

September 28, 2016

Via Electronic Filing – 30 Day Filings - Electric

Mary B. Becerra
Acting 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. Becerra:

In accordance with 170 IAC 1-6-1, enclosed please find the following sheets from Northern Indiana Public Service Company's ("NIPSCO") IURC Electric Service Tariff, Original Volume No. 13:

First Revised Sheet No. 8 – General Rules and Regulations;

First Revised Sheet No. 9 – General Rules and Regulations;

First Revised Sheet No. 10 – General Rules and Regulations;

First Revised Sheet No. 80 – Rate 734 – Industrial Power Service for Air Separation & Hydrogen Production Market Customers (Sheet No. 4 of 7);

First Revised Sheet No. 125 – Rider 775 – Interruptible Industrial Service Rider (Sheet No. 6 of 9);

First Revised Sheet No. 169 – Rider 781 – Demand Response Resource Type 1 (DRR 1) – Energy Only (Sheet No. 4 of 28);

First Revised Sheet No. 173 – Rider 781 – Demand Response Resource Type 1 (DRR 1) – Energy Only (Sheet No. 8 of 28);

First Revised Sheet No. 183 – Rider 781 – Demand Response Resource Type 1 (DRR 1) – Energy Only (Sheet No. 18 of 28);

First Revised Sheet No. 184 – Rider 781 – Demand Response Resource Type 1 (DRR 1) – Energy Only (Sheet No. 19 of 28);

First Revised Sheet No. 197 – Rider 782 – Emergency Demand Response Resource (EDR 1) – Energy Only (Sheet No. 4 of 28);

First Revised Sheet No. 198 – Rider 782 – Emergency Demand Response Resource (EDR 1) – Energy Only (Sheet No. 5 of 28);

First Revised Sheet No. 201 – Rider 782 – Emergency Demand Response Resource (EDR 1) – Energy Only (Sheet No. 8 of 28);

First Revised Sheet No. 211 – Rider 782 – Emergency Demand Response Resource (EDR 1) – Energy Only (Sheet No. 18 of 28); and

First Revised Sheet No. 212 – Rider 782 – Emergency Demand Response Resource (EDR 1) – Energy Only (Sheet No. 19 of 28).

The revisions impact NIPSCO’s Customers participating in Rate 734 and Riders 775, 781 and 782. The proposed revisions modify the customer’s Midcontinent Independent System Operator, Inc. (“MISO”) market based customer offer submittal deadlines to 8:00 a.m. Central Prevailing Time (C.P.T.). The proposed revisions will allow NIPSCO to align its tariff with MISO’s new Market Timing for the Day Ahead Market resulting from FERC Order 809, which is effective on operating day November 6, 2016. The proposed revisions also provide consistency with respect to Central and Eastern Time Zones as well as Daylight Savings Time. Customers participating under these tariffs were notified by our large customer representatives. At the time of this filing, no customer has an objection to the proposed revisions. The proposed revisions are shown in the attached redlined tariff sheets.

170 IAC 1-6-3(3) states that changes to rules and regulations are an allowable type of filing and the proposed revision is a change to the operating rules of the Electric Tariff. 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.

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

Timothy R. Caister
Vice President, Regulatory Policy
Northern Indiana Public Service Company
150 West Market Street, Suite 600
Indianapolis, Indiana 46204
317-684-4908
317-684-4918 (Fax)
tcaister@nisource.com

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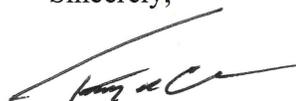
In accordance with 170 IAC 1-6-5(3), a clean and redlined version of the proposed tariff sheets are attached. No work papers are necessary to support this filing as required in 170 IAC 1-6-5(4).

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 ("OUCC"). Furthermore, NIPSCO has shared this filing with both the OUCC and certain affected large industrial customers prior to its filing.

In accordance with 170 IAC 1-6-6, NIPSCO provided notice to its customers in Lake County on September 14, 2016. A copy of the proof of publication is attached hereto. 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
Vice President, Regulatory Policy

Encl.

cc (w/ encl. – via email transmission)

Randall C. Helmen, Tyler Bolinger, Office of Utility Consumer Counselor
(rhelmen@oucc.in.gov, tbolinger@oucc.in.gov, infomgt@oucc.in.gov)
Joseph Rompala, Lewis & Kappes (jrompala@lewis-kappes.com)

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GENERAL RULES AND REGULATIONS
Applicable to Electric Service

1. DEFINITIONS

Unless otherwise specified in the Rate Schedules, the following terms shall have the meanings defined below when used in this Tariff for Electric Service:

