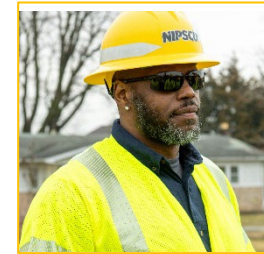




# 2026 Summer Reliability Forum

May 19, 2026



OUR VISION IS TO BE A  
**PREMIER, INNOVATIVE & TRUSTED**  
**ENERGY PARTNER**



# NIPSCO Presenters



**Vince Parisi**  
President and COO



**Rufus Jackson**  
SVP Electric  
Operations



**Karl Stanley**  
VP Supply &  
Optimization



**Phil Winter**  
Sr Director  
Power Delivery



**Rockey Pollard**  
Director Station  
Chem & Env

# NIPSCO Profile

IMPROVING THE LIVES OF APPROXIMATELY 1.4 MILLION CUSTOMERS ACROSS NORTHERN INDIANA

## ELECTRIC

- ~500,000 electric customers
- Second-largest electric distribution company in Indiana
- 3,985.25 MW generating capacity
  - 2 coal generation facilities
  - 2 CT's
  - 1 CCGT
  - 2 hydro electric generation facilities
  - 8 owned renewable generation facilities in service
- Transmission system has voltages from 69,000 to 765,000 volts, consisting of approximately 3,000 circuit miles
  - Interconnected with 8 neighboring electric utilities
  - Operate 66 transmission and 250 distribution substations
  - Own ~311,300 poles

HEADQUARTERED IN  
MERRILLVILLE, IN

3,100  
EMPLOYEES

## NATURAL GAS

- 900,000 natural gas customers
- Largest natural gas distribution company in Indiana
- ~18,000 miles of distribution main pipeline
- ~710 miles of transmission main pipeline
- Two on-system storage facilities

**NIPSCO'S SYSTEM MUST BE BUILT TO DELIVER FOR CUSTOMERS DURING SUSTAINED PERIODS OF EXTREME TEMPERATURES AND WEATHER CONDITIONS**

# Changes Since Last Summer Reliability Forum

## DOE 202(c) Order

- On December 23, 2025, the Secretary of Energy issued DOE Order No. 202-25-12 (Order) which directed NIPSCO and MISO to "take all measures necessary" to ensure that Schahfer Units 17 and 18 continue to operate.
- Under Section 202(c) of the Federal Power Act, DOE's Orders are in effect for a maximum of 90 days; subsequent 90-day Orders may be issued for the same units.
- On March 23, 2025, DOE extended the Order for another 90 days.

## Post-Order Operations of Units 17 and 18

- At the time of the Order, Unit 17 was derated while Unit 18 was in a MISO Forced Outage.
- Pursuant to the Order, NIPSCO offered Unit 17 into the market up to its derated availability until it went into a planned outage March 1.
- NIPSCO has begun repairs to return Units 17 and 18 to full operations pursuant to the Order.

## NIPSCO's FERC Complaint Case Against MISO

- On December 29, 2025, NIPSCO filed a Complaint at FERC against MISO asserting that the MISO Tariff does not contain a Tariff Schedule for recovery of the costs associated with repairing and operating Units 17 and 18.
- As part of the Complaint, NIPSCO proposed a Tariff Schedule 56 that would uplift these costs to all customers on a pro-rata basis in the MISO Northern and Central Zones.
- On March 19, 2026, FERC issued Order granting complaint against MISO, requiring MISO to make a compliance filing adding NIPSCO's Schedule to the MISO Tariff.

## After FERC Issues Order on Complaint Case

- NIPSCO is currently preparing its FERC case for recovery of the costs associated with Units 17 and 18 for filing.



# GenCo Model to Support Data Center Development

## NIPSCO Generation (GenCo)

- **Separate utility company created to build, own, and operate major investments**
  - These costs are excluded from the costs to serve NIPSCO's other electric customers
- Isolates major capital investments to protect from rate increases and end-of-contract risks
- Existing customers will not pay for any of the capacity / generation or load-side investments needed to serve data centers now or in the future
- Investments made by data center customers help build a more resilient and reliable grid, and additional generation will provide benefits to all customers



## Structure will Drive Customer Savings

- **GenCo cost savings total approximately \$1.4 billion for existing customers through Alphabet and Amazon collaboration**
- Residential customers will receive a credit each month, which will begin in 2027
- Additional contracts will drive additional savings to electric customers

