

March 26, 2018

Via Electronic Filing – 30 Day Filings - Gas

Ms. Mary M. Becerra
Secretary to the Commission
Indiana Utility Regulatory Commission
101 West Washington Street
Suite 1500 East
Indianapolis, Indiana 46204

RE: Northern Indiana Public Service Company LLC – 30 Day Filing Pursuant to 170 IAC 1-6-1 et seq.

Dear Ms. Becerra:

In accordance with 170 IAC 1-6-1 and pursuant to the Commission's February 16, 2018 Order in Cause No. 45032, as clarified by the Commission's Docket Entry issued March 7, 2018, enclosed please find Northern Indiana Public Service Company LLC's ("NIPSCO") revised tariff sheets reflecting the new tax rate applicable to NIPSCO as a result of the Tax Cuts and Jobs Act of 2017 for all affected rates and charges in its IURC Gas Service Tariff, Original Volume No. 7. The revised rates and charges have been designed to remove the difference between (1) the amount of federal taxes that the given rate or charge was designed to recover based on the tax rate in effect at the time the rate or charge was approved, and (2) the amount of federal taxes that would have been embedded in the given rate or charge had the new tax rate applicable to NIPSCO as a result of the Act been in effect at the time of approval. The difference reflected in each revised rate or charge was allocated among customer classes in accordance with the allocation methodology used at the time that the current rate or charge was approved or, if applicable, consistent with subsequent Commission approvals in tracker proceedings. The rates were then designed to return the difference through the energy component of each Rate or Rider. If approved within the 30-day filing process, the revised factors would be effective with the billing month of May, 2018.

Ms. Mary M. Becerra
Secretary to the Indiana Utility Regulatory Commission
March 26, 2018
Page 2

The Act did not impact the factors that will be effective with the billing month of May, 2018 for Appendix B – Gas Cost Adjustment Factor, Appendix C – GDSM Factors, Appendix D – Universal Service Fund (USF) Factor, and Appendix E – Unaccounted for Gas Percentage because the federal tax rate is not a direct input into the overall tracker revenue requirement and there was no change in allocators used to calculate the revenue requirement by rate code for these tracker mechanisms.

The revisions impact all of NIPSCO's Customers that are receiving gas service under NIPSCO's IURC Gas Service Tariff, Original Volume No. 7. The proposed revisions are shown in the attached redlined tariff sheets.

170 IAC 1-6-3(7) states that a filing for which the Commission has already approved or accepted the procedure for the change is an allowable type of filing and the proposed revisions in this filing were approved in the Commission's February 16, 2018 Order in Cause No. 45032. Thus, this filing is an allowable request under 170 IAC 1-6-3. This filing does not require confidential treatment nor does it seek any other relief identified in 170 IAC 1-6-4, so it is not prohibited under the Commission's Rule.

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

Timothy R. Caister
Vice President, Regulatory Policy
Northern Indiana Public Service Company
150 West Market Street, Suite 600
Indianapolis, Indiana 46204
Phone: 317-684-4908
Fax: 317-684-4918
Email: tcaister@nisource.com

In accordance with 170 IAC 1-6-5(3), a clean and redlined version of the proposed tariff sheets is attached hereto as Attachment A and Attachment B, respectively. The work papers necessary to support this filing as required in 170 IAC 1-6-5(4) are attached and organized as follows:

- Attachment C –Revenue Requirement

Ms. Mary M. Becerra
Secretary to the Indiana Utility Regulatory Commission
March 26, 2018
Page 3

- Attachment D –Allocation Mitigation
- Attachment E –Rate Design
- TDSIC Original Sheet No. 157, Appendix F – Transmission, Distribution and Storage System Improvement Charge has been revised to incorporate the effects of the Act and to reflect updated factors. The costs underlying the factors were reviewed and approved by the Commission's Order dated December 28, 2017 in Cause No. 44403-TDSIC-7. A redlined version of the revised sheet is included in Attachments A and B. An outline and workpapers supporting the factors are attached hereto as Attachment F.

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

In accordance with 170 IAC 1-6-6, NIPSCO provided notice to its customers in Lake County on March 14, 2018. A copy of the proof of publication is attached to the Verified Statement. NIPSCO has posted notice of this change in its local customer service office at 3229 Broadway, Gary, Indiana and has placed the notice on its website under pending tariffs (see <http://www.nipSCO.com/About-us/Rates-Tariffs/30-Day-Filings.aspx>).

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

Sincerely,



Timothy R. Caister
Vice President, Regulatory Policy

Encl.

cc (w/ encl. – via email transmission)

Abby R. Gray, Office of Utility Consumer Counselor (agray@oucc.in.gov,
infomgt@oucc.in.gov)

RATE 411
RATE FOR GAS SERVICE
RESIDENTIAL SERVICE

No. 1 of 1 Sheet

TO WHOM AVAILABLE

This Rate is available to Residential Customers who are located in the area served by the Company.

CHARACTER OF SERVICE

Service under this rate shall be considered firm service. Customer will be billed under this Rate for the use of the Company's delivery system. Customer will also be billed under this Rate for commodity gas delivered by the Company, unless the customer elects to purchase gas commodity from (1) a Choice marketer pursuant to Rider 480, or (2) the Company pursuant to Rider 481.

RATE

The rate for gas delivery service and gas supplied hereunder shall consist of a Customer Charge, Distribution Charge, and applicable Riders as listed in Appendix A. The Customer and Distribution Charges are as follows:

Customer Charge

\$11.00 per month

Distribution Charge

\$0.09898 per therm for all therms used per month

MINIMUM PAYMENT

The Customer's minimum payment under this rate shall be the Customer Charge.

RULES AND REGULATIONS

Service herein shall be subject to the Company's General Rules and Regulations Applicable to Gas Service and IURC Rules.

Effective 5/1/2018



RATE 415
RATE FOR GAS SERVICE
MULTIPLE FAMILY HOUSING SERVICE

No. 1 of 1 Sheet

TO WHOM AVAILABLE

This Rate is available to Customers requiring service through a single meter to residential buildings or residential developments containing more than one dwelling unit but not exceeding five dwelling units, including service for space and water heating auxiliary to residential use

CHARACTER OF SERVICE

Service under this rate shall be considered firm service. Customer will be billed under this Rate for the use of the Company's delivery system. Customer will also be billed under this Rate for commodity gas delivered by the Company, unless the customer elects to purchase gas commodity from (1) a Choice marketer pursuant to Rider 480, or (2) the Company pursuant to Rider 481.

RATE

The rate for gas delivery service and gas supplied hereunder shall consist of a Customer Charge, a Distribution Charge, and applicable Riders as listed in Appendix A. The Customer and Distribution Charges are as follows:

Customer Charge

\$12.50 per month.

Distribution Charge

\$0.16526 per therm for the first 45 therms per month

\$0.11526 per therm for all over 45 therms per month

MINIMUM PAYMENT

The Customer's minimum monthly payment under this rate schedule shall be the Customer Charge.

RULES AND REGULATIONS

Service herein shall be subject to the Company's General Rules and Regulations Applicable to Gas Service and IURC Rules.

Effective 5/1/2018



RATE 421
RATE FOR GAS SERVICE
GENERAL SERVICE – SMALL

No. 1 of 1 Sheet

TO WHOM AVAILABLE

This Rate is available to Non-Residential Customers and Customers requiring service through a single meter to residential buildings or residential developments containing more than five dwelling units located in Zones A, B and E served by the Company for any gas use acceptable under the Company's General Rules and Regulations Applicable to Gas Service.

CHARACTER OF SERVICE

Service under this rate shall be considered firm service. Customer will be billed under this Rate for the use of the Company's delivery system. Customer will also be billed under this Rate for commodity gas delivered by the Company, unless the customer elects to purchase gas commodity from (1) a Choice marketer pursuant to Rider 480, or (2) the Company pursuant to Rider 481.

RATE

The rate for gas delivery service and gas supplied hereunder shall consist of a Customer Charge, a Distribution Charge, and applicable Riders as listed in Appendix A. The Customer and Distribution Charges are as follows:

Customer Charge

\$30.00 per month.

R

Distribution Charge

\$0.09079 per therm for all therms used per month.

MINIMUM PAYMENT

Customer's minimum payment under this rate shall be the Customer Charge.

RULES AND REGULATIONS

Service herein shall be subject to the Company's General Rules and Regulations Applicable to Gas Service and IURC Rules.

Effective 5/1/2018



RATE 425
RATE FOR GAS SERVICE
GENERAL SERVICE - LARGE

No. 1 of 2 Sheets

TO WHOM AVAILABLE

This Rate is available only to Commercial and Industrial Customers whose daily demands do not exceed 10,000 Dth for any use under the General Rules and Regulations Applicable to Gas Service. A contract is required for Customers with daily demands at or above 50 Dth. This rate schedule is available to those Customers located in Zones A, B and E.

CHARACTER OF SERVICE

Service under this rate shall be considered firm service. Customer will be billed under this Rate for the use of the Company's delivery system. Customer will also be billed under this Rate for commodity gas delivered by the Company, unless the customer elects to purchase gas commodity from (1) a Choice marketer pursuant to Rider 480, or (2) the Company pursuant to Rider 481.

RATE

The rate for gas delivery service and gas supplied hereunder shall consist of a Customer Charge, a Distribution Charge and applicable Riders, as listed in Appendix A. The Customer Charge, and Distribution Charge are as follows:

Customer Charge

\$250.00 per month

Distribution Charge

\$0.05658 per therm for the first 6,000 therms used per month
\$0.05358 per therm for the next 24,000 therms used per month
\$0.04658 per therm for the next 60,000 therms used per month
\$0.04158 per therm for all over 90,000 therms used per month

MINIMUM PAYMENT

The Customer's minimum monthly payment under this rate schedule shall be the Customer Charge

Effective 5/1/2018



**RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE**

No. 14 of 15 Sheets

IMBALANCE NETTING OPTION (continued)

responsibility for any charges assessed to the Pool, or the customers in the Pool guarantee payment of any charges assessed to the Pool.

A Pooling Agreement Fee of \$50.00 per month shall apply for each month that Customer is in an imbalance netting pool.

RATE

Customer Charge

\$350.00 per month

Administrative Charges for Balancing Services

\$1,325.00 per month for Customers in Category (A)

\$550.00 per month for Customers in Category (B)

\$1,325.00 per month for Customers in Category (C)

Transportation Charge

\$0.02565 per therm for the first 300,000 therms delivered in the month

\$0.00765 per therm for all over 300,000 therms delivered in the month

Nomination Exchange Service Charges

As set forth in detailed section

Imbalance Exchange Service Charges

As set forth in detailed section

Balancing Charges

As set forth in detailed section

Interruptible Gas Overtake Service Charges

As set forth in detailed section.

