



**U.S. Department of Transportation
Pipeline & Hazardous Materials Safety Administration**

***Marriott Crystal City
Arlington, VA
June 23, 2009***

EFV Practices at NiSource

***Lee Reynolds
Leader Gas Standards***

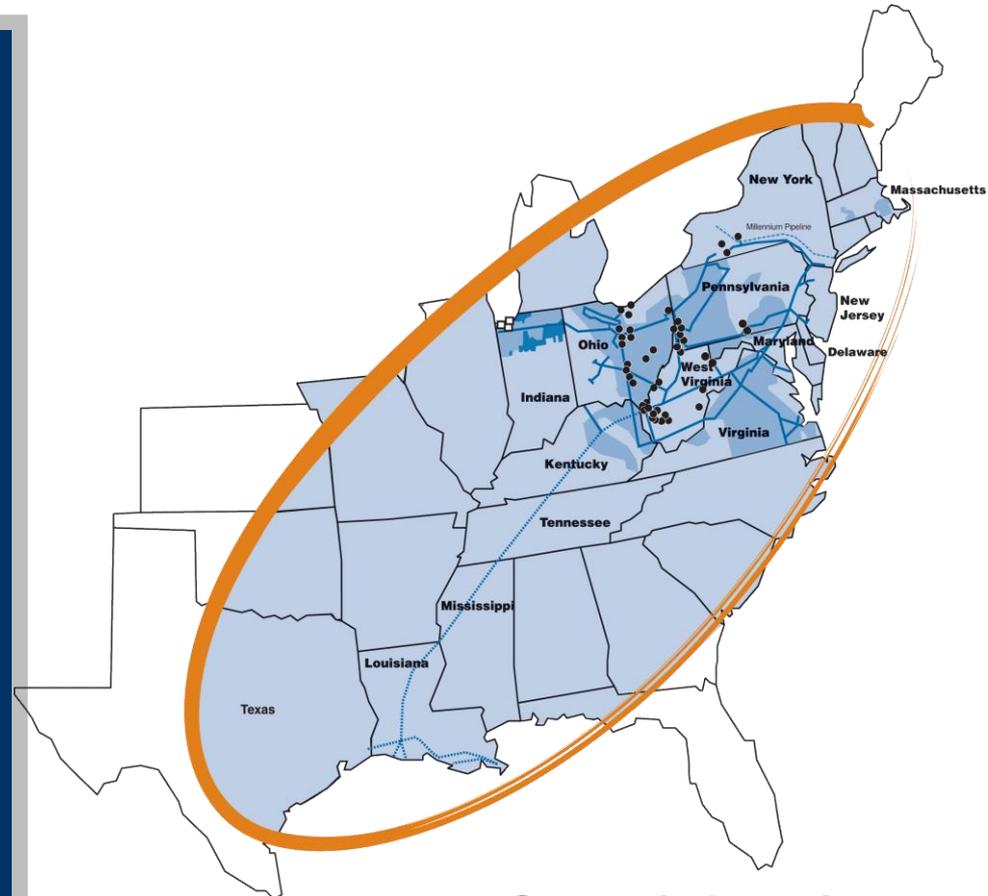
NiSource Today (NYSE: NI)

One of North America's Largest Regulated Energy Companies

- 3rd largest natural gas distribution company in the U.S.
- 3.3 million customers in 7 states

Classification	Number Of Customers	2008 Load (MMDth)	%
Residential	3,037,504	278	33.7
Commercial	280,195	174	21.1
Industrial	8003	373	45.2

Headquartered in Merrillville, IN



*Strategic Location
with Growth Opportunities*

NiSource - Distribution Companies

State	Company	# of Customers
Indiana	Northern Indiana Public Service Company	700,000
	Kokomo Gas & Fuel	30,000
	Northern Indiana Fuel & Light	30,000
Kentucky	Columbia Gas of Kentucky	145,000
Maryland	Columbia Gas of Maryland	30,000
Ohio	Columbia Gas of Ohio	1.4 million
Pennsylvania	Columbia Gas of Pennsylvania	410,000
Virginia	Columbia Gas of Virginia	200,000
Massachusetts	Bay State Gas Company	300,000

Use of Excess Flow Valves at NiSource

- **Began installing EFVs in 1975 for single family residential service lines in Massachusetts (Bay State Gas Company)**
- **All NiSource LDCs were installing EFVs for single family residential service lines since the mid-1990s**
- **NiSource has installed approximately 650,000 EFVs**
- **Bay State Gas began installing EFVs for multi-family and commercial dwellings in 2007**
 - **1400+ EFVs Installed**
- **NiSource recently implemented a new gas standard providing EFV installation guidelines for multi-family and non-residential buildings throughout its 7 State operating territory**

EFVs for Non-Residential Applications - Considerations

- **Non-residential buildings have a greater tendency to change loads over time when compared to a single-family residence.**
- **When designing for non-residential buildings, consideration must be given to the reasonable use of the building. For example, proposed commercial load may only require a domestic size meter and service line. Is it reasonable to design for a larger size service line and EFV?**
- **A future change of use, such as converting to a restaurant, bakery, dry cleaners, or laundry mat, typically requires a larger meter. Depending on the original installation, the EFV may need to be replaced. Who is responsible for the replacement, operator or customer?**

NiSource's Position on Extending the Use of EFVs

- **Support the DIMP Phase 1 Analysis and GPTC's Guide Material that EFVs (not currently mandated), should be part of an Operator's DIMP risk mitigation process.**
- **Not all field and service conditions are the same. There are a number of situations that would cause service reliability issues such as changing loads associated with a manifold setting for commercial accounts.**
- **Although no known operating problems with the installation of larger EFVs within NiSource, its too early to determine the overall benefits of the installation of EFVs for multi-family and commercial applications. Additional operating experience is needed.**



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