Columbia Gas of Pennsylvania, Inc.

Standard Data Request

Rate of Return

Question No. GAS-ROR-001:

Please supply copies of the following documents for the Company and, if applicable, its parent:

a. Most recent Annual Report to shareholders (including any statistical supplements);
b. Most recent SEC Form 10K;
c. All SEC Form 10Q reports issued within last year.

Response:

a. See Attachment A to Exhibit No. 403 for a copy of the December 31, 2022 NiSource Inc. Annual Message to Stockholders.

b. See Attachment B to Exhibit No. 403 for a copy of the December 31, 2022 10K.

c. See GAS-ROR-001, Attachments A through C for the NiSource Inc. June 30, 2023 SEC Form 10Q (Attachment A), March 31, 2023 SEC Form 10Q (Attachment B) and September 30, 2022 SEC Form 10Q (Attachment C).

   See Exhibit No. 402 for a copy of the September 30, 2023 NiSource Inc. 10Q.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)**
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2023

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)**
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-16189

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE	35-2108964
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
801 East 86th Avenue Merrillville, IN	46410
(Address of principal executive offices)	(Zip Code)

(877) 647-5990
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value $0.01 per share	NI	NYSE
Depositary Shares, each representing a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value $0.01 per share, liquidation preference $25,000 per share and a 1/1,000th ownership interest in a share of Series B-1 Preferred Stock, par value $0.01 per share, liquidation preference $0.01 per share	NI PR B	NYSE
Series A Corporate Units	NIMC	NYSE

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.)

Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐ Emerging growth company ☐ Non-accelerated filer ☐ Smaller reporting company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☑

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, $0.01 Par Value: 413,254,798 shares outstanding at July 25, 2023.

NISOURCE INC.
FORM 10-Q QUARTERLY REPORT
FOR THE QUARTER ENDED JUNE 30, 2023

Table of Contents

			Page
	Defined Terms		3
PART I	FINANCIAL INFORMATION		
	Item 1.	Financial Statements - unaudited	
		Condensed Statements of Consolidated Income (unaudited)	7
		Condensed Statements of Consolidated Comprehensive Income (unaudited)	8
		Condensed Consolidated Balance Sheets (unaudited)	9
		Condensed Statements of Consolidated Cash Flows (unaudited)	11
		Condensed Statements of Consolidated Equity (unaudited)	12
		Notes to Condensed Consolidated Financial Statements (unaudited)	15
	Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	36
	Item 3.	Quantitative and Qualitative Disclosures About Market Risk	58
	Item 4.	Controls and Procedures	58
PART II	OTHER INFORMATION		
	Item 1.	Legal Proceedings	59
	Item 1A.	Risk Factors	59
	Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	59
	Item 3.	Defaults Upon Senior Securities	59
	Item 4.	Mine Safety Disclosures	59
	Item 5.	Other Information	59
	Item 6.	Exhibits	60
	Signature		61

DEFINED TERMS

The following is a list of frequently used abbreviations or acronyms that are found in this report:

NiSource Subsidiaries and Affiliates (not exhaustive)

Columbia of Kentucky	Columbia Gas of Kentucky, Inc.
Columbia of Maryland	Columbia Gas of Maryland, Inc.
Columbia of Massachusetts	Bay State Gas Company
Columbia of Ohio	Columbia Gas of Ohio, Inc.
Columbia of Pennsylvania	Columbia Gas of Pennsylvania, Inc.
Columbia of Virginia	Columbia Gas of Virginia, Inc.
NIPSCO	Northern Indiana Public Service Company LLC
NIPSCO Holdings I	NIPSCO Holdings I LLC
NIPSCO Holdings II	NIPSCO Holdings II LLC
NiSource ("we," "us" or "our")	NiSource Inc.
Rosewater	Rosewater Wind Generation LLC and its wholly owned subsidiary, Rosewater Wind Farm LLC
Indiana Crossroads Wind	Indiana Crossroads Wind Generation LLC and its wholly owned subsidiary, Indiana Crossroads Wind Farm LLC
Indiana Crossroads Solar	Indiana Crossroads Solar Generation LLC and its wholly owned subsidiary, Meadow Lake Solar Park LLC
Dunn's Bridge I	Dunn's Bridge I Solar Generation LLC and its wholly owned subsidiary, Dunn's Bridge Solar Center, LLC

Abbreviations and Other

AFUDC	Allowance for funds used during construction
AOCI	Accumulated Other Comprehensive Income (Loss)
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
ATM	At-the-market
BIP	Blackstone Infrastructure Partners L.P
BTA	Build-transfer agreement
CCRs	Coal Combustion Residuals
CEP	Capital Expenditure Program
CERCLA	Comprehensive Environmental Response Compensation and Liability Act (also known as Superfund)
Corporate Units	Series A Corporate Units
COVID-19 ("the COVID-19 pandemic" or "the pandemic")	Novel Coronavirus 2019 and its variants, including the Delta and Omicron variants, and any other variant that may emerge
DPU	Department of Public Utilities
EGUs	Electric Utility Generating Units
EPA	United States Environmental Protection Agency
EPS	Earnings per share
Equity Units	Series A Equity Units
FAC	Fuel adjustment clause
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
FMCA	Federally Mandated Cost Adjustment
GAAP	Generally Accepted Accounting Principles

DEFINED TERMS

GCA	Gas cost adjustment
GHG	Greenhouse gases
GWh	Gigawatt hours
IRA	Inflation Reduction Act of 2022
IRP	Infrastructure Replacement Program
IURC	Indiana Utility Regulatory Commission
JV	Joint Venture
LIBOR	London InterBank Offered Rate
LIFO	Last In, First Out
LIHEAP	Low Income Heating Energy Assistance Programs
Massachusetts Business	All of the assets sold to, and liabilities assumed by, Eversource pursuant to the Asset Purchase Agreement
MGP	Manufactured Gas Plant
MISO	Midcontinent Independent System Operator
MMDth	Million dekatherms
MW	Megawatts
MWh	Megawatt hours
NYMEX	New York Mercantile Exchange
OPEB	Other Postemployment Benefits
PHMSA	Pipeline and Hazardous Materials Safety Administration
PPA	Power Purchase Agreement
PUCO	Public Utilities Commission of Ohio
RNG	Renewable Natural Gas
ROU	Right of use
SAVE	Steps to Advance Virginia's Energy Plan
Scope 1 GHG Emissions	Direct emissions from sources owned or controlled by us (e.g., emissions from our combustion of fuel, vehicles, and process emissions and fugitive emissions)
Scope 2 GHG Emissions	Indirect emissions from sources owned or controlled by us
SEC	Securities and Exchange Commission
Section 201 Tariffs	Tariffs imposed by Executive Order from the President of the U.S. on certain imported solar cells and modules at a rate of 15%, which were recently extended to 2026
SMRP	Safety Modification and Replacement Program
SMS	Safety Management System
SOFR	Secured Overnight Financing Rate
STRIDE	Strategic Infrastructure Development Enhancement
TCJA	An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 (commonly known as the Tax Cuts and Jobs Act of 2017)
TDSIC	Transmission, Distribution and Storage System Improvement Charge
VIE	Variable Interest Entity

Note regarding forward-looking statements

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements in this Quarterly Report on Form 10-Q include, but are not limited to,

statements regarding the ability to complete the NIPSCO Minority Equity Interest Sale (as defined below) on the anticipated timeline or at all; statements regarding the anticipated benefits of the NIPSCO Minority Equity Interest Sale if completed;

statements regarding the projected impact of the NIPSCO Minority Equity Interest Sales on our performance or opportunities; any statements regarding our expectations, beliefs, plans, objectives or prospects or future performance or financial condition as a result of or in connection with the NIPSCO Minority Equity Interest Sale; statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. Expressions of future goals and expectations and similar expressions, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this Quarterly Report on Form 10-Q include, but are not limited to, risks and uncertainties relating to the timing and certainty of closing the NIPSCO Minority Equity Interest Sale; the ability to satisfy the conditions to closing the NIPSCO Minority Equity Interest Sale, including the ability to obtain FERC approval necessary to complete the NIPSCO Minority Equity Interest Sale; the ability to achieve the anticipated benefits of the NIPSCO Minority Equity Interest Sale; the effects of transaction costs; the effects of the NIPSCO Minority Equity Interest Sale on industry, market, economic, political or regulatory conditions outside of NiSource's control; any disruption to NiSource's business from the NIPSCO Minority Equity Interest Sale, including the diversion of management time on NIPSCO Minority Equity Interest Sale-related issues; our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in, or failures of, technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and natural gas costs and supply risks; fluctuations in demand from residential and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the attraction and retention of a qualified, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity attacks; increased requirements and costs related to cybersecurity; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net-Zero Goal (as defined below); our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; inflation; recessions; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related to the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; other matters in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and our Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2023, many of which risks are beyond our control. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time.

All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Index	Page
Condensed Statements of Consolidated Income (unaudited)	7
Condensed Statements of Consolidated Comprehensive Income (unaudited)	8
Condensed Consolidated Balance Sheets (unaudited)	9
Condensed Statements of Consolidated Cash Flows (unaudited)	11
Condensed Statements of Consolidated Equity (unaudited)	12
Notes to Condensed Consolidated Financial Statements (unaudited)	15
1. Basis of Accounting Presentation	15
2. Recent Accounting Pronouncements	15
3. Revenue Recognition	15
4. Earnings Per Share	19
5. Equity	21
6. Gas in Storage	23
7. Regulatory Matters	23
8. Risk Management Activities	23
9. Fair Value	25
10. Goodwill	28
11. Income Taxes	28
12. Pension and Other Postretirement Benefits	28
13. Variable Interest Entities	29
14. Long-Term Debt	30
15. Short-Term Borrowings	30
16. Other Commitments and Contingencies	31
17. Accumulated Other Comprehensive Loss	34
18. Other, Net	35
19. Business Segment Information	35

PART I

ITEM 1. FINANCIAL STATEMENTS

NiSource Inc.
Condensed Statements of Consolidated Income (unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions, except per share amounts)	**2023**	2022	**2023**	2022
Operating Revenues				
Customer revenues	**$ 1,067.2**	$ 1,156.5	**$ 2,963.3**	$ 2,996.8
Other revenues	**22.8**	26.7	**92.7**	59.7
Total Operating Revenues	**1,090.0**	1,183.2	**3,056.0**	3,056.5
Operating Expenses				
Cost of energy	**251.9**	383.7	**1,017.0**	1,090.4
Operation and maintenance	**369.5**	381.9	**760.7**	776.2
Depreciation and amortization	**233.1**	208.7	**440.0**	401.4
Gain on sale of assets, net	**(0.3)**	—	**(0.3)**	(105.0)
Other taxes	**66.9**	65.6	**138.7**	149.9
Total Operating Expenses	**921.1**	1,039.9	**2,356.1**	2,312.9
Operating Income	**168.9**	143.3	**699.9**	743.6
Other Income (Deductions)				
Interest expense, net	**(110.5)**	(84.5)	**(219.4)**	(168.2)
Other, net	**2.0**	9.0	**3.5**	19.9
Total Other Deductions, Net	**(108.5)**	(75.5)	**(215.9)**	(148.3)
Income before Income Taxes	**60.4**	67.8	**484.0**	595.3
Income Taxes	**14.1**	12.0	**99.9**	108.2
Net Income	**46.3**	55.8	**384.1**	487.1
Net loss attributable to noncontrolling interest	**(12.5)**	(11.2)	**(7.7)**	(6.7)
Net Income Attributable to NiSource	**58.8**	67.0	**391.8**	493.8
Preferred dividends	**(12.7)**	(13.8)	**(26.5)**	(27.6)
Preferred redemption premium	**(6.2)**	—	**(6.2)**	—
Net Income Available to Common Shareholders	**39.9**	53.2	**359.1**	466.2
Earnings Per Share				
Basic Earnings Per Share	**$ 0.10**	$ 0.13	**$ 0.87**	$ 1.15
Diluted Earnings Per Share	**$ 0.09**	$ 0.12	**$ 0.80**	$ 1.06
Basic Average Common Shares Outstanding	**413.3**	406.4	**413.1**	406.2
Diluted Average Common Shares	**446.8**	440.2	**446.9**	440.8

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Comprehensive Income (unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions, net of taxes)	**2023**	2022	**2023**	2022
Net Income	**$ 46.3**	$ 55.8	**$ 384.1**	$ 487.1
Other comprehensive income:				
Net unrealized gain (loss) on available-for-sale debt securities[(1)]	**(1.2)**	(3.9)	**0.8**	(9.6)
Reclassification adjustment for cash flow hedges[(2)]	**(0.2)**	56.0	**(0.1)**	103.0
Unrecognized pension and OPEB benefit (costs)[(3)]	**0.3**	(2.5)	**0.6**	(2.4)
Total other comprehensive income (loss)	**(1.1)**	49.6	**1.3**	91.0
Comprehensive Income	**$ 45.2**	$ 105.4	**$ 385.4**	$ 578.1

[(1)]Net unrealized gain (loss) on available-for-sale debt securities, net of $0.3 million tax benefit and $1.1 million tax benefit in the second quarter of 2023 and 2022, respectively, and $0.2 million of tax expense and $2.6 million tax benefit for the six months ended 2023 and 2022, respectively.
[(2)]Reclassification adjustment for cash flow hedges, net of $0.0 million tax expense and $12.8 million tax expense in the second quarter of 2023 and 2022, respectively , and $0.1 million of tax benefit and $34.1 million tax expense for the six months ended 2023 and 2022, respectively.
[(3)]Unrecognized pension and OPEB benefit (costs), net of $0.1 million of tax expense and $0.8 million tax benefit in the second quarter of 2023 and 2022, respectively, and $0.2 million of tax expense and $0.8 million tax benefit for the six months ended 2023 and 2022, respectively.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited)

(in millions)		**June 30, 2023**		December 31, 2022
ASSETS				
Property, Plant and Equipment				
Plant	**$**	**29,135.4**	$	27,551.3
Accumulated depreciation and amortization		**(7,960.2)**		(7,708.7)
Net Property, Plant and Equipment[(1)]		**21,175.2**		19,842.6
Investments and Other Assets				
Unconsolidated affiliates		**3.8**		1.6
Available-for-sale debt securities (amortized cost of $168.8 and $166.7, allowance for credit losses of $0.7 and $0.9, respectively)		**154.9**		151.6
Other investments		**78.5**		71.0
Total Investments and Other Assets		**237.2**		224.2
Current Assets				
Cash and cash equivalents		**151.3**		40.8
Restricted cash		**39.8**		34.6
Accounts receivable		**631.4**		1,065.8
Allowance for credit losses		**(27.8)**		(23.9)
Accounts receivable, net		**603.6**		1,041.9
Gas inventory		**214.3**		531.7
Materials and supplies, at average cost		**180.1**		151.4
Electric production fuel, at average cost		**68.3**		68.8
Exchange gas receivable		**43.1**		128.1
Regulatory assets		**200.3**		233.2
Deposits to renewable generation asset developer		**137.4**		143.8
Prepayments and other		**218.7**		210.0
Total Current Assets[(1)]		**1,856.9**		2,584.3
Other Assets				
Regulatory assets		**2,300.2**		2,347.6
Goodwill		**1,485.9**		1,485.9
Deferred charges and other		**288.3**		252.0
Total Other Assets		**4,074.4**		4,085.5
Total Assets	**$**	**27,343.7**	$	26,736.6

[(1)]Includes $1,349.7 million and $978.5 million at June 30, 2023 and December 31, 2022, respectively, of net property, plant and equipment assets and $160.4 million and $25.7 million at June 30, 2023 and December 31, 2022, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 13, "Variable Interest Entities," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited) (continued)

(in millions, except share amounts)	**June 30, 2023**	December 31, 2022
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - $0.01 par value, 600,000,000 shares authorized; 413,148,513 and 412,142,602 shares outstanding, respectively	**$ 4.2**	$ 4.2
Preferred stock - $0.01 par value, 20,000,000 shares authorized; 902,500 and 1,302,500 shares outstanding, respectively	**1,152.6**	1,546.5
Treasury stock	**(99.9)**	(99.9)
Additional paid-in capital	**7,383.1**	7,375.3
Retained deficit	**(1,173.8)**	(1,213.6)
Accumulated other comprehensive loss	**(35.8)**	(37.1)
Total NiSource Stockholders' Equity	**7,230.4**	7,575.4
Noncontrolling interest in consolidated subsidiaries	**341.0**	326.4
Total Equity	**7,571.4**	7,901.8
Long-term debt, excluding amounts due within one year	**11,002.8**	9,523.6
Total Capitalization	**18,574.2**	17,425.4
Current Liabilities		
Current portion of long-term debt	**29.4**	30.0
Short-term borrowings	**1,589.9**	1,761.9
Accounts payable	**718.4**	899.5
Dividends payable - common stock	**103.4**	—
Dividends payable - preferred stock	**8.2**	—
Customer deposits and credits	**207.6**	324.7
Taxes accrued	**208.7**	246.2
Interest accrued	**125.0**	138.4
Exchange gas payable	**33.0**	147.6
Regulatory liabilities	**362.0**	236.8
Asset retirement obligations	**50.7**	35.5
Accrued compensation and employee benefits	**151.7**	167.5
Obligations to renewable generation asset developer	**—**	347.2
Other accruals	**503.2**	325.2
Total Current Liabilities[(1)]	**4,091.2**	4,660.5
Other Liabilities		
Deferred income taxes	**1,986.0**	1,854.5
Accrued liability for postretirement and postemployment benefits	**237.0**	245.5
Regulatory liabilities	**1,679.8**	1,775.8
Asset retirement obligations	**480.9**	478.1
Other noncurrent liabilities and deferred credits	**294.6**	296.8
Total Other Liabilities[(1)]	**4,678.3**	4,650.7
Commitments and Contingencies (Refer to Note 16, "Other Commitments and Contingencies")		
Total Capitalization and Liabilities	**$ 27,343.7**	$ 26,736.6

[(1)]Includes $344.5 million and $128.2 million at June 30, 2023 and December 31, 2022, respectively, of current liabilities and $54.4 million and $30.6 million at June 30, 2023 and December 31, 2022, respectively, of other liabilities of consolidated VIEs that creditors do not have recourse to our general credit. Refer to Note 13, "Variable Interest Entities," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

NiSource Inc.
Condensed Statements of Consolidated Cash Flows (unaudited)

Six Months Ended June 30, *(in millions)*	2023	2022
Operating Activities		
Net Income	**$ 384.1**	$ 487.1
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation and amortization	**440.0**	401.4
Deferred income taxes and investment tax credits	**93.0**	100.8
Gain on sale of assets	**(0.3)**	(105.0)
Other adjustments	**6.6**	14.1
Changes in Assets and Liabilities:		
Components of working capital	**300.6**	2.4
Regulatory assets/liabilities	**12.6**	(8.2)
Deferred charges and other noncurrent assets	**(18.4)**	(16.1)
Other noncurrent liabilities and deferred credits	**(27.2)**	30.7
Net Cash Flows from Operating Activities	**1,191.0**	907.2
Investing Activities		
Capital expenditures	**(1,161.9)**	(917.0)
Insurance recoveries	**—**	105.0
Payment to renewable generation asset developer	**(137.4)**	(79.0)
Other investing activities	**(76.3)**	(60.1)
Net Cash Flows used for Investing Activities	**(1,375.6)**	(951.1)
Financing Activities		
Proceeds from Issuance of long-term debt	**1,488.7**	345.6
Repayments of finance lease obligations	**(16.1)**	(34.7)
Change in short-term borrowings, net (maturity ≤ 90 days)	**(172.2)**	(5.0)
Issuance of common stock, net of issuance costs	**6.3**	5.9
Redemption of preferred stock	**(393.9)**	—
Preferred stock redemption premium	**(6.2)**	—
Equity costs, grant withholdings and debt related costs	**(16.7)**	(9.1)
Contributions from noncontrolling interest	**35.0**	—
Distributions to noncontrolling interest	**(10.0)**	(3.0)
Dividends paid - common stock	**(206.6)**	(190.6)
Dividends paid - preferred stock	**(27.6)**	(27.6)
Contract liability payment	**(33.2)**	(33.0)
Payment of obligation to renewable generation asset developer	**(347.2)**	—
Net Cash Flows from Financing Activities	**300.3**	48.5
Change in cash, cash equivalents and restricted cash	**115.7**	4.6
Cash, cash equivalents and restricted cash at beginning of period	**75.4**	94.9
Cash, Cash Equivalents and Restricted Cash at End of Period	**$ 191.1**	$ 99.5

Reconciliation to Balance Sheet

Six Months Ended June 30, *(in millions)*	2023
Cash and cash equivalents	**151.3**
Restricted Cash	**39.8**
Total Cash, Cash Equivalents and Restricted Cash	**191.1**

Supplemental Disclosures of Cash Flow Information

Six Months Ended June 30, *(in millions)*	2023	2022
Non-cash transactions:		
Capital expenditures included in current liabilities	**$ 410.2**	$ 252.6
Dividends declared but not paid	**111.6**	103.6
Purchase contract liability[(1)]	**32.6**	97.3

[(1)] Refer to Note 5, "Equity," for additional information

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

NiSource Inc.
Condensed Statements of Consolidated Equity (unaudited)

(in millions)	Common Stock	Preferred Stock[1]	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries[2]	Total
Balance as of April 1, 2023	**$ 4.2**	**$ 1,546.5**	**$ (99.9)**	**$ 7,372.9**	**$ (1,114.8)**	**$ (34.7)**	**$ 329.5**	**$ 8,003.7**
Comprehensive Income:								
Net income (loss)	—	—	—	—	58.8	—	(12.5)	46.3
Other comprehensive income, net of tax	—	—	—	—	—	(1.1)	—	(1.1)
Dividends:								
Common stock ($0.25 per share)	—	—	—	—	(103.4)	—	—	(103.4)
Preferred stock (See Note 5)	—	—	—	—	(8.2)	—	—	(8.2)
Preferred stock redemption	—	(393.9)	—	—	—	—	—	(393.9)
Preferred stock redemption premium	—	—	—	—	(6.2)	—	—	(6.2)
Contributions from noncontrolling interest	—	—	—	—	—	—	28.7	28.7
Distributions to noncontrolling interests	—	—	—	—	—	—	(4.7)	(4.7)
Stock issuances:								
Employee stock purchase plan	—	—	—	1.5	—	—	—	1.5
Long-term incentive plan	—	—	—	6.2	—	—	—	6.2
401(k) and profit sharing	—	—	—	2.5	—	—	—	2.5
Balance as of June 30, 2023	**$ 4.2**	**$ 1,152.6**	**$ (99.9)**	**$ 7,383.1**	**$ (1,173.8)**	**$ (35.8)**	**$ 341.0**	**$ 7,571.4**

[1] See Note 5, "Equity," for additional information.
[2] Contributions from noncontrolling interest is net of commitment and consulting fees and other legal costs related to the mechanical completion closing of Dunn's Bridge I of $2.7 million

(in millions)	Common Stock	Preferred Stock[1]	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries[2]	Total
Balance as of January 1, 2023	**$ 4.2**	**$ 1,546.5**	**$ (99.9)**	**$ 7,375.3**	**$ (1,213.6)**	**$ (37.1)**	**$ 326.4**	**$ 7,901.8**
Comprehensive Income:								
Net income (loss)	—	—	—	—	391.8	—	(7.7)	384.1
Other comprehensive income, net of tax	—	—	—	—	—	1.3	—	1.3
Dividends:								
Common stock ($0.75 per share)	—	—	—	—	(310.1)	—	—	(310.1)
Preferred stock (See Note 5)	—	—	—	—	(35.7)	—	—	(35.7)
Preferred stock redemption	—	(393.9)	—	—	—	—	—	(393.9)
Preferred stock redemption premium	—	—	—	—	(6.2)	—	—	(6.2)
Contributions from noncontrolling interest	—	—	—	—	—	—	32.3	32.3
Distributions to noncontrolling interests	—	—	—	—	—	—	(10.0)	(10.0)
Stock issuances:								
Employee stock purchase plan	—	—	—	2.8	—	—	—	2.8
Long-term incentive plan	—	—	—	(0.1)	—	—	—	(0.1)
401(k) and profit sharing	—	—	—	5.1	—	—	—	5.1
Balance as of June 30, 2023	**$ 4.2**	**$ 1,152.6**	**$ (99.9)**	**$ 7,383.1**	**$ (1,173.8)**	**$ (35.8)**	**$ 341.0**	**$ 7,571.4**

[1] See Note 5, "Equity," for additional information.
[2] Contributions from noncontrolling interest is net of commitment and consulting fees and other legal costs related to the mechanical completion closing of Dunn's Bridge I of $2.7 million

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

(in millions)	Common Stock	Preferred Stock[1]	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of April 1, 2022	**$ 4.1**	**$ 1,546.5**	**$ (99.9)**	**$ 7,208.9**	**$ (1,372.3)**	**$ (85.4)**	**$ 329.5**	**$ 7,531.4**
Comprehensive Income:								
Net income	—	—	—	—	67.0	—	(11.2)	55.8
Other comprehensive income, net of tax	—	—	—	—	—	49.6	—	49.6
Dividends:								
Common stock ($0.24 per share)	—	—	—	—	(95.4)	—	—	(95.4)
Preferred stock (See Note 5)	—	—	—	—	(8.2)	—	—	(8.2)
Distributions to noncontrolling interest	—	—	—	—	—	—	(2.5)	(2.5)
Stock issuances:								
Employee stock purchase plan	—	—	—	1.3	—	—	—	1.3
Long-term incentive plan	—	—	—	6.0	—	—	—	6.0
401(k) and profit sharing	—	—	—	2.4	—	—	—	2.4
Balance as of June 30, 2022	**$ 4.1**	**$ 1,546.5**	**$ (99.9)**	**$ 7,218.6**	**$ (1,408.9)**	**$ (35.8)**	**$ 315.8**	**$ 7,540.4**

[1] See Note 5, "Equity," for additional information.

(in millions)	Common Stock	Preferred Stock[1]	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2022	**$ 4.1**	**$ 1,546.5**	**$ (99.9)**	**$ 7,204.3**	**$ (1,580.9)**	**$ (126.8)**	**$ 325.6**	**$ 7,272.9**
Comprehensive Income:								
Net income	—	—	—	—	493.8	—	(6.7)	487.1
Other comprehensive income, net of tax	—	—	—	—	—	91.0	—	91.0
Dividends:								
Common stock ($0.71 per share)	—	—	—	—	(286.1)	—	—	(286.1)
Preferred stock (See Note 5)	—	—	—	—	(35.7)	—	—	(35.7)
Distributions to noncontrolling interest							(3.1)	(3.1)
Stock issuances:								
Employee stock purchase plan	—	—	—	2.5	—	—	—	2.5
Long-term incentive plan	—	—	—	6.9	—	—	—	6.9
401(k) and profit sharing	—	—	—	4.9	—	—	—	4.9
Balance as of June 30, 2022	**$ 4.1**	**$ 1,546.5**	**$ (99.9)**	**$ 7,218.6**	**$ (1,408.9)**	**$ (35.8)**	**$ 315.8**	**$ 7,540.4**

[1] See Note 5, "Equity," for additional information.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Equity (unaudited) (continued)

	Preferred	Common		
Shares *(in thousands)*	**Shares**	**Shares**	**Treasury**	**Outstanding**
Balance as of April 1, 2023	**1,303**	**416,946**	**(3,963)**	**412,983**
Issued:				
Employee stock purchase plan	—	53	—	53
Long-term incentive plan	—	26	—	26
401(k) and profit sharing	—	87	—	87
Redeemed:				
Preferred Stock	**(400)**			—
Balance as of June 30, 2023	**903**	**417,112**	**(3,963)**	**413,149**

	Preferred	Common		
Shares *(in thousands)*	**Shares**	**Shares**	**Treasury**	**Outstanding**
Balance as of January 1, 2023	**1,303**	**416,106**	**(3,963)**	**412,143**
Issued:				
Employee stock purchase plan	—	101	—	101
Long-term incentive plan	—	721	—	721
401(k) and profit sharing	—	184	—	184
Redeemed:	**—**	**—**	**—**	**—**
Preferred Stock	**(400)**	—	—	—
Balance as of June 30, 2023	**903**	**417,112**	**(3,963)**	**413,149**

	Preferred	Common		
Shares *(in thousands)*	**Shares**	**Shares**	**Treasury**	**Outstanding**
Balance as of April 1, 2022	**1,303**	**409,697**	**(3,963)**	**405,734**
Issued:				
Employee stock purchase plan	—	39	—	39
Long-term incentive plan	—	28	—	28
401(k) and profit sharing	—	77	—	77
Balance as of June 30, 2022	**1,303**	**409,841**	**(3,963)**	**405,878**

	Preferred	Common		
Shares *(in thousands)*	**Shares**	**Shares**	**Treasury**	**Outstanding**
Balance as of January 1, 2022	**1,303**	**409,266**	**(3,963)**	**405,303**
Issued:				
Employee stock purchase plan	—	83	—	83
Long-term incentive plan	—	328	—	328
401(k) and profit sharing	—	164	—	164
Balance as of June 30, 2022	**1,303**	**409,841**	**(3,963)**	**405,878**

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

1. Basis of Accounting Presentation

Our accompanying Condensed Consolidated Financial Statements (unaudited) reflect all normal recurring adjustments that are necessary, in the opinion of management, to present fairly the results of operations in accordance with GAAP in the United States of America. The accompanying financial statements include the accounts of us, our majority-owned subsidiaries, and VIEs of which we are the primary beneficiary after the elimination of all intercompany accounts and transactions.

The accompanying financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022. Income for interim periods may not be indicative of results for the calendar year due to weather variations and other factors.

The Condensed Consolidated Financial Statements (unaudited) have been prepared pursuant to the rules and regulations of the SEC. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations, although we believe that the disclosures made in this Quarterly Report on Form 10-Q are adequate to make the information herein not misleading.

2. Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* and in January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848): Scope.* These pronouncements provide temporary optional expedients and exceptions for applying GAAP principles to contract modifications and hedging relationships to ease the financial reporting burdens of the expected market transition from LIBOR and other interbank offered rates to alternative reference rates. These pronouncements were effective upon issuance on March 12, 2020 through December 31, 2022. In December 2022, the FASB issued ASU 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848*, to extend the temporary accounting rules under Topic 848 from December 31, 2022 to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. During 2022, the company applied a practical expedient under Topic 848 which allowed for the continuation of cash flow hedge accounting for interest rate derivative contracts upon the transition from LIBOR to alternative reference rates. The application of this expedient had no impact on the Condensed Consolidated Financial Statements (unaudited).

3. Revenue Recognition

Revenue Disaggregation and Reconciliation. We disaggregate revenue from contracts with customers based upon reportable segment, as well as by customer class. The Gas Distribution Operations segment provides natural gas service and transportation for residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, Maryland, and Indiana. The Electric Operations segment provides electric service in 20 counties in the northern part of Indiana.

The tables below reconcile revenue disaggregation by customer class to segment revenue, as well as to revenues reflected on the Condensed Statements of Consolidated Income (unaudited):

Three Months Ended June 30, 2023 *(in millions)*	Gas Distribution Operations[2]	Electric Operations[3]	Corporate and Other	Total
Customer Revenues[1]				
Residential	$ 450.6	$ 122.8	$ —	$ 573.4
Commercial	152.1	130.1	—	282.2
Industrial	51.1	112.6	—	163.7
Off-system	22.9	—	—	22.9
Miscellaneous	11.7	13.3	—	25.0
Total Customer Revenues	$ 688.4	$ 378.8	$ —	$ 1,067.2
Other Revenues	4.4	18.2	0.2	22.8
Total Operating Revenues	$ 692.8	$ 397.0	$ 0.2	$ 1,090.0

[1]Customer revenue amounts exclude intersegment revenues. See Note 19, "Business Segment Information," for discussion of intersegment revenues.
[2]Amounts included in Gas Distributions Operations Other revenues primarily relate to weather normalization adjustment mechanisms.
[3]Amounts included in Electric Operations Other revenues primarily relate to MISO multi-value projects and revenue from non-jurisdictional transmission assets.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Three Months Ended June 30, 2022 *(in millions)*	Gas Distribution Operations[2]	Electric Operations[3]	Corporate and Other[4]	Total
Customer Revenues[1]				
Residential	$ 465.0	$ 137.0	$ —	$ 602.0
Commercial	160.6	134.7	—	295.3
Industrial	48.1	138.7	—	186.8
Off-system	59.1	—	—	59.1
Miscellaneous	8.6	4.7	—	13.3
Total Customer Revenues	$ 741.4	$ 415.1	$ —	$ 1,156.5
Other Revenues	(0.3)	22.0	5.0	26.7
Total Operating Revenues	$ 741.1	$ 437.1	$ 5.0	$ 1,183.2

[1]Customer revenue amounts exclude intersegment revenues. See Note 19, "Business Segment Information," for discussion of intersegment revenues.
[2]Amounts included in Gas Distributions Operations Other revenues primarily relate to weather normalization adjustment mechanisms.
[3]Amounts included in Electric Operations Other revenues primarily relate to MISO multi-value projects and revenue from non-jurisdictional transmission assets.
[4]Amounts associated with Corporate and Other revenues primarily relate to the Transition Services Agreement entered into in connection with the sale of the Massachusetts Business.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Six months ended June 30, 2023 *(in millions)*	Gas Distribution Operations[2]	Electric Operations[3]	Corporate and Other	Total
Customer Revenues[1]				
Residential	$ 1,437.6	$ 273.2	$ —	$ 1,710.8
Commercial	512.7	281.0	—	793.7
Industrial	123.0	246.8	—	369.8
Off-system	40.1	—	—	40.1
Miscellaneous	30.1	18.8	—	48.9
Total Customer Revenues	$ 2,143.5	$ 819.8	$ —	$ 2,963.3
Other Revenues	50.6	41.7	0.4	92.7
Total Operating Revenues	$ 2,194.1	$ 861.5	$ 0.4	$ 3,056.0

[1]Customer revenue amounts exclude intersegment revenues. See Note 19, "Business Segment Information," for discussion of intersegment revenues.
[2]Amounts included in Gas Distributions Operations Other revenues primarily relate to weather normalization adjustment mechanisms.
[3]Amounts included in Electric Operations Other revenues primarily relate to MISO multi-value projects and revenue from non-jurisdictional transmission assets.

