&E method weights average and excess demands based on system coincident load factor. Individual class "excess" demands represent the difference between the class non-coincident peak demand and its average annual demand. The classes' "excess" demands are then summed to determine the system excess demand. Under this method, it is important to distinguish between coincident and non-coincident demands. This is because if coincident, instead of non-coincident, demands are used when calculating class excesses, the end result will be exactly the same as that achieved under the 1-CP method.

Although the A&E method bears virtually no resemblance to how generation systems are designed, this method can produce fair and reasonable results for some utilities. This is because no class will receive a "free-ride" under this method, and because recognition is given to average consumption as well as to the additional costs imposed by not maintaining a perfectly constant load.

A potential shortcoming of this method is that customers that only use power during off-peak periods will be overburdened with costs. Under the A&E method, off-peak customers will be assigned a higher percentage of capacity costs because their non-coincident load factor may be very low even though they call on the utility's resources only during off-peak periods. As such, unless fuel costs are time differentiated, this class will be assigned a large percentage of capacity costs and may not receive the benefits of cheaper off-peak energy costs. Another weakness of the A&E method is that extensive and accurate class load data is required.

Base/Intermediate/Peak ("BIP") -- The BIP method is also known as a production stacking method, explicitly recognizes the capacity and energy tradeoff inherent with generating facilities in general, and specifically, recognizes the mix of a particular utility's resources used to serve the varying demands throughout the year. The BIP method classifies and assigns individual generating resources based on their specific purpose and role within the utility's actual portfolio of production resources and also assigns the dollar amount of investment by type of plant such that a proper weighting of investment costs between expensive base load units relative to inexpensive peaker units is recognized within the cost allocation process.

A major strength of the BIP method is explicit recognition of the fact that individual generating units are placed into service to meet various needs of the system. Expensive base load units, with high capacity factors run constantly throughout the year to meet the energy needs of all customers. These units operate during all periods of demand including low system load as well as during peak use periods. Base load units are, therefore, classified and allocated based on their roles within the utility's portfolio of resource; i.e., energy requirements.

At the other extreme are the utility's peaker units that are designed, built, and operated only to run a few hours of the year during peak system requirements. These peaker units serve only peak loads and are, therefore, classified and allocated on peak demand.

Situated between the high capacity cost/low energy cost base load units and the low capacity cost/high energy cost peaker units are intermediate generating resources. These units may not be dispatched during the lowest periods of system load but, due to their relatively efficient energy costs, are operated during many hours of the year. Intermediate resources are classified and allocated based on their relative usage to peak capability ratios; i.e., their capacity factor.

Finally, hydro units are evaluated on a case-by-case basis. This is because there are several types of hydro generating facilities including run of the river units that run most of the time with no fuel costs, and units powered by stored water in reservoirs that operate under several environmental and hydrological constraints including flood control, downstream flow requirements, management of fisheries, and watershed replenishment. Within the constraints just noted and due to their ability to store potential energy, these units are generally dispatched on a seasonal or diurnal basis to minimize short-term energy costs and also assist with peak load requirements. Pumped storage units are unique in that water is pumped up to a reservoir during off-peak hours (with low energy costs) and released during peak hours of the day. Depending on the characteristics of a unit, hydro facilities may be classified as energy-related (e.g., run of the river), peak-related (e.g., pumped storage) or a combination of energy and demand-related (traditional reservoir storage). The potential weakness of the BIP method is the same as under other methods where no recognition is given to lower variable fuel costs during off-peak periods.

Probability of Dispatch -- The Probability of Dispatch method is the most theoretically correct and most equitable method to allocate generation costs when specific data is available. Under this approach, each generation asset's (plant or unit) investment is evaluated on an hourly basis over every hour of the year. That is, each generating unit's gross investment is assigned to individual hours based upon how that individual plant is operated during each hour of the year. In this method, the investment costs associated with base load units which operate almost continuously throughout the year, are spread throughout numerous hours of the year while the investment cost associated with individual peaker units which operate only a few hours during peak periods are assigned to only a few peak hours of the year. The capacity costs for all generating units operating in a particular hour are then summed to develop the total hourly investment assigned to each hour. These hourly generating unit investments are then assigned to individual rate classes based on class contributions to system load for every hour of the year.

As a result of such analyses, the Probability of Dispatch method properly reflects the cost causation imposed by individual classes because it reflects the actual utilization of a utility's generation resources. Put differently, the assignment of generation costs is consistent with the utility's planning process to invest in a portfolio of generation resources wherein high fixed cost/low variable cost base load generation units are assigned to classes, based on these units' output, over the majority of hours during the year (because they will, on an expected basis, be called upon to operate over the majority of hours during the year). In contrast, the investment costs associated with the low fixed cost/high variable cost peaker units are assigned to those classes in proportion over relatively fewer hours during a year (because they will, on an expected basis, be called upon to operate over fewer hours). As is evident from the above discussion, the Probability of Dispatch method requires a significant amount of data such that hourly output from each generator is required as well as detailed load studies encompassing each hour of the year (8,760 hours).

Equivalent Peaker ("EP") -- The EP method combines certain aspects of traditional embedded cost methods with those used in forward-looking marginal cost studies. The

EP method often relies on planning information in order to classify individual generating units as energy or demand-related and considers the need for a mix of base load intermediate and peaking generation resources.

The EP method has substantial intuitive appeal in that base load units that operate with high capacity factors are allocated largely on the basis of energy consumption with costs shared by all classes based on their usage, while peaking units that are seldom used and only called upon during peak load periods are allocated based on peak demands to those classes contributing to the system peak load. However, this method requires a significant level of assumptions regarding the current (or future) costs of various generating alternatives.

Q. MR. WATKINS, YOU HAVE DISCUSSED THE STRENGTHS AND WEAKNESSES OF THE MORE COMMON GENERATION ALLOCATION METHODOLOGIES. ARE ANY OF THESE METHODS CLEARLY INFERIOR IN YOUR VIEW?

A. Yes. In my opinion, cost allocation methods that only consider peak loads (demands) such as the 1-CP, 4-CP, etc. do not reasonably reflect cost causation for electric utilities because these methods totally ignore the type and level of investments made to provide generation service. When generation cost responsibility is assigned to rate classes only on a few hours of peak demand, there is an explicit assumption that there is a direct and proportional correlation between peak load (for a few hours) and the utility's <u>total</u> investment in its portfolio of generation assets. Such is certainly not the case with utilities such as NIPSCO wherein the majority of generation assets are comprised of base load coal units installed to provide power throughout the year. Furthermore, the total dollar amount of generation investment for utilities such as NIPSCO that have coal generation facilities includes a substantial, if not the majority of, its net investment to comply with environmental or pollution control requirements. These environmental or pollution control investments are related to the burning of fuel, which is energy-related.

Perhaps the simplest way to explain how a utility plans and builds its portfolio of generation assets and facilities is to consider the differences between capital costs and operating costs of various generation alternatives. Virtually every utility, including NIPSCO, has a mix of different types of generation facilities including large base load units, intermediate plants, and small peaker units. Individual generating unit investment costs vary from a low of a few hundred dollars per kW of capacity for high operating cost (energy cost) peakers to several thousand dollars per kW for base load coal facilities with low operating costs. If a utility were only concerned with being able to meet peak load with no regard to operating costs, it would simply install inexpensive peakers. Under such an unrealistic system design, plant costs would be much lower than in reality but variable operating costs (primarily fuel costs) would be astronomical and would result in a higher overall cost to serve customers.

Peak responsibility methods such as the 1-CP and 4-CP totally ignore the planning criteria used by utilities to minimize the total cost of providing service, do not reflect the utilization of its portfolio of generating assets throughout the year, and therefore, do not reflect in any way how capital costs are incurred; i.e., do not reflect cost causation.

Q. WHAT COST ALLOCATION METHODOLOGY DID DR. GASKE UTILIZE TO ALLOCATE GENERATION PLANT COSTS WITHIN HIS CCOSS?

A. Dr. Gaske conducted CCOSS utilizing the 4-CP and 12-CP methods to allocate NIPSCO's generation assets. However, Dr. Gaske advocates only the use of the 4-CP method for purposes of this case.

Q. WHAT SUPPORT DOES DR. GASKE PROVIDE FOR UTILIZING THE 4-CP METHOD TO ALLOCATE GENERATION PLANT?

A. Dr. Gaske's sole criteria for utilizing the 4-CP method to allocate generation plant is that he relied upon benchmark standards utilized by the Federal Energy Regulatory Commission ("FERC") wherein the allocation of generation or fixed production costs are at issue. It is useful to note that such benchmarks have nothing to do with NIPSCO's retail class cost of service, as virtually all the Company's purchased power costs are incurred from market-based rates and thus do not reflect rates resulting from FERC embedded cost allocations. Additionally, this Commission is not in any way wed to, or encumbered by, the practices of another regulatory commission. Indeed, it is not my intention to criticize the practices that FERC chooses to use; every commission has its own expertise and discretion to use its judgment as to how to regulate rates. As an illustration, FERC treats Accumulated Deferred Income Taxes ("ADIT") as an offset to rate base whereas this Commission is of the opinion that ADIT should be reflected within a company's capital structure and cost of capital for ratemaking purposes. Clearly, the Indiana Utility Regulatory Commission is not bound by, nor should it be constrained to use, the practices of another regulatory commission.

Q. ALTHOUGH IT IS YOUR OPINION THAT THE 4-CP METHOD DOES NOT REASONABLY REFLECT COST CAUSATION, DOES DR. GASKE'S 4-CP CCOSS RESULT IN ANY CLASS' RECEIVING A FREE RIDE IN COST RESPONSIBILITY?

A. Yes. Dr. Gaske's 4-CP method is based on the four highest peak hours during the months of June through September 2014. Each of these peak hours occurred during the mid-afternoon hours.[3] During these four hours, the Street and Area Lighting classes' demands were zero such that Dr. Gaske assigns absolutely no generation cost responsibility to these classes (Rates 650 and 655). Therefore, even though Street and Area Lighting require generation service, they are not assigned a single dollar of rate base associated with generation capacity cost.

Q. HAVE YOU CONDUCTED ALTERNATIVE STUDIES THAT MORE ACCURATELY REPRESENT THE CAPACITY AND ENERGY TRADE-OFFS EXHIBITED IN NIPSCO'S GENERATION PLANT INVESTMENT?

A. Yes. As indicated earlier, there is no single, or absolute, correct method to allocate joint generation costs. While some methods are superior to others, it is my opinion that the results of multiple, yet reasonable, methods should be considered in evaluating class profitability as well as class revenue responsibility.

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[3] The peak hours utilized by Dr. Gaske are as follows: 6/30/14 @ 1600 hrs.; 7/22/14 @ 1600 hrs/; 8/25/14 @ 1200 hrs.; and, 9/5/14 @ 1400 hrs.

In my opinion, the Probability of Dispatch, BIP and P&A methods better reflect the capacity/energy tradeoffs that exist within an electric utility's generation-related costs. This is particularly true and important for NIPSCO given the fact that the preponderance of its investment in generation plant is associated with coal-fired generation facilities. As such, I have conducted alternative CCOSS utilizing each of these three allocation methodologies. Furthermore, I have also given consideration to the 12-CP method to allocate generation plant.

1. <u>Probability of Dispatch Method</u>

Q. PLEASE EXPLAIN HOW YOU CONDUCTED YOUR CCOSS UTILIZING THE PROBABILITY OF DISPATCH METHOD.

A. As discussed earlier, the Probability of Dispatch method is the most theoretically correct methodology to assign embedded (historical) generation plant investment. However, the data required to utilize this methodology is often not available because this approach requires detailed hourly output (production) data for each generating facility as well as hourly class loads. With regard to generation output, NIPSCO provided hourly production for each generating unit. With regard to hourly class loads, NIPSCO provided the following: total jurisdictional internal load;[4] actual metered loads for the Large Commercial and Industrial classes (with adjustments consistent with its rate case application); sample load data for Residential and Small/Medium Commercial classes; and, estimated loads for the Lighting classes. With this data, and notwithstanding the deficiencies and biases discussed earlier, I was able to utilize NIPSCO's approach and methodology to estimate class contributions to load for each hour of the test year. I was then able to conduct a CCOSS utilizing the Probability of Dispatch method.

The first step in conducting the Probability of Dispatch method is to assign individual generating plant investments to specific hours. In accordance with the procedures set

[4] Internal load is defined as: jurisdictional native retail load, per OUCC-18-006.

forth in the NARUC: Electric Utility Cost Allocation Manual,[5] each plant's total gross investment was assigned pro-ratably to each hour of the year based on each respective unit's load (output) in that hour.[6] My Attachment GAW-2 provides a single page of these hourly assignments. It should be noted that this exercise actually assigns costs to 8,760 hours; however, my Attachment GAW-2 only encompasses several of the first hours in the test year to avoid attachments exceeding 125 pages. My filed workpapers contain the details of this assignment for each and every hour of the test year.

Once hourly investment costs are known, these costs were then assigned to individual rate classes on an hour-by-hour basis based on each class' contribution to total load during each hour. Class hourly loads were developed using the same approach and methodology as used by NIPSCO and also reflects the adjustments to various industrial loads as proposed in the Company's rate application.[7] Each class' relative contribution to NIPSCO's total internal load in a given hour was multiplied by that hour's total generation investment cost. The hourly class investment costs were then summed for all hours of the year to develop class responsibility for NIPSCO's generation plant. Attachment GAW-3 provides summaries of the hourly assignment of generation costs to individual rate classes. The class assignments to every hour of the test year are provided in my filed workpapers.

Q. PLEASE PROVIDE A COMPARISON OF GENERATION ALLOCATION FACTORS UNDER DR. GASKE'S 4-CP APPROACH TO THOSE OBTAINED UNDER THE HOUR-BY-HOUR PROBABILITY OF DISPATCH METHOD.

A. The following table provides a comparison of class allocation factors under the 4-CP and Probability of Dispatch methods:

[5] 1992 Edition, page 62.

[6] Individual plant (unit) gross investment is that reported in NIPSCO's 2014 FERC Form 1. Actual test year investment by unit is not available as per OUCC-9-007, Attachment C. Hourly output by unit as per OUCC-9-013 and U.S. Steel-2-037.

[7] Per OUCC-9-021, OUCC-18-006, and OUCC-18-12.

Comparison of 4-CP and Probability of Dispatch
Allocation Factors

Rate Class and Rate Code		NIPSCO 4-CP		Probability Of Dispatch	
Residential	611-613	30.28%		20.93%	
Comm. & Gen'l Svc. – Heat Pump	620	0.00%	a/	0.07%	
General Service – Small	621	10.92%		9.13%	
Commercial Spaceheating	622	0.00%	a/	0.09%	
General Service – Medium	623	11.35%		9.05%	
General Service – Large	624	12.69%		13.48%	
Metal Melting Service	625	0.35%		0.54%	
Off-Peak Service	626	4.03%		4.82%	
Industrial Power Service	632	10.59%		12.91%	
High Load Factor Ind. Pwr. Service	633	10.50%		15.51%	
Ind. Pwr. Svc. for Air Sep. & Hydrogen Prod.	634	8.71%		12.63%	
Municipal Power	641	0.13%		0.18%	
Intermittent Wastewater Pumping	642	0.00%	a/	0.00%	a/
Railroad Power Service	644	0.06%		0.12%	
Streetlighting	650	0.00%	b/	0.16%	
Traffic & Directive Lighting	655	0.03%		0.04%	
Dusk to Dawn Area Lighting	660	0.00%	b/	0.07%	
Interdepartmental	--	0.37%		0.28%	
Total		100.00%		100.00%	

a/ Actual allocation factor is slightly greater than 0.
b/ Actual allocation factor is exactly equal to 0.

Q. PLEASE PROVIDE A SUMMARY OF THE RESULTS OBTAINED UTILIZING THE PROBABILITY OF DISPATCH METHOD.

A. First it should be noted that the following summary and comparison utilizes all other allocations and procedures used by Dr. Gaske in conducting his 4-CP CCOSS. The following table provides an apples-to-apples comparison of Dr. Gaske's 4-CP results to those obtained utilizing the Probability of Dispatch method:

Comparison of 4-CP and Probability of Dispatch Results
ROR @ Current Rates

Rate Class and Rate Code		NIPSCO 4-CP	Probability Of Dispatch
Residential	611-613	1.82%	4.55%
Comm. & Gen'l Svc. – Heat Pump	620	-4.99%	-8.48%
General Service – Small	621	9.14%	11.24%
Commercial Spaceheating	622	7.26%	-1.16%
General Service – Medium	623	6.00%	8.83%
General Service – Large	624	6.71%	5.97%
Metal Melting Service	625	2.60%	-1.33%
Off-Peak Service	626	6.71%	4.44%
Industrial Power Service	632	5.58%	2.90%
High Load Factor Ind. Pwr. Service	633	6.42%	1.12%
Ind. Pwr. Svc. for Air Sep. & Hydrogen Prod.	634	2.12%	-2.03%
Municipal Power	641	3.67%	1.87%
Intermittent Wastewater Pumping	642	128.14%	101.70%
Railroad Power Service	644	8.15%	3.87%
Streetlighting	650	1.44%	-1.11%
Traffic & Directive Lighting	655	15.80%	10.82%
Dusk to Dawn Area Lighting	660	-1.00%	-3.92%
Interdepartmental	--	-7.13%	-5.92%
Total		4.64%	4.64%

As can be seen in the table above, there are significant differences for some classes and minimal differences for other classes. For example, the residential rate of return ("ROR") increases from 1.82% to 4.55%, while several of the industrial classes RORs are significantly reduced. My Probability of Dispatch CCOSS is provided in my Attachment GAW-4.

Q. CAN YOU QUALITATIVELY EXPLAIN WHY THE PROBABILITY OF DISPATCH METHOD PRODUCES SIGNIFICANTLY DIFFERENT RESULTS FOR SOME CLASSES?

A. Yes. NIPSCO's portfolio of generating assets is overwhelmingly comprised of base load coal units that provide energy to the system throughout the year. At the same time, NIPSCO has a much smaller investment in intermediate and peaker units. The Probability of Dispatch method properly recognizes the fact that NIPSCO's base load units are much more expensive and assigns these costs based on its actual dispatch (operation) during the year. The 4-CP method does not recognize the investment or operational characteristics of NIPSCO's generation portfolio as it simply allocates the Company's total combined investment in generation plant based on four peak hours of the year. As such, the 4-CP method under-assigns generation costs to the high load factor industrial classes and over-assigns costs to the lower load factor residential class.

2. Base-Intermediate-Peak ("BIP") Method

Q. PLEASE EXPLAIN HOW YOU CONDUCTED YOUR CCOSS UTILIZING THE BASE-INTERMEDIATE-PEAK METHOD.

A. In order to reflect the capacity/energy trade-off inherent in NIPSCO's mix of generating resources, each plant's maximum capacity (mW) and output (mWh) during the test year is required. Attachment GAW-5 provides the classification between energy and demand for NIPSCO's generation plant under the BIP method. This method evaluates each plant based on its capacity factor and variable fuel costs to determine whether that plant operates to serve primarily energy needs throughout the year, only peak loads, or is of an intermediate type that serves both energy and peak load requirements. In developing the amount of investment that is classified as energy vs. demand-related, the investment in each fossil fuel generating plant was allocated based on its capacity factor such that the percent that is deemed energy-related is equal to the capacity factor, while the demand-related portion is one minus the capacity factor. It should be noted, however, that for each coal plant, the amount of pollution and environmental control investment is shown as a separate line item and is considered to be 100% energy-related as these facilities are required to minimize particulates and other pollutants caused by the burning of fuel throughout the year.[8] Furthermore, NIPSCO's minimal investment in hydro generating plants are deemed to be 100% energy-related as these are "run-of-the-river" generating plants.

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[8] The amount of investment in pollution and environmental control facilities is understated as the amounts shown in Attachment GAW-5 only reflect those ECR investments rolled into base rates during NIPSCO's last base rate case as provided in Exhibit 3 to Schedule 1 of ECR-17 (Cause No. 42150) <u>plus</u> those placed into service subsequent to NIPSCO's last base rate case per OUCC Informal Data Request 2-001 (ECR-26 excluding CWIP).

Q. PLEASE PROVIDE A COMPARISON OF GENERATION ALLOCATION FACTORS UNDER DR. GASKE'S 4-CP APPROACH TO THOSE OBTAINED UNDER THE BASE-INTERMEDIATE-PEAK METHOD.

A. The following table provides a comparison of class allocation factors under the 4-CP and BIP methods:

Comparison of 4-CP and BIP
Allocation Factors

Rate Class and Rate Code		NIPSCO 4-CP		BIP	
Residential	611-613	30.28%		24.37%	
Comm. & Gen'l Svc. – Heat Pump	620	0.00%	a/	0.05%	
General Service – Small	621	10.92%		9.44%	
Commercial Spaceheating	622	0.00%	a/	0.06%	
General Service – Medium	623	11.35%		9.51%	
General Service – Large	624	12.69%		12.57%	
Metal Melting Service	625	0.35%		0.44%	
Off-Peak Service	626	4.03%		4.61%	
Industrial Power Service	632	10.59%		12.53%	
High Load Factor Ind. Pwr. Service	633	10.50%		14.01%	
Ind. Pwr. Svc. for Air Sep. & Hydrogen Prod.	634	8.71%		11.53%	
Municipal Power	641	0.13%		0.15%	
Intermittent Wastewater Pumping	642	0.00%	a/	0.00%	a/
Railroad Power Service	644	0.06%		0.09%	
Streetlighting	650	0.00%	b/	0.21%	
Traffic & Directive Lighting	655	0.03%		0.04%	
Dusk to Dawn Area Lighting	660	0.00%	b/	0.05%	
Interdepartmental	--	0.37%		0.37%	
Total		100.00%		100.00%	

a/ Actual allocation factor is slightly greater than 0.
b/ Actual allocation factor is exactly equal to 0.

Q. PLEASE PROVIDE A SUMMARY OF THE RESULTS OBTAINED UTILIZING THE BIP METHOD.

A. The following summary and comparison utilizes all other allocations and procedures used by Dr. Gaske in conducting his 4-CP CCOSS. The following table provides an apples-to-apples comparison of Dr. Gaske's 4-CP results to those obtained utilizing the BIP method:

Comparison of 4-CP and BIP Results
ROR @ Current Rates

Rate Class and Rate Code		NIPSCO 4-CP	BIP
Residential	611-613	1.82%	3.43%
Comm. & Gen'l Svc. – Heat Pump	620	-4.99%	-7.54%
General Service – Small	621	9.14%	10.86%
Commercial Spaceheating	622	7.26%	0.94%
General Service – Medium	623	6.00%	8.21%
General Service – Large	624	6.71%	6.85%
Metal Melting Service	625	2.60%	0.44%
Off-Peak Service	626	6.71%	5.02%
Industrial Power Service	632	5.58%	3.29%
High Load Factor Ind. Pwr. Service	633	6.42%	2.41%
Ind. Pwr. Svc. for Air Sep. & Hydrogen Prod.	634	2.12%	-1.09%
Municipal Power	641	3.67%	2.98%
Intermittent Wastewater Pumping	642	128.14%	110.30%
Railroad Power Service	644	8.15%	5.50%
Streetlighting	650	1.44%	-1.69%
Traffic & Directive Lighting	655	15.80%	12.44%
Dusk to Dawn Area Lighting	660	-1.00%	-3.15%
Interdepartmental	--	-7.13%	-7.19%
Total		4.64%	4.64%

As can be seen in the table above, there are significant differences for some classes and minimal differences for other classes. For example, the residential ROR increases from 1.82% to 3.43%, while several of the industrial classes RORs are significantly reduced. A summary of my BIP CCOSS results are provided in my Attachment GAW-6, while the details are provided in my filed workpapers.

3. Peak & Average ("P&A") Method

Q. PLEASE EXPLAIN HOW YOU CONDUCTED YOUR CCOSS UTILIZING THE P&A METHOD.

A. I utilized NIPSCO's test year retail load factor of 63.26% in order to weight the energy (average) portion versus the peak portion of the P&A allocator.

Q. WHAT MEASURE OF PEAK DEMAND DID YOU USE FOR THE DEMAND PORTION OF THE P&A ALLOCATOR?

A. I used Dr. Gaske's class contributions to the 1-CP demand rather than the 4-CP demand to reflect the peak nature and responsibility of class loads.[9] I have selected this measure of peak demand because in my opinion, the use of class contributions to 1-CP better reflect the spirit and concepts of the P&A method.

Q. PLEASE PROVIDE A COMPARISON OF GENERATION ALLOCATION FACTORS UNDER DR. GASKE'S 4-CP APPROACH TO THOSE OBTAINED UNDER THE P&A METHOD.

A. The following table provides a comparison of class allocation factors under the 4-CP and P&A methods:

Comparison of 4-CP and P&A
Allocation Factors

Rate Class and Rate Code		NIPSCO 4-CP		P&A	
Residential	611-613	30.28%		24.15%	
Comm. & Gen'l Svc. – Heat Pump	620	0.00%	a/	0.05%	
General Service – Small	621	10.92%		9.40%	
Commercial Spaceheating	622	0.00%	a/	0.06%	
General Service – Medium	623	11.35%		9.46%	
General Service – Large	624	12.69%		12.59%	
Metal Melting Service	625	0.35%		0.45%	
Off-Peak Service	626	4.03%		4.63%	
Industrial Power Service	632	10.59%		12.57%	
High Load Factor Ind. Pwr. Service	633	10.50%		14.13%	
Ind. Pwr. Svc. for Air Sep. & Hydrogen Prod.	634	8.71%		11.61%	
Municipal Power	641	0.13%		0.15%	
Intermittent Wastewater Pumping	642	0.00%	a/	0.00%	a/
Railroad Power Service	644	0.06%		0.09%	
Streetlighting	650	0.00%	b/	0.22%	
Traffic & Directive Lighting	655	0.03%		0.04%	
Dusk to Dawn Area Lighting	660	0.00%	b/	0.05%	
Interdepartmental	--	0.37%		0.36%	
Total		100.00%		100.00%	

a/ Actual allocation factor is slightly greater than 0.
b/ Actual allocation factor is exactly equal to 0.

[9] Per Gaske Workpaper 17-F.2.

Q. WHAT ARE THE RESULTS OF YOUR CCOSS UTILIZING THE P&A METHOD TO ALLOCATE GENERATION COSTS?

A. The following summary and comparison utilizes all other allocations and procedures used by Dr. Gaske in conducting his 4-CP CCOSS. The following table provides an apples-to-apples comparison of Dr. Gaske's 4-CP results to those obtained utilizing the P&A method:

Comparison of 4-CP and P&A Results
ROR @ Current Rates

Rate Class and Rate Code		NIPSCO 4-CP	P&A
Residential	611-613	1.82%	3.50%
Comm. & Gen'l Svc. – Heat Pump	620	-4.99%	-7.60%
General Service – Small	621	9.14%	10.91%
Commercial Spaceheating	622	7.26%	0.80%
General Service – Medium	623	6.00%	8.27%
General Service – Large	624	6.71%	6.84%
Metal Melting Service	625	2.60%	0.32%
Off-Peak Service	626	6.71%	4.95%
Industrial Power Service	632	5.58%	3.24%
High Load Factor Ind. Pwr. Service	633	6.42%	2.30%
Ind. Pwr. Svc. for Air Sep. & Hydrogen Prod.	634	2.12%	-1.16%
Municipal Power	641	3.67%	2.92%
Intermittent Wastewater Pumping	642	128.14%	109.63%
Railroad Power Service	644	8.15%	5.39%
Streetlighting	650	1.44%	-1.77%
Traffic & Directive Lighting	655	15.80%	12.31%
Dusk to Dawn Area Lighting	660	-1.00%	-3.21%
Interdepartmental	--	-7.13%	-7.13%
Total		4.64%	4.64%

The P&A approach produces results very similar to those obtained under the BIP method. A summary of my P&A CCOSS results are provided in my Attachment GAW-7, while the details are provided in my filed workpapers.

Q. EARLIER IN YOUR TESTIMONY YOU INDICATED THAT THE PROBABILITY OF DISPATCH, BIP, AND P&A METHODS MAY NOT PROPERLY RECOGNIZE CLASS VARIANCES IN VARIABLE PRODUCTION COSTS. HAVE YOU EXAMINED WHETHER THERE ARE MATERIAL DIFFERENCES IN CLASS FUEL/PURCHASED POWER COSTS WHEN ANALYZED ON AN HOURLY BASIS?

A. Yes I have. As discussed earlier, NIPSCO provided each generation plant's hourly output during the test year. In addition, in response to OUCC-9-012, Confidential Attachment A, the Company provided average annual fuel costs (per mWh) for each plant. With this data, I was able to calculate hourly fuel costs by individual generating plant. Because NIPSCO also purchases a significant amount of energy from MISO, hourly purchased power costs are also reflected in my hourly analysis. Similarly, my hourly cost analysis deducts the fuel-related costs associated with Off-System Sales ("OSS") to arrive at total hourly fuel/purchased power costs. These hourly fuel/purchased power costs were then assigned to individual rate classes on an hour-by-hour basis based on class hourly loads discussed previously. The end result of this analysis yielded very similar hourly fuel costs across all classes such that all classes' fuel/purchased power costs are within ±1.5% of the system average annual cost as shown below[10]:

[10] The hourly fuel cost associated with Interdepartmental sales is within 2.30% of the system average cost. The details are provided in my filed workpapers.

NIPSCO Class Hourly Fuel/Purchased Power Costs

Rate Class and Rate Code		Avg. Cost Per mWh	Deviation From Sys. Average
Residential	611-613	$30.03	1.0%
Comm. & Gen'l Svc. – Heat Pump	620	$29.39	-1.2%
General Service – Small	621	$30.05	1.0%
Commercial Spaceheating	622	$29.61	-0.4%
General Service – Medium	623	$30.11	1.3%
General Service – Large	624	$29.86	0.4%
Metal Melting Service	625	$29.72	-0.1%
Off-Peak Service	626	$29.82	0.3%
Industrial Power Service	632	$29.46	-0.9%
High Load Factor Ind. Pwr. Service	633	$29.35	-1.3%
Ind. Pwr. Svc. for Air Sep. & Hydrogen Prod.	634	$29.40	-1.1%
Municipal Power	641	$30.05	1.0%
Intermittent Wastewater Pumping	642	$29.87	0.4%
Railroad Power Service	644	$29.42	-1.1%
Streetlighting	650	$29.70	-0.1%
Traffic & Directive Lighting	655	$29.87	0.4%
Dusk to Dawn Area Lighting	660	$29.69	-0.2%
Interdepartmental	--	$30.42	2.3%
Total System		$29.74	--

Q. WHAT ARE YOUR CONCLUSIONS REGARDING THE PROPER ALLOCATION OF NIPSCO'S GENERATION PLANT?

A. The Probability of Dispatch and BIP methods are very detailed approaches that are theoretically sound and reasonably reflect the capacity/energy trade-off in generation facilities specific to NIPSCO's investment. As such, these two methods are the most "accurate" methods from a cost causation perspective. While the 12-CP and P&A methods are much simpler in their data requirements, as well as in their analytical applications, and are admittedly somewhat arbitrary, they too recognize the fact that much of NIPSCO's generation resources are utilized to meet energy requirements throughout the year. It is my opinion that each of these methods should be considered in evaluating class profitability.

Q. PLEASE PROVIDE A SUMMARY OF INDEXED CLASS RATES OF RETURN UNDER EACH OF THE THREE GENERATION ALLOCATION METHODOLOGIES YOU RECOMMEND COMPARED TO THOSE ACHIEVED UNDER THE 4-CP APPROACH.

A. The following table provides indexed class rates of return at current rates under each of my recommended cost allocation methods as well as the under the 4-CP approach recommended by Dr. Gaske:

Indexed Rates of Return At Current Rates

Rate Class and Rate Code		NIPSCO 4-CP	OUCC Recommended Methods: 12-CP	Prob. Of Dispatch	BIP	P&A	Average
Residential	611-613	39%	71%	98%	74%	75%	80%
Comm. & GS – HP	620	-108%	-187%	-183%	-163%	-164%	-174%
GS – Small	621	197%	215%	242%	234%	235%	232%
Comm. Spaceheating	622	157%	-44%	-25%	20%	17%	-8%
GS – Medium	623	129%	151%	190%	177%	178%	174%
GS – Large	624	145%	136%	129%	148%	147%	140%
Metal Melting	625	56%	26%	-29%	10%	7%	3%
Off-Peak	626	145%	137%	96%	108%	107%	112%
Industrial Power	632	120%	57%	62%	71%	70%	65%
HLF Ind. Pwr. Service	633	138%	82%	24%	52%	50%	52%
Air Sep. & Hydrogen	634	46%	8%	-44%	-23%	-25%	-21%
Municipal	641	79%	51%	40%	64%	63%	55%
Intermittent WW Pumping	642	2762%	2540%	2192%	2377%	2363%	2368%
RR Power	644	176%	108%	83%	119%	116%	107%
Streetlighting	650	31%	-14%	-24%	-36%	-38%	-28%
Traffic Lighting	655	341%	300%	233%	268%	265%	267%
Dusk to Dawn Lighting	660	-22%	-52%	-85%	-68%	-69%	-68%
Interdepartmental	--	-154%	-144%	-128%	-155%	-154%	-145%
Total		100%	100%	100%	100%	100%	100%

Indexed RORs reflect the relative differences in absolute rates of return to that achieved by the system average. In other words, a class that has an indexed ROR of 100% is equal to the absolute ROR for the total system and indexed RORs greater than 100% indicate RORs above the system average, while indexed values less than 100% reflect RORs below the system average. As can be seen above, there are stark differences in class relative RORs under my recommended approaches to the 4-CP approach proposed by Dr. Gaske. The most apparent differences relate to: the residential class which exhibits substantially higher relative profitabilities under my recommended approaches; commercial space heating which achieves significantly lower relative profits under my recommended approaches; industrial power and industrial high load factor service which achieve much lower relative profits under my recommended approaches; and, streetlighting service which produce negative rates of return under my recommended methods as compared to low, yet positive, profits under Dr. Gaske's 4-CP approach.

B. <u>Transmission Plant</u>

Q. PLEASE EXPLAIN THE THEORIES ON HOW TRANSMISSION-RELATED PLANT SHOULD BE ALLOCATED WITHIN AN EMBEDDED CCOSS.

A. There are two general philosophies relating to the proper allocation of transmission-related plant. The first philosophy is based on the premise that transmission facilities are nothing more than an extension of generation plant in that transmission facilities simply act as a conduit to provide power and energy from distant generating facilities to a utility's load center (specific service area). That is, generation facilities are often located well away from load centers and near the resources required to operate generation facilities. For example, coal generation facilities are commonly located near water sources for steam and cooling or near coal mines and/or rail facilities. Similarly, natural gas generators must be located in close proximity to large natural gas pipelines.

The second philosophy relates to the physical capacity of transmission lines. That is, transmission facilities have a known and measurable load capability such that customer contributions to peak load should serve as the basis for allocating these transmission costs. While there is no doubt that any given electricity conductor (i.e., a transmission line) has a physical load carrying capability, this rationale fails to recognize cost causation in three regards.

First, an allocation based simply on contributions to a few hours of peak load fails to recognize the fact that transmission facilities are indeed an extension of generation facilities and are used to move the energy produced by the generators from remote locations to where customers actually consume electricity. Second, and similar to the concept of base load units producing energy to serve customers throughout the year, a peak responsibility approach based on one or only a few hours of maximum demand fails to recognize that transmission facilities are used virtually every hour of an entire year and not just during periods of peak load. Third, any assumption that transmission costs are related to peak load implies that there is a direct and linear relationship between cost and load. In other words, one must assume that if load increases, the cost of transmission facilities increases, in a direct and linear manner. This is simply not the case since there are significant economies of scale associated with high voltage transmission lines.

Q. WHAT METHOD DID DR. GASKE USE TO ALLOCATE NIPSCO'S TRANSMISSION-RELATED COSTS?

A. Dr. Gaske allocated transmission-related costs based on the 12-CP method.

Q. WHAT IS YOUR OPINION REGARDING DR. GASKE'S USE OF THE 12-CP METHOD TO ALLOCATE TRANSMISSION-RELATED COSTS?

A. In my opinion, the 12-CP approach strikes a reasonable balance between the two general philosophies that were discussed above as it relates to the cost causation and allocation of transmission-related costs.

C. <u>Distribution Plant</u>

Q. PLEASE EXPLAIN THE PHRASE "CLASSIFICATION OF DISTRIBUTION PLANT."

A. It is generally recognized that there are no energy-related costs associated with distribution plant. That is, the distribution system is designed to meet localized peak demands. However, largely as a result of differences in customer densities throughout a utility's service area, electric utility distribution plant sometimes is classified as partially demand-related and partially customer-related.

Q. WHY IS DISTRIBUTION PLANT SOMETIMES CLASSIFIED AS PARTIALLY CUSTOMER-RELATED AND PARTIALLY DEMAND-RELATED?

A. Even though investment is made in distribution plant and equipment to meet the needs of customers at their required power levels, there may be considerable differences in both customer densities and the mix of customers throughout a utility's service area. Therefore, if one were to allocate distribution plant investment based simply on class contributions to peak demand, an inequitable allocation of these costs may result. As a hypothetical, suppose a utility serves both an urban area and a rural area. In this situation, many customers' electrical needs are served with relatively few miles of conductors, few poles, etc. in the urban area, while many more miles of conductors, more poles, etc. are required to serve the requirements of relatively few customers in the rural area. If the distribution of classes of customers (class customer mix) is relatively similar in both the rural and urban areas, there is no need to consider customer counts (number of customers) within the allocation process, because all classes use the utility's joint distribution facilities proportionately across the service area. However, if the customer mix is such that commercial and industrial customers are predominately clustered in the more densely populated urban area, while the less dense (rural) portion of the service territory consists almost entirely of residential customers, it may be unreasonable to allocate the total Company's distribution investments based solely on demand; i.e., a large investment in many miles of line is required to serve predominately residential customers in the rural area while the commercial and industrial electrical needs are met with much fewer miles of lines in the urban area. Under this circumstance, an allocation of costs based on a weighting of customers and demand can be considered equitable and appropriate.

Q. BEFORE YOU CONTINUE, IS NIPSCO's DISTRIBUTION SYSTEM COMPRISED OF VARIOUS SUB-SYSTEMS?

A. Yes. As is the case with virtually every electric utility, NIPSCO's overall distribution system is comprised of a primary voltage system and a secondary voltage system. The primary system operates at higher voltage levels than the secondary system and generally consists of plant and equipment between the substations and transformers. The lower voltage secondary system can be thought of as operating downstream from the primary system and delivers electricity to small end-users. It should be noted that some industrial customers/classes do not utilize or rely upon NIPSCO's distribution system as they take service at transmission or sub-transmission voltages.

Q. BRIEFLY DESCRIBE THE TYPES OF INVESTMENT (EQUIPMENT) UTILIZED IN NIPSCO's DISTRIBUTION SYSTEM.

A. For accounting purposes, NIPSCO's distribution plant is grouped into various accounts. These accounts include: Land and Land Rights (Account 360); Structures and Improvements (Account 361); Station Equipment (Account 362); Poles, Towers and Fixtures (Account 364); Overhead Conductors (Account 365); Underground Conduit (Account 366); Underground Conductors (Account 367); Line Transformers (Account 368); Meters (Account 370); Area Lighting (Account 371) and Street Lighting (Account 373).

Q. DID DR. GASKE MAKE *A PRIORI* ASSUMPTIONS RELATING TO THE CLASSIFICATION OF DISTRIBUTION PLANT?

A. Yes. Dr. Gaske has classified primary distribution plant as 100% demand-related and secondary distribution plant as partially demand-related and partially customer-related.

Q. HAVE YOU CONDUCTED ANALYSES TO EVALUATE DR. GASKE'S *A PRIORI* ASSUMPTIONS THAT PRIMARY DISTRIBUTION PLANT SHOULD BE CLASSIFIED AS 100% DEMAND-RELATED AND SECONDARY DISTRIBUTION PLANT AS PARTIALLY DEMAND-RELATED AND PARTIALLY CUSTOMER-RELATED?

A. Yes, I have.

Q. PLEASE EXPLAIN.

A. Through discovery, the Company provided a data base of the number of customers by rate schedule for each postal zip-code within its service area. I then evaluated the mix of total distribution customers by rate class for each postal zip-code within NIPSCO's service area. In order to evaluate whether any differences exist in the distribution of customers across various customer density areas, I calculated the number of total NIPSCO distribution customers (excluding lighting customers) per square mile for each non-Post Office Box zip-code to serve as a measure of density for relatively small geographic areas. I was then able to readily compare NIPSCO's mix of customers served through distribution facilities (primary and secondary customers combined) and delineate between sparsely populated and densely populated areas (in terms of number of NIPSCO customers). As a further refinement, I also evaluated the distribution of customers on a stratified basis. That is, for each customer group (residential, small commercial/industrial, and large commercial/industrial), I separated small geographical areas (zip codes) into four separate strata (highest to lowest customer densities). I examined each stratum (by customer group) to determine if any significant differences in customer mix occurred within each stratum.

This analysis relates only to NIPSCO's primary voltage system since both primary and secondary voltage customers are served with the primary system. This analysis of the total distribution system by density provided a basis to determine whether: (a) utilization alone (demand) is an appropriate and fair method to allocate distribution costs; or, (b) whether a weighting of customers and utilization (demand) is appropriate in order to reasonably reflect the imposition or causation of costs.

If there is any basis for a customer classification of distribution plant, this analysis should show a negative correlation between the residential customer mix (residential percentage of total customers) and density across NIPSCO's service area. In other words, the percentage of residential customers (by zip-code) should decline as customer density per square mile increases from the least dense areas to the most dense areas of NIPSCO's service territory. Similarly, if Dr. Gaske's *a priori* assumption is correct, one should see a distinct positive correlation between non-residential customer mixes and customer densities by zip-code. A summary of the approach and data utilized for the stratification analysis is provided below:

Class	Customers Per Sq. Mile (Density)	Count Of Zip Codes	Percent of Primary & Secondary Distribution Customers[11] Average	Number	% of Class
Residential					
Strata 1	Less Than 11	28	82.8%	10,624	2.7%
Strata 2	11 Min to 30 Max	28	83.5%	25,486	6.4%
Strata 3	32 Min to 215 Max	27	86.4%	140,407	35.3%
Strata 4	Greater Than 215	27	89.1%	221,010	55.6%
Total		110		397,527	100.0%
Small Comm./Ind.					
Strata 1	Less Than 11	28	16.8%	2,153	4.0%
Strata 2	11 Min to 30 Max	28	14.0%	4,263	7.9%
Strata 3	32 Min to 215 Max	27	13.1%	21,362	39.4%
Strata 4	Greater Than 215	27	10.7%	26,440	48.8%
Total		110		54,218	100.0%
Large Comm./Ind.					
Strata 1	Less Than 11	28	0.5%	59	2.8%
Strata 2	11 Min to 30 Max	28	2.5%	758	35.8%
Strata 3	32 Min to 215 Max	27	0.5%	799	37.8%
Strata 4	Greater Than 215	27	0.2%	500	23.6%
Total		110		2,116	100.0%

Q. WHAT ARE YOUR FINDINGS AS A RESULT OF THIS ANALYSIS?

A. NIPSCO's customers served by primary voltage facilities are dispersed in a reasonably proportional manner throughout its service area. In fact, the distribution of residential customers is somewhat greater in the more densely populated zip codes than the less densely populated zip codes, which is contrary to the hypothesis and is opposite of what would be expected if one were to accept the notion that distribution investment should be classified as partially customer-related. As important is the fact that in the less dense

[11] Excludes lighting.

areas of NIPSCO's service territory (which require more miles of distribution lines and more poles to serve fewer customers), the Company actually serves a larger percentage of small commercial/industrial customers than in the more densely populated areas within NIPSCO's service territory.

