

May 4, 2022

## FOR ADDITIONAL INFORMATION

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## NiSource reports first quarter 2022 results

- 2022 guidance and long term earnings growth reaffirmed
- Generation transition from coal remains on track for 2026-2028; however, short term solar project delays expected
- Regulatory progress supporting enhanced safety and environmental performance continues, with a rate case settlement in Indiana and new cases filed in Pennsylvania and Virginia
- Investor Day, focused on extending NiSource's growth plan, will take place this fall
- Safety, reliability, customer affordability and sustainability remain top priorities

**MERRILLVILLE, Ind.** - NiSource Inc. (NYSE: NI) today announced, on a GAAP basis, net income available to common shareholders for the three months ended March 31, 2022 of \$413.0 million, or \$0.94 diluted earnings per share, compared to net income available to common shareholders of \$281.7 million, or \$0.72 diluted earnings per share, for the same period of 2021.

NiSource also reported non-GAAP net operating earnings available to common shareholders of \$328.7 million, or \$0.75 diluted earnings per share, for the three months ended March 31, 2022, compared to non-GAAP net operating earnings available to common shareholders of \$304.8 million, or \$0.77 diluted earnings per share, for the same period of 2021. Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures.

"The NiSource team continues to execute on plans for the growth and sustainability of our business while delivering safe and reliable service to our customers," said **Lloyd Yates**, President and CEO. "Despite the expected delays in solar projects, the resiliency and flexibility of our business plan continues to support our commitment to deliver 7 - 9% compound annual growth in non-GAAP NOEPS from 2021 through 2024. I also look forward to sharing details around the extension of this growth plan at our Investor Day event this fall."

### Reaffirming 2022 and long-term financial guidance

Consistent with its near and long-term growth commitments, NiSource reaffirms its 2022 non-GAAP diluted net operating earnings per share (NOEPS) guidance of \$1.42 to \$1.48.

NiSource also continues to expect non-GAAP diluted NOEPS to grow by 7 to 9 percent, from 2021's full year results of \$1.37 through 2024, on a compound annual growth rate basis, including near-term annual growth of 5 to 7 percent through 2023. NiSource reminds investors that it does not provide a GAAP equivalent of its earnings guidance due to the impact of unpredictable factors such as fluctuations in weather and other unusual and infrequent items included in GAAP results.

## **Renewable generation transition**

The U.S. Commerce department circumvention investigation related to the import of solar components from select geographies has brought uncertainty and delays to the solar panel market. NiSource is working with its renewable generation developers to better understand the potential project impacts. The company anticipates that most solar projects originally scheduled for completion in 2022 and 2023 will experience delays of approximately 6 to 18 months. In connection with these delays, the company now expects to retire Schahfer Generating Station's remaining two coal units by the end of 2025. However, NiSource continues to expect that Michigan City Generating Station will retire on schedule between 2026-2028.

As NiSource evaluates potential adjustments to renewable generation project timing, the company remains on track to make capital investments totaling approximately \$10 billion during the 2021-2024 period. Capital investments for renewable projects of approximately \$2.0 billion are expected, primarily between 2022 and 2024, with any remainder expected in 2025. NiSource has flexibility in the timing of other gas and electric infrastructure capital investments that can allow adjustments to compensate for delays in renewable generation projects. In total, capital investments are expected to drive compound annual rate base growth of 10 to 12 percent for each of the company's businesses through 2024.

## **Environmental impact targets update**

In addition to retiring all coal-fired generation by 2026-2028, NiSource is on track to achieve its environmental goals, including:

- Reduce scope 1 greenhouse gas emissions 90% (from 2005 levels) by 2030
- Achieve 50% reduction (from 2005 levels) in methane emissions from gas mains and services by 2025

In 2021, NiSource's energy efficiency programs enabled nearly 1.1 million customers to manage their energy use. Energy efficiency upgrades, home check-ups, weatherization services and other activities helped customers save about \$18.5 million on their energy bills and reduce emissions.

## **Inaugural annual Safety Report**

NiSource's inaugural annual Safety Report outlines the company's continued commitment to safety. The report highlights risk management and continuous improvement activities, continued safety investments and technology integration to enhance safety. It is available on the company's website, [nisource.com](https://www.nisource.com).

Among the advances highlighted in the report is the launch of a collaborative effort among safety-focused energy companies, the Natural Gas Safety Management System Collaborative. Its aim is to drive progress and maturity of safety management systems at member companies. NiSource will benefit from sharing information and learning from the experiences of others.

### **First quarter 2022 and recent business highlights**

#### **Electric operations**

**Northern Indiana Public Service Company (NIPSCO)** filed a petition with the Indiana Utility Regulatory Commission seeking approval of NIPSCO's federally mandated costs for remediation of the coal combustion residuals ash pond at Michigan City Generating Station. The federally mandated costs include a total estimated \$40.0 million of retirement costs.

#### **Gas distribution operations**

**Columbia Gas of Virginia** filed a rate case on April 29 to continue its safety and modernization investments. The case seeks an increase in annual revenues of approximately \$58.2 million.