Six months ended June 30, 2022 *(in millions)*	Gas Distribution Operations[2]	Electric Operations[3]	Corporate and Other[4]	Total
Customer Revenues[1]				
Residential	$ 1,441.9	$ 275.5	$ —	$ 1,717.4
Commercial	517.1	269.2	—	786.3
Industrial	115.9	268.5	—	384.4
Off-system	77.8	—	—	77.8
Miscellaneous	22.6	8.3	—	30.9
Total Customer Revenues	$ 2,175.3	$ 821.5	$ —	$ 2,996.8
Other Revenues	2.5	45.7	11.5	59.7
Total Operating Revenues	$ 2,177.8	$ 867.2	$ 11.5	$ 3,056.5

[1]Customer revenue amounts exclude intersegment revenues. See Note 19, "Business Segment Information," for discussion of intersegment revenues.
[2]Amounts included in Gas Distributions Operations Other revenues primarily relate to weather normalization adjustment mechanisms.
[3]Amounts included in Electric Operations Other revenues primarily relate to MISO multi-value projects and revenue from non-jurisdictional transmission assets.
[4]Amounts associated with Corporate and Other revenues primarily relate to the Transition Services Agreement entered into in connection with the sale of the Massachusetts Business.

Customer Accounts Receivable. Accounts receivable on our Condensed Consolidated Balance Sheets (unaudited) includes both billed and unbilled amounts, as well as certain amounts that are not related to customer revenues. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from the date of the last cycle billing through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, and weather. A significant portion of our operations are subject to seasonal fluctuations in sales. During the heating season, primarily from November through March, revenues and receivables from gas sales are more significant than in other months. The opening and closing balances of customer receivables for the six months ended June 30, 2023 are presented in the table below. We had no significant contract assets or liabilities during the period. Additionally, we have not incurred any significant costs to obtain or fulfill contracts.

(in millions)	Customer Accounts Receivable, Billed (less reserve)	Customer Accounts Receivable, Unbilled (less reserve)
Balance as of December 31, 2022	$ 560.5	$ 453.0
Balance as of June 30, 2023	372.9	191.5

Utility revenues are billed to customers monthly on a cycle basis. We expect that substantially all customer accounts receivable will be collected following customer billing, as this revenue consists primarily of periodic, tariff-based billings for service and usage. We maintain common utility credit risk mitigation practices, including requiring deposits and actively pursuing collection of past due amounts. Our regulated operations also utilize certain regulatory mechanisms that facilitate recovery of bad debt costs within tariff-based rates, which provides further evidence of collectibility. It is probable that substantially all of the consideration to which we are entitled from customers will be collected upon satisfaction of performance obligations.

Allowance for Credit Losses. To evaluate for expected credit losses, customer account receivables are pooled based on similar risk characteristics, such as customer type, geography, payment terms, and related macro-economic risks. Expected credit losses are established using a model that considers historical collections experience, current information, and reasonable and supportable forecasts. Internal and external inputs are used in our credit model including, but not limited to, energy consumption trends, revenue projections, actual charge-offs data, recoveries data, shut-offs, customer delinquencies, final bill data, and inflation. We continuously evaluate available information relevant to assessing collectability of current and future receivables. We evaluate creditworthiness of specific customers periodically or following changes in facts and circumstances. When we become aware of a specific commercial or industrial customer's inability to pay, an allowance for expected credit losses is recorded for the relevant amount. We also monitor other circumstances that could affect our overall expected credit losses including, but not limited to, creditworthiness of overall population in service territories, adverse conditions impacting an industry sector, and current economic conditions.

At each reporting period, we record expected credit losses to an allowance for credit losses account. When deemed to be uncollectible, customer accounts are written-off. A rollforward of our allowance for credit losses as of June 30, 2023 and December 31, 2022 are presented in the table below:

(*in millions*)	Gas Distribution Operations	Electric Operations	Corporate and Other	Total
Balance as of January 1, 2023	$ 17.2	$ 5.9	$ 0.8	$ 23.9
Current period provisions	16.8	3.2	—	20.0
Write-offs charged against allowance	(24.0)	(2.8)	—	(26.8)
Recoveries of amounts previously written off	10.4	0.3	—	10.7
Balance as of June 30, 2023	$ 20.4	$ 6.6	$ 0.8	$ 27.8

(*in millions*)	Gas Distribution Operations	Electric Operations	Corporate and Other	Total
Balance as of January 1, 2022	$ 18.9	$ 3.8	$ 0.8	$ 23.5
Current period provisions	29.1	6.9	—	36.0
Write-offs charged against allowance	(52.1)	(5.3)	—	(57.4)
Recoveries of amounts previously written off	21.3	0.5	—	21.8
Balance as of December 31, 2022	$ 17.2	$ 5.9	$ 0.8	$ 23.9

4. Earnings Per Share

The calculations of basic and diluted EPS are based on the weighted average number of shares of common stock and potential common stock outstanding during the period. For the purposes of determining diluted EPS, the shares underlying the purchase contracts included within the Equity Units were included in the calculation of potential common stock outstanding for the three and six months ended June 30, 2023 and 2022 using the if-converted method under US GAAP. For the purchase contracts, the number of shares of our common stock that would be issuable at the end of each reporting period will be reflected in the denominator of our diluted EPS calculation. If the stock price falls below the initial reference price of $24.51, subject to anti-dilution adjustments, the number of shares of our common stock used in calculating diluted EPS will be the maximum number of shares per the contract as described in Note 5, "Equity." Conversely, if the stock price is above the initial reference price of $24.51, subject to anti-dilution adjustments, a variable number of shares of our common stock will be used in calculating diluted EPS. A numerator adjustment is reflected in the calculation of diluted EPS for interest expense incurred for the three and six months ended June 30, 2023 and 2022 net of tax, related to the purchase contracts.

We adopted ASU 2020-06 on January 1, 2022, which resulted in additional dilution from our Equity Units by requiring us to assume share settlement of the remaining purchase contract payment balance based on the average share price during the period.

The shares underlying the Series C Mandatory Convertible Preferred Stock included within the Equity Units are contingently convertible as the conversion is contingent on a successful remarketing as described in Note 5, "Equity." Contingently convertible shares where conversion is not tied to a market price trigger are excluded from the calculation of diluted EPS until such time as the contingency has been resolved under the if-converted method. As of June 30, 2023 and 2022, the contingency was not resolved and thus no shares were reflected in the denominator in the calculation of diluted EPS for the three and six months ended June 30, 2023 and 2022.

Diluted EPS also includes the incremental effects of the various long-term incentive compensation plans and the open ATM forward agreements during the period under the treasury stock method when the impact would be dilutive.

We began using the two-class method of computing earnings per share in 2023 because we have participating securities in the form of non-vested restricted stock units with a non-forfeitable right to dividend equivalents, for which vesting is predicated solely on the passage of time. The calculation of earnings per share using the two-class method excludes income attributable to these participating securities from the numerator and excludes the dilutive impact of those shares from the denominator.

During 2022, we had no outstanding securities other than common and preferred stock, which required holders' participation in dividends and earnings; therefore, we were not required to calculate EPS under the two-class method. Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of shares of common stock outstanding during the period. Diluted net income per share is computed by giving effect to all potential shares of common stock, to the extent they are dilutive.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

The following table presents the calculation of our basic and diluted EPS:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions, except per share amounts)	**2023**	2022	**2023**	2022
Numerator:				
Net Income Available to Common Shareholders	**$ 39.9**	$ 53.2	**$ 359.1**	$ 466.2
Less: Income allocated to participating securities	**—**	—	**0.2**	—
Net Income Available to Common Shareholders - Basic	39.9	53.2	**358.9**	466.2
Add: Dilutive effect of Equity Units	0.4	0.5	**0.8**	1.0
Net Income Available to Common Shareholders - Diluted	**$ 40.3**	$ 53.7	**$ 359.7**	$ 467.2
Denominator:				
Average common shares outstanding - Basic	**413.3**	406.4	**413.1**	406.2
Dilutive potential common shares:				
Equity Units purchase contracts	**31.3**	27.9	**31.2**	28.5
Equity Units purchase contract payment balance	**1.2**	3.3	**1.5**	3.6
Shares contingently issuable under employee stock plans	**0.6**	1.0	**0.7**	1.0
Shares restricted under employee stock plans	**0.4**	0.4	**0.4**	0.4
ATM forward agreements	**—**	1.2	**—**	1.1
Average Common Shares - Diluted	**446.8**	440.2	**446.9**	440.8
Earnings per common share:				
Basic	**$ 0.10**	$ 0.13	**$ 0.87**	$ 1.15
Diluted	**$ 0.09**	$ 0.12	**$ 0.80**	$ 1.06

5. Equity

ATM Program. On February 22, 2021, we entered into six separate equity distribution agreements pursuant to which we are able to sell up to an aggregate of $750.0 million of our common stock. As of June 30, 2023, the ATM program had approximately $300.0 million of equity available for issuance. The program expires on December 31, 2023. There are no outstanding forward agreements as of June 30, 2023.

Preferred Stock. As of June 30, 2023, we had 20,000,000 shares of preferred stock authorized for issuance, of which 902,500 shares of preferred stock in the aggregate for all series were outstanding. The following table displays preferred dividends declared for the period by outstanding series of shares:

			Three Months Ended June 30,		Six Months Ended June 30,		June 30,	December 31,
			2023	2022	2023	2022	2023	2022
(in millions except shares and per share amounts)	Liquidation Preference Per Share	Shares	Dividends Declared Per Share[2]				Outstanding	
5.650% Series A	$ 1,000.00	—	—	—	28.25	28.25	$ —	$ 393.9
6.500% Series B	$ 25,000.00	20,000	406.25	406.25	1,218.75	1,218.75	$ 486.1	$ 486.1
Series C[1]	$ 1,000.00	862,500	—	—	—	—	$ 666.5	$ 666.5

[1]The Series C Mandatory Convertible Preferred Stock initially will not bear any dividends. We recorded the initial present value of the purchase contract payments as a liability with a corresponding reduction to preferred stock

[2]Dividend declared per share for the six months ended June 30, 2023 reflects the dividend declared on our outstanding Series A Preferred Stock on March 14, 2023. The dividend was paid on June 15, 2023.

In addition, 20,000 shares of Series B–1 Preferred Stock, par value $0.01 per share, were outstanding as of June 30, 2023. Holders of Series B–1 Preferred Stock are not entitled to receive dividend payments and have no conversion rights. The Series B–1 Preferred Stock is paired with the Series B Preferred Stock and may not be transferred, redeemed or repurchased except in connection with the simultaneous transfer, redemption, or repurchase of the underlying Series B Preferred Stock.

On June 15, 2023, we redeemed all 400,000 outstanding shares of Series A Preferred Stock for a redemption price of $1,000 per share or $400.0 million in total. Following the redemption, dividends ceased to accrue on such shares of Series A Preferred Stock, the shares of Series A Preferred Stock are no longer deemed outstanding and all rights of the holders of the shares of Series A Preferred Stock were terminated. In conjunction with the redemption, we recorded a $6.2 million preferred stock redemption premium, calculated as the difference between the carrying value on the redemption date of the Series A Preferred Stock and the total amount of consideration paid to redeem, which was recorded as a reduction to retained earnings as of June 30, 2023. Since we are obligated to issue common stock under the Equity Units purchase contracts by the end of 2023, we did not recognize an excise tax liability, under the IRA, in connection with this redemption.

In June 2023, we filed a certificate of elimination to our Amended and Restated Certificate of Incorporation with the Secretary of State of Delaware to eliminate from the Amended and Restated Certificate of Incorporation all matters set forth in the Certificate of Designations with respect to the Series A Preferred Stock. As a result, the 400,000 shares that were previously designated as Series A Preferred Stock were returned to the status of authorized but unissued shares of preferred stock, par value $0.01 per share, without designation as to series. The certificate of elimination does not change the total number of authorized shares of capital stock of NiSource or the total number of authorized shares of preferred stock.

As of June 30, 2023 and 2022, Series A Preferred Stock had $0.0 and $1.0 million of cumulative preferred dividends in arrears, or $0.00 and $2.51 per share. As of June 30, 2023 and 2022, Series B Preferred Stock had $1.4 million of cumulative preferred dividends in arrears, or $72.23 per share.

Equity Units. On April 19, 2021, we completed the sale of 8.625 million Equity Units, initially consisting of Corporate Units, each with a stated amount of $100. The offering generated net proceeds of $835.5 million, after underwriting and issuance expenses. Each Corporate Unit consists of a forward contract to purchase shares of our common stock in the future and a 1/10th, or 10%, undivided beneficial ownership interest in one share of Series C Mandatory Convertible Preferred Stock, par value $0.01 per share, with a liquidation preference of $1,000 per share.

Selected information about the Equity Units at the issuance date is presented below:

(in millions except contract rate)	Issuance Date	Units Issued	Total Net Proceeds[(1)]	Purchase Contract Annual Rate	Purchase Contract Liability
Equity Units	April 19, 2021	8.625 $	835.5	7.75 % $	168.8

[(1)]Issuance costs of $27.0 million were recorded on a relative fair value basis as a reduction to preferred stock of $22.5 million and a reduction to the purchase contract liability of $4.5 million.

The purchase contract obligates holders to purchase shares of our common stock on December 1, 2023, subject to early settlement in certain situations. The purchase price paid under the purchase contract is $100 and the number of shares to be purchased will be determined under a settlement rate formula based on the volume-weighted average share price of our common stock near the settlement date, subject to a maximum settlement rate. The Series C Mandatory Convertible Preferred Stock were pledged upon issuance as collateral to secure the purchase of common stock under the related purchase contracts.

The Series C Mandatory Convertible Preferred Stock is required to be remarketed prior to December 1, 2023, and each share, unless previously converted, will automatically convert to common stock based on a conversion rate on the mandatory conversion date, which is expected to be on or about March 1, 2024. The conversion rate will be determined based on the volume-weighted average share price of our common stock near the conversion date, subject to a minimum and maximum conversion rate. Prior to December 1, 2023, the Series C Mandatory Convertible Preferred Stock will not bear any dividends and the liquidation preference will not accrete. Following a successful remarketing, dividends may become payable on the Series C Mandatory Convertible Preferred Stock and/or the minimum conversion rate of the Series C Mandatory Convertible Preferred Stock may be increased. If no successful remarketing of the Series C Mandatory Convertible Preferred Stock has previously occurred, effective as of December 1, 2023, the conversion rate will be zero, no shares of our common stock will be delivered upon automatic conversion and each share of Series C Mandatory Convertible Preferred Stock will be automatically transferred to us on the mandatory conversion date without any payment of cash or shares of our common stock thereon. In the event of such a remarketing failure, any shares of Series C Mandatory Convertible Preferred Stock held as part of Corporate Units will be automatically delivered to us on December 1, 2023 in full satisfaction of the relevant holder's obligation under the related purchase contracts.

We pay quarterly contract adjustment payments at the rate of 7.75% per year on the stated amount of $100 per Equity Unit. The contract adjustment payments are payable in cash, shares of our common stock or a combination thereof, at our election. The payment of contract adjustment payments may also be deferred until the purchase contract settlement date, December 1, 2023, at our election. If we exercise our option to defer the payment of contract adjustment payments, then until the deferred contract adjustment payments have been paid, we will not declare or pay any dividends on, or make any distributions on, or redeem, purchase or acquire, or make a liquidation payment with respect to, any shares of our capital stock; make any payment of principal of, or interest or premium, if any, on, or repay, repurchase or redeem any of our debt securities that rank on parity with, or junior to, the contract adjustment payments; or make any guarantee payments under any guarantee by us of securities of any of our subsidiaries if our guarantee ranks on parity with, or junior to, the contract adjustment payments. As of June 30, 2023, no contract adjustment payments have been deferred with quarterly cash payments being remitted to the holders. As of June 30, 2023 and December 31, 2022 the purchase contract liability, net of issuance costs, was $32.6 million and $65.0 million, respectively. Purchase contract payments are recorded against this liability. Accretion of the purchase contract liability is recorded as interest expense. Cash payments of $33.4 million were made during both six month periods ended June 30, 2023 and 2022.

The Series C Mandatory Convertible Preferred Stock and forward purchase contracts are legally detachable and separately exercisable, however, due to the economic linkage between the forward purchase contract and the Series C Mandatory Convertible Preferred Stock, we have concluded that the ability to separate the Corporate Units is non-substantive. Accordingly, we are accounting for the Corporate Units as a single unit of account. We recorded the initial present value of the purchase contract payments as a liability with a corresponding reduction to preferred stock. This liability is included in "Other accruals" on the Condensed Consolidated Balance Sheets (unaudited).

Refer to Note 4, "Earnings Per Share," for additional information regarding our treatment of the Equity Units for diluted EPS. Under the terms of the Equity Units, assuming no anti-dilution or other adjustments such as a fundamental change, the maximum number of shares of common stock we will issue under the purchase contracts is 35.2 million and maximum number of shares of common stock we will issue under the Series C Mandatory Convertible Preferred Stock is 35.2 million. Had we settled the remaining purchase contract payment balance in shares at June 30, 2023, we would have issued approximately 1.2 million shares.

Table of Contents

6. Gas in Storage

We use both the LIFO inventory methodology and the weighted-average cost methodology to value natural gas in storage. Natural gas storage injections are priced at the average of the costs of natural gas supply purchased during the year. For interim periods, the difference in the cost of replacing the current portion of stored gas inventory compared to the amount stated on a LIFO basis is recorded within the Condensed Consolidated Balance Sheets (unaudited). Due to seasonality requirements, we expect interim variances in LIFO layers to be replenished by year end. The LIFO basis exceeded the cost of replacing the current portion of stored gas by $11.6 million and zero as of June 30, 2023 and December 31, 2022, respectively, for certain gas distribution companies recorded within "Prepayments and other" on the Condensed Consolidated Balance Sheets (unaudited).

7. Regulatory Matters

NIPSCO change in accounting estimate

As part of the NIPSCO Gas Settlement and Stipulation Agreement filed on March 2, 2022, NIPSCO Gas agreed to change the depreciation methodology for its calculation of depreciation rates, which reduces depreciation expense and subsequent revenues and cash flows. An order was received on July 27, 2022 approving the rate case and rates were effective as of September 1, 2022. As part of the NIPSCO Electric pending electric base rate case and the Stipulation and Settlement Agreement filed on March 10, 2023 NIPSCO Electric agreed to change the depreciation methodology for its calculation of depreciation rates, which will reduce depreciation expense and subsequent revenues and cash flows if the stipulation is accepted. An order is expected in the electric rate case in August of 2023.

Columbia of Ohio regulatory filing update

Columbia of Ohio's base rate case was filed on June 30, 2021, requesting a net rate increase of approximately 21.3% or $221.4 million increase in revenue per year. The case was filed in conjunction with applications for an alternative rate plan, approval of certain deferral authority, and updates to certain riders. On October 31, 2022, Columbia of Ohio filed a joint stipulation and recommendation with certain parties to settle the base rate case. On January 26, 2023, the PUCO modified and approved the joint stipulation and recommendation, and Columbia of Ohio placed rates into effect on March 1, 2023. Applications for Rehearing were filed by the three parties who opposed certain rate design and energy efficiency assistance components of the joint stipulation and recommendation, which was granted for further consideration by the PUCO on March 22, 2023.

Regulatory deferral related to renewable energy investments

In accordance with the accounting principles of ASC 980, we recognize a regulatory liability or asset for amounts representing the timing difference between the profit earned from the JVs and the amount included in regulated rates to recover our approved investments in consolidated JVs. The amounts recorded in income will ultimately reflect the amount allowed in regulated rates to recover our investments over the useful life of the projects. The offset to the regulatory liability or asset associated with our renewable investments included in regulated rates is recorded in "Depreciation expense" on the Condensed Statements of Consolidated Income (unaudited). NiSource recorded depreciation expense of $13.7 million and $9.3 million for the three and six months ended June 30, 2023, and $9.6 million and $6.7 million for the three and six months ended June 30, 2022. Refer to Note 13, "Variable Interest Entities," for additional information.

8. Risk Management Activities

We are exposed to certain risks relating to our ongoing business operations; namely commodity price risk and interest rate risk. We recognize that the prudent and selective use of derivatives may help to lower our cost of debt capital, manage our interest rate exposure and limit volatility in the price of natural gas.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Risk management assets and liabilities on our derivatives are presented on the Condensed Consolidated Balance Sheets (unaudited) as shown below:

	June 30, 2023		December 31, 2022	
(in millions)	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Current[(1)]				
Derivatives not designated as hedging instruments	**$ 5.0**	**$ 2.5**	$ 18.8	$ 1.1
Total	**$ 5.0**	**$ 2.5**	$ 18.8	$ 1.1
Noncurrent[(2)]				
Derivatives not designated as hedging instruments	**$ 34.6**	**$ 1.7**	$ 66.0	$ 1.9
Total	**$ 34.6**	**$ 1.7**	$ 66.0	$ 1.9

[(1)]Current assets and liabilities are presented in "Prepayments and other" and "Other accruals", respectively, on the Condensed Consolidated Balance Sheets (unaudited).
[(2)]Noncurrent assets and liabilities are presented in "Deferred charges and other" and "Other noncurrent liabilities and deferred credits", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

Our derivative instruments are subject to enforceable master netting arrangements or similar agreements. No collateral was either received or posted related to our outstanding derivative positions at June 30, 2023. If the above gross asset and liability positions were presented net of amounts owed or receivable from counterparties, we would report a net asset position of $35.4 million and $81.8 million at June 30, 2023 and December 31, 2022, respectively.

All gains and losses on derivative contracts are deferred as regulatory liabilities or assets and are remitted to or collected from customers through NIPSCO's quarterly GCA mechanism.

Derivatives Not Designated as Hedging Instruments

Commodity price risk management. We, along with our utility customers, are exposed to variability in cash flows associated with natural gas purchases and volatility in natural gas prices. We purchase natural gas for sale and delivery to our retail, commercial and industrial customers, and for most customers the variability in the market price of gas is passed through in their rates. Some of our utility subsidiaries offer programs whereby variability in the market price of gas is assumed by the respective utility. The objective of our commodity price risk programs is to mitigate the gas cost variability, for us or on behalf of our customers, associated with natural gas purchases or sales by economically hedging the various gas cost components using a combination of futures, options, forwards or other derivative contracts. At June 30, 2023 and December 31, 2022, we had 88.9 MMDth and 99.0 MMDth, respectively, of net energy derivative volumes outstanding related to our natural gas hedges.

NIPSCO has received IURC approval to lock in a fixed price for its natural gas customers using long-term forward purchase instruments and is limited to 20% of NIPSCO's average annual GCA purchase volume. As of June 30, 2023, the remaining terms of these instruments range from one to four years.

The following table summarizes the gains and losses associated with the commodity price risk programs deferred as regulatory assets and liabilities:

(in millions)	**June 30, 2023**	**December 31, 2022**
Regulatory Assets		
Losses on commodity price risk programs	**$ 16.4**	$ 10.0
Regulatory Liabilities		
Gains on commodity price risk programs	**40.5**	90.0

Our derivative instruments measured at fair value as of June 30, 2023 and December 31, 2022 do not contain any credit-risk-related contingent features.

The net gain related to multiple of our settled interest rate swaps is recorded in AOCI. We amortize the net gain over the life of the debt associated with these swaps as we recognize interest expense. These amounts are immaterial for the three and six months ended June 30, 2023 and 2022 and are recorded in "Interest expense, net" on the Condensed Statements of Consolidated Income (unaudited). Amounts expected to be reclassified to earnings during the next twelve months are immaterial.

Amortization will continue for 347 months. See Note 17, "Accumulated Other Comprehensive Loss," for additional information.

9. Fair Value

A. Fair Value Measurements

Recurring Fair Value Measurements

The following tables present financial assets and liabilities measured and recorded at fair value on our Condensed Consolidated Balance Sheets (unaudited) on a recurring basis and their level within the fair value hierarchy as of June 30, 2023 and December 31, 2022:

Recurring Fair Value Measurements June 30, 2023 *(in millions)*	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of June 30, 2023
Assets				
Risk management assets	$ —	$ 39.6	$ —	$ 39.6
Available-for-sale debt securities	—	154.9	—	154.9
Total	**$ —**	**$ 194.5**	**$ —**	**$ 194.5**
Liabilities				
Risk management liabilities	$ —	$ 4.2	$ —	$ 4.2
Total	**$ —**	**$ 4.2**	**$ —**	**$ 4.2**

Recurring Fair Value Measurements December 31, 2022 *(in millions)*	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2022
Assets				
Risk management assets	$ —	$ 84.8	$ —	$ 84.8
Available-for-sale debt securities	—	151.6	—	151.6
Total	**$ —**	**$ 236.4**	**$ —**	**$ 236.4**
Liabilities				
Risk management liabilities	$ —	$ 3.0	$ —	$ 3.0
Total	**$ —**	**$ 3.0**	**$ —**	**$ 3.0**

Risk Management Assets and Liabilities. Risk management assets and liabilities include exchange-traded NYMEX futures and NYMEX options and non-exchange-based forward purchase contracts.

Level 1- When utilized, exchange-traded derivative contracts are based on unadjusted quoted prices in active markets and are classified within Level 1. These financial assets and liabilities are secured with cash on deposit with the exchange; therefore, nonperformance risk has not been incorporated into these valuations. These financial assets and liabilities are deemed to be cleared and settled daily by NYMEX as the related cash collateral is posted with the exchange. As a result of this exchange rule, NYMEX derivatives are considered to have no fair value at the balance sheet date for financial reporting purposes, and are presented in Level 1 net of posted cash; however, the derivatives remain outstanding and are subject to future commodity price fluctuations until they are settled in accordance with their contractual terms.

Level 2- Certain non-exchange-traded derivatives are valued using broker or over-the-counter, on-line exchanges. In such cases, these non-exchange-traded derivatives are classified within Level 2. Non-exchange-based derivative instruments include swaps, forwards, and options. In certain instances, these instruments may utilize models to measure fair value. We use a similar model to value similar instruments. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability and market-corroborated inputs, (i.e., inputs derived principally from or corroborated by observable

market data by correlation or other means). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized within Level 2.

Level 3- Certain derivatives trade in less active markets with a lower availability of pricing information and models may be utilized in the valuation. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized within Level 3.

Credit risk is considered in the fair value calculation of derivative instruments that are not exchange-traded. Credit exposures are adjusted to reflect collateral agreements that reduce exposures. As of June 30, 2023 and December 31, 2022, there were no material transfers between fair value hierarchies. Additionally, there were no changes in the method or significant assumptions used to estimate the fair value of our financial instruments.

NIPSCO has entered into long-term forward natural gas purchase instruments to lock in a fixed price for its natural gas customers. We value these contracts using a pricing model that incorporates market-based information when available, as these instruments trade less frequently and are classified within Level 2 of the fair value hierarchy. For additional information, see Note 8, "Risk Management Activities."

Available-for-Sale Debt Securities. Available-for-sale debt securities are investments pledged as collateral for trust accounts related to our wholly owned insurance company. We value U.S. Treasury, corporate debt and mortgage-backed securities using a matrix pricing model that incorporates market-based information. These securities trade less frequently and are classified within Level 2.

Our available-for-sale debt securities impairments are recognized periodically using an allowance approach. At each reporting date, we utilize a quantitative and qualitative review process to assess the impairment of available-for-sale debt securities at the individual security level. For securities in a loss position, we evaluate our intent to sell or whether it is more-likely-than-not that we will be required to sell the security prior to the recovery of its amortized cost. If either criteria is met, the loss is recognized in earnings immediately, with the offsetting entry to the carrying value of the security. If both criteria are not met, we perform an analysis to determine whether the unrealized loss is related to credit factors. The analysis focuses on a variety of factors that include, but are not limited to, downgrade on ratings of the security, defaults in the current reporting period or projected defaults in the future, the security's yield spread over treasuries, and other relevant market data. If the unrealized loss is not related to credit factors, it is included in other comprehensive income. If the unrealized loss is related to credit factors, the loss is recognized as credit loss expense in earnings during the period, with an offsetting entry to the allowance for credit losses. The amount of the credit loss recorded to the allowance account is limited by the amount at which the security's fair value is less than its amortized cost basis. If certain amounts recorded in the allowance for credit losses are deemed uncollectible, the allowance on the uncollectible portion will be charged off, with an offsetting entry to the carrying value of the security. Subsequent improvements to the estimated credit losses of available-for-sale debt securities will be recognized immediately in earnings. As of June 30, 2023 and December 31, 2022, we have $0.7 million and $0.9 million, respectively, recorded as an allowance for credit losses on available-for-sale debt securities as a result of the analysis described above. Continuous credit monitoring and portfolio credit balancing mitigates our risk of credit losses on our available-for-sale debt securities.

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of available-for-sale securities at June 30, 2023 and December 31, 2022 were:

June 30, 2023 *(in millions)*	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses[1]	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
U.S. Treasury debt securities	$ 70.1	$ —	$ (4.2)	$ —	$ 65.9
Corporate/Other debt securities	98.7	—	(9.0)	(0.7)	89.0
Total	**$ 168.8**	**$ —**	**$ (13.2)**	**$ (0.7)**	**$ 154.9**

December 31, 2022 *(in millions)*	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses[2]	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
U.S. Treasury debt securities	$ 67.7	$ —	$ (4.5)	$ —	$ 63.2
Corporate/Other debt securities	99.0	—	(9.7)	(0.9)	88.4
Total	**$ 166.7**	**$ —**	**$ (14.2)**	**$ (0.9)**	**$ 151.6**

[1]Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is $59.9 million and $83.7 million, respectively, at June 30, 2023.
[2]Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is $61.0 million and $85.5 million, respectively, at December 31, 2022.

The cost of maturities sold is based upon specific identification. Realized gains and losses on available-for-sale securities were immaterial for the three and six months ended June 30, 2023 and 2022.

At June 30, 2023, approximately $12.9 million of U.S. Treasury debt securities and approximately $3.6 million of Corporate/Other debt securities have maturities of less than a year.

Non-recurring Fair Value Measurements

We measure the fair value of certain assets, including goodwill, on a non-recurring basis, typically when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

Purchase Contract Liability. At April 19, 2021, we recorded the purchase contract liability at fair value using a discounted cash flow method and observable, market-corroborated inputs. This estimate was made at April 19, 2021, and will not be remeasured at each subsequent balance sheet date. It has been categorized within Level 2 of the fair value hierarchy. Refer to Note 5, "Equity," for additional information.

B. Other Fair Value Disclosures for Financial Instruments. The carrying amount of cash and cash equivalents, restricted cash, notes receivable, customer deposits and short-term borrowings is a reasonable estimate of fair value due to their liquid or short-term nature. Our long-term borrowings are recorded at historical amounts.

The following method and assumptions were used to estimate the fair value of each class of financial instruments.

Long-term Debt. The fair value of outstanding long-term debt is estimated based on the quoted market prices for the same or similar securities. Certain premium costs associated with the early settlement of long-term debt are not taken into consideration in determining fair value. These fair value measurements are classified within Level 2 of the fair value hierarchy. As of June 30, 2023, there was no change in the method or significant assumptions used to estimate the fair value of long-term debt.

The carrying amount and estimated fair values of these financial instruments were as follows:

(in millions)	Carrying Amount as of June 30, 2023	Estimated Fair Value as of June 30, 2023	Carrying Amount as of Dec. 31, 2022	Estimated Fair Value as of Dec. 31, 2022
Long-term debt (including current portion)	**$ 11,032.2**	**$ 10,079.7**	$ 9,553.6	$ 8,479.4

10. Goodwill

Substantially all of our goodwill relates to the excess of cost over the fair value of the net assets acquired in the Columbia acquisition on November 1, 2000. Our goodwill balance was $1,485.9 million as of June 30, 2023 and December 31, 2022. All our goodwill has been allocated to our Gas Distribution Operations segment.

For our annual goodwill impairment analysis performed as of May 1, 2023, we performed a qualitative "step 0" assessment and determined that it was more likely than not that the estimated fair value of the reporting unit substantially exceeded the related carrying value of our reporting unit. For this test, we assessed various assumptions, events and circumstances that would have affected the estimated fair value of the reporting units as compared to their baseline May 1, 2020 "step 1" fair value measurement. There have been no impairments to the carrying value of our goodwill during the periods presented.

11. Income Taxes

Our interim effective tax rates reflect the estimated annual effective tax rates for 2023 and 2022 applied to year-to-date pretax income, adjusted for tax expense associated with certain discrete items. These adjustments have a relative impact on the effective tax rate proportionally to pretax income or loss. The effective tax rates for the three months ended June 30, 2023 and 2022 were 23.3% and 17.7%, respectively. The effective tax rates for the six months ended June 30, 2023 and 2022 were 20.6% and 18.2%, respectively. These effective tax rates differ from the federal statutory tax rate of 21% primarily due to renewable partnership income, amortization of excess deferred federal income tax liabilities, as specified in the TCJA, tax credits, state flow through, and other permanent book-to-tax differences.

The increase in the three month effective tax rate of 5.6% in 2023 compared to 2022 is primarily attributed to increases in renewable partnership income, partially offset by increased amortization of excess deferred federal income tax liabilities, current year impacts of a state legislative change in a flow-through jurisdiction, and restricted stock unit excess benefit.

The increase in the six month effective tax rate of 2.4% in 2023 compared to 2022 is primarily attributed to increases in renewable partnership income, partially offset by increased amortization of excess deferred federal income tax liabilities, current year impacts of a state legislative change in a flow-through jurisdiction, and restricted stock unit excess benefit.

As of June 30, 2023, there have been no material changes to our unrecognized tax benefits or possible changes that could reasonably be expected to occur during the next twelve months. See Note 11 to the Company’s Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2022, for a discussion of these unrecognized tax benefits.

12. Pension and Other Postemployment Benefits

We provide defined contribution plans and noncontributory defined benefit retirement plans that cover certain of our employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, we provide health care and life insurance benefits for certain retired employees. The majority of employees may become eligible for these benefits if they reach retirement age while working for us. The expected cost of such benefits is accrued during the employees' years of service. We determined that, for certain rate-regulated subsidiaries, the future recovery of postretirement benefit costs is probable, and we record regulatory assets and liabilities for amounts that would otherwise have been recorded to expense or accumulated other comprehensive loss. Current rates of rate-regulated companies include postretirement benefit costs, including amortization of the regulatory assets and liabilities that arose prior to inclusion of these costs in rates. For most plans, cash contributions are remitted to grantor trusts.

For the six months ended June 30, 2023, we contributed $2.0 million to our pension plans and $11.2 million to our OPEB plans.

