

ESTABLISHING A LEGACY OF SUSTAINED
ECONOMIC GROWTH, SOCIAL RESPONSIBILITY
AND ENVIRONMENTAL STEWARDSHIP



2014 SUSTAINABILITY REPORT

GRI TABLE

NiSource 2014 Sustainability Report Global Reporting Initiative Indicators

This report was produced using the Global Reporting Initiative (GRI) G3.1 Reporting Guidelines. NiSource self declares – supported with third-party assurance from CH2M HILL– that this report meets the requirements of GRI Application Level B+. The full 2014 Sustainability Report and Statement of Assurance is available at www.nisource.com/sustainability.

- - Indicates full response to indicator
- ◐ - Indicates partial response to indicator

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Note: Page numbers referenced in the following tables refer to the full 2014 Sustainability Report available at www.nisource.com/sustainability.

Forward-Looking Statements

Some of the statements contained herein contain “forward-looking statements” in addition to historical information, including (1) statements concerning NiSource’s plans, objectives, and expenditures and (2) any and all underlying assumptions and other statements that are other than statements of historical fact. There can be no assurance that actual results will not differ materially due to various factors, many of which are beyond the control of NiSource, including, but not limited to dealings with third parties over whom NiSource has no control, the regulatory process, regulatory and legislative changes, the impact of potential new environmental laws or regulations, changes in general economic and capital and commodity market conditions, and the matters identified in the “Risk Factors” Section of NiSource Inc.’s most recent Form 10-K, and subsequent reports on Form 10-Q. Furthermore, historical results may not be indicative of NiSource’s future performance.

Global Reporting Initiative – Profile Indicators

GRI Indicator & Description	2014 Complete	2014 Information
Profile Indicators		
STRATEGY AND ANALYSIS		
1.1 Statement from the most-senior decision-maker of the organization about the relevance of sustainability to the organization and its strategy.	●	<p>See page 1: A Message from Our President and CEO and NiSource's Sustainability Strategy at the start of each section. NiSource's Sustainability Strategy and Policy, approved by NiSource's Board of Directors, is available on www.nisource.com.</p> <p>These documents outline the company's commitment to sustainability and how it aligns with the company's business strategy. NiSource's vision is to establish a legacy of sustained economic growth, social responsibility and environmental stewardship reflective of a premier energy company. The 2014 Sustainability Report presents a number of key events, achievements and challenges. NiSource's Sustainability Strategy, approved in January 2014, further identifies the company's short- and long-term strategy. Also see the Risk Factors section (pages 10-16) of the NiSource 2014 Form 10K available on www.nisource.com.</p>
1.2 Description of key impacts, risks and opportunities.	●	<p>NiSource's Sustainability Policy, Sustainability Strategy and Environmental, Safety & Sustainability Committee charter outline the company's responsibility for identifying impacts, risks and opportunities. In 2014, NiSource conducted a materiality study with internal and external stakeholders, which will guide our focus and reporting going forward. This effort is in line with the goals of the Global Reporting Initiative and other major international guidelines. Those aspects that ranked highest in materiality to both internal and external stakeholders were no surprise and remain aligned with our business priorities and investments: Employee Safety, Public Safety, Service Reliability and Emergency/Storm Response. Other highly rated categories were Ethics and Transparency and Overall Customer Satisfaction. NiSource also maintains a standing Risk Management Committee responsible for the oversight and governance of various risks the company faces. Detailed company risks, including sustainability risks to NiSource, are available on pages 9-14 of NiSource's 2014 Form 10K available on http://ir.nisource.com/financials.cfm. NiSource's Sustainability Report includes data tables that outline NiSource's impacts on sustainability, with explanations provided for changes in performance. Potential effects of these impacts on stakeholders are described throughout the 2014 Sustainability Report.</p>

GRI Indicator & Description		2014 Complete	2014 Information
Profile Indicators			
ORGANIZATIONAL PROFILE			
2.1	Name of the organization.	●	NiSource Inc.
.2	Primary brands, products, and/or services.	●	<p>Detailed information is available on www.nisource.com and on pages 7-9 of NiSource's 2014 Form 10-K, also available on www.nisource.com.</p> <p>NiSource is an energy-holding company whose subsidiaries provide natural gas, electricity and other products and services to approximately 3.8 million customers located within a corridor that runs from the Gulf Coast through the Midwest to New England. NiSource is divided into three primary business units: Northern Indiana Public Service Company (NIPSCO), Columbia Pipeline Group and NiSource Gas Distribution (Columbia Gas companies).</p> <p>In September 2014 NiSource announced a planned separation of Columbia Pipeline Group, which would result in two highly focused, premier energy infrastructure companies by mid-2015: a fully regulated natural gas and electric utilities company (NiSource), and a pure-play natural gas pipeline, midstream and storage company (Columbia Pipeline Group). This announcement does not reflect any change in reporting for this period.</p>
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	●	<p>Detailed information is available on www.nisource.com and on pages 7-9 of NiSource's 2014 Form 10-K, also available on www.nisource.com.</p> <p>NiSource is an energy-holding company whose subsidiaries provide natural gas, electricity and other products and services to approximately 3.8 million customers located within a corridor that runs from the Gulf Coast through the Midwest to New England. NiSource is divided into three primary business units: Northern Indiana Public Service Company (NIPSCO), Columbia Pipeline Group and NiSource Gas Distribution (Columbia Gas companies).</p> <p>In September 2014 NiSource announced a planned separation of Columbia Pipeline Group, which would result in two highly focused, premier energy infrastructure companies by mid-2015: a fully regulated natural gas and electric utilities company (NiSource), and a pure-play natural gas pipeline, midstream and storage company (Columbia Pipeline Group). This announcement does not reflect any change in reporting for this period.</p>
2.4	Location of organization's headquarters.	●	801 East 86th Avenue, Merrillville, Indiana, 46410
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	●	NiSource operates solely in the United States.
2.6	Nature of ownership and legal form.	●	NiSource (NYSE: NI) is a Fortune 500, investor-owned corporation incorporated in the state of Delaware.
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	●	NiSource utility customers include residential, commercial and industrial users of natural gas and electricity. Customers are located in the United States in our service territory in seven states, as well as along the company's interstate pipeline system in 16 states from the Gulf Coast through the Midwest and into New England. Also available on pages 7-9 of NiSource's 2014 Form 10-K available on www.nisource.com .
2.8	Scale of the reporting organization.	●	Available throughout NiSource's 2014 Form 10-K, including pages 7-9 and available on nisource.com . As of December 31, 2014, NiSource had 8,982 employees.

2.9	Significant changes during the reporting period regarding size, structure, or ownership.	●	In September 2014 NiSource announced a planned separation of Columbia Pipeline Group, which would result in two highly focused, premier energy infrastructure companies by mid-2015: a fully regulated natural gas and electric utilities company (NiSource), and a pure-play natural gas pipeline, midstream and storage company (Columbia Pipeline Group). This announcement does not reflect any change in reporting for this period.
2.10	Awards received in the reporting period.	●	A selection of awards is listed throughout this report, as well as the Our Accomplishments section of www.nisource.com .

GRI Indicator & Description		2014 Complete	2014 Information
Profile Indicators			
REPORT PARAMETERS			
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	●	Calendar year 2014, published May 2015.
3.2	Date of most recent previous report (if any).	●	Calendar year 2013, published May 2014.
3.3	Reporting cycle (annual, biennial, etc.)	●	Annual.
3.4	Contact point for questions regarding the report or its contents.	●	Julie Shea, Team Leader, Environmental, Safety & Sustainability, NiSource, 801 E. 86th Avenue, Merrillville, Indiana 46410 jashea@nisource.com
3.5	Process for defining report content.	●	See inside back cover: Report Parameters & Materiality. The report content is guided by the company's Sustainability Policy and Sustainability Strategy, as well as its Sustainability Council. In 2014, NiSource conducted a materiality study with internal and external stakeholders, which will guide our focus and reporting going forward. This effort is in line with the goals of the Global Reporting Initiative and other major international guidelines. In addition, an overview of the Sustainability Report Development Process is available in the Sustainability section of www.nisource.com .
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	●	See inside back cover: Report Parameters & Materiality. NiSource is comprised of three main business units located in the United States: Columbia Pipeline Group, NiSource Gas Distribution and NIPSCO. The data in this report relates to the businesses within these three business units and our corporate functions as framed in our Sustainability Strategy. In 2014, NiSource conducted a materiality study with internal and external stakeholders, which will help guide our sustainability reporting going forward, in line with the most recent global reporting frameworks. In addition, an overview of the Sustainability Report Development Process is available in the Sustainability section of www.nisource.com .
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	●	See inside back cover: Report Parameters & Materiality. NiSource is comprised of three main business units: Columbia Pipeline Group, NiSource Gas Distribution and NIPSCO. The data in this report relates to the businesses within these three business units and our corporate functions as framed in our Sustainability Strategy. In 2014, NiSource conducted a materiality study with internal and external stakeholders, which will help guide our sustainability reporting going forward, in line with the most recent global reporting frameworks. In addition, an overview of the Sustainability Report Development Process is available in the Sustainability section of www.nisource.com .

