

We exist to deliver safe, reliable energy that drives value to our customers

2023-24 Winter Reliability Forum

November 27, 2023



NIPSCO PROFILE

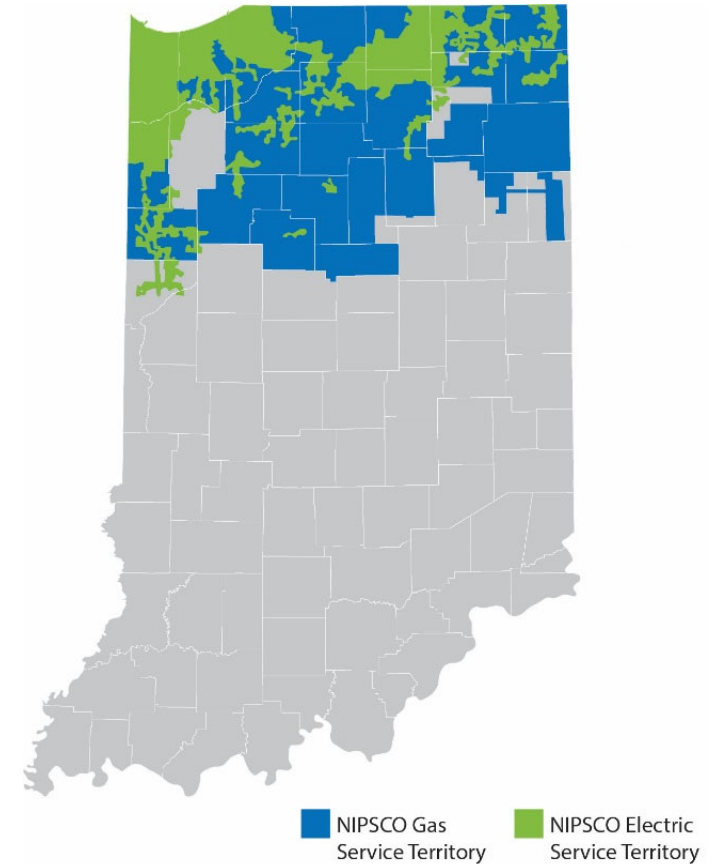
Working to Become Indiana's Premier Utility

Electric

- 483,000 Electric Customers in 20 Counties
- 3,165 MW Generating Capacity
 - 8 Electric Generating Facilities (2 Coal, 1 Natural Gas, 2 Hydro, 3 Wind, 2 solar)
 - 800 MW of Wind Energy (Rosewater, Jordan Creek and Indiana Crossroads Wind online in 2020 and 2021)
 - 465 MW of New Solar Energy (Dunns Bridge I and Indiana Crossroads solar online in 2023)
- 12,800 Miles of Transmission and Distribution
 - Interconnect with 5 Major Utilities (3 MISO; 2 PJM)
 - Serves 2 Network Customers and Other Independent Power Producers

Natural Gas

- 859,000 Natural Gas Customers; 32 Counties
- 18,540 Miles of Transmission and Distribution Line/Main
- Interconnections with Seven Major Interstate Pipelines
- Two On-System Storage Facilities



3,000
Employees

Merrillville, Ind.
Headquarters

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Energy Assistance

Payment Plans: Flexible payment plans are available for customers needing financial support, including three-month, six-month or 12-month options.

Payment Assistance Programs: Based on income levels, customers may qualify to receive local, state and federal utility assistance dollars as well as support funds from NIPSCO programs.

- **SILVER & SERV:** NIPSCO's seasonal programs for eligible seniors and active military/veterans.
 - During the 2021-22 heating season, 510 customers received SILVER, 51 customers received SERV and 55 customers received Hardship assistance.
 - During the 2022-23 heating season, 1,060 customers received SILVER, 66 customers received SERV and 163 customers received Hardship assistance.

Budget Plan: A free service to all NIPSCO customers to help manage their monthly energy bills by spreading out gas costs over an entire year.



