

## C0. Introduction

---

### C0.1

---

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

NiSource Inc. is an energy holding company under the Public Utility Holding Company Act of 2005 whose primary subsidiaries are fully regulated natural gas and electric utility companies, serving approximately 3.7 million customers in six states. The companies are Columbia Gas of Kentucky, Columbia Gas of Maryland, Columbia Gas of Ohio, Columbia Gas of Pennsylvania, Columbia Gas of Virginia, and Northern Indiana Public Service Company (NIPSCO).

As we advance plans for the future of energy, our team has stayed focused on the mission of providing reliable, affordable energy to our customers.

- We invested \$1.3B in infrastructure modernization to enhance safe, reliable service
- We modernized our customer service with online self-service options and a smartphone app, allowing customers to do business with us using the channels they prefer
- We completed a third wind generation project, broke ground on two solar projects and received regulatory approval to complete several renewable energy projects through 2023-2025
- We retired two of four coal generating units at Schahfer Generating Station, while helping employees transition to new roles
- We joined the Low-Carbon Resources Initiative and Renewable Natural Gas Coalition to evaluate pathways for further decarbonization
- We were named to the Dow Jones Sustainability Index for the 8th consecutive year and honored as one of America's Most Responsible Companies

Importantly, we continued to address the risks of climate change in 2021 by pursuing one of the nation's fastest and most aggressive decarbonization plans, targeting a projected 90 percent reduction of our greenhouse gas emissions from all operations by 2030 (from 2005 baseline level).

Our plan progressed on a number of fronts throughout the year: We continued to advance initiatives aimed at making our electric generation coal-free by 2026-2028; we worked to cut methane emissions from our natural gas system, and to deliver and expand sustainable gas offerings; we provided customers with energy efficiency programs; and we supported research, development and collaboration to promote sustainable decarbonization all across the U.S. economy.

We believe that people must be at the center of any effort aimed at shifting to a greener, more sustainable energy supply. This understanding underpins our Your Energy, Your Future initiative, a customer-centric strategy that ensures the work we do to satisfy future energy needs provides financial, economic, social and environmental benefits to all stakeholders—including our employees, customers and their communities. It also means making sure that economically vulnerable customers are not left behind, and that they share in the benefits of the new energy paradigm. Through this effort, we will continue to work to identify and drive new decarbonization pathways that deliver affordable, safe, reliable and resilient energy.

As we advance toward these goals, we also understand that the transition to renewable energy sources must balance multiple factors—including reliability, affordability, resilience and environmental impact—that affect current and future stakeholders. That means we must continue to provide customers with access to a reliable supply of energy at an affordable cost as we bring solar, wind and other cleaner energy sources online.

To accommodate these needs, we are fortunate to have access to a plentiful supply of low-cost natural gas to include as part of our evolving energy mix. Natural gas not only supports the transition by serving as a feedstock to help satisfy demand as we deploy new energy technologies, but also provides the infrastructure to support the distribution of other fuels such as hydrogen, renewable natural gas and greener fuels blended with natural gas.

Moreover, preserving flexibility in our energy options as we move forward will better equip our company to swiftly identify and leverage new opportunities to provide an ever more affordable and ecologically sound energy mix in the years ahead. NiSource plans to build on a 2021 scenario analysis for its regulated electric utility business by conducting a subsequent scenario analysis in 2022 for its regulated natural gas distribution businesses. This second analysis will include a 2-degree Celsius or lower scenario using a mix of the decarbonization pathways—including end-use energy efficiency, low- and zero-carbon fuel blending and end-use electrification.

As noted above, we are keenly aware that people must be at the core of all we do. That means all people, including our employees, partners, customers and the communities we serve. That is why we believe we have a solemn obligation to ensure that we embrace the fundamental principles of diversity, equity and inclusion in all of our activities. We believe that everyone—customers, employees and partners—must be welcomed to participate and contribute to shaping 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 2021	December 31 2021	No	<Not Applicable>

## C0.3

(C0.3) Select the countries/areas in which you operate.

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

## C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	NI

## 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	With respect to climate-related issues, the Environmental, Social, Nominating and Governance Committee 1) reviews and evaluates our strategy, efforts, programs, policies, practices and performance with respect to environmental, social, sustainability and climate change matters; 2) reviews the material interests and policies of our significant stakeholders and emerging trends in environmental, social, sustainability and climate change matters; 3) reviews our sustainability targets and receives reports from management on our progress towards achieving such targets; and 4) receives and reviews reports from management regarding risks and opportunities related to environmental, social, sustainability and climate change matters and makes recommendations to management with respect to handling such risks and opportunities. The Committee meets a minimum of four times annually. Its charter is on our website at <a href="https://investors.nisource.com/corporate-governance/">https://investors.nisource.com/corporate-governance/</a> .
Chief Executive Officer (CEO)	Our CEO is ultimately responsible for the management of climate-related issues.

