

NISOURCE INC/DE
Form U-9C-3
August 12, 2005

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM U-9C-3**

QUARTERLY REPORT

For the quarter ended June 30, 2005

Filed Pursuant to Rule 58 of the Public Utility Holding Company Act of 1935

This report is being submitted as a combined filing for NiSource Inc. and Columbia Energy Group.

Please direct all inquiries to Jeffrey Grossman, Vice President and Controller of NiSource Inc. at 219-647-5675

NiSource Inc./Columbia Energy Group

801 E 86th Avenue
Merrillville, IN 46410

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Table of Contents**ITEM 1. ORGANIZATION CHART**

Name of Company (Organization Chart Hierarchy) (Inactive companies denoted with (*)) (Reporting companies denoted with (**))	Energy or		Percentage of Voting			
	Gas-related	Date of	State of	Securities	Held	Nature of Business
	Company	Organization	Organization	Held	Nature of Business	
NiSource Inc.	N/A	N/A	N/A	N/A	N/A	N/A
Columbia Energy Group	N/A	N/A	N/A	N/A	N/A	N/A
Columbia Atlantic Trading Corporation (**)	Gas-related	03/19/74	Delaware	100%	Gas-related ventures	
Columbia Deep Water Services Company (**)	Gas-related	01/07/98	Delaware	100%	Gas pipeline development	
Columbia Energy Services Corporation (**)	Energy-related	06/06/60	Kentucky	100%	Energy-related services	
NewPower Holdings (**)	Energy-related	06/29/00	Delaware	1.0%	Gas Marketing	
Columbia Gas Transmission Corporation (**)	Gas-related	03/03/69	Delaware	100%	Interstate gas pipeline	
Columbia Gulf Transmission Company (**)	Gas-related	05/28/58	Delaware	100%	Interstate gas pipeline	
Energy USA, Inc.	N/A	N/A	N/A	N/A	N/A	N/A
EnergyUSA-TPC Corp. (**)	Energy-related	08/10/00	Delaware	100%	Gas marketing	
NI Energy Services Transportation, Inc. (**)	Gas-related	06/18/98	Indiana	100%	Gas pipeline	
NI-TEX, Inc.	N/A	N/A	N/A	N/A	N/A	N/A
Laredo Nueces Pipeline Company (*) (**)	Gas-related	9/19/1998	Texas	50%	Gas pipeline	
Granite State Gas Transmission, Inc. (**)	Gas-related	10/24/55	New Hampshire	100%	Interstate gas pipeline	
NI Energy Services, Inc.	N/A	N/A	N/A	N/A	N/A	N/A
Crossroads Pipeline Company (**)	Gas-related	04/05/93	Indiana	100%	Interstate gas pipeline	
NESI Power Marketing, Inc. (*) (**)	Energy-related	07/18/96	Indiana	100%	Power Marketing	
NiSource Energy Technologies, Inc.	N/A	N/A	N/A	N/A	N/A	N/A
Acumentrics Corporation (**)	Energy-related	08/18/94	Massachusetts	3.1%	Developer of solid oxide fuel cells	
NiSource Retail Service, Inc. (**)	Energy-related	11/12/03	Delaware	100%	Energy-related services	
Northern Indiana Fuel and Light Company, Inc.	N/A	N/A	N/A	N/A	N/A	N/A
Northern Indiana Trading Company, Inc. (**)	Energy-related	02/10/88	Indiana	100%	Gas marketing	

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ITEM 2. ISSUANCES AND RENEWALS OF SECURITIES AND CAPITAL CONTRIBUTIONS

Securities:

Company Issuing Security	Type of Security Issued	Principal Amount of Security	Issue or Renewal	Cost of Capital	Person to Whom Security was Issued	Collateral Given with Security	Consideration Received for Each Security
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None

Capital Contributions:

Company Contributing Capital	Company Receiving Capital	Amount of Capital Contribution
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None

ITEM 3. ASSOCIATE TRANSACTIONS (in thousands)

Part I. Transactions performed by reporting companies on behalf of associate companies

Rendering Services	Receiving Services	Rendered	Charged	Charges	Capital	Billed
Columbia Gulf Transmission Company	Columbia Deep Water Services Company	Operation & Maintenance	\$	11		\$ 11

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Table of Contents**ITEM 3. ASSOCIATE TRANSACTIONS (continued) (in thousands)****Part II. Transactions performed by associate companies on behalf of reporting companies**

