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TO WHOM AVAILABLE

This is a rate available to Customers presently receiving gas service from the Company, whose gas requirements during the most recent calendar year average at least 100 Dth per day and to new or existing Customers presently utilizing an alternate fuel and/or adding additional load who shall certify in writing and demonstrates that their gas requirements will average at least 100 Dth per day.

Service hereunder is available to any aforesaid Customer, who shall enter into a mutually agreeable written contract for the delivery by the Company of quantities of natural gas obtained by the Customer from a source other than the Company and delivered to the Company for the purposes of service hereunder.

CHARACTER OF SERVICE

Service under this Rate shall be firm transportation service.

Firm balancing service shall be for amounts up to the firm balancing account injection / withdrawal rights under Company Balancing Service Category (B).

The customers in Zone A shall make all necessary agreements and obtain all necessary regulatory or governmental certificates or approvals to enable the gas transported under this Rate Schedule to be delivered to the Company at least one delivery point of the Company's existing delivery points (City Gates) within Zone A of Natural Gas Pipeline Company of America (NGPL), Trunkline Gas Company, ANR Pipeline Company, Crossroads Pipeline Company, Vector Pipeline L.P., and Northern Border and provided the Company's contractual arrangements and facilities are physically adequate to transport the contracted volumes to the facilities of the Customer. However, Customers in Zone A located in the Company's service territory where there is only one supplying pipeline are restricted for transportation service to deliveries in that pipeline.

The customers in Zone B shall make all necessary agreements and obtain all necessary regulatory or governmental certificates or approvals to enable the gas transported under this Rate Schedule to be delivered to the Company at least one delivery point of the Company's existing delivery points of Panhandle Eastern Pipeline Company, and ANR Pipeline Company, and provided the Company's contractual arrangements and facilities are physically adequate to transport the contracted volumes to the facilities of the Customer. However, Customers in Zone B located in the Company's service territory where there is only one supplying pipeline are restricted for transportation service to deliveries in that pipeline.

The customers in Zones C and D shall make all necessary agreements and obtain all necessary regulatory or governmental certificates or approvals to enable the gas transported under this Rate Schedule to be delivered to the Company at least one delivery point of the Company's existing delivery points of ANR Pipeline Company, and provided the Company's contractual arrangements and facilities are physically adequate to transport the contracted volumes to the facilities of the Customer. However, Customers in Zones C and D located in

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CHARACTER OF SERVICE (Cont'd)

the Company's service territory where there is only one supplying pipeline are restricted for transportation service to deliveries in that pipeline.

The customers in Zone E shall make all necessary agreements and obtain all necessary regulatory or governmental certificates or approvals to enable the gas transported under this Rate Schedule to be delivered to the Company at least one delivery point of the Company's existing delivery points of Crossroads Pipeline Company, and provided the Company's contractual arrangements and facilities are physically adequate to transport the contracted volumes to the facilities of the Customer. However, Customers in Zone E located in the Company's service territory where there is only one supplying pipeline are restricted for transportation service to deliveries in that pipeline.

The Company will be the sole determinant of pipeline delivery point capacity availability for transport quantities of natural gas. In the event there is greater forecasted demand for deliveries at any given City Gate than there is capacity available, such available capacity will be allocated to Customers in accordance with the curtailment allocation methodology established by the Company as described below

During a Critical Period as defined in Rider 431, the Company will have the right to further restrict the availability of approved delivery points to certain customers based on the customer's load, the capacity of the pipeline delivery point and the capacity within the Company's system.

Gas transported by the Company for a Customer contracting for service hereunder shall be for the sole and exclusive benefit of such Customer and shall not be available for resale except under the provisions of the Nomination Exchange and Imbalance Exchange Services of the Company's Gas Transportation Rate Schedules.

CAPACITY CURTAILMENT ALLOCATION

When sufficient capacity or quantities of gas are not available to the Company to meet existing and reasonably anticipated demands of Customers or to protect and replenish Company's storage reserves, which determinations shall be within Company's reasonable discretion, Customer shall, as provided herein and upon notice from Company, curtail use of gas to such extent and during such periods as Company shall specify.

Customer must curtail to plant protection levels upon two hour notice from Company directing Curtailment of Gas Service under this Rate Schedule. Plant protection level shall be the minimum quantity of gas required by Customer to present endangering the health or safety of personnel, or to prevent material damage to Customer's facilities, equipment or other property. This includes the protection of such material currently in process at the time a Curtailment is called which would otherwise be destroyed, but shall not include Gas Service required to maintain plant production.

