



Memorandum Regarding 2016 Projected Attachment O, MM and GG

December 1, 2015

Northern Indiana Public Service Company (NIPSCO) posted the following electronic files for 2016 rates per its Attachment O formula rate protocols as filed with the Federal Energy Regulatory Commission (FERC) in Docket No. ER13-2376-002:

2016 Forecast – Posted September 29, 2015	2014 True Up – Posted May 28, 2015
NIPSCO_2016_Attachment_O_Forecast_FINAL.xlsx	NIPSCO 2014 Attachment O-True-Up FINAL.xlsx
NIPSCO_2016_Attachment_MM_Forecast_FINAL.xlsx	NIPSCO 2014 Attachment MM-True-Up FINAL.xlsx
NIPSCO_2016_Attachment_GG_Forecast_FINAL.xlsx	NIPSCO 2014 Attachment GG-True-Up FINAL.xlsx
NIPSCO_2016_Schedule_1_Rev_Req_Calc.xlsx	Sch 1 True Up-w divisor.xlsx

On October 7, 2015, NIPSCO reposted its forecasted 2016 Attachment O and Attachment MM, with the associated workpapers, to reflect updated revenue requirements that resulted from a correction to Project Gross Plant reflected on Attachment MM, page 2, line 1b, column 3. The corrected amount of Project Gross Plant now correctly includes Multi-Value Project (MVP) plant in service as well as CWIP.

On December 1, 2015, NIPSCO reposted its 2014 True-Up and its 2016 Forecast Attachments O, MM, GG and Schedule 1 to incorporate the following adjustments:

2014 True-up

- Attachment O, P. 1, Line 15 – Corrected an error to tie to FERC Form 1, P. 401b, Col. d
- Attachment O, P. 3, Line 10 – Corrected to include Intangible Plant from FERC Form 1, P. 336, Row 1, Col. f
- Attachment O, P.4, Line 27 – Corrected to exclude Unamortized Discount on Long Term Debt reflected on FERC Form 1, P. 112, Line 23.



- Summary Attachment MM Column i – The applicable interest rate was updated to reflect a 19-month average short term borrowing cost for NIPSCO from January 2014 through July 2015.

2016 Forecast

- Attachment O, P.2, Line 18a – MVP project average 2016 CWIP increased by \$6,651,133 to reflect actuals through October, 2015 and update the forecast for the remainder of the year.
- Attachment O, P.3, Line 1 – Operating expenses increased \$1,055,259 for a correction to forecasted Load Dispatching costs reflected in Account 561.1 and 561.2.
- Attachment O, P.4, Lines 12-16 – Wages and Salaries corrected
- Attachment MM – Updated for new forecasted MVP project CWIP and impacts from changes in Attachment O and the 2014 Attachment MM True-up
- Attachment GG – Updated for impacts from changes in Attachment O and the 2014 Attachment GG True-up
- Schedule 1 – Updated forecast for Load Dispatching costs described above

2016 Forecast – Version Pending FERC Docket No. ER16-197 Approval (ADIT revision)

A version of all attachments that would result from an update to Attachment O, P. 2, Lines 19-24 and P. 5, Note F has been posted, which is currently pending FERC approval with a requested effective date of January 1, 2016.