Associate Company Rendering Services	Reporting Company Receiving Services	Types of Services Rendered	Direct Costs Charged	Indirect Costs Charges	Cost of Capital	Total Amount Billed
NiSource Corporate Services Company	Columbia Atlantic Trading Corporation	Administrative	\$ 5			\$ 5
Columbia Gulf Transmission Company	Columbia Deep Water Services Company	Operation & Maintenance	\$ 11			\$ 11
NiSource Corporate Services Company	Columbia Deep Water Services Company	Administrative	\$ 10			\$ 10
NiSource Corporate Services Company	Columbia Energy Services Corporation	Administrative	\$ 111			\$ 111
NiSource Corporate Services Company	Columbia Gas Transmission Corporation	Administrative	\$ 12,686			\$ 12,686

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Total consolidated capitalization as of June 30, 2005	\$	9,783,324	Line 1
Total capitalization multiplied by 15% (line 1 multiplied by 0.15)	\$	1,467,499	Line 2
Greater of \$50 million or line 2	\$	1,467,499	Line 3
Total current aggregate investment: (categorized by major line of energy-related business)			
Energy-related services	\$	10	
Total current aggregate investment	\$	10	Line 4
Difference between the greater of \$50 million or 15% of capitalization and the total aggregate investment of the registered holding company system (line 3 less line 4)	\$	1,467,489	Line 5

Investments in gas-related companies:

Total current aggregate investment: (categorized by major line of energy-related business)			
Energy-related business	\$		
Total current aggregate investment	\$		

ITEM 5. OTHER INVESTMENTS (in thousands)

Major Line of Energy-Related Business *	Other Investment in last U-9C-3 Report (in thousands)	Other Investment in this U-9C-3 Report (in thousands)	Reason for difference in Other Investment
* For Columbia Energy Group, the scope of the reporting of other investments includes investments, including gas-related guarantees, made before February 14, 1997, in pre-existing subsidiaries that could have been acquired pursuant to Rule 58 (b) (2). For NiSource Inc. the scope of the reporting of other investments includes investments made prior to 11-1-00 (date on which NiSource Inc. became a registered holding company) in pre-existing subsidiaries that could have been acquired pursuant to Rule 58 (b) (2).			
a.	In the second quarter of 2005, Columbia Atlantic Trading Corporation's guarantee for \$50,000 thousands expired and long-term debt increased \$4,000 thousands due to an intercompany issuance. Columbia Gas Transmission Corporation's long-term debt was reduced by \$6 thousand due to payments on capital leases.		
b.	In the second quarter of 2005, guaranties for EnergyUSA-TPC Corp. increased \$6,250 thousands due to an increase in activity and Northern Indiana Trading Company's guaranties decreased \$8,000 thousands due to decreased activity.		

- c. In the second quarter of 2005, Columbia Energy Services Corporation guarantees decreased \$6,191 thousand which decrease over time as performance occurs.

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ITEM 6. FINANCIAL STATEMENTS AND EXHIBITS

List all financial statements and exhibits filed as a part of this report.
Confidential treatment requested.

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EXHIBITS

1. Copies of contracts required to be provided by Item 3 shall be filed as exhibits.

NOT APPLICABLE

2. Certificate stating that a copy of the reports for the previous quarter has been filed with interested state commissions shall be filed as an exhibit. The certificate shall provide the names and addresses of the state commissions.

EXHIBIT A

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SIGNATURE

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NiSource Inc

(Registrant)

Date: August 12, 2005

By: /s/ Jeffrey W. Grossman

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

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EXHIBIT A

CERTIFICATE

NiSource's Quarterly Report on Form U-9C-3 filed pursuant to Rule 58 for the quarter ended March 31, 2005 was filed with each state commission having jurisdiction over the retail rates of the public utility companies that are associate companies of any of the reporting companies.

The names and addresses of each such state utility commission is:

Commonwealth of Kentucky Public Service Commission

211 Sower Blvd

Frankfort, KY 40601

Public Service Commission of Maryland

6 St. Paul Centre

Baltimore, MD 21202

Public Utilities Commission of Ohio

180 East Broad Street

Columbus, OH 43215

Pennsylvania Public Utility Commission

901 North 7th Street Rear

Harrisburg, PA 17105-3265

Virginia State Corporation Commission

1300 East Main Street

Richmond, VA 23219

Indiana Utility Regulatory Commission

302 West Washington Street, Room E 306

Indianapolis, IN 46204

Maine Public Utilities Commission

242 State Street

Augusta, ME 04333

Massachusetts Department of Telecommunications & Energy

One South Station

Boston, MA 02110

New Hampshire Public Utilities Commission

8 Old Suncook Road

Concord, NH 03301