

May 17, 2010

Brenda Howe
Secretary to the Commission
Indiana Utility Regulatory Commission
101 West Washington Street
Suite 1500 East
Indianapolis, Indiana 46204

Received
May 17, 2010
INDIANA UTILITY
REGULATORY COMMISSION

RE: NIPSCO 30 Day Filing Pursuant to 170 IAC 1-6-1 et seq.

Dear Ms. Howe:

The Indiana Utility Regulatory Commission (“Commission”) approved a gas energy efficiency program for Northern Indiana Public Service Company (“NIPSCO”) in its May 9, 2007 Order in Cause No. 43051 (the “Order”). NIPSCO’s approved energy efficiency program is funded by a Gas Efficiency Rider recovered from NIPSCO’s residential rates served under Rate 311 and certain associated riders and appendices to Rate 311. The Order approved the initial Gas Efficiency Rider, to be recovered on a per therm basis, at a level designed to recover \$4 million each year.

The Order contemplated future changes to the Gas Efficiency Rider. First, because the Gas Efficiency Rider is recovered on a per therm basis, it may be necessary to annually adjust the Rider to achieve the targeted \$4 million recovery. Second, NIPSCO agreed and the Order approved using a portion of any revenues generated as a result of the Order’s approved revisions to NIPSCO’s residential gas tariffs to reduce the Gas Efficiency Rider. Both the first \$1 million of any such incremental revenues and fifty percent of such incremental revenues that exceed \$6 million are to be used to off-set the \$4 million targeted revenue from the Gas Efficiency Rider.

The Gas Efficiency Rider has been in place since May 10, 2007. NIPSCO has evaluated necessary adjustments to the Gas Efficiency Rider and finalized data necessary to implement an adjustment to the Gas Efficiency Rider. The purpose of this filing is to effectuate a new, increased Gas Efficiency Rider (a decrease from order approved Rider) to be in compliance with the Order. Attached to this letter is a proposed tariff sheet reflecting an increase to the Gas Efficiency Rider and workpapers documenting the amounts collected through the Rider from May 2009 through April 2010 and those supporting the calculation of the revised Gas Efficiency Rider in compliance with 170 IAC 1-6-5 (3) and (4). The filing is permitted by 170 IAC 1-6-3 and the September 19, 2008 Docket Entry in Cause No. 43051.

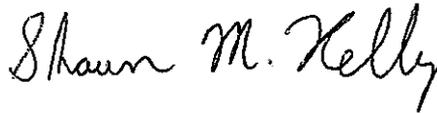
Brenda Howe
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Page 2 of 2

In accordance with 170 IAC 1-6-6, NIPSCO provided notice to its customers of which proof is attached to this letter. NIPSCO has posted notice of this change in its local customer service offices and will place the new tariff on its website under pending tariffs (see <http://www.nipSCO.com/About-us/Rates-Tariffs/Gas-Service-Tariff.aspx>). Michael J. Martin has verified this letter as to these representations in compliance with 170 IAC 1-6-5(5).

Please let me know if the Commission Staff has any questions or concerns about this submission. My contact information is:

101 West Ohio Street
Suite 1707
Indianapolis, IN 46204
Tel: 317-684-4911
Email: shawnkelly@nisource.com

Sincerely,



Shawn M. Kelly
NiSource - Northern Indiana Energy (NIPSCO,
NIFL, Kokomo)
NIE Regulatory

**APPENDIX A.4
GAS EFFICIENCY RIDER**

APPLICABILITY

The Gas Efficiency Rider shall be applicable to all Customers served under the following Rate Schedules:

Rate 311 – Residential Sales Service
Rider to Rates 311, 315, 316, and 317 – Residential Gas Space Cooling Service
Rider to Rates 311, 315, 316, 317, 321, and 325 – Price Protection Service Rider
Rider to Rates 311, 315, 316, 317, 321 and 325 – Supplier Choice Delivery Service (SCDS)
Experimental Rider to Rates 311, 315, 316, 317, 321 and 325 – Fixed Gas Bill Rider

DESCRIPTION

This Gas Efficiency Rider shall provide the funding for natural gas energy efficiency efforts throughout Company's Service Area. These efforts may include, among others, energy efficiency programs, customer education programs and weatherization programs designed to benefit customers under the applicable Rate Schedules and as approved by the Commission in Cause No. 43051 ("Energy Efficiency Program"). For the four years in which the Energy Efficiency Program is in effect, beginning with the effective date of the Energy Efficiency Program Term as approved by the Commission in Cause No. 43051, the charge under the Gas Efficiency Rider shall be the rate stated below. NIPSCO shall commence assessing the Gas Efficiency Rider as soon as permitted by law and deposit the revenues generated by the Gas Efficiency Rider into a separate internal NIPSCO account. The use of the Gas Efficiency Rider revenue from the account is subject to the review of the Oversight Board, and the Oversight Board shall develop procedures governing the withdrawal of the Gas Efficiency Rider revenue from the account including a report to be filed annually with the Commission that reconciles program revenues and expenses all in accordance with the Final Order of the Commission in Cause No. 43051. Any variance that occurs in the fourth year of this Energy Efficiency Program will be credited or recovered through continuation of the Gas Efficiency Rider for an additional year to only recover or refund such variance.

