

NISOURCE INC/DE
Form U-9C-3
November 18, 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 September 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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| Name of Company (Organization Chart Hierarchy) (Inactive companies denoted with (*)) (Reporting companies denoted with (**)) | Energy or Gas-related Company | Date of Organization | State of Organization | Percentage of Voting Securities Held | Nature of Business |
|---|--|---------------------------------|----------------------------------|---|-------------------------------------|
| NiSource Inc. | N/A | N/A | N/A | N/A | N/A |
| Columbia Energy Group | 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 |
| 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 |
| 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 |
| 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 |
| 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 |
| 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 |
|--------------------------|-------------------------|------------------------------|------------------|-----------------|------------------------------------|--------------------------------|--|
|--------------------------|-------------------------|------------------------------|------------------|-----------------|------------------------------------|--------------------------------|--|

None

Capital Contributions:

| Company Contributing Capital | Company Receiving Capital | Amount of Capital Contribution |
|------------------------------|---------------------------|--------------------------------|
|------------------------------|---------------------------|--------------------------------|

None

ITEM 3. ASSOCIATE TRANSACTIONS (in thousands)

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

| Reporting Company Rendering Services | Associate Company Receiving Services | Types of Services Rendered | Direct Costs Charged | Indirect Costs Charges | Cost of Capital | Total Amount Billed |
|--------------------------------------|--------------------------------------|----------------------------|----------------------|------------------------|-----------------|---------------------|
| Columbia Gulf Transmission Company | Columbia Deep Water Services Company | Operation & Maintenance | \$ 11 | | | \$ 11 |

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 | \$ 3 | | | \$ 3 |
| Columbia Gulf Transmission Company | Columbia Deep Water Services Company | Operation & Maintenance | \$ 11 | | | \$ 11 |
| NiSource Corporate Services Company | Columbia Deep Water Services Company | Administrative | \$ 17 | | | \$ 17 |
| NiSource Corporate Services Company | Columbia Energy Services Corporation | Administrative | \$ 76 | | | \$ 76 |
| NiSource Corporate Services Company | Columbia Gas Transmission Corporation | Administrative | \$17,538 | | | \$17,538 |
| NiSource Corporate Services Company | Columbia Gulf Transmission Company | Administrative | \$ 4,741 | | | \$ 4,741 |
| NiSource Corporate Services Company | EnergyUSA-TPC Corp. | Administrative | \$ 646 | | | \$ 646 |
| NiSource Corporate Services Company | Granite State Gas Transmission, Inc. | Administrative | \$ 195 | | | \$ 195 |
| NiSource Corporate Services Company | Crossroads Pipeline Company | Administrative | \$ 154 | | | \$ 154 |
| NiSource Corporate Services Company | NiSource Retail Services, Inc. | Administrative | \$ 285 | | | \$ 285 |

Table of Contents**ITEM 4. SUMMARY OF AGGREGATE INVESTMENT (in thousands)****Investments in energy-related companies:**

| | | |
|--|--------------|--------|
| Total consolidated capitalization as of September 30, 2005 | \$ 9,766,433 | Line 1 |
| Total capitalization multiplied by 15% (line 1 multiplied by 0.15) | \$ 1,464,965 | Line 2 |
| Greater of \$50 million or line 2 | \$ 1,464,965 | 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) | \$ 1,464,955 | 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 |
|---|---|---|---|
| Gas Pipeline and Pipeline Development | \$2,038,664 | \$2,038,658 | a |
| Other Gas-Related Business | | | |
| Gas and Power Marketing | \$ 445,828 | \$ 482,828 | b |
| Other Energy-Related Business | \$ 455,082 | \$ 449,034 | c |

* 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 third quarter of 2005, Columbia Gas Transmission Corporation's long-term debt was reduced by \$6 thousand due to payments on capital leases.

b.

In the third quarter of 2005, guaranties for EnergyUSA-TPC Corp. increased \$37,000 thousands due to guaranties issued for a supply contract and increased exposures resulting from higher volume or gas prices.

- c. In the third quarter of 2005, Columbia Energy Services Corporation guarantees decreased \$6,048 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: November 18, 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 June 30, 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