NORTHERN INDIANA PUBLIC SERVICE COMPANY

IURC GAS SERVICE TARIFF

ORIGINAL VOLUME NO. 7

SCHEDULE OF RATES APPLICABLE TO GAS SERVICE

IN

CITIES, TOWNS AND UNINCORPORATED COMMUNITIES

LISTED ON SHEET NOS. 3, 4, 5, 6, 7 AND 8

Effective 7/1/2011

NIPSCO

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INDEX OF CITIES, TOWNS AND UNINCORPORATED COMMUNITIES FURNISHED GAS SERVICE*

Location	County	Zone		Location	County	Zone
Aboite	Allen	B		Bunker Hill	Miami	A
Adams Lake	LaGrange	D		Burket	Kosciusko	A
Adamsboro	Cass	A		Burlington	Carroll	B
Ade	Newton	A		Burnettsville	White	A
Ainsworth	Lake	A		Burns Harbor	Porter	A
Akron	Fulton	A		Burr Oak	Marshall	A
Albion	Noble	E		Burrows	Carroll	A
Aldine	Starke	A		Butler	DeKalb	E
Angola	Steuben	D		Byron	LaPorte	A
Arcola	Allen	B		Camden	Carroll	A
Ardmore	St. Joseph	A		Cedar Lake	Lake	A
Argos	Marshall	A		Ceylon	Adams	C
Ashley	DeKalb	D		Chalmers	White	A
Athens	Fulton	A		Chapman Lake	Kosciusko	A
Atwood	Kosciusko	A		Chase	Benton	A
Auburn	DeKalb	E		Chesterton	Porter	A
Avilla	Noble	E		Chili	Miami	A
Barbee Lakes	Kosciusko	A		Churubusco	Whitley	B
Bass Lake	Starke	A		Claypool	Kosciusko	A
Battle Ground	Tippecanoe	A		Clear Lake	Steuben	D
Beardstown	Pulaski	A		Clunette	Kosciusko	A
Benton	Elkhart	A		Clymers	Cass	A
Berne	Adams	C		Coesse	Whitley	B
Beverly Shores	Porter	A		Collamer	Whitley	B
Big Long Lake	LaGrange	D		Columbia City	Whitley	B
Blue Lake	Whitley	B		Corunna	DeKalb	E
Bluffton	Wells	B		Craigville	Wells	B
Boone Grove	Porter	A		Cromwell	Noble	A
Boswell	Benton	A		Crooked Lake	Steuben	D
Bourbon	Marshall	A		Crown Point	Lake	A
Bremen	Marshall	A		Crumstown	St. Joseph	A
Bringhurst	Carroll	A		Crystal Lake	Kosciusko	A
Bristol	Elkhart	A		Culver	Marshall	A
Brook	Newton	A		Cutler	Carroll	A
Brookston	White	A		Decatur	Adams	B
Bruce Lake	Fulton	A		Deep River	Lake	A
Brunswick	Lake	A		DeLong	Fulton	A
Buffalo	White	A		Delphi	Carroll	A

* Rural territory adjacent to each community is in same zone.

INDEX OF CITIES, TOWNS AND UNINCORPORATED COMMUNITIES FURNISHED GAS SERVICE*

Location	County	Zone		Location	County	Zone
DeMotte	Jasper	A		Grabill	Allen	B
Denham	Pulaski	A		Granger	St. Joseph	A
Denver	Miami	A		Grass Creek	Fulton	A
Dewart Lake	Kosciusko	A		Greentown	Howard	B
Dixon Lake	Marshall	A		Griffith	Lake	A
Donaldson	Marshall	A		Grissom AFB	Miami	A
Door Village	LaPorte	A		Grovertown	Starke	A
Dune Acres	Porter	A		Hamilton	Steuben	E
Duneland Beach	LaPorte	A		Hamilton	DeKalb	E
Dunfee	Whitley	B		Hamlet	Starke	A
Dunlap	Elkhart	A		Hammond	Lake	A
Dyer	Lake	A		Hanna	LaPorte	A
Earl Park	Benton	A		Harlan	Allen	B
East Chicago	Lake	A		Hebron	Porter	A
Elkhart	Elkhart	A		Helmer	DeKalb	D
Emma	LaGrange	A		Helmer	Steuben	D
Etna Green	Kosciusko	A		Hemlock	Howard	B
Fair Oaks	Jasper	A		Hessen Cassel	Allen	B
Fish Lake	LaPorte	A		Hibbard	Marshall	A
Flint Lake	Porter	A		Highland	Lake	A
Flora	Carroll	A		Hill Lake	Kosciusko	A
Foraker	Elkhart	A		Hoaglan	Allen	B
Foresman	Benton	A		Hobart	Lake	A
Foresman	Newton	A		Hoffman Lake	Kosciusko	A
Forest	Clinton	B		Howe	LaGrange	D
Fort Wayne	Allen	B		Hudson	DeKalb	D
Fowler	Benton	A		Hudson	Steuben	D
Francesville	Pulaski	A		Hudson Lake	LaPorte	A
Freeman Lake	Carroll	A		Huntertown	Allen	B
Fremont	Steuben	D		Huntington	Huntington	B
Fulton	Fulton	A		Idaville	White	A
Garrett	DeKalb	E		Ijamsville	Wabash	A
Gary	Lake	A		Independence Hill	Lake	A
Galveston	Cass	B		Indiana Village	St. Joseph	A
Geneva	Adams	C		Inwood	Marshall	A
Gilead	Miami	A		Jimtown	Elkhart	A
Goodland	Newton	A		Kendallville	Noble	D
Goshen	Elkhart	A		Kentland	Newton	A

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INDEX OF CITIES, TOWNS AND UNINCORPORATED COMMUNITIES FURNISHED GAS SERVICE*

Location	County	Zone		Location	County	Zone
Kersey	Jasper	A		Liberty Mills	Wabash	A
Kewanna	Fulton	A		Ligonier	Noble	A
Kingsbury	LaPorte	A		Logansport	Cass	A
Kingsford Heights	LaPorte	A		Long Beach	LaPorte	A
Kingsland	Wells	B		Long Lake	Porter	A
Knox	Starke	A		Long Lake	Wabash	A
Kokomo	Howard	B		Lowell	Lake	A
Koontz Lake	Starke	A		Lucerne	Cass	A
Kouts	Porter	A		Lydick	St. Joseph	A
La Crosse	LaPorte	A		Macy	Miami	A
La Porte	LaPorte	A		Magley	Adams	B
LaGrange	LaGrange	D		Malden	Porter	A
Lagro	Wabash	A		Markle	Wells	B
Lake Dalecarlia	Lake	A		Meadow Acres	Kosciusko	A
Lake Eliza	Porter	A		Medaryville	Pulaski	A
Lake Gage	Steuben	D		Mentone	Kosciusko	A
Lake George	Steuben	D		Merrillville	Lake	A
Lake James	Steuben	D		Mexico	Miami	A
Lake Manitou	Fulton	A		Miami	Miami	B
Lake Maxinkuckee	Marshall	A		Michiana Shores	LaPorte	A
Lake of Silver Lake	Kosciusko	A		Michigan City	LaPorte	A
Lake of the Woods	Marshall	A		Michigantown	Clinton	B
Lake of the Woods	LaGrange	D		Middlebury	Elkhart	A
Lake of the Woods	Steuben	D		Milford	Kosciusko	A
Lake Station	Lake	A		Mill Creek	LaPorte	A
Lake Village	Newton	A		Millersburg	Elkhart	A
Laketon	Wabash	A		Mishawaka	St. Joseph	A
Lakeville	St. Joseph	A		Mongo	LaGrange	D
Laotto	Noble	B		Monmouth	Adams	B
LaPaz	Marshall	A		Monon	White	A
Larwill	Whitley	B		Monroe	Adams	C
Laud	Whitley	B		Monroeville	Allen	B
Lawrence Lake	Marshall	A		Monterey	Pulaski	A
Leesburg	Kosciusko	A		Monticello	White	A
Leiters Ford	Fulton	A		Morocco	Newton	A
Leo	Allen	B		Mount Ayr	Newton	A
Leroy	Lake	A		Munster	Lake	A
Lewisburg	Cass	A		Myers Lake	Marshall	A

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INDEX OF CITIES, TOWNS AND UNINCORPORATED COMMUNITIES FURNISHED GAS SERVICE*

Location	County	Zone		Location	County	Zone
Nappanee	Elkhart	A		Pinhook	LaPorte	A
New Carlisle	St. Joseph	A		Pinola	LaPorte	A
New Chicago	Lake	A		Pittsburg	Carroll	A
New Elliott	Lake	A		Pleasant Lake	Steuben	D
New Haven	Allen	B		Pleasant Ridge	Jasper	A
New Paris	Elkhart	A		Plymouth	Marshall	A
New Waverly	Cass	A		Portage	Porter	A
North Judson	Starke	A		Porter	Porter	A
North Liberty	St. Joseph	A		Pottawattamie Park	LaPorte	A
North Manchester	Wabash	A		Preble	Adams	B
North Webster	Kosciusko	A		Pretty Lake	LaGrange	D
Norway	White	A		Pretty Lake	Marshall	A
Notre Dame	St. Joseph	A		Raber	Whitley	B
Nyona Lake	Fulton	A		Radnor	Carroll	A
Oak Grove	Starke	A		Remington	Jasper	A
Oakford	Howard	B		Rensselaer	Jasper	A
Ober	Starke	A		Rexville	Lake	A
Ockley	Carroll	A		Reynolds	White	A
Ogden Dunes	Porter	A		Rich Valley	Wabash	A
Onward	Cass	A		Riverdale	Elkhart	A
Orland	Steuben	D		Roann	Wabash	A
Osceola	St. Joseph	A		Roanoke	Huntington	B
Ossian	Wells	B		Rochester	Fulton	A
Oswego	Kosciusko	A		Rockfield	Carroll	A
Otis	LaPorte	A		Rolling Prairie	LaPorte	A
Otterbein	Benton	A		Rome City	Noble	D
Otterbein	Tippecanoe	A		Roseland	St. Joseph	A
Owasco	Carroll	A		Roselawn	Newton	A
Oxford	Benton	A		Ross	Lake	A
Palestine	Kosciusko	A		Rossville	Clinton	A
Palmer	Lake	A		Royal Center	Cass	A
Patton	Carroll	A		Russiaville	Howard	B
Peabody	Whitley	B		Saugany Lake	LaPorte	A
Peru	Miami	A		Saint Joe	DeKalb	B
Peterson	Adams	B		Salem Heights	LaPorte	A
Pierceton	Kosciusko	A		San Pierre	Starke	A
Pine Village	Warren	A		Schererville	Lake	A
Pines	Porter	A		Schneider	Lake	A

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INDEX OF CITIES, TOWNS AND UNINCORPORATED COMMUNITIES FURNISHED GAS SERVICE*

Location	County	Zone		Location	County	Zone
Servia	Wabash	A		Twin Lakes	LaGrange	D
Shafer Lake	White	A		Twin Lakes	Marshall	A
Sharpsville	Tipton	B		Tyner	Marshall	A
Shelby	Lake	A		Union Center	LaPorte	A
Shipshewanna	LaGrange	A		Union Mills	LaPorte	A
Shipshewanna Lake	LaGrange	A		Uniondale	Wells	B
Shoe Lake	Kosciusko	A		Urbana	Wabash	A
Silver Lake	Kosciusko	A		Valparaiso	Porter	A
Smithson	White	A		Wabash	Wabash	A
South Bend	St. Joseph	A		Wahob Lake	Porter	A
South Haven	Porter	A		Wakarusa	Elkhart	A
South Milford	LaGrange	D		Walkerton	St. Joseph	A
South Whitley	Whitley	B		Wall Lake	LaGrange	D
Speicherville	Wabash	A		Wall Lake	Steuben	D
Spencerville	Allen	B		Walton	Cass	A
Springville	LaPorte	A		Wanatah	LaPorte	A
St. John	Lake	A		Warsaw	Kosciusko	A
Star City	Pulaski	A		Waterford	LaPorte	A
Stillwell	LaPorte	A		Waterford Mills	Elkhart	A
Stroh	LaGrange	D		Waterloo	DeKalb	E
Sumava Resorts	Newton	A		Wawasee	Kosciusko	A
Swanington	Benton	A		Webster Lake	Kosciusko	A
Syracuse	Kosciusko	A		Wellsboro	LaPorte	A
Talma	Fulton	A		West Middleton	Howard	B
Teegarden	Marshall	A		Westville	LaPorte	A
Templeton	Benton	A		Wheatfield	Jasper	A
Thayer	Newton	A		Wheeler	Porter	A
Thornhope	Pulaski	A		Whiting	Lake	A
Tippecanoe	Marshall	A		Witmer Lake	LaGrange	D
Tippecanoe Lake	Kosciusko	A		Williams	Adams	B
Tipton	Tipton	B		Windfall	Tipton	B
Tocsin	Wells	B		Winamac	Pulaski	A
Topeka	LaGrange	A		Winona Lake	Kosciusko	A
Toto	Starke	A		Wolcott	White	A
Tracy	LaPorte	A		Wolcottville	LaGrange	D
Trail Creek	LaPorte	A		Wolcottville	Noble	D
Treaty	Wabash	A		Woodburn	Allen	B
Tri-Lakes	Whitley	B		Woodland	St. Joseph	A

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INDEX OF CITIES, TOWNS AND UNINCORPORATED COMMUNITIES FURNISHED GAS SERVICE*

Location	County	Zone		Location	County	Zone
Woodville	Porter	A		Yoder	Allen	B
Wyatt	St. Joseph	A		Young America	Cass	B
Yellow Creek Lake	Kosciusko	A		Zanesville	Allen	B
Yeoman	Carroll	A				

* Rural territory adjacent to each community is in same zone.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

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GENERAL RULES AND REGULATIONS
Applicable to Gas Service

1. DEFINITIONS

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

1.1 Annual Usage. Customer's actual total gas usage for the most recent twelve consecutive billing months, or Company's estimate of Customer's total gas usage for the next twelve consecutive billing months if actual usage information is not available.

1.2 Applicant. Any new customer requesting a new or current customer changing existing Rate schedules.

1.3 Average Daily Usage. Average Daily Usage as used in Service Priority Classes II, III and IV shall mean the quantity of gas used in the Company's Peak Month in the prior year divided by the number of days in that month.

1.4 Bill. An itemized list or statement of fees and charges for gas service. A Bill may be rendered by mail or by electronic means.

1.5 Billing Demand. That Demand, stated in Therms, upon which the Demand Charge in the Customer's Bill is determined in any given month.

1.6 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.

1.7 British Thermal Unit (Btu). The average amount of heat necessary to increase the temperature of one pound of water by 1 degree Fahrenheit in the temperature range of 32 degrees to 212 degrees Fahrenheit at 14.73 pounds per square inch absolute pressure.

1.8 Burner Tip. The point of commodity transfer between the Company and the Customer.

1.9 Cash-out. The monetary settlement of over-delivery and under-delivery gas imbalances between the Company and Pool Operators or Transportation Customers.

1.10 Ccf. One hundred cubic feet, a measurement of the quantity of gas at standard conditions.

1.11 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.

1.12 Commission. Indiana Utility Regulatory Commission (IURC) or its successor.

1.13 Commodity Charge. The portion of a Customer's Bill based on the Customer's energy consumption, in Therms, under the applicable Rate Schedule.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

1. DEFINITIONS (continued)

1.14 Company. Northern Indiana Public Service Company.

1.15 Contract Obligation. The quantity of gas as specified in the contract between the Company and the Customer as of the commencement of a Curtailment.

1.16 Contract Year. Twelve consecutive months used in the application of Rate Schedules.

1.17 Curtailment. The reduction of a Customer's delivery at the request of the Company pursuant to the Rules.

1.18 Customer. Any person, firm, corporation, municipality, or other government agency which has agreed orally or otherwise, to pay for gas service received from a public utility.

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

1.20 Delinquent Bill. A Customer Bill that has remained unpaid for the period set forth in the IURC Rules (170 IAC 5-1-13).

1.21 Demand. The daily average of the quantity of gas used by the Customer for the Billing Period that the Company's Peak Day occurs. It is calculated by taking the Customer's total quantity of gas that is delivered in the Billing Period that the Peak Day occurs and dividing by the number of days in that Billing Period.

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

1.23 Disconnection. The termination or discontinuance of gas service.

1.24 Distribution Charge. The portion of a Customer's Bill based on the Customer's per unit Therm consumption under the applicable Rate Schedule.

1.25 Dekatherm (Dth). A unit of energy equal to ten (10) Therms or one million Btu.

1.26 Dwelling Unit. A residential living quarter.

1.27 Feed Stock Gas. Natural gas used as a raw material for its chemical property in creating a product.

1.28 FERC. Federal Energy Regulatory Commission or its successor.

1.29 Gas Cost Adjustment (GCA). The gas cost recovery process approved for the Company through various Commission orders.

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

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

1. DEFINITIONS (continued)

1.31 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.

1.32 Industrial Customer. Any Customer who is engaged primarily in a process that creates or changes raw or unfinished materials into another form or product.

1.33 Interruption. The implementation of the terms and conditions of an applicable interruptible Rate Schedule at the request of the Company.

1.34 IURC. Indiana Utility Regulatory Commission or its successor.

1.35 IURC Rules. Rules and regulations for gas utilities promulgated by the IURC, codified in Title 170 of the Indiana Administrative Code (IAC), Article 5.

1.36 Late Payment Charge. A one-time penalty assessed upon a Delinquent Bill.

1.37 Living Quarters. Hotels, motels, dormitories and similar dwelling places under Service Priority Class II.

1.38 Maximum Daily Quantity. The maximum amount of gas that the Company is contractually required to deliver to the Customer during any day in the billing month.

1.39 Mcf. One thousand cubic feet, a measurement of the quantity of gas at standard conditions.

1.40 Non-Residential Customer. Any customer that is not a Residential Customer.

1.41 Non-Sufficient Funds. An account shall be considered to have Non-Sufficient Funds for the following reasons: (a) the Customer's payment is considered delinquent by the banking institution; (b) the Customer has supplied the incorrect bank account number; (c) the Customer's bank account number is no longer available; (d) the Customer has issued a stop payment by the banking institution to the Company; (e) the Customer pays electronically, and a chargeback is subsequently assessed by the Customer's financial institution; or (f) any other instance when the financial institution refuses to honor the tendered payment.

1.42 Peak Day. The day of the year that the maximum throughput of gas occurs for the Company.

1.43 Peak Month. The month of the year that the maximum system wide throughput of gas occurs for the Company.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

1. DEFINITIONS (continued)

1.44 Plant Protection Level. The minimum quantity of Gas Service for firm curtailable Transport Customers, required by Customer to prevent endangering the health and safety of personnel, or to prevent material damage to Customer's facilities, equipment, or 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.

1.45 Premise. The main residence, or Living Quarters for the use of a single family, or main building of a Commercial Customer, which includes the outlying or adjacent buildings used by the Customer provided the use of the service in the outlying or adjacent buildings is supplemental to the service used in the main residence or building.

1.46 PSIG. Pounds per square inch gauge.

1.47 Rate Schedules. The part of the Tariff setting forth the availability and charges for service supplied to a particular group of Customers, as filed with and approved by the IURC.

1.48 Residential Customer. Any Customer that resides in a residential dwelling, mobile home, apartment or condominium using gas for space heating, cooling, water heating and/or other residential uses.

1.49 Residential Service. Service provided to a Residential Customer.

1.50 Riders. The part of the Tariff setting forth supplemental provisions applicable to specific Rate Schedules, as filed with and approved by the IURC.

1.51 Rules. The part of the Tariff setting forth the General Rules and Regulations Applicable to Gas Service, as filed with and approved by the IURC.

