

NISOURCE INC/DE
Form 35-CERT
May 30, 2001

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May 30, 2001

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

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

FILE NO. 70-9681

Gentlemen:

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

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

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

967,093 shares
3. If common stock has been transferred to a seller of securities of a company being acquired, the number of shares so issued, the value per share and whether the shares are restricted to the acquirer

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

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

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

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None

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

NiSource issued \$174,680,000 of guarantees during the quarter ended 3-31-01.

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

None.

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

None.

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

None.

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

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

Very truly yours,

NiSource Inc.

By: /s/ J. W. Grossman

J. W. Grossman, Vice President
and Controller

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EXHIBIT # 1

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

AMOUNT ISSUED DURING

AMOUNT

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| COMPANY | FIRST QUARTER OF 2001 | OUTSTANDING MARCH 31, 2001 | TYPE OF DEBT OR SECURITY |
|------------------------|--------------------------|-------------------------------|-----------------------------|
| NiSource Finance Corp. | 762,532,000 | 2,202,091,000 | Short-term Debt |

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EXHIBIT # 2

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

| LENDING COMPANY | BORROWING SUBSIDIARY | INTER-COMP OUTSTAN AT MARCH 31 |
|-----------------------|---|--------------------------------------|
| NiSource Inc. | Northern Indiana Public Service Company | 329,539, |
| NiSource Inc. | Kokomo Gas & Fuel Company | 5,249,0 |
| NiSource Inc. | Northern Indiana Fuel and Light | 700,00 |
| NiSource Inc. | Bay State Gas Company | 177,200, |
| Bay State Gas Company | Northern Utilities, Inc. | 26,250, |

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EXHIBIT #3

NiSource Inc.
Interim Report Under Rule 24 of the
Public Utility Holding Company Act of 1935
File No. 70-9681
Item #11

As of March 31, (in thousands) 2001

ASSETS

PROPERTY, PLANT, AND EQUIPMENT:

| | |
|--|---------------|
| Utility plant | \$ 15,910,922 |
| Less - accum. provision for depreciation | (7,423,450) |
| <hr/> | |
| Total Utility Plant - net | 8,487,472 |
| <hr/> | |
| United States cost center | 940,156 |
| Canadian cost center | 19,555 |
| Less - accum. provision for depreciation | (17,910) |
| <hr/> | |
| Net Gas and Oil Producing Properties | 941,801 |
| <hr/> | |
| Other property, at cost, less accum. provision for depletion | 84,550 |
| <hr/> | |

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| | |
|---|---------------|
| Total Property, Plant and Equipment | 9,513,823 |
| ----- | |
| INVESTMENTS: | |
| Investments at equity | 44,834 |
| Investments at cost | 65,027 |
| Other investments | 33,481 |
| Other accounts receivable, non-current | 20,397 |
| Net assets of discontinued operations | 521,971 |
| Assets held for sale | 32,041 |
| ----- | |
| Total Investments | 717,751 |
| ----- | |
| CURRENT ASSETS: | |
| Cash and cash equivalents | 111,802 |
| Special funds | 1,232 |
| Notes receivable | 3,081 |
| Accounts receivable - less reserve | 1,803,944 |
| Other receivables | 33,659 |
| Gas adjustment clause | 179,998 |
| Material and supplies at average cost | 71,686 |
| Electric production fuel, at average cost | 27,083 |
| Natural gas in storage - weighted average | 113,395 |
| Price risk management asset | 302,867 |
| Exchange gas receivable | 650,804 |
| Prepayments and other | 348,676 |
| ----- | |
| Total Current Assets | 3,648,227 |
| ----- | |
| OTHER ASSETS: | |
| Regulatory assets | 554,868 |
| Intangible assets | 3,620,658 |
| Deferred charges and other | 439,936 |
| ----- | |
| Total Other Assets | 4,615,462 |
| ----- | |
| TOTAL ASSETS | \$ 18,495,263 |
| ----- | |