Effective 5/1/2018



**RATE 438
RATE FOR GAS SERVICE
GENERAL TRANSPORTATION AND BALANCING SERVICE**

No. 10 of 11 Sheets

IMBALANCE NETTING OPTION (continued)

Company. Any such designations and/or revocations must be received in writing by Company, by the ninth (9th) working day prior to the end of the month to effectuate such change for the following month. Said designation and/or revocation shall not be effective until acknowledged by Company. Any application to participate in an imbalance netting pool submitted hereunder must be agreed to by Company and be consistent with Company's contractual and operational requirements, as determined by Company in its reasonable discretion. Company shall approve a third party "Pool Operator" provided either it submits proof of adequate financial responsibility for any charges assessed to the Pool, or the customers in the Pool guarantee payment of any charges assessed to the Pool.

A Pooling Agreement Fee of \$50.00 per month shall apply for each month that Customer is in an imbalance netting pool.

RATE

Customer Charge

\$250.00 per month

Transportation Charge

\$0.05658 per therm for the first 6,000 therms used per month
\$0.05358 per therm for the next 24,000 therms used per month
\$0.04198 per therm for the next 60,000 therms used per month
\$0.03698 per therm for all over 90,000 therms used per month

Administrative Charges for Balancing Services

\$200.00 per month

Nomination Exchange Service Charges

As set forth in detailed section

Imbalance Exchange Service Charges

As set forth in detailed section

Balancing Charges

As set forth in detailed section

Effective 5/1/2018



APPENDIX F
TRANSMISSION, DISTRIBUTION AND STORAGE SYSTEM IMPROVEMENT CHARGE

No. 1 of 1 Sheet

The Transmission, Distribution and Storage System Improvement Charge ("TDSIC") in Rates 411, 415, 421, 425, 428, and 438, shall be computed in accordance with Rider 488.

Effective for bills rendered for the billing months of May through June 2018 or until a new TDSIC is approved by the Indiana Utility Regulatory Commission, the TDSIC shall be:

RATE SCHEDULES

Rate	Charge per therm used per month
Rate 411 (with associated Rate 451, Rider 480 and Rider 481)	A charge of \$0.019645
Rate 415 (with associated Rate 451, Rider 480 and Rider 481)	A charge of \$0.031094
Rate 421 (with associated Rate 451, Rider 480 and Rider 481)	A charge of \$0.015679
Rate 425 (with associated Rate 451, Rider 480 and Rider 481)	A charge of \$0.009655
Rate 428	A charge of \$0.000259
Rate 438	A charge of \$0.004006

Effective 5/1/2018



NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Gas Service Tariff
Original Volume No. 7

~~Second Revised Sheet No. 40~~
Superseding
~~First Revised Sheet No. 40~~

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**RATE 411
RATE FOR GAS SERVICE
RESIDENTIAL SERVICE**

No. 1 of 1 Sheet

TO WHOM AVAILABLE

This Rate is available to Residential Customers who are located in the area served by the Company.

CHARACTER OF SERVICE

Service under this rate shall be considered firm service. Customer will be billed under this Rate for the use of the Company's delivery system. Customer will also be billed under this Rate for commodity gas delivered by the Company, unless the customer elects to purchase gas commodity from (1) a Choice marketer pursuant to Rider 480, or (2) the Company pursuant to Rider 481.

RATE

The rate for gas delivery service and gas supplied hereunder shall consist of a Customer Charge, Distribution Charge, and applicable Riders as listed in Appendix A. The Customer and Distribution Charges are as follows:

Customer Charge

\$11.00 per month

Distribution Charge

\$0.~~09898~~ per therm for all therms used per month

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MINIMUM PAYMENT

The Customer's minimum payment under this rate shall be the Customer Charge.

RULES AND REGULATIONS

Service herein shall be subject to the Company's General Rules and Regulations Applicable to Gas Service and IURC Rules.

Effective ~~5/1/2018~~

NIPSCO

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NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Gas Service Tariff
Original Volume No. 7

~~Second Revised Sheet No. 41~~
Superseding
~~First Revised Sheet No. 41~~

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**RATE 415
RATE FOR GAS SERVICE
MULTIPLE FAMILY HOUSING SERVICE**

No. 1 of 1 Sheet

TO WHOM AVAILABLE

This Rate is available to Customers requiring service through a single meter to residential buildings or residential developments containing more than one dwelling unit but not exceeding five dwelling units, including service for space and water heating auxiliary to residential use

CHARACTER OF SERVICE

Service under this rate shall be considered firm service. Customer will be billed under this Rate for the use of the Company's delivery system. Customer will also be billed under this Rate for commodity gas delivered by the Company, unless the customer elects to purchase gas commodity from (1) a Choice marketer pursuant to Rider 480, or (2) the Company pursuant to Rider 481.

RATE

The rate for gas delivery service and gas supplied hereunder shall consist of a Customer Charge, a Distribution Charge, and applicable Riders as listed in Appendix A. The Customer and Distribution Charges are as follows:

Customer Charge

\$12.50 per month.

Distribution Charge

\$0. ~~16526~~ per therm for the first 45 therms per month

\$0. ~~11526~~ per therm for all over 45 therms per month

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MINIMUM PAYMENT

The Customer's minimum monthly payment under this rate schedule shall be the Customer Charge.

RULES AND REGULATIONS

Service herein shall be subject to the Company's General Rules and Regulations Applicable to Gas Service and IURC Rules.

Effective ~~5/1/2018~~

NIPSCO

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NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Gas Service Tariff
Original Volume No. 7

~~Third~~ Revised Sheet No. 42
Superseding
~~Second~~ Revised Sheet No. 42

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**RATE 421
RATE FOR GAS SERVICE
GENERAL SERVICE – SMALL**

No. 1 of 1 Sheet

TO WHOM AVAILABLE

This Rate is available to Non-Residential Customers and Customers requiring service through a single meter to residential buildings or residential developments containing more than five dwelling units located in Zones A, B and E served by the Company for any gas use acceptable under the Company's General Rules and Regulations Applicable to Gas Service.

CHARACTER OF SERVICE

Service under this rate shall be considered firm service. Customer will be billed under this Rate for the use of the Company's delivery system. Customer will also be billed under this Rate for commodity gas delivered by the Company, unless the customer elects to purchase gas commodity from (1) a Choice marketer pursuant to Rider 480, or (2) the Company pursuant to Rider 481.

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Customer Charge

\$30.00 per month.

Distribution Charge

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MINIMUM PAYMENT

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RULES AND REGULATIONS

Service herein shall be subject to the Company's General Rules and Regulations Applicable to Gas Service and IURC Rules.

Effective ~~5/1/2018~~

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NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Gas Service Tariff
Original Volume No. 7

~~Third~~ Revised Sheet No. 49
Superseding
~~Second~~ Revised Sheet No. 49

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**RATE 425
RATE FOR GAS SERVICE
GENERAL SERVICE - LARGE**

No. 1 of 2 Sheets

TO WHOM AVAILABLE

This Rate is available only to Commercial and Industrial Customers whose daily demands do not exceed 10,000 Dth for any use under the General Rules and Regulations Applicable to Gas Service. A contract is required for Customers with daily demands at or above 50 Dth. This rate schedule is available to those Customers located in Zones A, B and E.

CHARACTER OF SERVICE

Service under this rate shall be considered firm service. Customer will be billed under this Rate for the use of the Company's delivery system. Customer will also be billed under this Rate for commodity gas delivered by the Company, unless the customer elects to purchase gas commodity from (1) a Choice marketer pursuant to Rider 480, or (2) the Company pursuant to Rider 481.

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The rate for gas delivery service and gas supplied hereunder shall consist of a Customer Charge, a Distribution Charge and applicable Riders, as listed in Appendix A. The Customer Charge, and Distribution Charge are as follows:

Customer Charge

\$250.00 per month

Distribution Charge

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\$0.~~05358~~ per therm for the next 24,000 therms used per month
\$0.~~04658~~ per therm for the next 60,000 therms used per month
\$0.~~04158~~ per therm for all over 90,000 therms used per month

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MINIMUM PAYMENT

The Customer's minimum monthly payment under this rate schedule shall be the Customer Charge

Effective ~~5/1/2018~~

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NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Gas Service Tariff
Original Volume No. 7

~~Second Revised Sheet No. 64~~
Superseding
~~First Revised Sheet No. 64~~

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RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

No. 14 of 15 Sheets

IMBALANCE NETTING OPTION (continued)

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RATE

Customer Charge

\$350.00 per month

Administrative Charges for Balancing Services

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\$550.00 per month for Customers in Category (B)

\$1,325.00 per month for Customers in Category (C)

Transportation Charge

\$0.~~02565~~ per therm for the first 300,000 therms delivered in the month

\$0.~~00765~~ per therm for all over 300,000 therms delivered in the month

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Nomination Exchange Service Charges

As set forth in detailed section

Imbalance Exchange Service Charges

As set forth in detailed section

Balancing Charges

As set forth in detailed section

Interruptible Gas Overtake Service Charges

As set forth in detailed section.

Effective ~~5/1/2018~~

NIPSCO

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NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Gas Service Tariff
Original Volume No. 7

~~Second Revised Sheet No. 84~~
Superseding
~~First Revised Sheet No. 84~~

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**RATE 438
RATE FOR GAS SERVICE
GENERAL TRANSPORTATION AND BALANCING SERVICE**

No. 10 of 11 Sheets

IMBALANCE NETTING OPTION (continued)

Company. Any such designations and/or revocations must be received in writing by Company, by the ninth (9th) working day prior to the end of the month to effectuate such change for the following month. Said designation and/or revocation shall not be effective until acknowledged by Company. Any application to participate in an imbalance netting pool submitted hereunder must be agreed to by Company and be consistent with Company's contractual and operational requirements, as determined by Company in its reasonable discretion. Company shall approve a third party "Pool Operator" provided either it submits proof of adequate financial responsibility for any charges assessed to the Pool, or the customers in the Pool guarantee payment of any charges assessed to the Pool.

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RATE

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Transportation Charge

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~~\$0.03698~~ per therm for all over 90,000 therms used per month

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Administrative Charges for Balancing Services

\$200.00 per month

Nomination Exchange Service Charges

As set forth in detailed section

Imbalance Exchange Service Charges

As set forth in detailed section

Balancing Charges

As set forth in detailed section

Deleted: 11/1/2013

Effective **5/1/2018**

NIPSCO

NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Gas Service Tariff
Original Volume No. 7

~~Sixth~~ Revised Sheet No. 157
Superseding
~~Fifth~~ Revised Sheet No. 157

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APPENDIX F
TRANSMISSION, DISTRIBUTION AND STORAGE SYSTEM IMPROVEMENT CHARGE

No. 1 of 1 Sheet

The Transmission, Distribution and Storage System Improvement Charge ("TDSIC") in Rates 411, 415, 421, 425, 428, and 438, shall be computed in accordance with Rider 488.