### 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	<ul style="list-style-type: none"> <li>Reviewing and guiding strategy</li> <li>Reviewing and guiding major plans of action</li> <li>Reviewing and guiding risk management policies</li> <li>Reviewing and guiding business plans</li> <li>Setting performance objectives</li> <li>Monitoring implementation and performance of objectives</li> <li>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</li> <li>Other, please specify (Reviews reports from management on our progress towards achieving sustainability targets)</li> </ul>	<Not Applicable>	<p>With respect to climate-related issues, the Environmental, Social, Nominating and Governance Committee 1) reviews and evaluates our strategy, efforts, programs, policies, practices and performance with respect to environmental, social, sustainability and climate change matters; 2) reviews the material interests and policies of our significant stakeholders and emerging trends in environmental, social, sustainability and climate change matters; 3) reviews our sustainability targets and receives reports from management on our progress towards achieving such targets; and 4) receives and reviews reports from management regarding risks and opportunities related to environmental, social, sustainability and climate change matters and makes recommendations to management with respect to handling such risks and opportunities. The Committee meets a minimum of four times annually. Its charter is on our website at <a href="https://investors.nisource.com/corporate-governance/">https://investors.nisource.com/corporate-governance/</a>.</p>

**C1.1d**

**(C1.1d) Does your organization have at least one board member with competence on climate-related issues?**

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes		<Not Applicable>	<Not Applicable>

**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 Environmental Policy)	<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 Sustainability Officer (CSO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

**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.

Our SVP & Chief Sustainability Officer (CSO) reports to our SVP Strategy & Chief Risk Officer, who in turn reports directly to the CEO. This structure aligns our long-term strategy with stakeholder priorities, including portfolio optimization, renewable energy and growth strategies. In addition, our VP Environmental Policy monitors emerging climate policy and industry sustainability trends. This position reports to the CSO.

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	One component of our long-term incentive (LTI) is environmental impact, as measured by a greenhouse gas emission reduction goal for the three-year performance period. Please see our Proxy Statement for more information.

## 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 and the Risk Management Committee. 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**

Our enterprise risk management process – overseen by our Risk Management Committee – facilitates the assessment of transitional and physical climate risk. To complement our enterprise risk management process, in 2020, we implemented a framework for continuous cross-functional assessment of climate-related risks and opportunities. Your Energy, Your Future (YEF) is our holistic, customer-centric strategic priority aimed at identifying and executing strategic initiatives that mitigate these risks and advance these opportunities.

