


NiSource®

Segment and Financial Information
Third Quarter 2022

Supplement to NiSource Third Quarter 2022
Earnings Presentation




NiSource Inc.

Condensed Statements of Consolidated Income (unaudited) (GAAP)

(in millions, except per share amounts)	Three Months Ended September 30, **2022**	Three Months Ended September 30, 2021	Nine Months Ended September 30, **2022**	Nine Months Ended September 30, 2021
Operating Revenues				
Customer revenues	**$ 1,058.2**	$ 918.8	**$ 4,055.0**	$ 3,377.7
Other revenues	**31.3**	40.6	**91.0**	113.3
Total Operating Revenues	**1,089.5**	959.4	**4,146.0**	3,491.0
Operating Expenses				
Cost of energy	**330.8**	208.3	**1,421.2**	913.4
Operation and maintenance	**347.9**	351.1	**1,124.1**	1,075.4
Depreciation and amortization	**203.2**	188.9	**604.6**	560.2
Loss (gain) on sale of assets, net	**(0.3)**	(1.1)	**(105.3)**	6.9
Other taxes	**51.2**	65.1	**201.1**	212.6
Total Operating Expenses	**932.8**	812.3	**3,245.7**	2,768.5
Operating Income	**156.7**	147.1	**900.3**	722.5
Other Income (Deductions)				
Interest expense, net	**(91.6)**	(84.4)	**(259.8)**	(253.5)
Other, net	**10.1**	14.3	**30.0**	37.2
Total Other Deductions, Net	**(81.5)**	(70.1)	**(229.8)**	(216.3)
Income before Income Taxes	**75.2**	77.0	**670.5**	506.2
Income Taxes	**11.7**	14.8	**119.9**	90.6
Net Income	**63.5**	62.2	**550.6**	415.6
Net loss attributable to noncontrolling interest	**(2.3)**	(1.0)	**(9.0)**	(3.4)
Net Income Attributable to NiSource	**65.8**	63.2	**559.6**	419.0
Preferred dividends	**(13.8)**	(13.8)	**(41.4)**	(41.4)
Net Income Available to Common Shareholders	**52.0**	49.4	**518.2**	377.6
Earnings Per Share				
Basic Earnings Per Share	**$ 0.13**	$ 0.13	**$ 1.28**	$ 0.96
Diluted Earnings Per Share	**$ 0.12**	$ 0.12	**$ 1.18**	$ 0.91
Basic Average Common Shares Outstanding	**406.5**	393.2	**406.3**	392.9
Diluted Average Common Shares	**443.4**	430.3	**441.7**	415.8

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited) (GAAP)

(in millions)	**September 30, 2022**	December 31, 2021
ASSETS		
Property, Plant and Equipment		
Plant	**$ 26,641.1**	$ 25,171.3
Accumulated depreciation and amortization	**(7,650.1)**	(7,289.5)
Net Property, Plant and Equipment[1]	**18,991.0**	17,881.8
Investments and Other Assets		
Unconsolidated affiliates	**1.6**	0.8
Available-for-sale debt securities (amortized cost of $174.6 and $169.3, allowance for credit losses of $1.7 and $0.2, respectively)	**157.8**	171.8
Other investments	**68.8**	87.1
Total Investments and Other Assets	**228.2**	259.7
Current Assets		
Cash and cash equivalents	**35.8**	84.2
Restricted cash	**42.8**	10.7
Accounts receivable	**605.9**	849.1
Allowance for credit losses	**(19.2)**	(23.5)
Accounts receivable, net	**586.7**	825.6
Gas inventory	**606.3**	327.4
Materials and supplies, at average cost	**141.4**	139.1
Electric production fuel, at average cost	**52.4**	32.2
Exchange gas receivable	**184.7**	99.6
Regulatory assets	**245.7**	206.2
Prepayments and other	**332.8**	195.8
Total Current Assets[1]	**2,228.6**	1,920.8
Other Assets		
Regulatory assets	**2,240.3**	2,286.0
Goodwill	**1,485.9**	1,485.9
Deferred charges and other	**402.4**	322.7
Total Other Assets	**4,128.6**	4,094.6
Total Assets	**$ 25,576.4**	$ 24,156.9

[1]Includes $678.8 million and $695.9 million at September 30, 2022 and December 31, 2021, respectively, of net property, plant and equipment assets and $20.4 million and $14.3 million at September 30, 2022 and December 31, 2021, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs.

