

# NEWS



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## FOR IMMEDIATE RELEASE

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## FOR ADDITIONAL INFORMATION

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## NIPSCO'S SUGAR CREEK GENERATING FACILITY TO SERVE CUSTOMERS SOONER THAN EXPECTED

**MERRILLVILLE, Ind.** – Northern Indiana Public Service Company (NIPSCO) today announced that its recently purchased Sugar Creek electric generating plant is available to provide service to NIPSCO customers.

In May 2008, the Indiana Utility Regulatory Commission (IURC) approved NIPSCO's purchase of the 535-megawatt combined cycle natural gas turbine facility – located in West Terre Haute, Ind. However, at that time, Sugar Creek was under contract to deliver power only to the PJM Interconnection, LLC, a regional transmission organization that serves 13 eastern states and the District of Columbia. This PJM contract was originally scheduled to continue through May 31, 2010. Today's announcement is a result of NIPSCO's negotiation of an arrangement to dispatch Sugar Creek into the Midwest Independent Transmission System Operator, Inc. (Midwest ISO) beginning December 1, 2008. NIPSCO is a member of the Midwest ISO, and it is the regional transmission organization that serves 11 Midwest states, including Indiana.

"We are delighted to bring Sugar Creek into the Midwest ISO to serve our customers sooner than initially expected," Eileen O'Neill Odum, Group CEO for Northern Indiana Energy (NIE), said. "With the immediate need for additional capacity in our service territory, the addition of Sugar Creek to our generating portfolio in Midwest ISO is a positive move for our customers. Besides being a cost-effective option, Sugar Creek also uses combined cycle natural gas technology, considered to be one of the best environmental options for power generation."

Sugar Creek is presently included in the NIPSCO electric rate case filing based on the previous June 1, 2010, timeframe for dispatch into Midwest ISO; therefore, adjustments will need to be made to the rate case filing with the IURC. NIPSCO is currently calculating the appropriate adjustments to be made to its rate case filing. Specific details of these changes are not known at this time.

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 seven states. More information about NIPSCO is available at [www.nipSCO.com](http://www.nipSCO.com).

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