



FOR IMMEDIATE RELEASE

April 18, 2008

FOR ADDITIONAL INFORMATION

Nick Meyer, Manager
NIPSCO Communications
(219) 647-6556

**NIPSCO AWARDS SIX ORGANIZATIONS WITH
NISOURCE ENVIRONMENTAL CHALLENGE FUND GRANTS TO
COMMEMORATE EARTH DAY**

MERRILLVILLE, Ind. – In honor of the 39th Earth Day, Northern Indiana Public Service Company (NIPSCO), a wholly-owned subsidiary of NiSource Inc. (NYSE: NI), today awarded grants worth more than \$44,000 to six organizations across northern Indiana through the NiSource Environmental Challenge Fund.

“NIPSCO is committed to supporting local organizations who share our commitment to improving the environment and the quality of life in the communities we serve,” said Colleen Reilly, Director of Communications and Public Affairs. “Our commitment to the environment is also best demonstrated by the dedication of our employees, many of whom volunteer countless hours to making a real difference in Indiana.”

The Environmental Challenge Fund is a not-for-profit corporation that offers an annual grant competition to support local natural resources and wildlife enhancement projects and related educational efforts in the communities across NiSource’s service area. This geographic area stretches across 19 states, from the Gulf Coast through the Midwest to New England.

“At NiSource, one of our many environmental goals is to encourage, recognize and support the active involvement of organizations in the communities we serve,” NiSource Senior Vice President and Environmental Counsel Art Smith, said. “NiSource, along with its local distribution companies, are focused on promoting sustainable business practices and supporting those initiatives that put those practices into action.”

New this year is the incorporation of bluebird nesting boxes that will be installed at each site recognizing that the project was funded in part by a grant from the NiSource Environmental Challenge Fund. The nesting boxes, approved by the Rubicon North American Bluebird Society (NABS), are made from recycled milk jugs, and the plastic lumber construction helps keep plastic out of landfills and prevent deforestation and destruction of natural bluebird habitats.

-more-

ENVIRONMENTAL CHALLENGE GRANTS AWARDED
PAGE 2 OF 3

In total, NiSource operating companies are awarding over \$100,000 in grants to not-for-profit organizations in conjunction with Earth Day 2008. A list of those organizations that have been awarded a grant follows:

Organization: Munster Parks and Recreation
Project Name: Bieker Woods Restoration
Award Amount: \$3,500
Brief Description: The understory of this Black and White Oak woodland will continue to be restored by applying herbicides, planting plugs and native seeds.

Organization: The Nature Conservancy, Indiana Chapter
Project Name: D'Ambrosia Savanna Restoration
Award Amount: \$5,000
Brief Description: The goals of this site are to drastically open up the understory and canopy in 12 acres of the savanna by a dormant season thinning of overgrown oak savanna.

Organization: NICHEs Land Trust, Inc.
Project Name: Fisher Oak High Diversity Prairie Planting
Award Amount: \$10,000
Brief Description: Restore 67 acres of high-diversity sand prairie and wetlands adjacent to an Indiana State dedicated nature preserve which will include prairie planting of xeric, mesic, wet and emergent zones.

Organization: Porter County Community Foundation
Project Name: Window to the Wetland
Award Amount: \$5,000
Brief Description: Plant native species to help preclude the re-emergence of the nuisance plants that were removed last year, especially multi-flora rose.

Organization: Shirley Heinze Land Trust, Inc.
Project Name: Savanna Restoration at Bur Oak Woods Nature Preserve
Award Amount: \$5,000
Brief Description: This project will include planting native seed mix to establish grasses, sedges and forbs that will ultimately provide wildlife habitat, increased plant diversity, and will provide fuel for maintaining the savanna in the future with prescribed fire. This will complete the savanna restoration by establishing a herbaceous plant community that is more typical of bur oak savanna.

-more-

ENVIRONMENTAL CHALLENGE GRANTS AWARDED
PAGE 3 OF 3

Organization: St. Joseph County Parks Foundation
Project Name: Bendix Woods County Park Prairie
Award Amount: \$3,600
Brief Description: Create four acres of native grasses and forbs including the elimination of turf grass, followed by seeding the site with mesic-to-dry tall grass native mixture.

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 3.8 million natural gas and electric customers primarily in nine states. More information about NIPSCO is available at www.nipsco.com.

About NiSource Inc.

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 3.8 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. NI-F

###