- 1.1 Applicant. Any new customer requesting a new Rate Schedule.
- 1.2 Automated Meter Reading (AMR). The hardware, equipment and technology used to automatically remotely collect consumption data and status from the electric service metering device and transferring that data to a central database for billing, troubleshooting, and analysis.
- 1.3 Bill. An itemized list or statement of fees and charges for electric service. A Bill may be rendered by mail or by electronic means.
- 1.4 Billing Demand. That Demand, stated in kW, upon which the Demand Charge in the Customer's Bill is determined in any given month.
- 1.5 Billing Period. The Billing Period is defined as the period for which a Customer has been billed. The Billing Period is the duration from the Bill's start date to the Bill's end date.
- 1.6 C.P.T. Central Prevailing Time. Either Central Standard Time or Central Daylight Time, whichever is in effect in Chicago, Illinois.
- 1.7 C.S.T. Central Standard Time. All times referred to herein are C.S.T. unless another time zone is expressly identified.
- 1.8 Cogeneration Facility(ies). A facility that simultaneously generates electricity and useful thermal Energy and meets the energy efficiency standards established for a cogeneration facility by the Federal Energy Regulatory Commission (FERC) under 16 U.S.C. 824a-3, in effect November 9, 1978.
- 1.9 Commercial Customer. Any Customer primarily engaged in wholesale or retail trade and services, any local, state and federal government agency and any Customer not covered by another classification.
- 1.10 Commission or IURC. Indiana Utility Regulatory Commission, or its successor.
- 1.11 Company. Northern Indiana Public Service Company.
- 1.12 Company Standards. Electric Standards established by the Company and posted on the Company's website.
- 1.13 Contract Capacity / Contract Demand. A Customer's specified load requirements expressed in kW for which a Customer contracts.
- 1.14 Contract Year. Twelve (12) consecutive months used in the application of Rate Schedules.

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Effective Date
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Curtailment. The reduction of a Customer's load at the request of the Company pursuant to the Company's Tariff for reliability reasons.¶

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GENERAL RULES AND REGULATIONS
Applicable to Electric Service

1.15 Curtailment. The reduction of a Customer's load at the request of the Company pursuant to the Company's Tariff for reliability reasons.

1.16 Customer. Any person, firm, corporation, municipality, or other government agency which has agreed orally or otherwise, to pay for electric service at a Single Premise from the Company.

1.17 Customer Charge. The dollar amount set forth in each Rate Schedule.

1.18 Day-Ahead LMP. The day-ahead market clearing price for Energy as defined in the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff or its successor at the established NIPSCO load commercial pricing node(s).

1.19 Days. Unless otherwise noted, "days" means calendar days.

1.20 Delinquent Bill. A Customer Bill that has remained unpaid for the period set forth in 170 IAC 4-1-13 of the IURC Rules.

1.21 Demand. The rate at which Energy is used by the Customer from the Company's system within an interval of time, stated in kW.

1.22 Demand Charge. The portion of a Customer's Bill based on the Customer's Maximum Demand, in kW, and calculated on the Billing Demand under the applicable Rate Schedule.

1.23 Demand Indicating Meter (DI Meter). A meter capable of measuring and recording the maximum kW Demand, kVAR Demand and kWh within a specific range of time.

1.24 Disconnection. The termination or discontinuance of electric service.

1.25 Distribution Line. Any distribution line of the Company operated at a nominal voltage less than 69,000 volts.

1.26 Dwelling Unit. A residential living quarter.

1.27 Energy. The active component of the quantity of supply expressed in kWh.

1.28 Energy Charge. The portion of a Customer's Bill based on the Customer's Energy consumption, in kWh, under the applicable Rate Schedule.

1.29 FERC. Federal Energy Regulatory Commission, or its successor.

1.30 Fuel Cost Adjustment. The additional charges or credits the Company includes in a Customer's Bill to offset the variance in the fuel cost in base rates compared to actual cost of fuel. This adjustment is represented as cents per kWh.

1.31 General Service. Service provided to a Non-Residential Customer.

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GENERAL RULES AND REGULATIONS
Applicable to Electric Service

- 1.32 Gross Margin. Revenues minus cost of fuel and purchased power.
- 1.33 Human Needs Customers. Customers that include hospitals, medical centers, nursing homes and Customers where Curtailments would adversely affect public health and safety such as municipal fire departments, police departments, civil defense and emergency Red Cross services.
- 1.34 Industrial Customer. Any Customer who is engaged primarily in a process that creates or changes raw or unfinished materials into another form or product.
- 1.35 Interruption. The reduction of a Customer's load at the request of the Company pursuant to the Company's Tariff for economic reasons.
- 1.36 Interval Data Recorders (IDR). A meter capable of measuring and recording kW Demand and kVAR Demand on a sub-hour time interval and hourly integrated basis and measuring Energy in kWh on a cumulative basis.
- 1.37 IURC Rules. Rules and regulations for electric utilities promulgated by the IURC, codified in Title 170 of the Indiana Administrative Code (IAC), Article 4.
- 1.38 Kilovolt-Ampere (kVA). A measurement of total power - active power, measured in kW, and reactive power, kVAR. The kVA is defined as the current that is required to electrify the system to reduce resistance and line loss. The equivalent of one kW when the Power Factor is one hundred percent (100%), or is at unity.

