



FOR IMMEDIATE RELEASE
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FOR ADDITIONAL INFORMATION
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NIPSCO FILES PETITION TO MODIFY ELECTRIC RATES

MERRILLVILLE, Ind. – Northern Indiana Public Service Company (NIPSCO) today announced that the company has filed a petition to modify its rates and charges for electric utility service with the Indiana Utility Regulatory Commission (IURC). The company's filing fulfills a commitment NIPSCO made in an earlier agreement with other parties, which was approved by the commission.

By filing this petition, NIPSCO has initiated a proceeding before the IURC in which NIPSCO's base rates will be reviewed. From start to finish, the proceeding is likely to last a year or more. NIPSCO will provide details on the specific changes being requested when the company files its evidence in August.

"There have been dramatic changes in recent years that affect the cost of providing electric service, including rising transportation and fuel costs, environmental mandates, customer demand for energy, and advances in technology," said Eileen O'Neill Odum, CEO of NIPSCO. "This rate case will provide an opportunity for NIPSCO's stakeholders to review and comment upon the company's base rates."

A rate case is a formal proceeding that all regulated utilities in Indiana must go through in order to make any modifications to their base rates. Included in the process will be participation by interested parties – called intervenors – and the Indiana Office of the Utility Consumer Counselor (OUCC), which represents NIPSCO customers throughout the process.

After an extensive review, the IURC will make a determination regarding the amount of revenue NIPSCO should have the opportunity to earn.

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.

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