

NISOURCE INC/DE
Form U5S/A
May 31, 2002

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CONFIDENTIAL
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MEMBER OF NISOURCE'S SENIOR MANAGEMENT.

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.

FORM U5S/A

ANNUAL REPORT

For the Year Ended December 31, 2001

Filed pursuant to the Public Utility Holding Company Act of 1935

NISOURCE INC.

COLUMBIA ENERGY GROUP
(Name of registered holding company)

801 E 86th Avenue
Merrillville, Indiana 46410

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ITEM 1. SYSTEM COMPANIES AND INVESTMENT THEREIN AS OF DECEMBER 31, 2001

Item 1. is hereby amended and restated in its entirety:

TIER	NAME OF COMPANY (COMPANY ABBREVIATION)	NUMBER OF COMMON SHARES HELD	% OF VOTING POWER OR INTEREST HELD
	NiSource Inc. (NI)		
1	Bay State Gas Company (BSG)	100	100.0
	Unsecured Debt	--	--
	Subsidiaries:		
2	Bay State GPE, Inc. (BSGPE)	1,000	100.0
2	Northern Utilities, Inc. (NU)	100	100.0
	Unsecured Debt	--	--
1	Columbia Energy Group (CG)	3,000	100.0

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	Unsecured Debt	--	--
	Subsidiaries:		
2	Columbia Atlantic Trading Corporation (CAT)	308	100.0
2	Columbia Energy Group Capital Corporation (CCC)	1	100.0
	Subsidiary:		
3	TriStar Gas Technologies, Inc. (TGT)*	20,000	100.0
2	Columbia Energy Resources, Inc. (CER)	1	100.0
	Subsidiaries:		
3	Alamco-Delaware, Inc. (AD)	100	100.0
3	Columbia Natural Resources, Inc. (CNR)	2	100.0
3	Columbia Natural Resources Canada, Ltd. (CNRCL)	1	100.0
3	Hawg Hauling & Disposal, Inc. (HH)	900	100.0
2	Columbia Energy Services Corporation (CES)	2,500	100.0
	Subsidiaries:		
3	Columbia Energy Marketing Corporation (CEM)*	101	100.0
3	Columbia Energy Power Marketing Corporation (CPM)*	1	100.0
3	Columbia Energy Retail Corporation (CERC)*	2,000	100.0
2	Columbia Finance Corporation (CFC)	10	100.0
	Subsidiary:		
3	Columbia Accounts Receivable Corporation (CAR)	10	100.0

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ITEM 1. SYSTEM COMPANIES AND INVESTMENT THEREIN AS OF DECEMBER 31, 2001
(continued)

TIER	NAME OF COMPANY (COMPANY ABBREVIATION)	NUMBER OF COMMON SHARES HELD	% OF VOTING POWER INTEREST HELD
2	Columbia Gas of Kentucky, Inc. (CKY)	952,248	100.0
	Unsecured Debt	--	--
2	Columbia Gas of Maryland, Inc. (CMD)	2,883	100.0
	Unsecured Debt	--	--
2	Columbia Gas of Ohio, Inc. (COH)	4,769,585	100.0
	Unsecured Debt	--	--
2	Columbia Gas of Pennsylvania, Inc. (CPA)	1,805,112	100.0
	Unsecured Debt	--	--
2	Columbia Gas of Virginia, Inc. (CGV)	1,306,106	100.0
	Unsecured Debt	--	--
2	Columbia Gas Transmission Corporation (TCO)	1,934	100.0
	Secured Debt	--	--
2	Columbia Gulf Transmission Company (CGT)	1,933	100.0
	Unsecured Debt	--	--
2	Columbia Insurance Corporation, Ltd. (CICL)	14,800	100.0
2	Columbia LNG Corporation (CLNG)	3,519	92.1
	Subsidiary:		
3	CLNG Corporation (CLNGCO)*	155	100.0
2	Columbia Network Services Corporation (CNS)	900	100.0
	Subsidiary:		
3	CNS Microwave, Inc. (CMC)	110	100.0
2	Columbia Petroleum Corporation (PET)*	1,001	100.0
2	Columbia Pipeline Corporation (CPL)	1	100.0

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	Subsidiary:		
3	Columbia Deep Water Services Company (CDW)	1	100.0
2	Columbia Remainder Corporation (CRC)	100	100.0
	Subsidiaries:		
3	Columbia Electric Binghamton General Corporation (CEB)*	118	100.0

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ITEM 1. SYSTEM COMPANIES AND INVESTMENT THEREIN AS OF DECEMBER 31, 2001
(continued)

TIER	NAME OF COMPANY (COMPANY ABBREVIATION)	NUMBER OF COMMON SHARES HELD	% O INTER
3	Columbia Electric Binghamton Limited Corporation (CEBL)*	142	
3	Columbia Electric Haverstraw Corporation (CHC)*	1	
3	Haverstraw Bay, LLC (HBL)* (a)	--	
2	Columbia Service Partners, Inc. (CSP)	2,940	
	Subsidiaries:		
3	Columbia Assurance Agency, Inc. (CAA)	850	
3	Columbia Service Partners of Virginia, Inc.	100	
2	Columbia Transmission Communications Corporation (CTC)	1	
1	EnergyUSA, Inc. (IN) (EUII)	1,000	
	Unsecured Debt	--	
	Subsidiaries:		
2	EnergyUSA, Inc. (MA) (EUM)	10,000	
	Unsecured Debt	--	
	Subsidiaries:		
3	EnergySPE, Inc. (ESPE)	10,000	
3	EnergyUSA (Connecticut), Inc. (EUIC)	6,955	
	Unsecured Debt	--	
	Subsidiaries:		
4	Brayer Energy Solutions, Inc. (BES)*	100	
4	EnergyUSA Engineering, Inc. (EUE)	919	
4	EnergyUSA Mechanical, Inc. (EUM)	400	
2	EnergyUSA-TPC Corp. (TPC)	100	
	Unsecured Debt	--	
	Subsidiary:		
3	EnergyUSA Appalachian Corp. (EUA)	100	
2	NESI Energy Marketing L.L.C. (NEML) (b)	--	
2	NI Energy Services Transportation, Inc. (NEST)	1,000	
2	MS-1 Distribution & Storage Corporation (MS1)*	250	
2	NI Fuel Company, Inc. (NIFC)	1,000	

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ITEM 1. SYSTEM COMPANIES AND INVESTMENT THEREIN AS OF DECEMBER 31, 2001
(continued)

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TIER	NAME OF COMPANY (COMPANY ABBREVIATION)	NUMBER OF COMMON SHARES HELD	% OF VOTING POWER INTEREST HELD
2	NI-TEX, Inc. (NITEX)	1,000	100.
	Unsecured Debt	--	--
2	NI-TEX Gas Services Inc. (NGS)	920	100.
2	EnergyUSA Commercial Energy Services Inc. (EUC)	1,000	100.
2	EnergyUSA Retail, Inc. (EUR)	1,000	100.
	Unsecured Debt	--	--
	Subsidiary:		
3	EnergyUSA Consumer Products Group, Inc. (EUP)*	10,000	100.
1	Kokomo Gas and Fuel Company (KOKO)	478,248	100.
	Unsecured Debt	--	--
	Subsidiary:		
2	KGF Trading Company (KGF)*	100	100.
1	NI Energy Services, Inc. (NESI)	1,000	100.
	Unsecured Debt	--	--
	Subsidiaries:		
2	Crossroads Pipeline Company (CROSS)	1,000	100.
	Unsecured Debt	--	--
2	Green Fuels, Inc. (GREEN)*	1,000	100.
	Unsecured Debt	--	--
1	NESI Power Marketing, Inc. (NPM)	1,000	100.
	Unsecured Debt	--	--
2	NiSource Energy Services Canada, Ltd. (NESCL)*	--	100.
	Subsidiary:		
3	NESI Energy Marketing Canada Ltd. (NEMCL)*	--	70.
1	NiSource Capital Markets, Inc. (NCM)	1,000	100.
	Unsecured Debt	--	--
1	NiSource Capital Trust I (NCT) (c)	--	100.
1	NiSource Corporate Services Company (NCS)	1,000	100.
	Unsecured Debt	--	--

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ITEM 1. SYSTEM COMPANIES AND INVESTMENT THEREIN AS OF DECEMBER 31, 2001
(continued)

TIER	NAME OF COMPANY (COMPANY ABBREVIATION)	NUMBER OF COMMON SHARES HELD	% OF VOTING POWER INTEREST HELD
1	NiSource Development Company, Inc. (NDEV)	1,000	
	Unsecured Debt	--	
	Subsidiaries:		
2	Analytic Systems Laboratories, Inc. (ASL)*	1,167	
2	Cardinal Property Management, Inc. (CARD)	1,000	

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2	Customer Information Services, Inc. (CIS)	1,000
2	JOF Transportation Company (JOF)	1,000
	Unsecured Debt	--
2	KOGAF Enterprises, Inc. (KOGF)	100
2	Lake Erie Land Company (LEL)	1,000
	Subsidiary:	
3	SCC Services, Inc. (SCC)	1,000
2	NDC Douglas Properties, Inc. (NDC)	1,000
	Unsecured Debt	--
2	Progeni, Inc. (PRO)*	1,000
	Unsecured Debt	--
2	Protonics Research, Inc. (PRI)*	900
2	South Works Power Company (SWP)	1,000

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ITEM 1. SYSTEM COMPANIES AND INVESTMENT THEREIN AS OF DECEMBER 31, 2001
(continued)

TIER	NAME OF COMPANY (COMPANY ABBREVIATION)	NUMBER OF COMMON SHARES HELD	% OF VO POWE INTEREST
1	NiSource Energy Technologies, Inc. (NET)	100	1
	Unsecured Debt	--	
1	NiSource Finance Corp. (NFC)	100	1
	Unsecured Debt	--	
1	NiSource Pipeline Group, Inc. (NPG)	1,000	1
	Subsidiaries:		
2	Granite State Gas Transmission, Inc. (GSGT)	29,900	1
	Unsecured Debt	--	
	Subsidiaries:		
3	Bay State Energy Enterprises, Inc. (BSEE)	10,000	1
3	Natural Gas Development, Inc. (NGD)	10,000	1
2	PNTGS Holding Corp. (PNTGS)	1,000	1
1	Northern Indiana Fuel and Light Company, Inc. (NIFL)	275,000	1
	Unsecured Debt	--	
	Subsidiary:		
2	Northern Indiana Trading Company, Inc. (NITC)	1,000	1
1	Northern Indiana Public Service Company (NIP)	73,282,258	1
	Secured Debt	--	
	Unsecured Debt	--	
	Subsidiary:		
2	NIPSCO Exploration Company, Inc. (NEXCO)	1,000	1

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ITEM 1. SYSTEM COMPANIES AND INVESTMENT THEREIN AS OF DECEMBER 31, 2001
(continued)

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TIER	NAME OF COMPANY (COMPANY ABBREVIATION)	NUMBER OF COMMON SHARES HELD	% OF VOTING POWER OR INTEREST HELD
1	Primary Energy, Inc. (PEI)	1,000	100.0
	Unsecured Debt	--	--
	Subsidiaries:		
2	Cokenergy, Inc. (CEI)	1,000	100.0
2	Harbor Coal Company (HCC)	1,000	100.0
2	Ironside Energy LLC (IEL) (d)	--	100.0
	Unsecured Debt	--	--
2	Lakeside Energy Corporation (LEC)	1,000	100.0
	Unsecured Debt	--	--
2	North Lake Energy Corporation (NLEC)	1,000	100.0
2	Portside Energy Corporation (PORT)	1,000	100.0
2	Whiting Clean Energy, Inc. (WCE)	1,000	100.0
	Unsecured Debt	--	--
1	SM&P Utility Resources, Inc. (SMP) (e)	100	100.0
	Subsidiary:		
2	Colcom Incorporated (CI) (e)	1,000	100.0

Note: All debt amounts exclude the current portion of long-term debt and money pool transactions and include intercompany notes payable.

* Company was inactive at December 31, 2001.

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ITEM 1. SYSTEM COMPANIES AND INVESTMENT THEREIN AS OF DECEMBER 31, 2001
(continued)

- (a) Haverstraw Bay, LLC was involved with power generation. Columbia Electric Haverstraw Corporation owns a 2% interest and Columbia Remainder Corporation directly holds 98%.
- (b) NESI Energy Marketing L.L.C. was involved with the marketing of natural gas and electricity. EnergyUSA, Inc. (IN) owns a 100% interest.
- (c) NiSource Capital Trust I is a financing subsidiary of NiSource Inc. NiSource Inc. holds 100% of the common equity.
- (d) Primary Energy, Inc. owns a 100% interest in Ironside Energy LLC.
- (e) SM&P Utility Resources, Inc. was sold to The Laclede Group on January 28, 2002.

ITEM 2. ACQUISITIONS OR SALES OF UTILITY ASSETS

None.

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ITEM 3. ISSUE, SALE, PLEDGE, GUARANTEE OR ASSUMPTION OF SYSTEM SECURITIES

None.

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ITEM 4. ACQUISITION, REDEMPTION OR RETIREMENT OF SYSTEM SECURITIES DURING 2001

NAME OF ISSUER AND TYPE OF ISSUE	NAME OF COMPANY ACQUIRING, REDEEMING OR RETIRING SECURITIES	NUMBER OF SHARES	PRINCIPAL AMOUNT (\$000)	CONSI

BSG				
Unsecured Debt	BSG	-	15,000	35
Medium Term Note - 7.25% Due 08/05/02	BSG	-	20,000	20
Subsidiary:				
NU				
Medium Term Note - 6.93%				
Due 09/01/31	NU	-	1,667	1
CGV				
Unsecured Debt	CGV	-	12,835	12
CKY				
Unsecured Debt	CKY	-	5,829	5
COH				
Unsecured Debt	COH	-	139	
CMD				
Unsecured Debt	CMD	-	2,495	2
CPA				
Unsecured Debt	CPA	-	17,843	17
EUIM				
Medium Term Note - 6.50% Due 11/17/01	EUIM	-	470	
Medium Term Note - 6.00% Due 11/17/06	EUIM	-	1,016	1
Medium Term Note - 6.00% Due 11/17/06	EUIM	-	943	
Medium Term Note - 6.00% Due 11/17/06	EUIM	-	452	
NDC				
Unsecured Debt	NDC	-	6,504	6
NIP				
Preferred Stock	NIP	-	1,155	1
Secured Debt	NIP	-	500	
Unsecured Debt	NIP	-	18,500	18
TCO				
Secured Debt	TCO	-	128,515	128

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ITEM 5. INVESTMENTS IN SECURITIES OF NON SYSTEM COMPANIES

INVESTOR	INVESTEES	TYPE OF INVESTMENT	% P INT
AD	Phoenix-Alamco Ventures, L.L.C.	LLC Membership	
CEB	Binghamton Cogeneration Limited Partnership	Limited Partnership	
CEBL	Binghamton Cogeneration Limited Partnership	Limited Partnership	
CER	Clarksburg Gas Limited Partnership	Limited Partnership	
CHC	Haverstraw Bay, LLC	LLC Membership	
HCC	PCI Associates	Limited Partnership	
JOF	Chicago South Shore & South Bend Railroad Co.	General Partnership	
JOF	Illinois Indiana Development Company, L.L.C.	LLC Membership	
NDC	Bittersweet Pointe, L.P.	Limited Partnership	
NDC	Douglas Pointe, L.P.	Limited Partnership	
NDC	Douglas Pointe II, L.P.	Limited Partnership	
NDC	Douglas Pointe III, L.P.	Limited Partnership	
NDC	Dunedin, L.L.C.	LLC Membership	
NDC	Dunedin II, L.L.C.	LLC Membership	
NDC	Hebron Pointe, L.L.C.	LLC Membership	
NDC	House Investments, L.P.	Limited Partnership	
NDC	House Investments II, L.P.	Limited Partnership	
NDC	Kingsmill	Limited Partnership	
NDC	Prestwick Square, L.P.	Limited Partnership	
NDC	Robertson, L.L.C.	LLC Membership	
NDC	Woodland Crossing, L.L.C.	LLC Membership	
NDEV	N Squared Aviation, L.L.C.	LLC Membership	
NET	Acumentrics Corporation	Common Shares	
NET	Capstone Turbine Corporation	Common Shares	
NET	CID Equity Capital III, L.P.	Limited Partnership	
NET	Corning Incorporated	Common Shares	
NET	Covance, Inc.	Common Shares	
NET	Evergreen Solar, Inc.	Common Shares	
NET	MOSAIC Energy, L.L.C.	LLC Membership	
NET	Nth Power Technologies Fund II, L.P.	Limited Partnership	
NET	Nth Power Technologies Fund II-A, L.P.	Limited Partnership	
NET	Quest Diagnostics Incorporated	Common Shares	
NET	SunPower Corporation	Preferred Shares	
NET	Utech Climate Challenge Fund, L.P.	Limited Partnership	
NGS	MidTex Gas Storage Company, L.L.P.	Limited Partnership	
NIFC	Bristol Resources Production Company, L.L.C.	LLC Membership	
NITEX	Laredo Nueces Pipeline Company	Common Shares	
TCO	Millenium Pipeline Company, L.P.	Limited Partnership	
TCO	Millenium Pipeline Management Company, L.L.C.(a)	LLC Membership	
TGT	EnerTek Partners, LP	Limited Partnership	

* CONFIDENTIAL TREATMENT REQUESTED.

(a) Millenium Pipeline Management Company, L.P. holds a 1% general partner interest in Millenium Pipeline Company, L.P.

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ITEM 6. OFFICERS AND DIRECTORS

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PART I. NAMES, PRINCIPAL BUSINESS ADDRESS AND POSITIONS HELD AS OF DECEMBER 31, 2001

The names, principal address and positions held as of December 31, 2001 of the officers and directors of System companies is presented in the tables on the following pages. The principal business address of each officer and director is indicated in such tables by the numbers (1) through (27). The addresses associated with these number designations are shown in the following address key. The symbols used to indicate the positions held by officers and directors are shown in the position symbol key below.

Address:

-
1. 801 East 86th Avenue, Merrillville, Indiana 46410
 2. 200 Civic Center Drive, Columbus, Ohio 43215
 3. 12801 Fair Lakes, Parkway, Fairfax, Virginia 22030
 4. 1220 Waterway Blvd, Indianapolis, Indiana 46206
 5. 10 G Street, Suite 580, Washington DC 20002
 6. Mintflower Place, 3rd Floor, 8 Par-La-Ville Road, Hamilton Bermuda HMNX
 7. 67 Suncrest Terrace, PO Box 131, Colchester, Vermont, 05446
 8. 2 Church Street, PO Box HM1022, Hamilton Bermuda HMDX
 9. 1600 Dublin Road, Columbus Ohio 43215
 10. 300 Friberg Pkwy, Westborough, Massachusetts 01581
 11. 900 East Blvd, Kokomo, Indiana 46902
 12. 220 E. Seventh Street, Auburn, Indiana 46706
 13. 2001 Mercer Road, Lexington, Kentucky 40512
 14. 1010 Sand Creek Drive, Chesterton, Indiana 46304
 15. 650 Washington Road, Pittsburgh, Pennsylvania, 15228
 16. 2603 Augusta, Houston, Texas, 77057
 17. 900 Pennsylvania Avenue, Charleston, WV 25362
 18. 1700 MacCorkle Avenue, S.E. Charleston, West Virginia 25314
 19. 9001 Arboretum Parkway, Richmond, Virginia 23236
 20. 4100 Edision Lakes Pkwy., Mishawaka, Indiana 4645
 21. 1000, 400-3 Avenue SW, Calgary, AB T2P 4H2 Canada
 22. 3661 Buchanan Street, 3rd Floor, San Francisco, California 94123
 23. 1700 South Mt. Prospect Road, DesPlaines, Illinois 60018
 24. 280 Park Avenue, West Building 3th Fl, New York, New York
 25. 801 - 7th Avenue S.W., Calgary, Alberta, Canada T2P 3P7
 26. City Place I, 185 Asylum Street, 32nd Fl. Hartford, CT 06103
 27. 50 Keil Drive North, Chatham, Ontario Canada N7M 5M1

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ITEM 6. OFFICERS AND DIRECTORS (continued)

POSITION KEY CODE

- D - Director
- COB - Chairman of the Board
- VC - Vice Chairman
- CEO - Chief Executive Officer
- COO - Chief Operating Officer
- CFO - Chief Financial Officer
- CAO - Chief Accounting Officer
- CIO - Chief Information Officer
- P - President
- GC - General Counsel
- GM - General Manager
- GME - General Manager Electric Supply

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GP - Group President
 EVP - Executive Vice President
 SVP - Senior Vice President
 VP - Vice President
 T - Treasurer
 TR - Trustee
 C - Controller
 S - Secretary
 CMS - Chairman of the Management Committee
 MMC - Member of the Management Committee
 SP - Sponsor

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ITEM 6. OFFICERS AND DIRECTORS (continued)

