

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

NiSource serves nearly 4 million natural gas and electric customers across six states under our Columbia Gas and NIPSCO brands, and we employ over 7,500 people of our neighbors who are engaged in the communities we serve, making them great places to live and call home.

We are relentlessly focused on serving customers in a way that is safe, reliable, environmentally responsible and sustainable. This includes a long-standing commitment to address the challenge posed by climate change. We have developed and are actively implementing plans that result in a projected 90 percent reduction of our greenhouse gas emissions from all operations by 2030 (NiSource-wide from a 2005 baseline) through the retirement of all of our coal-fired electric generation and methane reduction initiatives. As of the end of 2020, we had already reduced our Scope 1 greenhouse gas emissions by 63 percent from 2005 levels!

Overall, we are pursuing a sustainability strategy that includes approximately \$40 billion of long-term infrastructure and safety investments over 20 years. As part of NIPSCO's planned replacement of approximately 1,400 megawatts of retiring coal-fired generation in 2023, we have identified approximately \$2 billion in capital investment opportunities, to be deployed primarily across 2022 and 2023. These investments in renewable energy will provide benefits for customers and value for shareholders. The overall replacement plan is expected to save NIPSCO's electric customers more than \$4 billion in costs over 30 years when compared to the continued operation of NIPSCO's current generation fleet.

We want to help customers reduce their emissions and save money. In 2020, more than 1.1 million customers participated in our programs for energy-efficiency upgrades, home check-ups, and weatherization services, saving customers more than \$17 million on their energy bills.

NiSource is engaged in a robust, multiyear effort to replace existing cast iron and bare steel natural gas distribution pipe with safer and more reliable materials. Through these efforts, we are targeting and on-track to achieve a 50% reduction in methane emissions from main and service lines by 2025. Furthermore, we are implementing Picarro mobile leak detection technology to identify large volume leaks and enable additional methane reductions.

In 2019, we published our first Climate Report that incorporates recommendations from the Task Force on Climate-Related Financial Disclosures (TCFD) to disclose governance, strategy, risk management, and metrics and targets around climate-related risks and opportunities. An updated TCFD Climate Report is planned for publication in late 2021 to follow the fourth quarter filing of our NIPSCO Integrated Resource Plan (IRP), a process that involves participation from customers, consumer representatives, environmental organizations, and other stakeholders to analyze and outline how electric utilities plan to serve customers and meet future requirements. The Climate Report will also address an enhanced structure and process for managing climate issues, the resilience of our strategy through deep decarbonization scenario analysis, and a phased climate risks & opportunities assessment that includes physical risk.

In 2020, NiSource was named to the Dow Jones Sustainability Index -- North America in recognition of our sustainable business practices and performance for the seventh consecutive year. We were also recognized by the Sierra Club with an 'A' grade for our climate targets and action.

Thank you for reviewing this questionnaire and acknowledging our progress. We will continue to do our part to secure our energy future.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2020	December 31 2020	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-EU0.7

(C-EU0.7) Which part of the electric utilities value chain does your organization operate in? Select all that apply.

Row 1

Electric utilities value chain

Electricity generation

Transmission

Distribution

Other divisions

Gas storage, transmission and distribution

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	For more than a decade, NiSource's commitment to greenhouse gas (GHG) emission reporting and reduction has been guided by the Environmental, Safety and Sustainability (ESS) Committee of the NiSource Board of Directors and implemented across the NiSource companies. The ESS Committee oversees programs, performance and risks relative to environmental, safety and sustainability matters, including climate-related issues. The ESS Committee meets a minimum of four times annually. The Environmental Safety and Sustainability charter for the Committee can be found on the NiSource website at https://www.nisource.com/investors/governance .
Chief Executive Officer (CEO)	Our CEO is ultimately responsible for the management of climate-related issues at NiSource.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues Other, please specify (Reviewing and approving the NiSource Climate Change Policy)	<Not Applicable>	The Environmental, Safety & Sustainability (ESS) Board Committee oversees programs, performance and risks relative to environmental, safety and sustainability matters, including climate-related issues. The ESS Committee meets a minimum of four times annually. The Environmental Safety and Sustainability charter for the Committee can be found on the NiSource website at https://www.nisource.com/investors/governance .

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other, please specify (VP, Federal Government Affairs, Environmental and Sustainability)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Chief Executive Officer (CEO)	<Not Applicable>	Managing climate-related risks and opportunities	<Not Applicable>	Half-yearly
Other C-Suite Officer, please specify (SVP, Strategy & Chief Risk Officer)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Half-yearly
Risk committee	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Half-yearly
Chief Operating Officer (COO)	<Not Applicable>	Managing climate-related risks and opportunities	<Not Applicable>	Half-yearly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Our CEO is ultimately responsible for the management of climate-related issues.

Several individuals and teams at NiSource are also responsible for assessing and managing climate-related risks and opportunities, including our Chief Strategy and Risk Officer, who reports to the CEO and aligns NiSource's long-term strategy with stakeholder priorities, including portfolio optimization, renewable energy and growth strategies. In addition, our Vice President, Federal Government Affairs, Environmental and Sustainability, monitors emerging climate policy and industry sustainability trends. This position reports to the Executive Vice President, COO, and President, NiSource Utilities.

Overall, our enterprise risk management process directs the identification, assessment, monitoring, and management of risk, including that from climate-related issues.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Management group	Monetary reward	Emissions reduction target	In January 2020, the Compensation Committee of our Board of Directors approved 2020 long-term incentive (LTI) awards to senior executives. One component of the LTI is environmental impact, as measured by a greenhouse gas emission reduction goal for the three-year performance period.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	5	Guidance Range
Medium-term	6	10	Long-Range Plan
Long-term	11	20	Scenario Planning

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

NiSource measures risk relative to our Stakeholder Commitments and Strategic Priorities. The Commitments and Priorities are reviewed annually by the Executive Leadership Team, the Risk Management Committee, and the Strategy Council. Underpinning the Commitments and Priorities are specific goals and performance objectives around safety, reliability, customer satisfaction, environmental stewardship and sustainability (including climate), and financial performance, among others.

Goals and performance objectives are defined at multiple levels: team, operating company, business unit, or corporate. Generally, NiSource considers impacts to be substantive if they could interfere with the achievement of important goals and performance objectives. The importance is a reflection of the current business context including internal and external factors.

Risks are documented and managed at a team, operating company, business unit or corporate level in accordance with our enterprise risk management (ERM) framework.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