As a result of this analysis, it cannot be said that the less populated portions of NIPSCO's service area (which require significant investment to serve few customers) disproportionately serve any one class of distribution customers from its primary voltage facilities. As such, NIPSCO's primary distribution plant and expenses should be assigned to classes based only on utilization (peak demand).

Q. HAVE YOU CONDUCTED A SIMILAR ANALYSIS OF NIPSCO'S SECONDARY VOLTAGE SYSTEM?

A. No. Several of NIPSCO's commercial and industrial rate schedules serve both primary and secondary voltage customers. As such, I was unable to conduct a density analysis of customers served by secondary voltage facilities.

Q. WHAT ARE YOUR CONCLUSIONS AND RECOMMENDATIONS CONCERNING THE CLASSIFICATION OF DISTRIBUTION PLANT IN THIS CASE?

A. I concur with Dr. Gaske that NIPSCO's primary distribution system should be classified as 100% demand-related. I have been unable to conduct a specific analysis of NIPSCO's secondary voltage system and therefore, accept Dr. Gaske's classification of secondary distribution plant.

Q. WHAT ARE YOUR OVERALL FINDINGS AND RECOMMENDATIONS CONCERNING CLASS COST ALLOCATIONS IN THIS CASE?

A. Based on my examination of NIPSCO's portfolio of generating assets as well as the utilization of these assets, it is my opinion that NIPSCO's proposal to allocate generation rate base and fixed expenses based on the 4-CP method is not reflective of cost causation and is improper in this case. Instead, I have determined that the 12-CP, Probability of

Dispatch, Base-Intermediate-Peak, and Peak & Average methods reflect a much more accurate portrayal of cost causation. Because public utility cost allocation studies cannot be considered an exact science, I recommend that consideration be given to all four of the methods. With regard to transmission plant, I agree with Dr. Gaske that an allocation based on 12-CP demands is fair and reasonable. Finally, Dr. Gaske's classification of primary distribution plant as 100% demand-related is appropriate, and I have accepted his customer/demand split for secondary distribution plant.

The following tables provide a summary of absolute and indexed RORs at current rates under the three methods that should be considered in this case:

Rate of Return (ROR) at Current Rates

		OUCC Recommended Methods				
Rate Class and Rate Code		12-CP	Prob. Of Dispatch	BIP	P&A	Average
Residential	611-613	3.30%	4.55%	3.43%	3.50%	3.70%
Comm. & GS – HP	620	-8.66%	-8.48%	-7.54%	-7.60%	-8.07%
GS – Small	621	9.97%	11.24%	10.86%	10.91%	10.75%
Comm. Spaceheating	622	-2.05%	-1.16%	0.94%	0.80%	-0.36%
GS – Medium	623	7.01%	8.83%	8.21%	8.27%	8.08%
GS – Large	624	6.30%	5.97%	6.85%	6.84%	6.49%
Metal Melting	625	1.20%	-1.33%	0.44%	0.32%	0.16%
Off-Peak	626	6.36%	4.44%	5.02%	4.95%	5.19%
Industrial Power	632	2.66%	2.90%	3.29%	3.24%	3.02%
HLF Ind. Pwr. Service	633	3.82%	1.12%	2.41%	2.30%	2.41%
Air Sep. & Hydrogen	634	0.39%	-2.03%	-1.09%	-1.16%	-0.97%
Municipal	641	2.38%	1.87%	2.98%	2.92%	2.54%
Intermittent WW Pumping	642	117.83%	101.70%	110.30%	109.63%	109.87%
RR Power	644	5.03%	3.87%	5.50%	5.39%	4.95%
Streetlighting	650	-0.66%	-1.11%	-1.69%	-1.77%	-1.31%
Traffic Lighting	655	13.94%	10.82%	12.44%	12.31%	12.38%
Dusk to Dawn Lighting	660	-2.41%	-3.92%	-3.15%	-3.21%	-3.17%
Interdepartmental	--	-6.69%	-5.92%	-7.19%	-7.13%	-6.73%
Total		4.64%	4.64%	4.64%	4.64%	4.64%

Indexed Rate of Return (ROR) at Current Rates

Rate Class and Rate Code		OUCC Recommended Methods 12-CP	Prob. Of Dispatch	BIP	P&A	Average
Residential	611-613	71%	98%	74%	75%	80%
Comm. & GS – HP	620	-187%	-183%	-163%	-164%	-174%
GS – Small	621	215%	242%	234%	235%	232%
Comm. Spaceheating	622	-44%	-25%	20%	17%	-8%
GS – Medium	623	151%	190%	177%	178%	174%
GS – Large	624	136%	129%	148%	147%	140%
Metal Melting	625	26%	-29%	10%	7%	3%
Off-Peak	626	137%	96%	108%	107%	112%
Industrial Power	632	57%	62%	71%	70%	65%
HLF Ind. Pwr. Service	633	82%	24%	52%	50%	52%
Air Sep. & Hydrogen	634	8%	-44%	-23%	-25%	-21%
Municipal	641	51%	40%	64%	63%	55%
Intermittent WW Pumping	642	2540%	2192%	2377%	2363%	2368%
RR Power	644	108%	83%	119%	116%	107%
Streetlighting	650	-14%	-24%	-36%	-38%	-28%
Traffic Lighting	655	300%	233%	268%	265%	267%
Dusk to Dawn Lighting	660	-52%	-85%	-68%	-69%	-68%
Interdepartmental	--	-144%	-128%	-155%	-154%	-145%
Total		100%	100%	100%	100%	100%

IV. <u>CLASS REVENUE DISTRIBUTION</u>

Q. WHAT ARE THE GENERAL CRITERIA THAT SHOULD BE CONSIDERED IN ESTABLISHING CLASS REVENUE RESPONSIBILITY FOR ELECTRIC UTILITY RATES?

A. There are several criteria that should be considered in evaluating class or rate revenue responsibility. First, class cost allocation results should be considered, but as discussed in detail earlier in my testimony, CCOSS results are not surgically precise. They should only be used as a guide and as one of many tools in evaluating class revenue responsibility. Other criteria that should be considered include: gradualism, wherein rates should not drastically change instantaneously; rate stability, which is similar in concept to gradualism but relates to specific rate elements within a given rate structure;

affordability of electricity across various classes as well as a relative comparison of electricity prices across classes; and, public policy concerning current economic conditions as well as economic development.

Because embedded class cost allocations cannot be considered surgically precise and the fact that other criteria to be considered in evaluating class revenue responsibility are clearly subjective in nature, proper class revenue distribution can be deemed more of an art than a science. In this regard, there is no universal mathematical methodology that can be applied across all utilities or across all rate classes. However, most experts and regulatory commissions agree on certain broad parameters regarding class revenue increases. These include: some movement towards allocated cost of service; and, maximum/minimum percentage changes across individual rate classes.

Q. DOES NIPSCO WITNESS GASKE CLAIM TO HAVE CONSIDERED AND REFLECTED THE VARIOUS SUBJECTIVE CRITERIA AS WELL AS THE BROAD PARAMETERS DISCUSSED ABOVE WITHIN HIS CLASS REVENUE DISTRIBUTION PROPOSAL?

A. Yes. Although Dr. Gaske utilized a mathematical approach to develop his proposed class revenue increases, he indicates in his testimony, his primary considerations were to: (1) propose a gradual approach to remove current class subsidies as measured by his class cost allocation study; (2) constrain class increases to no more than approximately 1.5 times the system average rate increase (with the exception of eliminating the under-earnings associated with the interdepartmental class); and, (3) require all classes to receive an increase of at least one percent.

Q. PLEASE PROVIDE A SUMMARY OF THE COMPANY'S PROPOSED CLASS REVENUE INCREASE.

A. The following table provides a summary of current and proposed class revenue increases:

Current and NIPSCO Proposed Revenues[12]

Rate Class and Rate Code		Actual Revenue Incl. Riders	NIPSCO Proposed Increase Including Riders	
			Amount	Percent
Residential	611-613	$433,840,509	$54,303,286	12.52%
Comm. & GS – HP	620	$838,466	$108,124	12.90%
GS – Small	621	$205,612,924	$16,904,054	8.22%
Comm. Spaceheating	622	$1,276,134	$91,583	7.18%
GS – Medium	623	$166,602,223	$15,523,581	9.32%
GS – Large	624	$209,249,933	$17,144,199	8.19%
Metal Melting	625	$6,422,934	$546,994	8.52%
Off-Peak	626	$71,595,733	$5,331,515	7.45%
Industrial Power	632	$151,342,967	$9,301,968	6.15%
HLF Ind. Pwr. Service	633	$188,158,466	$6,136,283	3.26%
Air Sep. & Hydrogen	634	$117,677,349	$17,701,684	15.04%
Municipal	641	$3,151,305	$347,117	11.02%
Intermittent WW Pumping	642	$120,372	$1,217	1.01%
RR Power	644	$2,042,981	$167,443	8.20%
Streetlighting	650	$8,674,398	$653,037	7.53%
Traffic Lighting	655	$904,981	$43,132	4.77%
Dusk to Dawn Lighting	660	$2,215,773	$212,410	9.59%
Interdepartmental	--	$2,699,701	$3,035,830	112.45%
Total		$1,572,427,045	$147,553,456	9.38%
Other Revenue (Allocated)		$36,819,653	--	--
Total Revenue		$1,609,246,698	$147,553,456	9.17%

Q. DOES DR. GASKE'S PROPOSED CLASS REVENUE DISTRIBUTION COMPORT WITH EACH OF THE CRITERIA HE CLAIMED TO HAVE CONSIDERED?

A. No. I strongly disagree with Dr. Gaske's recommendation to rely upon the 4-CP method to allocate generation plant and fixed expenses in this case. Furthermore, his proposed class revenue increases do not comport with his gradual approach to remove current class

[12] A comparison of NIPSCO's proposed rate increases with and without consideration of the interruptible credit offset is provided in my Attachment GAW-8.

subsidies as measured by his class cost allocation study. To illustrate, consider Dr. Gaske's own calculations of class rates of return at current and his proposed rates.

Comparison of Gaske Calculated Class Rates of Return
and Proposed Revenue Increases

Rate Class and Rate Code		ROR Current	ROR Proposed	Revenue % Increase
Residential	611-613	1.82%	4.04%	12.52%
Comm. & GS – HP	620	-4.99%	-2.64%	12.90%
GS – Small	621	9.14%	11.25%	8.22%
Comm. Spaceheating	622	7.26%	9.40%	7.18%
GS – Medium	623	6.00%	8.16%	9.32%
GS – Large	624	6.71%	8.86%	8.19%
Metal Melting	625	2.60%	4.82%	8.52%
Off-Peak	626	6.71%	8.86%	7.45%
Industrial Power	632	5.58%	7.06%	6.15%
HLF Ind. Pwr. Service	633	6.42%	7.27%	3.26%
Air Sep. & Hydrogen	634	2.12%	6.18%	15.04%
Municipal	641	3.67%	5.88%	11.02%
Intermittent WW Pumping	642	128.14%	132.12%	1.01%
RR Power	644	8.15%	10.27%	8.20%
Streetlighting	650	1.44%	3.68%	7.53%
Traffic Lighting	655	15.80%	17.79%	4.77%
Dusk to Dawn Lighting	660	-1.00%	1.28%	9.59%
Interdepartmental	--	-7.13%	6.82%	112.45%
Total		4.64%	6.82%	9.38%

Consider the following: the GS-Small (Rate 621) class is currently producing a rate of return in excess of NIPSCO's proposed rate of return (9.14% compared to 6.82%). Dr. Gaske proposes an 8.22% increase to this class. At the same time, consider Industrial Power (Rate 632). This class is currently achieving an ROR of 5.58%, which is below NIPSCO's proposed overall ROR of 6.82%, yet, Dr. Gaske proposes a much smaller percentage increase to this class of 6.15%. Similar inconsistencies can be seen with Rate 622 as having a larger percentage increase than industrial classes with lower RORs such as Rate Schedule 633; i.e., Dr. Gaske proposes a 7.18% to Rate 622, while he only produces a 3.26% increase for Rate 633 even though the industrial rate schedule is producing a lower ROR at current rates.

Q. GIVEN THE INCONSISTENCIES YOU HAVE IDENTIFIED ABOVE, IS DR. GASKE'S PROPOSED CLASS REVENUE INCREASE DISTRIBUTION FAIR AND REASONABLE?

A. No. The foundation of Dr. Gaske's proposed class revenue increases is his 4-CP cost allocation study. As explained in detail earlier in my testimony, Dr. Gaske's CCOSS does not reflect a reasonable assignment of costs nor does it reasonably move classes gradually toward equal rates of return.

Q. DO YOU RECOMMEND AN ALTERNATIVE CLASS REVENUE DISTRIBUTION?

A. Yes. In order to provide an apples-to-apples comparison to Dr. Gaske's recommended class increase, I have developed a class revenue distribution utilizing NIPSCO's proposed overall increase of $147.553 million, which includes NIPSCO's proposed riders.

In developing my proposed class revenue distribution, I have considered the results of my four recommended class cost of service studies[13] and required that all classes move closer to rate parity, considered gradualism, limited all class increases (except NIPSCO's interdepartmental rate) to no more than 1.5 times the system-wide average percentage increase, and required that all classes receive at least half of the system-wide average percentage increase. The table below provides the results of my recommended class revenue distribution:

[13] 12-CP, Probability of Dispatch, BIP, and P&A.

OUCC Proposed Class Revenue Increases
At NIPSCO Overall Requested Increase

Rate Class and Rate Code		Pct. of Sys. Avg. % Increase	Increase %	Increase $	OUCC Average Indexed ROR[14] Current	OUCC Average Indexed ROR[14] OUCC Proposed
Residential	611-613	121%	11.36%	$49,273,246	80%	88%
Comm. & GS – HP	620	150%	14.08%	$118,020	-174%	-93%
GS – Small	621	50%	4.69%	$9,647,156	232%	175%
Comm. Spaceheating	622	150%	14.08%	$179,625	-8%	33%
GS – Medium	623	50%	4.69%	$7,816,812	174%	133%
GS – Large	624	50%	4.69%	$9,817,801	140%	111%
Metal Melting	625	150%	14.08%	$904,073	3%	52%
Off-Peak	626	100%	9.38%	$6,718,403	112%	114%
Industrial Power	632	125%	11.73%	$17,752,157	65%	85%
HLF Ind. Pwr. Service	633	135%	12.67%	$23,836,167	52%	89%
Air Sep. & Hydrogen	634	150%	14.08%	$16,563,915	-21%	31%
Municipal	641	125%	11.73%	$369,640	55%	70%
Intermittent WW Pumping	642	50%	4.69%	$5,648	2368%	1724%
RR Power	644	100%	9.38%	$191,709	107%	103%
Streetlighting	650	150%	14.08%	$1,220,983	-28%	33%
Traffic Lighting	655	50%	4.69%	$42,456	267%	206%
Dusk to Dawn Lighting	660	150%	14.08%	$311,886	-68%	-4%
Interdepartmental	--	--	103.11%	$2,783,759	-145%	101%
Total		100%	9.38%	$147,553,456	100%	100%

As can be seen above, with the gradualism constraints I have utilized, all classes move closer to cost of service wherein the class increases are limited to at least 50%, but no more than 150% of the system-wide average percentage increase. It should be noted that in order to satisfy the overall revenue increase of $147.553 million, the residential class has been treated as a residual. The details supporting my proposed class revenue increases are provided in my filed workpapers.

[14] Average of 12-CP, Probability of Dispatch, Base-Intermediate-Peak and Peak & Average methods.

Q. IN THE EVENT THE COMMISSION AUTHORIZES AN OVERALL REVENUE INCREASE LESS THAN THE $147.553 MILLION REQUESTED BY NIPSCO, HOW SHOULD THE ULTIMATE INCREASE BE DISTRIBUTED ACROSS RATE SCHEDULES?

A. I recommend that any overall increase be distributed to rate classes in proportion to the class increases I propose above.

V. <u>RATE DESIGN</u>

<u>Residential and Small Commercial Customer Charges</u>

Q. DOES NIPSCO PROPOSE SIGNIFICANT INCREASES TO FIXED MONTHLY CUSTOMER CHARGES?

A. Yes. NIPSCO proposes to increase the residential customer charge from $11.00 to $20.00 per month, or by 82%. Similarly, the Company proposes to increase the small commercial customer charges (Rates 620, 621, and 622) from $20.00 to $30.00 per month, or by 50%.

Q. HOW DOES NIPSCO SUPPORT ITS EXCEPTIONALLY LARGE INCREASES TO FIXED MONTHLY CUSTOMER CHARGES?

A. Company witness Frank Shambo states on page 35 of his direct testimony that his rate design objectives reflect an improvement of: (a) fixed cost recovery through fixed charges; (b) recovery of costs from the customers that cause the costs; and, (c) the proper alignment of pricing signals and incentives. Mr. Shambo then states that NIPSCO's proposed rate design improves this alignment. Furthermore, Mr. Shambo indicates on page 36 of his direct testimony that Dr. Gaske's calculated customer cost alone supports a residential monthly charge of $22.51, while the full fixed cost recovery supports a monthly customer charge of $83.95.

Q. ARE NIPSCO's PROPOSED 82% AND 50% INCREASES TO RESIDENTIAL AND SMALL COMMERCIAL CUSTOMER CHARGES REASONABLE OR IN THE PUBLIC INTEREST?

A. No. NIPSCO's objective to collect a large percentage of its sunk investment costs (aka fixed costs) through fixed charges as well as its attendant proposed increases to such charges, violate the regulatory principle of gradualism, violate the economic theory of efficient competitive pricing, and are contrary to effective conservation efforts.

Q. DOES NIPSCO'S PROPOSAL TO COLLECT A SUBSTANTIAL PORTION OF RESIDENTIAL BASE RATE REVENUE FROM FIXED MONTHLY CHARGES COMPORT WITH THE ECONOMIC THEORY OF COMPETITIVE MARKETS OR THE ACTUAL PRACTICES OF SUCH COMPETITIVE MARKETS?

A. No. The most basic tenet of competition is that prices determined through a competitive market ensure the most efficient allocation of society's resources. Because public utilities are generally afforded monopoly status under the belief that resources are better utilized without duplicating the fixed facilities required to serve consumers, a fundamental goal of regulatory policy is that regulation should serve as a surrogate for competition to the greatest extent practical.[15] As such, the pricing policy for a regulated public utility should mirror those of competitive firms to the greatest extent practical.

Q. PLEASE BRIEFLY DISCUSS HOW PRICES ARE GENERALLY STRUCTURED IN COMPETITIVE MARKETS.

A. Under economic theory, efficient price signals result when prices are equal to marginal costs.[16] It is well known that costs are variable in the long-run. Therefore, efficient pricing results from the incremental variability of costs even though a firm's short-run cost structure may include a high level of sunk or "fixed" costs or be reflective of excess capacity. Indeed, competitive market-based prices are generally structured based on usage; i.e. volume-based pricing. As an example, a colleague of mine often uses the

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[15] James C. Bonbright, et al., *Principles of Public Utility Rates*, p. 141 (Second Edition, 1988).

[16] Strictly speaking, efficiency is achieved only when there is no excess capacity such that short-run marginal costs equal long-run marginal costs. In practice, there is usually at least some excess capacity present such that pricing based on long-run marginal costs represents the most efficient utilization of resources.

following analogy: an oil refinery costs well over a billion dollars to build such that its cost structure is largely comprised of sunk, or fixed, costs. However, these costs are recovered one gallon at a time.

Q. PLEASE BRIEFLY EXPLAIN THE ECONOMIC PRINCIPLES OF EFFICIENT PRICE THEORY AND HOW SHORT-RUN FIXED COSTS ARE RECOVERED UNDER SUCH EFFICIENT PRICING.

A. Perhaps the best known micro-economic principle is that in competitive markets (i.e., markets in which no monopoly power or excessive profits exist) prices are equal to marginal cost. Marginal cost is equal to the incremental change in cost resulting from an incremental change in output. A full discussion of the calculus involved in determining marginal costs is not appropriate here. However, it is readily apparent that because marginal costs measure the changes in costs with output, short-run "fixed" costs are irrelevant in efficient pricing. This is not to say that efficient pricing does not allow for the recovery of short-run fixed costs. Rather, they are reflected within a firm's production function such that no excess capacity exists and that an increase in output will require an increase in costs -- including those considered "fixed" from an accounting perspective. As such, under efficient pricing principles, marginal costs capture the variability of costs, and prices are variable because prices equal these costs.

Q. PLEASE EXPLAIN HOW EFFICIENT PRICING PRINCIPLES ARE APPLIED TO THE ELECTRIC UTILITY INDUSTRY.

A. Universally, utility marginal cost studies include three separate categories of marginal costs: demand, energy, and customer. Consistent with the general concept of marginal costs, each of these costs vary with incremental changes. Marginal demand costs measure the incremental change in costs resulting from an incremental change in peak load (demand). Marginal energy costs measure the incremental change in costs resulting from an incremental change in kWh (energy) consumption. Marginal customer costs measure the incremental change in costs resulting from an incremental change in number of customers.

Particularly relevant here is understanding what costs are included within, and the procedures used to determine, marginal customer costs. Since marginal customer costs reflect the measurement of how costs vary with the number of customers, they only include those costs that directly vary as a result of adding a new customer. Therefore, marginal customer costs only reflect costs such as service lines, meters, and incremental billing and accounting costs.

Q. PLEASE EXPLAIN HOW THIS THEORY OF COMPETITIVE PRICING SHOULD BE APPLIED TO REGULATED PUBLIC UTILITIES, SUCH AS NIPSCO.

A. Due to NIPSCO's investment in system infrastructure, there is no debate that many of its short-run costs are fixed in nature. However, as discussed above, efficient competitive prices are established based on long-run costs, which are entirely variable in nature.

Marginal cost pricing only relates to efficiency. This pricing does not attempt to address fairness or equity. Fair and equitable pricing of a regulated monopoly's products and services should reflect the benefits received for the goods or services. In this regard, those that receive more benefits should pay more in total than those who receive fewer benefits. Regarding electricity usage, the level of kWh consumption is the best and most direct indicator of benefits received. Thus, volumetric pricing promotes the fairest pricing mechanism to customers and to the utility.

The above philosophy has consistently been the belief of economists, regulators, and policy makers for generations. For example, consider utility industry pricing in the 1800s, when the industry was in its infancy. Customers paid a fixed monthly fee and consumed as much of the utility commodity/service as they desired (usually water). It soon became apparent that this fixed monthly fee rate schedule was inefficient and unfair. Utilities soon began metering their commodity/service and charging only for the amount actually consumed. In this way, consumers receiving more benefits from the utility paid more, in total, for the utility service because they used more of the commodity.

Q. IS THE ELECTRIC UTILITY INDUSTRY UNIQUE IN ITS COST STRUCTURES, WHICH ARE COMPRISED LARGELY OF FIXED COSTS IN THE SHORT-RUN?

A. No. Most manufacturing and transportation industries are comprised of cost structures predominated with "fixed" costs. These fixed costs are primarily comprised of investments in plant and equipment and are also known as "sunk" costs. Indeed, virtually every capital intensive industry is faced with a high percentage of so-called fixed costs in the short-run. Prices for competitive products and services in these capital-intensive industries are invariably established on a volumetric basis, including those that were once regulated, e.g., motor transportation, airline travel, and rail service.

Accordingly, NIPSCO's position that its fixed costs should be recovered through fixed monthly charges is incorrect. Pricing should reflect the Company's long-run costs, wherein all costs are variable or volumetric in nature, and users requiring more of the Company's products and services should pay more than customers who use less of these products and services. Stated more simply, those customers who conserve or are otherwise more energy efficient, or those who use less of the commodity for any reason, pay less than those who use more electricity.

Q. HOW ARE HIGH FIXED CUSTOMER CHARGE RATE STRUCTURES CONTRARY TO EFFECTIVE CONSERVATION EFFORTS?

A. High fixed charge rate structures actually promote additional consumption because a consumer's price of incremental consumption is less than what an efficient price structure would otherwise be. A clear example of this principle is exhibited in the natural gas transmission pipeline industry. As discussed in its well-known Order 636, the FERC's adoption of a "Straight Fixed Variable" ("SFV") pricing method[17] was a result of national policy (primarily that of Congress) to encourage increased use of domestic natural gas by promoting additional interruptible (and incremental firm) gas usage. The FERC's SFV pricing mechanism greatly reduced the price of incremental (additional) natural gas

[17] Under Straight Fixed Variable pricing, customers pay a fixed charge that is designed to recover all of the utility's fixed costs.

consumption. This resulted in significantly increasing the demand for, and use of, natural gas in the United States after Order 636 was issued in 1992.

FERC Order 636 had two primary goals. The first goal was to enhance gas competition at the wellhead by completely unbundling the merchant and transportation functions of pipelines.[18] The second goal was to encourage the increased consumption of natural gas in the United States. In the introductory statement of the Order, FERC stated:

> The Commission's intent is to further facilitate the unimpeded operation of market forces to stimulate the production of natural gas... [and thereby] contribute to reducing our Nation's dependence upon imported oil... .[19]

With specific regard to the SFV rate design adopted in Order 636, FERC stated:

> Moreover, the Commission's adoption of SFV should maximize pipeline throughput over time by allowing gas to compete with alternate fuels on a timely basis as the prices of alternate fuels change. The Commission believes it is beyond doubt that it is in the national interest to promote the use of clean and abundant gas over alternate fuels such as foreign oil. SFV is the best method for doing that.[20]

Recently, some public utilities have begun to advocate SFV residential pricing. The companies claim a need for enhanced fixed charge revenues. To support their claim, the companies argue that because retail rates have been historically volumetric based, there has been a disincentive for utilities to promote conservation, or encourage reduced consumption. However, the FERC's objective in adopting SFV pricing suggests the exact opposite. The price signal that results from SFV pricing is meant to promote additional consumption, not reduce consumption. Thus, a rate structure that is heavily based on a fixed monthly customer charge sends an even stronger price signal to consumers to use more energy.

Q. ARE CONSERVATION AND EFFICIENCY GAINS A NEW RISK TO PUBLIC UTILITIES?

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18 Federal Energy Regulatory Commission, Docket Nos. RM91-11-001 and RM87-34-065, Order No. 636 (Apr. 9, 1992), p. 7.

19 *Id.* p. 8 (alteration in original).

20 *Id.* pp. 128-129.

A. No. Conservation through efficiency gains has been ongoing for many years and is not a new risk. As a result, even though average residential electric usage per appliance has been declining, utilities have remained financially healthy and have continued their investments under volumetric pricing structures. Also, FERC's movement to straight fixed variable pricing for pipelines was unquestionably initiated to promote additional demand for natural gas, not less, and did in fact do so.

Q. AS A PUBLIC POLICY MATTER, WHAT IS THE MOST EFFECTIVE TOOL THAT REGULATORS HAVE TO PROMOTE COST EFFECTIVE CONSERVATION AND THE EFFICIENT UTILIZATION OF RESOURCES?

A. Unquestionably, one of the most important and effective tools that this, or any, regulatory Commission has to promote conservation is by developing rates that send proper pricing signals to conserve and utilize resources efficiently. A pricing structure that is largely fixed, such that customers' effective prices do not properly vary with consumption, promotes the inefficient utilization of resources. Pricing structures that are weighted heavily on fixed charges are much more inferior from a conservation and efficiency standpoint than pricing structures that require consumers to incur more cost with additional consumption.

Q. A CUSTOMER'S TOTAL ELECTRIC BILL IS COMPRISED OF A BASE RATE COMPONENT, A FUEL ADJUSTMENT CLAUSE ("FAC") RIDER; AND VARIOUS OTHER RIDERS. THESE FUEL AND OTHER RIDERS ARE VOLUMETRICALLY PRICED AND REPRESENT A SIGNIFICANT PORTION OF A CUSTOMER'S BILL. DOES THE VOLUMETRIC PRICING OF THESE COMPONENTS ELIMINATE THE NEED FOR A PROPER PRICING SIGNAL FROM BASE RATES?

A. No, certainly not. The fact that significant revenue may be collected volumetrically through trackers does not lessen the need for reasonable design of the underlying base rates.

Q. NOTWITHSTANDING THE EFFICIENCY REASONS AS TO WHY REGULATION SHOULD SERVE AS A SURROGATE FOR COMPETITION, ARE THERE OTHER RELEVANT ASPECTS TO THE PRICING STRUCTURES IN COMPETITIVE MARKETS *VIS A VIS* THOSE OF REGULATED UTILITIES?

A. Yes. In competitive markets, consumers, by definition, have the ability to choose various suppliers of goods and services. Consumers and the market have a clear preference for volumetric pricing. Utility customers are not so fortunate in that the local utility is a monopoly. The only reason utilities are able to seek pricing structures with high fixed monthly charges is due to their monopoly status. In my opinion, this is a critical consideration in establishing utility pricing structures. Competitive markets and consumers in the United States have demanded volumetric based prices for generations. Hence, a regulated utility's pricing structure should not be allowed to counter the collective wisdom of markets and consumers simply because of its market power.

Q. HAVE YOU CONDUCTED ANY STUDIES OR ANALYSES TO INDICATE THE LEVELS AT WHICH NIPSCO'S RESIDENTIAL AND SMALL COMMERCIAL CUSTOMER CHARGES SHOULD BE ESTABLISHED?

A. Yes. In designing public utility rates, there is a method that produces maximum fixed monthly customer charges and is consistent with efficient pricing theory and practice. This technique considers only those costs that vary as a result of connecting a new customer and which are required in order to maintain a customer's account. This technique is a direct customer cost analysis and uses a traditional revenue requirement approach. Under this method, capital cost provisions include an equity return, interest, income taxes, and depreciation expense associated with the investment in service lines and meters. In addition, operating and maintenance provisions are included for customer metering, records, and billing.

Under this direct customer cost approach, there is no provision for corporate overhead expenses or any other indirect costs as these costs are more appropriately recovered through energy (kWh) charges.

Q. HAVE YOU CONDUCTED DIRECT CUSTOMER COST ANALYSES APPLICABLE TO NIPSCO'S RESIDENTIAL AND SMALL COMMERCIAL CLASSES?

A. Yes. I conducted a direct customer cost analysis of NIPSCO's residential and small commercial classes. The details of this analysis are provided in my Attachment GAW-9. As indicated in this Attachment, the residential direct customer cost is at most $5.52 per month, while the small commercial direct customer cost is $11.17 per month. It should be noted that my customer cost analyses is based on the Company's proposed return on equity of 10.75%. If a lower cost of equity is used, the resulting customer costs are somewhat reduced.

Q. WHY IS IT APPROPRIATE TO EXCLUDE CORPORATE OVERHEAD AND OTHER INDIRECT COSTS IN DEVELOPING RESIDENTIAL CUSTOMER CHARGES?

A. Like all electric utilities, NIPSCO is in the business of providing electricity to meet the energy needs of its customers. Because of this and the fact that customers do not subscribe to NIPSCO's services simply to be "connected," overhead and indirect costs are most appropriately recovered through volumetric energy charges.

Q. DR. GASKE INDICATES ON PAGE 48 OF HIS DIRECT TESTIMONY THAT FOR THE RESIDENTIAL CLASS THE COST-BASED CUSTOMER CHARGE WOULD BE APPROXIMATELY $83.00, AND FOR THE SMALL GENERAL SERVICE CUSTOMERS THE CHARGE WOULD BE APPROXIMATELY $218.00. PLEASE EXPLAIN HOW DR. GASKE ARRIVED AT THESE LEVELS.

A. Dr. Gaske's monthly amount of approximately $83 ($83.95) per residential customer and approximately $218 ($218.18) per small commercial customer includes virtually all of the Company's allocated fixed costs. In other words, in addition to the direct costs required to connect and maintain a customer's account, Dr. Gaske has included all demand-related costs including the fixed costs associated with generation plant, transmission plant, and distribution plant. Moreover, Dr. Gaske's referenced amounts reflect the vast preponderance of general plant and other overhead expenses such as general and administrative expenses. In other words, Dr. Gaske would collect virtually all of the non-fuel revenue requirement through fixed monthly customer charges.

Q. HOW MUCH OF THE NON-FUEL RESIDENTIAL AND SMALL COMMERCIAL REVENUE REQUIREMENT IS INCLUDED WITHIN DR. GASKE'S "CUSTOMER COSTS?"

A. In his Attachment 17-C, page 19, Dr. Gaske has allocated $530.671 million in total costs (including required return) to the residential class. Of this amount, $107.346 million are fuel-related expenses. Therefore, Dr. Gaske's allocated non-fuel residential revenue requirement is $423.325 million ($530.671 minus $107.346). Dr. Gaske calculates a residential customer cost of $83.95 per month and when multiplied by the number of residential customer bills, a $413.467 million "customer cost" revenue requirement is obtained. As such, Dr. Gaske's calculated customer cost represents 97.7% of the total residential non-fuel revenue requirement. Similarly, Dr. Gaske's calculated small commercial "customer cost" of $218.18 reflects 96.9% of this class' total non-fuel revenue requirement. As discussed earlier in my testimony regarding the proper pricing of customer costs, Dr. Gaske's analyses is nothing more than an attempt to recover all non-variable costs from fixed monthly customer charges.

Q. BASED ON YOUR OVERALL EXPERIENCE AS WELL AS THE STUDIES AND ANALYSES YOU HAVE CONDUCTED FOR THIS CASE, WHAT IS YOUR RECOMMENDATION REGARDING THE APPROPRIATE CUSTOMER CHARGES FOR NIPSCO'S RESIDENTIAL AND SMALL COMMERCIAL CUSTOMERS?

A. Even though my direct customer cost analyses indicates that significant reductions to current fixed monthly customer charges applicable to residential and small commercial customers are appropriate, in the interest of rate continuity, gradualism, and impacts on individual customer bills, I recommend that the current monthly customer charge of $11.00 for residential and $20.00 for small commercial (Rates 620, 621, and 622) be maintained at their current level.

Q. PLEASE BRIEFLY SUMMARIZE WHY YOUR RECOMMENDATION TO MAINTAIN THE CURRENT LEVEL OF CUSTOMER CHARGES IS APPROPRIATE.

A. It must be remembered that my proposed rate design will allow the Company a reasonable opportunity to recover all of its costs and earn a fair rate of return. Utility's advocate higher fixed customer charges in order to minimize their risks by guaranteeing revenue recovery through fixed charges. Whether electricity rates are largely volumetric priced or largely based on fixed charges, the reality is that the utility will collect its required revenues. This is particularly relevant in this case since the Company has adjusted actual test year energy usages (kWh) for normal weather. Rate designs structured largely based on volumetric charges promote conservation, are efficient, and are in accordance with pricing practices in competitive markets.

Finally, no cross-subsidization issues are created across customers within the same class as long as the fixed customer charge recovers the incremental cost of connecting and maintaining each customer's account. Indeed, the incremental cost of connecting and maintaining a residential customer's account is under $6.00 per month. My recommendations to maintain the current customer charge of $11.00 for residential customers and $20.00 for small commercial customers is considerably higher than this incremental cost.

Q. DOES THIS COMPLETE YOUR TESTIMONY?

A. Yes.

BACKGROUND & EXPERIENCE PROFILE
GLENN A. WATKINS
VICE PRESIDENT/SENIOR ECONOMIST
TECHNICAL ASSOCIATES, INC.

EDUCATION

1982 - 1988	M.B.A., Virginia Commonwealth University, Richmond, Virginia
1980 - 1982	B.S., Economics; Virginia Commonwealth University
1976 - 1980	A.A., Economics; Richard Bland College of The College of William and Mary, Petersburg, Virginia

POSITIONS

Mar. 1993-Present	Vice President/Senior Economist, Technical Associates, Inc. (Mar. 1993-June 1995 Traded as C. W. Amos of Virginia)
Apr. 1990-Mar. 1993	Principal/Senior Economist, Technical Associates, Inc.
Aug. 1987-Apr. 1990	Staff Economist, Technical Associates, Inc., Richmond, Virginia
Feb. 1987-Aug. 1987	Economist, Old Dominion Electric Cooperative, Richmond, Virginia
May 1984-Jan. 1987	Staff Economist, Technical Associates, Inc.
May 1982-May 1984	Economic Analyst, Technical Associates, Inc.
Sep. 1980-May 1982	Research Assistant, Technical Associates, Inc.

EXPERIENCE

I. Public Utility Regulation

A. Costing Studies -- Conducted, and presented as expert testimony, numerous embedded and marginal cost of service studies. Cost studies have been conducted for electric, gas, telecommunications, water, and wastewater utilities. Analyses and issues have included the evaluation and development of alternative cost allocation methods with particular emphasis on ratemaking implications of distribution plant classification and capacity cost allocation methodologies. Distribution plant classifications have been conducted using the minimum system and zero-intercept methods. Capacity cost allocations have been evaluated using virtually every recognized method of allocating demand related costs (e.g., single and multiple coincident peaks, non-coincident peaks, probability of loss of load, average and excess, and peak and average).

Embedded and marginal cost studies have been analyzed with respect to the seasonal and diurnal distribution of system energy and demand costs, as well as cost effective approaches to incorporating energy and demand losses for rate design purposes. Economic dispatch models have been evaluated to determine long range capacity requirements as well as system marginal energy costs for ratemaking purposes.

B. Rate Design Studies -- Analyzed, designed and provided expert testimony relating to rate structures for all retail rate classes, employing embedded and marginal cost studies. These rate structures have included flat rates, declining block rates, inverted block rates, hours use of demand blocking, lighting rates, and interruptible rates. Economic development and special industrial rates have been developed in recognition of the competitive environment for specific customers. Assessed alternative time differentiated rates with diurnal and seasonal pricing structures. Applied Ramsey (Inverse Elasticity) Pricing to marginal costs in order to adjust for embedded revenue requirement constraints.

GLENN A. WATKINS

C. Forecasting and System Profile Studies -- Development of long range energy (Kwh or Mcf) and demand forecasts for rural electric cooperatives and investor owned utilities. Analysis of electric plant operating characteristics for the determination of the most efficient dispatch of generating units on a system-wide basis. Factors analyzed include system load requirements, unit generating capacities, planned and unplanned outages, marginal energy costs, long term purchased capacity and energy costs, and short term power interchange agreements.

D. Cost of Capital Studies -- Analyzed and provided expert testimony on the costs of capital and proper capital structures for ratemaking purposes, for electric, gas, telephone, water, and wastewater utilities. Costs of capital have been applied to both actual and hypothetical capital structures. Cost of equity studies have employed comparable earnings, DCF, and CAPM analyses. Econometric analyses of adjustments required to electric utilities cost of equity due to the reduced risks of completing and placing new nuclear generating units into service.

E. Accounting Studies -- Performed and provided expert testimony for numerous accounting studies relating to revenue requirements and cost of service. Assignments have included original cost studies, cost of reproduction new studies, depreciation studies, lead-lag studies, Weather normalization studies, merger and acquisition issues and other rate base and operating income adjustments.

II. Transportation Regulation

A. Oil and Products Pipelines -- Conducted cost of service studies utilizing embedded costs, I.C.C. Valuation, and trended original cost. Development of computer models for cost of service studies utilizing the "Williams" (FERC 154-B) methodology. Performed alternative tariff designs, and dismantlement and restoration studies.

B. Railroads -- Analyses of costing studies using both embedded and marginal cost methodologies. Analyses of market dominance and cross-subsidization, including the implementation of differential pricing and inverse elasticity for various railroad commodities. Analyses of capital and operation costs required to operate "stand alone" railroads. Conducted cost of capital and revenue adequacy studies of railroads.

III. Insurance Studies

Conducted and presented expert testimony relating to market structure, performance, and profitability by line and sub-line of business within specific geographic areas, e.g. by state. These studies have included the determination of rates of return on Statutory Surplus and GAAP Equity by line - by state using the NAIC methodology, and comparison of individual insurance company performance vis a vis industry Country-Wide performance.

Conducted and presented expert testimony relating to rate regulation of workers compensation, automobile, and professional malpractice insurance. These studies have included the determination of a proper profit and contingency factor utilizing an internal rate of return methodology, the development of a fair investment income rate, capital structure, cost of capital.

Other insurance studies have included testimony before the Virginia Legislature regarding proper regulatory structure of Credit Life and P&C insurance; the effects on competition and prices resulting from proposed insurance company mergers, maximum and minimum expense multiplier limits, determination of specific class code rate increase limits (swing limits); and investigation of the reasonableness of NCCI=s administrative assigned risk plan and pool expenses.

GLENN A. WATKINS

IV. Anti-Trust and Commercial Business Damage Litigation

Analyses of alleged claims of attempts to monopolize, predatory pricing, unfair trade practices and economic losses. Assignments have involved definitions of relevant market areas(geographic and product) and performance of that market, the pricing and cost allocation practices of manufacturers, and the economic performance of manufacturers' distributors.

Performed and provided expert testimony relating to market impacts involving automobile and truck dealerships, incremental profitability, the present value of damages, diminution in value of business, market and dealer performance, future sales potential, optimal inventory levels, fair allocation of products, financial performance; and business valuations.