Effective for bills rendered for the billing months of ~~May~~ through June 2018 or until a new TDSIC is approved by the Indiana Utility Regulatory Commission, the TDSIC shall be:

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RATE SCHEDULES

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Rate 411 (with associated Rate 451, Rider 480 and Rider 481)	A charge of \$0. 019645
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Rate 421 (with associated Rate 451, Rider 480 and Rider 481)	A charge of \$0. 015679
Rate 425 (with associated Rate 451, Rider 480 and Rider 481)	A charge of \$0. 009655
Rate 428	A charge of \$0. 000259
Rate 438	A charge of \$0. 004006

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Effective ~~5~~/1/2018

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Impact of 2017 Tax Cuts and Jobs Act on Authorized Revenue Requirement from Cause No. 43894

Comparative Summary Revenue Requirement

Northern Indiana Public Service Company

Line No.	Description	Approved Settlement Cause No. 43894 (1)	2017 Tax Reform* (2)	2017 Tax Reform Impact (3 = (2) - (1))	Percentage Revenue Decrease (4 = 3 / 1)
1	Total Operating Revenue	\$ 602,543,249	\$ 592,457,786	\$ (10,085,463)	-0.01674
2	Total Fuel and Purchased Power	369,767,519	369,767,519	\$ -	
3	Gross Margin	232,775,730	222,690,267	\$ (10,085,463)	
4	Total Operations and Maintenance	132,708,856	132,615,263	\$ (93,593)	
5	Total Depreciation Expense	10,223,006	10,223,006	\$ -	
6	Total Amortization Expense	6,542,321	6,542,321	\$ -	
7	Total Taxes Other Than Income	20,726,553	20,574,524	\$ (152,029)	
8	Federal and State Taxes	22,733,099	12,893,258	\$ (9,839,841)	
9	Total Operating Expenses including Income Taxes	192,933,835	182,848,372	\$ (10,085,463)	
10	Required Net Operating Income	<u>\$ 39,841,895</u>	<u>\$ 39,841,895</u>	<u>\$ -</u>	

* See Attachment C, Schedule 2

Northern Indiana Public Service Company
Statement of Operating Income
Actual, Pro Forma and Proposed
For the Twelve Month Period Ending December 31, 2009

Line No.	Description	Actual	Pro Forma Adjustments Increases (Decreases)	Ref.	Pro Forma Results Based on Current Rates	Adjustments Increases (Decreases)	Ref	Pro Forma Results Based on Revenue Requirement
	A	B	C	D	E	F	G	H
1	<u>Operating Revenue</u>							
2	Revenue	\$ 741,280,781			\$ 617,357,183	(24,899,397)	PF-1-TR	\$ 592,457,786
3	Abnormal Weather		(10,234,010)	REV - 1				
4	Off-System Sales		(174,160)	REV - 2				
5	Off-System Displacements		(746,227)	REV - 3				
6	ARP Adjustments		(118,944,982)	REV - 4				
7	Unaccounted for Gas Reserve		2,076,889	REV - 5				
8	Energy Efficiency Programs		2,380,812	REV - 6				
9	Obsolete Programs		(4,384)	REV - 7				
10	Customer Annualization		531,699	REV - 8				
11	Adjustment to Tie to Settlement Rate Structure		(3,914,506)	REV - 9				
12	<u>Add</u>							
13	Utility Receipts Tax (related to gas costs)		5,105,271	OTX - 3A				
14	Total Operating Revenue	\$ 741,280,781	\$ (123,923,598)		\$ 617,357,183	\$ (24,899,397)		\$ 592,457,786
15	<u>Gas Cost (Trackable)</u>	\$ 467,796,730			\$ 369,767,519			\$ 369,767,519
16	Gas Costs Related to Abnormal Weather		(5,651,033)	FP - 1				
17	Off-System Sales		(158,445)	FP - 2				
18	Off-System Displacements		(20,962)	FP - 3				
19	ARP Adjustments		(101,646,944)	FP - 4				
20	Adjustment Gas Cost		600,296	FP - 5				
21	Rate 342A Reclassification		3,743,428	FP - 6				
22	Obsolete Programs - Gas Costs		(822)	FP - 7				
23	<u>Add</u>							
24	Utility Receipts Tax (related to gas costs)		5,105,271	OTX - 3A				
25	Total Gas Costs	\$ 467,796,730	\$ (98,029,211)		\$ 369,767,519	\$ -		\$ 369,767,519
26	<u>Gross Margin</u>	\$ 273,484,051	\$ (25,894,387)		\$ 247,589,664	\$ (24,899,397)		\$ 222,690,267
27	<u>Operations and Maintenance Expenses</u>	\$ 153,536,607			\$ 132,846,330			\$ 132,846,330
28	Line Locate Expenses		1,147,523	OM - 1				
29	Rate 342A Reclassification		(3,743,428)	OM - 2				
30	Adjustment Rate 342A		(1,765,000)	OM - 3				
31	ARP Adjustments		(3,685,591)	OM - 4				
32	AGA Lobbying Expense		(2,899)	OM - 5				
33	Wage Increases		2,404,964	OM - 6				
34	Restructuring Costs		(995,646)	OM - 7				
35	BU Signing Bonus		46,376	OM - 8				
36	MGP Remediation		(4,940,233)	OM - 9				
37	FAS 106		(2,089,112)	OM - 10				
38	Goodwill Advertising		(17,635)	OM - 11				

Line No.	Description	Actual	Pro Forma Adjustments Increases (Decreases)	Ref.	Pro Forma Results Based on Current Rates	Adjustments Increases (Decreases)	Ref.	Pro Forma Results Based on Revenue Requirement
	A	B	C	D	E	F	G	H
39	Bad Debt Expense		(4,011,051)	OM - 12				
40	U.S. Postage Increase		26,203	OM - 13		(231,067)	PF-2-TR	(231,067)
41	Gas & Diesel		225,033	OM - 14				
42	Dues		408,224	OM - 15				
43	NiSource Corporate Allocations (NCSF)		(638,187)	OM - 16				
44	Advertising		(306,611)	OM - 17				
45	Selected Payments		(9,985)	OM - 18				
46	Prepaid Insurance		491,528	OM - 19				
47	LNG Liquefaction		436,162	OM - 20				
48	Adjustment to Tie to Settlement Rate Structure		(3,670,912)	OM - 21				
49	Total Operation and Maintenance	\$ 153,536,607	\$ (20,690,277)		\$ 132,846,330	\$ (231,067)		\$ 132,615,263
50	<u>Depreciation Expense</u>	\$ 87,743,279			\$ 10,223,006	\$ -		\$ 10,223,006
51	Depreciation Expense Adjustments		(51,675,197)	DA - 1				
52	Depreciation Reversal (Gas Plant)		(25,845,076)	DA - 1A				
53	Total Depreciation Expense	\$ 87,743,279	\$ (77,520,273)		\$ 10,223,006	\$ -		\$ 10,223,006
54	<u>Amortization Expense</u>	\$ 5,461,384			\$ 6,542,321	\$ -		\$ 6,542,321
55	Amortization Expense - Rate Case Expenses		1,080,937	DA - 2				
56	Total Amortization Expense	\$ 5,461,384	\$ 1,080,937		\$ 6,542,321	\$ -		\$ 6,542,321
57	<u>Taxes Other than Income</u>	\$ 25,203,656			\$ 20,949,859			\$ 20,949,859
58	Property Tax		2,326,275	OTX - 1				
59	Payroll Tax		(1,384)	OTX - 2				
60	Indiana Utility Receipts Tax		(6,175,784)	OTX - 3		(348,592)	PF-3-TR	(348,592)
61	Public Utility Fee		(402,904)	OTX - 4		(26,743)	PF-4-TR	(26,743)
62	Total Taxes Other Than Income	\$ 25,203,656	\$ (4,253,797)		\$ 20,949,859	(375,334)		\$ 20,574,525
63	<u>Income Taxes</u>							
64	Federal and State Taxes	\$ (1,361,024)	\$ 21,010,493	ITX - 1 -TR	\$ 19,649,469	\$ (6,756,211)	PF-5-TR	\$ 12,893,258
65	Total Taxes	\$ 23,842,632	\$ 16,756,696		\$ 40,599,328	\$ (7,131,545)		\$ 33,467,783
66	Total Operating Expenses	\$ 270,583,902	\$ (80,372,917)		\$ 190,210,985	\$ (7,362,612)		\$ 182,848,372
67	Required Net Operating Income	\$ 2,900,149	\$ 54,478,530		\$ 57,378,679	\$ (17,536,784)		\$ 39,841,895

Northern Indiana Public Service Company
Calculation of Proposed Revenue Increase
Based on Pro Forma Operating Results

Line No.	Description	Revenue Deficiency
1	Calculation of Fair Value Rate Base	\$ 725,717,577
2	Rate of Return	5.49%
3	Required Net Operating Income	39,841,895
4	Pro Forma Net Operating Income	57,378,679
5	Increase in Net Operating Income (NOI Surplus)	(17,536,784)
6	Effective Incremental Revenue / NOI Conversion Factor	70.4306%
7	Increase Proforma Results based on Revenue Requirement	\$ (24,899,397)
8	One	1.000000
9	Less: Public Utility Fee	0.001074
10	Less: Bad Debt	0.009280
11	State Taxable Income	0.989646
12	One	1.000000
13	Less: IN Utilities Receipts Tax	0.014000
14	State Taxable Income	0.989646
15	Indiana State Income Tax Rate	0.085000
16	Effective Indiana Income Tax Rate	0.084120
17	Federal Taxable Income	0.891526
18	One	1.000000
19	Less: Federal Income Tax Rate	0.210000
20	One Less Federal Income Tax Rate	0.790000
21	Effective Incremental Revenue / NOI Conversion Factor	70.4306%

Capital Structure
December 31, 2009 As Adjusted
Calculation of Fair Return

Line No.	Description	Total Company Capitalization	Percent of Total	Cost	Weighted Average Cost
	A	B	C	D	E
1	Common Equity	\$ 1,462,495,950	46.29%	7.00% *	3.24%
2	Long-Term Debt	\$ 1,024,843,498	32.43%	6.44%	2.09%
3	Customer Deposits	\$ 74,315,638	2.35%	4.32%	0.10%
4	Deferred Income Taxes	\$ 438,365,797	13.87%	0.00%	0.00%
5	Post-Retirement Liability	\$ 140,118,592	4.43%	0.00%	0.00%
6	Post-1970 ITC	\$ 19,886,497	0.63%	6.79%	0.06%
7	Totals	<u>\$ 3,160,025,972</u>	<u>100.00%</u>		<u>5.49%</u>

Cost of Investor Supplied Capital

	Description	Total Company Capitalization	Percent of Total	Cost	Weighted Average Cost
	A	B	C	D	E
8	Common Equity	\$ 1,462,495,950	58.80%	7.00%	4.14%
9	Long-Term Debt	<u>\$ 1,024,843,498</u>	<u>41.20%</u>	6.44%	<u>2.65%</u>
10	Totals	<u>\$ 2,487,339,448</u>	<u>100.00%</u>		<u>6.79%</u>

* Fair Return on Equity Component on Fair Value Rate Base

Northern Indiana Public Service Company LLC
Tax Cuts and Jobs Act of 2017, Phase I
Allocation, 30-Day Filing, Attachment D