The following table provides the components of the plans' actuarially determined net periodic benefit cost for the three and six months ended June 30, 2023 and 2022:

	Pension Benefits		OPEB	
Three Months Ended June 30, *(in millions)*	**2023**	2022	**2023**	2022
Components of Net Periodic Benefit Cost[1]				
Service cost	**$ 5.1**	$ 7.0	**$ 1.3**	$ 1.6
Interest cost	**17.1**	9.8	**5.5**	3.0
Expected return on assets	**(23.6)**	(22.8)	**(3.8)**	(4.0)
Amortization of prior service credit	**—**	—	**(0.5)**	(0.6)
Recognized actuarial loss	**8.4**	4.8	**0.8**	0.7
Settlement loss	**0.1**	6.3	**—**	—
Total Net Periodic Benefit Cost	**$ 7.1**	$ 5.1	**$ 3.3**	$ 0.7

[1]The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

	Pension Benefits		OPEB	
Six Months Ended June 30, *(in millions)*	**2023**	2022	**2023**	2022
Components of Net Periodic Benefit Cost[1]				
Service cost	**$ 10.2**	$ 14.1	**$ 2.6**	$ 3.2
Interest cost	**34.2**	19.2	**10.9**	6.0
Expected return on assets	**(47.2)**	(45.7)	**(7.6)**	(8.0)
Amortization of prior service credit	**—**	—	**(1.0)**	(1.2)
Recognized actuarial loss	**16.8**	9.3	**1.6**	1.4
Settlement loss	**0.1**	6.3	**—**	—
Total Net Periodic Benefit Cost	**$ 14.1**	$ 3.2	**$ 6.5**	$ 1.4

[1]The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

13. Variable Interest Entities

A VIE is an entity in which the controlling interest is determined through means other than a majority voting interest. NIPSCO owns and operates two wind facilities, Rosewater and Indiana Crossroads Wind, which have 102 MW and 302 MW of nameplate capacity, respectively. NIPSCO also owns two solar facilities, Indiana Crossroads Solar and Dunn's Bridge I, which are both in service at June 2023, with a combined 465 MW of nameplate capacity. We control decisions that are significant to these entities' ongoing operations and economic results. Therefore, we have concluded that NIPSCO is the primary beneficiary and have consolidated all four entities.

Members of each respective JV include NIPSCO (who is the managing member) and a tax equity partner. Earnings, tax attributes and cash flows are allocated to both NIPSCO and the tax equity partner in varying percentages by category and over the life of the partnership. NIPSCO and each tax equity partner contributed cash to each JV. For the two wind facilities, NIPSCO assumed an obligation to the developers of each facility, representing the remaining economic interest. NIPSCO resolved this obligation by acquiring the developers' economic interests in June 2023 for $389.2 million. Once the tax equity partner has earned their negotiated rate of return and have reached a stated contractual date, NIPSCO has the option to purchase the remaining interest in the respective JV, at fair market value from the tax equity partner. NIPSCO has an obligation to purchase, through a PPA at established market rates, 100% of the electricity generated by our in-service JVs.

We did not provide any financial or other support during the quarter that was not previously contractually required, nor do we expect to provide such support in the future.

Our Condensed Consolidated Balance Sheets (unaudited) included the following assets and liabilities associated with VIEs.

(in millions)	**June 30, 2023**	December 31, 2022
Net Property, Plant and Equipment	**$ 1,349.7**	$ 978.5
Current assets	**160.4**	25.7
Total assets[(1)]	**1,510.1**	1,004.2
Current liabilities	**344.5**	128.2
Asset retirement obligations	**54.4**	30.6
Total liabilities	**$ 398.9**	$ 158.8

[(1)]The assets of each VIE represent assets of a consolidated VIE that can be used only to settle obligations of the respective consolidated VIE. The creditors of the liabilities of the VIEs do not have recourse to the general credit of the primary beneficiary.

14. Long-Term Debt

On March 24, 2023, we completed the issuance and sale of $750.0 million of 5.25% senior unsecured notes maturing in 2028, which resulted in approximately $742.2 million of net proceeds after discount and debt issuance costs.

On June 8, 2023, we completed the issuance and sale of an additional $300.0 million of 5.25% senior unsecured notes maturing in 2028 (the "2028 Notes"). The terms of the 2028 Notes, other than the issue date and the price to the public, are identical to the terms of, and constitute as a reopening of, our 5.25% senior unsecured notes due 2028 issued on March 24, 2023. On June 8, 2023, we also completed the issuance and sale of $450.0 million of 5.40% senior unsecured notes maturing in 2033. These issuances resulted in approximately $742.5 million of total net proceeds after discount and debt issuance costs. With the incremental issuance, we now have $1.05 billion of 5.25% senior unsecured notes maturing in 2028.

15. Short-Term Borrowings

We generate short-term borrowings from our revolving credit facility, commercial paper program, accounts receivable transfer programs, and term credit agreement. Each of these borrowing sources is described further below.

Revolving Credit Facility. We maintain a revolving credit facility to fund ongoing working capital requirements, including the provision of liquidity support for our commercial paper program, provide for issuance of letters of credit and also for general corporate purposes. Our revolving credit facility has a program limit of $1.85 billion and is comprised of a syndicate of banks. We had no outstanding borrowings under this facility as of June 30, 2023 and December 31, 2022.

Commercial Paper Program. Our commercial paper program has a program limit of up to $1.5 billion. We had $590.0 million and $415.0 million of commercial paper outstanding with weighted-average interest rates of 5.42% and 4.60% as of June 30, 2023 and December 31, 2022, respectively.

Accounts Receivable Transfer Programs. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania each maintain a receivables agreement whereby they transfer their customer accounts receivables to third-party financial institutions through wholly owned and consolidated special purpose entities. The three agreements expire between August 2023 and May 2024 and may be further extended if mutually agreed to by the parties thereto.

All receivables transferred to third parties are valued at face value, which approximates fair value due to their short-term nature. The amount of the undivided percentage ownership interest in the accounts receivables transferred is determined in part by required loss reserves under the agreements.

Transfers of accounts receivable are accounted for as secured borrowings resulting in the recognition of short-term borrowings on the Condensed Consolidated Balance Sheets (unaudited). As of June 30, 2023, the maximum amount of debt that could be borrowed related to our accounts receivable programs is $372.0 million.

We had zero and $347.2 million of short-term borrowings related to the securitization transactions as of June 30, 2023 and December 31, 2022, respectively.

For the six months ended June 30, 2023, $347.2 million was recorded as cash flows used for financing activities related to the change in short-term borrowings due to securitization transactions. For the six months ended June 30, 2022, $285.0 million was

recorded as cash flows from financing activities related to the change in short-term borrowings due to securitization transactions. Fees associated with the securitization transactions were $0.7 million for the three months ended June 30, 2023 and 2022, and $1.6 million and $1.0 million for the six months ended June 30, 2023 and 2022, respectively. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania remain responsible for collecting on the receivables securitized, and the receivables cannot be transferred to another party.

Term Credit Agreement. On December 20, 2022, we entered into a $1.0 billion term credit agreement with a syndicate of banks. The agreement matures on December 19, 2023 and interest charged on the borrowings depends on the variable rate structure elected at the time of each borrowing. The available variable rate structures from which we can choose are defined in the agreement. Under the agreement, we borrowed $1.0 billion on December 20, 2022 with an interest rate of SOFR plus 105 basis points. We had $1.0 billion outstanding under this agreement with interest rates of 6.13% and 5.37% as of June 30, 2023 and December 31, 2022, respectively.

Items listed above, excluding the term credit agreement, are presented net in the Condensed Statements of Consolidated Cash Flows (unaudited) as their maturities are less than 90 days.

16. Other Commitments and Contingencies

A. Guarantees and Indemnities. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended commercial purposes. As of June 30, 2023 and December 31, 2022, we had issued stand-by letters of credit of $10.2 million for the benefit of third parties.

We provide guarantees related to our future performance under BTAs for our renewable generation projects. At June 30, 2023 and December 31, 2022, our guarantees for multiple BTAs totaled $823.6 million and $841.6 million, respectively. The amount of each guaranty will fluctuate upon the completion of the various steps outlined in each BTA. See "- D. Other Matters - Generation Transition," below for more information.

B. Legal Proceedings.

Due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim, proceeding or investigation would not have a material adverse effect on our results of operations, financial position or liquidity. If one or more matters were decided against us, the effects could be material to our results of operations in the period in which we would be required to record or adjust the related liability and could also be material to our cash flows in the periods that we would be required to pay such liability.

Private Actions. On September 13, 2018, a series of fires and explosions occurred in Lawrence, Andover, and North Andover, Massachusetts related to the delivery of natural gas by Columbia of Massachusetts (the "Greater Lawrence Incident"). There continue to be asserted wrongful death and bodily injury claims as it relates to the Greater Lawrence Incident. We continue to discuss potential settlements with remaining claimants. The outcomes and impacts of such private actions are uncertain at this time.

FERC Investigation. In April 2022, NIPSCO was notified that the FERC Office of Enforcement (“OE”) is conducting an investigation of an industrial customer for allegedly manipulating the MISO Demand Response (“DR”) market. The customer and NIPSCO are cooperating with the investigation. As of June 30, 2023, it is probable that the OE will require the customer to repay certain DR revenues received from MISO, and will require NIPSCO to disgorge administrative fees and foregone margin charges that NIPSCO collected pursuant to its own IURC-approved tariff. The investigation remains ongoing. NIPSCO currently estimates the maximum amount of its disgorgement exposure to be $7.7 million which will be returned to customers. As of June 30, NIPSCO expects to recover more than 50% of that amount.

Other Legal Proceedings. We are also party to other claims, regulatory and legal proceedings arising in the ordinary course of business in each state in which we have operations, none of which we believe to be individually material at this time.

C. Environmental Matters. Our operations are subject to environmental statutes and regulations related to air quality, water quality, hazardous waste and solid waste. We believe that we are in substantial compliance with the environmental regulations currently applicable to our operations.

It is management's continued intent to address environmental issues in cooperation with regulatory authorities in such a manner as to achieve mutually acceptable compliance plans. However, there can be no assurance that fines and penalties will not be incurred. Management expects a majority of environmental assessment and remediation costs and asset retirement costs, further described below, to be recoverable through rates.

As of June 30, 2023 and December 31, 2022, we had recorded a liability of $84.5 million and $86.5 million, respectively, to cover environmental remediation at various sites. This liability is included in "Other accruals" and "Other noncurrent liabilities and deferred credits" in the Condensed Consolidated Balance Sheets (unaudited). We recognize costs associated with environmental remediation obligations when the incurrence of such costs is probable and the amounts can be reasonably estimated. The original estimates for remediation activities may differ materially from the amount ultimately expended. The actual future expenditures depend on many factors, including laws and regulations, the nature and extent of impact and the method of remediation. These expenditures are not currently estimable at some sites. We periodically adjust our liability as information is collected and estimates become more refined.

CERCLA. Our subsidiaries are potentially responsible parties at waste disposal sites under CERCLA and similar state laws. Under CERCLA, each potentially responsible party can be held jointly, severally and strictly liable for the remediation costs as the EPA, or state, can allow the parties to pay for remedial action or perform remedial action themselves and request reimbursement from the potentially responsible parties. Our affiliates have retained CERCLA environmental liabilities, including remediation liabilities, associated with certain current and former operations. At this time, we cannot estimate the full cost of remediating properties that have not yet been investigated, but it is possible that the future costs could be material to the Condensed Consolidated Financial Statements (unaudited).

MGP. We maintain a program to identify and investigate former MGP sites where Gas Distribution Operations subsidiaries or predecessors may have liability. The program has identified 53 such sites where liability is probable. Remedial actions at many of these sites are being overseen by state or federal environmental agencies through consent agreements or voluntary remediation agreements.

We utilize a probabilistic model to estimate our future remediation costs related to MGP sites. The model was prepared with the assistance of a third party and incorporates our experience and general industry experience with remediating MGP sites. We completed an annual refresh of the model in the second quarter. No material changes to the estimated future remediation costs were noted as a result of the refresh completed as of June 30, 2023. Our total estimated liability related to the facilities subject to remediation was $79.5 million and $81.0 million at June 30, 2023 and December 31, 2022, respectively. The liability represents our best estimate of the probable cost to remediate the MGP sites. Our model indicates that it is reasonably possible that remediation costs could vary by as much as $15.0 million in addition to the costs noted above. Remediation costs are estimated based on the best available information, applicable remediation standards at the balance sheet date and experience with similar facilities.

CCRs. NIPSCO continues to meet the compliance requirements established by the EPA for the regulation of CCRs. The current CCR rule required revisions to previously recorded legal obligations associated with the retirement of certain NIPSCO facilities. The actual asset retirement costs related to the CCR rule may vary substantially from the estimates used to record the increased asset retirement obligation due to the uncertainty about the requirements that will be established by environmental authorities, compliance strategies that will be used and the preliminary nature of available data used to estimate costs. As allowed by the rule, NIPSCO will continue to collect data over time to determine the specific compliance solutions and associated costs and, as a result, the actual costs may vary.

D. Other Matters.

Generation Transition. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy will have an associated nameplate capacity, and payments under the PPAs will not begin until the associated generation facility is constructed by the owner/seller. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities. NIPSCO's purchase obligation under each respective BTA is dependent on satisfactory approval of the BTA by the IURC and timely completion of construction. NIPSCO and the tax equity partner, where applicable, for each respective BTA, are obligated to make cash contributions to the

JV that acquires the project at the date construction is substantially complete. Certain BTA agreements require NIPSCO to make partial payments upon the developer's completion of significant construction milestones.

Proposed Sale of 19.9% Equity Interest in Northern Indiana Public Service Company LLC. On June 17, 2023, NiSource and our wholly-owned subsidiary, NIPSCO Holdings II LLC, a Delaware limited liability company ("NIPSCO Holdings II"), entered into a purchase and sale agreement (the "BIP Purchase Agreement") with BIP BLUE BUYER L.L.C., an affiliate of BIP. NIPSCO Holdings II is the 100% owner of all issued and outstanding membership interests of NIPSCO. NIPSCO Holdings II is a wholly-owned subsidiary of NIPSCO Holdings I LLC ("NIPSCO Holdings I"), which is a wholly-owned subsidiary of NiSource. Under the terms of the BIP Purchase Agreement, BIP will acquire newly issued membership interests of NIPSCO Holdings II which will represent a 19.9% ownership in NIPSCO Holdings II at closing, for a purchase price of $2.150 billion in cash, subject to adjustment based on the timing of closing and the amount of NiSource capital contributions made prior to closing (the "NIPSCO Minority Equity Interest Sale"). At the closing of the NIPSCO Minority Equity Interest Sale, through their respective percentage ownership of NIPSCO Holdings II, NiSource will own an 80.1% controlling interest in NIPSCO, while BIP will own the remaining 19.9% non-controlling interest. The parties currently expect for the NIPSCO Minority Equity Interest Sale to close by the end of 2023. The closing of the NIPSCO Minority Equity Interest Sale is subject to the satisfaction of certain customary closing conditions described in the BIP Purchase Agreement, including receipt of authorization by FERC. NIPSCO and BIP filed a joint petition with FERC on June 26, 2023 seeking approval of the NIPSCO Minority Equity Interest Sale.

The BIP Purchase Agreement may be terminated: (i) by mutual written consent of the parties; (ii) by either party if the closing has not occurred on or before one year after the effective date of the BIP Purchase Agreement; (iii) by BIP or NiSource, as the case may be, prior to the closing upon certain material breaches or failures to perform any of the representations, warranties, covenants or agreements by the other party; or (iv) by either party prior to the closing in the event of a final and non-appealable law or order restraining, enjoining or otherwise prohibiting the closing in any competent jurisdiction.

The BIP Purchase Agreement prohibits NIPSCO and NIPSCO Holdings II from paying any dividends or similar distributions to NiSource prior to the closing of the NIPSCO Minority Equity Interest Sale.

Pursuant to the terms of the BIP Purchase Agreement, at closing of the NIPSCO Minority Equity Interest Sale, BIP, NIPSCO Holdings I, NIPSCO Holdings II and NiSource will enter into an Amended and Restated Limited Liability Company Operating Agreement (the "Holdings II LLC Agreement"). The Holdings II LLC Agreement, among other things, provides for ongoing governance, exit rights, additional capital contributions, distributions, and other arrangements for NIPSCO Holdings II from and after the closing of the NIPSCO Minority Equity Interest Sale. As part of the NIPSCO Minority Equity Interest Sale, BIP is committed to funding its pro rata share of ongoing capital requirements, which is supported by a $250 million equity commitment letter. Upon the closing of the NIPSCO Minority Equity Interest Sale, the board of directors of NIPSCO Holdings II (the "Holdings II Board") will consist of seven directors. The Holdings II LLC Agreement will allow BIP to appoint at least two directors to the Holdings II Board so long as BIP holds at least a 17.5% Percentage Interest (as defined in the Holdings II LLC Agreement). The Holdings II LLC Agreement also contains certain investor protections, including, among other things, requiring BIP approval for NIPSCO Holdings II to take certain major actions. In addition, the Holdings II LLC Agreement will contain certain transfer restrictions and other transfer rights and obligations applicable to both BIP and NiSource.

NiSource intends to use the proceeds from the purchase price and future capital contributions by BIP to support NIPSCO's capital expenditure plans for serving customers, reduce NiSource's debt and fund ongoing capital needs associated with the renewable generation transition.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

17. Accumulated Other Comprehensive Loss

The following tables display the components of Accumulated Other Comprehensive Loss, net of tax:

(in millions)	Gains and Losses on Securities[1]	Gains and Losses on Cash Flow Hedges[1]	Pension and OPEB Items[1]	Accumulated Other Comprehensive Loss[1]
Balance as of April 1, 2023	$ (9.2)	$ (12.5)	$ (13.0)	$ (34.7)
Other comprehensive income (loss) before reclassifications	(1.4)	(0.3)	—	(1.7)
Amounts reclassified from accumulated other comprehensive loss	0.2	0.1	0.3	0.6
Net current-period other comprehensive income	(1.2)	(0.2)	0.3	(1.1)
Balance as of June 30, 2023	**$ (10.4)**	**$ (12.7)**	**$ (12.7)**	**$ (35.8)**

[1]All amounts are net of tax. Amounts in parentheses indicate debits.

(in millions)	Gains and Losses on Securities[1]	Gains and Losses on Cash Flow Hedges[1]	Pension and OPEB Items[1]	Accumulated Other Comprehensive Loss[1]
Balance as of January 1, 2023	$ (11.2)	$ (12.6)	$ (13.3)	$ (37.1)
Other comprehensive income (loss) before reclassifications	0.3	(0.3)	—	—
Amounts reclassified from accumulated other comprehensive loss	0.5	0.2	0.6	1.3
Net current-period other comprehensive income (loss)	0.8	(0.1)	0.6	1.3
Balance as of June 30, 2023	**$ (10.4)**	**$ (12.7)**	**$ (12.7)**	**$ (35.8)**

[1]All amounts are net of tax. Amounts in parentheses indicate debits.

(in millions)	Gains and Losses on Securities[1]	Gains and Losses on Cash Flow Hedges[1]	Pension and OPEB Items[1]	Accumulated Other Comprehensive Loss[1]
Balance as of April 1, 2022	$ (3.6)	$ (75.5)	$ (6.3)	$ (85.4)
Other comprehensive income (loss) before reclassifications	(3.9)	55.9	(3.3)	48.7
Amounts reclassified from accumulated other comprehensive loss	—	0.1	0.8	0.9
Net current-period other comprehensive income (loss)	(3.9)	56.0	(2.5)	49.6
Balance as of June 30, 2022	$ (7.5)	$ (19.5)	$ (8.8)	$ (35.8)

[1]All amounts are net of tax. Amounts in parentheses indicate debits.

(in millions)	Gains and Losses on Securities[1]	Gains and Losses on Cash Flow Hedges[1]	Pension and OPEB Items[1]	Accumulated Other Comprehensive Loss[1]
Balance as of January 1, 2022	$ 2.1	$ (122.5)	$ (6.4)	$ (126.8)
Other comprehensive income (loss) before reclassifications	(9.8)	102.9	(3.3)	89.8
Amounts reclassified from accumulated other comprehensive loss	0.2	0.1	0.9	1.2
Net current-period other comprehensive income (loss)	(9.6)	103.0	(2.4)	91.0
Balance as of June 30, 2022	$ (7.5)	$ (19.5)	$ (8.8)	$ (35.8)

[1]All amounts are net of tax. Amounts in parentheses indicate debits.

18. Other, Net

The following table displays the components of Other, Net included on the Condensed Statements of Consolidated Income (unaudited):

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2023**	2022	**2023**	2022
Interest income	**$ 1.8**	$ 0.6	**$ 3.6**	$ 1.5
AFUDC equity	**4.4**	4.0	**9.2**	7.0
Pension and other postretirement non-service benefit (cost)	**(4.9)**	4.7	**(8.4)**	12.3
Miscellaneous	**0.7**	(0.3)	**(0.9)**	(0.9)
Total Other, net	**$ 2.0**	$ 9.0	**$ 3.5**	$ 19.9

19. Business Segment Information

Our operations are divided into two primary reportable segments, the Gas Distribution Operations and the Electric Operations segments. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as an operating segment, are presented as "Corporate and Other" and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities. Refer to Note 3, "Revenue Recognition," for additional information on our segments and their sources of revenues. The following table provides information about our reportable segments. We use operating income as our primary measurement for each of the reported segments and make decisions on finance, dividends, and taxes at the corporate level on a consolidated basis. Segment revenues include intersegment sales to affiliated subsidiaries, which are eliminated in consolidation. Affiliated sales are recognized on the basis of prevailing market, regulated prices or at levels provided for under contractual agreements. Operating income is derived from revenues and expenses directly associated with each segment.

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2023**	2022	**2023**	2022
Operating Revenues				
Gas Distribution Operations				
Unaffiliated	**$ 692.8**	$ 741.1	**$ 2,194.1**	$ 2,177.8
Intersegment	**3.1**	3.2	**6.2**	6.3
Total	**695.9**	744.3	**2,200.3**	2,184.1
Electric Operations				
Unaffiliated	**397.0**	437.1	**861.5**	867.2
Intersegment	**0.1**	0.2	**0.3**	0.4
Total	**397.1**	437.3	**861.8**	867.6
Corporate and Other				
Unaffiliated	**0.2**	5.0	**0.4**	11.5
Intersegment	**122.8**	120.7	**239.5**	234.2
Total	**123.0**	125.7	**239.9**	245.7
Eliminations	**(126.0)**	(124.1)	**(246.0)**	(240.9)
Consolidated Operating Revenues	**$ 1,090.0**	$ 1,183.2	**$ 3,056.0**	$ 3,056.5
Operating Income (Loss)				
Gas Distribution Operations	**$ 115.4**	$ 80.6	**$ 562.3**	$ 591.4
Electric Operations	**49.6**	72.6	**131.5**	171.8
Corporate and Other	**3.9**	(9.9)	**6.1**	(19.6)
Consolidated Operating Income	**$ 168.9**	$ 143.3	**$ 699.9**	$ 743.6

Table of Contents

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NiSource Inc.

Index	Page
Executive Summary	37
Summary of Consolidated Financial Results	39
Results and Discussion of Segment Operations	40
Gas Distribution Operations	41
Electric Operations	44
Liquidity and Capital Resources	48
Regulatory, Environmental and Safety Matters	52
Market Risk Disclosures	56
Other Information	57

EXECUTIVE SUMMARY

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion") includes management's analysis of past financial results and certain potential factors that may affect future results, potential future risks and approaches that may be used to manage those risks. See "Note regarding forward-looking statements" at the beginning of this report for a list of factors that may cause results to differ materially.

Management's Discussion is designed to provide an understanding of our operations and financial performance and should be read in conjunction with our Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

We are an energy holding company under the Public Utility Holding Company Act of 2005 whose utility subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. We generate substantially all of our operating income through these rate-regulated businesses, which are summarized for financial reporting purposes into two primary reportable segments: Gas Distribution Operations and Electric Operations.

Refer to the "Business" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 for further discussion of our regulated utility business segments.

Our goal is to develop strategies that benefit all stakeholders as we (i) focus on long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures with our cost structure, and (iii) address changing customer conservation patterns. These strategies focus on improving safety and reliability, enhancing customer service, ensuring customer affordability and reducing emissions while generating sustainable returns. The safety of our customers, communities and employees remains our top priority. Serving as a guiding practice for our SMS, NiSource is certified in conformance to the American Petroleum Institute Recommended Practice 1173, which is the foundation to our journey towards operational excellence. Additionally, we continue to pursue regulatory and legislative initiatives that will allow residential customers not currently on our system to obtain gas service in a cost effective manner.

Your Energy, Your Future: Our plan to replace our coal generation capacity by the end of 2028 with primarily renewable resources, initiated through our 2018 Integrated Resource Plan ("2018 Plan"), is well underway, and we are continually adjusting to the dynamic renewable energy landscape. As of June 30, 2023, we have achieved in-service status for our first two solar BTAs. We have also taken contractual actions on a number of our other renewable projects to address the timing of these projects as well as consider the broad market issues facing the industry. We remain on track to retire R.M Schahfer's remaining two coal units by the end of 2025. On January 1, 2023, the provisions of the IRA became effective. We are evaluating the impact of this legislation to our renewable projects with potential to drive increased value to customers as part of our expansion of renewable projects and generation transition strategy. We will analyze opportunities to leverage the IRA on a project-by-project basis in consideration of several factors, both quantitative and qualitative, to enable project success and ensure value for the customer and company. For additional information, see "Results and Discussion of Segment Operations - Electric Operations," in this Management's Discussion.

In 2021, we announced and filed with the IURC the Preferred Energy Resource Plan associated with our 2021 Integrated Resource Plan ("2021 Plan"). The 2021 Plan lays out a timeline to retire the Michigan City Generating Station by the end of 2028. The 2021 Plan calls for the replacement of the retiring units with a diverse portfolio of resources including demand side management resources, incremental solar, stand-alone energy storage and upgrades to existing facilities at the Sugar Creek Generating Station, among other steps. Additionally, the 2021 Plan calls for a natural gas peaking unit to replace existing vintage gas peaking units at the R.M. Schahfer Generating Station to support system reliability and resiliency, as well as upgrades to the transmission system to enhance our electric generation transition. The planned retirement of the two vintage gas peaking units at the R.M. Schahfer Generating Station is also expected to occur by the end of 2028. Final retirement dates for these units, as well as Michigan City, will be subject to MISO approval. We are continuing to evaluate potential projects under the 2021 Plan given the responses to our Request for Proposal issued in August 2022.

NIPSCO Minority Equity Interest Sale: On June 17, 2023, NiSource and our wholly-owned subsidiary, NIPSCO Holdings II, entered into the BIP Purchase Agreement with an affiliate of BIP, pursuant to which BIP will acquire an indirect 19.9 percent equity interest in NIPSCO. Refer to Note 16, "Other Commitments and Contingencies - D. Other Matters," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information on this transaction.

Transformation: Our enterprise-wide transformation roadmap focuses on operational excellence, safety, operation and maintenance management, and unlocking efficiencies. We have formally launched several initiatives that will enable us to streamline work and improve logistics company-wide. These efforts will include investments in proven technologies backed with standardized processes that will change the way we plan, schedule, and execute work in the field and how we engage and provide service to our customers. Taken together, all the initiatives under the Enterprise-wide Transformation Roadmap will prioritize safety and continue to optimize our long-term growth profile.

Economic Environment: We are monitoring risks related to increasing order and delivery lead times for construction and other materials, increasing risk of unavailability of materials due to global shortages in raw materials, and risk of decreased construction labor productivity in the event of disruptions in the availability of materials. We continue to see increasing prices associated with certain materials and supplies. To the extent that delays occur or our costs increase, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected. For more information on supply chain impacts to our electric generation strategy, see "Results and Discussion of Segment Operations - Electric Operations," in this Management's Discussion. Additionally, for more information on global availability of materials for our renewable projects, see "Results and Discussion of Segment Operations - Electric Operations - Electric Supply and Generation Transition."

We are faced with increased competition for employee and contractor talent in the current labor market which has resulted in increased costs to attract and retain talent. We are ensuring that we use all internal human capital programs (development, leadership enablement programs, succession, performance management) to promote retention of our current employees along with having a competitive and attractive appeal for potential recruits. With a focus on workforce planning, we are evaluating our future talent footprint by creating flexible work arrangements where possible to ensure we have the right people, in the right role, and at the right time. To the extent we are unable to execute on our workforce planning initiatives and experience increased employee and contractor costs, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected.

After decreasing for the first three months of 2023, the market price of natural gas has stabilized at low levels with very little volatility. Changes in gas prices do not have a material impact on our results of operations. For more information on our commodity price impacts, see "Results and Discussion of Segment Operations - Gas Distribution Operations," and "Market Risk Disclosures."

Due to rising interest rates, we experienced higher interest expense for the three and six months periods ended June 30, 2023 compared to the same periods in 2022 associated with short-term borrowings. We continue to evaluate our financing plan to manage interest expense and exposure to rates. For more information on interest rate risk, see "Market Risk Disclosures".

Summary of Consolidated Financial Results

A summary of our consolidated financial results for the three and six months ended June 30, 2023 and 2022 are presented below:

	Three Months Ended June 30,			Six Months Ended June 30,		
(in millions, except per share amounts)	**2023**	2022	Favorable (Unfavorable)	**2023**	2022	Favorable (Unfavorable)
Operating Revenues	**$ 1,090.0**	$ 1,183.2	$ (93.2)	**$ 3,056.0**	$ 3,056.5	$ (0.5)
Operating Expenses						
Cost of energy	**251.9**	383.7	131.8	**1,017.0**	1,090.4	73.4
Other Operating Expenses	**669.2**	656.2	(13.0)	**1,339.1**	1,222.5	(116.6)
Total Operating Expenses	**921.1**	1,039.9	118.8	**2,356.1**	2,312.9	(43.2)
Operating Income	**168.9**	143.3	25.6	**699.9**	743.6	(43.7)
Total Other Deductions, Net	**(108.5)**	(75.5)	(33.0)	**(215.9)**	(148.3)	(67.6)
Income Taxes	**14.1**	12.0	(2.1)	**99.9**	108.2	8.3
Net Income	**46.3**	55.8	(9.5)	**384.1**	487.1	(103.0)
Net loss attributable to noncontrolling interest	**(12.5)**	(11.2)	1.3	**(7.7)**	(6.7)	1.0
Net Income Attributable to NiSource	**58.8**	67.0	(8.2)	**391.8**	493.8	(102.0)
Preferred dividends	**(18.9)**	(13.8)	(5.1)	**(32.7)**	(27.6)	(5.1)
Net Income Available to Common Shareholders	**39.9**	53.2	(13.3)	**359.1**	466.2	(107.1)
Earnings Per Share						
Basic Earnings Per Share	**$ 0.10**	$ 0.13	$ (0.03)	**$ 0.87**	$ 1.15	$ (0.28)
Diluted Earnings Per Share	**$ 0.09**	$ 0.12	$ (0.03)	**$ 0.80**	$ 1.06	$ (0.26)

The majority of the cost of energy in both segments are tracked costs that are passed through directly to the customer, resulting in an equal and offsetting amount reflected in operating revenues.

The decrease in net income available to common shareholders during the three months ended June 30, 2023 was primarily due to decreased revenue related to weather and increased other deductions, partially offset by higher revenues from outcomes of gas base rate proceedings and regulatory capital programs.

The decrease in net income available to common shareholders during the six months ended June 30, 2023 was primarily due to an insurance settlement related to the Greater Lawrence Incident received in 2022 and increased other deductions.

The increase in preferred dividends during the three and six months ended June 30, 2023 was due primarily to the inclusion of $6.2 million of preferred redemption premium, offset by a shortened dividend accrual period due to the early redemption of Series A Preferred Stock in the second quarter 2023. See Note 5, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information.

For additional information on operating income variance drivers see "Results and Discussion of Segment Operations" for Gas and Electric Operations in this Management's Discussion.

Other Deductions, net

The change in Other deductions, net for the three and six months ended June 30, 2023 compared to the same period in 2022 is primarily driven by higher long-term and short-term debt interest in 2023 and higher non-service pension costs. See Note 14, "Long-Term Debt," Note 15, "Short-Term Borrowings," and Note 12, "Pension and Other Postemployment Benefits," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information.

Income Taxes

Refer to Note 11, "Income Taxes," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on income taxes and the change in the effective tax rate.

We continue to monitor risks related to the implementation of any final or proposed tax regulations related to the IRA.

On April 14, 2023, the IRS issued Revenue Procedure 2023-15 which provides a safe harbor method of accounting that taxpayers may use to determine whether expenses to repair, maintain, replace, or improve linear property and non-linear natural

gas transmission and distribution property must be capitalized as improvements or are allowable as deductions. We continue to analyze the provisions of the safe harbor method of accounting which we expect to adopt.

RESULTS AND DISCUSSION OF SEGMENT OPERATIONS

Presentation of Segment Information

Our operations are divided into two primary reportable segments, the Gas Distribution Operations and the Electric Operations segments. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as an operating segment, are presented as "Corporate and Other" within the Notes to the Condensed Consolidated Financial Statements (unaudited) and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities.

NiSource Inc.
Gas Distribution Operations

Financial and operational data for the Gas Distribution Operations segment for the three and six months ended June 30, 2023 and 2022 are presented below.

	Three Months Ended June 30,			Six Months Ended June 30,		
(in millions)	**2023**	2022	Favorable (Unfavorable)	**2023**	2022	Favorable (Unfavorable)
Operating Revenues	**$ 695.9**	$ 744.3	$ (48.4)	**$ 2,200.3**	$ 2,184.1	$ 16.2
Operating Expenses						
Cost of energy	**148.3**	253.4	105.1	**751.0**	842.5	91.5
Operation and maintenance	**262.8**	259.8	(3.0)	**548.5**	537.1	(11.4)
Depreciation and amortization	**115.6**	102.2	(13.4)	**225.7**	202.9	(22.8)
Gain on sale of fixed assets and impairments, net	**—**	—	—	**—**	(105.0)	(105.0)
Other taxes	**53.8**	48.3	(5.5)	**112.8**	115.2	2.4
Total Operating Expenses	**580.5**	663.7	83.2	**1,638.0**	1,592.7	(45.3)
Operating Income	**$ 115.4**	$ 80.6	$ 34.8	**$ 562.3**	$ 591.4	$ (29.1)
Revenues						
Residential	**$ 450.7**	$ 462.8	$ (12.1)	**$ 1,476.0**	$ 1,440.4	$ 35.6
Commercial	**152.6**	161.3	(8.7)	**518.5**	518.8	(0.3)
Industrial	**51.2**	48.3	2.9	**123.2**	116.4	6.8
Off-System	**22.9**	59.1	(36.2)	**40.1**	77.8	(37.7)
Other	**18.5**	12.8	5.7	**42.5**	30.7	11.8
Total	**$ 695.9**	$ 744.3	$ (48.4)	**$ 2,200.3**	$ 2,184.1	$ 16.2
Sales and Transportation (MMDth)						
Residential	**29.6**	33.3	(3.7)	**133.2**	156.2	(23.0)
Commercial	**27.9**	28.5	(0.6)	**96.3**	108.4	(12.1)
Industrial	**125.4**	114.9	10.5	**258.0**	250.0	8.0
Off-System	**11.2**	8.3	2.9	**18.6**	12.6	6.0
Other	**—**	—	—	**0.2**	0.2	—
Total	**194.1**	185.0	9.1	**506.3**	527.4	(21.1)
Heating Degree Days	**518**	565	(47)	**2,857**	3,406	(549)
Normal Heating Degree Days	**544**	544	—	**3,368**	3,368	—
% Colder (Warmer) than Normal	**(5)%**	4 %		**(15)%**	1 %	
% Warmer than prior year	**(8)%**			**(16)%**		
Gas Distribution Customers						
Residential				**2,987,375**	2,962,126	25,249
Commercial				**252,904**	252,591	313
Industrial				**4,798**	4,883	(85)
Other				**3**	5	(2)
Total				**3,245,080**	3,219,605	25,475

Comparability of operation and maintenance expenses, depreciation and amortization, and other taxes may be impacted by regulatory, depreciation, and tax trackers that allow for the recovery in rates of certain costs.

