

NEWS



A NiSource Company

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FOR ADDITIONAL INFORMATION

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**NIPSCO ACCEPTING GRANT APPLICATIONS FOR
NISOURCE ENVIRONMENTAL CHALLENGE FUND**

MERRILLVILLE, Ind – Community and environmental organizations located in areas served by Northern Indiana Public Service Company (NIPSCO) are encouraged to apply for grants of between \$500 and \$5,000 (with special grants occasionally awarded up to \$10,000) from the NiSource Environmental Challenge Fund (ECF).

Grant guidelines and applications are available on the NiSource web site at www.nisource.com/enviro/ecf.asp . Grant applications will be accepted between now and Feb. 28, 2006.

NiSource Inc. (NYSE:NI), the parent company of NIPSCO, established the ECF in 1995 as a not-for-profit corporation to support local natural resource and wildlife improvement projects and related educational and recreational efforts.

An advisory committee comprised of NIPSCO employees and regional environmental and community leaders will review the proposals and award grants to those projects that best serve the environmental needs of the communities. Grant awards will be announced in conjunction with Earth Day on April 22, 2006.

“The Environmental Challenge Fund is one of many ways NiSource and its operating companies support local organizations that make a difference in the communities we serve,” said NIPSCO President Mark Maassel. “Our customers, our employees and our company benefit by having a cleaner environment and healthier communities.”

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The Environmental Challenge Fund has awarded over \$415,000 to 96 projects throughout the NiSource market area within the past two years. It has been awarding grants since 1995, and is supported by the NiSource Charitable Foundation.

About NIPSCO

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 445,000 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 3.7 million natural gas and electric customers primarily in nine states. More information about NIPSCO is available at www.nipSCO.com.

About NiSource

NiSource Inc. (NYSE: NI), based in Merrillville, Ind., is a Fortune 500 company engaged in natural gas transmission, storage and distribution, as well as electric generation, transmission and distribution. NiSource operating companies deliver energy to 3.7 million customers located within the high-demand energy corridor stretching from the Gulf Coast through the Midwest to New England. Information about NiSource and its subsidiaries is available via the Internet at www.nisource.com.

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