Tax Cuts and Jobs Act of 2017, Phase I

	(A) *	(B)	(C)	(D)	
	Total Margin	% of Total Margin	Phase I Tax Cut Adjustment	Proposed Margins I + K	
Rate 411	\$ 146,570,149	66.8%	\$ (6,739,468)	\$ 139,830,681	1
Rate 415	\$ 2,381,723	1.1%	\$ (109,514)	\$ 2,272,208	2
Rate 421	\$ 46,638,103	21.3%	\$ (2,144,475)	\$ 44,493,628	3
Rate 425	\$ 4,663,729	2.1%	\$ (214,444)	\$ 4,449,285	A
Rate 428	\$ 15,486,127	7.1%	\$ (712,070)	\$ 14,774,057	4
Rate 438	\$ 3,599,113	1.6%	\$ (165,491)	\$ 3,433,621	B
Sub Total	\$ 219,338,943	100.0%	\$ (10,085,463)	\$ 209,253,480	
Rate 430 (ARP)	\$ 1,743,878		\$ -	\$ 1,743,878	
Rate 434 (ARP)	\$ 2,822,057		\$ -	\$ 2,822,057	
Sub Total	\$ 2,822,057	0.0%	\$ -	\$ 2,822,057	
Total	\$ 223,904,877	100.0%	\$ (10,085,463)	\$ 212,075,536	
	Total Margins			New Margins	
	\$ 4,663,729	Rate 425	A	\$ 4,449,285	
	\$ 3,599,113	Rate 438	B	\$ 3,433,621	
	\$ 8,262,841			\$ 7,882,906	5

* 2013 Amortization Compliance Filing

Northern Indiana Public Service Company LLC

Tax Cuts and Jobs Act of 2017, Phase I

Allocation, 30-Day Filing, Attachment D

Rate	Total Margin	% of Total Margin	Phase I Tax Cut Adjustment	Proposed Margin (D)	Billing Determinants (Therms)	Phase I Tax Cut Adjustment Factor (F)
	(A)	(B)	(C)	(A)+(C)	(E)	(D)/(E)
			\$ (10,085,463)			
411	\$ 146,570,149	66.8%	\$ (6,739,468)	\$ 139,830,681	547,567,187	\$ (0.01231)
415	\$ 2,381,723	1.1%	\$ (109,514)	\$ 2,272,208	10,199,298	\$ (0.01074)
421	\$ 46,638,103	21.3%	\$ (2,144,475)	\$ 44,493,628	259,912,182	\$ (0.00825)
425*	\$ 4,663,729	2.1%	\$ (214,444)	\$ 4,449,285	95,080,101	\$ (0.00226)
428	\$ 15,486,127	7.1%	\$ (712,070)	\$ 14,774,057	1,306,650,626	\$ (0.00054)
438*	\$ 3,599,113	1.6%	\$ (165,491)	\$ 3,433,621	26,321,612	\$ (0.00629)
Total	\$ 219,338,943	100.0%	\$ (10,085,463)	\$ 209,253,480		

Allocation*

Rate	Total Margin	% of Total Margin	Phase I Tax Cut Adjustment	Proposed Margin (D)	Billing Determinants (Therms)	Phase I Tax Cut Adjustment Factor (F)
	(A)	(B)	(C)	(A)+(C)	(E)	(D)/(E)
425	\$ 4,663,729		\$ (214,444)	\$ 4,449,285	95,080,101	
438	\$ 3,599,113		\$ (165,491)	\$ 3,433,621	26,321,612	
Total	\$ 8,262,841		\$ (379,935)	\$ 7,882,906	121,401,713	\$ (0.00313)

Rate Design*

Rate	Total Margin	% of Total Margin	Phase I Tax Cut Adjustment	Proposed Margin (D)	Billing Determinants (Therms)	Phase I Tax Cut Adjustment Factor (F)
	(A)	(B)	(C)	(A)+(C)	(E)	(D)/(E)
425	\$ 6,326,889		\$ (297,560)	\$ 6,029,329	95,080,101	
438	\$ 1,555,625		\$ (82,375)	\$ 1,473,249	26,321,612	
Total	\$ 7,882,513		(379,935)	\$ 7,502,578	121,401,713	\$ (0.00313)

Northern Indiana Public Service Company LLC
Tax Cuts and Jobs Act of 2017, Phase I
Proposed Rates
Rate Design, 30-Day Filing, Attachment E

Billing Determinants from Cause #43894						Phase I Tax Adjustment Rates			
Line No.	Description	Energy Block Description	Billing Determinants (Therms/Bills)	Current Rate	Current Distribution Margin	Phase I Tax Cut Adjustment Factor	Rates after Adjustment	Phase I Tax Cut Adjustment	Proposed Margin
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Rate 411 Residential									
1	Customer Charge								
2	Customer Charge		7,784,521	\$ 11.00	\$ 85,629,731		\$ 11.00		85,629,730.73
3	Customer Charge - Medium Pressure								
4									
5	Total Customer Charge				\$ 85,629,731				\$ 85,629,731
6									
7	Energy Charge								
8	First 200 Therms		511,138,927 Th	\$ 0.11129	\$ 56,884,651	\$ (0.01231)	\$ 0.09898	\$ (6,291,108)	\$ 50,593,543
9	All Over 200 Therms		36,428,139 Th	\$ 0.11129	\$ 4,054,088	\$ (0.01231)	\$ 0.09898	\$ (448,358)	\$ 3,605,729
10	Spacecooling		121 Th	\$ 0.11129	\$ 13	\$ (0.01231)	\$ 0.09898	\$ (1)	\$ 12
11									
12	Total Energy Charge		547,567,187 Th		\$ 60,938,752			\$ (6,739,468)	\$ 54,199,284
13									
14	Sub-Total	Calculated Revenue			\$ 146,568,483			\$ (6,739,468)	\$ 139,829,015
15									
16	Adjustment Factor				1.0000000			1.0000000	1.0000000
17									
18	Total				\$ 146,568,483			\$ (6,739,468)	\$ 139,829,015
19									
20	Target Revenue			1	\$ 146,570,149			\$ (6,739,468)	\$ 139,830,681
21	Over / (Under) Difference				\$ (1,666)			\$ (1,666)	1
Rate 415 Multiple Family Housing									
1	Customer Charge	(Dwelling Units)	73,852	\$ 12.50	\$ 923,150		\$ 12.50		\$ 923,150
2									
3	Energy Charge								
4	Energy Block 1	First 2 Therms	442,096 Th	\$ 0.17600	\$ 77,809	\$ (0.01074)	\$ 0.16526	\$ (4,747)	\$ 73,062
5	Energy Block 2	Next 43 Therms	3,026,405 Th	\$ 0.17600	\$ 532,647	\$ (0.01074)	\$ 0.16526	\$ (32,496)	\$ 500,151
6	Energy Block 3	All Over 45 Therms	6,730,797 Th	\$ 0.12600	\$ 848,080	\$ (0.01074)	\$ 0.11526	\$ (72,272)	\$ 775,809
7									
8	Total Energy Charge		10,199,298 Th		\$ 1,458,537			\$ (109,514)	\$ 1,349,022
9									
10	Sub-Total	Calculated Revenue			\$ 2,381,687			\$ (109,514)	\$ 2,272,172
11									
12	Adjustment Factor				1.0000000			1.0000000	1.0000000
13									
14	Total				\$ 2,381,687			\$ (109,514)	\$ 2,272,172
15									
16	Target Revenue			2	\$ 2,381,723			\$ (109,514)	\$ 2,272,208
17	Over / (Under) Difference				\$ (36)			\$ (36)	2
Rate 421 General Service - Small									
1	Customer Charge		696,556	\$ 30.00	\$ 20,896,676		\$ 30.00		\$ 20,896,676
2									
3	Energy Charge								
4	Energy Block 1	First 5 Therms	1,561,116 Th	\$ 0.09904	\$ 154,613	\$ (0.00825)	\$ 0.09079	\$ (12,880)	\$ 141,733
5	Energy Block 2	Next 55 Therms	21,485,493 Th	\$ 0.09904	\$ 2,127,923	\$ (0.00825)	\$ 0.09079	\$ (177,272)	\$ 1,950,651
6	Energy Block 3	Next 140 Therms	37,567,298 Th	\$ 0.09904	\$ 3,720,665	\$ (0.00825)	\$ 0.09079	\$ (309,959)	\$ 3,410,706
7	Energy Block 4	All Over 200 Therms	199,298,274 Th	\$ 0.09904	\$ 19,738,501	\$ (0.00825)	\$ 0.09079	\$ (1,644,364)	\$ 18,094,137
8									
9	Total Energy Charge		259,912,182 Th		\$ 25,741,703			\$ (2,144,475)	\$ 23,597,228
10									
11	Sub-Total	Calculated Revenue			\$ 46,638,378			\$ (2,144,475)	\$ 44,493,903
12									
13	Adjustment Factor				1.0000000			1.0000000	1.0000000
14									
15	Total				\$ 46,638,378			\$ (2,144,475)	\$ 44,493,903
16									
17	Consolidated Total				\$ 46,638,378			\$ (2,144,475)	\$ 44,493,903
18									
19	Target Revenue			3	\$ 46,638,103			\$ (2,144,475)	\$ 44,493,628
20	Over / (Under) Difference				\$ 275			\$ -	\$ 275

* Includes the billing determinants and margins of Rates 316 and 317.

Northern Indiana Public Service Company LLC
Tax Cuts and Jobs Act of 2017, Phase I
Proposed Rates
Rate Design, 30-Day Filing, Attachment E

