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TO WHOM AVAILABLE

Available to Non-Residential Customers located in the area served by 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.

Customers taking service under this Rate Schedule shall enter into a mutually agreeable written agreement 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 under this Rate Schedule.

CHARACTER OF SERVICE

Service under this Rate Schedule shall be firm transportation service. Customers 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 to at least one interconnecting point/nominating meter with an upstream pipeline (City Gate) provided the Company's contractual arrangements and facilities are physically adequate to transport the contracted volumes to the facilities of the Customer. However, an Island Customers is restricted for transportation service of deliveries on its one supplying pipeline. The following table shows the nominating meters with upstream pipelines by zone:

NIPSCO Zone	Upstream Pipeline	Nominating Meter (City Gate)
A – Northwest Zone	ANR Pipeline	4375 – Michigan City 138744 – Crown Point
A – Northwest Zone	Crossroads Pipeline	736908 – Griffith
A – Northwest Zone	Natural Gas Pipeline Company of America	909260 – NIPSCO CDP
A – Northwest Zone	Northern Border	115 – North Hayden
A – Northwest Zone	Trunkline Gas Company	TRKNI – NIPSCO
A – Northwest Zone	Vector Pipeline	CP151FE001SF – Crown Point
B – Southeast Zone	ANR Pipeline	40184 – Fort Wayne
B – Southeast Zone	Panhandle Eastern Pipeline Company	NIPS – NIPSCO
E – East Zone	Crossroads Pipeline	736908 – Butler

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CHARACTER OF SERVICE (Cont'd)

The Company will be the sole determinant of pipeline City Gate capacity availability, such as a nomination cap and/or meter cap, for transport quantities of gas. The Company reserves the right to issue nomination and /or meter caps or further restrict the availability of approved delivery points whenever any of the following conditions occur or is anticipated to occur:

(1) Off-system (upstream) pipeline maintenance, upgrades or inspections affecting one, or more, NIPSCO City Gates;
2) On-system maintenance, upgrades or inspections system affecting one, or more, NIPSCO City Gates or downstream systems; or
3) Nominated pipeline supplies to NIPSCO City Gates resulting in NIPSCO being unable to maintain system balances with current on- and / or off-system balancing services.

Prior to issuing nomination and / or meter caps or further restrict the availability of approved delivery points, the Company shall further exhaust all reasonable efforts and utilize all available alternatives that do not require such issuance. If determined issuing nomination and / or meter caps or further restrict the availability of approved delivery points is necessary, the Company shall implement any such measures in the least restrictive manner reasonably feasible, and shall provide affected Customers with as much advance notice as the Company can reasonably provide.

In the event Customers do not adhere to nomination and / or meter cap restrictions during a Critical Period, Rider 331 may apply.

Gas transported by the Company for a Customer under this Rate Schedule 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 Service available under this Rate Schedule.

AGREEMENT

Any Customer requesting service under this Rate Schedule shall enter into a written agreement 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 agreement shall continue from month to month thereafter unless canceled by either party giving to the other party sixty (60) days' prior written notice of the termination of such agreement 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.

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DELIVERY OF GAS BY THE COMPANY (Continued)

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.

The Company shall utilize its best efforts to provide notification to the Customer of its intention to begin initial or resumed delivery of gas, to make any material change in the rate of delivery of gas, to change the rate of delivery of gas, or to discontinue delivery of gas. Upon the provision of such notice, the Company 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.

IMBALANCES

Daily administrative balancing is accomplished through the use of services available as follows:

Service	
Nomination Exchange Service	✓
Company Balancing Service	✓
No-Notice Gas Undertake Service	✓
No-Notice Gas Overtake Service	✓
Nominated Gas Overtake Service	✓
Imbalance Netting Option	✓

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 remote communication equipment as specified by the Company.

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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 with other like Customers with the same metering requirements and transportation zone. Such aggregated pool quantity of gas shall be considered as one volume for the calculation of Balancing Charges set out in the Company Balancing Service provisions under this Rate Schedule, except as defined during a Critical Overtake Day or Critical Undertake Day.

The imbalance netting pool shall be managed by a Pool Operator designated by Customer 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 Rate Schedule 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 agreements 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 Overtake Day or Critical Undertake Day, as defined in Rider 331, a Pool Operator shall be assessed for penalty charges.