MEMBERSHIPS AND CERTIFICATIONS

Member, Association of Energy Engineers (1998)
Certified Rate of Return Analyst, Society of Utility and Regulatory Financial Analysts (1992)
Member, American Water Works Association
National Association of Business Economists
Richmond Association of Business Economists
National Economics Honor Society

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch
Hourly Assignment of Gross Plant

Time Period	Combined Bailly 7 & 8	Mich. City 12	Combined Schahfer 14, 15, 17, 18	Sugar Creek SUGRCK	Combined Schahfer 16A, 16B	Bailly 10	Hydro NORWAY	Hydro OAKDALE	Total Investment Allocated on Period
Total Gross Plant	$ 636,190,256	$ 440,808,400	$ 2,496,839,265	$ 132,510,458	$ 40,327,014	$ 8,481,784	$ 10,712,692	$ 21,567,260	$ 3,787,437,129
4/1/2014	$ -	$ 54,591	$ 188,883	$ -	$ -	$ -	$ -	$ -	$ 243,474
4/1/2014 1:00	$ -	$ 54,661	$ 156,560	$ -	$ -	$ -	$ -	$ -	$ 211,220
4/1/2014 2:00	$ -	$ 54,661	$ 145,317	$ -	$ -	$ -	$ -	$ -	$ 199,977
4/1/2014 3:00	$ -	$ 54,591	$ 145,317	$ -	$ -	$ -	$ -	$ -	$ 199,907
4/1/2014 4:00	$ -	$ 54,731	$ 152,906	$ -	$ -	$ -	$ -	$ -	$ 207,636
4/1/2014 5:00	$ -	$ 56,691	$ 175,111	$ -	$ -	$ -	$ -	$ -	$ 231,801
4/1/2014 6:00	$ -	$ 57,530	$ 211,510	$ -	$ -	$ -	$ -	$ -	$ 269,040
4/1/2014 7:00	$ -	$ 57,530	$ 218,396	$ -	$ -	$ -	$ -	$ -	$ 275,927
4/1/2014 8:00	$ -	$ 58,020	$ 221,769	$ -	$ -	$ -	$ -	$ -	$ 279,790
4/1/2014 9:00	$ -	$ 58,020	$ 249,455	$ -	$ -	$ -	$ -	$ -	$ 307,476
4/1/2014 10:00	$ -	$ 55,851	$ 267,866	$ -	$ -	$ -	$ -	$ -	$ 323,717
4/1/2014 11:00	$ -	$ 57,810	$ 267,023	$ -	$ -	$ -	$ -	$ -	$ 324,833
4/1/2014 12:00	$ -	$ 57,670	$ 269,271	$ -	$ -	$ -	$ -	$ -	$ 326,942
4/1/2014 13:00	$ -	$ 57,880	$ 269,974	$ -	$ -	$ -	$ -	$ -	$ 327,854
4/1/2014 14:00	$ -	$ 57,810	$ 270,396	$ -	$ -	$ -	$ -	$ -	$ 328,206
4/1/2014 15:00	$ -	$ 57,810	$ 270,396	$ -	$ -	$ -	$ -	$ -	$ 328,206
4/1/2014 16:00	$ -	$ 57,600	$ 271,239	$ -	$ -	$ -	$ -	$ -	$ 328,839
4/1/2014 17:00	$ -	$ 57,810	$ 272,082	$ -	$ -	$ -	$ -	$ -	$ 329,892
4/1/2014 18:00	$ -	$ 57,810	$ 271,801	$ -	$ -	$ -	$ -	$ -	$ 329,611
4/1/2014 19:00	$ -	$ 57,390	$ 271,942	$ -	$ -	$ -	$ -	$ -	$ 329,332
4/1/2014 20:00	$ -	$ 57,670	$ 272,363	$ -	$ -	$ -	$ -	$ -	$ 330,033
4/1/2014 21:00	$ -	$ 57,670	$ 272,363	$ -	$ -	$ -	$ -	$ -	$ 330,033
4/1/2014 22:00	$ -	$ 57,600	$ 266,601	$ -	$ -	$ -	$ -	$ -	$ 324,201
4/1/2014 23:00	$ -	$ 57,740	$ 250,861	$ -	$ -	$ -	$ -	$ -	$ 308,601
4/2/2014	$ -	$ 54,731	$ 237,931	$ -	$ -	$ -	$ -	$ -	$ 292,662
4/2/2014 1:00	$ -	$ 54,661	$ 238,353	$ -	$ -	$ -	$ -	$ -	$ 293,014
4/2/2014 2:00	$ -	$ 54,731	$ 235,683	$ -	$ -	$ -	$ -	$ -	$ 290,414
4/2/2014 3:00	$ -	$ 54,801	$ 259,574	$ -	$ -	$ -	$ -	$ -	$ 314,375
4/2/2014 4:00	$ -	$ 57,250	$ 291,617	$ -	$ -	$ -	$ -	$ -	$ 348,867
4/2/2014 5:00	$ -	$ 57,810	$ 318,460	$ -	$ -	$ -	$ -	$ -	$ 376,270
4/2/2014 6:00	$ -	$ 57,880	$ 338,416	$ -	$ -	$ -	$ -	$ -	$ 396,296
4/2/2014 7:00	$ -	$ 57,670	$ 354,016	$ -	$ -	$ -	$ -	$ -	$ 411,686
4/2/2014 8:00	$ -	$ 60,750	$ 373,129	$ -	$ -	$ -	$ 1,051	$ 2,542	$ 437,472
4/2/2014 9:00	$ -	$ 63,129	$ 380,999	$ -	$ -	$ -	$ 2,345	$ 6,018	$ 452,492
4/2/2014 10:00	$ -	$ 63,129	$ 380,578	$ -	$ -	$ -	$ 2,349	$ 6,018	$ 452,074
4/2/2014 11:00	$ -	$ 60,260	$ 380,015	$ -	$ -	$ -	$ 1,864	$ 6,205	$ 448,344
4/2/2014 12:00	$ -	$ 57,950	$ 379,313	$ -	$ -	$ -	$ 1,418	$ 6,391	$ 445,072
4/2/2014 13:00	$ -	$ 57,950	$ 379,594	$ -	$ -	$ -	$ 1,422	$ 6,429	$ 445,395
4/2/2014 14:00	$ -	$ 58,020	$ 379,313	$ -	$ -	$ -	$ 1,422	$ 6,391	$ 445,146
4/2/2014 15:00	$ -	$ 58,020	$ 380,156	$ -	$ -	$ -	$ 1,943	$ 6,429	$ 446,548
4/2/2014 16:00	$ -	$ 58,020	$ 380,437	$ -	$ -	$ -	$ 2,222	$ 6,391	$ 447,070
4/2/2014 17:00	$ -	$ 57,950	$ 380,437	$ -	$ -	$ -	$ 2,349	$ 6,391	$ 447,128
4/2/2014 18:00	$ -	$ 57,530	$ 381,983	$ -	$ -	$ -	$ 2,292	$ 6,429	$ 448,234
4/2/2014 19:00	$ -	$ 57,670	$ 382,264	$ -	$ -	$ -	$ 2,146	$ 5,943	$ 448,024
4/2/2014 20:00	$ -	$ 58,090	$ 382,264	$ -	$ -	$ -	$ 1,846	$ 5,868	$ 448,068
4/2/2014 21:00	$ -	$ 57,880	$ 369,897	$ -	$ -	$ -	$ 2,124	$ 5,569	$ 435,471
4/2/2014 22:00	$ -	$ 56,271	$ 342,351	$ -	$ -	$ -	$ 2,120	$ 5,607	$ 406,348
4/2/2014 23:00	$ -	$ 55,851	$ 301,033	$ -	$ -	$ -	$ 2,124	$ 4,747	$ 363,755
4/3/2014	$ -	$ 54,381	$ 236,947	$ -	$ -	$ -	$ 2,120	$ 4,672	$ 298,120
4/3/2014 1:00	$ -	$ 54,381	$ 219,661	$ -	$ -	$ -	$ 2,120	$ 4,597	$ 280,759
4/3/2014 2:00	$ -	$ 54,381	$ 205,889	$ -	$ -	$ -	$ 2,120	$ 4,597	$ 266,987
4/3/2014 3:00	$ -	$ 54,451	$ 204,343	$ -	$ -	$ -	$ 2,120	$ 4,597	$ 265,511
4/3/2014 4:00	$ -	$ 54,801	$ 220,223	$ -	$ -	$ -	$ 2,120	$ 4,597	$ 281,741
4/3/2014 5:00	$ -	$ 57,040	$ 243,974	$ -	$ -	$ -	$ 2,120	$ 5,270	$ 308,405
4/3/2014 6:00	$ -	$ 57,600	$ 265,055	$ -	$ -	$ -	$ 2,120	$ 6,317	$ 331,092
4/3/2014 7:00	$ -	$ 57,740	$ 282,622	$ -	$ -	$ -	$ 2,120	$ 4,747	$ 347,229
4/3/2014 8:00	$ -	$ 57,670	$ 312,838	$ -	$ -	$ -	$ 786	$ -	$ 371,295
4/3/2014 9:00	$ -	$ 57,810	$ 327,735	$ -	$ -	$ -	$ -	$ -	$ 385,546
4/3/2014 10:00	$ -	$ 57,740	$ 348,675	$ -	$ -	$ -	$ -	$ -	$ 406,416
4/3/2014 11:00	$ -	$ 58,090	$ 365,540	$ -	$ -	$ -	$ -	$ -	$ 423,630
4/3/2014 12:00	$ -	$ 58,020	$ 372,286	$ -	$ -	$ -	$ -	$ -	$ 430,306
4/3/2014 13:00	$ -	$ 57,740	$ 376,783	$ -	$ -	$ -	$ -	$ -	$ 434,523
4/3/2014 14:00	$ -	$ 57,810	$ 379,734	$ -	$ -	$ -	$ -	$ -	$ 437,545
4/3/2014 15:00	$ -	$ 57,670	$ 384,091	$ -	$ -	$ -	$ -	$ -	$ 441,761
4/3/2014 16:00	$ -	$ 57,390	$ 384,934	$ -	$ -	$ -	$ -	$ -	$ 442,325
4/3/2014 17:00	$ -	$ 57,600	$ 385,075	$ -	$ -	$ -	$ -	$ -	$ 442,675
4/3/2014 18:00	$ -	$ 57,810	$ 385,356	$ -	$ -	$ -	$ -	$ -	$ 443,166
4/3/2014 19:00	$ -	$ 57,740	$ 366,945	$ -	$ -	$ -	$ -	$ -	$ 424,686
4/3/2014 20:00	$ -	$ 57,670	$ 351,065	$ -	$ -	$ -	$ -	$ -	$ 408,735

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch
Class Assignment of Gross Plant

Rate Schedule		Allocated Generation Plant Cost	Allocation Factor
Residential (611,612,613)	$	792,619,516	20.9276%
620	$	2,706,127	0.0715%
621	$	345,608,422	9.1251%
622	$	3,280,099	0.0866%
623	$	342,679,862	9.0478%
624	$	510,667,342	13.4832%
641	$	6,753,544	0.1783%
625	$	20,389,675	0.5384%
626	$	182,672,662	4.8231%
632	$	488,771,674	12.9051%
633	$	587,265,068	15.5056%
634	$	478,503,162	12.6340%
644	$	4,410,722	0.1165%
650	$	6,192,108	0.1635%
660	$	2,777,308	0.0733%
655	$	1,631,021	0.0431%
642	$	71,686	0.0019%
Interdepartmental	$	10,437,131	0.2756%
TOTAL	$	3,787,437,129	100.0000%

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch
Class Assignment of Gross Plant

Total Generation Plant		DATE	HOUR	611	612	613	620	621	622	623	624	641	625	626	632	633 1/	634	644	650	660	655	642	Interdepartmental
				Rate Schedule																			
$243,474	4	4/1/2014	100	$36,636	$1,161	$167	$192	$20,686	$379	$18,571	$33,994	$544	$2,587	$13,378	$35,700	$41,729	$35,641	$205	$1,036	$472	$127	$6	$264
$211,220	4	4/1/2014	200	$31,980	$928	$158	$175	$17,832	$323	$16,018	$28,908	$488	$2,206	$11,280	$31,083	$37,983	$30,094	$154	$874	$398	$107	$5	$228
$199,977	4	4/1/2014	300	$30,603	$791	$141	$159	$16,605	$309	$14,712	$28,469	$460	$2,116	$10,288	$31,165	$35,014	$27,542	$131	$798	$364	$98	$4	$209
$199,907	4	4/1/2014	400	$33,855	$881	$135	$156	$16,956	$294	$15,029	$27,233	$413	$1,986	$9,917	$32,087	$32,871	$26,422	$242	$768	$350	$94	$4	$214
$207,636	4	4/1/2014	500	$37,923	$902	$111	$152	$17,679	$337	$17,191	$27,841	$423	$2,057	$10,190	$31,486	$33,971	$26,723	$307	$0	$0	$95	$4	$245
$231,801	4	4/1/2014	600	$42,443	$1,020	$120	$206	$21,727	$401	$20,899	$32,789	$530	$2,399	$11,197	$32,066	$36,322	$28,652	$626	$0	$0	$103	$5	$297
$269,040	4	4/1/2014	700	$54,170	$922	$161	$257	$25,753	$389	$25,415	$37,548	$668	$2,755	$12,905	$34,369	$39,814	$32,997	$432	$0	$0	$118	$5	$362
$275,927	4	4/1/2014	800	$49,288	$895	$165	$257	$30,528	$461	$29,251	$42,334	$782	$2,776	$13,167	$30,250	$41,308	$33,655	$268	$0	$0	$121	$5	$416
$279,790	4	4/1/2014	900	$55,664	$963	$182	$264	$32,787	$462	$29,468	$41,714	$649	$2,796	$13,173	$26,996	$40,100	$33,802	$225	$0	$0	$121	$5	$419
$307,476	4	4/1/2014	1000	$59,948	$1,060	$189	$288	$34,972	$523	$33,326	$45,311	$742	$3,062	$14,388	$29,707	$46,604	$36,535	$210	$0	$0	$131	$6	$474
$323,717	4	4/1/2014	1100	$60,934	$1,096	$178	$282	$36,097	$673	$34,097	$46,434	$840	$2,987	$14,779	$39,513	$47,403	$37,551	$225	$0	$0	$135	$6	$485
$324,833	4	4/1/2014	1200	$57,554	$1,100	$188	$314	$36,508	$682	$37,026	$48,844	$802	$2,647	$14,869	$37,526	$48,376	$37,521	$208	$0	$0	$136	$6	$527
$326,942	4	4/1/2014	1300	$58,306	$1,125	$213	$327	$37,954	$545	$37,708	$48,530	$854	$2,095	$14,924	$37,409	$48,928	$37,143	$200	$0	$0	$138	$6	$537
$327,854	4	4/1/2014	1400	$66,899	$1,137	$177	$264	$34,798	$594	$35,639	$45,925	$888	$1,246	$15,445	$36,747	$48,698	$58,560	$180	$0	$0	$143	$6	$507
$328,206	4	4/1/2014	1500	$65,844	$1,240	$233	$268	$35,488	$488	$33,859	$46,984	$879	$1,219	$15,986	$36,315	$48,634	$39,892	$242	$0	$0	$147	$6	$482
$328,206	4	4/1/2014	1600	$70,123	$1,473	$322	$277	$30,232	$428	$32,245	$47,199	$888	$1,210	$16,046	$36,507	$50,256	$40,067	$320	$0	$0	$149	$7	$459
$328,839	4	4/1/2014	1700	$71,087	$1,805	$254	$289	$26,180	$456	$32,509	$50,925	$957	$1,219	$16,425	$32,995	$51,921	$40,595	$603	$0	$0	$151	$7	$463
$329,892	4	4/1/2014	1800	$73,660	$2,073	$238	$330	$23,663	$509	$32,290	$50,006	$847	$1,235	$16,286	$34,043	$50,838	$40,792	$675	$1,230	$561	$151	$7	$460
$329,611	4	4/1/2014	1900	$74,002	$2,027	$247	$285	$27,913	$647	$31,343	$46,456	$772	$2,144	$15,819	$37,177	$48,178	$39,931	$368	$1,172	$534	$144	$6	$446
$329,332	4	4/1/2014	2000	$71,705	$2,029	$212	$291	$28,483	$569	$30,238	$46,585	$891	$2,462	$15,668	$38,587	$49,305	$39,617	$420	$1,161	$529	$142	$6	$430
$330,033	4	4/1/2014	2100	$66,900	$1,785	$219	$277	$29,919	$463	$28,320	$45,033	$944	$2,777	$15,463	$48,938	$46,873	$39,497	$390	$1,157	$527	$142	$6	$403
$330,033	4	4/1/2014	2200	$61,591	$1,658	$205	$301	$31,886	$502	$27,515	$44,922	$883	$3,043	$15,968	$45,799	$52,144	$41,008	$308	$1,206	$549	$148	$6	$392
$324,201	4	4/1/2014	2300	$55,811	$1,607	$204	$351	$32,755	$576	$27,553	$47,070	$864	$3,080	$16,517	$37,553	$54,803	$42,790	$292	$1,252	$571	$153	$7	$392
$308,601	4	4/1/2014	2400	$58,562	$1,363	$163	$331	$29,124	$537	$23,305	$40,803	$830	$2,998	$16,172	$35,926	$53,634	$42,253	$310	$1,238	$564	$152	$7	$332
$292,662	4	4/2/2014	100	$49,935	$1,215	$172	$318	$27,727	$603	$21,267	$37,867	$612	$2,770	$14,888	$40,577	$53,393	$38,922	$284	$1,142	$521	$140	$6	$303
$293,014	4	4/2/2014	200	$50,841	$1,224	$161	$319	$27,365	$516	$20,976	$37,792	$658	$3,144	$15,086	$39,439	$53,548	$39,531	$277	$1,160	$529	$142	$6	$299
$290,414	4	4/2/2014	300	$48,337	$1,424	$157	$319	$28,982	$615	$21,144	$39,022	$592	$2,978	$14,768	$37,772	$53,261	$38,669	$276	$1,134	$517	$139	$6	$301
$314,375	4	4/2/2014	400	$54,463	$1,896	$170	$374	$31,767	$713	$25,851	$44,613	$676	$2,980	$15,694	$34,774	$56,641	$41,040	$456	$1,199	$547	$147	$6	$368
$348,867	4	4/2/2014	500	$67,105	$2,167	$168	$386	$33,457	$645	$30,427	$47,703	$698	$3,447	$16,539	$42,855	$59,107	$42,987	$582	$0	$0	$154	$7	$433
$376,270	4	4/2/2014	600	$80,497	$2,135	$193	$452	$34,889	$821	$35,669	$51,351	$873	$3,992	$17,935	$37,216	$62,383	$46,122	$1,063	$0	$0	$165	$7	$508
$396,296	4	4/2/2014	700	$90,134	$2,004	$193	$458	$35,820	$621	$38,356	$53,179	$890	$4,150	$18,873	$46,114	$55,750	$48,364	$664	$0	$0	$173	$8	$546
$411,686	4	4/2/2014	800	$75,060	$1,994	$231	$423	$47,573	$698	$42,534	$57,633	$986	$4,300	$19,402	$46,881	$62,819	$49,973	$389	$0	$0	$177	$8	$605
$437,472	4	4/2/2014	900	$72,615	$1,525	$263	$385	$55,580	$851	$50,437	$64,124	$1,213	$4,598	$21,038	$44,653	$62,501	$56,430	$340	$0	$0	$193	$8	$718
$452,492	4	4/2/2014	1000	$80,705	$1,565	$236	$422	$53,984	$795	$52,647	$64,025	$1,073	$4,692	$22,020	$43,790	$65,864	$59,403	$310	$0	$0	$203	$9	$749
$452,074	4	4/2/2014	1100	$80,302	$1,629	$226	$390	$52,235	$830	$52,394	$65,201	$1,129	$4,312	$21,998	$43,087	$68,634	$58,429	$320	$0	$0	$203	$9	$746
$448,344	4	4/2/2014	1200	$87,646	$1,421	$183	$347	$52,358	$558	$49,463	$62,018	$1,057	$3,927	$21,773	$41,912	$66,234	$58,202	$329	$0	$0	$201	$9	$704
$445,072	4	4/2/2014	1300	$72,860	$1,572	$214	$387	$58,605	$573	$53,160	$65,685	$1,121	$3,032	$21,301	$41,650	$64,543	$59,081	$323	$0	$0	$200	$9	$757
$445,395	4	4/2/2014	1400	$73,235	$1,669	$280	$412	$55,359	$632	$52,136	$67,124	$1,235	$1,755	$21,521	$44,200	$64,444	$60,071	$367	$0	$0	$203	$9	$742
$445,146	4	4/2/2014	1500	$76,120	$2,566	$259	$414	$55,292	$710	$46,635	$63,006	$1,215	$1,759	$22,654	$44,180	$66,419	$62,661	$370	$0	$0	$212	$9	$664
$446,548	4	4/2/2014	1600	$94,534	$2,550	$252	$436	$46,437	$589	$41,658	$58,970	$1,114	$1,807	$22,994	$44,744	$65,961	$63,179	$506	$0	$0	$215	$9	$593
$447,070	4	4/2/2014	1700	$105,763	$2,188	$289	$474	$38,664	$682	$38,945	$56,611	$930	$1,733	$22,423	$49,289	$65,999	$61,377	$929	$0	$0	$209	$9	$554
$447,128	4	4/2/2014	1800	$106,046	$1,922	$296	$490	$41,221	$740	$39,418	$59,120	$1,061	$1,735	$22,293	$40,777	$67,040	$60,645	$1,085	$1,690	$770	$207	$9	$561
$448,234	4	4/2/2014	1900	$104,217	$2,152	$350	$529	$45,712	$685	$42,119	$59,661	$1,041	$2,988	$21,738	$40,421	$63,473	$59,351	$632	$1,620	$738	$198	$9	$599
$448,024	4	4/2/2014	2000	$100,627	$2,236	$379	$532	$38,660	$676	$40,923	$59,410	$1,101	$3,455	$21,399	$52,086	$63,751	$58,995	$681	$1,598	$729	$196	$9	$582
$448,068	4	4/2/2014	2100	$86,022	$2,056	$360	$595	$41,269	$767	$42,286	$61,925	$1,281	$3,858	$21,697	$54,643	$67,270	$60,227	$646	$1,619	$738	$198	$9	$602
$435,471	4	4/2/2014	2200	$86,281	$1,861	$293	$563	$39,164	$674	$35,294	$55,327	$1,103	$3,991	$21,722	$57,021	$67,011	$61,574	$487	$1,643	$749	$201	$9	$502
$406,348	4	4/2/2014	2300	$75,828	$1,675	$235	$506	$37,066	$689	$30,369	$52,489	$997	$3,802	$20,579	$54,332	$65,481	$58,962	$418	$1,571	$716	$192	$8	$432
$363,755	4	4/2/2014	2400	$58,323	$1,614	$231	$425	$33,492	$648	$27,089	$49,412	$894	$3,522	$18,941	$49,879	$61,724	$54,483	$391	$1,453	$662	$178	$8	$386
$298,120	4	4/3/2014	100	$51,337	$1,341	$178	$335	$23,974	$557	$22,176	$39,469	$686	$3,070	$15,226	$41,309	$52,019	$43,955	$305	$1,179	$538	$144	$6	$316
$280,759	4	4/3/2014	200	$47,265	$1,113	$159	$358	$22,459	$567	$21,439	$36,901	$752	$2,680	$14,416	$39,143	$49,675	$41,517	$255	$1,109	$505	$136	$6	$305
$266,987	4	4/3/2014	300	$47,360	$1,077	$139	$311	$21,646	$618	$20,517	$34,877	$1,106	$2,546	$13,581	$34,217	$47,714	$39,091	$237	$1,046	$477	$128	$6	$292
$265,511	4	4/3/2014	400	$49,077	$1,292	$136	$305	$20,986	$581	$21,640	$36,026	$942	$2,416	$13,191	$33,139	$45,846	$37,662	$364	$1,011	$461	$124	$5	$308
$281,741	4	4/3/2014	500	$56,516	$1,511	$133	$333	$23,625	$552	$24,179	$36,751	$816	$2,799	$13,553	$34,949	$47,069	$38,044	$435	$0	$0	$126	$6	$344
$308,405	4	4/3/2014	600	$53,622	$1,453	$156	$393	$29,869	$710	$32,675	$44,072	$1,616	$3,180	$14,481	$36,163	$49,736	$38,882	$795	$0	$0	$131	$6	$465
$331,092	4	4/3/2014	700	$59,660	$1,422	$162	$395	$31,837	$664	$38,203	$46,924	$1,731	$3,193	$15,485	$41,094	$48,362	$40,809	$463	$0	$0	$138	$6	$544
$347,229	4	4/3/2014	800	$67,505	$1,351	$189	$414	$33,465	$676	$39,279	$46,758	$1,884	$3,349	$16,052	$45,575	$47,866	$41,867	$292	$0	$0	$141	$6	$559
$371,295	4	4/3/2014	900	$71,543	$1,647	$221	$450	$37,319	$738	$42,781	$49,267	$1,980	$3,458	$16,821	$46,377	$52,730	$44,855	$342	$0	$0	$149	$7	$609
$385,546	4	4/3/2014	1000	$67,632	$1,698	$276	$504	$38,356	$793	$46,900	$52,385	$1,893	$3,426	$17,215	$53,401	$52,920	$47,015	$303	$0	$0	$154	$7	$667
$406,416	4	4/3/2014	1100	$72,637	$1,759	$255	$520	$40,678	$907	$47,051	$54,242	$1,837	$3,487	$18,066	$58,926	$55,000	$49,902	$309	$0	$0	$163	$7	$670
$423,630	4	4/3/2014	1200	$79,841	$1,670	$281	$474	$40,990	$919	$45,604	$56,984	$1,744	$3,517	$18,650	$63,862	$56,488	$51,480	$301	$0	$0	$169	$7	$649
$430,306	4	4/3/2014	1300	$85,209	$1,940	$322	$458	$40,867	$960	$47,896	$57,490	$1,862	$2,737	$19,065	$59,132	$60,365	$50,853	$288	$0	$0	$173	$8	$682

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Summary of Results

Description	System Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726
Current Rates									
Rate Base									
Plant In Service	$7,159,666,052	$2,213,899,799	$7,362,478	$802,959,468	$8,296,171	$656,812,863	$871,758,688	$33,161,329	$292,516,524
Accumulated Reserve	-$4,108,398,701	-$1,280,945,534	-$4,057,018	-$449,754,724	-$4,553,173	-$368,101,446	-$492,961,783	-$18,811,257	-$166,535,160
Other Rate Base Items	$386,579,093	$129,509,918	$568,594	$42,915,991	$450,654	$33,867,567	$44,750,469	$1,735,582	$15,612,960
Total Rate Base	$3,437,796,443	$1,062,464,182	$3,874,054	$396,120,754	$4,193,653	$322,578,984	$423,547,374	$16,085,654	$141,594,324
Revenues at Current Rates									
Retail Sales - Non Fuel	$1,040,570,221	$328,158,677	$483,239	$159,771,578	$836,374	$120,518,591	$141,034,218	$3,447,444	$44,652,102
Retail Sales - Fuel	$531,856,824	$105,681,832	$355,227	$45,841,347	$439,760	$46,083,632	$68,215,715	$2,975,490	$26,943,632
Total Retail Sales Revenue	$1,572,427,045	$433,840,509	$838,466	$205,612,924	$1,276,134	$166,602,223	$209,249,933	$6,422,934	$71,595,733
Off System Sales - Fuel	$9,832,335	$0	$0	$0	$0	$0	$0	$0	$0
Other Revenue	$22,245,928	$8,954,912	$13,075	$3,497,151	$19,997	$2,264,017	$2,605,479	$63,950	$804,039
Off System Sales - Non Fuel	$4,741,390	$1,497,726	$2,206	$729,202	$3,817	$550,050	$643,684	$15,734	$203,793
Total Other Revenue (To be Credited)	$26,987,318	$10,452,638	$15,280	$4,226,353	$23,814	$2,814,067	$3,249,163	$79,684	$1,007,833
Interruptible Power Credit	$0	$8,803,701	$29,606	$3,637,874	$37,015	$3,719,730	$4,845,977	$164,728	$1,626,890
Total Revenues	$1,609,246,698	$435,489,445	$824,140	$206,201,404	$1,262,933	$165,696,560	$207,653,118	$6,337,891	$70,976,676
Expenses at Current Rates									
Operations & Maintenance Expenses	$506,235,373	$164,629,408	$694,878	$53,309,181	$546,008	$44,090,408	$59,741,940	$2,313,986	$20,625,831
Depreciation Expense	$229,516,541	$64,536,783	$232,473	$24,798,362	$262,811	$21,527,248	$29,126,102	$1,118,278	$9,840,887
Amortization Expense	$24,575,364	$6,622,050	$22,726	$2,561,407	$25,827	$2,248,140	$3,123,683	$121,391	$1,077,759
Taxes Other Than Income Taxes	$66,527,209	$21,141,134	$80,176	$7,482,854	$77,832	$6,056,945	$8,030,467	$305,340	$2,703,980
Fuel Expenses	$531,856,823	$107,346,418	$389,490	$46,429,660	$473,463	$46,396,315	$68,359,346	$2,965,582	$27,142,813
Off System Sales - Fuel	$9,832,335	$0	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$14,679,304	$2,962,772	$10,750	$1,281,463	$13,068	$1,280,543	$1,886,725	$81,850	$749,144
Income Taxes	$66,522,229	$19,902,582	-$277,690	$25,806,337	-$87,505	$15,616,132	$17,102,118	-$354,727	$2,546,125
Total Expenses - Current	$1,449,745,177	$387,141,147	$1,152,804	$161,669,264	$1,311,503	$137,215,732	$182,370,380	$6,551,700	$64,686,540
Current Operating Income	$159,501,521	$48,348,299	-$328,664	$44,532,140	-$48,570	$28,480,829	$25,282,739	-$213,810	$6,290,136
Return at Current Rates	4.64%	4.55%	-8.48%	11.24%	-1.16%	8.83%	5.97%	-1.33%	4.44%
Index Rate of Return	100.00%	98%	-183%	242%	-25%	190%	129%	-29%	96%
OUCC Proposed Rates									
Total Current Revenue (Excl. Riders & Incl. Other Rev.)	$1,809,246,698	$435,489,445	$824,140	$206,201,404	$1,262,933	$165,696,560	$207,653,118	$6,337,891	$70,976,676
OUCC Proposed Total Increase	$147,553,456	$ 49,273,246	$118,020	$9,647,156	$179,625	$7,816,812	$9,817,801	$904,073	$6,718,403
Less: NIPSCO Proposed Riders	$20,965,838	$6,357,623	$44	$2,292,899	$369	$2,383,022	$2,663,924	$72,870	$845,006
Revenue @ Proposed Rates	$1,735,834,316	$478,405,069	$942,116	$213,555,660	$1,442,189	$171,130,350	$214,806,995	$7,169,094	$76,850,073
Less:									
O&M @ Current Rates	$506,235,373	$164,629,408	$694,878	$53,309,181	$546,008	$44,090,408	$59,741,940	$2,313,986	$20,625,831
Depreciation	$229,516,541	$64,536,783	$232,473	$24,798,362	$262,811	$21,527,248	$29,126,102	$1,118,278	$9,840,887
Amortization	$24,575,364	$6,622,050	$22,726	$2,561,407	$25,827	$2,248,140	$3,123,683	$121,391	$1,077,759
Taxes Other than Income @ Current Rates	$66,527,209	$21,141,134	$80,176	$7,482,854	$77,832	$6,056,945	$8,030,467	$305,340	$2,703,980
Fuel	$531,856,823	$107,346,418	$389,490	$46,429,660	$473,463	$46,396,315	$68,359,346	$2,965,582	$27,142,813
Off-system Sales Fuel	$9,832,335	$0	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$14,679,304	$2,962,772	$10,750	$1,281,463	$13,058	$1,280,543	$1,886,725	$81,850	$749,144
Subtotal	$1,383,222,948	$367,238,565	$1,430,494	$135,862,927	$1,399,009	$121,599,600	$170,268,262	$6,906,427	$62,140,415
Bad Debt Increase	$361,485	$320,496	$61	$20,305	$106	$15,316	$1,770	$0	$561
Utility Receipts Tax Increase	$1,772,227	$548,279	$2,009	$202,253	$2,135	$165,349	$217,786	$8,293	$73,045
PUC Fee Increase	$154,047	$47,634	$158	$17,276	$178	$14,132	$18,757	$713	$6,294
Total Expense Before Tax @ NIPSCO Proposed Rates	$1,385,510,705	$368,154,973	$1,432,723	$136,102,761	$1,401,429	$121,794,397	$170,506,575	$6,915,434	$62,220,314
Earnings Before Interest and Income Tax	$350,323,610	$110,250,095	-$490,607	$77,452,900	$40,760	$49,335,953	$44,300,420	$253,660	$14,629,759
Interest	$63,599,234	$19,655,587	$71,670	$7,328,234	$77,583	$5,967,711	$7,835,626	$297,585	$2,619,495
Taxable Income	$286,724,376	$90,594,508	-$562,277	$70,124,666	-$36,823	$43,368,242	$36,464,794	-$43,925	$12,010,264
Income Tax	$115,865,893	$36,609,421	-$227,217	$28,337,518	-$14,880	$17,525,193	$14,735,496	-$17,750	$4,853,372
Net Operating Income @ Proposed Rates	$234,457,717	$73,640,674	-$263,390	$49,115,382	$55,640	$31,810,760	$29,564,924	$271,410	$9,776,387
Rate Base	$3,437,796,443	$1,062,464,182	$3,874,054	$396,120,734	$4,193,653	$322,578,984	$423,547,374	$16,085,654	$141,594,324
ROR @ OUCC Proposed Rates	6.82%	6.93%	-6.80%	12.40%	1.33%	9.86%	6.98%	1.69%	6.90%
Indexed ROR @ OUCC Proposed		102%	-100%	182%	19%	145%	102%	25%	101%
Indexed ROR @ Current Rates		98%	-183%	242%	-25%	190%	129%	-29%	96%

Description	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
Current Rates										
Rate Base										
Plant In Service	$695,639,829	$797,942,352	$642,649,418	$19,159,737	$115,942	$10,855,398	$64,989,406	$3,569,644	$16,412,204	$21,564,804
Accumulated Reserve	-$399,695,304	-$460,479,934	-$371,112,628	-$10,533,218	-$66,375	-$5,913,421	-$49,500,765	-$2,291,648	-$11,059,787	-$12,025,525
Other Rate Base Items	$35,428,745	$40,551,224	$32,540,544	$999,938	$6,433	$556,420	$4,449,284	$199,461	$1,310,342	$1,074,966
Total Rate Base	$331,373,270	$378,013,641	$304,077,333	$9,626,457	$56,000	$5,498,396	$19,937,925	$1,477,456	$6,662,758	$10,614,246
Revenues at Current Rates										
Retail Sales - Non Fuel	$78,898,265	$101,455,432	$46,514,575	$2,228,634	$110,063	$1,407,671	$6,884,548	$669,575	$1,789,661	$1,709,575
Retail Sales - Fuel	$72,444,701	$86,703,034	$71,162,771	$922,670	$10,309	$635,310	$1,789,850	$235,306	$426,112	$990,126
Total Retail Sales Revenue	$151,342,967	$188,158,466	$117,677,346	$3,151,305	$120,372	$2,042,981	$8,674,398	$904,881	$2,215,773	$2,699,701
Off System Sales - Fuel	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Other Revenue	$1,306,461	$1,639,678	$783,775	$43,074	$1,933	$26,003	$150,902	$11,598	$52,011	$7,873
Off System Sales - Non Fuel	$360,094	$463,046	$212,294	$10,172	$502	$6,425	$31,421	$3,056	$8,168	$0
Total Other Revenue (To be Credited)	$1,666,555	$2,102,723	$996,069	$53,246	$2,435	$32,428	$182,323	$14,654	$60,179	$7,873
Interruptible Power Credit	-$13,823,856	$5,019,533	-$14,380,126	$61,565	$603	$38,891	$69,216	$13,711	$16,546	$118,399
Total Revenues	$166,833,378	$185,241,657	$133,053,541	$3,142,985	$122,204	$2,036,517	$8,787,505	$905,824	$2,259,406	$2,589,175
Expenses at Current Rates										
Operations & Maintenance Expenses	$48,817,095	$56,291,352	$45,542,076	$1,187,723	$10,345	$634,631	$4,679,743	$246,892	$1,504,633	$1,369,241
Depreciation Expense	$23,744,194	$27,589,413	$22,238,322	$596,664	$3,863	$319,181	$2,137,781	$119,579	$625,965	$698,633
Amortization Expense	$2,691,629	$3,156,427	$2,555,723	$57,562	$425	$33,559	$153,192	$11,603	$40,526	$71,735
Taxes Other Than Income Taxes	$6,327,712	$7,241,429	$5,834,808	$177,194	$1,100	$99,581	$569,311	$31,895	$169,147	$196,304
Fuel Expenses	$71,264,446	$86,257,442	$69,347,335	$917,806	$10,443	$641,792	$1,826,328	$237,558	$435,126	$1,415,461
Off System Sales - Fuel	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$1,966,906	$2,380,714	$1,913,994	$25,332	$288	$17,714	$50,407	$6,557	$12,010	$39,067
Income Taxes	$2,412,701	-$1,911,968	-$8,192,855	$1,071	$38,786	$77,136	-$408,784	$91,907	-$266,729	-$572,410
Total Expenses - Current	$157,224,684	$181,004,809	$139,239,403	$2,963,352	$65,251	$1,823,594	$9,007,979	$745,992	$2,520,677	$3,218,031
Current Operating Income	$9,608,695	$4,236,848	-$6,185,862	$179,633	$56,953	$212,924	-$220,474	$159,832	-$261,271	-$628,856
Return at Current Rates	2.90%	1.12%	-2.03%	1.87%	101.70%	3.87%	-1.11%	10.82%	-3.92%	-5.92%
Index Rate of Return	62%	24%	-44%	40%	2192%	83%	-24%	233%	-85%	-128%
OUCC Proposed Rates										
Total Current Revenue (Excl. Riders & Incl. Other Rev.)	$166,833,378	$185,241,657	$133,053,541	$3,142,985	$122,204	$2,036,517	$8,787,505	$905,824	$2,259,406	$2,589,175
OUCC Proposed Total Increase	$17,752,157	$23,836,167	$16,563,915	$369,640	$5,648	$191,709	$1,220,983	$42,456	$311,886	$2,783,759
Less: NIPSCO Proposed Riders	$2,209,691	$2,204,031	$1,815,966	$22,926	$2	$12,989		$6,314		$78,162
Revenue @ Proposed Rates	$182,375,844	$206,873,793	$147,801,491	$3,489,700	$127,850	$2,215,238	$10,008,487	$941,966	$2,571,291	$5,294,772
Less:										
O&M @ Current Rates	$48,817,095	$56,291,352	$45,542,076	$1,187,723	$10,345	$634,631	$4,679,743	$246,892	$1,504,633	$1,369,241
Depreciation	$23,744,194	$27,589,413	$22,238,322	$596,664	$3,863	$319,181	$2,137,781	$119,579	$625,965	$698,633
Amortization	$2,691,629	$3,156,427	$2,555,723	$57,562	$425	$33,559	$153,192	$11,603	$40,526	$71,735
Taxes Other than Income @ Current Rates	$6,327,712	$7,241,429	$5,834,808	$177,194	$1,100	$99,581	$569,311	$31,895	$169,147	$196,304
Fuel	$71,264,446	$86,257,442	$69,347,335	$917,806	$10,443	$641,792	$1,826,328	$237,558	$435,126	$1,415,461
Off-system Sales Fuel	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$1,966,906	$2,380,714	$1,913,994	$25,332	$288	$17,714	$50,407	$6,557	$12,010	$39,067
Subtotal	$154,811,983	$182,916,777	$147,432,258	$2,962,281	$26,465	$1,746,458	$9,416,763	$654,084	$2,787,407	$3,790,441
Bad Debt Increase	$990	$1,274	$584	$0	$1	$18	$0	$0	$0	$0
Utility Receipts Tax Increase	$171,510	$195,921	$157,691	$4,881	$30	$2,773	$10,576	$768	$3,510	$5,417
PUC Fee Increase	$14,967	$17,168	$13,827	$412	$2	$234	$1,398	$77	$353	$464
Total Expense Before Tax @ NIPSCO Proposed Rates	$154,999,451	$183,131,140	$147,604,360	$2,967,574	$26,499	$1,749,482	$9,428,737	$654,929	$2,791,270	$3,796,322
Earnings Before Interest and Income Tax	$27,376,394	$23,742,652	$197,131	$522,125	$101,351	$465,755	$579,750	$287,037	-$219,978	$1,498,450
Interest	$6,130,406	$6,993,252	$5,625,431	$178,089	$1,036	$101,720	$368,852	$27,333	$123,261	$196,364
Taxable Income	$21,245,988	$16,749,400	-$5,428,300	$344,036	$100,315	$364,035	$210,898	$259,704	-$343,239	$1,302,086
Income Tax	$8,585,546	$6,768,466	-$2,193,587	$139,026	$40,537	$147,107	$85,224	$104,947	-$138,704	$526,176
Net Operating Income @ Proposed Rates	$18,790,848	$16,974,186	$2,390,718	$383,100	$60,813	$318,648	$494,526	$182,090	-$81,275	$972,274
Rate Base	$331,373,270	$378,013,641	$304,077,333	$9,626,457	$56,000	$5,498,396	$19,937,925	$1,477,456	$6,662,758	$10,614,246
ROR @ OUCC Proposed Rates	5.67%	4.49%	0.79%	3.98%	108.60%	5.80%	2.48%	12.32%	-1.22%	9.16%
Indexed ROR @ OUCC Proposed	83%	66%	12%	58%	1592%	85%	36%	181%	-18%	134%
Indexed ROR @ Current Rates	62%	24%	-44%	40%	2192%	83%	-24%	233%	-85%	-128%

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Summary of Results

Description	System Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726
Equalized Rates of Return @ NIPSCO Proposed 6.82%									
O&M @ Current Rates	$506,235,373	$164,629,408	$694,878	$53,309,181	$546,008	$44,090,408	$59,741,940	$2,313,986	$20,625,831
Depreciation	$229,516,541	$64,536,783	$232,473	$24,798,362	$262,811	$21,527,248	$29,126,102	$1,118,278	$9,840,887
Amortization	$24,575,364	$6,622,050	$22,726	$2,561,407	$25,827	$2,248,140	$3,123,683	$121,391	$1,077,759
Taxes Other than Income @ Current Rates	$66,527,209	$21,141,134	$80,176	$7,482,854	$77,832	$6,056,945	$8,030,467	$305,340	$2,703,980
Fuel	$531,856,823	$107,346,418	$389,490	$46,429,660	$473,463	$46,396,315	$68,359,346	$2,965,582	$27,142,813
Off-system Sales Fuel	$9,832,335	$0	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$14,679,304	$2,962,772	$10,750	$1,281,463	$13,068	$1,280,543	$1,886,725	$81,850	$749,144
Subtotal At Current	$1,383,222,948	$367,238,565	$1,430,494	$135,862,927	$1,399,009	$121,599,600	$170,268,262	$6,906,427	$62,140,415
Bad Debt Increase	$361,483	$320,496	$61	$20,305	$106	$15,316	$1,770	$0	$561
Utility Receipts Tax - Increase	$1,772,227	$548,279	$2,009	$202,253	$2,135	$165,349	$217,786	$8,293	$73,045
PUC Fee - Increase	$154,047	$47,634	$158	$17,276	$178	$14,132	$18,757	$713	$6,294
Total Expense Increase Excl. Income Taxes	$2,287,757	$916,409	$2,229	$239,834	$2,420	$194,797	$238,313	$9,007	$79,899
Required Return @ Equal ROR	$234,457,717	$72,460,057	$264,210	$27,015,434	$286,007	$21,999,887	$28,885,931	$1,097,042	$9,656,733
Income Taxes @ Proposed (Equal ROR)	$115,865,893	$35,808,799	$130,569	$13,350,669	$141,341	$10,872,052	$14,275,044	$542,143	$4,772,229
Rev. Rqmt. @ Proposed (Equal ROR)	$1,735,834,316	$476,423,830	$1,827,503	$176,468,864	$1,828,777	$154,666,336	$213,667,550	$8,554,619	$76,649,276
Total Rev. @ Current Rates	$1,609,246,698	$435,489,445	$824,140	$206,201,404	$1,262,933	$165,696,560	$207,653,118	$6,337,891	$70,976,676
Plus: Increase in Riders	$20,965,838	$6,357,623	$44	$2,292,899	$369	$2,383,022	$2,663,924	$72,870	$845,006
Total Required Increase	$147,553,456	$47,292,007	$1,003,406	-$27,439,641	$566,213	-$8,647,202	$8,678,355	$2,289,598	$6,517,606
Less: NIPSCO Proposed Riders	$20,965,838	$6,357,623	$44	$2,292,899	$369	$2,383,022	$2,663,924	$72,870	$845,006
Required Net Increase	$126,587,618	$40,934,384	$1,003,362	-$29,732,540	$565,844	-$11,030,224	$6,014,431	$2,216,728	$5,672,600

Description	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
Equalized Rates of Return @ NIPSCO Proposed 6.82%										
O&M @ Current Rates	$48,817,095	$56,291,352	$45,542,076	$1,187,723	$10,345	$634,631	$4,679,743	$246,892	$1,504,633	$1,369,241
Depreciation	$23,744,194	$27,589,413	$22,238,322	$596,664	$9,863	$319,181	$2,137,781	$119,579	$625,965	$698,633
Amortization	$2,691,629	$3,156,427	$2,555,723	$57,562	$425	$33,559	$153,192	$11,603	$40,526	$71,735
Taxes Other than Income @ Current Rates	$6,327,712	$7,241,429	$5,834,808	$177,194	$1,100	$99,581	$569,311	$31,895	$169,147	$196,304
Fuel	$71,264,446	$86,257,442	$69,347,335	$917,806	$10,443	$641,792	$1,826,328	$237,558	$435,126	$1,415,461
Off-system Sales Fuel	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$1,966,906	$2,380,714	$1,913,994	$25,332	$288	$17,714	$50,407	$6,557	$12,010	$39,067
Subtotal At Current	$154,811,983	$182,916,777	$147,432,258	$2,962,281	$26,465	$1,746,458	$9,416,763	$654,084	$2,787,407	$3,790,441
Bad Debt Increase	$990	$1,274	$584	$0	$1	$18	$0	$0	$0	$0
Utility Receipts Tax - Increase	$171,510	$195,921	$157,691	$4,881	$30	$2,773	$10,576	$768	$3,510	$5,417
PUC Fee - Increase	$14,967	$17,168	$13,827	$412	$2	$234	$1,398	$77	$353	$464
Total Expense Increase Excl. Income Taxes	$187,468	$214,363	$172,102	$5,293	$34	$3,025	$11,975	$845	$3,863	$5,881
Required Return @ Equal ROR	$22,599,657	$25,780,530	$20,738,074	$656,524	$3,819	$374,991	$1,359,766	$100,763	$454,400	$723,892
Income Taxes @ Proposed (Equal ROR)	$11,168,451	$12,740,396	$10,248,481	$324,446	$1,887	$185,315	$671,979	$49,795	$224,559	$357,738
Rev. Rqmt. @ Proposed (Equal ROR)	$188,767,558	$221,652,067	$178,590,915	$3,948,544	$32,205	$2,309,788	$11,460,482	$805,487	$3,470,228	$4,877,952
Total Rev. @ Current Rates	$166,833,378	$185,241,657	$133,053,541	$3,142,985	$122,204	$2,036,517	$8,787,505	$905,824	$2,259,406	$2,589,175
Plus: Increase in Riders	$2,209,691	$2,204,031	$1,815,966	$22,926	$2	$12,989	$0	$6,314	$0	$78,162
Total Required Increase	$24,143,871	$38,614,441	$47,353,340	$828,485	-$89,997	$286,260	$2,672,978	-$94,023	$1,210,823	$2,366,939
Less: NIPSCO Proposed Riders	$2,209,691	$2,204,031	$1,815,966	$22,926	$2	$12,989	$0	$6,314	$0	$78,162
Required Net Increase	$21,934,180	$36,410,410	$45,537,374	$805,559	-$89,999	$273,271	$2,672,978	-$100,337	$1,210,823	$2,288,777

