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FOR ADDITIONAL INFORMATION

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NIPSCO Eyes Plan for Cleaner, Lower-Cost Energy Future

Analysis indicates accelerated retirement of coal and transition to lower-cost renewable energy

MERRILLVILLE, Ind. – Northern Indiana Public Service Company LLC (NIPSCO), a subsidiary of NiSource Inc. (NYSE: NI), announced today as part of its future electric supply planning process, that analysis shows the most viable option for customers would include moving up the retirement of a majority of its remaining coal-fired generation in the next five years and all coal within the next 10 years. Likely replacement options point toward lower-cost renewable energy resources such as wind, solar and battery storage technology.

While not yet final, NIPSCO outlined the option for its electric generation strategy at a public meeting with customers, consumer representatives, environmental organizations and other stakeholders taking part in the company’s Integrated Resource Planning (IRP) process.

“This creates a vision for the future that is better for our customers and it’s consistent with our goal to transition to the best cost, cleanest electric supply mix available while maintaining reliability, diversity and flexibility for technology and market changes,” said NIPSCO president, Violet Sistovaris.

The timeline for NIPSCO’s five remaining coal-fired units identified in the analysis shows the expected retirement of its R.M. Schahfer Generating Station (Units 14, 15, 17 and 18) located in Wheatfield, Ind. no later than 2023, and its Michigan City Generating Station (Unit 12) located in Michigan City, Ind. by 2028.

Retiring the approximate 1,800 megawatts (MW) of coal-fired generation will significantly accelerate carbon reductions across the NIPSCO footprint and will result in further reductions, both in timing and magnitude, beyond previously announced targets.

“Technology and market changes continue to transform the energy industry, opening more competitive options and it’s the primary driver of the changes being considered for our system,” added Sistovaris. “Retiring our aging coal fleet sooner will cost substantially less compared to our original plans for extending retirements over a longer duration.”

Operation of NIPSCO’s existing natural gas-fired Sugar Creek Generating Station in West Terre Haute, Ind. and the Norway and Oakdale Hydroelectric Dams along the Tippecanoe River would continue.

During today’s meeting, NIPSCO leaders said the company has been – and will continue – working with stakeholders and regulators to solicit further input to aid in formulating its final plan, which the company plans to submit to the Indiana Utility Regulatory Commission by Nov. 1, 2018.

More information about NIPSCO’s electric supply strategies and the IRP process can be found at NIPSCO.com/IRP.

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NIPSCO Plans for the Future

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About NIPSCO: Northern Indiana Public Service Company (NIPSCO), with headquarters in Merrillville, Indiana, has proudly served the energy needs of northern Indiana for more than 100 years. As Indiana's largest natural gas distribution company and the second-largest electric distribution company, NIPSCO serves approximately 820,000 natural gas and 460,000 electric customers across 32 counties. NIPSCO is part of NiSource's (NYSE: NI) seven regulated utility companies. NiSource is one of the largest fully regulated utility companies in the United States, serving approximately 4 million natural gas and electric customers through its local Columbia Gas and NIPSCO brands. More information about NIPSCO and NiSource is available at NIPSCO.com and NiSource.com.

About NiSource NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.5 million natural gas customers and 500,000 electric customers across seven states through its local Columbia Gas and NIPSCO brands. Based in Merrillville, Indiana, NiSource's approximately 8,000 employees are focused on safely delivering reliable and affordable energy to our customers and communities we serve. NiSource has been designated a World's Most Ethical Company by the Ethisphere Institute since 2012, is a member of the Dow Jones Sustainability - North America Index and was named by Forbes magazine as the top-rated utility among America's Best Large Employers in 2017. Additional information about NiSource, its investments in modern infrastructure and systems, its commitments and its local brands can be found at www.nisource.com. Follow us at www.facebook.com/nisource, www.linkedin.com/company/nisource or www.twitter.com/nisourceinc. NI-F

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of federal securities laws. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. Examples of forward-looking statements in this press release include statements and expectations regarding NiSource's or any of its subsidiaries' business, performance, growth, commitments, investment opportunities, and planned, identified, infrastructure or utility investments. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially. Factors that could cause actual results to differ materially from the projections, forecasts, estimates, plans, expectations and strategy discussed in this press release include, among other things, NiSource's debt obligations; any changes in NiSource's credit rating; NiSource's ability to execute its growth strategy; changes in general economic, capital and commodity market conditions; pension funding obligations; economic regulation and the impact of regulatory rate reviews; NiSource's ability to obtain expected financial or regulatory outcomes; any damage to NiSource's reputation; compliance with environmental laws and the costs of associated liabilities; fluctuations in demand from residential and commercial customers; economic conditions of certain industries; the success of NIPSCO's electric generation strategy; the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the reliability of customers and suppliers to fulfill their payment and contractual obligations; potential impairments of goodwill or definite-lived intangible assets; changes in taxation and accounting principles; potential incidents and other operating risks associated with our business; the impact of an aging infrastructure; the impact of climate change; potential cyber-attacks; construction risks and natural gas costs and supply risks; extreme weather conditions; the attraction and retention of a qualified work force; advances in technology; the ability of NiSource's subsidiaries to generate cash; tax liabilities associated with the separation of Columbia Pipeline Group, Inc.; NiSource's ability to manage new initiatives and organizational changes; the performance of third-party suppliers and service providers; the availability of insurance to cover all significant losses and other matters set forth in Item 1A, "Risk Factors" section of NiSource's Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and in other filings with the Securities and Exchange Commission. A credit rating is not a recommendation to buy, sell or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization. In addition, dividends are subject to board approval. NiSource expressly disclaims any duty to update, supplement or amend any of its forward-looking statements contained in this press release, whether as a result of new information, subsequent events or otherwise, except as required by applicable law.

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