NAME	NI	CG	CAR	NCM	NCT	
Stephen P. Adik (1)	D, VC	D	D	D	SP	D
Steven C. Beering (1)	D					
Arthur J. Decio (1)	D					
Dennis E. Foster (1)	D					
James T. Morris (4)	D					
Gary L. Neale (1)	D, COB, P, CEO					
Ian M. Rolland (1)	D					
John W. Thompson (1)	D					
Robert J. Welsh (1)	D					
Carolyn Y. Woo (1)	D					
Roger A. Young (1)	D					
Michael W. O'Donnell (1)	EVP, CFO	D, P	D, P	D, P	TR	D,
S. LaNette Zimmerman (1)	EVP					
Peter V. Fazio Jr. (1)	EVP, GC					
Catherine G. Abbott (3)	GP					
Patrick J. Mulchay (1)	GP					
Jeffrey W. Yundt (1)	GP					
James M. Clarke (1)	SVP					
Arthur E. Smith (1)	SVP					
Maria P. Hibbs (1)	VP					
Jeffrey W. Grossman (1)	VP, C, CAO	VP	VP	VP	TR	VP,
Dennis W. McFarland (1)	VP, T	VP, T	VP, T	VP, T	TR	VP,
Dennis E. Senchak (1)	VP					
Arthur A. Paquin (1)	VP					
David A. Kelly (4)	VP					
Gary W. Pottorff (1)	S	S	S	S		S
Vincent H. DeVito (2)		C	C	C		C

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ITEM 6. OFFICERS AND DIRECTORS (continued)

NAME	NCS	CICL	CAT	CES	CEM	CPM
------	-----	------	-----	-----	-----	-----

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Stephen P. Adik (1)	D, VC		D			
Gary L. Neale (1)	D, COB, CEO					
Jeffrey W. Grossman (1)	VP	D, P	VP	D, VP	VP	VP
Dennis W. McFarland (1)	VP, T	VP, T	VP, T	T	VP, T	VP, T
Barbara S. McKay (1)	VP					
Stephen P. Smith (2)	P, COO					
James M. Clarke (1)	SVP			D		
Michael W. O'Donnell (1)	EVP, CFO	D	D	D, P	D	D, P
S. LaNette Zimmerman (1)	EVP					
Arthur E. Smith, Jr. (1)	SVP					
Thomas J. Aruffo (1)	VP					
Mary C. Bloom (2)	VP					
Richard L. Bond (1)	VP					
Robert D. Campbell (1)	VP					
Donald K. Eldert (1)	VP					
Jerry L. Godwin (1)	VP					
Gail W. Harowski (1)	VP					
Dorothy M. Hawkins (1)	VP					
Joel L. Hoelzer (1)	VP					
Peggy Landini (1)	VP					
Mark T. Maassel (1)	VP					
Scott C. MacDonald (1)	VP					
John M. O'Brien (2)	VP					
Rebecca T. Sczudlo (5)	VP					
David J. Vajda (1)	VP					
Theresa A. Balog (2)	VP					
Robert D. Stuart (2)	CIO					
Gary W. Pottorff (1)	S		S	S	S	S
Tim Bucci (1)		D, VP				
Susan Gatje (6)		D				
Kathryn A. Westover (7)		D				
Michael Ashford (8)		S				
Vincent H. DeVito (2)	C		C	C	C	C

ITEM 6. OFFICERS AND DIRECTORS (continued)

NAME	NIP	CSP	CAA	NET	BES
-----	-----	-----	-----	-----	-----
Stephen P. Adik (1)	D				D, P
Patrick J. Mulchay (1)	D				
Jeffrey W. Yundt (1)	D, COB	D	D		
Barrett Hatches (1)	P, CEO				
Robert J. Schacht (1)	EVP, COO				
Jerry L. Godwin (1)	VP, GME				
Timothy Taylor (1)	VP				
Karen J. Lenzo (1)	VP				
Daniel D. Gavito (1)	VP				
Timothy A. Dehring (1)	VP				
James J. Hallar, Jr. (1)	VP				
Jeffrey W. Grossman (1)	VP	VP	VP	VP	VP
Dennis W. McFarland (1)	T	T	T	T	T
Robert G. Kriner (2)	C	C	C		
Gary W. Pottorff (1)	S	S	S	S	S

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Barbara S. McKay (1)	P, CEO	P, CEO	
William J. Thomas (9)	VP	VP	
Donald K. Eldert (1)			VP
Steven P. Milne (22)			VP
Carrie t. Lally (22)			VP
Mark D. Wyckoff (1)		D, P	
Peter T. Disser (1)		VP	
Michael Zdyb (1)		VP	
Robert Kramer (1)		VP	
Vincent H. Devito (2)		C	
June M. Konold (2)			C

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ITEM 6. OFFICERS AND DIRECTORS (continued)

NAME	KOKO	KGF	KOGF	NIFL	NITC
Stephen P. Adik (1)	D	D	D	D	
Jeffrey W. Yundt (1)	D, COB	D, COB	COB	D, COB	
Jeffrey W. Grossman (1)	VP	VP	VP	VP	
Dennis W. McFarland (1)			T		
Robert G. Kriner (2)	C	C		C	
Gary W. Pottorff (1)	S	S	S	S	
Barrett Hatches (1)	D, CEO	D	D	D, CEO	
David W. Fox (11)	T	T			
Vincent H. Devito (2)			C		
H. P. Conrad, Jr. (12)				D, P, T	D, P, T, S
N. Reed Silliman (12)				D	
E. F. Hemingway, III (12)				VP	

NAME	BSG	BSGPE	NU	PRO
Stephen P. Adik (1)	D		D	D, P
Jack E. McGregor (10)	D		D	
Daniel J. Murphy III (10)	D		D	
Gary L Neale (1)	D		D	
Thomas C. Norton (10)	D		D	
Thomas W. Sherman (10)	D		D	
Robert C. Skaggs, Jr. (2)	D, P, CEO		D, P, CEO	
Roger A. Young (1)	D, COB		D	
Jeffrey W. Yundt (1)	D		D, COB	
Kenneth M. Margossian (10)	EVP, COO	D, P, CEO	EVP	
Pamela A. Bellino (10)	VP		VP	
Stephen H. Bryant (10)	VP		VP	
Danny G. Cote (10)	VP	D, VP	VP	
Jeffrey W. Grossman (1)	VP		VP	VP
Dennis W. McFarland (1)	T	T	T	T
Robert G. Kriner (2)	C	C	C	
Gary W. Pottorff (1)	S	S	S	
Vincent H. DeVito				C
John M. O'Brien (2)			VP	

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ITEM 6. OFFICERS AND DIRECTORS (continued)

NAME	CKY	CMD	COH	CPA	CGV	N
Stephen P. Adik (1)	D	D	D	D	D	D
Joseph W. Kelly (13)	D, EVP, COO					
Robert C. Skaggs, Jr. (2)	D, P, CEO	D, P, CEO	D, P, CEO	D, P, CEO	D, P, CEO	
Jeffrey W. Yundt (1)	D	D	D	D	D	D,
Lawrence D. Smore (15)		D, COO		D, COO	VP	
Peggy H. Landini (1)					D, EVP, COO	
Terrence J. Murphy (15)		VP		VP	VP	
Edward A. Santry (14)		VP		VP		
Roger D. Vari (15)		VP, T		VP		
Douglas G. Borrer (2)			D			
Charlotte P. Kessler (2)			D			
William E. Kirwan (2)			D			
Gary L. Neale (1)			D			
Richard F. James (16)	VP	VP	VP	VP	VP	
Gary W. Pottorff (1)	S	S	S	S	S	S
Reginald L. Carter (2)			EVP, COO			
M. Carol Fox (2)			VP			
Genevieve A Tuchow (2)			VP			
John W. Partridge, Jr. (2)	VP		VP			
Timothy J. Tokish, Jr. (2)	T		VP, T			
Janis L. Hannuksela (19)					T	
June M. Konold (2)						C
Jeffrey W. Grossman (1)						VP
Dennis W. McFarland (1)						T

NAME	CER	AD	CNR	CNRCL	HH
Catherine G. Abbott (3)	D, CEO	D, CEO	D, CEO	D, CEO	D, CEO
Michael W. O'Donnell (1)	D				
Stephen M. Warnick (17)	D, P	D, P	D, P	D, P	D, P
Thomas H. Blake (17)	SVP	D, SVP	D, SVP	D, SVP	D, SVP
Sharon O. Flanery (17)	VP	D, VP	D, VP	D, VP	D, VP
Jeffrey W. Grossman (1)	VP	VP	VP	VP	VP
Kathleen O'Leary (3)	VP	VP	VP	VP	VP
R. Neal Pierce (17)	VP, GC	D, GC	D, GC	D, GC	D, GC
Dennis W. McFarland (1)	T	T	T	T	T
June Konold (2)	C	C	C	C	C
Gary W. Pottorff (1)	S	S	S	S	S

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ITEM 6. OFFICERS AND DIRECTORS (continued)

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NAME	TCO	CGT	CPL	CDW	CROSS
Catherine G. Abbott (3)	D, CEO	D, CEO	D	D, COB	D, COB
Glen L. Kettering (3)	D, P	D, P	D, P	D, P	D, P
Michael W. O'Donnell (1)	D	D	D	D	D
Rene P. Dartez (16)		SVP			
James W Hart (16)		SVP		VP	
W. Harris Marple (18)	SVP	SVP			
Kathleen O'Leary (3)	SVP	SVP			
Stephen M. Warnick (18)	SVP	SVP	VP		VP
Alan D. Burns (18)	VP	VP			
B. Wayne Crocker (16)		VP			
Sheree L. Parks Downey (18)	VP	VP			VP
Victor M. Gaglio (18)	VP				
Jeffrey W. Grossman (1)	VP	VP	VP	VP	VP
Carl W. Levander (3)	VP	VP			VP
Dennis W. McFarland (1)	VP, T	VP, T	VP, T	VP, T	VP, T
David C. Pentzien (3)	VP		VP		VP
Jeffrey S. Rich (3)	VP				
Reed D. Robinson (18)	VP				VP
Michael D. Watson (3)	VP				VP
Stephen M. Wilner (2)	VP	VP			
Deanna J. Farmer (2)	C	C	C		C
Gary W. Pottorff (1)	S	S	S	S	S

NAME	MPMCL
David C. Pentzien (3)	CMC
John D. Wolnik (27)	MMC
Robert E. Jones (25)	MMC
Robert E. Jones	MMC
Kevin McCrackin (26)	MMC

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NAME	NPG	BSEE	NGD	PNGTS	GSGT
Catherine G. Abbott (3)	D, COB	D, COB	D, COB	D, COB	D, COB
Glen L. Kettering (3)	D, P	D, P	D, P	D, P	D, P
Michael W. O'Donnell (1)	D	D	D	D	D
Stephen M. Warnick (18)	VP	VP	VP	VP	VP
Jeffrey W. Grossman (1)	VP	VP	VP	VP	VP
Carl W. Levander (3)					VP
Dennis W. McFarland (1)	VP, T	VP, T	VP, T	VP, T	VP, T
David C. Pentzien (3)			VP	VP	VP
Reed D. Robinson (18)					VP
Michael D. Watson (3)					VP
Deanna J. Farmer (2)	C	C	C	C	C

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Gary W. Pottorff (1) S S S S S

NAME	CNS	CMC	CTC
Catherine G. Abbott (3)	D, COB	D	D
Glen L. Kettering (3)	D	D	D
Michael W. O'Donnell (1)	D	D	D
Rene P. Dartez (16)			D, P
Alan D. Burns (18)	P	P	
Victor M. Gaglio (18)	VP		VP
Jeffrey W. Grossman (1)	VP	VP	VP
Dennis W. McFarland (1)	VP, T	VP, T	VP, T
Stephen T. MacQueen (3)		VP	VP
Kathleen R. O'Leary (3)			VP
Jeffrey S. Rich (3)			VP
Stephen M. Wilner (2)			VP
Deanna J. Farmer (2)	C	C	C
Gary W. Pottorff (1)	S	S	S

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ITEM 6. OFFICERS AND DIRECTORS (continued)

NAME	TPC	EUA	NEML	SWP	PEI	CEI
Stephen P. Adik (1)	D			D, VC	D	
Patrick J. Mulchay (1)	D, P	D, P		D, P		
David J. Vajda (1)	D					
James M. Clarke (1)	VP		VP			
Michael Calderone (16)	SVP, COO	VP	VP, COO			
Peter I. Tumminello (16)	VP	VP	VP			
June M. Konold (2)	C	C	C	C		
Jeffrey W. Grossman (1)	VP	VP	VP	VP	VP	VP
Dennis W. McFarland (1)	T	T	T	T	T	T
Gary W. Pottorff (1)	S	S	S	S	S	S
Joseph L. Turner, Jr. (1)					D, COB, CEO	D
Mark d. Wyckoff (1)					P, COO	P
Dean H. Hall (1)					SVP	SVP
V. Michael Alverson (1)					VP	VP
Kenneth P. Foley (1)					VP	VP
Richard L. Hoover (1)					VP	VP
Gregory A. Martinsen (1)					VP	VP
Vincent H. DeVito (2)					C	C

NAME	HCC	IEL	LEC	NLEC	PORT	WCE
Joseph L. Turner, Jr. (1)	D		D	D	D	D
Mark d. Wyckoff (1)	P	P	P	P	P	P

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Dean H. Hall (1)	SVP	SVP	SVP	SVP	SVP	SVP
V. Michael Alverson (1)	VP	VP	VP	VP	VP	VP
Kenneth P. Foley (1)	VP	VP	VP	VP	VP	VP
Richard L. Hoover (1)	VP	VP	VP	VP	VP	VP
Gregory A. Martinsen (1)	VP	VP	VP	VP	VP	VP
Vincent H. DeVito (2)	C	C	C	C	C	C
Jeffrey W. Grossman (1)	VP	VP	VP	VP	VP	VP
Dennis W. McFarland (1)	T	T	T	T	T	T
Gary W. Pottorff (1)	S	S	S	S	S	S

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ITEM 6. OFFICERS AND DIRECTORS (continued)

NAME	CERC	PET	CRC	CEB	CEBL	CHC
Stephen P. Adik (1)		D	D	D	D	D
Michael W. O'Donnell (1)	D, P	D, P, CEO	D, P	D, P	D, P	D, P
Jeffrey W. Grossman (1)	VP	VP	VP	VP	VP	VP
Dennis W. McFarland (1)	VP, T	T	VP, T	VP, T	VP, T	VP, T
Vincent H. DeVito (2)	C	C	C	C	C	C
Gary W. Pottorff (1)	S	S	S	S	S	S

NAME	EUII	EUIM	ESPE	EUIC	EUE	EUC
Stephen P. Adik (1)	D, P	D	D, P	D, P	D, P	D, P
Mark A. Cleaves (19)		P				
Donald K. Eldert (1)	VP	VP	VP	VP	VP	VP
Jeffrey W. Grossman (1)	VP	VP	VP	VP	VP	VP
Dennis W. McFarland (1)	T	T	T	T	T	T
June M. Konold (2)	C	C	C	C	C	C
Gary W. Pottorff (1)	S	S	S	S	S	S

NAME	EUM	EUR	NIFC	NITEX	NGS	NESI
Stephen P. Adik (1)	D, P	D, P	D	D, P	D, P	D
Jeffrey W. Yundt (1)						D, P
James M. Clarke (1)			D			
Donald K. Eldert (1)	VP	VP				
Jeffrey W. Grossman (1)	VP	VP	VP	VP	VP	VP
Dennis W. McFarland (1)	T	T	T	T	T	T
June M. Konold (2)	C	C		C	C	C
Gary W. Pottorff (1)	S	S	S	S	S	S
Vincent H. DeVito (2)			C			

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ITEM 6. OFFICERS AND DIRECTORS (continued)

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NAME	NPM	NESCL	NDEV	CARD	LEL	SCC
Stephen P. Adik (1)	D		D, P	D, P	D, VC	D, C
Gary L. Neale (1)	D		D		D, COB	
Jeffrey W. Yundt (1)	D, P	D, P				
James W. Surbey (21)		D, S				
Jeffrey W. Grossman (1)	VP	VP	VP	VP		VP
Dennis W. McFarland (1)	T	T	T	T		T
June M. Konold (2)	C					
Gary W. Pottorff (1)	S		S	S		S
Vincent H. DeVito (2)			C	C		C
Patricia K. Locascio (1)				GM		
Arthur A. Paquin (1)					C	
Jerry D. Mobley (14)					P	P

NAME	JOF	NSAL	NDC	SMP	CI	ASL
Stephen P. Adik (1)	D, P		D, P	D, P	D, COB	D, P
William E. McDonough (20)		P				
Thomas J. Aruffo (1)		VP, T				
Jeffrey W. Grossman (1)	VP		VP	VP	VP	VP
Dennis W. McFarland (1)	T		T	T	T	T
Patricia K. Locascio (1)			GM			
Gary W. Pottorff (1)	S	S	S	S	S	S
Vincent H. DeVito (2)	C		C	C	C	C

NAME	CIS	EUP	GREEN	MS1	NEXCO	PRI
Stephen P. Adik (1)	D, P	D, P	D, P	D, P	D	D, P
Gary L. Neale (1)					COB	
Donald K. Eldert (1)		VP		VP		
Jeffrey W. Grossman (1)	VP	VP	VP	VP	VP	VP
Dennis W. McFarland (1)	T	T	T	T	T	T
Gary W. Pottorff (1)	S	S	S	S	S	S
Vincent H. DeVito (2)	C		C		C	C
June M. Konold (2)		C		C		

ITEM 6. OFFICERS AND DIRECTORS (continued)

PART II. FINANCIAL CONNECTIONS AS OF DECEMBER 31, 2001*

NAME OF OFFICER OR DIRECTOR	NAME AND LOCATION OF FINANCIAL INSTITUTION	POSITION
William Krivan, Director of Columbia Gas of Ohio	Bank One of OH	FINANCIAL
Jack E. McGregor, Director	People's Bank - Bridgeport, CT	

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of Bay State Gas Company and
Northern Utilities

James T. Morris, Director of
NiSource Inc. and Chairman of
IWC Resources Corporation

National City Bank - Indianapolis, IN

Daniel J. Murphy, Director of
Bay State Gas and Northern
Utilities

Northmark Bank - North Andover, MA

Gary L. Neale, Director and
Chairman, President and Chief
Executive Officer of NiSource Inc.

Mercantile National Bank - Hammond, IN

Robert J. Schacht, Executive
Vice President and Chief
Operating Officer of Northern
Indiana Public Service Company

HFS Bank - Hobart, IN

Robert J. Welsh, Director of
NiSource Inc.

Mercantile National Bank - Hammond, IN

Carolyn Y. Woo, Director of
NiSource Inc.

St. Joseph Capital Bank - Mishawaka, IN

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ITEM 6. OFFICERS AND DIRECTORS (continued)

PART III(a). COMPENSATION OF OFFICERS AND DIRECTORS

EXECUTIVE COMPENSATION

NOMINATING AND COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

The Nominating and Compensation Committee's compensation policy is designed to relate total compensation (base salary, incentive bonus and long-term stock-based compensation) to corporate performance. This policy applies to all executive officers, including the Chief Executive Officer of NiSource and the four other most highly compensated executive officers, which collectively constitute the "Named Officers." In 2001, the Named Officers were the Chief Executive Officer, Mr. Neale, and Messrs. Adik, Mulchay, O'Donnell and Yundt. The Committee has implemented a "pay-for-performance" program which is designed to position the Company executive compensation competitively and to reward performance that creates additional stockholder value. The Committee discusses and considers executive compensation matters, then makes recommendations to the full board of directors, which takes the final action on these matters. The board accepted all of the Committee's recommendations in 2001.

The Committee has engaged Hewitt Associates, an independent compensation consulting firm, to advise it and provide surveys of comparative compensation practices for (1) a group of similarly sized energy-oriented companies, including electric, gas or combination utility companies, diversified energy companies and companies with gas marketing, transmission and distribution operations and energy services operations, and (2) a group of similarly sized companies in general industry. Each of these 2001 executive compensation comparative groups consisted 34 companies from which data was available to Hewitt and which the Committee believed to be competitors of the Company for executive talent. The Committee may change the companies contained within the

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comparative compensation groups in future years if information about any company included in a group is not available, any companies included in a group are no longer competitors for executive talent, or if the Committee determines that different energy or other types of companies are competitors of the Company. The Company's comparative compensation group is not the same as the corporations that make up the Dow Jones Utilities Index in the Stock Price Performance Graph included in this proxy statement.

The Committee considers the surveys provided by Hewitt in determining base salary, incentive bonus and long-term stock-based compensation. The Committee's philosophy is to set conservative base salaries at or near the medians of the utility and energy comparative group, which are similar, while providing performance-based variable compensation through the bonus and incentive plans described below to allow total compensation to fluctuate according to the Company's financial performance. Long-term incentive awards are stock-based (for example, stock options, restricted stock awards or performance-based contingent stock awards) to emphasize long-term stock price appreciation and the concomitant increased stockholder value. In 2001, total compensation of the executive officers, including the Chief Executive Officer, was targeted between the 50th and the 75th percentile of the relevant comparative compensation group. Total compensation would reach this level only if the Company met the applicable performance targets under the bonus incentive plans. For those executive officers with significant responsibilities for certain business units, total compensation is dependent on the Company's financial performance and on business unit operating income or on other measures unique to the respective business unit.

