

**NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC  
REQUEST FOR PROPOSALS  
FOR ELECTRIC CAPACITY**

**A. PURPOSE OF REQUEST**

Northern Indiana Public Service Company LLC (“NIPSCO”) is requesting binding proposals from interested parties (“Bidder”) for the purpose of acquiring firm electric capacity for the Midcontinent Independent System Operator, Inc. (“MISO”) for Planning Years 2021-2022 (June 1, 2021 through May 31, 2022), 2022-2023 (June 1, 2022 through May 31, 2023), and 2023-2024 (June 1, 2023 through May 31, 2024). NIPSCO is interested in receiving proposals for Zonal Resource Credits (“ZRC”) in blocks of 50 or 100 ZRCs to be delivered to MISO Local Resource Zone 6.

**B. TIME SCHEDULE**

NIPSCO will use the following timetable for this RFP:

<b>Task</b>	<b>RFP Milestone</b>	<b>RFP Dates</b>
<b>1</b>	RFP Release	Thursday, July 23, 2020
<b>2</b>	Bidder Responses Due	12:00 pm CPT (Central Prevailing Time), Friday, August 7, 2020
<b>3</b>	Notification to Selected (“Awarded”) Bidder(s)	On or before 5:00 pm CPT (Central Prevailing Time), Monday, September 14, 2020
<b>4</b>	Binding Term Sheet (Commercial Terms Trade Confirm)	TARGET: 5 days from Notification to Selected Bidder(s)
<b>5</b>	Execution of Definitive Agreement (Definitive Agreement may be based on a North American Energy Markets Association (“NAEMA”) Capacity/Energy Tariff Agreement, an Edison Electric Institute (“EEL”) Master Power Purchase and Sales Agreement, or a Long Form Transaction Confirmation containing all terms applicable to the transaction)	TARGET: 30 days from Notification to Selected Bidder(s)

Late proposals or modifications will not be considered unless NIPSCO, in its sole discretion, determines that such action would not unduly delay the selection process and would be in the best interest of NIPSCO. NIPSCO’s determination regarding late offers shall be final and conclusive.

The timetable is subject to change without notice at NIPSCO’s sole discretion.

**C. TERMS AND CONDITIONS**

1. Dodd-Frank: Bidder shall be responsible for the reporting of any and all transaction(s) that are required to be reported in accordance with the U.S. Commodity Futures Trading Commission’s (“CFTC”) regulatory framework.
2. All bids shall be firm once submitted and shall remain firm through the end of the notification period. Bidders shall not be entitled to submit any bid refreshes. Bidders are not obligated to hold capacity during the RFP, but Bidders are required to maintain the bid price during the RFP.
3. NIPSCO will notify non-awarded bidders on or before Notification Date.

4. NIPSCO reserves the right to reject any and all proposals that may be submitted in response to this RFP and shall be under no obligation to explain any such rejection. It is expressly understood by Bidder that NIPSCO will incur no liability by reason of the rejection of or failure to accept the Bidder's proposal.
5. NIPSCO reserves the right to request clarification of information submitted, and to request additional information from any Bidder.
6. NIPSCO shall not be responsible for any costs incurred by any Bidder in preparing, submitting, or presenting its response to the RFP.
7. Capacity (Zonal Resource Credits) must be deliverable and delivered to MISO Local Resource Zone 6.
  - a. Capacity sourced from other MISO Local Resource Zones is acceptable provided the Bidder assumes the risk of any MISO imposed delivery charges and risks associated with MISO import / export limits.
  - b. Bidders may offer individual planning years or multi-planning year bids; amount of Capacity offered may vary from year to year.
8. A proposal based on a North American Energy Markets Association ("NAEMA") Capacity/Energy Tariff Agreement or an Edison Electric Institute ("EEL") Master Power Purchase and Sales Agreement is preferred, but not required. A Long Form Transaction Agreement may also be acceptable.
9. Bidder must be able and commit to transferring capacity to NIPSCO within MISO's Module E Capacity Tracking ("MECT") tool in accordance with the MISO Tariff and associated business practice manuals for use in meeting Planning Reserve Margin Requirements.
10. Within five (5) Business Days after NIPSCO has confirmed electronic transfer of the Quantity in MISO's Module E Capacity Tracking ("MECT") tool, Bidder shall provide NIPSCO with an invoice for the total amount due for the Quantity transferred by Bidder to NIPSCO. Such invoice shall be due and payable by NIPSCO on or before the tenth (10th) Business Day after NIPSCO's receipt of such invoice. Any transfer shall occur after January 1, but before March 1, of the applicable year – subject to currently in effect MISO Rules. If a multi-year bid is awarded, transfer and payment will occur annually in accordance to the above. The Parties acknowledge and agree that the payment terms described herein shall supersede and replace the applicable provisions of Master Agreement currently in effect with any Bidder with respect to this Transaction only.
11. NIPSCO may require credit support dependent upon the term, overall value, and risks associated with individual Bidders. Such credit support may take the form of:
  - a. Already established credit between the parties,
  - b. Parental Guaranty from acceptable Guarantor – acceptance of Parent Guarantor is at NIPSCO's sole discretion,
  - c. Letter of Credit ("LOC") from a financial institution acceptable to NIPSCO in its sole discretion, or Cash Escrow.
12. The Bidder and NIPSCO shall enter into a Binding Term Sheet confirming the transaction and a Definitive Agreement that would govern the transaction.
13. NIPSCO reserves the right to select other than the lowest cost proposal if, in its sole discretion, it determines that its best interests, and/or those of its customers, are served in doing so.

