ORIGINAL

Commissioner	Yes	No	Not Participating
Swinger			√
Bain	√		
Deig	√		
Jerrells	√		
Ziegner	√		

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC FOR APPROVAL OF RESOURCE ADEQUACY ADJUSTMENT FACTORS TO BE APPLICABLE FOR ELECTRIC SERVICES RENDERED ON OR AFTER NOVEMBER 1, 2026, WHICH WILL REMAIN IN PLACE FOR THE PERIOD NOVEMBER 2026 THROUGH APRIL 2027, PURSUANT TO IND. CODE § 8-1-2-42.	**)**	**CAUSE NO. 44155 RA 30** **APPROVED: OCT 28 2026**

ORDER OF THE COMMISSION

Presiding Officers:
Joshua A. Bain, Commissioner
Jon D. Williams, Administrative Law Judge

On August 11, 2026, Northern Indiana Public Service Company LLC ("NIPSCO" or "Petitioner") filed its Verified Petition for Indiana Utility Regulatory Commission ("Commission") approval of resource adequacy adjustment ("RA Adjustment") factors to be applicable for electric services rendered on or after November 1, 2026, which will remain in place for the period November 2026 through April 2027 (the "forecast period"), or until replaced by different RA Adjustment factors that are approved in a subsequent filing, pursuant to Ind. Code § 8-1-2-42. Also on August 11, 2026, Petitioner prefiled its case-in-chief, which consisted of the testimony and attachments of Arianne Turner, Senior Regulatory Analyst for NiSource Corporate Services Company, and Rosalva Robles, Manager of Planning – Regulatory Support for NIPSCO.

On August 20, 2026, NIPSCO Industrial Group[1] filed its Petition to Intervene, which was granted on September 1, 2026.

On September 24, 2026, the Indiana Office of Utility Consumer Counselor ("OUCC") filed the testimony of Brittany L. Baker, Utility Analyst.

On September 29, 2026, Petitioner filed its Notice of Intent Not to File Rebuttal Testimony.

On October 6, 2026, Petitioner filed corrections to Ms. Robles' direct testimony.

On October 7, 2026, the Presiding Officers issued a Docket Entry to the parties requesting additional information, to which the OUCC responded on October 7, 2026, and Petitioner responded on October 8, 2026.

The Commission held an evidentiary hearing in this Cause at 1:00 p.m. on October 8, 2026,

[1] The NIPSCO Industrial Group consists of Cargill, Inc.; Cleveland-Cliffs Steel LLC; Jupiter Aluminum Corporation; Linde, Inc.; and United States Steel Corporation.

in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. NIPSCO, the OUCC, and the NIPSCO Industrial Group, by counsel, participated in the evidentiary hearing, and the testimony and exhibits of NIPSCO and the OUCC were admitted without objection.

Based upon the applicable law and the evidence of record, the Commission now finds:

1. Notice and Jurisdiction. Notice of the hearing in this Cause was given as required by law. Petitioner is a limited liability company under the laws of Indiana and is subject to the jurisdiction of this Commission as provided in Ind. Code ch. 8-1-2. Pursuant to Ind. Code § 8-1-2-42, the Commission has jurisdiction over rates and charges for utility service, including tracking mechanisms. Thus, the Commission has jurisdiction over NIPSCO and the subject matter of this Cause.

2. Petitioner's Characteristics. Petitioner's principal office is located at 801 East 86th Avenue, Merrillville, Indiana. Petitioner is engaged in rendering electric public utility service in Indiana and owns, operates, manages, and controls, among other things, plant and equipment within Indiana used for the production, transmission, delivery, and furnishing of such service to the public.