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$$kVA = \sqrt{kW^2 + kVAR^2}$$

- 1.39 Kilovolt-Ampere Reactive Power (kVAR). A measurement of reactive power.
- 1.40 Kilowatt(s) (kW or kW/s). A measurement of active power. One kilowatt is equivalent to one thousand watts.
- 1.41 Kilowatt-hour(s) (kWh or kWh/s). The Energy consumed by the use of one kW steadily for one hour.
- 1.42 Lagging. The power factor of inductive loads is referred to as lagging, or less than 100%, based upon the power factor ratio.
- 1.43 Late Payment Charge. A one-time penalty assessed upon a Delinquent Bill.
- 1.44 Load Factor. The kWh divided by the product of the average hours per month (730 hours) times the kW maximum load in the month, expressed as a percentage.
- 1.45 Locational Marginal Price(s) (LMP or LMPs). The market clearing price for Energy, established by MISO on a day ahead and real-time basis, at the established NIPSCO Load Commercial Pricing Node(s).

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NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Electric Service Tariff
Original Volume No. 13
Cancelling All Previously Approved Tariffs

First Revised, Sheet No. 80
Superseding
Original Sheet No. 80

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RATE 734
RATE FOR ELECTRIC SERVICE
INDUSTRIAL POWER SERVICE FOR
AIR SEPARATION & HYDROGEN PRODUCTION MARKET CUSTOMERS

Sheet No. 4 of 7

RATE (Continued)

During Interruptions, all kWhs used in excess of the integrated hourly Demand of 276,000 kWhs shall be subject to an Energy Charge equal to the Customer elected LMP (DA/RT) for the Company's load zone plus a non-fuel Energy Charge of \$0.003009 per kWh.

Prior to **8:00 a.m. C.P.T.** 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 Rate Schedule during any Interruptions that occur for that operating day. These charges shall be separate and distinct from any Energy Charges assessed under Rider 775.

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DETERMINATION OF CONTRACT DEMAND

For purposes of this Rate Schedule, the On-Peak Hours shall be (i) 11 a.m. C.S.T. through and including 7 p.m. C.S.T. during the months of June, July, August and September and (ii) 1 p.m. C.S.T. through and including 9 p.m. C.S.T. during the months of January, February, March, April, May, October, November and December, all excluding Saturdays, Sundays, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

Prior to Customer taking service under this Rate Schedule, Customer and Company shall enter into a contract that identifies the initial standard rate Contract Demand. Thereafter, Customer may, upon sixty (60) days' notice to Company, elect to increase its Contract Demand (Billing Demand). Beginning twenty-four (24) months after the effective date of this Rate Schedule listed below, Customer shall have a one (1) time option to, upon sixty (60) days' notice to Company, reduce its Contract Demand (Billing Demand) by up to ten percent (10%). Thereafter, if Customer's average on-peak Demand levels recorded for each half hour interval during any three (3) consecutive months exceed Customer's initial standard Contract Demand, then the Contract Demand (Billing Demand) shall revert back to the initial standard Contract Demand identified in the contract.

DETERMINATION OF DEMAND

The Customer's Demand of electric Energy supplied shall be determined for each half-hour interval of the month and said Demand in kWhs for each half-hour interval shall be two times the number of kWhs recorded during each such half-hour interval. The phrase "half-hour interval" shall mean the thirty (30) minute period beginning or ending on a numbered clock hour as indicated by the clock controlling the metering equipment.

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IURC Electric Service Tariff
Original Volume No. 13
Cancelling All Previously Approved Tariffs

First Revised Sheet No. 125
Superseding
Original Sheet No. 125

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RIDER 775
INTERRUPTIBLE INDUSTRIAL SERVICE RIDER

Sheet No. 6 of 9

RATE (Continued)

Option D

\$9.00 per kW per Interruptible Billing Demand per month will be applied to the Rates 732, 733 or 734 bill.

Option E

\$9.50 per kW per Interruptible Billing Demand per month will be applied to the Rates 732, 733 or 734 bill.

Energy Charge

During Interruptions, all kWhs used above the greater of either (i) the previous hour's integrated hourly Demand immediately preceding notice less the amount of Interruption requested or (ii) the 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 732:	\$0.005702 per kWh
Rate 733:	\$0.005108 per kWh
Rate 734:	\$0.003009 per kWh

Prior to 8:00 a.m. C.P.T. 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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DETERMINATION OF INTERRUPTIBLE BILLING DEMAND

Interruptible Billing Demand shall be calculated as follows:

Options A, B, C, D & E

The lessor of: (1) the Interruptible Contract Demand, or (2) Billing Demand of either Rate 732, 733 or 734 less firm Contract Demand.

To the extent a Customer has more than one option under contract, the Interruptible Demand Credit shall be calculated based on the following order of Option E, D, C, B and then A.