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CAPACITY CURTAILMENT ALLOCATION (continued)

When NIPSCO has curtailed to the Plant Protection Level as agreed to by NIPSCO and the Customer, or if NIPSCO is required to reduce volumes below plant protection level to insure customer health and safety and the integrity of NIPSCO's gas system is not compromised, any gas used by the customer above the limitations requested shall be subject to the penalty provisions of Rule 13.9 in the Company's General Rules and Regulations.

CONTRACT

Any Customer requesting service hereunder shall enter into a written contract with the Company for an initial period of one (1) year, or such other period as shall be mutually agreeable to the parties, and such contract shall continue from month to month thereafter unless canceled by either party giving to the other sixty (60) days' prior written notice of the termination of such contract at the end of the initial period or any monthly period thereafter.

DELIVERY OF GAS BY THE COMPANY

All gas delivered by the Company to a Customer under this Rate Schedule shall be subject to an unaccounted for gas adjustment specified in Appendix E.

The Company will allow a Customer to change nominations daily. Daily changes in nominations must be supplied to the Company no later than the time required for such nominations by the delivering pipeline(s).

The Company acknowledges that the volume of natural gas of Customer-owned gas delivered to the Company in any day, as adjusted for unaccounted for gas, may not, due to operating conditions, equal the amount of gas consumed by the Customer in the same day. However, the Company requires all Customers to be administratively in balance on a daily basis utilizing services provided under this Rate Schedule and/or other applicable rates.

IMBALANCES

The Company requires all Customers to be administratively balanced on a daily basis. Daily administrative balancing is accomplished through the use of services available as follows:

1. Nomination Exchange Service
2. Interruptible Gas Overtake Service and Nominated Interruptible Gas Overtake Service
3. Company Balancing Service Category (B)
4. Imbalance Netting Option

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METERING REQUIREMENTS

The Customer may request a daily meter recording device which will be installed by the Company at the Customer's expense. The Company may, on a non-discriminatory basis, require Customer to furnish access to a phone line.

NOMINATION EXCHANGE SERVICE

Under the scheduling provisions of this Rate, Customers are required to make final scheduling nominations at the same times required by the delivering pipeline(s) prior to the start of the gas day in order to meet the schedule confirmation deadlines of the delivering pipelines connected to the Company including interruptible balance account injection/withdrawal scheduling as more fully explained in the description of Company Balancing Service Category (B). In order to provide Customers with more flexibility in their supply management, the Company will allow Customers or their authorized agents to exchange gas between each other or their authorized agents at the City Gate and thus adjust their scheduled transportation receipts and deliveries on the Company's system up to two (2) hours prior to the end of each gas day.

Each Customer (the Buyer and the Seller) will be charged ten dollars ($10.00) for each day in which they make trades. Trading between Customers is limited to Customers in the same Zone and must result in no change in confirmed scheduled nominations at the City Gate between the Company and delivering pipelines. Scheduled balance account injections or withdrawals are considered Customer-specific confirmed nominations and cannot be changed under this service. The Company will also accept prearranged buy/sell transactions between parties provided both parties or their authorized agents provide the Company binding acknowledgment of such trade by the trading deadline. The Company will not take title to any Customer-owned gas which is exchanged under this service, and all transactions will occur at the City Gate. The Company must receive binding confirmation from all Customers involved in an exchange transaction prior to the exchange deadline.

INTERRUPTIBLE GAS OVERTAKE SERVICE AND NOMINATED INTERRUPTIBLE GAS OVERTAKE SERVICE

Should a Customer not nominate, or take gas on any day which exceeds the Customer's nomination after adjustments for imbalance exchanges, scheduled deliveries from a storage agreement, and permitted scheduled or automatic redeliveries from the Customer's balancing account, said overtake will be a no-notice gas sales by the Company as Interruptible Gas Overtake Service, if available. This gas will be delivered to the Customer at NIPSCO's City Gate.

A Customer may elect to take service under the Company's Nominated Interruptible Overtake Service, such service to be nominated to the Company within the timeframe required for nominations for customer-owned gas, or at the discretion of the Company a lesser timeframe, the quantities of natural gas desired for service to be delivered to the Customer as Nominated Interruptible Gas Overtake Service by the Company. The Company, in any case, reserves the sole and exclusive right hereunder to accept or not accept nominations for

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INTERRUPTIBLE GAS OVERTAKE SERVICE AND NOMINATED INTERRUPTIBLE GAS OVERTAKE SERVICE (continued)

Nominated Interruptible Gas Overtake Service. All quantities of natural gas nominated by the Customer and delivered by the Company shall be considered taken by the Customer in the gas day requested by the Customer and accepted by the Company.

