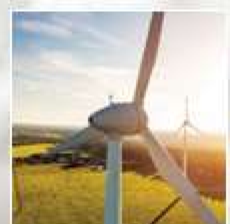



SUPPLEMENTAL SLIDES
1Q 2021 RESULTS

May 5, 2021






FORWARD-LOOKING STATEMENTS

This presentation contains “forward-looking statements,” within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. Expressions of future goals and expectations and similar expressions, including "may," "will," "should,“ "could," "would," "aims," "seeks," "expects," "plans," "anticipates," “intends," "believes," "estimates,“ "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this presentation include, among other things, our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and natural gas costs and supply risks; fluctuations in demand from residential and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the attraction and retention of a qualified workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the performance of third-party suppliers and service providers; potential cyber-attacks; any damage to our reputation; any remaining liabilities or impact related to the sale of Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the impacts of climate change and extreme weather conditions; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related to the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney’s Office to settle the U.S. Attorney’s Office’s investigation relating to the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; and other matters set forth in Item 1, “Business,” Item 1A, “Risk Factors” and Part II. Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” of our annual report on Form 10-K for the year ended December 31, 2020, and Item 1A, “Risk Factors,” of our quarterly report on Form 10-Q for the quarter ended March 31, 2021, some of which risks are beyond our control. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time. All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Regulation G Disclosure Statement

This presentation includes financial results for NiSource with respect to net operating earnings available to common shareholders and operating earnings which are non-GAAP financial measures as defined by the Securities and Exchange Commission's (SEC) Regulation G. This presentation also includes guidance for NiSource with respect to net operating earnings per share and adjusted funds from operations / total debt. The company includes these measures because management believes they permit investors to view the company’s performance using the same tools that management uses and to better evaluate the company’s ongoing business performance. With respect to such guidance for net operating earnings per share, it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other items included in GAAP results. NiSource is not able to estimate the impact of such factors on GAAP earnings and, as such, is not providing earnings guidance on a GAAP basis. With respect to such guidance for adjusted funds from operations / total debt it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various adjustments the S&P and Moody's rating agencies apply when calculating their metrics. NiSource is not able to provide a reconciliation of its non-GAAP net operating earnings or adjusted funds from operations / total debt guidance, to their GAAP equivalents without unreasonable efforts.

KEY TAKEAWAYS

- **First Quarter 2021 Non-GAAP Diluted Net Operating Earnings Per Share (NOEPS)* of $0.77**
  - Results reflect increased earnings from annual safety & modernization investments and reflect the profile of our business without Columbia Gas of Massachusetts
- **2021 Guidance narrowed and long-term financial commitments reaffirmed**
  - 2021 Diluted NOEPS* guidance narrowed to $1.32 to $1.36
  - $1.9 to $2.2B in annual growth, safety and asset modernization investments, 2021-2024
  - Renewable generation investments now expected to be approximately $2.0B, 2022-2023
  - 7-9% Diluted NOEPS* CAGR, 2021-2024 (5-7% 2021 - 2023)
- **Convertible Issuance resolves all discrete (block) equity needs**
  - $862.5M Convertible Issuance at 7.75% yield
  - 100% equity credit with all three agencies
  - Allows NiSource to retain share price upside and aligns proceeds with renewable investment needs
- **Pennsylvania 2020 base rate case approved with 9.86% ROE and $63.5M revenue increase**
  - CPA files 2021 base rate case, requesting a $98.3M revenue increase to continue to support safety & modernization investments
- **Renewable generation projects advance**
  - There are now a total of 14 renewable energy projects announced as part of NiSource's customer-centric "Your Energy, Your Future" initiative, which includes the generation transition plan at NIPSCO.

FOCUSED ON ENHANCING SAFETY, SERVICE, SYSTEM RELIABILITY AND ENVIRONMENTAL LEADERSHIP

* Diluted Net Operating Earnings Per Share (Non-GAAP); For the GAAP Diluted Earnings Per Share and the reconciliation of GAAP to non-GAAP diluted earnings per share, see Schedule 1 in the appendix to this presentation

FIRST QUARTER CONSOLIDATED FINANCIAL RESULTS

GAAP	FIRST QUARTER		
	2021	2020	Change
Net Income (Loss) Available to Common Shareholders ($ in Millions)	$281.7	$61.8	$219.9
Diluted Earnings (Loss) Per Share	$0.72	$0.16	$0.56

NON-GAAP*	FIRST QUARTER		
	2021	2020	Change
Net Operating Earnings (Loss) Available to Common Shareholders ($ in Millions)	$304.8	$290.9	$13.9
Diluted Net Operating Earnings Per Share	$0.77	$0.76	$0.01