The Customer's monthly Rate 732, Rate 733 or Rate 734 Billing Demand shall be calculated in accordance with Rate 732, Rate 733 or Rate 734.

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Original Sheet No. 169

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RIDER 781
DEMAND RESPONSE RESOURCE TYPE 1 (DRR 1) – ENERGY ONLY

Sheet No. 4 of 28

THIRD-PARTY AGGREGATORS

Aggregation will be permitted under this Rider subject to (a) measurement and verification of Customer response in a manner satisfactory to the Company sufficient to allow Company to comply with any and all MISO requirements, and (b) subject to satisfaction of reasonable and appropriate qualifications for any participating Aggregator.

An ARC shall be subject to the terms of the Service Agreement (Attachment B) and pursuant to the terms of this Rider. An ARC shall provide a list of all individual Customers who are participating with the ARC. A Customer may serve as an ARC for other Customers in the service territory, but shall be subject to the requirements set forth in this Rider for ARCs. The Company shall have final approval over final integration of business processes of all participating ARCs.

OFFERS

A Customer/ARC shall have the option of participating or not on any particular day, as applicable, as long as it notifies the Company prior to **8:00 a.m. C.P.T.** on the day before the day it does not wish to provide an energy offer. If the total load Curtailment Amount available for any particular offer from the applicable participant for a given day within a given hour is less than 1 MW, an offer of “Not Participating” will be made for that hour.

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When first registered, a default offer will be established which will remain valid until updated or declared unavailable by the Customer/ARC. All offers are applicable to every day noted in the offer. Default offers can only be made after the resource has been certified by MISO. The annual registration fee shown on Attachment C must be paid to the Company with submittal of the registration information.

The Customer/ARC shall submit the required information in the prescribed electronic format to the Company’s designee no later than **8:00 a.m. C.P.T.** for submittal to MISO by the Company. This time may be later at the Company’s sole discretion. Up to fifteen (15) offer changes per month shall be entered at no charge to the Customer/ARC. Attachment C outlines the charges for subsequent offer changes.

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MISO PERFORMANCE REQUIREMENTS

Performance requirements are stated in the BPM and the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff. It shall be the Customer’s or ARC’s responsibility to comply with all of the minimum performance criteria specified by MISO in effect and as may be amended from time to time.

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RIDER 781
DEMAND RESPONSE RESOURCE TYPE 1 (DRR 1) – ENERGY ONLY

Sheet No. 8 of 28

DRR Type 1 Energy Terms and Conditions

1. **EVENT NOTIFICATION:** NIPSCO will notify Customer within 30 minutes after receiving information on Cleared Offers and/or dispatch instructions from MISO regarding Customer's DRR Type 1 offer submitted through NIPSCO. NIPSCO shall provide such notice in the manner outlined above.

2. **CUSTOMER REDUCTION OBLIGATION:** Customer is obligated to reduce load as communicated by NIPSCO in accordance with the MISO dispatch instruction. Deviations in load reductions above or below the dispatch amount may result in charges as described in the applicable BPM(s). Any such charges will be assessed to Customer.

3. **ENERGY COMMITMENT STATUS AND OTHER DAILY CHANGES TO OFFERS:** Customer may update its Energy Commitment Status ("Participating" or "Not Participating") daily through correspondence with NIPSCO as updated. Status updates must be received by ~~8:00 a.m. C.P.T.~~ Energy Commitment Status may be changed daily with no additional charge to the Customer. Customer must specify a "Not Participating" status if load reduction is unavailable due to a forced or planned outage/shutdown or other physical operating restriction. Other offer parameters, including Cost Parameters, may be updated daily through correspondence with NIPSCO as designated. Status updates must be received by ~~8:00 a.m. C.P.T.~~ the day prior to the day the status or parameter change will be effective. Customer shall be entitled to twenty (20) offer entry changes per calendar month at no additional charge to the Customer. Customer shall pay \$100 for each additional change, which shall be included on the Customer's monthly Bill and will first be netted against any settlement due to Customer as a result of a DRR Type 1 Event. Each offer entry change may cover any number of hourly offers/parameters in a given month, and such an offer entry change shall constitute one (1) change. All changes are subject to MISO limitations and will not permanently update the Customer's default offer unless specified by Customer. Further, if Customer's status changes and Customer cannot provide load reduction as offered, Customer must immediately notify NIPSCO. Customer is responsible for meeting all offer obligations when the offer is cleared.

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4. **CUSTOMER OFFER COST PARAMETERS:** Customer may specify changes to its default offer parameters for each hour as specified in the relevant BPM(s). All costs are subject to MISO specified limits and MISO independent market monitor review. NIPSCO reserves the right to review daily offers and reject Customer proposed changes if offers contain errors or may create reliability concerns. All updates must be received by ~~8:00 a.m. C.P.T.~~ the day prior to the day the status or parameter change will be effective. These updates will not permanently change the Customer's default offers unless specified by Customer.