NiSource Inc.

Condensed Consolidated Balance Sheets (unaudited) (GAAP) (continued)

(in millions, except share amounts)	**September 30, 2022**	December 31, 2021
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - $0.01 par value, 600,000,000 shares authorized; 406,049,747 and 405,303,023 shares outstanding, respectively	**$ 4.1**	$ 4.1
Preferred stock - $0.01 par value, 20,000,000 shares authorized; 1,302,500 shares outstanding	**1,546.5**	1,546.5
Treasury stock	**(99.9)**	(99.9)
Additional paid-in capital	**7,224.8**	7,204.3
Retained deficit	**(1,458.1)**	(1,580.9)
Accumulated other comprehensive loss	**(23.5)**	(126.8)
Total NiSource Stockholders' Equity	**7,193.9**	6,947.3
Noncontrolling interest in consolidated subsidiaries	**311.8**	325.6
Total Stockholders' Equity	**7,505.7**	7,272.9
Long-term debt, excluding amounts due within one year	**9,521.2**	9,183.4
Total Capitalization	**17,026.9**	16,456.3
Current Liabilities		
Current portion of long-term debt	**28.6**	58.1
Short-term borrowings	**1,274.2**	560.0
Accounts payable	**666.5**	697.8
Dividends payable - common stock	**95.6**	—
Dividends payable - preferred stock	**19.4**	—
Customer deposits and credits	**314.5**	237.9
Taxes accrued	**189.7**	277.1
Interest accrued	**124.1**	105.5
Exchange gas payable	**170.9**	107.7
Regulatory liabilities	**288.9**	137.4
Accrued compensation and employee benefits	**150.5**	182.7
Other accruals	**588.2**	382.0
Total Current Liabilities[1]	**3,911.1**	2,746.2
Other Liabilities		
Deferred income taxes	**1,803.7**	1,659.4
Accrued liability for postretirement and postemployment benefits	**277.2**	292.5
Regulatory liabilities	**1,810.3**	1,842.6
Asset retirement obligations	**458.7**	469.7
Other noncurrent liabilities	**288.5**	690.2
Total Other Liabilities[1]	**4,638.4**	4,954.4
Commitments and Contingencies	**—**	—
Total Capitalization and Liabilities	**$ 25,576.4**	$ 24,156.9

[1]Includes $7.8 million and $10.0 million at September 30, 2022 and December 31, 2021, respectively, of current liabilities and $20.9 million and $20.5 million at September 30, 2022 and December 31, 2021, respectively, of other liabilities of consolidated VIEs that creditors do not have recourse to our general credit.

NiSource Inc.
Statements of Consolidated Cash Flows (GAAP)

Nine Months Ended September 30, *(in millions)*	**2022**	2021
Operating Activities		
Net Income	**$ 550.6**	$ 415.6
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation and amortization	**604.6**	560.2
Deferred income taxes and investment tax credits	**118.3**	89.0
Loss (gain) on sale of assets	**(105.3)**	6.4
Other adjustments	**27.7**	17.3
Changes in Assets and Liabilities:		
Components of working capital	**(115.2)**	(154.4)
Regulatory assets/liabilities	**(17.4)**	54.8
Deferred charges and other noncurrent assets	**(16.8)**	1.4
Other noncurrent liabilities	**(10.3)**	(51.0)
Net Cash Flows from Operating Activities	**1,036.2**	939.3
Investing Activities		
Capital expenditures	**(1,523.0)**	(1,292.8)
Insurance recoveries	**105.0**	—
Cost of removal	**(108.6)**	(94.0)
Payment to renewable generation asset developer	**(150.9)**	(7.4)
Other investing activities	**(5.2)**	—
Net Cash Flows used for Investing Activities	**(1,682.7)**	(1,394.2)
Financing Activities		
Issuance of long-term debt, net of discount and underwriting costs	**345.6**	—
Repayments of long-term debt and finance lease obligations	**(52.5)**	(18.7)
Change in short-term borrowings, net (maturity ≤ 90 days)	**714.2**	(123.0)
Issuance of common stock, net of issuance costs	**9.1**	8.8
Equity costs, premiums and other debt related costs	**(10.1)**	(9.7)
Contributions from noncontrolling interest	**—**	7.0
Distributions to noncontrolling interest	**(4.8)**	—
Issuance of equity units, net of underwriting costs	**—**	839.9
Dividends paid - common stock	**(286.0)**	(258.8)
Dividends paid - preferred stock	**(35.7)**	(35.7)
Contract liability payment	**(49.6)**	(24.2)
Net Cash Flows from Financing Activities	**630.2**	385.6
Change in cash, cash equivalents and restricted cash	**(16.3)**	(69.3)
Cash, cash equivalents and restricted cash at beginning of period	**94.9**	125.6
Cash, Cash Equivalents and Restricted Cash at End of Period	**$ 78.6**	$ 56.3

