



FOR IMMEDIATE RELEASE

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FOR ADDITIONAL INFORMATION

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

MERRILLVILLE, Ind. – To commemorate Earth Day 2007, Northern Indiana Public Service Company (NIPSCO), a wholly owned subsidiary of NiSource Inc. (NYSE: NI), today announced it has awarded nine grants worth more than \$58,000 through the NiSource Environmental Challenge Fund.

The Environmental Challenge Fund (ECF), a not-for-profit corporation, offers an annual grant competition that supports local natural resource and wildlife enhancement projects and related educational efforts in communities across NiSource's market area. This geographic area includes 19 states stretching from the Gulf Coast through the Midwest to New England.

"These grants supplement NIPSCO's support of local organizations that are committed to improving the environment and the quality of life in the communities we serve," said NIPSCO President Mark Maassel. "We hope other local organizations and individuals will step forward and continue the momentum that has made a real difference in Northern Indiana.

Within NIPSCO's service area, a local Environmental Challenge Fund Advisory Board reviewed and selected the winning proposals from grant requests submitted earlier this year.

"The Environmental Challenge Fund is one of many programs in which NiSource demonstrates its environmental commitment, while encouraging, recognizing and supporting the involvement of organizations in the communities that we serve," added Art Smith, senior vice president and environmental counsel. "NiSource and its subsidiaries help improve their local communities by promoting sustainable business practices and supporting initiatives that improve the quality of life."

In total, NiSource operating companies are awarding over \$120,000 in grants to not-for-profit organizations in conjunction with Earth Day 2007.

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Organization: Office of Lake County Surveyor
Project Name: Lake County Government Center Green Roof Project
Award Amount: \$10,000.00
Brief Description: Green Roof project involving the placement of a barrier membrane (for drainage and aeration), insulation, growth media and plants on existing roof surfaces.

Organization: IDNR Pokagon State Park
Project Name: Pokagon State Park Oak Savanna Restoration
Resource Management Unit Seven
Award Amount: \$10,000.00
Brief Description: Restore an old ten-acre farm field to savanna and open oak woodland ecosystems.

Organization: Lake County Parks Department
Project Name: Oak Ridge Prairie North Central Savanna Enhancement
Award Amount: \$10,000.00
Brief Description: Savanna enhancement – dormant season removal of all invasive woody plant species.

Organization: ACRES Land Trust
Project Name: Wing Haven Nature Preserve Native Grassland Enhancements
Award Amount: \$5,000.00
Brief Description: Restore and enhance native, grassland habitats.

Organization: Bremen Conservation Club
Project Name: Lake of the Woods Shoreline Restoration and Native Plant Enhancement
Award Amount: \$5,000.00
Brief Description: Restore, stabilize and enhance approximately 500 feet of shoreline.

Organization: Portage Parks and Recreation Department
Project Name: Little Calumet River Restoration Project
Award Amount: \$5,000.00
Brief Description: Upland forest enhancement, floodplain forest enhancement and development of long-term management plan.

Organization: Shirley Heinze Land Trust, Inc.
Project Name: Prairie Restoration at John Merle Coulter Nature Preserve
Award Amount: \$5,000.00
Brief Description: Complete the establishment of tall grass prairie vegetation.

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Organization: Friends of Potato Creek State Park, Inc.
Project Name: Worster Lake Shoreline Stabilization – NorthPoint
Award Amount: \$5,000.00
Brief Description: Stabilize a publicly accessible reach of shoreline on Worster Lake by creating a living wall and permanent protection for the land.

Organization: River Forest Community School Corporation
Project Name: River Forest Community Schools' Prairie Restoration
Award Amount: \$3,575.00
Brief Description: Restore wet prairie, oak savanna, and fen wetland on about 26 acres.

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

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