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5. **MEASUREMENT AND VERIFICATION:** Upon registration by the Customer, NIPSCO shall request a settlement CP Node from MISO for the DRR Type 1 resource. NIPSCO will utilize the baseline method as set forth in Rider 681. The Baseline Load will be provided to the Customer on the business day following the DRR Type 1 Event. Customer may curtail by the fixed reduction amount.

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RIDER 781
DEMAND RESPONSE RESOURCE TYPE 1 (DRR 1) – ENERGY ONLY

Sheet No. 18 of 28

6. The ARC shall be subject to testing and metering requirements of MISO for DRR Type 1 resources, as this term is defined by MISO, as specified in all applicable MISO Business Practice Manuals ("BPMs").

7. Customer Curtailment enrolled under this Agreement must be solely committed to NIPSCO and may not participate in any other DRR I or Emergency Demand Response Service Agreement either on its own or with another ARC.

ARC DRR Type 1 Energy Terms and Conditions

1. **EVENT NOTIFICATION:** NIPSCO will notify the ARC within 30 minutes after receiving information on Cleared Offers and/or dispatch instructions from MISO regarding the ARC's DRR Type 1 offer submitted through NIPSCO. NIPSCO shall provide such notice in the manner outlined above.

2. **ARC REDUCTION OBLIGATION:** The ARC is obligated to reduce load as communicated by NIPSCO in accordance with the MISO dispatch instruction. Deviations in load reductions above or below the dispatch amount may result in charges as described in the applicable BPM(s). Any charges will be assessed to the ARC and it shall be the ARC's responsibility to determine how to assess those charges to individual Customers.

3. **ENERGY COMMITMENT STATUS AND OTHER DAILY CHANGES TO OFFERS:** The Customer may update its Energy Commitment Status ("Participating" or "Not Participating") daily through correspondence with NIPSCO. Status updates must be received by 8:00 a.m. C.P.T. Energy Commitment Status may be changed daily with no additional charge to the ARC. The Customer must specify a "Not Participating" status if load reduction is unavailable due to a forced or planned outage/shutdown or other physical operating restriction. Other offer parameters, including cost parameters, may be updated daily through correspondence with NIPSCO as designated. Status updates must be received by 8:00 a.m. C.P.T. the day prior to the day the status or parameter change will be effective. The Customer shall be entitled to twenty (20) offer entry changes per calendar month at no additional charge to the Customer. The Customer shall pay \$100 for each additional change, which shall be invoiced to the ARC included on the Customer's monthly bill and will first be netted against any settlement due to the Customer as a result of a DRR Type 1 Event. Each offer entry change may cover any number of hourly offers/parameters in a given month, and such an offer entry change shall constitute one (1) change. All changes are subject to MISO limitations and will not permanently update the Customer's default offer unless specified by the customer. Further, if the Customer's status changes and the Customer cannot provide load reduction as offered, the Customer must immediately notify NIPSCO. The Customer is responsible for meeting all offer obligations when the offer is cleared.

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NORTHERN INDIANA PUBLIC SERVICE COMPANY
IURC Electric Service Tariff
Original Volume No. 13
Cancelling All Previously Approved Tariffs

First Revised Sheet No. 184
Superseding
Original Sheet No. 184

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RIDER 781
DEMAND RESPONSE RESOURCE TYPE 1 (DRR 1) – ENERGY ONLY

Sheet No. 19 of 28

4. **ARC OFFER COST PARAMETERS:** The ARC may specify changes to its default offer parameters for each hour as specified in the relevant MISO BPM(s). All costs are subject to MISO specified limits and MISO independent market monitor review. NIPSCO reserves the right to review daily offers and reject ARC proposed changes if offers contain errors or may create reliability concerns. All updates must be received by 8:00 a.m. C.P.T. the day prior to the day the status or parameter change will be effective. These updates will not permanently change the ARC's default offers unless specified by the ARC.

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5. **MEASUREMENT AND VERIFICATION:** Upon registration by the ARC, NIPSCO shall request a settlement CP Node from MISO for the DRR Type 1 resource. NIPSCO will utilize the baseline method as set forth in Rider 681. The Baseline Load will be provided to the Customer on the business day following the DRR Type 1 Event. The ARC may curtail by the fixed reduction amount.