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CAPITALIZATION AND LIABILITIES
CAPITALIZATION:

| | |
|--|-----------|
| Common shares without par value | \$ 2,065 |
| Additional paid-in-capital | 2,592,698 |
| FAS133 Other comprehensive inc. | 28,731 |
| Foreign currency translation adjustment | (3,513) |
| Retained earnings | 829,618 |
| Retained earnings - current year | 188,825 |
| Dividends: Common shares | (119,730) |
| PREFERRED STOCKS: | |
| Series without mandatory redemption provisions | 83,631 |
| Series with mandatory redemption provisions | 49,124 |
| Preferred security of a subsidiary trust | 345,000 |
| Long-term debt excluding amt due within one year | 5,799,340 |
| ----- | |
| Total Capitalization | 9,795,789 |

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| | |
|--|--------------|
| ----- | |
| CURRENT LIABILITIES: | |
| Short-term debt | 2,266,538 |
| Accounts payable | 741,750 |
| Dividends declared on common and preferred stock | 61,358 |
| Customer deposits | 33,837 |
| Taxes accrued | 357,735 |
| Interest accrued | 149,058 |
| Gas cost adjustment clause | 203,635 |
| Accrued employment costs | 40,692 |
| Risk management liability | 244,518 |
| Refunds due customers within one year | 8,988 |
| Regulatory liabilities | 7,903 |
| Exchange gas payable | 389,532 |
| Current deferred revenue | 423,314 |
| Accrued deferred income tax | 29,094 |
| Other accruals | 447,960 |
| ----- | |
| Total current liabilities | 5,405,912 |
| ----- | |
| OTHER: | |
| Risk management liability | 28,156 |
| Deferred income taxes | 1,866,251 |
| Deferred investment tax credits | 112,010 |
| Customer advances | 21,099 |
| Deferred credits | 358,681 |
| Post retirement benefits accrued | 278,203 |
| Regulatory income tax liability | 34,904 |
| Base gas sales non-current | 11,786 |
| Deferred revenue | 526,060 |
| Other non-current liabilities | 56,412 |
| ----- | |
| Total other | 3,293,562 |
| ----- | |
| TOTAL LIABILITIES | \$18,495,263 |
| ===== | |

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EXHIBIT #4

Northern Indiana Public Service Company
Interim Report Under Rule 24 of the
Public Utility Holding Company Act of 1935
File No. 70-9681
Item #11

As of March 31, (in thousands) 2001

| | |
|---|--------------|
| ----- | |
| ASSETS | |
| PROPERTY, PLANT, AND EQUIPMENT: | |
| Utility plant | \$ 6,116,259 |
| Less - accum. provision for depreciation | (3,227,959) |
| ----- | |
| Total Utility Plant - net | 2,888,300 |
| ----- | |
| Other property, at cost, less accum. depreciation | 2,410 |
| ----- | |

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| | |
|--|--------------|
| Total Property, Plant and Equipment | 2,890,710 |
| ----- | |
| INVESTMENTS: | |
| Investments at cost | 996 |
| ----- | |
| Total Investments | 996 |
| ----- | |
| CURRENT ASSETS: | |
| Cash and cash equivalents | 15,726 |
| Special funds | 1,232 |
| Accounts receivable - less reserve | 279,825 |
| Accounts receivable - associated companies | 23,609 |
| Gas adjustment clause | 104,735 |
| Material and supplies at average cost | 45,014 |
| Electric production fuel, at average cost | 27,083 |
| Natural gas in storage - weighted average | 16,201 |
| Price risk management asset | 31,143 |
| Prepayments and other | 37,755 |
| ----- | |
| Total Current Assets | 582,323 |
| ----- | |
| OTHER ASSETS: | |
| Regulatory assets | 178,231 |
| Deferred charges and other | 211,308 |
| ----- | |
| Total Other Assets | 389,539 |
| ----- | |
| TOTAL ASSETS | \$ 3,863,568 |
| ===== | |

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CAPITALIZATION AND LIABILITIES

