



For Immediate Release

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NIPSCO Gas Rate Settlement Includes Multiple Consumer Benefits

The Indiana Office of Utility Consumer Counselor (OUCC), Northern Indiana Public Service Company (NIPSCO), and industrial customers are among the parties that have reached a comprehensive settlement in NIPSCO's pending natural gas rate case.

The settling parties have filed the agreement with the Indiana Utility Regulatory Commission (IURC), which may approve, deny, or modify any settlement before it.

If approved, the settlement would:

- Reduce the gas utility's original requested annual revenue amount by \$48.9 million.
- Limit the increase to the monthly residential customer charge to \$3.00. NIPSCO had proposed raising the current \$11.00 charge to \$19.50. The agreement sets the charge at \$14.00.
- Set a 9.85 percent authorized return on equity (ROE). By comparison, the utility currently has an authorized ROE of 9.9 percent and sought to increase it to 10.7 percent.
- Resolve all issues regarding tax relief due to the federal Tax Cuts & Jobs Act, including crediting customers for 2018 taxes collected at the former 35 percent rate.
- Phase the new rates in over two years and apply them to all customer classes (residential, commercial, and industrial) using a modified, across-the-board approach.

"This agreement provides a fair and equitable resolution in this case, mitigating the rate increase while ensuring that the utility will have the revenues needed to complete numerous upgrades needed throughout its gas transmission and distribution system," said Indiana Utility Consumer Counselor Bill Fine. "Our attorneys and technical experts have dedicated a substantial amount of time to this case over the last several months, leading to the negotiations that have resulted in the agreement."

NIPSCO's electric rates are not at issue in this case.

(IURC Cause No. 44988)

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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