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Rate Base

No.	Account Description	Alloc. No.	Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
RATE BASE																					
Plant-In Service																					
	Intangible Plant																				
301	ORGANIZATION	36	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
302	FRANCHISES & CONSENTS	36	$1,389	$420	$1	$156	$2	$129	$171	$7	$57	$137	$157	$128	$4	$0	$2	$12	$1	$3	$4
303	MISC. INTANGIBLE PLANT	36	$44,598,123	$13,492,787	$44,443	$5,007,307	$51,959	$4,135,883	$5,490,452	$208,907	$1,840,556	$4,390,620	$5,037,466	$4,056,383	$120,251	$720	$68,588	$400,898	$22,269	$92,355	$136,279
	Total Intangible Plant		$44,599,513	$13,493,207	$44,445	$5,007,463	$51,961	$4,136,012	$5,490,623	$208,913	$1,840,614	$4,390,757	$5,037,623	$4,056,509	$120,255	$720	$68,590	$400,910	$22,270	$92,358	$136,283
	Production Plant																				
310-316	STEAM	1	$3,800,399,113	$795,332,148	$2,715,388	$346,791,219	$3,291,325	$343,852,637	$512,415,031	$20,459,456	$183,297,834	$490,444,428	$589,274,902	$480,140,773	$6,776,657	$71,931	$4,425,817	$6,213,300	$1,636,603	$2,786,813	$10,472,851
330-336	HYDRO	1	$32,283,193	$6,756,096	$23,066	$2,945,882	$27,959	$2,920,920	$4,352,804	$173,797	$1,557,057	$4,166,171	$5,005,705	$4,078,645	$57,566	$611	$37,596	$52,780	$13,902	$23,673	$88,964
340-346	OTHER	1	$216,976,461	$45,407,956	$155,030	$19,799,376	$187,912	$19,631,603	$29,255,348	$1,168,093	$10,465,036	$28,000,979	$33,643,515	$27,412,712	$386,900	$4,107	$252,683	$354,736	$93,439	$159,108	$597,927
	Total Production Plant		$4,049,658,767	$847,496,199	$2,893,485	$369,536,478	$3,507,195	$366,405,160	$546,023,183	$21,801,346	$195,319,928	$522,611,578	$627,924,121	$511,632,130	$7,221,123	$76,649	$4,716,097	$6,620,816	$1,743,944	$2,969,594	$11,159,741
	Transmission Plant																				
350	LAND AND LAND RIGHTS	2	$30,130,052	$7,495,199	$24,667	$3,058,049	$31,095	$3,147,216	$3,950,650	$122,173	$1,247,128	$3,965,584	$3,800,392	$3,046,492	$49,258	$455	$29,946	$40,378	$10,344	$9,680	$101,334
352	STRUCTURES & IMPROVEMENTS	2	$17,597,447	$4,377,569	$14,407	$1,786,053	$18,161	$1,838,130	$2,307,376	$71,355	$728,385	$2,316,104	$2,219,618	$1,779,303	$28,769	$266	$17,490	$23,583	$6,042	$5,653	$59,184
353	STATION EQUIPMENT	2	$473,594,952	$117,812,229	$387,729	$48,067,514	$488,770	$49,469,069	$62,097,735	$1,920,353	$19,602,808	$62,332,630	$59,735,928	$47,885,858	$774,260	$7,146	$470,706	$634,674	$162,597	$152,146	$1,592,789
354	TOWERS & FIXTURES	2	$87,902,795	$21,865,838	$71,965	$8,921,693	$90,719	$9,181,832	$11,525,808	$356,432	$3,638,429	$11,569,406	$11,087,439	$8,887,976	$143,709	$1,326	$87,367	$117,800	$30,179	$28,239	$295,635
355	POLES & FIXTURES	2	$152,388,627	$37,908,436	$124,769	$15,468,682	$157,271	$15,917,660	$19,981,185	$617,912	$6,307,595	$20,056,768	$19,221,227	$15,408,231	$249,134	$2,299	$151,459	$204,219	$52,319	$48,956	$512,515
356	OVERHEAD CONDUCTORS & DEVICES	2	$145,625,670	$36,226,072	$119,223	$14,780,276	$150,292	$15,211,240	$19,094,427	$590,489	$6,027,656	$19,166,655	$18,368,195	$14,724,418	$238,077	$2,197	$144,737	$195,156	$49,997	$46,783	$489,770
357	UNDERGROUND CONDUIT	2	$403,606	$100,402	$330	$40,964	$417	$42,158	$52,921	$1,637	$16,706	$53,121	$50,908	$40,809	$660	$6	$401	$541	$139	$130	$1,357
358	UNDERGROUND CONDUCTORS & DEV.	2	$2,514,362	$625,477	$2,058	$255,195	$2,595	$262,636	$329,683	$10,195	$104,073	$330,930	$317,144	$254,231	$4,111	$38	$2,499	$3,370	$863	$808	$8,456
359	ROADS & TRAILS	2	$70,027	$17,420	$57	$7,107	$72	$7,315	$9,182	$284	$2,899	$9,217	$8,833	$7,081	$114	$1	$70	$84	$24	$22	$236
	Total Transmission Plant		$910,227,539	$226,429,642	$745,197	$92,383,534	$939,393	$95,077,256	$119,348,967	$3,690,830	$37,675,689	$119,800,425	$114,809,683	$92,034,400	$1,488,092	$13,735	$904,676	$1,219,815	$312,504	$292,418	$3,061,286
	Distribution Plant																				
360	LAND AND LAND RIGHTS	38	$3,301,899	$1,857,153	$5,849	$562,563	$6,286	$292,204	$287,359	$10,201	$77,661	$20,852	$17,833	$4,075	$17,575	$33	$6	$106,837	$2,565	$21,588	$11,357
360	LAND AND LAND RIGHTS - SUB-TRANS	3	$450,596	$199,012	$1,200	$63,639	$1,231	$66,460	$69,467	$3,422	$19,150	$13,447	$3,204	$0	$3,387	$6	$1,169	$2,273	$141	$531	$2,855
360	LAND AND LAND RIGHTS - RR	8	$11,503	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$11,503	$0	$0	$0	$0
361	STRUCTURES & IMPROVEMENTS	38	$9,226,559	$5,189,479	$15,785	$1,571,981	$17,566	$816,512	$802,974	$28,505	$217,009	$58,267	$50,112	$11,386	$49,111	$91	$16	$298,538	$7,167	$60,325	$31,734
361	STRUCTURES & IMPROVEMENTS - SUB-TRANS	3	$2,634,863	$1,163,725	$7,019	$372,130	$7,198	$388,626	$406,212	$20,010	$111,978	$78,630	$18,737	$0	$19,805	$36	$6,839	$13,294	$824	$3,107	$16,695
361	STRUCTURES & IMPROVEMENTS - RR	8	$725,131	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$725,131	$0	$0	$0	$0
362	STATION EQUIPMENT	4	$200,248,642	$93,173,512	$561,941	$29,739,891	$576,298	$31,109,465	$31,163,083	$1,227,508	$8,392,612	$0	$0	$0	$1,585,660	$2,900	$0	$1,064,378	$65,993	$248,722	$1,336,678
362	STATION EQUIPMENT - SUB-TRANS	3	$44,701,954	$19,743,258	$119,074	$6,313,392	$122,116	$6,593,257	$6,891,618	$339,475	$1,899,771	$1,334,010	$317,881	$0	$335,998	$615	$116,022	$225,539	$13,984	$52,704	$283,239
362	STATION EQUIPMENT - RR	8	$3,437,480	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$3,437,480	$0	$0	$0	$0
364.1	CUSTOMER STATIONS	6	$37,885,020	$0	$0	$3,470,384	$0	$0	$14,170,733	$0	$1,735,192	$8,675,959	$8,097,562	$1,735,192	$0	$0	$0	$0	$0	$0	$0
364.1	CUSTOMER STATIONS - SUB-TRANS	7	$5,173,998	$0	$0	$713,655	$0	$178,414	$2,497,792	$178,414	$713,655	$713,655	$178,414	$0	$0	$0	$0	$0	$0	$0	$0
364.1	CUSTOMER STATIONS - RR	8	$175,637	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$175,637	$0	$0	$0	$0
364.2	POLES TOWERS & FIXTURES - SUB-TRANS	3	$33,100,900	$14,619,488	$88,172	$4,674,940	$90,425	$4,882,175	$5,103,105	$251,375	$1,406,742	$987,808	$235,385	$0	$248,800	$455	$85,912	$167,007	$10,355	$39,026	$209,733
364.2	POLES TOWERS & FIXTURES - PRIMARY	4	$190,127,689	$88,464,343	$533,540	$28,236,780	$547,170	$29,537,132	$29,588,041	$1,165,468	$7,968,433	$0	$0	$0	$1,505,518	$2,754	$0	$1,010,583	$62,657	$236,151	$1,269,120
364.2	POLES TOWERS & FIXTURES - SEC - DEMAND	5	$17,499,292	$8,595,046	$27,300	$3,316,772	$34,154	$2,995,755	$1,471,029	$50,921	$601,493	$0	$0	$0	$110,149	$414	$0	$147,143	$9,409	$35,046	$104,663
364.2	POLES TOWERS & FIXTURES - SEC - CUSTOMER	21	$67,920,395	$57,238,742	$20,608	$7,143,053	$34,895	$505,146	$33,240	$426	$15,779	$0	$0	$0	$95,950	$1,136	$1,278	$2,243,644	$45,347	$534,615	$6,534
365	OVERHEAD CONDUCTORS - SUB-TRANS	3	$21,394,157	$9,449,036	$56,988	$3,021,562	$58,444	$3,155,504	$3,298,298	$162,471	$909,222	$638,451	$152,137	$0	$160,807	$294	$55,528	$107,942	$6,693	$25,224	$135,557
365	OVERHEAD CONDUCTORS - PRIMARY	4	$81,453,908	$37,899,616	$228,577	$12,097,113	$234,417	$12,654,206	$12,676,016	$499,306	$3,413,811	$0	$0	$0	$644,989	$1,180	$0	$432,951	$26,843	$101,171	$543,712
365	OVERHEAD CONDUCTORS - SEC - DEMAND	5	$64,700,326	$31,778,558	$100,935	$12,263,137	$126,278	$11,076,240	$5,438,861	$188,270	$2,223,806	$0	$0	$0	$407,255	$1,529	$0	$544,033	$34,787	$129,576	$386,970
365	OVERHEAD CONDUCTORS - SEC - CUSTOMER	21	$43,991,177	$37,072,806	$13,348	$4,626,465	$22,601	$327,177	$21,529	$276	$10,220	$0	$0	$0	$62,146	$736	$828	$1,453,160	$29,371	$346,264	$4,232
366	UNDERGROUND CONDUIT - SUB-TRANS	3	$31,699	$14,000	$84	$4,477	$87	$4,675	$4,887	$241	$1,347	$946	$225	$0	$238	$0	$82	$160	$10	$37	$201
366	UNDERGROUND CONDUIT - PRIMARY	4	$3,559,099	$1,656,010	$9,988	$528,579	$10,243	$552,921	$553,874	$21,817	$149,165	$0	$0	$0	$28,183	$52	$0	$18,918	$1,173	$4,421	$23,757
366	UNDERGROUND CONDUIT - SEC - DEMAND	5	$47,070	$23,119	$73	$8,922	$92	$8,058	$3,957	$137	$1,618	$0	$0	$0	$296	$1	$0	$396	$25	$94	$282
366	UNDERGROUND CONDUIT - SEC - CUSTOMER	21	$525,793	$443,103	$160	$55,297	$270	$3,910	$257	$3	$122	$0	$0	$0	$743	$9	$10	$17,369	$351	$4,139	$51
367	UNDERGROUND CONDUCTORS - SUB-TRANS	3	$576,145	$254,463	$1,535	$81,371	$1,574	$84,978	$88,823	$4,375	$24,485	$17,194	$4,097	$0	$4,331	$8	$1,495	$2,907	$180	$679	$3,651
367	UNDERGROUND CONDUCTORS - PRIMARY	4	$242,277,177	$112,728,932	$679,883	$35,981,752	$697,252	$37,638,773	$37,703,645	$1,485,140	$10,154,068	$0	$0	$0	$1,918,461	$3,509	$0	$1,287,772	$79,843	$300,924	$1,617,222
367	UNDERGROUND CONDUCTORS - SEC - DEMAND	5	$3,204,196	$1,573,790	$4,999	$607,315	$6,254	$548,536	$269,362	$9,324	$110,136	$0	$0	$0	$20,169	$76	$0	$26,942	$1,723	$6,417	$19,164
367	UNDERGROUND CONDUCTORS - SEC - CUSTOMER	21	$35,792,101	$30,163,177	$10,860	$3,764,184	$18,389	$266,197	$17,516	$225	$8,315	$0	$0	$0	$50,563	$599	$674	$1,182,336	$23,897	$281,727	$3,443
368	LINE TRANSFORMERS	13	$247,645,183	$148,159,967	$255,090	$88,373,272	$428,981	$6,399,124	$743,751	$42,707	$1,420,725	$2,518	$618	$0	$1,247,807	$657	$0	$314,446	$10,427	$164,768	$80,325
369	SERVICES	11	$205,980,146	$184,553,292	$55,164	$19,118,051	$92,803	$1,384,341	$160,898	$0	$6,854	$191	$398	$0	$359,388	$78	$0	$102,069	$1,008	$128,415	$17,377
370	METERS	12	$81,073,617	$54,575,575	$198,857	$18,975,840	$176,025	$4,548,055	$903,060	$8,248	$211,913	$579,256	$298,825	$213,388	$367,328	$0	$0	$0	$0	$0	$17,248
371	INSTALLATIONS ON CUST PREMISES	14	$7,801,211	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$7,801,211	$0
373	STREET LIGHTING & SIGNAL SYSTEMS	15	$42,077,602	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$41,244,001	$833,601	$0	$0
	Total Distribution Plant		$1,698,752,162	$940,589,201	$2,996,848	$285,686,515	$3,311,050	$156,017,840	$154,369,367	$5,698,264	$41,805,182	$13,121,184	$9,375,526	$1,964,041	$9,244,657	$17,168	$4,619,610	$52,014,657	$1,268,374	$10,526,879	$6,125,798
	General Plant																				
389	LAND AND LAND RIGHTS	47	$202,729	$72,324	$368	$22,342	$230	$17,207	$23,057	$873	$7,904	$17,529	$19,998	$16,174	$498	$3	$267	$2,458	$105	$869	$524
390	STRUCTURES & IMPROVEMENTS	47	$16,659,402	$5,943,272	$30,226	$1,835,966	$18,872	$1,414,002	$1,894,762	$71,726	$649,487	$1,440,490	$1,643,357	$1,329,092	$40,926	$282	$21,905	$201,966	$8,608	$71,406	$43,056
391.1	OFFICE FURNITURE & EQUIPMENT	47	$7,983,374	$2,848,083	$14,485	$879,816	$9,044	$677,606	$907,991	$34,372	$311,242	$690,299	$787,515	$636,916	$19,612	$135	$10,497	$96,784	$4,125	$34,219	$20,633
391.2	COMPUTER EQUIPMENT	47	$51,247,277	$18,282,558	$92,981	$5,647,758	$58,054	$4,349,722	$5,828,623	$220,643	$1,997,938	$4,431,203	$5,055,258	$4,088,524	$125,897	$867	$67,385	$621,280	$26,481	$219,659	$132,447
392	TRANSPORTATION EQUIPMENT	47	$4,512,994	$1,610,019	$8,188	$497,358	$5,112	$383,050	$513,287	$19,431	$175,945	$390,225	$445,182	$360,048	$11,087	$76	$5,934	$54,712	$2,332	$19,344	$11,664
393	STORES EQUIPMENT	47	$2,131,032	$760,249	$3,866	$234,852	$2,414	$180,876	$242,373	$9,175	$83,081	$184,284	$210,214	$170,014	$5,235	$36	$2,802	$25,835	$1,101	$9,134	$5,508
394	TOOLS, SHOP & GARAGE EQUIPMENT	47	$22,689,228	$8,094,423	$41,166	$2,500,489	$25,703	$1,925,797	$2,580,565	$97,687	$884,567	$1,961,872	$2,238,166	$1,810,154	$55,740	$384	$29,834	$275,066	$11,724	$97,252	$58,640
395	LABORATORY EQUIPMENT	47	$18,505,238	$6,601,777	$33,575	$2,039,388	$20,963	$1,570,672	$2,104,698	$79,674	$721,449	$1,600,094	$1,825,438	$1,476,354	$45,461	$313	$24,332	$224,342	$9,562	$79,318	$47,826
396	POWER OPERATED EQUIPMENT	47	$13,047,594	$4,654,753	$23,673	$1,437,923	$14,781	$1,107,442	$1,483,972	$56,176	$508,677	$1,128,188	$1,287,072	$1,040,941	$32,053	$221	$17,156	$158,178	$6,742	$55,925	$33,721
397	COMMUNICATION EQUIPMENT	47	$18,748,522	$6,688,569	$34,017	$2,066,200	$21,239	$1,591,321	$2,132,368	$80,721	$730,934	$1,621,130	$1,849,437	$1,495,763	$48,059	$317	$24,652	$227,292	$9,688	$80,361	$48,455
398	MISCELLANEOUS EQUIPMENT	47	$2,629,250	$937,980	$4,770	$289,759	$2,978	$223,163	$299,038	$11,320	$102,505	$227,344	$259,381	$209,762	$6,459	$44	$3,457	$31,875	$1,359	$11,270	$6,795
	Total General Plant		$158,356,640	$56,494,016	$287,316	$17,451,853	$179,389	$13,440,857	$18,010,735	$681,798	$6,173,728	$13,692,639	$15,620,999	$12,633,743	$389,027	$2,679	$208,222	$1,919,787	$81,828	$678,756	$409,267

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Rate Base

No.	Account Description	Alloc. No.	Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
	Common Plant																				
301	ORGANIZATION	36	$101,376	$30,671	$101	$11,382	$118	$9,401	$12,480	$475	$4,184	$9,980	$11,451	$9,221	$273	$2	$156	$911	$51	$210	$310
303	MISC. INTANGIBLE PLANT	51	$83,249,921	$25,455,209	$87,014	$9,336,725	$96,830	$7,681,375	$10,202,399	$388,083	$3,424,382	$8,136,457	$9,332,375	$7,516,550	$223,281	$1,348	$126,926	$763,875	$41,655	$183,375	$252,052
303	MISC. INTANGIBLE PLANT (Customer Based software)	10	$54,245,607	$46,662,077	$16,916	$5,860,261	$28,447	$424,342	$49,320	$704	$16,510	$1,042	$656	$116	$78,798	$926	$116	$103,173	$16,095	$980,780	$5,327
389	LAND AND LAND RIGHTS	47	$6,694,738	$2,388,360	$12,147	$737,800	$7,584	$568,230	$761,428	$28,824	$261,003	$578,875	$660,399	$534,108	$16,447	$113	$8,803	$81,162	$3,459	$28,695	$17,302
390	STRUCTURES & IMPROVEMENTS	47	$66,830,804	$23,842,010	$121,255	$7,365,156	$75,707	$5,672,407	$7,601,019	$287,737	$2,605,481	$5,778,666	$6,592,486	$5,331,783	$164,160	$1,131	$87,875	$810,202	$34,534	$286,453	$172,722
391	OFFICE FURNITURE & EQUIPMENT	47	$31,346,754	$11,183,011	$56,874	$3,454,601	$35,510	$2,660,623	$3,565,232	$134,962	$1,222,092	$2,710,463	$3,092,182	$2,500,854	$77,008	$530	$41,218	$380,022	$16,198	$134,360	$81,015
392	TRANSPORTATION EQUIPMENT	47	$3,564,926	$1,271,794	$6,468	$392,876	$4,038	$302,581	$405,458	$15,349	$138,983	$308,249	$351,660	$284,411	$8,758	$60	$4,687	$43,218	$1,842	$15,280	$9,213
393	STORES EQUIPMENT	47	$3,482,013	$1,242,214	$6,318	$383,739	$3,944	$295,543	$396,028	$14,992	$135,751	$301,080	$343,481	$277,796	$8,554	$59	$4,578	$42,213	$1,799	$14,925	$8,999
394	TOOLS, SHOP & GARAGE EQUIPMENT	47	$8,964,239	$3,198,008	$16,264	$987,913	$10,155	$760,859	$1,019,550	$38,595	$349,482	$775,112	$884,272	$715,170	$22,022	$152	$11,787	$108,675	$4,632	$38,423	$23,168
395	LABORATORY EQUIPMENT	47	$2,188,271	$780,670	$3,970	$241,161	$2,479	$185,734	$248,884	$9,422	$85,312	$189,213	$215,861	$174,581	$5,376	$37	$2,877	$26,529	$1,131	$9,379	$5,656
396	POWER OPERATED EQUIPMENT	47	$2,321,633	$828,247	$4,212	$255,858	$2,630	$197,054	$264,052	$9,996	$90,512	$200,745	$229,016	$185,221	$5,703	$39	$3,053	$28,146	$1,200	$9,951	$6,000
397	COMMUNICATION EQUIPMENT	47	$33,444,020	$11,931,214	$60,679	$3,685,732	$37,886	$2,838,632	$3,803,765	$143,992	$1,303,856	$2,891,807	$3,299,066	$2,668,174	$82,160	$566	$43,975	$405,448	$17,282	$143,349	$86,435
398	MISCELLANEOUS EQUIPMENT	47	$1,637,129	$584,049	$2,970	$180,421	$1,855	$138,955	$186,199	$7,049	$63,825	$141,558	$161,494	$130,611	$4,022	$28	$2,153	$19,847	$846	$7,017	$4,231
	Total Common Plant		$298,071,431	$129,397,533	$395,189	$32,893,625	$307,184	$21,735,736	$28,515,813	$1,080,178	$9,701,383	$22,023,246	$25,174,399	$20,328,595	$696,583	$4,991	$338,204	$2,813,421	$140,724	$1,852,199	$672,429
	TOTAL PLANT-IN-SERVICE		$7,159,666,052	$2,213,899,799	$7,362,478	$802,959,468	$8,296,171	$656,812,863	$871,758,688	$33,161,329	$292,516,524	$695,639,829	$797,942,352	$642,649,418	$19,159,737	$115,942	$10,855,398	$64,989,406	$3,569,644	$16,412,204	$21,564,804
	Accumulated Reserve for Depreciation																				
	Intangible Plant																				
301	ORGANIZATION	36	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
302	FRANCHISES & CONSENTS	36	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
303	MISC. INTANGIBLE PLANT	36	-$41,387,012	-$12,521,292	-$41,243	-$4,646,776	-$48,218	-$3,838,096	-$5,095,133	-$193,865	-$1,708,034	-$4,074,491	-$4,674,763	-$3,764,319	-$111,593	-$668	-$63,649	-$372,033	-$20,666	-$85,705	-$126,466
	Total Intangible Plant		-$41,387,012	-$12,521,292	-$41,243	-$4,646,776	-$48,218	-$3,838,096	-$5,095,133	-$193,865	-$1,708,034	-$4,074,491	-$4,674,763	-$3,764,319	-$111,593	-$668	-$63,649	-$372,033	-$20,666	-$85,705	-$126,466
	Production Plant																				
310-316	STEAM	1	-$2,229,484,594	-$466,577,514	-$1,592,969	-$203,443,285	-$1,930,839	-$201,718,381	-$300,605,643	-$12,002,435	-$107,530,732	-$287,716,701	-$345,695,091	-$281,672,115	-$3,975,491	-$42,198	-$2,596,383	-$3,845,000	-$960,105	-$1,634,869	-$6,143,844
330-336	HYDRO	1	-$9,464,882	-$1,980,772	-$6,763	-$863,682	-$8,197	-$856,364	-$1,276,168	-$50,954	-$456,503	-$1,221,450	-$1,467,587	-$1,195,789	-$16,877	-$179	-$11,022	-$15,474	-$4,076	-$6,941	-$26,083
340-346	OTHER	1	-$97,002,217	-$20,300,231	-$69,308	-$8,851,575	-$84,008	-$8,776,570	-$13,078,993	-$522,212	-$4,678,534	-$12,518,211	-$15,040,781	-$12,255,218	-$172,969	-$1,836	-$112,966	-$158,590	-$41,773	-$71,131	-$267,311
	Total Production Plant		-$2,335,951,693	-$488,858,518	-$1,669,039	-$213,158,543	-$2,023,044	-$211,352,315	-$314,960,804	-$12,575,600	-$112,665,768	-$301,456,362	-$362,203,459	-$295,123,122	-$4,165,337	-$44,213	-$2,720,371	-$3,819,064	-$1,005,954	-$1,712,941	-$6,437,238
	Transmission Plant																				
350	LAND AND LAND RIGHTS	2	-$9,918,252	-$2,467,280	-$8,120	-$1,006,653	-$10,236	-$1,036,005	-$1,300,480	-$40,217	-$410,531	-$1,305,400	-$1,251,018	-$1,002,849	-$16,215	-$150	-$9,858	-$13,292	-$3,405	-$3,186	-$33,357
352	STRUCTURES & IMPROVEMENTS	2	-$8,569,849	-$2,131,849	-$7,016	-$869,797	-$8,844	-$895,158	-$1,123,678	-$34,749	-$354,719	-$1,127,928	-$1,080,940	-$866,510	-$14,010	-$129	-$8,518	-$11,485	-$2,942	-$2,753	-$28,822
353	STATION EQUIPMENT	2	-$188,669,318	-$46,933,678	-$154,462	-$19,148,990	-$194,715	-$19,707,337	-$24,738,307	-$765,025	-$7,809,307	-$24,831,884	-$23,797,417	-$19,076,623	-$308,447	-$2,847	-$187,519	-$252,840	-$64,775	-$60,612	-$634,534
354	TOWERS & FIXTURES	2	-$83,303,886	-$20,722,806	-$68,200	-$8,454,927	-$85,973	-$8,701,456	-$10,922,799	-$337,784	-$3,448,073	-$10,964,117	-$10,507,365	-$8,422,974	-$136,190	-$1,257	-$82,796	-$111,637	-$28,600	-$26,762	-$280,168
355	POLES & FIXTURES	2	-$69,401,813	-$17,264,505	-$56,819	-$7,043,936	-$71,626	-$7,249,324	-$9,099,961	-$281,413	-$2,872,646	-$9,134,383	-$8,753,855	-$7,017,316	-$113,462	-$1,047	-$68,979	-$93,007	-$23,827	-$22,296	-$233,413
356	OVERHEAD CONDUCTORS & DEVICES	2	-$97,631,673	-$24,287,009	-$79,930	-$9,909,126	-$100,760	-$10,198,056	-$12,801,458	-$395,881	-$4,041,122	-$12,849,881	-$12,314,571	-$9,871,677	-$159,614	-$1,473	-$97,036	-$130,836	-$33,519	-$31,365	-$328,356
357	UNDERGROUND CONDUIT	2	-$198,856	-$49,468	-$163	-$20,163	-$205	-$20,771	-$26,074	-$806	-$8,231	-$26,173	-$25,082	-$20,107	-$325	-$3	-$198	-$266	-$68	-$64	-$669
358	UNDERGROUND CONDUCTORS & DEV.	2	-$483,865	-$120,367	-$396	-$49,110	-$499	-$50,542	-$63,444	-$1,962	-$20,028	-$63,684	-$61,031	-$48,924	-$791	-$7	-$481	-$648	-$166	-$155	-$1,627
359	ROADS & TRAILS	2	-$59,489	-$14,798	-$49	-$6,038	-$61	-$6,214	-$7,800	-$241	-$2,462	-$7,830	-$7,503	-$6,015	-$97	-$1	-$59	-$80	-$20	-$19	-$200
	Total Transmission Plant		-$458,237,001	-$113,991,761	-$375,155	-$46,508,759	-$472,920	-$47,864,863	-$60,084,001	-$1,858,079	-$18,967,120	-$60,311,279	-$57,798,784	-$46,332,894	-$749,152	-$6,915	-$455,442	-$614,093	-$157,324	-$147,212	-$1,541,147
	Distribution Plant																				
360	LAND AND LAND RIGHTS	38	-$282,963	-$159,153	-$484	-$48,210	-$539	-$25,041	-$24,626	-$874	-$6,655	-$1,787	-$1,537	-$349	-$1,506	-$3	$0	-$9,156	-$220	-$1,850	-$973
360	LAND AND LAND RIGHTS - SUB-TRANS	3	-$38,615	-$17,055	-$103	-$5,454	-$105	-$5,695	-$5,953	-$293	-$1,641	-$1,152	-$275	$0	-$290	-$1	-$100	-$195	-$12	-$46	-$245
360	LAND AND LAND RIGHTS - RR	8	-$986	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	-$986	$0	$0	$0	$0
361	STRUCTURES & IMPROVEMENTS	38	-$5,811,089	-$3,268,448	-$9,942	-$990,068	-$11,063	-$514,257	-$505,731	-$17,950	-$136,677	-$36,698	-$31,561	-$7,171	-$30,931	-$58	-$10	-$188,026	-$4,514	-$37,994	-$19,987
361	STRUCTURES & IMPROVEMENTS- SUB-TRANS	3	-$1,659,494	-$732,939	-$4,420	-$234,375	-$4,533	-$244,765	-$255,841	-$12,603	-$70,526	-$49,523	-$11,801	$0	-$12,473	-$23	-$4,307	-$8,373	-$519	-$1,957	-$10,515
361	STRUCTURES & IMPROVEMENTS- RR	8	-$456,703	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	-$456,703	$0	$0	$0	$0
362	STATION EQUIPMENT	4	-$91,145,979	-$42,409,232	-$255,776	-$13,536,529	-$262,310	-$14,159,909	-$14,184,315	-$558,718	-$3,820,015	$0	$0	$0	-$721,735	-$1,320	$0	-$484,467	-$30,037	-$113,209	-$608,408
362	STATION EQUIPMENT - SUB-TRANS	3	-$20,346,722	-$8,986,421	-$54,198	-$2,873,629	-$55,583	-$3,001,014	-$3,136,817	-$154,517	-$864,708	-$607,193	-$144,688	$0	-$152,934	-$280	-$52,809	-$102,657	-$6,365	-$23,989	-$128,920
362	STATION EQUIPMENT - RR	8	-$1,564,617	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	-$1,564,617	$0	$0	$0	$0
364.1	CUSTOMER STATIONS	6	-$20,676,582	$0	$0	-$1,894,038	$0	$0	-$7,733,989	$0	-$947,019	-$4,735,095	-$4,419,422	-$947,019	$0	$0	$0	$0	$0	$0	$0
364.1	CUSTOMER STATIONS - SUB-TRANS	7	-$2,823,823	$0	$0	-$389,493	$0	-$97,373	-$1,363,225	-$97,373	-$389,493	-$389,493	-$97,373	$0	$0	$0	$0	$0	$0	$0	$0
364.1	CUSTOMER STATIONS - RR	8	-$95,857	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	-$95,857	$0	$0	$0	$0
364.2	POLES TOWERS & FIXTURES - SUB-TRANS	3	-$15,368,457	-$6,787,699	-$40,937	-$2,170,534	-$41,983	-$2,266,751	-$2,369,327	-$116,711	-$653,138	-$458,630	-$109,287	$0	-$115,515	-$211	-$39,888	-$77,540	-$4,808	-$18,119	-$97,377
364.2	POLES TOWERS & FIXTURES - PRIMARY	4	-$88,274,616	-$41,073,218	-$247,718	-$13,110,089	-$254,046	-$13,713,831	-$13,737,468	-$541,116	-$3,699,674	$0	$0	$0	-$698,999	-$1,279	$0	-$469,205	-$29,091	-$109,643	-$589,241
364.2	POLES TOWERS & FIXTURES - SEC - DEMAND	5	-$8,124,768	-$3,990,604	-$12,675	-$1,539,948	-$15,858	-$1,390,903	-$682,986	-$23,642	-$279,266	$0	$0	$0	-$51,141	-$192	$0	-$68,317	-$4,368	-$16,271	-$48,594
365.2	POLES TOWERS & FIXTURES - SEC - CUSTOMER	21	-$31,534,848	-$26,575,445	-$9,568	-$3,316,457	-$16,202	-$234,535	-$15,433	-$198	-$7,326	$0	$0	$0	-$44,549	-$528	-$594	-$1,041,704	-$21,054	-$248,217	-$3,034
365	OVERHEAD CONDUCTORS - SUB-TRANS	3	-$16,861,713	-$7,447,217	-$44,915	-$2,381,431	-$46,063	-$2,486,997	-$2,599,539	-$128,051	-$716,599	-$503,193	-$119,906	$0	-$126,739	-$232	-$43,764	-$85,074	-$5,275	-$19,880	-$106,839
365	OVERHEAD CONDUCTORS - PRIMARY	4	-$64,197,550	-$29,870,421	-$180,152	-$9,534,288	-$184,755	-$9,973,358	-$9,990,548	-$393,526	-$2,690,581	$0	$0	$0	-$508,346	-$930	$0	-$341,228	-$21,157	-$79,737	-$428,525
365	OVERHEAD CONDUCTORS - SEC - DEMAND	5	-$50,993,286	-$25,046,135	-$79,552	-$9,665,139	-$99,527	-$8,729,691	-$4,286,607	-$148,384	-$1,752,762	$0	$0	$0	-$320,977	-$1,205	$0	-$428,777	-$27,418	-$102,124	-$304,989
365	OVERHEAD CONDUCTORS - SEC - CUSTOMER	21	-$34,671,458	-$29,218,774	-$10,520	-$3,646,328	-$17,813	-$257,863	-$16,968	-$218	-$8,055	$0	$0	$0	-$48,980	-$580	-$653	-$1,145,317	-$23,149	-$272,906	-$3,335
366	UNDERGROUND CONDUIT - SUB-TRANS	3	-$17,059	-$7,535	-$45	-$2,409	-$47	-$2,516	-$2,630	-$130	-$725	-$509	-$121	$0	-$128	$0	-$44	-$86	-$5	-$20	-$108
366	UNDERGROUND CONDUIT - PRIMARY	4	-$1,915,419	-$891,224	-$5,375	-$284,468	-$5,512	-$297,568	-$298,081	-$11,741	-$80,277	$0	$0	$0	-$15,167	-$28	$0	-$10,181	-$631	-$2,379	-$12,786
366	UNDERGROUND CONDUIT - SEC - DEMAND	5	-$25,332	-$12,442	-$40	-$4,801	-$49	-$4,337	-$2,129	-$74	-$871	$0	$0	$0	-$159	-$1	$0	-$213	-$14	-$51	-$152
366	UNDERGROUND CONDUIT - SEC - CUSTOMER	21	-$282,969	-$238,467	-$86	-$29,759	-$145	-$2,105	-$138	-$2	-$66	$0	$0	$0	-$400	-$5	-$5	-$9,347	-$189	-$2,227	-$27
367	UNDERGROUND CONDUCTORS - SUB-TRANS	3	-$238,644	-$105,401	-$636	-$33,704	-$652	-$35,198	-$36,791	-$1,812	-$10,142	-$7,122	-$1,697	$0	-$1,794	-$3	-$619	-$1,204	-$75	-$281	-$1,512
367	UNDERGROUND CONDUCTORS - PRIMARY	4	-$100,353,180	-$46,693,242	-$281,613	-$14,903,935	-$288,807	-$15,590,286	-$15,617,157	-$615,157	-$4,205,898	$0	$0	$0	-$794,642	-$1,454	$0	-$533,406	-$33,072	-$124,645	-$669,867
367	UNDERGROUND CONDUCTORS - SEC - DEMAND	5	-$1,327,204	-$651,877	-$2,070	-$251,555	-$2,590	-$227,208	-$111,568	-$3,862	-$45,619	$0	$0	$0	-$8,354	-$31	$0	-$11,160	-$714	-$2,658	-$7,938
367	UNDERGROUND CONDUCTORS - SEC - CUSTOMER	21	-$14,825,380	-$12,493,834	-$4,498	-$1,559,156	-$7,617	-$110,261	-$7,255	-$93	-$3,444	$0	$0	$0	-$20,944	-$248	-$279	-$489,733	-$9,898	-$116,694	-$1,426
368	LINE TRANSFORMERS	13	-$132,399,806	-$79,211,518	-$136,380	-$47,247,453	-$229,348	-$3,421,196	-$397,636	-$22,833	-$759,569	-$1,346	-$330	$0	-$667,122	-$351	$0	-$168,114	-$5,575	-$88,091	-$42,944
369	SERVICES	11	-$185,043,718	-$165,794,753	-$49,576	-$17,174,836	-$83,370	-$1,243,633	-$144,544	$0	-$5,977	-$171	-$357	$0	-$322,859	-$70	$0	-$91,694	-$906	-$115,362	-$15,611
370	METERS	12	-$9,290,785	-$6,254,192	-$22,788	-$2,174,572	-$20,172	-$521,193	-$103,488	-$945	-$24,285	-$86,381	-$34,244	-$24,454	-$42,095	$0	$0	$0	$0	$0	-$1,977
371	INSTALLATIONS ON CUST PREMISES	14	-$5,969,165	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	-$5,969,165	$0
373	STREET LIGHTING & SIGNAL SYSTEMS	15	-$36,067,801	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	-$35,353,261	-$714,541	$0	$0
	Total Distribution Plant		-$942,686,585	-$537,937,243	-$1,454,067	-$149,002,659	-$1,648,691	-$78,557,485	-$77,630,788	-$2,850,825	-$21,181,009	-$6,858,294	-$4,972,600	-$978,993	-$4,708,780	-$9,031	-$2,261,237	-$41,118,435	-$943,605	-$7,467,516	-$3,105,328