CAPITALIZATION:

| | |
|---|------------|
| Common shares without par value | \$ 859,488 |
| Additional paid-in-capital | 12,525 |
| FAS133 Other comprehensive income | 330 |
| Retained earnings | 186,360 |
| Retained earnings - current year | 87,763 |
| Dividends: Preferred shares | (1,881) |
| Dividends: Common shares | (109,000) |
| PREFERRED STOCKS: | |
| Series without mandatory redemption provisions | 81,114 |
| Series with mandatory redemption provisions | 49,124 |
| Long-term debt excluding amount due within one year | 901,846 |
| ----- | |
| Total Capitalization | 2,067,669 |
| ----- | |
| CURRENT LIABILITIES: | |
| Notes payable to associated companies | 328,700 |
| Short-term debt | 15,000 |
| Accounts payable | 146,510 |
| Accounts payable - associated companies | 71,786 |
| Sinking funds due in one year | 4,578 |
| Dividends declared on common and preferred stock | 59,862 |
| Customer deposits | 29,497 |
| Taxes accrued | 141,656 |

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| | |
|-------------------------------------|--------------|
| Interest accrued | 14,757 |
| Accrued employment costs | 39,892 |
| Price risk management liability | 34,981 |
| FAS133 Current regulatory liability | 362 |
| Other accruals | 39,404 |
| ----- | |
| Total current liabilities | 926,985 |
| ----- | |
| OTHER: | |
| Deferred income taxes | 554,694 |
| Deferred investment tax credits | 76,708 |
| Deferred credits | 52,720 |
| Post retirement benefits accrued | 151,170 |
| Other non-current liabilities | 33,622 |
| ----- | |
| Total other | 868,914 |
| ----- | |
| TOTAL LIABILITIES | \$ 3,863,568 |
| ===== | |

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EXHIBIT #5

Bay State Gas Company
Interim Report Under Rule 24 of the
Public Utility Holding Company Act of 1935
File No. 70-9681
Item #11

| | |
|---|--------------|
| As of March 31, (in thousands) | 2001 |
| ----- | |
| ASSETS | |
| PROPERTY, PLANT, AND EQUIPMENT: | |
| Utility plant | \$ 1,120,960 |
| Less - accum. provision for depreciation | (243,273) |
| ----- | |
| Total Utility Plant - net | 877,687 |
| ----- | |
| Other property, at cost, less accum. depreciation | 209 |
| ----- | |
| Total Property, Plant and Equipment | 877,896 |
| ----- | |
| INVESTMENTS: | |
| Investments at equity | 112,164 |
| Investments at cost | 32 |
| ----- | |
| Total Investments | 112,196 |
| ----- | |
| CURRENT ASSETS: | |
| Cash and cash equivalents | 10,946 |
| Notes receivable | 167 |
| Accounts receivable - less reserve | 109,035 |
| Accounts receivable - associated companies | 1,936 |
| Gas adjustment clause | 44,659 |
| Material and supplies at average cost | 4,538 |
| Natural gas in storage - weighted average | 8,551 |
| Prepayments and other | 3,579 |

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| | |
|----------------------------|--------------|
| Total Current Assets | 183,411 |
| ----- | |
| OTHER ASSETS: | |
| Regulatory assets | 8,203 |
| Intangible assets | 2,651 |
| Deferred charges and other | 39,687 |
| ----- | |
| Total Other Assets | 50,541 |
| ----- | |
| TOTAL ASSETS | \$ 1,224,044 |
| ===== | |

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CAPITALIZATION AND LIABILITIES

CAPITALIZATION:

| | |
|--|------------|
| Additional paid-in-capital | \$ 523,773 |
| Retained earnings | 5,096 |
| Retained earnings - current year | 23,024 |
| Dividends: Common shares | (3,000) |
| Long-term debt excluding amt due within one year | 163,500 |
| ----- | |
| Total Capitalization | 712,393 |

CURRENT LIABILITIES:

| | |
|---|---------|
| Short-term debt | 15,000 |
| Accounts payable | 5,369 |
| Accounts payable - associated companies | 15,642 |
| Customer deposits | 2,713 |
| Taxes accrued | 18,868 |
| Interest accrued | 1,146 |
| Refunds due customers within one year | 4,426 |
| Notes payable to associated companies | 150,468 |
| Other accruals | 46,494 |
| ----- | |
| Total current liabilities | 260,126 |

