

April 30, 2012

Via Electronic Filing – 30 Day Filings - Electric

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

RE: Northern Indiana Public Service Company 30 Day Filing Pursuant to 170 IAC 1-6-1 et seq.

Dear Ms. Howe:

In accordance with 170 IAC 1-6-1, enclosed please find Northern Indiana Public Service Company's ("NIPSCO") (1) First Revised Sheet No. 117 – Rider 675 – Interruptible Industrial Service Rider (No. 4 of 6 Sheets) and (2) First Revised Sheet No. 118 – Rider 675 – Interruptible Industrial Service Rider (No. 5 of 6 Sheets). The revisions impact NIPSCO's Customers participating in Rider 675 that are receiving electric service under Rates 632, 633 or 634 of IURC Electric Service Tariff, Original Volume No. 12. The proposed revisions are shown in the attached redlined tariff sheets.

Rider 675 was first approved by the Indiana Utility Regulatory Commission's December 21, 2011 Order approving the Stipulation and Settlement Agreement in Cause No. 43969 ("43969 Order"). Rider 675 was designed to require a Customer to interrupt service to a level contemplated by the service options within Rider 675 (i.e., Options A, B, C and D). Since the implementation of Rider 675, NIPSCO has observed that the calculation of determining the load level to which a customer must decrease is not described appropriately in the tariff with the result being that customers would be required to drop to a level not contemplated by the service options. Therefore, NIPSCO proposes to revise Rider 675 to assure that the operation of the tariff is consistent with the service contemplated by the 43969 Order.

For the foregoing reasons, NIPSCO is proposing the revisions be effective December 27, 2011 to ensure that the operation of the tariff is reflected for all periods beginning with the effective date of Rider 675.

170 IAC 1-6-3(3) states that changes to rules and regulations are an allowable type of filing and the proposed revisions are changes to the operating rules of Rider 675. Thus, this filing is an allowable request under 170 IAC 1-6-3. This filing does not require confidential treatment nor does it seek any other relief identified in 170 IAC 1-6-4, so it is not prohibited under the Commission's Rule.

Indiana Utility Regulatory Commission April 30, 2012 Page 2

In accordance with 170 IAC 1-6-5(2), contact information for the utility regarding this filing is:

Timothy R. Caister
Director, Regulatory Policy
Northern Indiana Public Service Company
101 West Ohio Street, Suite 1707
Indianapolis, Indiana 46204
317-684-4908
317-684-4918 (Fax)
tcaister@nisource.com

In accordance with 170 IAC 1-6-5(3), the proposed tariff sheet is attached. There are no work papers necessary to support this filing as required in 170 IAC 1-6-5(4).

In accordance with 170 IAC 1-6-5(5), I have verified this letter as to these representations in compliance with 170 IAC 1-6-5(5). A copy of this filing is being provided via electronic mail to the Indiana Office of Utility Consumer Counselor.

In accordance with 170 IAC 1-6-6, NIPSCO provided notice to its customers in Lake County on April 28, 2012. A copy of the notice that was published is attached hereto. A copy of the proof of publication will be provided upon its receipt. NIPSCO has posted notice of this change in its local customer service office at 3229 Broadway, Gary, Indiana and has placed the notice on its website under pending tariffs (see http://www.nipsco.com/About-us/Rates-Tariffs/30-Day-Filings.aspx).

Please let me know if the Commission Staff has any questions or concerns about this submission.

Sincerely,

Timothy R. Caister

Director, Regulatory Policy

Encl.

cc (w/ encl. – via email transmission)

A. David Stippler, Indiana Office of Utility Consumer Counselor (dstippler@oucc.in.gov, infomgt@oucc.in.gov)

Indiana Utility Regulatory Commission
NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Electric Service Tariff
Original Volume No. 12
Cancelling All Previously Approved Tariffs

First Revised Sheet No. 117 Superseding Original Sheet No. 117

RIDER 675 INTERRUPTIBLE INDUSTRIAL SERVICE RIDER

No. 4 of 6 Sheets

RATE

Demand Credit (continued)

Starting every subsequent February 1: The annual market price per kilowatt per month for

capacity deliverable to the NIPSCO load zone as determined by the Company through an average of quotes taken from candidate bilateral counterparties in the wholesale market (or reasonably similar information available to Company) during the preceding January.

