

NISOURCE INC/DE
Form 35-CERT
March 18, 2005

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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. 70-10169

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 December 30, 2003, authorizing the financing transactions and business activities as more fully described in the Joint Application/Declaration, as amended, in those proceedings, the undersigned hereby certifies to the Commission that, during the quarter ended December 31, 2004:

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's benefit plans or otherwise

267,522

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 acquiror

None

4. The amount and terms of any long-term debt, preferred stock, preferred securities, equity-linked securities or short-term debt issued directly or indirectly by NiSource

Please see Exhibit 1

5. The maximum outstanding amount of all borrowings under or investments in the money pool by each money pool participant during the quarter, and the rate or range of rates charged on money pool borrowings and paid on money pool investments

Please see Exhibit 2

6. The number of shares of common stock issued by Columbia to NiSource and the price per share paid

None

7. The principal amount, interest rate and maturity of any long-term debt security issued by Columbia to NiSource Finance or other financing subsidiary of NiSource

None

8. The number of shares of common stock issued by Columbia Maryland to Columbia and the price per share paid
None

9. The principal amount, interest rate and maturity of any long-term debt security issued by Columbia Maryland to Columbia

None

10. The amount and terms of any financings consummated by any non-utility subsidiary that are not exempt under Rule 52

None

11. The name of the guarantor and of the beneficiary of any parent guarantee or non-utility subsidiary guarantee issued, and the amount, terms and purpose of the guarantee

Please see Exhibit 3

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

Between October 27, 2004 and November 1, 2004, NiSource Finance entered into \$900 million of forward starting interest rate swaps, hedging the future interest payments of long-term debt. The \$900 million of forward starting swaps included \$450 million notional value of 12-year forward starting swaps entered into with three counterparties and \$450 million notional value of 15-year forward starting swaps entered into with three additional counterparties.

13. The name, parent company, and amount invested in any new intermediate subsidiary or financing subsidiary

None

14. A list of Form U-6B-2 statements filed with the Commission, including the name of the filing entity and the date of the filing

Columbia Energy Group U-6B-2 filed on behalf of Columbia of Ohio Receivables Corporation on November 15, 2004.

Northern Indiana Public Service Company U-6B-2 filed on behalf of NIPSCO Receivables Corporation on November 15, 2004.

Bay State Gas Company U-6B-2 filed on December 30, 2004.

15. 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 and Columbia, that has engaged in authorized financing transactions during the quarter

Please see the attached Exhibits 4 through 15 for balance sheets for NiSource, Columbia Energy Group, Northern Indiana Public Service Company, Bay State Gas Company, Northern Utilities, Kokomo Gas and Fuel, Northern Indiana Fuel and Light, Columbia Gas of Kentucky, Columbia Gas of Ohio, Columbia Gas of Pennsylvania Columbia Gas of Virginia and Columbia Gas of Maryland.

Very truly yours,

NiSource Inc.

By: /s/ Jeffrey W. Grossman
Jeffrey W. Grossman
Vice President

NiSource Inc.

**Quarterly Report Under Rule 24 of the
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Company	Amount Issued During Fourth Quarter of 2004 (in thousands)	Amount Outstanding		Terms
		December 31, 2004 (in thousands)	Type of Debt or Security	
NiSource Finance Corp.	-	307,605	Short-term Debt	Credit facility advances with a weighted average interest rate of 3.04%
NiSource Finance Corp.	450,000	450,000	Long-term Debt	Five-year floating rate unsecured notes that mature November 23, 2009
NiSource Inc.*	-	5,685,812	Long-term Debt	Various maturity dates and weighted average interest rates
Northern Indiana Public Service Company	-	81,114	Preferred Stock	Series without mandatory redemption provisions

* NiSource Inc. companies include Northern Indiana Public Service Company, Bay State Gas Company, Northern Utilities, Inc., NiSource Capital Markets, Inc., NDC Douglas, Columbia Energy Group, Whiting Leasing Company and NiSource Finance Corp. long-term debt, of which approximately \$4 billion is guaranteed by NiSource Inc.

