

NISOURCE INC/DE
Form 35-CERT
March 29, 2002

March 21, 2002

Securities and Exchange Commission
Judiciary Plaza
450 Fifth Street, NW
Washington, DC 20549

QUARTERLY REPORT UNDER RULE 24 OF THE
PUBLIC UTILITY HOLDING COMPANY ACT OF 1935
NISOURCE INC.
801 E. 86TH AVE.
MERRILLVILLE, IN 46410

FILE NO. 70-9681

Gentlemen:

In compliance with the terms and conditions of Rule 24 under the Public Utility Holding Company Act of 1935, and the Order of the Commission dated November 1, 2000, authorizing the financing transactions and business activities as more fully described in the Joint Application/Declaration, as amended, the undersigned hereby certifies to the Commission that:

1. The sales of any common stock and the purchase price per share and the market price per share at the date of the agreement of sale

None.
2. The total number of shares of common stock issued or issuable under options granted during the quarter under NiSource Inc.'s benefit plans or otherwise

90,546 shares.
3. If common stock has been transferred to a seller of securities of a company being acquired, the number of shares so issued, the value per share and whether the shares are restricted to the acquirer

None.
4. The amount and terms of any long-term debt, preferred stock or other preferred or equity-linked securities, or short-term debt, issued directly or indirectly by NiSource during the quarter

Please see Exhibit 1.
5. The amount and terms of any short-term debt issued directly or indirectly by any utility subsidiary during the quarter

Please see Exhibit 2.
6. The amount and terms of any financing consummated by any non-utility subsidiary during the quarter that are not exempt under rule 52

None.

Edgar Filing: NISOURCE INC/DE - Form 35-CERT

1

7. The name of the guarantor and of the beneficiary of any NiSource guarantee or non-utility subsidiary guarantee issued during the quarter, and the amount, terms and purpose of the guarantee

NiSource issued \$30,220,000 of guarantees during the quarter ended 12-31-01.

8. The notional amount and principal terms of any interest rate hedge or anticipatory hedge entered into during the quarter and the identity of the parties to such instruments

None.

9. The name, parent company, and amount invested in any new intermediate subsidiary or financing subsidiary during the quarter

None.

10. A list of Form U-6B-2 statements filed with the commission during the quarter, including the name of the filing entity and the date of the filing

None.

11. Consolidated balance sheets as of the end of the quarter, and separate balance sheets as of the end of the quarter for each company, including NiSource, that has engaged in financing transactions during the quarter

Please see the attached balance sheets for NiSource, Northern Indiana Public Service Company, Bay State Gas Company, Northern Utilities, Kokomo Gas and Fuel and Northern Indiana Fuel and Light.

Very truly yours,

NiSource Inc.

By: /s/ Jeffrey W. Grossman

Jeffrey W. Grossman
Vice President and Controller
(Principal Accounting Officer
and Duly Authorized Officer)

2

EXHIBIT #1

NISOURCE INC.
QUARTERLY REPORT UNDER RULE 24 OF THE
PUBLIC UTILITY HOLDING COMPANY ACT OF 1935
FILE NO. 70-9681
ITEM #4

Edgar Filing: NISOURCE INC/DE - Form 35-CERT

| COMPANY | AMOUNT ISSUED DURING FOURTH QUARTER OF 2001 | AMOUNT OUTSTANDING DECEMBER 31, 2001 | TYPE OF DEBT OR SECURITY |
|------------------------|--|---|-----------------------------|
| NiSource Finance Corp. | - | 1,004,300,000 | Short-term Debt |
| NiSource Finance Corp. | - | 850,000,000 | Short-term Debt |
| NiSource Finance Corp. | - | 5,780,000,000 | Long-term Debt |

3

EXHIBIT #2

NISOURCE INC.
 QUARTERLY REPORT UNDER RULE 24 OF THE
 PUBLIC UTILITY HOLDING COMPANY ACT OF 1935
 FILE NO. 70-9681
 ITEM #5

| LENDING COMPANY | BORROWING SUBSIDIARY | INTER-COMPANY DEBT OUTSTANDING AT DECEMBER 31, 2001 |
|------------------------|---|---|
| NiSource Finance Corp. | Northern Indiana Public Service Company | 336,308,000 |
| NiSource Finance Corp. | Kokomo Gas & Fuel Company | 1,015,000 |
| NiSource Finance Corp. | Northern Indiana Fuel and Light | 4,014,000 |
| NiSource Finance Corp. | Bay State Gas Company | 140,250,000 |