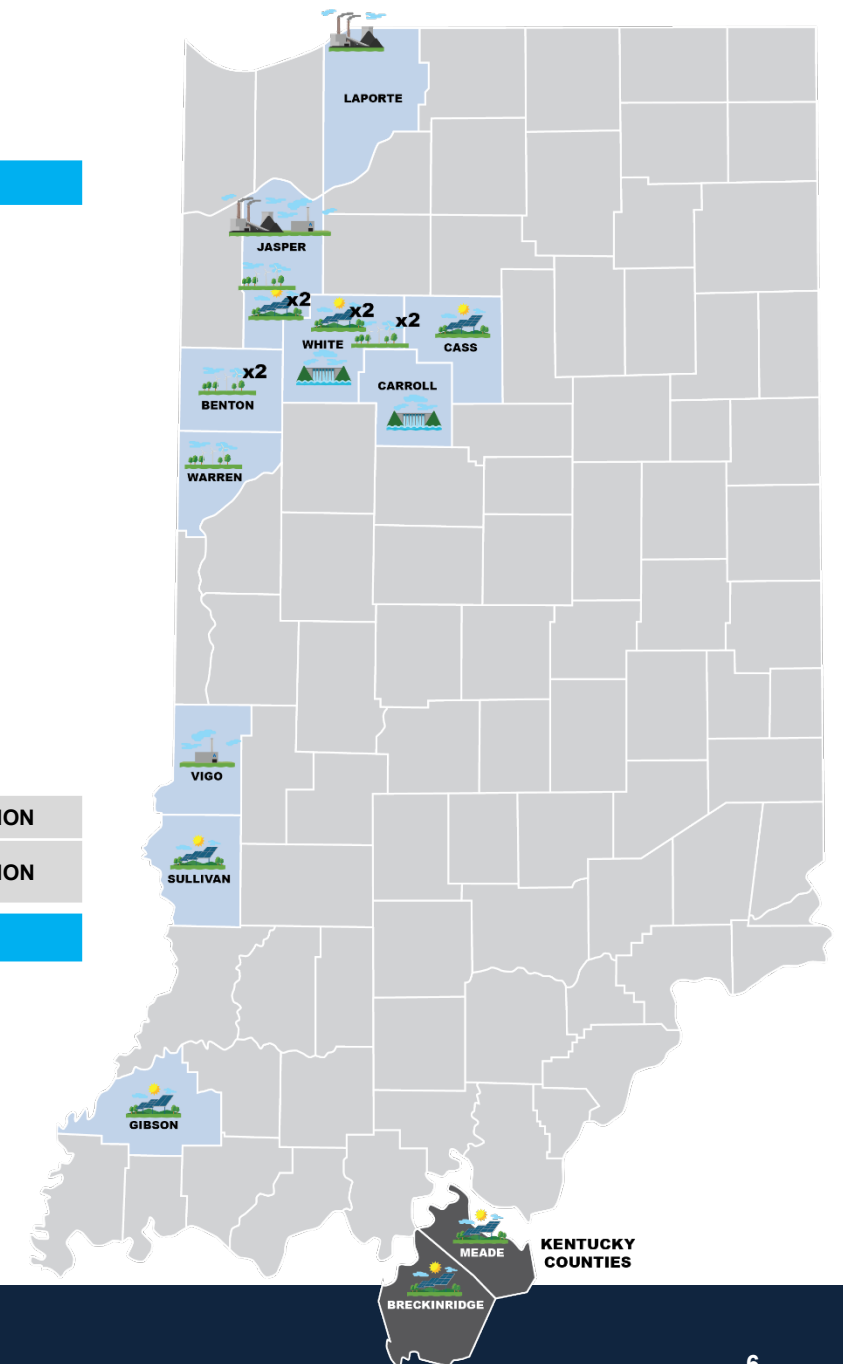
## Creation of Customer Fund

- NIPSCO and GenCo will make \$17+ million of contributions to a "customer fund" over the next 15 years, fully funded by shareholders
- 50% will be for the local communities where generation and data center development occur
- 50% will be passed back to all NIPSCO electric customers as part of the customer credit discussed above

# Generation Portfolio

NEW GENERATION FACILITIES*	INSTALLED CAPACITY (MW)	COUNTY	IN SERVICE
ROSEWATER WIND	102 MW	WHITE	2020 COMPLETE
JORDAN CREEK WIND	400 MW	BENTON & WARREN	2020 COMPLETE
INDIANA CROSSROADS WIND	302 MW	WHITE	2021 COMPLETE
DUNNS BRIDGE SOLAR I	265 MW	JASPER	2022 COMPLETE
INDIANA CROSSROADS SOLAR	200 MW	WHITE	2023 COMPLETE
INDIANA CROSSROADS II WIND	200 MW	WHITE	2023 COMPLETE
CAVALRY SOLAR	200 MW + 45 MW BATTERY	WHITE	2024 COMPLETE
GREEN RIVER SOLAR	200 MW	BRECKINRIDGE & MEADE (KY)	2025 COMPLETE
DUNNS BRIDGE SOLAR II	435 MW + 56.25 MW BATTERY	JASPER	2025 COMPLETE
GIBSON SOLAR	200 MW	GIBSON	2025 COMPLETE
FAIRBANKS SOLAR	250 MW	SULLIVAN	2025 COMPLETE
APPLESEED SOLAR	200 MW	CASS	2025 COMPLETE
CARPENTER WIND	200 MW	JASPER	2025 COMPLETE
TEMPLETON WIND	200 MW	BENTON	2027 PRE-CONSTRUCTION
GAS PEAKING RESOURCE	400 MW	JASPER	2027 PRE-CONSTRUCTION