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Rate Base

No.	Account Description	Alloc. No.	Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
	General Plant																				
389	LAND AND LAND RIGHTS	47	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
390	STRUCTURES & IMPROVEMENTS	47	-$9,838,056	-$3,509,744	-$17,650	-$1,084,213	-$11,145	-$835,026	-$1,118,934	-$42,357	-$383,549	-$850,668	-$970,469	-$784,883	-$24,169	-$166	-$12,936	-$119,269	-$5,084	-$42,168	-$25,428
391.1	OFFICE FURNITURE & EQUIPMENT	47	-$4,429,865	-$1,580,362	-$8,037	-$488,198	-$5,018	-$375,894	-$503,832	-$19,073	-$172,704	-$383,038	-$436,981	-$353,416	-$10,883	-$75	-$5,825	-$53,704	-$2,289	-$18,988	-$11,449
391.2	COMPUTER EQUIPMENT	47	-$70,973,504	-$25,319,925	-$128,771	-$7,821,707	-$80,400	-$6,024,027	-$8,072,191	-$305,573	-$2,766,989	-$6,135,873	-$7,001,140	-$5,662,289	-$174,357	-$1,201	-$93,322	-$860,425	-$36,674	-$304,210	-$183,429
392	TRANSPORTATION EQUIPMENT	47	-$3,504,027	-$1,250,068	-$6,358	-$386,165	-$3,969	-$297,412	-$398,531	-$15,086	-$136,609	-$302,983	-$345,653	-$279,552	-$8,608	-$59	-$4,607	-$42,480	-$1,811	-$15,019	-$9,056
393	STORES EQUIPMENT	47	-$1,602,358	-$571,644	-$2,907	-$176,589	-$1,815	-$136,004	-$182,245	-$6,899	-$62,470	-$138,551	-$158,064	-$127,837	-$3,936	-$27	-$2,107	-$19,426	-$828	-$6,868	-$4,141
394	TOOLS, SHOP & GARAGE EQUIPMENT	47	-$12,735,551	-$4,543,431	-$23,107	-$1,403,534	-$14,427	-$1,080,957	-$1,448,481	-$54,832	-$496,511	-$1,101,206	-$1,256,291	-$1,016,046	-$31,287	-$215	-$16,746	-$154,395	-$6,581	-$54,588	-$32,915
395	LABORATORY EQUIPMENT	47	-$15,119,297	-$5,393,836	-$27,432	-$1,666,237	-$17,127	-$1,283,283	-$1,719,597	-$65,095	-$589,444	-$1,307,322	-$1,491,434	-$1,206,222	-$37,143	-$256	-$19,880	-$183,294	-$7,813	-$64,805	-$39,075
396	POWER OPERATED EQUIPMENT	47	-$14,312,970	-$5,106,178	-$25,969	-$1,577,375	-$16,214	-$1,214,844	-$1,627,890	-$61,624	-$558,009	-$1,237,601	-$1,411,895	-$1,141,893	-$35,162	-$242	-$18,820	-$173,519	-$7,396	-$61,349	-$36,991
397	COMMUNICATION EQUIPMENT	47	-$15,101,429	-$5,387,462	-$27,399	-$1,664,268	-$17,107	-$1,281,766	-$1,717,565	-$65,019	-$588,748	-$1,305,777	-$1,489,672	-$1,204,797	-$37,099	-$255	-$19,857	-$183,077	-$7,803	-$64,728	-$39,029
398	MISCELLANEOUS EQUIPMENT	47	-$815,454	-$290,915	-$1,480	-$89,868	-$924	-$69,213	-$92,748	-$3,511	-$31,791	-$70,510	-$80,440	-$65,057	-$2,003	-$14	-$1,072	-$9,886	-$421	-$3,495	-$2,108
450	COST OF REMOVAL - GENERAL	47	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
108.11	MISC. RESERVE	47	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
0	Total General Plant		-$148,432,510	-$52,953,565	-$269,310	-$16,358,155	-$168,147	-$12,598,526	-$16,882,011	-$639,070	-$5,786,824	-$12,834,528	-$14,642,039	-$11,841,993	-$364,647	-$2,511	-$195,173	-$1,799,474	-$76,700	-$636,219	-$383,619
0	Common Plant																				
301	ORGANIZATION	47	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
303	MISC. INTANGIBLE PLANT	51	-$56,491,644	-$17,273,369	-$59,046	-$6,335,705	-$65,707	-$5,212,419	-$6,823,133	-$263,345	-$2,323,721	-$5,521,228	-$6,332,753	-$5,100,572	-$151,514	-$915	-$86,129	-$518,349	-$28,266	-$124,434	-$171,037
303	MISC. INTANGIBLE PLANT - Billing and Collecting	10	-$25,305,654	-$21,767,927	-$7,891	-$2,733,820	-$13,271	-$197,956	-$23,008	-$329	-$7,702	-$486	-$306	-$54	-$38,759	-$432	-$54	-$48,130	-$7,509	-$457,535	-$2,485
390	STRUCTURES & IMPROVEMENTS (Amortization)	47	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
389	LAND & LAND RIGHTS	47	$5,504	$1,964	$10	$607	$6	$467	$626	$24	$215	$476	$543	$439	$14	$0	$7	$67	$3	$24	$14
390	STRUCTURES & IMPROVEMENTS (Depreciation)	47	-$28,708,539	-$10,241,823	-$52,088	-$3,163,854	-$32,521	-$2,436,698	-$3,265,173	-$123,603	-$1,119,238	-$2,482,344	-$2,831,937	-$2,290,376	-$70,527	-$486	-$37,749	-$348,039	-$14,835	-$123,052	-$74,196
391	OFFICE FURNITURE & EQUIPMENT	47	-$29,394,846	-$10,486,664	-$53,333	-$3,239,489	-$33,299	-$2,494,950	-$3,343,231	-$126,558	-$1,145,894	-$2,541,687	-$2,899,638	-$2,345,130	-$72,213	-$497	-$38,651	-$356,359	-$15,189	-$125,994	-$75,970
392	TRANSPORTATION EQUIPMENT	47	-$2,346,336	-$837,060	-$4,257	-$258,580	-$2,658	-$199,150	-$266,861	-$10,102	-$91,475	-$202,881	-$231,453	-$187,191	-$5,764	-$40	-$3,085	-$28,445	-$1,212	-$10,057	-$6,064
393	STORES EQUIPMENT	47	-$1,854,898	-$661,738	-$3,365	-$204,421	-$2,101	-$157,438	-$210,967	-$7,986	-$72,315	-$160,388	-$182,975	-$147,984	-$4,557	-$31	-$2,439	-$22,487	-$958	-$7,951	-$4,794
394	TOOLS, SHOP & GARAGE EQUIPMENT	47	-$8,066,989	-$2,877,913	-$14,636	-$889,031	-$9,138	-$684,703	-$917,501	-$34,732	-$314,501	-$697,529	-$795,763	-$643,587	-$19,818	-$136	-$10,607	-$97,798	-$4,168	-$34,577	-$20,849
395	LABORATORY EQUIPMENT	47	-$1,630,738	-$581,769	-$2,959	-$179,717	-$1,847	-$138,412	-$185,472	-$7,021	-$63,576	-$141,005	-$160,863	-$130,101	-$4,006	-$28	-$2,144	-$19,770	-$843	-$6,990	-$4,215
396	POWER OPERATED EQUIPMENT	47	-$2,348,295	-$837,758	-$4,261	-$258,796	-$2,660	-$199,317	-$267,084	-$10,110	-$91,551	-$203,050	-$231,646	-$187,348	-$5,769	-$40	-$3,088	-$28,469	-$1,213	-$10,065	-$6,069
397	COMMUNICATION EQUIPMENT	47	-$24,497,254	-$8,739,439	-$44,447	-$2,699,745	-$27,751	-$2,079,257	-$2,786,202	-$105,472	-$955,056	-$2,118,206	-$2,416,517	-$1,954,399	-$60,181	-$414	-$32,211	-$296,885	-$12,659	-$105,001	-$63,312
398	MISCELLANEOUS EQUIPMENT	47	-$1,064,212	-$379,660	-$1,931	-$117,283	-$1,206	-$90,327	-$121,038	-$4,582	-$41,490	-$92,019	-$104,979	-$84,903	-$2,614	-$18	-$1,399	-$12,902	-$550	-$4,561	-$2,750
	Sub-total		-$181,703,901	-$74,683,156	-$248,203	-$20,079,833	-$192,153	-$13,890,162	-$18,309,046	-$693,817	-$6,226,405	-$14,160,349	-$16,188,288	-$13,071,207	-$433,709	-$3,037	-$217,549	-$1,777,666	-$87,400	-$1,010,194	-$431,727
	TOTAL DEPRECIATION ACCRUAL		-$4,108,398,701	-$1,280,945,534	-$4,057,018	-$449,754,724	-$4,553,173	-$368,101,446	-$492,961,783	-$18,811,257	-$166,535,160	-$399,695,304	-$460,479,934	-$371,112,628	-$10,533,218	-$66,375	-$5,913,421	-$49,500,765	-$2,291,648	-$11,059,787	-$12,025,525
	NET PLANT		$3,051,267,350	$932,954,264	$3,305,460	$353,204,744	$3,742,999	$288,711,417	$378,796,905	$14,350,072	$125,981,364	$295,944,525	$337,462,418	$271,536,789	$8,626,519	$49,567	$4,941,976	$15,488,641	$1,277,996	$5,352,416	$9,539,280
Rate Base Adjustments																					
	Additions																				
NA	FMCA Electric - 20%	54	$300,213	$93,976	$364	$30,488	$310	$26,175	$35,808	$1,407	$12,473	$30,381	$35,230	$28,530	$668	$7	$351	$2,371	$142	$741	$611
NA	TDSIC Electric - 20%	41	$3,543,604	$1,585,084	$5,083	$513,507	$5,773	$341,046	$371,773	$12,753	$107,954	$180,539	$168,673	$127,672	$14,578	$42	$7,503	$72,305	$2,147	$14,695	$12,478
NA	Mercury Air Toxin - 20%	24	$343,686	$69,367	$252	$30,003	$306	$29,981	$44,174	$1,816	$17,540	$46,051	$55,740	$44,812	$593	$7	$415	$1,180	$154	$281	$915
NA	Materials & Supplies	41	$69,590,915	$31,128,609	$99,814	$10,084,494	$113,375	$6,697,613	$7,301,057	$250,441	$2,120,042	$3,545,500	$3,312,468	$2,507,278	$286,281	$824	$147,353	$1,419,956	$42,168	$288,590	$245,053
NA	Production Fuel	24	$96,447,384	$19,466,294	$70,630	$8,419,595	$85,858	$8,413,549	$12,396,344	$537,781	$4,922,102	$12,923,157	$15,642,000	$12,575,507	$166,436	$1,894	$116,383	$331,188	$43,079	$78,906	$256,681
N/A	Pre Paid Pension Asset	47	$216,303,291	$77,156,588	$392,452	$23,837,922	$245,032	$18,359,203	$24,601,313	$931,284	$8,432,850	$18,703,118	$21,337,113	$17,256,745	$531,382	$3,659	$284,415	$2,622,284	$111,771	$927,130	$559,029
	Sub-total		$386,529,093	$129,509,918	$568,594	$42,915,991	$450,654	$33,867,567	$44,750,469	$1,735,582	$15,612,960	$35,428,745	$40,551,224	$32,540,544	$999,938	$6,433	$556,420	$4,449,284	$199,461	$1,310,342	$1,074,966
	TOTAL RATE BASE ADJ.		$386,529,093	$129,509,918	$568,594	$42,915,991	$450,654	$33,867,567	$44,750,469	$1,735,582	$15,612,960	$35,428,745	$40,551,224	$32,540,544	$999,938	$6,433	$556,420	$4,449,284	$199,461	$1,310,342	$1,074,966
TOTAL RATE BASE			$3,437,796,443	$1,062,464,182	$3,874,054	$396,120,734	$4,193,653	$322,578,984	$423,547,374	$16,085,654	$141,594,324	$331,373,270	$378,013,641	$304,077,333	$9,626,457	$56,000	$5,498,396	$19,937,925	$1,477,456	$6,662,758	$10,614,246

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Expenses

No.	Account Description	Alloc. No.	Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
	Steam Production - Operation																				
500	SUPERVISION & ENGINEERING	1	$9,457,235	$1,979,172	$6,757	$862,985	$8,190	$855,672	$1,275,137	$50,913	$456,134	$1,220,464	$1,466,402	$1,194,823	$16,864	$179	$11,014	$15,462	$4,073	$6,936	$26,062
501	FUEL	1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
502	STEAM EXPENSES - FIXED	1	$24,871,725	$5,205,054	$17,771	$2,269,576	$21,540	$2,250,345	$3,353,502	$133,897	$1,199,593	$3,209,715	$3,856,512	$3,142,283	$44,350	$471	$28,965	$40,663	$10,711	$18,238	$68,540
502	STEAM EXPENSES - VARIABLE	24	$16,052,964	$3,240,023	$11,756	$1,401,380	$14,290	$1,400,374	$2,063,281	$89,510	$819,248	$2,150,965	$2,603,497	$2,093,101	$27,702	$315	$19,371	$55,124	$7,170	$13,133	$42,723
504	STEAM TRANSFERRED-CREDIT	1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
505	ELECTRIC EXPENSES	1	$23,126,897	$4,839,903	$16,524	$2,110,359	$20,029	$2,092,476	$3,118,243	$124,504	$1,115,438	$2,984,544	$3,585,966	$2,921,842	$41,239	$438	$26,933	$37,810	$9,959	$16,959	$63,731
506	MISC. STEAM POWER EXPENSES - FIXED	1	$6,898,593	$1,443,710	$4,929	$629,505	$5,975	$624,171	$930,150	$37,139	$332,727	$890,269	$1,069,669	$871,565	$12,301	$131	$8,034	$11,279	$2,971	$5,059	$19,011
506	MISC. STEAM POWER EXPENSES - VARIABLE	24	$7,044,329	$1,421,780	$5,159	$614,951	$6,271	$614,509	$905,405	$39,278	$359,501	$943,882	$1,142,461	$918,491	$12,156	$138	$8,500	$24,189	$3,146	$5,763	$18,747
507	RENTS	1	$9,216,000	$1,928,687	$6,585	$840,972	$7,981	$833,846	$1,242,611	$49,614	$444,499	$1,189,332	$1,428,997	$1,164,345	$16,433	$174	$10,733	$15,067	$3,969	$6,758	$25,397
557.RTO	MARKET NON-FUEL UPLIFT CHARGES	1	$1,629,843	$341,087	$1,165	$148,725	$1,412	$147,465	$219,766	$8,774	$78,609	$210,333	$252,717	$205,914	$2,906	$31	$1,898	$2,665	$702	$1,195	$4,491
	Total Steam Production - Operation		$98,297,588	$20,399,416	$70,645	$8,878,453	$85,688	$8,818,858	$13,108,084	$533,629	$4,805,750	$12,799,503	$15,406,219	$12,512,364	$173,951	$1,877	$115,447	$202,259	$42,701	$74,040	$268,701
	Steam Production - Maintenance																				
510	SUPERVISION AND ENGINEERING	1	$4,156,110	$869,774	$2,970	$379,250	$3,599	$376,037	$560,376	$22,374	$200,454	$536,349	$644,430	$525,081	$7,411	$79	$4,840	$6,795	$1,790	$3,048	$11,453
511	STRUCTURES	1	$9,824,123	$2,055,953	$7,019	$896,464	$8,508	$888,867	$1,324,605	$52,888	$473,829	$1,267,811	$1,523,290	$1,241,175	$17,516	$186	$11,441	$16,062	$4,231	$7,204	$27,073
512	BOILER PLANT - FIXED	1	$44,886,329	$9,393,629	$32,071	$4,095,934	$38,874	$4,061,227	$6,052,109	$241,646	$2,164,922	$5,792,615	$6,959,897	$5,670,919	$80,039	$850	$52,273	$73,385	$19,330	$32,915	$123,694
512	BOILER PLANT - VARIABLE	24	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
513	ELECTRIC PLANT - FIXED	1	$21,231,315	$4,443,204	$15,170	$1,937,384	$18,387	$1,920,968	$2,862,659	$114,299	$1,024,012	$2,739,918	$3,292,044	$2,682,355	$37,858	$402	$24,725	$34,711	$9,143	$15,569	$58,508
513	ELECTRIC PLANT - VARIABLE	24	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
514	MISCELLANEOUS STEAM PLANT - FIXED	1	$7,700,564	$1,611,543	$5,502	$702,686	$6,669	$696,732	$1,038,282	$41,456	$371,408	$993,764	$1,194,019	$972,886	$13,731	$146	$8,968	$12,590	$3,316	$5,647	$21,221
514	MISCELLANEOUS STEAM PLANT - VARIABLE	24	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Steam Production - Maintenance		$87,798,441	$18,374,103	$62,732	$8,011,719	$76,038	$7,943,830	$11,838,031	$472,663	$4,234,625	$11,330,456	$13,613,680	$11,092,417	$156,557	$1,662	$102,247	$143,542	$37,809	$64,382	$241,948
	Total Steam		$186,096,029	$38,773,519	$133,377	$16,890,172	$161,726	$16,762,688	$24,946,115	$1,006,292	$9,040,374	$24,129,960	$29,019,900	$23,604,781	$330,508	$3,539	$217,694	$345,801	$80,510	$138,423	$510,650
	Hyrdraulic Production - Operation																				
535	SUPERVISION AND ENGINEERING	1	$27,537	$5,763	$20	$2,513	$24	$2,491	$3,713	$148	$1,328	$3,554	$4,270	$3,479	$49	$1	$32	$45	$12	$20	$76
537	HYDRAULIC EXPENSES	1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
538	ELECTRIC EXPENSES	1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
539	MISCELLANEOUS HYDRO POWER EXP	1	$33,966	$7,108	$24	$3,099	$29	$3,073	$4,580	$183	$1,638	$4,383	$5,267	$4,291	$61	$1	$40	$56	$15	$25	$94
	Total Hydraulic Production - Operation		$61,503	$12,871	$44	$5,612	$53	$5,565	$8,293	$331	$2,966	$7,937	$9,536	$7,770	$110	$1	$72	$101	$26	$45	$169
	Hydraulic Production - Maintenance																				
541	SUPERVISION AND ENGINEERING	1	$1,558	$326	$1	$142	$1	$141	$210	$8	$75	$201	$242	$197	$3	$0	$2	$3	$1	$1	$4
542	STRUCTURES	1	$750,767	$157,117	$536	$68,508	$650	$67,928	$101,227	$4,042	$36,210	$96,887	$116,411	$94,852	$1,339	$14	$874	$1,227	$323	$551	$2,069
543	RESERV, DAMS & WATERWAYS - FIXED	1	$978,376	$204,751	$699	$89,278	$847	$88,522	$131,916	$5,267	$47,188	$126,260	$151,703	$123,608	$1,745	$19	$1,139	$1,600	$421	$717	$2,696
543	RESERV, DAMS & WATERWAYS - VARIABLE	24	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
544	ELECTRIC PLANT - FIXED	1	$438,130	$91,690	$313	$39,980	$379	$39,641	$59,074	$2,359	$21,132	$56,541	$67,935	$55,353	$781	$8	$510	$716	$189	$321	$1,207
544	ELECTRIC PLANT - VARIABLE	24	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
545	MISC. HYDRO PLANT - FIXED	1	$4,039	$845	$3	$369	$3	$365	$545	$22	$195	$521	$626	$510	$7	$0	$5	$7	$2	$3	$11
545	MISC. HYDRO PLANT - VARIABLE	24	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Hydraulic Production - Maintenance		$2,172,869	$454,729	$1,553	$198,277	$1,882	$196,597	$292,972	$11,698	$104,800	$280,410	$336,917	$274,519	$3,875	$41	$2,530	$3,552	$936	$1,593	$5,988
	Total Hydraulic		$2,234,372	$467,600	$1,596	$203,889	$1,935	$202,162	$301,265	$12,029	$107,766	$288,347	$346,453	$282,290	$3,984	$42	$2,602	$3,653	$962	$1,638	$6,157
	Other Power Generation - Operations																				
546	OPER SUPERVISION AND ENGINEERING	1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
547	FUEL - FIXED		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
547	FUEL - VARIABLE		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
548	GENERATION EXPENSES	1	$3,067,962	$642,051	$2,192	$279,955	$2,657	$277,583	$413,659	$16,516	$147,972	$395,923	$475,706	$387,605	$5,471	$58	$3,573	$5,016	$1,321	$2,250	$8,454
549	OTHER OPERATION EXPENSE	1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Other Power Generation - Operations		$3,067,962	$942,051	$2,192	$279,955	$2,657	$277,583	$413,659	$16,516	$147,972	$395,923	$475,706	$387,605	$5,471	$58	$3,573	$5,016	$1,321	$2,250	$8,454
	Other Power Generation - Maintenance																				
552	STRUCTURES	1	$112,819	$23,610	$81	$10,295	$98	$10,208	$15,212	$607	$5,441	$14,559	$17,493	$14,253	$201	$2	$131	$184	$49	$83	$311
553	GEN. ELECTRIC PLANT - FIXED	1	$3,796,978	$794,616	$2,713	$346,479	$3,288	$343,543	$511,954	$20,441	$183,133	$490,003	$588,744	$479,709	$6,771	$72	$4,422	$6,208	$1,635	$2,784	$10,463
553	GEN. ELECTRIC PLANT - VARIABLE	24	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
554	MISCELLANEOUS STEAM PLANT	1	$408,783	$85,548	$292	$37,302	$354	$36,986	$55,117	$2,201	$19,716	$52,754	$63,384	$51,645	$729	$8	$476	$668	$176	$300	$1,126
555	PURCHASED POWER	1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
556	SYSTEM CONTROL AND LOAD DISPATCH	1	$551,933	$115,506	$394	$50,365	$478	$49,938	$74,418	$2,971	$26,620	$71,227	$85,581	$69,731	$984	$10	$643	$902	$238	$405	$1,521
557	OTHER EXPENSES	1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Other Power Generation - Maintenance		$4,870,513	$1,019,281	$3,480	$444,440	$4,218	$440,674	$656,700	$26,220	$234,911	$628,543	$755,202	$615,338	$8,685	$92	$5,672	$7,963	$2,097	$3,572	$13,422
	Total Other		$7,938,475	$1,661,332	$5,672	$724,396	$6,875	$718,258	$1,070,360	$42,737	$382,882	$1,024,466	$1,230,909	$1,002,943	$14,155	$150	$9,245	$12,979	$3,419	$5,821	$21,876

NORTHERN INDIANA PUBLIC SERVICE COMPANY
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No.	Account Description	Alloc. No.	Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
	Transmission Operation Expenses																				
560	SUPERVISION & ENGINEERING	43	$1,194,022	$297,027	$978	$121,187	$1,232	$124,721	$156,560	$4,842	$49,422	$157,152	$150,606	$120,729	$1,952	$18	$1,187	$1,600	$410	$384	$4,016
561	LOAD DISPATCHING	2	$15,699,608	$3,905,459	$12,853	$1,593,431	$16,203	$1,639,893	$2,058,531	$63,659	$649,830	$2,066,318	$1,980,238	$1,587,410	$25,667	$237	$15,604	$21,039	$5,390	$5,044	$52,801
562	STATION EXPENSES	2	$1,094,251	$272,207	$896	$111,061	$1,129	$114,299	$143,478	$4,437	$45,293	$144,021	$138,021	$110,641	$1,789	$17	$1,088	$1,466	$376	$352	$3,680
563	OVERHEAD LINES	2	$252,156	$62,727	$206	$25,593	$260	$26,339	$33,063	$1,022	$10,437	$33,188	$31,805	$25,496	$412	$4	$251	$338	$87	$81	$848
564	UNDERGROUND LINES	2	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
565	TRANSMISSION BY OTHERS	2	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
566	OTHER OPERATION EXPENSE	42	$1,545,076	$384,356	$1,265	$156,818	$1,595	$161,390	$202,590	$6,265	$63,953	$203,357	$194,885	$156,225	$2,526	$23	$1,536	$2,071	$530	$496	$5,196
567	RENTS	42	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
575STUB-R	MISO STUB PERIOD EXPENSES	2	$3,918,421	$974,753	$3,208	$397,700	$4,044	$409,296	$513,783	$15,889	$162,189	$515,727	$494,242	$396,197	$6,406	$59	$3,895	$5,251	$1,345	$1,259	$13,178
	Total Transmission Operation Expenses		$23,703,534	$5,896,528	$19,406	$2,405,790	$24,463	$2,475,938	$3,108,006	$96,114	$981,125	$3,119,762	$2,989,797	$2,396,698	$38,752	$358	$23,559	$31,766	$8,138	$7,615	$79,720
	Transmission Maintenance Expenses																				
568	SUPERVISION & ENGINEERING	49	$1,200,867	$298,730	$983	$121,882	$1,239	$125,436	$157,458	$4,869	$49,706	$158,053	$151,469	$121,421	$1,963	$18	$1,194	$1,609	$412	$386	$4,039
569	STRUCTURES	2	$1,577,728	$392,478	$1,292	$160,132	$1,628	$164,801	$206,872	$6,397	$65,305	$207,654	$199,004	$159,526	$2,579	$24	$1,568	$2,114	$542	$507	$5,306
570	STATION EQUIPMENT	2	$3,470,842	$863,412	$2,842	$352,273	$3,582	$362,545	$455,097	$14,074	$143,663	$456,818	$437,788	$350,942	$5,674	$52	$3,450	$4,651	$1,192	$1,115	$11,673
571	OVERHEAD LINES	2	$4,034,282	$1,003,574	$3,303	$409,459	$4,164	$421,398	$528,975	$16,358	$166,985	$530,976	$508,856	$407,912	$6,595	$61	$4,010	$5,406	$1,385	$1,296	$13,568
572	UNDERGROUND LINES	2	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
573	MISC TRANSMISSION PLANT	42	$165,144	$41,081	$135	$16,761	$170	$17,250	$21,654	$670	$6,836	$21,736	$20,830	$16,698	$270	$2	$164	$221	$57	$53	$555
575.7	REGIONAL MARKET EXPENSES	2	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Transmission Maintenance Expenses		$10,448,864	$2,599,276	$8,554	$1,060,507	$10,784	$1,091,430	$1,370,054	$42,369	$432,494	$1,375,237	$1,317,946	$1,056,499	$17,082	$158	$10,385	$14,003	$3,587	$3,357	$35,142
	Total Transmission		$34,152,398	$8,495,804	$27,960	$3,466,297	$35,247	$3,567,368	$4,478,060	$138,483	$1,413,619	$4,494,999	$4,307,743	$3,453,197	$55,834	$515	$33,944	$45,768	$11,725	$10,972	$114,862
	Distribution Operation Expenses																				
580	SUPERVISION AND ENGINEERING	44	$2,628,743	$1,387,482	$5,103	$429,894	$5,140	$217,152	$182,801	$6,803	$49,137	$14,187	$8,427	$3,083	$13,158	$20	$5,203	$202,630	$4,342	$86,844	$7,357
581	LOAD DISPATCHING	4	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
581	LOAD DISPATCHING - SUB-TRANS	3	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$6	$0	$0	$0	$0	$0	$0	$0	$0
581	LOAD DISPATCHING - RR	8	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
582	STATION EXPENSES	4	$568,721	$264,620	$1,596	$84,463	$1,637	$88,353	$88,505	$3,486	$23,836	$0	$0	$0	$4,503	$8	$0	$3,023	$187	$706	$3,796
582	STATION EXPENSES - SUB-TRANS	3	$126,957	$56,072	$338	$17,930	$347	$18,725	$19,573	$964	$5,395	$3,789	$903	$0	$954	$2	$330	$641	$40	$150	$804
582	STATION EXPENSES - RR	8	$9,763	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$9,763	$0	$0	$0	$0
583	OVERHEAD LINES - SUB-TRANS	3	$50,265	$22,200	$134	$7,099	$137	$7,414	$7,749	$382	$2,136	$1,500	$357	$0	$378	$1	$130	$254	$16	$59	$318
583	OVERHEAD LINES - PRIMARY	4	$191,374	$89,044	$537	$28,422	$551	$29,731	$29,782	$1,173	$8,021	$0	$0	$0	$1,515	$3	$0	$1,017	$63	$238	$1,277
583	OVERHEAD LINES - SECONDARY	21	$255,368	$215,207	$77	$26,856	$131	$1,899	$125	$2	$59	$0	$0	$0	$361	$4	$5	$8,436	$170	$2,010	$25
584	UNDERGROUND LINES - SUB-TRANS	3	$11,347	$5,012	$30	$1,603	$31	$1,674	$1,749	$86	$482	$339	$81	$0	$85	$0	$29	$57	$4	$13	$72
584	UNDERGROUND LINES - PRIMARY	4	$1,274,039	$592,797	$3,575	$189,214	$3,667	$197,927	$198,268	$7,810	$53,396	$0	$0	$0	$10,088	$18	$0	$6,772	$420	$1,582	$8,504
584	UNDERGROUND LINES - SECONDARY	21	$205,066	$172,816	$62	$21,566	$105	$1,525	$100	$1	$48	$0	$0	$0	$290	$3	$4	$6,774	$137	$1,614	$20
585	STREET LIGHTING & SIGNAL SYSTEMS	15	$681,531	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$668,030	$13,502	$0	$0
586	METER EXPENSE	12	$2,957,971	$1,991,190	$7,255	$592,333	$6,422	$165,936	$32,948	$301	$7,732	$21,134	$10,903	$7,785	$13,402	$0	$0	$0	$0	$0	$629
587	CUSTOMER INSTALLATION EXPENSE	14	$318,673	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$318,673	$0
588	MISC. DISTRIBUTION EXPENSE	39	$3,924,010	$2,172,702	$6,923	$659,918	$7,648	$360,391	$356,583	$13,163	$96,567	$30,309	$21,657	$4,537	$21,355	$40	$10,671	$120,151	$2,930	$24,316	$14,150
589	RENTS	39	$69,551	$38,510	$123	$11,697	$136	$6,388	$6,320	$233	$1,712	$537	$384	$80	$378	$1	$189	$2,130	$52	$431	$251
	Total Distribution Operation Expenses		$13,273,378	$7,007,650	$25,754	$2,170,996	$25,952	$1,097,116	$924,505	$34,404	$248,521	$71,794	$42,711	$15,466	$66,468	$100	$26,324	$1,019,913	$21,863	$436,638	$37,205
	Distribution Maintenance Expenses																				
590	SUPERVISION AND ENGINEERING	45	$1,849,033	$1,139,243	$3,110	$242,086	$3,364	$164,111	$159,607	$6,521	$43,336	$5,244	$1,395	$46	$9,264	$28	$2,090	$53,931	$1,316	$7,492	$6,850
591	STRUCTURES	4	$574	$267	$2	$85	$2	$89	$89	$4	$24	$0	$0	$0	$5	$0	$0	$3	$0	$1	$4
591	STRUCTURES - SUB-TRANS	3	$164	$72	$0	$23	$0	$24	$25	$1	$7	$5	$1	$0	$1	$0	$0	$1	$0	$0	$1
591	STRUCTURES - RR	8	$45	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$45	$0	$0	$0	$0
592	STATION EQUIPMENT	4	$1,465,258	$681,769	$4,112	$217,613	$4,217	$227,634	$228,026	$8,982	$61,410	$0	$0	$0	$11,603	$21	$0	$7,788	$483	$1,820	$9,781
592	STATION EQUIPMENT - SUB-TRANS	3	$327,093	$144,465	$871	$46,196	$894	$48,244	$50,427	$2,484	$13,901	$9,761	$2,326	$0	$2,459	$4	$849	$1,650	$102	$386	$2,073
592	STATION EQUIPMENT - RR	8	$25,153	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$25,153	$0	$0	$0	$0
593	OVERHEAD LINES - SUB-TRANS	3	$2,353,386	$1,039,407	$6,269	$332,376	$6,429	$347,110	$362,817	$17,872	$100,016	$70,231	$16,735	$0	$17,689	$32	$6,108	$11,874	$736	$2,775	$14,911
593	OVERHEAD LINES - PRIMARY	4	$8,960,039	$4,169,009	$25,144	$1,330,699	$25,786	$1,391,980	$1,394,379	$54,924	$375,524	$0	$0	$0	$70,950	$130	$0	$47,625	$2,953	$11,129	$59,809
593	OVERHEAD LINES - SECONDARY	21	$11,956,211	$10,075,891	$3,628	$1,257,411	$6,143	$88,922	$5,851	$75	$2,778	$0	$0	$0	$16,890	$200	$225	$394,955	$7,983	$94,110	$1,150
594	UNDERGROUND LINES - SUB-TRANS	3	$29,031	$12,822	$77	$4,100	$79	$4,282	$4,476	$220	$1,234	$866	$206	$0	$218	$0	$75	$146	$9	$34	$184
594	UNDERGROUND LINES - PRIMARY	4	$3,259,564	$1,516,640	$9,147	$484,094	$9,381	$506,387	$507,260	$19,981	$136,611	$0	$0	$0	$25,811	$47	$0	$17,326	$1,074	$4,049	$21,758
594	UNDERGROUND LINES - SECONDARY	21	$524,651	$442,141	$159	$55,176	$270	$3,902	$257	$3	$122	$0	$0	$0	$741	$9	$10	$17,331	$350	$4,130	$50
595	LINE TRANSFORMERS	13	$357,127	$213,660	$368	$127,442	$619	$9,228	$1,073	$62	$2,049	$4	$1	$0	$1,799	$1	$0	$453	$15	$238	$116
596	STREET LIGHT & SIGNAL SYSTEMS	15	$371,483	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$364,124	$7,359	$0	$0
597	METERS	12	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
598	MISCELLANEOUS DISTRIB. PLANT	39	$646,620	$358,030	$1,141	$108,745	$1,260	$59,387	$58,760	$2,169	$15,913	$4,995	$3,569	$748	$3,519	$7	$1,758	$19,799	$483	$4,007	$2,332
	Total Distribution Maintenance Expenses		$32,125,433	$19,793,415	$54,027	$4,206,046	$58,443	$2,851,301	$2,773,047	$113,298	$752,924	$91,105	$24,233	$793	$160,948	$479	$36,314	$937,007	$22,864	$130,169	$119,019
	Total Distribution		$45,398,811	$26,801,066	$79,781	$6,377,042	$84,394	$3,948,416	$3,697,553	$147,702	$1,001,445	$162,899	$66,944	$16,259	$227,416	$579	$62,638	$1,956,919	$44,727	$566,807	$156,224

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Expenses

No.	Account Description	Alloc. No.	Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
	Customer Accounts																				
901	SUPERVISION	46	$1,189,741	$832,138	$7,845	$155,441	$1,221	$45,897	$79,933	$2,506	$32,587	$11,979	$10,172	$6,599	$1,828	$9	$1,576	$0	$0	$0	$9
902	METER READING - MANUAL	17	$2,359,930	$199,340	$90,899	$277,452	$0	$411,636	$864,520	$15,547	$384,392	$61,335	$34,274	$16,867	$9,356	$0	$14,312	$0	$0	$0	$0
902	METER READING - AMR	18	$1,207,406	$1,062,091	$268	$133,030	$647	$9,234	$231	$0	$0	$0	$0	$0	$1,784	$0	$0	$0	$0	$0	$121
903	CUSTOMER RECORDS & COLLECTION	19	$11,975,045	$9,609,351	$11,314	$1,620,150	$16,307	$178,720	$179,474	$17,188	$61,308	$85,156	$98,605	$69,342	$12,735	$122	$6,273	$0	$0	$0	$0
904	UNCOLLECTIBLE ACCOUNTS	16	$4,595,361	$4,074,314	$781	$258,125	$1,351	$194,709	$22,507	$0	$7,126	$12,591	$16,191	$7,423	$0	$18	$225	$0	$0	$0	$0
904	Bad Debt Expense	16	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
905	MISC. CUSTOMER ACCTS EXPENSES	46	$218,191	$152,609	$1,439	$28,507	$224	$8,417	$14,659	$460	$5,976	$2,197	$1,865	$1,210	$335	$2	$289	$0	$0	$0	$2
	Total Customer Accounts		$21,545,674	$15,929,843	$112,545	$2,472,704	$18,751	$848,613	$1,161,325	$35,701	$471,389	$183,259	$161,107	$101,442	$26,038	$151	$22,674	$0	$0	$0	$132
	Customer Service & Information Expenses																				
907	SUPERVISION		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
908	CUSTOMER ASSISTANCE	10	$10	$9	$0	$1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
909	INFORMATIONAL & INSTRUCTIONAL		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
910	MISC. CUSTOMER SERVICE & INFO	20	$1,487,968	$944,542	$2,011	$190,096	$571	$78,219	$94,718	$21,599	$34,925	$47,518	$39,469	$22,915	$7,598	$1,900	$1,884	$0	$0	$0	$0
	Total Customer Service & Information Expenses		$1,487,979	$944,551	$2,011	$190,097	$571	$78,219	$94,719	$21,599	$34,925	$47,518	$39,469	$22,915	$7,598	$1,900	$1,884	$0	$0	$0	$0
	Sales Expenses																				
911	SUPERVISION		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
912	DEMONSTRATING & SELLING	10	$75,069	$64,574	$23	$8,110	$39	$587	$68	$1	$23	$1	$1	$0	$109	$1	$0	$143	$22	$1,357	$7
913	ADVERTISING	10	$795,892	$684,626	$248	$85,982	$417	$6,226	$724	$10	$242	$15	$10	$2	$1,156	$14	$2	$1,514	$236	$14,390	$78
916	MISC. SALES EXPENSE		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Sales Expenses		$870,960	$749,200	$272	$94,092	$457	$6,813	$792	$11	$265	$17	$11	$2	$1,265	$15	$2	$1,657	$258	$15,747	$86
	Administrative and General Expenses																				
920	A&G SALARIES	47	$75,449,961	$26,916,909	$136,893	$8,315,039	$85,471	$6,403,976	$8,581,322	$324,847	$2,941,510	$6,523,939	$7,442,718	$6,019,422	$185,354	$1,276	$99,208	$914,694	$38,988	$323,397	$194,998
921	OFFICE SUPPLIES & EXPENSES	47	$22,565,248	$8,050,193	$40,941	$2,486,826	$25,562	$1,915,274	$2,566,465	$97,154	$879,734	$1,951,152	$2,225,936	$1,800,263	$55,435	$382	$29,671	$273,563	$11,660	$96,720	$58,319
922	ADMIN. EXPENSE TRANSF. -CR.	47	-$3,105,808	-$1,108,003	-$5,635	-$342,279	-$3,518	-$263,612	-$353,240	-$13,372	-$121,084	-$268,550	-$306,371	-$247,782	-$7,630	-$53	-$4,084	-$37,652	-$1,605	-$13,312	-$8,027
923	OUTSIDE SERVICES EMPLOYED	51	$43,044,345	$13,161,608	$44,990	$4,827,550	$50,066	$3,971,652	$5,275,147	$200,658	$1,770,581	$4,206,952	$4,625,301	$3,886,430	$115,448	$697	$65,627	$394,961	$21,538	$94,814	$130,323
924	PROPERTY INSURANCE	50	$6,975,766	$2,155,887	$7,861	$803,784	$8,510	$654,557	$859,436	$32,640	$287,315	$672,402	$767,042	$617,015	$19,533	$114	$11,157	$40,457	$2,998	$13,520	$21,538
925	INJURIES & DAMAGES	47	$8,821,041	$3,146,922	$16,005	$972,132	$9,993	$748,705	$1,003,263	$37,979	$343,899	$762,730	$870,146	$703,745	$21,670	$149	$11,599	$106,939	$4,558	$37,809	$22,798
926	EMPLOYEE PENSIONS & BENEFITS	47	$44,913,735	$16,023,056	$81,490	$4,949,764	$50,879	$3,812,149	$5,108,276	$193,374	$1,751,017	$3,883,560	$4,430,489	$3,583,232	$110,337	$760	$59,057	$544,497	$23,208	$192,511	$116,078
928	REGULATORY COMMISSION EXPENSE	51	$841,181	$257,207	$879	$94,341	$978	$77,615	$103,088	$3,821	$34,601	$82,213	$94,287	$75,949	$2,256	$14	$1,282	$7,718	$421	$1,853	$2,547
929	A&G OVERHEAD -SUBS	47	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
930.1	GENERAL ADVERTISING EXPENSE	51	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
930.2	MISCELLANEOUS GENERAL EXPENSE	51	$2,786,988	$852,173	$2,913	$312,569	$3,242	$257,152	$341,549	$12,992	$114,640	$272,367	$312,423	$251,634	$7,475	$45	$4,249	$25,573	$1,394	$6,139	$8,438
931	RENTS	51	$3,026,831	$925,510	$3,164	$339,458	$3,521	$279,282	$370,943	$14,110	$124,505	$295,828	$339,310	$273,289	$8,118	$49	$4,615	$27,773	$1,515	$6,667	$9,164
935	MAINTENANCE OF GENERAL PLANT	40	$1,191,389	$425,030	$2,162	$131,298	$1,350	$101,122	$135,503	$5,129	$46,448	$103,016	$117,524	$95,049	$2,927	$20	$1,567	$14,443	$616	$5,107	$3,079
940	Misc Expenses	51	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Administrative and General Expenses		$206,510,676	$70,806,492	$331,663	$22,890,492	$236,052	$17,957,872	$23,991,752	$909,432	$8,173,165	$18,485,630	$21,118,816	$17,058,247	$520,924	$3,453	$283,948	$2,312,966	$105,291	$765,225	$559,255
	TOTAL O & M EXPENSES		$506,235,373	$164,629,408	$694,878	$53,309,181	$546,008	$44,090,408	$59,741,940	$2,313,986	$20,625,831	$48,817,095	$56,291,352	$45,542,076	$1,187,723	$10,345	$634,631	$4,679,743	$246,892	$1,504,633	$1,369,241
Depreciation Expense																					
	Production Plant																				
310-316	STEAM	1	$148,379,743	$31,052,312	$106,017	$13,539,839	$128,504	$13,425,107	$20,006,323	$798,803	$7,156,534	$19,148,520	$23,007,178	$18,746,232	$264,582	$2,808	$172,798	$242,587	$63,898	$108,806	$408,894
330-336	HYDRO	1	$1,196,642	$250,428	$855	$109,195	$1,036	$108,270	$161,346	$6,442	$57,715	$154,428	$185,547	$151,183	$2,134	$23	$1,394	$1,956	$515	$877	$3,298
340-346	OTHER	1	$5,684,493	$1,189,628	$4,062	$518,717	$4,923	$514,322	$766,451	$30,602	$274,170	$733,588	$881,415	$718,176	$10,136	$108	$6,620	$9,294	$2,448	$4,188	$15,665
	Total Production Plant		$155,260,878	$32,492,368	$110,934	$14,167,751	$134,463	$14,047,699	$20,934,119	$835,847	$7,488,419	$20,036,536	$24,074,140	$19,615,592	$276,852	$2,939	$180,812	$253,837	$66,862	$113,852	$427,856
	Transmission Plant																				
350	LAND AND LAND RIGHTS	2	$110,911	$27,590	$91	$11,257	$114	$11,585	$14,543	$450	$4,591	$14,598	$13,990	$11,214	$181	$2	$110	$149	$38	$36	$373
352	STRUCTURES & IMPROVEMENTS	2	$392,423	$97,620	$321	$39,829	$405	$40,990	$51,454	$1,591	$16,243	$51,649	$49,497	$39,678	$642	$6	$390	$526	$135	$126	$1,320
353	STATION EQUIPMENT	2	$13,260,659	$3,298,742	$10,856	$1,345,890	$13,686	$1,385,134	$1,738,737	$53,770	$548,879	$1,745,314	$1,672,606	$1,340,804	$21,679	$200	$13,180	$17,771	$4,553	$4,260	$44,598
354	TOWERS & FIXTURES	2	$457,095	$113,708	$374	$46,393	$472	$47,746	$59,934	$1,853	$18,920	$60,161	$57,655	$46,217	$747	$7	$454	$613	$157	$147	$1,537
355	POLES & FIXTURES	2	$4,282,120	$1,065,227	$3,506	$434,614	$4,419	$447,286	$561,471	$17,363	$177,243	$563,595	$540,116	$432,971	$7,001	$65	$4,256	$5,739	$1,470	$1,376	$14,402
356	OVERHEAD CONDUCTORS & DEVICES	2	$2,868,826	$713,654	$2,349	$291,171	$2,961	$299,661	$376,180	$11,633	$118,745	$377,583	$361,853	$290,071	$4,690	$43	$2,851	$3,845	$985	$922	$9,648
357	UNDERGROUND CONDUIT	2	$9,162	$2,279	$8	$930	$9	$957	$1,201	$37	$379	$1,206	$1,156	$926	$15	$0	$9	$12	$3	$3	$31
358	UNDERGROUND CONDUCTORS & DEV.	2	$80,460	$20,015	$66	$8,166	$83	$8,404	$10,550	$326	$3,330	$10,590	$10,149	$8,135	$132	$1	$80	$108	$28	$26	$271
359	ROADS & TRAILS	2	$455	$113	$0	$46	$0	$48	$60	$2	$19	$60	$57	$46	$1	$0	$0	$1	$0	$0	$2
	Total Transmission Plant		$21,462,110	$5,338,948	$17,571	$2,178,297	$22,150	$2,241,811	$2,814,110	$87,025	$888,349	$2,824,755	$2,707,079	$2,170,064	$35,087	$324	$21,331	$28,762	$7,368	$6,895	$72,182

