

W0. Introduction

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W0.1

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**(W0.1) Give a general description of 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

NiSource delivered on our commitments to all our stakeholders in 2021 and, through our key initiatives, is in a position to consistently deliver on those commitments going forward. Our employees are at the center of that success. As we build toward a more sustainable future, it will be our employees who lead that charge as they relentlessly focus on our customers, as they did in 2021.

In the area of water security, we have developed and are actively implementing plans that result in a 90% reduction in water withdrawal and discharge by 2025, and a 99% reduction of in water withdrawal and discharge by 2030 (from a 2005 baseline) through the retirement of all of our coal-fired electric generation. As of the end of 2021, we already reduced our withdrawal and discharge by more than 90% from 2005 levels, which is equivalent to approximately 100 billion gallons of water per year. (For reference, this volume of water is contained in approximately 200,000 Olympic-size swimming pools.)

Thank you for reviewing this questionnaire.

W0.2

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**(W0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date
Reporting year	January 1 2021	December 31 2021

W0.3

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**(W0.3) Select the countries/areas in which you operate.**

United States of America

W0.4

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**(W0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

## W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

## W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

## W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Water security for NIPSCO electric generating stations is reported in this disclosure.	The NiSource natural gas distribution companies use 'de minimis' volumes of water by comparison to NIPSCO electric generation.

## W0.7

(W0.7) 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

## W1. Current state

### W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Important	We utilize freshwater in operations pertaining to our two coal-fired generating stations and one combined cycle natural gas turbine generating station. Additionally, we operate two hydroelectric facilities. Abundant water is critical for continued operations. After the retirement of our coal-fired Bailly Generating Station in 2018, we have already reduced our water withdrawal volumes by 91% from 2005 levels.
Sufficient amounts of recycled, brackish and/or produced water available for use	Vital	Important	We utilize internally recycled water from our circulating water system for use in flue gas desulfurization (FGD). After recycling, water is treated prior to discharge. Furthermore, in 2018 and 2019, NIPSCO invested nearly \$200 million to install closed cycle, submerged flight conveyor systems at its R.M. Schahfer and Michigan City Generating Stations that increased water recycling and decreased water discharge.

### W1.2

**(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?**

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	76-99	Indiana Department of Natural Resources requires monitoring and reporting of Significant Withdrawal data on an annual basis.
Water withdrawals – volumes by source	76-99	Water withdrawals, including groundwater, are tracked at all generating stations for the annual significant withdrawal report.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	76-99	In order to provide the water quality for our operations, general water quality of the raw water sources is monitored and evaluated prior to additional in-house water treatment. In addition, where groundwater is used as a potable source water, the water quality is monitored in accordance with requirements from the U.S. Environmental Protection Agency as well as the Indiana Department of Environmental Management and the Department of Health.
Water discharges – total volumes	76-99	Discharge water volume is a required datum reported in the Clean Water Act required Discharge Monitoring Report (DMR) submitted to the Indiana Department of Environmental Management for compliance with the National Pollution Discharge Elimination System (NPDES) program.
Water discharges – volumes by destination	76-99	DMRs are facility specific.
Water discharges – volumes by treatment method	76-99	DMRs are facility specific, which utilize a single treatment approach.
Water discharge quality – by standard effluent parameters	76-99	All NIPSCO generating units' discharged water quality is tested in accordance with the parameters identified in the applicable NPDES permit, in accordance with the Clean Water Act, and reported through the NPDES programs DMR process.
Water discharge quality – temperature	76-99	Discharge water temperature is a required datum reported in the Clean Water Act required Discharge Monitoring Report (DMR) submitted to the Indiana Department of Environmental Management for compliance with the National Pollution Discharge Elimination System (NPDES) program.
Water consumption – total volume	76-99	Estimated based on the mathematical difference between the total withdrawal and discharge volumes. Engineering estimates are applied to account for loss from evaporation in the application of cooling tower technology.
Water recycled/reused	1-25	Water is redirected, as needed, and reused in select operations including main system service water, non-contact cooling purposes, and as make-up to environmental control equipment such as the flue gas desulfurization units.
The provision of fully-functioning, safely managed WASH services to all workers	100%	All NiSource facilities provide water of adequate quality for purposes of drinking, sanitation, and hygiene.

