

FOR IMMEDIATE RELEASE

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FOR ADDITIONAL INFORMATION

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NIPSCO Expects Winter Heating Bills to Remain Flat Compared to Last Year

MERRILLVILLE, Ind. – Each year, NIPSCO looks at weather predictions, market forecasts, supply trends and storage opportunities to calculate a winter bill projection to help prepare customers for the season ahead. Assuming normal winter temperatures, this year’s projections indicate that bills will be among the lowest in a decade and only slightly below (0.56%) last winter’s bills.

Over the course of the five-month winter heating season – Nov. 1 to March 31 – NIPSCO’s average residential customer using a total of 624 therms could expect to pay approximately \$438. This compares to \$440 for a customer using the same amount of gas during last winter.

For the 11th consecutive month, NIPSCO has the lowest residential gas bills in Indiana, according to bill comparisons released in October by the Indiana Utility Regulatory Commission (IURC).

Residential Winter Bill Projection (2012/2013 vs. 2011/2012)						
	November	December	January	February	March	Total
2012/2013	\$49.94	\$82.69	\$108.10	\$106.93	\$90.01	\$437.67
2011/2012	\$51.84	\$85.35	\$109.61	\$105.60	\$87.73	\$440.13
Usage	64.7 therms	116.3 therms	158.1 therms	154.3 therms	130.9 therms	624.3 therms

Note: Actual bills vary by customer depending on the home’s age and size, number in the household, number and age of gas appliances, thermostat settings and insulation levels.

“Market prices for natural gas continue to hold at historically low levels thanks in large part to plentiful domestic resources,” said NIPSCO CEO Jim Stanley. “This is great for our customers, especially as we head into the winter heating season, when utility bills typically reach their highest point of the year.”

While winter bill amounts are projected to be relatively flat compared to last winter, the company expects usage amounts to be slightly higher. Last winter’s usage amounts were lower than normal due to unseasonably warmer temperatures.

The cost of natural gas represents the largest portion of customer bills – on average, two-thirds of an overall bill. NIPSCO has no mark-up and makes no profit on the cost of natural gas billed to its customers. Before billing, natural gas commodity costs must be reviewed by the IURC.

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.

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NIPSCO Anticipates Winter Natural Gas Prices to Remain among the Lowest in 10 Years

Page 2 of 2

NIPSCO's purchasing strategy is a multi-faceted approach that consists of buying gas in the market from a variety of supply sources at different times throughout the year. The ability to utilize gas storage helps to offset market price volatility.

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

Billing and Payment Options

Customers who are experiencing financial difficulties are encouraged to call NIPSCO's 24-hour Customer Care Center as soon as possible to determine what options might be available to offer help. Some of those solutions include:

- **Payment Assistance Programs:** Based on income levels, customers may qualify to receive state and federal utility assistance dollars as well as support funds from separate NIPSCO programs 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.
- **NIPSCO Choice Program:** Gives customers an opportunity to choose an alternative natural gas supplier for their home or business. Customers can purchase gas from an alternative supplier, but NIPSCO is responsible for maintaining the pipeline that delivers the natural gas.
- **DependaBill and Price Protection Service (PPS):** 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.

For more information on billing options and payment assistance, visit [NIPSCO.com/BillingPayment](https://www.nipsco.com/BillingPayment).

Energy and Money Saving Programs

Through NIPSCO's energy efficiency programs, customers can pinpoint ways to manage their energy usage, and in turn their bills. A full list of programs available to NIPSCO customers to help manage energy use can be found at [NIPSCO.com/SaveEnergy](https://www.nipsco.com/SaveEnergy).

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 seven states. More information about NIPSCO is available at www.nipsco.com.

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