NiSource Inc.
Gas Distribution Operations

The underlying reasons for changes in our operating revenues for the three and six months ended June 30, 2023 compared to the same periods in 2022 are presented below.

	Favorable (Unfavorable)	
Changes in Operating Revenues *(in millions)*	**Three Months Ended June 30, 2023 vs 2022**	**Six Months Ended June 30, 2023 vs 2022**
New rates from base rate proceedings and regulatory capital programs	$ 60.5	$ 143.1
(Decreased) increased customer usage	(3.2)	0.5
The effects of weather in 2023 compared to 2022	(5.4)	(38.7)
Other	4.8	11.2
Change in operating revenues (before cost of energy and other tracked items)	$ 56.7	$ 116.1
Operating revenues offset in operating expense		
Lower cost of energy billed to customers	(105.1)	(91.5)
Reduction in gross receipts tax, offset in operating expenses	(3.3)	(9.6)
Higher tracker deferrals within operation and maintenance, depreciation, and tax	3.3	1.2
Total change in operating revenues	**$ (48.4)**	**$ 16.2**

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating degree days, net of weather normalization mechanisms. Our composite heating degree days reported do not directly correlate to the weather-related dollar impact on the results of Gas Distribution Operations. Heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when and where they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating degree day comparison.

Throughput

The decrease in total volumes for the three months ended June 30, 2023, compared to the same period in 2022, is primarily attributable to the effects of warmer weather.

Commodity Price Impact

Cost of energy for the Gas Distribution Operations segment is principally comprised of the cost of natural gas used while providing transportation and distribution services to customers. All of our Gas Distribution Operations companies have state-approved recovery mechanisms that provide a means for full recovery of prudently incurred gas costs. These are tracked costs that are passed through directly to the customer, and the gas costs included in revenues are matched with the gas cost expense recorded in the period. The difference is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

Certain Gas Distribution Operations companies continue to offer choice opportunities, where customers can choose to purchase gas from a third-party supplier, through regulatory initiatives in their respective jurisdictions.

Table of Contents

NiSource Inc.
Gas Distribution Operations

The underlying reasons for changes in our operating expenses for the three and six months ended June 30, 2023 compared to the same periods in 2022 are presented below.

	Favorable (Unfavorable)	
Changes in Operating Expenses *(in millions)*	**Three Months Ended June 30, 2023 vs 2022**	**Six Months Ended June 30, 2023 vs 2022**
Higher employee and administrative related expenses	$ (7.4)	$ (3.3)
Lower materials and supplies expense	3.4	4.7
Property insurance settlement related to the Greater Lawrence Incident received in 2022	—	(105.0)
Higher depreciation and amortization expense	(14.6)	(24.4)
Higher property tax	(8.2)	(9.8)
Lower environmental expenses	4.8	5.4
Impacts from Columbia of Ohio's rate case	(2.5)	(5.1)
Lower outside services expenses	4.3	3.0
Other	(1.7)	(10.7)
Change in operating expenses (before cost of energy and other tracked items)	$ (21.9)	$ (145.2)
Operating expenses offset in operating revenue		
Lower cost of energy billed to customers	105.1	91.5
Reduction in gross receipts tax, offset in operating revenues	3.3	9.6
Higher tracker deferrals within operation and maintenance, depreciation, and tax	(3.3)	(1.2)
Total change in operating expense	**$ 83.2**	**$ (45.3)**

NiSource Inc.
Electric Operations

Financial and operational data for the Electric Operations segment for the three and six months ended June 30, 2023 and 2022 are presented below.

	Three Months Ended June 30,			Six Months Ended June 30,		
(in millions)	**2023**	2022	Favorable (Unfavorable)	**2023**	2022	Favorable (Unfavorable)
Operating Revenues	**$ 397.1**	$ 437.3	$ (40.2)	**$ 861.8**	$ 867.6	$ (5.8)
Operating Expenses						
Cost of energy	**103.7**	130.4	26.7	**266.1**	248.0	(18.1)
Operation and maintenance	**127.2**	124.2	(3.0)	**252.5**	240.8	(11.7)
Depreciation and amortization	**106.8**	96.0	(10.8)	**192.7**	178.9	(13.8)
Gain on sale of assets	**(0.1)**	—	0.1	**(0.1)**	—	0.1
Other taxes	**9.9**	14.1	4.2	**19.1**	28.1	9.0
Total Operating Expenses	**347.5**	364.7	17.2	**730.3**	695.8	(34.5)
Operating Income	**$ 49.6**	$ 72.6	$ (23.0)	**$ 131.5**	$ 171.8	$ (40.3)
Revenues						
Residential	**$ 122.8**	$ 137.1	$ (14.3)	**$ 273.2**	$ 275.6	$ (2.4)
Commercial	**130.1**	134.7	(4.6)	**281.0**	269.2	11.8
Industrial	**112.9**	138.9	(26.0)	**247.3**	268.9	(21.6)
Wholesale	**7.5**	3.9	3.6	**10.1**	6.5	3.6
Other	**23.8**	22.7	1.1	**50.2**	47.4	2.8
Total	**$ 397.1**	$ 437.3	$ (40.2)	**$ 861.8**	$ 867.6	$ (5.8)
Sales (GWh)						
Residential	**739.8**	845.4	(105.6)	**1,505.9**	1,664.6	(158.7)
Commercial	**876.5**	915.3	(38.8)	**1,732.7**	1,800.6	(67.9)
Industrial	**1,993.9**	1,994.7	(0.8)	**3,931.6**	4,002.5	(70.9)
Wholesale	**0.7**	27.7	(27.0)	**0.7**	32.1	(31.4)
Other	**17.8**	24.5	(6.7)	**40.6**	49.6	(9.0)
Total	**3,628.7**	3,807.6	(178.9)	**7,211.5**	7,549.4	(337.9)
Cooling Degree Days	**206**	342	(136)	**206**	342	(136)
Normal Cooling Degree Days	**247**	247	—	**247**	247	—
% (Colder) Warmer than Normal	**(17)%**	38 %		**(17)%**	38 %	
% (Colder) than 2022	**(40)%**			**(40)%**		
Electric Customers						
Residential				**425,404**	423,365	2,039
Commercial				**58,490**	58,156	334
Industrial				**2,129**	2,133	(4)
Wholesale				**708**	712	(4)
Other				**3**	3	—
Total				**486,734**	484,369	2,365

Comparability of operation and maintenance expenses and depreciation and amortization may be impacted by regulatory and depreciation trackers that allow for the recovery in rates of certain costs.

The underlying reasons for changes in our operating revenues for the three and six months ended June 30, 2023 compared to the same periods in 2022 are presented below.

Table of Contents

NiSource Inc.
Electric Operations

	Favorable (Unfavorable)	
Changes in Operating Revenues *(in millions)*	**Three Months Ended June 30, 2023 vs 2022**	**Six Months Ended June 30, 2023 vs 2022**
Reduced fuel handling costs	$ 1.4	$ 1.0
New rates from regulatory capital and DSM programs	1.5	5.5
PPA revenue from renewable JV projects, fully offset by JV operating expenses and noncontrolling interest net income (loss)	2.8	3.4
Decreased customer usage	(7.8)	(16.1)
The effects of weather in 2023 compared to 2022	(8.8)	(10.8)
2022 FAC refund	8.0	8.0
Other	(6.0)	(7.3)
Change in operating revenues (before cost of energy and other tracked items)	$ (8.9)	$ (16.3)
Operating revenues offset in operating expense		
(Lower) higher cost of energy billed to customers	(26.7)	18.1
Reduction in gross receipts tax, offset in operating expenses	(5.6)	(11.5)
Higher tracker deferrals within operation and maintenance, depreciation and tax	1.0	3.9
Total change in operating revenues	**$ (40.2)**	**$ (5.8)**

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating or cooling degree days. Our composite heating or cooling degree days reported do not directly correlate to the weather-related dollar impact on the results of Electric Operations. Heating or cooling degree days experienced during different times of the year may have more or less impact on volume and dollars depending on when they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating or cooling degree day comparison.

Sales

The decrease in total volumes sold for the three and six months ended June 30, 2023 compared to the same period in 2022 was primarily attributable to decreased usage by industrial and residential customers.

Commodity Price Impact

Cost of energy for the Electric Operations segment is principally comprised of the cost of coal, natural gas purchased for internal generation of electricity at NIPSCO, and the cost of power purchased from generators of electricity. NIPSCO has a state-approved recovery mechanism that provides a means for full recovery of prudently incurred costs of energy. The majority of these costs of energy are passed through directly to the customer, and the costs of energy included in operating revenues are matched with the cost of energy expense recorded in the period. The difference is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered fuel cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

NiSource Inc.
Electric Operations

The underlying reasons for changes in our operating expenses for the three and six months ended June 30, 2023 compared to the same periods in 2022 are presented below.

	Favorable (Unfavorable)	
Changes in Operating Expenses *(in millions)*	**Three Months Ended June 30, 2023 vs 2022**	**Six Months Ended June 30, 2023 vs 2022**
Higher outside services expenses primarily related to higher generation-related maintenance	$ (5.4)	$ (12.4)
Renewable JV project expenses, offset by JV operating revenues	(2.0)	(3.2)
(Higher) lower employee and administrative expenses	(0.4)	2.9
Higher payroll tax	(0.4)	(1.1)
Higher depreciation and amortization expense driven by the JV depreciation adjustment[(1)]	(7.9)	(8.3)
Other	2.0	(1.9)
Change in operating expenses (before cost of energy and other tracked items)	$ (14.1)	$ (24.0)
Operating expenses offset in operating revenue		
Reduction in gross receipts tax, offset in operating revenues	5.6	11.5
Lower (higher) cost of energy billed to customers	26.7	(18.1)
Higher tracker deferrals within operation and maintenance, depreciation and tax	(1.0)	(3.9)
Total change in operating expense	**$ 17.2**	**$ (34.5)**

Electric Supply and Generation Transition

NIPSCO continues to execute on an electric generation transition consistent with the 2018 Plan and 2021 Plan, which outlines the path to retire the remaining two coal units at R.M. Schahfer by the end of 2025 and the remaining coal-fired generation by the end of 2028, to be replaced by lower-cost, reliable and cleaner options. See "Project Status" discussion, below, and "Liquidity and Capital Resources" in this Management's Discussion for anticipated barriers to the success of our electric generation transition and additional information on our capital investment spend.

NIPSCO continues to work with the EPA to obtain an administrative approval associated with the operation of R.M. Schahfer's remaining two coal units until 2025. In the event that the approval is not obtained, future operations could be impacted. We cannot estimate the financial impact on us if this approval is not obtained.

The current replacement plan primarily includes renewable sources of energy, including wind, solar, and battery storage to be obtained through a combination of NIPSCO ownership and PPAs. NIPSCO has sold, and may in the future sell, renewable energy credits from this generation to third parties to offset customer costs. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy will have an associated nameplate capacity, and payments under the PPAs will not begin until the associated generation facility is constructed by the owner/seller. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities.

Three wind projects and two solar projects have been placed into service, totaling approximately 1,269 MW of nameplate capacity. NIPSCO has executed commercial agreements for each of the nine remaining identified projects. Dunns Bridge II, Cavalry, Fairbanks, Indiana Crossroads II, and GreenRiver have received IURC approval. Additional approvals by the IURC may be required to obtain recovery for increases in projects costs. NIPSCO has recently filed with the IURC seeking approval for the Appleseed, Templeton, Carpenter and Gibson projects. Our current replacement program will be augmented by the Preferred Energy Resource Plan outlined in our 2021 Integrated Resource Plan. See "Executive Summary - Your Energy, Your Future" in this Management's Discussion for additional information.

Project Status. Our contract amendments with certain solar agreements will result in the majority of our remaining projects, and investments, being placed in service between 2023 and 2025. These amendments also formally address inflationary cost pressures communicated from the developers of our solar and storage projects that are primarily due to (i) limited supply of solar panels and other uncertainties related to the pending U.S. Department of Commerce investigation on Antidumping and Countervailing Duties petition filed by a domestic solar manufacturer (the "DOC Investigation"), (ii) the U.S. Department of Homeland Security's June 2021 Withhold Release Order on silica-based products made by Hoshine Silicon Industry Co., Ltd./Uyghur Forced Labor Prevention Act, (iii) Section 201 Tariffs and (iv) persistent general global supply chain and labor availability issues. We are also monitoring our other renewable projects as upcoming project milestones related to permitting and obtaining interconnection rights are expected to occur. Preliminary findings from the DOC Investigation were released in December 2022, with a final decision expected in August 2023. The resolution of these issues, including the final conclusion of the DOC Investigation will determine which, if any, of our solar projects will be subject to any tariffs imposed.

NIPSCO has taken recent contractual actions as a result of market changes with the MISO seasonal resource adequacy construct and continued cost pressures and development delays on its unamended contracts. NIPSCO has executed contracts with developers and filed for approval of three new PPAs with the IURC; Appleseed Solar, Templeton Wind, and Carpenter Wind. NIPSCO has also contracted with a developer and filed for approval with the IURC a BTA for the Gibson Project (a conversion of the Gibson PPA to a BTA). These additions are coupled with the mutual termination of the Brickyard Solar, Greensboro Solar and Storage, Gibson Solar PPAs, and the BTA project Elliott. These contractual actions do not alter the anticipated timing of NIPSCO's coal retirements and afford greater certainty of new resource timing.

Project Name	Transaction Type	Technology	Nameplate Capacity (MW)	Storage Capacity (MW)
Cavalry[(1)]	BTA	Solar & Storage	200	60
Dunn's Bridge II[(1)]	BTA	Solar & Storage	435	75
Fairbanks[(1)]	BTA	Solar	250	—
Gibson[(1)]	BTA	Solar	200	—
Indiana Crossroads II	15 year PPA	Wind	204	—
Green River	20 year PPA	Solar	200	—
Templeton	20 year PPA	Wind	200	—
Carpenter	20 year PPA	Wind	200	—
Appleseed	20 year PPA	Solar	200	—

[(1)]Ownership of the facility will be transferred to JVs whose members are expected to include NIPSCO and an unrelated tax equity partner. Alternatively, NIPSCO is evaluating the optionality related to the transferability of credits afforded by the passage of the IRA. NIPSCO may seek direct ownership of the facility with no JV structure.

Liquidity and Capital Resources

We continually evaluate the availability of adequate financing to fund our ongoing business operations, working capital and core safety and infrastructure investment programs. Our financing is sourced through cash flow from operations and the issuance of debt and/or equity. External debt financing is provided primarily through the issuance of long-term debt, accounts receivable securitization programs and our $1.5 billion commercial paper program, which is backstopped by our committed revolving credit facility with a total availability from third-party lenders of $1.85 billion. On December 20, 2022 we entered into a $1.0 billion term credit agreement that matures on December 19, 2023. On March 24, 2023, we completed the issuance and sale of $750.0 million of 5.25% senior unsecured notes maturing in 2028, which resulted in approximately $742.2 million of net proceeds after discount and debt issuance costs. On June 8, 2023, we completed the issuance and sale of a reopening of $300.0 million of 5.25% senior unsecured notes maturing in 2028 and $450.0 million of 5.40% senior unsecured notes maturing in 2033, which resulted in approximately $742.5 million of net proceeds after discount and debt issuance costs. On June 15, 2023, we redeemed all 400,000 shares of Series A Preferred Stock for a redemption price of $1,000 per share, or $400.0 million in total. We maintain an ATM equity program that provides an opportunity to issue and sell shares of our common stock up to an aggregate issuance of $750.0 million through December 31, 2023. As of June 30, 2023, the ATM program had approximately $300.0 million of equity available for issuance. We also expect to remarket the Series C Mandatory Convertible Preferred Stock prior to December 1, 2023, which could result in additional cash proceeds. See Note 5, "Equity," Note 14, "Long-Term Debt," and Note 15, "Short-Term Borrowings," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information on our ATM program and Equity Units.

On November 7, 2022, we announced that we intend to pursue the sale of a minority interest in our NIPSCO business unit. On June 17, 2023, NiSource and our wholly-owned subsidiary, NIPSCO Holdings II, entered into the BIP Purchase Agreement with an affiliate of BIP, pursuant to which BIP will acquire an indirect 19.9 percent equity interest in NIPSCO for a purchase price of $2.150 billion in cash, subject to adjustments based on the timing of closing and the amount of capital contributions made by NiSource prior to closing. NiSource intends to use the proceeds from the purchase price and BIP's capital contribution to support NIPSCO's capital expenditure plans for serving customers, reduce NiSource's debt and fund ongoing capital needs associated with the renewable generation transition. Refer to Note 16, "Other Commitments and Contingencies - D. Other Matters," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information on this transaction.

We believe these sources provide adequate capital to fund our operating activities and capital expenditures in 2023 and beyond.

The following table summarizes our cash flow activities:

	Six Months Ended June 30,		
(in millions)	**2023**	**2022**	**Change in 2023 vs 2022**
Cash from (used for):			
Operating Activities	**$ 1,191.0**	$ 907.2	$ 283.8
Investing Activities	**(1,375.6)**	(951.1)	(424.5)
Financing Activities	**300.3**	48.5	251.8

Operating Activities

The increase in cash from operating activities was primarily driven by year over year change in accounts receivable collections driven by the implementation of new rates at NIPSCO Gas and the impact of lower gas prices on operating expenses.

Investing Activities

Our current year investing activities were comprised of increased capital expenditures related to system growth and reliability, payments to renewable generation asset developers related to milestone payments for certain of our BTA projects, as well as the property insurance settlement related to the Greater Lawrence Incident received in the prior year.

As we evaluate adjustments to renewable generation project timing, we remain on track to make capital investments totaling $3.3 billion to $3.6 billion during the 2023 period. We also expect to invest approximately $15.0 billion during the 2023-2027 period, including capital investments to support our generation transition strategy. These forecasted capital investments and those included in our Annual Report on Form 10-K for the year ended December 31, 2022, are subject to continuing review and

adjustment. Actual capital expenditures may vary from these estimates. For additional information, see "Results and Discussion of Segment Operations - Electric Operations," in this Management's Discussion.

Regulatory Capital Programs. We replace pipe and modernize our gas infrastructure to enhance safety and reliability by reducing leaks. An ancillary benefit of these programs is the reduction of GHG emissions. In 2023, we continue to move forward on core infrastructure and environmental investment programs supported by complementary regulatory and customer initiatives across all six states of our operating area.

The following table describes the most recent vintage of our regulatory programs to recover infrastructure replacement as well as other federally mandated compliance investments currently in rates or pending commission approval:

(in millions)

Company	Program	Incremental Revenue	Incremental Capital Investment	Investment Period	Costs Covered[1]	Rates Effective
Columbia of Ohio	IRP - 2023	$ 38.4	$ 316.3	1/22-12/22	Replacement of (1) hazardous service lines, (2) cast iron, wrought iron, uncoated steel, and bare steel pipe.	May 2023
Columbia of Ohio	CEP - 2023	$ 31.0	$ 265.6	1/22-12/22	Assets not included in the IRP.	September 2023
NIPSCO - Gas	TDSIC 6	$ (2.5)	$ 149.8	1/22-2/23	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.	September 2023
NIPSCO - Gas[2][3]	FMCA 2	$ 4.2	$ 38.2	4/22-9/22	Project costs to comply with federal mandates.	April 2023
NIPSCO - Gas[3]	FMCA 1	$ (4.0)	$ 13.4	10/22-3/23	Project costs to comply with federal mandates.	October 2023
Columbia of Virginia[4]	SAVE - 2023	$ 4.5	$ 45.9	1/23-12/23	Replacement projects that (1) enhance system safety or reliability, or (2) reduce, or potentially reduce, greenhouse gas emissions.	January 2023
Columbia of Kentucky	SMRP - 2023	$ 1.6	$ 41.6	1/23-12/23	Replacement of mains and inclusion of system safety investments.	January 2023
Columbia of Maryland[5]	STRIDE - 2023	$ 1.3	$ 18.0	1/23-12/23	Pipeline upgrades designed to improve public safety or infrastructure reliability.	January 2023
NIPSCO - Electric	TDSIC - 2	$ 6.6	$ 143.5	2/22-7/22	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.	February 2023
NIPSCO - Electric[6]	TDSIC - 3	$ 45.6	$ 130.2	8/22-1/23	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.	August 2023

[1]Programs do not include any costs already included in base rates.
[2]On March 1, 2023, incremental tracker revenue was updated as certain investments are now being recovered through base rates.
[3]NIPSCO received approval for a new certificate of public convenience and necessity on December 28, 2022 for an additional Pipeline Safety III Compliance Plan, including $235.3M in capital and $34.1M in operation and maintenance expense project investments.
[4]Columbia of Virginia received a final order on November 1, 2022 modifying the SAVE filing incremental revenue and investments.
[5]Columbia of Maryland's current STRIDE expires December 31, 2023, On June 23, 2023, CMD filed an application for approval of a new five-year STRIDE. A final order is anticipated Q4 2023.
[6]NIPSCO Electric TDSIC-3 is for a 14-month billing period in anticipation of a rate case order in August 2023 and a subsequent 9 month hold-out period.

On March 30, 2022, NIPSCO Electric filed a petition with the IURC seeking approval of NIPSCO's federally mandated costs for closure of Michigan City Generating Station's CCR ash ponds. The project includes a total estimated $40.0 million of federally mandated retirement costs. On November 2, 2022, NIPSCO Electric filed a petition with the IURC seeking approval of NIPSCO's federally mandated costs for closure of R.M. Schahfer Generation Station's multi-cell unit. The project includes a total estimated $53.0 million of federally mandated retirement costs. Due to the Settlement filed on March 10, 2023, both FMCA cases have been stayed pending the outcome of NIPSCO's electric base rate case, which proposes these pond closure costs be recovered through base rates, rather than the FMCA Tracker. Refer to Note 16, "Other Commitments and Contingencies - C. Environmental Matters," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further discussion of the CCRs.

Columbia of Ohio filed an application on February 28, 2023, to establish a new PHMSA IRP Rider in order to recover costs incurred to comply with the PHMSA regulations. As proposed, the rider would provide for cost deferrals and carrying costs during the investment period. It is anticipated that the PUCO will rule on this application in 2023.

Financing Activities

Common Stock, Preferred Stock and Equity Units. Refer to Note 5, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on common and preferred stock and equity units activity.

Long-Term Debt. Refer to Note 14, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on long-term debt activity.

Short-Term Debt. Refer to Note 15, "Short-Term Borrowings," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on short-term debt activity.

Noncontrolling Interest. Refer to Note 13, "Variable Interest Entities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on contributions from noncontrolling interest activity.

NIPSCO Minority Equity Interest Sale. Refer to Note 16, "Other Commitments and Contingencies - D. Other Matters," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on the BIP Purchase Agreement and use of proceeds from this transaction.

Sources of Liquidity

The following table displays our liquidity position as of June 30, 2023 and December 31, 2022:

(in millions)		**June 30, 2023**		December 31, 2022
Current Liquidity				
Revolving Credit Facility	**$**	**1,850.0**	$	1,850.0
Accounts Receivable Programs[(1)]		**372.0**		447.2
Less:				
Commercial Paper		**590.0**		415.0
Accounts Receivable Programs Utilized		**—**		347.2
Letters of Credit Outstanding Under Credit Facility		**10.2**		10.2
Add:				
Cash and Cash Equivalents		**151.3**		40.8
Net Available Liquidity	**$**	**1,773.1**	$	1,565.6

[(1)]Represents the lesser of the seasonal limit or maximum borrowings supportable by the underlying receivables.

Debt Covenants. We are subject to financial covenants under our revolving credit facility and term credit agreement, which require us to maintain a debt to capitalization ratio that does not exceed 70.0%. As of June 30, 2023, the ratio was 62.5%.

Credit Ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our capital structure and earnings profile. The following table includes our and NIPSCO's credit ratings and ratings outlook as of June 30, 2023. There were no changes to the below credit ratings or outlooks since February 2020.

A credit rating is not a recommendation to buy, sell, or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization.

	S&P		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
NiSource	BBB+	Stable	Baa2	Stable	BBB	Stable
NIPSCO	BBB+	Stable	Baa1	Stable	BBB	Stable
Commercial Paper	A-2	Stable	P-2	Stable	F2	Stable

Certain of our subsidiaries have agreements that contain "ratings triggers" that require increased collateral if our credit rating or the credit ratings of certain of our subsidiaries are below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of power. As of June 30, 2023, the collateral requirement that would be required in the event of a downgrade below the ratings trigger levels would amount to approximately $88.6 million. In addition to agreements with ratings triggers, there are other agreements that contain "adequate assurance" or "material adverse change" provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

Equity. Our authorized capital stock consists of 620,000,000 shares, $0.01 par value, of which 600,000,000 are common stock and 20,000,000 are preferred stock. As of June 30, 2023, 413,148,513 shares of common stock and 902,500 shares of preferred stock were outstanding.

Contractual Obligations. A summary of contractual obligations is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022. Except for our March and June 2023 debt issuances, there were no additional material changes from year-end during the six months ended June 30, 2023. Refer to Note 14, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information regarding the debt issuances.

Guarantees, Indemnities and Other Off Balance Sheet Arrangements. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. Refer to Note 16, "Other Commitments and Contingencies," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about such arrangements.

Cost Recovery and Trackers

Comparability of our line item operating results is impacted by regulatory trackers that allow for the recovery in rates of certain costs such as those described below. Increases in the expenses that are subject to approved regulatory tracker mechanisms generally lead to increased regulatory assets, which ultimately result in a corresponding increase in operating revenues and, therefore, have essentially no impact on total operating income results. Certain approved regulatory tracker mechanisms allow for abbreviated regulatory proceedings in order for the operating companies to quickly implement revised rates and recover associated costs.

A portion of the Gas Distribution Operations revenue is related to the recovery of gas costs, the review and recovery of which occurs through standard regulatory proceedings. All states in our operating area require periodic review of actual gas procurement activity to determine prudence and to confirm the recovery of prudently incurred energy commodity costs supplied to customers.

We recognize that energy efficiency reduces emissions, conserves natural resources and saves our customers money. Our gas distribution companies offer programs such as energy efficiency upgrades, home checkups and weatherization services. The increased efficiency of natural gas appliances and improvements in home building codes and standards contributes to a long-term trend of declining average use per customer. While we are looking to expand offerings so the energy efficiency programs can benefit as many customers as possible, our Gas Distribution Operations have pursued changes in rate design to more effectively match recoveries with costs incurred. Columbia of Ohio has adopted a straight fixed variable rate design that closely links the recovery of fixed costs with fixed charges. Columbia of Maryland and Columbia of Virginia have regulatory approval for weather and revenue normalization adjustments for certain customer classes, which adjust monthly revenues that exceed or fall short of approved levels. Columbia of Pennsylvania continues to operate its pilot residential weather normalization adjustment and also has a fixed customer charge. This weather normalization adjustment only adjusts revenues when actual weather compared to normal varies by more than 3%. Columbia of Kentucky incorporates a weather normalization adjustment for certain customer classes and also has a fixed customer charge. In a prior gas base rate proceeding, NIPSCO implemented a higher fixed customer charge for residential and small customer classes moving toward recovering more of its fixed costs through a fixed recovery charge, but has no weather or usage protection mechanism.

A portion of the Electric Operations revenue is related to the recovery of fuel costs to generate power and the fuel costs related to purchased power. These costs are recovered through a FAC, which is updated quarterly to reflect actual costs incurred to supply electricity to customers.

While increased efficiency of electric appliances and improvements in home building codes and standards has similarly impacted the average use per electric customer in recent years, NIPSCO expects future growth in per customer usage as a result of increasing electric applications. Further growth is anticipated as electric vehicles become more prevalent. These ongoing changes in use of electricity will likely lead to development of innovative rate designs, and NIPSCO will continue efforts to design rates that increase the certainty of recovery of fixed costs.

Table of Contents

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.
Regulatory, Environmental and Safety Matters

Rate Case Actions

The following table describes current rate case actions as applicable in each of our jurisdictions net of tracker impacts:

(in millions)

Company	Proposed ROE	Approved ROE	Requested Incremental Revenue	Approved Incremental Revenue	Filed	Status	Rates Effective
Currently Approved in Current or Future Rates							
Columbia of Pennsylvania[1]	11.20 %	None specified	$ 82.2	$ 44.5	March 18, 2022	Approved December 8, 2022	December 2022
Columbia of Maryland	10.85 %	9.65 %	$ 5.8	$ 3.5	May 13, 2022	Approved November 17, 2022	December 2022
Columbia of Kentucky[2]	10.30 %	9.35 %	$ 26.7	$ 18.3	May 28, 2021	Approved December 28, 2021	January 2022
Columbia of Virginia[3]	10.95 %	None specified	$ 40.5	$ 25.8	April 29, 2022	Approved May 15, 2023	October 2022
Columbia of Ohio	10.95 %	9.60 %	$ 221.4	$ 68.3	June 30, 2021	Approved January 26, 2023	March 2023
NIPSCO - Gas[4]	10.50 %	9.85 %	$ 109.7	$ 71.8	September 29, 2021	Approved July 27, 2022	September 2022
NIPSCO - Electric	10.80 %	9.75 %	$ 21.4	$ (53.5)	October 31, 2018	Approved December 4, 2019	January 2020
Active Rate Cases							
NIPSCO - Electric[5]	10.40 %	In process	$ 291.8	In process	September 19, 2022	Order Expected Q3 2023	September 2023
Columbia of Maryland[6]	10.95 %	In process	$ 6.8	In process	May 12, 2023	Order Expected Q4 2023	December 2023

[1]No approved ROE is identified for this matter since the approved revenue increase is the result of a black box settlement under which parties agree upon the amount of increase.
[2]The approved ROE for natural gas capital riders (e.g.,SMRP) is 9.275%.
[3]Columbia of Virginia's rate case resulted in a black box settlement, representing a settlement to a specific revenue increase but not a specified ROE. The settlement provides use of a 9.70% ROE for future SAVE and filings other than base rates.
[4]New rates are implemented in 2 steps, with implementation of Step 1 rates in September 2022. The Step 2 rates were filed on February 21, 2023, with rates effective March 2023.
[5] If the pending settlement is approved, new rates will be implemented in 2 steps, with implementation of Step 1 rates to be effective in September 2023 and Step 2 rates to be effective in March 2024. In addition to the requested incremental revenue of $291.8 million, an additional request was made for $103.2 million for costs associated with a new Variable Cost Tracker (VCT) bringing the total requested incremental revenue to $395.0 million. A settlement agreement was filed on March 10, 2023, with supporting testimony filed on March 17, 2023, reflecting incremental revenue of $261.9 million plus an additional $29.9 million for recovery of costs associated with a new Environmental Cost Tracker (replacing the VCT). The evidentiary hearing occurred in April 2023 with an anticipated final order August 2023.
[6] The requested incremental revenue has increased to $7.5M after updating for actual information in the June 30, 2023 Supplemental Filing.

PHMSA Regulations

On December 27, 2020, the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020 was signed into law, reauthorizing funding for federal pipeline safety programs through September 30, 2023. Among other things, the PIPES Act requires that PHMSA revise the pipeline safety regulations to require operators to update, as needed, their existing distribution integrity management plans, emergency response plans, and operation and maintenance plans. The PIPES Act also requires PHMSA to adopt new requirements for managing records and updating, as necessary, existing district regulator stations to eliminate common modes of failure that can lead to overpressurization. PHMSA must also require that operators implement and utilize advanced leak detection and repair technologies that enable the location and categorization of all leaks that are hazardous, or potentially hazardous, to human safety or the environment.

In May 2023, PHMSA proposed numerous regulatory revisions under the PIPES Act of 2020 to minimize methane emissions and improve public safety. Under these proposed revisions, NiSource's subsidiaries would be required to detect and repair an increased number of gas leaks, reduce the time to repair leaks, increase leak survey frequency, and expand its existing advanced leak detection program. We are unable to estimate impacts of these proposed revisions on our business at this time.

CCR Regulation

In May 2023, EPA proposed changes to the CCR regulations for inactive surface impoundments at inactive facilities, referred to as "legacy CCR surface impoundments". EPA is also proposing to extend a subset of requirements in the CCR regulations to areas not previously subject to the CCR regulations, referred to as "CCR management units". NIPSCO potentially has CCR areas that could become subject to the proposed changes. NIPSCO is reviewing the proposed rule but we cannot estimate impacts on our business at this time.

Climate Change Issues

Physical Climate Risks. Increased frequency of severe and extreme weather events associated with climate change could materially impact our facilities, energy sales, and results of operations. We are unable to predict these events. However, we perform ongoing assessments of physical risk, including physical climate risk, to our business. More extreme and volatile temperatures, increased storm intensity and flooding, and more volatile precipitation leading to changes in lake and river levels are among the weather events that are most likely to impact our business. Efforts to mitigate these physical risks continue to be implemented on an ongoing basis.

Transition Climate Risks. Future legislative and regulatory programs, at both the federal and state levels, could significantly limit allowed GHG emissions or impose a cost or tax on GHG emissions. Revised or additional future GHG legislation and/or regulation related to the generation of electricity or the extraction, production, distribution, transmission, storage and end use of natural gas could materially impact our gas supply, financial position, financial results and cash flows.