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Expenses

No.	Account Description	Alloc. No.	Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
	Distribution Plant																				
360.2	LAND RIGHTS	38	$8,245	$4,638	$14	$1,405	$16	$730	$718	$25	$194	$52	$45	$10	$44	$0	$0	$267	$6	$54	$28
361	STRUCTURES & IMPROVEMENTS	38	$171,614	$96,524	$294	$29,239	$327	$15,187	$14,935	$530	$4,036	$1,084	$932	$212	$913	$2	$0	$5,563	$133	$1,122	$590
361	STRUCTURES & IMPROVEMENTS - SUB-TRANS	3	$49,008	$21,645	$131	$6,922	$134	$7,228	$7,556	$372	$2,083	$1,463	$349	$0	$368	$1	$127	$247	$15	$58	$311
361	STRUCTURES & IMPROVEMENTS - RR	8	$13,487	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$13,487	$0	$0	$0	$0
362	STATION EQUIPMENT	4	$4,825,992	$2,245,482	$13,543	$716,731	$13,889	$749,738	$751,030	$28,583	$202,262	$0	$0	$0	$38,214	$70	$0	$25,652	$1,590	$5,994	$32,214
362	STATION EQUIPMENT - SUB-TRANS	3	$1,077,317	$475,813	$2,870	$152,153	$2,943	$158,898	$166,088	$8,181	$45,784	$32,150	$7,661	$0	$8,098	$15	$2,796	$5,435	$337	$1,270	$6,826
362	STATION EQUIPMENT - RR	8	$82,843	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$82,843	$0	$0	$0	$0
364.1	CUSTOMER STATIONS	6	$1,379,015	$0	$0	$126,322	$0	$0	$515,815	$0	$63,161	$315,805	$294,751	$63,161	$0	$0	$0	$0	$0	$0	$0
364.1	CUSTOMER STATIONS - SUB-TRANS	7	$188,334	$0	$0	$25,977	$0	$6,494	$90,920	$6,494	$25,977	$25,977	$6,494	$0	$0	$0	$0	$0	$0	$0	$0
364.1	CUSTOMER STATIONS - RR	8	$6,393	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$6,393	$0	$0	$0	$0
364.2	POLES TOWERS & FIXTURES - SUB-TRANS	3	$1,420,029	$627,176	$3,783	$200,565	$3,879	$209,445	$218,923	$10,784	$60,349	$42,377	$10,098	$0	$10,674	$20	$3,686	$7,165	$444	$1,674	$8,998
364.2	POLES TOWERS & FIXTURES - PRIMARY	4	$8,156,478	$3,795,120	$22,889	$1,211,358	$23,474	$1,267,143	$1,269,327	$49,999	$341,846	$0	$0	$0	$64,587	$118	$0	$43,354	$2,688	$10,131	$54,445
364.2	POLES TOWERS & FIXTURES - SEC - DEMAND	5	$750,720	$368,727	$1,171	$142,290	$1,465	$128,518	$63,107	$2,185	$25,804	$0	$0	$0	$4,725	$18	$0	$6,312	$404	$1,503	$4,490
365.2	POLES TOWERS & FIXTURES - SEC - CUSTOMER	21	$2,913,785	$2,455,542	$884	$306,437	$1,497	$21,671	$1,426	$18	$677	$0	$0	$0	$4,116	$49	$55	$96,252	$1,945	$22,935	$280
365	OVERHEAD CONDUCTORS - SUB-TRANS	3	$541,272	$239,061	$1,442	$76,446	$1,479	$79,834	$83,447	$4,111	$23,003	$16,153	$3,849	$0	$4,068	$7	$1,405	$2,731	$169	$638	$3,430
365	OVERHEAD CONDUCTORS - PRIMARY	4	$2,060,784	$958,860	$5,783	$306,057	$5,931	$320,151	$320,703	$12,632	$86,369	$0	$0	$0	$16,318	$30	$0	$10,954	$679	$2,560	$13,756
365	OVERHEAD CONDUCTORS - SEC - DEMAND	5	$1,636,918	$803,998	$2,554	$310,257	$3,195	$280,229	$137,603	$4,763	$56,265	$0	$0	$0	$10,304	$39	$0	$13,764	$880	$3,278	$9,790
365	OVERHEAD CONDUCTORS - SEC - CUSTOMER	21	$1,112,977	$937,942	$338	$117,050	$572	$8,278	$545	$7	$259	$0	$0	$0	$1,572	$19	$21	$36,765	$743	$8,760	$107
366	UNDERGROUND CONDUIT - SUB-TRANS	3	$431	$190	$1	$61	$1	$64	$66	$3	$18	$13	$3	$0	$3	$0	$1	$2	$0	$1	$3
366	UNDERGROUND CONDUIT - PRIMARY	4	$48,404	$22,522	$136	$7,189	$139	$7,520	$7,533	$297	$2,029	$0	$0	$0	$383	$1	$0	$257	$16	$60	$323
366	UNDERGROUND CONDUIT - SEC - DEMAND	5	$640	$314	$1	$121	$1	$110	$54	$2	$22	$0	$0	$0	$4	$0	$0	$5	$0	$1	$4
366	UNDERGROUND CONDUIT - SEC - CUSTOMER	21	$7,151	$6,026	$2	$752	$4	$53	$3	$0	$2	$0	$0	$0	$10	$0	$0	$236	$5	$56	$1
367	UNDERGROUND CONDUCTORS - SUB-TRANS	3	$16,881	$7,456	$45	$2,384	$46	$2,490	$2,603	$128	$717	$504	$120	$0	$127	$0	$44	$85	$5	$20	$107
367	UNDERGROUND CONDUCTORS - PRIMARY	4	$7,098,721	$3,302,958	$19,921	$1,054,265	$20,429	$1,102,816	$1,104,717	$43,515	$297,514	$0	$0	$0	$56,211	$103	$0	$37,732	$2,339	$8,817	$47,385
367	UNDERGROUND CONDUCTORS - SEC - DEMAND	5	$93,883	$46,112	$146	$17,794	$183	$16,072	$7,892	$273	$3,227	$0	$0	$0	$591	$2	$0	$789	$50	$188	$562
367	UNDERGROUND CONDUCTORS - SEC - CUSTOMER	21	$1,048,709	$883,781	$318	$110,291	$539	$7,800	$513	$7	$244	$0	$0	$0	$1,481	$18	$20	$34,642	$700	$8,255	$101
368	LINE TRANSFORMERS	13	$4,209,968	$2,518,719	$4,337	$1,502,346	$7,293	$108,785	$12,844	$726	$24,152	$43	$10	$0	$21,213	$11	$0	$5,346	$177	$2,801	$1,366
369	SERVICES	11	$1,379,985	$1,236,434	$370	$128,083	$622	$9,275	$1,078	$0	$45	$1	$3	$0	$2,408	$1	$0	$684	$7	$860	$116
370	METERS	12	$5,911,297	$3,979,253	$14,499	$1,383,580	$12,834	$331,611	$65,845	$601	$15,451	$42,235	$21,788	$15,559	$26,783	$0	$0	$0	$0	$0	$1,258
371	INSTALLATIONS ON CUST PREMISES	14	$404,103	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$404,103	$0
373	STREET LIGHTING & SIGNAL SYSTEMS	15	$1,493,755	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,464,162	$29,593	$0	$0
	Total Distribution Plant		$48,109,138	$25,034,293	$95,469	$7,936,063	$100,891	$4,840,138	$4,845,089	$175,237	$1,281,491	$477,856	$346,103	$78,942	$273,216	$521	$110,879	$1,798,393	$42,929	$485,140	$186,489
	General Plant																				
389	LAND AND LAND RIGHTS	47	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
390	STRUCTURES & IMPROVEMENTS	47	$2,453,371	$875,244	$4,451	$270,376	$2,779	$208,235	$279,035	$10,563	$95,648	$212,138	$242,011	$195,731	$6,027	$42	$3,226	$29,743	$1,268	$10,516	$6,341
391.1	OFFICE FURNITURE & EQUIPMENT	47	$1,195,945	$426,656	$2,170	$131,800	$1,355	$101,508	$136,021	$5,149	$46,625	$103,410	$117,973	$95,413	$2,938	$20	$1,573	$14,499	$618	$5,126	$3,091
391.2	COMPUTER EQUIPMENT	47	-$2,933,785	-$1,046,633	-$5,323	-$323,321	-$3,323	-$249,011	-$333,675	-$12,631	-$114,377	-$253,676	-$289,402	-$234,058	-$7,207	-$50	-$3,858	-$35,567	-$1,516	-$12,575	-$7,582
392	TRANSPORTATION EQUIPMENT	47	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
393	STORES EQUIPMENT	47	$211,043	$75,290	$383	$23,256	$239	$17,913	$24,003	$909	$8,228	$18,248	$20,818	$16,837	$518	$4	$277	$2,559	$109	$905	$545
394	TOOLS, SHOP & GARAGE EQUIPMENT	47	$875,033	$312,170	$1,588	$96,434	$991	$74,270	$99,522	$3,767	$34,114	$75,662	$86,317	$69,810	$2,150	$15	$1,151	$10,608	$452	$3,751	$2,261
395	LABORATORY EQUIPMENT	47	$520,639	$185,739	$945	$57,378	$590	$44,190	$59,215	$2,242	$20,298	$45,018	$51,358	$41,537	$1,279	$9	$685	$6,312	$269	$2,232	$1,346
396	POWER OPERATED EQUIPMENT	47	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
397	COMMUNICATION EQUIPMENT	47	$2,152,357	$767,857	$3,905	$237,203	$2,438	$182,686	$244,799	$9,267	$83,912	$186,108	$212,318	$171,716	$5,288	$36	$2,830	$26,093	$1,112	$9,226	$5,563
398	MISCELLANEOUS EQUIPMENT	47	$209,811	$74,851	$381	$23,122	$238	$17,808	$23,863	$903	$8,180	$18,142	$20,697	$16,739	$515	$4	$276	$2,544	$108	$899	$542
	Total General Plant		$4,684,414	$1,671,173	$8,499	$516,251	$5,307	$397,600	$532,783	$20,169	$182,628	$405,048	$462,091	$373,724	$11,508	$79	$6,159	$56,790	$2,421	$20,079	$12,107
	TOTAL DEPRECIATION EXPENSES		$229,516,541	$64,536,783	$232,473	$24,798,362	$262,811	$21,527,248	$29,126,102	$1,118,278	$9,840,887	$23,744,194	$27,589,413	$22,238,322	$596,664	$3,863	$319,181	$2,137,781	$119,579	$625,965	$698,633
Amortization																					
	Intangible Plant																				
404.41	Leasehold Improvements	36	$31,926	$9,659	$32	$3,585	$37	$2,961	$3,930	$150	$1,318	$3,143	$3,606	$2,904	$86	$1	$49	$287	$16	$66	$98
404.42	Computer Software	51	$5,365,867	$1,640,713	$5,608	$601,798	$6,241	$495,102	$857,595	$25,014	$220,719	$524,435	$601,517	$484,479	$14,392	$87	$8,181	$49,235	$2,685	$11,819	$16,246
404.42	Computer Software - CIS	10	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
404.422	AMORT WORK MANAGEMENT	47	$545,572	$194,634	$990	$60,125	$618	$46,307	$62,051	$2,349	$21,270	$47,174	$53,816	$43,526	$1,340	$9	$717	$6,614	$282	$2,338	$1,410
	Total Intangible Plant		$5,943,365	$1,845,006	$6,630	$665,508	$6,896	$544,370	$723,576	$27,512	$243,306	$574,752	$658,941	$530,908	$15,818	$97	$8,947	$56,137	$2,983	$14,224	$17,754
407	AMORT OF SUGAR CREEK ACQUISITION ADJUSTMENT	37	$2,538,958	$531,343	$1,814	$231,683	$2,199	$229,720	$342,333	$13,668	$122,457	$327,654	$393,681	$320,771	$4,527	$48	$2,957	$4,151	$1,093	$1,862	$6,997
407	AMORT OF SUGAR CREEK CARRYING CHARGES	37	$9,927,645	$2,077,617	$7,093	$905,910	$8,598	$898,234	$1,338,563	$53,445	$478,822	$1,281,170	$1,539,341	$1,254,254	$17,702	$188	$11,561	$16,231	$4,275	$7,280	$27,358
407	AMORT OF INTANGIBLE ASSETS	36	$2,914,075	$881,629	$2,904	$327,181	$3,395	$270,242	$358,750	$13,650	$120,263	$286,886	$329,152	$265,047	$7,857	$47	$4,482	$26,195	$1,455	$6,035	$8,905
407	AMORT FOR CURRENT YEAR RATE CASE	52	$943,720	$291,961	$1,070	$107,701	$1,137	$88,049	$115,972	$4,416	$38,897	$91,330	$104,329	$83,971	$2,599	$16	$1,477	$5,632	$409	$1,869	$2,885
407	AMORT OF FEDERALLY MANDATED COSTS (FMCA)	54	$150,107	$46,988	$182	$15,234	$155	$13,088	$17,904	$703	$6,236	$15,190	$17,615	$14,265	$334	$3	$176	$1,185	$71	$370	$406
407	DSM ELECTRIC VEHICLE	38	$213,849	$120,279	$366	$36,435	$407	$18,925	$18,611	$661	$5,030	$1,350	$1,161	$264	$1,138	$2	$0	$6,919	$166	$1,398	$736
407	TDSIC	41	$1,771,802	$792,542	$2,541	$256,754	$2,887	$170,523	$185,887	$6,376	$53,977	$90,269	$84,336	$63,836	$7,289	$21	$3,752	$36,152	$1,074	$7,348	$6,239
407	MERCURY AIR TOXIN	24	$171,843	$34,684	$126	$15,001	$153	$14,991	$22,087	$958	$8,770	$23,026	$27,870	$22,406	$297	$3	$207	$590	$77	$141	$457
	Total		$18,631,999	$4,777,044	$16,096	$1,895,899	$18,931	$1,703,771	$2,400,107	$93,879	$834,452	$2,116,877	$2,497,486	$2,024,815	$41,744	$329	$24,612	$97,056	$8,620	$26,302	$53,981
	TOTAL AMORTIZATION EXPENSES		$24,575,364	$6,622,050	$22,726	$2,561,407	$25,827	$2,248,140	$3,123,683	$121,391	$1,077,759	$2,691,629	$3,156,427	$2,555,723	$57,562	$425	$33,559	$153,192	$11,603	$40,526	$71,735

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Expenses

No.	Account Description	Alloc. No.	Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
Taxes Other Than Income Taxes																					
LOCAL	REAL ESTATE & PERSONAL PROPERTY	48	$29,729,007	$9,192,753	$30,571	$3,334,120	$34,448	$2,727,277	$3,619,795	$137,695	$1,214,613	$2,888,498	$3,313,288	$2,668,467	$79,557	$481	$45,075	$269,855	$14,822	$68,148	$89,543
TAX	PROPERTY TAX EXP - NONUTILITY	48	$2,462	$761	$3	$276	$3	$226	$300	$11	$101	$239	$274	$221	$7	$0	$4	$22	$1	$6	$7
STATE	UTILITY RECEIPTS TAX	52	$22,785,404	$7,049,183	$25,832	$2,600,353	$27,456	$2,125,883	$2,800,059	$106,627	$939,131	$2,205,095	$2,518,946	$2,027,424	$62,752	$383	$35,658	$135,978	$9,870	$45,127	$69,647
STATE	UTILITY RECEIPTS TAX - Increase	52	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
STATE	UNEMPLOYMENT COMPENSATION	47	$104,558	$37,301	$190	$11,523	$118	$8,875	$11,892	$450	$4,076	$9,041	$10,314	$8,342	$257	$2	$137	$1,268	$54	$448	$270
STATE	SALES & USE TAX	48	$120,808	$37,356	$124	$13,549	$140	$11,083	$14,710	$560	$4,936	$11,738	$13,464	$10,844	$323	$2	$183	$1,087	$60	$277	$364
STATE	PUBLIC UTILITY FEE	48	$1,978,259	$611,714	$2,034	$221,863	$2,292	$181,481	$240,872	$9,163	$80,824	$192,209	$220,476	$177,568	$5,294	$32	$2,999	$17,957	$986	$4,535	$5,958
STATE	PUBLIC UTILITY FEE - Increase	48	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FEDERAL	FICA/MEDICARE/UNEMPLOYMENT COMP	47	$9,423,790	$3,361,954	$17,098	$1,038,558	$10,675	$799,864	$1,071,817	$40,574	$367,398	$814,848	$929,604	$751,833	$23,151	$159	$12,391	$114,246	$4,870	$40,393	$24,355
FEDERAL	EXCISE TAX	48	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
TAX	HOSP INS	47	$2,382,921	$850,111	$4,323	$262,612	$2,699	$202,256	$271,022	$10,260	$92,901	$206,044	$235,062	$190,110	$5,854	$40	$3,133	$28,889	$1,231	$10,214	$6,159
	TOTAL TAXES OTHER THAN INCOME TAX		$66,527,209	$21,141,134	$80,176	$7,482,854	$77,832	$6,056,945	$8,030,467	$305,340	$2,703,980	$6,327,712	$7,241,429	$5,834,808	$177,194	$1,100	$99,581	$569,311	$31,895	$169,147	$196,304
Non Trackable Fuel																					
	Non-Trackable Fuel Expense	32	$14,679,304	$2,962,772	$10,750	$1,281,463	$13,068	$1,280,543	$1,886,725	$81,850	$749,144	$1,966,906	$2,380,714	$1,913,984	$25,332	$288	$17,714	$50,407	$6,557	$12,010	$39,067
	TOTAL Non Trackable Fuel		$14,679,304	$2,962,772	$10,750	$1,281,463	$13,068	$1,280,543	$1,886,725	$81,850	$749,144	$1,966,906	$2,380,714	$1,913,994	$25,332	$288	$17,714	$50,407	$6,557	$12,010	$39,067
Fuel and Purchased Power																					
	501 Steam Production Fuel	32	$318,203,938	$64,224,151	$233,028	$27,778,342	$283,267	$27,758,392	$40,898,625	$1,774,274	$16,239,239	$42,636,714	$51,606,854	$41,489,728	$549,113	$6,248	$383,977	$1,092,671	$142,128	$260,331	$846,854
	547 Other Power Production Fuel	32	$70,551,954	$14,239,734	$51,667	$6,158,995	$62,806	$6,154,571	$9,068,015	$393,391	$3,600,553	$9,453,382	$11,442,236	$9,199,073	$121,749	$1,385	$85,135	$242,266	$31,513	$57,720	$187,764
	555 Purchase Power	32	$143,100,931	$28,882,533	$104,796	$12,492,324	$127,389	$12,483,362	$18,392,706	$797,917	$7,303,022	$19,174,349	$23,208,352	$18,658,533	$246,944	$2,810	$172,680	$491,390	$63,917	$117,075	$380,843
	556 System control and load dispatching	32	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	557.1 Other expenses	32	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Fuel	Fuel Costs - Off Sytem Sales	34	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	TOTAL		$531,856,823	$107,346,418	$389,490	$46,429,660	$473,463	$46,396,315	$68,359,346	$2,965,582	$27,142,813	$71,264,446	$86,257,442	$69,347,335	$917,806	$10,443	$641,792	$1,826,328	$237,558	$435,126	$1,415,461
Income Taxes																					
Tax	Income Taxes	50	$66,522,229	$20,558,950	$74,964	$7,665,036	$81,148	$6,241,985	$8,195,749	$311,261	$2,739,886	$6,412,156	$7,314,659	$5,883,973	$186,274	$1,084	$106,395	$385,804	$28,589	$128,926	$205,388
	TOTAL		$66,522,229	$20,558,950	$74,964	$7,665,036	$81,148	$6,241,985	$8,195,749	$311,261	$2,739,886	$6,412,156	$7,314,659	$5,883,973	$186,274	$1,084	$106,395	$385,804	$28,589	$128,926	$205,388
Revenues			$1,609,246,698	$435,489,445	$824,140	$206,201,404	$1,262,933	$165,696,560	$207,653,118	$6,337,891	$70,976,676	$166,833,378	$185,241,657	$133,053,541	$3,142,985	$122,204	$2,036,517	$8,787,505	$905,824	$2,259,406	$2,589,175
Non-Fuel Expenses - Gaske shows $829,142,243, diff. because he uses proposed n			$826,854,486	$256,929,374	$1,030,254	$88,151,803	$912,479	$73,922,742	$100,022,191	$3,858,995	$34,248,457	$81,580,631	$94,278,621	$76,170,930	$2,019,143	$15,733	$1,086,952	$7,540,028	$409,970	$2,340,271	$2,335,913
Fuel Expense																					
	Non-Trackable Fuel		$14,679,304	$2,962,772	$10,750	$1,281,463	$13,068	$1,280,543	$1,886,725	$81,850	$749,144	$1,966,906	$2,380,714	$1,913,994	$25,332	$288	$17,714	$50,407	$6,557	$12,010	$39,067
	Purchased Power & Fuel Costs		$531,856,823	$107,346,418	$389,490	$46,429,660	$473,463	$46,396,315	$68,359,346	$2,965,582	$27,142,813	$71,264,446	$86,257,442	$69,347,335	$917,806	$10,443	$641,792	$1,826,328	$237,558	$435,126	$1,415,461
	Total Fuel Expense		$546,536,127	$110,309,191	$400,240	$47,711,124	$486,530	$47,676,858	$70,246,071	$3,047,432	$27,891,958	$73,231,352	$88,638,156	$71,261,328	$943,138	$10,732	$659,505	$1,876,735	$244,115	$447,135	$1,454,528
Off-System Sales - Fuel			$9,832,335	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Interest Exp			$63,599,234	$19,655,587	$71,670	$7,328,234	$77,583	$5,967,711	$7,835,626	$297,585	$2,619,495	$6,130,406	$6,993,252	$5,625,431	$178,089	$1,036	$101,720	$368,852	$27,333	$123,261	$196,364
Taxable Income			$162,424,516	$48,595,294	-$678,024	$63,010,243	-$213,658	$38,129,249	$29,549,230	-$866,121	$6,216,767	$5,890,990	-$4,668,372	-$20,004,147	$2,615	$94,703	$188,339	-$998,110	$224,406	-$651,262	-$1,397,630
Income Taxes @ Effective Rate			$64,370,866	$19,258,922	-$268,709	$24,971,747	-$84,675	$15,111,098	$11,710,729	-$343,255	$2,463,782	$2,334,673	-$1,850,134	-$7,927,894	$1,036	$37,532	$74,641	-$395,563	$88,935	-$258,103	-$553,898
Ratio			1.0000	0.2992	(0.0042)	0.3879	(0.0013)	0.2348	0.1819	(0.0053)	0.0383	0.0363	(0.0287)	(0.1232)	0.0000	0.0006	0.0012	(0.0061)	0.0014	(0.0040)	(0.0086)
Co. Calc. Income Taxes			$66,522,229																		
Allocated Income Taxes			$66,522,228	$19,902,582	-$277,690	$25,806,337	-$87,505	$15,616,132	$12,102,118	-$354,727	$2,546,125	$2,412,701	-$1,911,968	-$8,192,855	$1,071	$38,786	$77,136	-$408,784	$91,907	-$266,729	-$572,410

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Labor

No.	Account Description	Alloc. No.	Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
Labor Expense																					
	Steam Production - Operation																				
500	SUPERVISION & ENGINEERING	1	$5,636,642	$1,179,613.60	$4,027	$514,351	$4,862	$509,992	$759,999	$30,345	$271,862	$727,413	$873,995	$712,131	$10,051	$107	$6,564	$9,215	$2,427	$4,133	$15,533
501	FUEL	1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
502	STEAM EXPENSES	1	$13,756,759	$2,878,959	$9,829	$1,255,322	$11,914	$1,244,685	$1,854,850	$74,060	$663,505	$1,775,320	$2,133,069	$1,738,023	$24,530	$260	$16,021	$22,491	$5,924	$10,088	$37,910
505	ELECTRIC EXPENSES	1	$6,116,975	$1,280,136	$4,371	$558,182	$5,298	$553,452	$824,763	$32,931	$295,029	$789,400	$948,474	$772,816	$10,907	$116	$7,124	$10,001	$2,634	$4,486	$16,857
506	MISC. STEAM POWER EXPENSES	1	$5,276,176	$1,104,177	$3,770	$481,458	$4,569	$477,378	$711,397	$28,404	$254,476	$680,895	$818,103	$666,590	$9,408	$100	$6,144	$8,626	$2,272	$3,869	$14,540
	Total Steam Production - Operation		$30,786,552	$6,442,885	$21,997	$2,809,312	$26,663	$2,785,507	$4,151,009	$165,739	$1,484,873	$3,973,028	$4,773,641	$3,889,560	$54,897	$583	$35,853	$50,333	$13,258	$22,576	$84,839
	Steam Production - Maintenance																				
510	SUPERVISION AND ENGINEERING	1	$3,784,763	$792,060	$2,704	$345,364	$3,278	$342,438	$510,307	$20,375	$182,544	$488,427	$586,851	$478,165	$6,749	$72	$4,408	$6,188	$1,630	$2,775	$10,430
511	STRUCTURES	1	$3,638,257	$761,400	$2,600	$331,996	$3,151	$329,182	$490,553	$19,587	$175,478	$469,520	$564,134	$459,656	$6,488	$69	$4,237	$5,948	$1,567	$2,668	$10,026
512	BOILER PLANT	1	$9,131,559	$1,911,016	$6,525	$833,266	$7,908	$826,206	$1,231,226	$49,160	$440,426	$1,178,435	$1,415,904	$1,153,677	$16,283	$173	$10,634	$14,929	$3,932	$6,696	$25,164
513	ELECTRIC PLANT	1	$4,148,763	$868,236	$2,964	$378,580	$3,593	$375,372	$559,386	$22,335	$200,100	$535,401	$643,291	$524,153	$7,398	$79	$4,832	$6,783	$1,787	$3,042	$11,433
514	MISCELLANEOUS STEAM PLANT	1	$1,588,388	$332,411	$1,135	$144,942	$1,376	$143,714	$214,165	$8,551	$76,610	$204,983	$246,289	$200,676	$2,832	$30	$1,850	$2,597	$684	$1,165	$4,377
	Total Steam Production - Maintenance		$22,291,731	$4,665,123	$15,927	$2,034,149	$19,306	$2,016,912	$3,005,636	$120,008	$1,075,157	$2,876,765	$3,456,468	$2,816,328	$39,749	$422	$25,960	$36,445	$9,600	$16,346	$61,430
	Total Steam		$53,078,284	$11,108,008	$37,924	$4,843,460	$45,968	$4,802,419	$7,156,646	$285,747	$2,560,030	$6,849,793	$8,230,109	$6,705,887	$94,646	$1,005	$61,813	$86,778	$22,858	$38,922	$146,269
	Hydraulic Production - Operation																				
535	SUPERVISION AND ENGINEERING	53	$24,283	$5,082	$17	$2,216	$21	$2,197	$3,274	$131	$1,171	$3,134	$3,765	$3,068	$43	$0	$28	$40	$10	$18	$67
538	ELECTRIC EXPENSES	1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
539	MISCELLANEOUS HYDRO POWER EXP	1	$1,669	$349	$1	$152	$1	$151	$225	$9	$81	$215	$259	$211	$3	$0	$2	$3	$1	$1	$5
	Total Hydraulic Production - Operation		$25,952	$5,431	$19	$2,368	$22	$2,348	$3,499	$140	$1,252	$3,349	$4,024	$3,279	$46	$0	$30	$42	$11	$19	$72
	Hydraulic Production - Maintenance																				
541	SUPERVISION AND ENGINEERING	1	$1,076	$225	$1	$98	$1	$97	$145	$6	$52	$139	$167	$136	$2	$0	$1	$2	$0	$1	$3
542	STRUCTURES	1	$482,610	$100,999	$345	$44,039	$418	$43,666	$65,071	$2,598	$23,277	$62,281	$74,832	$60,973	$861	$9	$562	$789	$208	$354	$1,330
543	RESERV, DAMS & WATERWAYS	1	$250,322	$52,386	$179	$22,842	$217	$22,649	$33,751	$1,348	$12,073	$32,304	$38,814	$31,626	$446	$5	$292	$409	$108	$184	$690
544	ELECTRIC PLANT	1	$57,492	$12,032	$41	$5,246	$50	$5,202	$7,752	$310	$2,773	$7,419	$8,914	$7,264	$103	$1	$67	$94	$25	$42	$158
545	MISC. HYDRO PLANT	1	$565	$118	$0	$52	$0	$51	$76	$3	$27	$73	$88	$71	$1	$0	$1	$1	$0	$0	$2
	Total Hydraulic Production - Maintenance		$792,065	$165,760	$566	$72,277	$686	$71,665	$106,796	$4,264	$38,202	$102,217	$122,815	$100,069	$1,412	$15	$922	$1,295	$341	$581	$2,183
	Total Hydraulic		$818,018	$171,191	$584	$74,645	$708	$74,013	$110,295	$4,404	$39,454	$105,566	$126,839	$103,348	$1,459	$15	$953	$1,337	$352	$600	$2,254
	Other Power Generation - Operations																				
547	FUEL		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
548	GENERATION EXPENSE	1	$484,119	$101,314	$346	$44,176	$419	$43,802	$65,275	$2,606	$23,350	$62,476	$75,066	$61,163	$863	$9	$564	$791	$208	$355	$1,334
	Other Power Generation - Operations		$484,119	$101,314	$346	$44,176	$419	$43,802	$65,275	$2,606	$23,350	$62,476	$75,066	$61,163	$863	$9	$564	$791	$208	$355	$1,334
	Other Power Generation - Maintenance																				
551	SUPERVISION AND ENGINEERING	1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
552	STRUCTURES	1	$329	$69	$0	$30	$0	$30	$44	$2	$16	$42	$51	$42	$1	$0	$0	$1	$0	$0	$1
553	GEN. ELECTRIC PLANT	1	$198,562	$41,554	$142	$18,119	$172	$17,965	$26,772	$1,069	$9,577	$25,625	$30,788	$25,086	$354	$4	$231	$325	$86	$146	$547
554	MISC. OTHER PWR GEN. PLANT	1	$5,167	$1,081	$4	$472	$4	$468	$697	$28	$249	$667	$801	$653	$9	$0	$6	$8	$2	$4	$14
555	PURCHASED POWER		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
556	SYSTEM CONTROL AND LOAD DISPATCH	1	$494,027	$103,388	$353	$45,081	$428	$44,699	$66,611	$2,660	$23,827	$63,755	$76,602	$62,415	$881	$9	$575	$808	$213	$362	$1,361
557	OTHER EXPENSES	1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Other Power Generation - Maintenance		$698,085	$146,092	$499	$63,701	$605	$63,161	$94,124	$3,758	$33,669	$90,088	$108,242	$88,196	$1,245	$13	$813	$1,141	$301	$512	$1,924
	Total Other		$1,182,203	$247,407	$845	$107,878	$1,024	$106,963	$159,399	$6,364	$57,019	$152,564	$183,308	$149,359	$2,108	$22	$1,377	$1,933	$509	$867	$3,258
	Transmission Operation Expenses																				
560	SUPERVISION & ENGINEERING	43	$878,278	$218,482	$719	$89,141	$906	$91,740	$115,160	$3,561	$36,353	$115,595	$110,780	$88,804	$1,436	$13	$873	$1,177	$302	$282	$2,954
561	LOAD DISPATCHING	2	$5,098,545	$1,268,322	$4,174	$517,477	$5,262	$532,565	$668,521	$20,674	$211,036	$671,050	$643,094	$515,521	$8,335	$77	$5,067	$6,833	$1,750	$1,638	$17,147
562	STATION EXPENSES	2	$914,691	$227,540	$749	$92,837	$944	$95,543	$119,934	$3,709	$37,860	$120,388	$115,373	$92,486	$1,495	$14	$909	$1,226	$314	$294	$3,076
563	OVERHEAD LINES	2	$238,932	$59,437	$196	$24,250	$247	$24,958	$31,329	$969	$9,890	$31,447	$30,137	$24,159	$391	$4	$237	$320	$82	$77	$804
564	UNDERGROUND LINES	2	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
565	TRANSM. OF ELECTRICITY BY OTHERS	2	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
566	MISC. TRANSM. EXPENSE	42	$1,131,296	$281,423	$926	$114,821	$1,168	$118,169	$148,335	$4,587	$46,826	$148,897	$142,694	$114,387	$1,850	$17	$1,124	$1,516	$388	$363	$3,805
567	RENTS	42	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Transmission Operation Expenses		$8,261,742	$2,055,204	$6,764	$838,525	$8,526	$862,975	$1,083,279	$33,500	$341,966	$1,087,377	$1,042,078	$835,356	$13,507	$125	$8,211	$11,072	$2,836	$2,654	$27,786

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Labor

No.	Account Description	Alloc. No.	Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
	Transmission Maintenance Expenses																				
568	SUPERVISION & ENGINEERING	49	$804,626	$200,160	$659	$81,666	$830	$84,047	$105,503	$3,263	$33,305	$105,902	$101,490	$81,357	$1,315	$12	$800	$1,078	$276	$258	$2,706
569	STRUCTURES	2	$1,290,914	$321,130	$1,057	$131,021	$1,332	$134,842	$169,265	$5,234	$53,433	$169,905	$162,827	$130,526	$2,110	$19	$1,283	$1,730	$443	$415	$4,342
570	STATION EQUIPMENT	2	$2,454,189	$610,508	$2,009	$249,088	$2,533	$256,351	$321,793	$9,951	$101,583	$323,010	$309,554	$248,147	$4,012	$37	$2,439	$3,289	$843	$788	$8,254
571	OVERHEAD LINES	2	$512,272	$127,434	$419	$51,993	$529	$53,509	$67,169	$2,077	$21,204	$67,423	$64,614	$51,797	$837	$8	$509	$687	$176	$165	$1,723
573	MISC TRANSMISSION PLANT	2	$165,678	$41,214	$136	$16,816	$171	$17,306	$21,724	$672	$6,858	$21,806	$20,897	$16,752	$271	$2	$165	$222	$57	$53	$557
	Total Transmission Maintenance Expenses		$5,227,679	$1,300,446	$4,280	$530,583	$5,395	$546,054	$685,453	$21,197	$216,382	$688,046	$659,383	$528,578	$8,547	$79	$5,196	$7,006	$1,795	$1,679	$17,582
	Total Transmission		$13,489,421	$3,355,650	$11,044	$1,369,109	$13,922	$1,409,029	$1,768,732	$54,697	$558,347	$1,775,422	$1,701,460	$1,363,934	$22,053	$204	$13,407	$18,077	$4,631	$4,334	$45,368
	Distribution Operation Expenses																				
580	SUPERVISION AND ENGINEERING	44	$2,006,676	$1,059,148	$3,895	$328,164	$3,923	$165,765	$139,543	$5,193	$37,509	$10,829	$6,433	$2,338	$10,044	$15	$3,972	$154,679	$3,315	$66,293	$5,616
581	LOAD DISPATCHING	4	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
581	LOAD DISPATCHING - SUB-TRANS	3	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
581	LOAD DISPATCHING - RR	8	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
582	STATION EXPENSES	4	$482,630	$224,562	$1,354	$71,678	$1,389	$74,979	$75,108	$2,958	$20,227	$0	$0	$0	$3,822	$7	$0	$2,565	$159	$599	$3,222
582	STATION EXPENSES - SUB-TRANS	3	$107,739	$47,584	$287	$15,216	$294	$15,891	$16,610	$818	$4,579	$3,215	$766	$0	$810	$1	$280	$544	$34	$127	$683
582	STATION EXPENSES - RR	8	$8,285	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$8,285	$0	$0	$0	$0
583	OVERHEAD LINES - SUB-TRANS	3	$85,897	$37,938	$229	$12,131	$235	$12,669	$13,243	$652	$3,650	$2,563	$611	$0	$646	$1	$223	$433	$27	$101	$544
583	OVERHEAD LINES - PRIMARY	4	$327,034	$152,166	$918	$48,569	$941	$50,806	$50,894	$2,005	$13,706	$0	$0	$0	$2,590	$5	$0	$1,738	$108	$406	$2,183
583	OVERHEAD LINES - SECONDARY	21	$436,392	$367,762	$132	$45,895	$224	$3,246	$214	$3	$101	$0	$0	$0	$616	$7	$8	$14,416	$291	$3,435	$42
584	UNDERGROUND LINES - SUB-TRANS	3	$1,668	$737	$4	$236	$5	$246	$257	$13	$71	$50	$12	$0	$13	$0	$4	$8	$1	$2	$11
584	UNDERGROUND LINES - PRIMARY	4	$187,310	$87,153	$526	$27,818	$539	$29,099	$29,150	$1,148	$7,850	$0	$0	$0	$1,483	$3	$0	$996	$62	$233	$1,250
584	UNDERGROUND LINES - SECONDARY	21	$30,149	$25,407	$9	$3,171	$15	$224	$15	$0	$7	$0	$0	$0	$43	$1	$1	$996	$20	$237	$3
585	STREET LIGHTING & SIGNAL SYSTEMS	15	$495,693	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$485,873	$9,820	$0	$0
586	METER EXPENSE	12	$2,912,113	$1,960,320	$7,143	$681,600	$6,323	$163,363	$32,437	$296	$7,612	$20,806	$10,734	$7,665	$13,194	$0	$0	$0	$0	$0	$620
587	CUSTOMER INSTALLATION EXPENSE	14	$273,970	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$273,970	$0
588	MISC. DISTRIBUTION EXPENSE	39	$2,201,716	$1,219,077	$3,884	$370,272	$4,291	$202,211	$200,075	$7,385	$54,183	$17,006	$12,151	$2,546	$11,982	$22	$5,987	$67,415	$1,644	$13,644	$7,940
589	RENTS	39	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Distribution Operation Expenses		$9,557,272	$5,181,855	$18,382	$1,604,750	$18,180	$718,500	$557,544	$20,472	$149,497	$54,470	$30,707	$12,549	$45,242	$62	$18,760	$729,663	$15,480	$359,048	$22,112
	Distribution Maintenance Expenses																				
590	SUPERVISION AND ENGINEERING	45	$1,191,744	$734,268	$2,004	$156,030	$2,168	$105,774	$102,871	$4,203	$27,931	$3,380	$899	$29	$5,971	$18	$1,347	$34,760	$848	$4,829	$4,415
591	STRUCTURES	39	$596	$330	$1	$100	$1	$55	$54	$2	$15	$5	$3	$1	$3	$0	$2	$18	$0	$4	$2
591	STRUCTURES - SUB-TRANS	3	$170	$75	$0	$24	$0	$25	$26	$1	$7	$5	$1	$0	$1	$0	$0	$1	$0	$0	$1
591	STRUCTURES - RR	8	$47	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$47	$0	$0	$0	$0
592	STATION EQUIPMENT	4	$1,086,765	$505,660	$3,050	$161,401	$3,128	$168,834	$169,125	$6,662	$45,547	$0	$0	$0	$8,606	$16	$0	$5,776	$358	$1,350	$7,254
592	STATION EQUIPMENT - SUB-TRANS	3	$242,601	$107,148	$646	$34,263	$663	$35,782	$37,401	$1,842	$10,310	$7,240	$1,725	$0	$1,823	$3	$630	$1,224	$76	$286	$1,537
592	STATION EQUIPMENT - RR	8	$18,655	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$18,655	$0	$0	$0	$0
593	OVERHEAD LINES - SUBTRANS	3	$787,530	$347,824	$2,098	$111,225	$2,151	$116,156	$121,412	$5,981	$33,469	$23,502	$5,600	$0	$5,919	$11	$2,044	$3,973	$246	$928	$4,990
593	OVERHEAD LINES - PRIMARY	4	$2,998,362	$1,395,105	$8,414	$445,301	$8,629	$465,808	$466,611	$18,380	$125,664	$0	$0	$0	$23,742	$43	$0	$15,937	$988	$3,724	$20,014
593	OVERHEAD LINES - SECONDARY	21	$4,000,992	$3,371,767	$1,214	$420,776	$2,056	$29,757	$1,958	$25	$929	$0	$0	$0	$5,652	$67	$75	$132,167	$2,671	$31,493	$385
594	UNDERGROUND LINES - SUB-TRANS	3	$19,086	$8,430	$51	$2,696	$52	$2,815	$2,943	$145	$811	$570	$136	$0	$143	$0	$50	$96	$6	$23	$121
594	UNDERGROUND LINES - PRIMARY	4	$2,143,005	$997,117	$6,014	$318,268	$6,167	$332,925	$333,499	$13,136	$89,815	$0	$0	$0	$16,969	$31	$0	$11,391	$706	$2,662	$14,305
594	UNDERGROUND LINES - SECONDARY	21	$344,932	$290,686	$105	$36,276	$177	$2,565	$169	$2	$80	$0	$0	$0	$487	$6	$6	$11,394	$230	$2,715	$33
595	LINE TRANSFORMERS	13	$345,136	$206,486	$356	$123,163	$598	$8,918	$1,037	$60	$1,980	$4	$1	$0	$1,739	$1	$0	$438	$15	$230	$112
596	STREET LIGHT & SIGNAL SYETEMS	15	$228,022	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$223,505	$4,517	$0	$0
597	METERS	12	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
598	MISCELLANEOUS DISTRIB. PLANT	39	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Distribution Maintenance Expenses		$13,407,644	$7,964,896	$23,952	$1,809,524	$25,791	$1,269,413	$1,237,104	$50,439	$336,560	$34,704	$8,365	$30	$71,057	$196	$22,856	$440,681	$10,663	$48,243	$53,170
	Total Distribution		$22,964,916	$13,146,751	$42,334	$3,414,273	$43,970	$1,987,913	$1,794,648	$70,911	$486,056	$89,174	$39,072	$12,579	$116,299	$258	$41,616	$1,170,344	$26,143	$407,291	$75,282
	Customer Account																				
901	SUPERVISION	46	$1,123,647	$785,911	$7,409	$146,806	$1,153	$43,348	$75,493	$2,367	$30,776	$11,314	$9,607	$6,233	$1,726	$9	$1,488	$0	$0	$0	$9
902	METER READING	55	$3,161,720	$1,118,003	$80,801	$363,809	$574	$373,016	$766,428	$13,779	$322,960	$54,361	$30,377	$14,949	$9,873	$0	$12,684	$0	$0	$0	$107
903	CUSTOMER RECORDS & COLLECTION	19	$9,283,493	$7,449,520	$8,771	$1,255,999	$11,866	$138,550	$139,135	$13,325	$47,528	$73,769	$76,442	$53,756	$9,873	$95	$4,863	$0	$0	$0	$0
904	UNCOLLECTIBLE ACCOUNTS	16	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
905	MISC. CUSTOMER ACCTS EXPENSES	46	$218,191	$152,609	$1,439	$28,507	$224	$8,417	$14,659	$460	$5,976	$2,197	$1,865	$1,210	$335	$2	$289	$0	$0	$0	$2
	TotalCustomer Account		$13,787,052	$9,506,043	$98,420	$1,795,121	$13,818	$563,331	$995,713	$29,930	$407,240	$141,641	$118,291	$76,149	$21,807	$105	$19,325	$0	$0	$0	$118
	Customer Service & Information Expenses																				
907	SUPERVISION		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
908	CUSTOMER ASSISTANCE EXPENSES	10	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
909	INFORMATIONAL & INSTRUCTIONAL		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
910	MISC. CUSTOMER SERVICE & INFO	20	$136,713	$86,784	$185	$17,466	$52	$7,187	$8,703	$1,985	$3,209	$4,366	$3,626	$2,105	$698	$175	$173	$0	$0	$0	$0
	Total Customer Service & Information Expenses		$136,713	$86,784	$185	$17,466	$52	$7,187	$8,703	$1,985	$3,209	$4,366	$3,626	$2,105	$698	$175	$173	$0	$0	$0	$0
	Sales Expenses																				
911	SUPERVISION		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
912	DEMONSTRATING & SELLING	10	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
913	ADVERTISING	10	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
916	MISC. SALES EXPENSE		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Sales Expenses		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	TOTAL O & M LABOR EXP.		$105,456,606	$37,621,834	$191,336	$11,621,952	$119,463	$8,950,854	$11,994,135	$454,039	$4,111,355	$9,118,527	$10,402,706	$8,413,361	$259,070	$1,784	$138,664	$1,278,470	$54,493	$452,013	$272,549

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Revenues

No.	Account Description	Alloc. No.	Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724
440	RETAIL SALES - NON FUEL	31	$1,040,570,221	$328,158,677	$483,239	$159,771,578	$836,374	$120,518,591	$141,034,216
FUEL	RETAIL SALES - FUEL	33	$531,856,824	$105,681,832	$355,227	$45,841,347	$439,760	$48,083,632	$68,215,715
450	FORFEITED DISCOUNTS	30	$4,232,857	$2,933,216	$2,300	$750,796	$3,658	$226,214	$237,909
451	MISC. SERVICE REVENUES	29	$815,416	$257,576	$379	$125,407	$656	$94,597	$110,700
454	RENT FROM ELECTRIC PROPERTY	27	$2,318,477	$1,064,036	$3,474	$332,605	$3,703	$217,068	$236,894
456	OTHER	29	$14,879,178	$4,700,083	$6,921	$2,288,343	$11,979	$1,726,139	$2,019,976
447	OFF SYSTEM SALES - NON FUEL	29	$4,741,390	$1,497,726	$2,206	$729,202	$3,817	$550,050	$643,684
447	OFF SYSTEM SALES FUEL	34	$9,832,335	$0	$0	$0	$0	$0	$0
	Total Operating Revenues		$1,609,246,698	$444,293,146	$853,746	$209,839,278	$1,299,948	$169,416,290	$212,499,095
	TOTAL		$1,609,246,698	$444,293,146	$853,746	$209,839,278	$1,299,948	$169,416,290	$212,499,095
	Interruptible Power Credit		$0	$ 8,803,701	$ 29,606	$ 3,637,874	$ 37,015	$ 3,719,730	$ 4,845,977
	Total Revenues		$1,609,246,698	$435,489,445	$824,140	$206,201,404	$1,262,933	$165,696,560	$207,653,118

No.	Account Description	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
440	RETAIL SALES - NON FUEL	$3,447,444	$44,652,102	$78,898,265	$101,455,432	$46,514,575	$2,228,634	$110,063	$1,407,671	$6,884,548	$869,575	$1,789,661	$1,709,575
FUEL	RETAIL SALES - FUEL	$2,975,490	$26,843,632	$72,444,701	$86,703,034	$71,162,771	$922,670	$10,309	$635,310	$1,789,850	$235,306	$426,112	$990,126
450	FORFEITED DISCOUNTS	$3,741	$60,348	$0	$0	$0	$99	$242	$0	$0	$90	$14,244	$0
451	MISC. SERVICE REVENUES	$2,706	$35,048	$61,928	$79,634	$36,510	$1,749	$86	$1,105	$5,404	$526	$1,405	$0
454	RENT FROM ELECTRIC PROPERTY	$8,127	$69,109	$114,505	$106,939	$81,056	$9,306	528	$4,736	$46,894	$1,392	$10,729	$7,873
456	OTHER	$49,376	$639,534	$1,130,028	$1,453,105	$666,209	$31,920	$1,576	$20,161	$98,605	$9,590	$25,633	$0
447	OFF SYSTEM SALES - NON FUEL	$15,734	$203,793	$360,094	$463,046	$212,294	$10,172	$502	$6,425	$31,421	$3,056	$8,168	$0
447	OFF SYSTEM SALES FUEL	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Total Operating Revenues	$6,502,619	$72,603,566	$153,009,522	$190,261,190	$118,673,415	$3,204,550	$122,807	$2,075,408	$8,856,721	$919,535	$2,275,952	$2,707,574
	TOTAL	$6,502,619	$72,603,566	$153,009,522	$190,261,190	$118,673,415	$3,204,550	$122,807	$2,075,408	$8,856,721	$919,535	$2,275,952	$2,707,574
	Interruptible Power Credit	$ 164,728	$ 1,626,890	$ (13,823,856)	$ 5,019,533	$ (14,380,126)	$ 61,565	$ 603	$ 38,891	$ 69,216	$ 13,711	$ 16,546	$ 118,399
	Total Revenues	$6,337,891	$70,976,676	$166,833,378	$185,241,657	$133,053,541	$3,142,985	$122,204	$2,036,517	$8,787,505	$905,824	$2,259,406	$2,589,175