For a description of the general process for identifying and assessing climate-related risks and opportunities, please see C2.1b. New in 2020 -- NiSource formed an executive-level process to provide oversight of climate-related risks and opportunities. This process includes an iterative, phased, and cross-functional assessment: Phase 1: Inventory risks and opportunities (transitional and physical risk and opportunity identification from subject matter experts, external perspectives, and review of peer companies) Phase 2: Evaluate down-selected risks and opportunities (qualitative & quantitative assessment and prioritization of risks and mitigation; enhanced scenario analysis) Phase 3: Advanced down-selected business cases and implement strategy to mitigate risks and advance opportunities Case Study in Process for Identifying, Assessing, and Responding to Climate Risks & Opportunities - NIPSCO Integrated Resource Plan (IRP) Resource planning is a complex undertaking, one that requires addressing the inherent uncertainties and risks that exist in the electric industry. Key factors referred to in the IRP include market conditions, fuel prices, environmental regulations, economic conditions and technology advancements. Using in-depth data, modeling and risk-based analysis provided by internal and external subject matter experts, we project future customer energy needs and evaluate available options to meet those needs. This study takes place every three years and NIPSCO is currently in the process of developing an updated study that will be completed at the end of 2021. The case study below describes the process in 2018. In the IRP modeling, NIPSCO assumed three carbon price scenarios. The base case assumed a new federal rule or legislative action effective in 2026. The low case assumed a replacement Clean Power Plan rule with a focus on coal plant efficiency improvements. (No specific tax or emission cap requirement would be present under such regulations.) The high case assumed a stricter new federal rule or legislative action effective in 2026. Price levels were generally consistent with a 50-60% reduction in electric sector CO2 emissions relative to 2005 by the 2030s. New to NIPSCO's IRP, we issued a formal Request for Proposals (RFP) solicitation to uncover the breadth of actionable projects that were available to NIPSCO within the marketplace across all technology types. The RFP also served to collapse uncertainty about the costs of various technologies, particularly renewables. The projections included in our plan are based on the best available information at this point in time. Changes that affect our plan may arise, which is why it's important for us to remain flexible and continually evaluate current market conditions, the evolution of technology—particularly renewables—and demand side resources, as well as laws and environmental regulations. Resource planning requires the consideration of diverse points of view, which is one of the reasons that external stakeholder involvement is a critical component throughout the development of the IRP. We engaged stakeholder groups and individuals in a variety of ways throughout the entirety of the planning process. NIPSCO initiated stakeholder advisory efforts for its IRP in March 2018, hosting a public meeting and launching a web page for interested stakeholders to follow the progress. Four additional public meetings followed in May, July, September and October. NIPSCO also hosted public forums to discuss specific topics arising from the IRP. In addition to posting public invitations on our IRP web page, we sent an invitation to past IRP stakeholder participants. Members of our executive leadership team and several of our subject matter experts attended each meeting to hear feedback and answer questions. Throughout the IRP process, stakeholders were also invited to meet with us on a one-on-one basis to discuss key concerns and perspectives. Each interaction provided a forum for discussion and feedback related to the many components of the IRP. Valuable discussions arose in several key areas, including environmental regulations, fuel costs, load forecasting calculations, energy efficiency program analysis and renewable energy development. Throughout the IRP analysis, we were striving to balance the needs of our customers, employees and other community stakeholder interests. Our goal as we look forward is to transition to the best-cost, cleanest electric supply mix available while keeping options open for the future as technologies and markets change. Analysis shows that the most viable path for customers involves accelerating the retirement of a majority of NIPSCO's remaining coal-fired generation in the next five years and all coal within the next 10 years. Replacement options point toward lower-cost renewable energy resources such as wind, solar and battery storage technology. This plan allows NIPSCO and NiSource to target a 90 percent reduction of our greenhouse gas emissions by 2030 (from 2005 levels), which reduces climate risk and realizes an opportunity for lower-cost clean energy resources and customer savings. As part of the 2021 IRP, NIPSCO is undertaking a similar process with detailed analysis and stakeholder engagement. An area of focus in 2021 is understanding how the reliability and operations of the electric system will change as we transition to more renewable and by nature intermittent sources of electric generation. Specifically, we have expanded our uncertainty analysis modelling to incorporate weather variability in order to assess the impact of weather on power prices for our customers. Furthermore we have broadened our risk analysis to incorporate granular views of tail risk and developed specific metrics tied to the reliability attributes of electric generation resources.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current climate policy, such as the Virginia Clean Economy Act and Maryland Greenhouse Gas Reduction Act, are assessed for risks.
Emerging regulation	Relevant, always included	While we continue to reduce GHG emissions through the retirement of coal-fired electric generation, increased sourcing of renewable energy, priority pipeline replacement, energy efficiency programs, and leak detection and repair, GHG emissions are currently an expected aspect of the electric and natural gas business. Revised or additional future GHG legislation and/or regulation related to the generation of electricity or the extraction, production, distribution, transmission, storage and end use of natural gas could materially impact our gas supply, financial position, financial results and cash flows. Changes in policy to combat climate change, and technology advancement, each of which can also accelerate the implications of a transition to a lower carbon economy, may materially adversely impact our business, financial position, results of operations, and cash flows.
Technology	Relevant, always included	Failure to adapt to advances in technology and manage the related costs could make us less competitive and negatively impact our results of operations and financial condition. Our natural gas business model leverages widespread utilization of natural gas for space heating as a core driver of revenues. Alternative energy sources, new technologies, or alternatives to natural gas space heating, including cold climate heat pumps and/or efficiency of other products, could reduce demand and increase customer attrition, which would impact our ability to recover on our investments in our gas distribution assets. Our future success will depend, in part, on our ability to anticipate and successfully adapt to technological changes, to offer services that meet customer demands and evolving industry standards, and to recover all, or a significant portion of, any unrecovered investment in obsolete assets. A failure by us to effectively adapt to changes in technology and manage the related costs could harm our ability to remain competitive in the marketplace for our products, services and processes and could have a material adverse impact on our results of operations and financial condition.
Legal	Relevant, always included	The company monitors the financial and reputational risk associated with climate-related litigation claims.
Market	Relevant, always included	Energy conservation, energy efficiency, distributed generation, energy storage and other factors may reduce demand for natural gas and energy. Residential and commercial customers' usage is sensitive to economic conditions and factors such as unemployment, consumption and consumer confidence. Therefore, prevailing economic conditions affecting the demand of our customers may in turn affect our financial results.
Reputation	Relevant, always included	Natural gas may cease to be viewed as an economically and environmentally attractive fuel. Environmental activist groups, investors and governmental entities may continue to oppose natural gas delivery and infrastructure investments in the jurisdictions where we operate because of perceived environmental impacts associated with the natural gas supply chain and end use.
Acute physical	Relevant, always included	A disruption or failure of natural gas distribution systems, or within electric generation, transmission or distribution systems, in the event of a major hurricane, tornado, flood, or other catastrophic event could cause delays in completing sales, providing services, or performing other critical functions. The occurrence of such events could adversely affect our financial position and results of operations. In accordance with customary industry practice, we maintain insurance against some, but not all, of these risks and losses.
Chronic physical	Relevant, always included	Climate change may exacerbate the risks to physical infrastructure, including heat stresses to power lines, storms that damage infrastructure, lake and sea level changes that damage the manner in which services are currently provided, droughts or other stresses on water used to supply services, and other extreme weather conditions. Climate change and the transition to a lower carbon economy have the potential to affect our business by reducing our ability to serve customers, increasing the costs we incur in providing our products and services, impacting the demand for and consumption of our products and services (due to changes in costs, technology, reputation and weather patterns), and affecting the economic health of the regions in which we operate. We conduct our operations across a wide geographic area subject to varied and potentially extreme weather conditions, which may from time to time persist for sustained periods of time. Despite preventative maintenance efforts, persistent weather related stress on our infrastructure may reveal weaknesses in our systems not previously known to us or otherwise present various operational challenges across all business segments. Further, adverse weather may affect our ability to conduct operations in a manner that satisfies customer expectations or contractual obligations, including by causing service disruptions.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Future legislative and regulatory programs could significantly restrict emissions of GHGs or could impose a cost or tax on GHG emissions. We assess this risk driver at state, regional, and federal levels. Revised or additional future GHG legislation and/or regulation related to the generation of electricity or the extraction, production, distribution, transmission, storage, and end-use of natural gas could materially impact our financial position, financial results, and cash flows.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cost of response to risk

Description of response and explanation of cost calculation

NiSource spends over \$800M per year for the replacement of gas pipelines and leak detection, \$50M per year on energy efficiency programs, and is ramping up investment in renewable energy. We continue to reduce GHG emissions through the retirement of coal-fired electric generation, increased sourcing of renewable energy, priority pipeline replacement, energy efficiency programs, and leak detection and repair. We plan to retire our remaining coal-fired electric generation by 2028. We are also targeting a 50% reduction in methane emissions from natural gas mains and service lines by 2025 and a 90% overall greenhouse gas emissions reduction by 2030 (from 2005 levels).

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Mandates on and regulation of existing products and services
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Primary potential financial impact

Please select

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

In February 2021, the United States rejoined the Paris Agreement, an international treaty through which parties set nationally determined contributions to reduce GHG emissions, build resilience, and adapt to the impacts of climate change. Subsequently, the Biden Administration released a target for the United States to achieve a 50%-52% GHG reduction from 2005 levels by 2030, which supports the President's goals to create a carbon-free power sector by 2035 and net zero emissions economy no later than 2050. There are many pathways to reach these goals. We will carefully monitor all climate-related policy as we continue to actively implement our plans to be coal-free by 2028 and achieve our 90% GHG reduction target by 2030. There is also potential federal action on a Clean Energy Standard and a methane fee which could be included in proposed infrastructure legislation.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cost of response to risk

Description of response and explanation of cost calculation

We continue to reduce GHG emissions through the retirement of coal-fired electric generation, increased sourcing of renewable energy, priority pipeline replacement, energy efficiency programs, and leak detection and repair. We plan to retire our remaining coal-fired electric generation by 2028 and transition to energy from wind, solar, and battery storage. We are also targeting a 50% reduction in methane emissions from natural gas mains and service lines by 2025 and a 90% overall greenhouse gas emissions reduction by 2030 (from 2005 levels). We are actively engaged in science and policy discussions at various levels, and we have partnered with the American Gas Association (AGA) to promote the benefits and value of natural gas.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods
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Primary potential financial impact

Please select

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

A disruption or failure of natural gas distribution systems, or within electric generation, transmission or distribution systems, in the event of a major hurricane, tornado, flood, or other catastrophic event could cause delays in completing sales, providing services, or performing other critical functions. The occurrence of such events could adversely affect our financial position and results of operations. In accordance with customary industry practice, we maintain insurance against some, but not all, of these risks and losses. Our ongoing climate risk assessment is analyzing the risk of severe weather events and floods, among other physical risks.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cost of response to risk

Description of response and explanation of cost calculation

Case studies indicate that natural gas infrastructure (e.g. underground assets) and services exhibit significant physical resilience to climate-related events.

