



Columbia Gas Transmission • Columbia Gulf
Transmission • Crossroads Pipeline • Central
Kentucky Transmission • Hardy Storage Company •
Millennium Pipeline Company

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NiSource Gas Transmission & Storage to Restructure Operations

HOUSTON, TX – NiSource Gas Transmission & Storage (NGT&S), a business segment of NiSource, Inc. (NYSE: NI), today announced several structural changes designed to enhance operational efficiency, support growth initiatives, and maintain safe, reliable service to customers.

The changes – which were identified primarily by employee teams working over the course of several months – include a series of initiatives.

- Focus company resources on core business functions;
- Consolidate functions to enhance effectiveness and efficiency; and
- Implement technology and process improvements across the organization.

“Employee teams from across our organization have been evaluating all aspects of our existing business structure and work processes over the past few months,” said NGT&S President Christopher Helms. “As a result of this analysis, we have decided to take a series of actions to enable us to continue maintaining safe and reliable operations, improve service to our customers and create a more efficient structure to meet the challenges presented by the current economic climate.”

As a result of these changes, Helms said the company expects to reduce its overall staffing by approximately 370 to 380 positions across its 16-state operating territory during the course of 2009. Eligible employees will be offered a competitive severance package and outplacement assistance. Certain employee groups will be eligible for voluntary severance.

“These are never easy decisions and we will attempt to minimize negative impacts on our employees to the extent possible,” Helms said. “Nevertheless, we need to take these steps to be more efficient, to enhance the competitiveness of our company and to respond to current economic conditions.”

The NGT&S companies are units of NiSource, Inc. (NYSE: NI) and include Columbia Gas Transmission LLC, Columbia Gulf Transmission Co. and Crossroads Pipeline. NGT&S units also hold partnership interests in Central Kentucky Transmission Co., Hardy Storage Co. and Millennium Pipeline LLC. Combined, the NGT&S companies operate about 15,000 miles of interstate natural gas pipeline and 37 underground natural gas storage fields, delivering more than 1 trillion cubic feet of natural gas per year.

For more information about NiSource Gas Transmission & Storage, please visit www.ngts.com.

About NiSource

NiSource Inc. (NYSE: NI), based in Merrillville, Ind., is a Fortune 500 company engaged in natural gas transmission, storage and distribution, as well as electric generation, transmission and distribution. NiSource operating companies deliver energy to more than 3.8 million customers located within the high-demand energy corridor stretching from the Gulf Coast through the Midwest to New England. Information about NiSource and its subsidiaries is available via the Internet at www.nisource.com.

Forward-Looking Statements

This news release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Those statements include statements regarding the intent, belief or current expectations of NiSource and its management. Although NiSource believes that its expectations are based on reasonable assumptions, it can give no assurance that its goals will be achieved. Readers are cautioned that the forward-looking statements in this presentation are not guarantees of future performance and involve a number of risks and uncertainties, and that actual results could differ materially from those indicated by such forward-looking statements. NiSource expressly disclaims a duty to update any of the forward-looking statements contained in this release.

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