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NiSource Energy Technologies Receives Recognition from the U.S. Environmental Protection Agency for Combined Heat and Power (CHP)

MERRILLVILLE, IN, October 23, 2002-- NiSource Energy Technologies, a subsidiary of NiSource Inc. (NYSE: NI), today received two 2002 CHP Certificates of Recognition from The Environmental Protection Agency's Combined Heat and Power Partnership.

This year, NiSource Energy Technologies began operation of a three-microturbine CHP system at the Hilton Garden Inn in Chesterton, Indiana. The recovered heat provides supplement heat for the water supply, spa and swimming pool as well as heat for the hotel's common areas. The project is intended to develop a packaged Integrated Energy System (IES) for the hotel industry. The Environmental Protection Agency's Combined Heat and Power Partnership is proud to recognize the important CHP technology development qualities of this project by presenting NiSource Energy Technologies with the 2002 CHP Certificate of Recognition.

This year, NiSource Energy Technologies began operation of a two-microturbine CHP system at the Breeden YMCA in Angola, Indiana. The recovered heat provides supplement heat for the water supply and swimming pool as well as space heat for the YMCA. The CHP system also provides backup power in the event of any electric grid power outage to help the YMCA serve as a disaster center. The Environmental Protection Agency's Combined Heat and Power Partnership is proud to recognize the important CHP technology development qualities of this project by presenting NiSource Energy Technologies with the 2002 CHP Certificate of Recognition.

NiSource Energy Technologies, a subsidiary of NiSource Inc. (NYSE: NI), markets and sells distributed power generation and storage systems to commercial and small industrial customers. These small on-site generating systems enhance power quality, improve reliability and operate with or without the local electric utility grid. The company is focused on targeting early adopters of distributed generation technology. NET is a distribution channel partner of Capstone Turbine.

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