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Changes in precipitation patterns and extreme variability in weather patterns
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Primary potential financial impact

Please select

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Climate change may exacerbate the risks to physical infrastructure, including heat stresses to power lines, storms that damage infrastructure, lake and sea level changes that damage the manner in which services are currently provided, droughts or other stresses on water used to supply services, and other extreme weather conditions. Climate change and the transition to a lower carbon economy have the potential to affect our business by reducing our ability to serve customers, increasing the costs we incur in providing our products and services, impacting the demand for and consumption of our products and services (due to changes in costs, technology, reputation and weather patterns), and affecting the economic health of the regions in which we operate. We conduct our operations across a wide geographic area subject to varied and potentially extreme weather conditions, which may from time to time persist for sustained periods of time. Despite preventative maintenance efforts, persistent weather related stress on our infrastructure may reveal weaknesses in our systems not previously known to us or otherwise present various operational challenges across all business segments. Further, adverse weather may affect our ability to conduct operations in a manner that satisfies customer expectations or contractual obligations, including by causing service disruptions. Our ongoing climate risk assessment is analyzing the risk of changes in precipitation and variability in weather patterns, among other physical risks.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cost of response to risk

Description of response and explanation of cost calculation

Case studies indicate that natural gas infrastructure (e.g. underground assets) and services exhibit significant physical resilience to climate-related events. Potential climate-related impacts on our electric generation assets are partially mitigated by the transition away from using cooling water for electric generation. NIPSCO has already reduced its water withdrawal and discharge associated with electric generation by 89% and 93%, respectively, since 2005. The company is targeting 99% reductions in both metrics by 2030 through the retirement of our remaining coal-fired electric generation.

Comment

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Chronic physical	Rising mean temperatures
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Primary potential financial impact

Please select

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Rising mean temperature has a direct impact on our operations and customers' energy usage. In general, rising mean temperature decreases natural gas demand (i.e. heating demand) and increases electric demand (i.e. cooling demand) for residential and commercial customers. Rising mean temperatures could also exacerbate the risks to physical infrastructure, including heat stresses to power lines. Energy sales are sensitive to variations in weather. Forecasts of energy sales are based on "normal" weather, which represents a long-term historical average. Significant variations from normal weather could have, and have had, a material impact on energy sales. Our ongoing climate risk assessment is analyzing the risk of rising mean temperatures, among other physical risks.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cost of response to risk

Description of response and explanation of cost calculation

While historical rate design at the distribution level has been structured such that a large portion of cost recovery is based upon throughput rather than in a fixed charge, operating costs are largely incurred on a fixed basis and do not fluctuate due to changes in customer usage. As a result, Gas Distribution Operations have pursued changes in rate design to more effectively match recoveries with costs incurred. Each of the states in which Gas Distribution Operations operate has different requirements regarding the procedure for establishing changes to rate design. Columbia of Ohio has adopted a straight fixed variable rate design that closely links the recovery of fixed costs with fixed charges. Columbia of Maryland and Columbia of Virginia have regulatory approval for weather and revenue normalization adjustments for certain customer classes, which adjust monthly revenues that exceed or fall short of approved levels during specified heating months. Columbia of Pennsylvania continues to operate its pilot residential weather normalization adjustment and also has a fixed customer charge. This weather normalization adjustment only adjusts revenues when actual weather compared to normal varies by more than 3%. Columbia of Kentucky incorporates a weather normalization adjustment for certain customer classes and also has a fixed customer charge. In a prior gas base rate proceeding, NIPSCO implemented a higher fixed customer charge for residential and small customer classes moving toward recovering more of its fixed costs through a fixed recovery charge, but has no weather or usage protection mechanism.

Comment

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market	Changing customer behavior
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Primary potential financial impact

Please select

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Climate change and the transition to a lower carbon economy have the potential to affect our business by reducing our ability to serve customers, increasing the costs we incur in providing our products and services, impacting the demand for and consumption of our products and services (due to changes in costs, technology, reputation and weather patterns), and affecting the economic health of the regions in which we operate. Business operations throughout our service territories have been and may continue to be adversely affected by economic events at the national and local level where our businesses operate. In particular, sales to large industrial customers, such as those in the steel, oil refining, industrial gas and related industries, are impacted by economic downturns, including the downturn resulting from the COVID-19 pandemic; geographic or technological shifts in production or production methods; and consumer demand for environmentally friendly products and practices. The U.S. manufacturing industry continues to adjust to changing market conditions including international competition, increasing costs, and fluctuating demand for its products. Additionally, some customers have announced decarbonization efforts which could significantly change their energy choices and demand.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cost of response to risk

Description of response and explanation of cost calculation

We are targeting a 90 percent reduction in our greenhouse gas emissions by 2030 (from 2005 levels). NIPSCO offers a Green Power program, which is a voluntary program that allows customers to designate a portion or all of their monthly electric usage to come from power generated by renewable energy sources. NIPSCO also offers Net Metering and Feed-in Tariff programs, which allow customers to generate their own electricity from renewable energy to offset their usage or to sell back to NIPSCO. Renewable natural gas (RNG) is emerging as a potential energy source that helps provide a carbon-neutral or carbon-negative alternative for natural gas customers.

Comment

Identifier

Risk 7

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Technology	Transitioning to lower emissions technology
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Primary potential financial impact

Please select

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Our plan to replace 80% of our coal generation capacity by mid-2023 and all of our coal generation by the end of 2028 with primarily renewable resources may not progress as anticipated. On October 31, 2018, NIPSCO submitted its 2018 Integrated Resource Plan with the IURC setting forth its short- and long-term electric generation plans in an effort to maintain affordability while providing reliable, flexible and cleaner sources of power. The Integrated Resource Plan evaluated demand-side and supply-side resource alternatives to meet NIPSCO customers' future energy requirements over the ensuing 20 years. There are inherent risks and uncertainties in executing the Integrated Resource Plan, including changes in market conditions, regulatory approvals, environmental regulations, commodity costs and customer expectations, which may impede NIPSCO's ability to achieve the intended results. NIPSCO's future success will depend, in part, on its ability to successfully implement its long-term electric generation plans, to offer services that meet customer demands and evolving industry standards, and to recover all, or a significant portion of, any unrecovered investment in obsolete assets. NIPSCO's electric generation strategy could require significant future capital expenditures, operating costs and charges to earnings that may negatively impact our financial position, financial results and cash flows. As required by statute, NIPSCO plans to submit a new Integrated Resource Plan to the IURC by November 1, 2021. This submission will again outline NIPSCO's short and long term plans for meeting the energy supply needs of its customers, taking into account current perspectives on a range of factors including, but not limited to, new state and federal policy, wholesale market rules, forecasted customer demand, and available resource alternatives. The analysis, conclusions and Preferred Plan in the 2021 Integrated Resource Plan may be different from the analysis, conclusions and Preferred Plan in the 2018 Integrated Resource Plan.