GENERATION FACILITIES	INSTALLED CAPACITY (MW)	FUEL	COUNTY
MICHIGAN CITY RETIRING 2028	455 MW	COAL	LAPORTE
R.M. SCHAHFER OPERATING UNDER 202C ORDER	722 MW + 155 MW	COAL + NATURAL GAS	JASPER
SUGAR CREEK	563 MW	NATURAL GAS	VIGO
NORWAY HYDRO	7.2 MW	WATER	WHITE
OAKDALE HYDRO	9.2 MW	WATER	CARROLL



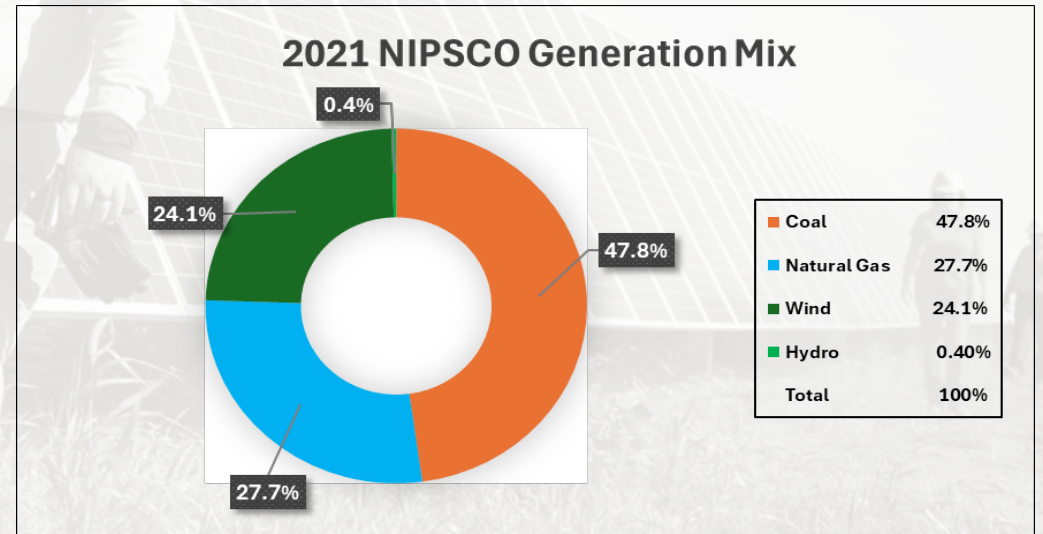
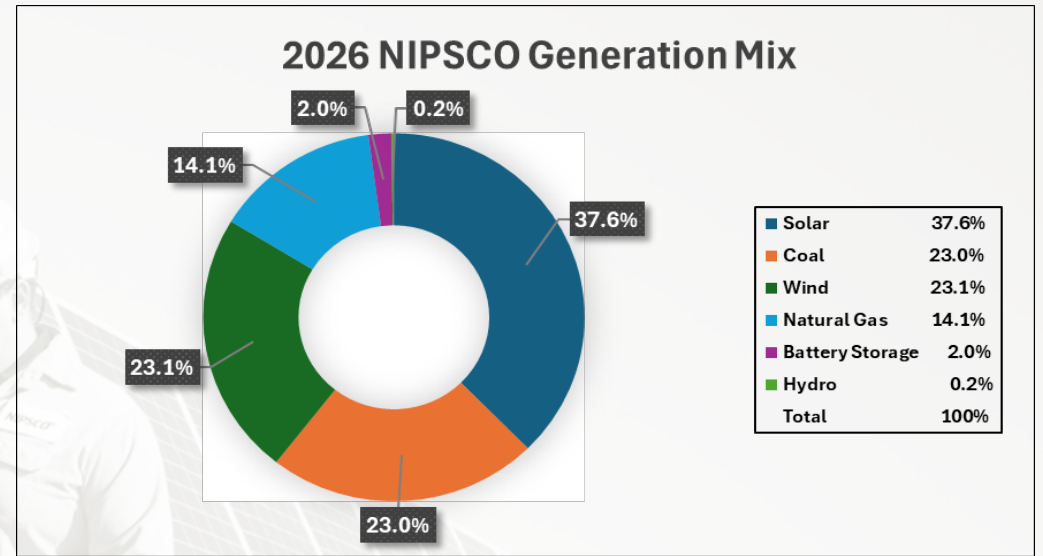
# Changes in Generation Fleet