In establishing Mr. Neale's base salary for 2001, the Committee reviewed information provided by Hewitt regarding the chief executive officer compensation practices of comparable utility and energy companies. The Committee determined to set base salary near the median salary of the comparative group, giving regard to Mr. Neale's proven abilities and strong performance with the Company since joining it as Executive Vice President and Chief Operating Officer in 1989. As with the other executive officers, Mr. Neale's total compensation was targeted to be between the 50th and the 75th percentile of the relevant comparative compensation group, depending upon the Company's financial performance. The result of the Committee's determination as to Mr. Neale's total compensation package was that, as of the time of the grant, approximately 75% of Mr. Neale's total target compensation was performance-based and at risk, dependent upon the Company's earnings per share and stock price performance.

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ITEM 6. OFFICERS AND DIRECTORS (continued)

The Committee determines annual incentive awards for all executive officers in accordance with the Senior Management Incentive Plan. This Plan sets forth a formula established at the beginning of each fiscal year by the Committee for awarding incentive bonuses, based upon the Company's financial performance. Bonuses awarded to each of the Named Officers (including the Chief Executive Officer) are based on overall corporate performance. The bonus formula is based upon attaining targets for the Company's earnings per share. The Incentive Plan establishes a threshold level of financial performance (below which no bonus is paid), a target level, and a maximum level (above which no additional bonus is paid). The range of awards and levels of awards (as a percent of base salary), if financial performance thresholds are achieved, are as follows:

Range	Award if Targets Met
-----	-----

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Chief Executive Officer	40.0% to 120.0%	80.0%
Vice Chairman	35.0% to 105.0%	70.0%
Group Presidents	32.5% to 97.5%	65.0%
Executive and Senior Vice Presidents	20.0% to 97.5%	40.0% to 65.0%
Other Vice Presidents	17.5% to 75.0%	35.0% to 50.0%

In 2001, the Company's actual earnings per share were lower than the threshold. None of the Named Officers (including Mr. Neale) received a bonus in 2001.

Executive officers are also eligible to receive awards under the Company's Long-Term Incentive Plan. Under the Long-Term Incentive Plan, stock options, stock appreciation rights, performance units, restricted stock awards, contingent stock awards and dividend equivalents may be awarded. The Committee considers base salaries of the executive officers, prior awards under the Long-Term Incentive Plan, and the Company's total compensation target in establishing long-term incentive awards. Options granted to executive officers are valued using the Black-Scholes option pricing model at the time of grant and restricted stock awards and contingent stock awards granted to executive officers are valued using Hewitt's present value pricing model for purposes of determining the number of options and/or shares to be granted to reach total target compensation. In 2001, stock options, restricted stock and contingent stock were awarded to Messrs. Neale, Adik, Mulchay, Yundt and O'Donnell. The number of options, restricted stock awards and contingent stock awards granted to the Chief Executive Officer and other executive officers (including Messrs. Adik, Mulchay, Yundt and O'Donnell) was based on these considerations. The compensation value of stock options, restricted stock awards and/or contingent stock awards depends on actual stock price appreciation. In addition, the contingent stock awards are subject to performance vesting criteria as established by the Committee. Historically, the restricted stock awards were also subject to performance vesting criteria as established by the Committee; however, in order to avoid certain variable accounting issues associated with the performance objectives, in 2001, the Company offered to exchange restricted stock awards made in 2000 and 2001 to the Named Officers (including Mr. Neale) for replacement restricted stock awards without performance objectives. Details of the exchange are set forth in note (1) to the Long-Term Stock Incentive Plans Table.

Section 162(m) of the Internal Revenue Code provides that compensation in excess of \$1,000,000 per year paid to the chief executive officer or any of the four other most highly compensated executive officers employed at year-end, other than compensation meeting the definition of "performance based compensation," will not be deductible by a corporation for federal income tax purposes. The Committee believes that, except as identified in the preceding paragraph and except for options granted at less than market value, the Company's long-term stock-based incentive awards constitute performance-based compensation for purposes of Section 162(m) of the Internal Revenue Code. In light of its emphasis on such performance-based compensation, the Committee does not anticipate that the limits of Section 162(m) will materially affect the deductibility of compensation paid by the Company in 2001. However, the Committee will continue to review the deductibility of compensation under Section 162(m) and related regulations.

ITEM 6. OFFICERS AND DIRECTORS (continued)

The Committee believes that its overall executive compensation program has been successful in providing competitive compensation sufficient to attract and retain highly qualified executives, while at the same time encouraging increased

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performance from the executive officers, which creates additional stockholder value.

NOMINATING AND COMPENSATION COMMITTEE
March 25, 2002

Steven C. Beering, Chairman
Arthur J. Decio
Robert J. Welsh

COMPENSATION OF EXECUTIVE OFFICERS

SUMMARY. The following table summarizes compensation for services to NiSource and its corporate predecessor NiSource Inc. (incorporated in Indiana) and their subsidiaries for the years 2001, 2000 and 1999 awarded to, earned by or paid to each of the Named Officers.

Name and Principal Position	Year	Annual Compensation			Other Annual Compensation (\$ (3)	Long-Term Incentive Compensation (4)
		Salary (\$)	Bonus (\$ (2)	Securities Underlying Awards (5)		
Gary L. Neale Chairman, President and Chief Executive Officer	2001	950,000	--	9,774	160,000	
	2000	800,000	1,060,000	9,985	250,000	
	1999	689,583	--	6,436	50,000	
Stephen P. Adik Vice Chairman	2001	500,000	--	4,337	56,000	
	2000	425,000	526,250	15,258	90,000	
	1999	343,749	--	2,980	30,000	
Patrick J. Mulchay (6) Group President, Merchant Energy	2001	392,821	--	8,064	34,000	
	2000	375,000	253,125	3,253	75,000	
	1999	294,166	104,670	2,800	25,000	
Jeffrey W. Yundt (6) Group President, Energy Distribution	2001	400,000	--	194,467	34,000	
	2000	350,000	218,050	5,545	75,000	
	1999	294,166	62,130	149,415	25,000	
Michael W. O'Donnell Executive Vice President and Chief Financial Officer	2001	400,000	--	2,385,937 (8)	25,000	
	2000	325,000	273,000	--	--	
	1999	--	--	--	--	

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ITEM 6. OFFICERS AND DIRECTORS (continued)

- (1) Compensation deferred at the election of the Named Officer is reported in the category and year in which such compensation was earned.
- (2) All bonuses are paid pursuant to the Senior Management Incentive Plan, except for the bonus paid to Mr. O'Donnell in 2000, which was paid pursuant to the Columbia Annual Incentive Plan and a portion of the bonuses to Messrs. Mulchay and Yundt, which are described in note (6).

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The incentive plan is designed to supplement a conservative base salary with incentive bonus payments if targeted financial performance is attained. No bonuses were paid pursuant to the Senior Management Incentive Plan in 2001. The amounts shown for Messrs. Neale and Adik in 2000 include bonuses of \$500,000 and \$250,000, respectively, received in consideration for their performance and efforts in connection with the acquisition of Columbia Energy Group.

- (3) The 2001 amount shown for Mr. Yundt includes a relocation allowance of \$82,496 and a related tax allowance of \$57,321. The 2001 amount for Mr. O'Donnell includes a relocation allowance of \$49,407 and a related tax allowance of \$40,793 as well as other amounts as described in note (8). The 1999 amount for Mr. Yundt also included a relocation allowance of \$85,305 and a related tax allowance of \$60,412.
- (4) The payouts shown are based on the value, at date of vesting, of restricted shares awarded under the Long-Term Incentive Plan which vested during the years shown. The amounts shown for 2000 include amounts attributable to the restricted stock awards granted in 1998 for which performance requirements were waived by the Nominating and Compensation Committee. Total restricted shares held (assuming 100% vesting) and aggregate market value at December 31, 2001 (based on the average of the high and low sale prices of the common stock on that date as reported on the New York Stock Exchange Composite Transactions Tape) for the Named Officers were as follows: Mr. Neale, 441,563 shares valued at \$10,310,496; Mr. Adik, 161,581 shares valued at \$3,772,916; Mr. Mulchay 98,966 shares valued at \$2,310,856; Mr. Yundt, 97,466 shares valued at \$2,275,831 and Mr. O'Donnell, 55,836 shares valued at \$1,303,770. Dividends on the restricted shares are paid to the Named Officers.
- (5) The Chairman, President and Chief Executive Officer, the Vice Chairman, and certain Group Presidents of the Company have available to them a supplemental life insurance plan which provides split-dollar coverage of up to 3.5 times base compensation as of commencement of the plan in 1991 and could provide life insurance coverage after retirement if there is adequate cash value in the respective policy. "All Other Compensation" represents Company contributions to the 401(k) Plan and the dollar value of the benefit to the Named Officers under the supplemental life insurance plan, as follows: Mr. Neale-\$1,155 401(k) Plan, \$17,782 premium value and \$3,336 term insurance cost; Mr. Adik-\$1,155 401(k) Plan, \$2,350 premium value and \$1,291 term insurance cost; Mr. Mulchay-\$1,155 401 (k) Plan, \$3,685 premium value and \$1,043 term insurance cost, and Mr. Yundt-\$1,155 401 (k) Plan, \$2,175 premium value and \$892 term insurance cost. The value of the life insurance premiums paid by the Company in excess of term insurance cost on behalf of the Named Officers under the supplemental life insurance plan has been restated for all periods in accordance with the present value interest-free loan method. The amount shown for 2001 for Mr. O'Donnell includes \$11,050 paid by Columbia Energy Group to its Employee Savings Plan and \$13,800 paid by Columbia Energy Group to its Employee Savings Restoration Plan.
- (6) Mr. Mulchay was President of Northern Indiana Public Service Company and Mr. Yundt was President of Bay State Gas Company and 50% of their 1999 and 2000 annual incentive compensation was determined based on the financial performance of the business units for which they were responsible.
- (7) The amounts shown for 2000 for Mr. O'Donnell include 10 months of compensation paid to Mr. O'Donnell in his capacity as Senior Vice President and Chief Financial Officer of Columbia Energy Group prior to

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the acquisition of Columbia Energy Group by the Company and 2 months of compensation paid to Mr. O'Donnell in his capacity as Executive Vice President and Chief Financial Officer of the Company.

- (8) The compensation reported represents perquisites and other personal benefits as discussed in note (3) as well as phantom stock units granted to Mr. O'Donnell pursuant to an agreement under which the Company established a phantom stock unit account for his benefit which consisted initially of 73,020 units in consideration of his acceptance of employment and 26,533 units in consideration of his willingness to enter into a non-competition agreement with the Company. A phantom stock unit is a unit whose value is related to the value of the common stock of the Company. Mr. O'Donnell is entitled to receive dividend

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ITEM 6. OFFICERS AND DIRECTORS (continued)

equivalents with respect to the units in either cash or additional units. Upon termination of employment, Mr. O'Donnell (or his beneficiary) will be entitled to receive from the Company a cash distribution in an amount, with respect to each unit credited to his account, equal to the greater of (i) the price per share of the Company's common stock at the close of business on the date of termination, and (ii) 85% of the price per share of the Company's common stock on November 1, 2000. The 26,533 units credited to Mr. O'Donnell's account in connection with the non-competition portion of the agreement, and any dividend equivalents paid thereon, are subject to forfeiture in the event that Mr. O'Donnell violates the non-competition provisions of the agreement at any time during the term of the agreement or for a period of one year following his termination. The amount shown represents the value of the phantom stock units granted pursuant to the Phantom Stock Agreement based on the closing sale price of the common stock on December 31, 2001, as reported in The Wall Street Journal.

OPTION GRANTS IN 2001. The following table sets forth information concerning the grants of options to purchase common stock made during 2001 to the Named Officers. No stock appreciation rights were awarded during 2001.

OPTION/SAR GRANTS IN LAST FISCAL YEAR
INDIVIDUAL GRANTS

Name	Number of Securities Underlying Options/SARS Granted (#) (1)	Percent of Total Options/SARS Granted to Employees in Fiscal Year (2)	Exercise or Base Price (\$/SH) (3)	Market Price Date of (\$/S
Gary L. Neale	160,377	9.30	25.94	
Stephen P. Adik	56,604	3.28	25.94	
Patrick J. Mulchay	34,198	1.98	25.94	
Jeffrey W. Yundt	34,198	1.98	25.94	
Michael W. O'Donnell	25,472	1.48	25.94	

- (1) All options granted in 2001 are fully exercisable commencing one year from the date of grant. Vesting may be accelerated as a result of certain events relating to a change in control of the Company. The

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exercise price and tax withholding obligation related to exercise may be paid by delivery of already owned shares of common stock or by reducing the number of shares of common stock received on exercise, subject to certain conditions.

- (2) Based on an aggregate of 1,725,105 options granted to all employees in 2001.
- (3) The options were granted at the average of high and low sale prices of the common stock on December 1, 2000, as reported on the New York Stock Exchange Composite Transactions Tape.
- (4) Based on the average of high and low sale prices of the common stock on January 2, 2001, as reported on the New York Stock Exchange Composite Transactions Tape.
- (5) Grant date present value is determined using the Black-Scholes option-pricing model. The assumptions used in the Black-Scholes option pricing model for the January 1, 2001 grants (expiring December 31, 2010) were as follows: expected volatility - 20% (estimated stock price volatility for the term of the grant); risk-free rate of return - 5.9% (the rate for a ten-year U.S. treasury); risk of forfeiture - 10%; estimated annual dividend - \$1.19; option term - ten years; vesting - 100% one year after date of grant; and an expected option term of 5.4 years. No assumption was made relating to non-transferability. Actual gains, if any, on option exercises and common shares are dependent on the future performance of the common stock and overall market condition. The amounts reflected in this table may not be achieved.

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ITEM 6. OFFICERS AND DIRECTORS (continued)

OPTION EXERCISES IN 2001. The following table sets forth certain information concerning the exercise of options or stock appreciation rights during 2001 by each of the Named Officers and the number and value of unexercised options and stock appreciation rights at December 31, 2001.

AGGREGATE OPTION EXERCISES IN LAST FISCAL YEAR
AND FISCAL YEAR-END OPTION VALUES

Name	Shares Acquired on Exercise (#)	Value Realized (\$)	Number of Securities Underlying Unexercised		V Opt
			Options/SARS at Fiscal Year-End (#) Exercisable	Unexercisable	
Gary L. Neale	--	--	610,000	160,377	
Stephen P. Adik	18,000	346,682	244,000	56,604	
Patrick J. Mulchay	18,000	349,412	244,000	34,198	
Jeffrey W. Yundt	18,000	324,074	244,000	34,198	
Michael W. O'Donnell	--	--	--	25,472	

- (1) Represents the difference between the option exercise price and \$23.35, the average of high and low sale prices of the common shares on December 31, 2001, as reported on the New York Stock Exchange Composite Transactions Tape.

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LONG-TERM INCENTIVE PLAN AWARDS IN 2001. The following table sets forth information concerning the shares of restricted stock and shares of contingent stock awarded pursuant to the Long-Term Incentive Plan during 2001 to each of the Named Officers.

LONG-TERM STOCK INCENTIVE PLANS -- AWARDS IN LAST FISCAL YEAR

Name	Number of Shares, Units or Other Rights (#)	Performance or Other Other Period Until Maturation or Payout	Estimated Future Non-Stock Price Threshold (#)	Estimated Future Non-Stock Price Target
Gary L. Neale	171,562 (1)	Variable	171,562	171,
	114,375 (2)	4-5 yrs	--	114,
Stephen P. Adik	49,081 (1)	Variable	49,081	49,
	32,271 (2)	4-5 yrs	--	32,
Patrick J. Mulchay	26,966 (1)	Variable	26,966	26,
	17,977 (2)	4-5 yrs	--	17,
Jeffrey W. Yundt	29,966 (1)	Variable	29,966	29,
	19,977 (2)	4-5 yrs	--	19,
Michael W. O'Donnell	55,836 (1)	Variable	55,836	55,
	37,224 (2)	4-5 yrs	--	37,

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ITEM 6. OFFICERS AND DIRECTORS (continued)

(1) On December 31, 2001, Messrs. Neale, Adik, Mulchay, Yundt and O'Donnell exchanged restricted stock awards made in 2000 and 2001 for replacement restricted stock awards. The original 2000 and 2001 awards were scheduled to vest on December 31, 2002 at percentages varying from 0% to 200% related to specific financial performance objectives, including earnings per share targets, stock price targets and total shareholder return. Based on performance up to the time of the exchange, Messrs. Neale, Adik, Mulchay, Yundt and O'Donnell would have been eligible to receive approximately 160% of the restricted stock awards made in 2000 and 2001. The award holders exchanged the original awards for replacement awards equal to 150% of the shares subject to the original awards. The replacement awards will be subject to a holding period which will require that any shares representing the replacement awards shall not be disposed of until December 31, 2004, except in the case of death, disability, termination without cause, change of control or retirement, in which case the shares are not subject to the holding period. The terms of the awards issued in exchange for the 2001 awards are shown in the table above. The numbers of restricted shares issued in exchange for the 2000 awards are as follows: Mr. Neale, 270,000; Mr. Adik, 112,500; Mr. Mulchay, 72,000; and Mr. Yundt, 67,500. The awards for Mr. Neale will vest only following the end of the year of death, disability, termination without cause, change of control or retirement. In the case of each of the other Named Officers, the awards will vest, commencing in 2003, only to the extent that the value of shares vested in any calendar year, when added to other non-performance based compensation for that year, does not exceed \$999,999; in addition, awards will vest following the end of the year of death, disability, termination without cause, change of control or retirement.

(2) Represents contingent stock awards granted to each Named Officer in 2001. The restrictions on 50% of the contingent stock awarded during

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2001 lapse on December 31, 2004. The restrictions on the remaining 50% lapse on December 31, 2005. The vesting of the contingent stock varies from 0% to 200% of the number awarded, based upon meeting certain specific financial performance objectives, including earnings per share targets, stock price targets and total shareholder return. There is a one-year holding period after the restrictions lapse for the first 50% of the shares of contingent stock awarded. The remaining shares of contingent stock awarded are not subject to a holding period.

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ITEM 6. OFFICERS AND DIRECTORS (continued)

PENSION PLAN AND SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

The following table shows estimated annual benefits, giving effect to the Company's Pension Plan and Supplemental Executive Retirement Plan, payable upon retirement to persons in the specified remuneration and years-of-service classifications.

LONG-TERM STOCK INCENTIVE PLANS -- AWARDS IN LAST FISCAL YEAR

Remuneration	Years of Service				
	15	20	25	30	35
300,000	121,200	161,000	169,100	176,600	176,600
400,000	166,200	221,600	231,600	241,600	241,600
500,000	211,200	281,600	294,100	306,600	306,600
600,000	256,200	341,600	256,600	371,600	371,600
700,000	301,200	401,600	419,100	436,600	436,600
800,000	346,200	461,600	481,600	501,600	501,600
900,000	391,200	521,600	544,100	566,600	566,600
1,000,000	436,200	581,600	606,600	631,600	631,600
1,100,000	481,200	641,600	669,100	696,600	696,600
1,200,000	526,200	701,600	731,600	761,600	761,600
1,300,000	571,200	761,600	794,100	826,600	826,600
1,400,000	616,200	821,600	856,660	891,600	891,600
1,500,000	661,200	881,600	919,100	956,600	956,600
1,600,000	706,200	941,600	981,600	1,021,600	1,021,600
1,700,000	751,200	1,001,600	1,044,100	1,086,600	1,086,600
1,800,000	796,200	1,061,600	1,106,600	1,151,600	1,151,600
1,900,000	841,200	1,121,600	1,169,100	1,216,600	1,216,600
2,000,000	886,200	1,181,600	1,231,600	1,281,600	1,281,600

The credited years of service for each of the Named Officers (other than Michael W. O'Donnell), pursuant to the Pension Plan and Supplemental Executive Retirement Plan, are as follows: Gary L. Neale -- 27 years; Stephen P. Adik -- 23 years; Patrick J. Mulchay -- 39 years; and Jeffrey W. Yundt -- 22 years.

Upon their retirement, regular employees and officers of the Company and its subsidiaries which adopt the plan (including directors who are also full-time officers) will be entitled to a monthly pension in accordance with the provisions of the Company's pension plan, originally effective as of January 1, 1945. The directors who are not and have not been officers of the Company are not included in the pension plan. The pensions are payable out of a trust fund

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established under the pension plan with The Northern Trust Company, trustee. The trust fund consists of contributions made by the Company and the earnings of the fund. Over a period of years the contributions are intended to result in overall actuarial solvency of the trust fund. The pension plan of the Company has been determined by the Internal Revenue Service to be qualified under Section 401 of the Internal Revenue Code.

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ITEM 6. OFFICERS AND DIRECTORS (continued)

Pension benefits are determined separately for each participant. The formula for a monthly payment for retirement at age 65 is 1.7% of average monthly compensation multiplied by years of service (to a maximum of 30 years) plus 0.6% of average monthly compensation multiplied by years of service over 30. Average monthly compensation is the average for the 60 consecutive highest-paid months in the employee's last 120 months of service. Covered compensation is defined as wages reported as W-2 earnings (up to a limit set forth in the Internal Revenue Code and adjusted periodically) plus any salary reduction contributions made under the Company's 401(k) plan, minus any portion of a bonus in excess of 50% of base pay and any amounts paid for unused vacation time and vacation days carried forward from prior years. The benefits listed in the Pension Plan table are not subject to any deduction for Social Security or other offset amounts.

