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NIPSCO electric rate case: Consumer comments invited Public hearing set for Dec. 14 in Hammond

If you would like to comment on Northern Indiana Public Service Company's (NIPSCO's) proposed electric rate increase, here's your chance.

The Indiana Office of Utility Consumer Counselor (OUCC) is encouraging consumers to comment for the formal case record in either, or both, of two ways:

- 1. By speaking at the Indiana Utility Regulatory Commission's (IURC's) public field hearing on Monday, December 14, 2015, or
- 2. By sending written comments to the OUCC no later than January 15, 2016.

The IURC's December 14 public field hearing will be held in the auditorium at Hammond High School (5926 Calumet Ave. in Hammond) at 6:00 p.m., local time. An OUCC informational meeting on field hearing procedures and the regulatory process will start at 5:30 p.m., local time.

During the public field hearing:

- Consumers will be able to speak directly to the Commission, under oath and on the record.
- Consumers will also be able to submit written comments for the case record.
- Comments will carry equal weight whether they are oral or written.
- Commissioners are not allowed to answer questions during the field hearing. However, OUCC staff will be available before, during, and after the hearing to address questions about the process.

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NIPSCO provides electric service to more than 461,000 customers in 20 counties. According to its testimony and exhibits, the utility's request would raise a monthly residential electric bill for 1,000 kilowatt hours (kWh) from \$126.18 to 137.28. An average monthly residential electric bill for 698 kWh would rise from \$91.40 to \$101.92.

- This would include increasing the flat, monthly residential customer charge from \$11.00 to \$20.00.
- The "energy charge," or the part of the base rate that varies by usage, would also rise.
- NIPSCO's current electric base rates received IURC approval in 2011. However, bills have increased since then due to rate recovery mechanisms or "trackers" which allow rate increases for specific items on an expedited basis.
 - Trackers are separate from base rates and are subject to OUCC review and IURC approval,
 with all Indiana investor-owned electric utilities using them to varying degrees.
 - NIPSCO uses trackers to recover costs for generating fuel, energy efficiency programs, environmental mandates, regional transmission, system reliability resources, and critical infrastructure protection (cyber security).
- The request would give NIPSCO a \$126.6 million increase in overall annual operating revenues.
- In its testimony and exhibits, NIPSCO states that it is seeking the new rates due to increases in operating and maintenance costs, and to pay for capital improvements including the replacement of all meters throughout its service territory, infrastructure improvements (including new lines, poles, and substations), technology upgrades, and plans to retire the Bailly Generating Station.

The OUCC – the state agency representing consumer interests in all cases before the IURC – has not yet taken a position on the request and has until January 22, 2016 to file testimony.

A number of additional parties have formally intervened in the case – as allowed by state law – and are also scheduled to file testimony on January 22, 2016. They include:

- The LaPorte County Board of Commissioners,
- The Indiana Municipal Utility Group,
- The Citizens Action Coalition of Indiana,
- Industrial customers including Accurate Castings, Inc., Arcelor Mittal USA, BP Products North America, Inc., Cargill, Inc., Praxair, Inc., NLMK Indiana, and USG Corporation,
- Wal-Mart Stores East, LP and Sam's East, Inc., and
- The United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO/CLC.

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For more information, including links to NIPSCO's testimony, please visit www.in.gov/oucc/2823.htm. Natural gas rates are not at issue in this case.

Consumers who wish to submit written comments for the case record may do so via the OUCC's Website at www.in.gov/oucc/2361.htm, or by mail, email or fax:

Mail: Consumer Services Staff
 Indiana Office of Utility Consumer Counselor
 115 W. Washington St., Suite 1500 South
 Indianapolis, IN 46204

email: <u>uccinfo@oucc.IN.gov</u>

• Fax: (317) 232-5923

The OUCC needs to receive all written consumer comments no later than January 15, 2016 so that it can: 1) Consider them in preparing its testimony and 2) File them with the Commission to be included in the case's formal evidentiary record. Comments should include the consumer's **name**, **mailing address**, and a reference to "**IURC Cause No. 44688**."

Consumers with questions about submitting written comments can contact the OUCC's consumer services staff toll-free at 1-888-441-2494.

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(IURC Cause No. 44688)

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

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