6. **ENERGY SETTLEMENT:**

- a. The ARC will be eligible for compensation for load reduction for participating in a DRR Type 1 Event when cleared and dispatched. MISO settlement information will be used as the basis for DRR Type 1 Event compensation. NIPSCO will reduce this settlement amount to account for the Marginal Foregone Retail Rate ("MFRR") and any applicable fees as defined in NIPSCO's Tariff.
- b. In addition, NIPSCO will reduce the ARC's compensation in the event where additional MISO costs are incurred as a result of the DRR Type 1 participation. In the event of such additional costs, NIPSCO shall provide documentation to the ARC upon request.
- c. All MISO charges for non-compliance shall be the ARC's responsibility. NIPSCO shall not be responsible for determining the individual Customer(s) responsible for non-compliance, nor shall the Company be responsible for assessing fees to the individual Customer(s). This will include subtracting from the amount received from MISO the sum of five percent (5%) of the total Cleared Offer for the part of the load that was non-compliant. The remainder shall be remitted on a monthly basis to the ARC through a DRR Type 1 Event Credit ("Credit") as specified in Rider 681.
- d. In the event that the amount specified in Paragraph 6(c) for the month is greater than the amount due to the ARC for the month in Paragraph 6(a) less any reductions as a result of Paragraph 6(b), a DRR Type 1 Event Debit ("Debit") for the appropriate amount shall appear on the ARC's invoice as specified in Rider 681.

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RIDER 782
EMERGENCY DEMAND RESPONSE RESOURCE (EDR) – ENERGY ONLY

Sheet No. 4 of 28

APPLICATION, SERVICE AGREEMENT AND TESTING

Customer/ARC participation in this Rider shall be subject to the approval of an application by the Company on a non-discriminatory basis. For non-Customer ARCs, this process may include a review of the ARC's creditworthiness and an evaluation of the need for appropriate financial assurance prior to participation. This financial assurance may include full collateral in the form of cash or other security instrument deemed appropriate by the Company. The Customer/ARC must assist the Company in completing any MISO registration requirements. Once approved for participation, the Customer/ARC must enter into the Company provided Service Agreement, which shall be no more than one (1) Contract Year in duration. This Service Agreement shall be renewed for up to two (2) additional one Contract Year terms subject to the right of either party to provide notice of termination sixty (60) days prior to the expiration of the initial or any subsequent term.

In accordance with MISO's requirements, the Company shall have the right to perform a measurement and verification test prior to participation in this Rider to ensure that the selected Curtailment Amount option is viable and that the test results can be accurately measured and verified by all parties for settlement purposes. The testing will not require the actual Curtailment of Customer load except to the extent such actual Curtailment of Customer load is required under The MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff and/or BPMs. As the MP, the Company shall have the final decision on the viability of the Customer's or ARC's measurement and verification.

THIRD-PARTY AGGREGATORS

Aggregation will be permitted under this Rider subject to (a) measurement and verification of Customer response in a manner satisfactory to the Company sufficient to allow Company to comply with any and all MISO requirements, and (b) subject to satisfaction of reasonable and appropriate qualifications for any participating ARC.

An ARC shall be subject to the terms of the ARC Service Agreement (Attachment B) and to the terms of this Rider. An ARC shall provide a list of all individual Customers who are participating with the ARC. A Customer may serve as an ARC for other Customers in the service territory, but shall be subject to the requirements set forth in this Rider for ARCs. The Company shall have final approval over final integration of business processes of all participating ARCs.

OFFERS

A Customer/ARC shall have the option of participating or not on any particular day, as applicable, as long as it notifies the Company prior to 8:00 a.m. C.P.T. on the day before the day it does not wish to provide an Energy offer. If the total load Curtailment Amount available for any particular offer from the applicable participant for a given day within a given hour is less than 1 MW, an offer of "Not Participating" will be made for that hour.

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EMERGENCY DEMAND RESPONSE RESOURCE (EDR) – ENERGY ONLY

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If the resource is a Behind the Meter Generator (“BTMG”), the Customer must affirm in writing that: (1) it holds all necessary permits; (2) it possesses the necessary rights to operate the unit; and (3) the BTMG is not a Network Resource as defined by MISO. If the generation resource designated under this Rider is historically not operated during non-Emergency conditions, the Energy that can be offered is the increase in output from a BTMG resource to enable a net Demand reduction in response to receiving an EDR dispatch instruction from the Company.

When first registered, a default offer will be established which will remain valid until updated or declared unavailable by the Customer/ARC. All offers are applicable to every day noted in the offer. Default offers can only be made after the resource has been certified by MISO. The annual registration fee shown on Attachment C must be paid to the Company with submittal of the registration information.

The Customer/ARC shall submit the required information in the prescribed electronic format to the Company’s designee no later than **8:00 a.m. C.P.T.** for submittal to MISO by the Company. This time may be later at the Company’s sole discretion. Up to fifteen (15) offer changes per month shall be entered at no charge to the Customer/ARC. Attachment C outlines the charges for subsequent offer changes.

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MISO PERFORMANCE REQUIREMENTS

Performance requirements are stated in the BPM and the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff. It shall be the Customer’s or ARC’s responsibility to comply with all of the minimum performance criteria specified by MISO in effect and as may be amended from time to time.

PROCEDURES

Registration requirements, notifications, performance, metering requirements and other operating procedures are contained in the Service Agreement (Attachment A (Customer) or Attachment B (ARC)). Customer/ARC shall be responsible for acting upon a curtailment notification.