The Company also has a Supplemental Executive Retirement Plan for officers. Participants in the supplemental plan are selected by the board of directors. Benefits from this plan are to be paid from the general assets of the Company.

The Supplemental Executive Retirement Plan provides a retirement benefit at age 65 of the greater of (i) 60% of five-year average pay (prorated for less than 20 years of service) and an additional 0.5% of 5-year average pay less Primary Social Security Benefits per year for participants with between 20 and 30 years of service, or (ii) the benefit formula under the Company's Pension Plan. In either case, the benefit is reduced by the actual pension payable from the Company's Pension Plan. In addition, the Supplemental Executive Retirement Plan provides certain early retirement and disability benefits and pre-retirement death benefits for the spouse of a participant.

Michael W. O'Donnell continues to participate in the Retirement Plan of Columbia Energy Group, a subsidiary of the Company. Mr. O'Donnell has 30 credited years of service under this plan. The formula for a retiree's monthly retirement benefit at age 65 under the Retirement Plan of Columbia Energy Group is (i) 1.15% of the retiree's final average compensation that does not exceed half of the average Social Security wage base times years of service up to 30, plus (ii) 1.5% of the retiree's final average compensation in excess of half of the average Social Security wage base times years of service up to 30, plus (iii) .5% of the retiree's final average compensation times years of service between 30 and 40.

CHANGE IN CONTROL AND TERMINATION AGREEMENTS

The Company has entered into Change in Control and Termination Agreements with Mr. Neale and the other Named Officers. The Company believes that these agreements are in the best interests of the stockholders, to insure that in the event of extraordinary events, totally independent judgment is enhanced to maximize stockholder value. The agreements can be terminated on three years' notice and provide for the payment of specified benefits if the executive terminates employment for good reason or is terminated by the Company for any reason other than good cause within 24 months following certain changes in control. Each of these agreements also provides for payment of these benefits if the executive voluntarily terminates employment for any reason during a

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specified one-month period within 24 months following a change in control or, in the case of Messrs. Neale and Adik, at any time during this 24 month period. No amounts will be payable under the agreements if the executive's employment is terminated by the Company for good cause (as defined in the agreements).

The agreements provide for the payment of three times the executive's current annual base salary and target incentive bonus compensation. The executive will also receive a pro rata portion of the executive's targeted incentive bonus for the year of termination. The executive would also receive benefits from the Company that would otherwise be earned during the three-year period following the executive's termination under the Company's Supplemental Executive Retirement Plan and qualified retirement plans. All stock options held by the executive would become immediately exercisable upon the date of termination of employment, and the restrictions would lapse on all restricted shares awarded to the executive. The Company will increase the payment made to the executive as necessary to compensate the executive on an after-tax basis for any parachute penalty tax imposed on the payment of amounts under the contracts.

During the three-year period following the executive's termination, the executive and his or her spouse or other dependents will continue to be covered by applicable health or welfare plans of the Company. If the executive dies during the three-year period following the executive's termination, all amounts payable to the executive will be paid to a named beneficiary.

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ITEM 6. OFFICERS AND DIRECTORS (continued)

The agreement with Mr. Neale provides for the same severance payments as described above in the event his employment is terminated at any time by the Company (other than for good cause) or due to death or disability, or if he voluntarily terminates employment with good reason (as defined in the agreement), even in the absence of a change in control.

COMPENSATION OF THE COMPANY'S DIRECTORS

The Company pays each director who is not receiving a salary from the Company \$30,000 per year, \$3,000 annually per standing committee on which the director sits, \$1,000 annually for each committee chairmanship, \$1,200 for each board meeting attended and \$750 per committee meeting attended. Under a deferred compensation arrangement, directors may elect to have their fees deferred in the current year and credited to an interest-bearing account or to a phantom stock account for payment in the future.

The Company's Nonemployee Director Retirement Plan provides a retirement benefit for each nonemployee director currently serving on the board who has completed at least five years of service on the board. The benefit under the plan is an annual amount equal to the annual retainer for board service in effect at the time of the director's retirement from the board and will be paid for ten years, or the number of years of service the individual served as a nonemployee director of the Company, whichever is less. Directors first elected after 2001 will not participate in the retirement plan, but instead will receive, on the date of each election or re-election, restricted shares of common stock and restricted stock unit grants with a value equivalent to the retirement benefit earned by the directors serving prior to 2001.

The Company's Nonemployee Director Stock Incentive Plan provides for a grant of 2,600 (previously 2,000) restricted shares of common stock to each nonemployee director of the Company upon his or her election or re-election as a director of the Company. The grants of restricted common stock vest in 20% annual increments, with all of a director's stock vesting five years after the date of

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award. In 2001, Drs. Beering and Woo and Mr. Foster each received a grant of 2,000 restricted shares of common stock under this plan. The board may designate that a scheduled award will consist of nonqualified stock options rather than restricted stock; if so, then, in lieu of restricted shares, each nonemployee director shall be granted a nonqualified option to purchase 6,000 shares of common stock. Grants of nonqualified stock options vest in 20% annual increments and become fully vested on the fifth anniversary of the date of the grant.

The Company's Nonemployee Director Restricted Stock Unit Plan is a phantom stock plan that provides for grants to nonemployee directors of restricted stock units that have a value related to the Company's common stock. Each nonemployee director received an initial grant of 500 units in April 1999. Beginning in 2002, grants of 600 units will be made to nonemployee directors upon election or re-election to the Board. The grants of units vest in 20% annual increments, with all of a director's units vesting five years after the date of award. Additional units are credited to each nonemployee director with respect to the units included in his or her account from time to time to reflect dividends paid to stockholders of the Company with respect to common stock. The units have no voting or other stock ownership rights and are payable in cash. In 2001, Drs. Beering and Woo and Mr. Foster each received a grant of 500 units.

The Company has adopted a Directors' Charitable Gift Program for nonemployee directors. Under the program, the Company makes a donation to one or more eligible tax-exempt organizations as designated by each eligible director. The Company contributes up to an aggregate of \$125,000 for each nonemployee director who has served as a director of the Company for at least five years and up to an additional \$125,000 (for an overall \$250,000) for each nonemployee director who has served ten years or more. Organizations eligible to receive a gift under the program include charitable organizations and accredited United States institutions of higher learning. Individual directors derive no financial benefit from the program, as all deductions relating to the charitable donations accrue solely to the Company. A director's private foundation is not eligible to receive donations under the program. All current nonemployee directors are eligible to participate in the program.

ITEM 6. OFFICERS AND DIRECTORS (continued)

PART III(b). SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS, DIRECTORS AND MANAGEMENT.

The following table contains information about those persons or groups, which are known to the Company to be the beneficial owners of more than five percent of the outstanding common stock.

Name and Address of Beneficial Owner -----	Amount and Nature of Beneficial Ownership -----	Percent -----
CAPITAL RESEARCH AND MANAGEMENT COMPANY 333 South Hope Street, 55th Floor Los Angeles, California 90071	16,074,880	
PUTNAM INVESTMENT MANAGEMENT, LLC The Putnam Advisory Company, LLC One Post Office Square Boston, Massachusetts 02109	11,568,237	

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- (1) As reported on statements made on Schedule 13G filed with the Securities and Exchange Commission on February 11, 2002 on behalf of Capital Research & Management Company. According to the report, the amount shown includes 67,530 shares resulting from the assumed conversion of 428,490 shares of convertible preferred securities, due November 1, 2004; and includes 523,350 shares resulting from the assumed conversion of 325,000 shares of the Convertible Preferred PIES, due February 19, 2003.
- (2) As reported on statements made on Schedule 13G filed with the Securities and Exchange Commission on February 15, 2002 on behalf of Marsh & McLennan Companies, Inc., Putnam Investments, LLC., Putnam Investment Management, LLC. and The Putnam Advisory Company, LLC. as a group. According to the report, the amount shown represents shares beneficially owned by Putnam Investment Management, LLC (10,311,017) and The Putnam Advisory Company, LLC. (1,257,220).

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ITEM 6. OFFICERS AND DIRECTORS (continued)

The following table contains information about the beneficial ownership of the Company's common stock as of March 1, 2002, for each of the directors, nominees and named executive officers, and for all directors and executive officers as a group.

Name of Beneficial Owner -----	Amount and Nature of Beneficial Ownership (1) (2) -----
Stephen P. Adik	555,312
Steven C. Beering	10,030
Arthur J. Decio	10,500
Dennis E. Foster	9,305
Gary L. Neale	1,349,118
Ian M. Rolland (3)	24,177
John W. Thompson	12,708
Robert J. Welsh	14,000
Carolyn Y. Woo	4,000
Roger A. Young	72,745
Patrick J. Mulchay	409,690
Michael W. O'Donnell	87,008
Jeffrey W. Yundt	421,909
All directors and executive officers as a group	3,427,120

- (1) The number of shares owned includes shares held in the Company's Automatic Dividend Reinvestment and Share Purchase Plan, shares held in the Company's Tax Deferred Savings Plans (the "401(k)"), Employee Stock Purchase Plan and restricted shares awarded under the Company's 1988 and 1994 Long-Term Incentive Plans (the "Incentive Plans") and Nonemployee Director Stock Incentive Plan, where applicable. The percentage of common stock owned by all directors and executive officers as a group is approximately 1.65 percent of the common stock outstanding as of March 1, 2002.
- (2) The totals include shares for which the following executive officers have a right to acquire beneficial ownership, within 60 days after March 1, 2002, by exercising stock options granted under the Incentive

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Plan: Stephen P. Adik - 300,604 shares; Gary L. Neale - 770,377 shares; Roger A. Young - 43,242 shares; Patrick J. Mulchay - 258,198 shares; Michael W. O'Donnell - 25,472 shares; Jeffrey W. Yundt - 258,198 shares; and all executive officers as a group - 1,867,986 shares.

- (3) The number of shares owned by Mr. Rolland includes 9,277 shares owned by the Ian and Miriam Rolland Foundation over which Mr. Rolland maintains investment control, but for which Mr. Rolland disclaims beneficial ownership.

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ITEM 6. OFFICERS AND DIRECTORS (continued)

PART III(c). CONTRACTS AND TRANSACTIONS.

In 2001, the Company's subsidiary NiSource Development Company, Inc. purchased approximately three acres of land and an approximately 16,030 square foot office building located in Merrillville, Indiana adjacent to the Company's corporate headquarters from Keystone Investment Company, an Indiana general partnership owned by the adult children of Robert J. Welsh, a director of the Company, for \$2,000,000. The purchase price was based on appraisals performed by independent third-party commercial real estate appraisers. The transaction was part of a series of transactions resulting in the sale of substantially all of the assets of Welsh, Inc., the company of which Mr. Welsh was Chairman and Chief Executive Officer

PART III(d). INDEBTEDNESS.

None.

PART III(e). PARTICIPATION IN BONUS AND PROFIT SHARING ARRANGEMENT.

See Item 6 Part III(a) above.

PART III(f). DIRECTORS AND OFFICERS RIGHTS TO INDEMNITY.

Provisions for indemnification of directors and officers are included in the Certificate of Incorporation or By-Laws in accordance with applicable laws.

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ITEM 7. CONTRIBUTIONS AND PUBLIC RELATIONS

PART I. EXPENDITURES FOR ANY POLITICAL PARTY, CANDIDATE FOR PUBLIC OFFICE OR HOLDER OF SUCH OFFICE, OR ANY COMMITTEE OR AGENT THEREFOR.

Name of Company	Recipient of Beneficiary	Purpose	Account
-----	-----	-----	-----
CKY	Employee Political Action Fund	Legal, accounting and solicitation services rendered by employees for Employees Political Action Fund registered with the Federal Election Committee	General and
CMD			
COH			
CPA			
CVA			
NIP			
TCO			

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ITEM 7. CONTRIBUTIONS AND PUBLIC RELATIONS (continued)

PART II. EXPENDITURES FOR ANY CITIZENS GROUP OR PUBLIC RELATIONS COUNSEL.

Calendar Year 2001

Name of Company and Name or Number of Recipients or Beneficiaries -----	Purpose -----	Ac
BSG 9 Various Chambers of Commerce	Economic Development	Genera
CGT Galleria Chamber of Commerce	Economic Development	Genera
CGV 24 Various Chambers of Commerce	Economic Development	Genera
CKY Chamber of Commerce	Economic Development	Genera
CMD 5 Various Chambers of Commerce	Economic Development	Genera
COH 63 Various Chambers of Commerce	Economic Development	Genera
Ohio Chamber of Commerce	Economic Development	Genera
Better Business Bureau	Economic Development	Genera
CPA 26 Various Chambers of Commerce	Economic Development	Genera
York Chamber of Commerce	Economic Development	Genera
Business Organization	Economic Development	Genera
Pittsburgh Regional Alliance	Economic Development	Genera
Pennsylvania Chamber of Commerce	Economic Development	Genera
NIP 40 Various Chambers of Commerce	Economic Development	Genera
Better Business Bureau of Northwest Indiana	Economic Development	Genera

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Northwest Indiana Regional Development	Economic Development	General
Indiana Northeast Development	Economic Development	General
TCO		
5 Various Chambers of Commerce	Information and Education	General

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ITEM 8. SERVICE, SALES AND CONSTRUCTION CONTRACTS

PART I. INTERCOMPANY CONTRACTS.

For the year ended December 31, 2001:

Transaction -----	Serving Company -----	Receiving Company -----	Compensation (\$) -----	Date of -----
Management & Business Services	BSG	NU	3,862,542	
Management & Business Services	BSG	GSGT	317,513	
Operations & Maintenance Services	BSG	EUII	74,340	
Management Fee	BSG	GSGT	317,513	
Office Space Lease - Gary Airport	CARD	NIP	65,792	
Fixed Fee Billings for O&M Agreements	CGT	TCO	40,536	07/
Land Lease for Radio Towers	CGT	CMC	2,264	
Office Space Lease	CMC	TCO	108,620	
Office Space Lease	CMC	CGT	32,583	
Bill Insert Services	COH	CSP	27,761	
Office Space Lease	NDEV	NIP	7,025,061	
St. Clairsville Pipeline Lease	NESI	COH	364,980	
Office Space Lease - Merrillville, IN	NIP	NCS	4,073,376	
Office Space Lease - Hammond, IN	NIP	TPC	37,866	
Substation Services	NIP	PEI	166,974	
Construction Services	NIP	PEI	914,209	
Aircraft Support Personnel	NIP	NCS	675,960	
Helicopter Usage Time Billed	NIP	NCS	179,311	
Maintenance Services on Pipeline	NITCO	CROSS	625,276	
Power Marketing Intense Computer System Fees	NPM	NIP	329,683	
Sale of Pipeline Points of Delivery	TCO	CGV	64,408	
Lease of Operating Center Building in Lexington, VA	TCO	CVA	108,216	
Land Lease for Radio Towers	TCO	CMC	12,167	
Office Space Lease - Washington DC Building	TCO	NCS	26,393	
Administrative Services	TCO	CGT	2,921,280	
Construction of Wheeler Interconnect	TCO	CROSS	222,037	
Various Services During Installation of Fiber Optic Network	TCO	CTC	623,709	
Access to TCO's Network for Telemetry Information	TCO	VARIOUS	92,880	
Chart Processing	TCO	CNR	243,000	
Sale of Capacity	TCO	CVA	110,880	
Install EM/SCADA at Various Stations	TCO	CROSS	76,719	
Software for IHRI	TCO	CGT	33,677	
Sale of Gathering Line	TCO	CNR	293,836	
Lease of Operating Center Building in Gainesville, VA	TCO	CVA	364,286	

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Fixed Fee Billings for One Call

TCO

CTC

14,000

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ITEM 8. SERVICE, SALES AND CONSTRUCTION CONTRACTS (continued)

PART II. SYSTEM CONTRACTS TO PURCHASE GOODS OR SERVICES FROM ANY AFFILIATE (OTHER THAN A SYSTEM COMPANY) OR A COMPANY IN WHICH ANY OFFICER OR DIRECTOR IS A PARTNER OR OWN 5% OR MORE OF ANY CLASS OF EQUITY SECURITIES.

None.

PART III. SYSTEM CONTRACTS WITH OTHERS ON A CONTINUING BASIS FOR MANAGEMENT, SUPERVISORY, OR FINANCIAL ADVISORY REVIEW.

None.

ITEM 9. WHOLESALE GENERATORS AND FOREIGN UTILITY COMPANIES

PART I. BUSINESS, CAPITAL, DEBT TO EQUITY RATIO AND SERVICE CONTRACTS.

(a) Company, location and business address.

Bay State GPE, Inc. (BSGPE)
BSGPE, a Massachusetts corporation, at 300 Friberg Parkway, Westborough, Massachusetts is an EWG. It owns a turbo expander in Agawam, Massachusetts that generates electricity from a turbine engine as gas pressure is reduced when transferred from high pressure interstate pipelines to lower pressure local distribution pipes. BSGPE is a wholly owned subsidiary of Bay State Gas.

Whiting Clean Energy, Inc. (WCE)
WCE, a wholly owned subsidiary of Primary Energy, Inc., is an EWG. WCE's business address is 801 E. 86th Avenue, Merrillville, Indiana. WCE leases a combined-cycle cogeneration facility located at BP's Whiting, Indiana refinery consisting of two gas-fired combustion turbines (each with a generating capacity of 166 megawatts) and a 213 megawatt steam turbine generator. WCE is responsible for the operation and maintenance of the facility.

(b) Type and amount of capital invested.

When BSGPE was incorporated, Bay State Gas acquired all of the issued and outstanding shares of BSGPE's common stock for \$1,000. Bay State also transferred ownership of the turbo expander and related facilities to BSGPE at its net book value. Neither Bay State Gas, nor NiSource, Inc. has made any financial guarantee to any party for BSGPE.

Primary Energy, Inc.'s investment in WCE consists mainly of its guarantee of WCE's performance under the lease through its parent NiSource Inc. The lease was initiated in the first quarter of 2002. The unamortized value of the project amounts to approximately \$320 million.

(c) Ratio of debt to common equity and earnings of the company for the year ended December 31, 2001.

As of December 31, 2001, BSGPE had no debt outstanding and for the calendar year 2001, the turbo expander did not operate and did not generate revenue. BSGPE had a net loss of \$29,000 for 2001.

WCE had \$15.9 million in notes payable outstanding at December 31, 2001 to NiSource Finance Corp. The debt to equity ratio for WCE at December 31, 2001 is not meaningful since the company's equity capitalization is effectively zero. For 2001, WCE had no net earnings or net loss.

(d) Service, sales or construction contracts with system companies.

Bay State Gas and BSGPE have entered into a maintenance and service agreement for performance of the operation, maintenance and accounting needs of BSGPE by Bay State Gas personnel.

WCE has no service sales or construction contracts with system companies.

PART II. ORGANIZATION CHART.

BSGPE is a wholly owned subsidiary of Bay State Gas Company. WCE is a wholly owned subsidiary of Primary Energy, Inc. Bay State Gas Company and Primary Energy, Inc. are wholly owned subsidiaries of NiSource, Inc. See Exhibit G for an organization chart showing BSGPE and WCE in relation to the other NiSource, Inc. system companies.

PART III. AGGREGATE INVESTMENT IN EWG'S AND FOREIGN UTILITY COMPANIES.

NiSource, Inc.'s aggregate investment in BSGPE is approximately \$0.2 million and its investment in WCE, as discussed in Part I(b), is approximately \$320 million. The ratio of NiSource, Inc.'s aggregate investment in BSGPE and WCE to its aggregate investment in its domestic public-utility subsidiary companies is 0.012% based on the current book values of the utility subsidiaries.

ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS

Item 10. is hereby amended and restated in its entirety:

TABLE OF CONTENTS

NAME OF COMPANY (COMPANY ABBREVIATION) -----	CONSOLIDATED BALANCE SHEET -----	CONSOLIDATED STATEMENT OF INCOME -----
NISOURCE INC. (NI)	F-1	F-2
Bay State Gas Company (BSG)	F-1, F-1A	F-2, F-2A
Subsidiaries:		
Bay State GPE, Inc. (BSGPE)	F-1A	F-2A
Northern Utilities, Inc. (NU)	F-1A	F-2A
Columbia Energy Group (CG)	F-1, F-1B	F-2, F-2B
Subsidiaries:		
Columbia Atlantic Trading Corporation (CAT)	F-1B	F-2B
Columbia Energy Group Capital Corporation (CCC)	F-1B, F-1C	F-2B, F-2C

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Subsidiary:		
TriStar Gas Technologies, Inc. (TGT) *	F-1C	F-2C
Columbia Energy Resources, Inc. (CER)	F-1B, F-1D	F-2B, F-2D
Subsidiaries:		
Alamco-Delaware, Inc. (AD)	F-1D	F-2D
Columbia Natural Resources, Inc. (CNR)	F-1D	F-2D
Columbia Natural Resources Canada, Ltd. (CNRCL)	F-1D	F-2D
Hawg Hauling & Disposal, Inc. (HH)	F-1D	F-2D
Columbia Energy Services Corporation (CES)	F-1B	F-2B
Columbia Finance Corporation (CFC)	F-1B, F-1E	F-2B, F-2E
Subsidiary:		
Columbia Accounts Receivable Corporation (CAR)	F-1E	F-2E
Columbia Gas of Kentucky, Inc. (CKY)	F-1B	F-2B
Columbia Gas of Maryland, Inc. (CMD)	F-1B	F-2B
Columbia Gas of Ohio, Inc. (COH)	F-1B	F-2B
Columbia Gas of Pennsylvania, Inc. (CPA)	F-1B	F-2B
Columbia Gas of Virginia, Inc. (CGV)	F-1B	F-2B
Columbia Gas Transmission Corporation (TCO)	F-1B	F-2B
Columbia Gulf Transmission Company (CGT)	F-1B	F-2B
Columbia Insurance Corporation, Ltd. (CICL)	F-1B	F-2B
Columbia LNG Corporation (CLNG)	F-1B	F-2B
Columbia Network Services Corporation (CNS)	F-1B, F-1F	F-2B, F-2F
Subsidiary:		
CNS Microwave, Inc. (CMC)	F-1F	F-2F

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

TABLE OF CONTENTS (CONTINUED)

NAME OF COMPANY (COMPANY ABBREVIATION)	CONSOLIDATED BALANCE SHEET	CONSOLIDATED STATEMENT OF INCOME
-----	-----	-----
Columbia Pipeline Corporation (CPL)	F-1B, F-1G	F-2B, F-2G
Subsidiary:		
Columbia Deep Water Services Company (CDW)	F-1G	F-2G
Columbia Remainder Corporation (CRC)	F-1B	F-2B
Columbia Service Partners, Inc. (CSP)	F-1B, F-1H	F-2B, F-2H
Subsidiaries:		
Columbia Assurance Agency, Inc. (CAA)	F-1H	F-2H
Columbia Transmission Communications Corporation (CTC)	F-1B	F-2B
EnergyUSA, Inc. (IN) (EUII)	F-1, F-1I	F-2, F-2I
Subsidiaries:		
EnergyUSA, Inc. (MA) (EUIM)	F-1I, F-1J	F-2I, F-2J
Subsidiaries:		
EnergySPE, Inc. (ESPE)	F-1J	F-2J
EnergyUSA (Connecticut), Inc. (EUIC)	F-1J, F-1K	F-2J, F-2K
Subsidiaries:		
Brayer Energy Solutions, Inc. (BES) *	F-1K	F-2K
EnergyUSA Engineering, Inc. (EUE)	F-1K	F-2K
EnergyUSA Mechanical, Inc. (EUM)	F-1K	F-2K
EnergyUSA-TPC Corp. (TPC)	F-1I, F-1L	F-2I, F-2L

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Subsidiary:		
EnergyUSA Appalachian Corp. (EUA)	F-1L	F-2L
NESI Energy Marketing L.L.C. (NEML)	F-1I	F-2I
NI Energy Services Transportation, Inc. (NEST)	F-1I	F-2I
MS-1 Distribution & Storage Corporation (MS1) *	F-1I	F-2I
NI Fuel Company, Inc. (NIFC)	F-1I	F-2I
NI-TEX, Inc. (NITEX)	F-1I	F-2I
NI-TEX Gas Services Inc. (NGS)	F-1I	F-2I
EnergyUSA Commercial Energy Services, Inc. (EUC)	F-1I	F-2I
EnergyUSA Retail, Inc. (EUR)	F-1I	F-2I
Kokomo Gas and Fuel Company (KOKO)	F-1, F-1M	F-2, F-2M
NI Energy Services, Inc. (NESI)	F-1, F-1N	F-2, F-2N
Subsidiaries:		
Crossroads Pipeline Company (CROSS)	F-1N	F-2N
Green Fuels, Inc. (GREEN) *	F-1N	F-2N
NESI Power Marketing, Inc. (NPM)	F-1N	F-2N
NiSource Energy Services Canada, Ltd. (NESCL) *	F-1N	F-2N

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

TABLE OF CONTENTS (CONTINUED)

NAME OF COMPANY (COMPANY ABBREVIATION)	CONSOLIDATED BALANCE SHEET	CONSOLIDATED STATEMENT OF INCOME
-----	-----	-----
NiSource Capital Markets, Inc. (NCM)	F-1	F-2
NiSource Capital Trust I (NCT)	F-1	F-2
NiSource Corporate Services Company (NCS)	F-1	F-2
NiSource Development Company, Inc. (NDEV)	F-1, F-1O	F-2, F-2O
Subsidiaries:		
Analytic Sytems Laboratories, Inc. (ASL) *	F-1O	F-2O
Cardinal Property Management, Inc. (CARD)	F-1O	F-2O
Customer Information Services, Inc. (CIS)	F-1O	F-2O
JOF Transportation Company (JOF)	F-1O	F-2O
KOGAF Enterprises, Inc. (KOGF)	F-1O	F-2O
Lake Erie Land Company (LEL)	F-1O, F-1P	F-2O, F-2P
Subsidiary:		
SCC Services, Inc. (SCC)	F-1P	F-2P
NDC Douglas Properties, Inc. (NDC)	F-1O	F-2O
Progeni, Inc. (PRO) *	F-1O	F-2O
Protonics Research, Inc. (PRI) *	F-1O	F-2O
South Works Power Company (SWP) *	F-1O	F-2O
NiSource Energy Technologies, Inc. (NET)	F-1	F-2
NiSource Finance Corp. (NFC)	F-1	F-2
NiSource Pipeline Group, Inc. (NPG)	F-1, F-1Q	F-2, F-2Q
Subsidiaries:		
Granite State Gas Transmission, Inc. (GSGT)	F-1Q, F-1R	F-2Q, F-2R
Subsidiaries:		
Bay State Energy Enterprises, Inc. (BSEE)	F-1R	F-2R
Natural Gas Development, Inc. (NGD)	F-1R	F-2R
PNTGS Holding Corp. (PNTGS)	F-1Q	F-2Q

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Northern Indiana Fuel and Light Company, Inc. (NIFL)	F-1, F-1S	F-2, F-2S
Subsidiary:		
Northern Indiana Trading Company, Inc. (NITC)	F-1S	F-2S
Northern Indiana Public Service Company (NIP)	F-1, F-1T	F-2, F-2T
Subsidiary:		
NIPSCO Exploration Company, Inc. (NEXCO)	F-1T	F-2T

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

NAME OF COMPANY (COMPANY ABBREVIATION)	CONSOLIDATED BALANCE SHEET	CONSOLIDATED STATEMENT OF INCOME
-----	-----	-----
Primary Energy, Inc. (PEI)	F-1, F-1U	F-2, F-2U
Subsidiaries:		
Cokenergy, Inc. (CEI)	F-1U	F-2U
Harbor Coal Company (HCC)	F-1U	F-2U
Ironside Energy LLC (IEL)	F-1U	F-2U
Lakeside Energy Corporation (LEC)	F-1U	F-2U
North Lake Energy Corporation (NLEC)	F-1U	F-2U
Portside Energy Corporation (PORT)	F-1U	F-2U
Whiting Clean Energy, Inc. (WCE)	F-1U	F-2U
SM&P Utility Resources, Inc. (SMP)	F-1, F-1V	F-2, F-2V
Subsidiary:		
Colcom Incorporated (CI)	F-1V	F-2V

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1 (1 of 8)

NISOURCE INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	F-1 Page 3	F-1 Page 5	F-1 Page 7	Combi
-----	-----	-----	-----	-----
ASSETS				
PROPERTY, PLANT AND EQUIPMENT				
Utility plant	*	*	*	*

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Accumulated depreciation and amortization

Net utility plant

Gas and oil producing properties, full cost method
 United States cost center
 Canadian cost center
Accumulated depletion

Net gas and oil producing properties

Other property, at cost, less accumulated depreciation

Net Property, Plant, and Equipment

INVESTMENTS AND OTHER ASSETS

Equity in undistributed earnings of subsidiaries
Net assets of discontinued operations
Unconsolidated affiliates
Assets held for sale
Other investments

Total Investments and Other Assets

CURRENT ASSETS

Cash and cash equivalents
Accounts receivable (less reserve)
Other receivables
Gas inventory
Underrecovered gas and fuel costs
Materials and supplies, at average cost
Electric production fuel, at average cost
Price risk management assets
Exchange gas receivable
Prepayments and other

Total Current Assets

OTHER ASSETS

Price risk management assets
Regulatory assets
Intangible assets, less accumulated amortization
Deferred charges and other

Total Other Assets

TOTAL ASSETS

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1 (2 of 8)

NISOURCE INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	F-1 Page 4	F-1 Page 6	F-1 Page 8	Combine
<hr/>				
CAPITALIZATION AND LIABILITIES				
CAPITALIZATION				
Common Stock Equity	*	*	*	*
Preferred Stocks--				
Subsidiary Companies				
Series without mandatory redemption provisions				
Series with mandatory redemption provisions				
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures				
Long-term debt, excluding amounts due within one year				
<hr/>				
Total Capitalization				
<hr/>				
CURRENT LIABILITIES				
Current redeemable preferred stock subject to mandatory redemption				
Current portion of long-term debt				
Short-term borrowings				
Accounts payable				
Dividends declared on common and preferred stocks				
Customer deposits				
Taxes accrued				
Interest accrued				
Overrecovered gas and fuel costs				
Price risk management liabilities				
Exchange gas payable				
Current deferred revenue				
Other accruals				
<hr/>				
Total Current Liabilities				
<hr/>				
OTHER LIABILITIES AND DEFERRED CREDITS				
Price risk management liabilities				
Deferred income taxes				
Deferred investment tax credits				
Deferred credits				
Noncurrent deferred revenue				
Accrued liability for postretirement benefits				
Other noncurrent liabilities				
<hr/>				
Total Other Liabilities and Deferred Credits				
<hr/>				
COMMITMENTS AND CONTINGENCIES				

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TOTAL CAPITALIZATION AND LIABILITIES
=====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1 (3 of 8)

NISOURCE INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	NI	BSG	CG	EU
ASSETS				
PROPERTY, PLANT AND EQUIPMENT				
Utility plant	*	*	8,267,023	
Accumulated depreciation and amortization			(3,879,156)	
Net utility plant			4,387,867	
Gas and oil producing properties, full cost method				
United States cost center			660,658	
Canadian cost center			22,361	
Accumulated depletion			(141,971)	
Net gas and oil producing properties			541,048	
Other property, at cost, less accumulated depreciation			--	
Net Property, Plant, and Equipment			4,928,915	
INVESTMENTS AND OTHER ASSETS				
Equity in undistributed earnings of subsidiaries			--	
Net assets of discontinued operations			29,976	
Unconsolidated affiliates			32,982	
Assets held for sale			--	
Other investments			14,772	
Total Investments and Other Assets			77,730	
CURRENT ASSETS				
Cash and cash equivalents			53,935	
Accounts receivable (less reserve)			713,553	
Other receivables			1	
Gas inventory			195,707	
Underrecovered gas and fuel costs			60,115	

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Materials and supplies, at average cost	14,544
Electric production fuel, at average cost	--
Price risk management assets	65,770
Exchange gas receivable	186,761
Prepayments and other	376,603

Total Current Assets	1,666,989

OTHER ASSETS	
Price risk management assets	91
Regulatory assets	363,663
Intangible assets, less accumulated amortization	1,681
Deferred charges and other	35,037

Total Other Assets	400,472

TOTAL ASSETS	7,074,106
=====	

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1(4 of 8)

NISOURCE INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	NI	BSG	CG	EUI

CAPITALIZATION AND LIABILITIES				
CAPITALIZATION				
Common Stock Equity	*	*	2,177,174	*
Preferred Stocks--				
Subsidiary Companies			--	
Series without mandatory redemption provisions			--	
Series with mandatory redemption provisions			--	
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures			--	
Long-term debt, excluding amounts due within one year			1,357,434	

Total Capitalization			3,534,608	

CURRENT LIABILITIES				
Current redeemable preferred stock subject to				

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mandatory redemption	--
Current portion of long-term debt	281,708
Short-term borrowings	72,686
Accounts payable	359,102
Dividends declared on common and preferred stocks	--
Customer deposits	--
Taxes accrued	232,825
Interest accrued	28,581
Overrecovered gas and fuel costs	45,652
Price risk management liabilities	4,811
Exchange gas payable	282,252
Current deferred revenue	89,020
Other accruals	533,765
<hr/>	
Total Current Liabilities	1,930,402
<hr/>	
OTHER LIABILITIES AND DEFERRED CREDITS	
Price risk management liabilities	--
Deferred income taxes	759,856
Deferred investment tax credits	29,755
Deferred credits	246,830
Noncurrent deferred revenue	435,440
Accrued liability for postretirement benefits	104,909
Other noncurrent liabilities	32,306
<hr/>	
Total Other Liabilities and Deferred Credits	1,609,096
<hr/>	
COMMITMENTS AND CONTINGENCIES	
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TOTAL CAPITALIZATION AND LIABILITIES	7,074,106
<hr/>	

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1 (5 of 8)

NISOURCE INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	NCM	NCT	NCS	NDEV
<hr/>				
ASSETS				
PROPERTY, PLANT AND EQUIPMENT				
Utility plant	*	*	87,728	*
Accumulated depreciation and amortization			(31,224)	

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Net utility plant	56,504
Gas and oil producing properties, full cost method	
United States cost center	--
Canadian cost center	--
Accumulated depletion	--
Net gas and oil producing properties	--
Other property, at cost, less accumulated depreciation	--
Net Property, Plant, and Equipment	56,504
INVESTMENTS AND OTHER ASSETS	
Equity in undistributed earnings of subsidiaries	--
Net assets of discontinued operations	--
Unconsolidated affiliates	--
Assets held for sale	--
Other investments	--
Total Investments and Other Assets	--
CURRENT ASSETS	
Cash and cash equivalents	43
Accounts receivable (less reserve)	164,977
Other receivables	--
Gas inventory	--
Underrecovered gas and fuel costs	--
Materials and supplies, at average cost	--
Electric production fuel, at average cost	--
Price risk management assets	--
Exchange gas receivable	--
Prepayments and other	2,465
Total Current Assets	167,485
OTHER ASSETS	
Price risk management assets	--
Regulatory assets	--
Intangible assets, less accumulated amortization	--
Deferred charges and other	84,330
Total Other Assets	84,330
TOTAL ASSETS	308,319

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

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NISOURCE INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	NCM	NCT	NCS	NDEV
CAPITALIZATION AND LIABILITIES				
CAPITALIZATION				
Common Stock Equity	*	*	400	*
Preferred Stocks--				
Subsidiary Companies			--	
Series without mandatory redemption provisions			--	
Series with mandatory redemption provisions			--	
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures			--	
Long-term debt, excluding amounts due within one year			23,930	
Total Capitalization			24,330	
CURRENT LIABILITIES				
Current redeemable preferred stock subject to mandatory redemption			--	
Current portion of long-term debt			--	
Short-term borrowings			21,479	
Accounts payable			82,969	
Dividends declared on common and preferred stocks			--	
Customer deposits			--	
Taxes accrued			(4,172)	
Interest accrued			1	
Overrecovered gas and fuel costs			--	
Price risk management liabilities			--	
Exchange gas payable			--	
Current deferred revenue			--	
Other accruals			168,017	
Total Current Liabilities			268,294	
OTHER LIABILITIES AND DEFERRED CREDITS				
Price risk management liabilities			--	
Deferred income taxes			6,366	
Deferred investment tax credits			--	
Deferred credits			7,381	
Noncurrent deferred revenue			--	
Accrued liability for postretirement benefits			1,948	
Other noncurrent liabilities			--	
Total Other Liabilities and Deferred Credits			15,695	
COMMITMENTS AND CONTINGENCIES				
			--	

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TOTAL CAPITALIZATION AND LIABILITIES 308,319
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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued) F-1 (7 of 8)

NISOURCE INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	NPG	NIFL	NIP
ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Utility plant	*	*	6,218,991
Accumulated depreciation and amortization			(3,357,201)
Net utility plant			2,861,790
Gas and oil producing properties, full cost method			
United States cost center			--
Canadian cost center			--
Accumulated depletion			--
Net gas and oil producing properties			--
Other property, at cost, less accumulated depreciation			2,498
Net Property, Plant, and Equipment			2,864,288
INVESTMENTS AND OTHER ASSETS			
Equity in undistributed earnings of subsidiaries			--
Net assets of discontinued operations			--
Unconsolidated affiliates			5,646
Assets held for sale			--
Other investments			--
Total Investments and Other Assets			5,646
CURRENT ASSETS			
Cash and cash equivalents			15,945
Accounts receivable (less reserve)			116,433

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Other receivables	--
Gas inventory	104,706
Underrecovered gas and fuel costs	28,217
Materials and supplies, at average cost	44,674
Electric production fuel, at average cost	29,152
Price risk management assets	--
Exchange gas receivable	--
Prepayments and other	40,339
<hr/>	
Total Current Assets	379,466
<hr/>	
OTHER ASSETS	
Price risk management assets	--
Regulatory assets	165,519
Intangible assets, less accumulated amortization	--
Deferred charges and other	194,288
<hr/>	
Total Other Assets	359,807
<hr/>	
TOTAL ASSETS	3,609,207
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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1 (8 of 8)

NISOURCE INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	NPG	NIFL	NIP
<hr/>			
CAPITALIZATION AND LIABILITIES			
CAPITALIZATION			
Common Stock Equity	*	*	1,036,314
Preferred Stocks--			
Subsidiary Companies			--
Series without mandatory redemption provisions			81,114
Series with mandatory redemption provisions			4,969
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures			--
Long-term debt, excluding amounts due within one year			843,064
<hr/>			
Total Capitalization			1,965,461

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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 stocks	1,748
Customer deposits	31,830
Taxes accrued	195,395
Interest accrued	7,825
Overrecovered gas and fuel costs	3,665
Price risk management liabilities	5,609
Exchange gas payable	--
Current deferred revenue	--
Other accruals	58,730
Total Current Liabilities	888,053

OTHER LIABILITIES AND DEFERRED CREDITS

Price risk management liabilities	--
Deferred income taxes	464,656
Deferred investment tax credits	71,392
Deferred credits	48,963
Noncurrent deferred revenue	--
Accrued liability for postretirement benefits	160,768
Other noncurrent liabilities	9,914
Total Other Liabilities and Deferred Credits	755,693

COMMITMENTS AND CONTINGENCIES

	--
TOTAL CAPITALIZATION AND LIABILITIES	3,609,207

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1A(1 of 2)

NISOURCE INC. AND SUBSIDIARIES
BAY STATE GAS COMPANY AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)

BSG

BSGPE

NU

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ASSETS

PROPERTY, PLANT AND EQUIPMENT

Utility plant	1,132,875	*	252,240
Accumulated depreciation and amortization	(256,832)		(48,681)
<hr/>			
Net utility plant	876,043		203,559
<hr/>			
Gas and oil producing properties, full cost method			
United States cost center	--		--
Canadian cost center	--		--
Accumulated depletion	--		--
<hr/>			
Net gas and oil producing properties	--		--
<hr/>			
Other property, at cost, less accumulated depreciation	74		2,486
<hr/>			
Net Property, Plant, and Equipment	876,117		206,045
<hr/>			

INVESTMENTS AND OTHER ASSETS

Equity in undistributed earnings of subsidiaries	111,228		--
Net assets of discontinued operations	--		--
Unconsolidated affiliates	32		2
Assets held for sale	--		--
Other investments	--		--
<hr/>			
Total Investments and Other Assets	111,260		2
<hr/>			

CURRENT ASSETS

Cash and cash equivalents	1,412		58
Accounts receivable (less reserve)	101,570		37,759
Other receivables	--		--
Gas inventory	22,459		18,336
Underrecovered gas and fuel costs	28,039		10,788
Materials and supplies, at average cost	4,299		818
Electric production fuel, at average cost	--		--
Price risk management assets	--		--
Exchange gas receivable	--		--
Prepayments and other	3,858		3,106
<hr/>			
Total Current Assets	161,637		70,865
<hr/>			

OTHER ASSETS

Price risk management assets	-		-
Regulatory assets	7,740		8,674
Intangible assets, less accumulated amortization	2,030		1,071
Deferred charges and other	33,131		2,943
<hr/>			
Total Other Assets	42,901		12,688
<hr/>			
TOTAL ASSETS	1,191,915		289,600
<hr/>			

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued) F-1A(2 of 2)

NISOURCE INC. AND SUBSIDIARIES
BAY STATE GAS COMPANY AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	BSG	BSGPE	NU
CAPITALIZATION AND LIABILITIES			
CAPITALIZATION			
Common Stock Equity	534,381	*	111,095
Preferred Stocks--			
Subsidiary Companies	--		--
Series without mandatory redemption provisions	--		--
Series with mandatory redemption provisions	--		--
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures	--		--
Long-term debt, excluding amounts due within one year	95,500		18,833
Total Capitalization	629,881		129,928
CURRENT LIABILITIES			
Current redeemable preferred stock subject to mandatory redemption	--		--
Current portion of long-term debt	53,000		833
Short-term borrowings	140,585		60,000
Accounts payable	43,705		20,975
Dividends declared on common and preferred stocks	--		--
Customer deposits	3,002		--
Taxes accrued	4,821		3,968
Interest accrued	3,069		1,157
Overrecovered gas and fuel costs	--		--
Price risk management liabilities	--		--
Exchange gas payable	--		--
Current deferred revenue	--		--
Other accruals	57,389		19,635
Total Current Liabilities	305,571		106,568
OTHER LIABILITIES AND DEFERRED CREDITS			
Price risk management liabilities	--		--