Information contained herein is on a non-GAAP basis that is supplemental to and should be read in conjunction with our GAAP financial results. For our GAAP financial results and discussion of segment operations, please refer to Part I, Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations, of the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2022. For a reconciliation of GAAP to non-GAAP earnings, GAAP to non-GAAP operating revenues, GAAP to non-GAAP operating expenses and GAAP to non-GAAP operating income, see Schedules 1 and 2 contained herein.

Three and Nine Months Ended September 30, 2022 Non-GAAP Net Operating Earnings - Segment Results

NiSource's consolidated non-GAAP net operating earnings available to common shareholders for the three months ended September 30, 2022 were $44.6 million, compared to $47.1 million in the comparable 2021 period. NiSource's consolidated non-GAAP net operating earnings for the nine months ended September 30, 2022 were $427.2 million, compared to $404.5 million in the comparable 2021 period. Refer to the attached schedules for the items included in 2022 and 2021 GAAP net income but excluded from non-GAAP net operating earnings available to common shareholders.

Non-GAAP operating income for NiSource’s business segments for the three and nine months ended September 30, 2022, are discussed below.

Gas Distribution Operations

For the three months ended September 30, 2022, Gas Distribution Operations reported non-GAAP operating income of $32.1 million, compared to non-GAAP operating income of $18.0 million in the comparable 2021 period. For the nine months ended September 30, 2022, Gas Distribution Operations reported non-GAAP operating income of $517.6 million, compared to non-GAAP operating income of $457.9 million in the comparable 2021 period.

Non-GAAP operating revenues for the three months ended September 30, 2022 were $573.7 million, an increase of $97.7 million from the comparable 2021 period. Non-GAAP operating revenues for the nine months ended September 30, 2022 were $2,754.8 million, an increase of $554.9 million from the comparable 2021 period.

	Favorable (Unfavorable)			
Changes in non-GAAP Operating Revenues *(in millions)*		**Three Months Ended September 30, 2022 vs 2021**		**Nine Months Ended September 30, 2022 vs 2021**
New rates from base rate proceedings and regulatory capital programs		24.3		109.3
Higher revenue related to off system sales		1.8		5.9
Higher revenue due to the effects of resuming common credit mitigation practices		0.6		3.6
The effects of customer growth		—		3.6
Other		0.1		5.4
Change in non-GAAP operating revenues (before cost of energy and other tracked items)	$	26.8	$	127.8
Operating revenues offset in operating expense				
Higher cost of energy billed to customers		69.0		403.5
Higher tracker deferrals within operation and maintenance, depreciation, and tax		1.9		23.6
Total change in non-GAAP operating revenues	**$**	**97.7**	**$**	**554.9**

Non-GAAP operating expenses for the three months ended September 30, 2022 were $541.6 million, an increase of $83.6 million from the comparable 2021 period. Non-GAAP operating expenses for the nine months ended September 30, 2022 were $2,237.2 million, an increase of $495.2 million from the comparable 2021 period.