**W1.2b**

**(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?**

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	42629	Higher	10% increase from 2020, largely due to increased coal-fired generation
Total discharges	28572	Higher	33% increase from 2020, largely due to increased coal-fired generation
Total consumption	14058	Lower	18% decrease from 2020

**W1.2d**

**(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.**

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	51-75	About the same	WRI Aqueduct	We have reduced water withdrawal volumes by 91% since 2005, but our remaining water withdrawal is primarily by our R.M. Schahfer Generating Station from the Kankakee River Basin, an area of 'high water stress' as indicated by the WRI Aqueduct Tool. Two of the four coal-fired units at our R.M. Schahfer Generating Station retired in 2021, with the remaining two expected to retire by the end of 2025. During times of acute water stress, we also coordinate with the Indiana Department of Natural Resources to minimize our impact.

**W1.2h**

**(W1.2h) Provide total water withdrawal data by source.**

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	38629	Higher	6% increase from 2020, largely due to increased coal-fired generation
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	
Groundwater – renewable	Relevant	4000	Much higher	68% increase from 2020, largely due to increased coal-fired generation at our R.M. Schahfer Generating Station
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	
Third party sources	Not relevant	<Not Applicable>	<Not Applicable>	

**W1.2i**

**(W1.2i) Provide total water discharge data by destination.**

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	28572	Higher	33% increase from 2020, largely due to increased coal-fired generation
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	
Third-party destinations	Not relevant	<Not Applicable>	<Not Applicable>	

**W1.2j**

**(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.**

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	<Not Applicable>	
Secondary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	
Primary treatment only	Relevant	28572	Higher	100%	100% of our electric generation process water discharge receives primary treatment.
Discharge to the natural environment without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	
Discharge to a third party without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	

**W1.3**

**(W1.3) Provide a figure for your organization's total water withdrawal efficiency.**

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	489960000	42629	114935.841797837	We anticipate an increase in total water withdrawal efficiency. We are on track to meet our targets of a 90% reduction in water withdrawal by 2025, and a 99% reduction in water withdrawal by 2030 (both compared to a baseline year of 2005). This will be accomplished by our plan to retire 100% of our coal electric generating capacity between 2026 and 2028.

**W1.4**

**(W1.4) Do you engage with your value chain on water-related issues?**

No, we do not engage on water with our value chain

**W1.4d**

**(W1.4d) Why do you not engage with any stages of your value chain on water-related issues and what are your plans?**

	Primary reason	Please explain
Row 1	Important but not an immediate business priority	

**W2. Business impacts**

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**W2.1**

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**(W2.1) Has your organization experienced any detrimental water-related impacts?**

No

**W2.2**

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**(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?**

No

**W3. Procedures**

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**W3.3**

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**(W3.3) Does your organization undertake a water-related risk assessment?**

Yes, water-related risks are assessed

**W3.3a**

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**(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.**

**W3.3b**

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**(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.**

Water-related risks are identified throughout the year using data from internal monitoring of water quality and water levels. Weekly meetings with internal staff provide an opportunity for risk to be shared and appropriate responses developed.

In addition, a corporate Risk Management Committee meets regularly to assess and respond to risks that may impact the company. Risks are documented and managed at a team, operating company, business unit or corporate levels in accordance with our enterprise risk management (ERM) framework.

Also, the Environmental, Social, Nominating and Governance Committee of the NiSource Board of Directors oversees programs, performance and risks relative to environmental and sustainability matters, including water-related issues. The Committee meets a minimum of four times annually. The charter for the Committee can be found on the NiSource website at <https://investors.nisource.com/corporate-governance/>.

**W4. Risks and opportunities**

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**W4.1**

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**(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes, only within our direct operations

**W4.1a**

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(W4.1a) How does your organization define substantive financial or strategic impact on your business?

W4.1b

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(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	4	76-99	These include two coal-fired electric generating stations that withdraw water from the Kankakee River, one gas-fired electric generating station that withdraws water from the Wabash River, and two hydroelectric facilities located on the Tippecanoe River.

W4.1c

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(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

United States of America	Other, please specify (Kankakee River)
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Unknown

Comment

R.M. Schahfer Generating Station

Country/Area & River basin

United States of America	Other, please specify (Wabash River)
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Unknown

Comment

Sugar Creek Generating Station

Country/Area & River basin

United States of America	Other, please specify (Tippecanoe River)
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Number of facilities exposed to water risk

2

% company-wide facilities this represents

26-50

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Unknown

Comment

Norway and Oakdale Hydroelectric Plants

W4.2

**(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.**

**Country/Area & River basin**

United States of America	Other, please specify (All: Kankakee, Wabash, and Tippecanoe Rivers)
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**Type of risk & Primary risk driver**

Please select

**Primary potential impact**

Reduction or disruption in production capacity

**Company-specific description**

NIPSCO electric generation relies on adequate water for non-contact cooling and hydroelectric generation. Insufficient water or poor water quality would limit our ability to operate. NIPSCO operates in areas of where sufficient quality water is available. Accordingly, the probability of a substantive impact is low.