OTHER:

| | |
|---------------------------------|---------|
| Deferred income taxes | 239,303 |
| Deferred investment tax credits | 3,267 |
| Other non-current liabilities | 8,955 |
| ----- | |
| Total other | 251,525 |

| | |
|-------------------|-------------|
| TOTAL LIABILITIES | \$1,224,044 |
| ===== | |

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EXHIBIT #6

Northern Utilities, Inc.
Interim Report Under Rule 24 of the
Public Utility Holding Company Act of 1935

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File No. 70-9681

Item #11

| | |
|---|------------|
| As of March 31, (in thousands) | 2001 |
| ----- | |
| ASSETS | |
| PROPERTY, PLANT, AND EQUIPMENT: | |
| Utility plant | \$ 247,343 |
| Less - accum. provision for depreciation | (44,930) |
| ----- | |
| Total Utility Plant - net | 202,413 |
| ----- | |
| Other property, at cost, less accum. depreciation | 2,851 |
| ----- | |
| Total Property, Plant and Equipment | 205,264 |
| ----- | |
| INVESTMENTS: | |
| Investments at cost | 2 |
| ----- | |
| Total Investments | 2 |
| ----- | |
| CURRENT ASSETS: | |
| Cash and cash equivalents | 1,441 |
| Notes receivable | 294 |
| Accounts receivable - less reserve | 20,465 |
| Accounts receivable - associated companies | 2,493 |
| Gas adjustment clause | 11,693 |
| Material and supplies at average cost | 1,147 |
| Natural gas in storage - weighted average | 3,440 |
| Prepayments and other | 3,035 |
| ----- | |
| Total Current Assets | 44,008 |
| ----- | |
| OTHER ASSETS: | |
| Regulatory assets | 7,892 |
| Intangible assets | 1,153 |
| Deferred charges and other | 3,471 |
| ----- | |
| Total Other Assets | 12,516 |
| ----- | |
| TOTAL ASSETS | \$ 261,790 |
| ===== | |

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CAPITALIZATION AND LIABILITIES

CAPITALIZATION:

| | |
|--|---------|
| Common shares without par value | \$ 1 |
| Additional paid-in-capital | 109,062 |
| Retained earnings | (562) |
| Retained earnings - current year | 3,510 |
| Long-term debt excluding amt due within one year | 20,500 |
| ----- | |
| Total Capitalization | 132,511 |

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| | |
|---|-----------|
| ----- | |
| CURRENT LIABILITIES: | |
| Short-term debt | 25,833 |
| Accounts payable | 112 |
| Accounts payable - associated companies | 310 |
| Customer deposits | 668 |
| Taxes accrued | 5,249 |
| Interest accrued | 357 |
| Refunds due customers within one year | 835 |
| Notes payable to associated companies | 27,033 |
| Other accruals | 17,148 |
| ----- | |
| Total current liabilities | 77,545 |
| ----- | |
| OTHER: | |
| Deferred income taxes | 47,467 |
| Deferred investment tax credits | 306 |
| Other non-current liabilities | 3,961 |
| ----- | |
| Total other | 51,734 |
| ----- | |
| TOTAL LIABILITIES | \$261,790 |
| ===== | |

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EXHIBIT #7

Kokomo Gas and Fuel Company
Interim Report Under Rule 24 of the
Public Utility Holding Company Act of 1935
File No. 70-9681
Item #11

| | |
|--|-----------|
| As of March 31, (in thousands) | 2001 |
| ----- | |
| ASSETS | |
| PROPERTY, PLANT, AND EQUIPMENT: | |
| Utility plant | \$ 77,212 |
| Less - accum. provision for depreciation | (35,509) |
| ----- | |
| Total Utility Plant - net | 41,703 |
| ----- | |
| Total Property, Plant and Equipment | 41,703 |
| ----- | |
| INVESTMENTS: | |
| Investments at cost | 5 |
| ----- | |
| Total Investments | 5 |
| ----- | |
| CURRENT ASSETS: | |
| Cash and cash equivalents | 806 |
| Accounts receivable - less reserve | 7,928 |
| Accounts receivable - associated companies | 29 |
| Material and supplies at average cost | 511 |
| Natural gas in storage - weighted average | 676 |
| Gas adjustment clause | 4,996 |
| Prepayments and other | 51 |