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Deferred income taxes	244,910	49,753
Deferred investment tax credits	2,987	288
Deferred credits	--	--
Noncurrent deferred revenue	--	--
Accrued liability for postretirement benefits	--	--
Other noncurrent liabilities	8,566	3,063

Total Other Liabilities and Deferred Credits	256,463	53,104

COMMITMENTS AND CONTINGENCIES	--	--

TOTAL CAPITALIZATION AND LIABILITIES	1,191,915	289,600
=====		

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued) F-1B(1 of 10)

NISOURCE INC. AND SUBSIDIARIES
COLUMBIA ENERGY GROUP AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	F-1B Page 3	F-1B Page 5	F-1B Page 7	F-1B Page 9

ASSETS				
PROPERTY, PLANT AND EQUIPMENT				
Utility plant	*	*	*	*
Accumulated depreciation and amortization				

Net utility plant				

Gas and oil producing properties, full cost method				
United States cost center				
Canadian cost center				
Accumulated depletion				

Net gas and oil producing properties				

Other property, at cost, less accumulated depreciation				

Net Property, Plant, and Equipment				

INVESTMENTS AND OTHER ASSETS				
Equity in undistributed earnings of subsidiaries				
Net assets of discontinued operations				

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Unconsolidated affiliates
Assets held for sale
Other investments

Total Investments and Other Assets

CURRENT ASSETS

Cash and cash equivalents
Accounts receivable (less reserve)
Other receivables
Gas inventory
Underrecovered gas and fuel costs
Materials and supplies, at average cost
Electric production fuel, at average cost
Price risk management assets
Exchange gas receivable
Prepayments and other

Total Current Assets

OTHER ASSETS

Price risk management assets
Regulatory assets
Intangible assets, less accumulated amortization
Deferred charges and other

Total Other Assets

TOTAL ASSETS
=====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1B(2 of 10)

NISOURCE INC. AND SUBSIDIARIES
COLUMBIA ENERGY GROUP AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands) F-1B
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Page 8 F-1B
Page 10

CAPITALIZATION AND LIABILITIES

CAPITALIZATION

Common Stock Equity * * * *

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Preferred Stocks--
Subsidiary Companies
Series without mandatory redemption provisions
Series with mandatory redemption provisions
Company-obligated mandatorily redeemable preferred
securities of subsidiary trust holding solely Company
debentures
Long-term debt, excluding amounts due within one year

Total Capitalization

CURRENT LIABILITIES

Current redeemable preferred stock subject to
mandatory redemption
Current portion of long-term debt
Short-term borrowings
Accounts payable
Dividends declared on common and preferred stocks
Customer deposits
Taxes accrued
Interest accrued
Overrecovered gas and fuel costs
Price risk management liabilities
Exchange gas payable
Current deferred revenue
Other accruals

Total Current Liabilities

OTHER LIABILITIES AND DEFERRED CREDITS

Price risk management liabilities
Deferred income taxes
Deferred investment tax credits
Deferred credits
Noncurrent deferred revenue
Accrued liability for postretirement benefits
Other noncurrent liabilities

Total Other Liabilities and Deferred Credits

COMMITMENTS AND CONTINGENCIES

TOTAL CAPITALIZATION AND LIABILITIES
=====

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As of December 31, (\$ in thousands)	CG	CAT	CCC
ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Utility plant	*	*	*
Accumulated depreciation and amortization			
Net utility plant			
Gas and oil producing properties, full cost method			
United States cost center			
Canadian cost center			
Accumulated depletion			
Net gas and oil producing properties			
Other property, at cost, less accumulated depreciation			
Net Property, Plant, and Equipment			
INVESTMENTS AND OTHER ASSETS			
Equity in undistributed earnings of subsidiaries			
Net assets of discontinued operations			
Unconsolidated affiliates			
Assets held for sale			
Other investments			
Total Investments and Other Assets			
CURRENT ASSETS			
Cash and cash equivalents			
Accounts receivable (less reserve)			
Other receivables			
Gas inventory			
Underrecovered gas and fuel costs			
Materials and supplies, at average cost			
Electric production fuel, at average cost			
Price risk management assets			
Exchange gas receivable			
Prepayments and other			
Total Current Assets			
OTHER ASSETS			
Price risk management assets			
Regulatory assets			
Intangible assets, less accumulated amortization			
Deferred charges and other			
Total Other Assets			
TOTAL ASSETS			

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1B(4 of 10)

NISOURCE INC. AND SUBSIDIARIES
COLUMBIA ENERGY GROUP AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	CG	CAT	CCC

CAPITALIZATION AND LIABILITIES			
CAPITALIZATION			
Common Stock Equity	*	*	*
Preferred Stocks--			
Subsidiary Companies			
Series without mandatory redemption provisions			
Series with mandatory redemption provisions			
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures			
Long-term debt, excluding amounts due within one year			

Total Capitalization			

CURRENT LIABILITIES			
Current redeemable preferred stock subject to mandatory redemption			
Current portion of long-term debt			
Short-term borrowings			
Accounts payable			
Dividends declared on common and preferred stocks			
Customer deposits			
Taxes accrued			
Interest accrued			
Overrecovered gas and fuel costs			
Price risk management liabilities			
Exchange gas payable			
Current deferred revenue			
Other accruals			

Total Current Liabilities			

OTHER LIABILITIES AND DEFERRED CREDITS			
Price risk management liabilities			
Deferred income taxes			

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Deferred investment tax credits
 Deferred credits
 Noncurrent deferred revenue
 Accrued liability for postretirement benefits
 Other noncurrent liabilities

 Total Other Liabilities and Deferred Credits

COMMITMENTS AND CONTINGENCIES

TOTAL CAPITALIZATION AND LIABILITIES
 =====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued) F-1B(5 of 10)

NISOURCE INC. AND SUBSIDIARIES
 COLUMBIA ENERGY GROUP AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	CFC	CKY	CMD	COH
ASSETS				
PROPERTY, PLANT AND EQUIPMENT				
Utility plant	*	224,479	82,485	1,493,42
Accumulated depreciation and amortization		(98,377)	(34,007)	(644,749)
Net utility plant		126,102	48,478	848,671
Gas and oil producing properties, full cost method				
United States cost center		--	--	--
Canadian cost center		--	--	--
Accumulated depletion		--	--	--
Net gas and oil producing properties		--	--	--
Other property, at cost, less accumulated depreciation		--	--	--
Net Property, Plant, and Equipment		126,102	48,478	848,671
INVESTMENTS AND OTHER ASSETS				

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Equity in undistributed earnings of subsidiaries	--	--	--
Net assets of discontinued operations	--	--	--
Unconsolidated affiliates	--	--	--
Assets held for sale	--	--	--
Other investments	--	--	--

Total Investments and Other Assets	--	--	--

CURRENT ASSETS			
Cash and cash equivalents	1,107	268	8,027
Accounts receivable (less reserve)	27,508	16,594	204,933
Other receivables	--	--	--
Gas inventory	19,289	4,310	96,817
Underrecovered gas and fuel costs	12,146	--	35,443
Materials and supplies, at average cost	--	124	--
Electric production fuel, at average cost	--	--	--
Price risk management assets	--	--	--
Exchange gas receivable	104	1	37,702
Prepayments and other	2,625	3,618	106,769

Total Current Assets	62,779	24,915	489,691

OTHER ASSETS			
Price risk management assets	--	--	--
Regulatory assets	5,628	2,207	181,149
Intangible assets, less accumulated amortization	--	--	--
Deferred charges and other	1,393	312	32,159

Total Other Assets	7,021	2,519	213,308

TOTAL ASSETS	195,902	75,912	1,551,670
=====			

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1B(6 of 10)

NISOURCE INC. AND SUBSIDIARIES
 COLUMBIA ENERGY GROUP AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands) CFC CKY CMD COH

CAPITALIZATION AND LIABILITIES

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CAPITALIZATION				
Common Stock Equity	*	80,048	27,181	372,535
Preferred Stocks--				
Subsidiary Companies		--	--	--
Series without mandatory redemption provisions		--	--	--
Series with mandatory redemption provisions		--	--	--
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures				
		--	--	--
Long-term debt, excluding amounts due within one year		42,209	18,975	207,232

Total Capitalization		122,257	46,156	579,767

CURRENT LIABILITIES				
Current redeemable preferred stock subject to mandatory redemption				
		--	--	--
Current portion of long-term debt		5,829	2,495	139
Short-term borrowings		--	--	--
Accounts payable		16,707	5,216	154,301
Dividends declared on common and preferred stocks		--	--	--
Customer deposits		--	--	--
Taxes accrued		3,163	2,554	55,742
Interest accrued		512	15	2,005
Overrecovered gas and fuel costs		--	4,653	--
Price risk management liabilities		239	74	2,986
Exchange gas payable		6,473	978	79,208
Current deferred revenue		--	--	--
Other accruals		22,532	4,305	433,650

Total Current Liabilities		55,455	20,290	728,031

OTHER LIABILITIES AND DEFERRED CREDITS				
Price risk management liabilities				
		--	--	--
Deferred income taxes		9,667	4,718	117,708
Deferred investment tax credits		1,405	801	16,472
Deferred credits		2,119	1,889	48,273
Noncurrent deferred revenue		--	--	--
Accrued liability for postretirement benefits		1,082	1,572	52,135
Other noncurrent liabilities		3,917	486	9,284

Total Other Liabilities and Deferred Credits		18,190	9,466	243,872

COMMITMENTS AND CONTINGENCIES				
		--	--	--

TOTAL CAPITALIZATION AND LIABILITIES		195,902	75,912	1,551,67
=====				

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(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	TCO	CGT	CICL	C
ASSETS				
PROPERTY, PLANT AND EQUIPMENT				
Utility plant	3,654,287	1,352,238		*
Accumulated depreciation and amortization	(1,579,071)	(1,068,533)		
Net utility plant	2,075,216	283,705		
Gas and oil producing properties, full cost method				
United States cost center	--	--		
Canadian cost center	--	--		
Accumulated depletion	--	--		
Net gas and oil producing properties	--	--		
Other property, at cost, less accumulated depreciation	--	--		
Net Property, Plant, and Equipment	2,075,216	283,705		
INVESTMENTS AND OTHER ASSETS				
Equity in undistributed earnings of subsidiaries	--	--		
Net assets of discontinued operations	--	--		
Unconsolidated affiliates	29,713	--		
Assets held for sale	--	--		
Other investments	14,491	--		
Total Investments and Other Assets	44,204	--		
CURRENT ASSETS				
Cash and cash equivalents	49	3		
Accounts receivable (less reserve)	120,619	16,661		
Other receivables	--	--		
Gas inventory	--	--		
Underrecovered gas and fuel costs	--	--		
Materials and supplies, at average cost	7,253	6,558		
Electric production fuel, at average cost	--	--		
Price risk management assets	--	--		
Exchange gas receivable	115,787	14,086		
Prepayments and other	98,217	7,759		
Total Current Assets	341,925	45,067		
OTHER ASSETS				
Price risk management assets	--	--		
Regulatory assets	90,412	5,380		
Intangible assets, less accumulated amortization	--	--		
Deferred charges and other	9,486	649		
Total Other Assets	99,898	6,029		
TOTAL ASSETS	2,561,243	334,801		

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

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NISOURCE INC. AND SUBSIDIARIES
COLUMBIA ENERGY GROUP AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	TCO	CGT	CICL
CAPITALIZATION AND LIABILITIES			
CAPITALIZATION			
Common Stock Equity	1,088,297	124,214	*
Preferred Stocks--			
Subsidiary Companies	--	--	
Series without mandatory redemption provisions	--	--	
Series with mandatory redemption provisions	--	--	
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures	--	--	
Long-term debt, excluding amounts due within one year	385,925	77,468	
Total Capitalization	1,474,222	201,682	
CURRENT LIABILITIES			
Current redeemable preferred stock subject to mandatory redemption	--	--	
Current portion of long-term debt	128,515	--	
Short-term borrowings	--	--	
Accounts payable	67,758	28,553	
Dividends declared on common and preferred stocks	--	--	
Customer deposits	--	--	
Taxes accrued	113,056	11,159	
Interest accrued	(132)	61	
Overrecovered gas and fuel costs	--	--	
Price risk management liabilities	--	--	
Exchange gas payable	154,822	14,375	
Current deferred revenue	--	--	
Other accruals	164,620	41,447	
Total Current Liabilities	628,639	95,595	
OTHER LIABILITIES AND DEFERRED CREDITS			
Price risk management liabilities	--	--	
Deferred income taxes	317,525	31,526	
Deferred investment tax credits	764	225	
Deferred credits	108,205	1,848	
Noncurrent deferred revenue	--	--	
Accrued liability for postretirement benefits	19,716	3,925	
Other noncurrent liabilities	12,172	--	

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Total Other Liabilities and Deferred Credits	458,382	37,524
COMMITMENTS AND CONTINGENCIES	--	--
TOTAL CAPITALIZATION AND LIABILITIES	2,561,243	334,801

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued) F-1B (9 of 10)

NISOURCE INC. AND SUBSIDIARIES
 COLUMBIA ENERGY GROUP AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	CRC	CSP	CTC
ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Utility plant	*	*	*
Accumulated depreciation and amortization			
Net utility plant			
Gas and oil producing properties, full cost method			
United States cost center			
Canadian cost center			
Accumulated depletion			
Net gas and oil producing properties			
Other property, at cost, less accumulated depreciation			
Net Property, Plant, and Equipment			
INVESTMENTS AND OTHER ASSETS			
Equity in undistributed earnings of subsidiaries			
Net assets of discontinued operations			
Unconsolidated affiliates			
Assets held for sale			
Other investments			
Total Investments and Other Assets			
CURRENT ASSETS			
Cash and cash equivalents			
Accounts receivable (less reserve)			

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Other receivables
Gas inventory
Underrecovered gas and fuel costs
Materials and supplies, at average cost
Electric production fuel, at average cost
Price risk management assets
Exchange gas receivable
Prepayments and other

Total Current Assets

OTHER ASSETS

Price risk management assets
Regulatory assets
Intangible assets, less accumulated amortization
Deferred charges and other

Total Other Assets

TOTAL ASSETS
=====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1B (10 of 10)

NISOURCE INC. AND SUBSIDIARIES
COLUMBIA ENERGY GROUP AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)

CRC

CAPITALIZATION AND LIABILITIES

CAPITALIZATION

Common Stock Equity

*

Preferred Stocks--

Subsidiary Companies

Series without mandatory redemption provisions

Series with mandatory redemption provisions

Company-obligated mandatorily redeemable preferred

securities of subsidiary trust holding solely Company

debentures

Long-term debt, excluding amounts due within one year

Total Capitalization

CURRENT LIABILITIES

Current redeemable preferred stock subject to
mandatory redemption

Current portion of long-term debt

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Short-term borrowings
 Accounts payable
 Dividends declared on common and preferred stocks
 Customer deposits
 Taxes accrued
 Interest accrued
 Overrecovered gas and fuel costs
 Price risk management liabilities
 Exchange gas payable
 Current deferred revenue
 Other accruals

 Total Current Liabilities

OTHER LIABILITIES AND DEFERRED CREDITS

Price risk management liabilities
 Deferred income taxes
 Deferred investment tax credits
 Deferred credits
 Noncurrent deferred revenue
 Accrued liability for postretirement benefits
 Other noncurrent liabilities

 Total Other Liabilities and Deferred Credits

COMMITMENTS AND CONTINGENCIES

 TOTAL CAPITALIZATION AND LIABILITIES
 =====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1C (1 of 2)

NISOURCE INC. AND SUBSIDIARIES
 COLUMBIA ENERGY GROUP CAPITAL CORPORATION AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	CCC	TGT	Combined

ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Utility plant	*	*	*
Accumulated depreciation and amortization			

Net utility plant			

Gas and oil producing properties, full cost method			
United States cost center			
Canadian cost center			
Accumulated depletion			

Net gas and oil producing properties			

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Other property, at cost, less accumulated depreciation

Net Property, Plant, and Equipment

INVESTMENTS AND OTHER ASSETS
Equity in undistributed earnings of subsidiaries
Net assets of discontinued operations
Unconsolidated affiliates
Assets held for sale
Other investments

Total Investments and Other Assets

CURRENT ASSETS
Cash and cash equivalents
Accounts receivable (less reserve)
Other receivables
Gas inventory
Underrecovered gas and fuel costs
Materials and supplies, at average cost
Electric production fuel, at average cost
Price risk management assets
Exchange gas receivable
Prepayments and other

Total Current Assets

OTHER ASSETS
Price risk management assets
Regulatory assets
Intangible assets, less accumulated amortization
Deferred charges and other

Total Other Assets

TOTAL ASSETS
=====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1C (2 of 2)

NISOURCE INC. AND SUBSIDIARIES
COLUMBIA ENERGY GROUP CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)

CCC

TGT

Combined

CAPITALIZATION AND LIABILITIES

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CAPITALIZATION

Common Stock Equity * * *
Preferred Stocks--
 Subsidiary Companies
 Series without mandatory redemption provisions
 Series with mandatory redemption provisions
Company-obligated mandatorily redeemable preferred
 securities of subsidiary trust holding solely Company
 debentures
Long-term debt, excluding amounts due within one year

Total Capitalization

CURRENT LIABILITIES

Current redeemable preferred stock subject to
 mandatory redemption
Current portion of long-term debt
Short-term borrowings
Accounts payable
Dividends declared on common and preferred stocks
Customer deposits
Taxes accrued
Interest accrued
Overrecovered gas and fuel costs
Price risk management liabilities
Exchange gas payable
Current deferred revenue
Other accruals

Total Current Liabilities

OTHER LIABILITIES AND DEFERRED CREDITS

Price risk management liabilities
Deferred income taxes
Deferred investment tax credits
Deferred credits
Noncurrent deferred revenue
Accrued liability for postretirement benefits
Other noncurrent liabilities

Total Other Liabilities and Deferred Credits

COMMITMENTS AND CONTINGENCIES

TOTAL CAPITALIZATION AND LIABILITIES
=====

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As of December 31, (\$ in thousands)	F-1D Page 3	CER	AD	Co
ASSETS				
PROPERTY, PLANT AND EQUIPMENT				
Utility plant	*	*	*	
Accumulated depreciation and amortization				
<hr/>				
Net utility plant				
<hr/>				
Gas and oil producing properties, full cost method				
United States cost center				
Canadian cost center				
Accumulated depletion				
<hr/>				
Net gas and oil producing properties				
<hr/>				
Other property, at cost, less accumulated depreciation				
<hr/>				
Net Property, Plant, and Equipment				
<hr/>				
INVESTMENTS AND OTHER ASSETS				
Equity in undistributed earnings of subsidiaries				
Net assets of discontinued operations				
Unconsolidated affiliates				
Assets held for sale				
Other investments				
<hr/>				
Total Investments and Other Assets				
<hr/>				
CURRENT ASSETS				
Cash and cash equivalents				
Accounts receivable (less reserve)				
Other receivables				
Gas inventory				
Underrecovered gas and fuel costs				
Materials and supplies, at average cost				
Electric production fuel, at average cost				
Price risk management assets				
Exchange gas receivable				
Prepayments and other				
<hr/>				
Total Current Assets				
<hr/>				
OTHER ASSETS				
Price risk management assets				
Regulatory assets				
Intangible assets, less accumulated amortization				
Deferred charges and other				
<hr/>				
Total Other Assets				
<hr/>				
TOTAL ASSETS				
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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1D (2 of 4)

NISOURCE INC. AND SUBSIDIARIES
 COLUMBIA ENERGY RESOURCES INC. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	F-1D Page 4	CER	AD	Combined
<hr/>				
CAPITALIZATION AND LIABILITIES				
CAPITALIZATION				
Common Stock Equity	*	*	*	*
Preferred Stocks--				
Subsidiary Companies				
Series without mandatory redemption provisions				
Series with mandatory redemption provisions				
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures				
Long-term debt, excluding amounts due within one year				
<hr/>				
Total Capitalization				
<hr/>				
CURRENT LIABILITIES				
Current redeemable preferred stock subject to mandatory redemption				
Current portion of long-term debt				
Short-term borrowings				
Accounts payable				
Dividends declared on common and preferred stocks				
Customer deposits				
Taxes accrued				
Interest accrued				
Overrecovered gas and fuel costs				
Price risk management liabilities				
Exchange gas payable				
Current deferred revenue				
Other accruals				
<hr/>				
Total Current Liabilities				
<hr/>				
OTHER LIABILITIES AND DEFERRED CREDITS				
Price risk management liabilities				
Deferred income taxes				
Deferred investment tax credits				
Deferred credits				
Noncurrent deferred revenue				
Accrued liability for postretirement benefits				
Other noncurrent liabilities				
<hr/>				
Total Other Liabilities and Deferred Credits				

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 COMMITMENTS AND CONTINGENCIES

TOTAL CAPITALIZATION AND LIABILITIES
 =====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1D (3 of 4)

NISOURCE INC. AND SUBSIDIARIES
 COLUMBIA ENERGY RESOURCES INC. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	CNR	CNRCL	HH
=====			
ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Utility plant	*	*	*
Accumulated depreciation and amortization			

Net utility plant			

Gas and oil producing properties, full cost method			
United States cost center			
Canadian cost center			
Accumulated depletion			