3. Background and Requested Relief. In this proceeding, NIPSCO requests Commission approval of RA Adjustment factors to be applicable for electric services rendered on or after November 1, 2026, which will remain in place for the forecast period, or until replaced by different RA Adjustment factors that are approved in a subsequent filing pursuant to provisions of the Public Service Commission Act, as amended; the Commission's August 25, 2010 Order in Cause No. 43526 ("43526 Order"); the Commission's December 21, 2011 Order in Cause No. 43969 ("43969 Order"); the Commission's July 18, 2016 Order in Cause No. 44688 ("44688 Order"); the December 4, 2019 Order in Cause No. 45159 ("45159 Order"); the August 2, 2023 Order in Cause No. 45772 ("45772 Order"); and the June 26, 2025 Order in Cause No. 46120 ("46120 Order"). This filing includes actual costs for capacity purchases during the period January through June 2026, adjusted demand allocators, and forecasted usage for the period November 2026 through April 2027. This filing also includes a reconciliation of prior RA costs to actual RA revenues for the period November 2025 through April 2026 (the "reconciliation period").

The 43526 Order approved a purchase capacity cost recovery mechanism referred to as the RA Adjustment. The 43969 Order approved the implementation of the RA Adjustment approved in Cause No. 43526 by approving NIPSCO's Rider 674 – Adjustment of Charges for Resource Adequacy and NIPSCO's Appendix F – Resource Adequacy Adjustment Factor. The 43969 Order specified that the RA Adjustment will be a semi-annual mechanism coordinated with the fuel adjustment charge ("FAC") audit process.

The 43969 Order specified that the RA Adjustment will allow for recovery of prudently incurred capacity costs and 75% of costs associated with any credits paid as a result of Rider 675 – Interruptible Industrial Service Rider. The 43969 Order also specified that due to the lag between payment and recovery of credits, the actual amount of credits paid will be deferred in a balance sheet account until they are recovered in the RA Adjustment, or in the case of the 25% portion, in the FAC. The 43969 Order set forth the allocators for the RA Adjustment, and it specified that the

allocators will be revised to reflect megawatts of interruptible service taken by class. The demand allocators were modified to reflect the amount of interruptible load served under Rates 632 and 634 and the impact of customer migration to different rate classes subsequent to the 43969 Order.

The Commission's July 13, 2011 Order in Cause No. 43922 and the March 4, 2015 Order in Cause No. 44393 authorized NIPSCO to defer the costs of purchases of capacity under the Renewable Feed-In Tariff ("FIT") for future recovery through NIPSCO's RA Adjustment or such successor mechanism approved by the Commission.

The 44688 Order authorized Rider 775 – Interruptible Industrial Service as a continuation of Rider 675 with some modifications, including increasing the total megawatts allowed to 530, increasing the total demand credit limit to $57 million, updating the provision applicable to Option C, and creating a new Option E. The changes to Rider 675 were effective with the first billing cycle in August 2016. The 44688 Order authorized the allocators for the RA Adjustment as set forth in Joint Exhibit C of the Settlement Agreement. The new allocators were effective with the first billing cycle in October 2016.

The 45159 Order approved, among other things (1) the elimination of NIPSCO's Rider 775 – Interruptible Industrial Service Rider; (2) the removal of Utility Receipts Tax; (3) the removal of all embedded capacity costs and/or credits from base rates and tracking of 100% of all capacity costs and/or credits as a charge/credit to customers through the RA Adjustment; and (4) the demand allocators for the RA Adjustment.

The 45772 Order approved, among other things, NIPSCO's Rider 574 – Adjustment of Charges for Resource Adequacy and NIPSCO's Appendix F – Resource Adequacy Adjustment Factor, including tracking capacity purchases in excess of the $22,414,800 annual capacity costs included in base rates and set forth demand allocators for the RA Adjustment. The 45772 Order became effective August 4, 2023, with the implementation of Step 1 rates.

The 46120 Order approved, among other things, NIPSCO's Rider 674 – Adjustment of Charges for Resource Adequacy and NIPSCO's Appendix F – Resource Adequacy Adjustment Factor, including tracking capacity purchases net of the $16,043,914 annual capacity costs included in base rates and set forth demand allocators for the RA Adjustment. The 46120 Order became effective July 1, 2025 with the implementation of Step 1 rates.