4

EXHIBIT #3

NISOURCE INC.
 QUARTERLY REPORT UNDER RULE 24 OF THE
 PUBLIC UTILITY HOLDING COMPANY ACT OF 1935
 FILE NO. 70-9681
 ITEM #11

Edgar Filing: NISOURCE INC/DE - Form 35-CERT

As of December, (in thousands)

2001

ASSETS

PROPERTY, PLANT, AND EQUIPMENT:

| | |
|---|---------------|
| Utility plant | \$ 16,078,939 |
| Accumulated depreciation and amortization | (7,616,475) |

| | |
|-------------------|-----------|
| Net Utility Plant | 8,462,464 |
|-------------------|-----------|

| | |
|--|-----------|
| Gas and oil producing properties, full cost method | |
| United States cost center | 1,011,461 |
| Canadian cost center | 22,361 |
| Accumulated depletion | (74,598) |

| | |
|--------------------------------------|---------|
| Net gas and oil producing properties | 959,224 |
|--------------------------------------|---------|

| | |
|--|---------|
| Other property, at cost, less accumulated depreciation | 132,975 |
|--|---------|

| | |
|-----------------------------------|-----------|
| Net Property, Plant and Equipment | 9,554,663 |
|-----------------------------------|-----------|

INVESTMENTS:

| | |
|---------------------------------------|---------|
| Net assets of discontinued operations | 375,015 |
| Unconsolidated affiliates | 123,953 |
| Assets held for sale | 15,395 |
| Other investments | 47,782 |

| | |
|-------------------|---------|
| Total Investments | 562,145 |
|-------------------|---------|

CURRENT ASSETS:

| | |
|---|---------|
| Cash and cash equivalents | 127,881 |
| Accounts receivable - less reserve | 937,749 |
| Other receivables | 10,139 |
| Gas inventory | 377,666 |
| Underrecovered gas and fuel costs | 129,388 |
| Material and supplies, at average cost | 73,295 |
| Electric production fuel, at average cost | 29,153 |
| Price risk management asset | 299,218 |
| Exchange gas receivable | 186,761 |
| Prepayments and other | 395,431 |

| | |
|----------------------|-----------|
| Total Current Assets | 2,566,681 |
|----------------------|-----------|

OTHER ASSETS:

| | |
|----------------------------|-----------|
| Price risk asset long term | 19,095 |
| Regulatory assets | 521,736 |
| Intangible assets | 3,737,936 |
| Deferred charges and other | 411,872 |

| | |
|--------------------|-----------|
| Total Other Assets | 4,690,639 |
|--------------------|-----------|

| | |
|--------------|---------------|
| TOTAL ASSETS | \$ 17,374,128 |
|--------------|---------------|

Edgar Filing: NISOURCE INC/DE - Form 35-CERT

QUARTERLY REPORT UNDER RULE 24 OF THE
PUBLIC UTILITY HOLDING COMPANY ACT OF 1935
FILE NO. 70-9681
ITEM #11

As of December 31, (in thousands) 2001

CAPITALIZATION AND LIABILITIES

CAPITALIZATION:

| | |
|--|--------------|
| Common Stock Equity | \$ 3,469,440 |
| Preferred Stocks - | |
| Subsidiary Companies | |
| Series without mandatory redemption provisions | 83,631 |
| Series with mandatory redemption provisions | 4,969 |
| Company - obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures | 345,000 |
| Long-term debt, excluding amounts due within one year | 5,780,762 |

Total Capitalization 9,683,802

CURRENT LIABILITIES:

| | |
|---|-----------|
| Current portion of long-term debt | 441,256 |
| Short-term borrowings | 1,854,282 |
| Accounts payable | 646,603 |
| Dividends declared on common and preferred stocks | 1,748 |
| Customer deposits | 36,289 |
| Taxes accrued | 274,741 |
| Interest accrued | 79,583 |
| Overrecovered gas and fuel costs | 49,317 |
| Price risk management liabilities | 242,355 |
| Exchange gas payable | 287,221 |
| Current deferred revenue | 89,020 |
| Other accruals | 726,218 |

Total current liabilities 4,728,633

OTHER:

| | |
|--|-----------|
| Price risk management liabilities | 11,351 |
| Deferred income taxes | 1,726,292 |
| Deferred investment tax credits | 105,246 |
| Deferred credits | 352,468 |
| Non-current deferred revenue | 435,440 |
| Accrued liability for post retirement benefits | 277,661 |
| Other non-current liabilities | 53,235 |