A Customer who elects to participate in an imbalance netting pool must enter into a Customer Pooling Agreement. 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) business 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. The 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.

NOMINATION EXCHANGE SERVICE

Nomination Exchange Service will be available to Customers or Pool Operators.

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NOMINATION EXCHANGE SERVICE (Continued)

Under the scheduling provisions of this Rate Schedule, Customers or Pool Operators are required to make nominations within the guidelines required by the upstream pipeline(s) in order to meet the schedule confirmation deadlines of the upstream pipelines connected to the Company.

In order to provide Customers or Pool Operators with more flexibility in their supply management, the Company will allow Customers or their authorized agents or Pool Operators to exchange gas between each other or their authorized agents at the City Gate and thus adjust their scheduled pipeline transportation nominations on the Company's system by 7:00 a.m. C.C.T. prior to the end of each Gas Day.

Exchanges between Customers or Pool Operators is limited to Customers or Pool Operators in the same transportation zone and must result in no change in confirmed scheduled nominations at the City Gate between the Company and upstream pipelines. 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 and confirm nominations from all Customers or Pool Operators involved in an exchange transaction prior to the exchange deadline.

COMPANY BALANCING SERVICE

Company Balancing Service will be available to Customers or Pool Operators.

The Company will make available each day firm Balancing Service up to the contracted balancing account capacity ("bank capacity") and injection/withdrawal limits, to those Customers or Pool Operators under this Rate Schedule who have a daily imbalance. A Customer or Pool Operator may request bank capacity or a change in bank capacity up to their limit any time throughout the year upon written notification to the Company by the ninth (9^{th}) business day prior to the end of the month to effectuate such change for the following month. The maximum balancing account capacity limit available to each Customer or Pool Operator's customers in aggregate shall be fifty percent (50%) of the Customer's average daily use recorded during the previous calendar year. The firm daily injection/withdrawal limit shall be two percent (2%) of the capacity limit. In determining a Customer's average 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, which will be based on fifty percent (50%) of the expected average daily use for a calendar year. The maximum balancing account capacity available is limited to sixty percent (60%) of the total of the average daily use of all eligible transportation Customers recorded during the previous calendar year. If all the Customers or Pool Operators do not select their maximum balancing account capacity limit, any remaining capacity may be made available to other Customers or Pool Operators at the Company's sole discretion. Any balancing capacity over the assigned maximum balancing account limit made available to a Customer can be recalled by the Company upon thirty (30) days' notice.

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COMPANY BALANCING SERVICE (Continued)

On days when Customers' or Pool Operators' actual consumption of gas is less than their allocated quantities of gas at the City Gate, adjusted for unaccounted for gas, Customers or Pool Operators will be allowed to build a positive balancing account up to the balancing account limit on a 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 undertake amount in accordance with the Balancing Charge set out in the Rates provisions below.

On days when Customers' or Pool Operators' actual consumption of gas is greater than their allocated quantities of gas at the City Gate, adjusted for unaccounted for gas, Customers or Pool Operators will be allowed to withdraw gas from their balancing account on a no-notice 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 overtake amount in accordance with the Balancing Charge set out in the Rates provisions below.

Customers or Pool Operators may nominate injections and withdrawals from their balancing accounts. The availability of injections and withdrawals will be interruptible and therefore, must be approved by the Company in time to make upstream pipeline nominations. The Customer or Pool Operator is responsible to assure that such nominated injections or withdrawals remain within their balancing account limits. In the event that such nominated injections or withdrawals cause the Customer or Pool Operator to exceed the balancing account limits (over or under), the daily No-Notice Gas Undertake Service or No-Notice Gas Overtake Service provisions of this Rate Schedule will apply. Nominated injections and withdrawals are included as part of a Customer's or Pool Operator's total daily scheduled quantity.

Customers or Pool Operators 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 set out in the Rates provision below. There will be no charge for nominated injections and withdrawals from the balancing account provided such nominations do not cause the Customer or Pool Operator to exceed their balancing account limits (over or under).