	Favorable (Unfavorable)	
Changes in non-GAAP Operating Expenses *(in millions)*	**Three Months Ended September 30, 2022 vs 2021**	**Nine Months Ended September 30, 2022 vs 2021**
Higher outside services expenses	(12.4)	(21.0)
Higher depreciation and amortization expense	(7.5)	(23.5)
Higher environmental remediation costs	(0.2)	(3.8)
Lower other than income taxes primarily related to property tax expense	4.4	10.1
Lower (higher) employee and administrative related expenses	4.0	(17.9)
Lower (higher) materials and supplies expense	3.1	(4.3)
The loss on sale and expenses related to the Massachusetts Business in 2021	2.0	2.3
Lower NiSource Next program expenses	0.2	3.9
Other	(6.3)	(13.9)
Change in non-GAAP operating expenses (before cost of energy and other tracked items)	$ (12.7)	$ (68.1)
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers	(69.0)	(403.5)
Higher tracker deferrals within operation and maintenance, depreciation, and tax	(1.9)	(23.6)
Total change in non-GAAP operating expense	**$ (83.6)**	**$ (495.2)**

Electric Operations

For the three months ended September 30, 2022, Electric Operations reported non-GAAP operating income of $114.8 million, compared to non-GAAP operating income of $130.1 million in the comparable 2021 period. For the nine months ended September 30, 2022, Electric Operations reported non-GAAP operating income of $286.9 million compared to non-GAAP operating income of $305.3 million in the comparable 2021 period.

Non-GAAP operating revenues for the three months ended September 30, 2022 were $507.9 million, an increase of $44.9 million from the comparable 2021 period. Non-GAAP operating revenues for the nine months ended September 30, 2022 were $1,375.2 million, an increase of $110.6 million from the comparable 2021 period.

	Favorable (Unfavorable)			
Changes in non-GAAP Operating Revenues *(in millions)*		**Three Months Ended September 30, 2022 vs 2021**		**Nine Months Ended September 30, 2022 vs 2021**
PPA revenue from renewable joint venture projects, fully offset by JV operating expenses	$	3.6	$	18.3
Increased fuel handling costs		2.3		4.0
The effects of customer growth		1.3		3.8
New rates from regulatory capital and DSM programs		0.7		2.9
Reduction in gross receipts tax, offset in operating expenses		(6.5)		(5.9)
Decreased customer usage		(5.7)		(10.8)
FAC over earnings reserve		(3.7)	$	(3.7)
Other		(3.4)		(2.9)
Change in non-GAAP operating revenues (before cost of energy and other tracked items)	$	(11.4)	$	5.7
Operating revenues offset in operating expense				
Higher cost of energy billed to customers		53.5		104.4
Higher tracker deferrals within operation and maintenance, depreciation and tax		2.8		0.5
Total change in non-GAAP operating revenues	**$**	**44.9**	**$**	**110.6**

Non-GAAP operating expenses for the three months ended September 30, 2022 were $393.1 million, an increase of $60.2 million from the comparable 2021 period. Non-GAAP operating expenses for the nine months ended September 30, 2022 were $1,088.3 million, an increase of $129.0 million from the comparable 2021 period.

Changes in non-GAAP Operating Expenses *(in millions)*	Favorable (Unfavorable) Three Months Ended September 30, 2022 vs 2021	Favorable (Unfavorable) Nine Months Ended September 30, 2022 vs 2021
Higher outside services expenses	$ (12.5)	$ (6.1)
Renewable joint venture project expenses, offset by JV operating revenues	(6.6)	(19.6)
Reduction in gross receipts tax, offset in operating revenues	6.5	5.9
Lower employee and administrative expenses	4.3	3.0
Higher depreciation and amortization expense driven by the joint venture depreciation adjustment	2.0	(4.9)
Effects of environmental recoveries in 2021	—	(6.5)
Other	2.4	4.1
Change in non-GAAP operating expenses (before cost of energy and other tracked items)	$ (3.9)	$ (24.1)
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers	(53.5)	(104.4)
Higher tracker deferrals within operation and maintenance, depreciation and tax	(2.8)	(0.5)
Total change in non-GAAP operating expense	**$ (60.2)**	**$ (129.0)**

Corporate and Other Operations

For the three months ended September 30, 2022, Corporate and Other Operations reported a non-GAAP operating earnings of zero compared to non-GAAP operating loss of $4.1 million in the comparable 2021 period. This change resulted primarily from favorable fluctuations in the cash surrender value of corporate owned life insurance investments, as well as lower outside service costs in 2022.