Net gas and oil producing properties			

Other property, at cost, less accumulated depreciation			

Net Property, Plant, and Equipment			

INVESTMENTS AND OTHER ASSETS			
Equity in undistributed earnings of subsidiaries			
Net assets of discontinued operations			
Unconsolidated affiliates			
Assets held for sale			
Other investments			

Total Investments and Other Assets			

CURRENT ASSETS			
Cash and cash equivalents			
Accounts receivable (less reserve)			
Other receivables			
Gas inventory			
Underrecovered gas and fuel costs			

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Materials and supplies, at average cost
 Electric production fuel, at average cost
 Price risk management assets
 Exchange gas receivable
 Prepayments and other

 Total Current Assets

OTHER ASSETS

Price risk management assets
 Regulatory assets
 Intangible assets, less accumulated amortization
 Deferred charges and other

 Total Other Assets

TOTAL ASSETS
 =====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1D (4 of 4)

NISOURCE INC. AND SUBSIDIARIES
 COLUMBIA ENERGY RESOURCES INC. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands) CNR CNRCL HH

=====

CAPITALIZATION AND LIABILITIES

CAPITALIZATION

Common Stock Equity	*	*	*
Preferred Stocks--			
Subsidiary Companies			
Series without mandatory redemption provisions			
Series with mandatory redemption provisions			
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures			
Long-term debt, excluding amounts due within one year			

 Total Capitalization

CURRENT LIABILITIES

Current redeemable preferred stock subject to mandatory redemption
 Current portion of long-term debt
 Short-term borrowings
 Accounts payable
 Dividends declared on common and preferred stocks

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Customer deposits
 Taxes accrued
 Interest accrued
 Overrecovered gas and fuel costs
 Price risk management liabilities
 Exchange gas payable
 Current deferred revenue
 Other accruals

 Total Current Liabilities

OTHER LIABILITIES AND DEFERRED CREDITS

Price risk management liabilities
 Deferred income taxes
 Deferred investment tax credits
 Deferred credits
 Noncurrent deferred revenue
 Accrued liability for postretirement benefits
 Other noncurrent liabilities

 Total Other Liabilities and Deferred Credits

COMMITMENTS AND CONTINGENCIES

TOTAL CAPITALIZATION AND LIABILITIES
 =====

*CONFIDENTIAL TREATMENT REQUESTED

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1E (1 of 2)

NISOURCE INC. AND SUBSIDIARIES
 COLUMBIA FINANCE CORPORATION AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	CFC	CAR	Combined
=====			
ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Utility plant	*	*	*
Accumulated depreciation and amortization			

Net utility plant			

Gas and oil producing properties, full cost method			
United States cost center			
Canadian cost center			
Accumulated depletion			

Net gas and oil producing properties			

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Other property, at cost, less accumulated depreciation

Net Property, Plant, and Equipment

INVESTMENTS AND OTHER ASSETS

Equity in undistributed earnings of subsidiaries
Net assets of discontinued operations
Unconsolidated affiliates
Assets held for sale
Other investments

Total Investments and Other Assets

CURRENT ASSETS

Cash and cash equivalents
Accounts receivable (less reserve)
Other receivables
Gas inventory
Underrecovered gas and fuel costs
Materials and supplies, at average cost
Electric production fuel, at average cost
Price risk management assets
Exchange gas receivable
Prepayments and other

Total Current Assets

OTHER ASSETS

Price risk management assets
Regulatory assets
Intangible assets, less accumulated amortization
Deferred charges and other

Total Other Assets

TOTAL ASSETS
=====

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NISOURCE INC. AND SUBSIDIARIES
COLUMBIA FINANCE CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)

CFC

CAR

Combined
=====

CAPITALIZATION AND LIABILITIES

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CAPITALIZATION

Common Stock Equity * * *

Preferred Stocks--

- Subsidiary Companies
- Series without mandatory redemption provisions
- Series with mandatory redemption provisions

Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures

Long-term debt, excluding amounts due within one year

Total Capitalization

CURRENT LIABILITIES

- Current redeemable preferred stock subject to mandatory redemption
- Current portion of long-term debt
- Short-term borrowings
- Accounts payable
- Dividends declared on common and preferred stocks
- Customer deposits
- Taxes accrued
- Interest accrued
- Overrecovered gas and fuel costs
- Price risk management liabilities
- Exchange gas payable
- Current deferred revenue
- Other accruals

Total Current Liabilities

OTHER LIABILITIES AND DEFERRED CREDITS

- Price risk management liabilities
- Deferred income taxes
- Deferred investment tax credits
- Deferred credits
- Noncurrent deferred revenue
- Accrued liability for postretirement benefits
- Other noncurrent liabilities

Total Other Liabilities and Deferred Credits

COMMITMENTS AND CONTINGENCIES

TOTAL CAPITALIZATION AND LIABILITIES
=====

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As of December 31, (\$ in thousands)	CNS	CMC	Combined
ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Utility plant	*	*	*
Accumulated depreciation and amortization			

Net utility plant			

Gas and oil producing properties, full cost method			
United States cost center			
Canadian cost center			
Accumulated depletion			

Net gas and oil producing properties			

Other property, at cost, less accumulated depreciation			

Net Property, Plant, and Equipment			

INVESTMENTS AND OTHER ASSETS			
Equity in undistributed earnings of subsidiaries			
Net assets of discontinued operations			
Unconsolidated affiliates			
Assets held for sale			
Other investments			

Total Investments and Other Assets			

CURRENT ASSETS			
Cash and cash equivalents			
Accounts receivable (less reserve)			
Other receivables			
Gas inventory			
Underrecovered gas and fuel costs			
Materials and supplies, at average cost			
Electric production fuel, at average cost			
Price risk management assets			
Exchange gas receivable			
Prepayments and other			

Total Current Assets			

OTHER ASSETS			
Price risk management assets			
Regulatory assets			
Intangible assets, less accumulated amortization			
Deferred charges and other			

Total Other Assets			

TOTAL ASSETS			
=====			

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1F (2 of 2)

NISOURCE INC. AND SUBSIDIARIES
 COLUMBIA NETWORK SERVICES CORPORATION AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	CNS	CMC	Combined
<hr/>			
CAPITALIZATION AND LIABILITIES			
CAPITALIZATION			
Common Stock Equity	*	*	*
Preferred Stocks--			
Subsidiary Companies			
Series without mandatory redemption provisions			
Series with mandatory redemption provisions			
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures			
Long-term debt, excluding amounts due within one year			
<hr/>			
Total Capitalization			
<hr/>			
CURRENT LIABILITIES			
Current redeemable preferred stock subject to mandatory redemption			
Current portion of long-term debt			
Short-term borrowings			
Accounts payable			
Dividends declared on common and preferred stocks			
Customer deposits			
Taxes accrued			
Interest accrued			
Overrecovered gas and fuel costs			
Price risk management liabilities			
Exchange gas payable			
Current deferred revenue			
Other accruals			
<hr/>			
Total Current Liabilities			
<hr/>			
OTHER LIABILITIES AND DEFERRED CREDITS			
Price risk management liabilities			
Deferred income taxes			
Deferred investment tax credits			
Deferred credits			
Noncurrent deferred revenue			
Accrued liability for postretirement benefits			
Other noncurrent liabilities			
<hr/>			
Total Other Liabilities and Deferred Credits			
<hr/>			

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COMMITMENTS AND CONTINGENCIES

TOTAL CAPITALIZATION AND LIABILITIES

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1G (1 of 2)

NISOURCE INC. AND SUBSIDIARIES
 COLUMBIA PIPELINE CORPORATION AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	CPL	CDW	Combined
ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Utility plant	*	*	*
Accumulated depreciation and amortization			
Net utility plant			
Gas and oil producing properties, full cost method			
United States cost center			
Canadian cost center			
Accumulated depletion			
Net gas and oil producing properties			
Other property, at cost, less accumulated depreciation			
Net Property, Plant, and Equipment			
INVESTMENTS AND OTHER ASSETS			
Equity in undistributed earnings of subsidiaries			
Net assets of discontinued operations			
Unconsolidated affiliates			
Assets held for sale			
Other investments			
Total Investments and Other Assets			
CURRENT ASSETS			
Cash and cash equivalents			
Accounts receivable (less reserve)			
Other receivables			
Gas inventory			
Underrecovered gas and fuel costs			
Materials and supplies, at average cost			
Electric production fuel, at average cost			

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Price risk management assets
 Exchange gas receivable
 Prepayments and other

 Total Current Assets

OTHER ASSETS

Price risk management assets
 Regulatory assets
 Intangible assets, less accumulated amortization
 Deferred charges and other

 Total Other Assets

TOTAL ASSETS
 =====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1G (2 of 2)

NISOURCE INC. AND SUBSIDIARIES
 COLUMBIA PIPELINE CORPORATION AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands) CPL CDW Combined
 =====

CAPITALIZATION AND LIABILITIES

CAPITALIZATION

Common Stock Equity	*	*	*
Preferred Stocks--			
Subsidiary Companies			
Series without mandatory redemption provisions			
Series with mandatory redemption provisions			
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures			
Long-term debt, excluding amounts due within one year			

 Total Capitalization

CURRENT LIABILITIES

Current redeemable preferred stock subject to mandatory redemption
 Current portion of long-term debt
 Short-term borrowings
 Accounts payable
 Dividends declared on common and preferred stocks
 Customer deposits
 Taxes accrued

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Interest accrued
 Overrecovered gas and fuel costs
 Price risk management liabilities
 Exchange gas payable
 Current deferred revenue
 Other accruals

 Total Current Liabilities

OTHER LIABILITIES AND DEFERRED CREDITS
 Price risk management liabilities
 Deferred income taxes
 Deferred investment tax credits
 Deferred credits
 Noncurrent deferred revenue
 Accrued liability for postretirement benefits
 Other noncurrent liabilities

 Total Other Liabilities and Deferred Credits

COMMITMENTS AND CONTINGENCIES

TOTAL CAPITALIZATION AND LIABILITIES
 =====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued) F-1H (1 of 2)

NISOURCE INC. AND SUBSIDIARIES
 COLUMBIA SERVICE PARTNERS, INC. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	CSP	CAA	Combined
=====			
ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Utility plant	*	*	*
Accumulated depreciation and amortization			

Net utility plant			

Gas and oil producing properties, full cost method			
United States cost center			
Canadian cost center			
Accumulated depletion			

Net gas and oil producing properties			

Other property, at cost, less accumulated depreciation			

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 Net Property, Plant, and Equipment

INVESTMENTS AND OTHER ASSETS

Equity in undistributed earnings of subsidiaries
 Net assets of discontinued operations
 Unconsolidated affiliates
 Assets held for sale
 Other investments

 Total Investments and Other Assets

CURRENT ASSETS

Cash and cash equivalents
 Accounts receivable (less reserve)
 Other receivables
 Gas inventory
 Underrecovered gas and fuel costs
 Materials and supplies, at average cost
 Electric production fuel, at average cost
 Price risk management assets
 Exchange gas receivable
 Prepayments and other

 Total Current Assets

OTHER ASSETS

Price risk management assets
 Regulatory assets
 Intangible assets, less accumulated amortization
 Deferred charges and other

 Total Other Assets

TOTAL ASSETS
 =====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1H (2 of 2)

NISOURCE INC. AND SUBSIDIARIES
 COLUMBIA SERVICE PARTNERS, INC. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)

CSP

CAA

Combined

 CAPITALIZATION AND LIABILITIES

CAPITALIZATION

Common Stock Equity

*

*

*

Preferred Stocks--

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Subsidiary Companies
Series without mandatory redemption provisions
Series with mandatory redemption provisions
Company-obligated mandatorily redeemable preferred
securities of subsidiary trust holding solely Company
debentures
Long-term debt, excluding amounts due within one year

Total Capitalization

CURRENT LIABILITIES

Current redeemable preferred stock subject to
mandatory redemption
Current portion of long-term debt
Short-term borrowings
Accounts payable
Dividends declared on common and preferred stocks
Customer deposits
Taxes accrued
Interest accrued
Overrecovered gas and fuel costs
Price risk management liabilities
Exchange gas payable
Current deferred revenue
Other accruals

Total Current Liabilities

OTHER LIABILITIES AND DEFERRED CREDITS

Price risk management liabilities
Deferred income taxes
Deferred investment tax credits
Deferred credits
Noncurrent deferred revenue
Accrued liability for postretirement benefits
Other noncurrent liabilities

Total Other Liabilities and Deferred Credits

COMMITMENTS AND CONTINGENCIES

TOTAL CAPITALIZATION AND LIABILITIES
=====

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As of December 31, (\$ in thousands)	F-1I Page 3	F-1I Page 5	EUUI	Com
ASSETS				
PROPERTY, PLANT AND EQUIPMENT				
Utility plant	*	*	*	
Accumulated depreciation and amortization				
<hr/>				
Net utility plant				
<hr/>				
Gas and oil producing properties, full cost method				
United States cost center				
Canadian cost center				
Accumulated depletion				
<hr/>				
Net gas and oil producing properties				
<hr/>				
Other property, at cost, less accumulated depreciation				
<hr/>				
Net Property, Plant, and Equipment				
<hr/>				
INVESTMENTS AND OTHER ASSETS				
Equity in undistributed earnings of subsidiaries				
Net assets of discontinued operations				
Unconsolidated affiliates				
Assets held for sale				
Other investments				
<hr/>				
Total Investments and Other Assets				
<hr/>				
CURRENT ASSETS				
Cash and cash equivalents				
Accounts receivable (less reserve)				
Other receivables				
Gas inventory				
Underrecovered gas and fuel costs				
Materials and supplies, at average cost				
Electric production fuel, at average cost				
Price risk management assets				
Exchange gas receivable				
Prepayments and other				
<hr/>				
Total Current Assets				
<hr/>				
OTHER ASSETS				
Price risk management assets				
Regulatory assets				
Intangible assets, less accumulated amortization				
Deferred charges and other				
<hr/>				
Total Other Assets				
<hr/>				
TOTAL ASSETS				

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1I (2 of 6)

NISOURCE INC. AND SUBSIDIARIES
 ENERGY USA, INC. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	F-1I Page 4	F-1I Page 6	EUII	Com
CAPITALIZATION AND LIABILITIES				
CAPITALIZATION				
Common Stock Equity	*	*	*	
Preferred Stocks--				
Subsidiary Companies				
Series without mandatory redemption provisions				
Series with mandatory redemption provisions				
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures				
Long-term debt, excluding amounts due within one year				
Total Capitalization				
CURRENT LIABILITIES				
Current redeemable preferred stock subject to mandatory redemption				
Current portion of long-term debt				
Short-term borrowings				
Accounts payable				
Dividends declared on common and preferred stocks				
Customer deposits				
Taxes accrued				
Interest accrued				
Overrecovered gas and fuel costs				
Price risk management liabilities				
Exchange gas payable				
Current deferred revenue				
Other accruals				
Total Current Liabilities				
OTHER LIABILITIES AND DEFERRED CREDITS				
Price risk management liabilities				
Deferred income taxes				
Deferred investment tax credits				
Deferred credits				
Noncurrent deferred revenue				
Accrued liability for postretirement benefits				
Other noncurrent liabilities				
Total Other Liabilities and Deferred Credits				
COMMITMENTS AND CONTINGENCIES				
TOTAL CAPITALIZATION AND LIABILITIES				

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1I (3 of 6)

NISOURCE INC. AND SUBSIDIARIES
ENERGY USA INC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	EUIM	TPC	NEML
ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Utility plant	*	*	*
Accumulated depreciation and amortization			
<hr/>			
Net utility plant			
<hr/>			
Gas and oil producing properties, full cost method			
United States cost center			
Canadian cost center			
Accumulated depletion			
<hr/>			
Net gas and oil producing properties			
<hr/>			
Other property, at cost, less accumulated depreciation			
<hr/>			
Net Property, Plant, and Equipment			
<hr/>			
INVESTMENTS AND OTHER ASSETS			
Equity in undistributed earnings of subsidiaries			
Net assets of discontinued operations			
Unconsolidated affiliates			
Assets held for sale			
Other investments			
<hr/>			
Total Investments and Other Assets			
<hr/>			
CURRENT ASSETS			
Cash and cash equivalents			
Accounts receivable (less reserve)			
Other receivables			
Gas inventory			
Underrecovered gas and fuel costs			
Materials and supplies, at average cost			
Electric production fuel, at average cost			
Price risk management assets			
Exchange gas receivable			
Prepayments and other			

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 Total Current Assets

OTHER ASSETS

Price risk management assets
 Regulatory assets
 Intangible assets, less accumulated amortization
 Deferred charges and other

 Total Other Assets

TOTAL ASSETS
 =====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1I (4 of 6)

NISOURCE INC. AND SUBSIDIARIES
 ENERGY USA INC AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)

EUIM

TPC

NEML
 =====

CAPITALIZATION AND LIABILITIES

CAPITALIZATION

Common Stock Equity	*	*	*
Preferred Stocks--			
Subsidiary Companies			
Series without mandatory redemption provisions			
Series with mandatory redemption provisions			
Company-obligated mandatorily redeemable preferred			
securities of subsidiary trust holding solely Company			
debentures			
Long-term debt, excluding amounts due within one year			

 Total Capitalization

CURRENT LIABILITIES

Current redeemable preferred stock subject to
 mandatory redemption
 Current portion of long-term debt
 Short-term borrowings
 Accounts payable
 Dividends declared on common and preferred stocks
 Customer deposits
 Taxes accrued
 Interest accrued
 Overrecovered gas and fuel costs

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Price risk management liabilities
 Exchange gas payable
 Current deferred revenue
 Other accruals

 Total Current Liabilities

OTHER LIABILITIES AND DEFERRED CREDITS

Price risk management liabilities
 Deferred income taxes
 Deferred investment tax credits
 Deferred credits
 Noncurrent deferred revenue
 Accrued liability for postretirement benefits
 Other noncurrent liabilities

 Total Other Liabilities and Deferred Credits

COMMITMENTS AND CONTINGENCIES

TOTAL CAPITALIZATION AND LIABILITIES
 =====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1I (5 of 6)

NISOURCE INC. AND SUBSIDIARIES
 ENERGY USA INC AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	NIFC	NITEX	NGS
=====			
ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Utility plant	*	*	*
Accumulated depreciation and amortization			

Net utility plant			

Gas and oil producing properties, full cost method			
United States cost center			
Canadian cost center			
Accumulated depletion			

Net gas and oil producing properties			

Other property, at cost, less accumulated depreciation			

Net Property, Plant, and Equipment			

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INVESTMENTS AND OTHER ASSETS

Equity in undistributed earnings of subsidiaries
Net assets of discontinued operations
Unconsolidated affiliates
Assets held for sale
Other investments

Total Investments and Other Assets

CURRENT ASSETS

Cash and cash equivalents
Accounts receivable (less reserve)
Other receivables
Gas inventory
Underrecovered gas and fuel costs
Materials and supplies, at average cost
Electric production fuel, at average cost
Price risk management assets
Exchange gas receivable
Prepayments and other

Total Current Assets

OTHER ASSETS

Price risk management assets
Regulatory assets
Intangible assets, less accumulated amortization
Deferred charges and other

Total Other Assets

TOTAL ASSETS
=====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1I (6 of 6)

NISOURCE INC. AND SUBSIDIARIES
ENERGYUSA, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)
=====

NIFC

NITEX

NGS

CAPITALIZATION AND LIABILITIES

CAPITALIZATION

Common Stock Equity

*

*

*

Preferred Stocks--

Subsidiary Companies

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Series without mandatory redemption provisions
Series with mandatory redemption provisions
Company-obligated mandatorily redeemable preferred
securities of subsidiary trust holding solely Company
debentures
Long-term debt, excluding amounts due within one year

Total Capitalization

CURRENT LIABILITIES

Current redeemable preferred stock subject to
mandatory redemption
Current portion of long-term debt
Short-term borrowings
Accounts payable
Dividends declared on common and preferred stocks
Customer deposits
Taxes accrued
Interest accrued
Overrecovered gas and fuel costs
Price risk management liabilities
Exchange gas payable
Current deferred revenue
Other accruals

Total Current Liabilities

OTHER LIABILITIES AND DEFERRED CREDITS

Price risk management liabilities
Deferred income taxes
Deferred investment tax credits
Deferred credits
Noncurrent deferred revenue
Accrued liability for postretirement benefits
Other noncurrent liabilities

Total Other Liabilities and Deferred Credits

COMMITMENTS AND CONTINGENCIES

TOTAL CAPITALIZATION AND LIABILITIES
=====

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As of December 31, (\$ in thousands)

EUIM

ESPE

EUIC

Co

ASSETS

PROPERTY, PLANT AND EQUIPMENT

Utility plant

*

*

*

Accumulated depreciation and amortization

Net utility plant

Gas and oil producing properties, full cost method

United States cost center

Canadian cost center

Accumulated depletion

Net gas and oil producing properties

Other property, at cost, less accumulated depreciation

Net Property, Plant, and Equipment

INVESTMENTS AND OTHER ASSETS

Equity in undistributed earnings of subsidiaries

Net assets of discontinued operations

Unconsolidated affiliates

Assets held for sale

Other investments

Total Investments and Other Assets

CURRENT ASSETS

Cash and cash equivalents

Accounts receivable (less reserve)