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Allocation Amounts

	Name	No.	Description		Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
External	Prob of Disp	1	Test Year Probability of Dispatch	DEM	$3,787,437,129	$792,619,516	$2,706,127	$345,608,422	$3,280,099	$342,679,862	$510,667,342	$20,389,675	$182,672,662	$488,771,674	$587,265,068	$478,503,162	$6,753,544	$71,686	$4,410,722	$6,192,108	$1,631,021	$2,777,308	$10,437,131
External	TRANS_12CP	2	12 CP @ Transmission	DEM	$2,632,175	$654,784	$2,155	$267,153	$2,717	$274,942	$345,131	$10,673	$108,950	$346,436	$332,004	$266,143	$4,303	$40	$2,616	$3,527	$904	$846	$8,853
External	SUB_NCP	3	NCP @ Sub-Transmission	DEM	$2,820,891	$1,245,887	$7,514	$398,403	$7,706	$416,064	$434,892	$21,422	$119,884	$84,182	$20,060	$0	$21,203	$39	$7,321	$14,233	$882	$3,326	$17,874
External	DIST_NCP	4	NCP @ Primary	DEM	$2,669,803	$1,242,230	$7,492	$396,505	$7,683	$414,765	$415,480	$16,366	$111,894	$0	$0	$0	$21,141	$39	$0	$14,191	$880	$3,316	$17,821
External	SEC_NCP12	5	NCP12 @ Secondary	DEM	$1,524,431	$797,864	$2,534	$307,891	$8,170	$278,091	$136,553	$4,727	$55,836	$0	$0	$0	$10,225	$38	$0	$13,659	$873	$3,253	$9,716
External	STAT_TRAN	6	Customer Station - Tran.	DEM	$22	$0	$0	$2	$0	$0	$8	$0	$1	$5	$5	$1	$0	$0	$0	$0	$0	$0	$0
External	STAT_SBTRN	7	Customer Station - Sub-Tran.	DEM	$29	$0	$0	$4	$0	$1	$14	$1	$4	$4	$1	$0	$0	$0	$0	$0	$0	$0	$0
External	RR_DIR	8	Railroad Direct	DEM	$1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1	$0	$0	$0	$0
External	BILLEDKW	9	KW Billing Determinants	DEM	$24,683,835	$0	$0	$0	$0	$4,316,245	$5,191,374	$105,658	$1,542,427	$6,298,432	$4,459,445	$2,700,000	$0	$0	$70,254	$0	$0	$0	$0
External	CUST	10	No. of Customers	CUS	$468,464	$402,973	$146	$50,609	$246	$3,665	$426	$6	$143	$9	$6	$1	$681	$8	$1	$891	$139	$8,470	$46
External	SERV	11	Services(Wtd Cust)	CUS	$449,759	$402,973	$120	$41,744	$203	$3,023	$351	$0	$15	$0	$1	$0	$785	$0	$0	$223	$2	$280	$38
External	METERS	12	Meters (Wtd Cust)	CUS	$598,628	$402,973	$1,468	$140,113	$1,300	$33,582	$6,668	$61	$1,565	$4,277	$2,206	$1,576	$2,712	$0	$0	$0	$0	$0	$127
External	XFRS	13	Transformer(Wtd Cust)	CUS	$673,558	$402,973	$694	$240,362	$1,167	$17,405	$2,023	$116	$3,864	$7	$2	$0	$3,394	$2	$0	$855	$28	$448	$218
External	DSKOWN	14	Direct to Dusk-to-Dawn	CUS	$1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1	$0
External	STTRLGT	15	Direct to Street and Traffic Lighting	CUS	$64,459	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$63,182	$1,277	$0	$0
External	GRSWRTOFF	16	Gross Write Offs	CUS	$454,507	$402,973	$77	$25,530	$134	$19,258	$2,226	$0	$705	$1,245	$1,601	$734	$0	$2	$22	$0	$0	$0	$0
External	MANMTREAD	17	Manual Meter Reading	CUS	$23,085	$1,950	$889	$2,714	$0	$4,027	$8,457	$152	$3,565	$600	$335	$165	$92	$0	$140	$0	$0	$0	$0
External	AMRMTREAD	18	AMR Meter Reading	CUS	$458,108	$402,973	$102	$50,473	$246	$3,504	$88	$0	$0	$0	$0	$0	$677	$0	$0	$0	$0	$0	$46
External	RECCOLLEC	19	Customer Records & Collections	CUS	$11,975,045	$9,609,351	$11,314	$1,620,150	$15,307	$178,720	$179,474	$17,188	$61,308	$95,156	$98,605	$69,342	$12,735	$122	$6,273	$0	$0	$0	$0
External	INFO_SERV	20	Customer Service and Information	CUS	$1,487,968	$944,542	$2,011	$190,096	$571	$78,219	$94,719	$21,599	$34,925	$47,518	$39,469	$22,915	$7,598	$1,900	$1,884	$0	$0	$0	$0
External	WEIGHTSNDCST	21	Secondary Customers w/ Lighting at 0.25x, RR at 9x	CUS	$478,167	$402,967	$145	$50,288	$246	$3,556	$234	$3	$111	$0	$0	$0	$676	$8	$9	$15,796	$919	$3,764	$46
External	CC_BILLDET	22	Customer Charge Billing Determinants	CUS	$6,517,851	$4,925,336	$965	$614,004	$1,716	$0	$0	$0	$0	$0	$0	$0	$0	$96	$0	$768,715	$15,324	$191,696	$0
External	MWH	23	MWH Sales	ENG	$17,129,661	$3,435,718	$12,470	$1,466,565	$15,154	$1,485,700	$2,197,386	$95,465	$871,581	$2,309,355	$2,796,190	$2,248,301	$29,402	$334	$20,756	$58,453	$7,603	$13,927	$45,303
External	ENRGYSRC	24	Energy at Source	ENG	$17,527,764	$3,537,686	$12,836	$1,530,126	$15,603	$1,529,027	$2,252,836	$97,733	$894,513	$2,348,576	$2,842,682	$2,285,396	$30,247	$344	$21,151	$60,188	$7,829	$14,340	$46,648
External	SALES_KWH	25	KWH Sales	ENG	$17,129,661,414	$3,435,718,104	$12,469,743	$1,486,564,708	$15,153,587	$1,485,699,624	$2,197,385,795	$95,465,079	$871,580,555	$2,309,354,828	$2,796,190,049	$2,248,301,115	$29,401,571	$334,250	$20,756,250	$58,453,236	$7,603,255	$13,926,584	$45,303,080
External	INTERDEPT	26	Interdepartmental	REV	$1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1
External	INTTDPLT	27	T&D Plant in Service	REV	$2,866,094,632	$1,315,358,562	$4,294,718	$411,165,656	$4,577,736	$268,338,959	$292,548,291	$10,046,878	$85,432,393	$141,551,133	$132,198,096	$100,201,469	$11,503,688	$34,677	$5,855,244	$57,969,818	$1,720,661	$13,263,750	$9,732,907
External	REV_ENRGYSRC	28	Energy at Source	REV	$17,527,764	$3,537,686	$12,836	$1,530,126	$15,603	$1,529,027	$2,252,836	$97,733	$894,513	$2,348,576	$2,842,682	$2,285,396	$30,247	$344	$21,151	$60,188	$7,829	$14,340	$46,648
External	REV_BKMARGIN	29	Book Margin w/o InterDept	REV	$1,038,860,647	$328,158,677	$483,239	$159,771,578	$836,374	$120,518,591	$141,034,218	$3,447,444	$44,652,102	$78,898,266	$101,455,432	$46,514,575	$2,228,634	$110,063	$1,407,671	$6,884,548	$669,575	$1,789,661	$0
External	LT_FEES	30	Net Late Charges & Credits	REV	$581,521	$402,973	$316	$103,146	$503	$31,078	$32,685	$514	$8,291	$0	$0	$0	$14	$33	$0	$0	$12	$1,957	$0
External	RETAIL_SALES	31	Retail Sales Allocator	REV	$1,040,570,221	$328,158,677	$483,239	$159,771,578	$836,374	$120,518,591	$141,034,218	$3,447,444	$44,652,102	$78,898,266	$101,455,432	$46,514,575	$2,228,634	$110,063	$1,407,671	$6,884,548	$669,575	$1,789,661	$1,709,575
External	FUL_ENRGYSRC	32	Energy at Source	FUL	$17,527,764	$3,537,686	$12,836	$1,530,126	$15,603	$1,529,027	$2,252,836	$97,733	$894,513	$2,348,576	$2,842,682	$2,285,596	$30,247	$344	$21,151	$60,188	$7,829	$14,340	$46,648
External	FUELREV	33	Fuel Revenue	FUL	$531,856,824	$105,681,832	$355,227	$45,841,347	$439,760	$46,083,632	$68,215,715	$2,975,490	$26,943,632	$72,444,701	$86,703,094	$71,162,771	$922,670	$10,309	$635,310	$1,789,850	$235,306	$426,112	$990,126
External	OFFSYSTEM	34	Off System Sales	FUL	$1	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
External	ROR	35	Rate of Return	OTHER	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%
Internal	PTDPLT	36	Production, Transmission & Distribution Plant		$6,658,638,468	$2,014,515,042	$6,635,529	$747,606,527	$7,757,638	$617,500,256	$819,741,517	$31,190,439	$274,800,799	$655,533,187	$752,109,331	$605,630,571	$17,953,872	$107,552	$10,240,382	$59,855,288	$3,324,822	$13,788,891	$20,346,825
Internal	PRODPLT	37	Production Plant		$4,049,658,767	$847,496,199	$2,893,485	$369,536,478	$3,507,195	$366,405,160	$546,023,183	$21,801,346	$195,919,928	$522,611,578	$627,924,121	$511,632,130	$7,221,123	$76,649	$4,716,097	$6,620,816	$1,743,944	$2,969,594	$11,159,741
Internal	DPLT	38	Distribution Plant excludes directs		$1,578,983,642	$888,099,589	$2,701,342	$269,020,460	$3,006,124	$139,733,449	$137,416,623	$4,878,189	$37,137,816	$9,971,578	$8,575,815	$1,948,580	$8,404,606	$15,629	$2,790	$51,090,159	$1,226,457	$10,323,659	$5,430,777
Internal	TOTDPLT	39	All Distribution Plant		$1,698,752,162	$940,589,201	$2,996,848	$285,686,515	$3,311,050	$156,017,840	$154,369,367	$5,698,264	$41,805,182	$13,121,184	$9,375,526	$1,964,041	$9,244,657	$17,168	$4,619,610	$52,014,657	$1,268,374	$10,526,879	$6,125,798
Internal	GNRLPLT	40	Total General Plant		$158,356,640	$56,494,016	$287,316	$17,451,853	$179,389	$13,440,857	$18,010,735	$681,798	$6,173,728	$13,692,639	$15,620,999	$12,633,743	$389,027	$2,679	$208,222	$1,919,787	$81,828	$678,756	$409,267
Internal	TDPLT	41	Transmission & Distribution Plant		$2,608,979,701	$1,167,018,843	$3,742,044	$378,070,049	$4,250,443	$251,095,096	$273,718,334	$9,389,094	$79,480,871	$132,921,609	$124,185,209	$93,998,441	$10,732,749	$30,903	$5,524,286	$53,234,472	$1,580,878	$10,819,297	$9,187,084
Internal	TRNPLT	42	Transmission Plant		$910,227,539	$226,429,642	$745,197	$92,383,534	$939,393	$95,077,256	$119,348,967	$3,690,830	$37,675,689	$119,800,425	$114,809,683	$92,034,400	$1,488,092	$13,735	$904,676	$1,219,815	$312,504	$292,418	$3,061,286
Internal	TRNOPLBR	43	Transmission Operations Labor (really O&M not labor)		$18,591,091	$4,624,749	$15,220	$1,886,903	$19,187	$1,941,921	$2,437,662	$75,384	$769,513	$2,446,883	$2,344,949	$1,879,772	$30,394	$281	$18,478	$24,914	$6,383	$5,973	$62,526
Internal	DISTOPLBR	44	Distribution Operations Labor (really O&M not labor)		$10,575,084	$5,581,658	$20,528	$1,729,405	$20,676	$873,575	$735,384	$27,368	$197,672	$57,071	$33,900	$12,322	$52,932	$79	$20,932	$815,153	$17,468	$349,362	$29,597
Internal	DMAINTLBR	45	Distribution Maintenance Labor (really O&M not labor)		$30,276,400	$18,654,172	$50,918	$3,963,960	$55,079	$2,687,189	$2,613,440	$106,777	$709,588	$85,861	$22,838	$748	$151,684	$452	$34,224	$883,076	$21,548	$122,677	$112,169
Internal	CUSTACCT	46	Customer Accounts Excluding Uncollectibles and Services		$15,542,381	$10,870,782	$102,481	$2,030,631	$15,954	$599,589	$1,044,225	$32,735	$425,700	$156,492	$132,879	$86,209	$23,875	$122	$20,585	$0	$0	$0	$121
Internal	LABOR	47	Labor Expense (excluding A&G labor)		$105,456,606	$37,621,834	$191,336	$11,621,952	$119,463	$8,950,854	$11,994,135	$454,039	$4,111,355	$9,118,527	$10,402,706	$8,413,361	$259,070	$1,784	$138,664	$1,278,470	$54,493	$452,013	$272,549
Internal	TOTPLT	48	Total Plant in Service		$7,159,666,052	$2,219,899,799	$7,362,478	$802,959,438	$8,296,171	$656,812,863	$871,758,688	$33,161,929	$292,516,524	$695,699,829	$797,942,352	$642,649,418	$19,159,737	$115,942	$10,855,398	$64,989,406	$3,569,644	$16,412,204	$21,564,804
Internal	TRMNTLBR	49	Transmission Maintenance Labor on O&M (really O&M not labor)		$9,247,997	$2,300,546	$7,571	$938,625	$9,544	$965,994	$1,212,597	$37,499	$382,789	$1,217,184	$1,166,477	$935,078	$15,119	$140	$9,192	$12,393	$3,175	$2,971	$31,103
Internal	RTBASE	50	Rate Base		$3,437,796,443	$1,062,464,182	$3,874,054	$396,120,734	$4,193,653	$322,578,984	$423,547,374	$16,085,654	$141,594,324	$331,373,270	$378,013,641	$304,077,333	$9,626,457	$56,000	$5,498,396	$19,937,925	$1,477,456	$6,662,758	$10,614,246
Internal	LBRANDPLT	51	50% Labor 50% Plant Excluding Account 303		$3,563,813,565	$1,089,702,173	$3,724,942	$399,692,217	$4,145,178	$328,829,000	$436,750,552	$16,613,290	$146,593,489	$348,310,428	$399,506,013	$321,773,057	$9,558,364	$57,726	$5,433,510	$32,700,414	$1,783,193	$7,850,031	$10,789,988
Internal	OMXAGRTBS	52	50% O&M excluding A&G 50% Rate Base		$1,868,760,570	$578,143,549	$2,118,635	$213,269,712	$2,251,805	$174,355,760	$229,648,781	$8,745,104	$77,023,495	$180,852,368	$206,593,088	$166,280,582	$5,146,628	$31,445	$2,924,540	$11,152,351	$809,529	$3,701,083	$5,712,116
Internal	HYDOPLBR	53	Hydro Production Operations Labor (really O&M not labor)		$33,966	$7,108	$24	$9,099	$29	$3,073	$4,580	$183	$1,638	$4,383	$5,267	$4,291	$61	$1	$40	$56	$15	$25	$94
Internal	OMEXCLAG	54	O&M Expense Excluding A&G		$299,724,697	$93,822,916	$369,215	$30,418,689	$309,956	$26,132,536	$35,750,188	$1,404,554	$12,452,666	$30,331,466	$35,172,535	$28,483,830	$666,799	$6,891	$350,688	$2,366,777	$141,602	$739,408	$809,986
Internal	MTREAD	55	Meter Reading		$3,567,336	$1,261,431	$91,167	$410,481	$647	$420,870	$864,751	$15,547	$364,392	$61,335	$34,274	$16,867	$11,140	$0	$14,312	$0	$0	$0	$121

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Probability of Dispatch CCOSS
Allocation Percentages

	Name	No.	Description		Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
External	Prob of Disp	1	Test Year Probability of Dispatch	DEM	100.0000%	20.9276%	0.0715%	9.1251%	0.0866%	9.0478%	13.4832%	0.5384%	4.8231%	12.9051%	15.5056%	12.6340%	0.1783%	0.0019%	0.1165%	0.1635%	0.0431%	0.0733%	0.2756%
External	TRANS_12CP	2	12 CP @ Transmission	DEM	100.0000%	24.8762%	0.0819%	10.1495%	0.1032%	10.4454%	13.1120%	0.4055%	4.1392%	13.1616%	12.6133%	10.1111%	0.1635%	0.0015%	0.0994%	0.1340%	0.0343%	0.0321%	0.3363%
External	SUB_NCP	3	NCP @ Sub-Transmission	DEM	100.0000%	44.1664%	0.2664%	14.1233%	0.2732%	14.7494%	15.4168%	0.7594%	4.2499%	2.9842%	0.7111%	0.0000%	0.7516%	0.0014%	0.2595%	0.5045%	0.0313%	0.1179%	0.6336%
External	DIST_NCP	4	NCP @ Primary	DEM	100.0000%	46.5289%	0.2806%	14.8515%	0.2878%	15.5354%	15.5622%	0.6130%	4.1911%	0.0000%	0.0000%	0.0000%	0.7918%	0.0014%	0.0000%	0.5315%	0.0330%	0.1242%	0.6675%
External	SEC_NCP12	5	NCP12 @ Secondary	DEM	100.0000%	49.1165%	0.1560%	18.9537%	0.1952%	17.1193%	8.4062%	0.2910%	3.4372%	0.0000%	0.0000%	0.0000%	0.6294%	0.0024%	0.0000%	0.8408%	0.0538%	0.2003%	0.5981%
External	STAT_TRAN	6	Customer Station - Tran.	DEM	100.0000%	0.0000%	0.0000%	9.1603%	0.0000%	0.0000%	37.4046%	0.0000%	4.5802%	22.9008%	21.3740%	4.5802%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
External	STAT_SBTRN	7	Customer Station - Sub-Tran.	DEM	100.0000%	0.0000%	0.0000%	13.7931%	0.0000%	3.4483%	48.2759%	3.4483%	13.7931%	13.7931%	3.4483%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
External	RR_DIR	8	Railroad Direct	DEM	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%
External	BILLEDKW	9	KW Billing Determinants	DEM	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	17.4861%	21.0315%	0.4280%	6.2487%	25.5164%	18.0663%	10.9383%	0.0000%	0.0000%	0.2846%	0.0000%	0.0000%	0.0000%	0.0000%
External	CUST	10	No. of Customers	CUS	100.0000%	86.0200%	0.0312%	10.8032%	0.0524%	0.7823%	0.0909%	0.0013%	0.0304%	0.0019%	0.0012%	0.0002%	0.1453%	0.0017%	0.0002%	0.1902%	0.0297%	1.8080%	0.0098%
External	SERV	11	Services(Wtd Cust)	CUS	100.0000%	89.5976%	0.0268%	9.2815%	0.0451%	0.6721%	0.0781%	0.0000%	0.0032%	0.0001%	0.0002%	0.0000%	0.1745%	0.0000%	0.0000%	0.0496%	0.0005%	0.0623%	0.0084%
External	METERS	12	Meters (Wtd Cust)	CUS	100.0000%	67.3161%	0.2453%	23.4057%	0.2171%	5.6098%	1.1139%	0.0102%	0.2614%	0.7145%	0.3686%	0.2632%	0.4531%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0213%
External	XFRS	13	Transformer(Wtd Cust)	CUS	100.0000%	59.8275%	0.1030%	35.6854%	0.1732%	2.5840%	0.3003%	0.0172%	0.5737%	0.0010%	0.0002%	0.0000%	0.5039%	0.0003%	0.0000%	0.1270%	0.0042%	0.0665%	0.0324%
External	DSKDWN	14	Direct to Dusk-to-Dawn	CUS	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%	0.0000%
External	STTRLGT	15	Direct to Street and Traffic Lighting	CUS	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	98.0189%	1.9811%	0.0000%	0.0000%
External	GRSWRTOFF	16	Gross Write Offs	CUS	100.0000%	88.6615%	0.0170%	5.6171%	0.0294%	4.2371%	0.4898%	0.0000%	0.1551%	0.2740%	0.3523%	0.1615%	0.0000%	0.0004%	0.0049%	0.0000%	0.0000%	0.0000%	0.0000%
External	MANMTREAD	17	Manual Meter Reading	CUS	100.0000%	8.4469%	3.8518%	11.7568%	0.0000%	17.4427%	36.6333%	0.6588%	15.4408%	2.5990%	1.4523%	0.7147%	0.3965%	0.0000%	0.6064%	0.0000%	0.0000%	0.0000%	0.0000%
External	AMRMTREAD	18	AMR Meter Reading	CUS	100.0000%	87.9647%	0.0222%	11.0178%	0.0536%	0.7648%	0.0191%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.1477%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0100%
External	RECCOLLEC	19	Customer Records & Collections	CUS	100.0000%	80.2448%	0.0945%	13.5294%	0.1278%	1.4924%	1.4987%	0.1435%	0.5120%	0.7946%	0.8234%	0.5791%	0.1063%	0.0010%	0.0524%	0.0000%	0.0000%	0.0000%	0.0000%
External	INFO_SERV	20	Customer Service and Information	CUS	100.0000%	63.4787%	0.1352%	12.7755%	0.0384%	5.2568%	6.3657%	1.4516%	2.3471%	3.1935%	2.6526%	1.5400%	0.5106%	0.1277%	0.1266%	0.0000%	0.0000%	0.0000%	0.0000%
External	WEIGHTSNDCST	21	Secondary Customers w/ Lighting at 0.25x, RR at 9x	CUS	100.0000%	84.2733%	0.0303%	10.5168%	0.0514%	0.7437%	0.0489%	0.0006%	0.0232%	0.0000%	0.0000%	0.0000%	0.1413%	0.0017%	0.0019%	3.3033%	0.0668%	0.7871%	0.0096%
External	CC_BILLDET	22	Customer Charge Billing Determinants	CUS	100.0000%	75.5669%	0.0148%	9.4203%	0.0263%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0015%	0.0000%	11.7940%	0.2351%	2.9411%	0.0000%
External	MWH	23	MWH Sales	ENG	100.0000%	20.0571%	0.0728%	8.6783%	0.0885%	8.6733%	12.8280%	0.5573%	5.0881%	13.4816%	16.3237%	13.1252%	0.1716%	0.0020%	0.1212%	0.3412%	0.0444%	0.0813%	0.2645%
External	ENRGYSRC	24	Energy at Source	ENG	100.0000%	20.1833%	0.0732%	8.7297%	0.0890%	8.7235%	12.8530%	0.5576%	5.1034%	13.3992%	16.2182%	13.0387%	0.1726%	0.0020%	0.1207%	0.3434%	0.0447%	0.0818%	0.2661%
External	SALES_KWH	25	KWH Sales	ENG	100.0000%	20.0571%	0.0728%	8.6783%	0.0885%	8.6733%	12.8280%	0.5573%	5.0881%	13.4816%	16.3237%	13.1252%	0.1716%	0.0020%	0.1212%	0.3412%	0.0444%	0.0813%	0.2645%
External	INTERDEPT	26	Interdepartmental	REV	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%
External	INTTOPLT	27	T&D Plant in Service	REV	100.0000%	45.8938%	0.1498%	14.3459%	0.1597%	9.3625%	10.2177%	0.3505%	2.9808%	4.9388%	4.6125%	3.4961%	0.4014%	0.0012%	0.2043%	2.0226%	0.0600%	0.4628%	0.3396%
External	REV_ENRGYSRC	28	Energy at Source	REV	100.0000%	20.1833%	0.0732%	8.7297%	0.0890%	8.7235%	12.8530%	0.5576%	5.1034%	13.3992%	16.2182%	13.0387%	0.1726%	0.0020%	0.1207%	0.3434%	0.0447%	0.0818%	0.2661%
External	REV_BKMARGIN	29	Book Margin w/o InterDept	REV	100.0000%	31.5883%	0.0465%	15.3795%	0.0805%	11.6010%	13.5759%	0.3318%	4.2982%	7.5947%	9.7660%	4.4775%	0.2145%	0.0106%	0.1355%	0.6627%	0.0645%	0.1723%	0.0000%
External	LT_FEES	30	Net Late Charges & Credits	REV	100.0000%	69.2964%	0.0543%	17.7373%	0.0864%	5.3442%	5.6205%	0.0884%	1.4257%	0.0000%	0.0000%	0.0000%	0.0023%	0.0057%	0.0000%	0.0000%	0.0021%	0.3365%	0.0000%
External	RETAIL_SALES	31	Retail Sales Allocator	REV	100.0000%	31.5364%	0.0464%	15.3542%	0.0804%	11.5820%	13.5536%	0.3313%	4.2911%	7.5822%	9.7500%	4.4701%	0.2142%	0.0106%	0.1353%	0.6616%	0.0643%	0.1720%	0.1643%
External	FUL_ENRGYSRC	32	Energy at Source	FUL	100.0000%	20.1833%	0.0732%	8.7297%	0.0890%	8.7235%	12.8530%	0.5576%	5.1034%	13.3992%	16.2182%	13.0387%	0.1726%	0.0020%	0.1207%	0.3434%	0.0447%	0.0818%	0.2661%
External	FUELREV	33	Fuel Revenue	FUL	100.0000%	19.8704%	0.0668%	8.6191%	0.0827%	8.6647%	12.8260%	0.5595%	5.0660%	13.6211%	16.3020%	13.3801%	0.1735%	0.0019%	0.1195%	0.3365%	0.0442%	0.0801%	0.1862%
External	OFFSYSTEM	34	Off System Sales	FUL	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
External	ROR	35	Rate of Return	OTHER	2000.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%
Internal	PTDPLT	36	Production, Transmission & Distribution Plant	0	100.0000%	30.2542%	0.0997%	11.2276%	0.1165%	9.2737%	12.3109%	0.4684%	4.1270%	9.8449%	11.2952%	9.0954%	0.2696%	0.0016%	0.1538%	0.8989%	0.0499%	0.2071%	0.3056%
Internal	PRODPLT	37	Production Plant	0	100.0000%	20.9276%	0.0715%	9.1251%	0.0866%	9.0478%	13.4832%	0.5384%	4.8231%	12.9051%	15.5056%	12.6340%	0.1783%	0.0019%	0.1165%	0.1635%	0.0431%	0.0733%	0.2756%
Internal	DPLT	38	Distribution Plant excludes directs	0	100.0000%	56.2450%	0.1711%	17.0376%	0.1904%	8.8496%	8.7029%	0.3089%	2.3520%	0.6315%	0.5431%	0.1234%	0.5323%	0.0010%	0.0002%	3.2356%	0.0777%	0.6538%	0.3439%
Internal	TOTDPLT	39	All Distribution Plant	0	100.0000%	55.3694%	0.1764%	16.8174%	0.1949%	9.1843%	9.0872%	0.3354%	2.4609%	0.7724%	0.5519%	0.1156%	0.5442%	0.0010%	0.2719%	3.0619%	0.0747%	0.6197%	0.3606%
Internal	GNRLPLT	40	Total General Plant	0	100.0000%	35.6752%	0.1814%	11.0206%	0.1133%	8.4877%	11.3735%	0.4305%	3.8986%	8.6467%	9.8644%	7.9780%	0.2457%	0.0017%	0.1315%	1.2123%	0.0517%	0.4286%	0.2584%
Internal	TDPLT	41	Transmission & Distribution Plant	0	100.0000%	44.7309%	0.1434%	14.4911%	0.1629%	9.6243%	10.4914%	0.3599%	3.0464%	5.0948%	4.7599%	3.6029%	0.4114%	0.0012%	0.2117%	2.0404%	0.0606%	0.4147%	0.3521%
Internal	TRNPLT	42	Transmission Plant	0	100.0000%	24.8762%	0.0819%	10.1495%	0.1032%	10.4454%	13.1120%	0.4055%	4.1392%	13.1616%	12.6133%	10.1111%	0.1635%	0.0015%	0.0994%	0.1340%	0.0343%	0.0321%	0.3363%
Internal	TRNOPLBR	43	Transmission Operations Labor (really O&M not labor)	0	100.0000%	24.8762%	0.0819%	10.1495%	0.1032%	10.4454%	13.1120%	0.4055%	4.1392%	13.1616%	12.6133%	10.1111%	0.1635%	0.0015%	0.0994%	0.1340%	0.0343%	0.0321%	0.3363%
Internal	DISTOPLBR	44	Distribution Operations Labor (really O&M not labor)	0	100.0000%	52.7812%	0.1941%	16.3536%	0.1955%	8.2607%	6.9539%	0.2588%	1.8692%	0.5397%	0.3206%	0.1165%	0.5005%	0.0008%	0.1979%	7.7082%	0.1652%	3.3036%	0.2799%
Internal	DMAINTLBR	45	Distribution Maintenance Labor (really O&M not labor)	0	100.0000%	61.6129%	0.1682%	13.0926%	0.1819%	8.8755%	8.6319%	0.3527%	2.3437%	0.2836%	0.0754%	0.0025%	0.5010%	0.0015%	0.1130%	2.9167%	0.0712%	0.4052%	0.3705%
Internal	CUSTACCT	46	Customer Accounts Excluding Uncollectibles and Services	0	100.0000%	69.9428%	0.6594%	13.0651%	0.1027%	3.8578%	6.7186%	0.2106%	2.7390%	1.0069%	0.8549%	0.5547%	0.1536%	0.0008%	0.1324%	0.0000%	0.0000%	0.0000%	0.0008%
Internal	LABOR	47	Labor Expense (excluding A&G labor)	0	100.0000%	35.6752%	0.1814%	11.0206%	0.1133%	8.4877%	11.3735%	0.4305%	3.8986%	8.6467%	9.8644%	7.9780%	0.2457%	0.0017%	0.1315%	1.2123%	0.0517%	0.4286%	0.2584%
Internal	TOTPLT	48	Total Plant in Service	0	100.0000%	30.9218%	0.1028%	11.2150%	0.1159%	9.1738%	12.1760%	0.4632%	4.0856%	9.7161%	11.1450%	8.9760%	0.2676%	0.0016%	0.1516%	0.9077%	0.0499%	0.2292%	0.3012%
Internal	TRMNTLBR	49	Transmission Maintenance Labor on O&M (really O&M n	0	100.0000%	24.8762%	0.0819%	10.1495%	0.1032%	10.4454%	13.1120%	0.4055%	4.1392%	13.1616%	12.6133%	10.1111%	0.1635%	0.0015%	0.0994%	0.1340%	0.0343%	0.0321%	0.3363%
Internal	RTBASE	50	Rate Base	0	100.0000%	30.9054%	0.1127%	11.5225%	0.1220%	9.3833%	12.3203%	0.4679%	4.1188%	9.6391%	10.9958%	8.8451%	0.2800%	0.0016%	0.1599%	0.5800%	0.0430%	0.1938%	0.3088%
Internal	LBRANDPLT	51	50% Labor 50% Plant Excluding Account 303	0	100.0000%	30.5769%	0.1045%	11.2153%	0.1163%	9.2269%	12.2551%	0.4662%	4.1134%	9.7735%	11.2101%	9.0289%	0.2682%	0.0016%	0.1525%	0.9176%	0.0500%	0.2203%	0.3028%
Internal	OMXAGRTBS	52	50% O&M excluding A&G 50% Rate Base	0	100.0000%	30.9373%	0.1134%	11.4124%	0.1205%	9.3300%	12.2888%	0.4680%	4.1216%	9.6777%	11.0551%	8.8979%	0.2754%	0.0017%	0.1565%	0.5968%	0.0433%	0.1981%	0.3057%
Internal	HYDOPLBR	53	Hydro Production Operations Labor (really O&M not labo	0	100.0000%	20.9276%	0.0715%	9.1251%	0.0866%	9.0478%	13.4832%	0.5384%	4.8231%	12.9051%	15.5056%	12.6340%	0.1783%	0.0019%	0.1165%	0.1635%	0.0431%	0.0733%	0.2756%
Internal	OMEXCLAG	54	O&M Expense Excluding A&G	0	100.0000%	31.3030%	0.1212%	10.1489%	0.1034%	8.7188%	11.9277%	0.4686%	4.1547%	10.1198%	11.7349%	9.5033%	0.2225%	0.0023%	0.1170%	0.7897%	0.0472%	0.2467%	0.2702%
Internal	MTREAD	55	Meter Reading	0	100.0000%	35.3606%	2.5556%	11.5067%	0.0182%	11.7979%	24.2408%	0.4358%	10.2147%	1.7194%	0.9608%	0.4728%	0.3123%	0.0000%	0.4012%	0.0000%	0.0000%	0.0000%	0.0034%

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Development of Energy and Demand
Separation for the Base-Intermediate-Peak Method

Plant Name	Type	(1) Generator Nameplate (MW) 1/	(2) Test Year Net MWH 2/	(3) Actual TY Capacity Factor 3/	(4) Utilized Capacity Factor	(5) Test Year Fuel Cost Per MWH 4/	(6) Gross Plant Investment ($000) 5/	(7) Cost Per KW	(8) Percent Energy	(9) Weighted Energy
Baily Coal										
Bailley #7	Steam/Coal	190.4	790,127	47.37%	47.37%	$27.41				
Bailley #8	Steam/Coal	413.1	1,255,794	34.70%	34.70%	$26.68				
Total Bailley Steam		603.5	2,045,921	38.70%	38.70%	$26.96	$636,190,256	$1,054		
ECR-17 Environmental 7/							$139,710,219		100.00%	$139,710,219
ECR-26 Environmental (Excl. CWIP) 8/							$31,885,710		100.00%	$31,885,710
Non-Identified Environmental					38.70%		$464,594,327		38.70%	$179,796,562
Michigan City Coal										
Michigan City #12	Steam/Coal	540.0	2,490,503	52.65%	52.65%	$28.62	$440,808,400	$816		
ECR-17 Environmental 7/							$68,570,811		100.00%	$68,570,811
ECR-26 Environmental (Excl. CWIP) 8/							$3,773,389		100.00%	$3,773,389
Non-Identified Environmental					52.65%		$368,464,200		52.65%	$193,992,304
Schahfer Coal										
Schahfer #14	Steam/Coal	540.0	876,577	18.53%	52.00% 6/	$36.21				
Schahfer #15	Steam/Coal	556.4	2,088,155	42.84%	42.84%	$30.35				
Schahfer #17	Steam/Coal	423.5	2,148,870	57.92%	57.92%	$28.17				
Schahfer #18	Steam/Coal	423.5	1,910,547	51.50%	51.50%	$27.47				
Total Schahfer Steam		1,943.4	7,024,149	41.26%	50.56%	$29.63	$2,496,839,265	$1,285		
ECR-17 Environmental 7/							$133,351,543		100.00%	$133,351,543
ECR-26 Environmental (Excl. CWIP) 8/							$551,494,236		100.00%	$551,494,236
Non-Identified Environmental					50.56%		$1,811,993,486		50.56%	$916,143,907
Sugar Creek Gas										
Sugar Creek #1A	Gas	203.2								
Sugar Creek #1B	Gas	203.2								
Sugar Creek Steam Turbine	Gas	213.4								
Total Sugar Creek Gas		619.8	2,674,913	49.27%	49.27%	$26.17	$132,510,458	$214	49.27%	$65,283,606
Schahfer Gas										
Schahfer #16A	CT Gas	129.0	4,264	0.38%		$92.40				
Schahfer #16B	CT Gas	129.0	3,597	0.32%		$76.94				
Total Schahfer CT Gas		258.0	7,861	0.35%	0.35%	$85.33	$40,327,014	$156	0.35%	$140,265
Bailly Gas										
Bailley #10	CT Gas	37.5	716	0.22%		$92.40	$8,481,784			
Total Bailley CT Gas		37.5	716	0.22%	0.22%	$92.40	$8,481,784	$226	0.22%	$18,487
Norway	Hydro	7.2	18,145	28.77%	--	$0.00	$10,712,692	$1,488	100.00%	$10,712,692
Oakdale	Hydro	9.2	17,311	21.48%	--	$0.00	$21,567,260	$2,344	100.00%	$21,567,260
						Total Gross Plt	$3,787,437,129			
						Total Energy	$2,316,440,991			
						PCT Energy	61.16%			
						PCT Demand	38.84%			

1/ Per Company response to OUCC-9-007, Attachment B.
2/ Per Company response to OUCC-9-007, Attachment A (Corrected).
3/ Calculated as: [Column (2) divided by 8,760] divided by Column (1).
4/ Per Company response to OUCC-9-012, Attachment A.
5/ Per NIPSCO 2014 FERC Form 1 (revised).
6/ Per Direct Testimony of Michael Hooper, page 23.
7/ Per Cause No. 42150-ECR-17, Exhibit 3, Schedules 1 and 1A.
8/ Per OUCC Informal Data Request 2-001.