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Subsidiary (<i>amounts in thousands</i>)	Maximum Amount Outstanding During Fourth Quarter of 2004	Maximum Amount Invested During Fourth Quarter of 2004	Average Interest Rate During Fourth Quarter of 2004
Bay State Gas Company	216,307		2.65%
Columbia Assurance Agency, Inc.	N/A	35	2.65%
Columbia Accounts Receivable Corporation	N/A	10,116	2.65%
Columbia Atlantic Trading Corporation	N/A	1,009	2.65%
Columbia Deep Water Services Company		410	2.65%
Columbia Electric Corporation	N/A	5,314	2.65%
Columbia Energy Services Corporation	65,894		2.65%
Columbia Energy Group	N/A	535,185	2.65%
Columbia Gulf Transmission Company		31,757	2.65%
Columbia Gas of Virginia, Inc.	20,367		2.65%
NiSource Insurance Corporation, Ltd.	N/A	110	2.65%
Columbia Gas of Kentucky, Inc.		9,819	2.65%
Columbia Gas of Maryland, Inc.		6,313	2.65%
CNS Microwave, Inc.	N/A	1,892	2.65%
Columbia Network Services Corporation	N/A	3,128	2.65%
Columbia Gas of Ohio, Inc.	143,457	52,727	2.65%
Columbia of Ohio Receivables Corp		183	2.65%
Columbia Gas of Pennsylvania, Inc.	64,751		2.65%
Columbia Remainder Corporation			2.65%
Crossroads Pipeline	15,083		2.65%
NiSource Corporate Services Company	73,250		2.65%
NiSource Development Company, Inc.	182,644		2.65%
EnergyUSA, Inc.	34,422		2.65%
EnergyUSA, Inc. (MA)		1,690	2.65%
Kokomo Gas and Fuel Company		10,656	2.65%
NiSource Capital Markets, Inc.	N/A	298	2.65%
NI Energy Services, Inc.	48,144		2.65%
NiSource Energy Technologies, Inc.	23,052		2.65%
NiSource Finance Corp.	N/A	974,850	2.65%
NiSource Inc.	N/A	169,128	2.65%
Northern Indiana Fuel and Light Company, Inc.		10,768	2.65%
Northern Indiana Public Service Company	505,083		2.65%

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NIPSCO Receivables Corporation		1,893	2.65%
NiSource Retail Service Corp	1,410		2.65%
Granite State Gas Transmission	12,865		2.65%
Northern Utilities, Inc.	16,439		2.65%
PEI Holdings, Inc.	98,048		2.65%
Columbia Gas Transmission Corporation		120,358	2.65%
EnergyUSA-TPC Corp.	57,176	5,042	2.65%

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Guarantor	Subsidiary	Guarantees Issued During 4th Quarter 2004 (in thousands)	Purpose
NiSource Capital Markets	Bay State Gas Company	1,645,012	Guarantee operating leases
NiSource Inc.	Northern Utilities	5,000,000	Guarantee gas transportation payment obligations

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As of December 31, <i>(in thousands)</i>	2004
ASSETS	
Property, Plant, and Equipment:	
Utility plant	\$ 16,194,071
Accumulated depreciation and amortization	(7,247,654)
Net Utility Plant	8,946,417
Other property, at cost, less accumulated depreciation	438,236
Net Property, Plant and Equipment	9,384,653
Investments:	
Assets of discontinued operations and assets held for sale	23,425
Unconsolidated affiliates	108,140
Other investments	72,406
Total Investments	203,971
Current Assets:	
Cash and cash equivalents	30,123
Restricted cash	56,329
Accounts receivable - less reserve	536,744
Unbilled revenue - less reserve	352,727
Gas inventory	452,932
Underrecovered gas and fuel costs	293,839
Material and supplies, at average cost	70,836
Electric production fuel, at average cost	29,150
Price risk management asset	61,081
Exchange gas receivable	169,546
Regulatory assets	136,186
Prepayments and other	96,145
Total Current Assets	2,285,638
Other Assets:	
Price risk management asset	148,282
Regulatory assets	568,459
Goodwill	3,687,183

Intangible assets	520,275
Deferred charges and other	189,521
Total Other Assets	5,113,720
Total Assets	\$ 16,987,982

