



Assurance Statement

CH2M HILL evaluated NiSource Inc.'s 2012 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, as included in the GRI G3.1 Guidelines. In addition, NiSource reported on the Organizational Profile Disclosures per the Electric Utility Sector Supplement 3.0. NiSource reported on the Performance Indicators of the greatest materiality to the organization within each category of performance indicator. NiSource has provided its level of compliance (partial or full) with GRI G3.1 Guidelines for each performance indicator. Performance is reported for well over 20 indicators, including at least one indicator in each category. Performance is reported primarily in the body of the Sustainability Report, with some references to documents such as the 2012 Form 10-K, the 2013 Proxy Statement, the Carbon Disclosure Project response, 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 2011 Sustainability Report review; multiple readings of the NiSource draft 2012 Sustainability Report; and comparison to the 2011 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.

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 and EUSS 3.0 Guidelines. NiSource addressed these comments in the final version of the report.

Recommendations for Improvement

CH2M HILL has identified several areas for improvement, primarily to prepare for the transition to GRI G4. The new GRI G4 Guidelines require reporting efforts to center on materiality - impacts, risks and opportunities. They also require key enhancements on disclosures on governance, ethics and integrity, supply chain, anti-corruption and GHG emissions. Organizations have a transitional period until 2015 to adopt G4.

Recommendations for making the transition to G4 include: designing and disclosing a systematic process for materiality assessment; formalization of the stakeholder engagement strategy and improved tracking and documentation of stakeholder feedback; developing

processes for supply chain assessment, management, and disclosure; and documenting the relationship of the NiSource 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 2012 Sustainability Report has been materially misstated.
- We found that the NiSource 2012 Sustainability Report represents an overall improvement in reporting from the 2011 Sustainability Report, based on number of indicators reported, increased information, 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 2012 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 2012 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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