---

**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	The Virginia Clean Economy Act was signed into law in 2020. While the Act does not establish any new mandates on Columbia of Virginia, certain natural gas customers may, over the long-term, reduce their use of natural gas to meet the 100% renewable electricity requirement. Columbia of Virginia will continue to monitor this matter, but we cannot predict its final impact on our business at this time. Separately, the Virginia Energy Innovation Act ("the Act"), enacted into law in April 2022, and effective July 1, 2022, allows natural gas utilities to supply alternative forms of gas that meet certain standards and reduce emissions intensity. The Act also provides that the costs of enhanced leak detection and repair may be added to a utility's plan to identify proposed eligible infrastructure replacement projects and related cost recovery mechanisms, known as the SAVE Plan. Furthermore, under the Act, utilities can recover eligible biogas supply infrastructure costs on an ongoing basis. The provisions of these laws may provide opportunities for Columbia of Virginia as it participates in the transition to a lower carbon future. The Climate Solutions Now Act of 2022 requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment is required to adopt a plan to achieve the 2031 goal by December 2023, and it is required to adopt a plan for the net zero goal by 2030. The Act also enacts a state policy to move to broader electrification of both existing buildings and new construction, and requires the Public Service Commission to complete a study assessing the capacity of gas and electric distribution systems to successfully serve customers under a transition to a highly electrified building sector. Columbia of Maryland will continue to monitor this matter, but we cannot predict its final impact on our business at this time.
Emerging regulation	Relevant, always included	Future legislative and regulatory programs, at both the federal and state levels, could significantly limit allowed GHG emissions or impose a cost or tax on GHG emissions. 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. We continue to monitor the implementation of any final and proposed climate change-related legislation and regulations, including the Infrastructure Investment and Jobs Act, passed in November 2021, and the EPA's proposed methane regulations for the oil and natural gas industry, but we cannot predict their final form or impact on our business at this time. We have identified potential opportunities associated with the Infrastructure Investment and Jobs Act and are evaluating how they may align with our strategy going forward. The energy-related provisions include new federal funding for power grid infrastructure and resiliency investments, new and existing energy efficiency and weatherization programs, electric vehicle infrastructure for public chargers and additional LIHEAP funding over the next five years.
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. A key element of our electric business model includes generating power at central station power plants to achieve economies of scale and produce power at a competitive cost. We continue to research, plan for, and implement new technologies that produce reliable, cost-efficient power or reduce power consumption and improve the impact on the environment. These technologies, many of which NiSource is implementing, include renewable energy, distributed generation, energy storage, and energy efficiency. Advances in technology, changes in laws or regulations (including subsidization) and other alternative methods of producing power could reduce the cost of electric generation from these sources to a level that is competitive with most central station power electric production, causing power sales to decline and the value of our generating facilities to decline. Other new technologies require us to make significant expenditures to remain competitive and may result in the obsolescence of certain operating assets. Our natural gas business model depends on 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. In addition, customers are increasingly expecting additional communications, increased access to information, and expanded electronic capabilities regarding their electric and natural gas services, which, in some cases, involves additional investments in technology. We also rely on technology to adequately maintain key business records. 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, including environmental impacts associated with our products and services, and to recover all, or a significant portion of, any unrecovered investment in obsolete assets.
Legal	Relevant, always included	Our businesses are regulated under numerous environmental laws. The cost of compliance with these laws, and changes to or additions to, or reinterpretations of the laws, could be significant. Liability from the failure to comply with existing or changed laws could have a material adverse effect on our business, results of operations, cash flows and financial condition. Our businesses are subject to extensive federal, state and local environmental laws and rules that regulate, among other things, air emissions, water usage and discharges, GHG and waste products such as coal combustion residuals. Compliance with these legal obligations require us to make expenditures for installation of pollution control equipment, remediation, environmental monitoring, emissions fees, and permits at many of our facilities. These expenditures are significant, and we expect that they will continue to be significant in the future. Furthermore, if we fail to comply with environmental laws and regulations or are found to have caused damage to the environment or persons, that failure or harm may result in the assessment of civil or criminal penalties and damages against us, injunctions to remedy the failure or harm, and the inability to operate facilities as designed.
Market	Relevant, always included	Energy conservation, energy efficiency, distributed generation, energy storage, policies favoring electric heat over gas heat and other factors may reduce demand for natural gas and electricity. 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. Certain environmental activist groups, investors and governmental entities continue to oppose natural gas delivery and infrastructure investments because of perceived environmental impacts associated with the natural gas supply chain and end use.
Acute physical	Relevant, always included	Climate change is exacerbating the risks to our physical infrastructure by increasing the frequency of extreme weather, including heat stresses to power lines and storms and floods that damage infrastructure. In addition, climate change is likely to cause lake and river level changes that affect the manner in which services are currently provided and droughts or other stresses on water used to supply services, and other extreme weather conditions. We have adapted and will continue to evolve our infrastructure and operations to meet current and future needs of our stakeholders. With higher frequency of these and possibly other extreme weather events it may become more costly for us to safely and reliably deliver certain products and services to our customers. Some of these costs may not be recovered. To the extent that we are unable to recover those costs, or if higher rates resulting from recovery of such costs result in reduced demand for services, our future financial results may be adversely impacted. Further, as the intensity and frequency of significant weather events increases, it may impact our ability to secure cost efficient insurance.
Chronic physical	Relevant, always included	Climate change is exacerbating the risks to our physical infrastructure by increasing the frequency of extreme weather, including heat stresses to power lines and storms and floods that damage infrastructure. In addition, climate change is likely to cause lake and river level changes that affect the manner in which services are currently provided and droughts or other stresses on water used to supply services, and other extreme weather conditions. We have adapted and will continue to evolve our infrastructure and operations to meet current and future needs of our stakeholders. With higher frequency of these and possibly other extreme weather events it may become more costly for us to safely and reliably deliver certain products and services to our customers. Some of these costs may not be recovered. To the extent that we are unable to recover those costs, or if higher rates resulting from recovery of such costs result in reduced demand for services, our future financial results may be adversely impacted. Further, as the intensity and frequency of significant weather events increases, it may impact our ability to secure cost efficient insurance.

**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
---------------------	---------------------------

**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, at both the federal and state levels, could significantly limit allowed GHG emissions or impose a cost or tax on GHG emissions. 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.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Please select

**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**

---

**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
---------------------	--

**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

The Virginia Clean Economy Act was signed into law in 2020. While the Act does not establish any new mandates on Columbia of Virginia, certain natural gas customers may, over the long-term, reduce their use of natural gas to meet the 100% renewable electricity requirement. Columbia of Virginia will continue to monitor this matter, but we cannot predict its final impact on our business at this time. Separately, the Virginia Energy Innovation Act ("the Act"), enacted into law in April 2022, and effective July 1, 2022, allows natural gas utilities to supply alternative forms of gas that meet certain standards and reduce emissions intensity. The Act also provides that the costs of enhanced leak detection and repair may be added to a utility's plan to identify proposed eligible infrastructure replacement projects and related cost recovery mechanisms, known as the SAVE Plan. Furthermore, under the Act, utilities can recover eligible biogas supply infrastructure costs on an ongoing basis. The provisions of these laws may provide opportunities for Columbia of Virginia as it participates in the transition to lower carbon future. The Climate Solutions Now Act of 2022 requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment is required to adopt a plan to achieve the 2031 goal by December 2023, and it is required to adopt a plan for the net zero goal by 2030. The Act also enacts a state policy to move to broader electrification of both existing buildings and new construction, and requires the Public Service Commission to complete a study assessing the capacity of gas and electric distribution systems to successfully serve customers under a transition to a highly electrified building sector. Columbia of Maryland will continue to monitor this matter, but we cannot predict its final impact on our business at this time.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Unknown

**Are you able to provide a potential financial impact figure?**

Please select

**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**

**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Acute physical	Other, please specify (Acute physical risks)
----------------	--

**Primary potential financial impact**

Increased direct costs

**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.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Please select

**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**

• Columbia Gas of Virginia conducts an annual review of its Hurricane Preparedness Emergency Plan. • The safe and reliable operation of our gas storage and distribution facilities is critical during extremely cold weather events, such as the one that swept through the country during February 2021. • Additionally, each of our companies have Emergency Preparedness Plans that are regularly updated and drilled. • Several company facilities are located in the 100-year flood plain, as mapped by EPA's EJSCREEN tool. NIPSCO substations and transmission towers in the flood plain have been documented in our Safety Management System (SMS) Corrective Action Program to review, prioritize, address and track progress to reduce risk. • Our new electric generation facilities are not sited in the 100-year flood plain, and our wind turbines are equipped with cold weather packages.