Option B

\$6.00 per kilowatt per Interruptible Billing Demand per month will be applied to the Rate 632, Rate 633 or Rate 634 bill.

Option C

\$8.00 per kilowatt per Interruptible Billing Demand per month will be applied to the Rate 632, Rate 633 or Rate 634 bill.

Option D

\$9.00 per kilowatt per Interruptible Billing Demand per month will be applied to the Rate 632, Rate 633 or Rate 634 bill.

Energy

<u>During Interruptions</u>, all kilowatt hours used above the greater of either (i) the previous hours' integrated hourly demand immediately preceding notice less the amount of Interruption requested or (ii) specified Firm Contract Demand shall be subject to an energy charge equal to the Real-Time LMP for the Company's load zone plus a non-fuel energy charge as follows:

Rate 632: \$0.005702 per kilowatt hour Rate 633: \$0.005108 per kilowatt hour Rate 634: \$0.003009 per kilowatt hour.

Prior to 9 AM CST day-ahead, a Customer may elect in writing to Company to pay the Day-Ahead LMP for the Company's load zone in place of the Company's Real-Time LMP for the Company's load zone for any energy taken by the Customer pursuant to this Rider during any Interruptions that occur for that operating day.

Issued Date Effective Date



Indiana Utility Regulatory Commission
NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Electric Service Tariff
Original Volume No. 12
Cancelling All Previously Approved Tariffs

First Revised Sheet No. 118 Superseding Original Sheet No. 118

RIDER 675 INTERRUPTIBLE INDUSTRIAL SERVICE RIDER

No. 5 of 6 Sheets

DETERMINATION OF INTERRUPTIBLE BILLING DEMAND

Interruptible billing demand shall be calculated as follows:

Options A, B & C

The lessor of:

- (1) the Interruptible Contract Demand, or
- (2) Billing demand of the either Rate 632, Rate 633 or Rate 634 less firm Contract Demand.

Option D

The lessor of:

- (1) the Interruptible Contract Demand, or
- (2) Billing demand of either Rate 632, Rate 633 or Rate 634.

The Customer's monthly Rate 632, Rate 633 or Rate 634 Billing Demand shall be calculated in accordance with Rate 632, Rate 633 or Rate 634.

The interruptible demand credit will not apply to Back-up, Maintenance or Temporary Service demands taken under Rider 676.

CUSTOMER'S FAILURE TO COMPLY WITH REQUESTED INTERRUPTIONS OR CURTAILMENT

A Customer is deemed to have failed to comply with a Curtailment or Interruption when the Customer's current integrated Demand, as measured by the meters installed by the Company, has not decreased to a level of the greater of either (i) the previous hours' integrated hourly demand immediately preceding notice less the amount of Curtailment or Interruption requested or (ii) specified Firm Contract Demand.

If a Customer fails to comply with a Curtailment, the Customer shall be immediately disqualified and removed from service under this Rider and shall not be eligible for this Rider for a period of three (3) years. In addition, a Customer failing to comply with a Curtailment shall be subject to the above energy charge during a Curtailment and, the Customer shall be liable for any charges and/or penalties from any outside agency(ies) or duly applicable organization including Midwest ISO, FERC and Reliability *First* Corporation for failure to comply with a Curtailment. Penalties and charges may be, but are not limited to, penalties associated with disqualification as a Load Modifying Resource.

For Interruptions, the only consequence of such compliance failure will be that the Customer will be deemed to have elected to buy-through its Interruption pursuant to the Energy charge under this Rider to the extent the Customer failed to interrupt its demand.

Issued Date Effective Date



NORTHERN INDIANA PUBLIC SERVICE COMPANY IURC Electric Service Tariff Original Volume No. 12 Cancelling All Previously Approved Tariffs

First Revised Sheet No. 117
Superseding
Original Sheet No. 117

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RIDER 675 INTERRUPTIBLE INDUSTRIAL SERVICE RIDER

No. 4 of 6 Sheets

RATE

Demand Credit (continued)

Starting every subsequent February 1: The

The annual market price per kilowatt per month for capacity deliverable to the NIPSCO load zone as determined by the Company through an average of quotes taken from candidate bilateral counterparties in the wholesale market (or reasonably similar information available to Company) during the preceding January.