Regarding federal policies, we continue to monitor the implementation of any final and proposed climate change-related legislation and regulations, including the Infrastructure Investment and Jobs Act, signed into law in November 2021; the IRA, signed into law in August 2022; and the EPA's proposed methane regulations for the oil and natural gas industry, but we cannot predict their impact on our business at this time. We have identified potential opportunities associated with the Infrastructure Investment and Jobs Act and the IRA and are evaluating how they may align with our strategy going forward. The energy-related provisions of the Infrastructure Investment and Jobs Act include new federal funding for power grid infrastructure and resiliency investments, new and existing energy efficiency and weatherization programs, electric vehicle infrastructure for public chargers and additional LIHEAP funding over the next five years. The IRA contains climate and energy provisions, including funding to decarbonize the electric sector.

In February 2021, the United States rejoined the Paris Agreement, an international treaty through which parties set nationally determined contributions to reduce GHG emissions, build resilience, and adapt to the impacts of climate change. Subsequently, the Biden Administration released a target for the United States to achieve a 50%-52% GHG reduction from 2005 levels by 2030, which supports the President's goals to create a carbon-free power sector by 2035 and net zero emissions economy no later than 2050. There are many pathways to reach these goals.

On June 30, 2022, the Supreme Court of the United States ruled for the petitioners in West Virginia v. EPA, which examined the authority of the EPA to regulate GHG emissions from the power sector. We will continue to evaluate this matter, but we remain committed to our previously stated carbon reduction goals.

In May 2023, EPA released a package of proposed regulatory actions to reduce carbon dioxide emissions from new natural gas-fired electric generating units (EGUs), existing natural gas-fired EGUs, and existing coal-fired EGUs. We are reviewing the potential impacts of the proposed rules but we are unable to estimate impacts on our business at this time.

We also continue to monitor the implementation of any final and proposed state policy. The Virginia Clean Economy Act was signed into law in 2020. While the Act does not establish any new mandates on Columbia of Virginia, certain natural gas customers may, over the long-term, reduce their use of natural gas to meet the 100% renewable electricity requirement. Columbia of Virginia will continue to monitor this matter, but we cannot predict its final impact on our business at this time. Separately, the Virginia Energy Innovation Act, enacted into law in April 2022, and effective July 1, 2022, allows natural gas utilities to supply alternative forms of gas that meet certain standards and reduce emissions intensity. The Act also provides that the costs of enhanced leak detection and repair may be added to a utility's plan to identify proposed eligible infrastructure replacement projects and related cost recovery mechanisms, known as the SAVE Plan. Furthermore, under the Act, utilities can recover eligible biogas supply infrastructure costs on an ongoing basis. The provisions of these laws may provide opportunities for Columbia of Virginia as it participates in the transition to a lower carbon future.

The Climate Solutions Now Act of 2022 requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment is required to adopt a

plan to achieve the 2031 goal by December 2023, and it is required to adopt a plan for the net zero goal by 2030. The Act also enacts a state policy to move to broader electrification of both existing buildings and new construction, and requires the Public Service Commission to complete a study assessing the capacity of gas and electric distribution systems to successfully serve customers under a transition to a highly electrified building sector. In May 2023, the Maryland Department of the Environment issued draft Building Energy Performance Standards, which would require net-zero direct greenhouse gas emissions from large buildings by 2040. Columbia of Maryland is advocating for compliance pathways that use RNG, hydrogen, and emissions offsets. Columbia of Maryland will continue to monitor this matter, but we cannot predict its final impact on our business at this time.

NIPSCO, Columbia of Maryland, Columbia of Pennsylvania, Columbia of Virginia and Columbia of Kentucky each filed petitions to implement the Green Path Rider, which will be a voluntary rider that allows customers to opt in and offset either 50% or 100% of their natural gas related emissions. To reduce the emissions, the utilities will purchase RNG attributes and carbon offsets to match the usage for customers opting into the program. The program was approved by the IURC at NIPSCO in November 2022 with a January 2023 start date. After reaching settlement with other parties in September 2022, NIPSCO agreed to add a third tier to offset 25% of customer usage. Columbia of Maryland's filing was denied by the PUC in January 2023. Columbia of Virginia received a final order in May 2023, approving the Green Path Rider and will start enrolling customers in September 2023. Columbia of Pennsylvania filed a Joint Petition for Nonunanimous Settlement with the Bureau of Investigation and Enforcement (I&E) and the Office of Small Business Advocate (OSBA) in March 2023, in support of the Commission's adoption of the Green Path Rider. Columbia of Pennsylvania received an order in June 2023 that rejected the settlement agreement and denied implementation of the Green Path Rider. The filing for Columbia of Kentucky is still being evaluated. Additionally, NIPSCO has a voluntary Green Power Rider program in place that allows customers to designate a portion or all their monthly electric usage to come from power generated by renewable energy sources.

Net-Zero Goal. In response to these transition risks and opportunities, on November 7, 2022, we announced a goal of net-zero greenhouse gas emissions by 2040 covering both Scope 1 and Scope 2 emissions ("Net-Zero Goal"). Our Net-Zero Goal builds on greenhouse gas emission reductions achieved to-date and demonstrates that continued execution of our long-term business plan will drive further greenhouse gas emission reductions. We remain on track to achieve previously announced interim greenhouse gas emission reduction targets by reducing fugitive methane emissions from main and service lines by 50 percent from 2005 levels by 2025 and reducing Scope 1 greenhouse gas emissions from company-wide operations by 90 percent from 2005 levels by 2030. We plan to achieve our Net-Zero Goal primarily through continuation and enhancement of existing programs, such as retiring and replacing coal-fired electric generation with low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak-detection technologies. In addition, we plan to advance other low- or zero-emission energy resources and technologies, such as hydrogen, renewable natural gas, and/or deployment of carbon capture and utilization technologies, if and when these become technologically and economically feasible. Carbon offsets and renewable energy credits may also be used to support achievement of our Net-Zero Goal. As of the end of 2022, we had reduced Scope 1 GHG emissions by approximately 67% from 2005 levels.

Our greenhouse gas emissions projections, including achieving a Net-Zero Goal, are subject to various assumptions that involve risks and uncertainties. Achievement of our Net-Zero Goal by 2040 will require supportive regulatory and legislative policies, favorable stakeholder environments and advancement of technologies that are not currently economical to deploy. Should such regulatory and legislative policies, stakeholder environments or technologies fail to materialize, our actual results or ability to achieve our Net-Zero Goal, including by 2040, may differ materially.

As discussed above in this Management's Discussion within "Results and Discussion of Segment Operations - Electric Operations," NIPSCO continues to execute on an electric generation transition consistent with the preferred pathways identified in its 2018 and 2021 Integrated Resource Plans. Additionally, as discussed above in this Management's Discussion within "Liquidity and Capital Resources - Regulatory Capital Programs," our natural gas distribution companies are lowering methane emissions by replacing aging infrastructure, which also increases safety and reliability for customers and communities.

Market Risk Disclosures

Risk is an inherent part of our businesses. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our businesses is critical to our profitability. We seek to identify, assess, monitor and manage, in accordance with defined policies and procedures, the following principal market risks that are involved in our businesses: commodity price risk, interest rate risk and credit risk. We manage risk through a multi-faceted process with oversight by the Risk Management Committee that requires constant communication, judgment and knowledge of specialized products and markets. Our senior management takes an active role in the risk management process and has developed policies and procedures that require specific administrative and business functions to assist in the identification, assessment and control of various risks. These may include, but are not limited to market, operational, financial, compliance and strategic risk types. In recognition of the increasingly varied and complex nature of the energy business, our risk management process, policies and procedures continue to evolve and are subject to ongoing review and modification.

Commodity Price Risk

Our Gas and Electric Operations have commodity price risk primarily related to the purchases of natural gas and power. To manage this market risk, our subsidiaries use derivatives, including commodity futures contracts, swaps, forwards and options. We do not participate in speculative energy trading activity.

Commodity price risk resulting from derivative activities at our rate-regulated subsidiaries is limited and does not bear signification exposure to earnings risk, since our current regulatory mechanisms allow recovery of prudently incurred purchased power, fuel and gas costs through the rate-making process, including gains or losses on these derivative instruments. These changes are included in the GCA and FAC regulatory rate-recovery mechanisms. If these mechanisms were to be adjusted or eliminated, these subsidiaries may begin providing services without the benefit of the traditional rate-making process and may be more exposed to commodity price risk. For additional information, see "Results and Discussion of Segment Operations" in this Management's Discussion.

Our subsidiaries are required to make cash margin deposits with their brokers to cover actual and potential losses in the value of outstanding exchange traded derivative contracts. The amount of these deposits, some of which are reflected in our restricted cash balance, may fluctuate significantly during periods of high volatility in the energy commodity markets.

Refer to Note 8, "Risk Management Activities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further information on our commodity price risk assets and liabilities as of June 30, 2023 and December 31, 2022.

Interest Rate Risk

We are exposed to interest rate risk as a result of changes in interest rates on borrowings under our revolving credit agreement, commercial paper program, term credit agreement and accounts receivable programs, which have interest rates that are indexed to short-term market interest rates. Based upon average borrowings and debt obligations subject to fluctuations in short-term market interest rates, an increase (or decrease) in short-term interest rates of 100 basis points (1%) would have increased (or decreased) interest expense by $3.1 million and $7.6 million for the three and six months ended June 30, 2023 and $1.2 million and $2.7 million for the three and six months ended June 30, 2022, respectively. We are also exposed to interest rate risk as a result of changes in benchmark rates that can influence the interest rates of future long-term debt issuances. From time to time we may enter into forward interest rate instruments to lock in long term interest costs and/ or rates.

Refer to Note 8, "Risk Management Activities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further information on our interest rate risk assets and liabilities as of June 30, 2023 and December 31, 2022.

Credit Risk

Due to the nature of the industry, credit risk is embedded in many of our business activities. Our extension of credit is governed by a Corporate Credit Risk Policy. In addition, Risk Management Committee guidelines are in place which document management approval levels for credit limits, evaluation of creditworthiness, and credit risk mitigation efforts. Exposures to credit risks are monitored by the risk management function, which is independent of commercial operations. Credit risk arises due to the possibility that a customer, supplier or counterparty will not be able or willing to fulfill its obligations on a transaction on or before the settlement date. For derivative-related contracts, credit risk arises when counterparties are obligated to deliver or purchase defined commodity units of gas or power to us at a future date per execution of contractual terms and conditions. Exposure to credit risk is measured in terms of both current obligations and the market value of forward positions net of any posted collateral such as cash and letters of credit.

We evaluate the financial status of our banking partners through the use of market-based metrics such as credit default swap pricing levels, and also through traditional credit ratings provided by major credit rating agencies.

Other Information

Critical Accounting Estimates

A summary of our critical accounting estimates is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022. There were no material changes made as of June 30, 2023.

Recently Issued Accounting Pronouncements

Refer to Note 2, "Recent Accounting Pronouncements," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about recently issued and adopted accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosures about market risk are reported in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures."

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our chief executive officer and our chief financial officer are responsible for evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our chief executive officer and chief financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to provide reasonable assurance that financial information was processed, recorded and reported accurately.

Changes in Internal Controls

There have been no changes in our internal control over financial reporting during the most recently completed quarter covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

For a description of our legal proceedings, see Note 16, "Other Commitments and Contingencies - B. Legal Proceedings," in the Notes to the Condensed Consolidated Financial Statements (unaudited). This information is supplemented by Note 15, in the Notes to the Condensed Consolidated Financial Statements (unaudited) of the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023.

ITEM 1A. RISK FACTORS

Please refer to the risk factors set forth in Part I, Item 1A of the Annual Report on Form 10-K for the year ended December 31, 2022, as supplemented by the risk factor set forth below. There have been no material changes to such risk factors, other than the risks described below.

The NIPSCO Minority Equity Interest Sale is Subject to Risk and Uncertainties that Could Have a Material Adverse Effect on Our Cash Flows, Liquidity, Financial Condition, or Stock Price.

The NIPSCO Minority Equity Interest Sale is subject to various risks and uncertainties. The timing and certainty of the closing of the NIPSCO Minority Equity Interest Sale is subject to our ability to satisfy the conditions to closing the NIPSCO Minority Equity Interest Sale, including the ability to obtain FERC approval necessary to complete the NIPSCO Minority Equity Interest Sale, as well as any timing of and conditions imposed upon us by FERC in connection with such authorization. Furthermore, our efforts to close the NIPSCO Minority Equity Interest Sale may cause disruption to NiSource's business including the diversion of management time on NIPSCO Minority Equity Interest Sale-related issues. In addition, we have incurred, and will continue to incur, significant costs, expenses, and fees for professional services and other costs in connection with the NIPSCO Minority Equity Interest Sale, and many of these fees and costs are payable by us regardless of whether or not the NIPSCO Minority Equity Interest Sale is consummated.

Additionally, even if we close the NIPSCO Minority Equity Interest Sale, we may not be able to achieve the anticipated benefits from the NIPSCO Minority Equity Interest Sale fully, or at all, or the benefits may take longer to realize than anticipated, whether as a result of our execution or as a result of various factors, including prevailing market conditions, that could negatively impact the benefits we are able to achieve.

Our failure to consummate the NIPSCO Minority Equity Interest Sale at all, or in a timely manner, potential business disruptions, related costs and expenses, or our failure to achieve anticipated benefits of the NIPSCO Minority Equity Interest Sale could have a material adverse effect on our cash flows, liquidity, financial condition and stock price.

Finally, we cannot fully anticipate the effects of the NIPSCO Minority Equity Interest Sale on the industry, market, economic, political or regulatory conditions outside of our control. Any such consequential effects could have a potential adverse impact on our business.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Director and Officer Trading Arrangements

During the three months ended June 30, 2023, no director or Section 16 officer of the Company adopted, terminated or modified a 'Rule 10b5-1 trading arrangement' or 'non-Rule 10b5-1 trading arrangement,' as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

NiSource Inc.

(3.1)	Certificate of Amendment of Amended and Restated Certificate of Incorporation of NiSource Inc. dated May 23, 2023 (incorporated by reference to Exhibit 3.1 to the NiSource Inc. Form 8-K filed on May 24, 2023).
(3.2)	Certificate of Elimination of the Company with respect to the Series A Preferred Stock, dated June 16, 2023 (incorporated by reference to Exhibit 3.1 to the NiSource Inc. Form 8-K filed on June 16, 2023).
(4.1)	Form of 5.250% Notes due 2028 (incorporated by reference to Exhibit 4.1 to the NiSource Inc. Form 8-K filed on March 24, 2023).
(4.2)	Form of 5.400% Notes due 2033 (incorporated by reference to Exhibit 4.2 to the NiSource Inc. Form 8-K filed on June 9, 2023).
(10.1)	Purchase and Sale Agreement, dated as of June 17, 2023, among NiSource Inc., as the Parent, NIPSCO Holdings II LLC, as the Company, and BIP BLUE BUYER L.L.C., as the Investor (incorporated by reference to Exhibit 10.1 to the NiSource Inc. Form 8-K filed on June 20, 2023).
(10.2)	Amendment No. 1 to the Purchase and Sale Agreement, dated as of July 6, 2023, among NiSource Inc., as the Parent, NIPSCO Holdings II LLC, as the Company, and BIP BLUE BUYER L.L.C., as the Investor.*
(31.1)	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.**
(31.2)	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.**
(32.1)	Certification of Chief Executive Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).**
(32.2)	Certification of Chief Financial Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).**
(101.INS)	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
(101.SCH)	Inline XBRL Schema Document
(101.CAL)	Inline XBRL Calculation Linkbase Document
(101.LAB)	Inline XBRL Labels Linkbase Document
(101.PRE)	Inline XBRL Presentation Linkbase Document
(101.DEF)	Inline XBRL Definition Linkbase Document
(104)	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

* Exhibit filed herewith. Schedules and similar attachments to this Exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the U.S. Securities and Exchange Commission (the "SEC") upon request.

** Exhibit filed herewith.

SIGNATURE

NiSource Inc.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NiSource Inc.
(Registrant)

Date: August 2, 2023

By: /s/ Gunnar J. Gode
Gunnar J. Gode
Vice President, Chief Accounting Officer
(Principal Accounting Officer)

Exhibit 10.2

Execution Version

AMENDMENT NO. 1 TO
PURCHASE AND SALE AGREEMENT

THIS AMENDMENT NO. 1 TO PURCHASE AND SALE AGREEMENT (this "Amendment") is made as of the July 6, 2023 by and among NiSource Inc., a Delaware corporation (the "Parent"), NIPSCO Holdings II LLC, a Delaware limited liability company (the "Company"), and BIP Blue Buyer L.L.C., a Delaware limited liability company (the "Investor", and each of the Parent, the Company and the Investor is herein referred to as a "Party" and together, the "Parties"), and amends that certain Purchase and Sale Agreement, dated June 17, 2023 (the "Purchase Agreement"), by and among the Parties. All capitalized terms not defined herein shall have the meanings ascribed to them in the Purchase Agreement.

RECITALS

A. The Parties desire to amend and restate the Disclosure Schedules in their entirety in the form as attached hereto as Exhibit A (the "Amended Disclosure Schedules").

B. Subsection 10.6 of the Purchase Agreement provides that any provision of the Disclosure Schedules may be amended only in a writing signed by each of the Parties.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises herein made and on the terms and subject to the conditions herein contained, the Parties agree as follows:

AGREEMENT

1. Amended and Restated Disclosure Schedule. The Disclosure Schedules are hereby amended and restated in their entirety in the form attached hereto as Exhibit A.

2. Miscellaneous.

a. Effect. The Purchase Agreement, as amended hereby, is hereby ratified and confirmed in all respects and shall remain in full force and effect pursuant to the terms thereof.

b. Governing Law. Section 10.14 of the Purchase Agreement is hereby incorporated herein *mutatis mutandis*.

c. Severability. If any term, provision, covenant or restriction contained in this Amendment is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions contained in this Amendment shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and, to the extent permitted and possible, any invalid, void or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid, void or unenforceable term.

d. Entire Agreement. The Purchase Agreement, as amended by this Amendment, and any other agreements expressly referred to herein or therein, contains the entire agreement of the Parties respecting the sale and purchase of the Purchased Interests and the transactions contemplated hereby and supersedes all prior agreements among the Parties respecting the sale and purchase of the Purchased Interests.

e. Counterparts. This Amendment may be executed in counterparts, and any Party may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute one and the same instrument. The Parties agree that the delivery of this Amendment may be effected by means of an exchange of facsimile or electronically transmitted signatures.

[*Signature pages follow*]

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first written above.

PARENT:

NISOURCE INC.

By: /s/ Shawn Anderson
Name: Shawn Anderson
Title: Executive Vice President and Chief Financial Officer

COMPANY:

NIPSCO HOLDINGS II LLC

By: _/s/ Shawn Anderson_____
Name: Shawn Anderson
Title: President and Chief Financial Officer

[*Signature Page to Amendment No. 1 to Purchase and Sale Agreement*]

INVESTOR:

BIP BLUE BUYER L.L.C.

By: BIP Holdings Manager L.L.C., its managing member

By: _/s/ Sebastien Sherman_____
Name: Sebastien Sherman
Title: Senior Managing Director

[*Signature Page to Amendment No. 1 to Purchase and Sale Agreement*]

[*Signature Page to Amendment No. 1 to Purchase and Sale Agreement*]

EXHIBIT

DISCLOSURE SCHEDULES

[SEE ATTACHED]

[REMAINDER OF PAGE INTENTIONALLY REMAINS BLANK]

Company and Parent Disclosure Schedules

Schedule 2.3 - No Violation
Schedule 2.5(a) - Equity Interests
Schedule 2.6(b) - No Undisclosed Liabilities
Schedule 2.6(e) - Leakage Since Balance Sheet Date
Schedule 2.7 - Absence of Certain Developments
Schedule 2.8(g) - Encumbrances on Real Property
Schedule 2.9 - Tax Matters
Schedule 2.10 - Material Contracts
Schedule 2.13 - Employees
Schedule 2.14(a) - Employee Benefit Plans
Schedule 2.14(d) - Post-Employment or Retirement Welfare Benefits
Schedule 2.14(e) - Title IV Plans
Schedule 2.16 - Environmental Matters
Schedule 2.17 - Governmental Investigations
Schedule 2.18 - Affiliated Transactions
Schedule 2.19 - Regulatory Matters
Schedule 3.3 - No Violation (Parent)
Schedule 3.4 - Governmental Consents (Parent)
Schedule 3.7 - Broker Fees (Parent)
Schedule 5.1(a) - Conduct of Business
Schedule 5.1(b) - Permitted Interim Period Business Activities
Schedule 5.7 - Interim Period Subsidiaries
Schedule 9.2 - Tax Allocation
Schedule 10.17 - Existing Indebtedness

Investor Disclosure Schedules

Schedule 4.6 - Broker Fees (Investor)
Schedule 4.10 - Regulatory
Schedule 5.3(d) - Investor Interim Acquisitions

Exhibit 31.1

Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Lloyd M. Yates, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q for the quarter ended June 30, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 2, 2023

By: /s/ Lloyd M. Yates
Lloyd M. Yates
President and Chief Executive Officer

Exhibit 31.2

Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Shawn Anderson, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q for the quarter ended June 30, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 2, 2023

By: /s/ Shawn Anderson

Shawn Anderson
Executive Vice President and Chief Financial Officer

Exhibit 32.1

Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of NiSource Inc. (the "Company") on Form 10-Q for the quarter ending June 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lloyd M. Yates, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Lloyd M. Yates
Lloyd M. Yates
President and Chief Executive Officer

Date: August 2, 2023

Exhibit 32.2

Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of NiSource Inc. (the "Company") on Form 10-Q for the quarter ending June 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Shawn Anderson, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Shawn Anderson
Shawn Anderson
Executive Vice President and Chief Financial Officer

Date: August 2, 2023

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)**
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2023

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)**
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-16189

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE	35-2108964
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
801 East 86th Avenue Merrillville, IN	46410
(Address of principal executive offices)	(Zip Code)

(877) 647-5990
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value $0.01 per share	NI	NYSE
Depositary Shares, each representing a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value $0.01 per share, liquidation preference $25,000 per share and a 1/1,000th ownership interest in a share of Series B-1 Preferred Stock, par value $0.01 per share, liquidation preference $0.01 per share	NI PR B	NYSE
Series A Corporate Units	NIMC	NYSE

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.)

Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐ Emerging growth company ☐ Non-accelerated filer ☐ Smaller reporting company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☑

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, $0.01 Par Value: 413,063,219 shares outstanding at April 25, 2023.

NISOURCE INC.
FORM 10-Q QUARTERLY REPORT
FOR THE QUARTER ENDED MARCH 31, 2023

Table of Contents

			Page
	Defined Terms		3
PART I	FINANCIAL INFORMATION		
	Item 1.	Financial Statements - unaudited	
		Condensed Statements of Consolidated Income (unaudited)	7
		Condensed Statements of Consolidated Comprehensive Income (unaudited)	8
		Condensed Consolidated Balance Sheets (unaudited)	9
		Condensed Statements of Consolidated Cash Flows (unaudited)	11
		Condensed Statements of Consolidated Equity (unaudited)	12
		Notes to Condensed Consolidated Financial Statements (unaudited)	14
	Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	31
	Item 3.	Quantitative and Qualitative Disclosures About Market Risk	52
	Item 4.	Controls and Procedures	52
PART II	OTHER INFORMATION		
	Item 1.	Legal Proceedings	53
	Item 1A.	Risk Factors	53
	Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	53
	Item 3.	Defaults Upon Senior Securities	53
	Item 4.	Mine Safety Disclosures	53
	Item 5.	Other Information	53
	Item 6.	Exhibits	54
	Signature		55

DEFINED TERMS

The following is a list of frequently used abbreviations or acronyms that are found in this report:

NiSource Subsidiaries and Affiliates

Columbia of Kentucky	Columbia Gas of Kentucky, Inc.
Columbia of Maryland	Columbia Gas of Maryland, Inc.
Columbia of Massachusetts	Bay State Gas Company
Columbia of Ohio	Columbia Gas of Ohio, Inc.
Columbia of Pennsylvania	Columbia Gas of Pennsylvania, Inc.
Columbia of Virginia	Columbia Gas of Virginia, Inc.
NIPSCO	Northern Indiana Public Service Company LLC
NiSource ("we," "us" or "our")	NiSource Inc.
Rosewater	Rosewater Wind Generation LLC and its wholly owned subsidiary, Rosewater Wind Farm LLC
Indiana Crossroads Wind	Indiana Crossroads Wind Generation LLC and its wholly owned subsidiary, Indiana Crossroads Wind Farm LLC

Abbreviations and Other

AFUDC	Allowance for funds used during construction
AOCI	Accumulated Other Comprehensive Income (Loss)
ASU	Accounting Standards Update
ATM	At-the-market
BTA	Build-transfer agreement
CCRs	Coal Combustion Residuals
CEP	Capital Expenditure Program
CERCLA	Comprehensive Environmental Response Compensation and Liability Act (also known as Superfund)
Corporate Units	Series A Corporate Units
COVID-19 ("the COVID-19 pandemic" or "the pandemic")	Novel Coronavirus 2019 and its variants, including the Delta and Omicron variants, and any other variant that may emerge
DPU	Department of Public Utilities
DSIC	Distribution System Improvement Charge
EPA	United States Environmental Protection Agency
EPS	Earnings per share
Equity Units	Series A Equity Units
FAC	Fuel adjustment clause
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
FMCA	Federally Mandated Cost Adjustment
GAAP	Generally Accepted Accounting Principles
GCA	Gas cost adjustment
GHG	Greenhouse gases
GWh	Gigawatt hours
IRA	Inflation Reduction Act
IRP	Infrastructure Replacement Program
IURC	Indiana Utility Regulatory Commission
JV	Joint Venture

DEFINED TERMS

LIBOR	London InterBank Offered Rate
LIFO	Last In, First Out
LIHEAP	Low Income Heating Energy Assistance Programs
Massachusetts Business	All of the assets sold to, and liabilities assumed by, Eversource pursuant to the Asset Purchase Agreement
MGP	Manufactured Gas Plant
MISO	Midcontinent Independent System Operator
MMDth	Million dekatherms
MW	Megawatts
MWh	Megawatt hours
NYMEX	New York Mercantile Exchange
OPEB	Other Postemployment Benefits
PHMSA	Pipeline and Hazardous Materials Safety Administration
PPA	Power Purchase Agreement
PUCO	Public Utilities Commission of Ohio
RNG	Renewable Natural Gas
SAVE	Steps to Advance Virginia's Energy Plan
Scope 1 GHG Emissions	Direct emissions from sources owned or controlled by us (e.g., emissions from our combustion of fuel, vehicles, and process emissions and fugitive emissions)
Scope 2 GHG Emissions	Indirect emissions from sources owned or controlled by us
SEC	Securities and Exchange Commission
Section 201 Tariffs	Tariffs imposed by Executive Order from the President of the U.S. on certain imported solar cells and modules at a rate of 15%, which were recently extended to 2026
SMRP	Safety Modification and Replacement Program
SMS	Safety Management System
SOFR	Secured Overnight Financing Rate
STRIDE	Strategic Infrastructure Development Enhancement
TCJA	An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 (commonly known as the Tax Cuts and Jobs Act of 2017)
TDSIC	Transmission, Distribution and Storage System Improvement Charge
U.S. Attorney's Office	U.S. Attorney's Office for the District of Massachusetts
VIE	Variable Interest Entity

Note regarding forward-looking statements

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. Expressions of future goals and expectations and similar expressions, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this Quarterly Report on Form 10-Q include, among other things, our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in, or failures of, technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and natural gas costs and supply risks; fluctuations in demand from residential and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the attraction and retention of a qualified, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity attacks; increased requirements and costs related to cybersecurity; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net-Zero Goal (as defined below); our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; inflation; recessions; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related to the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; other matters in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, many of which risks are beyond our control. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time.

All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Index	Page
Condensed Statements of Consolidated Income (unaudited)	7
Condensed Statements of Consolidated Comprehensive Income (unaudited)	8
Condensed Consolidated Balance Sheets (unaudited)	9
Condensed Statements of Consolidated Cash Flows (unaudited)	11
Condensed Statements of Consolidated Equity (unaudited)	12
Notes to Condensed Consolidated Financial Statements (unaudited)	14
1. Basis of Accounting Presentation	14
2. Recent Accounting Pronouncements	14
3. Revenue Recognition	14
4. Earnings Per Share	16
5. Equity	18
6. Gas in Storage	19
7. Regulatory Matters	20
8. Risk Management Activities	20
9. Fair Value	22
10. Income Taxes	25
11. Pension and Other Postretirement Benefits	25
12. Variable Interest Entities	25
13. Long-Term Debt	26
14. Short-Term Borrowings	26
15. Other Commitments and Contingencies	27
16. Accumulated Other Comprehensive Loss	29
17. Other, Net	29
18. Business Segment Information	30

PART I

ITEM 1. FINANCIAL STATEMENTS

NiSource Inc.
Condensed Statements of Consolidated Income (unaudited)

(in millions, except per share amounts)	Three Months Ended March 31, 2023	2022
Operating Revenues		
Customer revenues	**$ 1,896.1**	$ 1,840.3
Other revenues	**69.9**	33.0
Total Operating Revenues	**1,966.0**	1,873.3
Operating Expenses		
Cost of energy	**765.1**	706.7
Operation and maintenance	**391.2**	394.3
Depreciation and amortization	**206.9**	192.7
Gain on sale of assets, net	**—**	(105.0)
Other taxes	**71.8**	84.3
Total Operating Expenses	**1,435.0**	1,273.0
Operating Income	**531.0**	600.3
Other Income (Deductions)		
Interest expense, net	**(108.9)**	(83.7)
Other, net	**1.5**	10.9
Total Other Deductions, Net	**(107.4)**	(72.8)
Income before Income Taxes	**423.6**	527.5
Income Taxes	**85.8**	96.2
Net Income	**337.8**	431.3
Net income attributable to noncontrolling interest	**4.8**	4.5
Net Income Attributable to NiSource	**333.0**	426.8
Preferred dividends	**(13.8)**	(13.8)
Net Income Available to Common Shareholders	**319.2**	413.0
Earnings Per Share		
Basic Earnings Per Share	**$ 0.77**	$ 1.02
Diluted Earnings Per Share	**$ 0.71**	$ 0.94
Basic Average Common Shares Outstanding	**412.8**	406.0
Diluted Average Common Shares	**447.1**	441.4

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Comprehensive Income (unaudited)

	Three Months Ended March 31,	
(in millions, net of taxes)	**2023**	2022
Net Income	**$ 337.8**	$ 431.3
Other comprehensive income:		
Net unrealized gain (loss) on available-for-sale debt securities[(1)]	**2.0**	(5.7)
Reclassification adjustment for cash flow hedges[(2)]	**0.1**	47.0
Unrecognized pension and OPEB benefit[(3)]	**0.3**	0.1
Total other comprehensive income	**2.4**	41.4
Comprehensive Income	**$ 340.2**	$ 472.7

[(1)]Net unrealized gain (loss) on available-for-sale securities, net of $0.5 million tax expense and $1.5 million tax benefit in the first quarter of 2023 and 2022, respectively.
[(2)]Reclassification adjustment for cash flow hedges, net of $0.1 million tax benefit and $21.3 million tax expense in the first quarter of 2023 and 2022, respectively.
[(3)]Unrecognized pension and OPEB benefit, net of $0.1 million and zero tax expense in the first quarter of 2023 and 2022, respectively.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited)

(in millions)		**March 31, 2023**		December 31, 2022
ASSETS				
Property, Plant and Equipment				
Plant	**$**	**28,065.6**	$	27,551.3
Accumulated depreciation and amortization		**(7,838.0)**		(7,708.7)
Net Property, Plant and Equipment[(1)]		**20,227.6**		19,842.6
Investments and Other Assets				
Unconsolidated affiliates		**2.2**		1.6
Available-for-sale debt securities (amortized cost of $162.8 and $166.7, allowance for credit losses of $0.8 and $0.9, respectively)		**150.4**		151.6
Other investments		**74.3**		71.0
Total Investments and Other Assets		**226.9**		224.2
Current Assets				
Cash and cash equivalents		**106.4**		40.8
Restricted cash		**41.9**		34.6
Accounts receivable		**954.2**		1,065.8
Allowance for credit losses		**(31.4)**		(23.9)
Accounts receivable, net		**922.8**		1,041.9
Gas inventory		**138.8**		531.7
Materials and supplies, at average cost		**172.6**		151.4
Electric production fuel, at average cost		**64.9**		68.8
Exchange gas receivable		**92.1**		128.1
Regulatory assets		**237.6**		233.2
Deposits to renewable generation asset developer		**281.2**		143.8
Prepayments and other		**278.2**		210.0
Total Current Assets[(1)]		**2,336.5**		2,584.3
Other Assets				
Regulatory assets		**2,319.2**		2,347.6
Goodwill		**1,485.9**		1,485.9
Deferred charges and other		**257.6**		252.0
Total Other Assets		**4,062.7**		4,085.5
Total Assets	**$**	**26,853.7**	$	26,736.6

[(1)]Includes $972.7 million and $978.5 million at March 31, 2023 and December 31, 2022, respectively, of net property, plant and equipment assets and $33.8 million and $25.7 million at March 31, 2023 and December 31, 2022, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 12, "Variable Interest Entities," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited) (continued)

(in millions, except share amounts)	March 31, 2023	December 31, 2022
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - $0.01 par value, 600,000,000 shares authorized; 412,982,639 and 412,142,602 shares outstanding, respectively	**$ 4.2**	$ 4.2
Preferred stock - $0.01 par value, 20,000,000 shares authorized; 1,302,500 and 1,302,500 shares outstanding, respectively	**1,546.5**	1,546.5
Treasury stock	**(99.9)**	(99.9)
Additional paid-in capital	**7,372.9**	7,375.3
Retained deficit	**(1,114.8)**	(1,213.6)
Accumulated other comprehensive loss	**(34.7)**	(37.1)
Total NiSource Stockholders' Equity	**7,674.2**	7,575.4
Noncontrolling interest in consolidated subsidiaries	**329.5**	326.4
Total Equity	**8,003.7**	7,901.8
Long-term debt, excluding amounts due within one year	**10,264.7**	9,523.6
Total Capitalization	**18,268.4**	17,425.4
Current Liabilities		
Current portion of long-term debt	**30.3**	30.0
Short-term borrowings	**1,281.6**	1,761.9
Accounts payable	**642.2**	899.5
Dividends payable - common stock	**103.4**	—
Dividends payable - preferred stock	**19.4**	—
Customer deposits and credits	**225.5**	324.7
Taxes accrued	**268.7**	246.2
Interest accrued	**139.2**	138.4
Exchange gas payable	**19.6**	147.6
Regulatory liabilities	**359.1**	236.8
Asset retirement obligations	**48.1**	35.5
Accrued compensation and employee benefits	**124.5**	167.5
Obligations to renewable generation asset developer	**347.2**	347.2
Other accruals	**298.1**	325.2
Total Current Liabilities[(1)]	**3,906.9**	4,660.5
Other Liabilities		
Deferred income taxes	**1,950.1**	1,854.5
Accrued liability for postretirement and postemployment benefits	**239.6**	245.5
Regulatory liabilities	**1,725.5**	1,775.8
Asset retirement obligations	**464.7**	478.1
Other noncurrent liabilities and deferred credits	**298.5**	296.8
Total Other Liabilities[(1)]	**4,678.4**	4,650.7
Commitments and Contingencies (Refer to Note 15, "Other Commitments and Contingencies")		
Total Capitalization and Liabilities	**$ 26,853.7**	$ 26,736.6

[(1)]Includes $135.4 million and $128.2 million at March 31, 2023 and December 31, 2022, respectively, of current liabilities and $30.7 million and $30.6 million at March 31, 2023 and December 31, 2022, respectively, of other liabilities of consolidated VIEs that creditors do not have recourse to our general credit. Refer to Note 12, "Variable Interest Entities," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

NiSource Inc.
Condensed Statements of Consolidated Cash Flows (unaudited)

Three Months Ended March 31, *(in millions)*		2023		2022
Operating Activities				
Net Income	**$**	**337.8**	$	431.3
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:				
Depreciation and amortization		**206.9**		192.7
Deferred income taxes and investment tax credits		**75.5**		87.2
Gain on sale of assets		**—**		(105.0)
Other adjustments		**1.1**		8.0
Changes in Assets and Liabilities:				
Components of working capital		**71.1**		(42.4)
Regulatory assets/liabilities		**11.0**		24.9
Deferred charges and other noncurrent assets		**(12.0)**		(7.4)
Other noncurrent liabilities and deferred credits		**(8.0)**		(9.5)
Net Cash Flows from Operating Activities		**683.4**		579.8
Investing Activities				
Capital expenditures		**(557.1)**		(450.1)
Insurance recoveries		**—**		105.0
Payment to renewable generation asset developer		**(137.3)**		—
Other investing activities		**(33.4)**		(25.3)
Net Cash Flows used for Investing Activities		**(727.8)**		(370.4)
Financing Activities				
Proceeds from Issuance of long-term debt		**744.2**		—
Repayments of finance lease obligations		**(8.1)**		(7.3)
Change in short-term borrowings, net (maturity ≤ 90 days)		**(480.4)**		(40.0)
Issuance of common stock, net of issuance costs		**3.0**		2.8
Equity costs, grant withholdings and debt related costs		**(11.8)**		(8.9)
Contributions from noncontrolling interest		**3.6**		—
Distributions to noncontrolling interest		**(5.3)**		(0.6)
Dividends paid - common stock		**(103.2)**		(95.3)
Dividends paid - preferred stock		**(8.1)**		(8.1)
Contract liability payment		**(16.6)**		(16.5)
Net Cash Flows from (used for) Financing Activities		**117.3**		(173.9)
Change in cash, cash equivalents and restricted cash		**72.9**		35.5
Cash, cash equivalents and restricted cash at beginning of period		**75.4**		94.9
Cash, Cash Equivalents and Restricted Cash at End of Period	**$**	**148.3**	$	130.4

Reconciliation to Balance Sheet

Three Months Ended March 31, *(in millions)*	2023
Cash and cash equivalents	**106.4**
Restricted Cash	**41.9**
Total Cash, Cash Equivalents and Restricted Cash	**148.3**

Supplemental Disclosures of Cash Flow Information

Three Months Ended March 31, *(in millions)*		2023		2022
Non-cash transactions:				
Capital expenditures included in current liabilities	**$**	**261.1**	$	183.4
Dividends declared but not paid		**122.8**		114.7

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

NiSource Inc.
Condensed Statements of Consolidated Equity (unaudited)

(in millions)	Common Stock	Preferred Stock[1]	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2023	**$ 4.2**	**$ 1,546.5**	**$ (99.9)**	**$ 7,375.3**	**$ (1,213.6)**	**$ (37.1)**	**$ 326.4**	**$ 7,901.8**
Comprehensive Income:								
Net income	—	—	—	—	333.0	—	4.8	337.8
Other comprehensive income, net of tax	—	—	—	—	—	2.4	—	2.4
Dividends:								
Common stock ($0.50 per share)	—	—	—	—	(206.7)	—	—	(206.7)
Preferred stock (See Note 5)	—	—	—	—	(27.5)	—	—	(27.5)
Contributions from noncontrolling interest	—	—	—	—	—	—	3.6	3.6
Distributions to noncontrolling interests	—	—	—	—	—	—	(5.3)	(5.3)
Stock issuances:								
Employee stock purchase plan	—	—	—	1.3	—	—	—	1.3
Long-term incentive plan	—	—	—	(6.3)	—	—	—	(6.3)
401(k) and profit sharing	—	—	—	2.6	—	—	—	2.6
Balance as of March 31, 2023	**$ 4.2**	**$ 1,546.5**	**$ (99.9)**	**$ 7,372.9**	**$ (1,114.8)**	**$ (34.7)**	**$ 329.5**	**$ 8,003.7**

[1]Series A, Series B, and Series C shares have an aggregate liquidation preference of $400M, $500M, and $863M, respectively. See Note 5, "Equity," for additional information.