Since last year's Summer Reliability Forum NIPSCO added:

- Carpenter Wind (PPA): 200 MW
- Appleseed Solar (PPA): 200 MW

The biggest change since 2021 to NIPSCO's fleet is the addition of:

- 3 Wind Farms
- 8 Solar Farms
- 2 Battery Storage Units



# Capital Investments

## Safety & Reliability

- AMI
- Distribution Automation

## Renewables

- Wind, Solar, & Battery Storage Projects
- Associated Transmission Projects

## Maintenance

- Pole Life Extension Program
- Power Transformer Replacements

## Growth

- Circuit Reconductors
- New Substations

Electric	2021	2022	2023	2024	2025	TOTAL
Safety & Reliability	5.5	38.1	108.5	155.3	136.5	443.9
MISO	0.0	0.0	0.0	27.6	72.9	100.5
Renewables	63.3	362.0	997.1	617.4	1,260.7	3,300.5
Public Improvement	45.4	4.9	9.6	7.4	9.8	77.1
Maintenance	320.1	375.9	462.4	391.5	291.1	1,841.0
Growth	47.7	67.5	98.8	119.3	291.5	624.8
<b>TOTAL</b>	<b>482.0</b>	<b>848.4</b>	<b>1,676.5</b>	<b>1,318.5</b>	<b>2,062.4</b>	<b>6,387.8</b>

# Reliability Improvements Since Last Summer Reliability Forum

## Distribution Automation & System Modernization

- This program identifies circuits that need additional sectionalizing capabilities or that serve emergency services.
- Deploying reclosers and upgrading modern protective relaying reduces the number of customers affected during outages by detecting and isolating faults on the circuit.
- This program evaluates areas with 3-phase trunk lines and long single-phase taps that need additional sectionalizing devices to reduce the number of unprotected areas and minimize the number of customers affected by outages.
- In 2025, there were 30 three-phase reclosers deployed. Areas were prioritized based upon reliability performance and population density.

## Circuit Performance Improvement (CPI) & Cable Replacement Programs

- These programs target the worst performing overhead and underground circuits and taps.
- CPI has improved the reliability for customers experiencing the poorest reliability in 2024-2025.
- In 2025, 42 miles of unjacketed underground cable was replaced mitigating over 80% of the interruptions on the addressed circuits.

## Pole Inspection Program & Life Extension Program

- This program includes the inspection and treatment of all poles on a 10-year cycle.
- In 2025, there were 1,530 poles replaced or reinforced based upon inspection results.
- Replacing poles no longer meeting strength requirements helps to prevent failures during severe weather.

# Changes in Resource Adequacy Since 2021

- MISO introduced a **Seasonal Resource Adequacy Construct** for the Planning Year 2023/2024. Previously Resource Adequacy had been measured on an annual basis, while the Seasonal Resource Adequacy Construct breaks the planning year into four seasons, with each season having a separate planning resource margin and separate asset capacity accreditation values.
- This move to a seasonal construct makes the accreditation for each resource more fluid from season to season, as well as year after year, which could result in the need for more or less resources during select times of the year.
- In 2024, MISO announced that they would be switching their planning resource modeling framework to a **Direct Loss of Load** (DLOL) methodology starting in Planning Year 2028/2029.
- This new methodology will look at not only peak hours during each season but will include “tight” hours whereby the amount of resources available might not be sufficient to meet the load.
- **This new methodology is expected to capture the changing behavior of the portfolio as more renewables and battery energy storage systems penetrate the resource portfolio.**



# Resource Adequacy Position

- MISO's Planning Resource Auction (PRA) results were released on April 28, 2026. There are no operational and resource concerns for the Planning Year 2026-2027.
- NIPSCO participated in MISO's PRA with **surplus capacity of 896.4 MW in the summer season and 737.1 in the fall season.**
- NIPSCO was party to several successful seasonal transactions and believes that the current planning year will be easier to navigate as participants become more comfortable with the process, capacity market design questions are satisfied, and seasonal markets become more robust.
- There is a greater emphasis on unit availability, performance, and outages by MISO seasonal construct that could drive the need for unexpected replacement capacity during seasons.
- The demand response program does not factor into NIPSCO's jurisdictional demand. However, it is used by Rate 631 large industrial customers to balance their resource adequacy requirement.