TAKE CONTROL of Your Energy Bill

Options are available to **take control** of your energy bill, including:

- Energy Assistance
- Payment Plans
- Ways to Save
- Monitoring and Managing Usage

WE'RE HERE FOR YOU to help you every step of the way... from getting back on track, to ensuring you are prepared with options that best suit your energy needs moving forward!

MANAGING YOUR USAGE = MANAGING YOUR BILL

- **Monitor Your Usage** - Sign in to your account to view and compare previous usage, weather and bills. Multiple types of historical data on your account are available to review and compare. Don't have an online account? Register today at [NIPSCO.com](https://www.nipSCO.com).
- **Find Energy Saving Tips** - Find valuable information about ways to save on your energy usage, easy conservation tips and much more.

MANAGE YOUR BILLING AND PAYMENTS

- Budget Plan
- Billing and Payment Alerts
- Payment Options

ENROLL IN BILL DUE ALERTS

Get email and/or text alerts when your bill is due.

UNDERSTAND YOUR BILL

Get a better understanding of features and charges on your bill by visiting our website and clicking on Bills and Payments and Understanding Your Bill.

TOOLS to Help You

MOBILE APP

- View, pay and download your bill
- View billing and payment history
- View your energy usage and compare month over month
- Start, stop or move your service
- See and report power outages

MANAGE YOUR ACCOUNT FROM ANYWHERE, AT ANY TIME.



CHAT WITH US

VISIT US AT [NIPSCO.COM](https://www.nipSCO.com), THEN LOOK FOR "CHAT WITH US" IN THE LOWER RIGHT CORNER.

IVR PHONE SYSTEM

CALL 1-800-464-7726 AND FOLLOW THE PROMPTS TO MANAGE YOUR ACCOUNT WITH NO WAIT TIMES.

SAFETY

If you smell natural gas, stop what you are doing, leave the area **IMMEDIATELY** (if inside, get out) and, **FROM A SAFE LOCATION**, call 911 and NIPSCO at 1-800-634-3524 (24/7).

For any electric emergency, **FROM A SAFE LOCATION**, call NIPSCO at 1-800-464-7726 (24/7).

Other important safety information can be found at [NIPSCO.com/WinterSafety](https://www.nipSCO.com/WinterSafety).

FOR ALL THE CURRENT PROGRAMS AND INFORMATION AVAILABLE, VISIT [NIPSCO.COM/TakeControl](https://www.nipSCO.com/TakeControl)
CALL 1-800-464-7726



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Energy Efficiency Programs

Residential customers can participate in energy efficient rebates, appliance recycling, home energy assessments, or receive discounts and instant rebates by purchasing items on the NIPSCO Online Marketplace. Home builders can also participate by building high-efficiency homes with NIPSCO's Residential New Construction Program.



Business customers are rewarded with incentives for completing energy-efficient upgrade projects to their businesses. Projects include one-for-one equipment upgrades in the prescriptive and small business direct install programs, incentives for building energy efficiently in the new construction program, and complex custom upgrade projects in the custom program.



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Customer Education Campaign

In October through December, NIPSCO is conducting a fall/winter customer education campaign on the topics of available energy assistance and energy efficiency programs.

The campaign includes:

- Radio interviews
- Advertising
- Social media
- Community action meetings
- Bill newsletter
- Customer emails
- Fact sheets



To learn more, visit us at
[NIPSCO.com/TakeControl](https://www.nipSCO.com/TakeControl)



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What do you expect the trend of customer bills to reflect in the 2023-2024 winter season?

- For 2023-2024, the average residential gas bill is projected to be \$102.95
- For electric, it is projected to be \$128.01

Gas Projections
NIPSCO Winter Bill Projections

	2023-2024 (projected)	2022-2023	Usage (therms)
Nov.	\$58.37	\$68.45	62.9
Dec.	\$98.61	\$131.43	119.2
Jan.	\$131.85	\$180.24	167.8
Feb.	\$124.43	\$172.47	153.9
Mar.	\$101.47	\$128.17	132.2
Total	\$514.73	\$680.76	636.00