**Timeframe**

Unknown

**Magnitude of potential impact**

Unknown

**Likelihood**

Unlikely

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

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

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

<Not Applicable>

**Potential financial impact figure - maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

**Primary response to risk**

Adopt water efficiency, water reuse, recycling and conservation practices

**Description of response**

NIPSCO has identified a water reduction plan. Based on baseline NIPSCO volumes from 2005, we are progressing towards our goal to reduce water withdrawal and water discharge by 90% by 2025 and 99% by 2030.

**Cost of response**

**Explanation of cost of response**

**W4.2c**

**(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?**

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	

**W4.3**

**(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes, we have identified opportunities, and some/all are being realized

**W4.3a**



**(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.**

**Type of opportunity**

Products and services

**Primary water-related opportunity**

Reduced impact of product use on water resources

**Company-specific description & strategy to realize opportunity**

We have developed an Integrated Resource Plan that results in a projected 90% reduction of our water withdrawal and discharge by 2025, and a 99% reduction by 2030, through the retirement of all of our coal-fired electric generation. The transition is expected to provide approximately \$4 billion in cost-savings to our electric customers over the long-term. In summary, we expect to significantly reduce water risk while providing long-term cost savings to our customers.

**Estimated timeframe for realization**

More than 6 years

**Magnitude of potential financial 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**

Through the retirement of all of our coal-fired electric generation by 2028 and transition to renewable energy, we expect to provide \$4 billion in long-term cost savings to customers. We have not yet quantified the financial impact of reduced water risk.

**W5. Facility-level water accounting**

**W5.1**

**(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.**

**Facility reference number**

Facility 1

**Facility name (optional)**

R.M. Schahfer Generating Station

**Country/Area & River basin**

United States of America	Other, please specify (Kankakee River)
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**Latitude**

41.247197

**Longitude**

-87.024444

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**

25907

**Comparison of total withdrawals with previous reporting year**

Higher

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

21907

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

4000

**Withdrawals from groundwater - non-renewable**

0

**Withdrawals from produced/entrained water**

0

**Withdrawals from third party sources**

0

**Total water discharges at this facility (megaliters/year)**

18296

**Comparison of total discharges with previous reporting year**

Higher

**Discharges to fresh surface water**

18296

**Discharges to brackish surface water/seawater**

0

**Discharges to groundwater**

0

**Discharges to third party destinations**

0

**Total water consumption at this facility (megaliters/year)**

7611

**Comparison of total consumption with previous reporting year**

Lower

**Please explain**

Water withdrawal and discharge volumes are based on metered volumes reported to applicable regulatory agencies.

**Facility reference number**

Facility 2

**Facility name (optional)**

Sugar Creek Generating Station

**Country/Area & River basin**

United States of America	Other, please specify (Wabash River)
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**Latitude**

39.384038

**Longitude**

-87.5125

**Located in area with water stress**

No

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**

3580

**Comparison of total withdrawals with previous reporting year**

Lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

3580

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

0

**Withdrawals from groundwater - non-renewable**

0

**Withdrawals from produced/entrained water**

0

**Withdrawals from third party sources**

0

**Total water discharges at this facility (megaliters/year)**

1302

**Comparison of total discharges with previous reporting year**

Higher

**Discharges to fresh surface water**

1302

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

2278

Comparison of total consumption with previous reporting year

Lower

Please explain

Water withdrawal and discharge volumes are based on metered volumes reported to applicable regulatory agencies.

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W5.1a

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(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