3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	●	See inside back cover: Report Parameters & Materiality. NiSource is comprised of three main business units: Columbia Pipeline Group, NiSource Gas Distribution and NIPSCO. The data in this report relates to the businesses within these three business units and our corporate functions as framed in our Sustainability Strategy. In 2014, NiSource conducted a materiality study with internal and external stakeholders, which will help guide our sustainability reporting going forward, in line with the most recent global reporting frameworks. Generally there were no significant changes that occurred during the reporting period. Data from year to year are generally comparable unless noted.
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	●	See inside back cover: Report Parameters & Materiality. See data tables starting on page 23. Charts indicate any applicable measurement techniques. For example, our water-usage tables use flow meter data and estimates, and customer satisfaction and employee engagement are calculated via survey using third-party vendors. NiSource calculates its corporate-wide greenhouse gas emissions based on the existing GHG Protocol Corporate Accounting and Reporting Standard developed by the World Resources Institute ("WRI") and the World Business Council ("WBC") for Sustainable Development. The WBC for Sustainable Development partnered with the WRI to produce the 2004 WRI Protocol Corporate Standard. The NiSource inventory uses the 2004 WRI Protocol Corporate Standard as a basis to define the boundary for its Greenhouse Gas (GHG) inventory; defines which emissions are to be included and has followed these protocols over time. This has included changes to the company boundary for acquisitions and divestitures, considerations of base-year emissions, calculation of intensity ratios, and changes in methodologies to calculate emissions. The annual GHG emission inventories have followed the WRI five-step approach to identify and calculate emissions. The 2004 WRI protocol does not have a sector-specific tool for emissions from oil and gas facilities, so NiSource conducts a yearly review of emission methodologies to ensure that the methodologies used are up to date and in accordance with industry and government guidelines. In accordance with the WRI standards, NiSource has updated and modified its GHG Emission Inventory Protocol, incorporating US EPA Part 98 protocol methodology where and when applicable. Most other data is compiled using standard financial and operational reporting. In 2014 NiSource conducted a materiality study with internal and external stakeholders, which will help guide our sustainability reporting going forward, in line with the most recent global reporting frameworks. A summary of the data collection process is in the Sustainability Report Development Process overview in the Sustainability section of www.nisource.com .
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	●	There were no material re-statements of information from previous reports. Any change in measurement is indicated as a footnote in the data table. Generally, changes to data were a result of improved measurement and data collection techniques to improve accuracy and transparency.
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	●	Generally, there were no material changes from previous reporting periods in the scope, boundary or measurement methods. Data from year to year are generally comparable unless noted.
3.12	Table identifying the location of the Standard Disclosures in the report.	●	GRI Content Index (this table)

3.13 Policy and current practice with regard to seeking external assurance for the report.	●	See inside back cover: Report Assurance. NiSource sought out and requested third-party assurance for its 2014 Sustainability Report from CH2M HILL. The Statement of Assurance is available in the Sustainability section of www.nisource.com .
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GRI Indicator & Description	2014 Complete	2014 Information
Profile Indicators		
GOVERNANCE, COMMITMENTS AND ENGAGEMENT		
4.1 Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	●	The NiSource Board of Directors oversees NiSource's operations. Specific Board committees include Audit; Corporate Governance; Environmental, Safety & Sustainability; Finance; and Officer Nomination and Compensation. Detailed information on the governing body also is available on www.nisource.com and on pages 2-18 of the company's 2015 Proxy Statement available on www.nisource.com . See indicator LA13 for additional information on the governing body composition.
4.2 Indicate whether the Chair of the highest governance body is also an executive officer.	●	NiSource's Chairman of its Board of Directors is an independent, non-executive member. Detailed information is available on pages 2-18 of the company's 2015 Proxy Statement available on www.nisource.com .
4.3 For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	●	In 2014, 10 of the 11 board members were independent, non-executive members. The only board member who also serves as an executive is Robert C. Skaggs, Jr., NiSource's President and Chief Executive Officer. Detailed information also is available on pages 2-18 of the company's 2014 Proxy Statement available on www.nisource.com . In 2014, three members of the board were female and eight were male.
4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	●	<p>NiSource welcomes and considers shareholder input. Those interested may contact the Board of Directors at any time through the methods listed in the Investor section on nisource.com. Shareholders also can attend and participate in our Annual Meeting of Shareholders where NiSource's highest governance body is in attendance.</p> <p>Stockholders and other interested persons also may communicate with the Company as follows: Communications may be made to the board generally, any director individually, the non-management directors as a group, or the Chairman of the Board by writing to the following address: Attention: [Board of Directors]/[Board Member]/[Non-management Directors]/[Chairman of the Board] c/o Corporate Secretary, 801 East 86th Avenue, Merrillville, Indiana 46410 Shareholder proposals are available in the company's annual Proxy Statement on page 65.</p> <p>Employees have a multitude of ways to provide recommendations and direction to company management and board, in addition to those outlined above.</p>
4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	●	NiSource's philosophy is to provide a total compensation program that supports our business objectives based on the company's and individual performance, and the range paid by similar energy companies. The majority of total compensation for NiSource executives is performance-based. Detailed information on NiSource's approach is available on pages 14-17 and 20-49 of the company's 2015 Proxy Statement available on www.nisource.com .

4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	●	The Board of Directors has a Code of Business Conduct to promote ethical behavior, including the ethical handling of conflicts of interest. Detailed information can be found starting on page 10 of the company's 2015 Proxy Statement and page 25 of the NiSource Code of Conduct available at www.nisource.com/ethics
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	●	The process for selecting Board of Director candidates is described in NiSource's Corporate Governance Guidelines available on www.nisource.com . Specific information about the Environmental, Safety & Sustainability committee can be found in its Charter available on www.nisource.com . Board committees are selected by a majority vote of the Board of Directors; composition is considered based on the expertise and personal interest of the board member. The Charter does not mandate any type of diversity, gender measure or quota. See Indicator LA13 and page 1 of NiSource's 2014 Inclusion and Diversity Report, available at www.nisource.com , for additional information on the Board of Director composition.
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	●	NiSource believes that good, ethical business conduct is the foundation of our workplace -- a workplace where we can enjoy an atmosphere of fairness and honesty, and where talented people have an equal opportunity to contribute to our strength and growth. Our core Code of Conduct values are: Fairness, Honesty, Integrity and Trust. Detailed information can be found in NiSource's Code of Business Conduct, Sustainability Policy and Environmental, Health & Safety Policy available on www.nisource.com . All corporate policies are applied and adopted equally across all NiSource businesses. In 2012, NiSource received a third-party assessment of our Code of Business Conduct. The review evaluated eight key areas of our code and rated them against best practices. Our Code was rated as strongest in "tone from the top," inclusive tone, reporting avenues, statements of company values and presentation. In addition, Our Code was ranked in the top 9 percent of all 3,300 codes reviewed and ranked in the top 13 percent of all energy and utility codes. A revised Code of Conduct was published in early 2014 and available at www.nisource.com/ethics .
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	●	The Audit Committee is responsible for monitoring the integrity of the company's financial statements, the independent auditors' qualifications and independence; the performance of the company's internal audit function and the independent auditors; and compliance with legal and regulatory requirements. The Environmental, Safety & Sustainability Committee meets no less than four times per year to fulfill the committee's responsibilities for assessing the company's sustainability initiatives. Detailed information can be found in the Board Committee Charters on www.nisource.com . In 2011 we established the NiSource Sustainability Council to further drive our sustainability efforts. The Council has helped to develop a broad knowledge and awareness of initiatives under way, and to create a common understanding across our organization of what sustainability means to NiSource. In January 2013, the Board of Directors approved NiSource's Sustainability Strategy, which aligns with the business unit operating plans.
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	●	Specific Board committees include Audit; Corporate Governance; Environment, Safety & Sustainability (ES&S); Finance; and Officer Nomination and Compensation. The Corporate Governance Committee leads the Board in an annual self-evaluation to determine whether the Board and its committees are functioning effectively and in compliance with NiSource's Corporate Governance Guidelines. Detailed information can be found in the Board Committee Charters on www.nisource.com .
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	●	NiSource believes its Sustainability Strategy, Sustainability Policy, Environmental Health & Safety Policy and the establishment of the NiSource Sustainability Council reflect the internalization of the precautionary principle within NiSource. The company also considers elements of the precautionary principle, based on the policies listed above, including when identifying risks, environmental considerations and stakeholder impact surrounding existing, past and future business operations.

4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	●	We continue to evaluate various external charters and principles to which the company may subscribe based on their applicability to our industry, sustainability and endorsement by peers. External partners we consider when we make sustainability decisions and considerations of charters to implement include: Utility Air Regulatory Group (UARG); Utility Water Act Group (UWAG); Utility Solid Waste Activities Group (USWAG); Coal Ash Consortium; Clean Energy Group; Energy Sustainability Interest Group; Sustainability Leadership Forum; MGP Consortium; Indiana Energy Association (IEA); Edison Electric Institute (EEI); Interstate Natural Gas Association of America (INGAA); Southern Gas Association (SGA); Midwest Gas Association; Northeast Gas Association; American Gas Association; and the National Safety Council.
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	●	Public policy decisions can affect our business, and at NiSource we believe that engaging in the political process is in the best interest of our company, our employees and our stakeholders. We track proposed legislation at the federal, state and local level and advocate our position when appropriate. We strive to educate public officials about our businesses and the impacts of potential policy decisions and also participate in industry trade associations to assist in developing industry-wide positions, including memberships in the Interstate Natural Gas Association of America (INGAA), Edison Electric Institute (EEI), and the American Gas Association (AGA). In 2011, NiSource President and CEO Bob Skaggs served as Chairman of AGA. Skaggs currently serves on AGA's board of directors. Skaggs also is a member of the National Safety Council board of directors. Joe Hamrock, Executive Vice President and Group CEO of NiSource's Gas Distribution segment, is a member of the AGA and the board of the American Gas Foundation (AGF). He also serves in a number of leadership roles, including the board of trustees for the Mt. Carmel College of Nursing, United Way of Central Ohio, and Youngstown State University's STEM College Advisory Board. NIPSCO Executive Vice President and Group CEO Jim Stanley serves in a number of leadership roles throughout Indiana including the Indiana Chamber of Commerce, Special Olympics Indiana, the Indiana Energy Association and the Association of Edison Illuminating Companies Board of Directors. He also serves as the Indiana chairperson for the Alliance for Regional Development and is a member of the executive advisory board of the Miller College of Business at Ball State University. Employees in our companies also serve on different committees and subcommittees in various roles. NiSource's Political Action Committee (NIPAC) provides our employees a voice in the political process. NIPAC is a voluntary employee political action committee and, through NIPAC, we make bipartisan political contributions when permitted by law and in accordance with established guidelines. We comply with all Federal Election Commission and state regulations and PAC contributions are publicly disclosed in our filings with state and federal election commissions and agencies.
4.14	List of stakeholder groups engaged by the organization.	●	See pages 7-11: Strong Communities. We engage with stakeholders who have a unique interest in our business. Stakeholders include our customers, employees, potential employees, community neighbors, local organizations, public officials, regulators, the news media, shareholders and financial analysts. In 2014, NiSource conducted a materiality study with internal and external stakeholders, which will guide our focus and reporting going forward. This effort is in line with the goals of the Global Reporting Initiative and other major international guidelines. Internal stakeholders who were invited to participate in the study included all Managers and above across the NiSource organization. External stakeholders who were invited to participate in the study included community and industry partners, customers, government officials, and suppliers.

