



NIPSCO Eyes Plan for Cleaner, Lower-Cost Energy Future

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

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NiSource Inc. →

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MERRILLVILLE, Ind., Sept. 19, 2018 /PRNewswire/ -- 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 NiSource Executive Vice President and 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.

About NIPSCO

Northern Indiana Public Service Company LLC (NIPSCO), with headquarters in Merrillville, Ind., 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

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