Time horizon

Short-term

Likelihood

Unlikely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure**Cost of response to risk****Description of response and explanation of cost calculation****Comment**Please see the following website for more information about the NIPSCO IRP: <https://www.nipsco.com/our-company/about-us/regulatory-information/irp>

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**Identifier**

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced direct costs

Company-specific description

The preferred option within the NIPSCO Integrated Resource Plan retires the R.M. Schahfer Generating Station by mid-2023 and the Michigan City Generating Station by the end of 2028. These stations represent 2,080 MW of generating capacity, equal to 72% of NIPSCO's remaining generating capacity and 100% of NIPSCO's remaining coal-fired generating capacity. The current replacement plan includes renewable sources of energy, including wind, solar, and battery storage. In the second quarter of 2020, the MISO approved NIPSCO's plan to retire the R.M. Schahfer Generating Station in 2023. In February 2021, NIPSCO decided to submit modified Attachment Y Notices to MISO requesting accelerated retirement of two of the four units at R.M. Schahfer Generating Station. The two units are now expected to be retired by the end of 2021, with the remaining two units still scheduled to be retired in 2023.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

4000000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

\$4B in cost savings (NPV) for customers over 30 years as a result of retiring and replacing existing coal assets with renewable resources.

Cost to realize opportunity

3000000000

Strategy to realize opportunity and explanation of cost calculation

As part of NIPSCO's planned replacement of approximately 1,400 megawatts of retiring coal-fired generation in 2023, NiSource has identified \$1.8 – \$2.0 billion in capital investment opportunities, incremental to our previous capital plan, to be deployed primarily across 2022 and 2023. These investments in renewable energy will provide benefits for customers and value for shareholders. The overall replacement plan is expected to save NIPSCO's electric customers more than \$4 billion in costs over 30 years when compared to the continued operation of NIPSCO's current generation fleet and to reduce greenhouse gas emissions 90 percent by 2030 compared to a 2005 baseline. Our plan to replace 80% of our coal generation capacity by the end of 2023 and all of our coal generation by the end of 2028 with primarily renewable resources is well underway. In October 2020, we executed three BTAs for 900 MW solar nameplate capacity and 135 MW of storage capacity. In December 2020, the formation of the Rosewater Wind Generation joint venture, one of our previously executed BTAs, was completed, and has begun operation. We executed in December 2020 a PPA for an additional 280 MW of solar nameplate capacity. These projects were selected following a comprehensive review of bids submitted through the RFP process that NIPSCO underwent in late 2019. The projects complement previously executed BTAs and PPAs with a combined nameplate capacity of 400 MW and 1,300 MW, respectively.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Please select

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Please select

Company-specific description

Increased domestic supply of natural gas, combined with low cost and positive environmental attributes, will continue to provide investment opportunities through the development and expansion of low emission goods and services.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

NiSource is engaged in a robust, multiyear effort to replace existing cast iron and bare steel natural gas distribution pipe with state-of-the-art materials, such as advanced plastics and protected steel with an emphasis on modernizing our systems to enhance safety, reliability, and customer service. Replacing cast iron and bare steel pipe also reduces methane emissions. Since 2005, our methane emissions from natural gas main and service lines have decreased by 39 percent from pipe replacement, and we are targeting a 50 percent reduction by 2025.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Resilience

Primary climate-related opportunity driver

Participation in renewable energy programs and adoption of energy-efficiency measures

Primary potential financial impact

Please select

Company-specific description

An increased focus on energy efficiency measures and renewable energy programs may allow the company to expand customer offerings.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure**Cost to realize opportunity****Strategy to realize opportunity and explanation of cost calculation**

NiSource regularly evaluates its customer-focused energy efficiency and renewable energy programs to expand customer offerings. Furthermore, as the price of solar power continues to decline, opportunities to provide additional services to customers that manage decentralized energy generation along with NIPSCO's own renewable energy may become available.

Comment**Identifier**

Opp4

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

As transportation gets increasingly electrified primarily through the increased adoption of electric vehicles, NiSource expects an increase in electricity demand from electric charging. One of the primary motivations for customers adopting electric vehicles is their desire to reduce their carbon and other emissions footprint. Electric utilities play a role in increasing the ease by which customers adopt electric vehicles and to the extent that NiSource is able to facilitate greater levels of adoption of electric vehicles, it will contribute directly to emissions reduction.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure**Cost to realize opportunity****Strategy to realize opportunity and explanation of cost calculation**

There are multiple strategies to realize this opportunity for NiSource. NiSource could provide customers across various segments easier access to electric charging infrastructure to further support the adoption of electric vehicles. The spectrum of opportunities could range from NiSource providing information, services, and rebates to help customers adopt electric vehicles to NiSource deploying electric charging infrastructure across its service territories. Furthermore, NiSource could develop specific rates and tariff structures tailored to customers who adopt electric vehicles. Through its NIPSCO Electric subsidiary, NiSource has piloted various initiatives including customer rebates for charging infrastructure and time of use rates for electric vehicle customers. NIPSCO is currently participating in a pilot program to deploy fast charging infrastructure along the interstate highways in its service territory as part of the State of Indiana's desire to create the DC Fast charging corridor across the entire state. The pilot should validate and inform the strategy to further deploy charging infrastructure across the service territory.

Comment**Identifier**

Opp5

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of new technologies

Primary potential financial impact

Reduced direct costs

Company-specific description

NiSource through its NIPSCO electric subsidiary is evaluating a technology-focused grid modernization strategy. This strategy will leverage advances in sensor and communication technologies to increase visibility and situational awareness and enhance the company's ability to respond to disruptions in its ability to deliver electricity to customers. By enhancing these capabilities, the electrical distribution will become more resilient by minimizing the impact of disturbances to customers and enhancing the ability of the system to bounce back from such disruptions much quicker than today.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)**Potential financial impact figure – minimum (currency)**

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Capital investment in infrastructure projects from 2021 to 2026

Cost to realize opportunity

1400000000

Strategy to realize opportunity and explanation of cost calculation

Since 2015, NIPSCO has developed programs to systemically invest in improving the resiliency of its electric system by replacing with a primary focus on replacing aging assets. As a continuation of those programs, NIPSCO is looking at deploying advanced communication technologies and smart switches and automation technologies to enhance its operational capabilities. For instance, NIPSCO is looking to deploy distribution automation switches that have the capability to detect and reroute power around a fault or system disturbance thereby simultaneously minimizing the number of customers that are impacted and provide the exact parameters of the disturbance to speed up the restoration to normal operating conditions. As part of the portfolio of investments to realize this strategy NIPSCO is considering investments in Smart Meters (AMI) and advanced IT systems. The cost calculations are in line with the size of the current infrastructure modernization program. The \$1.4B cost reflects the NIPSCO modernization program to provide a number of direct benefits to customers and communities by maintaining the overall safety and integrity of the system, identifying and eliminating system failures, providing direct and indirect economic benefits, supporting new business expansion across the state, and providing resilience.

Comment**Identifier**

Opp6

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

NiSource is working with renewable natural gas (RNG) developers who wish to use its distribution network to transport and deliver renewable natural gas.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

The NiSource gas companies are looking at tariff changes that will more clearly define requirements for RNG that will streamline the process for RNG developers.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Is your organization's low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

	Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
Row 1	No, and we do not intend it to become a scheduled resolution item within the next two years	Progress on our low-carbon transition plan is discussed regularly with our Board of Directors and updates are provided at least quarterly as part of our earnings releases.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
Other, please specify (We have engaged in quantitative and qualitative climate-related scenario analysis, including a 2-degree Celsius or lower scenario)	We use scenarios and stochastic analysis to perform a robust assessment. More information on this scenario analysis is available on our website for stakeholder participation: https://www.nipsco.com/our-company/about-us/regulatory-information/irp Our latest Integrated Resource Plan assessment includes the following scenarios: Reference Case • The MISO market continues to evolve based on current expectations for load growth, commodity price trajectories, technology development, and policy change (some carbon regulation and MISO rules evolution) Status Quo Extended • Binding federal limits on carbon emissions are not implemented; natural gas prices remain low and result in new gas additions remaining competitive versus renewables, as coal capacity more gradually fades from the MISO market Aggressive Environmental Regulation • Carbon emissions from the power sector are regulated through a mix of incentives and a federal tax/cap-and-trade program that results in a significant CO2 price and net-zero emission targets for the power sector by 2040; restrictions on natural gas production increase gas prices Economy-Wide Decarbonization • Technology development and federal incentives push towards a decarbonized economy, including through a power sector Clean Energy Standard (supporting renewables and other non-emitting technologies) and large-scale electrification in other sectors (EVs, heating, processes, etc.) NiSource is also using scenario planning to qualitatively think through the key uncertainties that have the most impact to our corporate strategy. Climate-related considerations are a key uncertainty identified. We iterate on future scenarios related to climate issues, and we also analyze how other key uncertainties like technology or policy could catalyze or inhibit outcomes.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Energy efficiency programs, renewable electricity, and renewable natural gas (RNG). We regularly consider renewable forms of energy in our planning. All of our companies offer energy efficiency programs to help our customers increase their efficient use of energy and reduce emissions.
Supply chain and/or value chain	Yes	Our electric supply strategy includes purchase power agreements for renewable energy. In our gas business, we are examining blending renewable natural gas and/or hydrogen into the natural gas stream.
Investment in R&D	Evaluation in progress	R&D investment and pilots in emission reduction technologies are being evaluated. NiSource is also a sponsor of the Low Carbon Research Initiative, a five-year, collaborative effort supported by major electric and gas utilities to advance the technologies needed for deep decarbonization within the next decade so they can be deployed in the 2030 to 2050 timeframe.
Operations	Yes	As we considered replacing the current coal generation fleet in 2019, one of the criteria for consideration for replacement resources was the carbon emissions profile of each of the resource options under consideration. In 2018, NIPSCO was ranked in the fourth quartile of CO2 emissions on a megawatt-hour basis, and with the increasing likelihood of GHG regulation, it was important that we looked for opportunities to reduce the NIPSCO emissions profile. Our strategy allows us to target a 90 percent reduction in emissions by 2030 (from 2005 levels). In our natural gas operations, climate-related risks and opportunities have influenced our pipe modernization program and ongoing leak repair program. Our strategy allows us to target a 50 percent reduction in methane emissions from mains and services by 2025 (from 2005 levels).

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Capital allocation Access to capital Assets Liabilities	NiSource's strategic and financial planning processes take into account the commitments we have made to various stakeholder groups including customers, the communities in which we operate, employees, and shareholders. The processes also take into account various enterprise risks (including environmental risks) the company faces and associated risk mitigation strategies. Our financial plan incorporates the investments NiSource will make to mitigate these risks and the impact those investments will have on financial performance and financing needs. Investments related to climate change risks include significant generation strategy investments aimed at retiring coal-based generation capacity and building renewable electric generation capacity. This strategy will result in reduced emissions and lower overall costs for our customers and will impact NiSource's revenue and cost structure. NiSource is also making significant investments in its gas transmission and distribution systems. These investments will enhance the overall safety of these systems, including reducing leaks and associated methane emissions. NiSource also incorporates climate risks when procuring insurance on an annual basis.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2017

Target coverage

Business division

Scope(s) (or Scope 3 category)

Scope 1

Base year

2005

Covered emissions in base year (metric tons CO2e)

18369782

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

91

Target year

2025

Targeted reduction from base year (%)

50

Covered emissions in target year (metric tons CO2e) [auto-calculated]

9184891

Covered emissions in reporting year (metric tons CO2e)

6283063

% of target achieved [auto-calculated]

131.593494141629

Target status in reporting year

Achieved

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Well-below 2°C aligned

Please explain (including target coverage)

Our Abs1 target is a 50% reduction in GHG emissions from our electric generation portfolio by 2025 (from 2005 levels). In combination with our other absolute targets, 96% of our Scope 1 base year emissions are covered by our emission reduction targets.

Target reference number

Abs 2

Year target was set

2017

Target coverage

Business division

Scope(s) (or Scope 3 category)

Scope 1

Base year

2005

Covered emissions in base year (metric tons CO2e)

364745

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

5

Target year

2025

Targeted reduction from base year (%)

50

Covered emissions in target year (metric tons CO2e) [auto-calculated]

182372.5

Covered emissions in reporting year (metric tons CO2e)

224140

% of target achieved [auto-calculated]

77.0976983920273

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Well-below 2°C aligned

Please explain (including target coverage)

Our Abs2 target is a 50% reduction in methane emissions from our gas distribution companies' mains and services by 2025 (from 2005 levels). In combination with our other absolute targets, 96% of our Scope 1 base year emissions are covered by our emission reduction targets.

Target reference number

Abs 3

Year target was set

2018

Target coverage

Business division

Scope(s) (or Scope 3 category)

Scope 1

Base year

2005

Covered emissions in base year (metric tons CO2e)

18369782

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

91

Target year

2030

Targeted reduction from base year (%)

90

Covered emissions in target year (metric tons CO2e) [auto-calculated]

1836978.2

Covered emissions in reporting year (metric tons CO2e)

6283063

% of target achieved [auto-calculated]

73.1074967453494

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Well-below 2°C aligned

Please explain (including target coverage)

Our Abs3 target is at least a 90% reduction in GHG emissions from our electric generation portfolio by 2030 (from 2005 levels). In combination with our other absolute targets, 96% of our Scope 1 base year emissions are covered by our emission reduction targets.

Target reference number

Abs 5

Year target was set

2017

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1

Base year

2005

Covered emissions in base year (metric tons CO2e)

19366271

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2025

Targeted reduction from base year (%)

50

Covered emissions in target year (metric tons CO2e) [auto-calculated]

9683135.5

Covered emissions in reporting year (metric tons CO2e)

7272053

% of target achieved [auto-calculated]

124.899811636427

Target status in reporting year

Achieved

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Well-below 2°C aligned

Please explain (including target coverage)

Our Abs5 target is a 50% reduction in GHGs from all NiSource companies and activities by 2025 (from 2005 levels). In combination with our other absolute targets, 96% of our Scope 1 base year emissions are covered by our emission reduction targets.

Target reference number

Abs 6

Year target was set

2018

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1

Base year

2005

Covered emissions in base year (metric tons CO2e)

19366271

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

90

Covered emissions in target year (metric tons CO2e) [auto-calculated]

1936627.1

Covered emissions in reporting year (metric tons CO2e)

7272053

% of target achieved [auto-calculated]

69.3887842424595

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Well-below 2°C aligned

Please explain (including target coverage)

Our Abs6 target is at least a 90% reduction in GHGs from all NiSource companies and activities by 2030 (from 2005 levels). In combination with our other absolute targets, 96% of our Scope 1 base year emissions are covered by our emission reduction targets.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	3	
To be implemented*	1	145936
Implementation commenced*	2	699576
Implemented*	4	316680
Not to be implemented	0	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy generation	Other, please specify (Biomass, solar, and wind)
------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

132779

Scope(s)

Scope 1
Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

No payback

Estimated lifetime of the initiative

21-30 years

Comment

Net metering and feed-in tariff programs

Initiative category & Initiative type

Other, please specify	Other, please specify (Energy efficiency programs for electric and natural gas customers)
-----------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

176310

Scope(s)

Scope 1
Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

527699970

Payback period

No payback

Estimated lifetime of the initiative

21-30 years

Comment

Energy efficiency programs

Initiative category & Initiative type

Fugitive emissions reductions	Oil/natural gas methane leak capture/prevention
-------------------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

7493

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

32513

Investment required (unit currency – as specified in C0.4)

20000000000

Payback period

No payback

Estimated lifetime of the initiative

21-30 years

Comment

Initiative category & Initiative type

Low-carbon energy generation	Other, please specify (Wind, solar, battery storage)
------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

699576

Scope(s)

Scope 1

Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

133333333

Investment required (unit currency – as specified in C0.4)

Payback period

>25 years

Estimated lifetime of the initiative

>30 years

Comment

Retirement coal-fired generation and replace with renewables

Initiative category & Initiative type

Company policy or behavioral change	Resource efficiency
-------------------------------------	---------------------

Estimated annual CO2e savings (metric tonnes CO2e)

98.53

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

Please select

Estimated lifetime of the initiative

Ongoing

Comment

Flaring of gas for transmission grade pipeline blowdowns.