4.15	Basis for identification and selection of stakeholders with whom to engage.	●	<p>See pages 7-11: Strong Communities.</p> <p>NIPSCO has five Community Advisory Panels (CAPs) in place across Indiana. These CAPs are a cross section of community groups working together to improve communication, share information about new programs and outreach efforts, and develop an ongoing dialogue on issues ranging from environmental concerns to community outreach and philanthropy. NiSource has a formalized stakeholder outreach process in place for infrastructure modernization projects, expansions of its natural gas transmission and storage businesses, remediation activities, and other instances (when needed) if local communities are impacted by our business operations. In addition, public notice for utility projects needing permits is provided as necessary, consistent with regulatory requirements. NiSource conducts stakeholder meetings and issues press releases on remediation activities to ensure its projects get the proper feedback during these activities in a manner that is acceptable both to the environment and the community. For larger sites or sites with special concerns, site-specific websites are created to keep the community involved and informed on site activity. In 2014, NiSource conducted a materiality study with internal and external stakeholders, which will guide our focus and reporting going forward. This effort is in line with the goals of the Global Reporting Initiative and other major international guidelines. Internal stakeholders who were invited to participate in the study included all Managers and above across the NiSource organization. External stakeholders included community and industry partners, customers, government officials, and suppliers.</p>
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	●	<p>See pages 7-11: Strong, Growing Communities. See pages 3-6: Customer-Focused Energy Solutions</p> <p>The majority of our engagement is in line with specific projects. We complete hundreds of projects each year across nearly every state we operate in. Investor, customer and regulatory engagement is ongoing and part of the normal business operation. For example, we participate in community events where customers can ask questions and we have the opportunity to share information about the company. Investors are formally engaged on quarterly calls as well as through attendance at conferences throughout the year. Another example is NIPSCO's five Community Advisory Panels (CAPs) in place across Indiana that meet three times per year to discuss topics relevant to NIPSCO operations and customer programs. These CAPs are a cross section of community groups working together to improve communication, share information about new programs and outreach efforts, and develop an ongoing dialogue on issues ranging from environmental concerns to community outreach and philanthropy. NiSource has a formalized stakeholder outreach process in place for infrastructure modernization projects, expansions of its natural gas transmission and storage businesses, remediation activities, and other instances (when needed) if local communities are impacted by our business operations. In addition, public notice for utility projects needing permits is provided as necessary, consistent with regulatory requirements. NiSource conducts stakeholder meetings and issues press releases on remediation activities to ensure its projects get the proper feedback during these activities in a manner that is acceptable both to the environment and the community. For larger sites or sites with special concerns, site-specific websites are created to keep the community involved and informed on site activity. In 2014, NiSource conducted a materiality study with internal and external stakeholders, which will guide our focus and reporting going forward. This effort is in line with the goals of the Global Reporting Initiative and other major international guidelines. Internal stakeholders who were invited to participate in the study included all Managers and above across the NiSource organization. External stakeholders included community and industry partners, customers, government officials, and suppliers.</p>

4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.



See pages 3-6: Customer-Focused Energy Solutions, pages 7-11: Strong Communities, and page 15: Employee Engagement.

In 2014, NiSource conducted a materiality study with internal and external stakeholders, which will guide our focus and reporting going forward. This effort is in line with the goals of the Global Reporting Initiative and other major international guidelines. Those aspects that ranked highest in materiality to both internal and external stakeholders were no surprise and remain aligned with our business priorities and investments: Employee Safety, Public Safety, Service Reliability and Emergency/Storm Response. Other highly rated categories were Ethics and Transparency and Overall Customer Satisfaction.

Topics raised by stakeholders and the company regularly include public safety, costs of services, renewable energy, the environment and community and individual impacts from construction activity. Information about investor proposals under consideration can be found on pages 49-65 of NiSource's 2015 Proxy Statement.

Many of our customer programs (i.e. energy efficiency and renewable power programs) are a direct result of feedback from stakeholders.

NiSource is continuously seeking stakeholder input to encourage transparency and influence our approach to safety, infrastructure modernization and our environmental stewardship. Each project we undertake involves extensive stakeholder input and consideration. In many cases we conduct public open houses and meet individually with elected officials, emergency responders and individual residents. We also engage with the local media to ensure public understanding and input.

Feedback is primarily solicited through the venues mentioned; in addition our customer service representatives, public affairs team and land agents are continuously receiving feedback and information from stakeholders.

GRI Indicator & Description		2014 Complete	2014 Information
Profile Indicators			
ELECTRIC UTILITY SUPPLEMENT			
EU1	Installed capacity, broken down by primary energy source and by regulatory regime.	●	2,540 MW – Coal; 196 MW – Natural Gas; 535 MW –CCGT; 10 MW – Hydroelectric; 3,281 MW – Total. Leased 100 MW - Wind. Detailed information can be found on page 8 of NiSource's 2014 Form 10-K available on www.nisource.com . During the year ended December 31, 2014, NIPSCO generated 77.3% and purchased 22.7% of its electric requirements.
EU2	Net energy output broken down by primary energy source and by regulatory regime.	●	NiSource sold 18,186.3 gigawatt hours in 2014 primarily from coal and natural gas. Other sources included wind and hydroelectric. During the year ended December 31, 2014, NIPSCO generated 77.3% and purchased 22.7% of its electric requirements. Detailed information can be found on page 50 of NiSource's 2014 Form 10-K available on www.nisource.com .
EU3	Number of residential, industrial, institutional and commercial customer accounts.	●	Electric customers as of December 31, 2014: Residential – 403,272; Commercial – 54,635; Industrial – 2,352; Wholesale – 751; Other – 5; Total – 461,015. Detailed information can be found on page 50 of NiSource's 2014 Form 10-K available on www.nisource.com .

EU4	Length of above and underground transmission and distribution lines by regulatory regime.	●	Distribution: 10,639 line miles; Above-ground percentage: 77.6%; Transmission: 2,803 line miles; Above-ground percentage: 99.9%. NiSource's transmission system has voltages from 69,000 to 345,000 volts.
EU5	Allocation of CO2e emissions allowances or equivalent, broken down by carbon trading framework.	●	This indicator is not applicable to NiSource's business as we do not participate in carbon trading.

Global Reporting Initiative – Performance Indicators

GRI Indicator & Description	2014 Complete	2014 Information
Performance Indicators		
ECONOMIC		
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	● See pages 7-11: Strong Communities and page 21: Shareholder Value. See our 2011, 2012, 2013 and 2014 Annual Report to Shareholders and our Forms 10-K for 2011, 2012, 2013 and 2014 filed with the Securities and Exchange Commission.
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	● NiSource analyzes weather-related risks and opportunities annually. In addition, management in individual business units reviews risks and opportunities on an ongoing basis. Additional information can be found in NiSource's Greenhouse Gas Report located on www.nisource.com . Also see pages 14 and 111 of NiSource's 2014 Form 10K available on www.nisource.com or in NiSource's most recent Carbon Disclosure Project. This information is publicly available on www.nisource.com and on CDP's website: www.cdproject.net .
EC3	Coverage of the organization's defined benefit plan obligations.	● Detailed information about NiSource's defined benefit plan obligations are available on pages 89-102 of NiSource's 2014 Form 10-K available on www.nisource.com . NiSource provides defined contribution plans and noncontributory defined benefit retirement plans that cover the majority of its employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, NiSource provides health care and life insurance benefits for certain retired employees if they meet eligibility requirements.
EC4	Significant financial assistance received from government.	● NiSource received no financial assistance from the government in 2014.
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	● 2014: NiSource's lowest hourly rate currently earned by a full-time employee is \$12.50 regardless of gender. Federal minimum wage is \$8.00 per hour.

EC6	Policy, practices, and proportion of spending on locally based suppliers at significant locations of operation.	●	See pages 10 and 11 of NiSource's 2014 Inclusion & Diversity report available on www.nisource.com . NiSource purchases a wide range of products and services from suppliers. For every product or service we procure, the overall goal is the same – to secure the best product and services at the best value. NiSource does not pay a premium to do business with any supplier. We are committed to offering diverse suppliers an opportunity to succeed, including those historically under-utilized in the supply chain. Spending with diverse suppliers increased to approximately \$150 million. We are on track to achieve a long-term goal of at least 15 percent diverse spend within the next five years. Approximately 64% percent of our supplier spending is within states where we have operations
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	●	NiSource's operations are exclusively in the United States. NiSource looks first at its current employee base when filling job vacancies. NiSource is an equal opportunity employer and selection for employment is not necessarily based on a person's proximity to a particular location.
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	●	Nearly all of NiSource's investments in energy infrastructure are for the public benefit. In 2014, we invested about \$2.2 billion in these programs. See pages 17-20: Environmental Stewardship and pages 7-11: Strong Communities.
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	●	<p>See pages 17-20: Environmental Stewardship and pages 7-11: Strong Communities.</p> <p>We are investing more than \$2 billion each year in energy infrastructure and perform economic analysis on nearly all of its projects. We currently have an inventory of approximately \$50 billion of projects over the next two decades.</p> <p>For example, our \$4 billion modernization program at Columbia Gas Transmission will generate approximately 7,000 direct jobs across our service territory.</p> <p>Our recently commenced plans at NIPSCO will support the equivalent of more than 1,500 direct and indirect local jobs associated with the investments outlined through the end of the decade.</p> <p>Our \$2.3 billion Leach and Rayne XPress projects will support more than 5,600 jobs and increase tax revenue.</p>
EU6	Management approach to ensure short- and long-term electricity availability and reliability.	●	<p>See pages 3-6: Customer-Focused Energy Solutions.</p> <p>Additional details can be found in the NIPSCO Integrated Resource Plan (IRP), available at www.nipsco.com/IRP.</p> <p>The IRP charts our strategy for the next 20 years for meeting the future electricity needs of our customers. The plan is developed and presented to the Indiana Utility Regulatory Commission (IURC) every two years. Our goal is to reliably and cost-effectively serve customers today and in the future, while addressing the inherent uncertainties and risks that exist for the electric utility industry. The plan assesses customer requirements for electricity and evaluates all available options to meet that need. It includes a discussion of the process, methods, models and assumptions utilized in the plan's development. Additionally, the plan includes various studies, analyses and reports generated by a combination of internal and external subject matter experts. The long-term plan may change over time as conditions change and information is updated.</p>