(in millions)	Common Stock	Preferred Stock[1]	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2022	**$ 4.1**	**$ 1,546.5**	**$ (99.9)**	**$ 7,204.3**	**$ (1,580.9)**	**$ (126.8)**	**$ 325.6**	**$ 7,272.9**
Comprehensive Income:								
Net income	—	—	—	—	426.8	—	4.5	431.3
Other comprehensive income, net of tax	—	—	—	—	—	41.4	—	41.4
Dividends:								
Common stock ($0.47 per share)	—	—	—	—	(190.7)	—	—	(190.7)
Preferred stock (See Note 5)	—	—	—	—	(27.5)	—	—	(27.5)
Distributions to noncontrolling interest	—	—	—	—	—	—	(0.6)	(0.6)
Stock issuances:								
Employee stock purchase plan	—	—	—	1.2	—	—	—	1.2
Long-term incentive plan	—	—	—	0.9	—	—	—	0.9
401(k) and profit sharing	—	—	—	2.5	—	—	—	2.5
Balance as of March 31, 2022	**$ 4.1**	**$ 1,546.5**	**$ (99.9)**	**$ 7,208.9**	**$ (1,372.3)**	**$ (85.4)**	**$ 329.5**	**$ 7,531.4**

[1]Series A, Series B and Series C shares have an aggregate liquidation preference of $400M, $500M, and $863M, respectively. See Note 5, "Equity," for additional information.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Equity (unaudited) (continued)

	Preferred	Common		
Shares *(in thousands)*	**Shares**	**Shares**	**Treasury**	**Outstanding**
Balance as of January 1, 2023	**1,303**	**416,106**	**(3,963)**	**412,143**
Issued:				
Employee stock purchase plan	—	48	—	48
Long-term incentive plan	—	695	—	695
401(k) and profit sharing	—	97	—	97
Balance as of March 31, 2023	**1,303**	**416,946**	**(3,963)**	**412,983**

	Preferred	Common		
Shares *(in thousands)*	**Shares**	**Shares**	**Treasury**	**Outstanding**
Balance as of January 1, 2022	**1,303**	**409,266**	**(3,963)**	**405,303**
Issued:				
Employee stock purchase plan	—	44	—	44
Long-term incentive plan	—	300	—	300
401(k) and profit sharing	—	87	—	87
Balance as of March 31, 2022	**1,303**	**409,697**	**(3,963)**	**405,734**

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

1. Basis of Accounting Presentation

Our accompanying Condensed Consolidated Financial Statements (unaudited) reflect all normal recurring adjustments that are necessary, in the opinion of management, to present fairly the results of operations in accordance with GAAP in the United States of America. The accompanying financial statements include the accounts of us, our majority-owned subsidiaries, and VIEs of which we are the primary beneficiary after the elimination of all intercompany accounts and transactions.

The accompanying financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022. Income for interim periods may not be indicative of results for the calendar year due to weather variations and other factors.

The Condensed Consolidated Financial Statements (unaudited) have been prepared pursuant to the rules and regulations of the SEC. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations, although we believe that the disclosures made in this Quarterly Report on Form 10-Q are adequate to make the information herein not misleading.

2. Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* and in January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848): Scope.* These pronouncements provide temporary optional expedients and exceptions for applying GAAP principles to contract modifications and hedging relationships to ease the financial reporting burdens of the expected market transition from LIBOR and other interbank offered rates to alternative reference rates. These pronouncements were effective upon issuance on March 12, 2020 through December 31, 2022. In December 2022, the FASB issued ASU 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848*, to extend the temporary accounting rules under Topic 848 from December 31, 2022 to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. During 2022, the company applied a practical expedient under Topic 848 which allowed for the continuation of cash flow hedge accounting for interest rate derivative contracts upon the transition from LIBOR to alternative reference rates. The application of this expedient had no impact on the Condensed Consolidated Financial Statements (unaudited).

3. Revenue Recognition

Revenue Disaggregation and Reconciliation. We disaggregate revenue from contracts with customers based upon reportable segment, as well as by customer class. The Gas Distribution Operations segment provides natural gas service and transportation for residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, Maryland, and Indiana. The Electric Operations segment provides electric service in 20 counties in the northern part of Indiana.

The tables below reconcile revenue disaggregation by customer class to segment revenue, as well as to revenues reflected on the Condensed Statements of Consolidated Income (unaudited):

Three Months Ended March 31, 2023 *(in millions)*	Gas Distribution Operations[2]	Electric Operations	Corporate and Other	Total
Customer Revenues[1]				
Residential	$ 987.0	$ 150.4	$ —	$ 1,137.4
Commercial	360.6	150.9	—	511.5
Industrial	71.9	134.2	—	206.1
Off-system	17.2	—	—	17.2
Miscellaneous	18.4	5.5	—	23.9
Total Customer Revenues	$ 1,455.1	$ 441.0	$ —	$ 1,896.1
Other Revenues	46.2	23.5	0.2	69.9
Total Operating Revenues	$ 1,501.3	$ 464.5	$ 0.2	$ 1,966.0

[1]Customer revenue amounts exclude intersegment revenues. See Note 18, "Business Segment Information," for discussion of intersegment revenues.
[2]Amounts included in Gas Distributions Operations Other revenues primarily relate to weather normalization adjustments driven by warmer weather in 2023 compared to 2022.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Three Months Ended March 31, 2022 *(in millions)*	Gas Distribution Operations	Electric Operations	Corporate and Other[2]	Total
Customer Revenues[1]				
Residential	$ 976.9	$ 138.5	$ —	$ 1,115.4
Commercial	356.5	134.5	—	491.0
Industrial	67.8	129.8	—	197.6
Off-system	18.7	—	—	18.7
Miscellaneous	14.0	3.6	—	17.6
Total Customer Revenues	$ 1,433.9	$ 406.4	$ —	$ 1,840.3
Other Revenues	2.8	23.7	6.5	33.0
Total Operating Revenues	$ 1,436.7	$ 430.1	$ 6.5	$ 1,873.3

[1]Customer revenue amounts exclude intersegment revenues. See Note 18, "Business Segment Information," for discussion of intersegment revenues.
[2]Amounts associated with Corporate and Other revenues primarily relate to the Transition Services Agreement entered into in connection with the sale of the Massachusetts Business.

Customer Accounts Receivable. Accounts receivable on our Condensed Consolidated Balance Sheets (unaudited) includes both billed and unbilled amounts, as well as certain amounts that are not related to customer revenues. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from the date of the last cycle billing through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, and weather. A significant portion of our operations are subject to seasonal fluctuations in sales. During the heating season, primarily from November through March, revenues and receivables from gas sales are more significant than in other months. The opening and closing balances of customer receivables for the three months ended March 31, 2023 are presented in the table below. We had no significant contract assets or liabilities during the period. Additionally, we have not incurred any significant costs to obtain or fulfill contracts.

(in millions)	Customer Accounts Receivable, Billed (less reserve)	Customer Accounts Receivable, Unbilled (less reserve)
Balance as of December 31, 2022	$ 560.5	$ 453.0
Balance as of March 31, 2023	595.3	304.6

Utility revenues are billed to customers monthly on a cycle basis. We expect that substantially all customer accounts receivable will be collected following customer billing, as this revenue consists primarily of periodic, tariff-based billings for service and usage. We maintain common utility credit risk mitigation practices, including requiring deposits and actively pursuing collection of past due amounts. Our regulated operations also utilize certain regulatory mechanisms that facilitate recovery of bad debt costs within tariff-based rates, which provides further evidence of collectibility. It is probable that substantially all of the consideration to which we are entitled from customers will be collected upon satisfaction of performance obligations.

Allowance for Credit Losses. To evaluate for expected credit losses, customer account receivables are pooled based on similar risk characteristics, such as customer type, geography, payment terms, and related macro-economic risks. Expected credit losses are established using a model that considers historical collections experience, current information, and reasonable and supportable forecasts. Internal and external inputs are used in our credit model including, but not limited to, energy consumption trends, revenue projections, actual charge-offs data, recoveries data, shut-offs, customer delinquencies, final bill data, and inflation. We continuously evaluate available information relevant to assessing collectability of current and future receivables. We evaluate creditworthiness of specific customers periodically or following changes in facts and circumstances. When we become aware of a specific commercial or industrial customer's inability to pay, an allowance for expected credit losses is recorded for the relevant amount. We also monitor other circumstances that could affect our overall expected credit losses including, but not limited to, creditworthiness of overall population in service territories, adverse conditions impacting an industry sector, and current economic conditions.

At each reporting period, we record expected credit losses to an allowance for credit losses account. When deemed to be uncollectible, customer accounts are written-off. A rollforward of our allowance for credit losses as of March 31, 2023 and December 31, 2022 are presented in the table below:

(*in millions*)	Gas Distribution Operations	Electric Operations	Corporate and Other	Total
Balance as of January 1, 2023	$ 17.2	$ 5.9	$ 0.8	$ 23.9
Current period provisions	10.4	2.0	—	12.4
Write-offs charged against allowance	(12.1)	(1.5)	—	(13.6)
Recoveries of amounts previously written off	8.5	0.2	—	8.7
Balance as of March 31, 2023	$ 24.0	$ 6.6	$ 0.8	$ 31.4

(*in millions*)	Gas Distribution Operations	Electric Operations	Corporate and Other	Total
Balance as of January 1, 2022	$ 18.9	$ 3.8	$ 0.8	$ 23.5
Current period provisions	29.1	6.9	—	36.0
Write-offs charged against allowance	(52.1)	(5.3)	—	(57.4)
Recoveries of amounts previously written off	21.3	0.5	—	21.8
Balance as of December 31, 2022	$ 17.2	$ 5.9	$ 0.8	$ 23.9

4. Earnings Per Share

The calculations of basic and diluted EPS are based on the weighted average number of shares of common stock and potential common stock outstanding during the period. For the purposes of determining diluted EPS, the shares underlying the purchase contracts included within the Equity Units were included in the calculation of potential common stock outstanding for the three months ended March 31, 2023 and 2022 using the if-converted method under US GAAP. For the purchase contracts, the number of shares of our common stock that would be issuable at the end of each reporting period will be reflected in the denominator of our diluted EPS calculation. If the stock price falls below the initial reference price of $24.51, subject to anti-dilution adjustments, the number of shares of our common stock used in calculating diluted EPS will be the maximum number of shares per the contract as described in Note 5, "Equity." Conversely, if the stock price is above the initial reference price of $24.51, subject to anti-dilution adjustments, a variable number of shares of our common stock will be used in calculating diluted EPS. A numerator adjustment is reflected in the calculation of diluted EPS for interest expense incurred for the three months ended March 31, 2023 and 2022 net of tax, related to the purchase contracts.

We adopted ASU 2020-06 on January 1, 2022, which resulted in additional dilution from our Equity Units by requiring us to assume share settlement of the remaining purchase contract payment balance based on the average share price during the period.

The shares underlying the Series C Mandatory Convertible Preferred Stock included within the Equity Units are contingently convertible as the conversion is contingent on a successful remarketing as described in Note 5, "Equity." Contingently convertible shares where conversion is not tied to a market price trigger are excluded from the calculation of diluted EPS until such time as the contingency has been resolved under the if-converted method. As of March 31, 2023 and 2022, the contingency was not resolved and thus no shares were reflected in the denominator in the calculation of diluted EPS for the three months ended March 31, 2023 and 2022.

Diluted EPS also includes the incremental effects of the various long-term incentive compensation plans and the open ATM forward agreements during the period under the treasury stock method when the impact would be dilutive.

We began using the two-class method of computing earnings per share in 2023 because we have participating securities in the form of non-vested restricted stock units with a non-forfeitable right to dividend equivalents, for which vesting is predicated solely on the passage of time. The calculation of earnings per share using the two-class method excludes income attributable to these participating securities from the numerator and excludes the dilutive impact of those shares from the denominator.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

During 2022, we had no outstanding securities other than common and preferred stock, which required holders' participation in dividends and earnings; therefore, we were not required to calculate EPS under the two-class method. Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of shares of common stock outstanding during the period. Diluted net income per share is computed by giving effect to all potential shares of common stock, to the extent they are dilutive.

The following table presents the calculation of our basic and diluted EPS:

	Three Months Ended March 31,	
(in millions, except per share amounts)	**2023**	2022
Numerator:		
Net Income Available to Common Shareholders	**$ 319.2**	$ 413.0
Less: Income allocated to participating securities	**0.2**	—
Net Income Available to Common Shareholders - Basic	**319.0**	413.0
Add: Dilutive effect of Equity Units	**0.4**	0.5
Net Income Available to Common Shareholders - Diluted	**$ 319.4**	$ 413.5
Denominator:		
Average common shares outstanding - Basic	**412.8**	406.0
Dilutive potential common shares:		
Equity Units purchase contracts	**31.2**	29.1
Equity Units purchase contract payment balance	**1.8**	4.0
Shares contingently issuable under employee stock plans	**0.8**	1.0
Shares restricted under employee stock plans	**0.5**	0.4
ATM forward agreements	—	0.9
Average Common Shares - Diluted	**447.1**	441.4
Earnings per common share:		
Basic	**$ 0.77**	$ 1.02
Diluted	**$ 0.71**	$ 0.94

5. Equity

ATM Program. On February 22, 2021, we entered into six separate equity distribution agreements pursuant to which we are able to sell up to an aggregate of $750.0 million of our common stock. As of March 31, 2023, the ATM program had approximately $300.0 million of equity available for issuance. The program expires on December 31, 2023. There are no outstanding forward agreements as of March 31, 2023.

Preferred Stock. As of March 31, 2023, we had 20,000,000 shares of preferred stock authorized for issuance, of which 1,302,500 shares of preferred stock in the aggregate for all series were outstanding. The following table displays preferred dividends declared for the period by outstanding series of shares:

			Three Months Ended March 31,		March 31,	December 31,
			2023	2022	2023	2022
(in millions except shares and per share amounts)	Liquidation Preference Per Share	Shares	Dividends Declared Per Share		Outstanding	
5.650% Series A	$ 1,000.00	400,000	28.25	28.25	$ 393.9	$ 393.9
6.500% Series B	$ 25,000.00	20,000	812.50	812.50	$ 486.1	$ 486.1
Series C[(1)]	$ 1,000.00	862,500	—	—	$ 666.5	$ 666.5

[(1)]The Series C Mandatory Convertible Preferred Stock initially will not bear any dividends. We recorded the initial present value of the purchase contract payments as a liability with a corresponding reduction to preferred stock.

In addition, 20,000 shares of Series B–1 Preferred Stock, par value $0.01 per share, were outstanding as of March 31, 2023. Holders of Series B–1 Preferred Stock are not entitled to receive dividend payments and have no conversion rights. The Series B–1 Preferred Stock is paired with the Series B Preferred Stock and may not be transferred, redeemed or repurchased except in connection with the simultaneous transfer, redemption, or repurchase of the underlying Series B Preferred Stock.

As of March 31, 2023 and 2022, Series A Preferred Stock had $6.7 million of cumulative preferred dividends in arrears, or $16.63 per share, and Series B Preferred Stock had $1.4 million of cumulative preferred dividends in arrears, or $72.23 per share.

Equity Units. On April 19, 2021, we completed the sale of 8.625 million Equity Units, initially consisting of Corporate Units, each with a stated amount of $100. The offering generated net proceeds of $835.5 million, after underwriting and issuance expenses. Each Corporate Unit consists of a forward contract to purchase shares of our common stock in the future and a 1/10th, or 10%, undivided beneficial ownership interest in one share of Series C Mandatory Convertible Preferred Stock, par value $0.01 per share, with a liquidation preference of $1,000 per share.

Selected information about the Equity Units at the issuance date is presented below:

(in millions except contract rate)	Issuance Date	Units Issued	Total Net Proceeds[(1)]	Purchase Contract Annual Rate	Purchase Contract Liability
Equity Units	April 19, 2021	8.625	$ 835.5	7.75 %	$ 168.8

[(1)]Issuance costs of $27.0 million were recorded on a relative fair value basis as a reduction to preferred stock of $22.5 million and a reduction to the purchase contract liability of $4.5 million.

The purchase contract obligates holders to purchase shares of our common stock on December 1, 2023, subject to early settlement in certain situations. The purchase price paid under the purchase contract is $100 and the number of shares to be purchased will be determined under a settlement rate formula based on the volume-weighted average share price of our common stock near the settlement date, subject to a maximum settlement rate. The Series C Mandatory Convertible Preferred Stock will initially be pledged upon issuance as collateral to secure the purchase of common stock under the related purchase contracts.

The Series C Mandatory Convertible Preferred Stock is expected to be remarketed prior to December 1, 2023, and each share, unless previously converted, will automatically convert to common stock based on a conversion rate on the mandatory conversion date, which is expected to be on or about March 1, 2024. The conversion rate will be determined based on the volume-weighted average share price of our common stock near the conversion date, subject to a minimum and maximum conversion rate. Prior to December 1, 2023, the Series C Mandatory Convertible Preferred Stock will not bear any dividends and the liquidation preference will not accrete. Following a successful remarketing, dividends may become payable on the Series C Mandatory Convertible Preferred Stock and/or the minimum conversion rate of the Series C Mandatory Convertible Preferred Stock may be increased. If no successful remarketing of the Series C Mandatory Convertible Preferred Stock has previously occurred, effective as of December 1, 2023, the conversion rate will be zero, no shares of our common stock will be delivered upon automatic conversion and each share of Series C Mandatory Convertible Preferred Stock will be automatically transferred to us on the mandatory conversion date without any payment of cash or shares of our common stock thereon. In the event of such a remarketing failure, any shares of Series C Mandatory Convertible Preferred Stock held as part of Corporate Units will be automatically delivered to us on December 1, 2023 in full satisfaction of the relevant holder's obligation under the related purchase contracts.

We will pay quarterly contract adjustment payments at the rate of 7.75% per year on the stated amount of $100 per Equity Unit. The contract adjustment payments are payable in cash, shares of our common stock or a combination thereof, at our election. The payment of contract adjustment payments may also be deferred until the purchase contract settlement date, December 1, 2023, at our election. If we exercise our option to defer the payment of contract adjustment payments, then until the deferred contract adjustment payments have been paid, we will not declare or pay any dividends on, or make any distributions on, or redeem, purchase or acquire, or make a liquidation payment with respect to, any shares of our capital stock; make any payment of principal of, or interest or premium, if any, on, or repay, repurchase or redeem any of our debt securities that rank on parity with, or junior to, the contract adjustment payments; or make any guarantee payments under any guarantee by us of securities of any of our subsidiaries if our guarantee ranks on parity with, or junior to, the contract adjustment payments. As of March 31, 2023, no contract adjustment payments have been deferred with quarterly cash payments being remitted to the holders. As of March 31, 2023 and December 31, 2022 the purchase contract liability, net of issuance costs, was $48.8 million and $65.0 million, respectively. Purchase contract payments are recorded against this liability. Accretion of the purchase contract liability is recorded as interest expense. Cash payments of $16.7 million were made during the three months ended March 31, 2023 and 2022.

The Series C Mandatory Convertible Preferred Stock and forward purchase contracts are legally detachable and separately exercisable, however, due to the economic linkage between the forward purchase contract and the Series C Mandatory Convertible Preferred Stock, we have concluded that the ability to separate the Corporate Units is non-substantive. Accordingly, we are accounting for the Corporate Units as a single unit of account. We recorded the initial present value of the purchase contract payments as a liability with a corresponding reduction to preferred stock. This liability is included in "Other accruals" on the Condensed Consolidated Balance Sheets (unaudited).

Refer to Note 4, "Earnings Per Share," for additional information regarding our treatment of the Equity Units for diluted EPS. Under the terms of the Equity Units, assuming no anti-dilution or other adjustments such as a fundamental change, the maximum number of shares of common stock we will issue under the purchase contracts is 35.2 million and maximum number of shares of common stock we will issue under the Series C Mandatory Convertible Preferred Stock is 35.2 million. Had we settled the remaining purchase contract payment balance in shares at March 31, 2023, we would have issued approximately 1.8 million shares.

6. Gas in Storage

We use both the LIFO inventory methodology and the weighted-average cost methodology to value natural gas in storage. Natural gas storage injections are priced at the average of the costs of natural gas supply purchased during the year. For interim periods, the difference in the cost of replacing the current portion of stored gas inventory compared to the amount stated on a LIFO basis is recorded within the Condensed Consolidated Balance Sheets (unaudited). Due to seasonality requirements, we expect interim variances in LIFO layers to be replenished by year end. The LIFO basis exceeded the cost of replacing the current portion of stored gas by $22.3 million and zero as of March 31, 2023 and December 31, 2022, respectively, for certain gas distribution companies recorded within "Prepayments and other" on the Condensed Consolidated Balance Sheets (unaudited).

7. Regulatory Matters

NIPSCO change in accounting estimate

As part of the NIPSCO Gas Settlement and Stipulation Agreement filed on March 2, 2022, NIPSCO Gas agreed to change the depreciation methodology for its calculation of depreciation rates, which reduces depreciation expense and subsequent revenues and cash flows. An order was received on July 27, 2022 approving the rate case and rates were effective as of September 1, 2022. NIPSCO has proposed a similar change in depreciation methodology in its pending electric base rate case, and this proposed change is included in the settlement that has been filed for approval. An order is expected in the electric rate case in August of 2023.

Columbia of Ohio regulatory filing update

Columbia of Ohio's base rate case was filed on June 21, 2021, requesting a net rate increase of approximately 21.3% or $221.4 million increase in revenue per year. The case was filed in conjunction with applications for an alternative rate plan, approval of certain deferral authority, and updates to certain riders. On October 31, 2022, Columbia of Ohio filed a joint stipulation and recommendation with certain parties to settle the base rate case. On January 26, 2023, the PUCO modified and approved the joint stipulation and recommendation, and Columbia of Ohio placed rates into effect on March 1, 2023. Applications for Rehearing were filed by the three parties who opposed certain rate design and energy efficiency assistance components of the joint stipulation and recommendation, which was granted for further consideration by the PUCO on March 22, 2023.

Regulatory deferral related to renewable energy investments

In accordance with the accounting principles of ASC 980, we recognize a regulatory liability or asset for amounts representing the timing difference between the profit earned from the JVs and the amount included in regulated rates to recover our approved investments in consolidated JVs. The amounts recorded in income will ultimately reflect the amount allowed in regulated rates to recover our investments over the useful life of the projects. The offset to the regulatory liability or asset associated with our renewable investments included in regulated rates is recorded in "Depreciation expense" on the Condensed Statements of Consolidated Income (unaudited). NiSource recorded a decrease to depreciation expense of $4.4 million and $2.9 million for the three months ended March 31, 2023 and 2022, respectively. Refer to Note 12, "Variable Interest Entities," for additional information.

8. Risk Management Activities

We are exposed to certain risks relating to our ongoing business operations; namely commodity price risk and interest rate risk. We recognize that the prudent and selective use of derivatives may help to lower our cost of debt capital, manage our interest rate exposure and limit volatility in the price of natural gas.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Risk management assets and liabilities on our derivatives are presented on the Condensed Consolidated Balance Sheets (unaudited) as shown below:

	March 31, 2023		December 31, 2022	
(in millions)	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Current[(1)]				
Derivatives designated as hedging instruments	**$ —**	**$ —**	$ —	$ —
Derivatives not designated as hedging instruments	**5.0**	**5.4**	18.8	1.1
Total	**$ 5.0**	**$ 5.4**	$ 18.8	$ 1.1
Noncurrent[(2)]				
Derivatives designated as hedging instruments	**$ —**	**$ —**	$ —	$ —
Derivatives not designated as hedging instruments	**46.5**	**1.1**	66.0	1.9
Total	**$ 46.5**	**$ 1.1**	$ 66.0	$ 1.9

[(1)]Current assets and liabilities are presented in "Prepayments and other" and "Other accruals", respectively, on the Condensed Consolidated Balance Sheets (unaudited).
[(2)]Noncurrent assets and liabilities are presented in "Deferred charges and other" and "Other noncurrent liabilities and deferred credits", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

Our derivative instruments are subject to enforceable master netting arrangements or similar agreements. No collateral was either received or posted related to our outstanding derivative positions at March 31, 2023. If the above gross asset and liability positions were presented net of amounts owed or receivable from counterparties, we would report a net asset position of $45.0 million and $81.8 million at March 31, 2023 and December 31, 2022, respectively.

All gains and losses on derivative contracts are deferred as regulatory liabilities or assets and are remitted to or collected from customers through NIPSCO's quarterly GCA mechanism.

Derivatives Not Designated as Hedging Instruments

Commodity price risk management. We, along with our utility customers, are exposed to variability in cash flows associated with natural gas purchases and volatility in natural gas prices. We purchase natural gas for sale and delivery to our retail, commercial and industrial customers, and for most customers the variability in the market price of gas is passed through in their rates. Some of our utility subsidiaries offer programs whereby variability in the market price of gas is assumed by the respective utility. The objective of our commodity price risk programs is to mitigate the gas cost variability, for us or on behalf of our customers, associated with natural gas purchases or sales by economically hedging the various gas cost components using a combination of futures, options, forwards or other derivative contracts. At March 31, 2023 and December 31, 2022, we had 92.8 MMDth and 99.0 MMDth, respectively, of net energy derivative volumes outstanding related to our natural gas hedges.

NIPSCO has received IURC approval to lock in a fixed price for its natural gas customers using long-term forward purchase instruments and is limited to 20% of NIPSCO's average annual GCA purchase volume. As of March 31, 2023, the remaining terms of these instruments range from one to four years.

The following table summarizes the gains and losses associated with the commodity price risk programs:

(in millions)	March 31, 2023	December 31, 2022
Regulatory Assets		
Losses on commodity price risk programs	**$ 21.7**	$ 10.0
Regulatory Liabilities		
Gains on commodity price risk programs	**52.3**	90.0

Our derivative instruments measured at fair value as of March 31, 2023 and December 31, 2022 do not contain any credit-risk-related contingent features.

Derivatives Designated as Hedging Instruments

Interest rate risk management. As of March 31, 2023, we have no active interest rate swap positions.

The net gain related to multiple of our settled interest rate swaps, is recorded in AOCI. We amortize the net gain over the life of the debt associated with these swaps as we recognize interest expense. These amounts are immaterial for the three months ended March 31, 2023 and 2022 and are recorded in "Interest expense, net" on the Condensed Statements of Consolidated Income (unaudited). Amounts expected to be reclassified to earnings during the next twelve months are immaterial. Amortization will continue for 350 months. See Note 16, "Accumulated Other Comprehensive Loss," for additional information.

9. Fair Value

A. Fair Value Measurements

Recurring Fair Value Measurements

The following tables present financial assets and liabilities measured and recorded at fair value on our Condensed Consolidated Balance Sheets (unaudited) on a recurring basis and their level within the fair value hierarchy as of March 31, 2023 and December 31, 2022:

Recurring Fair Value Measurements March 31, 2023 *(in millions)*	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of March 31, 2023
Assets				
Risk management assets	$ —	$ 51.5	$ —	$ 51.5
Available-for-sale debt securities	—	150.4	—	150.4
Total	**$ —**	**$ 201.9**	**$ —**	**$ 201.9**
Liabilities				
Risk management liabilities	$ —	$ 6.5	$ —	$ 6.5
Total	**$ —**	**$ 6.5**	**$ —**	**$ 6.5**

Recurring Fair Value Measurements December 31, 2022 *(in millions)*	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2022
Assets				
Risk management assets	$ —	$ 84.8	$ —	$ 84.8
Available-for-sale debt securities	—	151.6	—	151.6
Total	**$ —**	**$ 236.4**	**$ —**	**$ 236.4**
Liabilities				
Risk management liabilities	$ —	$ 3.0	$ —	$ 3.0
Total	**$ —**	**$ 3.0**	**$ —**	**$ 3.0**

Risk Management Assets and Liabilities. Risk management assets and liabilities include exchange-traded NYMEX futures and NYMEX options and non-exchange-based forward purchase contracts.

Level 1- When utilized, exchange-traded derivative contracts are based on unadjusted quoted prices in active markets and are classified within Level 1. These financial assets and liabilities are secured with cash on deposit with the exchange; therefore, nonperformance risk has not been incorporated into these valuations. These financial assets and liabilities are deemed to be cleared and settled daily by NYMEX as the related cash collateral is posted with the exchange. As a result of this exchange rule, NYMEX derivatives are considered to have no fair value at the balance sheet date for financial reporting purposes, and are presented in Level 1 net of posted cash; however, the derivatives remain outstanding and are subject to future commodity price fluctuations until they are settled in accordance with their contractual terms.

Level 2- Certain non-exchange-traded derivatives are valued using broker or over-the-counter, on-line exchanges. In such cases, these non-exchange-traded derivatives are classified within Level 2. Non-exchange-based derivative instruments include swaps, forwards, and options. In certain instances, these instruments may utilize models to measure fair value. We use a similar model

to value similar instruments. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability and market-corroborated inputs, (i.e., inputs derived principally from or corroborated by observable market data by correlation or other means). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized within Level 2.

Level 3- Certain derivatives trade in less active markets with a lower availability of pricing information and models may be utilized in the valuation. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized within Level 3.

Credit risk is considered in the fair value calculation of derivative instruments that are not exchange-traded. Credit exposures are adjusted to reflect collateral agreements that reduce exposures. As of March 31, 2023 and December 31, 2022, there were no material transfers between fair value hierarchies. Additionally, there were no changes in the method or significant assumptions used to estimate the fair value of our financial instruments.