Billing Determinants from Cause #43894						Phase I Tax Adjustment Rates			
Line No.	Description	Energy Block Description	Billing Determinants (Therms/Bills)	Current Rate	Current Distribution Margin	Phase I Tax Cut Adjustment Factor	Rates after Adjustment	Phase I Tax Cut Adjustment	Proposed Margin
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Rate 425	General Service - Large								
1	Customer Charge		4,810	\$ 250.00	\$ 1,202,574		\$ 250.00		\$ 1,202,574
2									
3	Energy Charge								
4	Energy Block 1	First 6,000 Therms	33,982,131 Th	\$ 0.05971	\$ 2,029,073	\$ (0.00313)	\$ 0.05658	\$ (106,349)	\$ 1,922,724
5	Energy Block 2	Next 24,000 Therms	51,105,233 Th	\$ 0.05671	\$ 2,898,178	\$ (0.00313)	\$ 0.05358	\$ (159,937)	\$ 2,738,240
6	Energy Block 3	Next 60,000 Therms	9,569,679 Th	\$ 0.04971	\$ 475,709	\$ (0.00313)	\$ 0.04658	\$ (29,949)	\$ 445,760
7	Energy Block 4	All Over 90,000 Therms	423,059 Th	\$ 0.04471	\$ 18,915	\$ (0.00313)	\$ 0.04158	\$ (1,324)	\$ 17,591
8									
9	Total Energy Charge		95,080,101 Th		\$ 5,421,874			\$ (297,560)	\$ 5,124,315
10									
11	Sub-Total	Calculated Revenue			\$ 6,624,448			\$ (297,560)	\$ 6,326,889
12									
13	Adjustment Factor				1.0000000			1.0000000	1.0000000
14									
15	Total	Calculated Revenue included with Rate 338	Calculated Revenue		\$ 6,624,448			\$ (297,560)	\$ 6,326,889
Rate 428	Transportation and Transportation Balancing								
1	Customer Charge		1,460	\$ 350.00	\$ 511,023		\$ 350.00		\$ 511,023
2									
3	Transportation Charge								
4	Transportation Block 1	First 300,000 Therms	237,271,088 Th	\$ 0.02619	\$ 6,214,130	\$ (0.00054)	\$ 0.02565	\$ (129,303)	\$ 6,084,827
5	Transportation Block 2	All Over 300,000 Therms	1,069,379,538 Th	\$ 0.00819	\$ 8,758,218	\$ (0.00054)	\$ 0.00765	\$ (582,767)	\$ 8,175,451
6									
7	Total Transportation Charge		1,306,650,626 Th		\$ 14,972,348			\$ (712,070)	\$ 14,260,278
8									
9	Sub-Total	Calculated Revenue			\$ 15,483,372			\$ (712,070)	\$ 14,771,301
10									
11	Adjustment Factor				1.0000000			1.0000000	1.0000000
12									
13	Total				\$ 15,483,372			\$ (712,070)	\$ 14,771,301
14									
15	Target Revenue			4	\$ 15,486,127			\$ (712,070)	\$ 14,774,057 4
16	Over / (Under) Difference				\$ (2,755)			\$ -	\$ (2,755)
Rate 438	Firm Transportation								
1	Customer Charge		958	\$ 250.00	\$ 239,500		\$ 250.00		\$ 239,500
2									
3	Energy Charge - Transport	Options 1 and 5							
4	Energy Block 1	First 6,000 Therms	3,681,240 Th	\$ 0.05971	\$ 219,807	\$ (0.00313)	\$ 0.05658	\$ (11,521)	\$ 208,286
5	Energy Block 2	Next 24,000 Therms	12,398,153 Th	\$ 0.05671	\$ 703,099	\$ (0.00313)	\$ 0.05358	\$ (38,801)	\$ 664,298
6	Energy Block 3	Next 60,000 Therms	7,711,889 Th	\$ 0.04511	\$ 347,883	\$ (0.00313)	\$ 0.04198	\$ (24,135)	\$ 323,748
7	Energy Block 4	All Over 90,000 Therms	516,765 Th	\$ 0.04011	\$ 20,727	\$ (0.00313)	\$ 0.03698	\$ (1,617)	\$ 19,110
8									
9	Total Energy Charge		24,308,047 Th		\$ 1,291,517			\$ (76,074)	\$ 1,215,443
10									
11	Energy Charge - Firm Sales	Option 2							
12	Energy Block 1	First 6,000 Therms	304,937 Th	\$ 0.05971	\$ 18,208	\$ (0.00313)	\$ 0.05658	\$ (954)	\$ 17,253
13	Energy Block 2	Next 24,000 Therms	1,027,005 Th	\$ 0.05671	\$ 58,241	\$ (0.00313)	\$ 0.05358	\$ (3,214)	\$ 55,027
14	Energy Block 3	Next 60,000 Therms	638,817 Th	\$ 0.04511	\$ 28,817	\$ (0.00313)	\$ 0.04198	\$ (1,999)	\$ 26,818
15	Energy Block 4	All Over 90,000 Therms	42,806 Th	\$ 0.04011	\$ 1,717	\$ (0.00313)	\$ 0.03698	\$ (134)	\$ 1,583
16									
17	Total Energy Charge		2,013,565 Th		\$ 106,983			\$ (6,302)	\$ 100,682
18									
19	Sub-Total	Calculated Revenue	26,321,612		\$ 1,638,000			\$ (82,375)	\$ 1,555,625
20									
21	Adjustment Factor				1.0000000			1.0000000	1.0000000
22									
23	Total	Calculated Revenue included with Rate 325	Calculated Revenue		\$ 1,638,000			\$ (82,375)	\$ 1,555,625
Rates 425 and 438									
	Consolidated Total				\$ 8,262,448			\$ (379,935)	\$ 7,882,513
	Target Revenue			5	\$ 8,262,841			\$ (379,935)	\$ 7,882,906 5
	Over / (Under) Difference				\$ (393)			\$ -	\$ (393)
Total (All Rates)	Over / (Under) Difference				\$ (4,575)			\$ (4,575)	

Northern Indiana Public Service Company LLC
Tax Cuts and Jobs Act of 2017, Phase I
NIPSCO Gas Rates - 400 Series
Energy Base Rates Phase I Tax Adjustment

Rate Class	Residential	
Code	Rate 411	
Additional Classification	Rates	
Rates in Effect: Year	2016	2018
Customer Charge:	\$ 11.00	\$ 11.00
Energy Charge:		
all therms used per month	\$ 0.11129	\$ 0.09898

Rate Class	Multiple Family Housing	
Code	Rate 415	
Additional Classification	Rates	
Rates in Effect: Year	2016	2018
Customer Charge:	\$ 12.50	\$ 12.50
Energy Charge:		
first 45 therms per month	\$ 0.17600	\$ 0.16526
all over 45 therms per month	\$ 0.12600	\$ 0.11526

Rate Class	General Service - Small	
Code	Rate 421	
Additional Classification	Rates	
Rates in Effect: Year	2016	2018
Customer Charge:	\$ 30.00	\$ 30.00
Energy Charge:		
all therms used per month	\$ 0.09904	\$ 0.09079

Rate Class	General Service - Large	
Code	Rate 425	
Additional Classification	Rates	
Rates in Effect: Year	2016	2018
Customer Charge:	\$ 250.00	\$ 250.00
Energy Charge:		
first 6,000 therms used per month	\$ 0.05971	\$ 0.05658
next 24,000 therms used per month	\$ 0.05671	\$ 0.05358
next 60,000 therms used per month	\$ 0.04971	\$ 0.04658
all over 90,000 therms used per month	\$ 0.04471	\$ 0.04158

Rate Class Code	General Service - Large Rate 428	
Additional Classification	Rates	
Rates in Effect: Year	2016	2018
Customer Charge:	\$ 350.00	\$ 350.00
Administrative Charges for Balancing Services:		
Category A	\$ 1,325.00	\$ 1,325.00
Category B	\$ 550.00	\$ 550.00
Category C	\$ 1,325.00	\$ 1,325.00
Transportation Charge:		
first 300,000 therms used per month	\$ 0.02619	\$ 0.02565
next 300,000 therms used per month	\$ 0.00819	\$ 0.00765

Rate Class Code	Firm Transportation Rate 438	
Additional Classification	Rates	
Rates in Effect: Year	2016	2018
Customer Charge:	\$ 250.00	\$ 250.00
Transportation Charge:		
first 6,000 therms used per month	\$ 0.05971	\$ 0.05658
next 24,000 therms used per month	\$ 0.05671	\$ 0.05358
next 60,000 therms used per month	\$ 0.04511	\$ 0.04198
all over 90,000 therms used per month	\$ 0.04011	\$ 0.03698



Cause No. 44403-TDSIC-7 Compliance Filing

March 26, 2018

Overview

On December 22, 2017 President Donald Trump signed into law the Tax Cuts and Jobs Act resulting in the reduction of the corporate tax rate from 35 percent to 21 percent and revising the federal tax structure. On February 16, 2018 the Indiana Utility Regulatory Commission (IURC) issued an order in Cause No. 45032 including a procedural schedule and a two-phase process that utilities must follow. Per the Order the first Phase of the proceeding “is intended to ascertain the real time existing customer rate impact directly related to the change in the federal income tax rate on the ongoing revenue requirement for each Respondent and to foster an expedient process to reflect such impact in customer rates going forward.” To be compliant with the IURC order the following changes have been made to Cause No. 44403 TDSIC-7:

Attachment 1, Schedule 1, Pages 1-4

- No changes

Attachment 1, Schedule 2

- Since the Revenue Conversion Factor calculation reflects impacts of the Tax Cuts and Jobs Act (TCJA), Line 5 has been changed to appropriately adjust the Revenue Requirement for taxes (Line 6).

Attachment 1, Schedule 3, Page 1

- Since the Revenue Conversion Factor calculation reflects impacts of the TCJA, Line 7 has been changed to appropriately adjust the Revenue Requirement for taxes (Line 8).

Attachment 1, Schedule 3, Page 2

- Since the Revenue Conversion Factor calculation reflects impacts of the TCJA, Line 7 has been changed to appropriately adjust the Revenue Requirement for taxes (Line 8).

Attachment 1, Schedule 3, Page 3

- Since the Revenue Conversion Factor calculation reflects impacts of the TCJA, Line 3 has been changed to appropriately adjust the Revenue Requirement for taxes (Line 4).

Attachment 1, Schedule 4, Pages 1-3

- No changes

Attachment 1, Schedule 5

- This schedule is a summary of Attachment 1, Schedules 2 through 4; therefore, Lines 1 and 2 have been changed to appropriately adjust the Revenue Requirement for taxes from these schedules. The changes continue through the calculations within the schedule, ultimately also affecting Lines 3, 5, 6, 8, 9, 11 and 13.

Attachment 1, Schedule 6, Pages 1-3

- No changes

Attachment 1, Schedule 7

- Schedule 7 is a summary of Attachment 1, Schedule 5 allocated to all rate codes based on Allocation percentages set forth in TDSIC-3 Cause No. 44403 (see Attachment 2, Schedule 4 for details). This schedule has been changed to appropriately adjust the Revenue Requirement for taxes (Lines 7, 14 & 21) and in turn, the allocated dollars by rate code have been updated based on the revised totals allocated by unchanged Revenue Requirement allocation factors. The changes continue through the calculations within the schedule, ultimately also affecting Columns E, J, O, R and T.

Attachment 1, Schedule 8

- This schedule is a summary of Attachment 1, Schedules 6 (unchanged) and 7; therefore, Columns B, F, J and N have been changed to appropriately adjust the Revenue Requirement for taxes from Schedule 7. The changes continue through the calculations within the schedule, ultimately also affecting Columns D, H, L, and P. Column R also changed to use the new Total Revenue Requirement divided by the unchanged estimated therms to calculate new TDSIC Factors.

Attachment 1, Schedule 9

- This schedule is a calculation based on Attachment 1, Schedule 5; therefore, Lines 6 and 7 have been changed to appropriately adjust the Revenue Requirement for taxes from Schedule 5. The changes continue through the calculations within the schedule, ultimately also affecting Line 11. Lines 2 through 4 were unchanged, along with Line 12 and 13 as the incremental revenue requirement was still below the 2% retail revenue cap.

Attachment 1, Schedule 10

- This schedule is a summary of Attachment 1, Schedules 5 and 9; therefore, Lines 7 (Column B), 15 (Column J), 23 (Column R), and 31 (Column Z) have been changed to appropriately adjust the Revenue Requirement for taxes from Schedule 5. As a result of these changes the Sums in Lines 8, 16, 24 and 32 have changed. The changes continue through the calculations within the schedule, ultimately affecting Columns D, H, L, P, T, X, AB, and AF. The remaining columns were unchanged.

Attachment 1, Schedule 11

- No changes

Attachment 2, Schedule 1

- No changes

Attachment 2, Schedule 2

- Line 8, Column B of the Revenue Conversion Factor calculation reflects impacts of the TCJA. The changes continue through the calculations within the schedule, ultimately affecting Lines 8 through 10, Column D. Also through the calculation within the schedule, Lines 9 and 10, Column C are unchanged (see footnote on the schedule for further explanation).