*Net Operating Earnings (non-GAAP). For a reconciliation of GAAP to non-GAAP earnings, see Schedule 1 in the appendix to this presentation

FIRST QUARTER SEGMENT NON-GAAP* RESULTS

GAS DISTRIBUTION OPERATIONS ($ Millions)	FIRST QUARTER 2021	FIRST QUARTER 2020	FIRST QUARTER Change
Operating Revenues	$ 1,147.3	$ 1,255.8	$ (108.5)
Cost of Energy	$ 379.0	$ 377.4	$ (1.6)
Tracked Operating Expenses	$ 66.3	$ 92.6	$ 26.3
Other Operating Expenses	$ 328.0	$ 394.2	$ 66.2
Total Operating Expenses	$ 773.3	$ 864.2	$ 90.9
Operating Earnings (Loss)*	**$ 374.0**	**$ 391.6**	**$ (17.6)**

Note: 2021 Gas Distribution results exclude CMA impact, CMA sale closed October 2020

ELECTRIC OPERATIONS ($ Millions)	FIRST QUARTER 2021	FIRST QUARTER 2020	FIRST QUARTER Change
Operating Revenues	$ 403.3	$ 379.0	$ 24.3
Cost of Energy	$ 97.8	$ 85.0	$ (12.8)
Tracked Operating Expenses	$ 12.3	$ 9.9	$ (2.4)
Other Operating Expenses	$ 202.6	$ 204.1	$ 1.5
Total Operating Expenses	$ 312.7	$ 299.0	$ (13.7)
Operating Earnings (Loss)*	**$ 90.6**	**$ 80.0**	**$ 10.6**

*Operating Earnings (non-GAAP). For comparable GAAP results by segment, refer to Part I. Item 2 of the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2021. For a reconciliation of GAAP to non-GAAP earnings, see Schedules 2 and 3 in the appendix to this presentation

CONTINUED FOCUS ON SAFE AND RELIABLE EXECUTION

NISOURCE DEBT AND CREDIT PROFILE

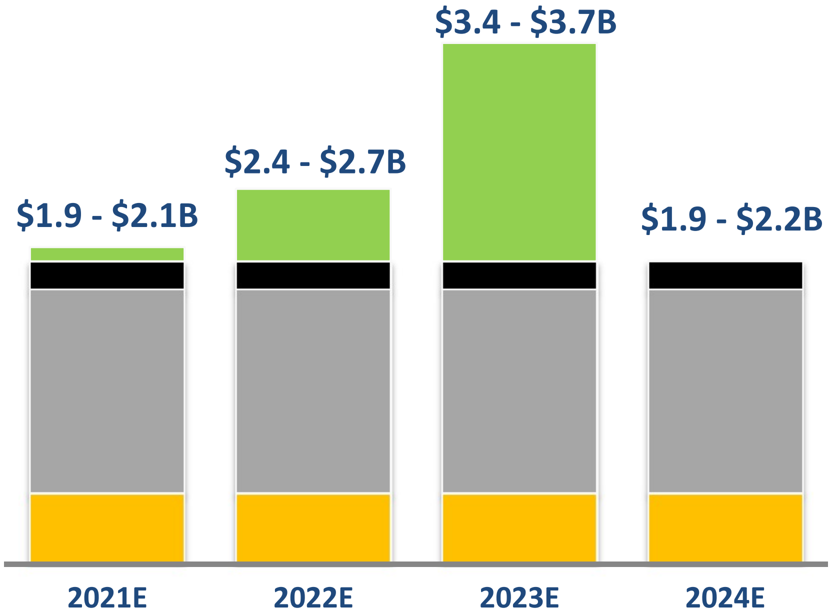
- **Debt level: ~$9.8B as of March 31, 2021**
  - ~$9.1B of long-term debt
    - Weighted average maturity ~15 years
    - Weighted average interest rate of 3.68%
- **Solid liquidity position**
  - ~$1.9B in net available liquidity as of March 31, 2021*
  - ~$2.3B of committed facilities in place as of March 31, 2021
    - ~$1.9B revolving credit facility
    - ~$0.4B accounts receivable securitization facilities **
- **Executed $862.5M Equity Unit Issuance**
  - Resolves all the discrete equity needs with remarketing of $862.5M in December of 2023
  - Provides 100% equity credit with all three agencies
  - Allows NiSource to retain share price upside and aligns proceeds with renewable investments
- **Committed to maintaining current investment-grade credit ratings**
  - S&P BBB+ | Moody's Baa2 | Fitch BBB

SOLID FINANCIAL FOUNDATION TO SUPPORT LONG-TERM INFRASTRUCTURE AND SAFETY INVESTMENTS

* Consisting of cash and available capacity under credit facilities
** Capacity on accounts receivable securitization facilities changes with seasonality

