

NEWS



A NiSource Company

801 E. 86th Avenue
Merrillville, IN 46410

FOR IMMEDIATE RELEASE

March 4, 2009

FOR ADDITIONAL INFORMATION

Nick Meyer, Manager
NIPSCO Communications
219-647-6556

NIPSCO Officials Welcome Public Input on First Electric Rate Case in 21 Years

Public Hearing Marks Significant Step in Collaborative Process

MERRILLVILLE, Ind. – The Indiana Utility Regulatory Commission hosted a field hearing yesterday evening at Indiana University-Northwest, Gary, to receive public input on the first electric base rate adjustment request in more than 21 years from Northern Indiana Public Service Company. Company officials in attendance welcomed the public's input in the collaborative regulatory process and stressed NIPSCO's goal of providing reliable electric service at affordable rates.

"NIPSCO has provided reliable electricity for more than 21 years without a base rate increase through careful management of resources and costs, but unfortunately that's no longer enough," said Eileen O'Neill Odum, Group CEO for Northern Indiana Energy. "Last night's hearing offered the Commission important input in this proceeding. We fully understand the pressures facing our customers as they manage their energy costs and we appreciate public participation in this process."

NIPSCO is proposing a residential electric base rate increase of 15.6 percent, an increase of \$12.76 for a typical customer's monthly bill. The Gary field hearing comes on the heels of more than three weeks of official testimony and cross-examination regarding the proposal before the IURC in Indianapolis. That testimony included the participation of interested parties, called intervenors, and the Indiana Office of Utility Consumer Counselor, which represents all NIPSCO customers in this proceeding. After an extensive review, which can take 12 to 18 months, the Commission will issue an order approving the rates that NIPSCO's customers will pay for electric service.

"For the last 21 years, we've responded to increasing demand by responsibly investing in our infrastructure and our employees, all with the goal of better serving our customers," said Odum. "Our proposal before the IURC will ensure that we can continue to do so and we look forward to the next step in the regulatory process."

Additional information and updates may be accessed through the NIPSCO website at www.nipSCO.com.

NIPSCO, with headquarters in Merrillville, Ind., is one of the 10 energy distribution companies of NiSource Inc. (NYSE: NI). With over 712,000 natural gas customers and 457,000 electric customers across the northern third of Indiana, NIPSCO is the largest natural gas distribution company, and the second largest electric distribution company, in the state. NiSource distribution companies serve 3.8 million natural gas and electric customers primarily in nine states. More information about NIPSCO is available at www.nipSCO.com.

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