Total other 2,961,693

TOTAL CAPITALIZATION AND LIABILITIES \$17,374,128
=====

Edgar Filing: NISOURCE INC/DE - Form 35-CERT

QUARTERLY REPORT UNDER RULE 24 OF THE
PUBLIC UTILITY HOLDING COMPANY ACT OF 1935
FILE NO. 70-9681
ITEM #11

As of December 31, (in thousands) 2001

ASSETS

PROPERTY, PLANT, AND EQUIPMENT:

| | |
|---|--------------|
| Utility plant | \$ 6,218,991 |
| Accumulated depreciation and amortization | (3,357,201) |

| | |
|-------------------|-----------|
| Net Utility Plant | 2,861,790 |
|-------------------|-----------|

| | |
|--------------------------------|-------|
| OTHER PROPERTY AND INVESTMENTS | 8,144 |
|--------------------------------|-------|

CURRENT ASSETS:

| | |
|--|---------|
| Cash and cash equivalents | 15,945 |
| Accounts receivable - less reserve | 116,433 |
| Gas cost adjustment clause | 28,217 |
| Material and supplies, at average cost | 44,674 |
| Electric production fuel, at average cost | 29,152 |
| Natural gas in storage, at last in, first-out cost | 104,706 |
| Prepayments and other | 40,339 |

| | |
|----------------------|---------|
| Total Current Assets | 379,466 |
|----------------------|---------|

OTHER ASSETS:

| | |
|----------------------------|---------|
| Regulatory assets | 165,519 |
| Deferred charges and other | 194,288 |

| | |
|--------------------|---------|
| Total Other Assets | 359,807 |
|--------------------|---------|

| | |
|--------------|--------------|
| TOTAL ASSETS | \$ 3,609,207 |
|--------------|--------------|

7

EXHIBIT #4

NORTHERN INDIANA PUBLIC SERVICE COMPANY
QUARTERLY REPORT UNDER RULE 24 OF THE
PUBLIC UTILITY HOLDING COMPANY ACT OF 1935
FILE NO. 70-9681
ITEM #11

As of December 31, (in thousands) 2001

CAPITALIZATION AND LIABILITIES

Edgar Filing: NISOURCE INC/DE - Form 35-CERT

| | |
|--|-------------|
| CAPITALIZATION: | |
| Common shareholder's equity | \$1,036,314 |
| Preferred Stocks - | |
| Series without mandatory redemption provisions | 81,114 |
| Series with mandatory redemption provisions | 4,969 |
| Long-term debt, excluding amount due within one year | 843,064 |
| ----- | |
| Total Capitalization | 1,965,461 |
| ----- | |
| CURRENT LIABILITIES: | |
| Current redeemable preferred stock subject to mandatory redemption | 43,000 |
| Current portion of long-term debt | 59,000 |
| Short term borrowings | 335,415 |
| Accounts payable | 145,836 |
| Dividends declared on common and preferred stock | 1,748 |
| Customer deposits | 31,830 |
| Taxes accrued | 195,395 |
| Interest accrued | 7,825 |
| Fuel adjustment clause | 3,665 |
| Accrued employment costs | 34,075 |
| Price risk management liabilities | 5,609 |
| Other accruals | 24,655 |
| ----- | |
| Total current liabilities | 888,053 |
| ----- | |
| OTHER: | |
| Deferred income taxes | 464,656 |
| Deferred investment tax credits | 71,392 |
| Deferred credits | 48,963 |
| Accrued liability for post retirement benefits | 160,768 |
| Other noncurrent liabilities | 9,914 |
| ----- | |
| Total other | 755,693 |
| ----- | |
| TOTAL CAPITALIZATION AND LIABILITIES | \$3,609,207 |
| ===== | |

8

EXHIBIT #5

BAY STATE GAS COMPANY
 QUARTERLY REPORT UNDER RULE 24 OF THE
 PUBLIC UTILITY HOLDING COMPANY ACT OF 1935
 FILE NO. 70-9681
 ITEM #11

| | |
|---|--------------|
| As of December 31, (in thousands) | 2001 |
| ----- | |
| ASSETS | |
| PROPERTY, PLANT, AND EQUIPMENT: | |
| Utility plant | \$ 1,132,875 |
| Accumulated depreciation and amortization | (256,832) |
| ----- | |
| Net Utility Plant | 876,043 |
| ----- | |