2021E – 2024E CAPITAL FORECAST

Investment opportunities expected to enhance system safety and reliability while driving shareholder value



Expected Renewable Generation Investments of ~$2.0B

Expected Investment Recovery Period

- **Renewables (Rate Case Targeted 2H/2023)**
- **Growth (Within 0-3 Months)**
- **Tracker (Within 0-18 Months)**
- **Maintenance/Other (Periodic Rate Cases)**

Anticipate >75% of Capital Investments Begin Earning in Less Than 18 Months

2021 - 2024 FINANCING PLAN*

Financing strategy targets long-term Adj. FFO/total debt** of ~14%-15%

($ millions)	2021E	2022E	2023E	2024E
Planned Annual Safety & Modernization Investments				
Equity				
ATM (At-the-Market)	$200 - $300 Annually		$0 - $150 Total	
ESPP/401K/Other	$30 - $50 Annually			
Long-Term Debt				
Incremental Long-Term Debt		$500 - $700 Annually		
Planned Renewable Generation Investments (Targeting 60% Equity)				
Equity				
Common Equity Block	- - - - - - - - - - - - - - - None Planned - - - - - - - - - - - - - - -			
Long-Term Debt				
Incremental Long-Term Debt		~ $800 Total		
Other Financing				
Equity Unit Issuance	$862.5 Total***			

Current Financing Plan

- All financing is included in our long-term growth commitments
- Reflects our focus on maintaining current investment grade credit rating
- Targets renewable investment financing (60% Equity / 40% Debt)
- Doesn't include potential portfolio optimization opportunities

*Current financing plan may change based on business developments
**As calculated according to the S&P and Moody's rating agency methodologies
*** Remarketing of additional $862.5M in December of 2023

GAS DISTRIBUTION OPERATIONS

- Pennsylvania 2020 rate case approved, new rate case filed
- Continuing to execute infrastructure modernization designed to enhance system safety, reliability and environmental performance

HIGHLIGHT	KEY COMPONENTS	STATUS
Columbia Gas of Kentucky Safety Modification and Replacement Program (SMRP) Annual Rider Update	◦ Supports continued replacement of aging pipelines and adoption of pipeline safety upgrades ◦ Approval covers $40.0M for 2021 capital investments	◦ Filed Oct. 15, 2020 ◦ Order received April 30, 2021 ◦ New rates effective May 2021
NIPSCO Gas System Modernization Program	◦ Long-term infrastructure modernization program ◦ TDSIC1 filing covers $26.0M in incremental capital investments made between January and June 2020	◦ Filed Aug. 25, 2020 ◦ Order received Dec. 23, 2020 ◦ New rates effective Jan. 2021
Columbia Gas of Virginia Steps to Advance Virginia's Energy (SAVE) Annual Rider Update	◦ Supports continued replacement of aging pipelines and adoption of pipeline safety upgrades guided by SMS risk prioritization ◦ Request covers $46.4M for 2021 capital investments	◦ Filed July 24, 2020 ◦ Order received Nov. 18, 2020 ◦ New rates effective Jan. 2021
Columbia Gas of Pennsylvania 2021 Base Rate Case	◦ Supports continued replacement of aging pipelines and adoption of pipeline safety upgrades ◦ Requested initial increase $98.3M	◦ Filed March 30, 2021 ◦ New rates effective Dec 2021
Columbia Gas of Pennsylvania 2020 Base Rate Case	◦ Supports continued replacement of aging pipelines and adoption of pipeline safety upgrades ◦ Approved $63.5M total annual revenue increase	◦ Filed Apr. 24, 2020 ◦ Order received Feb 19, 2021 ◦ New rates retroactive to Jan. 23, 2021

~$40B IN IDENTIFIED LONG-TERM GAS AND ELECTRIC INFRASTRUCTURE INVESTMENT OPPORTUNITIES

ELECTRIC OPERATIONS

- Commercial and regulatory progress continues on remaining renewable projects
  - $2.0B of capital investment opportunities expected in 2022 and 2023
- Continued execution of seven-year ~$1.2B electric system modernization program

