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Via electronic filing

January 30, 2024

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

Re: Columbia Gas of Pennsylvania, Inc. –
NiSource System Money Pool Agreement
Docket No. G-2017-2619362

Dear Secretary Chiavetta:

By Secretarial Letter issued in the referenced matter on October 25, 2017, the Commission approved Columbia Gas of Pennsylvania, Inc.'s ("Columbia") participation in a modified System Money Pool Agreement ("Money Pool Agreement") among NiSource Inc. and several NiSource subsidiaries pursuant to Chapter 21 of the Public Utility Code, 66 Pa.C.S. Chapter 21. In that Secretarial Letter, the Commission noted that "this approval will apply only to the agreement(s), service(s), matters, and parties specifically and clearly defined in this instant filing as well as any associated and previously filed filings." (emphasis added).

Columbia submits herewith an Amended Attachment A to the Money Pool Agreement which reflects the removal of Northern Indiana Public Service Company LLC ("NIPSCO"), NIPSCO Accounts Receivable Corporation ("NARC"), and Central Kentucky Transmission Company ("CKT") as "Eligible Borrowers Participating in System Money Pool" and the addition of NIPSCO Holdings I LLC ("Holdings I") as an Eligible Borrower for the reasons hereinafter set forth. Please see clean and redlined versions of Attachment A included herewith.

Removal of NIPSCO and NARC; Addition of Holdings I

On December 31, 2023, NiSource, through its wholly-owned subsidiary Holdings I, consummated the closing of the issuance of a 19.9% indirect equity interest in NIPSCO to an affiliate of Blackstone Infrastructure Partners ("Blackstone Investment"). As a result of the Blackstone Investment, NIPSCO and its subsidiaries, including NARC, are no longer part of the NiSource consolidated group for tax purposes. Therefore, the pooling of funds arrangements provided under the Money Pool are such that there is a risk the Internal Revenue Service could seek to recharacterize repayments of loans under the Money Pool as distributions on equity instead, resulting in negative tax consequences. To

preserve the current favorable tax treatment afforded to participants under the Money Pool, NiSource has determined it is in the best interests of all parties to the Money Pool to remove NIPSCO and NARC from the Money Pool.

NiSource has determined that Holdings I should be added as an Eligible Borrower to the Money Pool. Holdings I is a wholly-owned, direct subsidiary of NiSource and is in NiSource's consolidated group. Holdings I owns an 80.1% equity interest in NIPSCO Holdings II LLC, the parent company of NIPSCO. The other 19.9% is owned by the affiliate of Blackstone. Holdings I expects to incur costs from certain routine administrative services, such as accounting and legal services, performed by its affiliate shared services organization, NiSource Corporate Services Company. Holdings I also expects to make and receive interest and principal payments due under existing intercompany borrowing arrangements. The Money Pool offers the most efficient and cost-effective means of settling such intercompany balances.

Removal of CKT

CKT was formed in 2004 and formerly owned an undivided 25% interest in a specific FERC jurisdictional interstate pipeline located in Kentucky. In connection with the divestment of all of NiSource's interstate pipeline assets in 2015, CKT eventually transferred its 25% undivided interest in the pipeline, and has not conducted any business since 2020. Accordingly, NiSource dissolved CKT in September 2023 and has determined that CKT should be removed from the Money Pool.

Summary

Columbia does not anticipate any impact to the administration of the Money Pool or costs that it will incur to continue its participation in the Money Pool as a result of any of the foregoing changes. Moreover, in all respects, the terms and conditions under which Columbia participates in the Money Pool Agreement that the Commission reviewed and approved in the referenced matter remain unchanged. Accordingly, the benefits to Columbia as a participant in the Money Pool Agreement remain the same as described in my cover letter in this matter dated August 15, 2017. Columbia's cost of borrowing under the Money Pool will continue to be based upon the weighted average daily interest rate on (i) NiSource's short term external borrowings plus (ii) NiSource's earnings on external investments. Neither of these elements will be impacted in any way because of the changes described herein; therefore, Columbia and its ratepayers will not be affected by these changes.

Accordingly, pursuant to Chapter 21, Columbia seeks Commission approval of its continued participation in the System Money Pool Agreement as revised by the list of Eligible Borrowers Participating in System Money Pool provided herewith as Amended Attachment A.

If there are any questions regarding this filing, please do not hesitate to contact me.

Respectfully submitted,



Theodore J. Gallagher

Enclosure

cc: Marc Hoffer – TUS (via email)
Certificate of Service (via email)

ATTACHMENT A
(to System Money Pool Agreement)

Eligible Borrowers Participating in System Money Pool

NiSource Corporate Services Company
~~Northern Indiana Public Service Company~~
Bay State Gas Company (d/b/a Columbia Gas of Massachusetts)
NiSource Development Company, Inc.
NiSource Energy Technologies, Inc.
Columbia Gas of Kentucky, Inc.
Columbia Gas of Maryland, Inc.
Columbia Gas of Ohio, Inc.
Columbia Gas of Pennsylvania, Inc.
Columbia Gas of Virginia, Inc.
NiSource Insurance Corporation, Inc.
~~Central Kentucky Transmission Company~~
Lake Erie Land Company
~~NIPSCO Accounts Receivable Corporation~~
Columbia Gas of Ohio Receivables Corporation
Columbia Gas of Pennsylvania Receivables Corporation
~~NIPSCO Holdings I LLC~~
NiSource Corporate Group, LLC
NiSource Gas Distribution Group, Inc.

ATTACHMENT A
(to System Money Pool Agreement)

Eligible Borrowers Participating in System Money Pool

NiSource Corporate Services Company
Bay State Gas Company d/b/a Columbia Gas of Massachusetts
NiSource Development Company, Inc.
NiSource Energy Technologies, Inc.
Columbia Gas of Kentucky, Inc.
Columbia Gas of Maryland, Inc.
Columbia Gas of Ohio, Inc.
Columbia Gas of Pennsylvania, Inc.
Columbia Gas of Virginia, Inc.
NiSource Insurance Corporation, Inc.
Lake Erie Land Company
Columbia Gas of Ohio Receivables Corporation
Columbia Gas of Pennsylvania Receivables Corporation
NIPSCO Holdings I LLC
NiSource Corporate Group, LLC
NiSource Gas Distribution Group, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

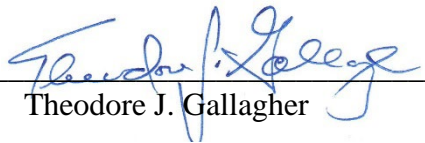
VIA ELECTRONIC MAIL

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Date: January 30, 2024


Theodore J. Gallagher