Electric Projections
NIPSCO Winter Bill Projections

	2023-2024 (projected)	2022-2023	Usage (kWh)
Nov.	\$111.80	\$112.17	549.4
Dec.	\$131.56	\$132.10	661.4
Jan.	\$140.85	\$140.20	714.1
Feb.	\$132.15	\$127.93	618.5
Mar.	\$123.70	\$119.77	574.0
Total	\$640.06	\$632.17	3117.4

- Due to current market price projections for natural gas and electricity, and assuming normal winter weather, NIPSCO residential gas customers should expect their winter heating bills this season to be meaningfully lower when compared to last year.
- NIPSCO residential electric customers should expect their winter heating bills this season to be slightly higher compared to last year.
- NIPSCO’s actual heating degree days from November 2022 to March 2023 were 4,438 for gas (~8.9% lower than normal) and 4,500 (~8.1% lower) for electric.

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Please describe winterization actions and how these might differ by the type of facility. Describe the planned actions one week prior to the expected start of the event and provide a timeline as the arrival of the weather event moves closer.



NIPSCO's Gas and Electric Teams coordinate throughout the year. Additionally, more specific coordination takes place during a winter weather event to ensure employees have the necessary information to implement actions to help ensure reliability during the event.

General Preparations

- NIPSCO routinely prepares for extreme weather events and invests in modernization, through statutes established by the General Assembly such as the TDSIC Statute
- Perform annual weatherization activities at generating facilities
- Like polar vortexes in 2014 and 2019, extreme weather and cold temperatures are not uncommon in Indiana, and NIPSCO's facility design takes that into account
- Indiana's fully regulated model enables and promotes effective system improvements that maintain reliability in a cost-effective way for customers
- NIPSCO also continues to monitor supply chain issues to proactively address any challenges

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Response continued

Electric Operations

- NIPSCO Generation's preparation for cold weather operation begins in August and NIPSCO Electric Generation initiates preparations for an extreme cold weather event typically one week prior to forecast.
- No extraordinary measures are needed to operate wind and solar facilities during extreme cold weather events.
 - Our wind turbines have cold weather packages that operate normally in ambient temperatures down to -22°F. Solar facilities are also designed to operate in this same temperature environment.
 - During winter storm Elliott, NIPSCO's wind farms were available to serve customers with no weather-related derates.
 - MISO has acknowledged the increased value of wind in the winter season with increased capacity awards.
 - Indiana Crossroads Wind II is expected to be generating this winter in addition to the three in-service wind farms.



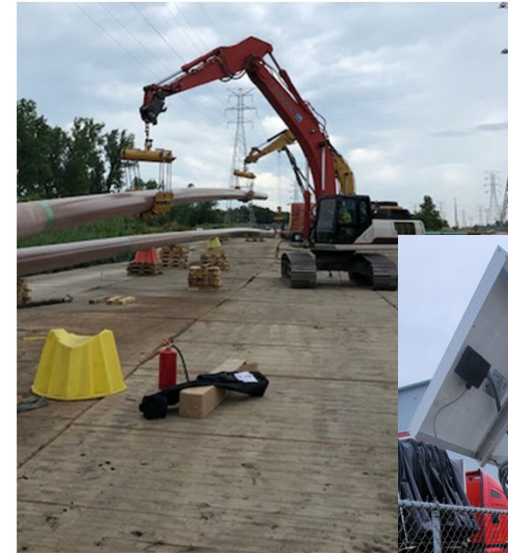
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Response continued

Gas Operations

- Each local operating area has a Winter Operations Plan
 - Goal is to ensure safe, reliable gas distribution service to customers during periods of high demand
- Continuing to invest in improvements to enhance the system
 - As part of the Winter Operations Plan
 - As part of TDSIC, FMCA, and other investments
- Projects
 - Several projects have been in flight to support winter reliability for this winter and next.
 - In-line Inspection retrofits
 - Underground storage wellhead inspections
 - New Wheeler point of delivery and pipeline to 600# System
 - 483# System Back Feed project.
 - Remote pressure monitoring (SCADA) deployment