EU7	Demand-side management programs including residential, commercial, institutional and industrial programs.	●	See page 6: Assisting Customers – Energy Efficiency and Support Programs Additional information can be found on NiSource company websites or its Greenhouse Gas Report available through www.nisource.com . Additional information can be found in NiSource’s most recent Carbon Disclosure Project. This information is publicly available on www.nisource.com and on CDP’s website: www.cdproject.net .
EU8	Research and development activity and expenditure aimed at providing reliable electricity and promoting sustainable development.	●	See pages 3-6: Customer-Focused Energy Solutions. See pages 19-24: Environmental Stewardship. See pages 13-18: Supporting Strong, Growing Communities. Additional information can be found in the NIPSCO Integrated Resource Plan available at www.in.gov/iurc/ or www.nipsco.com/irp .
EU9	Provisions for decommissioning of nuclear power sites.	●	NiSource does not operate any nuclear power sites.
EU10	Planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime.	●	See pages 3-6: Customer-Focused Energy Solutions. Additional details can be found in the NIPSCO Integrated Resource Plan (IRP), available at www.nipsco.com/IRP . The IRP charts our strategy for the next 20 years for meeting the future electricity needs of our customers. The plan is developed and presented to the Indiana Utility Regulatory Commission (IURC) every two years. Our goal is to reliably and cost-effectively serve customers today and in the future, while addressing the inherent uncertainties and risks that exist for the electric utility industry. The plan assesses customer requirements for electricity and evaluates all available options to meet that need. It includes a discussion of the process, methods, models and assumptions utilized in the plan’s development. Additionally, the plan includes various studies, analyses and reports generated by a combination of internal and external subject matter experts. The long-term plan may change over time as conditions change and information is updated.
EU11	Average generation efficiency of thermal plants by energy source and regulatory regime.	●	Coal Units: 11,141 BTU/KWh; Gas Turbines: 15,876 BTU/KWh; Combined Cycle: 7,171 BTU/KWh
EU12	Transmission and distribution losses as a percentage of total energy.	●	2014: Transmission System Loss Value: 1.87% Distribution System Loss Value: 1.04%

GRI Indicator & Description		2014 Complete	2014 Information
Performance Indicators			
ENVIRONMENTAL			
EN1	Materials used by weight or volume.	●	In 2014 NIPSCO consumed approximately 6.794 million tons of coal, as well as 16.182 billion cubic feet of natural gas to produce electricity. Total coal consumed in prior years (in millions of tons): 2008 - 8.045; 2009 - 7.137; 2010 - 7.614; 2011 - 7.129; 2012 - 5.593; 2013 - 6.381
EN2	Percentage of materials used that are recycled input materials.	●	With regard to the production of electricity and the distribution and transmission of natural gas, the vast majority of input materials are coal and natural gas. As such, the percentage of materials used that are recycled input materials is negligible. To view the result of NiSource’s recycling efforts, please see EN22 and Data Tables on pages 23-28.

EN3	Direct energy consumption by primary energy source.	●	<p>In 2014 NIPSCO consumed approximately 6.794 million tons of coal, as well as 16.182 billion cubic feet of natural gas to produce electricity. Total coal consumed in prior years (in millions of tons): 2008 - 8.045; 2009 - 7.137; 2010 - 7.614; 2011 - 7.129; 2012 - 5.593; 2013 – 6.381</p> <p>A total of 301,955 KWh of energy was consumed through the NIPSCO electric vehicle (EV) program in 2014. When combined with 2013 and 2012 EV energy consumption, that will require the purchase and retirement of approx. 547 renewable energy credits to ensure the carbon neutrality of the program. (Most of the charging occurs in the off peak hours due to NIPSCO's pilot rate offering.)</p>
EN4	Indirect energy consumption by primary source.	●	<p>With regard to the production of electricity and the distribution and transmission of natural gas, indirect energy consumption is a very small percentage of total energy consumption and is not being measured at this time.</p>
EN5	Energy saved due to conservation and efficiency improvements.	●	<p>See page 6: Assisting Customers – Energy Efficiency and Support Programs</p> <p>In 2014 NiSource achieved LEED certifications in our new office buildings in Columbus, Ohio, and Warrenton, Virginia. Examples of energy conservation strategies at these locations include the installation of high efficiency heating & cooling equipment, Energy Star® rated office equipment, as well as high efficiency lighting, lighting controls and water fixtures.</p>
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	●	<p>See page 18: Environmental Stewardship</p> <p>In 2014, over 76,000 megawatt hours have been generated by renewable sources through the net metering and feed-in tariff programs – enough to power approximately 9,000 homes per year.</p> <p>The GreenPower Program credits are certified through Green-E Energy, the nation's renewable energy certification and verification program. By the end of 2014, there were 939 customers participating in GreenPower, purchasing over 6.6 million MWh during the year.</p>
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	●	<p>See page 18: Environmental Stewardship. See pages 3-6: Customer Focused Energy Solutions</p>
EN8	Total water withdrawal by source.	●	<p>See page 19: Reducing Water Consumption, Preserving Quality. See page 26: 2014 Water Usage.</p> <p>NIPSCO's coal-fired and combined-cycle natural gas turbine units withdraw water both to generate steam and to provide cooling water for condensers. The Bailly and Michigan City Generating stations draw their water from Lake Michigan and one of its tributaries. The R. M. Schahfer and Sugar Creek Generating stations draw their water from the Kankakee and Wabash rivers, respectively. Shut down of the D. H. Mitchell facility reduced water intake on Lake Michigan by approximately 250 million gallons per day. We replaced this facility with Sugar Creek, which withdrew 759.4 million gallons in 2014 from a groundwater source outside of the Great Lakes Basin.</p>

EN9	Water sources significantly affected by withdrawal of water.	●	<p>See data table on page 26: 2014 Water Usage.</p> <p>NiSource's Bailly and Michigan City Generating stations sit on the shore of Lake Michigan in the Great Lakes Basin. The electric generation plants draw their water from Lake Michigan and one of its tributaries. Like all water withdrawals from Lake Michigan, Bailly's and Michigan City's usage is heavily regulated by international, federal and state law. The primary guiding document is the Great Lakes Compact, an agreement that has been ratified by the United States, two Canadian provinces and eight Great Lakes states. Indiana statutes passed pursuant to the Compact require large existing users to document their usage and to implement water conservation programs. NiSource is fully supportive of the Great Lakes Compact and worked with the State of Indiana to develop ways to implement the Compact. NiSource operates its generating stations in compliance with the Compact and Indiana water-use laws. The R. M. Schahfer and Sugar Creek Generating stations are located on the Kankakee and Wabash rivers, both of which eventually flow into the Mississippi River. The State of Indiana comprehensively regulates the consumptive use of water in the Kankakee River Basin. NiSource has obtained a permit from the Indiana Department of Natural Resources for water withdrawals from the Kankakee. While NIPSCO's operations require a marginal amount of water consumption from Lake Michigan, Bailly and Michigan City Generating stations yield social and economic benefits by providing fishing access to local recreation enthusiasts. The generating stations also help to increase tax base within their counties of operation. Also see GRI indicator EN25.</p>
EN10	Percentage and total volume of water recycled and reused.	●	<p>See page 26: 2014 Water Usage.</p> <p>92.7 percent of water used in our generating facilities was recycled or returned to its source in 2014.</p>

EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.

See pages 17-20: Environmental Stewardship. See page 25 Sensitive Land Managed or Preserved.

Since 2004, NiSource has committed to restoring approximately 7,018 acres. In 2013, CPG's collaborative effort with the USFWS to develop a multi-species, multi-state habitat conservation plan was finalized, with ongoing implementation in 2014. This innovative effort toward proactive assessment of effects on rare, threatened, or endangered species will yield greater conservation benefits through less fragmented mitigation efforts. These mitigation efforts are designed to fully compensate for adverse effects resulting from ongoing operations. Further, the mitigation will be monitored for success as part of the federal reporting requirements. In March of 2015, CPG reported on biological impacts incurred during 2014 to the US Fish and Wildlife Service. Project impacts in 2014 were a total of approximately 1,500 acres, which resulted in over \$58,000 worth of mitigation. Mitigation projects will be decided by a panel of representatives from various environmental technical groups.

Two of NIPSCO's generating stations border public lands either belonging to the National Park Service or the Indiana Dunes State Park. Bailly Station, a property of approximately 100 acres, borders Indiana Dunes State Park and Michigan City Generation Station, approximately 134 acres, shares a property line with the National Park Service. Both stations are located adjacent to areas containing high levels of biodiversity as well as areas providing quality habitat to various state listed threatened and endangered plants and animals. NIPSCO has sought to maintain a positive working relationship with the National Park Service, IDNR, and USFWS to uphold the quality of habitat and biodiversity at its nearby properties. NIPSCO's Schahfer Station, at approximately 3,150 acres, and neighbors 650 acres of quality wetland that was donated by NIPSCO to IDNR and The Nature Conservancy as part of the Grand Kankakee Marsh Restoration project. This effort helped spark one of the most successful restoration efforts in the country, resulting in the acquisition of nearly 9,900 acres, restoration of 6,800 acres and enhancement of nearly 4,000 acres of wetland and associated upland. NIPSCO also owns and maintains several substations that have been entered into IDNR's classified Forest & Wetlands program. A total of 386.6 substation acres are enrolled in the program, 15.6 acres of which were added in 2012. Since then, NIPSCO continues to maintain these substations under IDNR's program.

NiSource companies frequently seek new ways to more sustainably manage their right of ways (or ROWs). Integrated vegetation management (IVM) programs use "right plant, right place" philosophy to reduce the need for mowing and extensive maintenance activities that may otherwise harm bio-diverse areas. The vegetation selected for use in NGD ROWs also helps provide food for important pollinators such as bees, butterflies, and other ecosystem service producing species.

EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.

See page 20: Habitat Conservation – First Year Results. See Page 25 Sensitive Land Managed or Preserved.

In 2013, CPG's collaborative effort with the USFWS to develop a multi-species, multi-state habitat conservation plan was finalized, with ongoing implementation in 2014. This innovative effort toward proactive assessment of effects on rare, threatened, or endangered species will yield greater conservation benefits through less fragmented mitigation efforts. These mitigation efforts are designed to fully compensate for any adverse effects resulting from ongoing operations. Further, the mitigation will be monitored for success as part of the federal reporting requirements. In March of 2015, CPG reported on biological impacts incurred during 2014 to the US Fish and Wildlife Service. Project impacts in 2014 were a total of approximately 1,500 acres, which resulted in over \$58,000 worth of mitigation. Mitigation projects will be decided by a panel of representatives from various environmental technical groups.

In 2004, NIPSCO underwent a cooperative effort with the USFWS to develop a Habitat Conservation Plan (HCP), allowing for maintenance of electric and gas rights of way, while prescribing Best Management Practices to preserve and restore habitat for the federally endangered Karner Blue Butterfly (KBB), including the butterfly's food source, Wild Lupine. The HCP has resulted in 8.33 acres of wild lupine populations, up from an approximate 4-acre baseline ten years ago. NIPSCO holds an annual training for forestry/vegetation management contractors, and internal and external educational opportunities to provide awareness of the Karner Blue's endangered status and to educate employees and stakeholders of the importance of maintaining a native landscape for improving overall biodiversity.