# Unit Availability & Spring Maintenance Outages

## MCGS Unit 12 is currently online and Full Load capable

- Unit 12 was in a successful Planned Outage from 2/27/26 through 3/21/26
- Significant work was done on unit cleaning for the summer run as well as cooling tower repairs

## RMSGs Units 16A and 16B have been offline in Forced Outage since 3rd quarter of 2025

- Both units are undergoing a full turbine and compressor overhaul
- Expect to have 16A available 5/27/26 and 16B on 7/10/26

## RMSGs Unit 17 has been in a Planned Maintenance Outage since 2/28/26

- Significant boiler and turbine work underway to support DOE 202c
- Turbine work is critical path with a tentative return end of Q3; inspections are ongoing

## RMSGs Unit 18 has been offline in Forced Outage since July of 2025

- Significant boiler and turbine work underway to support DOE 202c
- Turbine work is critical path with a tentative return end of Q3; inspections are ongoing

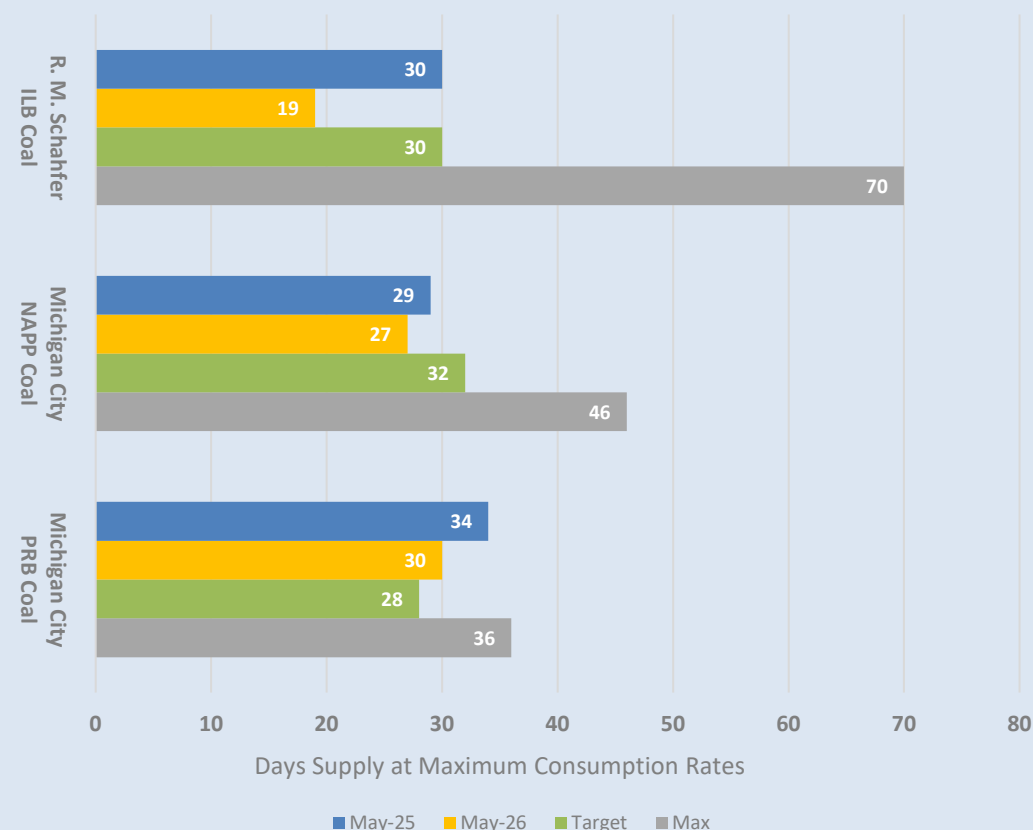
2026 NIPSCO Generation Outage Season: February through July						
July	Week 5				Unit 17	Unit 18
	Week 4					
	Week 3					
	Week 2			Unit 16B		
	Week 1					
June	Week 4					
	Week 3					
	Week 2					
	Week 1		Unit 16A			
May	Week 4					
	Week 3					
	Week 2					
	Week 1					
April	Week 4					
	Week 3					
	Week 2					
	Week 1					
March	Week 4	Unit 12				
	Week 3					
	Week 2					
	Week 1					
February	Week 4					
	Week 3					
	Week 2					
	Week 1					