14. NIPSCO reserves the right to award all or part of its requirement to one or more Bidders.
15. NIPSCO reserves the right to suspend or terminate this RFP at any time in its sole discretion.

**D. PROPOSAL SUBMISSION**

1. Bidders must submit proposals according to the time schedule provided in Section B of this document.
2. Proposals must be submitted in the Excel worksheet provided. Proposals submitted in any other format will not be considered. The Bidder may also proactively send a proposed Definitive Agreement, and any other pertaining documents, as this may aid in reducing the timetable associated with "Task 5" of time schedule provided in Section B of this document.
3. Proposals must be submitted via email to [rfp.nipSCO@nisource.com](mailto:rfp.nipSCO@nisource.com)  
Proposals submitted via other methods of delivery will not be considered.
4. All questions should be directed to [rfp.nipSCO@nisource.com](mailto:rfp.nipSCO@nisource.com) or Ed Twarok at 708-937-2052.

**E. ERRORS, MODIFICATION OR WITHDRAWAL OF PROPOSAL**

Bidder is expected to carefully review the information provided in this RFP as it contains important instructions that must be followed in preparing the proposal. Bidder assumes the risk of any non-compliance resulting from errors on the part of the Bidder or the failure of the Bidder to follow the RFP.

Amendments to proposals received by NIPSCO will only be accepted if submitted by Bidder prior to the proposal due date.

Retractions of proposals received by NIPSCO will only be accepted if submitted by Bidder at the email address noted in Section D.3 prior to the proposal due date.

**F. CREDITWORTHINESS AND PERFORMANCE ASSURANCE**

In addition to any creditworthiness provisions in Section C.9, prior to awarding the bid or executing the Definitive Agreement, NIPSCO may require Bidder to provide performance assurance or such information as is necessary for NIPSCO to analyze potential credit and risk concerns. The Bidder may also proactively send proof of credit worthiness with any submitted proposal. NIPSCO may request additional credit support sureties as it, in its sole discretion, deems necessary.

**G. COLLUSION**

By submitting a proposal to NIPSCO in response to this RFP, Bidder certifies that Bidder has not divulged, discussed, or compared its proposal with other Bidders and has not colluded whatsoever with any other Bidder or parties with respect to this or other proposals.

**H. CONSENTS AND APPROVAL PROCESS**

Any Definitive Agreement entered into as a result of this RFP may be conditioned upon regulatory actions and/or approvals by state or federal regulatory authorities. NIPSCO reserves the right to make any regulatory filings or

seek any regulatory consents and approvals of third parties or governmental authorities that NIPSCO, in its sole discretion, determines are necessary prior to or as a condition of the consummation of any transaction. All consents or approvals must be in form and substance satisfactory to NIPSCO. Bidder will be required to support NIPSCO's efforts in securing all consents and approvals.

**I. COMPLIANCE WITH REGULATIONS AND TARIFFS**

Any Bidder whose proposal is selected for evaluation will be responsible for acquiring, and/or verifying that it is in compliance with all necessary licenses, permits, certifications, reporting requirements and approvals required by federal, state and local government laws, regulations and policies, including if applicable, for the design, construction and operation of the project. Bidder shall also be responsible for ensuring and verifying it complies with all applicable MISO Tariff requirements.

Bidder shall be liable for all of its costs, and NIPSCO shall not be responsible for any of Bidder's costs incurred to prepare, submit or negotiate its proposal, or any other related activity.

**J. CONFIDENTIALITY**

All information provided by NIPSCO in this RFP or subsequent verbal or written communications shall be considered confidential and for express use only in connection with the preparation of the RFP response. Bidders may not use, disclose, or duplicate this RFP or any information contained herein for any purpose other than responding to this RFP. Bidder's responses to this RFP will be treated in a confidential manner. All responses will be the property of NIPSCO upon submittal and all claims, representations, and other response contents will be considered to be part and parcel of any possible future contracts between the Bidder and NIPSCO.