



News Release

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Columbia Gas of Kentucky urges customers to enroll in Budget Payment Plan

LEXINGTON, Ky. – July 29, 2008 – It's hard to think about winter on a hot summer day, but Columbia Gas of Kentucky says NOW is the time for customers to take an important step toward managing their winter heating bills. The company today urged its customers to sign up for its Budget Payment Plan during the annual August enrollment period.

The plan spreads the higher cost of winter heating more evenly throughout the year by allowing customers to pay the same amount every month. An individual's budget payment amount is determined by the history of natural gas usage at the customer's service address, 30-year normal temperatures, and the current and projected cost of natural gas.

While company officials can predict exactly how high prices might be this winter, if current commodity price trends continue, that will mean higher bills this winter. Although gas distribution companies like Columbia Gas of Kentucky do not control or profit from commodity prices, and by law pass them along dollar-for-dollar, there are ways the company can help you manage your bills and save money, starting with the **Budget Payment Plan**.

To enroll in the Budget Payment Plan, customers need only pay the budget amount shown on their August bill. Customers can enroll in the budget plan at any time, however, by calling Columbia's Customer Contact Center at 800-432-9345, Monday through Friday, 8am – 5pm. But waiting too long can result in higher budget payments, as there will be fewer months left in the "budget year" over which to spread the cost of winter heating.

Columbia Gas reviews budget accounts in March to determine the impact of unexpected weather conditions and swings in the market price of natural gas. During that review, the company may adjust budget payment amounts, if necessary, to keep them on track with actual account balances.

"The Budget Payment Plan allows customers predictability in their natural gas bills and greatly reduces the impact of large usage and price spikes that can occur during the heating season," said Linda Siddons, head of Columbia's customer billing and payment operations. "Customers' budget amounts are based on their usage, and they never pay for more than they actually use. The program is a win for customers."

More information about the Budget Payment Plan is available under Billing Options from the Manage Your Home Account link on Columbia's web site at www.columbiagasky.com.

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Columbia Gas of Kentucky also encourages customers to **use energy wisely**, both by making sure their homes are ready for winter and by making smart choices in their own energy consumption. For example:

- Install a programmable thermostat
- Consider adding additional insulation
- Seal air leaks around windows and doors
- If natural gas appliances are nearing the end of their useful life, purchase high-efficiency appliances
- Keep fireplace damper closed when fireplace is not in use
- Wash clothes in cold water
- Keep your thermostat set at as low a temperature as is comfortable

Columbia Gas of Kentucky, headquartered in Lexington, is one of the 10 energy distribution companies of NiSource Inc. (NYSE: NI). Columbia Gas of Kentucky serves approximately 140,000 customers in 31 Kentucky counties. NiSource distribution companies serve 3.8 million gas and electric customers primarily in nine states.

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