HIGHLIGHT	KEY COMPONENTS	STATUS
2021 Integrated Resource Plan	◦ Process will include RFP solicitation for new resources, similar to the 2018 IRP	◦ Meetings throughout 2021 ◦ Completion targeted for fall
New 5-Year TDSIC and Termination of 7-Year TDSIC	◦ To include long-term investments in modernizing the company's electric infrastructure with some projects that were previously identified in the latest TDSIC plan and newly identified projects aimed at enhancing service and reliability for customers.	◦ Filed termination notice April 1, 2021 ◦ Expect new filing around June 1, 2021
Renewable Generation JV Projects	◦ Announced new build-transfer agreements for Indiana Crossroads solar park, Fairbanks solar and Elliott solar ◦ Construction progresses on Indiana Crossroads wind project ◦ CPCNs pending before IURC for Dunns Bridge Solar I, Dunns Bridge Solar II and Cavalry Solar	◦ Indiana Crossroads expected in service YE 2021 ◦ IURC order for Dunns / Cavalry expected Q2 2021
Renewable Generation PPA Projects	◦ Announced new PPA for Indiana Crossroads II ◦ PPAs approved by IURC for Brickyard Solar and Greensboro Solar + storage ◦ PPAs filed with IURC for Gibson and Green River solar projects, and Indiana Crossroads II wind project	◦ Regulatory approval for Gibson and Green River expected by Q2 2021 ◦ Regulatory approval for Indiana Crossroads II expected late 2021

~$40B IN IDENTIFIED LONG-TERM GAS AND ELECTRIC INFRASTRUCTURE INVESTMENT OPPORTUNITIES

SAFETY AND INFRASTRUCTURE PROGRAMS

COMPANY	YEAR-END 2020 RATE BASE	AUTHORIZED PROGRAM ROE	MODERNIZATION PROGRAM INVESTMENTS	ESTIMATED ANNUAL MODERNIZATION PROGRAM INVESTMENTS	RECOVERY MECHANISM
Columbia Gas of OH	$3.5B	10.39%	~$10.6B	$540M - $560M	Tracked
Columbia Gas of PA	$2.1B	None specified	~$4.1B	$275M - $340M	Rate Case (Forward Test Year)
NIPSCO Gas	$1.8B*	9.85%	~$5.0B	$155M - $245M	Tracked
Columbia Gas of VA	$905M	9.70%	~$500M	$46M - $65M	Tracked
Columbia Gas of KY	$372M	9.50%	~$900M	$35M - $40M	Tracked
Columbia Gas of MD	$173M	9.60%	~$230M	$18M - $25M	Tracked
NIPSCO Electric	$4.8B*	9.75%	~$5.0B	$170M - $230M	Tracked

ROBUST LONG-TERM INVESTMENT PROGRAMS DELIVER VALUE ON $13.6B RATE BASE**

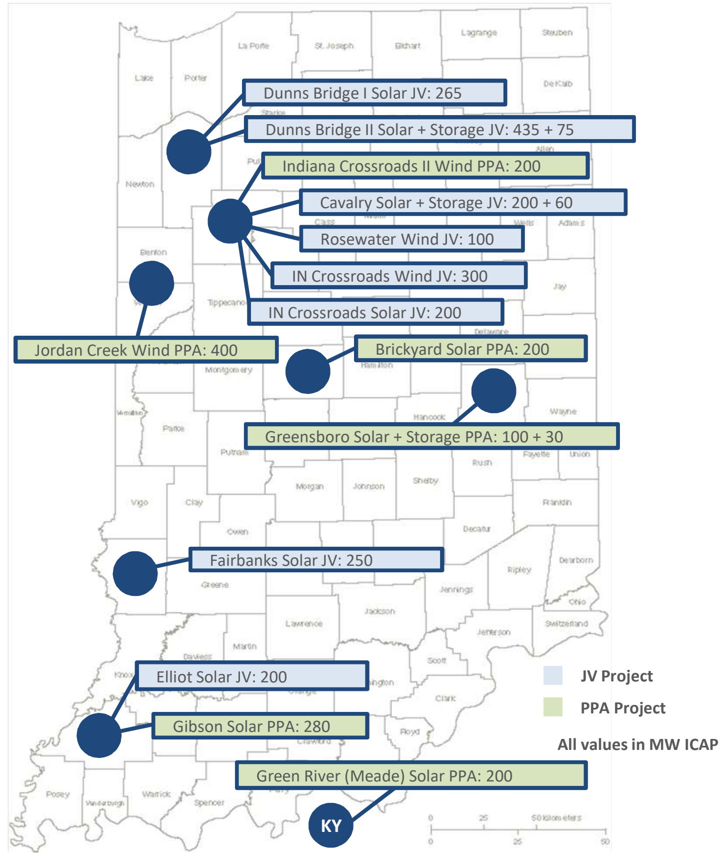
* NIPSCO gas and electric rate base includes deferred taxes
** As of Dec. 31, 2020