NIPSCO has entered into long-term forward natural gas purchase instruments to lock in a fixed price for its natural gas customers. We value these contracts using a pricing model that incorporates market-based information when available, as these instruments trade less frequently and are classified within Level 2 of the fair value hierarchy. For additional information, see Note 8, "Risk Management Activities."

Available-for-Sale Debt Securities. Available-for-sale debt securities are investments pledged as collateral for trust accounts related to our wholly owned insurance company. We value U.S. Treasury, corporate debt and mortgage-backed securities using a matrix pricing model that incorporates market-based information. These securities trade less frequently and are classified within Level 2.

Our available-for-sale debt securities impairments are recognized periodically using an allowance approach. At each reporting date, we utilize a quantitative and qualitative review process to assess the impairment of available-for-sale debt securities at the individual security level. For securities in a loss position, we evaluate our intent to sell or whether it is more-likely-than-not that we will be required to sell the security prior to the recovery of its amortized cost. If either criteria is met, the loss is recognized in earnings immediately, with the offsetting entry to the carrying value of the security. If both criteria are not met, we perform an analysis to determine whether the unrealized loss is related to credit factors. The analysis focuses on a variety of factors that include, but are not limited to, downgrade on ratings of the security, defaults in the current reporting period or projected defaults in the future, the security's yield spread over treasuries, and other relevant market data. If the unrealized loss is not related to credit factors, it is included in other comprehensive income. If the unrealized loss is related to credit factors, the loss is recognized as credit loss expense in earnings during the period, with an offsetting entry to the allowance for credit losses. The amount of the credit loss recorded to the allowance account is limited by the amount at which the security's fair value is less than its amortized cost basis. If certain amounts recorded in the allowance for credit losses are deemed uncollectible, the allowance on the uncollectible portion will be charged off, with an offsetting entry to the carrying value of the security. Subsequent improvements to the estimated credit losses of available-for-sale debt securities will be recognized immediately in earnings. As of March 31, 2023 and December 31, 2022, we have $0.8 million and $0.9 million, respectively, recorded as an allowance for credit losses on available-for-sale debt securities as a result of the analysis described above. Continuous credit monitoring and portfolio credit balancing mitigates our risk of credit losses on our available-for-sale debt securities.

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of available-for-sale securities at March 31, 2023 and December 31, 2022 were:

March 31, 2023 *(in millions)*	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses[1]	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
U.S. Treasury debt securities	$ 67.0	$ 0.1	$ (3.3)	$ —	$ 63.8
Corporate/Other debt securities	95.8	—	(8.4)	(0.8)	86.6
Total	**$ 162.8**	**$ 0.1**	**$ (11.7)**	**$ (0.8)**	**$ 150.4**

December 31, 2022 *(in millions)*	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses[2]	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
U.S. Treasury debt securities	$ 67.7	$ —	$ (4.5)	$ —	$ 63.2
Corporate/Other debt securities	99.0	—	(9.7)	(0.9)	88.4
Total	**$ 166.7**	**$ —**	**$ (14.2)**	**$ (0.9)**	**$ 151.6**

[1]Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is $56.2 million and $82.5 million, respectively, at March 31, 2023.
[2]Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is $61.0 million and $85.5 million, respectively, at December 31, 2022.

The cost of maturities sold is based upon specific identification. Realized gains and losses on available-for-sale securities were immaterial for the three months ended March 31, 2023 and 2022.

At March 31, 2023, approximately $6.3 million of U.S. Treasury debt securities and approximately $4.1 million of Corporate/Other debt securities have maturities of less than a year.

Non-recurring Fair Value Measurements

We measure the fair value of certain assets, including goodwill, on a non-recurring basis, typically when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

Purchase Contract Liability. At April 19, 2021, we recorded the purchase contract liability at fair value using a discounted cash flow method and observable, market-corroborated inputs. This estimate was made at April 19, 2021, and will not be remeasured at each subsequent balance sheet date. It has been categorized within Level 2 of the fair value hierarchy. Refer to Note 5, "Equity," for additional information.

B. Other Fair Value Disclosures for Financial Instruments. The carrying amount of cash and cash equivalents, restricted cash, notes receivable, customer deposits and short-term borrowings is a reasonable estimate of fair value due to their liquid or short-term nature. Our long-term borrowings are recorded at historical amounts.

The following method and assumptions were used to estimate the fair value of each class of financial instruments.

Long-term Debt. The fair value of outstanding long-term debt is estimated based on the quoted market prices for the same or similar securities. Certain premium costs associated with the early settlement of long-term debt are not taken into consideration in determining fair value. These fair value measurements are classified within Level 2 of the fair value hierarchy. As of March 31, 2023, there was no change in the method or significant assumptions used to estimate the fair value of long-term debt.

The carrying amount and estimated fair values of these financial instruments were as follows:

(in millions)	Carrying Amount as of March 31, 2023	Estimated Fair Value as of March 31, 2023	Carrying Amount as of Dec. 31, 2022	Estimated Fair Value as of Dec. 31, 2022
Long-term debt (including current portion)	**$ 10,295.0**	**$ 9,488.2**	$ 9,553.6	$ 8,479.4

10. Income Taxes

Our interim effective tax rates reflect the estimated annual effective tax rates for 2023 and 2022, adjusted for tax expense associated with certain discrete items. The effective tax rates for the three months ended March 31, 2023 and 2022 were 20.3% and 18.2%, respectively. These effective tax rates differ from the federal statutory tax rate of 21% primarily due to increased amortization of excess deferred federal income tax liabilities, as specified in the TCJA, tax credits, state flow through, and other permanent book-to-tax differences. These adjustments have a relative impact on the effective tax rate proportionally to pretax income or loss.

The increase in the three month effective tax rate of 2.1% in 2023 compared to 2022 is primarily attributed to renewable partnership income, partially offset by increased amortization of excess deferred federal income tax liabilities, the Pennsylvania rate differential, and restricted stock unit excess benefit.

There were no material changes recorded in 2023 to our uncertain tax positions recorded as of December 31, 2022.

11. Pension and Other Postemployment Benefits

We provide defined contribution plans and noncontributory defined benefit retirement plans that cover certain of our employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, we provide health care and life insurance benefits for certain retired employees. The majority of employees may become eligible for these benefits if they reach retirement age while working for us. The expected cost of such benefits is accrued during the employees' years of service. We determined that, for certain rate-regulated subsidiaries, the future recovery of postretirement benefit costs is probable, and we record regulatory assets and liabilities for amounts that would otherwise have been recorded to expense or accumulated other comprehensive loss. Current rates of rate-regulated companies include postretirement benefit costs, including amortization of the regulatory assets and liabilities that arose prior to inclusion of these costs in rates. For most plans, cash contributions are remitted to grantor trusts.

For the three months ended March 31, 2023, we contributed $1.2 million to our pension plans and $5.6 million to our OPEB plans.

The following table provides the components of the plans' actuarially determined net periodic benefit cost for the three months ended March 31, 2023 and 2022:

	Pension Benefits		OPEB	
Three Months Ended March 31, *(in millions)*	**2023**	2022	**2023**	2022
Components of Net Periodic Benefit (Income) Cost[1]				
Service cost	**$ 5.1**	$ 7.1	**$ 1.3**	$ 1.6
Interest cost	**17.1**	9.4	**5.4**	3.0
Expected return on assets	**(23.6)**	(22.9)	**(3.8)**	(4.0)
Amortization of prior service credit	**—**	—	**(0.5)**	(0.6)
Recognized actuarial loss	**8.4**	4.5	**0.8**	0.7
Total Net Periodic Benefit (Income) Cost	**$ 7.0**	$ (1.9)	**$ 3.2**	$ 0.7

[1]The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

12. Variable Interest Entities

A VIE is an entity in which the controlling interest is determined through means other than a majority voting interest. NIPSCO owns and operates two wind facilities, Rosewater and Indiana Crossroads Wind, which have 102 MW and 302 MW of nameplate capacity, respectively. NIPSCO also owns one solar facility, Indiana Crossroads Solar, which is expected to go into service in 2023 with 200 MW of nameplate capacity. We control decisions that are significant to these entities' ongoing operations and economic results. Therefore, we have concluded that we are the primary beneficiary and have consolidated all three entities.

Members of the respective JVs are NIPSCO (who is the managing member) and tax equity partners. Earnings, tax attributes and cash flows are allocated to both NIPSCO and the tax equity partner in varying percentages by category and over the life of the partnership. NIPSCO and each tax equity partner contributed cash, and NIPSCO also assumed an obligation to the developers

of the wind facilities representing the remaining economic interest. The developers of the wind facilities are not a partner in the JV for federal income tax purposes and do not receive any share of earnings, tax attributes, or cash flows of each JV. Once the tax equity partner has earned their negotiated rate of return and we have reached the agreed upon contractual date, NIPSCO has the option to purchase at fair market value from the tax equity partner the remaining interest in the respective JV. NIPSCO has an obligation to purchase, through a PPA at established market rates, 100% of the electricity generated by our in-service JVs.

We did not provide any financial or other support during the quarter that was not previously contractually required, nor do we expect to provide such support in the future.

Our Condensed Consolidated Balance Sheets (unaudited) included the following assets and liabilities associated with VIEs.

(in millions)	**March 31, 2023**	December 31, 2022
Net Property, Plant and Equipment	**$ 972.7**	$ 978.5
Current assets	**33.8**	25.7
Total assets[(1)]	**1,006.5**	1,004.2
Current liabilities	**135.4**	128.2
Asset retirement obligations	**30.7**	30.6
Total liabilities	**$ 166.1**	$ 158.8

[(1)]The assets of each VIE represent assets of a consolidated VIE that can be used only to settle obligations of the respective consolidated VIE. The creditors of the liabilities of the VIEs do not have recourse to the general credit of the primary beneficiary.

13. Long-Term Debt

On March 24, 2023, we completed the issuance and sale of $750.0 million of 5.25% senior unsecured notes maturing in 2028, which resulted in approximately $742.2 million of net proceeds after discount and debt issuance costs.

14. Short-Term Borrowings

We generate short-term borrowings from our revolving credit facility, commercial paper program, accounts receivable transfer programs, and term credit agreement. Each of these borrowing sources is described further below.

Revolving Credit Facility. We maintain a revolving credit facility to fund ongoing working capital requirements, including the provision of liquidity support for our commercial paper program, provide for issuance of letters of credit and also for general corporate purposes. Our revolving credit facility has a program limit of $1.85 billion and is comprised of a syndicate of banks.We had no outstanding borrowings under this facility as of March 31, 2023 and December 31, 2022.

Commercial Paper Program. Our commercial paper program has a program limit of up to $1.5 billion. We had zero and $415.0 million of commercial paper outstanding with weighted-average interest rates of zero and 4.60% as of March 31, 2023 and December 31, 2022, respectively.

Accounts Receivable Transfer Programs. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania each maintain a receivables agreement whereby they transfer their customer accounts receivables to third-party financial institutions through wholly owned and consolidated special purpose entities. The three agreements expire between August 2023 and May 2024 and may be further extended if mutually agreed to by the parties thereto.

All receivables transferred to third parties are valued at face value, which approximates fair value due to their short-term nature. The amount of the undivided percentage ownership interest in the accounts receivables transferred is determined in part by required loss reserves under the agreements.

Transfers of accounts receivable are accounted for as secured borrowings resulting in the recognition of short-term borrowings on the Condensed Consolidated Balance Sheets (unaudited). As of March 31, 2023, the maximum amount of debt that could be borrowed related to our accounts receivable programs is $635.5 million.

We had $281.8 million and $347.2 million of short-term borrowings related to the securitization transactions as of March 31, 2023 and December 31, 2022, respectively.

For the three months ended March 31, 2023 $65.4 million was recorded as cash flows used for financing activities related to the change in short-term borrowings due to securitization transactions. For the three months ended March 31, 2022 $355.0 million was recorded as cash flows from financing activities related to the change in short-term borrowings due to securitization transactions. Fees associated with the securitization transactions were $0.9 million and $0.3 million for the three months ended March 31, 2023 and 2022, respectively. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania remain responsible for collecting on the receivables securitized, and the receivables cannot be transferred to another party.

Term Credit Agreement. On December 20, 2022, we entered into a $1.0 billion term credit agreement with a syndicate of banks. The agreement matures on December 19, 2023 and interest charged on the borrowings depends on the variable rate structure elected at the time of each borrowing. The available variable rate structures from which we can choose are defined in the agreement. Under the agreement, we borrowed $1.0 billion on December 20, 2022 with an interest rate of SOFR plus 105 basis points. We had $1.0 billion outstanding with interest rates of 5.81% and 5.37% as of March 31, 2023 and December 31, 2022, respectively.

Items listed above, excluding the term credit agreement, are presented net in the Condensed Statements of Consolidated Cash Flows (unaudited) as their maturities are less than 90 days.

15. Other Commitments and Contingencies

A. Guarantees and Indemnities. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended commercial purposes. As of March 31, 2023 and December 31, 2022, we had issued stand-by letters of credit of $10.2 million for the benefit of third parties.

We provide guarantees related to our future performance under BTAs for our renewable generation projects. At March 31, 2023 and December 31, 2022, our guarantees for multiple BTAs totaled $841.6 million. As of April 2023, the amount of the guarantees increased to $938.9 million in accordance with the Fairbanks BTA. The amount of each guaranty will fluctuate upon the completion of the various steps outlined in each BTA. See "- D. Other Matters - Generation Transition," below for more information.

B. Legal Proceedings.

Due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim, proceeding or investigation would not have a material adverse effect on our results of operations, financial position or liquidity. If one or more matters were decided against us, the effects could be material to our results of operations in the period in which we would be required to record or adjust the related liability and could also be material to our cash flows in the periods that we would be required to pay such liability.

Private Actions. On September 13, 2018, a series of fires and explosions occurred in Lawrence, Andover, and North Andover, Massachusetts related to the delivery of natural gas by Columbia of Massachusetts (the "Greater Lawrence Incident"). There continue to be asserted wrongful death and bodily injury claims as it relates to the Greater Lawrence Incident. We continue to discuss potential settlements with remaining claimants. The outcomes and impacts of such private actions are uncertain at this time.

FERC Investigation. In April 2022, NIPSCO was notified that the FERC Office of Enforcement (“OE”) is conducting an investigation of an industrial customer for allegedly manipulating the MISO Demand Response (“DR”) market. The customer and NIPSCO are cooperating with the investigation. If the OE ultimately were to seek to require the customer to repay any portion of the DR revenue received from MISO, it is reasonably possible that the OE would also seek to require NIPSCO to disgorge administrative fees and foregone margin charges that NIPSCO collected pursuant to its own IURC-approved tariff. NIPSCO currently estimates the maximum amount of its disgorgement exposure to be $9.7 million, and the investigation is still ongoing. NIPSCO intends to seek indemnification under its agreements with the customer for any liability NIPSCO incurs related to this matter.

Other Legal Proceedings. We are also party to other claims, regulatory and legal proceedings arising in the ordinary course of business in each state in which we have operations, none of which we believe to be individually material at this time.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

C. Environmental Matters. Our operations are subject to environmental statutes and regulations related to air quality, water quality, hazardous waste and solid waste. We believe that we are in substantial compliance with the environmental regulations currently applicable to our operations.

It is management's continued intent to address environmental issues in cooperation with regulatory authorities in such a manner as to achieve mutually acceptable compliance plans. However, there can be no assurance that fines and penalties will not be incurred. Management expects a majority of environmental assessment and remediation costs and asset retirement costs, further described below, to be recoverable through rates.

As of March 31, 2023 and December 31, 2022, we had recorded a liability of $84.3 million and $86.5 million, respectively, to cover environmental remediation at various sites. This liability is included in "Other accruals" and "Other noncurrent liabilities" in the Condensed Consolidated Balance Sheets (unaudited). We recognize costs associated with environmental remediation obligations when the incurrence of such costs is probable and the amounts can be reasonably estimated. The original estimates for remediation activities may differ materially from the amount ultimately expended. The actual future expenditures depend on many factors, including laws and regulations, the nature and extent of impact and the method of remediation. These expenditures are not currently estimable at some sites. We periodically adjust our liability as information is collected and estimates become more refined.

CERCLA. Our subsidiaries are potentially responsible parties at waste disposal sites under CERCLA and similar state laws. Under CERCLA, each potentially responsible party can be held jointly, severally and strictly liable for the remediation costs as the EPA, or state, can allow the parties to pay for remedial action or perform remedial action themselves and request reimbursement from the potentially responsible parties. Our affiliates have retained CERCLA environmental liabilities, including remediation liabilities, associated with certain current and former operations. At this time, we cannot estimate the full cost of remediating properties that have not yet been investigated, but it is possible that the future costs could be material to the Condensed Consolidated Financial Statements (unaudited).

MGP. We maintain a program to identify and investigate former MGP sites where Gas Distribution Operations subsidiaries or predecessors may have liability. The program has identified 53 such sites where liability is probable. Remedial actions at many of these sites are being overseen by state or federal environmental agencies through consent agreements or voluntary remediation agreements.

We utilize a probabilistic model to estimate our future remediation costs related to MGP sites. The model was prepared with the assistance of a third party and incorporates our experience and general industry experience with remediating MGP sites. We complete an annual refresh of the model in the second quarter of each fiscal year. No material changes to the estimated future remediation costs were noted as a result of the refresh completed as of June 30, 2022. Our total estimated liability related to the facilities subject to remediation was $79.3 million and $81.0 million at March 31, 2023 and December 31, 2022, respectively. The liability represents our best estimate of the probable cost to remediate the MGP sites. Our model indicates that it is reasonably possible that remediation costs could vary by as much as $17 million in addition to the costs noted above. Remediation costs are estimated based on the best available information, applicable remediation standards at the balance sheet date and experience with similar facilities.

CCRs. NIPSCO continues to meet the compliance requirements established in the EPA's final rule for the regulation of CCRs. The CCR rule also resulted in revisions to previously recorded legal obligations associated with the retirement of certain NIPSCO facilities. The actual asset retirement costs related to the CCR rule may vary substantially from the estimates used to record the increased asset retirement obligation due to the uncertainty about the requirements that will be established by environmental authorities, compliance strategies that will be used and the preliminary nature of available data used to estimate costs. As allowed by the rule, NIPSCO will continue to collect data over time to determine the specific compliance solutions and associated costs and, as a result, the actual costs may vary.

D. Other Matters.

Generation Transition. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy will have an associated nameplate capacity, and payments under the PPAs will not begin until the associated generation facility is constructed by the owner/seller. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities. NIPSCO's purchase obligation under each respective BTA is dependent on satisfactory approval of the BTA by the IURC, successful execution by NIPSCO of an agreement with a tax equity partner and timely completion of construction. NIPSCO has received IURC approval for all of its BTAs and PPAs. NIPSCO and the tax equity partner, for each respective BTA, are obligated to make cash contributions to the

JV that acquires the project at the date construction is substantially complete. Certain agreements require NIPSCO to make partial payments upon the developer's completion of significant construction milestones. Once the tax equity partner has earned its negotiated rate of return and we have reached the agreed upon contractual date, NIPSCO has the option to purchase at fair market value the remaining interest in the JV from the tax equity partner.

16. Accumulated Other Comprehensive Loss

The following tables display the components of Accumulated Other Comprehensive Loss, net of tax:

(in millions)	Gains and Losses on Securities[1]	Gains and Losses on Cash Flow Hedges[1]	Pension and OPEB Items[1]	Accumulated Other Comprehensive Loss[1]
Balance as of January 1, 2023	$ (11.2)	$ (12.6)	$ (13.3)	$ (37.1)
Other comprehensive income before reclassifications	1.7	—	—	1.7
Amounts reclassified from accumulated other comprehensive loss	0.3	0.1	0.3	0.7
Net current-period other comprehensive income	2.0	0.1	0.3	2.4
Balance as of March 31, 2023	**$ (9.2)**	**$ (12.5)**	**$ (13.0)**	**$ (34.7)**

[1]All amounts are net of tax. Amounts in parentheses indicate debits.

(in millions)	Gains and Losses on Securities[1]	Gains and Losses on Cash Flow Hedges[1]	Pension and OPEB Items[1]	Accumulated Other Comprehensive Loss[1]
Balance as of January 1, 2022	$ 2.1	$ (122.5)	$ (6.4)	$ (126.8)
Other comprehensive income (loss) before reclassifications	(5.9)	47.0	—	41.1
Amounts reclassified from accumulated other comprehensive loss	0.2	—	0.1	0.3
Net current-period other comprehensive income (loss)	(5.7)	47.0	0.1	41.4
Balance as of March 31, 2022	$ (3.6)	$ (75.5)	$ (6.3)	$ (85.4)

[1]All amounts are net of tax. Amounts in parentheses indicate debits.

17. Other, Net

The following table displays the components of Other, Net included on the Condensed Statements of Consolidated Income (unaudited):

	Three Months Ended March 31,	
(in millions)	**2023**	2022
Interest income	**$ 1.8**	$ 0.9
AFUDC equity	**4.8**	3.0
Pension and other postretirement non-service benefit (cost)	**(3.5)**	7.6
Miscellaneous	**(1.6)**	(0.6)
Total Other, net	**$ 1.5**	$ 10.9

18. Business Segment Information

Our operations are divided into two primary reportable segments, the Gas Distribution Operations and the Electric Operations segments. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as an operating segment, are presented as "Corporate and Other" and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities. Refer to Note 3, "Revenue Recognition," for additional information on our segments and their sources of revenues. The following table provides information about our reportable segments. We use operating income as our primary measurement for each of the reported segments and make decisions on finance, dividends, and taxes at the corporate level on a consolidated basis. Segment revenues include intersegment sales to affiliated subsidiaries, which are eliminated in consolidation. Affiliated sales are recognized on the basis of prevailing market, regulated prices or at levels provided for under contractual agreements. Operating income is derived from revenues and expenses directly associated with each segment.

	Three Months Ended March 31,	
(in millions)	**2023**	2022
Operating Revenues		
Gas Distribution Operations		
Unaffiliated	**$ 1,501.3**	$ 1,436.7
Intersegment	**3.1**	3.1
Total	**1,504.4**	1,439.8
Electric Operations		
Unaffiliated	**464.5**	430.1
Intersegment	**0.2**	0.2
Total	**464.7**	430.3
Corporate and Other		
Unaffiliated	**0.2**	6.5
Intersegment	**116.7**	113.5
Total	**116.9**	120.0
Eliminations	**(120.0)**	(116.8)
Consolidated Operating Revenues	**$ 1,966.0**	$ 1,873.3
Operating Income (Loss)		
Gas Distribution Operations	**$ 446.9**	$ 510.8
Electric Operations	**81.9**	99.2
Corporate and Other	**2.2**	(9.7)
Consolidated Operating Income	**$ 531.0**	$ 600.3

Table of Contents

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NiSource Inc.

Index	Page
Executive Summary	32
Summary of Consolidated Financial Results	34
Results and Discussion of Segment Operations	35
Gas Distribution Operations	36
Electric Operations	39
Liquidity and Capital Resources	43
Regulatory, Environmental and Safety Matters	47
Market Risk Disclosures	50
Other Information	51

EXECUTIVE SUMMARY

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion") includes management's analysis of past financial results and certain potential factors that may affect future results, potential future risks and approaches that may be used to manage those risks. See "Note regarding forward-looking statements" at the beginning of this report for a list of factors that may cause results to differ materially.

Management's Discussion is designed to provide an understanding of our operations and financial performance and should be read in conjunction with our Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

We are an energy holding company under the Public Utility Holding Company Act of 2005 whose utility subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. We generate substantially all of our operating income through these rate-regulated businesses, which are summarized for financial reporting purposes into two primary reportable segments: Gas Distribution Operations and Electric Operations.

Refer to the "Business" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 for further discussion of our regulated utility business segments.

Our goal is to develop strategies that benefit all stakeholders as we (i) embark on long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures with our cost structure, and (iii) address changing customer conservation patterns. These strategies focus on improving safety and reliability, enhancing customer service, ensuring customer affordability and reducing emissions while generating sustainable returns. The safety of our customers, communities and employees remains our top priority. Serving as a guiding practice for our SMS, NiSource is certified in conformance to the American Petroleum Institute Recommended Practice 1173. This certification marks an important milestone for our SMS and NiSource's journey towards operational excellence. Additionally, we continue to pursue regulatory and legislative initiatives that will allow residential customers not currently on our system to obtain gas service in a cost effective manner.

Your Energy, Your Future: Our plan to replace our coal generation capacity by the end of 2028 with primarily renewable resources, initiated through our 2018 Integrated Resource Plan ("2018 Plan"), is well underway, and we are continually adjusting to the dynamic renewable energy landscape. As of March 31, 2023, we have executed and received IURC approval for BTAs and PPAs with a combined nameplate capacity of 1,950 MW and 1,380 MW, respectively, under the 2018 Plan. We continue to make significant progress on our first two solar BTAs and anticipate completion of these projects and tax equity financing by June 2023. We have also taken contractual actions on a number of our other renewable projects to address the timing of these projects as well as consider the broad market issues facing the industry. We remain on track to retire R.M Schahfer's remaining two coal units by the end of 2025. On January 1, 2023, the provisions of the 2022 IRA became effective. We are evaluating the impact of this legislation to our renewable projects with potential to drive increased value to customers as part of our expansion of renewable projects and generation transition strategy. We will analyze opportunities to leverage the IRA on a project-by-project basis in consideration of several factors, both quantitative and qualitative, to enable project success and ensure value for the customer and company. For additional information, see "Results and Discussion of Segment Operations - Electric Operations," in this Management's Discussion.

In 2021, we announced and filed with the IURC the Preferred Energy Resource Plan associated with our 2021 Integrated Resource Plan ("2021 Plan"). The 2021 Plan lays out a timeline to retire the Michigan City Generating Station by the end of 2028. The 2021 Plan calls for the replacement of the retiring units with a diverse portfolio of resources including demand side management resources, incremental solar, stand-alone energy storage and upgrades to existing facilities at the Sugar Creek Generating Station, among other steps. Additionally, the 2021 Plan calls for a natural gas peaking unit to replace existing vintage gas peaking units at the R.M. Schahfer Generating Station to support system reliability and resiliency, as well as upgrades to the transmission system to enhance our electric generation transition. The planned retirement of the two vintage gas peaking units at the R.M. Schahfer Generating Station is also expected to occur by the end of 2028. Final retirement dates for these units, as well as Michigan City, will be subject to MISO approval. We are continuing to evaluate potential projects under the 2021 Plan given the responses to our Request for Proposal issued in August 2022.

Transformation: Our Enterprise-wide Transformation Roadmap focuses on operational excellence, safety, operation and maintenance management, and unlocking efficiencies. We have formally launched several initiatives that will enable us to streamline work and improve logistics company-wide. These efforts will include investments in proven technologies backed with standardized processes that will change the way we plan, schedule, and execute work in the field and how we engage and provide service to our customers. Taken together, all the initiatives under the Enterprise-wide Transformation Roadmap will prioritize safety and continue to optimize our long-term growth profile.

Economic Environment: We are monitoring risks related to increasing order and delivery lead times for construction and other materials, increasing risk of unavailability of materials due to global shortages in raw materials, and risk of decreased construction labor productivity in the event of disruptions in the availability of materials. We continue to see increasing prices associated with certain materials and supplies. To the extent that delays occur or our costs increase, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected. For more information on supply chain impacts to our electric generation strategy, see "Results and Discussion of Segment Operations - Electric Operations," in this Management's Discussion. Additionally, for more information on global availability of materials for our renewable projects, see "Results and Discussion of Segment Operations - Electric Operations - Electric Supply and Generation Transition."

We are faced with increased competition for employee and contractor talent in the current labor market, which has resulted in increased costs to attract and retain talent. We are ensuring that we use all internal human capital programs (development, leadership enablement programs, succession, performance management) to promote retention of our current employees along with having a competitive and attractive appeal for potential recruits. With a focus on workforce planning, we are anticipating to evaluate our talent footprint for the future by creating flexible work arrangements where we can, to ensure we have the right people, in the right role, and at the right time. To the extent we are unable to execute on our workforce planning initiatives and experience increased employee and contractor costs, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected.

There has been volatility in the market price of natural gas costs which influences customer bills. For the first three quarters of 2022, gas prices increased. Prices began to decrease in November of 2022 and have continued to decrease during the first quarter of 2023. Changes in gas prices do not have a material impact on our results of operations. For more information on our commodity price impacts, see "Results and Discussion of Segment Operations - Gas Distribution Operations," and "Market Risk Disclosures."

Due to rising interest rates, we experienced higher interest expense in the first quarter of 2023 compared to the first quarter of 2022 associated with short-term borrowings. We continue to evaluate our financing plan to manage interest expense and exposure to rates. For more information on interest rate risk, see "Market Risk Disclosures".

Summary of Consolidated Financial Results

A summary of our consolidated financial results for the three months ended March 31, 2023 and 2022 are presented below:

	Three Months Ended March 31,		
(in millions, except per share amounts)	**2023**	2022	Favorable (Unfavorable)
Operating Revenues	**$ 1,966.0**	$ 1,873.3	$ 92.7
Operating Expenses			
Cost of energy	**765.1**	706.7	(58.4)
Other Operating Expenses	**669.9**	566.3	(103.6)
Total Operating Expenses	**1,435.0**	1,273.0	(162.0)
Operating Income	**531.0**	600.3	(69.3)
Total Other Deductions, Net	**(107.4)**	(72.8)	(34.6)
Income Taxes	**85.8**	96.2	10.4
Net Income	**337.8**	431.3	(93.5)
Net income attributable to noncontrolling interest	**4.8**	4.5	(0.3)
Net Income Attributable to NiSource	**333.0**	426.8	(93.8)
Preferred dividends	**(13.8)**	(13.8)	—
Net Income Available to Common Shareholders	**319.2**	413.0	(93.8)
Earnings Per Share			
Basic Earnings Per Share	**$ 0.77**	$ 1.02	$ (0.25)
Diluted Earnings Per Share	**$ 0.71**	$ 0.94	$ (0.23)

The majority of the cost of energy in both segments are tracked costs that are passed through directly to the customer, resulting in an equal and offsetting amount reflected in operating revenues.

The decrease in net income available to common shareholders during the three months ended March 31, 2023 was primarily due to an insurance settlement related to the Greater Lawrence Incident received in 2022, decreased revenue related to weather and increased other deductions, partially offset by higher revenues from outcomes of gas base rate proceedings and regulatory capital programs.

For additional information on operating income variance drivers see "Results and Discussion of Segment Operations" for Gas and Electric Operations in this Management's Discussion.

Other Deductions, net

The change in Other deductions, net for the three months ended March 31, 2023 compared to the same period in 2022 is primarily driven by higher long-term and short-term debt interest in 2023 and higher non-service pension costs. See Note 13, "Long-Term Debt," Note 14, "Short-Term Borrowings," and Note 11, "Pension and Other Postemployment Benefits," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information.

Income Taxes

Refer to Note 10, "Income Taxes," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on income taxes and the change in the effective tax rate.

Changes in tax laws, as well as the potential tax effects of business decisions, could negatively impact our business, results of operations (including our expected project returns from our planned renewable energy projects), financial condition and cash flows. We continue to monitor the implementation of any final and proposed tax legislation and regulations related to the IRA which introduces a new corporation minimum tax, excise tax on stock buy-backs, and an extension of a technology neutral investment tax credit and production tax credit regime beginning in 2023.

On April 14, 2023, the IRS issued Revenue Procedure 2023-15 which provides a safe harbor method of accounting that taxpayers may use to determine whether expenses to repair, maintain, replace, or improve linear property and non-linear natural gas transmission and distribution property must be capitalized as improvements or are allowable as deductions. We are analyzing the provisions of the safe harbor method of accounting which we expect to adopt.

Table of Contents

RESULTS AND DISCUSSION OF SEGMENT OPERATIONS

Presentation of Segment Information

Our operations are divided into two primary reportable segments, the Gas Distribution Operations and the Electric Operations segments. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as an operating segment, are presented as "Corporate and Other" within the Notes to the Condensed Consolidated Financial Statements (unaudited) and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities.

NiSource Inc.
Gas Distribution Operations

Financial and operational data for the Gas Distribution Operations segment for the three months ended March 31, 2023 and 2022 are presented below.

(in millions)	Three Months Ended March 31, 2023	2022	Favorable (Unfavorable)
Operating Revenues	**$ 1,504.4**	$ 1,439.8	$ 64.6
Operating Expenses			
Cost of energy	**602.7**	589.1	(13.6)
Operation and maintenance	**285.7**	277.3	(8.4)
Depreciation and amortization	**110.1**	100.7	(9.4)
Gain on sale of fixed assets and impairments, net	**—**	(105.0)	(105.0)
Other taxes	**59.0**	66.9	7.9
Total Operating Expenses	**1,057.5**	929.0	(128.5)
Operating Income	**$ 446.9**	$ 510.8	$ (63.9)
Revenues			
Residential	**$ 1,025.3**	$ 977.6	$ 47.7
Commercial	**365.9**	357.5	8.4
Industrial	**72.0**	68.1	3.9
Off-System	**17.2**	18.7	(1.5)
Other	**24.0**	17.9	6.1
Total	**$ 1,504.4**	$ 1,439.8	$ 64.6
Sales and Transportation (MMDth)			
Residential	**103.6**	122.9	(19.3)
Commercial	**68.4**	79.9	(11.5)
Industrial	**132.6**	135.1	(2.5)
Off-System	**7.4**	4.3	3.1
Other	**0.2**	0.2	—
Total	**312.2**	342.4	(30.2)
Heating Degree Days	**2,339**	2,841	(502)
Normal Heating Degree Days	**2,824**	2,824	—
% Colder (Warmer) than Normal	**(17)%**	1 %	
% Warmer than prior year	**(18)%**		
Gas Distribution Customers			
Residential	**3,003,277**	2,980,965	22,312
Commercial	**255,384**	254,876	508
Industrial	**4,934**	4,920	14
Other	**3**	3	—
Total	**3,263,598**	3,240,764	22,834

Comparability of operation and maintenance expenses, depreciation and amortization, and other taxes may be impacted by regulatory, depreciation, and tax trackers that allow for the recovery in rates of certain costs.

NiSource Inc.
Gas Distribution Operations

The underlying reasons for changes in our operating revenues for the three months ended March 31, 2023 compared to the same period in 2022 are presented below.

Changes in Operating Revenues *(in millions)*	**Favorable (Unfavorable) Three Months Ended March 31, 2023 vs 2022**
New rates from base rate proceedings and regulatory capital programs	$ 82.6
Increased customer usage	3.7
The effects of customer growth	1.2
The effects of weather in 2023 compared to 2022	(33.3)
Reduction in gross receipts tax, offset in operating expenses	(6.3)
Other	5.2
Change in operating revenues (before cost of energy and other tracked items)	$ 53.1
Operating revenues offset in operating expense	
Higher cost of energy billed to customers	13.6
Lower tracker deferrals within operation and maintenance, depreciation, and tax	(2.1)
Total change in operating revenues	**$ 64.6**

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating degree days, net of weather normalization mechanisms. Our composite heating degree days reported do not directly correlate to the weather-related dollar impact on the results of Gas Distribution Operations. Heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when and where they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating degree day comparison.