In 2014, NiSource's Columbia Gas of Virginia (CGV) and Columbia Pipeline Group (CPG) collaborated with the Appalachian Trail Conservancy (ATC) to re-route a 2.5 mile section of the Appalachian Trail 2,185 mile footpath from private land to protected land in Giles County, VA. The effort to realign the Appalachian Trail was 30 years in the making and became a reality in part due to a \$40,000 grant from CGV and CPG. CGV natural resources permitting personnel and CGV customers brought the ATC's desire to relocate the Appalachian Trail to CGV during negotiations with the U.S. Forest Service on the routing of a new pipeline needed to serve the increased natural gas requirements of Celanese, a global technology and specialty materials company. To provide additional natural gas to Celanese both CPG and CGV are adding infrastructure and relocation of the trail will help the routing of the new pipeline. The support of the Appalachian Trail relocation was a win-win for all parties. The trail's new location will be a scenic and safe route from the New River to the summit of Peters Mountain. The new route will alleviate impacts to adjacent property landowners, and minimize the impact from neighboring manufacturing operations.

EN13	Habitats protected or restored.	●	See page 20: Habitat Conservation – First Year Results. See page 25: Sensitive Land Managed or Preserved.
			<p>NiSource is continuing work on successfully implementing its Habitat Conservation Plan -- a multi-species, multi-state conservation effort -- for its more than 15,000 miles of transmission pipeline. This HCP contains the methodology and biological goals and objectives for managing impacts on biodiversity. We are looking forward to reporting mitigation efforts in the future. More information is in the Sustainability section of www.nisource.com. Since 2004, NiSource has committed to restoring approximately 7,018 acres. In 2014, NIPSCO planted 785 trees, which has the potential to result in approximately 70 acres of restored habitat for birds, bats, and other wildlife.</p> <p>NIPSCO's Multi-Value Projects, involving the construction of approximately 170 miles of electrical transmission lines in the state of Indiana, have undergone thorough comprehensive environmental reviews and surveys to ensure the final routes avoid and minimize impacts to important or valuable environmental resources. For impacts that could not be avoided due to right-of-way clearing and long-term maintenance, NIPSCO collaborated with The Nature Conservancy (TNC) and the Conservation Fund (TCF) to develop a Memorandum of Understanding with the U.S. Fish and Wildlife Service, resulting in over \$4.3 million in funding for 150 acres of habitat restoration projects in the project watersheds. TNC has completed initial restoration activities, such as reduction of understory vegetation and installation of monitoring wells, at the TNC Prairie Border Nature Preserve, adjacent to the DNR Jasper-Pulaski Fish & Wildlife Area. NIPSCO's Greentown-Reynolds Project is following a similar process to avoid and minimize impacts to environmental resources.</p>
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	●	See pages 17-20: Environmental Stewardship.
			<p>NiSource is continuing to work on implementing and improving upon its final Habitat Conservation Plan - a multi-species, multi-state conservation effort -- for its more than 15,000 miles of transmission pipeline. This HCP contains the methodology and biological goals and objectives for managing impacts on biodiversity. More information is in the Sustainability section of www.nisource.com.</p> <p>Since 2013, NIPSCO's active participation in the Tree Line USA program for utilities resulted in a variety of benefits to biodiversity and customer education including seven Arbor Day events with a variety of different trees being planted. At these events, 2,000 seedlings were given away in an effort to increase the biodiversity and abundance of trees across our service territory.</p>
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	●	<p>There are 58 federally listed rare, threatened, or endangered species within our Columbia Pipeline Group (CPG) pipeline right-of-way. There are 90 species that have been or will be studied as part of the Habitat Conservation Plan (HCP) effort. Of those, 28 species are within counties in which we have facilities, but are outside the covered lands (the mile-wide corridor centered over the pipelines). Four more species are within the covered lands but outside the right-of-way proper. Species-specific information, including general location, is available in the HCP and other NEPA documents prepared for this permit application. More information is in the Sustainability section of www.nisource.com.</p>
EN16	Total direct and indirect greenhouse gas emissions by weight.	●	See page 24: Direct and Indirect GHG Emissions.
			<p>Additional information can be found in NiSource's Greenhouse Gas Report located on www.nisource.com. Information is also available in NiSource's most recent Carbon Disclosure Project. This information is publicly available on www.nisource.com and on CDP's website: www.cdproject.net.</p>

EN17	Other relevant indirect greenhouse gas emissions by weight.	●	See Environmental Stewardship tables on pages 23-26. Information about other relevant indirect greenhouse gas emissions can be found in NiSource's Greenhouse Gas Report located on www.nisource.com . Information is also available in NiSource's most recent Carbon Disclosure Project. This information is publicly available on www.nisource.com and on CDP's website: www.cdproject.net .
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	●	See pages 17-18: Reducing Greenhouse Gas Emissions. See Environmental Stewardship tables starting on page 23. Additional information can be found in NiSource's Greenhouse Gas Report, located on www.nisource.com . Information is also available in NiSource's most recent Carbon Disclosure Project. This information is publicly available on www.nisource.com and on CDP's website: www.cdproject.net .
EN19	Emissions of ozone-depleting substances by weight.	○	We do not centrally track this data. Each facility is responsible for its own compliance with recordkeeping requirements if applicable (based on regulatory requirements). For a selection, please see the data tables starting on page 23.
EN20	NOx, SOx, and other significant air emissions by type and weight.	●	See Environmental Stewardship tables starting on page 23.
EN21	Total water discharge by quality and destination.	○	See page 26: 2014 Water Usage NiSource withdrew more than 91 billion gallons of water in 2014, most of which is used to generate electricity. It is important to note that nearly 93 percent of the water used is recycled or returned to its source.
EN22	Total weight of waste by type and disposal method.	●	See page 25.
EN23	Total number and volume of significant spills.	●	22 recordable spills occurred across all NiSource companies, with no "significant" spills during the year.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	●	See page 25: Waste Table. We treated 110 tons of hazardous waste in 2014. In addition to treatment, over 42.74 tons of hazardous waste was reused for fuel. We do not import or export any waste internationally.
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	●	See page 26: 2014 Water Usage and Generating Station Water Discharge tables. While NIPSCO's discharges do not meet the 5% threshold of significant discharge, all of our generation-related discharges are in State Designated Resource Waters, most of which are home to several state listed endangered species. These discharges are not known to have a significant impact on any of these State Designated Resource Waters and are compliant with NIPSCO's NPDES permits

EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	●	<p>See pages 17-20: Environmental Stewardship. See pages 3-6: Customer-Focused Energy Solutions.</p> <p>In 2013, CPG's collaborative effort with the USFWS to develop a multi-species, multi-state habitat conservation plan was finalized, with ongoing implementation in 2014. This innovative effort toward proactive assessment of effects on rare, threatened, or endangered species will yield greater conservation benefits through less fragmented mitigation efforts. These mitigation efforts are designed to fully compensate for any adverse effects resulting from ongoing operations. Further, the mitigation will be monitored for success as part of the federal reporting requirements. In March of 2015, CPG reported on biological impacts incurred during 2014 to the US Fish and Wildlife Service. Project impacts in 2014 were a total of approximately 1500 acres, which resulted in over \$58,000 worth of mitigation. Mitigation projects will be decided by a panel of representatives from various environmental technical groups.</p> <p>In 2014, NIPSCO planted 785 new trees; these trees provide a number of different ecosystem benefits, including carbon sequestration to offset NIPSCO's business impacts. NIPSCO also participates in Tree Line USA, a program by the Arbor Day Foundation, requiring participating utilities to follow industry standards for tree maintenance and care; the program also has several other requirements for participating utilities. In addition, since two of NIPSCO's generating stations are on the coast of Lake Michigan, NIPSCO partners with the Indiana Department of Natural Resources, National Park Service, Shirley Heinze Land Trust, the Nature Conservancy, and Save the Dunes in maintaining a designated Indiana Coastal Cooperative Weed Management Area. These efforts aid in preventing the spread of invasive plants as they tend to overgrow in more pristine, natural areas.</p> <p>NIPSCO handles all of its fly ash and, based on a 10-year average, 29% is reused in concrete. 100% of boiler slag is reused in shingles and sandblasting media and nearly 100% of gypsum is reused and made into wallboard.</p> <p>Over 1,600 tons of scrap metal and plastic from our NIPSCO facilities was sold to a recycler in 2014 for reuse.</p> <p>As part of a consent decree with EPA, NIPSCO is continuing efforts in various environmental mitigation projects including: 1) land acquisition and restoration project -- spent \$2 million to help acquire over 180 acres of land and contributed toward restoration of over 1400 acres of lands in Northwestern Indiana; 2) clean diesel retrofit project -- donated \$2.8 million to IDEM to retrofit public fleet and used \$2.2 million to retrofit three NIPSCO locomotives; 3) wood stove change-out -- spent approximately \$500,000 on changing out wood stoves in NIPSCO service territory counties; and 4) electric vehicle (EV) infrastructure -- in process, with expected spend of approximately \$2 million toward EV equipment.</p>
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	●	Not applicable as electric and natural gas service cannot be labeled.
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	●	NiSource companies received 5 minor notices of violation (NOVs) related to air and waste during 2014. There were no fines associated with these notices. In addition, there 27 NOVs related to CPG natural resource permitting, resulting in \$6,000 in fines for the year. The NOVs were minor in nature and were immediately resolved.

EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	●	See page 24: Mobile Emissions
			In 2014 our operations fleet drove over 65.18 million miles, plus our employees drove over 8.6 million miles for business-related travel. Based on an estimated 20 mpg, this equates to approximately 3.69 million gallons of fuel consumed for transportation of products, goods, materials, and members of our workforce.
EN30	Total environmental protection expenditures and investments by type.	●	See pages 17-20: Environmental Stewardship.
			NIPSCO's flue gas desulfurization (FGD) "scrubber" project on two units at our R. M. Schahfer Generating Station was completed in November 2014. The second scrubber project is under construction at our Michigan City Generating Station. These two projects -- the largest in NIPSCO's history -- are part of approximately \$850 million of environmental investments designed to improve air quality in our communities.
			Over \$2.2 million is spent annually on NIPSCO's continuous emissions monitoring system.
			In 2014, over \$16.5 million was spent on remediation project costs, plus approximately \$1.1 million for removal of remediation waste. Approximately \$4.8 million was spent on disposal of non-remediation waste and trash across NiSource. Our waste disposal costs were offset by sales of over \$621,000 in scrap metal and plastic sold for recycling from our NIPSCO facilities.
EU13	Biodiversity of offset habitats compared to the biodiversity of the affected areas.	●	NiSource's Land Restoration Project is an effort being executed under NIPSCO's settlement agreement with EPA and IDEM. In 2013, NIPSCO executed a \$20,000 mitigation agreement with ACRES land trust to provide funding for their Ruth Kern Woodland Preserve in Fulton County, Indiana. This wetland mitigation effort is expected to yield greater conservation benefits than simple right-of-way mitigation.
			In 2013, CPG's collaborative effort with the USFWS to develop a multi-species, multi-state habitat conservation plan was finalized, with ongoing implementation in 2014. This innovative effort toward proactive assessment of effects on rare, threatened, or endangered species will yield greater conservation benefits through less fragmented mitigation efforts. These mitigation efforts are designed to fully compensate for any adverse effects resulting from ongoing operations. Further, the mitigation will be monitored for success as part of the federal reporting requirements. In March of 2015, CPG reported on biological impacts incurred during 2014 to the US Fish and Wildlife Service. Project impacts in 2014 were a total of approximately 1,500 acres, which resulted in over \$58,000 worth of mitigation. Mitigation projects will be decided by a panel of representatives from various environmental technical groups.

GRI Indicator & Description	2014 Complete	2014 Information
Performance Indicators		
LABOR PRACTICES AND DECENT WORK		
LA1 Total workforce by employment type, employment contract, and region, broken down by gender.	●	As of December 31, 2014, NiSource had 8,966 employees, of whom 3,323 were subject to collective bargaining agreements. All are employed within the United States and the majority is full-time. Women make up approximately 25 percent of NiSource's workforce. Additional information about our employee population can be found in the NiSource 2014 Inclusion & Diversity report available on www.nisource.com .

LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	●	The NiSource-wide employee turnover rate is 6.0 percent. We added 491 employees to our total headcount in 2014 from 2013. Additional information about our employee population can be found in the NiSource 2014 Inclusion & Diversity report available on www.nisource.com .
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	●	<p>Benefits are available to full-time employees and part-time eligibility noted as (PT). Temporary employees who are part of the NIPSCO collective bargaining unit are now eligible for medical (including HSA), dental and vision benefits. Other temporary employees do not receive benefits. An overview of additional benefits is available in the "What We Offer" section of the NiSource Careers website.</p> <ul style="list-style-type: none"> • Medical-including coverage for domestic partners (PT) • Dental-including coverage for domestic partners (PT) • Vision-including coverage for domestic partners (PT) • Life insurance-including coverage for domestic partners (PT for limited basic life only/no domestic partner coverage) • Accident/AD&D -including coverage for domestic partners • Holidays/Vacation (PT) • Sick Pay • Long Term Disability • Phased Retirement Program • Adoption assistance • Health Savings Account (HSA) (PT) • Employee Assistance Plan (PT) • Retirement-defined benefit cash balance pension plan (PT) (Note: for salaried employees pre-1/1/10 hire date and non-exempt and select unions pre-1/1/13 hire date) • Savings - 401k plan including company match up to 6% of employee deferral (PT) • Flexible Spending Account (Health Care & Dependent Care) (PT) • Vacation (PT) • Leave of Absence (PT) • Travel Accident Plan (PT) • Military leave (PT) • Employee Stock Purchase Plan (PT)
LA4	Percentage of employees covered by collective bargaining agreements.	●	As of December 31, 2014, NiSource had 8,966 employees, of whom approximately 37 percent (3,323) were subject to collective bargaining agreements.
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	●	Some labor contracts have general notification requirements for sale of assets, significant staffing reductions and contracting.

LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	●	<p>See pages 12-15: Safe, Skilled and Engaged Teams.</p> <p>All employees must undergo basic yearly health and safety training. Each of NiSource's operating companies employ health and safety experts and employee-led committees to monitor, report and advise on occupational health and safety programs.</p> <p>Formal joint management/worker health and safety committees have been established throughout NiSource.</p> <p>At CPG, the Safety Steering Committee is comprised of employees serving on multiple local and regional safety teams which were established to help articulate and nurture a safety and health culture that is established on the views and suggestions of fellow employees. The committee strives to be an industry leader in safety and health that recognizes and rewards its successes. Additionally, the Safety Steering Committee is empowered to ensure that safety is uncompromised and becomes a core value and focus of our entire organization. CPG has 12 regional safety teams (committees) with a total membership of 134 members. Eight of the teams meet quarterly and four of the teams meet bi-monthly.</p> <p>At NGD, there are approximately 455 employees involved in our state and local safety teams across our six operating states. The purpose of the local safety teams is to provide an overall safety awareness leadership role to all employees in order to achieve the ultimate goal of an incident-free work environment. NGD also has four state safety teams that operate in an executive capacity and employee tool teams which evaluate tools and equipment for their areas of responsibility.</p> <p>At NIPSCO, the Safety Leadership committees are represented by joint co-chairs who facilitate leadership and local level safety committees. They are solution focused and utilize data analysis, human performance improvement methods and risk reduction models to identify and control hazards and human performance gaps. There are approximately 500 employees who regularly participate on the committees and, through their participation, represent 100% of the workforce at all levels of the organization.</p>
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	●	<p>See pages 2-15: Safe, Skilled and Engaged Teams.</p> <p>OSHA Incident Rate Total - 1.25 Male - 1.39 Female - 0.83</p> <p>DART Total - 0.76 Male - .92 Female - 0.32</p> <p>NOTE: This data is for NiSource employees only and does not include contractors. There were 0 employee fatalities and 2 contractor fatalities in 2014.</p>
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	●	<p>See pages 12-15: Safe, Skilled and Engaged Teams.</p> <p>All employees and their families have access to the NiSource Employee Assistance Program (EAP) at no cost, 24 hours per day. The EAP is a confidential counseling service that addresses items such as marital and family issues; child and elder care concerns; stress, anxiety and other emotional health topics; workplace concerns; legal and financial issues; substance abuse and dependency struggles; and health issues.</p>

LA10	Average hours of training per year per employee by gender, and by employee category.	●	NiSource provides both online and in-person training opportunities to its employees. We estimate that each NiSource employee received about 50 hours of training in 2014. This includes approximately 14 hours of online training through the company's Learning Management System (LMS), and approximately 36 hours of in-person training.
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	●	<p>See pages 12-16: Safe, Skilled and Engaged Teams.</p> <p>NiSource believes a properly trained workforce is essential to the safe and successful operation and maintenance of its gas and electric systems. Therefore, we have accepted the challenge of establishing and maintaining, a performance-based instructional delivery system. A significant feature of the training system is that it meets standards and guidelines established by the International Association for Continuing Education and Training (IACET).</p> <p>Our training program is based on the following assumptions:</p> <ul style="list-style-type: none"> - Training is more effectively delivered in the context of an established curriculum - Training delivery systems are more easily maintained and implemented when designed in a modular format. - Training programs are more credible when internal validity is easily determined. - Training documentation and evaluation is more defensible when appropriate criteria have been established in a catalog of tasks (or instructional objectives) and performance guides. - On-the-job training is acceptable only when delivered in a structured format with skill performance checklists. - Training must be in compliance with DOT, OSHA, EPA and company operating procedures <p>Our mission is to:</p> <ul style="list-style-type: none"> - Encourage professionalism and integrity of personnel working in the technical areas of operation and maintenance. - Raise the level of technical competency of personnel working in the technical areas of operation and maintenance. - Establish and maintain job performance norms against which employee development can be evaluated. - Create an incentive for personal improvement of personnel working in the technical areas of operation and maintenance. - In addition to the operational work force training described above, other training is available online to personnel which covers ethics, safety, and various professional development topics. <p>NiSource is also addressing the needs of female leaders who have requested additional mentoring and development opportunities. The Women in Leadership Mentoring Program has been designed to help strategically develop additional talent and resources of top female leaders in these key areas to help us achieve corporation's business goals today, and beyond.</p>
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	●	<p>See page 15: Building Internal Capabilities.</p> <p>At NiSource, providing regular performance and development coaching to all employees is an expectation of leaders. In the first part of the year, both performance and development objectives are established for each employee. Results in both of these areas are discussed and feedback provided on an ongoing basis. This process takes place in Performance Source, NiSource's primary tool for planning, tracking and reviewing performance across the organization for all non-manual, non-bargaining unit employees. Manual and bargaining-unit employees follow a similar process to discuss expectations, review progress, and receive feedback from their Supervisor on a regular basis.</p>

LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	●	<p>See page 1 of NiSource's 2014 Inclusion & Diversity report available at www.nisource.com.</p> <p>As of December 31, 2014, NiSource's Board of Directors was comprised of 11 directors, of which six are younger than 60 years old, three of which are women and two of which are minorities. Additional background information about NiSource's Board of Directors can be found in the Investor section of www.nisource.com.</p> <p>Employee Population: Men 75%; Females 25%; Minorities 12%</p> <p>Total Generations Represented: Traditionalists (1925-48) 1% Baby Boomers (1949-64) 44% Generation X 24% Millennials (GenY) 31%</p>
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	●	NiSource companies are Equal Employment Opportunity (EEO) employers and do not discriminate in any employer/employee relations based on race, color, religion, sex, marital status, sexual orientation, national origin, age, disability, veteran status, or other characteristic protected by law. NiSource companies require all employees to adhere strictly to this policy.
LA15	Return to work and retention rates after parental leave, by gender.	●	NiSource does not track this information separate from general turnover rates outlined within indicator LA2.
EU14	Programs and processes to ensure the availability of a skilled workforce.	●	<p>See pages 12-15: Safe, Skilled, Engaged Teams.</p> <p>In addition, our companies partner - through contributions, training classes, mentorship and other ways - with local universities, trade schools, high schools and elementary schools to support education and future employment to develop a pipeline of skilled workers.</p>
EU15	Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and by region.	●	Next 5 years: 37.8%; 10 years: 17.5%. Not tracked by job category. All are within the United States. Percentages are based on current employees that will be 55 years old with at least 10 years of service All are within the United States.
EU16	Policies and requirements regarding health and safety of employees and employees of contractors and subcontractors.	●	<p>See pages 12-15: Safe, Skilled, Engaged Teams.</p> <p>We have a fundamental responsibility to ensure personal and public safety and work tirelessly to be a top safety performer in our industry.</p> <p>NiSource maintains a Board of Directors committee focused on safety and employs strict policies and procedures surrounding the health and safety of our employees and contractors.</p> <p>100 percent of all NiSource contractors and subcontractors are contractually required to perform work in compliance with all applicable federal, state, and local environmental and safety laws, regulations, and ordinances, including the Occupational Safety and Health Act and applicable regulations. All contractors are to initiate, maintain, and supervise all safety and health, loss control measures, precautions, and programs required in connection with the work being performed.</p>

