

January 17, 2012

*Via Electronic Filing – 30 Day Filings - Gas*

Brenda A. Howe  
Secretary to the Commission  
Indiana Utility Regulatory Commission  
101 West Washington Street  
Suite 1500 East  
Indianapolis, Indiana 46204

RECEIVED  
January 17, 2012  
INDIANA UTILITY  
REGULATORY COMMISSION

***RE: NIPSCO 30 Day Filing Pursuant to 170 IAC 1-6-1 et seq.***

Dear Ms. Howe:

In accordance with 170 IAC 1-6-1, enclosed please find NIPSCO's First Revised Sheet No. 28 – General Rules and Regulations – Rule 10 – Deposit to Insure Payment of Bills (“Gas Deposit Rule”). The revisions impact NIPSCO's Non-Residential Customers receiving gas service under its IURC Gas Service Tariff, Original Volume No. 7. The revisions are shown in the attached redlined tariff sheet.

The proposed revisions are intended to revise the Gas Deposit Rule to mirror NIPSCO's deposit rule applicable to NIPSCO's Non-Residential Customers receiving electric service under its IURC Electric Service Tariff, Original Volume No. 12. 170 IAC 1-6-3(3) states that changes to rules and regulations of the utility are an allowable type of filing. Thus, this filing is an allowable request under 170 IAC 1-6-3. This filing does not require confidential treatment nor does it seek any other relief identified in 170 IAC 1-6-4, so it is not prohibited under the Commission's Rule.

In accordance with 170 IAC 1-6-5(2), contact information for the utility regarding this filing is:

Michael J. Martin  
Director, Regulatory & Governmental Policy  
Northern Indiana Public Service Company  
101 West Ohio Street, Suite 1707  
Indianapolis, Indiana 46204  
317-684-4909 (Direct)  
317-684-4918 (Fax)  
[mmartin@nisource.com](mailto:mmartin@nisource.com)

Brenda A. Howe  
Indiana Utility Regulatory Commission  
January 17, 2012  
Page 2

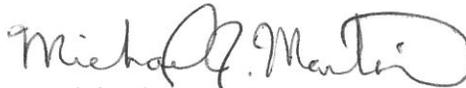
In accordance with 170 IAC 1-6-5(3), the proposed tariff sheet is attached. There are no work papers necessary to support this filing as required in 170 IAC 1-6-5(4).

In accordance with 170 IAC 1-6-5(5), Michael J. Martin has verified this letter as to these representations in compliance with 170 IAC 1-6-5(5). A copy of this filing is being provided via electronic mail to the Indiana Office of Utility Consumer Counselor.

In accordance with 170 IAC 1-6-6, NIPSCO provided notice to its customers in Lake County on January 14, 2012. A copy of the notice that was published is attached hereto. A copy of the proof of publication will be provided upon its receipt. NIPSCO has posted notice of this change in its local customer service office at 3229 Broadway, Gary, Indiana and has placed the notice on its website under pending tariffs (see <http://www.nipsco.com/About-us/Rates-Tariffs/30-Day-Filings.aspx>).

Please let me know if the Commission Staff has any questions or concerns about this submission.

Sincerely,



Michael J. Martin  
Director, Regulatory & Governmental Policy

Encl.

cc (w/ encl. – via email transmission)

Jeffrey M. Reed, Indiana Office of Utility Consumer Counselor  
([jreed@oucc.in.gov](mailto:jreed@oucc.in.gov), [infomgt@oucc.in.gov](mailto:infomgt@oucc.in.gov))

**GENERAL RULES AND REGULATIONS**  
**Applicable to Gas Service**

**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.

Effective Pending/2012



GENERAL RULES AND REGULATIONS  
Applicable to Gas Service

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 Commercial and Industrial~~ 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.

Effective ~~Pending 7/1/2012~~



**GENERAL RULES AND REGULATIONS**  
**Applicable to Gas Service**

The Company may require from any applicant, as a guarantee against the non-payment of bills, a cash deposit equal to the amount payable for service for a sixty-day period as estimated by the Company. In all cases where the monthly amount payable is in excess of that covered by the deposit, the Company may increase the amount of deposit required, but such deposit shall not exceed the estimated amount payable for a sixty-day period.

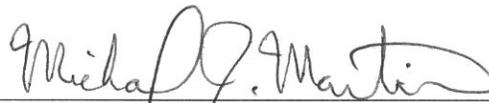
In the case of a cash deposit as a guarantee against the non-payment of bills, simple interest thereon at the rate established by the Indiana Utility Regulatory Commission shall be paid by the Company for the time such deposit is held by the Company, but for no period less than six (6) months. Upon discontinuance 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.

**Verified Statement of Northern Indiana Public Service Company  
Concerning Notification of Customers Affected by January 16, 2012 30-Day Filing**

Northern Indiana Public Service Company complied with the Notice Requirements under 170 IAC 1-6-6 in the following manner:

- The attached notice was posted in a public place at NIPSCO's customer service office at 3229 Broadway, Gary, Indiana;
- The same notice was posted on NIPSCO's website under 30-Day Filings (see <http://www.nipsco.com/About-us/Rates-Tariffs/30-Day-Filings.aspx>).
- A legal notice was published in the Post Tribune, a newspaper of general circulation that has a circulation encompassing the highest number of the utility's customers affected by the filing, on January 14, 2012. A copy of the Publisher's Affidavit will be submitted promptly upon receipt; and
- I affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Dated this 17<sup>th</sup> day of January, 2012.



---

Michael J. Martin  
Director, Regulatory & Governmental Policy

## NOTICE OF 30-DAY FILING

On or about January 16, 2012, Northern Indiana Public Service Company (“NIPSCO”) will submit to the Indiana Utility Regulatory Commission for approval under its 30-Day Filing procedures, 170 IAC 1-6-1, *et seq.* a revised Rule 10 – Deposit to Insure Payment of Bills (“Gas Deposit Rule”). The referenced filing will consist of NIPSCO’s proposed revisions intended to revise its Gas Deposit Rule to mirror its deposit rule applicable to its Non-Residential Customers receiving electric service under its IURC Electric Service Tariff, Original Volume No. 12. A decision on the 30-Day Filing is anticipated at least thirty days after the January 16, 2012 filing date. Any objection to the filing should be directed to (a) the Secretary of the Indiana Utility Regulatory Commission, PNC Center, 101 West Washington Street, Suite 1500 East, Indianapolis, IN 46204 or (b) the Indiana Office of Utility Consumer Counselor, PNC Center, 101 West Washington Street, Suite 1500 South, Indianapolis, IN 46204.