**Comment**

**Identifier**

Risk 4

**Where in the value chain does the risk driver occur?**

Upstream

**Risk type & Primary climate-related risk driver**

Chronic physical	Other, please specify (Chronic physical risks)
------------------	--

**Primary potential financial impact**

Increased capital expenditures

**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 and temperature stress, 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.

**Time horizon**

Short-term



**Likelihood**

Likely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Please select

**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. • Our continued implementation of our SMS program supports the mitigation of risk to our infrastructure, including risks that may be exacerbated by climate change. • We continue to review our vegetation management program and other plans to mitigate storm risk on our electric system. • Our hydroelectric facilities in Indiana are subject to occasional drought and operate with a low flow provision from the Federal Energy Regulatory Commission and U.S. Fish and Wildlife Service. • NiSource has reduced its water withdrawal and discharge by more than 90 percent since 2005, and we are targeting a 99 percent reduction by 2030 through the retirement of all of our coal generation.

**Comment**

**Identifier**

Risk 5

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Chronic physical	Temperature variability
------------------	-------------------------

**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

In general, rising mean temperature decreases natural gas demand for heating and increases electric demand for cooling for residential and commercial customers. 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.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Please select

**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, our Gas Distribution Operations have pursued changes in rate design to more effectively match recoveries with costs incurred. • Increased cooling demand could necessitate increased supplies of electricity while maintaining reliability. NIPSCO conducts regular Integrated Resource Plans to evaluate long-range supply and demand needs.

**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
--------	----------------------------

**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Energy conservation, energy efficiency, distributed generation, energy storage, policies favoring electric heat over gas heat and other factors may reduce demand for natural gas and electricity. 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.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Please select

**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 actively implement our plans to reduce Scope 1 GHG emissions by 90% from 2005 levels by 2030, and to significantly reduce methane emissions, a component of Scope 1 GHG emissions. These plans include the retirement of coal-fired electric generation, increased sourcing of renewable energy, and methane reductions from priority pipeline replacement, traditional leak detection and repair, and deployment of advanced leak detection and repair. As of the end of 2021, we had reduced Scope 1 GHG emissions by approximately 58% from 2005 levels. Additionally, we are active in several efforts to accelerate the development and demonstration of lower-carbon energy technologies and resources, such as hydrogen and RNG, to enable affordable pathways to economy-wide decarbonization. NIPSCO, Columbia of Maryland, Columbia of Pennsylvania and Columbia of Virginia each filed petitions to implement the Green Path Rider, which will be a voluntary rider that allows customers to opt in and offset either 50% or 100% of their natural gas related emissions. To reduce the emissions, the utilities will purchase RNG attributes and carbon offsets to match the usage for customers opting into the program.

**Comment**

**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**

NIPSCO's generation strategy calls for the retirement the remainder of the R.M. Schahfer Generating Station coal units by the end of 2025 and the Michigan City Generating Station by the end of 2028. These stations represent 1,191 MW of generating capacity, equal to 48% 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, battery storage, and gas peaking capacity.

**Time horizon**

Short-term

**Likelihood**

Very likely

**Magnitude of impact**

High

**Are you able to provide a potential financial impact figure?**

Please select

**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**

NIPSCO continues to execute on an electric generation transition consistent with the 2018 Plan, which outlines plans to retire its remaining coal-fired generation by 2028, to be replaced by lower-cost, reliable and cleaner options. We expect to have capital investment requirements of approximately \$2.0 billion, primarily between 2022 and 2024, with any remainder expected in 2025, to replace the generation capacity of R.M. Schahfer Generating Station's coal-fired units. We retired R.M. Schahfer Generating Station Units 14 and 15 on October 1, 2021. The remaining two coal units are currently expected to be retired by the end of 2025. The current replacement plan primarily includes renewable sources of energy, including wind, solar, and battery storage to be obtained through a combination of NIPSCO ownership and PPAs. NIPSCO has sold, and may in the future sell, renewable energy credits from this generation to third parties because this helps keep our energy more affordable for our customers. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy will have an associated nameplate capacity, and payments under the PPAs will not begin until the associated generation facility is constructed by the owner/seller. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities. Our current replacement program will be augmented by the Preferred Energy Resource Plan outlined in our 2021 Integrated Resource Plan.

**Comment**

---

**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

**Primary potential financial impact**

Returns on investment in low-emission technology

**Company-specific description**

Technology and supply advancements can continue to bring forward lower cost climate change solutions that utilize gas infrastructure.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

**Magnitude of impact**

High

**Are you able to provide a potential financial impact figure?**

Please select

**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**

In 2021, NiSource joined the Low-Carbon Resources Initiative (LCRI), a five-year initiative jointly led by the Electric Power Research Institute (EPRI) and the Gas Technology Institute (GTI) to accelerate the development and demonstration of lowcarbon energy technologies.