GRI Indicator & Description	2014 Complete	2014 Information
Performance Indicators		
HUMAN RIGHTS		
HR1 Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	●	<p>NiSource operates solely within the United States. NiSource does not have any significant investment agreements or contracts in countries where human rights are at risk. NiSource abides by all laws and regulations. The company's largest provider with an international presence beholds itself to a Global Employment Standard Policy that covers human rights.</p> <p>In addition, unless a contractor has its own Code of Business Conduct and provided it to us, standard contract language has been added to emphasize our expectation that they will conduct business in a manner consistent with the NiSource Code of Business Conduct (available at www.nisource.com/ethics). When determining whether to award work or services, NiSource will consider a contractor's ability to consistently act in accordance with the Code of Business Conduct.</p>
HR2 Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	●	<p>NiSource does not undergo any specific screening of suppliers or contractors with respect to human rights; however all must be in compliance with applicable laws, statutes, codes, etc. The majority of our contract and supplier relationships reside in the United States. The company's largest provider with an international presence beholds itself to a Global Employment Standard Policy that covers human rights.</p> <p>In addition, unless a contractor has its own Code of Business Conduct and provided it to us, standard contract language has been added to emphasize our expectation that they will conduct business in a manner consistent with the NiSource Code of Business Conduct (available at www.nisource.com/ethics). When determining whether to award work or services, NiSource will consider a contractor's ability to consistently act in accordance with the Code of Business Conduct.</p>
HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	●	<p>NiSource operates solely within the United States and abides by all local and national laws. NiSource does not operate where human rights are a significant risk. All employees are required to complete annual ethics training – nine modules were assigned in 2014. Each employee spent 1.75 hours engaged in Ethics and Compliance training for the year. Employees who also had targeted training assigned spent an average of 3.5 hours.</p>
HR4 Total number of incidents of discrimination and corrective actions taken.	●	<p>There were two substantiated incidents of discrimination during 2014. The following types of discipline were applied in the substantiated ethics violations, in order of severity:</p> <ul style="list-style-type: none"> • Employee Termination • Contractor Removal • Employee Resignation/Retirement • Written Counseling/Warning/Other
HR5 Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	●	None known.

HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	●	<p>NiSource operates solely within the United States and abides by all local and national laws. NiSource does not operate where child labor is a significant risk. The majority of the company's largest suppliers are U.S. based and abide by all local and national laws. The company's largest provider with an international presence beholds itself to a Global Employment Standard Policy that states that it will not use child or involuntary labor.</p> <p>In addition, unless a contractor has its own Code of Business Conduct and provided it to us, we expect them to aspire to conduct business in a manner consistent with the NiSource Code of Business Conduct. When determining whether to award work or services, NiSource will consider a contractor's ability to consistently act in accordance with the Code of Business Conduct available at www.nisource.com/ethics.</p>
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	●	<p>NiSource operates solely within the United States and abides by all local and national laws. NiSource does not operate where forced or compulsory labor is present. A majority of the company's largest suppliers are U.S. based and abide by all local and national laws. The company's largest provider with an international presence beholds itself to a Global Employment Standard Policy that states that it will not use child or involuntary labor.</p> <p>In addition, unless a contractor has its own Code of Business Conduct and provided it to us, we expect them to aspire to conduct business in a manner consistent with the NiSource Code of Business Conduct. When determining whether to award work or services, NiSource will consider a contractor's ability to consistently act in accordance with the Code of Business Conduct available at www.nisource.com/ethics.</p>
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	●	<p>NiSource operates solely within the United States and abides by all local and national laws. NiSource does not operate where human rights are a significant risk. 100 percent of NiSource security personnel are required to complete annual ethics training</p>
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	●	<p>NiSource operates solely within the United States and abides by all local and national laws. NiSource does not operate where human rights are a significant risk.</p>
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	●	<p>NiSource operates solely within the United States and abides by all local and national laws. NiSource does not operate where human rights are a significant risk.</p>
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	●	<p>NiSource operates solely within the United States and abides by all local and national laws. NiSource does not operate where human rights are a significant risk.</p>

GRI Indicator & Description		2014 Complete	2014 Information
Performance Indicators			
SOCIETY			
SO1 (EUSS)	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	●	See pages 7-11: Strong Communities. NiSource has a formalized stakeholder outreach process in place for infrastructure modernization projects, expansions of its natural gas transmission and storage businesses, remediation activities, and other instances (when needed) if local communities are impacted by our business operations. In addition, public notice for utility projects needing permits is provided as necessary, consistent with regulatory requirements. NiSource conducts stakeholder meetings and issues press releases on remediation activities to ensure its projects get the proper feedback during these activities in a manner that is acceptable both to the environment and the community. For larger sites or sites with special concerns, site-specific websites and social media accounts are created to keep the community involved and informed on site activity.
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	●	See pages 7-11: Strong Communities. All of our business units and subsidiaries have individual community engagement, public awareness and charitable giving strategies. Generally charitable giving across the business focuses on local first and emergency responders and human needs organizations, including those that support low-income populations. We also have robust economic development programs in place at some of our companies, especially in our Indiana gas and electric utility. Additional community engagement may vary based upon the needs of the local community.
SO2	Percentage and total number of business units analyzed for risks related to corruption.	●	As part of the NiSource Ethics & Compliance Program, all violations of the Code of Conduct are presented to the Risk Management Committee. In addition, NiSource Audit maintains significant controls to manage, detect and eliminate fraud and violations of the Code of Conduct before they happen. The Code of Business Conduct was updated in early 2014 and applies to all employees, officers and directors of NiSource and each of its subsidiaries and affiliates. A copy of the code is available at www.nisource.com/ethics .
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	●	100 percent of employees are required to complete annual ethics training.
SO4	Actions taken in response to incidents of corruption.	●	In 2014, we investigated 86 ethics cases and found 33 (or 38 percent) to be substantiated. This is less than the utility industry standard of 40 percent. We closed cases in an average of 14 days, compared to an all-industry average of 36 days. None were defined as corruption. The majority of these cases were policy and harassment (non-sexual) related. We take these investigations seriously and apply appropriate discipline, including: <ul style="list-style-type: none"> • Employee Termination • Contractor Removal • Employee Resignation/Retirement • Written Counseling/Warning/Other

SO5	Public policy positions and participation in public policy development and lobbying.	●	<p>Public policy decisions can affect our businesses, and at NiSource we believe that engaging in the political process is in the best interest of our company, our employees and our stakeholders. We track proposed legislation at the federal, state and local level and advocate our position when appropriate. We strive to educate public officials about our businesses and the impacts of potential policy decisions and also participate in industry trade associates to assist in developing industry-wide positions, including memberships in the Interstate Natural Gas Association of America (INGAA), Edison Electric Institute (EEI), and the American Gas Association (AGA). NiSource's Political Action Committee (NIPAC) provides our employees a voice in the political process. NIPAC is a voluntary employee political action committee and, through NIPAC, we make bipartisan political contributions when permitted by law and in accordance with established guidelines. We comply with all Federal Election Commission and state regulations, and PAC contributions are publicly disclosed in our filings with state and federal election commissions and agencies.</p> <p>As part of our commitment to contemporary governance practices, all our corporate political activities are conducted under the oversight of the Corporate Governance Committee of the Board.</p>
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	●	<p>NiSource's Political Action Committee (NIPAC) provides our employees a voice in the political process. NIPAC is a voluntary employee political action committee and, through NIPAC, we make bipartisan political contributions when permitted by law and in accordance with established guidelines. We comply with all Federal Election Commission and state regulations, and PAC contributions are publicly disclosed in our filings with state and federal election commissions and agencies. All political engagement was completed in the United States.</p> <p>We do not — and under federal law we cannot — use corporate funds for direct contributions to federal candidates. We also do not make independent expenditures, as authorized by the Citizens United decision, and do not have any plans to do so at this time.</p> <p>As part of our commitment to contemporary governance practices, all our corporate political activities are conducted under the oversight of the Corporate Governance Committee of the Board.</p>
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	●	None.
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	●	Page 18 of the NiSource's 2014 Form 10K available on www.nisource.com outlines the company's current significant legal proceedings.
SO9	Operations with significant potential or actual negative impacts on local communities.	●	See pages 17-20: Environmental Stewardship. See Pages 7-11 Strong Communities.

S10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	●	<p>See pages 17-20: Environmental Stewardship. See Pages 7-11 Strong Communities.</p> <p>Water and air quality as well as pipeline integrity is continually monitored to minimize any potential impacts on local communities.</p> <p>NIPSCO's flue gas desulfurization (FGD) "scrubber" project on two units at our R. M. Schahfer Generating Station was completed in November 2014. The second scrubber project is under construction at our Michigan City Generating Station. These two projects -- the largest in NIPSCO's history -- are part of approximately \$850 million of environmental investments designed to improve air quality in our communities.</p> <p>CPG has developed a comprehensive and long-term \$4-5 billion year-by-year infrastructure investment plan that ensures safe and reliable transportation of natural gas for decades to come. This strategy includes: replacing aging infrastructure, upgrading natural gas compression systems, increasing pipeline system reliability and expanding in-line inspection capabilities.</p>
EU18	Percentage of contractor and subcontractor employees who have undergone relevant health and safety training.	●	<p>100 percent of all NiSource contractors and subcontractors are contractually required to perform work in compliance with all applicable federal, state, and local environmental and safety laws, regulations, and ordinances, including the Occupational Safety and Health Act and applicable regulations. All contractors are to initiate, maintain, and supervise all safety and health, loss control measures, precautions, and programs required in connection with the work being performed.</p>
EU19	Stakeholder participation in the decision making process related to energy planning and infrastructure development.	●	<p>See pages 7-11: Strong Communities.</p> <p>The majority of our services - and all of our electric programs - are regulated and must go through a process of public input. Additional information can be found in the projects pages of all of our NiSource websites. For example, https://www.nipsco.com/about-us/integrated-resource-plan, http://www.greentownreynolds.com, http://www.reynoldstopeka.com/. Also see Indicator 4.17.</p>
EU20	Approach to managing the impacts of displacement.	●	<p>We avoid displacement of anyone to the extent feasible by careful planning during the siting phases of major projects. If displacement is unavoidable, we make fair compensation for any property transaction</p>
EU21	Disaster/Emergency Planning and Response: Contingency planning measures, disaster/emergency management plan and training programs, and recovery/restoration plans.	●	<p>NiSource maintains a business continuity department responsible for ensuring compliance with our Business Continuity Policy. The department also facilitates training on business continuity-related exercises.</p> <p>NiSource maintains the following business continuity plans:</p> <ul style="list-style-type: none"> • Crisis Management Plan (updated annually; training annually) • Incident Management Plans (updated annually; training as required by regulation) • Emergency Response Plans (updated annually; training annually) • Business Contingency Plans (updated every two years or within 30 days of a major change; training as required by regulation) • Emergency Evacuation Plans (updated every two years or within 30 days of a major change; training annually) • Information Technology Disaster Recovery Plans (updated as changes to the network, infrastructure or applications occur; exercise twice annually) • Physical Security Plans (updated annually; training as required by regulation)
EU22	Number of people physically or economically displaced and compensation, broken down by type of project.	●	<p>We avoid displacement of anyone to the extent feasible by careful planning during the siting phases of major projects. If displacement is unavoidable, we make fair compensation for any property transaction</p>

