

**RIDER 694**  
**ADJUSTMENT OF CHARGES FOR ENVIRONMENTAL COST TRACKER**

Sheet No. 1 of 2

**TO WHOM AVAILABLE**

This Rider shall be applicable to the Rate Schedules as identified in Appendix A.

**ADJUSTMENT OF CHARGES FOR ENVIRONMENTAL COST TRACKER**

Energy Charges in this Rider 694 are subject to adjustment to reflect the ratemaking treatment for variable operation and maintenance expenses associated with: (1) chemicals, reagents, and similar consumable products utilized at Company's coal-fired generation assets; and (2) state and federal nitrogen oxides ("NOx") emission allowance costs and credits. Such charges shall be increased or decreased to the nearest 0.001 mill (\$.000001) per kWh in accordance with the following:

$$ECTn = (((VCC+EAC-EAS) - VR) * VAP) / Sn$$

Where:

- "ECTn" is the rate adjustment for each Rate Schedule representing the ratemaking treatment for variable operation and maintenance expenses associated with (1) chemicals, reagents, and similar consumable products utilized by NIPSCO's coal-fired generation assets; and (2) state and federal NOx emission allowance costs and credits;
- "VCC" is Variable Chemical Costs and equals the Company's historical operation and maintenance expenses associated with chemicals, reagents, and similar consumable products utilized by the Company's coal-fired generating assets;
- "EAC" is Emission Allowance Costs and equals the Company's historical Emission Allowance (EA) Costs used by retail customers during the period;
- "EAS" is Emission Allowance Sales and equals the Company's historical Emission Allowance (EA) Sales made by the Company during the period;
- "VR" is Variable Revenues and equals the retail portion of the margin from EA sales (net of costs) during the period;
- "Pe" is Production Energy Allocation percentage for each Rate Schedule; and
- "Sn" is Sales and equals the forecast six (6) month kWh sales for each applicable Rate Schedule. For Rate 626, and for the purposes of this Rider 694 only, Sales will be based on the forecast six (6) month Billing Demand (kW).

Issued Date  
06/26/2025

Effective Date  
07/01/2025



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Sheet No. 2 of 2

**ENVIRONMENTAL COST TRACKER FACTOR**

The Rate Schedules identified in Appendix A are subject to an ECT Factor. The ECT Factors in Appendix K are applicable hereto and are issued and effective at the dates shown on Appendix K.

The ECT Factors as computed above shall be further modified to allow for the recovery of the ECT revenue requirement reconciled with actual sales and revenues. The ECT Factors per kWh charge for each Rate Schedule are shown on Appendix K.