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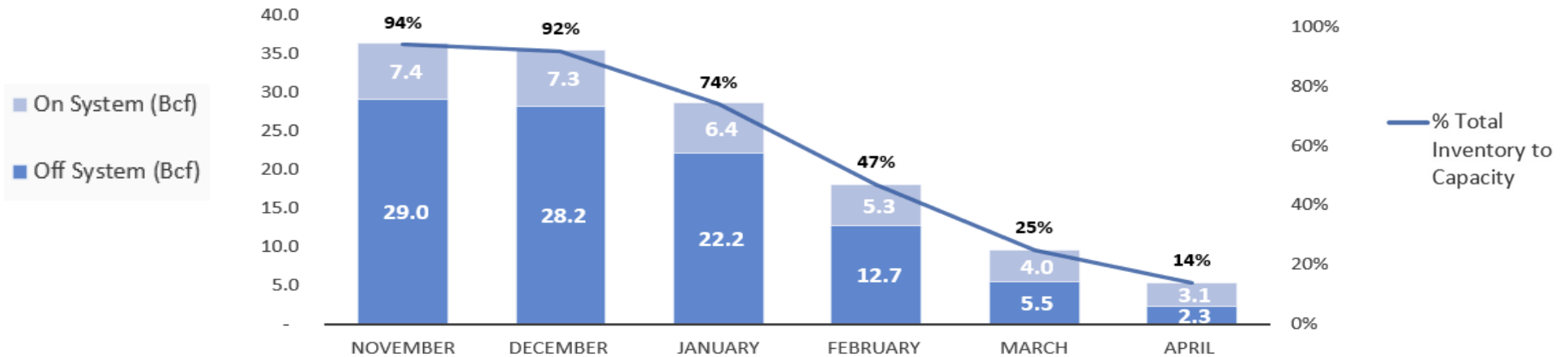
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Fuel availability, especially for natural gas, varies over time. How is fuel availability, of all types, considered in reliability planning? What are the targeted coal and gas inventories for generation or distribution facility? How do current coal inventories compare to the targeted level? Have there been any supply chain impeding or slowing the delivery of fuel?

Natural Gas Supply:

- NIPSCO’s gas inventory strategy balances the costs associated with maintaining gas storage with market availability to ensure gas supplies are available during periods of high demand, extreme weather, or transportation disruptions.
- The liquified natural gas and underground storage plants continue to execute winter readiness inspections and testing. NIPSCO expects to complete this work by November 30, and the plants will be ready for use.

Planned Storage Levels



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Response Continued

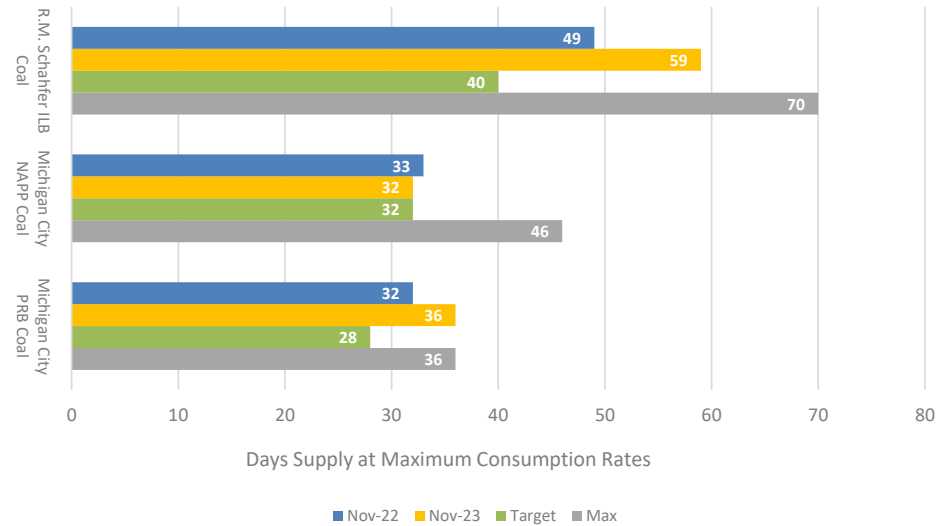
and

What percentage of your available generation for this winter has onsite or firm fuel capacity?

