

Electric Credit Questions and Answers

Q. What months of Electric Credit are reflected in my November bill?

A. Your Electric Credit is retroactive to your July 2002 consumption as reflected on your August 2002 billing statement. Your November statement also includes Electric Credits for your August and September consumption as reflected on your September and October bills.

Q. What can I expect in my December billing statement?

A. In December and moving forward, you can anticipate your billing statement to reflect the Electric Credit for the consumption billed that month.

Q. How long will I receive this Electric Credit?

A. In total, customers will receive an Electric Credit of approximately 6% on the electric portion of their utility bill for 49 months beginning with their August 2002 bill, retroactive to July 2002 consumption.

Q. What happens if I'm enrolled in the BudgetPlan?

A. As a BudgetPlan customer, you can expect the electric portion of your monthly budget amount to be reduced by approximately 6%. Prior month's Electric Credits will be applied to your cumulative BudgetPlan balance.

Q. I currently have a credit agreement, how does the Electric Credit affect my payments?

A. The Electric Credit will reduce your outstanding balance but will not affect your scheduled credit agreement payment amount.

Q. What portion of my electric bill is being credited?

A. Customers will receive an Electric Credit on the pre-tax portion of their electric bill, not the after-tax portion.

For additional information about the Electric Credit, please visit our web site at www.nipsco.com.



A NiSource Company

Attention NIPSCO BudgetPlan Customers

Important information
about your
Electric Credit



November, 2002



A NiSource Company

Dear Valued Customer:

The Electric Credit proposal, negotiated with the Indiana Office of Utility Consumer Counselor and other parties, is now reflected on the electric portion of your monthly statement. This proposal was approved by the Indiana Utility Regulatory Commission in September.

Under the terms of the agreement, beginning with this statement and moving forward, you will receive an Electric Credit of approximately six percent.

Please review this insert carefully for valuable information about how your Electric Credit is calculated and what you can expect on future billing statements. In addition, the back panel of this insert includes answers to questions you may have about the Electric Credit.

As always, should you have any questions about your statement, the Electric Credit or any NIPSCO issue, please visit our web site at www.nipsco.com for more information.


Thank you.

Sincerely,

Barrett Hatches
NIPSCO President and CEO

A detailed explanation of your NIPSCO statement reflecting your Electric Credit.

- 1 **Prior Electric Credits** – Reflects retroactive Electric Credits from August, September and October bills. Bills after this month will include only that month's credit.
- 2 **Electric Credit Calculation** – Your Electric Credit is calculated by multiplying the pre-tax electric portion of your utility bill by the Electric Credit percentage. In this instance, the percentage is equal to 6.3232%. This percentage will change periodically.
- 3 **Current Electric Credit** – Your Electric Credit for the current billing month.
- 4 **Budget Status** – As a BudgetPlan customer, you can expect the electric portion of your monthly budget amount to be reduced by approximately 6%. Prior Electric Credits will be applied to your current credit or debit balance.
- 5 **Message Area** – Watch this space for important information from NIPSCO.
- 6 The Indiana Office of Utility Consumer Counselor (OUCC) is the state agency with the statutory duty to represent the interests of consumers on utility matters. Contact the OUCC at 1-888-441-2494, uccinfo@ucclan.state.in.us or visit www.in.gov/oucc.



Monthly Statement

Northern Indiana Public Service Co.

Account Summary

Previous amount due	\$58.00
Payment November 5, 2002	-\$58.00
Current budget amount	\$58.00
Amount due by December 13, 2002	\$58.00

Detail of usage and charges

Service at 123 N Main St, Merrillville, IN 46411-1234. Your next scheduled read date is between Dec 24 - Dec 28.

Electric	Jul 26, 2002-Aug 27, 2002	OUCC/Industrial Group/NIPSCO Electric Credit Calculation Utility Charge: \$52.69 x 6.3232% -3.33 Electric Credits this period -3.33 Indiana sales tax -\$0.17	2
Electric	Aug 27, 2002-Sep 25, 2002	OUCC/Industrial Group/NIPSCO Electric Credit Calculation Utility Charge: \$38.00 x 6.3232% -\$2.40 Electric Credits this period -\$2.40 Indiana sales tax -\$0.12	1
Electric	Sep 25, 2002-Oct 25, 2002	OUCC/Industrial Group/NIPSCO Electric Credit Calculation Utility Charge: \$40.75 x 6.3232% -\$2.58 Electric Credits this period -\$2.58 Indiana sales tax -\$0.13	4

Electric Oct 25, 2002-Nov 25, 2002 Usage - meter 2345678 29 days Meter reading (Nov 27) 14975 Meter reading (Oct 25) -14712 Electric usage 263 kwh	Billed at rate 811 - residential Charges Charges \$30.87 OUCC/Industrial Group/NIPSCO 6.3232% Credit -1.95 Electric charges this period -\$28.92 Indiana sales tax -\$1.44
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*Indiana Office of Utility Consumer Counselor

The electric portion of your budget has been reduced by 6%. Please see this month's bill insert for details regarding your Electric Credit.

General Information:

Jane Doe
 Account Number: 987-654-321-6
 Statement date: November 27, 2002

How to contact NIPSCO
 1-800-4-NIPSCO
 1-800-464-7726

Credit Department Hours
 Monday through Friday,
 7 a.m. to 7 p.m. CST

General Inquiries
 24 hours a day, 7 days a week

Telecom device for the Deaf
 1-800-635-0952

Gas emergency or electric lines down 1-800-634-3524

Mail payment to:
 P.O. Box 13007
 Merrillville, IN 46410-3007

Visit our Web site
 www.nipSCO.com

Budget Status

Beginning balance	\$124.25
Current utility charges	30.36
Prior Electric Credits	-8.73
Current budget payment	-\$8.00
Balance after payment	\$87.88

Total amount due on December 13, 2002 **\$58.00**

*AUTO**ALL FOR AADC 460
 00016673 1AB 0.301 01
 JANE DOE
 124 N. MAIN ST
 MERRILLVILLE, IN 46411-1234

Make checks payable to: **NIPSCO**

P.O. Box 13007
 MERRILLVILLE IN 46411-3007

If your mailing address or phone number has changed, please check box and indicate the correction on the back of this payment stub.

Account Number: 987-654-321-6
 Please return this portion with your payment

Amount enclosed

\$

This insert explains your Electric Credit and highlights important information for quick reference. Please refer to this insert to help you understand the changes to your energy bill.