

**FOR IMMEDIATE RELEASE**  
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**FOR ADDITIONAL INFORMATION**  
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## **NIPSCO HEATING BILLS PROJECTED TO DROP THIS WINTER**

**MERRILLVILLE, Ind.** – Northern Indiana Public Service Company announced today that, assuming normal winter temperatures, customers should experience a decrease of more than 35 percent in their overall home heating bills this upcoming heating season.

Over the course of the winter heating season – Nov. 1 to March 31 – NIPSCO’s average residential customer using 698 therms could expect to pay approximately \$509. This compares to \$833 for a customer using the same amount of gas during the last winter heating season.

The cost of natural gas represents the largest portion of customer bills, typically making up three-fourths of an overall bill. NIPSCO has no mark-up and makes no profit on the cost of natural gas billed to its customers. Before being billed to customers, natural gas commodity costs are filed with the Indiana Utility Regulatory Commission for review on a monthly basis.

Commodity prices in the market are mainly determined by such factors as supply and demand, weather and storage levels, but lower gas costs this year can also be attributed to the cooler-than-normal temperatures we experienced during the summer, the decline in industrial demand for energy as a result of the recession, gas production levels across the country and record-high inventories of natural gas.

In a commitment to secure the most reliable supply of natural gas at the lowest cost for customers, NIPSCO’s purchasing strategy consists of buying gas in the market from a variety of sources at different times throughout the year, combined with contracting future purchases and utilizing gas storage to offset market price volatility.

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“As we’ve seen since the end of last year, natural gas prices on the wholesale market have dropped considerably and we’re looking at a much different picture heading into this winter heating season compared to what we faced last year at this time,” said Eileen O’Neill Odum, CEO of NIPSCO. “This is welcome news to our customers planning their household budgets. However, we’re anticipating a great need for energy assistance for many of our customers, some of which for the first time, as a direct result of the current economic conditions across the state.”

NIPSCO offers a number of solutions to help customers use energy wisely, make smart energy decisions and manage their monthly bill, including:

- **Energy Assistance Program:** Customers falling within 150 percent of federal poverty guidelines may be eligible to receive state and federal utility assistance dollars by visiting their local community action agency.
- **Energy Harvest:** Offers rebates to all NIPSCO residential customers who purchase new, energy-efficient natural gas furnaces, water heaters, or boilers.
- **BudgetPlan:** Free service to all NIPSCO customers to help manage their monthly energy bills by spreading out gas costs over an entire year.
- **DependaBill and Price Protection Service:** DependaBill provides a fixed monthly bill with no annual reconciliation, while the PPS option allows customers to fix or cap their per-unit cost of natural gas.
- **NIPSCO Choice Program:** Gives customers an opportunity to choose an alternative natural gas supplier for their home.
- **Gift of Warmth:** Individuals wanting to provide assistance to those in need with their energy bills may make donations to the Gift of Warmth. NIPSCO will match those donations dollar-for-dollar up to \$500,000. Donations are tax deductible and may be sent to any local energy assistant agency.
- **Energy Tips:** Additional low-cost tips and improvements to help use energy more efficiently may be found by visiting [www.nipsco.com](http://www.nipsco.com).

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The winter bill figures provided by NIPSCO are only projections. If temperatures are colder-than-normal this winter, the cost to heat a home will likely be higher as customers will be using more gas and wholesale natural gas prices could rise in response to the increased demand.

As always, customers experiencing bill-payment trouble, regardless of income, are reminded to call NIPSCO at 1-800-4-NIPSCO in order to provide an opportunity to work together to get customers available assistance.

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 457,000 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 seven states. More information about NIPSCO is available at [www.nipsco.com](http://www.nipsco.com).

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