1.52 Sales Customer. A Customer receiving Sales Service from the Company.

1.53 Sales Service. Gas service involving the delivery by the Company to the Customer of Company supplied gas.

1.54 Tariff. The entire body of the Rules, Rate Schedules and Riders.

1.55 Therm. Commercial unit of heat. One Therm equals one hundred thousand Btu.

1.56 Transportation Customer. A Customer receiving Transportation Service from the Company.

1.57 Transportation Service. Gas service involving the delivery by the Company to the Customer of Customer-delivered gas.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

2. TARIFF ON FILE

2.1 Tariff on File

A copy of the Tariff under which service will be supplied is posted or filed for the convenience of the public in the office of the Company and with the IURC. The IURC has continuing jurisdiction over the Tariff in its entirety. The Tariff, or any part thereof, may be revised, amended, or otherwise changed from time to time and any such changes, when filed with and approved by the IURC, will supersede the present Tariff.

2.2 Special Conditions and Provisions

The Rules set forth the conditions under which service is to be rendered, and govern all Rate Schedules to the extent applicable. In case of conflict between any provision of an IURC-approved contract, Rate Schedule, Rider and/or Rule, the order of priority in interpretation shall be the (1) contract, (2) Rate Schedule, (3) Rider, and (4) Rule.

The Company shall have the right to execute contracts for service under any Rate Schedule or Rider that requires a contract. The Company shall also have the right to execute other contracts for service provided, however, such contracts requiring IURC approval shall be contingent upon receipt of such approval.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

3. CHARACTER OF SERVICE

3.1 Standard Installation

The Company will supply a Residential Customer served from a medium pressure system (60 psig or less) without charge for a service of not more than 150 feet in length from the property line of the Customer to the service connection at the meter. A charge will be applied by the Company for a service in excess of 150 feet in length from the property line of the customer to the service connection at the meter in accordance with Rule 6.1.

For Residential Service, the maximum Customer required delivery pressure shall be 2 psig. Any Customer requiring pressure exceeding 2 psig will be ineligible for the Residential Rate, and will instead be served under the applicable General Service.

The Company will supply a non-Residential Customer served from a medium pressure system (60 psig or less) without charge for a service 150 feet or less of 2 inch Iron Pipe Size or smaller pipe from the property line of the Customer to the service connection at the meter set with a delivery pressure of 10 Psig or less. A charge will be applied by the Company for a service in excess of 150 feet, an IPS pipe larger that 2 inches or a delivery pressure of greater than 10 Psig in accordance with Rule 6.1.

For General Service, suitable arrangements shall be made between the Company and the Customer with regard to the extent of the service facilities installed by the Company in accordance with Rules 4.1 and 6.1.

The Company will locate the point at which the Company's meter installation will attach to the Customer's piping, and the Customer's piping shall be run to this point for attachment to the meter. In no event shall the service line be run under or through any portion of the building then constructed or to be constructed at a future date, except at the point immediately preceding the metering location. The Company will extend its distribution mains a reasonable distance, as may be determined by the Company for the purpose of supplying gas service for a new connection.

After installation, any required relocation of the Company's facilities due to changes made either at the Customer's request or as the result of the Customer's activity that causes the installation to be out of compliance with the Minimum State Safety Standards for the Transportation of Gas and Related Pipeline Facilities shall be made at the Customer's expense.

3.2 Average Heating Value

Gas supplied under the Rate Schedules shall have a monthly average heating value of approximately 1,000 Btu per cubic foot.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

4. APPLICATION, SERVICE REQUEST OR CONTRACT

4.1 Written Application or Contract Required

A written application for service may be required from a Customer before the Company will be obligated to supply service. The Company shall have the right to reject any application or contract for valid reason. When special construction or equipment expense is necessary to furnish service, the Company may require a contract for a suitable period of time and reasonable guarantees pursuant to Rule 6. Certain Rate Schedules may require the execution of a contract for service, and specify a minimum contract term.

4.2 Service to be Furnished

4.2.1 New Customers

The Customer shall provide in writing upon request of the Company its gas usage characteristics to be served. This information will be used by the Company to determine the character of the service and the conditions under which the Customer will be served.

4.2.2 Existing Customers: Notify Company Before Increasing Load

The service connections, regulators, meters and equipment supplied by the Company have definite capacity, and no substantial addition to the gas consuming equipment should be made without first consulting with the Company. The Customer shall give written notification in the form of a letter of e-mail to the Company of any material increase in load no less than sixty (60) days prior to the addition of that load.

4.3 Modification of Contract

No promises, agreements or representation of any agent of the Company shall be binding upon the Company unless the same shall have been incorporated in a written contract before such contract is signed and approved by an agent of the Company with apparent authority to sign such contract on behalf of the Company.

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5. PREDICATION OF RATES AND RATE SCHEDULES SELECTION

5.1 Single Premise

The Rate Schedules are predicated upon the supply of service to the Customer separately for each Premise and for the ultimate usage of such separate Premise. The combining of service of two or more separate classifications through a single meter, or of two or more Premises, or of two or more separate Dwelling Units of the same Premise, will be permitted only under such Rules as filed by the Company and approved by the IURC. An outlying or adjacent building of the Customer, if located on the same Premise, may be served from the supply to the main residence or building, provided the use of such supply to the adjacent building is supplementary to the usage in the main residence or building.

5.2 Premise Containing Two Meters

If the Customer chooses not to supply the outlying or adjacent buildings by the main service, the Company will consider this a non-standard installation and may install a separate service pursuant to Rule 6. The installed separate service shall be classified under one of the Rate Schedules based on the Customer's gas usage characteristics.

5.3 Building Containing Two or More Separate Dwelling Units

Where Residential Service is supplied through one meter to an apartment house or to a building, each containing five or less separate Dwelling Units, the Customer shall be served under the Multiple Family Housing Service rate (Rate 415).

The Customer may arrange the piping at the Customer's own expense, so as to separate the combined service and permit the Company to install a separate meter for each separate Dwelling Unit. In each such case, the readings of each separate meter shall be billed separately under the Residential Rate (Rate 411). In such case, the piping shall be arranged to provide for the grouping of all meters at the service entrance.

5.4 Combined Residential and Non-Residential Service

Where both Residential and Non-Residential Service are supplied through one service and one meter to the same Customer on the same Premise, such combined service shall be classed as Non-Residential and billed under the applicable General Service rate.

At the option of the Customer, the connections may be arranged at the Customer's expense so as to separate the Residential and Non-Residential Service to permit installation of two (2) meters, in which case the Residential Rate (Rate 411) will apply to the Residential Service and the applicable General Service rate will apply to the Non-Residential Service.

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5. PREDICATION OF RATES AND RATE SCHEDULES SELECTION (continued)

5.5 Choice of Optional Rate

Where optional Rate Schedules are available for the same class of service, the Customer shall designate the applicable Rate Schedule. Where selection of the most favorable Rate Schedule is difficult to predetermine, the Customer will be given a reasonable opportunity to change to another Rate Schedule, provided, however, that after one such change is made, the Customer may not make a further change in Rate Schedule until twelve (12) months have elapsed.

The Company will, at the request of the Customer, assist the Customer in selecting the Rate Schedule most advantageous to the Customer, but the Company does not guarantee that the Customer will at all times be served under the most advantageous Rate Schedule, nor will the Company make refunds representing the difference in charges between the Rate Schedule under which service has actually been billed and another Rate Schedule applicable to the same class of service.

5.6 Resale of Service

Service will not be furnished under any Rate Schedule to any Customer for the purpose of reselling any or all such service.

5.7 Transportation and Sales Service

A Non-Choice Customer requesting a switch from or to a third-party supplier of natural gas to or from the Company's supply service option will be in accordance with the following provisions:

5.7.1 The customer shall provide a 120-day notice to the Company.

5.7.2 As a condition precedent to such a request, the Customer shall enter into a written contract with the Company. The initial term of the contract will be for 24 months and will continue thereafter on a month-to-month basis for a maximum additional 36 months, until terminated in accordance with the notice provision above.

5.7.3 Upon the Customer's switching from a third-party supplier of natural gas to the Company's supply service option, the Customer will be included as part of the pool of customers associated with the Company's Rider 470 – Gas Cost Adjustment Rider and/or any other successor and/or applicable rider.

5.7.4 Upon receipt of such notice, the Company will determine whether Customer's request will require the Company to modify its interstate transportation, storage and supply positions. The Company may charge the Customer for costs that are incurred to accommodate Customer's request.

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6. SERVICE EXTENSIONS AND MODIFICATIONS

6.1 Extension of Services Beyond Standard Installations

Upon request by a Residential Customer or Non-Residential Customer for service, the Company will provide necessary facilities for rendering a Standard Installation under Rule 3.1 at no charge.

6.1.1 The following definitions shall be applicable to this Rule:

6.1.1.1 "Margin Credits" for Residential Customers shall be equal to $1,800 for each residential meter. "Margin Credits" for Non-Residential Customers shall be equal to the present value of gross margin (revenue minus gas cost) associated with each Non-Residential meter as estimated by the Company for a 6 year period.

6.1.1.2 "Margin Costs" shall be equal to 0.52 multiplied by the total amount of actual costs for the extension of gas facilities, as estimated by the Company using the information provided to the Commission in the Company's annual filings pursuant to 170 IAC 5-1-27(D).

6.1.1.3 The values identified in 6.1.1.1 and 6.1.1.2 shall be subject to change in any proceeding proposing adjustment to NIPSCO's basic rates and charges or in a separate proceeding filed in conformance with the Commission's rules and regulations.

6.1.2 For extension of lines and services beyond a Standard Installation for Residential Customers, a contribution must be provided when the Margin Costs exceed the Margin Credits.

6.1.3 For extension of lines and services beyond a Standard Installation for Non-Residential Customers, the Non-Residential Customer must provide a contribution, a letter of credit in a form satisfactory to the Company, or minimum guarantee prior to facilities installation when the Margin Costs exceed the Margin Credits; provided, however, if in the opinion of Company (i) the estimated cost of such extension and the prospective margin to be received from it is so meager or speculative as to make it doubtful whether the Margin Credits from the extension would ever pay a fair return on the investment involved in such extension, or (ii) with slight or no immediate demand for service, or (iii) in the case of an installation requiring extensive equipment with slight or irregular service, or (iv) the estimated cost of the extension otherwise places Company and/or other customers at risk of recovering the costs associated with the investment; then in any of the above cases, Company may require, in advance of materials procurement or construction, a deposit or adequate provision of payment from the initial applicant(s) in the amount of the total estimated cost of construction and other improvements.

6.1.4 Deposits held may be returned to initial applicant(s) based on the amount of Margin Credits received by Company, for a period of six (6) years and up to the amount of the original deposit, in at least annual installments.

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6.1.5 In the event that the initial applicant(s) is (are) required to make any deposit, Company shall upon request make available to the initial applicant(s) the information used to establish the basis for the applicable deposit amount.

6.1.6 For each Customer, exclusive of the initial applicants considered in the making of an extension, connected to such an extension within the period of six years from the completion of such extension, the gas utility shall refund to such initial applicants, in proportion to their respective contributions toward the cost of such extension, an amount equal to the present value of gross margin over a 6 year period of each meter when each meter comes on line, less the cost to service such new customer, but the total of all refunds to any such applicants shall in no event exceed the aforesaid contribution of such applicants.

6.2 New Residential Development Procedures

Before the Company will undertake facility investment and extensions of service to residential developments or phase thereof:

6.2.1 The following definitions shall be applicable to this Rule:

6.2.1.1 As used in this Rule, "extensions" shall refer to extension of Company facilities required in order to provide gas service as requested by Customer(s) or prospective Customer(s).

6.2.1.2 As used in this Rule, "Margin Credit" shall be equal to the total product of the planned number of residential meters multiplied by $1,800. This amount shall be subject to change in any proceeding proposing adjustment to NIPSCO's basic rates and charges initiated after 2010, or in a separate proceeding filed in conformance with the Commission's rules and regulations.

6.2.1.3 As used in this Rule, "Margin Costs" shall be equal to 0.52 multiplied by the total amount of actual costs for the extension of gas facilities to a specific Development, as estimated by the Company using the information provided to the Commission in the Company's annual filings pursuant to 170 IAC 5-1-27(D).

6.2.2 Upon request for gas service by initial applicants (a developer or a group of prospective Customers located in the same area), Company will extend, without charge, its facilities including distribution mains, underground service pipes, meters and other equipment necessary to provide the service, provided:

6.2.2.1 the Margin Credits for the specific Development are equal to or greater than the Margin Costs for that Development; and

6.2.2.2 the prospective patronage or demand is of such permanency as to warrant the capital expenditure involved.

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6.2.3 If the Margin Costs of the facilities necessary to provide the gas service requested by initial applicant(s) exceeds the Margin Credit from such extension as provided in 6.2.2, Company shall make such extension if the initial applicant(s) meets one of the following conditions:

6.2.3.1 Upon adequate provision for payment to Company by initial applicant(s) of that part of the Margin Costs in excess of the Margin Credits as provided in 6.2.2; or

6.2.3.2 If in the opinion of Company (a) the estimated cost of such extension and the prospective margin to be received from it is so meager or speculative as to make it doubtful whether the Margin Credits from the extension would ever pay a fair return on the investment involved in such extension, or (b) with slight or no immediate demand for service, or (c) in the case of an installation requiring extensive equipment with slight or irregular service, or (d) the estimated cost of the extension otherwise places Company and/or other customers at risk of recovering the costs associated with the investment; then in any of the above cases Company may require, in advance of materials procurement or construction, a deposit or adequate provision of payment from the initial applicant(s) in the amount of the total estimated cost of construction and other improvements.

6.2.3.2.1 Deposits held may be returned to initial applicant(s) based on the amount of Margin Credits received by Company, for a period of six (6) years and up to the amount of the original deposit, in at least annual installments.

6.2.3.2.2 In the event that the initial applicant(s) is (are) required to make any deposit, Company shall upon request make available to the initial applicant(s) the information used to establish the basis for the applicable deposit amount.

6.2.4 Initial applicant(s) may, at its (their) option, submit, or require Company to submit, or the Company, on its own may submit, to the Commission the terms of service and deposit or Contribution determined by Company under 6.2.3.1 or 6.2.3.2 for review and determination as to the reasonableness of said terms.

6.2.5 For each new Customer, exclusive of the initial applicant(s) considered in the making of an extension, connected to such an extension within the period of six (6) years from the completion of such extension, Company shall refund to such initial applicant(s), in proportion to their respective contribution(s) toward the cost of such extension, an amount equal to the Margin Credits from such new Customer(s), less the Margin Cost to serve such new Customer(s), but the total of all refunds to any such initial applicant(s) shall in no event exceed the individual contribution of such applicant. Where a deposit is required under 6.2.3.2, the total of all refunds to all initial applicant(s) in aggregate shall in no event exceed the total aggregate deposit of all initial applicant(s). Such estimated Margin Credits from new Customer(s) shall also be subject to the provisions of 6.2.3.2.

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6.2.6 Company shall not be required to make extension as provided in this Rule unless Customer(s) to be initially served by such extension upon its installation has (have) entered into an agreement with Company setting forth the obligations and commitments of the parties consistent with the provisions of this tariff.

6.2.7 Company reserves the right, with respect to Customers whose establishments are remote from Company's existing suitable facilities, whose potential load qualifies for any economic development rider as may be applicable in Company's tariff, or whose load characteristics or load dispersal require unusual investments by Company in service facilities, to make special agreements as to duration of contract, reasonable guarantee of revenues, or other service conditions, provided that such special agreements are made on a non-discriminatory basis.

6.3 Temporary Service

The charge for temporary service, where existing facilities can be utilized to supply gas is consistent with the cost filings submitted annually to the IURC pursuant to the IURC Rules (170 IAC 5-1-27). The applicable Rate Schedule shall apply for service furnished. The charge for temporary service other than those stated above shall be determined by estimating the cost of construction and removal of facilities, including labor, material, stores freight and handling, and job order overhead, less any estimated salvage value of material recovered. Temporary installation may continue for a period of more than twelve (12) months, if such installation conforms to the requirements of a permanent installation.

6.4 Excess Facilities

In the event service facilities in excess of a standard service under Rule 3.1 are requested by the Customer or are required to serve the Customer's load, the Company will extend such facilities therefore, subject to the following conditions:

6.4.1 The type, extent, and location of such service facilities shall be determined by agreement between the Company and the Customer;

6.4.2 Such service facilities shall be the property of the Company;

6.4.3 The Customer shall agree to pay to the Company a monthly rental equal to two and two tenths percent (2.20%) of the estimated installed cost of the excess facilities;

6.4.4 The monthly rental shall be appropriately adjusted if a change is made in the excess facilities provided by the Company;

6.4.5 The Customer shall provide power as specified by the Company, if so required, to operate such service facilities; and

6.4.6 Such other conditions as are reasonably necessary due to special conditions of service.

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7. CUSTOMER INSTALLATIONS

7.1 Customer Piping and Equipment

Applicants for service, shall at their own expense, equip their Premises with all piping and equipment from the meter to the appliances or equipment served. Such piping and equipment shall be installed and maintained in accordance with effective applicable state and local codes and in accordance with the rules of the Company in force at the time of installation. The Company shall be under no duty to inspect the piping and equipment of the Customer. The Customer shall at all times maintain its piping and equipment beyond the outlet side of the meter.

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8. COMPANY EQUIPMENT ON CUSTOMER'S PREMISE

8.1 Company's Property and Protection Thereof

All meters or other appliances and equipment furnished by and at the expense of the Company, which may at any time be on or in the Customer's Premise, shall, unless otherwise expressly provided, be and remain the property of the Company, and the Customer shall protect such property from loss or damage, and no one who is not an agent of the Company shall be permitted to remove or tamper with such property. If Company property is damaged or destroyed, through the negligence of the Customer or in violation of any tariff provision, the cost of necessary repairs or replacements shall be paid by the Customer.

8.2 Location of Company Regulators, Meters and Equipment

If the form of service requires, the Customer shall provide free of expense to the Company and at a location satisfactory to the Company, a suitable place for necessary regulators, meters or other equipment which may be furnished by the Company.

8.3 Equipment Location Permit

If the Customer is not the owner of the Premises served or of intervening property between such Premises and the Company's main, the Customer shall obtain from such owner, or owners, in a form satisfactory to the Company, such permits or easements as are, in the opinion of the Company, necessary for the installation and maintenance on such Premises and on such intervening property, all piping, or other gas equipment as may be necessary for the supplying of gas service to the Customer.

8.4 Access to Premises

The properly authorized agents of the Company shall have the right to enter upon the Premises of the Customer at all reasonable times for the purpose of inspecting, reading, testing, repairing or replacing the meter(s), appliances and equipment used in connection with its service and removing the same on the termination of the contract or the discontinuation of service**.** Each meter and service regulator, whether inside or outside a building, must be installed in a readily accessible location and be protected from corrosion and other damage, including, if installed outside a building, vehicular damage that may be anticipated. "Readily accessible" means the location should accommodate immediate access at the request of the Company for reading, inspection, repairs, testing, maintenance, and changing and operation of the gas shut-off valve. If a location is not readily accessible, or jeopardizes the safety of an authorized agent of the Company, as determined by the Company, the Company may request that the Customer take steps to correct the problem, or the Company may require the Customer to make payment to the Company of the full cost of correcting the problem.