**Water withdrawals – total volumes**

**% verified**

76-100

**Verification standard used**

International Standard on Assurance Engagements ("ISAE") 3000

**Please explain**

<Not Applicable>

**Water withdrawals – volume by source**

**% verified**

76-100

**Verification standard used**

International Standard on Assurance Engagements ("ISAE") 3000

**Please explain**

<Not Applicable>

**Water withdrawals – quality by standard water quality parameters**

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

**Water discharges – total volumes**

**% verified**

76-100

**Verification standard used**

International Standard on Assurance Engagements ("ISAE") 3000

**Please explain**

<Not Applicable>

**Water discharges – volume by destination**

**% verified**

76-100

**Verification standard used**

International Standard on Assurance Engagements ("ISAE") 3000

**Please explain**

<Not Applicable>

**Water discharges – volume by final treatment level**

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

**Water discharges – quality by standard water quality parameters**

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

**Water consumption – total volume**

**% verified**

76-100

**Verification standard used**

International Standard on Assurance Engagements ("ISAE") 3000

**Please explain**

<Not Applicable>

**W6. Governance**

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W6.1

**(W6.1) Does your organization have a water policy?**

Please select

W6.2

**(W6.2) Is there board level oversight of water-related issues within your organization?**

Yes

W6.2a

**(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.**

Position of individual	Please explain
Board-level committee	The Environmental, Social, Nominating and Governance (ESNG) Committee oversees programs, performance and risks relative to environmental and sustainability matters, including water-related issues. The ESNG Committee meets a minimum of four times annually. The ESNG Committee charter can be found on the NiSource website at <a href="https://investors.nisource.com/corporate-governance/">https://investors.nisource.com/corporate-governance/</a> .

W6.2b

**(W6.2b) Provide further details on the board's oversight of water-related issues.**

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing major capital expenditures Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding major plans of action Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy	

W6.2d

**(W6.2d) Does your organization have at least one board member with competence on water-related issues?**

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

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

**Name of the position(s) and/or committee(s)**

Other, please specify (VP Environmental Policy )

**Responsibility**

Assessing future trends in water demand  
 Assessing water-related risks and opportunities  
 Managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

As important matters arise

**Please explain**

This person is directly responsible for managing information on water-related policy.

**Name of the position(s) and/or committee(s)**

Chief Executive Officer (CEO)

**Responsibility**

Managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

As important matters arise

**Please explain**

**Name of the position(s) and/or committee(s)**

Other C-Suite Officer, please specify (SVP, Strategy and Chief Risk Officer)

**Responsibility**

Assessing future trends in water demand  
 Assessing water-related risks and opportunities  
 Managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

As important matters arise

**Please explain**

**Name of the position(s) and/or committee(s)**

Risk committee

**Responsibility**

Assessing future trends in water demand  
 Assessing water-related risks and opportunities  
 Managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

As important matters arise

**Please explain**

**Name of the position(s) and/or committee(s)**

Chief Sustainability Officer (CSO)

**Responsibility**

Assessing future trends in water demand  
 Assessing water-related risks and opportunities  
 Managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

As important matters arise

**Please explain**

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

- Yes, direct engagement with policy makers
- Yes, trade associations
- Yes, funding research organizations

W6.5a

**(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?**

Our management team regularly meets and reviews our policy activities to ensure they are consistent with our Environmental Policy, our Stakeholder Commitments, and our target to reduce water withdrawal and discharge by 90% by 2025 and 99% by 2030. Our environmental metrics are assessed and reported to management on a regular basis to track progress toward these targets.

W6.6

**(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?**

Yes (you may attach the report - this is optional)  
2021 Form 10-K.pdf

W7. Business strategy

W7.1

**(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?**

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	16-20	Our Integrated Resource Plan (IRP) is updated at a minimum of every 3 years. The IRP addresses the planning for the next 20 years of operation. Water withdrawal and discharge targets are identified through 2030.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	16-20	Our Integrated Resource Plan (IRP) is updated at a minimum of every 3 years. The IRP addresses the planning for the next 20 years of operation. Water withdrawal and discharge targets are identified through 2030.
Financial planning	Yes, water-related issues are integrated	16-20	Our Integrated Resource Plan (IRP) is updated at a minimum of every 3 years. The IRP addresses the planning for the next 20 years of operation. Water withdrawal and discharge targets are identified through 2030.

W7.2

**(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?**

Row 1

Water-related CAPEX (+/- % change)

Anticipated forward trend for CAPEX (+/- % change)

Water-related OPEX (+/- % change)

Anticipated forward trend for OPEX (+/- % change)

Please explain

W7.3

**(W7.3) Does your organization use scenario analysis to inform its business strategy?**

	Use of scenario analysis	Comment
Row 1	Yes	NIPSCO's 2021 Integrated Resource Plan (IRP) is the result of a year-long, multi-disciplinary analytical exercise that includes scenario analysis to evaluate four integrated, but divergent future states-of-the-world for commodity prices, load growth, carbon regulation, other environmental policy drivers and the evolution of the MISO power market. NiSource has completed a scenario analysis for its regulated electric utility business in 2021 and will conduct a comprehensive scenario analysis for its regulated natural gas distribution businesses in 2022. The natural gas distribution scenario analysis plans to build on the electric utility scenario analysis and include a 2-degree Celsius or lower scenario using a mix of the following decarbonization pathways: end-use energy efficiency, low- and zero-carbon fuel blending and end-use electrification.