**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**

Other, please specify (Enhancing customer retention for those valuing carbon reduction)

**Company-specific description**

Our Your Energy, Your Future (YEYF) strategic priority endeavors to identify and drive decarbonization pathways that continue to deliver affordable, safe, reliable and resilient service to our customers.

**Time horizon**

Short-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Please select

**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**

We are active in several efforts to accelerate the development and demonstration of lower-carbon energy technologies and resources, such as hydrogen and RNG, to enable affordable pathways to economy-wide decarbonization. NIPSCO, Columbia of Maryland, Columbia of Pennsylvania and Columbia of Virginia each filed petitions to implement the Green Path Rider, which will be a voluntary rider that allows customers to opt in and offset either 50% or 100% of their natural gas related emissions. To reduce the emissions, the utilities will purchase RNG attributes and carbon offsets to match the usage for customers opting into the program.

**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 becomes increasingly electrified primarily through the increased adoption of electric vehicles, NiSource expects an increase in electricity demand from electric charging.

**Time horizon**

Long-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Please select

**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**

NIPSCO joined a consortium of eight Indiana utilities to apply for Electric Vehicle DC Fast Charging funding through the Indiana VW Environmental Mitigation Trust Fund. In May 2021, \$5.5 million in funding was awarded to the consortium to install at least 61 DC Fast Charging stations. Ten of these stations are planned for NIPSCO 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?**

Please select

**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**

1600000000

**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.

**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 value of fixed assets

**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?**

Please select

**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 have made tariff and internal process changes that more clearly define requirements for RNG and streamline the process for RNG developers to interconnect with the gas system.

**Comment**

---

**Identifier**

Opp7

**Where in the value chain does the opportunity occur?**

Direct operations

**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 value of fixed assets

**Company-specific description**

The Virginia Energy Innovation Act, enacted into law in April 2022, and effective July 1, 2022, allows natural gas utilities to supply alternative forms of gas that meet certain standards and reduce emissions intensity. The Act also provides that the costs of enhanced leak detection and repair may be added to a utility's plan to identify proposed eligible infrastructure replacement projects and related cost recovery mechanisms, known as the SAVE Plan. Furthermore, under the Act, utilities can recover eligible biogas supply infrastructure costs on an ongoing basis. The provisions of these laws may provide opportunities for Columbia of Virginia as it participates in the transition to a lower carbon future.

**Time horizon**

Short-term

**Likelihood**

Very likely

**Magnitude of impact**

Unknown

**Are you able to provide a potential financial impact figure?**

Please select

**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**

**Comment**

---

C3. Business Strategy

---

C3.1

---

**(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?**

Row 1

**Transition plan**  
Please select

**Publicly available transition plan**  
<Not Applicable>

**Mechanism by which feedback is collected from shareholders on your transition plan**  
<Not Applicable>

**Description of feedback mechanism**  
<Not Applicable>

**Frequency of feedback collection**  
<Not Applicable>

**Attach any relevant documents which detail your transition plan (optional)**  
<Not Applicable>

**Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future**  
<Not Applicable>

**Explain why climate-related risks and opportunities have not influenced your strategy**  
<Not Applicable>

**C3.2**

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

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

**C3.2a**

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

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios	Customized publicly available transition scenario	Business division	1.6°C – 2°C	Our updated scenario analysis from the 2021 NIPSCO Integrated Resource Plan (IRP) includes a net-zero power sector target and economy-wide decarbonization by 2040.
Transition scenarios	IEA SDS	Company-wide	<Not Applicable>	

**C3.2b**

**(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.**

Row 1

**Focal questions**

Please see our 2021 NIPSCO Integrated Resource Plan for the focal questions and purpose of our climate-related scenario analysis. (<https://www.nipsco.com/our-company/about-us/regulatory-information/irp>)

**Results of the climate-related scenario analysis with respect to the focal questions**

Please see our 2021 NIPSCO Integrated Resource Plan for results on our climate-related scenario analysis. (<https://www.nipsco.com/our-company/about-us/regulatory-information/irp>)

**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 2

**Year target was set**

2017

**Target coverage**

Company-wide

**Scope(s)**

Scope 1

**Scope 2 accounting method**

<Not Applicable>

**Scope 3 category(ies)**

<Not Applicable>

**Base year**

2005

**Base year Scope 1 emissions covered by target (metric tons CO2e)**

374659

**Base year Scope 2 emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3 emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

374659

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

2

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

<Not Applicable>

**Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

<Not Applicable>

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

2

**Target year**

2025

**Targeted reduction from base year (%)**

50

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

187329.5

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

211045

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

211045

**% of target achieved relative to base year [auto-calculated]**

87.3402213746367

**Target status in reporting year**

Underway

**Is this a science-based target?**

No, and we do not anticipate setting one in the next 2 years

**Target ambition**

<Not Applicable>

**Please explain target coverage and identify any exclusions**

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.