Initiative category & Initiative type

Fugitive emissions reductions	Other, please specify (Advanced leak surveys utilizing mobile Picarro technology)
-------------------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

145936

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

Please select

Estimated lifetime of the initiative

Please select

Comment

advanced leak surveys utilizing mobile Picarro technology

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	NiSource's energy efficiency and demand-side management (DSM) programs are generally regulated by state commissions and have regular reporting requirements.
Dedicated budget for energy efficiency	NiSource companies staff and budget for the execution and reporting of DSM programs.
Dedicated budget for other emissions reduction activities	NIPSCO has staff dedicated to conducting evaluations of the electric generating system which result in recommendations and projects to improve efficiency and heat rates and reduce GHG emissions.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Product

Description of product/Group of products

By signing up for NIPSCO's Green Power Program, customers choose to have a portion of their monthly electric usage attributed to power generated by renewable energy (e.g., wind power). NIPSCO buys renewable energy certificates (RECs) on their behalf. The incremental cost is less than \$2 per month for the average home (based on a monthly electric use of 1,000 kWh) to receive 100% of its electricity from renewable sources. This added cost is passed along to participating customers without any additional markup or financial return for NIPSCO. Non-participating customers are not responsible for additional charges associated with making this program available. Residential customers may designate 25, 50 or 100 percent of their monthly electric usage to be attributed to power generated by renewable energy sources. Commercial and industrial customers have the added flexibility to designate 5 or 10 percent of their monthly usage.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Center for Resource Solutions (CRS) serves as the Secretariat and program administrator for the Green-e® programs and is responsible for the implementation of the Green-e® Renewable Energy Standard for Canada and the United States)

% revenue from low carbon product(s) in the reporting year

0

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

Percent of revenue is 0.001%. For details on the Green Power Program, see <https://www.nipsco.com/docs/librariesprovider11/services/renewable-energy-programs/green-power/green-power-prospective-and-historic-product-content-label.pdf>.

C-EU4.6

(C-EU4.6) Describe your organization's efforts to reduce methane emissions from your activities.

NiSource is engaged in a multi-year effort to replace existing natural gas distribution pipes with advanced plastic pipe and protected steel. This will improve the safety and reliability of our gas distribution system and reduce methane emissions associated with leaks. We have targeted a 50% reduction in methane emissions from main and service lines through pipe replacement by 2025 (from 2005 levels).

As a founding member of EPA's Natural Gas STAR Methane Challenge voluntary program, we are reinforcing our commitment to infrastructure modernization through investments that improve safety and reliability while reducing emissions. We have committed to achieving a replacement rate of 1.5% of bare steel and cast iron inventory by 2021. All NiSource utilities are represented in the commitments. These targets are publicly available at <https://www.epa.gov/natural-gas-star-program/methane-challenge-partner-commitments>. Through the 5-year program commitment, we will continue to replace cast iron and bare steel pipe in our natural gas system.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2005

Base year end

December 31 2005

Base year emissions (metric tons CO2e)

19374404

Comment

Scope 2 (location-based)

Base year start

January 1 2005

Base year end

December 31 2005

Base year emissions (metric tons CO2e)

65297

Comment

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

US EPA Mandatory Greenhouse Gas Reporting Rule

US EPA Emissions & Generation Resource Integrated Database (eGRID)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

7272053

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment

NiSource Scope 2 emissions are from electricity consumption at company facilities. NiSource calculates these indirect greenhouse gas emissions by obtaining annual electricity usage and applying an emission factor specific to the region where the electricity was consumed. NiSource obtains emission factors for each state of our operations from EPA's e-GRID database.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

31410

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Capital goods

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

2583983

Emissions calculation methodology

NiSource subsidiary (NIPSCO) purchases electricity for delivery to its customers. This electricity is supplied by MISO, which is the local operator of the electrical transmission grid. MISO does not report greenhouse gas emissions from its electricity suppliers and has not calculated an average greenhouse gas emission factor for the electricity it supplies to NIPSCO. The mix of electrical generation types in the United States has been changing as coal fired units are taken out of service, natural gas plants are constructed and more wind power and solar power is available for purchase. Given this annual variation in generation, NiSource uses emission factors from the US EPA's eGrid database. Carbon dioxide, methane and nitrous oxide emissions per megawatt-hour of electricity produced are reported in eGrid by individual generating units, by company and also by NERC region. NIPSCO is located closest to the MRO, RFC and SERC regions given in the eGrid database. There is currently no way to track which region the electricity supplied by MISO comes from, so the NiSource purchased power emission factor was chosen to be the average of the emission factors from these three NERC regions. Each year, the eGrid database is checked to ensure that the latest eGrid emission factors are used to calculate the Scope 3 emissions in the NiSource Greenhouse Gas Inventory.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

NiSource uses emission factors from the US EPA's eGrid database.

Upstream transportation and distribution

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Waste generated in operations

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Business travel

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Employee commuting

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Upstream leased assets

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Downstream transportation and distribution

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Processing of sold products

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO2e

48750155

Emissions calculation methodology

We calculate emissions resulting from combustion of the natural gas that we deliver to our customers.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

We obtain the gas delivery volumes from EIA-176.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

NiSource's sold products are electricity and natural gas.

Downstream leased assets

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

NiSource's sold products are electricity and natural gas. There are no franchises.

Investments

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Other (upstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.001560002

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

7303462

Metric denominator

unit total revenue

Metric denominator: Unit total

4681700000

Scope 2 figure used

Location-based

% change from previous year

20.13

Direction of change

Decreased

Reason for change

Retirement of coal-fired units and less utilization of remaining coal-fired fleet.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	6421280	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	821437	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	24350	IPCC Fourth Assessment Report (AR4 - 100 year)
SF6	4986	IPCC Fourth Assessment Report (AR4 - 100 year)

C-EU7.1b

(C-EU7.1b) Break down your total gross global Scope 1 emissions from electric utilities value chain activities by greenhouse gas type.

	Gross Scope 1 CO2 emissions (metric tons CO2)	Gross Scope 1 methane emissions (metric tons CH4)	Gross Scope 1 SF6 emissions (metric tons SF6)	Total gross Scope 1 emissions (metric tons CO2e)	Comment
Fugitives	0	0	0.22	4986	
Combustion (Electric utilities)	6313455	567	0	6356874	Scope 1 CO2e figure includes 24,258 metric tons CO2e resulting from 81.4 metric tons of N2O.
Combustion (Gas utilities)	0	0	0	0	
Combustion (Other)	0	0	0	0	
Emissions not elsewhere classified	0	0	0	0	

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	7272053

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

- By business division
- By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Electric Generation	6343796
Electric Transmission and Distribution	13078
Natural Gas Distribution	915179

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Electric Generation	6332981
Electric Transmission and Distribution	4986
Natural Gas Distribution - Combustion	63105
Natural Gas Distribution - Fugitive/Vented	781761
Natural Gas Distribution Underground Storage - Combustion	3785
Natural Gas Distribution Underground Storage - Fugitive/Vented	26201
Natural Gas Distribution Storage - LNG/LPG	355
Building Natural Gas	8269
Mobile Sources	50610

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions , metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	6332981	<Not Applicable>	
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (midstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (downstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
United States of America	31410	0	50048	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

- By business division
- By activity

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Electric Generation	5615	0
Electric Transmission and Distribution	7897	0
Natural Gas Distribution	17897	0

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Building Electricity Consumption	31410	0

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

- Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities		<Not Applicable>		
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output	2920654	Decreased	31.08	Less fossil fuel generation
Change in methodology		<Not Applicable>		
Change in boundary	82858	Increased	11.22	additional unprotected bare steel natural gas mains reported
Change in physical operating conditions	32237	Decreased	86.61	less SF6 leakage
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

- Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

- More than 25% but less than or equal to 30%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	22184887	22184887
Consumption of purchased or acquired electricity	<Not Applicable>	0	50048	50048
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	0	22234935	22234935

C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Coal

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

14439723

MWh fuel consumed for self-generation of electricity

14439723

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

Unit

metric tons CO2 per million Btu

Emissions factor source

CO2 CEMS

Comment

All CO2 from coal combustion is measured by CO2 CEMS. For CH4 and N2O we use emission factors from Table C-2 to Subpart C of 40 CFR Part98 (Fuel type 'Coal and Coke', 0.011 kg CH4/million Btu, 0.0016 kg N2O/million Btu)

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

7151529

MWh fuel consumed for self-generation of electricity

7049968

MWh fuel consumed for self-generation of heat

97622

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.05306

Unit

metric tons CO2 per million Btu

Emissions factor source

Table C-1 to Subpart C of 40 CFR Part 98 (Natural gas - Weighted U.S. Average) (converted from kg/million Btu to metric tons per million Btu)