Attachment 2, Schedule 3

- This schedule is a proof calculation based on several schedules. Since the Revenue Conversion Factor calculation reflects impacts of the TCJA, Line 4 has been changed to appropriately adjust the Annual Revenue Requirement for taxes (Line 5). The changes continue through the calculations within the schedule, ultimately affecting Lines 6 through 9 and Line 12. Line 16 (Column F) of the Revenue Conversion Factor calculation reflects impacts of the TCJA. The changes continue through the calculations within the schedule, ultimately also affecting Lines 17 through 19 and the proof in Lines 20 through 28.

Attachment 2, Schedule 4

- No changes

Attachment 2, Schedule 5, Pages 1-3

- No changes

Attachment 2, Schedule 6, Pages 1 and 2

- No changes

NORTHERN INDIANA PUBLIC SERVICE CO.

Calculation of Gas Revenue Requirements - Return On Investment
For the 6 Month Billing Period of:
January - June 2018

Line No.	(A) Revenue Requirement on TDSIC Plant:	(B) (C) (D) Transmission			(E) (F) (G) Distribution			(H) (I) (J) Storage			(K) (L) (M) Total Transmission, Distribution & Storage		
		Debt	Equity	Total	Debt	Equity	Total	Debt	Equity	Total	Debt	Equity	Total
1	Net Plant Additions to Date (Sch.1, Col. L)	\$ 183,010,745	\$ 183,010,745	\$ 183,010,745	\$ 138,846,758	\$ 138,846,758	\$ 138,846,758	\$ 7,077,848	\$ 7,077,848	\$ 7,077,848	\$ 328,935,352	\$ 328,935,352	\$ 328,935,352
2	Cost of Capital (Att. 2, Sch.1)	1.55%	4.68%	6.23%	1.55%	4.68%	6.23%	1.55%	4.68%	6.23%	1.55%	4.68%	6.23%
3	Annual Return Requirement (Line 1 X Line 2)	\$ 2,836,667	\$ 8,564,903	\$ 11,401,569	\$ 2,152,125	\$ 6,498,028	\$ 8,650,153	\$ 109,707	\$ 331,243	\$ 440,950	\$ 5,098,498	\$ 15,394,174	\$ 20,492,672
4	Semi-Annual Revenue Requirement (Line 3 X 50%)	\$ 1,418,333	\$ 4,282,451	\$ 5,700,785	\$ 1,076,062	\$ 3,249,014	\$ 4,325,077	\$ 54,853	\$ 165,622	\$ 220,475	\$ 2,549,249	\$ 7,697,087	\$ 10,246,336
5	Revenue Conversion Factor (Att. 2, Sch.2, Line 10) ^[1]	1.016472	1.366983	1.279777	1.016472	1.366983	1.279777	1.016472	1.366983	1.279777	1.016472	1.366983	1.279777
6	Semi-Annual Revenue Requirement Adjusted for Taxes (Line 4 X Line 5)	\$ 1,441,696	\$ 5,854,038	\$ 7,295,734	\$ 1,093,787	\$ 4,441,347	\$ 5,535,134	\$ 55,757	\$ 226,402	\$ 282,159	\$ 2,591,240	\$ 10,521,787	\$ 13,113,028

[1] The Revenue Conversion Factor in Columns D, G, J and M is calculated by taking Line 6 divided by Line 4

NORTHERN INDIANA PUBLIC SERVICE CO.

Summary of Post In-Service Carrying Charge
For the 6 Month Billing Period of:
January - June 2018

	(A)	(B)	(C)	(D)
Line No.	Calculation of Post In-Service Carrying Charge - Transmission Projects	January - June 2017		
	Capital Projects	Cost of Debt	Cost of Equity	Total
1	Transmission Pipeline Replacement	\$ -	\$ -	\$ -
2	Prepare Lines for In-Line Inspections	\$ 53,798	\$ 151,591	\$ 205,389
3	Shallow Pipe Replacement	\$ 138	\$ 390	\$ 528
4	Inspect & Mitigate	\$ 50,611	\$ 142,939	\$ 193,550
5	System Deliverability	\$ 56,130	\$ 158,251	\$ 214,381
6	Total Transmission (Sum of Lines 1 - 5)	\$ 160,677	\$ 453,170	\$ 613,847
7	Revenue Conversion Factor (Att. 2, Sch.2, Line 10)	1.016472	1.366983	
8	Semi-Annual Revenue Requirement Adjusted for Taxes (Line 6 X Line 7)	\$ 163,324	\$ 619,476	\$ 782,800

NORTHERN INDIANA PUBLIC SERVICE CO.

Summary of Post In-Service Carrying Charge
For the 6 Month Billing Period of:
January - June 2018

	(A)	(B)	(C)	(D)
Line No.	Calculation of Post In-Service Carrying Charge - Distribution Projects	January - June 2017		
	Capital Projects	Cost of Debt	Cost of Equity	Total
1	Bare Steel Replacement	\$ 36,036	\$ 101,954	\$ 137,990
2	Master Meter System Upgrades	\$ 1,929	\$ 5,450	\$ 7,379
3	Inspect & Mitigate	\$ 21,773	\$ 61,470	\$ 83,243
4	System Deliverability - Distribution	\$ (287)	\$ (810)	\$ (1,097)
5	Rural Extensions	\$ 44,495	\$ 126,151	\$ 170,647
6	Total Distribution (Sum of Lines 1 - 5)	\$ 103,946	\$ 294,216	\$ 398,162
7	Revenue Conversion Factor (Att. 2, Sch.2, Line 10)	1.016472	1.366983	
8	Semi-Annual Revenue Requirement Adjusted for Taxes (Line 6 X Line 7)	\$ 105,659	\$ 402,188	\$ 507,847

NORTHERN INDIANA PUBLIC SERVICE CO.

Summary of Post In-Service Carrying Charge
For the 6 Month Billing Period of:
January - June 2018

	(A)	(B)	(C)	(D)
Line No.	Calculation of Post In-Service Carrying Charge - Storage Projects	January - June 2017		
	Capital Projects	Cost of Debt	Cost of Equity	Total
1	Storage Projects	\$ 4,150	\$ 11,718	\$ 15,868
2	Total Storage	\$ 4,150	\$ 11,718	\$ 15,868
3	Revenue Conversion Factor (Att. 2, Sch.2, Line 10)	1.016472	1.366983	
4	Semi-Annual Revenue Requirement Adjusted for Taxes (Line 2 X Line 3)	\$ 4,219	\$ 16,018	\$ 20,237

NORTHERN INDIANA PUBLIC SERVICE CO.

Schedule of Total Revenue Requirement
For the 6 Month Billing Period of:
January - June 2018

Line No.	(A) Type	(B) Transmission	(C) Distribution	(D) Storage	(E) Total (Col.B + Col.C + Col.D)
1	Return on Capital (Att.1, Sch.2, Line 6)	\$ 7,295,734	\$ 5,535,134	\$ 282,159	\$ 13,113,028
2	Post In-Service Carrying Costs (Att.1, Sch.3, Col.D)	\$ 782,800	\$ 507,847	\$ 20,237	\$ 1,310,884
3	Subtotal Capital Revenue Requirement (Line 1 + Line 2)	\$ 8,078,534	\$ 6,042,981	\$ 302,396	\$ 14,423,911
4	Return of Expense Revenue Requirement (Att.1, Sch.4, Col.F, Line 7)	\$ 568,968	\$ 2,119,735	\$ 15,176	\$ 2,703,879
5	Subtotal Semi-Annual Revenue Requirement (Line 3 + Line 4)	100% \$ 8,647,503	\$ 8,162,716	\$ 317,572	\$ 17,127,791
6	Less: Deferred Revenue Requirement - Capital (Line 3 X 20%)	\$ (1,615,707)	\$ (1,208,596)	\$ (60,479)	\$ (2,884,782)
7	Less: Deferred Revenue Requirement - Expense (Line 4 X 20%)	\$ (113,794)	\$ (423,947)	\$ (3,035)	\$ (540,776)
8	Less: Deferred Revenue Requirement - Total (Line 6 + Line 7)	20% \$ (1,729,501)	\$ (1,632,543)	\$ (63,514)	\$ (3,425,558)
9	Adjusted Semi-Annual Revenue Requirement - Capital (Line 1 - Line 6)	\$ 6,462,828	\$ 4,834,385	\$ 241,917	\$ 11,539,129
10	Adjusted Semi-Annual Revenue Requirement - Expense (Line 4 - Line 7)	\$ 455,175	\$ 1,695,788	\$ 12,141	\$ 2,163,103
11	Adjusted Semi-Annual Revenue Requirement - Total (Line 9 + Line 10)	80% \$ 6,918,002	\$ 6,530,173	\$ 254,058	\$ 13,702,233
12	Less: Rural Extension Margin Credit (Att. 2, Sch. 5, Pg. 3, Col. H, Line 12)	\$ -	\$ 1,082,317	\$ -	\$ 1,082,317
13	Total Semi-Annual Revenue Requirement - Prior to Assessment of 2% Retail Revenue Cap (Line 11 + Line 12)	\$ 6,918,002	\$ 5,447,856	\$ 254,058	\$ 12,619,916

NORTHERN INDIANA PUBLIC SERVICE COMPANY

Allocation of Revenue Requirement
For the Semi-Annual Billing Period of:
January - June 2018

	(A)	(B)	(C)	(D)	(E)
	Transmission				
		Revenue Requirement Allocation Factor ^[1]	Capital Revenue Requirement (Att.1, Sch.5, Col.B, Line 4) * Col.B	Expense Revenue Requirement (Att.1, Sch.5, Col.B, Line 7) * Col.B	Total Revenue Requirement (Col.C + Col. D)
Line No.	Rate Code	(Att.2, Sch.4, Col.C)			
1	411	67.07%	\$ 4,334,401	\$ 305,270	\$ 4,639,671
2	415	1.18%	\$ 76,324	\$ 5,375	\$ 81,699
3	421	23.81%	\$ 1,538,803	\$ 108,377	\$ 1,647,180
4	425	4.90%	\$ 316,906	\$ 22,320	\$ 339,225
5	428	2.23%	\$ 144,083	\$ 10,148	\$ 154,230
6	438	0.81%	\$ 52,311	\$ 3,684	\$ 55,996
7	Total (Sum of Lines 1-6)	100.00%	\$ 6,462,828	\$ 455,175	\$ 6,918,002

	(F)	(G)	(H)	(I)	(J)
	Distribution				
		Revenue Requirement Allocation Factor ^[1]	Capital Revenue Requirement (Att.1, Sch.5, Col.B, Line 4) * Col.B	Expense Revenue Requirement (Att.1, Sch.5, Col.B, Line 7) * Col.B	Total Revenue Requirement (Col. H + Col. I)
Line No.	Rate Code	(Att.2, Sch.4, Col.C)			
8	411	67.07%	\$ 2,516,386	\$ 1,137,308	\$ 3,653,694
9	415	1.18%	\$ 44,311	\$ 20,027	\$ 64,337
10	421	23.81%	\$ 893,369	\$ 403,768	\$ 1,297,137
11	425	4.90%	\$ 183,983	\$ 83,153	\$ 267,137
12	428	2.23%	\$ 83,649	\$ 37,806	\$ 121,455
13	438	0.81%	\$ 30,370	\$ 13,726	\$ 44,096
14	Total (Sum of Lines 8-13)	100.00%	\$ 3,752,068	\$ 1,695,788	\$ 5,447,856