**Plan for achieving target, and progress made to the end of the reporting year**

Continued replacement of priority pipeline and deployment of advanced leak detection and repair.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not Applicable>

---

**Target reference number**

Abs 1

**Year target was set**

2018

**Target coverage**

Company-wide

**Scope(s)**

Scope 1

**Scope 2 accounting method**

<Not Applicable>

**Scope 3 category(ies)**

<Not Applicable>

**Base year**

2005

**Base year Scope 1 emissions covered by target (metric tons CO2e)**

19469094

**Base year Scope 2 emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3 emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

19469094

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

100

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

<Not Applicable>

**Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

<Not Applicable>

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2030

**Targeted reduction from base year (%)**

90

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

1946909.4

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

8174818

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

8174818

**% of target achieved relative to base year [auto-calculated]**

64.4570084029362

**Target status in reporting year**

Underway

**Is this a science-based target?**

No, and we do not anticipate setting one in the next 2 years

**Target ambition**

<Not Applicable>

**Please explain target coverage and identify any exclusions**

Our Abs1 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.

**Plan for achieving target, and progress made to the end of the reporting year**

We plan to retire 100% of our coal electric generating capacity by between 2026 and 2028. Continued replacement of priority pipeline and deployment of advanced leak detection and repair will also help achieve the target..

List the emissions reduction initiatives which contributed most to achieving this target  
<Not Applicable>

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		
To be implemented*		
Implementation commenced*		
Implemented*		
Not to be implemented		

C4.3b

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

C4.3c

(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. NISource also has a dedicated budget for advanced leak detection and repair.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?  
Yes

C4.5a

**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.**

**Level of aggregation**

Product or service

**Taxonomy used to classify product(s) or service(s) as low-carbon**

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)

**Type of product(s) or service(s)**

Please select

**Description of product(s) or service(s)**

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.

**Have you estimated the avoided emissions of this low-carbon product(s) or service(s)**

No

**Methodology used to calculate avoided emissions**

<Not Applicable>

**Life cycle stage(s) covered for the low-carbon product(s) or services(s)**

<Not Applicable>

**Functional unit used**

<Not Applicable>

**Reference product/service or baseline scenario used**

<Not Applicable>

**Life cycle stage(s) covered for the reference product/service or baseline scenario**

<Not Applicable>

**Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario**

<Not Applicable>

**Explain your calculation of avoided emissions, including any assumptions**

<Not Applicable>

**Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**

0

**C5. Emissions methodology**

**C5.1**

**(C5.1) Is this your first year of reporting emissions data to CDP?**

No

**C5.1a**

**(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?**

**Row 1**

**Has there been a structural change?**

No

**Name of organization(s) acquired, divested from, or merged with**

<Not Applicable>

**Details of structural change(s), including completion dates**

<Not Applicable>

**C5.1b**

**(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?**

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

---

**(C5.2) Provide your base year and base year emissions.****Scope 1****Base year start**

January 1 2005

**Base year end**

December 31 2005

**Base year emissions (metric tons CO2e)**

19469094

**Comment****Scope 2 (location-based)****Base year start**

January 1 2005

**Base year end**

December 31 2005

**Base year emissions (metric tons CO2e)**

82615

**Comment****Scope 2 (market-based)****Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment****Scope 3 category 1: Purchased goods and services****Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment****Scope 3 category 2: Capital goods****Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment****Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)****Base year start**

January 1 2005

**Base year end**

December 31 2005

**Base year emissions (metric tons CO2e)**

1237071

**Comment**

NiSource subsidiary (NIPSCO) purchases electricity for delivery to its customers.

**Scope 3 category 4: Upstream transportation and distribution****Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment****Scope 3 category 5: Waste generated in operations****Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment**

**Scope 3 category 6: Business travel**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 7: Employee commuting**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 8: Upstream leased assets**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 9: Downstream transportation and distribution**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 10: Processing of sold products**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 11: Use of sold products**

**Base year start**

January 1 2005

**Base year end**

December 31 2005

**Base year emissions (metric tons CO2e)**

41030274

**Comment**

Emissions resulting from combustion of the natural gas that we deliver to our customers. 37% was from gas we owned, whereas 63% was from gas we did NOT own.

**Scope 3 category 12: End of life treatment of sold products**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 13: Downstream leased assets**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 14: Franchises**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 15: Investments**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3: Other (upstream)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3: Other (downstream)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**C5.3**

---

**(C5.3) 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)**

8174818

**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**

72134

**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

**Emissions in reporting year (metric tons 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

**Emissions in reporting year (metric tons 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

**Emissions in reporting year (metric tons CO2e)**

1915368

**Emissions calculation methodology**

Supplier-specific method

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

100

**Please explain**

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, specifically the emissions rates from the MISO balancing authority. (BACO2RTA, BACH4RTA and BAN2ORTA).

**Upstream transportation and distribution**

**Evaluation status**

Not evaluated

**Emissions in reporting year (metric tons 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

**Emissions in reporting year (metric tons 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

**Emissions in reporting year (metric tons 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

**Emissions in reporting year (metric tons 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

**Emissions in reporting year (metric tons 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

**Emissions in reporting year (metric tons 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

**Emissions in reporting year (metric tons 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

**Emissions in reporting year (metric tons CO2e)**

48177905

**Emissions calculation methodology**

Fuel-based method

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

100

**Please explain**

We calculate emissions resulting from combustion of the natural gas that we deliver to our customers, based on EIA-176 reports. 19% of our emissions are from gas we own, whereas 81% of our emissions are from gas we do NOT own.