4. Commission Discussion and Findings.

A. Billing Period. Ms. Turner testified that the RA Adjustment factors proposed in this proceeding are to be applicable and made effective for electric services rendered on or after November 1, 2026, which will remain in place for the forecast period or until replaced by different factors approved in a subsequent filing, and they include actual costs for capacity purchases during the period January through June 2026. She testified that a reconciliation of prior RA costs to actual RA revenues from the reconciliation period is included in NIPSCO's filing in this Cause.

B. Total Recoverable Costs. For the period January through June 2026,

Petitioner's total allocated costs of actual capacity purchases and capacity proceeds are a net credit of $601,561 . Petitioner's total costs to be recovered during the forecast period is a net credit of $857,348.

Based on our review of the evidence set forth below, we find that these costs are appropriate and shall be included as a recovery credit through the RA Adjustment factors presented in this Cause for bills rendered during the forecast period.

C. Purchased Capacity Costs and Capacity Proceeds. Ms. Robles testified NIPSCO's capacity costs are $7,420,396, which includes $660,483 related to NIPSCO's FIT capacity purchases, a net charge of $16,854,285 related to third-party capacity purchases and sales, and a net credit of $10,094,372 for the purchase and sale of capacity in the Midcontinent Independent System Operator ("MISO") Planning Resource Auction ("PRA"), for recovery through the RA Adjustment factors in this proceeding.

Based on the record evidence, we find that Petitioner's MISO auction proceeds are calculated correctly and shall be included in capacity purchases through the RA Adjustment for bills rendered during the forecast period.

D. Capacity Payments under Renewable FIT. Ms. Turner testified that Petitioner included $660,483 of purchased capacity charges made pursuant to NIPSCO's Renewable FIT for recovery through the RA Adjustment factors in this proceeding. Based on the uncontroverted evidence, we find that Petitioner had capacity charges and credits of $660,483 pursuant to NIPSCO's Renewable FIT. These costs are appropriate and shall be included for recovery through the RA Adjustment factors.

E. Variance from Prior Periods. Ms. Turner testified that the total RA Adjustment variance included in this proceeding due to the reconciliation of prior RA costs to actual RA revenues is an over-collection of $255,787. Based on the record evidence, we find that Petitioner properly included a variance of $255,787 for collection through the RA Adjustment factors.

F. Allocation of Total Recoverable Costs. Ms. Turner testified the demand allocators used to calculate the demand-related costs by rate code for the reconciliation period were approved in the 46120 Order. Ms. Turner explained that NIPSCO has adjusted its demand allocation percentages to reflect the migration of customers amongst Rates 621, 623, 624, 625, and 626. She stated the adjustments are appropriate in order to prevent any unintended consequences of the migration of customers to different rate classes and to properly allocate their share of RA charges and credits.

G. OUCC Testimony. Ms. Baker discussed the requested relief and noted the residential bill impact of the proposed RA Adjustment factor. She summarized the components of MISO's RA construct, including Zonal Resource Credits and the PRA. She also presented NIPSCO's current resource adequacy status. She testified that she does not oppose NIPSCO's proposed RA Adjustment factors to be applied for the forecast period.

H. Conclusion. Based upon the record evidence, Petitioner's proposed RA Adjustment Factors for the forecast period are approved. Based on the factor for Rate Code 611, a residential customer using 1,000 kWh per month will experience a $0.22 credit, which is a bill increase of $1.09 compared to the factor currently in effect.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:

1. Petitioner's requested RA Adjustment factors to be applicable to electric services rendered on or after November 1, 2026, which will remain in place for the period November 2026 through April 2027, are approved.

2. Prior to implementing the rates, Petitioner shall file the tariff and applicable rate schedules under this Cause for approval by the Commission's Energy Division. Such rate(s) shall be effective on or after the Order date subject to Division review and agreement with the amounts reflected.

3. This Order shall be effective on and after the date of its approval.

BAIN, DEIG, JERRELLS AND ZIEGNER CONCUR; SWINGER ABSENT:

APPROVED: OCT 28 2026

I hereby certify that the above is a true and correct copy of the Order as approved.

Regina K Joyner

Digitally signed by Regina K Joyner
Date: 2026.10.28 10:57:57 -04'00'

on behalf of

Dana Kosco
Secretary of the Commission