Electric Generation Fuel Supply:

- NIPSCO’s coal inventory balances the costs associated with maintaining coal inventory with reliability to ensure units are available to supply energy during periods of high demand, extreme weather, or fuel transportation disruptions or mine production problems.
- NIPSCO’s Fuel Supply team has maintained inventory levels to hold inventories at or modestly above target levels despite inconsistent Class I railroad performance. NIPSCO typically builds inventory ahead of winter and summer peaks.
- NIPSCO has firm natural gas and coal supply contracts, coal transportation agreements, and an adequate fleet of railcars to ensure fuel supply for all electric generation needs.
- The Company would see the benefits of 100% generation availability for gas and coal due to our firm fuel contracts.

NIPSCO Electric Generation Coal Inventory

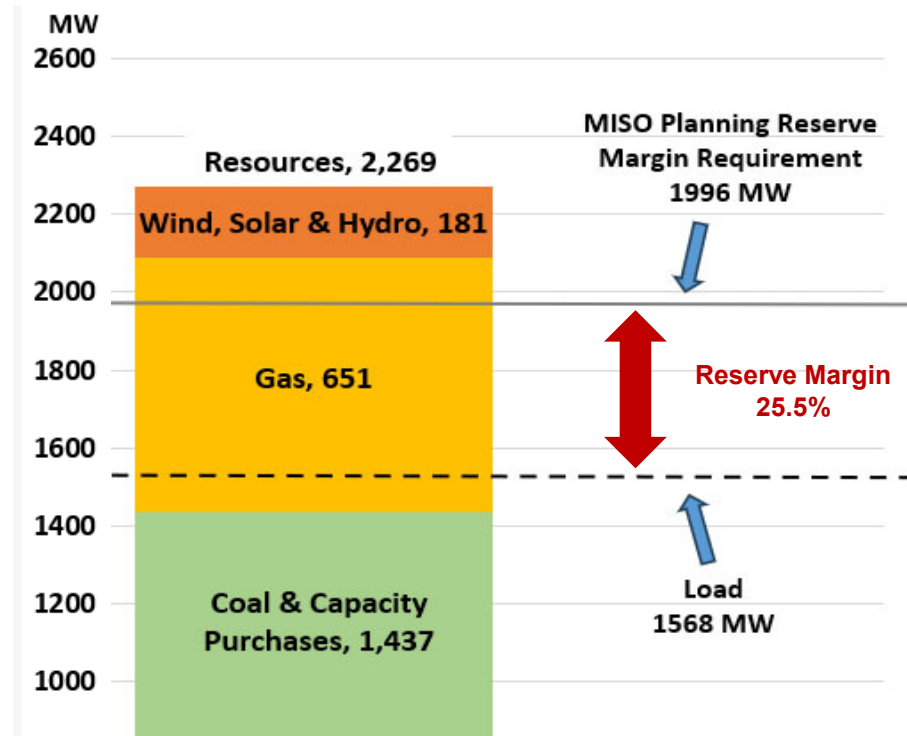


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**NIPSCO Winter Electric
Resource Adequacy**



**MISO 2023-24 Winter Season
Seasonal Accredited Capacity (SAC) Construct**



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Do pipeline requirements (nominate gas and nominate ratable takes) make units “inflexible”? If yes, how do IRP models account for this reduced flexibility? If yes, what actions can be taken to lessen inflexibility? Is this accounted for in the RTO resource accreditation process?

- NIPSCO has gas supply agreements that provide gas on an as needed basis without a required minimum consumption. This allows for the generator to be flexibly dispatched on an “economic” and “as needed” basis by MISO to support reliability.
- Based on the energy market, MISO awards megawatts in the day ahead market and can dispatch in real time to adjust the megawatts volumes. Intra-day, NIPSCO nominates gas to match as closely as possible actual gas consumption to market conditions while providing enhanced flexibility.
- The RTO resource accreditation process takes into account the historical availability of generators when awarding capacity. Further, the Planning Reserve Margins determined by the RTO have levels of uncertainty to service load which account for overall loss of load expectations.