	(K)	(L)	(M)	(N)	(O)
	Storage				
		Revenue Requirement Allocation Factor ^[1]	Capital Revenue Requirement (Att.1, Sch.5, Col.B, Line 4) * Col.B	Expense Revenue Requirement (Att.1, Sch.5, Col.B, Line 7) * Col.B	Total Revenue Requirement (Col.M + Col. N)
Line No.	Rate Code	(Att.2, Sch.4, Col.C)			
15	411	67.07%	\$ 162,245	\$ 8,142	\$ 170,388
16	415	1.18%	\$ 2,857	\$ 143	\$ 3,000
17	421	23.81%	\$ 57,601	\$ 2,891	\$ 60,491
18	425	4.90%	\$ 11,862	\$ 595	\$ 12,458
19	428	2.23%	\$ 5,393	\$ 271	\$ 5,664
20	438	0.81%	\$ 1,958	\$ 98	\$ 2,056
21	Total (Sum of Lines 15-20)	100.00%	\$ 241,917	\$ 12,141	\$ 254,058

(P)	(Q)	(R)	(S)	(T)
Total				
Line No.	Rate Code	Capital Revenue Requirement (Att.1, Sch.5, Col.B, Line 4) * Col.B	Expense Revenue Requirement (Att.1, Sch.5, Col.B, Line 7) * Col.B	Total Revenue Requirement (Col.R + Col. S)
22	411	\$ 7,013,032	\$ 1,450,721	\$ 8,463,753
23	415	\$ 123,492	\$ 25,546	\$ 149,037
24	421	\$ 2,489,772	\$ 515,036	\$ 3,004,808
25	425	\$ 512,752	\$ 106,068	\$ 618,820
26	428	\$ 233,125	\$ 48,224	\$ 281,349
27	438	\$ 84,639	\$ 17,509	\$ 102,148
28	Total (Sum of Lines 22-27)	\$ 10,456,812	\$ 2,163,103	\$ 12,619,916

[1] Allocation percentages set forth in the TDSIC Plan Settlement agreement Cause No. 44733 stipulate the use of NIPSCO Joint Exhibit D from Cause No. 44688

NORTHERN INDIANA PUBLIC SERVICE COMPANY

Allocation of Revenue Requirement
For the Semi-Annual Billing Period of:
January - June 2018

	(A)	(B)	(C)	(D)
Transmission				
Line No.	Rate Code	Revenue Requirement (Att 1, Sch 7, Col. E)	Under/(Over) Recovery (Att 1, Sch 6, Pg 1, Col. R)	Total Transmission Revenue Requirement (Col.B + Col.C)
1	411	\$ 4,639,671	\$ 157,965	\$ 4,797,636
2	415	\$ 81,699	\$ 6,316	\$ 88,015
3	421	\$ 1,647,180	\$ 135,486	\$ 1,782,666
4	425	\$ 339,225	\$ 18,260	\$ 357,486
5	428	\$ 154,230	\$ 8,679	\$ 162,909
6	438	\$ 55,996	\$ 3,002	\$ 58,997
7	Total (Sum of Lines 1-6)	\$ 6,918,002	\$ 329,708	\$ 7,247,710

	(E)	(F)	(G)	(H)
Distribution				
Line No.	Rate Code	Revenue Requirement (Att 1, Sch 7, Col. J)	Under/(Over) Recovery (Att 1, Sch 6, Pg 2, Col. R)	Total Distribution Revenue Requirement (Col.F + Col.G)
8	411	\$ 3,653,694	\$ 249,757	\$ 3,903,451
9	415	\$ 64,337	\$ 11,352	\$ 75,690
10	421	\$ 1,297,137	\$ 236,273	\$ 1,533,411
11	425	\$ 267,137	\$ 32,813	\$ 299,950
12	428	\$ 121,455	\$ 15,132	\$ 136,586
13	438	\$ 44,096	\$ 5,501	\$ 49,597
14	Total (Sum of Lines 8-13)	\$ 5,447,856	\$ 550,828	\$ 5,998,684

	(I)	(J)	(K)	(L)
Storage				
Line No.	Rate Code	Revenue Requirement (Att 1, Sch 7, Col. O)	Under/(Over) Recovery (Att 1, Sch 6, Pg 2, Col. R)	Total Storage Revenue Requirement (Col.J + Col.K)
15	411	\$ 170,388	\$ 11,463	\$ 181,851
16	415	\$ 3,000	\$ 348	\$ 3,348
17	421	\$ 60,491	\$ 7,887	\$ 68,379
18	425	\$ 12,458	\$ 1,124	\$ 13,582
19	428	\$ 5,664	\$ 842	\$ 6,506
20	438	\$ 2,056	\$ 149	\$ 2,206
21	Total (Sum of Lines 15-20)	\$ 254,058	\$ 21,813	\$ 275,871

	(M)	(N)	(O)	(P)
Total				
Line No.	Rate Code	Revenue Requirement (Att 1, Sch 7, Col. T)	Under/(Over) Recovery (Col. C + Col. G + Col. K)	Total Revenue Requirement (Col. D + Col. H + Col. L)
22	411	\$ 8,463,753	\$ 419,185	\$ 8,882,938
23	415	\$ 149,037	\$ 18,016	\$ 167,053
24	421	\$ 3,004,808	\$ 379,647	\$ 3,384,456
25	425	\$ 618,820	\$ 52,198	\$ 671,017
26	428	\$ 281,349	\$ 24,652	\$ 306,002
27	438	\$ 102,148	\$ 8,652	\$ 110,800
28	Total (Sum of Lines 22-27)	\$ 12,619,916	\$ 902,350	\$ 13,522,265

(Q)	(R)
TDSIC Factor	
Est. Therm Sales for 6 months January - June 2018	TDSIC Factor per therm (Col.P / Col.Q)
452,173,036	\$ 0.019645
5,372,482	\$ 0.031094
215,864,202	\$ 0.015679
69,502,628	\$ 0.009655
1,183,580,660	\$ 0.000259
27,660,552	\$ 0.004006
1,954,153,559	

NORTHERN INDIANA PUBLIC SERVICE CO.

2% Retail Revenue Cap Test
For 12 months Ended
June 30, 2017

Line No.	(A) Calculation	(B) Transmission	(C) Distribution	(D) Storage	(E) Total
1	Retail Revenue Cap for 12 months:				
2	Actual Retail Revenue @ 06/30/2017				\$ 604,247,899
3	Multiplied by 2% Limit				2%
4	Total Retail Revenue Cap				\$ 12,084,958
5	Current TDSIC Annualized Revenue Requirement for 12 months:				
6	TDSIC-7 Revenue Requirement (Att. 1, Sch. 5, Line 13)	\$ 6,918,002	\$ 5,447,856	\$ 254,058	\$ 12,619,916
7	Total TDSIC Annualized Revenue Requirement for 12 months (Line 6 x 2)	\$ 13,836,005	\$ 10,895,712	\$ 508,115	\$ 25,239,831
8	Previous TDSIC Annualized Revenue Requirement for 12 months:				
9	TDSIC-5 Revenue Requirement (6 months)	\$ 4,880,790	\$ 6,596,112	\$ 365,274	\$ 11,842,176
10	Total TDSIC Annualized Revenue Requirement for 12 months (Line 9 x 2)	\$ 9,761,579	\$ 13,192,225	\$ 730,548	\$ 23,684,352
11	Incremental TDSIC Revenue Requirement for 12 months (Line 7 less Line 10)	\$ 4,074,425	\$ (2,296,513)	\$ (222,433)	\$ 1,555,479
12	Amount in Excess of 2% Retail Revenue Cap (Line 11 less Line 4)				\$ -
13	Semi-Annual Amount in Excess of 2% Retail Revenue Cap (Line 12 / 2)				\$ -

NORTHERN INDIANA PUBLIC SERVICE CO.