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Base-Intermediate-Peak CCOSS
Summary of Results

Description	System Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725
Current Rates								
Rate Base								
Plant in Service	$7,159,666,052	$2,361,902,031	$6,231,042	$816,294,562	$7,026,616	$676,459,799	$832,567,223	$28,919,520
Accumulated Reserve	-$4,108,398,701	-$1,367,980,321	-$3,391,661	-$457,596,613	-$3,806,593	-$379,655,102	-$469,914,693	-$16,316,802
Other Rate Base Items	$386,529,093	$133,410,122	$538,778	$43,267,402	$417,198	$34,385,310	$43,717,683	$1,623,801
Total Rate Base	$3,437,796,443	$1,127,331,832	$3,378,159	$401,965,351	$3,637,222	$331,190,007	$406,370,213	$14,226,519
Revenues at Current Rates								
Retail Sales - Non Fuel	$1,040,570,221	$328,158,677	$483,239	$159,771,578	$836,374	$120,518,591	$141,034,218	$3,447,444
Retail Sales - Fuel	$531,856,824	$105,681,832	$355,227	$45,841,347	$439,760	$46,083,632	$68,215,715	$2,975,490
Total Retail Sales Revenue	$1,572,427,045	$433,840,509	$838,466	$205,612,924	$1,276,134	$166,602,223	$209,249,933	$6,422,934
Off System Sales - Fuel	$9,832,335	$0	$0	$0	$0	$0	$0	$0
Other Revenue	$22,245,928	$8,954,912	$13,075	$3,497,151	$19,997	$2,264,017	$2,605,479	$83,950
Off System Sales - Non Fuel	$4,741,390	$1,497,726	$2,206	$729,202	$3,817	$550,050	$643,684	$15,734
Total Other Revenue (To be Credited)	$26,987,318	$10,452,638	$15,280	$4,226,353	$23,814	$2,814,067	$3,249,163	$79,684
Interruptible Power Credit	$0	$8,803,701	$29,606	$3,637,874	$37,015	$3,719,730	$4,845,977	$164,728
Total Revenues	$1,609,246,698	$435,489,445	$824,140	$206,201,404	$1,262,933	$165,696,560	$207,653,118	$6,337,891
Expenses at Current Rates								
Operations & Maintenance Expenses	$506,235,373	$174,461,100	$619,718	$54,195,022	$461,673	$45,395,542	$57,138,476	$2,032,206
Depreciation Expense	$229,516,541	$69,973,063	$190,915	$25,288,174	$216,179	$22,248,901	$27,686,557	$967,472
Amortization Expense	$24,575,364	$7,255,787	$17,882	$2,618,507	$20,391	$2,332,267	$2,955,867	$103,228
Taxes Other Than Income Taxes	$66,527,209	$22,445,419	$70,205	$7,600,371	$66,644	$6,230,085	$7,685,088	$267,958
Fuel Expenses	$531,856,823	$107,346,418	$389,490	$46,429,660	$473,463	$46,396,315	$68,359,346	$2,965,582
Off System Sales - Fuel	$9,832,335	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$14,679,304	$2,962,772	$10,750	$1,281,463	$13,068	$1,280,543	$1,886,725	$81,850
Income Taxes	$66,522,229	$12,364,241	-$220,061	$25,127,128	-$22,842	$14,615,435	$14,098,295	-$138,674
Total Expenses - Current	$1,449,745,177	$396,808,802	$1,078,897	$162,540,326	$1,228,575	$138,499,089	$179,810,354	$6,274,621
Current Operating Income	$159,501,521	$38,680,643	-$254,757	$43,661,078	$34,358	$27,197,471	$27,842,765	$63,269
Return at Current Rates	4.64%	3.43%	-7.54%	10.86%	0.94%	8.21%	6.85%	0.44%
Index Rate of Return	100.00%	74%	-163%	234%	20%	177%	148%	10%
OUCC Proposed Rates								
Total Current Revenue (Excl. Riders & Incl. Other Rev.)	$1,809,246,698	$435,489,445	$824,140	$206,201,404	$1,262,933	$165,696,560	$207,653,118	$6,337,891
OUCC Proposed Total Increase	$147,553,456	$ 49,273,246	$118,020	$9,647,156	$179,625	$7,816,812	$9,817,801	$904,073
Less: NIPSCO Proposed Riders	$20,965,838	$6,357,623	$44	$2,292,899	$369	$2,383,022	$2,663,924	$72,870
Revenue @ Proposed Rates	$1,735,834,316	$478,405,069	$942,116	$213,555,660	$1,442,189	$171,130,350	$214,806,995	$7,169,094
Less:								
O&M @ Current Rates	$506,235,373	$174,461,100	$619,718	$54,195,022	$461,673	$45,395,542	$57,138,476	$2,032,206
Depreciation	$229,516,541	$69,973,063	$190,915	$25,288,174	$216,179	$22,248,901	$27,686,557	$962,472
Amortization	$24,575,364	$7,255,787	$17,882	$2,618,507	$20,391	$2,332,267	$2,955,867	$103,228
Taxes Other than Income @ Current Rates	$66,527,209	$22,445,419	$70,205	$7,600,371	$66,644	$6,230,085	$7,685,088	$267,958
Fuel	$531,856,823	$107,346,418	$389,490	$46,429,660	$473,483	346,396,315	$68,359,346	$2,965,582
Off-system Sales Fuel	$9,832,335	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$14,679,304	$2,962,772	$10,750	$1,281,463	$13,068	$1,280,543	$1,886,725	$81,850
Subtotal	$1,383,222,948	$384,444,561	$1,298,959	$137,413,198	$1,251,417	$123,883,654	$165,712,059	$6,413,296
Bad Debt Increase	$361,483	$320,496	$61	$20,305	$106	$15,316	$1,770	$0
Utility Receipts Tax Increase	$1,771,127	$581,868	$1,752	$205,279	$1,847	$169,808	$208,891	$7,331
PUC Fee Increase	$154,047	$50,819	$134	$17,563	$151	$14,555	$17,913	$627
Total Expense Before Tax @ NIPSCO Proposed Rates	$1,385,510,705	$385,397,743	$1,300,906	$137,656,345	$1,253,521	$124,083,333	$165,940,634	$6,421,249
Earnings Before Interest and Income Tax	$350,323,610	$93,007,326	-$358,790	$75,899,315	$188,667	$47,047,018	$48,866,361	$747,845
Interest	$63,599,234	$20,855,639	$62,496	$7,436,359	$67,289	$6,127,015	$7,517,849	$263,191
Taxable Income	$286,724,376	$72,151,687	-$421,286	$68,462,956	$121,379	$40,920,002	$41,348,512	$484,655
Income Tax	$115,865,893	$29,156,641	-$170,243	$27,666,017	$49,049	$16,535,855	$16,709,016	$195,850
Net Operating Income @ Proposed Rates	$234,457,717	$63,850,685	-$188,548	348,233,298	$139,618	$30,511,163	$32,157,345	$551,995
Rate Base	$3,437,796,443	$1,127,331,832	$3,378,159	$401,965,351	$3,637,222	$331,190,007	$406,370,213	$14,226,519
ROR @ OUCC Proposed Rates	6.82%	5.66%	-5.58%	12.00%	3.84%	9.21%	7.91%	3.88%
Indexed ROR @ OUCC Proposed		83%	-82%	176%	56%	135%	116%	57%
Indexed ROR @ Current Rates		74%	-163%	234%	20%	177%	148%	10%

Description	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
Current Rates											
Rate Base											
Plant in Service	$283,161,168	$679,428,926	$733,558,506	$595,039,336	$17,795,519	$107,169	$9,853,559	$66,986,983	$3,370,009	$15,412,106	$25,551,978
Accumulated Reserve	-$161,033,612	-$390,162,256	-$422,618,111	-$343,114,853	-$9,730,970	-$61,216	-$5,324,276	-$50,675,468	-$2,174,250	-$10,471,666	-$14,370,238
Other Rate Base Items	$15,366,424	$35,001,550	$38,854,559	$31,285,907	$963,987	$6,202	$530,019	$4,501,924	$194,200	$1,283,988	$1,180,038
Total Rate Base	$137,493,980	$324,268,221	$349,794,954	$283,210,391	$9,028,536	$52,155	$5,059,302	$20,813,439	$1,389,959	$6,224,427	$12,361,778
Revenues at Current Rates											
Retail Sales - Non Fuel	$44,652,102	$78,898,265	$101,455,432	$46,514,575	$2,228,634	$110,063	$1,407,671	$6,884,548	$669,575	$1,789,661	$1,709,575
Retail Sales - Fuel	$26,943,632	$72,444,701	$86,703,034	$71,162,771	$922,670	$10,309	$635,310	$1,789,850	$235,306	$426,112	$990,126
Total Retail Sales Revenue	$71,595,733	$151,342,967	$188,158,466	$117,677,346	$3,151,305	$120,377	$2,042,981	$8,674,398	$904,881	$2,215,773	$2,699,701
Off System Sales - Fuel	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Other Revenue	$804,039	$1,306,461	$1,639,678	$783,775	$43,074	$1,933	$26,003	$150,902	$11,598	$52,011	$7,873
Off System Sales - Non Fuel	$203,793	$360,094	$463,046	$212,294	$10,172	$502	$6,425	$31,421	$3,056	$8,168	$0
Total Other Revenue (To be Credited)	$1,007,833	$1,666,555	$2,102,723	$996,069	$53,246	$2,435	$32,428	$182,323	$14,654	$60,179	$7,873
Interruptible Power Credit	$1,626,890	-$13,823,856	$5,019,533	-$14,380,126	$61,565	$603	$38,891	$69,216	$13,711	$16,546	$118,399
Total Revenues	$70,976,676	$166,833,378	$185,241,657	$133,053,541	$3,142,985	$122,204	$2,036,517	$8,787,505	$905,824	$2,259,406	$2,589,175
Expenses at Current Rates											
Operations & Maintenance Expenses	$20,004,361	$47,740,216	$52,014,375	$42,379,370	$1,097,099	$9,762	$568,080	$4,812,441	$233,631	$1,438,197	$1,634,107
Depreciation Expense	$9,497,254	$23,148,750	$25,224,526	$20,489,553	$546,555	$3,541	$282,382	$2,211,155	$112,247	$589,231	$845,087
Amortization Expense	$1,037,699	$2,621,215	$2,880,739	$2,351,659	$51,720	$388	$29,269	$161,746	$10,748	$36,244	$88,808
Taxes Other Than Income Taxes	$2,621,535	$6,184,852	$6,674,039	$5,415,239	$165,172	$1,023	$90,753	$586,915	$30,136	$160,393	$231,441
Fuel Expenses	$27,142,813	$71,264,446	$86,257,442	$69,347,335	$917,806	$10,443	$641,792	$1,826,328	$237,558	$435,126	$1,415,461
Off System Sales - Fuel	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$749,144	$1,966,906	$2,380,714	$1,913,994	$25,332	$288	$17,714	$50,407	$6,557	$12,010	$39,067
Income Taxes	$3,022,631	$3,238,387	$1,367,356	-$5,767,884	$70,556	$39,233	$128,164	-$510,528	$102,076	-$215,790	-$275,493
Total Expenses - Current	$64,075,439	$156,165,771	$176,799,191	$136,129,464	$2,874,240	$64,678	$1,758,152	$9,138,463	$732,951	$2,455,350	$3,478,477
Current Operating Income	$6,901,238	$10,667,607	$8,442,466	-$3,075,923	$268,745	$57,526	$278,365	-$350,958	$172,872	-$195,944	-$889,302
Return at Current Rates	5.02%	3.29%	2.41%	-1.09%	2.98%	110.30%	5.50%	-1.69%	12.44%	-3.15%	-7.19%
Index Rate of Return	108%	71%	52%	-23%	64%	2377%	119%	-36%	268%	-68%	-155%
OUCC Proposed Rates											
Total Current Revenue (Excl. Riders & Incl. Other Rev.)	$70,976,676	$166,833,378	$185,241,657	$133,053,541	$3,142,985	$122,204	$2,036,517	$8,787,505	$905,824	$2,259,406	$2,589,175
OUCC Proposed Total Increase	$6,718,403	$17,752,157	$23,816,167	$16,563,915	$369,640	$5,648	$191,709	$1,220,983	$42,456	$311,886	$2,783,759
Less: NIPSCO Proposed Riders	$845,006	$2,209,691	$2,204,031	$1,815,966	$22,926	$2	$12,989		$6,314		$78,162
Revenue @ Proposed Rates	$76,650,073	$182,375,844	$206,873,793	$147,801,491	$3,489,700	$127,850	$2,215,238	$10,008,487	$941,966	$2,571,291	$5,294,772
Less:											
O&M @ Current Rates	$20,004,361	$47,740,216	$52,014,375	$42,379,370	$1,097,099	$9,762	$568,080	$4,812,441	$233,631	$1,438,197	$1,634,107
Depreciation	$9,497,254	$23,148,750	$25,224,526	$20,489,553	$546,555	$3,541	$282,382	$2,211,155	$112,247	$589,231	$845,087
Amortization	$1,037,699	$2,622,215	$2,880,739	$2,351,859	$51,770	$388	$29,269	$161,746	$10,748	$36,244	$88,808
Taxes Other than Income @ Current Rates	$2,621,535	$6,184,852	$6,674,039	$5,415,239	$165,172	$1,023	$90,753	$586,915	$30,136	$160,333	$231,441
Fuel	$27,142,813	$71,264,446	$86,257,442	$69,347,335	$917,806	$10,443	$641,792	$1,826,328	$237,558	$435,126	$1,415,461
Off-system Sales Fuel	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$749,144	$1,966,906	$2,380,714	$1,913,994	$25,332	$288	$17,714	$50,407	$6,557	$12,010	$39,067
Subtotal	$61,052,808	$152,927,384	$175,431,834	$141,897,349	$2,803,684	$25,445	$1,629,989	$9,648,991	$630,876	$2,671,140	$4,253,970
Bad Debt Increase	$561	$990	$1,274	$584	$0	$1	$18	$0	$0	$0	$0
Utility Receipts Tax Increase	$70,922	$167,831	$181,309	$146,886	$4,571	$28	$2,546	$11,030	$722	$3,283	$6,322
PUC Fee Increase	$6,092	$14,619	$15,783	$12,803	$383	$2	$212	$1,441	$73	$332	$550
Total Expense Before Tax @ NIPSCO Proposed Rates	$61,130,382	$153,110,825	$175,630,201	$142,057,622	$2,808,638	$25,477	$1,632,765	$9,661,462	$631,671	$2,674,755	$4,260,842
Earnings Before Interest and Income Tax	$15,719,690	$29,265,020	$31,243,592	$5,743,869	$681,061	$102,373	$582,473	$347,025	$310,295	-$103,463	$1,033,930
Interest	$2,543,639	$5,998,962	$6,471,207	$5,239,392	$167,028	$965	$93,597	$385,049	$25,714	$115,152	$228,693
Taxable Income	$13,176,052	$23,266,058	$24,772,385	$504,477	$514,034	$101,408	$488,876	-$38,023	$284,581	-$218,615	$805,237
Income Tax	$5,324,469	$9,401,860	$10,010,570	$203,860	$207,722	$40,979	$197,556	-$15,365	$115,000	-$88,343	$325,398
Net Operating Income @ Proposed Rates	$10,395,222	$19,863,159	$21,233,022	$5,540,009	$473,339	$61,394	$384,917	$362,391	$195,295	-$15,120	$708,532
Rate Base	$137,493,980	$324,268,221	$349,784,954	$283,210,391	$9,028,536	$52,155	$5,059,302	$20,813,439	$1,389,959	$6,224,427	$12,361,778
ROR @ OUCC Proposed Rates	7.56%	6.13%	6.07%	1.96%	5.24%	117.71%	7.61%	1.74%	14.05%	-0.24%	5.73%
Indexed ROR @ OUCC Proposed	111%	90%	89%	29%	77%	1726%	112%	26%	206%	-4%	84%
Indexed ROR @ Current Rates	108%	71%	52%	-23%	64%	2377%	119%	-36%	268%	-68%	-155%

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Base-Intermediate-Peak CCOSS
Summary of Results

Description	System Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724
Equalized Rates of Return @ NIPSCO Proposed 6.82%							
O&M @ Current Rates	$506,235,373	$174,461,100	$619,718	$54,195,022	$461,673	$45,395,542	$57,138,476
Depreciation	$229,516,541	$69,973,063	$190,915	$25,288,174	$216,179	$22,248,901	$27,686,557
Amortization	$24,575,364	$7,255,787	$17,882	$2,618,507	$20,391	$2,332,267	$2,955,867
Taxes Other than Income @ Current Rates	$66,527,209	$22,445,419	$70,205	$7,600,371	$66,644	$6,230,085	$7,685,088
Fuel	$531,856,823	$107,346,418	$589,490	$46,429,660	$473,463	$46,396,315	$68,359,346
Off-system Sales Fuel	$9,832,335	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$14,679,304	$2,962,772	$10,750	$1,281,463	$13,068	$1,280,543	$1,886,725
Subtotal At Current	$1,383,222,948	$384,444,561	$1,298,959	$137,413,138	$1,251,417	$123,883,654	$165,712,059
Bad Debt Increase	$361,483	$320,496	$61	$20,305	$106	$15,316	$1,770
Utility Receipts Tax - Increase	$1,772,227	$581,868	$1,752	$205,279	$1,847	$169,808	$208,891
PUC Fee - Increase	$154,047	$50,819	$134	$17,563	$151	$14,555	$17,913
Total Expense Increase Excl. Income Taxes	$2,287,757	$953,182	$1,948	$243,147	$2,105	$199,679	$228,575
Required Return @ Equal ROR	$254,457,717	$76,884,031	$230,390	$27,414,037	$248,059	$22,587,158	$27,714,449
Income Taxes @ Proposed (Equal ROR)	$115,865,893	$37,995,068	$113,856	$13,547,653	$122,587	$11,162,274	$13,696,113
Rev. Rqmt. @ Proposed (Equal ROR)	$1,735,834,316	$500,276,842	$1,645,153	$178,618,035	$1,624,167	$157,832,765	$207,351,196
Total Rev. @ Current Rates	$1,609,246,698	$435,489,445	$824,140	$206,201,404	$1,262,933	$165,696,560	$207,653,118
Plus: Increase in Riders	$20,965,838	$6,357,623	$44	$2,292,899	$369	$2,383,022	$2,663,924
Total Required Increase	$147,553,456	$71,145,019	$821,057	-$25,290,469	$361,603	-$5,480,773	$2,362,001
Less: NIPSCO Proposed Riders	$20,965,838	$6,357,623	$44	$2,292,899	$369	$2,383,022	$2,663,924
Required Net Increase	$126,587,618	$64,787,396	$821,013	-$27,583,368	$361,234	-$7,863,795	-$301,923

Description	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
Equalized Rates of Return @ NIPSCO Proposed 6.82%												
O&M @ Current Rates	$2,032,206	$20,004,361	$47,740,216	$52,014,375	$42,379,370	$1,097,099	$9,762	$568,080	$4,812,441	$233,631	$1,438,197	$1,634,107
Depreciation	$962,472	$9,497,254	$23,148,750	$25,224,526	$20,489,553	$546,555	$3,541	$282,382	$2,211,155	$112,247	$589,231	$845,087
Amortization	$103,228	$1,037,699	$2,622,215	$2,880,739	$2,361,859	$51,720	$388	$29,269	$161,746	$10,748	$36,244	$88,808
Taxes Other than Income @ Current Rates	$267,958	$2,621,535	$6,184,852	$6,674,039	$5,415,239	$165,172	$1,023	$90,753	$586,915	$30,136	$160,333	$231,441
Fuel	$2,965,582	$27,142,813	$71,264,446	$86,257,442	$69,347,335	$917,806	$10,443	$641,792	$1,826,328	$237,558	$435,126	$1,415,461
Off-system Sales Fuel	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$81,850	$749,144	$1,966,906	$2,380,714	$1,913,994	$25,332	$288	$17,714	$50,407	$6,557	$12,010	$39,057
Subtotal At Current	$6,413,296	$61,052,808	$152,927,384	$175,431,834	$141,897,349	$2,803,684	$25,445	$1,629,989	$9,648,991	$630,876	$2,671,140	$4,253,970
Bad Debt Increase	$0	$561	$990	$1,274	$584	$0	$1	$18	$0	$0	$0	$0
Utility Receipts Tax - Increase	$7,331	$70,922	$167,831	$181,309	$146,886	$4,571	$28	$2,546	$11,030	$722	$3,283	$6,322
PUC Fee - Increase	$622	$6,092	$14,619	$15,783	$12,803	$383	$2	$212	$1,441	$73	$332	$550
Total Expense Increase Excl. Income Taxes	$7,953	$77,575	$183,440	$198,366	$160,273	$4,954	$32	$2,776	$12,471	$795	$3,615	$6,872
Required Return @ Equal ROR	$970,249	$9,377,089	$22,115,093	$23,856,016	$19,314,949	$615,746	$3,557	$345,044	$1,419,477	$94,795	$424,506	$843,073
Income Taxes @ Proposed (Equal ROR)	$479,484	$4,634,033	$10,928,985	$11,789,326	$9,545,191	$304,294	$1,758	$170,516	$701,486	$46,847	$209,785	$416,636
Rev. Rqmt. @ Proposed (Equal ROR)	$7,870,981	$75,141,505	$186,154,903	$211,275,543	$170,917,762	$3,728,678	$30,791	$2,148,325	$11,782,425	$773,312	$3,309,046	$5,520,551
Total Rev. @ Current Rates	$6,337,891	$70,976,676	$166,833,378	$185,241,657	$133,053,541	$3,142,985	$122,204	$2,036,517	$8,787,505	$905,824	$2,259,406	$2,589,175
Plus: Increase in Riders	$72,870	$845,006	$2,209,691	$2,204,031	$1,815,966	$22,926	$2	$12,989	$0	$6,314	$0	$78,162
Total Required Increase	$1,605,960	$5,009,835	$21,531,216	$28,237,917	$39,680,186	$608,619	-$91,410	$124,797	$2,994,920	-$126,197	$1,049,640	$3,009,538
Less: NIPSCO Proposed Riders	$72,870	$845,006	$2,209,691	$2,204,031	$1,815,966	$22,926	$2	$12,989	$0	$6,314	$0	$78,162
Required Net Increase	$1,533,090	$4,164,829	$19,321,525	$26,033,886	$37,864,220	$585,693	-$91,412	$111,808	$2,994,920	-$132,511	$1,049,640	$2,931,376

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Peak & Average CCOSS
Summary of Results

Description	System Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
Current Rates																			
Rate Base																			
Plant In Service	$7,159,666,052	$2,352,172,078	$6,296,353	$814,655,667	$7,100,867	$674,644,582	$833,223,181	$29,193,530	$284,317,661	$681,452,448	$738,693,789	$598,553,159	$17,855,936	$107,808	$9,917,507	$67,296,598	$3,384,521	$15,485,872	$25,314,493
Accumulated Reserve	-$4,108,398,701	-$1,362,258,486	-$3,430,068	-$456,632,838	-$3,850,257	-$378,587,638	-$470,300,439	-$16,477,938	-$161,713,704	-$391,352,216	-$425,637,986	-$345,181,206	-$9,766,499	-$61,592	-$5,361,882	-$50,857,541	-$2,182,784	-$10,515,045	-$14,230,582
Other Rate Base Items	$386,529,093	$133,153,715	$540,499	$43,224,213	$419,155	$34,337,475	$43,734,969	$1,631,022	$15,396,901	$35,054,875	$38,989,886	$31,378,505	$965,579	$6,219	$531,705	$4,510,084	$194,582	$1,285,931	$1,173,779
Total Rate Base	$3,437,796,443	$1,123,067,308	$3,406,784	$401,247,042	$3,669,765	$330,394,419	$406,657,712	$14,346,614	$138,000,858	$325,155,107	$352,045,688	$284,750,458	$9,055,016	$52,435	$5,087,330	$20,949,140	$1,396,319	$6,256,758	$12,257,691
Revenues at Current Rates																			
Retail Sales - Non Fuel	$1,040,570,221	$328,168,677	$483,239	$159,771,578	$836,374	$120,518,591	$141,034,218	$3,447,444	$44,652,102	$78,898,265	$101,455,432	$46,514,575	$2,228,634	$110,063	$1,407,671	$6,884,548	$669,575	$1,789,661	$1,709,575
Retail Sales - Fuel	$531,856,824	$105,681,832	$355,227	$45,841,347	$439,760	$46,083,632	$68,215,715	$2,975,490	$26,943,632	$72,444,701	$86,703,034	$71,162,771	$922,670	$10,309	$635,310	$1,789,850	$235,306	$426,112	$990,126
Total Retail Sales Revenue	$1,572,427,045	$433,840,509	$838,466	$205,612,924	$1,276,134	$166,602,223	$209,249,933	$6,422,934	$71,595,733	$151,342,967	$188,158,466	$117,677,346	$3,151,305	$120,372	$2,042,981	$8,674,398	$904,881	$2,215,773	$2,699,701
Off System Sales - Fuel	$9,832,335	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Other Revenue	$22,245,928	$8,954,912	$13,075	$3,497,151	$19,997	$2,264,017	$2,605,479	$63,950	$804,039	$1,306,461	$1,639,678	$783,775	$43,074	$1,933	$26,003	$150,902	$11,598	$52,011	$7,873
Off System Sales - Non Fuel	$4,741,390	$1,497,726	$2,206	$729,202	$3,817	$550,050	$643,684	$15,734	$203,793	$360,094	$463,046	$212,294	$10,172	$502	$6,425	$31,421	$3,056	$8,168	$0
Total Other Revenue (To be Credited)	$26,987,318	$10,452,638	$15,280	$4,226,353	$23,814	$2,814,067	$3,249,163	$79,684	$1,007,833	$1,666,555	$2,102,723	$996,069	$53,246	$2,435	$32,428	$182,323	$14,654	$60,179	$7,873
Interruptible Power Credit	$0	$8,803,701	$29,606	$3,637,874	$37,015	$3,719,730	$4,845,977	$164,728	$1,626,890	-$13,823,856	$5,019,533	-$14,380,126	$61,565	$603	$38,891	$69,216	$13,711	$16,546	$118,399
Total Revenues	$1,609,246,698	$435,489,445	$824,140	$206,201,404	$1,262,933	$165,696,560	$207,653,118	$6,337,891	$70,976,676	$166,833,378	$185,241,657	$133,053,541	$3,142,985	$122,204	$2,036,517	$8,787,505	$905,824	$2,259,406	$2,589,175
Expenses at Current Rates																			
Operations & Maintenance Expenses	$506,235,373	$173,814,746	$624,056	$54,086,151	$466,605	$45,274,958	$57,182,051	$2,050,408	$20,081,186	$47,874,637	$52,355,508	$42,612,791	$1,101,113	$9,804	$572,328	$4,833,008	$234,595	$1,443,098	$1,618,331
Depreciation Expense	$229,516,541	$69,615,672	$193,313	$25,227,976	$218,906	$22,182,227	$27,710,651	$972,537	$9,539,734	$23,223,076	$25,413,150	$20,618,619	$548,774	$3,564	$284,731	$2,222,527	$112,780	$591,940	$836,363
Amortization Expense	$24,575,364	$7,214,124	$18,161	$2,611,489	$20,709	$2,324,495	$2,958,676	$104,401	$1,042,651	$2,630,879	$2,902,728	$2,366,905	$51,979	$391	$29,543	$163,072	$10,810	$36,559	$87,791
Taxes Other Than Income Taxes	$66,527,209	$22,359,673	$70,780	$7,585,928	$67,299	$6,214,088	$7,690,868	$270,373	$2,631,727	$6,202,684	$6,719,294	$5,446,205	$165,704	$1,029	$91,316	$589,644	$30,264	$160,983	$229,349
Fuel Expenses	$531,856,823	$107,346,418	$389,490	$46,429,660	$473,463	$46,396,315	$68,359,346	$2,965,582	$27,142,813	$71,264,446	$86,257,442	$69,347,335	$917,806	$10,443	$641,792	$1,826,328	$237,558	$435,126	$1,415,461
Off System Sales - Fuel	$9,832,335	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$14,679,304	$2,962,772	$10,750	$1,281,463	$13,068	$1,280,543	$1,886,725	$81,850	$749,144	$1,966,906	$2,380,714	$1,913,994	$25,332	$288	$17,714	$50,407	$6,557	$12,010	$39,067
Income Taxes	$66,522,229	$12,859,827	-$123,389	$25,210,604	-$26,624	$14,707,892	$14,054,894	-$152,631	$7,963,726	$3,135,321	$1,105,796	-$5,946,857	$67,479	$39,201	$124,906	-$526,298	$101,336	-$219,548	-$763,397
Total Expenses - Current	$1,449,745,177	$396,173,232	$1,083,163	$162,433,272	$1,233,425	$138,380,518	$179,853,202	$6,292,520	$64,150,982	$156,297,950	$177,134,633	$136,358,991	$2,878,186	$64,720	$1,762,330	$9,158,687	$733,899	$2,460,168	$3,462,965
Current Operating Income	$159,501,521	$39,316,214	-$259,023	$43,768,132	$29,508	$27,316,043	$27,799,917	$45,371	$6,825,694	$10,535,429	$8,107,024	-$3,305,450	$264,799	$57,484	$274,188	-$371,183	$171,924	-$200,763	-$873,790
Return at Current Rates	4.64%	3.50%	-7.60%	10.91%	0.80%	8.27%	6.84%	0.32%	4.95%	3.24%	2.30%	-1.16%	2.92%	109.63%	5.39%	-1.77%	12.31%	-3.21%	-7.13%
Index Rate of Return	100.00%	75%	-164%	235%	17%	178%	147%	7%	107%	70%	50%	-25%	63%	2363%	116%	-38%	265%	-69%	-154%
OUCC Proposed Rates																			
Total Current Revenue (Excl. Riders & Incl. Other Rev.)	$1,609,246,698	$435,489,445	$824,140	$206,201,404	$1,262,933	$165,696,560	$207,653,118	$6,337,891	$70,976,676	$166,833,378	$185,241,657	$133,053,541	$3,142,985	$122,204	$2,036,517	$8,787,505	$905,824	$2,259,406	$2,589,175
OUCC Proposed Total Increase	$147,553,456	$ 49,273,246	$118,020	$9,647,156	$179,625	$7,816,812	$9,817,601	$904,073	$6,718,403	$17,752,157	$23,836,167	$16,563,915	$369,640	$5,648	$191,709	$1,220,983	$42,456	$311,886	$2,783,759
Less: NIPSCO Proposed Riders	$20,965,838	$6,357,623	$44	$2,292,899	$369	$2,383,022	$2,663,924	$72,870	$845,006	$2,209,691	$2,204,031	$1,815,966	$22,926	$2	$12,989		$6,314		$78,162
Revenue @ Proposed Rates	$1,735,834,316	$478,405,069	$942,116	$213,555,660	$1,442,189	$171,130,350	$214,806,995	$7,168,094	$76,850,073	$182,375,844	$206,873,793	$147,801,491	$3,489,700	$127,850	$2,215,238	$10,008,487	$941,966	$2,571,291	$5,294,772
Less:																			
O&M @ Current Rates	$506,235,373	$173,814,746	$624,056	$54,086,151	$466,605	$45,274,958	$57,182,051	$2,050,408	$20,081,186	$47,874,637	$52,355,508	$42,612,791	$1,101,113	$9,804	$572,328	$4,833,008	$234,595	$1,443,098	$1,618,331
Depreciation	$229,516,541	$69,615,672	$193,313	$25,227,976	$218,906	$22,182,227	$27,710,651	$972,537	$9,539,734	$23,223,076	$25,413,150	$20,618,619	$548,774	$3,564	$284,731	$2,222,527	$112,780	$591,940	$836,363
Amortization	$24,575,364	$7,214,124	$18,161	$2,611,489	$20,709	$2,324,495	$2,958,676	$104,401	$1,042,651	$2,630,879	$2,902,728	$2,366,905	$51,979	$391	$29,543	$163,072	$10,810	$36,559	$87,791
Taxes Other than Income @ Current Rates	$66,527,209	$22,359,673	$70,780	$7,585,928	$67,299	$6,214,088	$7,690,868	$270,373	$2,631,727	$6,202,684	$6,719,294	$5,446,205	$165,704	$1,029	$91,316	$589,644	$30,264	$160,983	$229,349
Fuel	$531,856,823	$107,346,418	$389,490	$46,429,660	$473,463	$46,396,315	$68,359,346	$2,965,582	$27,142,813	$71,264,446	$86,257,442	$69,347,335	$917,806	$10,443	$641,792	$1,826,328	$237,558	$435,126	$1,415,461
Off-system Sales Fuel	$9,832,335	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$14,679,304	$2,962,772	$10,750	$1,281,463	$13,068	$1,280,543	$1,886,725	$81,850	$749,144	$1,966,906	$2,380,714	$1,913,994	$25,332	$288	$17,714	$50,407	$6,557	$12,010	$39,067
Subtotal	$1,383,222,948	$383,313,405	$1,306,551	$137,222,668	$1,260,049	$123,672,626	$165,788,317	$6,445,151	$61,187,256	$153,162,629	$176,028,837	$142,305,848	$2,810,708	$25,519	$1,637,423	$9,684,985	$632,563	$2,679,716	$4,226,361
Bad Debt Increase	$361,483	$320,496	$61	$20,305	$106	$15,316	$1,770	$0	$561	$990	$1,274	$584	$0	$1	$18	$0	$0	$0	$0
Utility Receipts Tax Increase	$1,772,227	$579,659	$1,767	$204,907	$1,864	$169,396	$209,040	$7,393	$71,184	$168,290	$182,475	$147,684	$4,585	$28	$2,561	$11,100	$726	$3,300	$6,268
PUC Fee Increase	$154,047	$50,609	$135	$17,528	$153	$14,516	$17,928	$628	$6,117	$14,667	$15,894	$12,878	$384	$2	$213	$1,448	$73	$333	$545
Total Expense Before Tax @ NIPSCO Proposed Rates	$1,385,510,705	$384,264,170	$1,308,515	$137,465,408	$1,262,172	$123,871,854	$166,017,056	$6,453,172	$61,265,118	$153,346,572	$176,228,479	$142,466,994	$2,815,677	$25,551	$1,640,215	$9,697,533	$633,361	$2,683,349	$4,233,174
Earnings Before Interest and Income Tax	$350,323,610	$94,140,899	-$366,399	$76,090,252	$180,017	$47,258,497	$48,789,939	$715,922	$15,584,955	$29,029,273	$30,645,314	$5,334,497	$674,023	$102,299	$575,023	$310,934	$308,604	-$112,057	$1,061,598
Interest	$63,599,234	$20,776,745	$63,026	$7,423,070	$67,891	$6,112,297	$7,523,168	$265,412	$2,553,016	$6,015,369	$6,512,845	$5,267,883	$167,518	$970	$94,116	$387,559	$25,832	$115,750	$226,767
Taxable Income	$286,724,376	$73,364,153	-$429,425	$68,667,182	$112,126	$41,146,200	$41,266,772	$450,510	$13,031,939	$23,013,903	$24,132,469	$66,613	$506,505	$101,329	$480,907	-$76,605	$282,772	-$227,807	$834,831
Income Tax	$115,865,893	$29,646,601	-$173,531	$27,748,545	$45,310	$16,627,262	$16,675,985	$182,052	$5,266,233	$9,299,964	$9,751,979	$26,919	$204,680	$40,947	$194,336	-$30,956	$114,269	-$92,057	$337,357
Net Operating Income @ Proposed Rates	$234,457,717	$64,494,298	-$192,868	$48,341,707	$134,706	$30,631,235	$32,113,954	$533,870	$10,318,722	$19,729,308	$20,893,335	$5,307,578	$469,343	$61,351	$380,687	$341,910	$194,335	-$20,000	$724,241
Rate Base	$3,437,796,443	$1,123,067,308	$3,406,784	$401,247,042	$3,669,765	$330,384,419	$406,657,712	$14,346,614	$138,000,858	$325,155,107	$352,045,688	$284,750,458	$9,055,016	$52,435	$5,087,330	$20,949,140	$1,396,319	$6,256,758	$12,257,691
ROR @ OUCC Proposed Rates	6.82%	5.74%	-5.66%	12.05%	3.67%	9.27%	7.90%	3.72%	7.48%	6.07%	5.93%	1.86%	5.18%	117.01%	7.48%	1.63%	13.92%	-0.32%	5.91%
Indexed ROR @ OUCC Proposed		84%	-83%	177%	54%	136%	116%	55%	110%	89%	87%	27%	76%	1716%	110%	24%	204%	-5%	87%
Indexed ROR @ Current Rates		75%	-164%	235%	17%	178%	147%	7%	107%	70%	50%	-25%	63%	2363%	116%	-38%	265%	-69%	-154%

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Peak & Average CCOSS
Summary of Results

Description	System Total	Residential Rate 711	C&GS Heat Pump Rate 720	GS Small Rate 721	Comm. SH Rate 722	GS Medium Rate 723	GS Large Rate 724	Metal Melting Rate 725
Equalized Rates of Return @ NIPSCO Proposed 6.82%								
O&M @ Current Rates	$506,235,373	$173,814,746	$624,056	$54,086,151	$466,605	$45,274,958	$57,182,051	$2,050,408
Depreciation	$229,516,541	$69,615,672	$193,313	$25,227,976	$218,906	$22,182,227	$27,710,651	$972,537
Amortization	$24,575,364	$7,214,124	$18,161	$2,611,489	$20,709	$2,324,495	$2,958,676	$104,401
Taxes Other than Income @ Current Rates	$66,527,209	$22,359,673	$70,780	$7,585,928	$67,199	$6,214,088	$7,690,868	$270,373
Fuel	$531,856,823	$107,346,418	$389,490	$46,429,660	$473,463	$46,396,315	$68,359,346	$2,965,582
Off-system Sales Fuel	$9,832,335	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$14,679,304	$2,962,772	$10,750	$1,281,463	$13,068	$1,280,543	$1,886,725	$81,650
Subtotal At Current	$1,383,222,948	$383,313,405	$1,306,551	$137,222,668	$1,260,049	$123,672,626	$165,788,317	$6,445,151
Bad Debt Increase	$361,483	$320,496	$61	$20,305	$106	$15,316	$1,770	$0
Utility Receipts Tax - Increase	$1,772,227	$579,659	$1,767	$204,907	$1,864	$169,396	$209,040	$7,393
PUC Fee - Increase	$154,047	$50,609	$135	$17,528	$153	$14,516	$17,928	$628
Total Expense Increase Excl. Income Taxes	$2,287,757	$950,765	$1,964	$242,740	$2,123	$199,228	$228,738	$8,021
Required Return @ Equal ROR	$234,457,717	$76,593,190	$232,343	$27,365,048	$250,278	$22,532,899	$27,734,056	$978,439
Income Taxes @ Proposed (Equal ROR)	$115,865,893	$37,851,338	$114,821	$13,523,444	$123,684	$11,135,460	$13,705,802	$483,532
Rev. Rqmt. @ Proposed (Equal ROR)	$1,735,834,316	$498,708,699	$1,655,679	$178,353,900	$1,636,134	$157,540,213	$207,456,914	$7,915,143
Total Rev. @ Current Rates	$1,609,246,698	$435,489,445	$824,140	$206,201,404	$1,262,933	$165,696,560	$207,653,118	$6,337,891
Plus: Increase in Riders	$20,965,838	$6,357,623	$44	$2,292,899	$369	$2,383,022	$2,663,924	$72,870
Total Required Increase	$147,553,456	$69,576,876	$831,583	-$25,554,604	$373,570	-$3,773,325	$2,467,720	$1,650,122
Less: NIPSCO Proposed Riders	$20,965,838	$6,357,623	$44	$2,292,899	$369	$2,383,022	$2,663,924	$72,870
Required Net Increase	$126,587,618	$63,219,253	$831,539	-$27,847,503	$373,201	-$8,156,347	-$196,204	$1,577,252

Description	Off-Peak Serv. Rate 726	Ind. Pwr. Serv. Rate 732	HLF Ind. Pwr. Serv. Rate 733	Air Separation Rate 734	Muni. Power Rate 741	Int. WW Pumping Rate 742	Railroad Rate 744	Street Lighting Rate 750	Traffic Lighting Rate 755	Dusk-to-Dawn Rate 760	Interdepart.
Equalized Rates of Return @ NIPSCO Proposed 6.82%											
O&M @ Current Rates	$20,081,186	$47,874,637	$52,355,508	$42,612,791	$1,101,113	$9,804	$572,328	$4,833,008	$234,595	$1,443,098	$1,618,331
Depreciation	$9,539,734	$23,223,076	$25,413,150	$20,618,619	$548,774	$3,564	$284,731	$2,222,527	$112,780	$591,940	$836,363
Amortization	$1,042,651	$2,630,879	$2,902,718	$2,366,905	$51,979	$391	$29,543	$163,072	$10,810	$36,559	$87,791
Taxes Other than Income @ Current Rates	$2,631,727	$6,102,684	$6,719,294	$5,446,205	$165,704	$1,029	$91,316	$589,644	$30,264	$160,983	$229,349
Fuel	$27,142,813	$71,264,446	$86,257,442	$69,347,335	$917,806	$10,443	$641,792	$1,826,328	$237,558	$435,126	$1,415,461
Off-system Sales Fuel	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Non-FAC Trackable Fuel Expenses	$749,144	$1,966,906	$2,380,714	$1,913,994	$25,332	$288	$17,714	$50,407	$6,557	$12,010	$39,067
Subtotal At Current	$61,187,256	$153,162,629	$176,028,837	$142,305,849	$2,810,708	$25,519	$1,637,423	$9,684,985	$632,563	$2,679,716	$4,226,361
Bad Debt Increase	$561	$990	$1,274	$584	$0	$1	$18	$0	$0	$0	$0
Utility Receipts Tax - Increase	$71,184	$168,290	$182,475	$147,684	$4,585	$28	$2,561	$11,100	$726	$3,300	$6,268
PUC Fee - Increase	$6,117	$14,662	$15,894	$12,878	$384	$2	$213	$1,448	$73	$333	$545
Total Expense Increase Excl. Income Taxes	$77,862	$183,943	$199,642	$161,146	$4,969	$32	$2,792	$12,548	$799	$3,633	$6,813
Required Return @ Equal ROR	$9,411,658	$22,175,578	$24,009,516	$19,419,981	$617,552	$3,576	$346,956	$1,428,731	$95,229	$426,711	$835,975
Income Taxes @ Proposed (Equal ROR)	$4,651,117	$10,958,877	$11,865,184	$9,597,097	$305,186	$1,767	$171,461	$706,060	$47,061	$210,875	$413,128
Rev. Rqmt. @ Proposed (Equal ROR)	$75,327,893	$186,481,027	$212,103,179	$171,484,073	$3,738,415	$30,894	$2,158,632	$11,832,325	$775,551	$3,320,935	$5,482,276
Total Rev. @ Current Rates	$70,976,676	$166,833,378	$185,241,657	$133,053,541	$3,142,985	$122,204	$2,036,517	$8,787,505	$905,824	$2,259,406	$2,589,175
Plus: Increase in Riders	$845,006	$2,209,691	$2,204,031	$1,815,966	$22,926	$2	$12,989	$0	$6,314	$0	$78,162
Total Required Increase	$5,196,223	$21,857,340	$29,065,553	$40,246,497	$618,356	-$91,308	$135,103	$3,044,820	-$123,858	$1,061,529	$2,971,263
Less: NIPSCO Proposed Riders	$845,006	$2,209,691	$2,204,031	$1,815,966	$22,926	$2	$12,989	$0	$6,314	$0	$78,162
Required Net Increase	$4,351,217	$19,647,649	$26,861,522	$38,430,531	$595,430	-$91,310	$122,114	$3,044,820	-$130,172	$1,061,529	$2,893,101

NORTHERN INDIANA PUBLIC SERVICE COMPANY

Current and NIPSCO Proposed Revenues

		Current Revenue				NIPSCO Proposed Increase Including Riders		
Rate Class	**Current Rate Code**	**Actual Revenue Including Riders**	**Interruptible Credit Offset**	**Net of Interruptible Credit**	**NIPSCO Proposed Revenue Including Riders**	**Amount**	**Percent Before Interruptible Credit Offset**	**Percent Net Of Interruptible Credit Offset**
Rate Revenue								
Residential	Rate 611	$ 433,840,509	$ (8,803,701)	$ 425,036,808	$ 479,340,094	$ 54,303,286	12.52%	12.78%
Commercial and General Service - Heat Pump	Rate 620	$ 838,466	$ (29,606)	$ 808,860	$ 916,984	$ 108,124	12.90%	13.37%
General Service - Small	Rate 621	$ 205,612,924	$ (3,637,874)	$ 201,975,051	$ 218,879,105	$ 16,904,054	8.22%	8.37%
Commercial Spaceheating	Rate 622	$ 1,276,134	$ (37,015)	$ 1,239,119	$ 1,330,702	$ 91,583	7.18%	7.39%
General Service - Medium	Rate 623	$ 166,602,223	$ (3,719,730)	$ 162,882,493	$ 178,406,075	$ 15,523,581	9.32%	9.53%
General Service - Large	Rate 624	$ 209,249,933	$ (4,845,977)	$ 204,403,956	$ 221,548,155	$ 17,144,199	8.19%	8.39%
Metal Melting Service	Rate 625	$ 6,422,934	$ (164,728)	$ 6,258,206	$ 6,805,200	$ 546,994	8.52%	8.74%
Off-Peak Service	Rate 626	$ 71,595,733	$ (1,626,890)	$ 69,968,843	$ 75,300,358	$ 5,331,515	7.45%	7.62%
Industrial Power Service	Rate 632	$ 151,342,967	$ 13,823,856	$ 165,166,823	$ 174,468,791	$ 9,301,968	6.15%	5.63%
High Load Factor Industrial Power Service	Rate 633	$ 188,158,466	$ (5,019,533)	$ 183,138,934	$ 189,275,217	$ 6,136,283	3.26%	3.35%
Industrial Power Service for Air Separation & Hydrogen Prod.	Rate 634	$ 117,677,346	$ 14,380,126	$ 132,057,472	$ 149,759,156	$ 17,701,684	15.04%	13.40%
Municipal Power	Rate 641	$ 3,151,305	$ (61,565)	$ 3,089,740	$ 3,436,856	$ 347,117	11.02%	11.23%
Intermittent Wastewater Pumping	Rate 642	$ 120,372	$ (603)	$ 119,769	$ 120,986	$ 1,217	1.01%	1.02%
Railroad Power Service	Rate 644	$ 2,042,981	$ (38,891)	$ 2,004,090	$ 2,171,533	$ 167,443	8.20%	8.36%
Streetlighting	Rate 650	$ 8,674,398	$ (69,216)	$ 8,605,182	$ 9,258,218	$ 653,037	7.53%	7.59%
Traffic and Directive Lighting	Rate 655	$ 904,881	$ (13,711)	$ 891,170	$ 934,302	$ 43,132	4.77%	4.84%
Dusk to Dawn Area Lighting	Rate 660	$ 2,215,773	$ (16,546)	$ 2,199,227	$ 2,411,637	$ 212,410	9.59%	9.66%
Interdepartmental	Interdepart.	$ 2,699,701	$ (118,399)	$ 2,581,302	$ 5,617,132	$ 3,035,830	112.45%	117.61%
TOTAL RATE REVENUE		$ 1,572,427,045	$ -	$ 1,572,427,045	$ 1,719,980,501	$ 147,553,456	9.38%	9.38%
Other Revenue (Allocated)		$ 36,819,653	$ -	$ 36,819,653	$ 36,819,653	$ -	0.00%	0.00%
TOTAL REVENUE		**$ 1,609,246,698**	**$ -**	**$ 1,609,246,698**	**$ 1,756,800,154**	**$ 147,553,456**	9.17%	9.17%

NORTHERN INDIANA PUBLIC SERVICE COMPANY
Customer Cost Analysis

	Residential	Sm. Comm. Combined (Rates 620, 621, & 622)
Gross Plant		
369 Services	$184,553,292	$19,266,038
370 Meters	$54,575,575	$19,350,721
Total Gross Plant	**$239,128,867**	**$38,616,759**
Depreciation Reserve		
Services	-$165,794,753	-$17,307,781
Meters	-$6,254,192	-$2,217,533
Total Depreciation Reserve	**-$172,048,944**	**-$19,525,314**
Total Net Plant	**$67,079,923**	**$19,091,445**
Operation & Maintenance Expenses		
586 Dist Oper - Meter	$1,991,190	$706,011
902 Meter Reading Manual	$199,340	$368,351
902 Meter Reading AMR	$1,062,091	$133,945
903 Records & Collections	$9,609,351	$1,646,771
Total O & M Expenses	**$12,861,971**	**$2,855,078**
Depreciation Expense		
Services	$1,236,434	$129,075
Meters	$3,979,253	$1,410,913
Total Depreciation Expense	**$5,215,686**	**$1,539,988**
Revenue Requirement		
Interest	$1,589,794	$452,467
Equity return	$4,212,619	$1,198,943
State Income Taxes	$323,175	$91,978
Income Tax	$2,094,316	$596,058
Revenue For Return	8,219,905	2,339,446
O & M Expenses	$12,861,971	$2,855,078
Depreciation Expense	$5,215,686	$1,539,988
Subtotal Customer Revenue Requirement	$26,297,562	$6,734,512
Total Revenue Requirement	**$26,297,562**	**$6,734,512**
Number of Customers	402,973	51,001
Number of Bills	4,835,676	612,010
Monthly Cost Before Bad Debts & Utility Receipts Tax	$5.44	$11.00
Bad Debts + Utility Receipts Tax Rate	1.5217%	1.5217%
TOTAL MONTHLY CUSTOMER COST	$5.52	$11.17

	% of Total	Cost Rate	Wgtd. Cost
Debt	41.56%	5.71%	2.37%
Equity	58.44%	10.75%	6.28%
Total	100.00%		8.65%

AFFIRMATION

I affirm, under the penalties for perjury, that the foregoing representations are true.

Glenn A. Watkins
Consultant for
Indiana Office of Utility Consumer Counselor

January 22, 2016
Date

Cause No. 44688
NIPSCO