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8. COMPANY EQUIPMENT ON CUSTOMER'S PREMISE (continued)

8.5 Tampering, Fraud, Theft or Unauthorized Use

When the Company detects fraudulent or unauthorized use of gas, or that the Company's regulation, measuring equipment or other service facilities have been tampered with, the Company may reasonably assume that the Customer or other user has benefited by such fraudulent or unauthorized use or such tampering and, therefore, is responsible for payment of the reasonable cost of the service used during the period such fraudulent or unauthorized use or tampering occurred or is reasonably assumed to have occurred and is responsible for the cost of field calls and effecting repairs necessitated by such unauthorized use and/or tampering. In any event, the Company may require Customer payment for such out-of-pocket costs. Under circumstances of fraud, theft, unauthorized use of gas, tampering or alteration of the Company's regulation, measuring equipment and/or other service facilities, the Company may disconnect service without notice and is not required to reconnect the service until a deposit and all the aforementioned charges, or an estimate of such charges, are paid in full, subject to any provision in the IURC Rules to the contrary. In the event of fraud, theft or unauthorized use of gas which is not upon or connected with a Customer's Premise, the ultimate user of the service shall be liable in the same manner as a Customer for gas service used, the incurred costs of field calls and effecting repairs, and disconnection without notice.

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9. METERING

9.1 Meters to be Installed by Company

The gas supplied, unless otherwise specified, shall be measured by a meter or meters of standard manufacture, installed and owned by the Company. Each meter shall be considered by itself in calculating the amount of any bills, except when, for the convenience of the Company, more than one meter is installed on the same class of service in the same Premises for the same Customer, in which case the sum of the registrations shall be, in all cases, taken as the total registration.

Where service is supplied at pressures in excess of ten (10) inches of water column or where gas temperature varies from 60° F., the Company may correct the volume of gas metered to correspond to gas of standard condition on a water vapor free basis, at an absolute pressure of 14.65 pounds per square inch, and at a temperature of 60° F.

9.2 Meter Testing

The Company will test meters used for billing Customers in accordance with the IURC Rules (170 IAC 5-1-9).

9.3 Failure of Meter and/or Instrumentation

Whenever it is discovered that a meter or associated instrumentation when used to correct metered gas volumes to standard conditions is not operating within the limits of accuracy as prescribed in the IURC Rules, an adjustment shall be made in accordance with such IURC Rules.

9.4 Correction of Metered Quantities for Billing

For the purpose of billing under this Rule, a Therm shall be one hundred cubic feet of gas at a temperature of 60° F, at an absolute pressure of 14.65 pounds per square inch, having an average total heating value equivalent to 100,000 British thermal units (Btu). Metered quantities of gas, corrected for temperature and pressure conditions, shall be adjusted for Btu content by multiplying by the average heating value per cubic foot of gas, as determined for the latest monthly period available, and dividing by 1,000.

9.5 Extra Meters at Customer's Request

The Company will not supply meters other than those deemed necessary by the Company to render gas service to the Customer except for temporary installation. When such temporary extra meters are installed at the request of the Customer, the Customer shall be required to pay the cost, (with the exception of the meter) required for the installation and removal. A rental charge in accordance with Rule 6.4, dependent upon size and type of meter, but in no case less than $1.00 per meter per month, will be made for each extra meter.

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9. METERING (continued)

9.6 Meter Reading Charge – Missed Appointment (Trip Charge)

For Customers with hard-to-access meters, a Meter Reading Charge of $40 shall be added to Customer's account if Customer fails to provide access to the meter during a scheduled appointment. For purposes of this Rule, a hard-to-access meter is defined as a meter that (a) is located inside the premises of Customer, located behind a locked gate, located in an area proximate to an animal that in the judgment of the meter reader is dangerous, or is otherwise inaccessible to the meter reader or presents an unsafe condition; and (b) has not been read by a meter reader during the previous four consecutive months. No Meter Reading Charge shall be assessed if (1) the appointment is cancelled by the Customer with four hours' prior notice; (2) the Customer is not present due to a medical emergency; or (3) in NIPSCO's reasonable discretion, for any other reason that is outside of the Customer's control. Customer shall be provided the opportunity to set the time of the appointment, which must be during regular business hours and within a two-hour window of time. If two appointments scheduled by the Customer are cancelled (with four hours' prior notice) at the request of Customer or Customer fails to set an appointment, then the Company shall set the time of the next appointment, during regular business hours, which cannot be cancelled by the Customer. At the Company's option, assessment of a Meter Reading Charge may be waived if Customer agrees to and permits the installation of a remote meter-reading device.

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10. DEPOSIT TO INSURE PAYMENT OF BILLS

10.1 Applicable to Residential Customers

The Company shall determine the credit-worthiness of an applicant or Customer in an equitable non-discriminatory method and may require a deposit to insure payment of bills in accordance with Rule 15 of the IURC Rules and Regulations.

10.2 Applicable to Non-Residential Customers

The Company shall determine the creditworthiness of an Applicant or Customer in an equitable non-discriminatory manner.

A Customer shall be deemed creditworthy if it has no delinquent bills to the Company for gas service within the last twenty-four (24) months and, within the last two (2) years has not: (a) had service disconnected for nonpayment or (b) filed a voluntary petition, has a pending petition, or has an involuntary petition filed against it, under any bankruptcy or insolvency law. For purposes of this determination a contested bill shall not be considered delinquent.

In determining the creditworthiness of Applicants, the Company shall consider the size of the credit exposure and the availability of objective and verifiable information about the Applicant. The Company may consider the Applicant's payment history from other utilities and verifiable conditions such as, but not limited to: Applicant 's independently audited annual and quarterly financial statements, including an analysis of its leverage, liquidity, profitability and cash flows; and credit rating agency information.

The Company may require from any uncreditworthy Applicant or Customer, as a guarantee against the non-payment of bills, a deposit payable in cash or by letter of credit in an amount equal to the Customer's two (2) highest months usage based upon the most recent twelve (12) months historical usage or two months of projected usage for an Applicant. For Customers with multiple accounts, each account will be treated individually for purposes of this Rule.

If the Company requires a deposit as a condition of providing service, upon request of the Customer or Applicant, the Company must: (a) provide written explanation of the facts upon which the utility based its decision; and (b) provide the Applicant or Customer with an opportunity to rebut the facts and show other facts demonstrating its creditworthiness. Upon the request of the Customer, but no more than once every twenty four (24) consecutive months, the Company will conduct a reevaluation of Customer's creditworthiness with repayment of the security deposit or portion thereof as appropriate, within 60 days and with written notice identifying the basis for any continued deposit. In the case of a cash deposit as a guarantee against the payment of bills, simple interest thereon at the rate established by the Indiana Utility Regulatory Commission shall be paid by the Company for the time such deposit is held by the Company. Upon a Customer's annual request, NIPSCO will credit any accrued interest to the Customer's bill. Upon discontinuance of service, the amount of the final bill will be deducted from the sum of the deposit and interest due, and the balance, if any, shall be remitted to the depositor.

GENERAL RULES AND REGULATIONS
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11. RENDERING AND PAYMENT OF BILLS

11.1 Payment of Bills

Bills will be issued monthly and payment must be received by the Company no later than the due date specified on the Bill.

11.2 Payment After Due Date of Bill

A Bill is delinquent unless payment is received by the due date printed on the Bill. The due date is seventeen (17) days from the next business day of the statement date printed on the Bill. A Delinquent Bill may be assessed a late payment charge equal to ten percent (10%) of the first three dollars ($3) and three percent (3%) of the remaining amount that is delinquent and the Company may disconnect service after complying with any applicable IURC Rules. The company will not apply the late payment charge to previous late payment fees.

Failure to receive the Bill shall not entitle the Customer to relief from the deferred payment provisions of the Bill if the Customer fails to make payment within said seventeen-day period, nor shall it affect the right of the Company to disconnect service for non-payment as above provided.

Once in each half calendar year, but not more often, the Company will upon the Customer's request waive the late payment charge on a Delinquent Bill, provided payment is tendered not later than the last date for payment of net amount of the next succeeding month's Bill.

11.3 Billing Disputes

A Customer shall not be disconnected for failing to pay an outstanding Bill in full if the unpaid portion of the Bill is disputed by the Customer and the Customer complies with the applicable IURC Rules.

11.4 Social Security Payment Plan

The Company may, upon request, revise the due date by up to ten (10) calendar days, provided that the Customer applies for and is accepted by the Company as a participant in the Social Security Payment Plan. In order to participate in the Social Security Payment Plan, the Customer must meet the following conditions:

11.4.1 The Customer must be taking Residential Service, which must be in the Customer's name; and

11.4.2 The Customer must be retired or legally disabled and must show proof of receiving monthly social security or retirement benefits.

GENERAL RULES AND REGULATIONS
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11. RENDERING AND PAYMENT OF BILLS (continued)

11.5 Interruption or Curtailment of Service

The minimum Bill shall not be reduced for any billing month because of any interruption, suspension, reduction or Curtailment of the delivery of gas except in the event it shall be due to, occasioned by, or in consequence of, a default of the Company, a strike or strikes of employees or workmen of the Company, differences between the Company and its employees or workmen, inability of the Company to secure gas or other material, supplies or equipment, failure of the gas supply, or Curtailment or diminution of gas deliveries to the Company by its supplier or suppliers, breakage or failure of the Company's machinery, equipment, compressors, mains, pipes, delivery lines, storage or delivery facilities, federal, state or other governmental laws, orders, decrees, restraints or regulations applicable to the operations of the Company when, in any event, if the Company does not supply and deliver gas in sufficient quantity that the bill therefore calculated at the applicable rate is at least equal to the minimum monthly payment hereunder, then the minimum for such month shall be based on the maximum daily demand for the month multiplied by a fraction, the numerator of which is the hours in the month that gas service was not curtailed, and the denominator of which is the total hours in the month.

GENERAL RULES AND REGULATIONS
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12. DISCONNECTION AND RECONNECTION OF SERVICE

12.1 Customer Request for Disconnection

The Customer shall be responsible and pay for all gas service supplied to the Customer's Premises until the third business day following the requested disconnection date given by the Customer to the Company to discontinue service.

12.2 Company Right to Disconnect Service Without Notice

The Company reserves the right to disconnect the supply of all service to all or any part of the Customer's Premises without notice in accordance with the IURC Rules for any of the following reasons:

12.2.1 If a condition dangerous or hazardous to life, physical safety or property exists;

12.2.2 Upon order by any court, the IURC or other duly authorized public authority;

12.2.3 If fraudulent or unauthorized use of gas is detected and the Company has reasonable grounds to believe the affected Customer is responsible for such fraudulent or unauthorized use; or

12.2.4 If the Company's regulating or measuring equipment has been tampered with and the Company has reasonable grounds to believe that the affected Customer is responsible for such tampering.

No disconnection shall invalidate any contract with the Customer and the Company shall have the right to enforce any contract notwithstanding such disconnection.

12.3 Company Right to Disconnect Service With Notice

The Company may disconnect the supply of all service to the Customer's Premises (and refuse to serve any other member of the same household or firm at the same Premises) in accordance with the IURC Rules or other applicable law and with reasonable notice provided to such Customer at the address shown upon the Company's records for any of the following reasons:

12.3.1 For repairs (if required);

12.3.2 For non-payment of Bills or failure to post a required security deposit or collateral;

12.3.3 For failure by the Customer to allow access by employees of the Company to the Customer's meter or other facilities; or

12.3.4 For any other lawful reason.

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12. DISCONNECTION AND RECONNECTION OF SERVICE (continued)

12.4 Reconnection Charges

Whenever service has been discontinued at a Premise (1) for non-payment of charges; (2) for failure to provide a security deposit or collateral; (3) at the request of a Customer; or (4) for any other reason authorized under the Company Rules and caused by the Customer's actions, a charge will be made by the Company to cover the cost of reconnection of service, in accordance with the Reconnection Charges shown in Rule 16.

A charge equal to the Customer Charge for each month of discontinued service will also be included for reconnection for the same non – Industrial Customer at the same Premise, where service has been discontinued at the non- Industrial Customers request anytime during the preceding nine (9) months. However, the Company may waive this charge if the Customer provides documentation that the discontinuance of service was due to an unforeseen circumstance of an emergency nature.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

13. SERVICE INTERRUPTIONS AND CURTAILMENTS

13.1 Interruption of Service

The Company shall not be responsible in damages for any failure to supply gas service or for interruption of the supply of gas, or for defective piping on the Customer's premises, or for damages resulting to a Customer or to third persons from the use of gas or the presence of the Company's equipment to the Customer's premises, unless due to fault, neglect or culpability on the part of the Company. Neither party shall be liable to the other for any failure or delay in case such failure or delay is caused by strikes, acts of God, or unavoidable accidents or contingencies beyond its control and is not due to fault, neglect or culpability on its part.

13.2 Emergency Curtailment Without Regard to Priority

The Company reserves the right to order gas Curtailment without regard to the priority of service when in its judgment such Curtailment is required to forestall imminent and irreparable injury to life or property, and which emergency is due to causes other than pipeline Curtailments pursuant to FERC Orders. A Curtailment pursuant to this Rule shall not exceed ten (10) consecutive days but may be extended by IURC Order.

13.3 Curtailment of Service

When sufficient volumes of gas, in the judgment of the Company, are not available to the Company to meet all existing and reasonably anticipated demands for service or to protect and replenish its on system gas storage reserves, the Company shall have the right to restrict, limit, or curtail gas service within any or all parts of its systems so affected in accordance with any of the provisions of this Rule.

13.4 Applicability

The terms and provisions of this Rule shall be applicable notwithstanding any provisions contained in the Rates and Rules, or in any contract or agreement between the Company and any Customer.

13.5 Curtailment of Customer's Gas

When sufficient quantity of Company gas, scheduled for sale to the Company's consumers, in the judgment of the Company, are not available to the Company to meet the demands for the gas sales service requirements, the Company shall have the right to curtail on a pro-rata basis Customer-owned gas scheduled to be transported for the Customer to fulfill the gas requirements of the Company. The Company shall impose this right as set forth in Rule 13.3.

The Company shall reimburse Customers for the gas used by reason of the Curtailment at an amount equal to published daily Chicago City Gate midpoint price for the day on which the gas is utilized times the quantity of gas utilized.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

13. SERVICE INTERRUPTIONS AND CURTAILMENTS (continued)

13.5 Curtailment of Customer's Gas (continued)

Any gas purchased by the Company under these provisions will be included in the Company's reconciliation of gas costs under the Gas Cost Adjustment as approved by the Commission for the time period of such Company use of Customer-owned gas.

13.6 Priority of Service

Priority of service shall be as set forth below. The highest priority is Service Priority Class I and the lowest priority of service is Service Priority Class V.

Service Priority Class	Description
I	Residential and other firm Sales and firm Transportation Customers averaging not more than 10 Mcf per day and Human Needs Customers.
II	Non-Residential firm Sales and firm Transportation Customers having a contract obligation or an Average Daily Usage of more than 10 Mcf per day but less than 50 Mcf per day, and Living Quarters not included in Service Priority Class I.
III	Non-Residential firm Sales and firm Transportation Customers having a contract obligation or an Average Daily Usage of more than 50 Mcf per day but less than 500 Mcf per day and schools.
IV	Non-Residential firm Sales and firm Transportation Customers having a contract obligation or an Average Daily Usage of more than 500 Mcf per day.
V	Interruptible sales and interruptible Transportation Customers.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

13. SERVICE INTERRUPTIONS AND CURTAILMENTS (continued)

13.7 Curtailment Procedure

Curtailment, unless pursuant to Rule 13.6, shall begin with Service Priority Class V and continue as necessary through Service Priority Classes IV, III, II and I as follows:

13.7.1 Service Priority Class V shall be fully curtailed one hundred percent (100%) before any Curtailment is commenced to any other class.

13.7.2 After Service Priority Class V is curtailed, Curtailment to Service Priority Class IV shall commence and progress as necessary and as further provided in Rule 13.7.5 and 13.7.7.

13.7.3 After Service Priority Class V is fully curtailed and Curtailment has commenced in Service Priority Class IV, Curtailment to Service Priority Class III shall commence and progress as necessary provided that the percentage of contract obligation volume supplied to Service Priority Class III shall be at least ten percent (10%) but not more than twenty percent (20%) greater than the percentage of contract obligation supplied to Service Priority Class IV except as set forth in Rule 13.7.4 and 13.7.6.

13.7.4 Curtailment to Service Priority Classes IV or III shall not exceed sixty-five percent (65%) of the contract obligation volumes of any Customer in either class except as set forth in Rule 13.7.7. After Service Priority Class IV is curtailed to where the Customers in the class are supplied not more than the greater of (i) thirty-five percent (35%) of contract obligation volume or (ii) Customer Plant Protection Level, then Curtailment of Service Priority Class III shall progress to where the Customers in the class are supplied not more than the greater of (i) thirty-five percent (35%) of contract obligation volume or (ii) Customer Plant Protection Level.

13.7.5 After Service Priority Class V is fully curtailed one hundred percent (100%) and Service Priority Classes IV and III are curtailed to where the Customers in the classes are supplied not more than the greater of (i) thirty-five percent (35%) of the contract obligation or (ii) Customer Plant Protection Level, then Curtailment to Service Priority Class II shall commence and continue as necessary, but shall not exceed sixty-five percent (65%) of contract obligation or Average Daily Usage (whichever is applicable) except as set forth in Rule 13.7.7.

13.7.6 After Service Priority Class V is fully curtailed one hundred percent (100%) and Service Priority Classes IV, III and II are curtailed to where the Customers in the classes are supplied not more than the greater of (i) thirty-five percent (35%) of the contract obligation or Average Daily Usage (whichever is applicable in Class II), or (ii) Customer Plant Protection Levels, then Service Priority Classes IV, III and II shall each be further curtailed by equal percentages until one hundred percent (100%) Curtailment of Service Priority Classes IV, III and II occurs.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

13. SERVICE INTERRUPTIONS AND CURTAILMENTS (continued)

13.7 Curtailment Procedure (continued)

13.7.7 After Service Priority Classes V, IV, III and II are in one hundred percent (100%) Curtailment, Curtailment shall commence in Service Priority Class I and progress as necessary.

13.7.8 The Company will give notice of Curtailment in the most effective manner possible and as much in advance as possible with regard to the exigencies and the number of Customers to be notified. The Curtailment shall be effective as of the time and date specified in the notice.

13.8 Restoration of Service Levels

Service shall be restored in the reverse order of the original Curtailment.

13.9 Penalties

13.9.1 For Zone A, any Non-Residential Customers who exceed the limitations specified in the Curtailment notice in excess of five percent (5%) during such Curtailment shall be subject to five (5) times the published daily Chicago City Gate midpoint price penalty charge for all gas taken in excess of the limitation. Intentional overruns by a Customer who has made no good faith effort to avoid overruns shall authorize the Company to terminate gas service to such Customer.

13.9.2 For Zones B, C, D and E, any Non-Residential Customers who exceed the limitations specified in the Curtailment notice in excess of five percent (5%) during such Curtailment shall be subject to five (5) times the published daily Mich Con City Gate midpoint price penalty charge for all gas taken in excess of the limitation. Intentional overruns by a Customer who has made no good faith effort to avoid overruns shall authorize the Company to terminate gas service to such Customer.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

14. LIMITATIONS OF LIABILITY

14.1 Neither Company nor Customer shall be liable to the other for any act, omission or event caused by strikes, acts of God, or unavoidable accidents or contingencies beyond its control.

14.2 Company shall not be liable for damages for any failure to supply gas or for an interruption, limitation, or curtailment of Gas Service, whether or not such disruption is ordered by a governmental agency having jurisdiction, if such failure, interruption, limitation, or curtailment is due to the inability of Company to obtain sufficient gas supplies at economical prices from its usual and regular sources or due to any other cause whatsoever other than willful default or negligence of Company.

14.3 Company shall not be liable for damages caused by defective piping or appliances on Customer's Premises.

14.4 Company shall not be liable for damages resulting to Customer or to third persons from the presence or use of gas or the presence of Company's equipment on Customer's Premises, unless due to the willful default or negligence on the part of Company.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

15. GAS COST INCENTIVE MECHANISM

The Company will adjust the Gas Cost Adjustment factors for billing purposes by the effect of the application of the Gas Cost Incentive Mechanism approved in Cause No. 40342, as modified and extended in Cause Nos. 42800, 42884 and 43837.