SAFETY AND INFRASTRUCTURE INVESTMENT AND TRACKER FILING DETAILS

COMPANY	MECHANISM	INCREMENTAL INVESTMENTS		RECOVERY	
		PERIOD	AMOUNT ($M)	FILING DATE	EFFECTIVE DATE
Columbia Gas of Ohio	Infrastructure Replacement Program (IRP)	FY 2019	$234.4	Feb 2020	May 2020
		FY 2020	$212.6	Feb 2021	May 2021
Columbia Gas of Ohio	Capital Expenditure Program (CEP)	FY 2019	$185.1	Feb 2020	Sept 2020
		FY 2020	$179.2	Feb 2021	Sept 2021
Columbia Gas of Pennsylvania	Distribution System Improvement Charge (DSIC)	Jun 2020 - Aug 2020	$85.0	Sep 2020	Oct 2020
		Sep 2020 - Nov 2020	$25.0	Dec 2020	Jan 2021
Columbia Gas of Virginia	Steps to Advance Virginia's Energy Plan (SAVE)	FY 2020	$50.0	Aug 2019	Jan 2020
		FY 2021	$46.4	Jul 2020	Jan 2021
Columbia Gas of Kentucky	Safety Modification and Replacement Program (SMRP)	FY 2020	$40.4	Oct 2019	Jan 2020
		FY 2021	$40.0	Oct 2020	May 2021
Columbia Gas of Maryland	Strategic Infrastructure Development and Enhancement (STRIDE)	FY 2020	$15.0	Jan 2020	Feb 2020
		FY 2021	$16.9	Oct 2020	Jan 2021
NIPSCO – Gas	Transmission, Distribution and Storage System Improvement Charge (TDSIC)	TDSIC 1: Jan 2020 - Jun 2020	$26.0	Aug 2020	Jan 2021
		TDSIC 2: July 2020 – Dec 2020	$52.3	Feb 2021	July 2021
NIPSCO – Electric	Transmission, Distribution and Storage System Improvement Charge (TDSIC)	TDSIC 7: Jul 2019 - Jul 2020	$122.3	Sep 2020	Feb 2021
		TDSIC 8: Aug 2020 - Jan 2021	$73.5	Mar 2021	Aug 2021

ROBUST RENEWABLE INVESTMENTS IN INDIANA

Project	Structure	NIPSCO Investment ($M)	In Service	Status
Projects in Execution:				
Rosewater Wind	JV	~$100	'20	Complete
Jordan Creek Wind	PPA	N/A	'20	Complete
Indiana Crossroads Wind	JV	~$300	'21	Under Construction
Brickyard Solar	PPA	N/A	'22	Approved
Greensboro Solar + Storage	PPA	N/A	'22	Approved
Dunns Bridge I Solar	JV	~$240	'22	Pending Approval
Dunns Bridge II Solar + Storage	JV	~$420	'23	Pending Approval
Cavalry Solar + Storage	JV	~$190	'23	Pending Approval
Gibson Solar	PPA	N/A	'23	Pending Approval
Green River Solar	PPA	N/A	'23	Pending Approval
Fairbanks Solar	JV	~$245	'23	Pending Approval
Crossroads II Wind	PPA	N/A	'23	Pending Approval
Crossroads Solar	JV	~$200	'22	Pending Approval
Elliott Solar	JV	~$180	'23	Pending Approval
Transmission Projects	NI owned	~$150	'21–'22	Engineering / Under Construction
Total		**~$2,000**		



ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

Environmental

- $1.8B-$2.0B of planned renewable investments through 2023
- Expected to retire 100% of coal assets by 2028 and replace primarily with renewables
- Driving toward 90% reduction* in greenhouse gas emissions by 2030

Social

- Transformation focused on customer safety and reliability
- Economically benefiting customers and communities
- Committed to engagement, diversity and inclusion from the boardroom through the organization and supplier network

Governance

- Leadership enhancements support commitment to customer service and safety
- Diverse, skilled and independent Board
- Robust framework for strategy, risk management and oversight

