



For Immediate Release

February 14, 2019

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OUCC completes analysis of NIPSCO electric rate request

Residential electric bills for Northern Indiana Public Service Company (NIPSCO) customers would not rise under recommendations from the Indiana Office of Utility Consumer Counselor (OUCC).

Nine OUCC witnesses filed testimony with the Indiana Utility Regulatory Commission (IURC) this week, following a three-month review of the utility's pending rate request.

"Our technical and legal staff has developed a creative solution to the unique concerns NIPSCO has raised in this case," said Indiana Utility Consumer Counselor Bill Fine. "Our recommendations maintain NIPSCO's current revenue requirement and provide incentives to industrial customers without shifting costs to other customer classes."

The OUCC recommends:

- Keeping NIPSCO's flat, monthly residential electric customer charge at its current \$14.00 amount. The volumetric portion of residential bills would either remain unchanged or diminish slightly.
- Decreasing the electric utility's authorized return on equity to 9.25 percent. The utility's current authorized return is 9.975 percent, and it is requesting an increase to 10.8 percent in this case.
- Reducing numerous line items from NIPSCO's proposed amounts, including demolition and decommissioning costs for its remaining coal-fired generation facilities, vegetation management, and recovery of bad debt.
- Not allowing remediation costs for solid waste management units to be included in customer rates. Instead, those costs would be absorbed by the company.
- Recognizing all benefits from the 2017 Tax Cuts and Jobs Act.
- Recognizing new power supply options available to the company's largest customers and facilitating cost savings to those customers, while shielding residential and commercial customer classes from covering those costs.

The next step in the rate case is an IURC public field hearing on March 11, 2019 at 6:00 p.m., local time, at the Hammond High School Auditorium (5926 Calumet Ave. in Hammond).

Rebuttal testimony from NIPSCO is due on March 15, 2019 with an IURC evidentiary hearing scheduled to start on April 16, 2019. While evidentiary hearings are open to the public, participation is typically limited to attorney and Commission questioning of technical witnesses who have filed testimony on behalf of the case's formal parties.

(Continued)

A Commission order is expected later this year.

NIPSCO provides electric utility service to more than 468,000 customers in 20 counties. Natural gas rates and charges are not at issue in this case.

(IURC Cause No. 45159)

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

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