W7.3a

**(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.**

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related Climate-related Socioeconomic Land-use change	Please see <a href="https://www.nipsco.com/our-company/about-us/regulatory-information/irp">https://www.nipsco.com/our-company/about-us/regulatory-information/irp</a> .	Most of our water usage is from our electric generating stations. Several scenarios on the timing of the retirement of these units are modeled in our NIPSCO Integrated Resource Plan (IRP). More information on this scenario analysis is available on our website for stakeholder participation: <a href="https://www.nipsco.com/our-company/about-us/regulatory-information/irp">https://www.nipsco.com/our-company/about-us/regulatory-information/irp</a> .	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 • Continues on the trajectory of reducing water withdrawal and discharge by 99% (from a 2005 baseline) by 2030

## W7.4

**(W7.4) Does your company use an internal price on water?**

Row 1

**Does your company use an internal price on water?**

No, and we do not anticipate doing so within the next two years

**Please explain**

## W7.5

**(W7.5) Do you classify any of your current products and/or services as low water impact?**

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	No, and we do not plan to address this within the next two years	<Not Applicable>	Important but not an immediate business priority	

## W8. Targets

### W8.1

**(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.**

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and Site/facility specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	Our targets are based on our Integrated Resource Plan and long-term strategy. Our goal is also 100% environmental compliance, which includes water-related compliance requirements at all sites and facilities.

### W8.1a

**(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.**

**Target reference number**

Target 1

**Category of target**

Water withdrawals

**Level**

Company-wide

**Primary motivation**

Cost savings

**Description of target**

90% Reduction in Water Withdrawal from Electric Generation by 2025 (From 2005 Levels)

**Quantitative metric**

% reduction in total water withdrawals



**Baseline year**

2005

**Start year**

2017

**Target year**

2025

**% of target achieved**

100

**Please explain**

Baseline: 119,252 million gallons, 2025 Target: 11,925 million gallons; 2021 Actual: 11,262 million gallons. Achieved through the retirement of coal generation.

---

**Target reference number**

Target 2

**Category of target**

Water discharge

**Level**

Company-wide

**Primary motivation**

Cost savings

**Description of target**

90% Reduction in Water Discharge from Electric Generation by 2025 (From 2005 Levels)

**Quantitative metric**

Other, please specify (% reduction in total water discharge volume)

**Baseline year**

2005

**Start year**

2017

**Target year**

2025

**% of target achieved**

100

**Please explain**

Baseline: 110,887 million gallons, 2025 Target: 11,089 million gallons; 2021 Actual: 7,548 million gallons. Achieved through the retirement of coal generation.

---

**Target reference number**

Target 3

**Category of target**

Water withdrawals

**Level**

Company-wide

**Primary motivation**

Cost savings

**Description of target**

99% Reduction in Water Withdrawal from Electric Generation by 2030 (From 2005 Levels)

**Quantitative metric**

% reduction in total water withdrawals

**Baseline year**

2005

**Start year**

2017

**Target year**

2030

**% of target achieved**

91

**Please explain**

Baseline: 119,252 million gallons, 2025 Target: 11,925 million gallons; 2021 Actual: 11,262 million gallons.

---

**Target reference number**

Target 4

**Category of target**

Water discharge

**Level**

Company-wide

**Primary motivation**

Cost savings

**Description of target**

99% Reduction in Water Discharge from Electric Generation by 2030 (From 2005 Levels)

**Quantitative metric**

Other, please specify (% reduction in total water discharge volume)

**Baseline year**

2005

**Start year**

2017

**Target year**

2030

**% of target achieved**

93

**Please explain**

Baseline: 110,887 million gallons, 2025 Target: 11,089 million gallons; 2021 Actual: 7,548 million gallons.

W8.1b

**(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.**

**Goal**

Other, please specify (100% Compliance With All Water-Related Requirements)

**Level**

Company-wide

**Motivation**

Shared value

**Description of goal**

100% Compliance With All Water-Related Requirements

**Baseline year**

**Start year**

**End year**

**Progress**

Significant progress has been made to achieve this goal.

W9. Verification

W9.1

**(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?**

No, we do not currently verify any other water information reported in our CDP disclosure

W10. Sign off

W-FI

**(W-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.**

W10.1

**(W10.1) Provide details for the person that has signed off (approved) your CDP water response.**

	Job title	Corresponding job category
Row 1		Please select

W10.2

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(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

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