* Compared to 2005 baseline




APPENDIX
1Q 2021 RESULTS

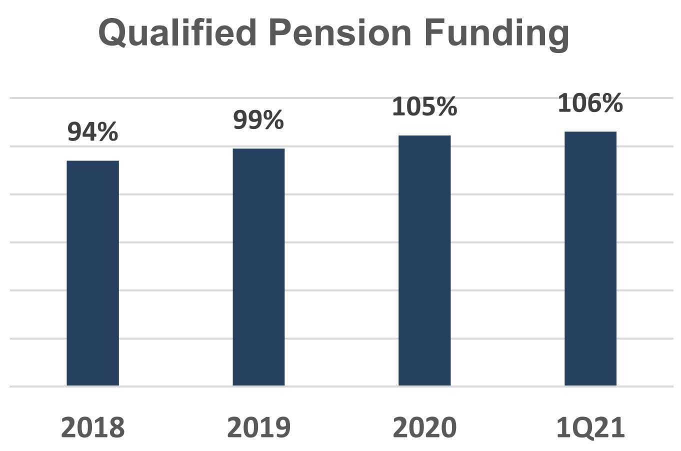
NiSource

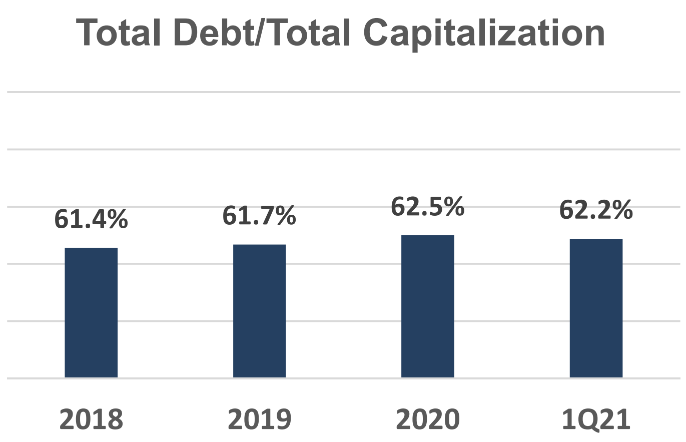



LIQUIDITY AND CAPITALIZATION AS OF 1Q 2021 ($M)

CURRENT LIQUIDITY	ACTUAL 3/31/21	MATURITY
Revolving Credit Facility	$1,850	Feb. 20, 2024
Accounts Receivable Programs*	462	
Less:		
Drawn on Credit Facility	—	
Commercial Paper	520	
Accounts Receivable Programs Utilized	—	
L/C's Outstanding Under Credit Facility	15	
Add:		
Cash & Equivalents	89	
Net Available Liquidity	$1,866	

* Represents the lesser of seasonal limit or maximum borrowings supportable by underlying receivables





NiSource Inc.

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) *(unaudited)*

(in millions, except per share amounts)	Three Months Ended March 31, 2021	2020
GAAP Net Income Available to Common Shareholders	**$ 281.7**	$ 61.8
Adjustments to Operating Income:		
Operating Revenues:		
Weather - compared to normal	**9.0**	26.3
Operating Expenses:		
Greater Lawrence Incident(1)	**5.8**	8.1
NiSource Next initiative(2)	**9.7**	—
Massachusetts Business sale related amounts(3)	**6.9**	280.2
Gain on sale of assets, net	—	(0.1)
Total adjustments to operating income	**31.4**	314.5
Income Taxes:		
Tax effect of above items(4)	**(8.3)**	(85.4)
Total adjustments to net income	**23.1**	229.1
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 304.8**	$290.9
Average Common Shares Outstanding(5)	**393.9**	383.1
GAAP Diluted Earnings Per Share	**$ 0.72**	$ 0.16
Adjustments to diluted earnings per share	**0.05**	0.60
Non-GAAP Diluted Net Operating Earnings Per Share	**$ 0.77**	$ 0.76

(1)Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident.

(2)Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.

(3)2021 represents loss incurred for the Massachusetts Business primarily due to net working capital adjustments on the final purchase price. 2020 represents loss recorded as a result of measuring the assets and liabilities of the Massachusetts Business at fair value, less costs to sell.

(4)Represents income tax expense calculated using the statutory tax rates by legal entity.

(5)Beginning in 2021, we changed our Non-GAAP measure from Basic to Diluted Net Operating Earnings per Share. Diluted Average Common Shares Outstanding would have been 384.1M in 2020 resulting in no change to Non-GAAP Net Operating Earnings per Share of $0.76.

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Income (Loss) to Operating Income (Loss) (Non-GAAP) (unaudited)

Three Months Ended March 31, 2021 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Income (Loss) (GAAP)	**$ 346.9**	**$ 87.9**	**$ (1.6)**	**$ 433.2**
Adjustments to Operating Income (Loss):				
Operating Revenues:				
Weather - compared to normal	8.4	0.6	—	**9.0**
Operating Expenses:				
Greater Lawrence Incident[(1)]	5.8	—	—	**5.8**
NiSource Next initiative[(2)]	6.0	2.1	1.6	**9.7**
Massachusetts Business sale related amounts[(3)]	6.9	—	—	**6.9**
Total Adjustments to Operating Income(Loss)	**27.1**	**2.7**	**1.6**	**31.4**
Operating Income (Non-GAAP)	**$ 374.0**	**$ 90.6**	**$ —**	**$ 464.6**

[(1)]Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident.