# Fuel Availability

## Coal Supply

- NIPSCO's coal inventory balances the costs associated with maintaining coal inventory with reliability to ensure units are available to supply energy during periods of high demand, extreme weather, fuel transportation disruptions, or mine production problems.
- NIPSCO has maintained inventory levels near target levels despite variable consumption rates. Class I railroad performance has been good over the last three years which reduces delivery variability and ultimately helps control inventory levels.
- NIPSCO typically builds inventory ahead of winter and summer peaks and is projecting **Michigan City inventories will be near targets at the start of summer.**
- **Schahfer's inventory is being increased during 2026** after it was reduced to near zero prior to receiving the DOE 202c order to extend operations. NIPSCO has proposed to uplift Schahfer's ongoing operating costs to all customers on a pro-rata basis in the MISO Northern and Central Zones.
- **NIPSCO has firm coal supply contracts, coal transportation agreements, and an adequate fleet of railcars to ensure reliable coal supply for all electric generation needs.**

NIPSCO ELECTRIC GENERATION COAL INVENTORY



# Fuel Availability

## Natural Gas Supply

- **NIPSCO has firm natural gas to ensure reliable natural gas supply for all electric generation needs.**
- The Customer will see the benefits of 100% generation availability for gas and coal due to our firm fuel contracts.
- NIPSCO's electric operations procure natural gas for electric generation. NIPSCO holds 70,000 Dth/d of firm transportation directly on Midwestern Gas Transmission Interstate pipeline. This contract ensures fuel supply reliability and resource adequacy planning.



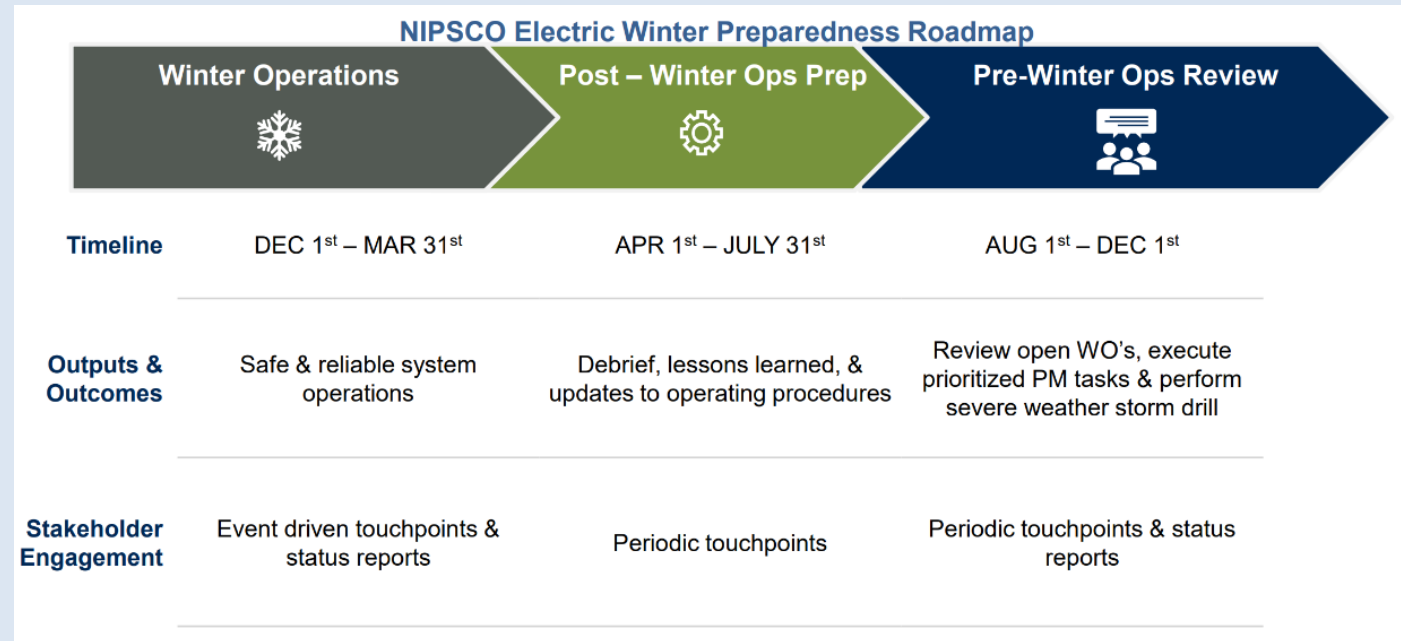
# Winter Storm Fern

## Generator Winter Performance

- Nine periods of MISO cold weather alerts, including Winter Storm Fern, which was from January 23 to January 27
- Winter customer peak of 1,946.5 MW occurred on Friday, January 23
- Overall winter operational performance December 1 to February 28 was over target at 19.5% EFOR
- Schahfer Unit 17 ran continuously during the month of January 2026, and generated over 38,000 MWH of energy into MISO during Winter Storm Fern

## Lessons Learned: Winter Storm Fern

- First MISO emergency event for BESS
  - Modifying charge/discharge decisions for future
- Modifying future gas pre-emergency procurement decisions



