



FOR IMMEDIATE RELEASE

December 7, 2006

FOR ADDITIONAL INFORMATION

Tom Cuddy

NIPSCO Communications

219-647-6556

NIPSCO COMPLETES MID-YEAR REVIEW OF BUDGETPLAN ACCOUNTS

MERRILLVILLE, Ind. – Northern Indiana Public Service Company (NIPSCO) today announced it has completed a mid-year review of all BudgetPlan accounts.

Budget billing remains one of NIPSCO's most popular customer programs, with over 200,000 customers enrolled. BudgetPlan payments are calculated in May of each year and those payments are based on historical usage and the anticipated cost of utilities in the coming 12-month period.

“NIPSCO’s BudgetPlan is one of the best products a customer can utilize to manage their utility bill,” said NIPSCO President Mark Maassel. “When BudgetPlan accounts are reconciled in May, the adjustments we’re making now will be closer to actual usage.”

This mid-year review provides customers assurance that in May they will not face a dramatic reconciliation payment to pay for actual usage that was not covered in the budget plan. Most customers will see no change in their monthly payment. However, some may see either a downward or upward adjustment, based on the cost of natural gas and actual usage.

Every six months, NIPSCO performs a review of all budget billing plans to determine if payments need to be increased or decreased, based on the customer’s estimated actual usage for the budget year. Customers are encouraged to check the bill message on their December statements to see if there has been an adjustment beginning with their January 2007 bill.

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 3.7 million natural gas and electric customers primarily in nine states. More information about NIPSCO is available at www.nipsco.com.