Quantities of gas assessed the Balancing Charge or scheduled for redelivery will be added or subtracted from a Customer's or Pool Operator's balancing account as appropriate up to the balancing limit. Customers or Pool Operators will be allowed to carry-over from one month to the next any balancing account amount up to their elected balancing account limit.

Balancing Charges, including of balance capacity charges and daily balancing charges are credited to customers under Rider 370 – Gas Cost Adjustment (GCA) Rider.

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NO-NOTICE GAS UNDERTAKE SERVICE

No-Notice Gas Undertake Service will be available to Customers or Pool Operators.

The Company does not allow balancing accounts to go over contracted capacity limits. Therefore, in the event the balancing account limit is exceeded, the volume of undertake gas in excess of the allowable bank capacity will be credited at a daily No-Notice Gas Undertake Service price for that day. The No-Notice Gas Undertake Services Charges, by zone, are set out in the Rates provision below. If a Critical Undertake Day is declared, Rider 331 would apply. No-notice gas undertakes under No-Notice Gas Undertake Service will be billed as a credit to the Customer or Pool Operator at a daily undertake price.

No-Notice Gas Undertake Gas Service prices are allocated to customers under Rider 370 – Gas Cost Adjustment (GCA) Rider by means of purchasing gas at a discount to the respective index price.

NO-NOTICE GAS OVERTAKE SERVICE AND NOMINATED GAS OVERTAKE SERVICE

No-Notice Gas Overtake Service and Nominated Gas Overtake Service will be available to Customers or Pool Operators.

The Company does not allow negative balances in a bank. Therefore, in the event that a Customer or Pool Operator overtakes gas and no quantities of gas are available in the bank such gas will be sold to the Customer or Pool Operator by the Company under the No-Notice Gas Overtake Service and/or Nominated Gas Overtake Service provisions of this Rate Schedule for that day. The No-Notice Gas Overtake Service Charges and Nominated Gas Overtake Service Charges, by zone, are set out in the Rates provisions below. This gas will be delivered to the Customer at NIPSCO's City Gate. If a Critical Overtake Day is declared, Rider 331 may apply.

A Customer or Pool Operator may elect to take service under the Company's Nominated Gas Overtake Service. Such service shall be nominated to the Company within the required timeframe. The Company reserves the sole and exclusive right to accept or reject nominations for Nominated Gas Overtake Service. All quantities of gas nominated by the Customer or Pool Operator and delivered by the Company shall be considered taken by the Customer or Pool Operator in the Gas Day requested by the Customer or Pool Operator and accepted by the Company.

No-notice gas overtakes under No-Notice Gas Overtake Service and nominated gas overtakes under the Nominated Gas Overtake Service will be billed to the Customer or Pool Operator at a daily overtake price.

No-Notice Gas Overtake Service and Nominated Gas Overtake Service (on-time or late) fees and are credited to customers under Rider 370 – Gas Cost Adjustment (GCA) Rider.

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NO-NOTICE GAS OVERTAKE SERVICE AND NOMINATED GAS OVERTAKE SERVICE (Continued)

Customer agrees, by taking service under this No-Notice Gas 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.

PIPELINE PENALTY ALLOCATION

In the event that a pipeline penalty charge is incurred by the Company as the result of an operational imbalance caused by a net system imbalance, the method of allocating the penalty will be on a pro rata basis between the Company, Customers under Rider 370 – Gas Cost Adjustment (GCA) Rider, Customers taking service under Rate 328 or Rate 338, and Imbalance Netting Pool Operators who contributed to the imbalance within the transportation zone that the penalty was incurred. Island Customers contributing to the imbalance will only be included in the proration if the pipeline penalty charge was incurred from the pipeline supplying gas to that Island Customer. The proration will be assessed based on the daily imbalance between the total Burner Tip nomination and actual metered volumes.

CAPACITY CURTAILMENT ALLOCATION

Curtailment of services under this Rate Schedule, shall be implemented in accordance with Rule 13 of the Company Rules.

DETERMINATION OF BILLING DEMAND

The Billing Demand for the month is the Customer's Winter Average Daily Usage.

WINTER AVERAGE DAILY USAGE

The Customer's Winter Average Daily Usage will be calculated annually and will be the sum of the Customer's total usage in the previous billing cycles for the months of December, January, and February, divided by the sum of the total number of days in those billing cycles.