The Gas Cost Incentive Mechanism rewards and/or penalizes the Company for its performance of gas supply acquisition when compared to a market standard ("Benchmark").

The Benchmark shall incorporate a "Benchmark Price" that (1) for first of month purchases will be an average of the first of month ("FOM") spot market natural gas commodity prices as published in Natural Gas Week as the "Spot Market on Interstate Pipeline Systems, Bid Week for ___ (Applicable Month)", and in Inside FERC's Gas Market Report, and (2) for purchases designated as not made on the first of the month will be the average of the published Gas Daily "Daily Price Survey, Daily Midpoint" and NGI's Daily Gas Price Index "Cash Market Prices" natural gas commodity price applicable as of the date of purchase. These gas prices shall reflect the gas prices for the geographic locations representative of the supply basin/location where the gas was purchased and delivered to the primary and secondary receipt points of the Company's transportation capacity. The "Benchmark Price" will be determined for each month ("FOM pricing") and each day ("Daily Pricing") of the year.

The Benchmark Dollars are calculated by applying the Benchmark Prices from the indices to the actual units purchased within the geographic supply zones. The aggregated dollars are the Benchmark Dollars which will be compared to the Company's actual gas commodity purchases on a monthly basis in order to determine the Company's performance under the Gas Cost Incentive Mechanism. If the Company's actual gas commodity purchase dollars are less than the Benchmark Dollars, a Positive Performance exists. If the Company's actual gas commodity purchase dollars are greater than the Benchmark Dollars plus the Tolerance Band, a Negative Performance exists. Sharing of the dollar differences between the Company and the Customers will be as follows:

For the period, May 1, 2006 to April 30, 2012:

Negative Differential (Actual cost > Benchmark Price)

% of Benchmark Price above Benchmark Price	% of Sharing Customer	% of Sharing Company
>0%	50	50

Positive Differential (Actual cost < Benchmark Price)

% of Benchmark Price above Benchmark Price	% of Sharing Customer	% of Sharing Company
>0%	50	50

The Customers' share of dollars as determined on a monthly basis will be included in the Gas Cost Adjustment calculations for Sales Customers.

GENERAL RULES AND REGULATIONS
Applicable to Gas Service

16. MISCELLANEOUS AND NON-REOCCURRING CHARGES

16.1 Reconnection Charges

Whenever the service has been turned off by the Company in accordance with Rule 12, a charge will be made by the Company to cover the cost of reconnection of service, which charge shall be as follows:

A.	Reconnect during normal working hours (8:00 AM to 5:00 PM)	$70.00
B.	Reconnect after normal working hours (Monday through Friday) Saturday	$85.00
C.	Reconnect on Sunday and Holidays	$100.00

16.2 Non-Sufficient Funds

A charge of $20.00 to reimburse the Company for its cost incident to Non-Sufficient Funds will be assessed.

16.3 After Hours / Same Day Charge.

If Customer requests that gas service be initially connected, reconnected or disconnected outside of normal business hours or on the same day the request is submitted, Customer shall be charged an After Hours / Same Day Charge of $55.00 in addition to any other applicable charges for each connection, reconnection or disconnection.

16.4 Return Trip Charge.

If Customer schedules an appointment in association with a service request, and the Company's serviceman is not able to gain access to Company's facilities due to the absence of the Customer, the Customer shall be charged a Return Trip Charge in the amount of $40.00 at the time an appointment is rescheduled by the Customer.

RATE 411
RATE FOR GAS SERVICE
RESIDENTIAL SERVICE

TO WHOM AVAILABLE

This Rate is available to Residential Customers who are located in the area served by the Company.

CHARACTER OF SERVICE

Service under this rate shall be considered firm service. Customer will be billed under this Rate for the use of the Company's delivery system. Customer will also be billed under this Rate for commodity gas delivered by the Company, unless the customer elects to purchase gas commodity from (1) a Choice marketer pursuant to Rider 480, or (2) the Company pursuant to Rider 481.

RATE

The rate for gas delivery service and gas supplied hereunder shall consist of a Customer Charge, Distribution Charge, and applicable Riders as listed in Appendix A. The Customer and Distribution Charges are as follows:

Customer Charge

$11.00 per month

Distribution Charge

$0.11282 per therm for all therms used per month

MINIMUM PAYMENT

The Customer's minimum payment under this rate 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.

RATE 415
RATE FOR GAS SERVICE
MULTIPLE FAMILY HOUSING SERVICE

TO WHOM AVAILABLE

This Rate is available to Customers requiring service through a single meter to residential buildings or residential developments containing more than one dwelling unit but not exceeding five dwelling units, including service for space and water heating auxiliary to residential use

CHARACTER OF SERVICE

Service under this rate shall be considered firm service. Customer will be billed under this Rate for the use of the Company's delivery system. Customer will also be billed under this Rate for commodity gas delivered by the Company, unless the customer elects to purchase gas commodity from (1) a Choice marketer pursuant to Rider 480, or (2) the Company pursuant to Rider 481.

RATE

The rate for gas delivery service and gas supplied hereunder shall consist of a Customer Charge, a Distribution Charge, and applicable Riders as listed in Appendix A. The Customer and Distribution Charges are as follows:

Customer Charge

$12.50 per month.

Distribution Charge

$0.17733 per therm for the first 45 therms per month
$0.12733 per therm for all over 45 therms per month

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.

RATE 421
RATE FOR GAS SERVICE
GENERAL SERVICE - SMALL

TO WHOM AVAILABLE

This Rate is available to Non-Residential Customers and Customers requiring service through a single meter to residential buildings or residential developments containing more than five dwelling units located in Zones A, B, C, D and E served by the Company for any gas use acceptable under the Company's General Rules and Regulations Applicable to Gas Service.

CHARACTER OF SERVICE

Service under this rate shall be considered firm service. Customer will be billed under this Rate for the use of the Company's delivery system. Customer will also be billed under this Rate for commodity gas delivered by the Company, unless the customer elects to purchase gas commodity from (1) a Choice marketer pursuant to Rider 480, or (2) the Company pursuant to Rider 481.

RATE

The rate for gas delivery service and gas supplied hereunder shall consist of a Customer Charge, a Distribution Charge, and applicable Riders as listed in Appendix A. The Customer and Distribution Charges are as follows:

Customer Charge

$30.00 per month.

Distribution Charge

$0.10006 per therm for all therms used per month.

MINIMUM PAYMENT

Customer's minimum payment under this rate 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.

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RATE 425
RATE FOR GAS SERVICE
GENERAL SERVICE - LARGE

TO WHOM AVAILABLE

This Rate is available only to Commercial and Industrial Customers whose daily demands do not exceed 10,000 Dth for any use under the General Rules and Regulations Applicable to Gas Service. A contract is required for Customers with daily demands at or above 50 Dth. This rate schedule is available to those Customers located in Zones A, B, C, D and E.

CHARACTER OF SERVICE

Service under this rate shall be considered firm service. Customer will be billed under this Rate for the use of the Company's delivery system. Customer will also be billed under this Rate for commodity gas delivered by the Company, unless the customer elects to purchase gas commodity from (1) a Choice marketer pursuant to Rider 480, or (2) the Company pursuant to Rider 481.

RATE

The rate for gas delivery service and gas supplied hereunder shall consist of a Customer Charge, a Distribution Charge and applicable Riders, as listed in Appendix A. The Customer Charge, and Distribution Charge are as follows:

Customer Charge

$250.00 per month

Distribution Charge

$0.06010 per therm for the first 6,000 therms used per month
$0.05710 per therm for the next 24,000 therms used per month
$0.05010 per therm for the next 60,000 therms used per month
$0.04510 per therm for all over 90,000 therms used per month

MINIMUM PAYMENT

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

RATE 425
RATE FOR GAS SERVICE
GENERAL SERVICE - LARGE

CONTRACT

A properly executed contract, if required, is necessary before any service may be taken under this rate schedule.

Any Customer requesting new or increased service of 50 Dth or more under this rate shall execute a written contract for service for a period of not less than one year, specifying a maximum daily quantity of gas which the Company is obligated to deliver. Such contract shall continue in effect from year to year thereafter.

METERING

Gas service furnished hereunder shall be measured as to maximum daily demand and volume by meters to be installed by the Company.

When required by the Company, the Customer will supply a suitable fireproof building or fireproof room within a building on the Customer's premises, in accordance with plans and specifications to be furnished by the Company. Such building or room is to house the meters, regulators and any other equipment to be installed by the Company for determining the amount of gas delivered to the Customer. Such building or room is to be well ventilated and provided by the Customer with heat, electric light, and such power as required by the Company for metering purposes.

RULES AND REGULATIONS

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

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

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 200 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 200 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 (A) and (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 & 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 & D located in the

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

CHARACTER OF SERVICE (continued)

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 between 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 prevent 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.

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

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.

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

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:

A. For Customers whose annual average daily gas requirements are 3,000 Dth per day or greater. Daily balancing for transportation Customers as set forth herein will be provided by:

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

B. For Customers whose annual average daily gas requirements are less than 3,000 Dth per day. Daily balancing for transportation Customers as set forth herein will be provided by:

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

C. For Customers whose annual average daily gas requirements are less than 3,000 Dth per day, and request Category (A) services. Daily balancing for transportation Customers as set forth herein will be provided as detailed for Category (A) above for a minimum term of one (1) year.

METERING REQUIREMENTS

As a condition of selecting balancing for either A or C, the Customer will have 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

Nomination Exchange Service will be available to those Customers in Categories (A), (B), or (C).

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

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

NOMINATION EXCHANGE SERVICE (continued)

Balancing Service Category (A). 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.

IMBALANCE EXCHANGE SERVICE

Imbalance Exchange Service will be available to those Customers in Categories (A) or (C).

From time to time Customers will over a day consume an amount of gas which is different from the quantity of gas delivered to the Company, adjusted for unaccounted for gas, on that day for the Customers' accounts. In order to provide Customers with more flexibility in their supply management, the Company will permit Customers or their authorized agents to exchange imbalances on the Company's system for the gas day just ended, thus allowing Customer's retroactive adjustments to their transportation receipts and deliveries on the Company's system. Exchange transactions between Customers must be completed during a period commencing at the end of the gas day and continuing until 3:00 p.m. CST that same 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 allocated gas deliveries 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 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 3:00 p.m. CST deadline.

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

COMPANY BALANCING SERVICE CATEGORY (A)

The Company will make available each day firm Balancing Service up to the balancing account capacity and injection/withdrawal limits, to those Customers who still have a daily imbalance after exchanging imbalances with other Customers. By April 1 of every year, upon thirty (30) days' written notice to the Company, each Customer 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 available to each Customer shall be the Customer's average 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 available for all Category (A) Balancing Service is limited to the total of the average daily use of all transportation Customers eligible for Category (A) Balancing Service recorded during previous calendar year. If all Customers do not select their maximum balancing account capacity limit, any remaining capacity shall be made available to other Category (A) 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.

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

COMPANY BALANCING SERVICE CATEGORY (A) (continued)

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 Schedule will apply. Scheduled injections and withdrawals are included as part of a Customer's daily scheduled nominated quantity.

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 4.99%)	0.0 cents per therm
+/-(5% to 9.99%)	0.0 cents per therm plus the allocated pipeline penalty charge, if any.
+/-(10% to 20%)	the greater of 3.2 cents per therm, or the allocated pipeline penalty charge, if any.
over +/- 20%	the greater of 10.6 cents per therm 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 account 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 Schedule if available or under the provisions of Rider 431.

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

COMPANY BALANCING SERVICE CATEGORY (A) (continued)

For Customers in Zone A, in the event the balancing account limit is exceeded, the volume of undertake gas in excess of the allowable balancing limit will be cashed out for that day at the daily cash out price. The daily cash out price shall be calculated as the daily price posted in "Gas Daily" daily Chicago City-gate Midpoint minus a cash out fee of 30 percent of the "Gas Daily" daily Chicago City-gate Midpoint Price. 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, in the event the balancing account limit is exceeded, the volume of undertake gas in excess of the allowable balancing limit will be cashed out for that day at the daily cash out price. The daily cash out price shall be calculated as the daily price posted in "Gas Daily" daily Mich Con City-gate Midpoint minus a cash out fee of 30 percent of the "Gas Daily" daily Mich-Con City-gate Midpoint Price. 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.

At the Company's discretion, the Customer may be assessed the allocated pipeline 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.

INTERRUPTIBLE GAS OVERTAKE SERVICE AND NOMINATED INTERRUPTIBLE GAS OVERTAKE SERVICE

Interruptible gas overtake service and nominated interruptible gas overtake service will be available to those Customers in Categories (A), (B) or (C).

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 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.

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

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

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. 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.

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. 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

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

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

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.

Interruptible gas overtake service mark up percentage will be credited to the GCA customers.

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 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

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

COMPANY BALANCING SERVICE CATEGORY (B) (continued)

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.

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).

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

COMPANY BALANCING SERVICE CATEGORY (B) (continued)

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

For customers in Zone A, 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. 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, 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. 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.

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.

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

IMBALANCE NETTING OPTION

Imbalance netting option will be available to those Customers in Categories (A), (B) or (C).

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. Provided, however, if 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 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

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

IMBALANCE NETTING OPTION (continued)

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

$350.00 per month

Administrative Charges for Balancing Services

$1,325.00 per month for Customers in Category (A)
$550.00 per month for Customers in Category (B)
$1,325.00 per month for Customers in Category (C)

Transportation Charge

$0.02626 per therm for the first 300,000 therms delivered in the month
$0.00826 per therm for all over 300,000 therms delivered in the 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

Interruptible Gas Overtake Service Charges

As set forth in detailed section.

RATE 428
RATE FOR GAS SERVICE
LARGE TRANSPORTATION AND BALANCING SERVICE

RULES AND REGULATIONS

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

RATE 430
RATE FOR GAS SERVICE
LARGE VOLUME NEGOTIATED SALES SERVICE

TO WHOM AVAILABLE

This is a Rate Schedule available to Commercial and Industrial Customers in Zones A, B, C, D and E whose annual gas requirements will average at least 200 Dekatherms (Dth) per day, or in the case of a new Customer or a Customer increasing gas requirements, the Customer shall certify that its annual gas requirements will average at least 200 Dth per day.

CHARACTER OF SERVICE

Service hereunder is available to Customers for firm or interruptible, service, and full or partial requirements for natural gas as stated in the Customer's Service Agreement. Customers requesting service for partial requirements must take the remainder of their gas requirements under the Company's applicable rate schedules for gas service. For Customers taking service hereunder in conjunction with any of the Company's transportation rate schedules, any gas served to the Customer under this Rate Schedule shall be considered first through the meter for billing purposes, unless otherwise agreed to between the Customer and the Company.

In order for the Company to properly arrange for procurement of supply, price and manage the daily supply for Customers for receiving service hereunder, the Company shall require that the Customer provide to the Company, as part of the Service Agreement under this rate schedule, Operating Plans and Average Daily Contract Quantities for each month of the contract period for service hereunder. The operating plans will consist of a schedule of daily quantity of natural gas of gas to be supplied to the Customer by the Company under this rate schedule for each day of each month of the contract period. The Average Daily Contract Quantity will be a calculated value for each month of the contract period based on the submitted operating plans and number of days in the month.

Customers may submit changes to the monthly operating plans five (5) days prior to the time that nominations are required by the Company's delivering pipelines. Daily changes in operating plans must be supplied to the Company no later than the time required for nominations by the delivering pipeline(s). Operating plans must be resubmitted by Customers thirty (30) days prior to the beginning of each year that contracts are renewed for service under this Rate Schedule.

RATE 430
RATE FOR GAS SERVICE
LARGE VOLUME NEGOTIATED SALES SERVICE

CHARACTER OF SERVICE (continued)

The Company will use the operating plans and Average Daily Contract Quantities as submitted with contracts by Customers receiving service hereunder, to determine the appropriate level of market based pricing for services required to manage the daily use of natural gas of the Customers receiving service under this rate schedule. Therefore, Customers should use due diligence to minimize daily variances between their projected and actual operating plans to ensure the best available pricing of their gas service under this Rate Schedule. During critical periods of operation on the Company's gas supply system or on its supplying pipelines, Customers may be limited to their daily operating plan. In the event that during a critical period the Customer takes gas in excess of its daily operating plan, the Company will, so far as practicable, undertake to proportionately allocate among its Customers gas supplies as may be available, otherwise, service in excess of the Customer's daily operating plan or available supplies will be deemed supplied under the provisions of Rider 431. The Company shall notify the Customer of the occurrence of such critical period and availability of supplies as far as practicable in advance of, and in any event not less than thirty (30) minutes before, the beginning or discontinuance of such critical period of operations on the Company's gas supply system or on its supplying pipelines. Customer's may not make further changes to their operating plans once the notification of the critical period has been made due to the limitations on the Company's supply system during these critical times.

This Rate applies to gas having a monthly average total heating value of approximately 1,000 British thermal units (Btu) per cubic foot.

RATE

Customer Charge

$350.00 per month

Supply and Delivery Charges

The Supply and Delivery charge will be an individually negotiated charge, such charge to be set forth in each customer Service Agreement. This Supply and Delivery charge shall include Gas Supply Charges, Transportation Charges, Fuel Use Charges, and Delivery Charges. The Delivery Charge shall not be less than the transportation charge under Rate Schedule 428 applicable to the Customer.

RATE 430
RATE FOR GAS SERVICE
LARGE VOLUME NEGOTIATED SALES SERVICE

MINIMUM PAYMENT

The Customer's minimum monthly payment under this Rate Schedule shall be the Customer charge, unless otherwise negotiated in the Qualifying Customer's Service Agreement.

GENERAL TERMS AND CONDITIONS OF SERVICE

1. Service Agreement

A properly executed Service Agreement is necessary before any service may be taken under this Rate Schedule.

Customer shall execute a Service Agreement for a period of not less than one year or until the termination of this experimental service, whichever is less. Upon execution of the Service Agreement, Customer shall supply to the Company an annual gas requirements plan that the Company is obligated to deliver. The annual plan shall specify the daily requirements, by month, and the Maximum Daily Quantity (MDQ) and Average Daily Quantity (ADQ) for each month.

The Customer agrees not to take nor request gas service in lieu of the service specified in the Service Agreement under this tariff for the term of the Service Agreement. Service Agreement entered into hereunder shall be submitted to the Indiana Utility Regulatory Commission, as required, and shall be effective upon submission. All said contracts shall be treated on a confidential basis by all parties.

2. Interruptibility of Service

The Company shall have the right at any time, and from time to time, to interrupt or limit the delivery of gas to the Customer hereunder whenever the Company does not have, for any reason, sufficient capacity at any point in its distribution system to maintain adequate service to its general gas customers and to render transportation service hereunder. When, due to such operational constraints, interruption or limitation of service hereunder is invoked by the Company, it will invoke such interruption or limitation ratably among Customers receiving service hereunder, affecting such operational constraints.

3. Metering

Gas service furnished hereunder shall be measured as to maximum daily demand and volume by meters to be installed by the Company. Each meter shall be considered by itself in calculating the amount of any bills except when, for the convenience of the Company, more than one meter is installed on the same class of service in the same premises for the same Customer in which case the sum of the registrations shall in all cases be taken as the total registration.

RATE 430
RATE FOR GAS SERVICE
LARGE VOLUME NEGOTIATED SALES SERVICE

GENERAL TERMS AND CONDITIONS (continued)

When required by the Company, the customer shall supply a fireproof building or fireproof room within a building, on the Customer's premises, in accordance with plans and specifications to be furnished by the Company. Such building or room is to house the meters, regulators and any other equipment to be installed by the Company for determining the amount of gas delivered to the Customer. Such building or room is to be well ventilated and provided by the Customer with heat, electric light, and such power as required by the Company for metering purposes.