# Summer Bill Projections

## NIPSCO SUMMER BILL PROJECTIONS

MONTH	PROJECTED USAGE (KWH)	2026 (PROJECTED RATES)
MAY	572.0	\$135.21
JUNE	791.9	\$181.57
JULY	988.9	\$223.17
AUGUST	911.4	\$216.73
SEPTEMBER	626.9	\$154.71
<b>TOTAL</b>	<b>3,891.1</b>	<b>\$911.39</b>

## WHAT ARE WE DOING PROGRAMS, OFFERINGS & INITIATIVES

- **Energy Assistance**
  - Federal/State
  - Company-Funded
- **Energy Efficiency**
  - Low-Income Audits
  - Tips & Calculators
- **Billing & Payment Offerings**
  - Levelized Billing Plan
  - DependABill
  - Payment Plans
- **Bill Explainers**
- **Billing Worksheets**
- **Infographics**
- **Videos**
- **Website Enhancements**
- **Paid Social Media Outreach**
- **Customer Newsletters**
- **Mailers – December 2025**
- **Emails**
- **Customer Care Center Events**

The average electric residential bill is projected to be **\$182.28** for the summer season.

NIPSCO residential electric customers should expect their summer cooling bills to be higher this season compared to last year due primarily to base rate increases in 2025 and 2026. These increases are partly offset by lower forecasted tracker costs.



# Levelized Billing Plan

## Levelized Billing Implementation

- Levelized Billing Plan will be applied to all **LIHEAP approved electric and combo residential customers** July 1.
- All **customers (electric, gas, and combo) currently on Budget Plan** will move to Levelized Billing Plan July 1.
- **Seasonal periods** will run from May through October and November through April, with any adjustments made in May and November.

## Customer Communications

- **Web site enhancements** regarding Levelized Billing Plan and reconciliation mechanism
- **Letters to LIHEAP customers** informing them of auto-enroll to Levelized Billing Plan and process for opting out
- **Letter to Budget Plan customers** informing them of move to Levelized Billing Plan and process for opting out
- **Bill inserts**
- **Call Aid** for CSRs

April 1, 2026



Dear NIPSCO Customer,

We know rising energy costs have been difficult for many families, especially during periods of extreme weather. Indiana lawmakers recently passed a new law, **Indiana House Enrolled Act 1002**, which expands the use of a Levelized Billing Plan. A Levelized Billing Plan (formerly NIPSCO's Budget Plan) applies to customers receiving LIHEAP assistance. You are receiving this letter because you qualify for a Levelized Billing Plan.

The new Levelized Billing Plan provides equal monthly payments during a defined period in which actual energy usage is compared to the usage estimate, and any difference is accounted for. This structure helps eligible customers manage seasonal energy costs and avoid large monthly payments.

#### Key components of the Levelized Billing Plan:

- For customers who qualify for and receive LIHEAP, the Levelized Billing Plan will begin on the first monthly billing cycle after June 30, 2026.
- A reconciliation (review) will occur two times each year to reflect your seasonal energy use from May through October and November through April, with any adjustments to your monthly bill based on your actual energy use for that current season. Your actual energy use is compared with the actual amount billed under the Budget Plan and will be adjusted up or down for any difference.
- You will continue to have the option to opt out at any time without penalty if you choose.
- Your total bill will still depend on how much energy you use and broader market conditions.

Because you have received LIHEAP assistance, you will be automatically enrolled in the Levelized Billing Plan beginning the first billing cycle after June 30, 2026. If you do not wish to be enrolled in the Levelized Billing Plan, you must opt out by one of the following ways:

- Complete the simple online form at [NIPSCO.com/LevelizedBilling](https://www.nipSCO.com/LevelizedBilling)
- Email us at [LevelizedBilling@nisource.com](mailto:LevelizedBilling@nisource.com)
- Return the attached document in the prepaid envelope provided
- Call us at 1-800-464-7726

#### Our Commitment to You

NIPSCO is working to implement these changes thoughtfully and transparently. We're updating our billing systems, improving customer communications, and continuing to connect customers with assistance programs and payment options when help is needed.

If you have questions about the Levelized Billing Plan, payment assistance, or how this law may affect you, we're here to help.

Thank you for being a NIPSCO customer and providing safe, reliable energy.

Sincerely,  
NIPSCO Customer



MY ACCOUNT ▾

SERVICES ▾

OUTAGES ▾

SAFETY ▾

BILLS & PAYMENTS ▾

WAYS TO SAVE ▾

HELP ▾

Our Company Partner with Us Emergency Contact

Search



Sign In / Register



### NIPSCO IMPLEMENTS LEVELIZED BILLING

## New Indiana law aimed at improving electric bill predictability for customers

**Indiana House Enrolled Act 1002** is a new state law designed to help improve electric bill stability for customers who may benefit most from more predictable monthly payments. The law updates how electric utilities offer Levelized Billing Plans, which provide equal monthly payments and include periodic reviews of actual energy use.