RATE

The rate for gas delivery service and gas supplied hereunder shall consist of a Customer Charge, Transportation Charge, Administrative Charge for Balancing Services, Nomination Exchange Service Charges, Imbalance Exchange Service Charge, and Balancing Service Charge, as follows:

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RATE (Continued)

Customer Charge

$1,200.00 per month

Administrative Charge for Balancing Services - Customer

$246.26 per month

Transportation Charge - Customer

$0.06363 per Therm for all Therms used per month

Monthly Demand Charge

$0.35725 per therm of Billing Demand per month

The Customer's Winter Average Daily Usage and Billing Demand will be reset annually. The Monthly Demand Charge will be recalculated to produce an annual demand revenue of $896,773 established in Cause No. 45967 to become effective in June.

Pooling Agreement Fee – Customer

$59.10 per month that a Customer is in a pool

Nomination Exchange Service Charge – Customer or Pool Operator

$9.85 per transaction for each counterparty

Balance Account Capacity ("bank capacity") Charge – Customer or Pool Operator

$0.0600 per Therm of capacity per month

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RATES (Continued)

Balancing Charges – Customer or Pool Operator

Percent of Daily Nomination	Balancing Charge
+/- (0% to 10%)	0.0 cents per therm
+/- (>10% to 20%)	3.2 cents per therm
over +/- 20%	10.6 cents per therm

No-Notice and / or Nominated Gas Service Charges – Customer or Pool Operator

Daily Price. As used in this Rate, the prices posted under the table "City Gate, Pooling Point Prices" as published in Gas Daily. Zone A will be the daily price posted in Gas Daily / Daily Chicago City-gate Midpoint Price. Zones B and E will be the daily price posted in Gas Daily / Daily Mich Con City-gate Midpoint Price. In the event this posting is unavailable, the Company will establish a new daily price.

First of Month (FOM) Price. As used in this Rate, 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 Gas Market Report. Zone A will be the price using the Chicago City-gate index. Zones B and E will be the price using the Mich Con City-gate index. In the event this posting is unavailable, the Company will establish a new FOM price.

No-Notice Gas Undertake Service Charges

Zone	No-Notice Undertake Service Price 0% – 20% Imbalance	No-Notice Undertake Service Price >20% Imbalance
A – Northwest Zone	Lesser of 70% Daily Price or 70% FOM Price	Lesser of 60% Daily price or 60% FOM Price
B – Southeast Zone	Lesser of 70% Daily Price or 70% FOM Price	Lesser of 60% Daily price or 60% FOM Price
E – East Zone	Lesser of 70% Daily Price or 70% FOM Price	Lesser of 60% Daily price or 60% FOM Price

Consistent with the terms of Rider 347, a customer or Pool Operator may elect to take Gas Parking Service as an alternative to No-Notice Undertake Service. To the extent reasonably practicable, taking into consideration current and forecasted system conditions at the time, NIPSCO shall use reasonable efforts to accommodate such requests.

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RATE (Continued)

No-Notice and Nominated Gas Overtake Service Charges

Zone	On-time Overtake Service Price	Late Overtake Service Price	No-Notice Overtake Service Price 0% - 20% Imbalance	No-Notice Overtake Service Price >20% Imbalance
A–Northwest Zone	105% Daily Price	Negotiated Rate	130% Daily Price	140% Daily Price
B–Southeast Zone	105% Daily Price	Negotiated Rate	130% Daily Price	140% Daily Price
E–East Zone	105% Daily Price	Negotiated Rate	130% Daily Price	140% Daily Price

Pool Administration Charge – Pool Operator

$246.26 per pool for Pool Operators

Pool Participation Fee – Pool Operator

$24.63 per customer in the pool per month

Volumetric Charge – Pool Operator

$0.00015 / per Therm delivered in the month

MONTHLY MINIMUM CHARGE

The Customer's monthly Minimum Charge under this Rate Schedule shall be the Customer Charge, Monthly Demand Charge, Administration Charge for Balancing Service, Bank Capacity Charge, if applicable, and any applicable Riders as identified in Appendix A.

RULES AND REGULATIONS

Service hereunder shall be subject to the Company Rules and IURC Rules.