

# NEWS



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## FOR ADDITIONAL INFORMATION

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## NIPSCO EXPLORING OPTIONS TO MEET CUSTOMERS' POWER NEEDS

### *Utility Issues Requests for Proposals to Secure Power Resources*

**MERRILLVILLE, Ind.** -- Northern Indiana Public Service Company (NIPSCO) today announced that it is exploring potential options to meet the needs of its residential, commercial and industrial electric customers. The utility will be considering both new sources of electric supply, as well as demand-side options which, through efficiency and conservation, would reduce the need for additional traditional energy resources.

The company issued two Requests for Proposals (RFP) seeking bids on power resources. The first request seeks capacity and energy proposals for up to 300 megawatts (MW) of electricity to address the company's projected electricity supply needs during the 2011-2016 time period.

The second request seeks up to 300,000 megawatt hours (MWH) of electricity, generated from renewable sources and/or demand side management technologies, to address the company's projected electricity supply needs beginning in 2011. Parties interested in responding to either of these RFPs should go to the web site, [www.nipsco2008RFP.com](http://www.nipsco2008RFP.com) to get a copy of the RFPs and to monitor the site for updates.

"It is important for us to explore all available energy options in order to ensure a safe, reliable supply of electricity for our customers," said NIPSCO Group CEO Eileen O'Neill Odum. "NIPSCO is committed to providing reliable, environmentally sound, cost-effective power to our customers, and this effort is a key step in our integrated power supply planning process."

Historically, the company has provided electricity to customers using a portfolio that combines its own generating capacity with purchased power. However, with the continued growth of customers' demand, electricity forecasts indicate that NIPSCO should supplement its current generation capacity with additional power resources.

Proposals will be evaluated as they are submitted over the coming months, with the goal to award contracts in 2009.

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When evaluating each RFP, many factors will be taken into account, such as cost, reliability, operating characteristics, timing of availability, location and the capability of transmission facilities to deliver the power to NIPSCO's service area. Additionally, the company will consider the economic benefits to Indiana of the various RFP responses.

NIPSCO anticipates selecting a portfolio of resources from the bids received to increase its current generating capacity in order to supply Northern Indiana's future electricity needs.

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](http://www.nipsco.com).

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