For the nine months ended September 30, 2022, Corporate and Other Operations reported a non-GAAP operating loss of $19.6 million compared to non-GAAP operating loss of $4.1 million in the comparable 2021 period. This change resulted primarily from unfavorable fluctuations in the cash surrender value of corporate owned life insurance investments, as well as higher outside service costs in 2022.

Other Deductions, net

Other deductions, net, reduced non-GAAP net operating earnings by $81.5 million for the three months ended September 30, 2022, which was comparable to the reduction in non-GAAP net operating earnings of $70.1 million in the comparable 2021 period.

Other deductions, net, reduced non-GAAP net operating earnings by $229.8 million for the nine months ended September 30, 2022, which was comparable to the reduction in non-GAAP net operating earnings of $216.3 million in the comparable 2021 period.

Income Taxes

The effective tax rate of non-GAAP net operating earnings for the three months ended September 30, 2022 was 14.2 percent compared to 18.9 percent for the same period last year.

The decrease in 2022 is primarily attributed to increased amortization of excess deferred federal income tax liabilities.

The effective tax rate of non-GAAP net operating earnings for the nine months ended September 30, 2022 was 17.2 percent compared to 18.5 percent for the same period last year. The decrease in 2022 is primarily attributed to the Pennsylvania tax rate change and rate differential, and increased amortization of excess deferred federal income tax liabilities

NiSource Inc.

Consolidated Net Operating Earnings Available to Common Shareholders (Non-GAAP) *(unaudited)*

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in millions, except per share amounts)	**2022**	2021	**2022**	2021
Operating Revenues	**$ 1,079.1**	$ 944.0	**$ 4,132.3**	$ 3,478.5
Operating Expenses				
Cost of energy	**330.8**	208.3	**1,421.2**	913.4
Operation and maintenance	**327.5**	320.4	**1,016.1**	944.7
Operation and maintenance - trackers	**19.8**	18.6	**104.7**	89.1
Depreciation and amortization	**199.6**	187.7	**598.2**	552.9
Depreciation and amortization - trackers	**3.6**	1.2	**6.4**	7.3
Loss (Gain) on sale of assets, net	**(0.3)**	(1.0)	**(0.3)**	0.1
Other taxes	**37.8**	52.7	**135.7**	155.9
Other taxes - trackers	**13.4**	12.1	**65.4**	56.0
Total Operating Expenses	**932.2**	800.0	**3,347.4**	2,719.4
Operating Income	**146.9**	144.0	**784.9**	759.1
Other Income (Deductions)				
Interest expense, net	**(91.6)**	(84.4)	**(259.8)**	(253.5)
Other, net	**10.1**	14.3	**30.0**	37.2
Total Other Deductions, Net	**(81.5)**	(70.1)	**(229.8)**	(216.3)
Operating Earnings Before Income Taxes	**65.4**	73.9	**555.1**	542.8
Income Taxes	**9.3**	14.0	**95.5**	100.3
Net Operating Earnings	**56.1**	59.9	**459.6**	442.5
Net loss attributable to noncontrolling interest	**(2.3)**	(1.0)	**(9.0)**	(3.4)
Net Operating Earnings attributable to NiSource	**58.4**	60.9	**468.6**	445.9
Preferred dividends	**(13.8)**	(13.8)	**(41.4)**	(41.4)
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**44.6**	47.1	**427.2**	404.5
Non-GAAP Diluted Net Operating Earnings Per Share[(1)]	**$ 0.10**	$ 0.11	**$ 0.97**	$ 0.98
Diluted Average Common Shares	**443.4**	430.3	**441.7**	415.8

[(1)] The Non-GAAP diluted NOEPS numerator is equal to net operating earnings available to common shareholders adjusted for add-backs for interest expense incurred, net of tax, related to the Series A Equity Unit purchase contracts. The add-backs for the three months ended September 30, 2022 and 2021 were $0.5M and $0.6M, respectively. The add-backs for the nine months ended September 30, 2022 and 2021 were $1.5M and $1.0M, respectively.

