

NEWS



A NiSource Company

801 E. 86th Avenue
Merrillville, IN 46410

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FOR ADDITIONAL INFORMATION

Larry Graham
NIPSCO Communications
(260) 439-1330

BUDGET BILLING PAYMENTS FOR SOME NIPSCO CUSTOMERS TO INCREASE

MERRILLVILLE, Ind. – Northern Indiana Public Service Company today announced about one third of the utility’s 200,000 customers on budget billing payment plans will see an increase in their monthly budget payment beginning with their January 2006 bills. NIPSCO performs an annual mid year review of all budget plans in December to determine if payments need to be either increased or decreased based on the customer’s estimated actual usage for the budget year.

“The budget billing plan is probably one of the best tools customers can use to manage their winter heating bills,” said Customer Contact Center Manager Debora Owen. “By making this mid winter adjustment budget plans will be much closer to actual usage when accounts “settle up” in May 2006.

Budget payments are calculated in May of each year and are based on historical usage and the anticipated cost of natural gas for the coming 12-month period. Hurricanes Katrina and Rita, however, which affected major Gulf of Mexico producing areas, drove up wholesale natural gas prices this winter even further than expected requiring, in some cases, adjustments to budget billing plan payments.

Customers requiring an adjustment in their monthly budget billing payment received a message on their December bill reflecting the new payment amount and that it would be effective with their January 2006 statement.

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 3.7 million natural gas and electric customers primarily in nine states. More information about NIPSCO is available at www.nipSCO.com

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