RATE

For all applicable Rate Schedules:

A charge of \$0.00341 per therm used per month

Issued Date
May 17, 2010

Effective Date
July 1, 2010

Gas Efficiency Rider 2010 Adjustment

Revenues Collected from Customers for:

<u>2007/2008 - Year 1</u>	<u>Energy Efficiency Surcharge</u>	<u>Rate Simplification Changes</u>
May	\$ 31,968	\$ 145,848
June	\$ 93,251	\$ 949,942
July	\$ 79,241	\$ 1,037,361
August	\$ 78,276	\$ 1,145,926
September	\$ 72,418	\$ 986,380
October	\$ 103,239	\$ 1,099,534
November	\$ 247,405	\$ 256,254
December	\$ 500,351	\$ 90,851
January	\$ 773,073	\$ 842,711
February	\$ 688,033	\$ 1,031,570
March	\$ 646,247	\$ 744,283
April	\$ 431,386	\$ 20,721
	<u>\$ 3,744,888</u>	<u>\$ 8,351,381</u>

Rate Simplification Credit* \$ 2,175,691

Revenues Collected from Customers for:

<u>2008/2009 - Year 2</u>	<u>Energy Efficiency Surcharge</u>	<u>Rate Simplification Changes</u>
May	\$ 190,294	\$ 468,165
June	\$ 111,410	\$ 849,168
July	\$ 80,394	\$ 1,050,990
August	\$ 71,570	\$ 1,089,041
September	\$ 73,707	\$ 1,083,436
October	\$ 99,964	\$ 956,737
November	\$ 259,355	\$ 285,096
December	\$ 619,973	\$ 350,063
January	\$ 805,101	\$ 1,583,466
February	\$ 555,487	\$ 1,048,236
March	\$ 295,377	\$ 163,938
April	\$ 200,982	\$ (34,018)
	<u>\$ 3,363,614</u>	<u>\$ 8,894,318</u>

Rate Simplification Credit* \$ 2,447,159

Revenues Collected from Customers for:

<u>2009/2010 - Year 3</u>	<u>Energy Efficiency Surcharge</u>	<u>Rate Simplification Changes</u>
May	\$ 108,922	\$ 450,187
June	\$ 54,798	\$ 943,869
July	\$ 42,196	\$ 1,097,083
August	\$ 23,732	\$ 1,135,242
September	\$ 5,231	\$ 1,126,456
October	\$ 10,431	\$ 789,238
November	\$ 18,745	\$ 264,172
December	\$ 35,364	\$ 68,812
January	\$ 57,332	\$ 1,194,052
February	\$ 49,384	\$ 679,455
March	\$ 41,795	\$ 289,131
April	\$ 27,853	\$ (34,018)
	<u>\$ 475,783</u>	<u>\$ 8,003,679</u>

Rate Simplification Credit* \$ 2,001,840

* First \$1 million of Rate Simplification Changes and 50% of amount over \$6 million

Program Year 3			
Surcharge Rate Change Effective July 1, 2010 - April 30, 2011			
	EE Program Approved Funding	Actual Collected	Remaining
Yr 1	\$ 4,000,000.00	\$ 5,920,578.50	\$ (1,920,578.50)
Yr 2	\$ 4,000,000.00	\$ 5,810,773.00	\$ (1,810,773.00)
Yr3	\$ 4,000,000.00	\$ 2,477,622.50	\$ 1,522,377.50
Total	\$ 12,000,000.00	\$ 14,208,974.00	\$ (2,208,974.00)

Jul10-March11 Forecasted Therms 525,883,360 from Schedule 2

Gas Efficiency Program Funding \$ 4,000,000 \$ 0.00761
 Carryover/Rate Simplification \$ (2,208,974) \$ (0.00420)

\$ 1,791,026 **\$ 0.00341** **Proposed Gas Efficiency Rider**

Total Residential Gas Forecast Per Financial Planning										
	July-10	August-10	September-10	October-10	November-10	December-10	January-11	February-11	March-11	April-11
311 Forecasted therms	10,789,862	10,868,035	17,300,712	35,972,886	58,513,435	92,130,643	103,784,799	87,233,935	70,345,151	38,943,902
Jul10- March11 Forecasted Therms		525,883,360	<i>to Schedule 1</i>							