**End of life treatment of sold products**

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons 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

**Emissions in reporting year (metric tons 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

**Emissions in reporting year (metric tons 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.

**Investments**

**Evaluation status**

Not evaluated

**Emissions in reporting year (metric tons 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

**Emissions in reporting year (metric tons 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

**Emissions in reporting year (metric tons 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**

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

8246952

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

4899600000

**Scope 2 figure used**

Location-based

**% change from previous year**

**Direction of change**

<Not Applicable>

**Reason for change**

**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	7307116	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	824713	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	29605	IPCC Fourth Assessment Report (AR4 - 100 year)
SF6	13383	IPCC Fourth Assessment Report (AR4 - 100 year)

**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	8174818

**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	7236786
Electric Transmission and Distribution	21812
Natural Gas Distribution	916220

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	7225494
Electric Transmission and Distribution	13383
Natural Gas Distribution - Combustion	62368
Natural Gas Distribution - Fugitive/Vented	783292
Natural Gas Distribution Underground Storage - Combustion	4241
Natural Gas Distribution Underground Storage - Fugitive/Vented	24714
Natural Gas Distribution Storage - LNG/LPG	1358
Building Natural Gas	8281
Mobile Sources	51689

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)
United States of America	72134	

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	5324	
Electric Transmission and Distribution	49402	
Natural Gas Distribution	17408	

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	30246	
Line Loss from Electric Transmission & Distribution (Purchased Power only)	41888	

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?

Increased

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	892826	Increased		Increased fossil-fuel generation
Change in methodology	41888	Increased		Addition of line loss from T&D
Change in boundary	352	Increased		
Change in physical operating conditions	8398	Increased		
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 35% but less than or equal to 40%

### 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	24652264	24652264
Consumption of purchased or acquired electricity	<Not Applicable>	0	50117	50117
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	24702381	24702381

### 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.**

**Sustainable biomass**

**Heating value**

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**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>

**Comment**

**Other biomass**

**Heating value**

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**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>

**Comment**

**Other renewable fuels (e.g. renewable hydrogen)**

**Heating value**

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**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>

**Comment**

**Coal**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

17718894

**MWh fuel consumed for self-generation of electricity**

17718894

**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>

**Comment**

**Oil**

**Heating value**

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**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>

**Comment**

**Gas**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

6721840

**MWh fuel consumed for self-generation of electricity**

6133371

**MWh fuel consumed for self-generation of heat**

570027

**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>

**Comment**

**Other non-renewable fuels (e.g. non-renewable hydrogen)**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

15881

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

15881

**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>

**Comment**

**Total fuel**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

24456615

**MWh fuel consumed for self-generation of electricity**

23852265

**MWh fuel consumed for self-generation of heat**

585908

**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>

**Comment**

**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	9564144	1065538	401756	0
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

**C8.2g**

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

**Country/area**

United States of America

**Consumption of electricity (MWh)**

1065538

**Consumption of heat, steam, and cooling (MWh)**

585908

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

1651446

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>



## C9. Additional metrics

---

### C9.1

---

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

## 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**

NiSource 2021 CDP Audit - Verification Deliverables v1.0.pdf

**Page/ section reference**

2

**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**

NiSource 2021 CDP Audit - Verification Deliverables v1.0.pdf

**Page/ section reference**

2

**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: Fuel and energy-related activities (not included in Scopes 1 or 2)  
Scope 3: Use of sold products

**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**

NiSource 2021 CDP Audit - Verification Deliverables v1.0.pdf

**Page/section reference**

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 sustainable energy over the long-term)

**GHG Scope**

- Scope 1
- Scope 3

**Application**

Carbon pricing and timeframes were included in the most recent NIPSCO Integrated Resource Plan (IRP), 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)**

9.6

**Variance of price(s) used**

NIPSCO is estimating that a CO2 cost will be incurred in 2026 and beyond, beginning at approximately \$8.70/short ton (in 2020 dollars), increasing to approximately \$10.40/ton by 2030, and reaching approximately \$15/ton in 2040 and beyond. (Source: NIPSCO's 2021 Integrated Resource Plan <https://www.nipSCO.com/our-company/about-us/regulatory-information/irp>, base carbon price forecast).

**Type of internal carbon price**

Shadow price

**Impact & implication**

NIPSCO worked to define a series of scorecard objectives and indicators against which to measure portfolio options. The scorecard is a means of reporting key metrics for different portfolio options to transparently review tradeoffs and relative performance. It does not produce a single score or ranking of portfolios, but serves as a tool to facilitate decision-making. For its 2021 IRP scorecard, NIPSCO identified five major planning objectives and multiple metrics within nine key indicator categories. The objectives include Affordability; Rate Stability; Environmental Sustainability (e.g., carbon emissions); Reliable, Flexible, and Resilient Supply; and Positive Social and Economic Impacts. The 2021 plan reflects the dynamic changes taking place in the electric industry, the changing needs and behaviors of our customers, and the subsequent evolving policy and market rules. Our 2021 IRP captures this evolving environment and creates a highly flexible plan that achieves the following:

- Refines the window to retire all remaining coal-fired generation to between 2026 and 2028, with our largest plant retired by 2023
- Retires aging gas peaker units between 2025 and 2028
- Replaces retired generation resources with a diverse, flexible, and scalable mix of incremental resources, including short-term contracted capacity resources, expanded demand side management programs, solar, large battery energy storage, and new gas peaking resources
- Explores potential hydrogen generation pilots and emerging energy storage technologies on the path toward further decarbonization of the generation portfolio
- Continues on the trajectory of reducing carbon emissions from generation by 90% (from a 2005 baseline) by 2030 identified in the 2018 IRP and illuminates the pathway for further emissions reductions

---

**C12. Engagement**

---

**C12.1**

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

Yes, our customers/clients

---

**C12.1b**

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

**Type of engagement & Details of engagement**

Other, please specify	Other, please specify (2021 NIPSCO Integrated Resource Plan (IRP) Stakeholder Engagement)
-----------------------	---

**% of customers by number**

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

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

We're planning now for tomorrow's energy needs through our Integrated Resource Plan (IRP) - 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 its customers. This process involves a public forum, which includes participation from customers, consumer representatives, environmental organizations and other stakeholders. See below or visit [NIPSCO.com/Future](http://NIPSCO.com/Future) to learn more because it's not only your energy, it's your future.

**Impact of engagement, including measures of success**

Three years after announcing our electric generation transition plan, branded "Your Energy, Your Future," NIPSCO is proud to serve Northern Indiana families and businesses with safe and reliable energy every day. Our company's customer-centric "Your Energy, Your Future" initiative includes the electric generation transition plan at NIPSCO, and is our balanced approach to deliver lower cost, sustainable and reliable energy for future generations. NIPSCO presents this plan to the Indiana Utility Regulatory Commission (IURC) every three years. Since NIPSCO introduced our plan in 2018, we debuted two operating wind farms and have begun transitioning our employees to new roles after the retirement of two coal-fired units at R.M. Schahfer Generating Station in Wheatfield, Indiana. We look forward to soon adding 12 more renewable projects that are currently in development and projected to be operational by the end of 2025. As we evolve alongside our communities and the changing energy landscape, we use a forward-looking analysis framework to create an Integrated Resource Plan (IRP), which establishes a road map for near-term electric portfolio decisions and our long-term vision. Our process involves a comprehensive analysis of our future energy mix, informed by valuable input from numerous stakeholders including customers, regulators, and local community leaders. NIPSCO's industry-leading plan creates a vision for the future that keeps our customers' best interests at the forefront. It is consistent with our goal to transition to the best cost and cleaner electric supply mix while maintaining reliability, diversity and flexibility for the technology and market changes on the horizon.

**C12.2**

**(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?**

No, and we do not plan to introduce climate-related requirements within the next two years

**C12.3**

**(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?**

**Row 1**

**Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate**

Yes, we engage directly with policy makers

Yes, we engage indirectly through trade associations

Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

**Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?**

**Attach commitment or position statement(s)**

<Not Applicable>

**Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy**

**Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**C12.3a**

**(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?**

**C12.3b**

**(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.**

**Trade association**

Other, please specify (Edison Electric Institute (EEI) and American Gas Association (AGA))

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

Please select

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

EEI: "EEI and our member companies—America's investor-owned electric companies—believe it is essential to take action to tackle climate change, while also delivering the reliable and affordable energy that powers our nation's economy and our way of life." Climate change presents one of the greatest energy and environmental policy challenges this country – and the world – has ever faced. EEI member companies are committed to being part of the solution to climate change and have undertaken many initiatives over the last 30 years to reduce, avoid, or sequester greenhouse gas emissions. EEI member companies are leading the clean energy transformation. As they continue to transition their generating fleets to cleaner fuels, their emissions are going down significantly. Preliminary estimates suggest that as of year-end 2021, the electric power sector's carbon emissions were 36 percent below 2005 levels. In addition, emissions from the electric power sector are no longer the leading source of the nation's CO2 and have been lower than the emissions from the transportation sector since 2016. 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](https://www.aga.org/globalassets/aga_climate-change-document_final.pdf)

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Please select

---

### C12.3c

**(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.**

**Type of organization**

Please select

**State the organization to which you provided funding**

Please see <https://www.nisource.com/company/political-engagement>

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

Please see <https://www.nisource.com/company/political-engagement>

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

Please select

---

### 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**

Complete

**Attach the document**

2021-nisource-climate-report.pdf

**Page/Section reference**

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets

**Comment**

---

## C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	Our Environmental, Social, Nominating and Governance Committee reviews and evaluates our strategy, efforts, programs, policies, practices and performance with respect to environmental, social, sustainability and climate change matters.	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to No Net Loss Adoption of the mitigation hierarchy approach Commitment to not explore or develop in legally designated protected areas Commitment to respect legally designated protected areas Commitment to avoidance of negative impacts on threatened and protected species	Please select

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	Please select	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Education & awareness

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Please select	Please select

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
-------------	------------------	---

C16. 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.

C16.1

---

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1		Please select

Submit your response

---

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms