

SETTLEMENT AGREEMENT AMONG
THE UNITED STATES DEPARTMENT OF THE INTERIOR, THE STATE OF INDIANA,
AND
NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC

A. This Settlement Agreement (“Settlement Agreement”) is entered into by and among the United States of America (“United States”), on behalf of the United States Department of the Interior (“DOI”), through the United States Fish and Wildlife Service (“FWS”), and the State of Indiana (“State” or “Indiana”), on behalf of the Indiana Department of Environmental Management (“IDEM”) and the Indiana Department of Natural Resources (“IDNR”), and Northern Indiana Public Service Company LLC (“NIPSCO”). This agreement resolves, without litigation, the Trustees’ claims under Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”), 42 U.S.C. § 9607, and Indiana Code (“IC”) 13-25-4-8 for injury to, destruction of, or loss of natural resources resulting from releases of hazardous substances at the NIPSCO-owned former manufactured gas plant (“NIPSCO Facility” or “Facility”) which contaminated portions of the Grand Calumet River and adjoining shorelines (“Stateline Reach Site” or “Site”) in Lake County, Indiana.

B. The DOI, IDNR, and IDEM are trustees for natural resources, including their supporting ecosystems, under their management or control (40 CFR § 300.600; § 300.605) (collectively “Trustees”). The Trustees began a Natural Resource Damage Assessment and Restoration (“NRDAR”) process by issuing a Preliminary Assessment Screen (“PAS”) for the Grand Calumet River Site in June 1996. The Trustees entered into a Memorandum of Agreement (“MOA”) to continue the NRDAR process for the Site in February 1997.

C. Throughout the late 1990s and early 2000s, the Trustees and a group of industrial users in the Grand Calumet conducted a river-wide assessment of natural resource damages. The Trustees entered into a series of settlements to resolve these assessment costs in 1997, 1999, and 2004.

D. In 2009, NIPSCO, in coordination with the Trustees and other federal partners, began remediating the Stateline Reach Site to address contamination from its operations, including from NIPSCO’s Facility (the “Project”). The Project included additional assessment of the Site, remedial design, sediment removal, and containment of contaminated sediment in the Stateline Reach Site. This remediation included removing and containing contaminated sediments, which were adversely impacting wildlife in the river, as described more fully in the Project Agreement and subsequent amendments. The Project has and will continue to restore natural resources and their services that are under the management and control of the Trustees and that were injured by the releases.

E. In 2012, NIPSCO entered into a Project Agreement to perform the Project with IDEM, IDNR, and the U.S. Environmental Protection Agency (“EPA”). The Project Agreement was amended twice: in 2014 and 2016.

F. As a result of NIPSCO’s work under the Project Agreement, the releases of hazardous substances were remediated through dredging and removal of contaminated sediments and the natural resources were restored through installation of an engineered cap that provides necessary habitat for fish and other species. This work has allowed benthic invertebrates to return to this reach of the river, and the reach is now supporting a healthy fish population.

G. It is anticipated that the Project Agreement will be amended a third and fourth time in conjunction with this Settlement Agreement. NIPSCO will not agree to move forward with the Third and Fourth Amendments to the Project Agreement until NRD liability is resolved. The anticipated Third Amendment to the Project Agreement will terminate the Trustees’ relationship to the Project. NIPSCO will continue operation and maintenance (“O&M”) work in the Grand Calumet River in accordance with the scope of work in an anticipated Fourth Amendment to the Project Agreement and the Operations, Maintenance, and Monitoring Plan for the Grand Calumet River Stateline Reach Site (2021) (“OMMP”).

H. The Parties agree that it is in the public interest to resolve this matter without litigation and have negotiated this Settlement Agreement in good faith to avoid expensive and protracted litigation.

NOW, THEREFORE, the Parties agree as follows:

I. PARTIES BOUND

1. The provisions of this Settlement Agreement shall apply to and be binding upon NIPSCO and all of its successors and assigns, and upon the Trustees.

II. DEFINITIONS

2. Terms used in this Settlement Agreement that are defined in CERCLA or in regulations promulgated under CERCLA, including 43 C.F.R. Part 11, have the meaning assigned to them in CERCLA or in such regulations, unless otherwise provided in this Agreement. Whenever the terms set forth below are used in this Settlement Agreement the following definitions shall apply:

“Covered Natural Resource Damages” means any Damages for injury to, destruction of, or loss of Natural Resources and the services provided by such Natural Resources at the Stateline Reach Site as a result of releases of hazardous substances through the Effective Date from the NIPSCO Facility, which substances have come to be located at the Stateline Reach Site.

“Damages” means any damages recoverable by the United States or Indiana, acting as trustees on behalf of the public, pursuant to section 107(a)(4)(C) of CERCLA and the Indiana Code, including but not limited to: (i) assessment costs; (ii) the costs of restoration,

rehabilitation, or replacement of injured or lost Natural Resources or of acquisition of equivalent resources; (iii) the costs of planning such restoration activities; (iv) compensation for loss of use, other lost or reduced natural resource services, or diminution in value of Natural Resources from the onset of injury until the completion of restoration or recovery; and (v) each of the categories of recoverable damages described in 43 C.F.R. § 11.15.

“Day” means a calendar day. In computing any period of time under this Settlement Agreement, where the last day would fall on a Saturday, Sunday, or federal or State holiday, the period shall run until the close of business of the next working day.

“DOI” means the United States Department of the Interior.

“Effective Date” shall be the date on which the United States issues written notice to NIPSCO that the public comment period pursuant to Section XI (Public Comment) has closed and that comments received, if any, do not require modification or withdrawal from this Settlement Agreement.

“Federal Trustee” means DOI, acting through the FWS.

“FWS” means the Fish and Wildlife Service of the United States Department of the Interior, and any successor departments or agencies.

“GLNPO” means the United States Environmental Protection Agency’s Great Lakes National Program Office and any successor departments or agencies.

“IDEM” means the Indiana Department of Environmental Management and any successor departments or agencies.

“IDNR” means the Indiana Department of Natural Resources and any successor departments or agencies.

“Indiana” means the State of Indiana.

“Natural Resource” or “Natural Resources” has the meaning provided in Section 101(16) of CERCLA, and includes land, fish, wildlife, biota, air, water, ground water, drinking water supplies, and other such resources, belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States or the State.

“Natural Resource Damage Assessment and Restoration” or “NRDAR” means those studies and activities performed to determine injury to or loss of Natural Resources, to quantify the injury to or loss of natural resources, and to develop a plan for restoration of injured or lost resources, including compensation for interim losses.

“NIPSCO” means Northern Indiana Public Service Company LLC.

“NIPSCO Facility” or “Facility” means the NIPSCO-owned former manufactured gas plant which contaminated portions of the Grand Calumet River and adjoining shorelines in Lake County, Indiana.

“OMMP” is the Operations, Maintenance, and Monitoring Plan for the Grand Calumet River Stateline Reach Site executed in April 2021 by the State Trustees.

“Paragraph” means a portion of this Settlement Agreement identified by an Arabic numeral.

“Project” means the Sediment Remediation Project performed by NIPSCO, in coordination with the State and Federal Trustees and other federal partners to address contamination from NIPSCO’s operations, including from the NIPSCO Facility, and restore Natural Resources.

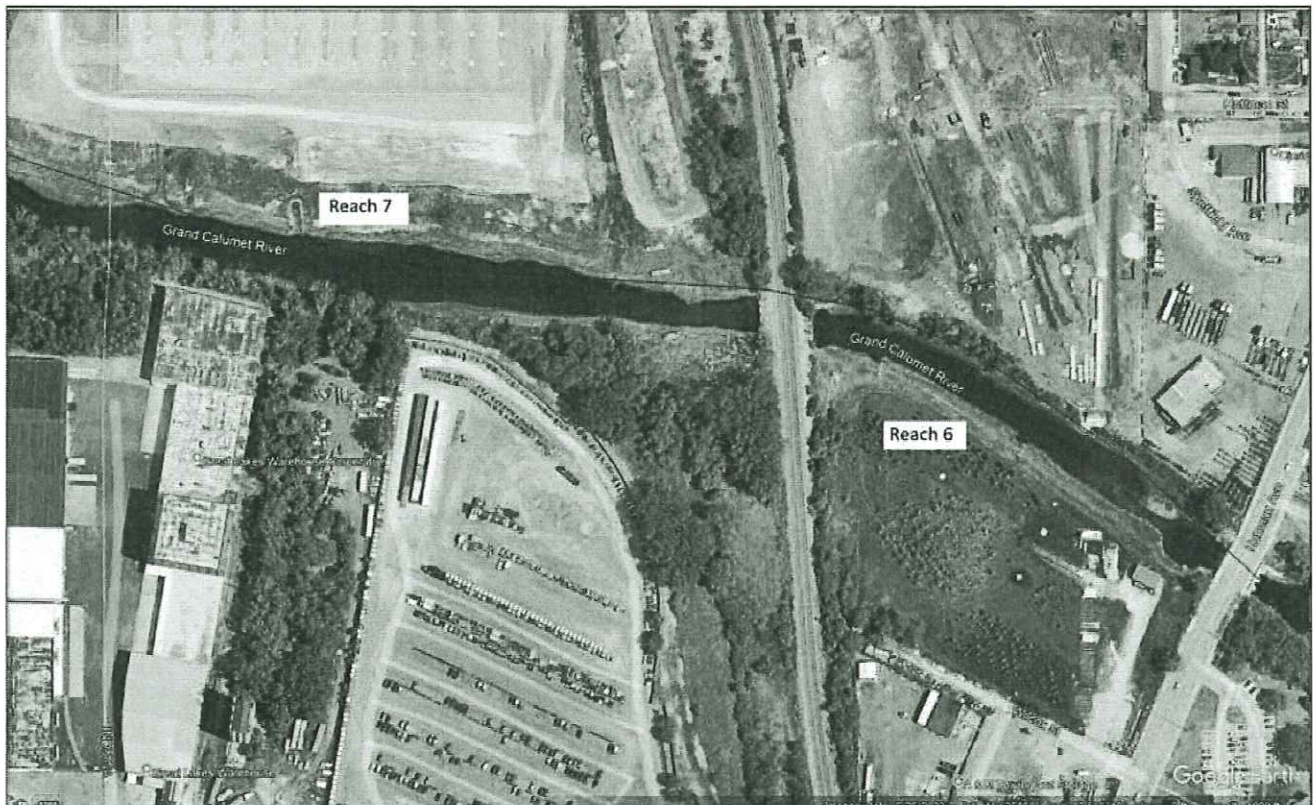
“Project Agreement” or “PA” means the Agreement, as amended, entered into by NIPSCO and the State Indiana represented by IDEM and IDNR, in coordination with Federal Trustees and other federal partners, to address contamination, remediation, and restoration at the Stateline Reach Site in 2012, as amended in 2014 and 2016, and including any subsequent amendments entered into after this Settlement Agreement. The current Project Agreement and Amendments 1 and 2 are attached as Appendix 1.

“Restoration” means, unless the context requires otherwise, actions to restore, replace, rehabilitate, or acquire the equivalent of injured Natural Resources and associated services to people or the ecosystem.

“Section” means a portion of this Settlement Agreement identified by a Roman numeral.

“Settlement Agreement” means this settlement agreement.

“Stateline Reach Site” or “Site” means the West Branch of the Grand Calumet River and its adjoining shoreline between Hohman Avenue and the Indiana State Line as depicted below:



“State” means the State of Indiana.

“State Trustees” means IDEM and IDNR.

“Trustee” or “Trustees” means IDEM, IDNR, and/or DOI acting together or individually as trustees of Natural Resources that have been or may be injured, destroyed, or lost as a result of the releases at the NIPSCO Facility.

“United States” means the United States of America, acting on behalf of the Federal Trustee.

III. STATEMENT OF PURPOSE

3. By entering into this Settlement Agreement, the mutual objective of the Parties is to provide NIPSCO with a covenant not to sue for Covered Natural Resource Damages for its prior completion of restoration work at the Site and its agreement to perform O&M at the Site under the oversight of GLNPO in accordance with the terms and conditions of an amendment to the Project Agreement and any subsequent amendment thereto.

IV. COVENANTS NOT TO SUE BY TRUSTEES

4. Except as specifically provided in Section V (Reservations of Rights by Trustees), Trustees hereby covenant not to sue or to take any civil judicial or administrative action against NIPSCO to recover Covered Natural Resource Damages at the Site. This covenant not to sue (a) shall take effect upon the Effective Date of this Settlement Agreement, and (b) is conditioned upon the satisfactory performance by NIPSCO of its obligations under this Settlement Agreement and its agreement to enter into amendments to the Project Agreement to perform O&M in accordance with the OMMP and under the oversight of GLNPO. This covenant not to sue extends to the successors of NIPSCO only to the extent that the alleged liability of the successor is based solely on its status as a successor of the NIPSCO and does not extend to any other person.

V. RESERVATION OF RIGHTS BY TRUSTEES

5. General Reservations. Trustees reserve, and this Settlement Agreement is without prejudice to, all rights against NIPSCO that are not expressly included within the covenants not to sue in Section IV, including the following:

- a. Liability for failure by NIPSCO to meet a requirement of this Settlement Agreement;
- b. Liability for injunctive relief or administrative order enforcement under Section 106 of CERCLA, 42 U.S.C. § 9606, or any other applicable federal or state law;
- c. Liability for costs incurred or to be incurred by Trustees that are not within the definition of Covered Natural Resource Damages, including but not limited to (i) response costs incurred by Trustees under CERCLA or any other applicable federal or state law that authorizes removal or remedial actions relating to hazardous substance releases, and (ii) costs of any health assessment or health effects study under CERCLA Section 107(a)(4)(D), 42 U.S.C. § 9607(a)(4)(D);
- d. Liability arising from NIPSCO's transportation, treatment, storage, or disposal, or arrangement for the transportation, treatment, storage, or disposal of hazardous substances at or in connection with the Site after the Effective Date;
- e. Liability for Natural Resource Damages resulting from releases or threatened releases of hazardous substances, or discharges or threatened discharges of oil that occur (i) outside of the Site or (ii) after the Effective Date; and
- f. Criminal liability.

6. Additional Reservation Regarding Natural Resource Damages. Notwithstanding any other provision of this Settlement Agreement, Trustees reserve, and this Settlement Agreement is without prejudice to, the right to institute proceedings against NIPSCO in this action or in a new action seeking recovery of Covered Natural Resource Damages based on:

a. conditions unknown to the Trustees as of the Effective Date that result in releases of hazardous substances at the Site that cause or contribute to new or additional injury to, destruction of, or loss of Natural Resources; or

b. information received by the Trustees after the Effective Date that, together with any other relevant information, indicates that releases of hazardous substances at the Site have resulted in injury to, destruction of, or loss of Natural Resources of a type unknown or a magnitude substantially greater than was known to the Trustees as of the Effective Date.

7. For the purpose of Paragraph 6, the information and the conditions known to the Trustees as of the Effective Date include only those documented in information collected or developed by or for any of the Trustees for purposes of the Natural Resource Damage Assessment and Restoration for the Site prior to the Effective Date, including any sampling data or other data and any analyses, diagrams, maps, reports, or surveys relating to the Site in the possession or control of any Trustee.

8. The re-exposure, resuspension, or migration solely by natural causes of hazardous substances known to be present and unconfined in the sediment, soils, or groundwater at the Site as of the Effective Date does not create a basis for action by the Trustees under Paragraph 6 if the re-exposure, resuspension, or migration resulted solely from (i) natural causes or (ii) the non-negligent implementation of a removal or remedial action at the Site, after the Effective Date, under an order issued by or a consent decree with EPA.

VI. COVENANTS NOT TO SUE BY NIPSCO

9. Subject to the reservation in Paragraph 10, NIPSCO covenants not to sue or otherwise assert any claim or cause of action against Trustees relating to Covered Natural Resource Damages, the assessment of Natural Resource injuries and damages, or any restoration action relating to the Site, including any such claim under CERCLA, the CWA, OPA, the United States Constitution, the Tucker Act, 28 U.S.C. § 1491, the Equal Access to Justice Act, 28 U.S.C. § 2412, or common law.

10. NIPSCO's Reservation. If a Trustee brings a cause of action or takes administrative action pursuant to the reservations in Paragraph 6 (Additional Reservation Regarding Natural Resource Damages), NIPSCO's covenant not to sue will not apply to claims by NIPSCO that arise from the same damages that the United States or the State is seeking pursuant to the applicable reservation.

VII. EFFECT OF SETTLEMENT

11. Nothing in this Settlement Agreement shall be construed to create any rights in, or grant any cause of action to, any person not a Party to this Settlement Agreement. Each of the Parties expressly reserves any and all rights (including, but not limited to, any right to contribution), defenses, claims, demands, and causes of action which each Party may have with respect to any matter, transaction, or occurrence relating in any way to the Site against any person not a Party hereto.

12. NIPSCO shall, with respect to any suit or claim brought by it for contribution provided by Section 113(f)(2) of CERCLA or for matters related to NIPSCO's obligations under this Settlement Agreement, notify the United States and the State no later than 60 days prior to the initiation of such suit or claim. NIPSCO shall, with respect to any suit or claim brought against it for matters related to this Settlement Agreement, notify the United States and the State within 30 days after filing an appearance in response to service of the complaint on such NIPSCO. In addition, NIPSCO shall notify the United States and the State within 10 days after service or receipt of any Motion for Summary Judgment and within 10 days after receipt of any order from a court setting a case for trial.

13. Res Judicata and Other Defenses. In any subsequent administrative or judicial proceeding initiated against any NIPSCO by the United States or the State for injunctive relief, recovery of response costs or natural resource damages, or other appropriate relief relating to the Site, NIPSCO shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, claim-splitting, or other defenses based upon any contention that the claims raised by the United States or the State in the subsequent proceeding were or should have been brought earlier.

14. Nothing in this Agreement diminishes the right of the United States or the State under section 113(f)(2) and (3) of CERCLA or applicable State laws to pursue any potentially liable person not a party to this Agreement to obtain additional relief (including response action, response costs, and natural resource damages), to the extent that less than complete relief has been obtained by this Agreement, and to enter into settlements that give rise to contribution protection pursuant to Section 113(f)(2). NIPSCO reserves the right to seek contribution from any potentially liable person not a party to this Agreement pursuant to CERCLA 113(f)(3)(B).

VIII. NOTICES

15. Unless otherwise specified in this Settlement Agreement, whenever notifications, submissions, or communications are required by this Agreement, they shall be made in writing and addressed as follows. Any notification, submission, or communication required to be made to the United States shall be made to the United States Department of Justice, DOI, and FWS. Any notification, submission, or communication required to be made to Indiana shall be made to IDEM and IDNR.

As to the United States
Department of Justice:

eescdcopy.enrd@usdoj.gov
Re: DJ # 90-5-1-1-12268/2

As to DOI:

U.S. Department of the Interior
Office of Restoration and Damage Assessment
1849 C Street, NW
Mail Stop 2627
Washington, DC 20240

As to FWS:

Dan Sparks
U.S. Fish and Wildlife Service
620 S. Walker St.
Bloomington, IN 47403
daniel_sparks@fws.gov

As to IDEM:

Elizabeth Admire
State Natural Resource Co-Trustee
Indiana Department of Environmental Management
100 North Senate Avenue
P.O. Box 6015
Indianapolis, IN 46206-6015
BADMIRE@idem.IN.gov

As to IDNR:

Christopher A. Smith
State Natural Resource Co-Trustee
Indiana Department of Natural Resources
402 W. Washington Street, Room W-256
Indianapolis, IN 46204
csmith@dnr.in.gov

As to NIPSCO:

Justin Barrett
NiSource Inc.
150 West Market Street
Indianapolis, IN 46204
justinbarrett@nisource.com

16. Any Party may, by written notice to the other Parties, change its designated notice recipient or notice address provided above.

17. Notices submitted pursuant to this Section shall be deemed submitted upon mailing (including emailing), unless otherwise provided in this Settlement Agreement or by mutual agreement of the Parties in writing.

IX. GENERAL PROVISIONS

18. All Parties consent to the United States' disclosure of this Settlement Agreement, and information about this Settlement Agreement, to the public.