MARKET PARTICIPANT

The Company shall be the MP to MISO for those facilities operated by the Customer or aggregated by an ARC within the Company’s service territory.

ADMINISTRATIVE FEES

The Company shall bill Customer/ARC for administrative fees shown on Attachment C which may be amended from time to time with approval by the Commission utilizing the thirty (30) day Administrative Filing Procedures to the extent such amendment would otherwise qualify under said provisions.

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EMERGENCY DEMAND RESPONSE RESOURCE (EDR) – ENERGY ONLY

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EDR Energy Terms and Conditions

1. **EVENT NOTIFICATION:** NIPSCO will notify Customer within 30 minutes after receiving information on Cleared Offers and/or dispatch instructions from MISO regarding Customer's EDR offer submitted through NIPSCO. NIPSCO shall provide such notice in the manner outlined above.

2. **CUSTOMER REDUCTION OBLIGATION:** Customer is obligated to reduce load as communicated by NIPSCO in accordance with the MISO dispatch instruction. Deviations in load reductions above or below the dispatch amount may result in charges as described in the applicable BPM(s). Customer may curtail to a firm Demand Level or by a Fixed Reduction Amount as follows.

- a. A Customer electing to curtail to a Firm Demand Level agrees, upon notification by Company, to limit its Demand to a firm load level.
- b. A Customer electing to curtail by a Fixed Reduction Amount agrees, upon notification by Company, to reduce energy usage below its Consumption Baseline level by the Customer specified amount.

3. **ENERGY COMMITMENT STATUS AND OTHER DAILY CHANGES TO OFFERS:** Customer may update its Energy Commitment Status ("Participating" or "Not Participating") daily through correspondence with NIPSCO as updated. Status updates must be received by 8:00 a.m. C.P.T. Energy Commitment Status may be changed daily with no additional charge to the Customer. Customer must specify a "Not Participating" status if load reduction is unavailable due to a forced or planned outage/shutdown or other physical operating restriction. Other offer parameters, including cost parameters, may be updated daily through correspondence with NIPSCO. Status updates must be received by 8:00 a.m. C.P.T. the day prior to the day the status or parameter change will be effective. Customer shall be entitled to twenty (20) offer entry changes per calendar month at no additional charge to the Customer. Customer shall pay \$100 for each additional change, which shall be included on the Customer's monthly Bill and will first be netted against any settlement due to Customer as a result of an EDR Event. Each offer entry change may cover any number of hourly offers/parameters in a given month, and such an offer entry change shall constitute one (1) change. All changes are subject to MISO limitations and will not permanently update the Customer's default offer unless specified by Customer. Further, if Customer's status changes and Customer cannot provide load reduction as offered, Customer must immediately notify NIPSCO. Customer is responsible for meeting all offer obligations when the offer is cleared.

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4. **CUSTOMER OFFER COST PARAMETERS:** Customer may specify changes to its default offer parameters for each hour as specified relevant MISO BPM(s). All costs are subject to MISO specified limits and MISO independent market monitor review. NIPSCO reserves the right to review daily offers and reject Customer proposed changes if offers contain errors or may create reliability concerns. All updates must be received by 8:00 a.m. C.P.T. the day prior to the day the status or parameter change will be effective. These updates will not permanently change the Customer's default offers unless specified by Customer. If the resource is a Behind the Meter Generator ("BTMG"), the Customer shall follow the requirements set forth in Rider 682, MISO Schedule 30 and any applicable BPM(s).

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EMERGENCY DEMAND RESPONSE RESOURCE (EDR) – ENERGY ONLY

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6. The ARC shall be subject to testing and metering requirements of MISO for EDR resources, as this term is defined by MISO, as specified in all applicable MISO BPMs.

7. Customer load Curtailment enrolled under this Agreement must be solely committed to NIPSCO and may not participate in any other EDR or Demand Response Resource Type 1 – Energy Service Agreement either on its own or with another ARC.

ARC EDR Energy Terms and Conditions

1. **EVENT NOTIFICATION:** NIPSCO will notify the ARC within 30 minutes after receiving information on Cleared Offers and/or dispatch instructions from MISO regarding the ARC’s EDR offer submitted through NIPSCO. NIPSCO shall provide such notice in the manner outlined above.

2. **ARC REDUCTION OBLIGATION:** The ARC is obligated to reduce load as communicated by NIPSCO in accordance with MISO dispatch instruction. Deviations in load reductions above or below the dispatch amount may result in charges as described in the applicable BPM(s). Any charges will be assessed to the ARC and it shall be the ARC’s responsibility to determine how to assess those charges to individual customers.

