



FOR IMMEDIATE RELEASE

May 21, 2007

FOR ADDITIONAL INFORMATION

Tom Cuddy
NIPSCO Communications
219-647-6556

**NIPSCO PERFORMING ANNUAL REVIEW
OF ALL BUDGETPLANS**

MERRILLVILLE, Ind. – Northern Indiana Public Service Company (NIPSCO) today announced it is performing an annual review of all BudgetPlans.

“The BudgetPlan is still one of the best options for customers to manage their utility bill,” said NIPSCO President Mark Maassel. “The adjustments we’re making now can be attributed to recent and projected increases in the cost of natural gas on the wholesale market.”

Most customers will see an upward change in their monthly payment. Customers requiring an adjustment in their monthly BudgetPlan payment received a message on their May bill reflecting the new payment amount, which will be effective with their June 2007 statement.

In May of each year, NIPSCO calculates new BudgetPlan payments by reviewing historical gas usage and the anticipated cost of natural gas in the coming 12-month period.

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.

###