4. Definitions

The term "cubic foot" shall mean the volume of gas which occupies one cubic foot when such gas is at a temperature of 60° F, and at a pressure of 14.65 pounds per square inch absolute.

The term "British thermal unit" shall mean the amount of heat required to raise the temperature of one pound of water 1° F at 60° F.

The term "Average Daily Quantity" (ADQ) shall mean the average quantity of gas specified in the Customer's annual plan for a particular calendar month.

5. Rules and Regulations

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

RIDER 431
COMMERCIAL AND INDUSTRIAL TEMPORARY EMERGENCY SERVICE RIDER

TO WHOM AVAILABLE

Available for Temporary Emergency Gas Service to replace the alternate fuel supply and/or pipeline transportation service which have been impaired or interrupted for Commercial and Industrial Customers who have contracted for service under Rate 428, 430 or 438.

RATE

For customers in Zone A, three (3) times the "Gas Daily" daily Chicago City-Gate Midpoint pricing per therm for all gas supplied hereunder except that the charge will be $6.00 per therm during any period identified by the Company as a Critical Period.

For customers in Zones B, C, D and E, three (3) times the "Gas Daily" daily Mich Con City-Gate Midpoint pricing per therm for all gas supplied hereunder except that the charge will be $6.00 per therm during any period identified by the Company as a Critical Period.

TERMS AND CONDITIONS OF SERVICE

If, due to circumstances beyond the control of the Customer, the alternate fuel supply and/or pipeline transportation service upon which Customer relies is impaired or interrupted, the Company, may in its discretion, upon request of Customer, supply temporary emergency gas service hereunder during a period when, except for the provisions hereof, such service would not be available; provided the Company, in its sole judgment, determines it has a sufficient supply of gas for the purpose of furnishing such temporary emergency service.

Such temporary service shall be available only so long as the alternate fuel supply and/or pipeline transportation service continues to be impaired or interrupted or until, in the Company's opinion, sufficient time has elapsed to have permitted proper restoration of such alternate fuel supply and/or pipeline transportation service or until the Company's supply for such service becomes insufficient, whichever shall first occur. The quantity of gas made available during any such temporary emergency shall be determined by the Company and that quantity taken by Customer shall be billed hereunder.

RIDER 431
COMMERCIAL AND INDUSTRIAL TEMPORARY EMERGENCY SERVICE RIDER

DEFINITIONS

The term **"Critical Period"** shall be any time declared by the Company whenever any of the following conditions occurs or is anticipated to occur:

(1) Any area of the Company's system is operating at or near design capacity which jeopardizes the operational integrity of all or a portion of the Company's system;

(2) Failure or operational constraint of the Company's transmission, distribution, or gas storage facilities;

(3) System pressure, affected by pipelines' delivery pressures or other unusual conditions, jeopardizes the operation of the Company's system;

(4) The Company's transmission, storage, and supply resources are being used at or near their maximum rated deliverability;

(5) The Company's pipeline transporters or suppliers issue or declare an Operational Flow Order (OFO) or the equivalent of a Critical Period.

The term **"Operational Flow Order"** is an order declared by a transporting pipeline that increases the otherwise normal charges for failure to comply with specific operational constraints.

RATE 434A
RATE FOR GAS SERVICE
OFF-PEAK COMMERCIAL AND INDUSTRIAL INTERRUPTIBLE NEGOTIATED SERVICE

TO WHOM AVAILABLE

This Rate is available to Commercial and Industrial Customers for gas service on an interruptible basis when in the judgment of the Company, gas supplies are available for non-firm service, and its service facilities are adequate to render proper service to the Customer without impairing the quality of the Company's service to other customers.

Service hereunder is available to 1) customers who have functioning alternate fuel capability and/or 2) to off-peak seasonal processing customers who typically use 90% of their annual gas requirements during the off-peak period, such period defined as April 1 through November 30, which shall be verified by a representative of the Company, who can and will promptly curtail or cease the take of gas hereunder, within the notice period provided for in the general terms and conditions of service, by discontinuing their operations and/or utilizing alternate fuel facilities.

CHARACTER OF SERVICE

Gas service under this rate shall only be available at the sole discretion of the company and is cancelable by the Company at any time without notice.

This Rate applies to gas having a monthly average total heating value of approximately 1,000 British thermal units (Btu) per cubic foot.

RATE

Customer Charge

$350.00 per month.

Commodity Charge

The Commodity Charge will be comprised of a Delivery Charge and a Gas Supply Charge. The Commodity Charge may vary depending upon the customer's alternate fuel, i.e., (i) coal, (ii) #2 oil, (iii) #6 oil, (iv) propane, or (v) electricity, or (vi) off-peak seasonal processing, and will be individually negotiated within the terms of the Customer's Service Agreement.

MINIMUM PAYMENT

The Customer's minimum monthly payment under this rate schedule shall be the Customer Charge as stated in this Rate Schedule.

RATE 434A
RATE FOR GAS SERVICE
OFF-PEAK COMMERCIAL AND INDUSTRIAL INTERRUPTIBLE NEGOTIATED SERVICE

GENERAL TERMS AND CONDITIONS OF SERVICE

A written Service Agreement between the Company and a Customer is required hereunder and shall provide for a mutually acceptable initial term and extension thereof, if any.

Gas service furnished hereunder shall be measured by meters to be installed by the Company. When required by the Company, the Customer shall supply a fireproof building, or a fireproof room within a building, on the Customer's premises, in accordance with plans and specifications to be furnished by the Company. Such building or room is to house the meters, regulators and any other equipment to be installed by the Company for determining the amount of gas delivered to the Customer. Such building or room is to be well ventilated and provided by the Customer with electric light and such power as required by the Company for metering purposes.

Customers served hereunder shall assume the responsibility of providing for a supply of other fuels, if necessary, for use in the Customer's plant in the event the Company shall discontinue in whole or in part the supply of gas to said plant in accordance with the rights reserved by the Company so to do, at the sole discretion of the Company, subject to notice as hereinafter provided. The Customer shall furnish and install any and all equipment that may be necessary for the utilization of the gas by the Customer after it leaves the outlet of the Company's meter.

The rate or rates of delivery of gas purchased by any Customer hereunder shall be agreed upon by the Company and the Customer and specified in the agreement between them.

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 the gas delivered or to discontinue or resume the delivery of gas hereunder as far as is practicable in advance of, and in any event not less than 30 minutes before, any such beginning of delivery, change in rate of delivery or discontinues 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 service, whether due to the lack of advance notice or otherwise.

It is contemplated that the supply of gas to the Customer will be curtailed or interrupted from time to time. The Company is supplying and will supply large volume gas on an interruptible basis under contracts with a limited number of parties and the Company will, so far as practicable, undertake to rotate or proportionately allocate among its interruptible Customers such interruptible gas as may be available. Customer agrees, by taking service under this Rate Schedule, that it can and will promptly curtail or cease the take of gas hereunder within the above notice period.

RATE 434A
RATE FOR GAS SERVICE
OFF-PEAK COMMERCIAL AND INDUSTRIAL INTERRUPTIBLE NEGOTIATED SERVICE

GENERAL TERMS AND CONDITIONS OF SERVICE (continued)

Any quantity of gas taken during periods of curtailment when notified by the company to curtail usage shall be subject to a penalty of $1.00 per therm, except that the charge will be $6.00 per therm during any period identified by the Company as a Critical Period, such penalty to be billed in addition to the rate charges and applicable adjustments provided for in the Rate Schedule.

If the Customer shall fail to comply with or perform any of the terms and provisions on its part to be complied with or performed hereunder and if, after such failure, the Company shall give Customer written notice of Company's intention to cut off the supply of gas on account of such failure, then the Company shall have the right to cut off the supply at the expiration of five (5) days after the giving of said notice, unless within such five (5) days the Customer shall make good such failure. The cutting off the supply of gas for any such cause shall be a cumulative remedy as to the Company and shall not release the Customer from its obligation to make payment of any amount or amounts due or to become due from the Customer to the Company in accordance with the terms hereof.

DEFINITIONS

The term "Critical Period" shall be any time declared by the Company whenever any of the following conditions occurs or is anticipated to occur, which jeopardizes the operational integrity of all or a portion of the Company's system:

(1) Any area of the Company's system is operating at or near design capacity;

(2) Failure or operational constraint of the Company's transmission, distribution, or gas storage facilities;

(3) System pressure, affected by pipelines' delivery pressures or other unusual conditions;

(4) The Company's transmission, storage, and supply resources are being used at or near their maximum rated deliverability; and

(5) The Company's pipeline transporters or suppliers issue or declare an Operational Flow Order (OFO) or the equivalent of a Critical Period.

The term "Operational Flow Order" is an order declared by a transporting pipeline that increases the otherwise normal charges for failure to comply with specific operational constraints.

RULES AND REGULATIONS

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

RATE 438
RATE FOR GAS SERVICE
GENERAL TRANSPORTATION AND BALANCING SERVICE

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

RATE 438
RATE FOR GAS SERVICE
GENERAL TRANSPORTATION AND BALANCING SERVICE

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.

RATE 438
RATE FOR GAS SERVICE
GENERAL TRANSPORTATION AND BALANCING SERVICE

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

RATE 438
RATE FOR GAS SERVICE
GENERAL TRANSPORTATION AND BALANCING SERVICE

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

RATE 438
RATE FOR GAS SERVICE
GENERAL TRANSPORTATION AND BALANCING SERVICE

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.

RATE 438
RATE FOR GAS SERVICE
GENERAL TRANSPORTATION AND BALANCING SERVICE

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

RATE 438
RATE FOR GAS SERVICE
GENERAL TRANSPORTATION AND BALANCING SERVICE

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.

RATE 438
RATE FOR GAS SERVICE
GENERAL TRANSPORTATION AND BALANCING SERVICE

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.

RATE 438
RATE FOR GAS SERVICE
GENERAL TRANSPORTATION AND BALANCING SERVICE

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

RATE 438
RATE FOR GAS SERVICE
GENERAL TRANSPORTATION AND BALANCING SERVICE

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

$0.06010 per therm for the first 6,000 therms used per month
$0.05710 per therm for the next 24,000 therms used per month
$0.04550 per therm for the next 60,000 therms used per month
$0.04050 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

RATE 438
RATE FOR GAS SERVICE
GENERAL TRANSPORTATION AND BALANCING SERVICE

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.

RATE 440
RATE FOR GAS SERVICE
LIQUEFIED NATURAL GAS (LNG) SERVICE

TO WHOM AVAILABLE

This Rate is available for liquefied natural gas (LNG) service on an interruptible basis when in the judgment of the Company, gas supplies are available for non-firm service, and its LNG service facilities are adequate to render proper service without impairing the quality of the Company's service to other Customers.

CHARACTER OF SERVICE

Gas service under this rate shall only be available at the sole discretion of the Company.

This Rate applies to gas having a monthly average total heating value of approximately 1,000 British thermal units (Btu) per cubic foot.

A properly executed Service Agreement is required before any service may be taken under this rate schedule. Said Service Agreement shall set forth the specifics of the service to be provided.

The customers must arrange for the transportation of the LNG which will be delivered at one of the Company's LNG facilities, with the specific facility to be determined by the Company.

The composition of the liquefied natural gas to be supplied under this rate schedule is dependent on the composition of the pipeline gas that the Company receives. Historical data demonstrates the composition to be in the following range:

Methane	93.8 - 95.2	Mole %
Ethane	3.9 - 4.6	Mole %
Propane	0.7 - 1.1	Mole %
Other		Balance

RATE

Transaction Charge

$50.00 per Transaction

Liquefaction Charge

The Company shall determine, based on alternative fuel prices, the liquefaction charge component to be included in the commodity charge.

RATE 440
RATE FOR GAS SERVICE
LIQUEFIED NATURAL GAS (LNG) SERVICE

RATE (continued)

Supply and Delivery Charge

The Supply and Delivery Charge shall include, where applicable, Gas Supply Charges, Transportation Charges, Fuel Use Charges, Delivery Charges and Administrative Charges.

Customers taking service hereunder may elect to supply the appropriate quantity of natural gas to the Company's gas system to compensate the Company for the volume of gas required for the LNG delivery.

The Liquefaction Charge and Supply and Delivery Charge will be individually negotiated charges, such charges to be set forth in each Customer Service Agreement.

MINIMUM PAYMENT

The Customer's minimum monthly payment under this Rate Schedule shall be the Transaction Charge as stated in this Rate Schedule.

RULES AND REGULATIONS

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

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RIDER 442A
OPTIONAL STORAGE SERVICE RIDER

TO WHOM AVAILABLE

This Rider for Optional Storage Service is available to all Zones A, B, C, D and E Customers receiving service under any Transportation Rate Schedule or Rider and, at the sole discretion of the Company, to suppliers and marketer aggregators utilizing Supplier Aggregation Service under Rate 445 (Qualifying Customers), who shall enter into a written Service Agreement for Storage Service from the Company (Qualifying Customer).

Gas service under this rate schedule shall only be available at the sole discretion of the Company and is cancelable by the Company on April 1 of any year.

The maximum annual storage capacity available under this Rider shall be 40,000,000 Therms.

CHARACTER OF SERVICE

Service to a Qualifying Customer under this rate schedule shall be available up to a Maximum Daily Injection (MDI) quantity and a Maximum Daily Withdrawal (MDW) quantity as defined below subject to the limitations of this rate schedule. Company, at its sole discretion, may interrupt service whenever necessary to maintain the integrity of its system.

Qualifying Customer will deliver gas for storage service to the Company or withdraw gas from storage service on a prearranged mutually agreed to scheduled basis. Said schedule may be adjusted before the start of any gas day. Any gas delivered to the Company for storage service is subject to the applicable Company transportation charge at the time of delivery to an end-use customer's plant. The Company shall notify the Qualifying Customer of its intention to make any material change in the rate of deliveries to or receipt of gas from the Company or to discontinue or resume delivery of gas hereunder as far as practicable in advance of and in any event not less than 30 minutes before any such change in rate of deliveries to or receipt of gas or discontinuance or resumption of deliveries and, subject to the giving of such notice, shall have the right at any time and from time to time to make such changes in rate of deliveries or receipts or to begin delivery and receipt to discontinue or resume deliveries and receipts. Qualifying Customer agrees, by taking service under this rate schedule that it can and will promptly curtail or cease the take and delivery of gas hereunder within the above notice period.

DELIVERY OF GAS TO AND BY THE COMPANY

The ultimate quantity of gas to be delivered by the Company to a Qualifying Customer from storage shall be subject to an unaccounted for gas adjustment per the applicable rate schedule for transportation service.

RIDER 442A
OPTIONAL STORAGE SERVICE RIDER

DELIVERY OF GAS TO AND BY THE COMPANY (continued)

The Company is making available a Maximum Daily Injection (MDI) quantity of 400,000 Therms/day for all Qualifying Customers in total under this rate schedule. The MDI will be allocated among the Qualifying Customers with signed Service Agreements for service on May 1 of each year. The initial annual allocation will be predicated upon the Qualifying Customers' immediately preceding calendar year throughput consumption. Between May and October of each year, Company, at its sole discretion, will make available to Qualifying Customers and third party suppliers any unreserved storage capacity remaining under this storage service subject to the rate provisions below.

Injections are permitted by pre-scheduling said injections any day in the period beginning June 1 and ending October 31, within the following tolerances: 1) During the months of June and July, Qualifying Customer may inject, on any day, an amount up to 100% of their MDI quantity; 2) During the month of August, Qualifying Customer may inject, on any day, an amount up to 150% of their MDI, and 3) during the months of September and October, Qualifying Customers may inject, on any day, an amount up to 200% of their MDI. A Customer's full capacity equals the Customer's allocated MDI times 100. Additionally, the Company will allow the Qualifying Customers to inject pre-scheduled quantities of gas up to their daily MDI quantity during the months of November through March. Said injections during any month during the November through March period will be limited to six times each customers MDI quantity. Qualifying Customer may request, and the Company, in its sole discretion, may accept pre-scheduled injection quantities greater than six times the MDI during the months of November through March.

A Maximum Daily Withdrawal (MDW) quantity of 2,000,000 Therms/day for all Qualifying Customers in total under this rate schedule will be allocated in the same manner as the MDI. Withdrawals are permitted by pre-scheduling said withdrawal any day in the period beginning November 1 and ending March 31. Additionally, pre-scheduled withdrawals will be allowed during the period of June 1 to October 31 with the following restrictions: 1) During the month of June, Qualifying Customers may withdraw, on any day, an amount of their storage gas up to 50% of their MDI quantity. 2) During the months of July through October, Qualifying Customers may withdraw, on any day, an amount of their storage gas up to 100% of their MDI quantity. 3) In any month during the months of June through October the maximum monthly withdrawal quantity will be limited to 6 times the Qualifying Customer's MDI quantity. Qualifying Customer may request, and the Company, in its sole discretion, may grant pre-scheduled withdrawal quantities greater than six times the MDI during the months of June through October. If all of a Qualifying Customer's gas is not withdrawn by April 1 of any year, the Qualifying Customer shall again pay the Injection Charge applicable as determined for the following year on any such remaining balance and such balance shall be considered as a portion of the Qualifying Customer's allocated MDI.

RIDER 442A
OPTIONAL STORAGE SERVICE RIDER

DELIVERY OF GAS TO AND BY THE COMPANY (continued)

In the event that Qualifying Customers and third party suppliers have not reserved the maximum annual storage quantity of 40,000,000 therms available under this Optional Storage Service by October 31, Company, in its sole discretion, may contract with Qualifying Customers and third party suppliers to sell gas in storage and unreserved capacity, in November, up to the maximum annual storage capacity. Rates for gas supply and storage capacity shall be as defined under the rate provision described below.

RATE

Customer Charge

$25.00 per month for ten (10) months beginning June and ending March each year.

Reservation Charge

The Reservation Charge will be a negotiated charge per therm allocated by MDI therms per month for ten (10) months beginning June and ending March of each year, such charge to be set forth in each customer Service Agreement.

Injection Charge

The Injection Charge will be a negotiated charge per therm for all gas delivered to the Company for storage service, such charge to be set forth in each customer Service Agreement.

Withdrawal Charge

The Withdrawal Charge will be a negotiated charge per therm for all gas withdrawn from the Company's storage service during periods of normal operation of Company's distribution system, such charge to be set forth in each customer Service Agreement.

In the event the Company determines it is necessary to obtain and supply natural gas from sources other than the Company's underground storage facilities, the Company may elect to increase the withdrawal charges.

In the event of this increase of the withdrawal rates, the Qualifying Customer shall be notified and will have the option to discontinue withdrawal during this period.

The above rates per therm for the Reservation Charge, Injection Charge, and Withdrawal Charges shall be negotiated annually prior to April 1 between Company and Qualifying Customer or third party supplier within the parameters set forth above. Negotiated rates shall remain in effect for the entire contract year.

RIDER 442A
OPTIONAL STORAGE SERVICE RIDER

RATE (continued)

Qualifying Customers and/or third party suppliers contracting for storage capacity under Optional Storage Service during May through October shall be charged all monthly Qualifying Customer and Reservation Charges retroactive to June 1 associated with the contracted capacity in addition to charges incurred through use of Optional Storage Service as identified above.

Qualifying Customers and/or third party suppliers contracting for storage capacity and for the purchase of gas in storage during November shall be charged all monthly Qualifying Customer, Reservation, and Injection Charges retroactive to June 1 associated with the contracted capacity in addition to charges incurred through use of Optional Storage Service as identified above. The gas purchase price shall be a market-based price mutually agreeable to both parties but in no case less than the Company's weighted average cost of gas.