Edgar Filing: NISOURCE INC/DE - Form 35-CERT

| | |
|--|--------------|
| OTHER PROPERTY AND INVESTMENTS | 111,334 |
| ----- | |
| CURRENT ASSETS: | |
| Cash and cash equivalents | 1,412 |
| Accounts receivable - less reserve | 101,620 |
| Gas cost adjustment clause | 28,039 |
| Material and supplies, at average cost | 4,299 |
| Natural gas in storage - weighted average | 22,458 |
| Prepayments and other | 3,809 |
| ----- | |
| Total Current Assets | 161,637 |
| ----- | |
| OTHER ASSETS: | |
| Regulatory assets | 7,741 |
| Intangible assets | 2,030 |
| Deferred charges and other | 33,130 |
| ----- | |
| Total Other Assets | 42,901 |
| ----- | |
| TOTAL ASSETS | \$ 1,191,915 |
| ===== | |
| ----- | |
| CAPITALIZATION AND LIABILITIES | |
| CAPITALIZATION: | |
| Common shareholder's equity | \$ 534,381 |
| Long-term debt excluding amt due within one year | 95,500 |
| ----- | |
| Total Capitalization | 629,881 |
| ----- | |
| CURRENT LIABILITIES: | |
| Short term borrowings | 193,585 |
| Accounts payable | 43,705 |
| Customer deposits | 3,002 |
| Taxes accrued | 4,821 |
| Interest accrued | 3,069 |
| Refunds due customers within one year | 5,414 |
| Other accruals | 51,975 |
| ----- | |
| Total current liabilities | 305,571 |
| ----- | |
| OTHER: | |
| Deferred income taxes | 244,910 |
| Deferred investment tax credits | 2,987 |
| Other noncurrent liabilities | 8,566 |
| ----- | |
| Total other | 256,463 |
| ----- | |
| TOTAL CAPITALIZATION AND LIABILITIES | \$ 1,191,915 |
| ===== | |

Edgar Filing: NISOURCE INC/DE - Form 35-CERT

PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

FILE NO. 70-9681

ITEM #11

| | |
|--|------------|
| As of December 31, (in thousands) | 2001 |
| ----- | |
| ASSETS | |
| PROPERTY, PLANT, AND EQUIPMENT: | |
| Utility plant | \$ 252,240 |
| Accumulated depreciation and amortization | (48,681) |
| ----- | |
| Net Utility Plant | 203,559 |
| ----- | |
| OTHER PROPERTY AND INVESTMENTS | 2,488 |
| ----- | |
| CURRENT ASSETS: | |
| Cash and cash equivalents | 58 |
| Accounts receivable - less reserve | 37,733 |
| Gas cost adjustment clause | 10,788 |
| Material and supplies, at average cost | 818 |
| Natural gas in storage, weighted average | 18,336 |
| Prepayments and other | 3,132 |
| ----- | |
| Total Current Assets | 70,865 |
| ----- | |
| OTHER ASSETS: | |
| Regulatory assets | 8,674 |
| Intangible assets | 1,071 |
| Deferred charges and other | 2,943 |
| ----- | |
| Total Other Assets | 12,688 |
| ----- | |
| TOTAL ASSETS | \$ 289,600 |
| ===== | |
| ----- | |
| CAPITALIZATION AND LIABILITIES | |
| CAPITALIZATION: | |
| Common shareholder's equity | \$ 111,095 |
| Long-term debt excluding amt due within one year | 18,833 |
| ----- | |
| Total Capitalization | 129,928 |
| ----- | |
| CURRENT LIABILITIES: | |
| Short term borrowings | 60,833 |
| Accounts payable | 20,975 |
| Customer deposits | 793 |
| Taxes accrued | 3,031 |
| Interest accrued | 1,157 |
| Price risk management liabilities | 777 |
| Refunds due customers within one year | 936 |
| Other accruals | 18,066 |
| ----- | |
| Total current liabilities | 106,568 |
| ----- | |
| OTHER: | |
| Deferred income taxes | 49,753 |
| Deferred investment tax credits | 288 |

Edgar Filing: NISOURCE INC/DE - Form 35-CERT

| | |
|--------------------------------------|------------|
| Other non-current liabilities | 3,063 |
| ----- | |
| Total other | 53,104 |
| ----- | |
| TOTAL CAPITALIZATION AND LIABILITIES | \$ 289,600 |
| ===== | |

10

EXHIBIT #7

KOKOMO GAS AND FUEL COMPANY
 QUARTERLY REPORT UNDER RULE 24 OF THE
 PUBLIC UTILITY HOLDING COMPANY ACT OF 1935
 FILE NO. 70-9681
 ITEM #11