Comment

For CH4 and N2O we use emission factors from Table C-2 to Subpart C of 40 CFR Part98 (Fuel type 'Natural Gas', 0.001 kg CH4/million Btu, 0.0001 kg N2O/million Btu)

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

88661

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

88661

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.07396

Unit

metric tons CO2 per million Btu

Emissions factor source

Table C-1 to Subpart C of 40 CFR Part 98 (Distillate Fuel Oil No. 2) (converted from kg/million Btu to metric tons per million Btu)

Comment

For CH4 and N2O we use emission factors from Table C-2 to Subpart C of 40 CFR Part98 (Fuel type 'Petroleum Products', 0.003 kg CH4/million Btu, 0.0006 kg N2O/million Btu)

Fuels (excluding feedstocks)

Jet Kerosene

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

976

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

976

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.07222

Unit

metric tons CO2 per million Btu

Emissions factor source

Table C-1 to Subpart C of 40 CFR Part 98 (Kerosene-Type Jet Fuel) (converted from kg/million Btu to metric tons per million Btu)

Comment

For CH4 and N2O we use emission factors from Table C-2 to Subpart C of 40 CFR Part98 (Fuel type 'Petroleum Products', 0.003 kg CH4/million Btu, 0.0006 kg N2O/million Btu)

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

116022

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

116022

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.07022

Unit

metric tons CO2 per million Btu

Emissions factor source

Table C-1 to Subpart C of 40 CFR Part 98 (Motor Gasoline) (converted from kg/million Btu to metric tons per million Btu)

Comment

For CH4 and N2O we use emission factors from Table C-2 to Subpart C of 40 CFR Part98 (Fuel type 'Petroleum Products', 0.003 kg CH4/million Btu, 0.0006 kg N2O/million Btu)

C8.2d**(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.**

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	8539953	932263	33050	0
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C-EU8.2d**(C-EU8.2d) For your electric utility activities, provide a breakdown of your total power plant capacity, generation, and related emissions during the reporting year by source.**

Coal – hard

Nameplate capacity (MW)

2080

Gross electricity generation (GWh)

5060.27

Net electricity generation (GWh)

4207.6

Absolute scope 1 emissions (metric tons CO2e)

4011306

Scope 1 emissions intensity (metric tons CO2e per GWh)

1198

Comment

Lignite

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

no lignite

Oil

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

no oil

Gas

Nameplate capacity (MW)

726

Gross electricity generation (GWh)

3446.63

Net electricity generation (GWh)

3367.04

Absolute scope 1 emissions (metric tons CO2e)

1282641

Scope 1 emissions intensity (metric tons CO2e per GWh)

381

Comment

Biomass

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

158.05

Net electricity generation (GWh)

158.05

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

Biomass generation from NIPSCO's Feed-In Tariff. Does not reflect accounting adjustments made for specified green energy products where another entity owns the renewable attributes.

Waste (non-biomass)

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

no waste

Nuclear

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

no nuclear

Fossil-fuel plants fitted with CCS

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

no CCS

Geothermal**Nameplate capacity (MW)**

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

no geothermal

Hydropower**Nameplate capacity (MW)**

10

Gross electricity generation (GWh)

33.05

Net electricity generation (GWh)

33.05

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment**Wind****Nameplate capacity (MW)**

100

Gross electricity generation (GWh)

365.76

Net electricity generation (GWh)

365.76

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

Includes wind generation from PPAs and NIPSCO's Feed-In Tariff. Does not reflect accounting adjustments made for specified green energy products where another entity owns the renewable attributes.

Solar**Nameplate capacity (MW)**

0

Gross electricity generation (GWh)

28.06

Net electricity generation (GWh)

28.06

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

Includes solar generation from NIPSCO's Feed-In Tariff. Does not reflect accounting adjustments made for specified green energy products where another entity owns the renewable attributes.

Marine

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

no marine

Other renewable

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

Other non-renewable

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

Total

Nameplate capacity (MW)

2916

Gross electricity generation (GWh)

9092

Net electricity generation (GWh)

8160

Absolute scope 1 emissions (metric tons CO2e)

6324152

Scope 1 emissions intensity (metric tons CO2e per GWh)

775

Comment

C-EU8.4

(C-EU8.4) Does your electric utility organization have a transmission and distribution business?

Yes

C-EU8.4a

(C-EU8.4a) Disclose the following information about your transmission and distribution business.

Country/Region

United States of America

Voltage level

Transmission (high voltage)

Annual load (GWh)

Annual energy losses (% of annual load)

2

Scope where emissions from energy losses are accounted for

Scope 2 (location-based)

Emissions from energy losses (metric tons CO2e)

52048

Length of network (km)

4619

Number of connections

Area covered (km2)

Comment

Country/Region

United States of America

Voltage level

Distribution (low voltage)

Annual load (GWh)

Annual energy losses (% of annual load)

2

Scope where emissions from energy losses are accounted for

Scope 2 (location-based)

Emissions from energy losses (metric tons CO2e)

Length of network (km)

17459

Number of connections

Area covered (km2)

Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-EU9.5a

(C-EU9.5a) Break down, by source, your total planned CAPEX in your current CAPEX plan for power generation.

Primary power generation source	CAPEX planned for power generation from this source	Percentage of total CAPEX planned for power generation	End year of CAPEX plan	Comment
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C-EU9.5b

(C-EU9.5b) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).

Products and services	Description of product/service	CAPEX planned for product/service	Percentage of total CAPEX planned products and services	End of year CAPEX plan
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C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	NiSource is a member of MJ Bradley's Downstream Natural Gas Initiative (DSI). The Downstream Natural Gas Initiative (DSI) is a group of leading natural gas utilities collaborating to build a shared vision for the role of utilities and the gas distribution network in the transition to a low-carbon future. DSI is focused on opportunities to leverage the existing infrastructure to support near- and long-term environmental and economic goals, and to address key technical and regulatory challenges related to these goals and opportunities. Additionally, NiSource joined the Low-Carbon Resources Initiative (LCRI) in 2021, a five-year initiative to accelerate the development and demonstration of low-carbon energy technologies. LCRI's Research Vision focuses on technologies such as clean hydrogen, bioenergy and renewable natural gas needed to enable affordable pathways to economy-wide decarbonization. "The Low-Carbon Resources Initiative aligns with NiSource's commitment to affordable, dependable and sustainable energy," said Joe Hamrock, president and chief executive officer of NiSource. "We are working closely with all of our stakeholders to ensure that our ongoing transition to more sustainable energy over the long term produces the best, most productive outcomes for all people and communities. We call this approach "Your Energy, Your Future."

C-CO9.6a/C-EU9.6a/C-OG9.6a

(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (optional)	Comment
Other, please specify (Other energy efficiency measures in the oil and gas value chain)	Applied research and development	Please select		NiSource is a member of MJ Bradley's Downstream Natural Gas Initiative (DSI). The Downstream Natural Gas Initiative (DSI) is a group of leading natural gas utilities collaborating to build a shared vision for the role of utilities and the gas distribution network in the transition to a low-carbon future. DSI is focused on opportunities to leverage the existing infrastructure to support near- and long-term environmental and economic goals, and to address key technical and regulatory challenges related to these goals and opportunities.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2020 CDP Verification Deliverables_NiSource v1.00.pdf

Page/ section reference

1-3

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2020 CDP Verification Deliverables_NiSource v1.00.pdf

Page/ section reference

1-3

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3 (upstream & downstream)

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2020 CDP Verification Deliverables_NiSource v1.00.pdf

Page/section reference

1-3

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Navigate GHG regulations
Stakeholder expectations
Change internal behavior
Drive energy efficiency
Drive low-carbon investment
Stress test investments
Identify and seize low-carbon opportunities
Supplier engagement
Other, please specify (To provide our customers with long-term, affordable and reliable energy)

GHG Scope

Scope 1
Scope 3

Application

Carbon pricing and timeframes were included in the most recent NIPSCO Integrated Resource Plan, a regulatory process used in Indiana and other states to thoroughly analyze and outline how electric utilities plan to meet the future electric requirements of our customers. This process involves a public forum, which includes participation from customers, consumer representatives, environmental organizations, and other stakeholders.