LEGAL NOTICE

Notice is hereby given that Northern Indiana Public Service Company (“NIPSCO”) will submit a revised tariff to the Indiana Utility Regulatory Commission (“Commission”) seeking approval of a decrease in the Efficiency Rider previously approved by the Commission in Cause No. 43051, but an increase to the currently effective Efficiency Rider. The Efficiency Rider is assessed to residential gas customers served under Rate 311 and certain associated riders and appendices to Rate 311. NIPSCO anticipates approval of the revised tariff by July 1, 2010. Any objections to this revised tariff should be made by contacting the following entities:

Brenda A. Howe
Secretary to the Commission
Indiana Utility Regulatory Commission
101 W. Washington Street, Suite 1500 East
Indianapolis, IN 46204

A. David Stippler
Indiana Utility Consumer Counselor
Indiana Office of Utility Consumer Counselor
National City Center
115 W. Washington Street, Suite 1500 South
Indianapolis, IN 46204

The Journal Gazette

Account # 1065637 - 815037

Allen County, Indiana

NiSource Corporation Services

PUBLISHER'S CLAIM

LINE COUNT

Display Master (Must not exceed two actual lines, neither of which shall total more than four solid lines of the type in which the body of the advertisement is set) -- number of equivalent lines _____

Head -- number of lines _____

Body -- number of lines _____

Tail -- number of lines _____

Total number of lines in notice 37

COMPUTATION OF CHARGES

37 lines, 1 column(s) wide equals
37 equivalent lines at \$ 2.350 cents per line \$ 86.95

Additional charges for notices containing rule or tabular work
 (50 per cent of above amount) -

Charge for extra proofs of publication
 (\$1.00 for each proof in excess of two) -

TOTAL AMOUNT OF CLAIM \$ 86.95

DATA FOR COMPUTING COST

Width of single column in picas 9.8 Size of type 7point.
 Number of Insertions 1

ATTACH COPY OF ADVERTISEMENT HERE

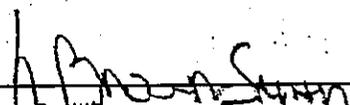
Pursuant to the provisions and penalties of IC 5-11-10-1, I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

I also certify that the printed matter attached hereto is a true copy, of the same column width and type size, which was duly published in said paper 1 times.

The dates of publication being as follows:

4/30/2010

Additionally, Newspaper has a Web site and this public notice was posted on the same day as it was published in The Journal Gazette.


 T. Brown-Smith
 Legal Clerk

Date: April 30, 2010

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Indiana Utility Consumer Counselor
Indiana Office of Utility
Consumer Counselor
National City Center
115 W. Washington Street,
Suite 1500 South
Indianapolis, IN 46204

TA
CH NiSource Corp.
CO (Governmental Unit)

To: The Times Media Company

PY Lake County, Indiana

601-45th Avenue, Munster, IN 46321

PUBLISHER'S CLAIM

AD
VE LINE COUNT

RT Display Master (Must not exceed two actual lines, neither of which shall
total more than four solid lines of the type in which the body of the
advertisement is set) -- number of equivalent lines -----
M Head -- number of lines -----
EN Body -- number of lines -----
T Tail -- number of lines -----
HE Total number of lines in notice -----

RE COMPUTATION OF CHARGES

34 lines, 1 column wide equals 34 equivalent lines at 400 cents per line \$ 136.00
Additional charges for notices containing rule or tabular work (50 per cent of above amount) Online Charge \$10.00
Charge for extra proofs of publication (\$1.00 for each proof in excess of two)
TOTAL AMOUNT OF CLAIM \$ 146.00

202 99159

DATA FOR COMPUTING COST

Width of single column in picas 9p4 Size of type 7.0 point.
Number of insertions !....

Pursuant to the provisions and penalties of IC 5-11-10-1, I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

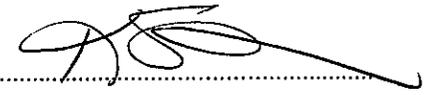
I also certify that the printed matter attached hereto is a true copy, of the same column width and type size, which was duly published in said paper times. The dates of publication being as follows:

April 29, 2010

Additionally, the statement checked below is true and correct:

- Newspaper does not have a Web site.
- ..X.. Newspaper has a Web site and this public notice was posted on the same day as it was published in the newspaper.
- Newspaper has a Web site, but due to technical problem or error, public notice was posted on
- Newspaper has a Web site but refuses to post the public notice.

Kate Stephens



Date

April 29, 2010

Title: Legal Clerk

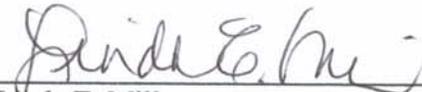
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Indiana Office of Utility
Consumer Counselor
National City Center
115 W. Washington Street,
Suite 1500 South
Indianapolis, IN 46204
4/29 - 20299159

VERIFICATION

I, Linda E. Miller, Executive Director, Rates and Regulatory Finance, Northern Indiana Energy, with Northern Indiana Public Service Company, affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information and belief.



Linda E. Miller
Executive Director, Rates and Regulatory Finance
Northern Indiana Public Service Company