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As of December 31, (in thousands)	2004
CAPITALIZATION AND LIABILITIES	
Capitalization:	
Common Stock Equity	\$ 4,787,113
Preferred Stocks -	
Subsidiary Companies	
Series without mandatory redemption provisions	81,114
Long-term debt, excluding amounts due within one year	4,835,859
 Total Capitalization	 9,704,086
Current Liabilities:	
Current portion of long-term debt	1,299,953
Short-term borrowings	307,605
Accounts payable	648,453
Dividends declared on common and preferred stocks	1,108
Customer deposits	87,097
Taxes accrued	160,866
Interest accrued	84,102
Overrecovered gas and fuel costs	15,452
Price risk management liabilities	46,905
Exchange gas payable	325,111
Current deferred revenue	31,485
Regulatory liabilities	30,215
Accrued liability for postretirement and pension benefits	85,478
Other accruals	478,367
 Total current liabilities	 3,602,197
Other:	
Price risk management liabilities	5,472
Deferred income taxes	1,665,884
Deferred investment tax credits	78,369
Deferred credits	57,965
Non-current deferred revenue	87,382
Accrued liability for postretirement and pension benefits	413,004
Preferred stock liabilities with mandatory redemption provisions	635
Regulatory liabilities and other removal costs	1,168,640
Other noncurrent liabilities	204,348

Total other	3,681,699
Total Capitalization and Liabilities	\$ 16,987,982

Exhibit #5

Columbia Energy Group
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As of December 31, (in thousands)	2004
ASSETS	
Property, Plant and Equipment	
Utility Plant	\$ 8,338,458
Accumulated depreciation and amortization	(3,718,666)
Net utility plant	4,619,792
Other property, at cost, less accumulated depreciation	1,999
Net Property, Plant and Equipment	4,621,792
Investments and Other Assets	
Assets of discontinued operations and assets held for sale	23,425
Unconsolidated affiliates	41,659
Other investments	41,664
Total Investments	106,748
Current Assets	
Cash and cash equivalents	454,159
Restricted cash	5,416
Accounts receivable - less reserve	274,865
Unbilled revenue - less reserve	164,362
Gas inventory	285,757
Underrecovered gas and fuel costs	239,355
Materials and supplies, at average cost	17,033
Price risk management assets	45,716
Exchange gas receivable	131,743
Regulatory assets	87,853
Prepayments and other	73,999
Total Current Assets	1,780,258
Other Assets	
Price risk management assets	113,876

Regulatory assets	354,240
Intangible assets	1,404
Deferred charges and other	142,703
Total Other Assets	612,223
Total Assets	\$ 7,121,021

Columbia Energy Group
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As of December 31, (in thousands)	2004
CAPITALIZATION AND LIABILITIES	
Capitalization	
Common Stock Equity	\$ 2,962,805
Long-term debt, excluding amounts due within one year	1,075,924
Total Capitalization	4,038,729
Current Liabilities	
Current portion of long-term debt	281,882
Short-term borrowings	105
Accounts payable	330,115
Customer deposits	25,543
Taxes accrued	120,190
Interest accrued	11,404
Overrecovered gas and fuel costs	1,556
Price risk management liabilities	4,885
Exchange gas payable	323,650
Current deferred revenue	23,224
Regulatory liabilities	24,513
Accrued liability for postretirement and postemployment benefits	33,520
Other accruals	357,428
Total Current Liabilities	1,538,015
Other Liabilities and Deferred Credits	
Deferred income taxes	814,911
Deferred investment tax credits	25,472
Deferred credits	47,779
Noncurrent deferred revenue	86,877
Accrued liability for postretirement and postemployment benefits	84,532
Regulatory liabilities and other cost of removal	368,762
Other noncurrent liabilities	115,944
Total Other	1,544,277
Commitments and Contingencies	
Total Capitalization and Liabilities	\$ 7,121,021

Northern Indiana Public Service Company
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As of December 31, (in thousands)	2004
ASSETS	
Property, Plant, and Equipment:	
Utility plant	\$ 6,728,814
Accumulated depreciation and amortization	(3,199,680)
Net Utility Plant	3,529,134
Other property and investments	2,304
Current Assets:	
Cash and cash equivalents	476
Restricted cash	22,410
Accounts receivable - less reserve	74,919
Unbilled revenue - less reserve	123,920
Gas inventory	106,629
Material and supplies, at average cost	47,674
Electric production fuel, at average cost	29,150
Natural gas in storage, at last in, first-out cost	7,099
Price risk management assets	214
Regulatory assets	29,812
Prepayments and other	38,409
Total Current Assets	480,712
Other Assets:	
Regulatory assets	183,748
Intangible assets	31,073
Deferred charges and other	6,851
Total Other Assets	221,672
Total Assets	\$ 4,233,822