No-notice gas overtakes under Interruptible Gas Overtake Service will be billed to the Customer at a daily overtake price.

For customers in Zone A in the Company's service territory, the daily overtake price shall be calculated as the daily price posted in "Gas Daily" daily Chicago City-gate Midpoint Price plus a no-notice fee of 30 percent of the "Gas Daily" daily Chicago City-gate Midpoint Price, and/or the allocated pipeline penalty charge if any, plus the applicable Transportation Charge on the Company's system.

For customers in Zones B, C, D and E in the Company's service territory, the daily overtake price shall be calculated as the daily price posted in "Gas Daily" daily Mich Con City-gate Midpoint Price plus a no-notice fee of 30 percent of the "Gas Daily" daily Mich Con City-gate Midpoint Price, and/or the allocated pipeline penalty charge if any, plus the applicable Transportation Charge on the Company's system.

No-notice fees and pipeline penalty charges are credited to the GCA customers.

Customer agrees, by taking service under this no-notice Interruptible Overtake Service provision, that it will utilize this service to manage only daily overtakes and/or curtailments or interruptions in its transport from its supplying pipelines.

For customers in Zone A, if the Customer's overtake in any day to be billed under this provision is in excess of 20% of the Customer's total daily take of gas, the no-notice fee for that day will be increased to 40 percent of the "Gas Daily" daily Chicago City-gate Midpoint Price for all gas provided under this provision in excess of 20% of the Customer's total daily take of gas.

For customers in Zones B, C, D and E, if the Customer's overtake in any day to be billed under this provision is in excess of 20% of the Customer's total daily take of gas, the no-notice fee for that day will be increased to 40 percent of the "Gas Daily" daily Mich Con City-gate Midpoint Price for all gas provided under this provision in excess of 20% of the Customer's total daily take of gas.

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INTERRUPTIBLE GAS OVERTAKE SERVICE AND NOMINATED INTERRUPTIBLE GAS OVERTAKE SERVICE (continued)

At the Company's discretion, the Customer may be assessed allocated pipeline penalty charges. No-notice fees and pipeline penalty charges are credited to the GCA customers.

Nominated gas overtakes under Nominated Interruptible Gas Overtake Service will be billed to the Customer at a daily overtake price.

For customers in Zone A, the daily nominated overtake price shall be calculated as the daily price as in "Gas Daily" daily Chicago City-gate Midpoint Price, plus 5 percent of the "Gas Daily" daily Chicago City-gate Midpoint Price for on time nomination or mutually agreed upon charge per therm for late notice, plus the applicable Transportation Charge on the Company's system.

For customers in Zones B, C, D and E, the daily nominated overtake price shall be calculated as the daily price as in "Gas Daily" daily Mich Con City-gate Midpoint Price, plus 5 percent of the "Gas Daily" daily Mich Con City-gate Midpoint Price for on time nomination or mutually agreed upon charge per therm for late notice, plus the applicable Transportation Charge on the Company's system.

The Company shall notify the Customer of its intention to begin delivery of gas, to make any material change in the rate of delivery of gas hereunder as far as is practicable in advance of, and in any event not less than thirty (30) minutes before, any such beginning of delivery, change in rate of delivery or discontinuance or resumption of delivery and, subject to the giving of such notice, shall have the right at any time and from time to time to make any such changes in rate of delivery of the gas delivered, or to begin delivery, to discontinue or to resume delivery. The Company shall not be liable for any loss of production or for any damages whatsoever by reason of any such curtailment or interruption of this service, whether due to the lack of advance notice or otherwise. Customer agrees, by taking service under no-notice Interruptible Gas Overtake Service and Nominated Interruptible Gas Overtake Service provisions, that it can and will promptly curtail or cease the take of gas hereunder within the above notice period. If no-notice Interruptible Gas Overtake Service and Nominated Interruptible Gas Overtake Service are interrupted or curtailed and the Customer continues to take gas, service will be deemed supplied under the provisions of Rider 431.