[(2)]Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.

[(3)]Represents loss incurred for the Massachusetts Business primarily due to net working capitaladjustments on the final purchase price.

Three Months Ended March 31, 2020 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Income (Loss) (GAAP)	**$ 78.5**	**$ 78.5**	**$ (8.8)**	**$ 148.2**
Adjustments to Operating Income (Loss):				
Operating Revenues:				
Weather - compared to normal	24.8	1.5	—	**26.3**
Operating Expenses:				
Greater Lawrence Incident[(1)]	8.1	—	—	**8.1**
Loss on classification as held for sale[(2)]	280.2	—	—	**280.2**
Gain on sale of fixed assets and impairments, net	—	—	(0.1)	**(0.1)**
Total Adjustments to Operating Income (Loss)	**313.1**	**1.5**	**(0.1)**	**314.5**
Operating Income (Non-GAAP)	**$ 391.6**	**$ 80.0**	**$ (8.9)**	**$ 462.7**

[(1)]Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident.

[(2)]Represents loss recorded as a result of measuring the assets and liabilities of the Massachusetts Business at fair value, less costs to sell.

NiSource Inc.

Schedule 3 - Reconciliation by Segment of Operating Revenues and Expenses (GAAP) to Operating Revenues and Expenses (Non-GAAP) (unaudited)

Three Months Ended March 31, 2021 ***(in millions)***	**Gas Distribution**	**Electric**	**Corporate & Other**	**Total**
Operating Revenues (GAAP)	**$ 1,138.9**	**$ 402.7**	**$ 4.0**	**$ 1,545.6**
Adjustments:				
Weather - compared to normal	8.4	0.6	—	**9.0**
Operating Revenues (Non-GAAP)	**$ 1,147.3**	**$ 403.3**	**$ 4.0**	**$ 1,554.6**

Three Months Ended March 31, 2020 ***(in millions)***	**Gas Distribution**	**Electric**	**Corporate & Other**	**Total**
Operating Revenues (GAAP)	**$ 1,231.0**	**$ 377.5**	**$ (3.0)**	**$ 1,605.5**
Adjustments:				
Weather - compared to normal	24.8	1.5	—	**26.3**
Operating Revenues (Non-GAAP)	**$ 1,255.8**	**$ 379.0**	**$ (3.0)**	**$ 1,631.8**

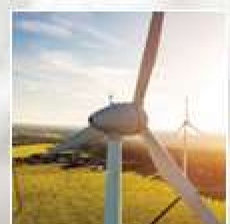
Three Months Ended March 31, 2021 ***(in millions)***	**Gas Distribution**	**Electric**	**Corporate & Other**	**Total**
Operating Expenses (GAAP)	**$ 792.0**	**$ 314.8**	**$ 5.6**	**$ 1,112.4**
Adjustments:				
Greater Lawrence Incident[(1)]	5.8	—	—	**5.8**
NiSource Next initiative[(2)]	6.0	2.1	1.6	**9.7**
Massachusetts Business sale related amounts[(3)]	6.9	—	—	**6.9**
Operating Expenses (Non-GAAP)	**$ 773.3**	**$ 312.7**	**$ 4.0**	**$ 1,090.0**

[(1)]Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident.
[(2)]Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.
[(3)]Represents loss incurred for the Massachusetts Business primarily due to net working capital adjustments on the final purchase price.

Three Months Ended March 31, 2020 ***(in millions)***	**Gas Distribution**	**Electric**	**Corporate & Other**	**Total**
Operating Expenses (GAAP)	**$ 1,152.5**	**$ 299.0**	**$ 5.8**	**$ 1,457.3**
Adjustments:				
Greater Lawrence Incident[(1)]	8.1	—	—	**8.1**
Loss on classification as held for sale[(2)]	280.2	—	—	**280.2**
Gain on sale of fixed assets and impairments, net	—	—	(0.1)	**(0.1)**
Operating Expenses (Non-GAAP)	**$ 864.2**	**$ 299.0**	**$ 5.9**	**$ 1,169.1**

[(1)]Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident.
[(2)]Represents loss recorded as a result of measuring the assets and liabilities of the Massachusetts Business at fair value, less costs to sell.

