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**FOR IMMEDIATE RELEASE**

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## **PENNSYLVANIA PUBLIC UTILITY COMMISSION APPROVES COLUMBIA GAS OF PENNSYLVANIA BASE RATES**

***Company Doubles Funding Toward Emergency Repair Fund***

**CANONSBURG, PA (Aug. 18, 2010)** – Columbia Gas of Pennsylvania, Inc., a subsidiary of NiSource Inc., will implement new base rates and enhance existing residential energy efficiency and emergency repair programs, according to a settlement approved today by the Pennsylvania Public Utility Commission (PUC).

“Today’s approval by the PUC facilitates our commitment to deliver efficient, reliable and quality service to our customers,” Columbia Gas of Pennsylvania President Carol Fox said. “This is a fair and reasonable outcome that meets the mutual need of Columbia and our customers for the Company to continue providing safe, reliable, and cost-effective natural gas distribution service.”

Under the terms of a settlement that Columbia Gas reached with regulatory stakeholders in June – and approved today by the PUC – the average residential

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customer using 72 Ccf of natural gas per month will pay \$87.14, an increase of \$2.19, or 2.58 percent. The new base rates will go into effect Oct. 1, 2010.

Under the new rates, commercial customers using an average of 435 Ccf per month will now pay \$414.06 per month, an increase of \$6.63. Industrial customers using an average of 5,000 Ccf per month will now pay \$4,390.10 per month, an increase of \$74.48. The new rates provide Columbia Gas with the opportunity to earn an additional \$12 million in annual revenues.

Under the terms of the approved settlement, Columbia Gas will double the annual level of funding for its Emergency Repair Program to \$500,000. The Emergency Repair Program provides financial assistance to eligible homeowners for the repair of gas lines and heating equipment. The increased funding will enable the program to provide assistance to approximately 400 customers throughout the year.

In addition, Columbia Gas will offer a series of rebates to customers enrolled in its "Income Qualified Energy Efficiency Program." The rebates are designed to help customers implement energy conservation measures identified during a free home energy audit provided by Columbia Gas. Columbia Gas also will partner with a number of stakeholders to develop a pilot home energy efficiency program that would be available to a test group of residential customers regardless of their income.

"We are committed to providing high levels of customer service and relevant and useful programs that our customers want," Fox said. "At the same time, we are determined to maintain our leadership position of providing safe, reliable, and cost-effective natural gas service across our 26-county service area."

Since 2008, Columbia Gas has invested more than \$165 million in distribution pipeline system improvements and low-income energy assistance programs. Of that, Columbia

Gas has invested more than \$105 million to replace and upgrade more than 871,000 feet of aging underground pipe and distribution facilities. The approved base rate adjustments provide Columbia Gas additional resources to fund continued replacement of its aging pipeline.

**About Columbia Gas of Pennsylvania**

*Columbia Gas of Pennsylvania, with local headquarters in Canonsburg, Pa. (Washington County), serves approximately 413,000 customers in 26 counties. It is one of the 10 energy distribution companies of NiSource Inc. (NYSE: NI). NiSource distribution companies serve 3.8 million natural gas and electric customers primarily in nine states. Visit Columbia Gas of Pennsylvania online at [www.ColumbiaGasPa.com](http://www.ColumbiaGasPa.com).*

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