RATE ADJUSTMENT

This Rate is not subject to any adjustments.

RULES AND REGULATIONS

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

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

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RATE 445
RATE FOR GAS SERVICE
SUPPLIER AGGREGATION SERVICE (SAS)

TO WHOM AVAILABLE

This Rate shall be available to marketers and brokers who: 1) have been designated as a qualified supplier and/or agent by customers who have elected to receive service under Rate Schedules 411, 415, 421 and 425; 2) meet the qualification requirements specified in this Rate Schedule; and 3) have executed a Supplier Aggregation Service (SAS) Agreement with the Company (Choice Suppliers).

CHARACTER OF SERVICE

A Choice Supplier may aggregate individual customers, on whose behalf the Choice Supplier is providing gas supply, for nomination, balancing and load management purposes at specified points of receipt on the Company's distribution system or at specified pipeline interconnections available to the Company on its upstream capacity.

Only customers within the same system delivery Zone (currently Zones A, B, C, D, and E) utilizing the same transportation service and utilizing the same nomination option may be aggregated.

Interstate pipeline and storage assets will be allocated to Choice Suppliers who will be required to pay for these assets, either through accepting the allocation and directly paying the pipeline or storage operator or choosing the Company's Asset Mitigation option.

SERVICE AGREEMENT

A Choice Supplier desiring service under this Rate Schedule shall contact the Company to request service. As a condition of receiving service, the Choice Supplier shall execute a Supplier Aggregation Service Agreement.

NOMINATIONS UNDER SCDS RIDER

The following Nomination Options are available under SCDS. Choice Supplier may change option once per year with written notice to the Company.

Company Nomination Option

At the beginning of each month the Company shall provide to the Choice Supplier a good faith estimate of the daily delivery quantities that will be required for the month for Qualifying Customers served by said Choice Supplier under Supplier Choice Delivery Services (SCDS). Such estimated daily delivery quantities may be changed by the Company no later than the time required for such nominations by the delivering pipeline(s), in order to adjust for demand and weather variations.

RATE 445
RATE FOR GAS SERVICE
SUPPLIER AGGREGATION SERVICE (SAS)

NOMINATIONS UNDER SCDS RIDER (continued)

Formula Option

The Choice Supplier shall use a formula, provided by the Company, to calculate daily City Gate delivery quantities required under SCDS. Such formula may be adjusted by the Company, in its sole discretion, at the beginning of each month and/or week. Choice Supplier shall be notified of any formula adjustments by the Company on a timely basis.

Choice Supplier Nomination Option

The Choice Supplier shall determine the daily delivery quantities.

Base Load Option

At the beginning of each month the Company shall provide to the Choice Supplier a good faith estimate of the average daily delivery quantities that will be required for the month for Qualifying Customers served by said Choice Supplier under Supplier Choice Delivery Services (SCDS). The daily estimates may be lowered by a Maximum Allowable Delivery Factor to ensure system integrity.

RATE

Administration Charge

The Administration Charge under this Rate Schedule shall be $1.50 per meter per month for General Service Customers and $0.75 per meter per month for Residential Customers or $500.00 per aggregation contract per month, whichever is greater.

Imbalance and Overrun Charges

A Choice Supplier shall be billed on a monthly basis for under and over deliveries of nominated quantity of natural gas, authorized and unauthorized overrun capacity charges, as well as charges for unauthorized use of gas by the Choice Supplier's customers when the Choice Supplier fails to deliver adequate quantities of gas.

Other Charges

A Choice Supplier shall be billed such other charges as may be applicable from time to time, including but not limited to charges related to the use and/or assignment of the Company's upstream capacity and an unaccounted for gas adjustment specified in Appendix E or all gas deliveries by Company on behalf of the Choice Supplier.

RATE 445
RATE FOR GAS SERVICE
SUPPLIER AGGREGATION SERVICE (SAS)

SUPPLIER PERFORMANCE REQUIREMENTS

The obligations that a Choice Supplier agrees to undertake in exchange for the right to sell gas supply under this Rate Schedule are delineated in the Service Agreement between the Choice Supplier and the Company. Choice Supplier shall be subject to reasonable standards of conduct and performance standards, as may be issued from time to time by the Commission, for suppliers that choose to make direct sales to customers electing service under Rider 480 to Rate Schedule 411, 415, and other Human Needs customers.

Choice Supplier shall post either a cash deposit or irrevocable letter of credit from an issuer meeting Company's approval in order to ensure Choice Supplier performance of its contractual obligations. The Choice Supplier agrees that the Company shall have the right to access and apply the cash deposit or draw on the letter of credit in an amount equal to any payment obligations owing to Company. In lieu of a cash deposit or letter of credit from the Choice Supplier, Company may, in its sole discretion, agree to accept a parent guaranty from the Choice Supplier's parent company.

The amount of the cash deposit or irrevocable letter of credit will be based upon the maximum aggregate daily delivery obligation of the Choice Supplier for a ten (10) day average period.

Choice Suppliers shall provide a written affidavit certifying to the IURC and, simultaneously, a copy to the Company, that it has adequate firm supplies under contract to meet its customers aggregate firm daily demand and firm annual demand.

In the event that there is a good faith dispute between the Choice Supplier and the Company as to whether the Choice Supplier satisfies the requirements of this provision, the Choice Supplier may file a complaint with the IURC asking the IURC to resolve the dispute with the Company as to whether it, in fact, is a "qualified supplier" within the meaning of the tariff.

Alternatively, in lieu of filing a complaint with the Commission the Choice Supplier and the Company may, by mutual agreement, seek a resolution of the good faith dispute through binding arbitration.

RATE 445
RATE FOR GAS SERVICE
SUPPLIER AGGREGATION SERVICE (SAS)

DAILY IMBALANCE CASH-OUT PROVISIONS

The Choice Supplier shall be subject to the daily imbalance cash-out provisions included in this Rate Schedule.

Imbalances under Rider 480 SCDS

Company Nomination Option

The Daily Imbalance Volume shall be the difference between the daily nomination requested by the Company from the Choice Supplier and the volume of gas actually delivered to the system by that Choice Supplier.

Formula Option

The Daily Imbalance Volume shall be the difference between the volume calculated in the formula using the Company's actual weather data and the volume tendered to the system by the Choice Supplier.

Choice Supplier Nomination Option

There are no daily nomination imbalances under this option.

Base Load Option

The Daily Imbalance Volume shall be the difference between the daily nomination requested by the Company from the Choice Supplier and the volume of gas actually delivered to the system by that Choice Supplier.

Daily Imbalances During Non-Critical Periods

If on any day the volume of gas delivered by the Choice Supplier differs from the nomination requested by the Company under SCDS, after adjustment for allowed balancing tolerances and fuel, such quantity of natural gas shall be subject to the following charges:

For Over-Deliveries (the Choice Supplier delivered volume is greater than the Company's requested volume) the Company will purchase gas from the Choice Supplier at the rates below:

Imbalance Level	Company Pays Choice Supplier
+ 0% to 4.99%	100% of the Lesser of Daily Index or First of Month Index
+ 5% to 9.99%	90% of the Lesser of Daily Index or First of Month Index
+10% to 20%	80% of the Lesser of Daily Index or First of Month Index
Over + 20%	60% of the Lesser of Daily Index or First of Month Index

RATE 445
RATE FOR GAS SERVICE
SUPPLIER AGGREGATION SERVICE (SAS)

DAILY IMBALANCE CASH-OUT PROVISIONS (continued)

Daily Imbalances During Non-Critical Periods (continued)

For Under-Deliveries (the Choice Supplier's delivered volume is less than the Company's requested volume) the Choice Supplier will purchase gas from the Company at the rates below:

Imbalance Level	Choice Supplier Pays Company
- 0% to 4.99%	100% of the Greater of Daily Index or First of Month Index
- 5% to 9.99%	110% of the Greater of Daily Index or First of Month Index
-10% to 20%	120% of the Greater of Daily Index or First of Month Index
Under - 20%	140% of the Greater of Daily Index or First of Month Index

In addition to the charges above, Choice Supplier shall pay all costs, as determined by the Company, associated with managing the Choice Supplier's imbalances, including, but not limited to, all upstream and on-system capacity costs and supply costs.

The Daily Index price shall be the arithmetic average of the range of prices posted under the table City Gate, Pooling Point Prices as published in Gas Daily. Zone A will be the average for the month of the daily price posted in "Gas Daily" daily Chicago City Gate Midpoint Price, and (2) Zones B, C, D or E will be the average for the month of the daily price posted in "Gas Daily" daily Mich Con City-gate Midpoint Price. In the event this posting is unavailable, Company will establish a new Daily Index price.

The First of Month Index price shall be the arithmetic average of the "Prices of Spot Gas Delivered to Pipelines" for the first day of each Month appearing under the table "Upper Midwest" as published in the INSIDE FERC FERC Gas Market Report. Zone A will be priced using Chicago city-gates index, and Zones B, C, D, or E will be priced using Mich Con city-gate index.

In the event a Choice Supplier fails to comply with an Operational Flow Order (OFO) issued by an interstate pipeline that results in a pipeline penalty, the Choice Supplier shall be allocated the pipeline penalty. If a Choice Supplier fails to comply with an OFO issued by the Company, the Company reserves the right to move the Choice Supplier to the Company's Asset Mitigation Option.

RATE 445
RATE FOR GAS SERVICE
SUPPLIER AGGREGATION SERVICE (SAS)

DAILY IMBALANCE CASH-OUT PROVISIONS (continued)

Daily Imbalances During Critical Periods

For Over-Deliveries (the Choice Supplier delivered volume is greater than the Company's requested volume) the Company will purchase gas from the Choice Supplier at the rates below:

Imbalance Level	Company Pays Choice Supplier
+ 0% to .99%	100% of the Lesser of Daily Index or First of Month Index
+ 1% to 4.99%	90% of the Lesser of Daily Index or First of Month Index
+ 5% to 10%	80% of the Lesser of Daily Index or First of Month Index
Over + 10%	60% of the Lesser of Daily Index or First of Month Index

For Under-Deliveries (the Choice Supplier's delivered volume is less than the Company's requested volume) the Choice Supplier will purchase gas from the Company at the rates below:

Imbalance Level	Choice Supplier Pays Company
- 0% to .99%	100% of the Greater of Daily Index or First of Month Index
- 1% to 4.99%	110% of the Greater of Daily Index or First of Month Index
- 5% to 10%	120% of the Greater of Daily Index or First of Month Index
Under - 10%	140% of the Greater of Daily Index or First of Month Index

In addition to the above charges, Choice Supplier will pay the greater of $6.00 per therm or the applicable pipeline penalty charges. For purposes of this section Critical Period shall be as defined on sheet 3 of 4 in the Company's Daily Imbalance Cash-Out Provisions Rider.

Should the Choice Supplier be in an imbalance during a Critical Period which is opposite the Company's imbalance during the Critical Period, the Choice Supplier shall be assessed as follows:

1) The lesser of Daily Index or First of Month Index for all Over-Deliveries; or
2) The greater of Daily Index or First of Month Index for all Under-Deliveries.

If, at the request of the Company, the Choice Supplier assumes an imbalance beneficial to the Company, the Under- or Over-Deliveries shall be assessed at 100% of the Daily Index price.

The Daily Index price and the First of Month Index price shall be as defined above under Daily Imbalances during Non-Critical Periods.

RATE 445
RATE FOR GAS SERVICE
SUPPLIER AGGREGATION SERVICE (SAS)

Extraordinary Imbalances and Recurring Unauthorized Use of System Gas Under SCDS

1) Correction for Extraordinary Circumstances

In the event that system supply gas is not available to satisfy underdelivery imbalances, the Company shall use its reasonable efforts to acquire replacement quantity of natural gas with gas from other sources. Under these circumstances, Choice Supplier shall be responsible for all costs incurred by the Company to obtain gas supply including, but not limited to, upstream and on-system capacity costs, supply costs plus an additional charge of $6.00 per therm for all short-fall quantity of natural gas.

2) Recurring Over-Deliveries

If Choice Supplier delivers excess quantity of natural gas for more than ten (10) days during any month, Choice Supplier shall provide documentation to the Company that it has contracted for a storage service for a minimum of two months. The Company shall determine, in its reasonable discretion, whether the contracted storage service is adequate to balance Choice Supplier's deliveries.

If choice Supplier delivers excess quantity of natural gas for more than ten (10) days during any month, more than once within a twelve (12) month period, Choice Supplier shall be assigned Optional Storage Service, or an equivalent service (as determined by the Company) in the event Optional Storage Service is fully subscribed, based on the highest over-delivery on the days when the over-deliveries occurred. Choice Supplier shall be obligated to pay for Optional Storage Service as defined in the Optional Storage Service Rate Schedule.

3) Recurring Under-Deliveries

If Choice Supplier fails to deliver sufficient quantities of gas on more than three (3) days during any month, Choice Supplier shall provide documentation to the Company that it has contracted for satisfactory firm no-notice supply service for the next five (5) months. The Company shall determine, in its reasonable discretion, whether the contracted no-notice service is adequate to balance Choice Supplier's deliveries.

In the event Choice Supplier fails to deliver sufficient quantities of gas on more than three (3) days during any month, more than once within a twelve (12) month period, then Choice Supplier shall be assigned Firm No-Notice Backup Supply Service at a volume equal to the highest deficiency on the days when the delivery failures occurred. Choice Supplier shall be obligated to pay Firm No-Notice Backup Supply Service charges for a period of not less than five (5) months.

RATE 445
RATE FOR GAS SERVICE
SUPPLIER AGGREGATION SERVICE (SAS)

MONTHLY RECONCILIATIONS UNDER RIDER 480 SCDS

Company Nomination Option

The Company shall reconcile on a monthly basis the nominated quantity of natural gas plus or minus storage injections or withdrawals for each Choice Supplier with the usage of that Choice Supplier's customers. Any difference as a result of this reconciliation shall be purchased either by the Company, if a positive result, or by the Choice Supplier, in the event of a negative result, at a price based on (1) the average for the month of the daily price posted in "Gas Daily" daily Chicago City Gate Midpoint Price for customers in Zone A, and (2) the average for the month of the daily price posted in "Gas Daily" daily Mich Con City-gate Midpoint Price for customers in Zones B, C, D or E. The bills for the monthly reconciliation shall be due and payable seventeen (17) days after being submitted.

Formula Option

The Company shall reconcile on a monthly basis the nominated quantities plus or minus storage injections or withdrawals for each Choice Supplier with the usage of that Choice Supplier's customers. Any difference as a result of this reconciliation shall be purchased either by the Company, if a positive result, or by the Choice Supplier, in the event of a negative result, at a price based on (1) the average for the month of the daily price posted in "Gas Daily" daily Chicago City Gate Midpoint Price for customers in Zone A, and (2) the average for the month of the daily price posted in "Gas Daily" daily Mich Con City-gate Midpoint Price for customers in Zones B, C, D or E. The bills for the monthly reconciliation shall be due and payable seventeen (17) days after being submitted.

Choice Supplier Nomination Option

Each month, the Company shall allocate monthly usage to daily usages based on the profile of NIPSCO General Sales volumes. The Company shall then reconcile on a daily basis the nominated volumes plus or minus storage injections or withdrawals for each Choice Supplier with the allocated daily usage of that Choice Supplier's customers. Any difference as a result of this reconciliation shall be purchased either by the Company, if a positive result, or by the Choice Supplier, in the event of a negative result, at a price defined in the Daily Imbalance Cash-out Provisions section above. The bills for the monthly reconciliation shall be due and payable seventeen (17) days after being submitted.

RATE 445
RATE FOR GAS SERVICE
SUPPLIER AGGREGATION SERVICE (SAS)

Base Load Option

The Company shall reconcile on a monthly basis the nominated quantity of natural gas for each Choice Supplier with the usage of that Choice Supplier's customers. Any difference as a result of this reconciliation shall be purchased either by the Company, if a positive result, or by the Choice Supplier, in the event of a negative result, at a price based on for customers in Zone A, the average for the month of the daily price posted in "Gas Daily" daily Chicago City gate Midpoint Price and for customers in Zones B, C, D or E, the average for the month of the daily price posted in "Gas Daily" daily Mich Con City-gate Midpoint Price for the month being reconciled. The bills for the monthly reconciliation shall be due and payable seventeen (17) days after being submitted.

MINIMUM PAYMENT

The minimum monthly payment under this Rate Schedule shall be the Administrative Charge.

RULES AND REGULATIONS

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

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RIDER 447
GAS PARKING SERVICE (GPS) RIDER

TO WHOM AVAILABLE

This Rider for Parking and Interchange Service is available to Zones A, B, C, D and E Customers receiving service under Rates 428 or 438, and suppliers and marketer aggregators utilizing Supplier Aggregation Service (Qualifying Customers), who shall execute a Service Agreement with the Company for service hereunder.

CHARACTER OF SERVICE

Service hereunder shall be available, on a transaction by transaction basis at the sole discretion of the Company, to any Qualifying Customer, who from time to time, may require a service to temporarily store ("Park") certain quantity of natural gas for a designated period of time and then have the natural gas delivered back to the Qualifying Customer. Parking Service shall be limited to a period of not more than five (5) consecutive days and not more than ten (10) days in total in any month unless otherwise agreed to by the Company.

Parking Service shall be offered at the interconnections of the Company's transmission system and Natural Gas Pipeline of America (NGPL), American Natural Resources (ANR), Trunkline Gas Company (Trunkline), Crossroads Pipeline Company (Crossroads), Panhandle Eastern Pipeline Company (PEPL), Northern Border Pipeline, and Vector Pipeline in the supply areas serviced by NGPL, ANR, Trunkline, PEPL, or as an interchange service. An interchange service shall occur when deliveries at the Company's City Gate are redelivered in the supply area and supply area supplies are redelivered at the City Gate.

Company shall provide this service to Qualifying Customers on a transaction by transaction basis subject to mutually agreeable terms and conditions. Each transaction hereunder will be individually negotiated by the Qualifying Customer and the Company and set forth in request to initiate service.

Service under this Rider shall be nominated on a daily basis, as provided in the applicable Parking Service Agreement hereunder, and is subject to interruption by the Company, in its sole discretion, as it deems necessary to meet its contractual and operational obligations.

SERVICE AGREEMENT

As a condition for receiving service hereunder, Qualifying Customer shall be required to execute a Parking Service Agreement, prior to initiating requests for transactions and the commencement of service hereunder.

RIDER 447
GAS PARKING SERVICE (GPS) RIDER

REQUEST TO INITIATE A TRANSACTION

For each transaction under the Parking Service Agreement, Qualifying Customer shall submit a request to initiate a transaction with the Company. Such request will include information required to determine whether Company's available service can accommodate Qualifying Customer's transaction requirements. This information may include, but is not limited to:

a. the total and daily volume of natural gas in need of Parking Service;

b. the number of days the Qualifying Customer requires the Parking Service;

c. the location where the Qualifying Customer desires to deliver the gas;

d. the location where the Qualifying Customer desires to receive the gas and the number of days over which the gas will be received; and

e. any other information the Company deems necessary in order to determine the availability of the service.

Based on the information provided by the Qualifying Customer in the request to initiate a transaction hereunder, the Company will, in its sole discretion, determine whether it can provide the requested transaction consistent with its other contractual commitments and its overall operational requirements. Once the request is executed by the Company, its terms and conditions will be incorporated by reference into the Parking Service Agreement, and service will commence hereunder.

