

For twelve full months, your Natural Gas commodity price can remain the same.

Get Price Protection today!



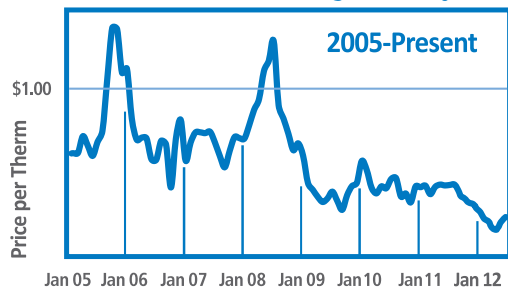
Because life is unpredictable, wouldn't it be nice to have a little certainty? It can bring peace-of-mind, ease worries, and help you focus on those things that can make every day a good day.

Now you can add some predictability to your life by enrolling in NIPSCO's Price Protection Service (PPS). With PPS, NIPSCO locks in your natural gas commodity price for twelve months.

It lets you take control of the commodity portion of your bill and protects you from factors that typically influence natural gas market prices.

When you enroll in PPS, your commodity price is locked in for one year based on the current market pricing. It's that simple!

Natural Gas prices have fluctuated significantly



Understanding your gas bill.

To best understand PPS, you need to first understand what goes into the price you pay for natural gas. Your monthly gas bill charges consist of two major components, the **delivery charge** and the **supply charges**, both approved by the Indiana Utility Regulatory Commission (IURC).

Your **natural gas delivery charge** includes the price you pay per therm to have NIPSCO deliver natural gas to your home, and usually remains relatively stable.

Your natural gas **supply charge** is the price that NIPSCO pays per therm to purchase natural gas on your behalf. The bulk of this charge

is a **commodity charge** that can vary due to factors such as weather, gas production levels, and fluctuations in the economy.

Additional supply charges, such as interstate transportation and storage charges, are shown separately on your bill,



and are not included in your natural gas commodity charge.

With PPS, NIPSCO reserves natural gas contracts on your behalf, at the current market price, locking in your commodity price for one year. So while the volume of natural gas (therms) you use may vary from month to month, depending on your usage patterns, the commodity price you pay per therm is fixed. Nothing else will change and you will still enjoy the same professional service you have come to expect from NIPSCO. So lock in your commodity price now with PPS, and enjoy stability for twelve months.

What a simple way to manage your energy costs!

To enroll, visit us online at www.pps.nipSCO.com or call 1-866-777-9151 to speak with one of our PPS representatives.



Count on it!SM



Lock in your natural gas price now with PPS from NIPSCO, Call 1-866-777-9151 today!

Here's something you can count on:
Price Protection from NIPSCO.



Frequently asked questions about the NIPSCO Price Protection Service.

Q. What exactly is the natural gas “commodity charge” on my bill and why does it fluctuate?

A. The natural gas “commodity charge” is the price NIPSCO pays for natural gas from a third-party supplier. This is the price that we charge our customers—there is no mark-up. The commodity charge on your bill includes your current commodity price multiplied by the number of therms of gas you have used. However, natural gas is a commodity that is purchased in a competitive marketplace. As such, prices will rise as demand for the product increases or supply decreases. This can result in fluctuating “commodity charges” during peak usage months.

Q. What is the natural gas “delivery charge” on my bill?

A. The natural gas “delivery charge” is the price NIPSCO charges customers to deliver natural gas, through its distribution system, to your home or business. The price per unit (therm) to deliver gas remains stable and is set by the Indiana Utility Regulatory Commission. Even though the price per unit does not increase, since the “delivery charge” is based on volume, your monthly bill will fluctuate.

Q. Why is NIPSCO offering PPS?

A. Customers have expressed an interest in price certainty and security for gas commodity costs, so we’re offering this program to better meet your needs.

Q. How does PPS work?

A. With PPS, you pay a constant price per therm for natural gas for a 12-month period. Changes in the market price of natural gas will not affect the price you pay. If market prices go up or down, you’ll continue to pay the same rate. However, the gas delivery charges on your bill will still vary from month to month depending on how much gas you use.

Q. Can I stay on NIPSCO’s Budget Plan if I enroll in PPS?

A. Yes. The Budget Plan is a complement to PPS.

Q. Will NIPSCO always offer the same PPS price?

A. No. NIPSCO will adjust PPS prices offered to customers whenever the projection of the future market price of natural gas allows a decrease or forces an increase. However, these price changes will not affect anyone who has already enrolled in PPS during their contract term.

Q. If I enroll in PPS, are there any penalties or cancellation fees if I change my mind?

A. If the PPS agreement is terminated prior to the end of the 12-month agreement period, early termination fees may be charged. Please see the PPS service agreement for complete termination fee details.

Q. What happens if I move?

A. If you move to a new address, no early termination fees will be charged. If the new occupant of your previous address would like to assume your PPS contract for the remaining months of its term, they may do so with your consent.

Q. Do I have to do anything at the end of my contract term?

A. For your convenience, the PPS agreement will automatically renew at the end of your contract term unless you choose to cancel by notifying NIPSCO prior to the end of your agreement. NIPSCO will notify you on your 11th PPS billing statement of any price change for the subsequent term.

Q. Will I save money if I enroll in PPS?

A. The purpose of PPS is to provide price certainty. While some PPS customers have experienced lower monthly gas bills, that is not the purpose of this program.