3. **ENERGY COMMITMENT STATUS AND OTHER DAILY CHANGES TO OFFERS:** The Customer may update its Energy Commitment Status (“Participating” or “Not Participating”) daily through correspondence with NIPSCO. Status updates must be received by 8:00 a.m. C.P.T. Energy Commitment Status may be changed daily with no additional charge to the ARC. The ARC must specify a “Not Participating” status if load reduction is unavailable due to a forced or planned outage/shutdown or other physical operating restriction. Other offer parameters, including cost parameters, may be updated daily through correspondence with NIPSCO as designated. Status updates must be received by 8:00 a.m. C.P.T. the day prior to the day the status or parameter change will be effective. The ARC shall be entitled to twenty (20) offer entry changes per calendar month at no additional charge to the Customer. The Customer shall pay \$100 for each additional change, which shall be included on the Customer’s monthly Bill and will first be netted against any settlement due to the Customer as a result of an EDR Event. Each offer entry change may cover any number of hourly offers/parameters in a given month, and such an offer entry change shall constitute one (1) change. All changes are subject to MISO limitations and will not permanently update the Customer’s default offer unless specified by the Customer. Further, if the Customer’s status changes and the Customer cannot provide load reduction as offered, the Customer must immediately notify NIPSCO. The Customer is responsible for meeting all offer obligations when the offer is cleared.

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EMERGENCY DEMAND RESPONSE RESOURCE (EDR) – ENERGY ONLY

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4. **ARC OFFER COST PARAMETERS:** The ARC may specify changes to its default offer parameters for each hour as specified in the relevant MISO BPM(s). All costs are subject to MISO specified limits and MISO independent market monitor review. NIPSCO reserves the right to review daily offers and reject ARC proposed changes if offers contain errors or may create reliability concerns. All updates must be received by 8:00 a.m. C.P.T. the day prior to the day the status or parameter change will be effective. These updates will not permanently change the ARC's default offers unless specified by the ARC.

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5. **MEASUREMENT AND VERIFICATION:** Upon registration by the Customer, NIPSCO shall request a settlement CP Node from MISO for the EDR resource. NIPSCO will utilize the baseline method as set forth in Rider 682. The Baseline Load will be provided to Customer on the next business day following the EDR Event.

- a. **Firm Demand Level:** To determine the amount of Demand reduction for the ARC electing to drop load to a firm Demand level, the Demand level at the time of event will be utilized. If the ARC does not reduce load to that Demand level, the ARC will be considered to not be in compliance.
- b. **Fixed Reduction Amount:** To determine the amount of Demand reduction for an ARC electing to reduce load by a fixed amount, the difference between the Baseline Load and the load at the time of the event will be utilized. If the ARC does not reduce load by the fixed amount, the ARC will be considered to not be in compliance.
6. **ENERGY SETTLEMENT:**
 - a. The ARC will be eligible for compensation for load reduction for participating in an EDR Event when cleared and dispatched. MISO settlement information will be used as the basis for EDR Event compensation. NIPSCO will reduce this settlement amount to account for the Marginal Foregone Retail Rate ("MFRR") and any applicable fees as defined in NIPSCO's Tariff.
 - b. In addition, NIPSCO will reduce the ARC's compensation in the event where additional MISO costs are incurred as a result of the EDR participation. In the event of such additional costs, NIPSCO shall provide documentation to the ARC upon request.
 - c. All MISO charges for non-compliance shall be the ARC's responsibility. This will include subtracting from the amount received from Midwest ISO the sum of 5% of the total Cleared Offer for the part of the load that was non-compliant. The remainder shall be remitted on a monthly basis to the ARC through an EDR Event Credit ("Credit") as specified in Rider 682. NIPSCO shall not be responsible for determining the individual Customer(s) responsible for non-compliance, nor shall the Company be responsible for assessing fees to the individual Customer(s).

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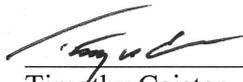
NIPSCO

**Verified Statement of Northern Indiana Public Service Company
Concerning Notification of Customers Affected by September 28, 2016 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 (Lake County), a newspaper of general circulation that has a circulation encompassing the highest number of the utility's customers affected by the filing, on September 22, 2016, as reflected in the attached Publisher's Affidavit; and
- I affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Dated this 28th day of September, 2016.



Timothy Caister
Vice President, Regulatory Policy

NOTICE OF 30-DAY FILING

On or about September 28, 2016, 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.* proposed revisions to modify the customer’s Midcontinent Independent System Operator, Inc. (“MISO”) market based customer offer submittal deadlines to 8:00 a.m. Central Prevailing Time (C.P.T.). The proposed revisions will allow NIPSCO to align its tariff with MISO’s new Market Timing for the Day Ahead Market resulting from FERC Order 809, which is effective on operating day November 6, 2016. The proposed revisions also provide consistency with respect to Central and Eastern Time Zones as well as Daylight Savings Time. Customers participating under these tariffs were notified by our large customer representatives. The revisions impact NIPSCO’s IURC Electric Service Tariff, Original Volume No. 13. A decision on the 30-Day Filing is anticipated at least thirty days after the September 28, 2016 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, 115 West Washington Street, Suite 1500 South, Indianapolis, IN 46204.

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