Other receivables

Gas inventory

Underrecovered gas and fuel costs

Materials and supplies, at average cost

Electric production fuel, at average cost

Price risk management assets

Exchange gas receivable

Prepayments and other

Total Current Assets

OTHER ASSETS

Price risk management assets

Regulatory assets

Intangible assets, less accumulated amortization

Deferred charges and other

Total Other Assets

TOTAL ASSETS

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1J (2 of 2)

NISOURCE INC. AND SUBSIDIARIES
 ENERGYUSA, INC. (MA) AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	EUIM	ESPE	EUIC	Com
CAPITALIZATION AND LIABILITIES				
CAPITALIZATION				
Common Stock Equity	*	*	*	
Preferred Stocks--				
Subsidiary Companies				
Series without mandatory redemption provisions				
Series with mandatory redemption provisions				
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures				
Long-term debt, excluding amounts due within one year				

Total Capitalization				
CURRENT LIABILITIES				
Current redeemable preferred stock subject to mandatory redemption				
Current portion of long-term debt				
Short-term borrowings				
Accounts payable				
Dividends declared on common and preferred stocks				
Customer deposits				
Taxes accrued				
Interest accrued				
Overrecovered gas and fuel costs				
Price risk management liabilities				
Exchange gas payable				
Current deferred revenue				
Other accruals				

Total Current Liabilities				
OTHER LIABILITIES AND DEFERRED CREDITS				
Price risk management liabilities				
Deferred income taxes				
Deferred investment tax credits				
Deferred credits				
Noncurrent deferred revenue				
Accrued liability for postretirement benefits				
Other noncurrent liabilities				

Total Other Liabilities and Deferred Credits				
COMMITMENTS AND CONTINGENCIES				

TOTAL CAPITALIZATION AND LIABILITIES				
=====				

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1K (1 of 4)

NISOURCE INC. AND SUBSIDIARIES
 ENERGY USA (CONNECTICUT) INC. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	F-1K Page 3	EUIC	BES	Comb
ASSETS				
PROPERTY, PLANT AND EQUIPMENT				
Utility plant	*	*	*	
Accumulated depreciation and amortization				
<hr/>				
Net utility plant				
<hr/>				
Gas and oil producing properties, full cost method				
United States cost center				
Canadian cost center				
Accumulated depletion				
<hr/>				
Net gas and oil producing properties				
<hr/>				
Other property, at cost, less accumulated depreciation				
<hr/>				
Net Property, Plant, and Equipment				
<hr/>				
INVESTMENTS AND OTHER ASSETS				
Equity in undistributed earnings of subsidiaries				
Net assets of discontinued operations				
Unconsolidated affiliates				
Assets held for sale				
Other investments				
<hr/>				
Total Investments and Other Assets				
<hr/>				
CURRENT ASSETS				
Cash and cash equivalents				
Accounts receivable (less reserve)				
Other receivables				
Gas inventory				
Underrecovered gas and fuel costs				
Materials and supplies, at average cost				
Electric production fuel, at average cost				
Price risk management assets				
Exchange gas receivable				
Prepayments and other				

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Total Current Assets

OTHER ASSETS

Price risk management assets
Regulatory assets
Intangible assets, less accumulated amortization
Deferred charges and other

Total Other Assets

TOTAL ASSETS
=====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1K (2 of 4)

NISOURCE INC. AND SUBSIDIARIES
ENERGY USA (CONNECTICUT) INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	F-1K Page 4	EUIC	BES	Comb
=====				
CAPITALIZATION AND LIABILITIES				
CAPITALIZATION				
Common Stock Equity	*	*	*	
Preferred Stocks--				
Subsidiary Companies				
Series without mandatory redemption provisions				
Series with mandatory redemption provisions				
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures				
Long-term debt, excluding amounts due within one year				

Total Capitalization				

CURRENT LIABILITIES				
Current redeemable preferred stock subject to mandatory redemption				
Current portion of long-term debt				
Short-term borrowings				
Accounts payable				
Dividends declared on common and preferred stocks				
Customer deposits				
Taxes accrued				
Interest accrued				
Overrecovered gas and fuel costs				
Price risk management liabilities				
Exchange gas payable				

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Current deferred revenue
Other accruals

Total Current Liabilities

OTHER LIABILITIES AND DEFERRED CREDITS
Price risk management liabilities
Deferred income taxes
Deferred investment tax credits
Deferred credits
Noncurrent deferred revenue
Accrued liability for postretirement benefits
Other noncurrent liabilities

Total Other Liabilities and Deferred Credits

COMMITMENTS AND CONTINGENCIES

TOTAL CAPITALIZATION AND LIABILITIES
=====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued) F-1K (3 of 4)

NISOURCE INC. AND SUBSIDIARIES
ENERGY USA (CONNECTICUT) INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands) EUE

=====

ASSETS	
PROPERTY, PLANT AND EQUIPMENT	
Utility plant	*
Accumulated depreciation and amortization	

Net utility plant	

Gas and oil producing properties, full cost method	
United States cost center	
Canadian cost center	
Accumulated depletion	

Net gas and oil producing properties	

Other property, at cost, less accumulated depreciation	

Net Property, Plant, and Equipment	

INVESTMENTS AND OTHER ASSETS	
Equity in undistributed earnings of subsidiaries	
Net assets of discontinued operations	

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Unconsolidated affiliates
 Assets held for sale
 Other investments

 Total Investments and Other Assets

CURRENT ASSETS

Cash and cash equivalents
 Accounts receivable (less reserve)
 Other receivables
 Gas inventory
 Underrecovered gas and fuel costs
 Materials and supplies, at average cost
 Electric production fuel, at average cost
 Price risk management assets
 Exchange gas receivable
 Prepayments and other

 Total Current Assets

OTHER ASSETS

Price risk management assets
 Regulatory assets
 Intangible assets, less accumulated amortization
 Deferred charges and other

 Total Other Assets

TOTAL ASSETS
 =====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1K (4 of 4)

NISOURCE INC. AND SUBSIDIARIES
 ENERGY USA (CONNECTICUT) INC. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)

EUE

E

 CAPITALIZATION AND LIABILITIES

CAPITALIZATION

Common Stock Equity

*

Preferred Stocks--

Subsidiary Companies

Series without mandatory redemption provisions

Series with mandatory redemption provisions

Company-obligated mandatorily redeemable preferred

securities of subsidiary trust holding solely Company

debentures

Long-term debt, excluding amounts due within one year

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Total Capitalization

CURRENT LIABILITIES

Current redeemable preferred stock subject to
 mandatory redemption
 Current portion of long-term debt
 Short-term borrowings
 Accounts payable
 Dividends declared on common and preferred stocks
 Customer deposits
 Taxes accrued
 Interest accrued
 Overrecovered gas and fuel costs
 Price risk management liabilities
 Exchange gas payable
 Current deferred revenue
 Other accruals

Total Current Liabilities

OTHER LIABILITIES AND DEFERRED CREDITS

Price risk management liabilities
 Deferred income taxes
 Deferred investment tax credits
 Deferred credits
 Noncurrent deferred revenue
 Accrued liability for postretirement benefits
 Other noncurrent liabilities

Total Other Liabilities and Deferred Credits

COMMITMENTS AND CONTINGENCIES

TOTAL CAPITALIZATION AND LIABILITIES

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1L (1 of 2)

NISOURCE INC. AND SUBSIDIARIES
 ENERGY USA-TPC CORP. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)

TPC EUA Combin

ASSETS

PROPERTY, PLANT AND EQUIPMENT

Utility plant
 Accumulated depreciation and amortization

* *

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Net utility plant

Gas and oil producing properties, full cost method
United States cost center
Canadian cost center
Accumulated depletion

Net gas and oil producing properties

Other property, at cost, less accumulated depreciation

Net Property, Plant, and Equipment

INVESTMENTS AND OTHER ASSETS
Equity in undistributed earnings of subsidiaries
Net assets of discontinued operations
Unconsolidated affiliates
Assets held for sale
Other investments

Total Investments and Other Assets

CURRENT ASSETS
Cash and cash equivalents
Accounts receivable (less reserve)
Other receivables
Gas inventory
Underrecovered gas and fuel costs
Materials and supplies, at average cost
Electric production fuel, at average cost
Price risk management assets
Exchange gas receivable
Prepayments and other

Total Current Assets

OTHER ASSETS
Price risk management assets
Regulatory assets
Intangible assets, less accumulated amortization
Deferred charges and other

Total Other Assets

TOTAL ASSETS
=====

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As of December 31, (\$ in thousands)	TPC	EUA	Combin
CAPITALIZATION AND LIABILITIES			
CAPITALIZATION			
Common Stock Equity	*	*	
Preferred Stocks--			
Subsidiary Companies			
Series without mandatory redemption provisions			
Series with mandatory redemption provisions			
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures			
Long-term debt, excluding amounts due within one year			
<hr/>			
Total Capitalization			
<hr/>			
CURRENT LIABILITIES			
Current redeemable preferred stock subject to mandatory redemption			
Current portion of long-term debt			
Short-term borrowings			
Accounts payable			
Dividends declared on common and preferred stocks			
Customer deposits			
Taxes accrued			
Interest accrued			
Overrecovered gas and fuel costs			
Price risk management liabilities			
Exchange gas payable			
Current deferred revenue			
Other accruals			
<hr/>			
Total Current Liabilities			
<hr/>			
OTHER LIABILITIES AND DEFERRED CREDITS			
Price risk management liabilities			
Deferred income taxes			
Deferred investment tax credits			
Deferred credits			
Noncurrent deferred revenue			
Accrued liability for postretirement benefits			
Other noncurrent liabilities			
<hr/>			
Total Other Liabilities and Deferred Credits			
<hr/>			
COMMITMENTS AND CONTINGENCIES			
<hr/>			
TOTAL CAPITALIZATION AND LIABILITIES			
<hr/>			

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KOKOMO GAS AND FUEL COMPANY AND SUBSIDIARIES CONSOLIDATED BALANCE SHEET

(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	KOKO	KGF	Combined
<hr/>			
ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Utility plant	78,308	*	*
Accumulated depreciation and amortization	(36,732)		
<hr/>			
Net utility plant	41,576		
<hr/>			
Gas and oil producing properties, full cost method			
United States cost center	--		
Canadian cost center	--		
Accumulated depletion	--		
<hr/>			
Net gas and oil producing properties	--		
<hr/>			
Other property, at cost, less accumulated depreciation	--		
<hr/>			
Net Property, Plant, and Equipment	41,576		
<hr/>			
INVESTMENTS AND OTHER ASSETS			
Equity in undistributed earnings of subsidiaries	--		
Net assets of discontinued operations	--		
Unconsolidated affiliates	5		
Assets held for sale	--		
Other investments	--		
<hr/>			
Total Investments and Other Assets	5		
<hr/>			
CURRENT ASSETS			
Cash and cash equivalents	1,508		
Accounts receivable (less reserve)	3,853		
Other receivables	--		
Gas inventory	773		
Underrecovered gas and fuel costs	--		
Materials and supplies, at average cost	403		
Electric production fuel, at average cost	--		
Price risk management assets	--		
Exchange gas receivable	--		
Prepayments and other	32		
<hr/>			
Total Current Assets	6,569		
<hr/>			
OTHER ASSETS			
Price risk management assets	--		
Regulatory assets	--		
Intangible assets, less accumulated amortization	--		
Deferred charges and other	68		
<hr/>			
Total Other Assets	68		
<hr/>			
TOTAL ASSETS	48,218		
<hr/>			

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1M (2 of 2)

NISOURCE INC. AND SUBSIDIARIES
KOKOMO GAS AND FUEL COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	KOKO	KGF	Combined
<hr/>			
CAPITALIZATION AND LIABILITIES			
CAPITALIZATION			
Common Stock Equity	34,418	*	*
Preferred Stocks--			
Subsidiary Companies	--		
Series without mandatory redemption provisions	--		
Series with mandatory redemption provisions	--		
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures	--		
Long-term debt, excluding amounts due within one year	--		
<hr/>			
Total Capitalization	34,418		
<hr/>			
CURRENT LIABILITIES			
Current redeemable preferred stock subject to mandatory redemption	--		
Current portion of long-term debt	--		
Short-term borrowings	1,015		
Accounts payable	5,657		
Dividends declared on common and preferred stocks	--		
Customer deposits	493		
Taxes accrued	(134)		
Interest accrued	130		
Overrecovered gas and fuel costs	(2,298)		
Price risk management liabilities	--		
Exchange gas payable	--		
Current deferred revenue	--		
Other accruals	1,295		
<hr/>			
Total Current Liabilities	6,158		
<hr/>			
OTHER LIABILITIES AND DEFERRED CREDITS			
Price risk management liabilities	--		
Deferred income taxes	4,158		
Deferred investment tax credits	501		
Deferred credits	--		
Noncurrent deferred revenue	--		
Accrued liability for postretirement benefits	386		
Other noncurrent liabilities	2,597		
<hr/>			
Total Other Liabilities and Deferred Credits	7,642		

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COMMITMENTS AND CONTINGENCIES	--
TOTAL CAPITALIZATION AND LIABILITIES	48,218

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued) F-1N (1 of 4)

NISOURCE INC. AND SUBSIDIARIES
 NI ENERGY SERVICES, INC. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	F-1N Page 3	NESI	CROSS	Co
ASSETS				
PROPERTY, PLANT AND EQUIPMENT				
Utility plant	*	*	35,232	
Accumulated depreciation and amortization			(6,630)	
Net utility plant			28,602	
Gas and oil producing properties, full cost method				
United States cost center				--
Canadian cost center				--
Accumulated depletion				--
Net gas and oil producing properties				--
Other property, at cost, less accumulated depreciation				(40)
Net Property, Plant, and Equipment			28,562	
INVESTMENTS AND OTHER ASSETS				
Equity in undistributed earnings of subsidiaries				--
Net assets of discontinued operations				--
Unconsolidated affiliates				--
Assets held for sale				--
Other investments				--
Total Investments and Other Assets				--
CURRENT ASSETS				
Cash and cash equivalents				1
Accounts receivable (less reserve)				757
Other receivables				--
Gas inventory				--
Underrecovered gas and fuel costs				--
Materials and supplies, at average cost				--
Electric production fuel, at average cost				--
Price risk management assets				--

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Exchange gas receivable	--
Prepayments and other	1

Total Current Assets	759

OTHER ASSETS	
Price risk management assets	--
Regulatory assets	66
Intangible assets, less accumulated amortization	--
Deferred charges and other	727

Total Other Assets	793

TOTAL ASSETS	30,114
=====	

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1N (2 of 4)

NISOURCE INC. AND SUBSIDIARIES
NI ENERGY SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	F-1N Page 4	NESI	CROSS	Co
=====				
CAPITALIZATION AND LIABILITIES				
CAPITALIZATION				
Common Stock Equity	*	*	(8,696)	
Preferred Stocks--				
Subsidiary Companies			--	
Series without mandatory redemption provisions			--	
Series with mandatory redemption provisions			--	
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures			--	
Long-term debt, excluding amounts due within one year			--	

Total Capitalization			(8,696)	

CURRENT LIABILITIES				
Current redeemable preferred stock subject to mandatory redemption			--	
Current portion of long-term debt			--	
Short-term borrowings			30,393	
Accounts payable			3,975	
Dividends declared on common and preferred stocks			--	
Customer deposits			--	
Taxes accrued			393	
Interest accrued			--	
Overrecovered gas and fuel costs			--	
Price risk management liabilities			--	

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Exchange gas payable	--
Current deferred revenue	--
Other accruals	800
<hr/>	
Total Current Liabilities	35,561
<hr/>	
OTHER LIABILITIES AND DEFERRED CREDITS	
Price risk management liabilities	--
Deferred income taxes	3,210
Deferred investment tax credits	--
Deferred credits	39
Noncurrent deferred revenue	--
Accrued liability for postretirement benefits	--
Other noncurrent liabilities	--
<hr/>	
Total Other Liabilities and Deferred Credits	3,249
<hr/>	
COMMITMENTS AND CONTINGENCIES	--
<hr/>	
TOTAL CAPITALIZATION AND LIABILITIES	30,114
<hr/>	

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued) F-1N (3 of 4)

NISOURCE INC. AND SUBSIDIARIES
 NI ENERGY SERVICES, INC. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	GREEN	NPM	NESCL	F-1
<hr/>				
ASSETS				
PROPERTY, PLANT AND EQUIPMENT				
Utility plant	*	*	*	
Accumulated depreciation and amortization				
<hr/>				
Net utility plant				
<hr/>				
Gas and oil producing properties, full cost method				
United States cost center				
Canadian cost center				
Accumulated depletion				
<hr/>				
Net gas and oil producing properties				
<hr/>				
Other property, at cost, less accumulated depreciation				
<hr/>				
Net Property, Plant, and Equipment				
<hr/>				
INVESTMENTS AND OTHER ASSETS				
Equity in undistributed earnings of subsidiaries				

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Net assets of discontinued operations
 Unconsolidated affiliates
 Assets held for sale
 Other investments

 Total Investments and Other Assets

CURRENT ASSETS

Cash and cash equivalents
 Accounts receivable (less reserve)
 Other receivables
 Gas inventory
 Underrecovered gas and fuel costs
 Materials and supplies, at average cost
 Electric production fuel, at average cost
 Price risk management assets
 Exchange gas receivable
 Prepayments and other

 Total Current Assets

OTHER ASSETS

Price risk management assets
 Regulatory assets
 Intangible assets, less accumulated amortization
 Deferred charges and other

 Total Other Assets

TOTAL ASSETS
 =====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-1N (4 of 4)

NISOURCE INC. AND SUBSIDIARIES
 NI ENERGY SERVICES, INC. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)

GREEN

NPM

NESCL

F-1

CAPITALIZATION AND LIABILITIES

CAPITALIZATION

Common Stock Equity	*	*	*
Preferred Stocks--			
Subsidiary Companies			
Series without mandatory redemption provisions			
Series with mandatory redemption provisions			
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures			

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Long-term debt, excluding amounts due within one year

 Total Capitalization

CURRENT LIABILITIES

Current redeemable preferred stock subject to
 mandatory redemption
 Current portion of long-term debt
 Short-term borrowings
 Accounts payable
 Dividends declared on common and preferred stocks
 Customer deposits
 Taxes accrued
 Interest accrued
 Overrecovered gas and fuel costs
 Price risk management liabilities
 Exchange gas payable
 Current deferred revenue
 Other accruals

 Total Current Liabilities

OTHER LIABILITIES AND DEFERRED CREDITS

Price risk management liabilities
 Deferred income taxes
 Deferred investment tax credits
 Deferred credits
 Noncurrent deferred revenue
 Accrued liability for postretirement benefits
 Other noncurrent liabilities

 Total Other Liabilities and Deferred Credits

COMMITMENTS AND CONTINGENCIES

 TOTAL CAPITALIZATION AND LIABILITIES
 =====

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ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS (continued)

F-10 (1 of 6)

NISOURCE INC. AND SUBSIDIARIES
 NISOURCE DEVELOPMENT COMPANY, INC. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEET
 (Not covered by Report of Independent Public Accountants)

As of December 31, (\$ in thousands)	F-10 Page 3	F-10 Page 5	NDEV	ASL	Com
ASSETS					
PROPERTY, PLANT AND EQUIPMENT					
Utility plant	*	*	*	*	
Accumulated depreciation and amortization					

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Net utility plant

Gas and oil producing properties, full cost method
 United States cost center
 Canadian cost center
Accumulated depletion

Net gas and oil producing properties

Other property, at cost, less accumulated depreciation

Net Property, Plant, and Equipment

INVESTMENTS AND OTHER ASSETS
 Equity in undistributed earnings of subsidiaries
 Net assets of discontinued operations
 Unconsolidated affiliates
 Assets held for sale
 Other investments

Total Investments and Other Assets

CURRENT ASSETS
 Cash and cash equivalents
 Accounts receivable (less reserve)
 Other receivables
 Gas inventory
 Underrecovered gas and fuel costs
 Materials and supplies, at average cost
 Electric production fuel, at average cost
 Price risk management assets
 Exchange gas receivable
 Prepayments and other

Total Current Assets

OTHER ASSETS
 Price risk management assets
 Regulatory assets
 Intangible assets, less accumulated amortization
 Deferred charges and other

Total Other Assets

TOTAL ASSETS
=====

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As of December 31, (\$ in thousands)	F-10 Page 4	F-10 Page 6	NDEV	ASL	Com
CAPITALIZATION AND LIABILITIES					
CAPITALIZATION					
Common Stock Equity	*	*	*	*	
Preferred Stocks--					
Subsidiary Companies					
Series without mandatory redemption provisions					
Series with mandatory redemption provisions					
Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company debentures					
Long-term debt, excluding amounts due within one year					
<hr/>					
Total Capitalization					
<hr/>					
CURRENT LIABILITIES					
Current redeemable preferred stock subject to mandatory redemption					
Current portion of long-term debt					
Short-term borrowings					
Accounts payable					
Dividends declared on common and preferred stocks					
Customer deposits					
Taxes accrued					
Interest accrued					
Overrecovered gas and fuel costs					
Price risk management liabilities					
Exchange gas payable					
Current deferred revenue					
Other accruals					
<hr/>					
Total Current Liabilities					
<hr/>					
OTHER LIABILITIES AND DEFERRED CREDITS					
Price r					