COMPANY BALANCING SERVICE CATEGORY (B)

The Company will make available each day firm Balancing Service up to the balancing account capacity and injection/withdrawal limits, to those Customers in Category (B) who still have a daily imbalance after exchanging nominations with other Customers. By April 1 of each year, upon thirty (30) days' written notice the Company, Customers as set forth in Category (B) above, will select a balancing account limit which includes the firm balancing account capacity limit and the firm daily injection/withdrawal limit to be effective on April 1. A Customer will have an opportunity to change the balance account limit effective October 1, upon thirty (30) days' written notice to the Company prior to the effective date. The Company may waive the thirty (30) days' notice period at its sole discretion. Initially, the maximum balancing account capacity limit

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COMPANY BALANCING SERVICE CATEGORY (B) (continued)

available to each Customer shall be two (2) times the Customer's maximum daily use recorded during the previous calendar year. The firm daily injection/withdrawal limit shall be the capacity limit divided by fifty-seven (57). The monthly fee for balancing account capacity shall be 2.6 cents per therm of capacity. In determining Customer's maximum daily use, the Company may adjust for unusual levels of usage resulting from extended nonrecurring operational events. New Customers will be assigned a maximum balancing account capacity limit by the Company. The maximum balancing account capacity limit available for all Category (B) Balancing Service is limited to the total of two (2) times the maximum daily use of all transportation Customers eligible for Category (B) Balancing Service recorded during previous calendar year. If all Customers do not select their maximum balancing account limit, any remaining capacity shall be made available to other Category (B) Customers on a first come first served basis.

On days when Customer's actual consumption of gas is less than their allocated quantities of natural gas at the City Gate, adjusted for unaccounted for gas, Customers will be allowed to build a positive balancing account up to the balancing account limit on a firm no-notice basis up to the firm injection limit and on an interruptible no-notice basis above the limit. The commodity charge for such service will depend on the amount of the undertake in accordance with the balancing charge table below.

On days when Customer's actual consumption of gas is greater than their allocated quantities of natural gas at the City Gate, adjusted for unaccounted for gas, Customers will be allowed to withdraw gas from their balancing account on a no-notice firm basis up to their firm withdrawal limit and an interruptible no-notice basis, above the limit, provided the Customer has a positive balance in the balancing account. The commodity charge for such service will depend on the amount of the overtake in accordance with the balancing charge table below.

Customers may schedule injections and withdrawals from their balancing accounts. The availability of injections and withdrawals will be interruptible and therefore, the scheduling of injections or withdrawals from a Customer's balancing account must be approved by the Company in time to make pipeline nominations. The Customer is responsible to assure that such scheduled injections or withdrawals remain within their balancing account limits. In the event that such scheduled injections or withdrawals cause the Customer to exceed the balancing account limits (over or under), the daily cash out or Interruptible Gas Overtake Service provisions of this Rate will apply. Scheduled injections and withdrawals are included as part of a Customer's daily scheduled nominated quantity.

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COMPANY BALANCING SERVICE CATEGORY (B) (continued)

Customers will be subject to the balancing charges for all no-notice injections into the balancing account and no-notice withdrawals from the balancing account in accordance with the balancing charge table below. There will be no charge for scheduled injections and withdrawals from the balancing account provided such scheduled injections or withdrawals do not cause the Customer to exceed their balancing account limits (over or under).

Percent of Daily Nomination		Balancing Charge
+/-	(0% to 9.99%)	0.0 cents per therm
+/-	(10% to 20%)	3.2 cents per therm and/or the allocated pipeline penalty charge if any
	over +/- 20%	10.6 cents per therm and/or the allocated pipeline penalty charge if any

Balancing charges above are credited to the GCA customers.

Quantities of natural gas assessed the balancing charge listed in the table above or scheduled for redelivery will be added or subtracted from a Customer's balancing account as appropriate up to the balancing limit.

The Company does not allow negative account balances. Therefore, in the event that a Customer overtakes gas and no quantities of natural gas are available in the balancing account such gas will be sold to the Customer by the Company under the no-notice Interruptible Gas Overtake Service and Nominated Interruptible Gas Overtake Service provisions of this Rate if available or under the provisions of Rider 431

In the event the balancing account limit is exceeded, the quantity of undertake gas in excess of the allowable balancing limit will be cashed out for that day at the daily cash out price.

For customers in Zone A, the daily cash out price shall be calculated as the daily price posted in “Gas Daily” daily Chicago City-gate Midpoint Price minus a cash out fee of 30 percent of the “Gas Daily” daily Chicago City-gate Midpoint Price, and/or the allocated pipeline penalty charge if any. In the event the Company declares a critical undertake day, the daily cash-out price shall be 50 percent of the “Gas Daily” daily Chicago City-gate Midpoint Price.