Northern Indiana Public Service Company
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As of December 31, (in thousands)	2004
CAPITALIZATION AND LIABILITIES	
Capitalization:	
Common shareholder s equity	
Preferred Stocks -	1,156,193
Series without mandatory redemption provisions	81,114
Long-term debt, excluding amount due within one year	497,867
Total Capitalization	1,735,174
Current Liabilities:	
Current portion of long-term debt	73,275
Short-term borrowings	494,897
Accounts payable	185,979
Dividends declared on common and preferred stock	1,052
Customer deposits	56,395
Taxes accrued	55,794
Interest accrued	6,910
Overrecovered gas and fuel costs	12,959
Price risk management liabilities	13,514
Accrued liability for postretirement and pension benefits	23,028
Other accruals	82,868
Total current liabilities	1,006,671
Other:	
Deferred income taxes	455,829
Deferred investment tax credits	50,175
Deferred credits	3,235
Accrued liability for postretirement and pension benefits	239,605
Preferred stock liabilities with mandatory redemption provisions	635
Regulatory liabilities and other removal costs	706,584
Other noncurrent liabilities	35,914
Total other	1,491,977
Total Capitalization and Liabilities	\$ 4,233,822

Bay State Gas Company
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As of December 31, (in thousands)	2004
ASSETS	
Property, Plant, and Equipment:	
Utility plant	\$ 955,389
Accumulated depreciation and amortization	(252,550)
Net Utility Plant	702,839
Other property and investments	1,811
Investments:	
Unconsolidated affiliates	34
Total Investments	34
Current Assets:	
Cash and cash equivalents	1,217
Restricted cash	1,043
Accounts receivable - less reserve	77,701
Unbilled revenue - less reserve	56,017
Gas Inventory	41,224
Underrecovered gas and fuel costs	45,641
Material and supplies, at average cost	4,552
Price risk management asset	307
Exchange gas receivable	31,133
Regulatory assets	16,887
Prepayments and other	9,782
Total Current Assets	285,504
Other Assets:	
Price risk management asset	0
Regulatory assets	33,578
Intangible assets	461,514
Deferred charges and other	10,796
Total Other Assets	505,888
Total Assets	\$ 1,496,076

Bay State Gas Company
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As of December 31, (in thousands)	2004
CAPITALIZATION AND LIABILITIES	
Capitalization:	
Common shareholder s equity	\$ 553,812
Long-term debt excluding amt due within one year	232,667
Total Capitalization	786,479
Current Liabilities:	
Current portion of long-term debt	10,833
Short-term borrowings	171,899
Accounts payable	65,867
Customer deposits	4,231
Interest accrued	1,338
Regulatory liabilities	5,702
Other accruals	35,002
Total current liabilities	294,872
Other:	
Price risk management liabilities	51
Deferred income taxes	293,845
Deferred investment tax credits	2,080
Accrued liability for postretirement and pension benefits	19,469
Regulatory liabilities and other removal costs	95,390
Other noncurrent liabilities	3,890
Total other	414,725
Total Capitalization and Liabilities	\$ 1,496,076

Northern Utilities, Inc.
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As of December 31, (in thousands)	2004
ASSETS	
Property, Plant, and Equipment:	
Utility plant	\$ 185,496
Accumulated depreciation and amortization	(45,795)
Net Utility Plant	139,701
Other property and investments	1,737
Investments:	
Unconsolidated affiliates	2
Total Investments	2
Current Assets:	
Cash and cash equivalents	331
Restricted cash	1,043
Accounts receivable - less reserve	12,685
Unbilled revenue - less reserve	9,443
Gas inventory	1,358
Underrecovered gas and fuel costs	4,652
Material and supplies, at average cost	911
Price risk management asset	307
Exchange gas receivable	20,373
Regulatory assets	1,471
Prepayments and other	629
Total Current Assets	53,203
Other Assets:	
Price risk management asset	15,692
Intangible assets	80,191
Deferred charges and other	313
Total Other Assets	96,196
Total Assets	\$ 290,839