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| | |
|----------------------------|-----------|
| Total Current Assets | 14,997 |
| ----- | |
| OTHER ASSETS: | |
| Deferred charges and other | 63 |
| ----- | |
| Total Other Assets | 63 |
| ----- | |
| TOTAL ASSETS | \$ 56,768 |
| ===== | |

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CAPITALIZATION AND LIABILITIES

CAPITALIZATION:

| | |
|----------------------------------|-----------|
| Common shares without par value | \$ 46,170 |
| Retained earnings | (10,331) |
| Retained earnings - current year | 753 |
| Dividends: Common shares | (600) |
| ----- | |
| Total Capitalization | 35,992 |

CURRENT LIABILITIES:

| | |
|---|--------|
| Accounts payable | 354 |
| Accounts payable - associated companies | 5,883 |
| Customer deposits | 477 |
| Taxes accrued | 585 |
| Interest accrued | 123 |
| Notes payable to associated companies | 5,287 |
| Other accruals | 1,281 |
| ----- | |
| Total current liabilities | 13,990 |

OTHER:

| | |
|----------------------------------|-------|
| Deferred income taxes | 3,369 |
| Deferred investment tax credits | 528 |
| Customer advances | 10 |
| Post retirement benefits accrued | 317 |
| Regulatory income tax liability | 1,477 |
| Other non-current liabilities | 1,085 |
| ----- | |
| Total other | 6,786 |

| | |
|-------------------|-----------|
| TOTAL LIABILITIES | \$ 56,768 |
| ===== | |

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NORTHERN INDIANA FUEL AND LIGHT COMPANY
Interim Report Under Rule 24 of the
Public Utility Holding Company Act of 1935
File No. 70-9681
Item #11

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| | |
|---|-----------|
| As of March 31, (in thousands) | 2001 |
| ----- | |
| ASSETS | |
| PROPERTY, PLANT, AND EQUIPMENT: | |
| Utility plant | \$ 70,328 |
| Less - accum. provision for depreciation | (23,862) |
| ----- | |
| Total Utility Plant - net | 46,466 |
| ----- | |
| Other property, at cost, less accum. depreciation | 932 |
| ----- | |
| Total Property, Plant and Equipment | 47,398 |
| ----- | |
| CURRENT ASSETS: | |
| Cash and cash equivalents | 351 |
| Accounts receivable - less reserve | 10,348 |
| Accounts receivable - associated companies | 85 |
| Gas adjustment clause | 6,156 |
| Material and supplies at average cost | 421 |
| Natural gas in storage - weighted average | 921 |
| Prepayments and other | 39 |
| ----- | |
| Total Current Assets | 18,321 |
| ----- | |
| OTHER ASSETS: | |
| Regulatory assets | 157 |
| ----- | |
| Total Other Assets | 157 |
| ----- | |
| TOTAL ASSETS | \$ 65,876 |
| ===== | |

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| | |
|---|----------|
| ----- | |
| CAPITALIZATION AND LIABILITIES | |
| CAPITALIZATION: | |
| Common shares without par value | \$30,674 |
| Retained earnings | 12,318 |
| Retained earnings - current year | 1,601 |
| ----- | |
| Total Capitalization | 44,593 |
| ----- | |
| CURRENT LIABILITIES: | |
| Notes payable to associated companies | 700 |
| Accounts payable | 1,533 |
| Accounts payable - associated companies | 3,654 |
| Customer deposits | 152 |
| Taxes accrued | 2,317 |
| Interest accrued | 32 |
| Other accruals | 1,967 |
| ----- | |
| Total current liabilities | 10,355 |
| ----- | |

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| | |
|---------------------------------|----------|
| OTHER: | |
| Deferred income taxes | 4,682 |
| Deferred investment tax credits | 345 |
| Customer advances | 197 |
| Deferred credits | 3,788 |
| Regulatory income tax liability | 1,916 |
| ----- | |
| Total other | 10,928 |
| ----- | |
| TOTAL LIABILITIES | \$65,876 |
| ===== | |