**Columbia Gas of Ohio** is preparing its response to the Public Utilities Commission of Ohio staff report filed on April 6, 2022 in its rate case. The June 2021 filing requested a \$221.4 million increase net of the Capital Expenditure Program (CEP) and Infrastructure Replacement Program (IRP) riders.

**Columbia Gas of Pennsylvania** has filed a rate case to further upgrade and replace gas lines for the long-term safety of customers and communities. The case requests additional revenues of \$82.2 million. It also seeks to provide additional energy efficiency options while balancing costs.

**NIPSCO** has filed a proposed settlement in its gas rate case. The agreement would provide a revenue increase of approximately \$72 million annually. In addition to infrastructure modernization, the proposal would enable NIPSCO to continue to serve customers with a safe, reliable supply of natural gas, while remaining in compliance with state and federal safety requirements.

NiSource has joined the Coalition for Renewable Natural Gas. The company believes natural gas infrastructure will play an important role in America's energy future, potentially carrying renewable natural gas as well as other low-carbon fuels such as hydrogen. As NiSource explores opportunities to further decarbonize its natural gas system, its local distribution companies are pursuing programs that would allow customers to reduce the carbon intensity of their natural gas usage through the renewable natural gas and carbon offsets. Regulatory filings seeking approval for these programs are under way, similar to the NIPSCO Green Power Rate program that has been in place for several years.

**Additional information for the quarter ended March 31, 2022, is available on the Investors section of [www.nisource.com](http://www.nisource.com), including segment and financial information and our presentation to be discussed at the company's first quarter 2022 earnings conference call scheduled for May 4, 2022 at 11 a.m. ET.**

#### **About NiSource**

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.2 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. Based in Merrillville, Indiana, NiSource's approximately 7,500 employees are focused on safely delivering reliable and affordable energy to our customers and communities we serve. NiSource is a member of the Dow Jones Sustainability - North America Index. Additional information about NiSource, its investments in modern infrastructure and systems, its commitments and its local brands can be found at [www.nisource.com](http://www.nisource.com). Follow us at [www.facebook.com/nisource](https://www.facebook.com/nisource), [www.linkedin.com/company/nisource](https://www.linkedin.com/company/nisource) or [www.twitter.com/nisourceinc](https://www.twitter.com/nisourceinc). The content of these websites is not incorporated by reference into this document or any other report or document NiSource files with the SEC. NI-F

### **Forward-Looking Statements**

This press release 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 press release 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, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity-attacks; increased requirements and costs related to cybersecurity; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals; 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; inflation; 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 Part I, Item 1A, "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2021, and matters related to our electric generation transition as set forth in Part II, Item 1A, "Risk Factors" of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, 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 press release includes financial results and guidance for NiSource with respect to net operating earnings available to common shareholders, which is a non-GAAP financial measure as defined by the Securities and Exchange Commission's (SEC) Regulation G. The company includes this measure because management believes it permits 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, 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. The company 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. In addition, the company is not able to provide a reconciliation of its non-GAAP net operating earnings guidance to its GAAP equivalent without unreasonable efforts.

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

<i>(in millions, except per share amounts)</i>	<b>Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>GAAP Net Income Available to Common Shareholders</b>	<b>\$ 413.0</b>	<b>\$ 281.7</b>
<b>Adjustments to Operating Income:</b>		
<b>Operating Revenues:</b>		
Weather - compared to normal	(3.0)	9.0
<b>Operating Expenses:</b>		
Greater Lawrence Incident	—	5.8
NiSource Next initiative <sup>(1)</sup>	1.5	9.7
Massachusetts Business related amounts <sup>(2)</sup>	(105.0)	6.9
Total adjustments to operating income	(106.5)	31.4
<b>Income Taxes:</b>		
Tax effect of above items <sup>(3)</sup>	22.2	(8.3)
Total adjustments to net income	(84.3)	23.1
<b>Net Operating Earnings Available to Common Shareholders (Non-GAAP)</b>	<b>\$ 328.7</b>	<b>\$ 304.8</b>
<b>Diluted Average Common Shares</b>	<b>441.4</b>	<b>393.9</b>
<b>GAAP Diluted Earnings Per Share<sup>(4)</sup></b>	<b>\$ 0.94</b>	<b>\$ 0.72</b>
Adjustments to diluted earnings per share	(0.19)	0.05
<b>Non-GAAP Diluted Net Operating Earnings Per Share<sup>(4)</sup></b>	<b>\$ 0.75</b>	<b>\$ 0.77</b>

<sup>(1)</sup>Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.

<sup>(2)</sup>2022 represents proceeds from a property insurance settlement related to the Greater Lawrence Incident. 2021 primarily represents final net working capital adjustments to the purchase price for the loss incurred on the sale of the Massachusetts Business.

<sup>(3)</sup>Represents income tax expense calculated using the statutory tax rates by legal entity.

<sup>(4)</sup>The GAAP and Non-GAAP diluted NOEPS numerator for the three months ended March 31, 2022 is equal to net operating earnings available to common shareholders adjusted for \$0.5M add-back for interest expense incurred, net of tax, related to the Series A Equity Unit purchase contracts.