

**FOR IMMEDIATE RELEASE**

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**FOR ADDITIONAL INFORMATION**

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**NIPSCO PROJECTS WINTER HEATING BILLS TO REMAIN LOW**  
***Becoming More Energy Efficient Could Mean Greater Savings***

MERRILLVILLE, Ind. – Continued low natural gas prices this winter will be welcome news to many Northern Indiana Public Service Company natural gas customers, as the company today announced that winter heating bills are expected to remain well below average bills experienced over the last five years.

Over the course of the upcoming winter heating season – Nov. 1 to Mar. 31 – NIPSCO’s average residential customers using 640 therms could expect to pay approximately \$519 in total for those months. This year’s projected bills are more than 20 percent below the previous five year average of \$650, assuming normal winter temperatures.

“We’re proud to offer the lowest gas bills in Indiana for the last 12 months and we expect to continue offering the lowest bills this winter,” NIPSCO CEO Jimmy Staton said. “Actual bills this winter could turn out to be even lower if customers implement simple energy savings measures and normal winter temperatures hold steady.”

Staton also noted that 2009/2010 winter gas bills were artificially lower than normal due to a credit related to prior years, which has gradually expired. Without the credit in place last winter, actual bills would have totaled near the projected amount this winter.

This year’s projections do not include NIPSCO’s recent rate case settlement agreement, which will result in a rate decrease for all NIPSCO natural gas customers. The agreement – currently pending approval from the Indiana Utility Regulatory Commission – was filed by NIPSCO, the Indiana Office of Utility Consumer Counsel, Citizens Action Coalition of Indiana, the NIPSCO Industrial Group and the NIPSCO Marketer Group.

Actual NIPSCO natural gas bills last winter and the projected bills this winter also reflect the two lowest bill levels in the last 10 years.

**Working to Keep Gas Bill Low**

NIPSCO is not a producer of natural gas but instead a natural gas distributor. The company must purchase gas from the national marketplace for resale to customers.

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

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different times throughout the year, while utilizing gas storage to offset market price volatility.

NIPSCO's gas distribution system provides access to seven interstate pipelines, three on-system storage facilities and eight major North American supply basins.

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.

While NIPSCO cannot control market conditions affecting the price of natural gas, the utility does negotiate the best possible price for the natural gas it purchases for its customers.

### **Energy Savings Programs and Bill Assistance Programs are Available**

"It is important that customers stay safe and warm this winter, which is why we focus heavily on working with customers to keep their service connected," added Staton. "Communication is key, and we ask that any customer, regardless of income level, contact us at the first sign of difficulty with a bill in order to provide an opportunity to work together to get customers available assistance."

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.
- **BudgetPlan:** A free service to all NIPSCO customers to help manage their monthly energy bills by spreading out gas costs over an entire year.
- **Appliance Rebates:** Offers rebates to all NIPSCO residential customers who purchase new, energy-efficient natural gas furnaces, water heaters, or boilers.
- **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. Customers purchase gas from an alternative supplier, but NIPSCO is responsible for delivering the gas.

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- **Appliance Recycling:** Customers with old, inefficient refrigerators or freezers can receive a \$35 rebate from NIPSCO and free pick-up service.

For more information on ways to save energy and money, visit [www.NIPSCO.com/SaveEnergy](http://www.NIPSCO.com/SaveEnergy).

NIPSCO, with headquarters in Merrillville, Ind., is one of the nine 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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