19. This Settlement Agreement applies to and is binding upon Trustees and NIPSCO and any successors, assigns, or other entities or persons otherwise bound by law.

20. The Parties shall bear their own costs of this matter, including attorneys' fees.

21. In entering into this Settlement Agreement, NIPSCO does not admit any liability to arising out of the transactions or occurrences alleged herein.

22. This Settlement Agreement is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute relating to this Settlement Agreement is the United States District Court for the Northern District of Indiana. For the purpose of construing this Settlement Agreement, this Settlement Agreement shall be deemed to have been drafted by all Parties to this Settlement Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

X. SIGNATORIES/SERVICE

23. Each undersigned representative of NIPSCO, the State of Indiana, and the Assistant Attorney General for the Environment and Natural Resources Division of the Department of Justice (or his or her designee) certifies that he or she is fully authorized to enter into the terms and conditions of this Settlement Agreement and to execute and legally bind the Party he or she represents to this document.

24. This Settlement Agreement may be signed in counterparts, and its validity shall not be challenged on that basis.

XI. PUBLIC COMMENT

25. Final approval by the United States and the effectiveness of this Settlement Agreement are subject to public notice and comment for a period of not less than 30 days after publication of notice of this Settlement Agreement in the Federal Register. NIPSCO agrees not to withdraw its consent to the Settlement Agreement pending consideration of public comments and approval of the United States. If public comments disclose facts or considerations which indicate that this Settlement Agreement is inappropriate, improper, or inadequate, the United States may withdraw its approval of the Settlement Agreement. Should the United States withdraw its approval, this Settlement Agreement shall be null and void.

XII. INTEGRATION

26. This Settlement Agreement constitutes the entire agreement among the Parties regarding the subject matter of the Settlement Agreement and supersedes all prior representations, agreements and understandings, whether oral or written, regarding the subject matter of the Settlement Agreement.

Signature Page for the Settlement Agreement between United States, State of Indiana, and Northern Indiana Public Service Company LLC

FOR THE UNITED STATES OF AMERICA:

ADAM R.F. GUSTAFSON
Acting Assistant Attorney General
Environment and Natural Resources Division
U.S. Department of Justice

Nov. 13, 2025
Date


THOMAS A. BENSON
Senior Attorney
Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
Washington, DC 20044-7611

Signature Page for the Settlement Agreement between United States, State of Indiana, and Northern Indiana Public Service Company LLC

FOR THE STATE OF INDIANA:

8-28-25

Date



PATRICIA ORLOFF ERDMANN
Chief Counsel of Litigation
Office of Attorney General Todd Rokita
302 West Washington Street
IGCS, 5th Floor
Indianapolis, IN 46206

Date

Elizabeth Admire
State of Indiana Natural Resource-Co Trustee
Indiana Department of Environmental Management
100 N. Senate Ave
Indianapolis, IN 46204

Date

Chris Smith
State of Indiana Natural Resource Co-Trustee
Indiana Department of Natural Resources
402 W. Washington St, Room W160
Indianapolis, IN 46204

Signature Page for the Settlement Agreement between United States, State of Indiana, and Northern Indiana Public Service Company LLC

FOR THE STATE OF INDIANA:

Date

PATRICIA ORLOFF ERDMANN
Chief Counsel of Litigation
Office of Attorney General Todd Rokita
302 West Washington Street
IGCS, 5th Floor
Indianapolis, IN 46206

07/07/2025

Date

Elizabeth Admire

Elizabeth Admire
State of Indiana Natural Resource-Co Trustee
Indiana Department of Environmental Management
100 N. Senate Ave
Indianapolis, IN 46204

7/17/2025

Date

Christopher A. Smith

Chris Smith
State of Indiana Natural Resource Co-Trustee
Indiana Department of Natural Resources
402 W. Washington St, Room W160
Indianapolis, IN 46204

Signature Page for the Settlement Agreement between United States, State of Indiana, and Northern Indiana Public Service Company LLC

**FOR NORTHERN INDIANA PUBLIC SERVICE
COMPANY LLC:**

A handwritten signature in black ink, appearing to read "Vincent R." followed by a stylized surname.

__06-30-25__ Date