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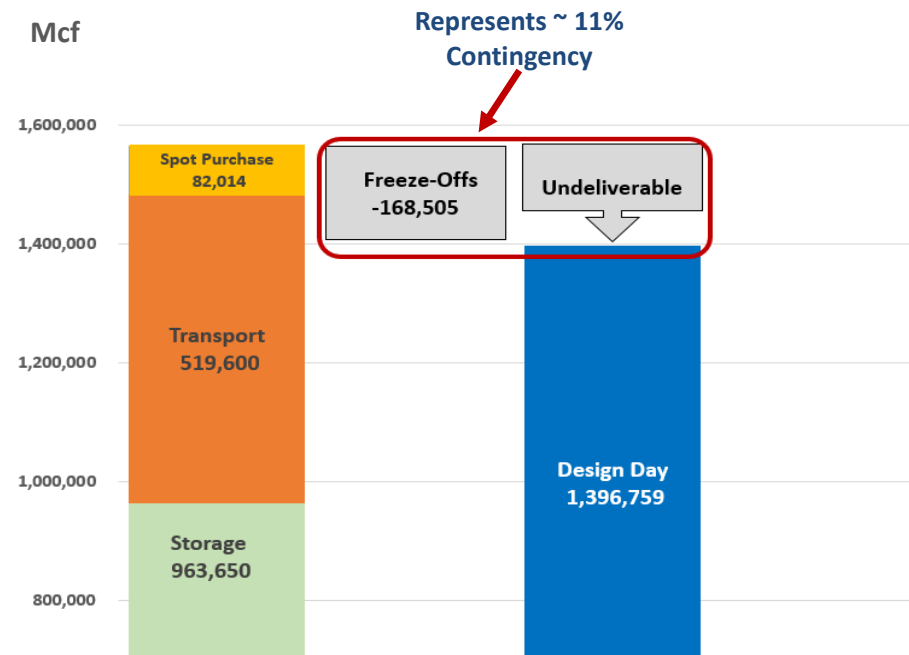
Winter Supply Mix & Design Day

Supply Mix:

NIPSCO Targets 50%-65% of Winter Demand to be hedged physically or financially.

Demand (Dth)	68,957	100%
Storage	30,946	44.9%
Hedges (Financial)	7,390	10.7%
Long Term Hedges (Financial)	6,080	8.8%
Total Hedged	44,416	64.4%
Market Purchases	24,541	35.6%

Winter Design Day:



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What is the date by which all fall maintenance outages are planned to be completed?

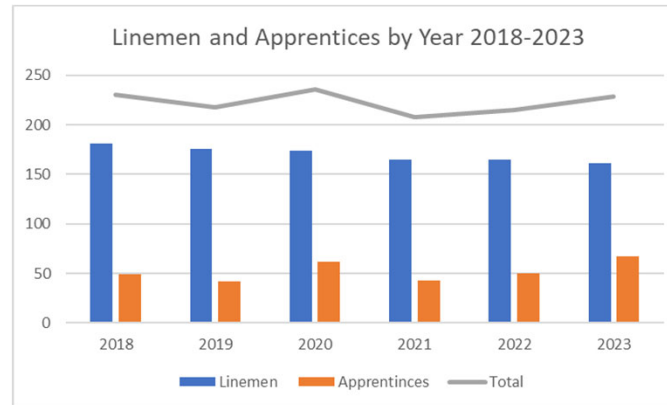
- Sugar Creek Generating Station planned completion in December.
- Unit 16A at RM Schahfer Generating Station completed its outage in early October.
- Other generating units completed any planned maintenance outages earlier in the year.



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Given the issues of aging workforce, are the companies facing any problems with maintaining appropriate levels of staffing and experience for skilled line crews? Have the companies increased reliance on outside contractors for line work? How is technology changing the need for skilled linemen and the skills they need to work most effectively?



- NIPSCO is currently at target level related to transmission and distribution line personnel
- Natural attrition typically results in hiring of approximately 20 apprentice line workers on an annual basis
- Power delivery contractors are utilized for some planned capital projects and are often utilized to aid in restoration of service during significant storm events
- Real-time diagnostics and automation technologies are becoming more common. Digital skills needs are growing along with the traditional electro-mechanical skills

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Questions and Answers

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