For customers in Zones B, C, D and E, the daily cash out price shall be calculated as the daily price posted in “Gas Daily” daily Mich Con City-gate Midpoint Price minus a cash out fee of 30 percent of the “Gas Daily” daily Mich Con City-gate Midpoint Price, and/or the allocated pipeline penalty charge if any. In the event the Company declares a critical undertake day, the daily cash-out price shall be 50 percent of the “Gas Daily” daily Mich Con City-gate Midpoint Price.

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COMPANY BALANCING SERVICE CATEGORY (B) (continued)

At the Company's discretion, the Customer may be assessed the allocated pipeline penalty charge. Cash out fees are credited to the GCA customers.

Customers will be allowed to carry-over from one month to the next any balancing account amount up to their elected balancing account limit.

IMBALANCE NETTING OPTION

A Customer may elect to participate in an imbalance netting pool which shall entitle Customer to have daily over- and under-take imbalances netted within an aggregated pool. Such aggregated pool quantity of natural gas shall be considered as one volume for the calculation of balancing charges, as defined under the Company Balancing Service Categories herein, except as defined during a Critical Period. The Imbalance Netting Option is available to all customers entitled to service under this Rate. Category B customers may participate in an imbalance netting pool only when all customers in the pool are Category B customers and are in the same zone.

The imbalance netting pool shall be managed by a "Pool Operator" designated by Customer which can be the Company or a third party. If Customer designates a third party to be a "Pool Operator," such "Pool Operator" shall have authority to apply and utilize, on behalf of the pool, any and all balancing services available under this tariff to manage the imbalances of the pool so long as such "Pool Operator" has entered into a written agreement with the Company for imbalance netting service. If Customer designates the Company as its "Pool Operator," Customer shall enter into an agreement with the Company for imbalance netting service. "Pool Operator" agreements entered into by the Company shall contain confidential charges and terms and conditions. Negotiated contracts may be filed with the Commission under appropriate confidentiality procedures. If the Customer does not take all of its gas requirements within a single imbalance netting pool, then the Customer and the Company shall agree in writing in advance as to the allocation of imbalances among the Customer's gas supplies and imbalance netting pools.

During a Critical Period, as defined under Rider 431, Temporary Emergency Service, Customer shall be assessed individually for Balancing Charges, as defined herein. If the Customer is in a balancing position that is beneficial to Company's system, as determined by the Company in its reasonable discretion, Customer shall not be assessed a Balancing Charge. Gas supply charges during a Critical Period shall be evaluated and assessed net of the aggregated pool usage as defined herein and in accordance with Rider 431.

A Customer who elects to participate in an imbalance netting pool must enter into a Customer Pooling Agreement substantially in the form attached to this Rate. Such agreement shall become an attachment to Customer's current transportation agreement with Company. Customer's designation of a "Pool Operator" shall remain in effect until it is revoked, in writing, or a new Customer Pooling Agreement is received by

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IMBALANCE NETTING OPTION (continued)

Company. Any such designations and/or revocations must be received in writing by Company, by the ninth (9th) working day prior to the end of the month to effectuate such change for the following month. Said designation and/or revocation shall not be effective until acknowledged by Company. Any application to participate in an imbalance netting pool submitted hereunder must be agreed to by Company and be consistent with Company's contractual and operational requirements, as determined by Company in its reasonable discretion. Company shall approve a third party "Pool Operator" provided either it submits proof of adequate financial responsibility for any charges assessed to the Pool, or the customers in the Pool guarantee payment of any charges assessed to the Pool.

A Pooling Agreement Fee of $50.00 per month shall apply for each month that Customer is in an imbalance netting pool.

RATE

Customer Charge

$250.00 per month

Transportation Charge

$0.05971 per therm for the first 6,000 therms used per month
$0.05671 per therm for the next 24,000 therms used per month
$0.04511 per therm for the next 60,000 therms used per month
$0.04011 per therm for all over 90,000 therms used per month

Administrative Charges for Balancing Services

$200.00 per month

Nomination Exchange Service Charges

As set forth in detailed section

Imbalance Exchange Service Charges

As set forth in detailed section

Balancing Charges

As set forth in detailed section

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MINIMUM PAYMENT

The Customer's minimum monthly payment under this rate schedule shall be the Customer Charge.

RULES AND REGULATIONS

Service herein shall be subject to the Company's General Rules and Regulations Applicable to Gas Service and IURC Rules.