Option B

\$6.00 per kilowatt per Interruptible Billing Demand per month will be applied to the Rate 632, Rate 633 or Rate 634 bill.

Option C

\$8.00 per kilowatt per Interruptible Billing Demand per month will be applied to the Rate 632, Rate 633 or Rate 634 bill.

Option D

\$9.00 per kilowatt per Interruptible Billing Demand per month will be applied to the Rate 632, Rate 633 or Rate 634 bill.

Energy

<u>During Interruptions</u>, all kilowatt hours used above the <u>greater of either (i) the previous hours' integrated hourly demand immediately preceding notice less the amount of <u>Interruption requested or (ii) specified Firm Contract Demand</u>, shall be subject to an energy charge equal to the Real-Time LMP for the Company's load zone plus a non-fuel energy charge as follows:</u>

Rate 632: \$0.005702 per kilowatt hour Rate 633: \$0.005108 per kilowatt hour Rate 634: \$0.003009 per kilowatt hour.

Prior to 9 AM CST day-ahead, a Customer may elect in writing to Company to pay the Day-Ahead LMP for the Company's load zone in place of the Company's Real-Time LMP for the Company's load zone for any energy taken by the Customer pursuant to this Rider during any Interruptions that occur for that operating day.

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Issued Date 12/21/2011

Effective Date 12/27/2011



NORTHERN INDIANA PUBLIC SERVICE COMPANY **IURC Electric Service Tariff** Original Volume No. 12 **Cancelling All Previously Approved Tariffs**

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RIDER 675 INTERRUPTIBLE INDUSTRIAL SERVICE RIDER

No. 5 of 6 Sheets

DETERMINATION OF INTERRUPTIBLE BILLING DEMAND

Interruptible billing demand shall be calculated as follows:

Options A, B & C

The lessor of:

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The lessor of:

- (1) the Interruptible Contract Demand, or
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For Interruptions, the only consequence of such compliance failure will be that the Customer will be deemed to have elected to buy-through its Interruption pursuant to the Energy charge under this Rider to the extent the Customer failed to interrupt its demand.

Deleted: equal to or less than its Firm Contract Demand plus its Interruptible Contract Demand less the amount requested within the applicable notification period of the option for Interruptions and/or Curtailment

Issued Date 12/21/2011

Effective Date 12/27/2011



Verified Statement of Northern Indiana Public Service Company Concerning Notification of Customers Affected by April 30, 2012 30-Day Filing

Northern Indiana Public Service Company complied with the Notice Requirements under 170 IAC 1-6-6 in the following manner:

- The attached notice was posted in a public place at NIPSCO's customer service office at 3229 Broadway, Gary, Indiana;
- The same notice was posted on NIPSCO's website under 30-Day Filings (see http://www.nipsco.com/About-us/Rates-Tariffs/30-Day-Filings.aspx).
- A legal notice was published in the Post Tribune, a newspaper of general circulation that has a circulation encompassing the highest number of the utility's customers affected by the filing, on April 28, 2012. A copy of the Publisher's Affidavit will be submitted promptly upon receipt; and
- I affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Dated this 30th day of April, 2012.

Timothy R. Caister

Director, Regulatory Policy

NOTICE OF 30-DAY FILING

On or about April 30, 2012, Northern Indiana Public Service Company ("NIPSCO") will submit to the Indiana Utility Regulatory Commission for approval under its 30-Day Filing procedures, 170 IAC 1-6-1, *et seq.* a revised Rider 675 – Interruptible Industrial Service Rider. The referenced filing will consist of NIPSCO's proposed revisions to modify Rider 675, which was approved by the Commission on December 21, 2011 in Cause No. 43969. The revisions impact Customers participating in Rider 675 that are receiving electric service under Rates 632, 633 or 634 of NIPSCO's IURC Electric Service Tariff, Original Volume No. 12. A decision on the 30-Day Filing is anticipated at least thirty days after the April 30, 2012 filing date. Any objection to the filing should be directed to (a) the Secretary of the Indiana Utility Regulatory Commission, PNC Center, 101 West Washington Street, Suite 1500 East, Indianapolis, IN 46204 or (b) the Indiana Office of Utility Consumer Counselor, PNC Center, 101 West Washington Street, Suite 1500 South, Indianapolis, IN 46204.