NiSource Inc.
Segment Operating Income (Non-GAAP) *(unaudited)*

Gas Distribution Operations *(in millions)*	**Three Months Ended September 30, 2022**	Three Months Ended September 30, 2021	**Nine Months Ended September 30, 2022**	Nine Months Ended September 30, 2021
Operating Revenues	**$ 573.7**	$ 476.0	**$ 2,754.8**	$ 2,199.9
Operating Expenses				
Cost of energy	**158.0**	89.0	**1,000.5**	597.0
Operation and maintenance	**227.8**	218.2	**698.7**	642.8
Operation and maintenance - trackers	**8.7**	7.8	**72.8**	59.1
Depreciation and amortization	**103.9**	96.6	**304.9**	281.7
Depreciation and amortization - trackers	**0.4**	0.3	**2.3**	1.7
Loss on sale of assets, net	**—**	—	**—**	1.2
Other taxes	**29.4**	34.0	**92.6**	102.5
Other taxes - trackers	**13.4**	12.1	**65.4**	56.0
Total Operating Expenses	**541.6**	458.0	**2,237.2**	1,742.0
Operating Income (Non-GAAP)	**$ 32.1**	$ 18.0	**$ 517.6**	$ 457.9

Electric Operations *(in millions)*	**Three Months Ended September 30, 2022**	Three Months Ended September 30, 2021	**Nine Months Ended September 30, 2022**	Nine Months Ended September 30, 2021
Operating Revenues	**$ 507.9**	$ 463.0	**$ 1,375.2**	$ 1,264.6
Operating Expenses				
Cost of energy	**172.8**	119.3	**420.8**	316.4
Operation and maintenance	**115.3**	104.2	**334.7**	318.9
Operation and maintenance - trackers	**11.1**	10.8	**31.9**	30.0
Depreciation and amortization	**84.9**	82.4	**262.9**	244.8
Depreciation and amortization - trackers	**3.2**	0.9	**4.1**	5.6
Other taxes	**5.8**	15.3	**33.9**	43.6
Total Operating Expenses	**393.1**	332.9	**1,088.3**	959.3
Operating Income (Non-GAAP)	**$ 114.8**	$ 130.1	**$ 286.9**	$ 305.3

Corporate and Other Operations *(in millions)*	**Three Months Ended September 30, 2022**	Three Months Ended September 30, 2021	**Nine Months Ended September 30, 2022**	Nine Months Ended September 30, 2021
Operating Loss (Non-GAAP)	**$ —**	$ (4.1)	**$ (19.6)**	$ (4.1)

NiSource Inc.
Segment Volumes and Statistical Data *(unaudited)*

Gas Distribution Operations	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Sales and Transportation (MMDth)				
Residential	**13.6**	12.4	**169.8**	161.5
Commercial	**17.7**	17.3	**126.1**	118.8
Industrial	**115.6**	123.3	**365.6**	384.4
Off-System	**10.6**	4.1	**23.2**	15.7
Other	**—**	—	**0.2**	0.2
Total	**157.5**	157.1	**684.9**	680.6
Weather Adjustment	**(0.9)**	0.5	**(8.1)**	4.3
Sales and Transportation Volumes - Excluding Weather	**156.6**	157.6	**676.8**	684.9
Customers				
Residential			**2,952,458**	2,942,031
Commercial			**250,919**	250,931
Industrial			**4,860**	4,904
Other			**3**	3
Total			**3,208,240**	3,197,869
Heating Degree Days	**87**	44	**3,493**	3,353
Normal Heating Degree Days	**60**	70	**3,428**	3,475
% Colder (Warmer) than Normal	**45 %**	(37)%	**2 %**	(4)%

Electric Operations	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Sales (GWh)				
Residential	**1,080.6**	1,159.4	**2,745.2**	2,785.0
Commercial	**1,044.7**	1,057.0	**2,845.3**	2,829.1
Industrial	**2,076.3**	2,081.0	**6,078.8**	6,295.1
Wholesale	**4.9**	37.2	**37.0**	81.7
Other	**17.9**	36.1	**67.5**	83.7
Total	**4,224.4**	4,370.7	**11,773.8**	12,074.6
Weather Adjustment	**(102.9)**	(179.1)	**(204.2)**	(231.8)
Sales Volumes - Excluding Weather	**4,121.5**	4,191.6	**11,569.6**	11,842.8
Customers				
Residential			**423,764**	421,074
Commercial			**58,196**	57,860
Industrial			**2,133**	2,140
Wholesale			**711**	719
Other			**3**	2
Total			**484,807**	481,795
Cooling Degree Days	**592**	658	**934**	976
Normal Cooling Degree Days	**573**	556	**820**	795
% Warmer than Normal	**3 %**	18 %	**14 %**	23 %

