

FOR IMMEDIATE RELEASE

May 8, 2012



FOR ADDITIONAL INFORMATION

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NIPSCO PROPOSES GREEN POWER RATE PROGRAM

Customers could opt to purchase electricity generated by renewable energy

MERRILLVILLE, Ind. – Northern Indiana Public Service Company (NIPSCO) today announced a proposal for a program that would allow customers to designate a portion, or all of their monthly electric usage to be attributable to power generated by renewable energy sources, including wind, solar, geothermal, biomass and hydroelectric power.

The Green Power Rate pilot program must be reviewed and approved by the Indiana Utility Regulatory Commission (IURC) before being made available to customers and it would allow residential, commercial and industrial electric customers to designate 25, 50 or 100 percent of their monthly electric usage to be attributable to power generated by renewable energy sources.

Additionally, commercial and industrial customers would have the added flexibility to designate five or 10 percent.

“This pilot program is a simple alternative for those customers who aren’t, for whatever reason, able to purchase and install their own solar panels or wind turbines, but still want to make a positive environmental impact,” said NIPSCO president, Kathleen O’Leary. “In addition to supporting the state’s goals to promote renewable and homegrown energy, the Green Power program is in-line with our mission to invest in clean, modern, and affordable energy solutions that support Indiana’s long-term economic growth.”

Customers electing to participate will pay a premium in addition to NIPSCO’s standard, regulated electric rate – reflecting the added cost for NIPSCO to purchase the renewable energy on behalf of its customers. The added costs are passed through directly to customers, with no mark-up or financial return for NIPSCO.

NIPSCO’s proposed green power rate is \$0.002163 per kilowatt-hour (“kWh”). Customers choosing the 100 percent option and using 1,000 kWh per month, for example, would pay \$2.16 in addition to their typical monthly electric bill.

Customers who do not wish to participate in this optional program are not responsible for sharing any costs associated with making this pilot program available.

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GREEN POWER RATE PROGRAM

PAGE 2 OF 2

Under the proposal, NIPSCO will purchase a sufficient amount of Renewable Energy Certificates (RECs) necessary to cover all green power designated by its electing customers. RECs are the environmental attributes that are derived when electricity is generated from renewable and/or environmentally friendly sources.

These RECs will be certified through Green-e[®], a recognized national organization that ensures RECs are created from the proper sources and are properly claimed.

NIPSCO will target its green power purchases through this program to come from Indiana and/or Midwestern resources.

If approved, this new pilot program would complement a variety of other green, customer-focused programs currently being offered, ranging from electric vehicle incentives to energy efficiency programs and options that allow customers to generate their own power from renewable energy sources.

Additionally, NIPSCO continues to make investments in environmental technology at its generating facilities that will further improve air quality.

If the pilot program is approved customers will have the ability to call NIPSCO or visit NIPSCO.com to enroll. Customers who participate will also be able to opt-out at any time during the pilot's duration.

Visit NIPSCO.com for more information about available programs for customers and what NIPSCO is doing to help protect the environment.

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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