FOR IMMEDIATE RELEASE July 1, 2011

News Media Contact:

Nick Meyer, (219) 647-6556



NIPSCO WELCOMES KOKOMO GAS CUSTOMERS Customers benefit from access to new programs and services beginning July 1

MERRILLVILLE, Ind. – Effective July 1, residents receiving their natural gas service from Kokomo Gas will automatically become natural gas customers of Northern Indiana Public Service Company (NIPSCO) – a consolidation that was previously decided and announced in May.

"We are excited to welcome these customers to NIPSCO and we look forward to the opportunity to serve them," said Jimmy Staton, Chief Executive Officer of NIPSCO. "Not only will they continue to receive some of the lowest bills in the state, but they'll also benefit from receiving the same energy-saving programs, low-income assistance and alternative gas supply options currently available to NIPSCO's natural gas customers."

Benefits for Kokomo Gas customers

Kokomo Gas customers can expect several benefits as a result of the consolidation, including:

- Offering of energy-saving programs, such as appliance rebates, on-line energy audits, etc.
- Access to NIPSCO Customer Assistance for Residential Energy (CARE) discount program for low-income customers
- Ability to participate in the NIPSCO Choice alternative natural gas supply program, NIPSCO Price Protection Services and NIPSCO DependBill
- Additional bill payment locations
- Web-based improvements for customer account management
- Combination of natural gas supply assets, resulting in greater supply diversity and reduced price volatility for customers
- Universal bill format and style with helpful customer information

Keeping Customer Bills Low

NIPSCO and Kokomo Gas consistently have the lowest gas prices in Indiana. Beginning with their July bills, Kokomo Gas customers will experience a \$1.50 decrease, on average, in their monthly bills.

In addition, Kokomo Gas customers will automatically begin receiving a NIPSCO bill and be able to manage their accounts on NIPSCO.com beginning July 1. New customer welcome packets were mailed to these customers with information regarding

For more information, visit Nipsco.com.

###

About NIPSCO

NIPSCO, with headquarters in Merrillville, Ind., is one of the seven energy distribution companies of NiSource Inc. (NYSE: NI). With more than 786,000 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 nine states. More information about NIPSCO is available at www.nipsco.com.