Requests for transactions shall be considered on a first-come, first-served basis. In the event that requests for transactions under Parking Service are received simultaneously and exceed available capacity, the requests yielding the greatest economic benefit to the Company, as determined by the Company, shall be granted first. As used in this paragraph "economic benefit" shall be determined, on a net present value basis, based upon: 1) the proposed contract rate to be paid for the GPS service, 2) the proposed term of the GPS service agreement and, 3) the proposed MDQ for the GPS service. In the event the net present value is equal among requests, then available capacity will be allocated on a pro rata basis among requesting Qualifying Customers. Allocation of capacity pursuant to this section shall not change the otherwise applicable curtailment priority of GPS service.

Company shall notify Qualifying Customer whether it can provide the requested Parking Service transaction.

RIDER 447
GAS PARKING SERVICE (GPS) RIDER

RATE

Upon electing GPS, and a determination by the Company that service to the Qualifying Customer hereunder is available, Qualifying Customer will be billed and obligated to pay the following charges for service, such charges to be stated in the Qualifying Customer's Service Agreement:

Service Charge

$250.00 per transaction. The Service Charge shall be the minimum amount charged per transaction. The Service Charge shall offset the first $250.00 of Commodity Charges incurred per transaction under this Rider.

Commodity Charge

The Commodity Charge will be comprised of a Parking Fee as well as applicable interchange charges, fuel, and surcharges. The Commodity Charge shall be mutually agreed upon by the parties at the time of the transaction. The Commodity Charge shall be multiplied by the quantity of gas specified in the Parking Service Agreement multiplied by the number of days the gas volume is parked.

IMBALANCE PENALTIES

Unless an extension of Parking Service is requested by the Qualifying Customer at least twenty-four (24) hours prior to the end of the term of the Parking Service Agreement and is otherwise agreed to by the Company, in its sole discretion, and the Qualifying Customer fails, for any reason, to receive or cause the receipt of parked gas at the end of the agreed upon service period, all "unclaimed" parked volumes will be purchased by the Company at a price equal to 50% of the applicable index price as defined in the Parking Service Agreement.

MINIMUM PAYMENT

The Qualifying Customer's minimum payment per transaction under this Rider shall be the Service Charge.

RULES AND REGULATIONS

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

RIDER 448
GAS LENDING SERVICE (GLS) RIDER

TO WHOM AVAILABLE

This Rider for Lending Service is available to all Zones A, B, C, D and E Customers receiving service under Rider Rates 428 or 438, and suppliers and marketer aggregators utilizing Supplier Aggregation Service (Qualifying Customers), who shall execute a Service Agreement with the Company for service hereunder.

CHARACTER OF SERVICE

Service hereunder shall be available, at the sole discretion of the Company, to any Qualifying Customer, who from time to time, desires to borrow certain quantity of natural gas for a designated period of time, and then repay the borrowed quantity of natural gas to the Company. Lending Service will not be provided for more than thirty (30) consecutive days, unless otherwise agreed to by the Company.

Company shall provide this service to Qualifying Customers on a transaction by transaction basis subject to mutually agreeable terms and conditions. Each transaction hereunder will be individually negotiated by the Qualifying Customer and the Company and set forth in the request to initiate service.

Service under this Rider shall be nominated on a daily basis, as provided in the applicable Lending Service Agreement hereunder, and is subject to interruption by the Company, in its sole discretion, as it deems necessary to meet its contractual and operational obligations.

SERVICE AGREEMENT

As a condition for receiving service hereunder, Qualifying Customer shall be required to execute a Lending Service Agreement, prior to initiating requests for transactions and the commencement of service hereunder.

REQUEST TO INITIATE A TRANSACTION

For each transaction under the lending Service Agreement, Qualifying Customer shall submit a request to initiate a transaction with the Company. Such request will include information required to determine whether Company's available service can accommodate Qualifying Customer's transaction requirements. This information may include, but is not limited to:

a. The total and daily volume of natural gas Qualifying Customer desires to borrow;

b. The date Qualifying Customer requests to commence borrowing gas and the dates Qualifying Customer will repay the volume of borrowed gas;

c. The daily rate at which Qualifying Customer will repay the total borrowed volume of natural gas;

RIDER 448
GAS LENDING SERVICE (GLS) RIDER

REQUEST TO INITIATE A TRANSACTION (continued)

d. The location where the Qualifying Customer desires the borrowed gas to be delivered:

1. Company's City Gate, or
2. Into the supply basins served by one of the seven (7) interstate pipelines physically connected to Company's transmission system.

e. The location Qualifying Customer desires to repay the borrowed gas volumes:

1. Company's City Gate, or
2. Into the supply basins served by one of the seven (7) interstate pipelines physically connected to Company's transmission system.

Based on the information provided by the Qualifying Customer in the request to initiate a transaction hereunder, the Company will, in its sole discretion, determine whether it can provide the requested transaction consistent with its other contractual commitments and its overall operational requirements. Once the request is executed by the Company, its terms and conditions will be incorporated in the Lending Service Agreement, and service will commence hereunder.

Requests for transactions shall be considered on a first-come, first-served basis. In the event that requests for transactions under Lending Service are received simultaneously and exceed available capacity, the requests yielding the greatest economic benefit to the Company as determined by the Company, shall be granted first. As used in this paragraph, “economic benefit" shall be determined, on a net present value basis, based upon: 1) the proposed contract rate to be paid for the GLS service, 2) the proposed term of the GLS service agreement and, 3) the proposed MDQ for the GLS service. In the event the net present value is equal among requests, then available capacity will be allocated on a pro rata basis among requesting Qualifying Customers. Allocation of capacity pursuant to this section shall not change the otherwise applicable curtailment priority of GLS service.

Company shall notify Qualifying Customer whether it can provide the requested Lending Service.

RATE

Upon electing GLS, and a determination by the Company that service to the Qualifying Customer hereunder is available, Qualifying Customer will be billed and obligated to pay the following charges for service, such charges to be stated in the Qualifying Customer's Service Agreement:

RIDER 448
GAS LENDING SERVICE (GLS) RIDER

RATE (continued)

Service Charge

$250.00 per transaction. The Service Charge shall be the minimum amount charged per transaction. The Service Charge shall offset the first $250.00 of Commodity Charges incurred per transaction under this Rider.

Commodity Charge

The Commodity Charge will be comprised of a Lending Fee as well as applicable interchange charges, fuel, and surcharges. The Commodity Charge shall be mutually agreed upon by the parties at the time of the transaction. The Commodity Charge shall be multiplied by the quantity of gas specified in the Lending Service Agreement multiplied by the number of days the gas volume is loaned.

IMBALANCE PENALTIES

In the event that Customer does not repay loaned gas quantity of natural gas pursuant to the time table agreed to in the executed Lending Service Agreement, such "unpaid" quantity of natural gas shall be treated as unauthorized use of gas subject to a charge of $6.00 per therm per month multiplied by the quantity of natural gas that remain unpaid.

MINIMUM PAYMENT

The Qualifying Customer's minimum payment per transaction under this Rider shall be the Service Charge.

RULES AND REGULATIONS

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

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RIDER 450
NOMINATION EXCHANGE SERVICE FOR SUPPLIERS AND MARKETERS RIDER

TO WHOM AVAILABLE

This is a rate available to marketers and/or suppliers of natural gas. Service under this rate shall only be available to marketers or gas suppliers who enter in a nomination exchange transaction with any customer receiving transportation service from the Company under Rate Schedules 428, 430, and 438.

CHARACTER OF SERVICE

In order to provide suppliers and marketers with more flexibility in the supply management of end-use customers, the Company will allow suppliers and marketers 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 marketer and/or supplier (the Buyer and the Seller) will be charged fifty dollars ($50.00) 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. The Company will 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 marketers and suppliers involved in an exchange transaction prior to the exchange deadline.

CONTRACT

Any marketer and/or supplier requesting service hereunder shall enter into a written contract with the Company for such period as shall be mutually agreeable to the parties.

RULES AND REGULATIONS

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

RATE 451
RATE FOR GAS SERVICE
FIXED GAS BILL (DEPENDABILL) SERVICE

TO WHOM AVAILABLE

Service under this Rate shall be available to Customers under Rate Schedule 411, 415, 421, and 425 and who satisfy, and agree to accept, the conditions of the Fixed Gas Bill Service contained in the Definitions and Conditions section of this tariff. The fixed bill quoted to each Qualified Customer electing to take service under this Rate shall apply in lieu of the applicable rates and applicable rate adjustments under which the Customer otherwise takes service (e.g. Rate Schedule 411, 415, 421, or 425).

CHARACTER OF SERVICE

A Customer who elects to receive service under this Rate shall receive firm gas sales and delivery service. All telephonic communications will be taped, forwarded to the Commission when requested and retained by the Company or its third party contractor. All outbound telemarketing will be in compliance with the terms and conditions of the Company's policies and procedures. Election to receive optional service under this Rate shall be for a one (1) year term, subject to Customer rescission rights as contained in the Fixed Gas Bill terms and conditions agreement. The contract term can be automatically extended according to the program terms and conditions year-to-year with at least thirty (30) days notice to affected Customers. Each annual automatic extension shall be deemed to be a new service term for purposes of this Rate and may reflect an updated fixed bill amount to reflect any change in usage and/or cost of gas. In the event service under this Rate is terminated, for any reason, as further described in the definitions and conditions section of the Rate, then Customers shall automatically return to the rate schedule under which they are eligible to receive gas sales service (e.g. Rate Schedule 411, 415, 421, or 425).

RATES AND CHARGES

The Monthly Fixed Gas Bill amount for gas sales service under this Rider shall be computed as follows:

Monthly Fixed Gas Bill Amount:

Each Qualified Customer accepting the terms of service under this Rate shall pay an individually-calculated fixed bill based upon that Customer's unique annual historic consumption of natural gas normalized for actual weather variances. The rates applied to each Customer's annual usage profile from the customer's otherwise applicable rate schedule will be:

1. The delivery charge including applicable Customer charge,
2. Purchased gas demand charge,
3. GCA Commodity variances for first year Fixed Bill Customers,
4. GCA Demand variances for all Fixed Bill Customers
5. Rate adjustments from either Rate Schedules 411, 415, 421, or 425 whichever is otherwise applicable,

RATE 451
RATE FOR GAS SERVICE
FIXED GAS BILL (DEPENDABILL) SERVICE

RATES AND CHARGES (continued)

6. A charge for commodity gas cost that will be fixed by the Company prior to the time of the Customer's enrollment.
7. A Program Fee

This total amount, exclusive of GCA variances, when applicable, includes a program fee, no lower than 4%, and no greater than 10% established for each program year at the discretion of the Company prior to application of Indiana State Sales Tax. The total annual fixed bill calculation will then be divided by twelve (12) for billing purposes and will remain fixed for twelve (12) monthly billing periods.

EARLY TERMINATION PROVISIONS

In the event a Customer receiving service under this Rate terminates his/her Fixed Gas Bill Agreement for reasons described in paragraph No. 4 of the Definitions and Conditions section, prior to the end of the established contract term, the Customer shall be billed as follows:

1. Customers who are removed from the program for any reason will be subject to a thirty-dollar ($30.00) exit fee to cover administrative costs for early withdrawal.
2. In addition, Customers who leave or are terminated from his/her Service Agreement prior to the end of the service term will be subject to charges stated in the Customer's Fixed Gas Bill Service Agreement to offset the actual cost of settling dedicated gas supply contracts obtained on behalf of Fixed Gas Bill customers. The appropriate fixed charge will be multiplied times the number of months remaining in the agreement following termination.
3. A Customer who exits his/her Service Agreement before its end date, for any reason, will have his/her billing adjusted by an Early Termination Adjustment. The amount of the Early Termination Adjustment can be either a debit or credit, and is computed on a Customer-by-Customer basis. The amount is determined by subtracting the amount paid to date during the program year at the time of termination from the product of the Customer's actual metered usage of natural gas and the applicable rates under the Rates and Charges section of this Rate.
4. In no event will the total cost to terminate the Fixed Gas Bill contract exceed 40% of the annual Fixed Gas Bill amount.

DEFINITIONS AND CONDITIONS

1. Fixed Gas Bill gas sales service is available:

   a) To a Qualified Customer, as defined in paragraph 2 herein, at his/her current premises for the twelve billing periods following service initiation under this Rate, and
   b) For all gas usage during the Fixed Gas Bill term subject to the conditions of paragraph 4, herein.

RATE 451
RATE FOR GAS SERVICE
FIXED GAS BILL (DEPENDABILL) SERVICE

DEFINITIONS AND CONDITIONS (continued)

2. Qualified Customer is defined as a Customer that has monthly gas usage that is predictable and sensitive to weather variations according to the algorithms of the computer model applied to gas usage at his/her residence or service address, and qualifies under the other requirements under this Rate.

3. The Company retains the right to terminate the Fixed Gas Bill Rate and return Customers to his/her otherwise applicable rate schedule during or at the conclusion of the term for a change in an applicable Indiana statute or Indiana Utility Regulatory Commission Order, policy or regulation that adversely impacts this program. If service under this Rate is terminated by the Company at its discretion, Customer's bills will be adjusted by the Early Termination Adjustment as described in paragraph No. 3 of the Early Termination section.

4. A Qualified Customer can be removed without financial recourse against the Company from the Fixed Gas Bill Service under this tariff for the following reasons:

   a) Customer has significantly altered customary usage patterns as further defined in paragraph No. 5, herein.
   b) A change in any statute, regulation or a decision or Order of a court, agency or other jurisdictional entity that prevents the completion of the twelve- (12-) month billing period.
   c) Customer is no longer receiving service from the Company at the original premises, either because Customer has moved from the original premises or has discontinued gas service at the original premises.
   d) Service is discontinued to the Customer for non-payment.

5. Customers taking service under this Rider agree to act in good faith to maintain gas usage at historic levels and failure to do so shall be an act of default under the terms of this Rider. Examples of action taken by Customers that could change historic gas usage include, but are not limited to, increase in furnace and/or water heater settings, increases in Customer living space or addition of new gas appliances. If a Customer's cumulative consumption increases by more than 15% at any time during the program year from his/her historic profile for any reason other than the impact of weather, the Company has the right, but is not obligated, to remove the Customer from the Fixed Gas Bill Service without financial recourse against the Company.

6. In all cases, Customers will be removed only after notification and will be given an opportunity to remedy the default.

RATE 451
RATE FOR GAS SERVICE
FIXED GAS BILL (DEPENDABILL) SERVICE

RULES AND REGULATIONS

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

RIDER 470
GAS COST ADJUSTMENT RIDER

TO WHOM AVAILABLE

The Gas Cost Adjustment (GCA), as updated on a quarterly basis, shall be applicable to Customers selecting NIPSCO to supply their commodity for Rate Schedules listed in Appendix A.

DESCRIPTION

The GCA shall recover the following costs, as reviewed and approved by the Commission:

1. Demand, commodity, and other costs or credits of gas supply purchased from pipelines and other suppliers.
2. Demand, commodity, and other costs or credits of pipeline transportation service.
3. Demand, commodity, and other costs or credits of leased gas storage and related transportation service.
4. The net cost of gas injected into and withdrawn from storage.
5. Applicable taxes, including Indiana Utility Receipts Tax.
6. All credits associated with revenue sharing from the Alternative Regulatory Plan Products.
7. All other costs approved for Gas Cost Adjustment recovery by the Commission.

GAS CHARGES

The GCA charges per Therm are contained in Appendix B.

RIDER 472
ENERGY EFFICIENCY RIDER

TO WHOM AVAILABLE

This Rider shall be applicable to Residential Customers served under the Rate 411 Schedule and Riders as defined in Appendix A and as follows:.

1. Rate 411 – Residential Sales Service
2. Rate 415 – Multiple Family Housing Service
3. Rate 421 – General Service – Small
4. Rate 425 – General Service - Large
5. Rate 451 – Fixed Gas Bill Service

DESCRIPTION

This Gas Efficiency Rider shall provide the funding for natural gas energy efficiency efforts throughout the Company's Service Area. These efforts may include, among others, energy efficiency programs, customer education programs and weatherization programs designed to benefit customers under the applicable Rate Schedules and as approved by the Commission in Cause No. 44001, including any variance related thereto. The charge under the Gas Efficiency Rider shall be the rate stated in Appendix C.

RIDER 473
UNIVERSAL SERVICE FUND RIDER

TO WHOM AVAILABLE

This Rider shall be applicable to the Rate Schedules as defined in Appendix A and are taking service under the following:

1. Rate 411 – Residential Sales Service
2. Rate 415 – Multiple Family Housing Service
3. Rate 421 – General Service – Small
4. Rate 425 – General Service – Large
5. Rate 428 – Large Transportation and Balancing Service
6. Rate 430 – Large Volume Negotiated Sales Service
7. Rate 434A – Off-Peak Commercial and Industrial Interruptible Negotiated Service
8. Rate 438 – General Transportation and Balancing Service
9. Rate 440 – Liquefied Natural Gas Service
10. Rate 451 – Fixed Gas Bill Service

DESCRIPTION

The Universal Service Fund Rider shall recover the cost of providing an assistance program for low-income and hardship customers throughout the Company's Cities, Towns and Unincorporated Communities Furnished Gas Service. The charge under the Universal Service Fund Rider shall be the rates stated in Appendix D.

RIDER 480
SUPPLIER CHOICE DELIVERY SERVICE (SCDS) RIDER

TO WHOM AVAILABLE

This Rider is applicable to Rate Schedules 411, 415, 421, and 425 available to Customers that elect to have a qualified supplier other than the Company supply their natural gas requirements (Qualifying Customers).

CHARACTER OF SERVICE

A Qualifying Customer shall select a gas supplier from a list of qualified gas suppliers in which the qualified supplier must notify the Company of the customer's choice by submitting a customer account enrollment request via electronic data exchange. The qualified supplier shall purchase and provide all of the transportation services required to deliver the Qualifying Customer's gas from the qualified supplier's source to the Qualifying Customer's meter under the Terms and Conditions of this Rider. These services include: firm transportation and storage on upstream pipeline facilities, daily and monthly scheduling and nominations, load balancing, and firm transportation on the Company's distribution facilities.

NOMINATIONS

The nominations provided by the Company pursuant to this Rider shall be submitted directly to the Qualifying Customer's qualified supplier as provided in the SAS Agreement between the Company and the qualified supplier (See Rate 445).

RATE

Commencing with the month in which service begins under this Rider and each month thereafter, Company will bill and Qualifying Customer will pay the following charges:

Delivery Charge

The Delivery Charge shall be comprised of the rate components contained in the Rate section of Rates 411, 415, 421, or 425.

Gas Purchase Charge

The gas purchase charge per therm, as established by the Qualifying Customer's selected qualified gas supplier, shall be multiplied by the number of therms of gas delivered by the Company for the billing period at the Qualifying Customer's metering point. The Company will bill the applicable sales tax on qualified supplier's charges consistent with the procedures on other services as provided by the Company.

RIDER 480
SUPPLIER CHOICE DELIVERY SERVICE (SCDS) RIDER

RATE (continued)

Gas Purchase Charge

Qualifying Customer's supplier may elect to separately bill Qualifying Customer for gas supply charges. In that event, the Company will not bill Qualifying Customer for gas purchase charges under this Rider.

RATE ADJUSTMENT

The Rider is subject to charges as stated in Appendix B for all customer-owned gas used in the billing period. The Rider is subject to the Energy Efficiency Factor stated in Appendix C.

GENERAL TERMS AND CONDITIONS

1. Supplier Selection

A Qualifying Customer under this Rider must choose a gas supplier from a list of qualified suppliers, which will be maintained by the Company. The Qualifying Customer shall pick a gas supplier from the list and the supplier must notify the Company of the customers' choice by submitting a customer account enrollment request via electronic data exchange. Such list shall include suppliers who sign a Supplier Aggregation Service Agreement in which they agree to participate in and abide by Company's requirements for its supplier choice program. A list shall be available to eligible Qualifying Customers through the Company's website and upon request throughout the year by calling the Company's provided toll free phone number.