Actual price(s) used (Currency /metric ton)

9.9

Variance of price(s) used

In the 2018 IRP modeling, NIPSCO assumed three carbon price scenarios. The base case assumed a new federal rule or legislative action effective in 2026. (Carbon price of \$9.90/ton in 2026 increasing to \$20.40/ton in 2038. All values in nominal \$ per ton.) The low case assumed a replacement Clean Power Plan rule with a focus on coal plant efficiency improvements. No specific tax or emission cap requirement would be present under such regulations. The high case assumed a stricter new federal rule or legislative action effective in 2026. Price levels are generally consistent with a 50-60% reduction in electric sector CO2 emissions relative to 2005 by the 2030s. (Carbon price of \$24.60/ton in 2026 increasing to \$56.70/ton in 2038.) Carbon pricing is being updated in the 2021 IRP modeling.

Type of internal carbon price

Shadow price

Impact & implication

These carbon costs are incorporated into IRP models and allow the company to assess the impact of carbon costs on future electric generation portfolios. Carbon costs drive energy efficiency and low-carbon investment, among other impacts.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our customers

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Other, please specify (Engagement campaign to educate customers of company plans, including environmental & climate benefits and renewable energy programs)

% of customers by number

13

% of customer - related Scope 3 emissions as reported in C6.5

Portfolio coverage (total or outstanding)

<Not Applicable>

Please explain the rationale for selecting this group of customers and scope of engagement

The NIPSCO Integrated Resource Plan (IRP) and Your Energy, Your Future campaign are oriented to our electric customers. Details on the scope of the campaign can be found at NIPSCO.com/future . IRP engagement included several public meetings and stakeholder participation (www.nipSCO.com/our-company/about-us/regulatory-information/irp). Several media platforms are used for the Your Energy, Your Future campaign, including TV, radio, social media, bill insert, customer email, and our company website.

Impact of engagement, including measures of success

1) The benefits of NIPSCO's Your Energy, Your Future commitment made Northwest Indiana an attractive site for the new Digital Crossroads Data Center in Hammond — a \$50 million facility that will bring jobs and revenue to the area. 2) When NIPSCO spotlighted LaJuan Clemons' story of how he's leaving things better in Gary, Indiana with the Family Life Community Center as part of the Your Energy, Your Future campaign, we knew it was something special. On June 12, 2021, our feature video of LaJuan's story won an Emmy Award in the Branded Content – Short Form category. The Lower Lakes Chapter of The National Academy of Television Arts & Sciences awards Emmys to stations, studios and production companies, and LaJuan's video story was entered on behalf of NIPSCO in partnership with our advertising agency Borshoff and its production partner Bayonet Media. The winning content was the full-length version of LaJuan's inspiring story of how he is #LeavingItBetter in Gary by feeding his community and meeting them where they're at. Check out his story here: bit.ly/3iO03Pn Jon Groth is #LeavingItBetter by inspiring the next generation to embrace renewable energy -- and to build it themselves. (www.nipSCO.com/campaigns/future/leavingitbetter)

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers

Trade associations

Funding research organizations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Other, please specify (Climate-related legislation)	Support with minor exceptions	NiSource has a Governmental Affairs office in Washington D.C. NiSource is also a member of numerous industry-related trade associations. We promote adoption of reasonable policies addressing climate change.	NiSource will support appropriately crafted federal legislation on climate change that: o Recognizes that greenhouse gas reduction targets must be applicable to all sources of greenhouse gas and be realistically achievable and consistent with projected availability of commercial technology; o Protects against undue increases in energy costs to any particular regions or groups of consumers; and o Recognizes the environmental benefits of natural gas and promotes policies and practices that result in the continued efficient use of natural gas by all customers.
Energy efficiency	Support	NiSource supports reasonable and cost-effective energy efficiency policies that help our customers save energy.	NiSource will support appropriately crafted federal legislation on climate change that: o Recognizes that greenhouse gas reduction targets must be applicable to all sources of greenhouse gas and be realistically achievable and consistent with projected availability of commercial technology; o Protects against undue increases in energy costs to any particular regions or groups of consumers; and o Recognizes the environmental benefits of natural gas and promotes policies and practices that result in the continued efficient use of natural gas by all customers.
Clean energy generation	Support with minor exceptions	NiSource engages with policymakers regarding clean energy generation.	NiSource will support appropriately crafted federal legislation on climate change that: o Recognizes that greenhouse gas reduction targets must be applicable to all sources of greenhouse gas and be realistically achievable and consistent with projected availability of commercial technology; o Protects against undue increases in energy costs to any particular regions or groups of consumers; and o Recognizes the environmental benefits of natural gas and promotes policies and practices that result in the continued efficient use of natural gas by all customers.
Regulation of methane emissions	Support with minor exceptions	NiSource engages with policymakers regarding methane emission regulations for natural gas systems.	NiSource will support appropriately crafted federal legislation on climate change that: o Recognizes that greenhouse gas reduction targets must be applicable to all sources of greenhouse gas and be realistically achievable and consistent with projected availability of commercial technology; o Protects against undue increases in energy costs to any particular regions or groups of consumers; and o Recognizes the environmental benefits of natural gas and promotes policies and practices that result in the continued efficient use of natural gas by all customers.
Mandatory carbon reporting	Support	NiSource engages with policymakers on greenhouse gas reporting requirements.	A legislative solution is not needed. The Environmental Protection Agency (EPA) and certain state environmental agencies already mandate greenhouse gas reporting. NiSource plans to engage EPA through industry groups to recommend improvements to the existing reporting framework.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

NiSource is a member of the Edison Electric Institute (EEI) and the American Gas Association (AGA).

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

EEI: "Global climate change presents one of the biggest energy and environmental policy challenges this country has ever faced. EEI member companies are committed to addressing the challenge of climate change and have undertaken a wide range of initiatives over the last 30 years to reduce, avoid or sequester GHG emissions. Policies to address climate change should seek to minimize impacts on consumers and avoid harm to U.S. industry and the economy. As of the end of 2019, electric power sector CO2 emissions had declined 33 percent from 2005 levels, driven in part by low natural gas prices, increased deployment of renewable generation and customer demands."

Please see EEI's website for further information regarding its climate change position: <https://www.eei.org> AGA: "The American Gas Association is committed to reducing greenhouse gas emissions through smart innovation, new and modernized infrastructure, and advanced technologies that maintain reliable, resilient, and affordable energy service choices for consumers." Please see AGA's Climate Change Position Statement for further explanation of its position, utility commitments, and principles for policy action: https://www.aga.org/globalassets/aga_climate-change-document_final.pdf

How have you influenced, or are you attempting to influence their position?

NiSource advocates for positions that support and align with the NiSource Climate Change Policy.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

Yes

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

The Environmental Safety and Sustainability (ESS) Committee of the Board oversees programs, performance and risks relative to environmental, safety and sustainability matters, including our Climate Change Policy. In 2009, the ESS Committee adopted the NiSource Climate Change Policy. Our direct and indirect activities that influence policy are guided by NiSource's Board-level Climate Policy. Advocacy is overseen by NiSource's Government Affairs, Environmental, and Sustainability professionals who ensure that the policy is followed.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Underway – previous year attached

Attach the document

2018climatereport-final.pdf

Page/Section reference

Entire Document

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

An update to our Climate Report (last published in 2019) is being drafted and planned for publication in late 2021.

Publication

In mainstream reports

Status

Complete

Attach the document

NiSource 2020 Integrated Annual Report.pdf

Page/Section reference

Governance: pdf page 5-6, 29 Strategy: pdf pages 12-14, 17 Risks: pdf page 29 Emission Targets: pdf page 15

Content elements

Governance
Strategy
Risks & opportunities
Emission targets

Comment

Publication

In mainstream reports

Status

Complete

Attach the document

2020nisourcesustainabilityscorecard.pdf
2020-eei-and-aga-qualitative-data.pdf
2020-supplemental-sustainability-data (6).xlsx
2020-eei-and-aga-quantitative-data.xlsx

Page/Section reference

Please see pages 5-6 of the Sustainability Scorecard. Please review all pages of the other attachments.

Content elements

Emissions figures
Emission targets

Comment

2020 Sustainability Scorecard, Supplemental Sustainability Data, and EEI/AGA Qualitative Report and Quantitative Data

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Director, Environmental Policy and Sustainability	Environment/Sustainability manager

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

I have read and accept the applicable Terms