



## **Assurance Statement**

CH2M HILL evaluated NiSource Inc.'s 2011 Sustainability Report and the basis for its self-declaration of Global Reporting Initiative (GRI) Application Level B+, relative to the GRI reporting framework as detailed in the GRI G3.1 Guidelines. In addition, CH2M HILL recommended specific improvements for future reporting efforts.

## **Completeness**

NiSource reported on all Management Approaches and all Profile Indicators regarding Strategy and Analysis; Organizational Profile; Report Parameters; and Governance, Commitment and Engagement. NiSource also reported on the Performance Indicators of the greatest materiality to the organization within each category of performance indicator. The level of compliance (partial or full) with GRI G3.1 Guidelines is provided for each performance indicator. Performance is reported for well over 20 indicators, and including at least one indicator in each category. Performance is reported primarily in the body of the Sustainability Report, with some references to the 2010 Form 10K, the 2011 Carbon Disclosure Project Report, and the NiSource website for additional data and information.

## **Assurance Approach**

CH2M HILL's assurance activities included conference calls with senior NiSource staff responsible for report preparation early in the report development process to review recommendations from the 2010 Sustainability Report review; review of current sustainability reporting efforts of five peer companies; multiple readings of the NiSource draft 2011 Sustainability Report; and comparison to the 2010 Sustainability Report to evaluate any improvements. We used the test checklists provided in the GRI G3.1 Guidelines as well as the GRI Indicator Protocols to analyze the report quality and content according to the GRI Principles. We interviewed the report preparers, including the Principal, Environmental, Safety & Sustainability; the Team Leader, Environmental, Safety & Sustainability; and the Communications Manager, to discuss changes in requirements between GRI 3 and 3.1 as well as data collection, reporting methodologies and boundaries, and strategies for balanced and appropriate disclosure of economic, environmental, and social performance.

After we reviewed the initial draft of the report, we identified improvements for a number of Profile and Performance Indicators to provide greater transparency and better consistency with GRI G3.1 Guidelines. NiSource addressed these comments in the final version of the report.

## **Recommendations for Improvement**

CH2M HILL has identified several areas for improvement, including formalization of the stakeholder engagement strategy and improved tracking and documentation of stakeholder

feedback; documentation of context and process for identifying and prioritizing sustainability goals; greater clarity and detail in the information presented for some indicators so they are completely, instead of partially, reported; and areas where NiSource can better document the relationship of its sustainability program with long-term organizational strategy, risks, and opportunities. We have prepared a memorandum for NiSource detailing our recommendations.

### **Key Findings**

Based on the scope and limitations of our review:

- Based on the information provided by NiSource in both writing and interviews during the assessment, nothing has come to our attention which causes us to believe that the information reported by NiSource in the 2011 Sustainability Report has been materially misstated.
- We found that the NiSource 2011 Sustainability Report represents an overall improvement in reporting from the 2010 Sustainability Report, based on number of indicators reported and the clarity of information provided.
- Based on the information provided by NiSource in both writing and interviews during the assessment, we found that the NiSource 2011 Sustainability Report provides a reliable representation of NiSource's economic, environmental and social performance and that it meets the intent of the GRI reporting framework with respect to boundary, balance, materiality, and quality. Nothing has come to our attention to cause us to believe that the NiSource self-declared application level of B+, in relation to its reporting against the GRI G3.1 Sustainability Reporting Guidelines, is materially misstated.

This independent statement is not intended to identify all errors, omissions or misstatements in the NiSource 2011 Sustainability Report and third parties should not rely on it as a statement that there are no such errors, omissions or misstatements.

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