A Qualifying Customer who receives service under this Rider shall have the option to change suppliers throughout the term. Qualifying Customer must cancel enrollment with their existing supplier before changing suppliers. The suppliers perform the cancellation and enrollment through an electronic data exchange.

RIDER 480
SUPPLIER CHOICE DELIVERY SERVICE (SCDS) RIDER

GENERAL TERMS AND CONDITIONS (continued)

2. Applications and Service Dates

A Qualifying Customer, who desires service under this Rider, shall submit a request for service to the Company through its supplier. The supplier will enroll the customer by submitting a customer account enrollment request via electronic data exchange. Requests so received, if approved by Company, shall normally receive service commencing on the next regularly scheduled read date.

A Qualifying Customer who changes suppliers or who, with the Company's agreement, elects to terminate service under this Rider and return to Company's sales service must notify the supplier of their intent to cancel enrollment with their existing supplier before changing suppliers or return back to the Company's sales service. The suppliers perform the cancellation and enrollment through an electronic data exchange. Requests so received, if approved by Company, shall normally receive service commencing on the next regularly scheduled read date.

3. Access to Usage History and Current Billing Information

Each request for service under this Rider shall authorize Qualifying Customer's supplier to receive Qualifying Customer's historic usage data for the prior twenty four months from the Company, and to act on Qualifying Customer's behalf in making billing/usage inquiries, and in exchanging current billing information with the Company, including notices of commencement or termination of service by either party.

4. Balancing

Qualifying Customer will be deemed to be in balance at all times and will not incur any imbalance charges from the Company for over- or under-deliveries of gas supplies on the Qualifying Customer's behalf, caused by the Qualifying Customer's selected qualified supplier. All imbalance charges and penalties for such over- or under-deliveries of gas supplies caused by the Qualifying Customer's selected qualified supplier shall be charged to said qualified supplier pursuant to the terms of the Supplier Aggregation Service Rate Schedule of this Tariff.

RIDER 480
SUPPLIER CHOICE DELIVERY SERVICE (SCDS) RIDER

GENERAL TERMS AND CONDITIONS (continued)

5. Company Delivery Obligation

The Company shall deliver the Qualifying Customer's total daily gas requirements on a firm basis so long as the selected supplier with whom the Qualifying Customer has contracted for supplies continues to deliver gas supplies to the Company, and satisfies its contractual obligations as contained within its Supplier Aggregation Service Agreement with the Company. If a supplier fails to deliver gas supplies or satisfy its contractual obligations as contained within its Supplier Aggregation Service Agreement with the Company, the Qualifying Customer will be returned to the Company's appropriate rate schedule in order to maintain service.

6. Supplier's Performance Requirements

The obligations a supplier agrees to undertake are delineated in the Supplier Aggregation Service Agreement between the supplier and the Company. Suppliers shall be subject to performance standards that the Indiana Utility Regulatory Commission (IURC) may issue or approve as a condition of participation in the Company's program. The gas supply obligations a supplier agrees to with the Qualifying Customers are a matter of contract between the supplier and its Qualifying Customers.

RULES AND REGULATIONS

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

RIDER 481
PRICE PROTECTION SERVICE RIDER

TO WHOM AVAILABLE

Service under this Rider shall be available to Customers who are otherwise eligible for service under Rate Schedule 411, 415, 421, and 425 and are eligible for service under the SCDS Rider. An eligible Customer electing to receive service under this optional Rider shall have the ability to choose either a fixed price or a price cap, as provided in this Rider, which price shall apply to all gas supply commodity delivered under this Rider. The elected price shall apply in lieu of the otherwise applicable gas supply commodity charge included in the gas cost adjustment to the rate schedule under which the Customer takes service (e.g. Rate Schedule 411, 415, 421, and 425).

The number of customers eligible for service under this Rider shall be subject to limitation by the Company, in its sole discretion, based upon operational and administrative considerations that may affect its ability to provide the described service options.

CHARACTER OF SERVICE

A Customer who elects to receive service under this Rider shall receive firm gas sales service. Election to receive service under this Rider shall be made by submitting a Notice of Election. Election to receive service under this Rider shall be for a maximum term of two (2) years which term will automatically extend year-to-year unless the Customer notifies the Company at least thirty (30) days prior to the end of the term that it no longer wants service under this Rider or the Rider is terminated by the Company. Each annual automatic extension shall be deemed to be a new service term for purposes of this Rider.

In the event service under this Rider is terminated for any reason then electing Customers shall automatically return to the base rate schedule under which they are eligible to receive sales service (e.g. Rate Schedule 411, 415, 421 or 425).

GAS COMMODITY PRICE OPTIONS

A Customer electing service under this Rider shall choose one of the following gas commodity pricing options at the time it submits its Notice of Election:

RIDER 481
PRICE PROTECTION SERVICE RIDER

GAS COMMODITY PRICE OPTIONS (continued)

Fixed Price Option

This price option guarantees the electing Customer a fixed price for its gas supply commodity charges for the term of its service. The applicable fixed price for the initial election shall be that price posted by the Company as its "Fixed Price" for the month in which the Customer makes its service election. In the event the service is automatically extended as provided in this Rider, the applicable Fixed Price for each annual extension shall be the price posted by the Company as its Fixed Price in the month prior to the first month of the new service term.

To the extent the Company offers a series of fixed prices which vary based on customer consumption patterns, the electing Customer shall receive the Fixed Price based upon the consumption pattern that best approximates its consumption pattern in the prior twelve months. The "Fixed Price" shall apply throughout the service term.

Price Cap Option

This price option guarantees the electing Customer a "not-to-exceed" price ("Price Cap") which price sets the maximum price that the Customer will be charged for gas supply commodity charges for the term of its service. The applicable Price Cap shall be that price posted by the Company as its "Price Cap" for the month in which the Customer makes its service election. In the event the service is automatically extended as provided in this Rider, the applicable Price Cap for each annual extension shall be the price posted by the Company as its Price Cap in the month prior to the first month of the new service term.

To the extent the Company offers a series of price caps which vary based upon customer consumption patterns, the electing Customer shall receive the Price Cap based on the consumption pattern that best approximates their consumption pattern in the prior twelve months. The Price Cap shall be the maximum price that can be charged for gas supply throughout the service term. However, in those months in which the otherwise applicable commodity cost component of the Gas Supply Cost of the rate schedule under which the Customer receives basic service is less than the Price Cap, the Customer shall be billed for their gas supply commodity charges at the lower commodity cost. In those months in which the otherwise applicable commodity cost component of the Gas Supply Cost is higher than the Price Cap, the Price Cap shall apply.

Monthly gas supply prices set by the Company under this section may include a fixed price component and a commodity price component, as deemed appropriate and reasonable by the Company.

RATE

Commencing with the month in which service begins under this Rider and each month thereafter, Company will bill and the Customer will pay the following charges for its sales service:

RIDER 481
PRICE PROTECTION SERVICE RIDER

RATE (continued)

Administrative Charge

$0.01000 per therm for all therms used per month.

Delivery Charge

The Delivery Charge shall be comprised of the rate components contained in the Rate section of Rates 411, 415, 421, or 425.

Gas Purchase Charge

Applicable charges for quantity of natural gas delivered under this Rider shall be determined based upon the price option elected by the Customer as provided in this Rider, inclusive of all gas supply costs and brokerage fees. Such gas supply costs may include a fixed price component and a commodity price component, as determined by the Company.

Applicable Fixed Price
or
Applicable Cap Price

Early Termination Fee

In the event a Customer receiving service under this Rider desires to terminate its PPS agreement prior to the end of the established contract term, the Customer shall be billed a termination fee. The termination fee shall be calculated based upon the monthly fixed charges applicable under the PPS agreement times the number of remaining months in the contract. Except that the termination fee will not apply whenever a customer taking service under this Rider who was previously not eligible for SCDS, becomes eligible for SCDS and who elects to take service under SCDS.

In the event a customer has to early terminate a PPS contract due to relocation, these customers will have the option to assign the remaining contract to the new occupant(s) of the premises so long as the new occupant(s) agrees to take assignment of the contract. The new occupants will be subject to normal credit and deposit requirements.

RIDER 481
PRICE PROTECTION SERVICE RIDER

RATE ADJUSTMENT

This Rider is subject to charges as stated in Appendix B for all customer-owned gas used in the billing period. The Rider is subject to the Gas Efficiency Rider stated in Appendix C.

RULES AND REGULATIONS

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

RIDER 487
DAILY IMBALANCE CASH-OUT PROVISIONS RIDER

AVAILABILITY

This Rider shall apply to any Rate Schedule that incorporates this Daily Imbalance Cash-out Provisions Rider by reference.

DAILY IMBALANCE CASH-OUT PROVISIONS

The Qualifying Customer shall use its best efforts to balance within plus or minus five percent (5%) on a daily basis its confirmed nominations of gas at the city gate with its usage at the burnertip. Volume imbalances shall be subject to the daily charges provided herein.

Daily Imbalances During Non-Critical Periods

For Undertake Imbalances (the Qualifying Customer's nominated volume is greater than its metered volume) the Company will purchase gas from the Qualifying Customer at the rates below***:***

Imbalance Level	Company Pays Qualifying Customer
-0% to 4.99%	100% of the Lesser of Daily Index or First of Month Index
-5% to 9.99%	90% of the Lesser of Daily Index or First of Month Index
-10% to 20%	80% of the Lesser of Daily Index or First of Month Index
Under - 20%	60% of the Lesser of Daily Index or First of Month Index

For Overtake Imbalances (the Qualifying Customer's nominated volume is less than its metered volume) the Qualifying Customer will purchase gas from the Company at the rates below, plus the applicable transportation charge as provided for in the Qualifying Customer's transportation tariff:

Imbalance Level	Qualifying Customer Pays Company
+ 0% to 4.99%	100% of the Greater of Daily Index or First of Month Index
+ 5% to 9.99%	110% of the Greater of Daily Index or First of Month Index
+10% to 20%	120% of the Greater of Daily Index or First of Month Index
Over + 20%	140% of the Greater of Daily Index or First of Month Index

The Daily Index price shall be the arithmetic average of the range of prices posted under the table City Gate, Pooling Point Prices as published in Gas Daily. Zone A will be the average for the month of the daily price posted in “Gas Daily” daily Chicago City Gate Midpoint Price, and (2) Zones B, C, D or E will be the average for the month of the daily price posted in “Gas Daily” daily Mich Con City-gate Midpoint Price. In the event this posting is unavailable, Company will establish a new Daily Index price.

RIDER 487
DAILY IMBALANCE CASH-OUT PROVISIONS RIDER

DAILY IMBALANCE CASH-OUT PROVISIONS (continued)

The First of Month Index price shall be the arithmetic average of the "Prices of Spot Gas Delivered to Pipeline" for the first day of each Month appearing under the table "Upper Midwest" as published in the INSIDE FERC FERC Gas Market Report. Zone A will be priced using Chicago city-gates index, and Zones B, C, D, or E will be priced using Mich Con city-gate index.

Daily Imbalances During Critical Periods

For Undertake Imbalances (the Qualifying Customer's nominated volume is greater than its metered volume) the Company will purchase gas from the Qualifying Customer at the rates below:

Imbalance Level	Company Pays Qualifying Customer
- 0% to .99%	100% of the Lesser of Daily Index or First of Month Index
- 1% to 4.99%	90% of the Lesser of Daily Index or First of Month Index
- 5% to 10%	80% of the Lesser of Daily Index or First of Month Index
Under - 10%	60% of the Lesser of Daily Index or First of Month Index

For Overtake Imbalances (the Qualifying Customer's nominated volume is less than its metered volume) the Qualifying Customer will purchase gas from the Company at the rates below, plus the applicable transportation charge as provided for in the Qualifying Customer's transportation tariff:

Imbalance Level	Qualifying Customer Pays Company
+ 0% to .99%	100% of the Greater of Daily Index or First of Month Index
+ 1% to 4.99%	110% of the Greater of Daily Index or First of Month Index
+ 5% to 10%	120% of the Greater of Daily Index or First of Month Index
Over + 10%	140% of the Greater of Daily Index or First of Month Index

In addition to the above charges, Qualifying Customer will pay the greater of $6.00 per therm or the applicable pipeline penalty charges.

For purposes of this section Critical Period shall be as defined on page 4 of these provisions. The Company shall use reasonable efforts to notify Qualifying Customers when a Critical Period is in effect on its system, as defined under Notification Period on page 4 of these provisions.

Should the Qualifying Customer be in an imbalance during a Critical Period which is opposite the Company's imbalance during the Critical Period, the Qualifying Customer shall be assessed as follows:

RIDER 487
DAILY IMBALANCE CASH-OUT PROVISIONS RIDER

DAILY IMBALANCE CASH-OUT PROVISIONS

Daily Imbalances During Critical Periods (continued)

(1) The lesser of Daily Index or First of Month Index for all Undertake Imbalances; or

(2) The greater of Daily Index or First of Month Index for all Overtake Imbalances.

If, at the request of the Company, the Qualifying Customer assumes an imbalance beneficial to the Company, the undertake or overtake imbalances shall be assessed at 100% of the Daily Index price.

The Daily Index price and the First of Month Index price shall be as defined above under Daily Imbalances during Non-Critical Periods.

EXTRAORDINARY CIRCUMSTANCES

In the event that system supply gas is not available to satisfy overtake imbalances, the Company shall use its reasonable efforts to acquire replacement quantity of natural gas of gas from other sources. Under these circumstances, Qualified Aggregator shall be responsible for all costs incurred by the Company to obtain gas supply including, but not limited to, upstream and on-system capacity costs, supply costs plus an additional charge of $60.00 per Dth for all short-fall quantity of natural gas.

DEFINITIONS

The term "Critical Period" shall be any time declared by the Company whenever any of the following conditions occurs or is anticipated to occur which jeopardizes the operational integrity of all or a portion of the Company's system:

(1) Any area of the Company's system is operating at or near design capacity;

(2) Failure or operational constraint of the Company's transmission, distribution, or gas storage facilities;

(3) System pressure, affected by pipelines' delivery pressures or other unusual conditions;

(4) The Company's transmission, storage, and supply resources are being used at or near their rated maximum deliverability; and

RIDER 487
DAILY IMBALANCE CASH-OUT PROVISIONS RIDER

DEFINITIONS (continued)

(5) The Company's pipeline transporters issue or declare an Operational Flow Order (OFO) or the equivalent of a Critical Period.

The term "Operational Flow Order" is an order declared by a transporting pipeline that increases the otherwise normal charges for failure to comply with specific operational constraints.

The term "Notification Period" shall mean the timeframe in which the Company shall notify the Qualifying Customer of its intent to implement a Critical Period. Such timeframe shall be as far as is practicable in advance of such implementation, but not less than thirty (30) minutes.

RESERVED FOR FUTURE USE

APPENDIX A
APPLICABLE RIDERS

Rider	Code	Rider Name	Applicable Tariffs
Rider 470	GCA	Adjustment of Charges for Cost of Gas Rider	411, 415, 421, 425
Rider 472	EE	Adjustment of Charges for Energy Efficiency Rider	411, 415, 421, 425, 451
Rider 473	USF	Universal Service Fund Rider	411, 415, 421, 425, 428, 430, 434A, 438, 440, 451
Rider 480	SCDS	Supplier Choice Delivery Service Rider	411, 415, 421, 425
Rider 481	PPS	Price Protection Service Rider	411, 415, 421, 425
Rider 442A	OSSA	Optional Storage Service Rider	428, 430, 438, 445
Rider 447	GP	Gas Parking Rider	428, 438, 445
Rider 448	GL	Gas Lending Rider	428, 438, 445
Rider 487	DICOP	Daily Imbalance Cash-Out Provisions	445
Rider 431	CITES	Commercial and Industrial Temporary Emergency Service	428,430,438
Rider 450	NESSM	Nomination Exchange Service for Suppliers and Marketers	428,430,438

APPENDIX B
GAS COST ADJUSTMENT FACTOR

The Gas Cost Adjustment Factor in Rates 411, 415, 421 and 425, and Rider 431 shall be computed in accordance with Rider 470, Rider 480 and Rider 481 in accordance with the Order of the IURC approved November 4, 2010 in Cause No. 43894.

For the applicable Rate Schedules, the Gas Cost Adjustment Factor for the month of May 2013 shall be as follows:

Rate Schedule

Rates 411, 415

Gas Supply Commodity Cost Charge	A charge of $0.4004 per therm
Interstate Pipeline Transportation and Storage Charge	A charge of $0.0837 per therm
Other Gas Cost Charge	A charge of $0.0318 per therm
Total Gas Cost Adjustment	A charge of $0.5159 per therm

Rates 421, 425, Rider 431

Gas Supply Commodity Cost Charge	A charge of $0.4004 per therm
Interstate Pipeline Transportation and Storage Charge	A charge of $0.1028 per therm
Other Gas Cost Charge	A charge of $0.0652 per therm
Total Gas Cost Adjustment	A charge of $0.5684 per therm

Rider 480: Rates 411, 415

Other Gas Cost Charge (Year 1)	A charge of $0.0204 per therm

Rider 480: Rates 421, 425

Other Gas Cost Charge (Year 1)	A charge of $0.0535 per therm

Rider 481: Rates 411, 415

Interstate Pipeline Transportation and Storage Charge	A charge of $0.0837 per therm
Other Gas Cost Charge (Year 1)	A charge of $0.0229 per therm
Other Gas Cost Charge (Year 2 and After)	A charge of $0.0161 per therm

Rider 481: Rates 421, 425

Interstate Pipeline Transportation and Storage Charge	A charge of $0.1028 per therm
Other Gas Cost Charge (Year 1)	A charge of $0.0563 per therm
Other Gas Cost Charge (Year 2 and After)	A charge of $0.0355 per therm

RESERVED FOR FUTURE USE

APPENDIX C
GAS EFFICIENCY FACTOR

The Gas Efficiency Factor shall be computed in accordance with the Order of the IURC approved in Cause No. 44001.

For the applicable Rate Schedules, the Gas Efficiency Factor shall be as follows:

Rate Schedule

Residential Service: Rate 411 (with associated Rate 451, Rider 480 and Rider 481)

A charge of $0.014923 per therm per month

Multiple Family Housing Service: Rate 415 (with associated Rate 451, Rider 480 and Rider 481)

A charge of $0.008253 per therm per month

General Service: Rate 421, 425 (with associated Rate 451, Rider 480 and Rider 481)

A charge of $0.004753 per therm per month

APPENDIX D
UNIVERSAL SERVICE FUND (USF) FACTOR

RATE SCHEDULES

Rate	Charge
Rate 411	A credit/charge of $0.0000 per therm used per month
Rate 415	A credit/charge of $0.0000 per therm used per month
Rate 421	A credit/charge of $0.0000 per therm used per month
Rate 425	A credit/charge of $0.0000 per therm used per month
Rate 428	A charge of $125.00 per month
Rate 430	A charge of $125.00 per month
Rate 434A	A charge of $30.00 per month
Rate 438	A charge of $30.00 per month
Rate 451 – Residential	A credit/charge of $0.0000 per therm used per month
Rate 451 – General Service	A credit/charge of $0.0000 per therm used per month

APPENDIX E
UNACCOUNTED FOR GAS PERCENTAGE

The Unaccounted For Gas Percentage shall be applicable to all Transportation Customers, marketers and suppliers and shall be computed in accordance with the Order of the IURC approved November 4, 2010 in Cause No. 43894.

Up to 1.04% of the quantities of gas received by the Company from Transportation Customers, marketers and suppliers at a point of receipt on the Company's system shall be retained by the Company to compensate for unaccounted for gas. The unaccounted for gas percentage shall be reviewed and adjusted annually by the Company and approved by the IURC to reflect any changes in the actual system unaccounted for gas percentage.

The unaccounted for gas is 0.51%