Deferred Revenue Requirement as of
June 30, 2017

Transmission								
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	
Line No.	Deferred Revenue Requirement by TDSIC filing	Return on Capital (Att.1, Sch.5, Col.B, Line 6)	Return of Expense (Att.1, Sch.5, Col.B, Line 7)	Subtotal Capital and Expense (Col.B+Col.C)	Carrying Charges	Amount in Excess of 2% Retail Revenue Cap	Carrying Charges on Amount in Excess of 2% Retail Revenue Cap	Total Deferred Revenue (Col. C + Col. D + Col. E + Col. F)
1	TDSIC-1	\$ 3,399	\$ 3,836	\$ 7,235	\$ -	\$ -	\$ -	\$ 7,235
2	TDSIC-2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	TDSIC-3	\$ 344,908	\$ 86,169	\$ 431,077	\$ 2,872	\$ -	\$ -	\$ 433,949
4	TDSIC-4	\$ 708,713	\$ 39,064	\$ 747,777	\$ 3,706	\$ 632,464	\$ -	\$ 1,383,947
5	TDSIC-5	\$ 1,152,897	\$ 67,300	\$ 1,220,197	\$ 20,496	\$ -	\$ -	\$ 1,240,693
6	TDSIC-6	\$ 1,297,693	\$ 73,540	\$ 1,371,232	\$ 24,365	\$ -	\$ 17,752	\$ 1,413,349
7	TDSIC-7	\$ 1,615,707	\$ 113,794	\$ 1,729,501	\$ 46,018	\$ -	\$ 17,116	\$ 1,792,634
8	Total (Sum of Lines 1-7)	\$ 5,123,317	\$ 383,702	\$ 5,507,020	\$ 97,456	\$ 632,464	\$ 34,867	\$ 6,271,807
Distribution								
(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	
Line No.	Deferred Revenue Requirement by TDSIC filing	Return on Capital (Att.1, Sch.5, Col.C, Line 6)	Return of Expense (Att.1, Sch.5, Col.C, Line 7)	Subtotal Capital and Expense (Col.J+Col.K)	Carrying Charges	Amount in Excess of 2% Retail Revenue Cap	Carrying Charges on Amount in Excess of 2% Retail Revenue Cap	Total Deferred Revenue (Col. L + Col. M + Col. N + Col. O)
9	TDSIC-1	\$ 39,267	\$ 39,262	\$ 78,529	\$ -	\$ -	\$ -	\$ 78,529
10	TDSIC-2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	TDSIC-3	\$ 748,575	\$ 801,046	\$ 1,549,621	\$ 28,857	\$ -	\$ -	\$ 1,578,478
12	TDSIC-4	\$ 1,252,749	\$ 218,703	\$ 1,471,452	\$ 34,566	\$ 1,244,543	\$ -	\$ 2,750,561
13	TDSIC-5	\$ 1,429,312	\$ 385,537	\$ 1,814,849	\$ 78,006	\$ -	\$ -	\$ 1,892,855
14	TDSIC-6	\$ 1,140,245	\$ 371,008	\$ 1,511,253	\$ 90,192	\$ -	\$ 21,753	\$ 1,623,198
15	TDSIC-7	\$ 1,208,596	\$ 423,947	\$ 1,632,543	\$ 126,837	\$ -	\$ 35,567	\$ 1,794,947
16	Total (Sum of Lines 9-15)	\$ 5,818,744	\$ 2,239,503	\$ 8,058,247	\$ 358,458	\$ 1,244,543	\$ 57,320	\$ 9,718,569
Storage								
(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	
Line No.	Deferred Revenue Requirement by TDSIC filing	Return on Capital (Att.1, Sch.5, Col.D, Line 6)	Return of Expense (Att.1, Sch.5, Col.D, Line 7)	Subtotal Capital and Expense (Col.R+Col.S)	Carrying Charges	Amount in Excess of 2% Retail Revenue Cap	Carrying Charges on Amount in Excess of 2% Retail Revenue Cap	Total Deferred Revenue (Col. T +Col. U + Col. V + Col. W)
17	TDSIC-1	\$ 479	\$ -	\$ 479	\$ -	\$ -	\$ -	\$ 479
18	TDSIC-2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	TDSIC-3	\$ 17,902	\$ 495	\$ 18,397	\$ 11	\$ -	\$ -	\$ 18,408
20	TDSIC-4	\$ 55,305	\$ 774	\$ 56,079	\$ 42	\$ 47,431	\$ -	\$ 103,551
21	TDSIC-5	\$ 89,133	\$ 2,185	\$ 91,319	\$ 995	\$ -	\$ -	\$ 92,313
22	TDSIC-6	\$ 59,500	\$ 2,267	\$ 61,767	\$ 1,254	\$ -	\$ 7,192	\$ 70,213
23	TDSIC-7	\$ 60,479	\$ 3,035	\$ 63,514	\$ 2,943	\$ -	\$ 7,289	\$ 73,747
24	Total (Sum of Lines 17-23)	\$ 282,798	\$ 8,756	\$ 291,554	\$ 5,245	\$ 47,431	\$ 14,480	\$ 358,710
Total								
(Y)	(Z)	(AA)	(AB)	(AC)	(AD)	(AE)	(AF)	
Line No.	Deferred Revenue Requirement by TDSIC filing	Return on Capital (Col.B + Col.J + Col.R)	Return of Expense (Col.C + Col.K + Col.S)	Subtotal Capital and Expense (Col.Z + Col.AA)	Carrying Charges (Col.E + Col.M + Col.U)	Amount in Excess of 2% Retail Revenue Cap (Col.F + Col.N + Col.V)	Carrying Charges on Amount in Excess of 2% Retail Revenue Cap (Col.G + Col.O + Col.W)	Total Deferred Revenue (Col. AB + Col. AC + Col. AD + Col. AE)
25	TDSIC-1	\$ 43,145	\$ 43,098	\$ 86,242	\$ -	\$ -	\$ -	\$ 86,242
26	TDSIC-2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	TDSIC-3	\$ 1,111,385	\$ 887,710	\$ 1,999,095	\$ 31,740	\$ -	\$ -	\$ 2,030,835
28	TDSIC-4	\$ 2,016,767	\$ 258,541	\$ 2,275,308	\$ 38,314	\$ 1,924,438	\$ -	\$ 4,238,059
29	TDSIC-5	\$ 2,671,343	\$ 455,022	\$ 3,126,365	\$ 99,496	\$ -	\$ -	\$ 3,225,861
30	TDSIC-6	\$ 2,497,438	\$ 446,815	\$ 2,944,252	\$ 115,812	\$ -	\$ 46,696	\$ 3,106,760
31	TDSIC-7	\$ 2,884,782	\$ 540,776	\$ 3,425,558	\$ 175,797	\$ -	\$ 59,972	\$ 3,661,328
32	Total (Sum of Lines 25-31)	\$ 11,224,859	\$ 2,631,961	\$ 13,856,821	\$ 461,159	\$ 1,924,438	\$ 106,668	\$ 16,349,086

NORTHERN INDIANA PUBLIC SERVICE CO.

Calculation of Revenue Conversion Factor

	(A)	(B)	(C)	(D)
Line No. Description		Statutory Rate	Debt	Equity
1 Gross Revenue Change			100.000000%	100.000000%
2 Public Utility Fee (PUF Rate x Line 1)		0.1330868%	<u>0.133087%</u>	<u>0.133087%</u>
3 Subtotal (Line 1 - Line 2)			99.866913%	99.866913%
4 Utility Receipts Tax on Retail Sales (URT Rate x Line 1)		1.400000%	1.400000%	1.400000%
5 Subtotal (Line 3 - Line 4)			98.466913%	98.466913%
6 State Income Tax (see below)		5.875000%	0.087384%	5.867181%
7 Subtotal (Line 5 - Line 6)			98.379529%	92.599732%
8 Federal Income Tax (Federal Income Tax Rate x Line 7) ^[1]		21.000000%	0.000000%	19.445944%
9 Subtotal (Line 7 - Line 8)			<u>98.379529%</u>	<u>73.153788%</u>
10 Revenue Conversion Factor (Line 1 / Line 9)			<u>1.016472</u>	<u>1.366983</u>
11	<u>State Income Tax calculations:</u>			
12		Debt:	(Line 4 divided by (1 minus State Income Tax Rate)) minus Line 4	
13		Equity:	State Income Tax Rate X Line 3	

[1] Federal income taxes are not applied to the calculation of the Debt component for the Revenue Conversion Factor as Federal income taxes are only inclusive of net income after all costs, including interest.

NORTHERN INDIANA PUBLIC SERVICE CO.

Proof of Calculation of Gas Revenue Requirement for Capital to be Recovered
For the 6 Month Billing Period of:
January - June 2018

Line No.	(A) Description	(B)	(C) Rate of Return		(D)
		Debt	Equity		Total
1	Total Company CWIP Investment				\$ 328,935,352
2	Cost of Capital	1.55%	4.68%		6.23%
3	Annual Return Revenue Requirement (Att 1 Sch 2 Line 3 Col M)				\$ 20,492,672
4	Revenue Conversion Factor	1.016472	1.366983		1.279777
5	Annual Revenue Requirement CWIP				\$ 26,226,055
6	Semi-Annual Revenue Requirement CWIP				\$ 13,113,028
7	Post In Service Carrying Charges (Att 1 Sch 5 Line 3 Col E)				\$ 1,310,884
8	Semi-Annual Revenue Requirement Capital				\$ 14,423,911
9	Less: Deferred Revenue Requirement @ 20% (Att 1 Sch 5 Line 6 Col E)				\$ (2,884,782)
10	Less: Rural Credit (Att 1 Sch 5 Line 12 Col E)				\$ (1,082,317)
11	Less: Deferred 2% Excess Revenue				\$ -
12	Semi-Annual Revenue Requirement - Capital @ 80%				\$ 10,456,812

(E) Components of Revenue Conversion Factor		(F)	(G)	(H)
		Statutory Rate	Effective Rate	
13	Public Utility Fee	0.133087%	0.133087%	0.133087%
14	Utility Receipts Tax	1.400000%	1.400000%	1.400000%
15	State Income Tax	5.875000%	0.087384%	5.867181%
16	Federal Income Tax	21.000000%	0.000000%	19.445944%
17	Effective Rate		1.620471%	26.846212%
18	Complement		98.379529%	73.153788%
19	Revenue Conversion Factor (1 divided by Complement)		1.016472	1.366983

(I) Proving Calculation		(J)	(K)
20	Annual Revenue Requirement	\$ 26,226,055	\$ 26,226,055
21	Public Utility Fee Indiana Utility Receipts Tax	(34,903) (367,165)	(34,903)
22	Interest Expense deductible for State and Federal tax purposes		
23	Line 1, Column D x Line 2, Column B		(5,098,498)
24			
25	Taxable for State Income Tax		\$ 21,092,654
26	State Income Tax Less IN Utility Receipts Tax	(1,239,193) (367,165)	(1,239,193) (367,165)
27	Taxable for Federal Income Tax		\$ 19,486,296
28	Federal Income Tax	(4,092,122)	(4,092,122)
29	Annual Revenue Requirement	\$ 20,492,671	

**Verified Statement of Northern Indiana Public Service Company LLC
Concerning Notification of Customers Affected by March 26, 2018 30-Day Filing**

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

- The attached notice was posted in a public place at NIPSCO's customer service office at 3229 Broadway, Gary, Indiana;
- The same notice was posted on NIPSCO's website under 30-Day Filings (see <http://www.nipSCO.com/About-us/Rates-Tariffs/30-Day-Filings.aspx>).
- A legal notice was published in the Post-Tribune (Lake County), a newspaper of general circulation that has a circulation encompassing the highest number of the utility's customers affected by the filing, on March 14, 2018; and
- I affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Dated this 26th day of March, 2018.



Timothy R. Caister
Vice President, Regulatory Policy

NOTICE OF 30-DAY FILING

On or about March 26, 2018, Northern Indiana Public Service Company (“NIPSCO”) will submit to the Indiana Utility Regulatory Commission for approval under its 30-Day Filing procedures, 170 IAC 1-6-1, *et seq.* revised tariff sheets reflecting the new tax rate applicable to NIPSCO as a result of the Tax Cuts and Jobs Act of 2017 for all affected rates and charges in its IURC Gas Service Tariff, Original Volume No. 7. The revisions impact all Customers receiving gas service under NIPSCO’s IURC Gas Service Tariff, Original Volume No. 7. A decision on the 30-Day Filing is anticipated at least thirty days after the March 26, 2018 filing date. Any objection to the filing should be directed to (a) the Secretary of the Indiana Utility Regulatory Commission, PNC Center, 101 West Washington Street, Suite 1500 East, Indianapolis, IN 46204 or (b) the Indiana Office of Utility Consumer Counselor, PNC Center, 115 West Washington Street, Suite 1500 South, Indianapolis, IN 46204.

CHICAGO TRIBUNE

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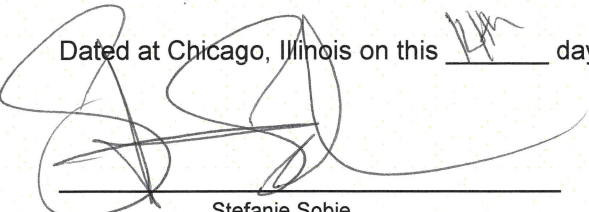
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I, Stefanie Sobie, a principal clerk of Post Tribune newspaper of general circulation printed and published in the English language in the city of Crown Point in state and county afore-said, and that the printed matter attached hereto is a true copy, which was duly published in said paper for 1 time(s), the date(s) of publication being as follows:

Mar 14, 2018.

The undersigned further states that the Post Tribune newspaper(s) maintains an Internet website, which is located at http://classifieds.chicagotribune.com/classifieds?category=public_notice website and that a copy of the above referenced printed matter was posted on such website on the date(s) of publication set forth above.

Dated at Chicago, Illinois on this 14th day of March, 2018.


Stefanie Sobie

435 N. Michigan Ave.
Chicago, IL

Chicago Tribune - chicagotribune.com

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