NiSource Inc.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in millions, except per share amounts)	**2022**	2021	**2022**	2021
GAAP Net Income Available to Common Shareholders	**$ 52.0**	$ 49.4	**$ 518.2**	$ 377.6
Adjustments to Operating Income:				
Operating Revenues:				
Weather - compared to normal	**(10.4)**	(15.4)	**(21.7)**	(12.5)
FAC adjustment[1]	**—**	—	**8.0**	—
Operating Expenses:				
Greater Lawrence Incident	**—**	1.0	**—**	8.0
Plant retirement costs	**—**	3.6	**—**	12.2
NiSource Next initiative[2]	**0.6**	7.8	**3.3**	22.1
Massachusetts Business related amounts[3]	**—**	(0.1)	**(105.0)**	6.8
Total adjustments to operating income	**(9.8)**	(3.1)	**(115.4)**	36.6
Income Taxes:				
Tax effect of above items[4]	**2.4**	0.8	**24.4**	(9.7)
Total adjustments to net income (loss)	**(7.4)**	(2.3)	**(91.0)**	26.9
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 44.6**	$ 47.1	**$ 427.2**	$ 404.5
Diluted Average Common Shares	**443.4**	430.3	**441.7**	415.8
GAAP Diluted Earnings Per Share[5]	**$ 0.12**	$ 0.12	**$ 1.18**	$ 0.91
Adjustments to diluted earnings (loss) per share	**(0.02)**	(0.01)	**(0.21)**	0.07
Non-GAAP Diluted Net Operating Earnings Per Share[5]	**$ 0.10**	$ 0.11	**$ 0.97**	$ 0.98

[1]Represents fuel costs deemed over-collected from customers through the FAC mechanism and ordered to be refunded to customers.

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

[3]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.

[4]Represents income tax expense calculated using the statutory tax rates by legal entity.

[5]The Non-GAAP diluted NOEPS numerator is equal to net operating earnings available to common shareholders adjusted for add-backs for interest expense incurred, net of tax, related to Series A Equity Unit purchase contracts. The add-backs for the three months ended September 30, 2022 and 2021were $0.5M and $0.6M, respectively. The add-back for the nine months ended September 30, 2022 and 2021 were $1.5M and $1.0M, respectively.

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses, and Income (Loss) (GAAP) to Operating Revenues, Expenses, and Income (Loss) (Non-GAAP) *(unaudited)*

Three Months Ended September 30, 2022 ***(in millions)***	**Gas Distribution**	**Electric**	**Corporate & Other**	**Total**
Operating Revenues (GAAP)	**$ 575.5**	**$ 516.5**	**$ (2.5)**	**$ 1,089.5**
Adjustments:				
Weather - compared to normal	(1.8)	(8.6)	—	**(10.4)**
Operating Revenues (Non-GAAP)	**$ 573.7**	**$ 507.9**	**$ (2.5)**	**$ 1,079.1**
Operating Expenses (GAAP)	**$ 542.1**	**$ 393.2**	**$ (2.5)**	**$ 932.8**
Adjustments:				
NiSource Next initiative(2)	0.5	0.1	—	**0.6**
Operating Expenses (Non-GAAP)	**$ 541.6**	**$ 393.1**	**$ (2.5)**	**$ 932.2**
Operating Income (GAAP)	**$ 33.4**	**$ 123.3**	**$ —**	**$ 156.7**
Total Revenue and Expense Adjustments to Operating Income	**(1.3)**	**(8.5)**	**—**	**(9.8)**
Operating Income (Non-GAAP)	**$ 32.1**	**$ 114.8**	**$ —**	**$ 146.9**

