



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 Company announces
Appalachian Expansion Project in service**

HOUSTON – NiSource Gas Transmission & Storage Company (NGT&S) unit Columbia Gas Transmission has announced that its Appalachian Expansion project, which was scheduled for completion in the fourth quarter of 2009, is now in service. The project provides approximately 100,000 dekatherms per day of new transportation capacity to three key Appalachian producers. Located in Lincoln County, W.Va., the Appalachian Expansion consists of two 4,500 horsepower compression units at the Hamlin Compressor Station and 350 feet of new pipeline.

“The Appalachian Expansion is an example of NGT&S utilizing existing infrastructure to create additional firm transportation capacity,” said Jimmy Thomas, senior vice president of Commercial Operations and Chief Commercial Officer for NGT&S. “The timing of this completion will also provide such benefits earlier than anticipated. This project is just one of several projects we have undertaken in the Basin to fully utilize our strategically positioned assets to accommodate Marcellus shale production along with traditional and CBM gas. We will continue to grow and adapt our system to provide critical transportation services to both producers and markets.”

Other growth projects for NGT&S recently completed include Millennium Pipeline, the Eastern Market Expansion and Ohio Storage Expansion.

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. NI-F

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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