APPENDIX
EQUITY UNITS

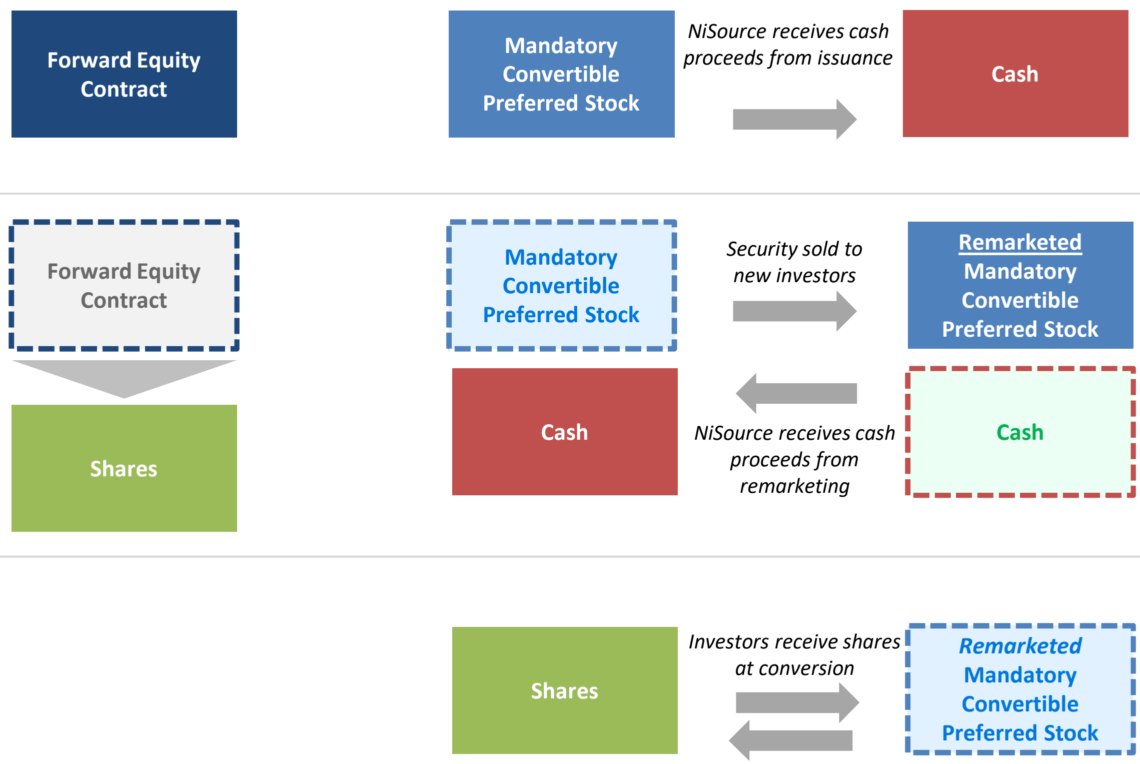


STRUCTURE DIAGRAM OF EQUITY UNIT STRUCTURE

Step 1: At Inception
(T = 0)
NiSource receives cash proceeds from offering and agrees to issue a variable number of common shares & pay yield on equity unit

Step 2: At Remarketing
(T = 2.5 years)
NiSource receives cash proceeds from remarketing[1] to settle forward equity contract. NiSource issues shares

Step 3: At Conversion of *Remarketed* Mandatory Preferred Stock
(T = 2.75 years)
Conversion of remarketed mandatory preferred stock into common shares



[1]If remarketing fails, any separated convertible preferred stock may be used to recreate corporate units, and any convertible preferred stock that is part of a corporate unit is used to pay purchase price under forward contract at year 2.5 (i.e. the preferred is returned to NiSource)

2021E – 2024E FINANCING STRATEGY[1]

($ millions)	2021E	2022E	2023E	2024E
Planned Annual Safety & Modernization Investments				
Equity			*Reduced to $0 - $150*	
ATM (At-the-Market)	$200 - $300	$200 - $300	~~$200 - $300~~	
ESPP/401K/Other	$30 - $50 Annually			
Long-Term Debt				
Incremental Long-Term Debt		$500 - $700 Annually		
Planned Renewable Generation Investments: (Targeting 60% Equity)				
Equity		*No Longer Planned*		
Common Equity Block		~~$500 - $700 Total~~		
Long-Term Debt				
Incremental Long-Term Debt		~$800 Total		
Other Financing	*Satisfied*			
Convertible	$600 - $1,000 Total			

Current Financing Plan …

- All financing is included in our long-term growth commitments
- Reflects our focus on maintaining current investment grade credit rating
- Targets renewable investment financing (60% Equity / 40% Debt)
- Doesn't include potential portfolio optimization opportunities
- Financing strategy targets long-term Adj. FFO[2] / Total Debt of ~14%-15%

Expected to satisfy all anticipated discrete equity needs through 2024, and reduces ATM issuance expectations in 2023

[1] Current financing plan may change based on business developments
[2] Adjusted funds from operations (FFO); represents Net Income adjusted for depreciation and amortization, loss on early extinguishment of debt and deferred taxes