Three Months Ended September 30, 2021 ***(in millions)***	**Gas Distribution**	**Electric**	**Corporate & Other**	**Total**
Operating Revenues (GAAP)	**$ 475.3**	**$ 479.1**	**$ 5.0**	**$ 959.4**
Adjustments				
Weather - compared to normal	0.7	(16.1)	—	**(15.4)**
Operating Revenues (Non-GAAP)	**$ 476.0**	**$ 463.0**	**$ 5.0**	**$ 944.0**
Operating Expenses (GAAP)	**$ 464.3**	**$ 338.7**	**$ 9.3**	**$ 812.3**
Adjustments				
Greater Lawrence Incident	1.0	—	—	**1.0**
Plant retirement costs	—	3.6	—	**3.6**
NiSource Next initiative	5.4	2.2	0.2	**7.8**
Massachusetts Business sale related amounts	(0.1)	—	—	**(0.1)**
Operating Expenses (Non-GAAP)	**$ 458.0**	**$ 332.9**	**$ 9.1**	**$ 800.0**
Operating Income (Loss) (GAAP)	**$ 11.0**	**$ 140.4**	**$ (4.3)**	**$ 147.1**
Total Revenue and Expense Adjustments to Operating Income (Loss)	**7.0**	**(10.3)**	**0.2**	**(3.1)**
Operating Income (Loss) (Non-GAAP)	**$ 18.0**	**$ 130.1**	**$ (4.1)**	**$ 144.0**

See footnote descriptions contained with Schedule 1.

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses, and Income (Loss) (GAAP) to Operating Revenues, Expenses, and Income (Loss) (Non-GAAP) *(unaudited)*

Nine months ended September 30, 2022 ***(in millions)***	**Gas Distribution**	**Electric**	**Corporate & Other**	**Total**
Operating Revenues (GAAP)	**$ 2,759.6**	**$ 1,384.1**	**$ 2.3**	**$ 4,146.0**
Adjustments:				
Weather - compared to normal	(4.8)	(16.9)	—	**(21.7)**
FAC adjustment[1]	—	8.0	—	**8.0**
Operating Revenues (Non-GAAP)	**$ 2,754.8**	**$ 1,375.2**	**$ 2.3**	**$ 4,132.3**
Operating Expenses (GAAP)	**$ 2,134.8**	**$ 1,089.0**	**$ 21.9**	**$ 3,245.7**
Adjustments:				
NiSource Next initiative[2]	2.6	0.7	—	**3.3**
Massachusetts Business related amounts[3]	(105.0)	—	—	**(105.0)**
Operating Expenses (Non-GAAP)	**$ 2,237.2**	**$ 1,088.3**	**$ 21.9**	**$ 3,347.4**
Operating Income (Loss) (GAAP)	**$ 624.8**	**$ 295.1**	**$ (19.6)**	**$ 900.3**
Total Revenue and Expense Adjustments to Operating Income (Loss)	**(107.2)**	**(8.2)**	**—**	**(115.4)**
Operating Income (Loss) (Non-GAAP)	**$ 517.6**	**$ 286.9**	**$ (19.6)**	**$ 784.9**

Nine months ended September 30, 2021 ***(in millions)***	**Gas Distribution**	**Electric**	**Corporate & Other**	**Total**
Operating Revenues (GAAP)	**$ 2,191.5**	**$ 1,285.5**	**$ 14.0**	**$ 3,491.0**
Adjustments:				
Weather - compared to normal	8.4	(20.9)	—	**(12.5)**
Operating Revenues (Non-GAAP)	**$ 2,199.9**	**$ 1,264.6**	**$ 14.0**	**$ 3,478.5**
Operating Expenses (GAAP)	**$ 1,772.4**	**$ 977.6**	**$ 18.5**	**$ 2,768.5**
Adjustments:				
Greater Lawrence Incident	8.0	—	—	**8.0**
Plant retirement costs	—	12.2	—	**12.2**
NiSource Next initiative	15.6	6.1	0.4	**22.1**
Massachusetts Business sale related amounts	6.8	—	—	**6.8**
Operating Expenses (Non-GAAP)	**$ 1,742.0**	**$ 959.3**	**$ 18.1**	**$ 2,719.4**
Operating Income (Loss) (GAAP)	**$ 419.1**	**$ 307.9**	**$ (4.5)**	**$ 722.5**
Total Revenue and Expense Adjustments to Operating Income (Loss)	**38.8**	**(2.6)**	**0.4**	**36.6**
Operating Income (Loss) (Non-GAAP)	**$ 457.9**	**$ 305.3**	**$ (4.1)**	**$ 759.1**

See footnote descriptions contained with Schedule 1.