As of December 31, (in thousands) 2001

ASSETS

PROPERTY, PLANT, AND EQUIPMENT:

| | |
|---|-----------|
| Utility plant | \$ 78,309 |
| Accumulated depreciation and amortization | (36,732) |

 Net Utility Plant 41,577

 OTHER PROPERTY AND INVESTMENTS 5

CURRENT ASSETS:

| | |
|---|-------|
| Cash and cash equivalents | 1,508 |
| Accounts receivable - less reserve | 3,852 |
| Gas cost adjustment clause | 2,298 |
| Material and supplies, at average cost | 403 |
| Natural gas in storage - weighted average | 773 |
| Prepayments and other | 32 |

 Total Current Assets 8,866

OTHER ASSETS:

| | |
|----------------------------|----|
| Deferred charges and other | 68 |
|----------------------------|----|

 Total Other Assets 68

 TOTAL ASSETS \$ 50,516

 CAPITALIZATION AND LIABILITIES

CAPITALIZATION:

| | |
|-----------------------------|-----------|
| Common shareholder's equity | \$ 34,418 |
|-----------------------------|-----------|

 Total Capitalization 34,418

 CURRENT LIABILITIES:

Edgar Filing: NISOURCE INC/DE - Form 35-CERT

| | |
|--------------------------------------|-----------|
| Short term borrowings | 1,015 |
| Accounts payable | 5,657 |
| Customer deposits | 493 |
| Interest accrued | 130 |
| Other accruals | 1,161 |
| ----- | |
| Total current liabilities | 8,456 |
| ----- | |
| OTHER: | |
| Deferred income taxes | 4,158 |
| Deferred investment tax credits | 501 |
| Post retirement benefits accrued | 386 |
| Regulatory income tax liability | 1,477 |
| Other non-current liabilities | 1,120 |
| ----- | |
| Total other | 7,642 |
| ----- | |
| TOTAL CAPITALIZATION AND LIABILITIES | \$ 50,516 |
| ===== | |

11

EXHIBIT #8

NORTHERN INDIANA FUEL AND LIGHT COMPANY
 QUARTERLY REPORT UNDER RULE 24 OF THE
 PUBLIC UTILITY HOLDING COMPANY ACT OF 1935
 FILE NO. 70-9681
 ITEM #11

| | |
|---|-----------|
| As of December 31, (in thousands) | 2001 |
| ----- | |
| ASSETS | |
| PROPERTY, PLANT, AND EQUIPMENT: | |
| Utility plant | \$ 71,541 |
| Accumulated depreciation and amortization | (25,041) |
| ----- | |
| Net Utility Plant | 46,500 |
| ----- | |
| OTHER PROPERTY AND INVESTMENTS | 738 |
| ----- | |
| CURRENT ASSETS: | |
| Cash and cash equivalents | 617 |
| Accounts receivable - less reserve | 7,833 |
| Gas adjustment clause | 5,169 |
| Material and supplies, at average cost | 409 |
| Natural gas in storage - weighted average | 5,587 |
| Prepayments and other | 82 |
| ----- | |
| Total Current Assets | 19,697 |
| ----- | |
| OTHER ASSETS: | |
| Regulatory assets | 132 |

Edgar Filing: NISOURCE INC/DE - Form 35-CERT

| | |
|---------------------------------------|-----------|
| Deferred charges and other | 335 |
| ----- | |
| Total Other Assets | 467 |
| ----- | |
| TOTAL ASSETS | \$ 67,402 |
| ===== | |
| ----- | |
| CAPITALIZATION AND LIABILITIES | |
| CAPITALIZATION: | |
| Common shareholder's equity | \$ 45,390 |
| ----- | |
| Total Capitalization | 45,390 |
| ----- | |
| CURRENT LIABILITIES: | |
| Notes payable to associated companies | 4,000 |
| Accounts payable | 4,440 |
| Customer deposits | 157 |
| Taxes accrued | 945 |
| Other accruals | 1,584 |
| ----- | |
| Total current liabilities | 11,126 |
| ----- | |
| OTHER: | |
| Deferred income taxes | 4,537 |
| Deferred investment tax credits | 302 |
| Deferred credits | 3,959 |
| Regulatory income tax liability | 2,088 |
| ----- | |
| Total other | 10,886 |
| ----- | |
| TOTAL CAPITALIZATION AND LIABILITIES | \$ 67,402 |
| ===== | |