GRI Indicator & Description		2014 Complete	2014 Information
Performance Indicators			
PRODUCT RESPONSIBILITY			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	●	See pages 7-11: Strong Communities. The life cycle and health and safety of our assets are assessed regularly, as required by laws, regulation or internal policies. We provide extensive public safety information through bill inserts, announcements, targeted mailings and our company websites available at www.nisource.com . Generally at NiSource, primary life cycle stages for the business include construction, use/service and replacement. NiSource undergoes extensive assessments at each stage of the process. At the conclusion of each stage opportunities for improvement are evaluated.
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	●	None Known.
PR3	Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements.	●	Electric and gas service cannot be labeled. We provide extensive public safety information through bill inserts, announcements, targeted mailings and our company websites available at www.nisource.com .
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	●	None Known.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	●	See pages 3-6: Customer-Focused Energy Solutions. Results compiled from a third party customer survey measure the percentage of utility customers who say the company met or exceeded their expectations following a recent interaction. We also rely on third-party industry data to measure customer satisfaction, including J.D. Power.
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	●	We market our services in a fair, truthful and ethical manner. Marketing and advertising materials are designed to reflect available products and services. A team approach is used to review marketing and advertising materials, which typically includes subject matter expert and legal review. Marketing is typically targeted at the household decision maker or the bill payer. Educational programs are occasionally focused on younger audiences, which are primarily related to the safety of using our products (electricity and natural gas) and energy efficiency tips. Additional information can be found in the NiSource Code of Business Conduct available on www.nisource.com/ethics .
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	●	None Known.

PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	●	We maintain policies and procedures to encourage employee and contractor reporting of actual or suspected privacy breaches regarding customer data. During 2014 several incidents were brought to the Company's attention through these channels. In these instances, no breach of customer privacy or loss of data was substantiated which required notification under any regulatory or legal requirement.
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	●	Page 18 of the NiSource's 2014 Form 10K available on www.nisource.com outlines the company's current significant legal proceedings.
EU23	Programs, including those in partnership with government, to improve or maintain access to electricity and customer support services.	●	See page 6: Assisting Customers – Energy Efficiency and Support Programs NiSource customers received more than \$66 million in energy assistance programs including federal assistance offered through the Low-Income Energy Assistance Program and other company-offered assistance programs. Complementary to federal assistance programs, NiSource companies offer their own assistance programs for those in need, including weatherization programs to reduce overall bills, rebates, and special payment programs, among various other initiatives. Customers are also urged to call us to discuss any financial hardships they are experiencing to review the options available. Additional information can be found on NiSource company websites available through www.nisource.com .
EU24	Practices to address language, cultural, low literacy and disability related barriers to accessing and safely using electricity and customer support services.	●	See NiSource's 2014 Inclusion & Diversity report available at www.nisource.com . NiSource company websites include at least some information in English and Spanish. Safety information is available in Spanish on all sites. In addition, our companies offer Spanish-speaking customer service support. We also offer LanguageLine services where employees can call in an interpreter to facilitate discussions with customers in other languages. We also partner with and support many local organizations that support and educate our customers who may have barriers to safely using electricity and customer support services.
EU25	Number of injuries and fatalities to the public involving company assets, including legal judgments, settlements and pending legal cases of diseases.	●	Across its operations, NiSource recorded 57 incidents of bodily injury claims in 2014, including two fatalities. No legal cases of disease were recorded. None were litigated to judgment.
EU26	Percentage of population unserved in licensed distribution or service areas.	●	NiSource has an obligation to serve all who want electric or natural gas service in its service territory. We do have a variety of new programs recently in place that make it more affordable for rural customers to connect to our natural gas system.
EU27	Number of residential disconnections for non-payment, broken down by duration of disconnection and by regulatory regime.	●	In addition to clear communication in advance of any disconnection, we make every attempt to exhaust all available options for customers prior to any residential disconnection, including referrals to area assistance agencies.
EU28	Power outage frequency.	●	2014 System Average Interruption Frequency Index (SAIFI): 0.84
EU29	Power outage duration.	●	Customer Average Interruption Disruption Index (CAIDI): 111 minutes
EU30	Average power outage duration.	●	Equivalent Availability Factor (EAF): 79%

Global Reporting Initiative – Disclosure on Management Approach

GRI Indicator & Description	2014 Complete	2014 Information
Disclosure on Management Approach		
ECONOMIC ASPECTS – DMA EC		
<ul style="list-style-type: none"> – Economic Performance; – Market Presence; and – Indirect Economic Impacts. 	●	<p>NiSource's vision is to establish a legacy of sustained economic growth, social responsibility and environmental stewardship reflective of a premier energy company.</p> <p>Additional information can be found in our Sustainability Strategy, Sustainability Policy and in our Code of Business Conduct and throughout our 2014 Form 10K available on www.nisource.com.</p>


GRI Indicator & Description	2014 Complete	2014 Information
Disclosure on Management Approach		
ENVIRONMENTAL ASPECTS – DMA EN		
<ul style="list-style-type: none"> – Materials; – Energy; – Water; – Biodiversity; – Emissions, Effluents and Waste; – Products and Services; – Compliance; – Transport; and – Overall. 	●	<p>See pages 17-20: Environmental Stewardship. See Environmental Stewardship data tables – pages 23-26.</p> <p>Building a cleaner, more efficient and affordable energy future is core to NiSource's environmental goals and our overall sustainability approach. We operate one of the nation's largest transportation and delivery systems for natural gas and continue to grow our system. We must balance this growth with reducing environmental impacts and implementing energy-efficiency measures for our customers, and we are committed to serving as responsible stewards of our natural and environmental resources. Our management approach to protecting biodiversity, complying with environmental regulations and reducing our environmental impacts can be found in our Environmental, Health & Safety Policy, our Sustainability Strategy, and throughout the Sustainability section of www.nisource.com</p>

GRI Indicator & Description	2014 Complete	2014 Information
Disclosure on Management Approach		
LABOR PRACTICES AND DECENT WORK ASPECTS – DMA LA		
<ul style="list-style-type: none"> – Employment; – Labor/Management Relations; – Occupational Health and Safety; – Training and Education; – Diversity and Equal Opportunity; and – Equal remuneration for women and men 	●	<p>See pages 12-16: Safe, Skilled, Engaged Teams</p> <p>NiSource operates solely within the United States and abides by all laws and regulations. At NiSource, we aspire to become the premier company in our industry. We want to be the company that sets the bar, operating safely and in an environmentally sound manner and utilizing innovative energy sources. We want to be known for reliable service and for being a valuable partner to the community. We are proud of how our employees work to help us reach our goals and proud to have an environment that allows us to generate collaborative, long-term energy solutions while we continually improve and grow together. We remain a high-performing organization when rated on employee engagement.</p> <p>Our work environment and culture are grounded in values that will continue to help us achieve our goals, including: Teamwork, Pride, Empowerment, Accountability, Safety, Growth and Development, Reward and Equal Opportunity. Our goal is to be in the top decile in our industry regarding employee safety. More information is available in the Careers section of www.nisource.com, as well as our Inclusion & Diversity report at www.nisource.com/diversity.</p>

GRI Indicator & Description	2014 Complete	2014 Information
Disclosure on Management Approach		
HUMAN RIGHTS ASPECTS – DMA HR		
<ul style="list-style-type: none"> – Investment and procurement practices – Non-discrimination – Freedom of association and collective bargaining – Child labor – Prevention of forced and compulsory labor 	●	<p>NiSource operates solely within the United States and abides by all laws and regulations related to human rights.</p> <p>NiSource companies are Equal Employment Opportunity employers and do not discriminate in any employer/employee relations based on race, color, religion, sex, marital status, sexual orientation, national origin, age, disability, veteran status, or other characteristics protected by law. NiSource companies require all employees to adhere strictly to this policy.</p> <p>Thirty-seven percent of the company's employees were subject to collective bargaining agreements at the end of 2014.</p>

GRI Indicator & Description	2014 Complete	2014 Information
Disclosure on Management Approach		
SOCIETY ASPECTS – DMA SO		
<ul style="list-style-type: none"> – Local Communities; – Corruption; – Public Policy; – Anti-Competitive Behavior; and – Compliance. 	●	<p>Our reputation ultimately rests on the good judgment and personal integrity of each of our employees, officers, directors and those with whom we do business. We believe, therefore, that our core values must at all times guide our decisions, actions and conduct.</p> <p>Our core Code of Conduct values are: Fairness, Honesty, Integrity and Trust.</p> <p>Detailed information can be found in NiSource's Code of Business Conduct available at www.nisource.com/ethics.</p>

GRI Indicator & Description	2014 Complete	2014 Information
Disclosure on Management Approach		
PRODUCT RESPONSIBILITY ASPECTS – DMA PR		
<ul style="list-style-type: none"> – Customer Health and Safety; – Product and Service Labeling; – Marketing Communications; – Customer Privacy; and – Compliance. 	●	<p>Our reputation ultimately rests on the good judgment and personal integrity of each of our employees, officers, directors and those with whom we do business. We believe, therefore, that our core values must at all times guide our decisions, actions and conduct.</p> <p>Our core Code of Conduct values are: Fairness, Honesty, Integrity and Trust.</p> <p>Detailed information can be found in NiSource's Code of Business Conduct available www.nisource.com/ethics.</p>



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