

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

No. 1 of 3 Sheets

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.

Issue Date:
November 5, 2010

ISSUED PURSUANT TO

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INDIANA UTILITY
REGULATORY COMMISSION

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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.

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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 \$10.00 per Dth, except that the charge will be \$60.00 per Dth 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.

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