**Please note: Not all customers are affected by this change.**

Chat with us



**IMPORTANT MESSAGE!**



## New Name for a Familiar Plan: **Levelized Billing**

We know higher energy costs have made it harder for many families—especially during very cold or very hot weather. The Indiana General Assembly recently passed a new law to help make energy bills more predictable. We're writing to explain an update to NIPSCO's Budget Plan and what it means for you.

#### What's changing

Indiana House Enrolled Act 1002 updated how utilities offer level monthly billing. Because of this law, **NIPSCO's Budget Plan will now be called Levelized Billing.**

#### Key Plan Updates

- **The Levelized Billing Plan is a 12-month plan for all customers. Already on a 12-month Budget Plan?** You'll stay enrolled—only the name is changing.
- **Currently on an 8-month Budget Plan?** Starting with billing cycles that begin after June 30, 2026, your account will move to 12-month Levelized Billing Plan.
- **No action is needed from you at this time.**

# Customer Assistance for Residential Energy Program

The NIPSCO Customer Assistance for Residential Energy Program (CARE) is implemented through participating local agencies in each county under the Indiana Housing and Community Development Authority (IHCDA).



## SUMMER CARE PROGRAM

- The Commission approved NIPSCO's summer assistance program in NIPSCO's most recent rate case. Similar to the Gas Winter Care Program, eligible LIHEAP Customers are automatically enrolled in Summer Care, which will provide a discount on usage from June to September.
- NIPSCO funded the program with a **\$1.5M of shareholder contribution** and has developed an option for customers to contribute \$0.25/meter per month to increase the program funding.
- The program will begin applying discounts in June 2026.
- **To comply with HEA 1002**, in July 2026, NIPSCO will begin including a monthly notice on customers bills informing them that NIPSCO offers a low-income customer assistance program.

## SUMMER DISCONNECT MORATORIUM

- NIPSCO voluntarily delays disconnection for nonpayment of electric service if temperatures are above 90° on the scheduled day of disconnection or are forecasted to be above 90° the following two days.
- **NIPSCO will also comply with HEA 1002** and delay disconnection for nonpayment of electric service for LIHEAP eligible customers on any day, not earlier than 48 hours in advance, a heat index of at least 95° for a county or part of a county is forecasted.



**QUESTIONS?**

# APPENDIX

# Biggest Changes Since Five Years Ago

<b>Safety and Reliability</b>	<b>Investments that improve the safety of electric and gas systems and modernization of electric and gas assets to improve on demand deliverability to customers</b> i.e.: AMI – Improves visibility for our system and customers through remotely read meters. Leads to improved outage response times and load forecasting. Distribution Automation – Reduces impact of electric outages. Upgrade of Marktown Substation which supports several large industrial customers. Upgrade of 600# gas loop to improve the reliability of gas transmission and distribution systems. Replacement of Gary Bare Steel distribution system.
<b>MISO</b>	<b>Midcontinent Independent System Operator required investments</b> i.e.: This segment of work includes 345kV and 765kV system upgrades and MISO LRTP Tranche 1 investments.
<b>Renewables</b>	<b>Expanding renewable energy generation within NIPSCO</b> i.e.: This category includes Wind, Solar and Battery Storage.
<b>Public Improvement</b>	<b>Investments required to support mandatory relocation of gas and electric assets to support municipalities and DOT.</b> i.e.: Relocation of poles and lines or underground gas assets to support roundabout construction, bridge expansions, city sewer line installs, etc.
<b>Maintenance</b>	<b>Investments to replace failed assets or assets nearing, at, or past end of life expectations</b> i.e.: Pole Life Extension Program – Replace end of life structures, preventing outages, while also extending the life of those still in good condition. Power Transformer Replacements – Replace poor condition transformers with new modern equivalents, preventing large source outages while also improving asset health data. Underground cable replacement program to address aging distribution assets. Gas transmission and distribution mains including pipe, pipe fittings, pressure control fittings, steel services, valves, casings, and cathodic protection equipment, as well as improvements to aging stations.
<b>Growth</b>	<b>Investments targeted to support increased demand and ability to deliver utility services to customers</b> i.e.: Circuit Reconductors – Upgrade conductors to accommodate new loads and improve system reliability through new outage restoration opportunities. New Substations – Build new electric substations and circuits to serve new loads and create system capacity for reliability. Installation of new gas distribution stations and pipeline including increased volumetric delivery. New gas service provided to over 34,000 rural customers and over 44,000 non-rural customers.