Throughput

The decrease in total volumes for the three months ended March 31, 2023, compared to the same period in 2022, is primarily attributable to the effects of warmer weather.

Commodity Price Impact

Cost of energy for the Gas Distribution Operations segment is principally comprised of the cost of natural gas used while providing transportation and distribution services to customers. All of our Gas Distribution Operations companies have state-approved recovery mechanisms that provide a means for full recovery of prudently incurred gas costs. These are tracked costs that are passed through directly to the customer, and the gas costs included in revenues are matched with the gas cost expense recorded in the period. The difference is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

Certain Gas Distribution Operations companies continue to offer choice opportunities, where customers can choose to purchase gas from a third-party supplier, through regulatory initiatives in their respective jurisdictions.

Table of Contents

NiSource Inc.
Gas Distribution Operations

The underlying reasons for changes in our operating expenses for the three months ended March 31, 2023 compared to the same period in 2022 are presented below.

Changes in Operating Expenses *(in millions)*	**Favorable (Unfavorable) Three Months Ended March 31, 2023 vs 2022**
Reduction in gross receipts tax, offset in operating revenues	$ 6.3
Lower employee and administrative related expenses	4.1
Property insurance settlement related to the Greater Lawrence Incident received in 2022	(105.0)
Higher depreciation and amortization expense	(9.8)
Higher other than income taxes primarily due to property tax	(2.6)
Impacts from Columbia of Ohio's rate case settlement	(2.6)
Higher expenses related to uncollectible customer accounts	(1.8)
Higher outside services expenses	(1.3)
Other	(4.3)
Change in operating expenses (before cost of energy and other tracked items)	$ (117.0)
Operating expenses offset in operating revenue	
Higher cost of energy billed to customers	(13.6)
Lower tracker deferrals within operation and maintenance, depreciation, and tax	2.1
Total change in operating expense	**$ (128.5)**

NiSource Inc.
Electric Operations

Financial and operational data for the Electric Operations segment for the three months ended March 31, 2023 and 2022 are presented below.

	Three Months Ended March 31,		
(in millions)	**2023**	2022	Favorable (Unfavorable)
Operating Revenues	**$ 464.7**	$ 430.3	$ 34.4
Operating Expenses			
Cost of energy	**162.4**	117.6	(44.8)
Operation and maintenance	**125.3**	116.6	(8.7)
Depreciation and amortization	**85.9**	82.9	(3.0)
Other taxes	**9.2**	14.0	4.8
Total Operating Expenses	**382.8**	331.1	(51.7)
Operating Income	**$ 81.9**	$ 99.2	$ (17.3)
Revenues			
Residential	**$ 150.4**	$ 138.5	$ 11.9
Commercial	**150.9**	134.5	16.4
Industrial	**134.4**	130.0	4.4
Wholesale	**2.6**	2.6	—
Other	**26.4**	24.7	1.7
Total	**$ 464.7**	$ 430.3	$ 34.4
Sales (GWh)			
Residential	**766.1**	819.2	(53.1)
Commercial	**856.2**	885.3	(29.1)
Industrial	**1,937.7**	2,007.8	(70.1)
Wholesale	**—**	4.4	(4.4)
Other	**22.8**	25.1	(2.3)
Total	**3,582.8**	3,741.8	(159.0)
Electric Customers			
Residential	**425,090**	423,177	1,913
Commercial	**58,499**	58,092	407
Industrial	**2,133**	2,135	(2)
Wholesale	**708**	712	(4)
Other	**3**	2	1
Total	**486,433**	484,118	2,315

Comparability of operation and maintenance expenses and depreciation and amortization may be impacted by regulatory and depreciation trackers that allow for the recovery in rates of certain costs.

NiSource Inc.
Electric Operations

The underlying reasons for changes in our operating revenues for the three months ended March 31, 2023 compared to the same period in 2022 are presented below.

Changes in Operating Revenues *(in millions)*	**Favorable (Unfavorable) Three Months Ended March 31, 2023 vs 2022**
New rates from regulatory capital and DSM programs	$ 4.0
PPA revenue from renewable JV projects, fully offset by JV operating expenses and noncontrolling interest net income (loss)	0.6
Decreased customer usage	(8.3)
Reduction in gross receipts tax, offset in operating expenses	(5.9)
The effects of weather in 2023 compared to 2022	(2.0)
Other	(1.7)
Change in operating revenues (before cost of energy and other tracked items)	$ (13.3)
Operating revenues offset in operating expense	
Higher cost of energy billed to customers	44.8
Higher tracker deferrals within operation and maintenance, depreciation and tax	2.9
Total change in operating revenues	**$ 34.4**

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating or cooling degree days. Our composite heating or cooling degree days reported do not directly correlate to the weather-related dollar impact on the results of Electric Operations. Heating or cooling degree days experienced during different times of the year may have more or less impact on volume and dollars depending on when they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating or cooling degree day comparison.

Sales

The decrease in total volumes sold for the three months ended March 31, 2023 compared to the same period in 2022 was primarily attributable to decreased usage by industrial and residential customers.

Commodity Price Impact

Cost of energy for the Electric Operations segment is principally comprised of the cost of coal, natural gas purchased for internal generation of electricity at NIPSCO, and the cost of power purchased from generators of electricity. NIPSCO has a state-approved recovery mechanism that provides a means for full recovery of prudently incurred costs of energy. The majority of these costs of energy are passed through directly to the customer, and the costs of energy included in operating revenues are matched with the cost of energy expense recorded in the period. The difference is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered fuel cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

NiSource Inc.
Electric Operations

The underlying reasons for changes in our operating expenses for the three months ended March 31, 2023 compared to the same period in 2022 are presented below.

Changes in Operating Expenses *(in millions)*	**Favorable (Unfavorable) Three Months Ended March 31, 2023 vs 2022**
Higher outside services expenses primarily related to higher generation-related maintenance	$ (7.0)
Renewable JV project expenses, offset by JV operating revenues	(1.2)
Reduction in gross receipts tax, offset in operating revenues	5.9
Lower employee and administrative expenses	3.3
Other	(5.0)
Change in operating expenses (before cost of energy and other tracked items)	$ (4.0)
Operating expenses offset in operating revenue	
Higher cost of energy billed to customers	(44.8)
Higher tracker deferrals within operation and maintenance, depreciation and tax	(2.9)
Total change in operating expense	**$ (51.7)**

Electric Supply and Generation Transition

NIPSCO continues to execute on an electric generation transition consistent with the 2018 Plan and 2021 Plan, which outlines the path to retire the remaining two coal units at Schahfer by the end of 2025 and the remaining coal-fired generation by the end of 2028, to be replaced by lower-cost, reliable and cleaner options. See "Project Status" discussion, below, and "Liquidity and Capital Resources" in this Management's Discussion for anticipated barriers to the success of our electric generation transition and additional information on our capital investment spend.

NIPSCO continues to work with the EPA and the Indiana Department of Environmental Management to obtain administrative approvals associated with the operation of R.M. Schahfer's remaining two coal units beyond 2023. In the event that the approvals are not obtained, future operations could be impacted. We cannot estimate the financial impact on us if these approvals are not obtained.

The current replacement plan primarily includes renewable sources of energy, including wind, solar, and battery storage to be obtained through a combination of NIPSCO ownership and PPAs. NIPSCO has sold, and may in the future sell, renewable energy credits from this generation to third parties to offset customer costs. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy will have an associated nameplate capacity, and payments under the PPAs will not begin until the associated generation facility is constructed by the owner/seller. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities.

Three wind projects have been placed into service, totaling approximately 804 MW of nameplate capacity. All announced projects below have received IURC approval. NIPSCO is evaluating potentially amending other BTAs and PPAs. Any amendments that result in increased project costs may require additional approval by the IURC in order to obtain recovery for increased costs. Our current replacement program will be augmented by the Preferred Energy Resource Plan outlined in our 2021 Integrated Resource Plan. See "Executive Summary - Your Energy, Your Future" in this Management's Discussion for additional information.

Table of Contents

NiSource Inc.
Electric Operations

Project Name	Transaction Type	Technology	Nameplate Capacity (MW)	Storage Capacity (MW)
Dunn's Bridge I[(1)]	BTA	Solar	265	—
Indiana Crossroads[(1)]	BTA	Solar	200	—
Dunn's Bridge II[(1)]	BTA	Solar & Storage	435	75
Cavalry[(1)]	BTA	Solar & Storage	200	60
Fairbanks[(1)]	BTA	Solar	250	—
Elliott[(1)]	BTA	Solar	200	—
Indiana Crossroads II	15 year PPA	Wind	204	—
Brickyard	20 year PPA	Solar	200	—
Greensboro	20 year PPA	Solar & Storage	100	30
Gibson	22 year PPA	Solar	280	—
Green River	20 year PPA	Solar	200	—

[(1)]Ownership of the facility will be transferred to JVs whose members are expected to include NIPSCO and an unrelated tax equity partner.

Project Status. Our contract amendments with certain solar agreements will result in the majority of our remaining projects, and investments, being placed in service between 2023 and 2025. These amendments also formally address inflationary cost pressures communicated from the developers of our solar and storage projects that are primarily due to (i) unavailability of solar panels and other uncertainties related to the pending U.S. Department of Commerce investigation on Antidumping and Countervailing Duties petition filed by a domestic solar manufacturer (the "DOC Investigation"), (ii) the U.S. Department of Homeland Security's June 2021 Withhold Release Order on silica-based products made by Hoshine Silicon Industry Co., Ltd./Uyghur Forced Labor Prevention Act, (iii) Section 201 Tariffs and (iv) persistent general global supply chain and labor availability issues. We are also monitoring our other renewable projects as upcoming project milestones related to permitting and obtaining interconnection rights are expected to occur. Preliminary findings from the DOC Investigation were released in December 2022, with a final decision expected in May 2023. The resolution of these issues, including the final conclusion of the DOC Investigation will determine which, if any, of our solar projects will be subject to any tariffs imposed.

Liquidity and Capital Resources

We continually evaluate the availability of adequate financing to fund our ongoing business operations, working capital and core safety and infrastructure investment programs. Our financing is sourced through cash flow from operations and the issuance of debt and/or equity. External debt financing is provided primarily through the issuance of long-term debt, accounts receivable securitization programs and our $1.5 billion commercial paper program, which is backstopped by our committed revolving credit facility with a total availability from third-party lenders of $1.85 billion. On December 20, 2022 we entered into a $1.0 billion term credit agreement that matures on December 19, 2023. On March 24, 2023, we completed the issuance and sale of $750.0 million of 5.25% senior unsecured notes maturing in 2028, which resulted in approximately $742.2 million of net proceeds after discount and debt issuance costs. On November 7, 2022, we announced that we intend to pursue the sale of a minority interest in our NIPSCO business unit. We maintain an ATM equity program that provides an opportunity to issue and sell shares of our common stock up to an aggregate issuance of $750.0 million through December 31, 2023. As of March 31, 2023, the ATM program had approximately $300.0 million of equity available for issuance. We also expect to remarket the Series C Mandatory Convertible Preferred Stock prior to December 1, 2023, which could result in additional cash proceeds. See Note 5, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information on our ATM program and Equity Units.

We believe these sources provide adequate capital to fund our operating activities and capital expenditures in 2023 and beyond.

The following table summarizes our cash flow activities:

	Three Months Ended March 31,		
(in millions)	**2023**	**2022**	**Change in 2023 vs 2022**
Cash from (used for):			
Operating Activities	**$ 683.4**	$ 579.8	$ 103.6
Investing Activities	**(727.8)**	(370.4)	(357.4)
Financing Activities	**117.3**	(173.9)	291.2

Operating Activities

The increase in cash from operating activities was primarily driven by year over year change in accounts receivable collections and decreased cash outflows related to inventory balances due to lower gas costs. This was partially offset by increased purchases from gas suppliers, driven by lower gas costs.

Investing Activities

Our current year investing activities were comprised of increased capital expenditures related to system growth and reliability, payments to renewable generation asset developers related to Dunn's Bridge II and Cavalry Solar milestone payments, as well as the property insurance settlement related to the Greater Lawrence Incident received in the prior year.

As we evaluate adjustments to renewable generation project timing, we remain on track to make capital investments totaling $3.3 billion to $3.6 billion during the 2023 period. We also expect to invest approximately $15.0 billion during the 2023-2027 period, including capital investments to support our generation transition strategy. These forecasted capital investments and those included in our Annual Report on Form 10-K for the year ended December 31, 2022, are subject to continuing review and adjustment. Actual capital expenditures may vary from these estimates. For additional information, see "Results and Discussion of Segment Operations - Electric Operations," in this Management's Discussion.

Regulatory Capital Programs. We replace pipe and modernize our gas infrastructure to enhance safety and reliability by reducing leaks. An ancillary benefit of these programs is the reduction of GHG emissions. In 2023, we continue to move forward on core infrastructure and environmental investment programs supported by complementary regulatory and customer initiatives across all six states of our operating area.

The following table describes the most recent vintage of our regulatory programs to recover infrastructure replacement as well as other federally mandated compliance investments currently in rates or pending commission approval:

(in millions)

Company	Program	Incremental Revenue	Incremental Capital Investment	Investment Period	Costs Covered[1]	Rates Effective
Columbia of Ohio	IRP - 2023	$ 38.4	$ 316.3	1/22-12/22	Replacement of (1) hazardous service lines, (2) cast iron, wrought iron, uncoated steel, and bare steel pipe.	May 2023
Columbia of Ohio	CEP - 2023	$ 31.0	$ 265.6	1/22-12/22	Assets not included in the IRP.	September 2023
NIPSCO - Gas[2]	TDSIC 4	$ 3.1	$ 77.5	7/21-12/21	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.	July 2022
NIPSCO - Gas	TDSIC 6	$ (2.5)	$ 149.8	1/22-2/23	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.	September 2023
NIPSCO - Gas[2][3]	FMCA 1	$ 1.5	$ 14.1	10/21-3/22	Project costs to comply with federal mandates.	October 2022
NIPSCO - Gas[2][3]	FMCA 2	$ 4.2	$ 38.2	4/22-9/22	Project costs to comply with federal mandates.	April 2023
Columbia of Virginia[4]	SAVE - 2023	$ 4.5	$ 45.9	1/23-12/23	Replacement projects that (1) enhance system safety or reliability, or (2) reduce, or potentially reduce, greenhouse gas emissions.	January 2023
Columbia of Kentucky	SMRP - 2023	$ 1.6	$ 41.6	1/23-12/23	Replacement of mains and inclusion of system safety investments.	January 2023
Columbia of Maryland	STRIDE - 2023	$ 1.3	$ 18.0	1/23-12/23	Pipeline upgrades designed to improve public safety or infrastructure reliability.	January 2023
NIPSCO - Electric	TDSIC - 1	$ 10.4	$ 148.5	6/21-1/22	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.	August 2022
NIPSCO - Electric	TDSIC - 2	$ 6.6	$ 143.5	2/22-7/22	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.	February 2023
NIPSCO - Electric[5]	TDSIC - 3	$ 45.6	$ 130.2	8/22-1/23	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.	August 2023

[1]Programs do not include any costs already included in base rates.
[2]On March 1, 2023, incremental tracker revenue was updated as certain investments are now being recovered through base rates.
[3]NIPSCO received approval for a new certificate of public convenience and necessity on December 28, 2022 for an additional Pipeline Safety III Compliance Plan, including $235.3M in capital and $34.1M in operation and maintenance expense project investments.
[4]Columbia of Virginia received a final order on November 1, 2022 modifying the SAVE filing incremental revenue and investments.
[5]NIPSCO Electric TDSIC-3 is for a 14-month billing period in anticipation of a rate case order in August 2023 and a subsequent 9 month hold-out period.

On March 30, 2022, NIPSCO Electric filed a petition with the IURC seeking approval of NIPSCO's federally mandated costs for closure of Michigan City Generating Station's CCR ash ponds. The project includes a total estimated $40.0 million of federally mandated retirement costs. On November 2, 2022, NIPSCO Electric filed a petition with the IURC seeking approval of NIPSCO's federally mandated costs for closure of R.M. Schahfer Generation Station's multi-cell unit. The project includes a total estimated $53.0 million of federally mandated retirement costs. Due to the Settlement filed on March 10, 2023, both FMCA cases have been stayed pending the outcome of NIPSCO's electric base rate case, which proposes these pond closure costs be recovered through base rates, rather than the FMCA Tracker. Refer to Note 15, "Other Commitments and Contingencies - C. Environmental Matters," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further discussion of the CCRs.

Columbia of Ohio filed an application on February 28, 2023, to establish a new PHMSA IRP Rider in order to recover costs incurred to comply with the PHMSA regulations. As proposed, the rider would provide for cost deferrals and carrying costs during the investment period, with rates effective in May 2024. It is anticipated that the PUCO will rule on this application in 2023.

Financing Activities

Common Stock, Preferred Stock and Equity Units. Refer to Note 5, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on common and preferred stock and equity units activity.

Long-Term Debt. Refer to Note 13, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on long-term debt activity.

Short-Term Debt. Refer to Note 14, "Short-Term Borrowings," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on short-term debt activity.

Noncontrolling Interest. Refer to Note 12, "Variable Interest Entities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on contributions from noncontrolling interest activity.

Sources of Liquidity

The following table displays our liquidity position as of March 31, 2023 and December 31, 2022:

(in millions)	**March 31, 2023**	December 31, 2022
Current Liquidity		
Revolving Credit Facility	**$ 1,850.0**	$ 1,850.0
Accounts Receivable Programs[(1)]	**635.5**	447.2
Less:		
Commercial Paper	**—**	415.0
Accounts Receivable Programs Utilized	**281.8**	347.2
Letters of Credit Outstanding Under Credit Facility	**10.2**	10.2
Add:		
Cash and Cash Equivalents	**106.4**	40.8
Net Available Liquidity	**$ 2,299.9**	$ 1,565.6

[(1)]Represents the lesser of the seasonal limit or maximum borrowings supportable by the underlying receivables.

Debt Covenants. We are subject to financial covenants under our revolving credit facility, which require us to maintain a debt to capitalization ratio that does not exceed 70.0%. As of March 31, 2023, the ratio was 59.1%.

Credit Ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our capital structure and earnings profile. The following table includes our and NIPSCO's credit ratings and ratings outlook as of March 31, 2023. There were no changes to the below credit ratings or outlooks since February 2020.

A credit rating is not a recommendation to buy, sell, or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization.

	S&P		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
NiSource	BBB+	Stable	Baa2	Stable	BBB	Stable
NIPSCO	BBB+	Stable	Baa1	Stable	BBB	Stable
Commercial Paper	A-2	Stable	P-2	Stable	F2	Stable

Certain of our subsidiaries have agreements that contain "ratings triggers" that require increased collateral if our credit rating or the credit ratings of certain of our subsidiaries are below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of power. As of March 31, 2023, the collateral requirement that would be required in the event of a downgrade below the ratings trigger levels would amount to approximately $80.8 million. In addition to agreements with ratings triggers, there are other agreements that contain "adequate assurance" or "material adverse change" provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

Equity. Our authorized capital stock consists of 620,000,000 shares, $0.01 par value, of which 600,000,000 are common stock and 20,000,000 are preferred stock. As of March 31, 2023, 412,982,639 shares of common stock and 1,302,500 shares of preferred stock were outstanding.

Contractual Obligations. A summary of contractual obligations is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022. Except for our March 2023 debt issuance, there were no additional material changes from year-end during the three months ended March 31, 2023. Refer to Note 13, "Long-Term Debt,"in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information regarding the debt issuance.

Guarantees, Indemnities and Other Off Balance Sheet Arrangements. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. Refer to Note 15, "Other Commitments and Contingencies," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about such arrangements.

Cost Recovery and Trackers

Comparability of our line item operating results is impacted by regulatory trackers that allow for the recovery in rates of certain costs such as those described below. Increases in the expenses that are subject to approved regulatory tracker mechanisms generally lead to increased regulatory assets, which ultimately result in a corresponding increase in operating revenues and, therefore, have essentially no impact on total operating income results. Certain approved regulatory tracker mechanisms allow for abbreviated regulatory proceedings in order for the operating companies to quickly implement revised rates and recover associated costs.

A portion of the Gas Distribution Operations revenue is related to the recovery of gas costs, the review and recovery of which occurs through standard regulatory proceedings. All states in our operating area require periodic review of actual gas procurement activity to determine prudence and to confirm the recovery of prudently incurred energy commodity costs supplied to customers.

We recognize that energy efficiency reduces emissions, conserves natural resources and saves our customers money. Our gas distribution companies offer programs such as energy efficiency upgrades, home checkups and weatherization services. The increased efficiency of natural gas appliances and improvements in home building codes and standards contributes to a long-term trend of declining average use per customer. While we are looking to expand offerings so the energy efficiency programs can benefit as many customers as possible, our Gas Distribution Operations have pursued changes in rate design to more effectively match recoveries with costs incurred. Columbia of Ohio has adopted a straight fixed variable rate design that closely links the recovery of fixed costs with fixed charges. Columbia of Maryland and Columbia of Virginia have regulatory approval for weather and revenue normalization adjustments for certain customer classes, which adjust monthly revenues that exceed or fall short of approved levels. Columbia of Pennsylvania continues to operate its pilot residential weather normalization adjustment and also has a fixed customer charge. This weather normalization adjustment only adjusts revenues when actual weather compared to normal varies by more than 3%. Columbia of Kentucky incorporates a weather normalization adjustment for certain customer classes and also has a fixed customer charge. In a prior gas base rate proceeding, NIPSCO implemented a higher fixed customer charge for residential and small customer classes moving toward recovering more of its fixed costs through a fixed recovery charge, but has no weather or usage protection mechanism.

A portion of the Electric Operations revenue is related to the recovery of fuel costs to generate power and the fuel costs related to purchased power. These costs are recovered through a FAC, which is updated quarterly to reflect actual costs incurred to supply electricity to customers.

While increased efficiency of electric appliances and improvements in home building codes and standards has similarly impacted the average use per electric customer in recent years, NIPSCO expects future growth in per customer usage as a result of increasing electric applications. Further growth is anticipated as electric vehicles become more prevalent. These ongoing changes in use of electricity will likely lead to development of innovative rate designs, and NIPSCO will continue efforts to design rates that increase the certainty of recovery of fixed costs.

NiSource Inc.
Regulatory, Environmental and Safety Matters

Rate Case Actions

The following table describes current rate case actions as applicable in each of our jurisdictions net of tracker impacts:

(in millions)

Company	Proposed ROE	Approved ROE	Requested Incremental Revenue	Approved Incremental Revenue	Filed	Status	Rates Effective
Currently Approved in Current or Future Rates							
Columbia of Pennsylvania[1]	10.95 %	None specified	$ 82.2	$ 44.5	March 18, 2022	Approved December 8, 2022	December 2022
Columbia of Maryland	10.85 %	9.65 %	$ 5.8	$ 3.5	May 13, 2022	Approved November 17, 2022	December 2022
Columbia of Kentucky[2]	10.30 %	9.35 %	$ 26.7	$ 18.3	May 28, 2021	Approved December 28, 2021	January 2022
Columbia of Virginia[3]	10.95 %	None specified	$ 14.2	$ 1.3	August 28, 2018	Approved June 12, 2019	February 2019
Columbia of Ohio	10.95 %	9.60 %	$ 221.4	$ 68.3	June 30, 2021	Approved January 26, 2023	March 2023
NIPSCO - Gas[4]	10.50 %	9.85 %	$ 109.7	$ 71.8	September 29, 2021	Approved July 27, 2022	September 2022
NIPSCO - Electric	10.80 %	9.75 %	$ 21.4	$ (53.5)	October 31, 2018	Approved December 4, 2019	January 2020
Active Rate Cases							
Columbia of Virginia[5]	10.75 %	In process	$ 40.6	In process	April 29, 2022	Order Expected Q2 2023	Interim Rates October 2022
NIPSCO - Electric[6]	10.40 %	In process	$ 291.8	In process	September 19, 2022	Order Expected Q3 2023	September 2023

[1]No approved ROE is identified for this matter since the approved revenue increase is the result of a black box settlement under which parties agree upon the amount of increase.
[2]The approved ROE for natural gas capital riders (e.g.,SMRP) is 9.275%.
[3]Columbia of Virginia's rate case resulted in a black box settlement, representing a settlement to a specific revenue increase but not a specified ROE. The settlement provides use of a 9.70% ROE for future SAVE filings.
[4]New rates are implemented in 2 steps, with implementation of Step 1 rates in September 2022. The Step 2 rates were filed on February 21, 2023, with rates effective March 2023.
[5]Beginning October 2022, interim rates are being billed subject to refund, pending a final commission order. On December 9, 2022, a Stipulation and Proposed Recommendation was filed with the Virginia State Corporation Commission recommending approval of $25.8 million of incremental revenue.
[6] If the pending settlement is approved, new rates will be implemented in 2 steps, with implementation of Step 1 rates to be effective in September 2023 and Step 2 rates to be effective in March 2024. In addition to the requested incremental revenue of $291.8 million, an additional request was made for $103.2 million for costs associated with a new Variable Cost Tracker (VCT) bringing the total requested incremental revenue to $395.0 million. A settlement agreement was filed on March 10, 2023, with supporting testimony filed on March 17, 2023, reflecting incremental revenue of $261.9 million plus an additional $29.9 million for recovery of costs associated with a new Environmental Cost Tracker (replacing the VCT). The evidentiary hearing occurred in April 2023 with an anticipated final order August 2023.

PHMSA Regulations

On December 27, 2020, the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020 was signed into law, reauthorizing funding for federal pipeline safety programs through September 30, 2023. Among other things, the PIPES Act requires that PHMSA revise the pipeline safety regulations to require operators to update, as needed, their existing distribution integrity management plans, emergency response plans, and operation and maintenance plans. The PIPES Act also requires PHMSA to adopt new requirements for managing records and updating, as necessary, existing district regulator stations to eliminate common modes of failure that can lead to overpressurization. PHMSA must also require that operators implement and utilize advanced leak detection and repair technologies that enable the location and categorization of all leaks that are hazardous, or potentially hazardous, to human safety or the environment. Natural gas companies, including NiSource and our subsidiaries, may see increased costs depending on how PHMSA implements the new mandates resulting from the PIPES Act.

Climate Change Issues

Physical Climate Risks. Increased frequency of severe and extreme weather events associated with climate change could materially impact our facilities, energy sales, and results of operations. We are unable to predict these events. However, we perform ongoing assessments of physical risk, including physical climate risk, to our business. More extreme and volatile temperatures, increased storm intensity and flooding, and more volatile precipitation leading to changes in lake and river levels are among the weather events that are most likely to impact our business. Efforts to mitigate these physical risks continue to be implemented on an ongoing basis.

Transition Climate Risks. Future legislative and regulatory programs, at both the federal and state levels, could significantly limit allowed GHG emissions or impose a cost or tax on GHG emissions. Revised or additional future GHG legislation and/or regulation related to the generation of electricity or the extraction, production, distribution, transmission, storage and end use of natural gas could materially impact our gas supply, financial position, financial results and cash flows.

Regarding federal policies, we continue to monitor the implementation of any final and proposed climate change-related legislation and regulations, including the Infrastructure Investment and Jobs Act, signed into law in November 2021; the IRA, signed into law in August 2022; and the EPA's proposed methane regulations for the oil and natural gas industry, but we cannot predict their impact on our business at this time. We have identified potential opportunities associated with the Infrastructure Investment and Jobs Act and the IRA and are evaluating how they may align with our strategy going forward. The energy-related provisions of the Infrastructure Investment and Jobs Act include new federal funding for power grid infrastructure and resiliency investments, new and existing energy efficiency and weatherization programs, electric vehicle infrastructure for public chargers and additional LIHEAP funding over the next five years. The IRA contains climate and energy provisions, including funding to decarbonize the electric sector.

In February 2021, the United States rejoined the Paris Agreement, an international treaty through which parties set nationally determined contributions to reduce GHG emissions, build resilience, and adapt to the impacts of climate change. Subsequently, the Biden Administration released a target for the United States to achieve a 50%-52% GHG reduction from 2005 levels by 2030, which supports the President's goals to create a carbon-free power sector by 2035 and net zero emissions economy no later than 2050. There are many pathways to reach these goals.

On June 30, 2022, the Supreme Court of the United States ruled for the petitioners in West Virginia v. EPA, which examined the authority of the EPA to regulate GHG emissions from the power sector. We will continue to evaluate this matter, but we remain committed to our previously stated carbon reduction goals.

We also continue to monitor the implementation of any final and proposed state policy. The Virginia Clean Economy Act was signed into law in 2020. While the Act does not establish any new mandates on Columbia of Virginia, certain natural gas customers may, over the long-term, reduce their use of natural gas to meet the 100% renewable electricity requirement. Columbia of Virginia will continue to monitor this matter, but we cannot predict its final impact on our business at this time. Separately, the Virginia Energy Innovation Act, enacted into law in April 2022, and effective July 1, 2022, allows natural gas utilities to supply alternative forms of gas that meet certain standards and reduce emissions intensity. The Act also provides that the costs of enhanced leak detection and repair may be added to a utility's plan to identify proposed eligible infrastructure replacement projects and related cost recovery mechanisms, known as the SAVE Plan. Furthermore, under the Act, utilities can recover eligible biogas supply infrastructure costs on an ongoing basis. The provisions of these laws may provide opportunities for Columbia of Virginia as it participates in the transition to a lower carbon future.

The Climate Solutions Now Act of 2022 requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment is required to adopt a plan to achieve the 2031 goal by December 2023, and it is required to adopt a plan for the net zero goal by 2030. The Act also enacts a state policy to move to broader electrification of both existing buildings and new construction, and requires the Public Service Commission to complete a study assessing the capacity of gas and electric distribution systems to successfully serve customers under a transition to a highly electrified building sector. Columbia of Maryland will continue to monitor this matter, but we cannot predict its final impact on our business at this time.

NIPSCO, Columbia of Maryland, Columbia of Pennsylvania, Columbia of Virginia and Columbia of Kentucky each filed petitions to implement the Green Path Rider, which will be a voluntary rider that allows customers to opt in and offset either 50% or 100% of their natural gas related emissions. To reduce the emissions, the utilities will purchase RNG attributes and carbon offsets to match the usage for customers opting into the program. The program was approved by the IURC at NIPSCO in November 2022 with a January 2023 start date. After reaching settlement with other parties in September 2022, NIPSCO

agreed to add a third tier to offset 25% of customer usage. Columbia of Maryland's filing was denied by the PUC in January 2023. The filings for Columbia of Pennsylvania, Columbia of Virginia and Columbia of Kentucky are still being evaluated. Additionally, NIPSCO has a voluntary Green Power Rider program in place that allows customers to designate a portion or all their monthly electric usage to come from power generated by renewable energy sources.

Net-Zero Goal. In response to these transition risks and opportunities, on November 7, 2022, we announced a goal of net-zero greenhouse gas emissions by 2040 covering both Scope 1 and Scope 2 emissions ("Net-Zero Goal"). Our Net-Zero Goal builds on greenhouse gas emission reductions achieved to-date and demonstrates that continued execution of our long-term business plan will drive further greenhouse gas emission reductions. We remain on track to achieve previously announced interim greenhouse gas emission reduction targets by reducing fugitive methane emissions from main and service lines by 50 percent from 2005 levels by 2025 and reducing Scope 1 greenhouse gas emissions from company-wide operations by 90 percent from 2005 levels by 2030. We plan to achieve our Net-Zero Goal primarily through continuation and enhancement of existing programs, such as retiring and replacing coal-fired electric generation with low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak-detection technologies. In addition, we plan to advance other low- or zero-emission energy resources and technologies, such as hydrogen, renewable natural gas, and/or deployment of carbon capture and utilization technologies, if and when these become technologically and economically feasible. Carbon offsets and renewable energy credits may also be used to support achievement of our Net-Zero Goal. As of the end of 2022, we had reduced Scope 1 GHG emissions by approximately 67% from 2005 levels.

Our greenhouse gas emissions projections, including achieving a Net-Zero Goal, are subject to various assumptions that involve risks and uncertainties. Achievement of our Net-Zero Goal by 2040 will require supportive regulatory and legislative policies, favorable stakeholder environments and advancement of technologies that are not currently economical to deploy. Should such regulatory and legislative policies, stakeholder environments or technologies fail to materialize, our actual results or ability to achieve our Net-Zero Goal, including by 2040, may differ materially.

As discussed above in this Management's Discussion within "Results and Discussion of Segment Operations - Electric Operations," NIPSCO continues to execute on an electric generation transition consistent with the preferred pathways identified in its 2018 and 2021 Integrated Resource Plans. Additionally, as discussed above in this Management's Discussion within "Liquidity and Capital Resources - Regulatory Capital Programs," our natural gas distribution companies are lowering methane emissions by replacing aging infrastructure, which also increases safety and reliability for customers and communities.

Market Risk Disclosures

Risk is an inherent part of our businesses. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our businesses is critical to our profitability. We seek to identify, assess, monitor and manage, in accordance with defined policies and procedures, the following principal market risks that are involved in our businesses: commodity price risk, interest rate risk and credit risk. We manage risk through a multi-faceted process with oversight by the Risk Management Committee that requires constant communication, judgment and knowledge of specialized products and markets. Our senior management takes an active role in the risk management process and has developed policies and procedures that require specific administrative and business functions to assist in the identification, assessment and control of various risks. These may include, but are not limited to market, operational, financial, compliance and strategic risk types. In recognition of the increasingly varied and complex nature of the energy business, our risk management process, policies and procedures continue to evolve and are subject to ongoing review and modification.

Commodity Price Risk

Our Gas and Electric Operations have commodity price risk primarily related to the purchases of natural gas and power. To manage this market risk, our subsidiaries use derivatives, including commodity futures contracts, swaps, forwards and options. We do not participate in speculative energy trading activity.

Commodity price risk resulting from derivative activities at our rate-regulated subsidiaries is limited and does not bear signification exposure to earnings risk, since our current regulatory mechanisms allow recovery of prudently incurred purchased power, fuel and gas costs through the rate-making process, including gains or losses on these derivative instruments. These changes are included in the GCA and FAC regulatory rate-recovery mechanisms. If these mechanisms were to be adjusted or eliminated, these subsidiaries may begin providing services without the benefit of the traditional rate-making process and may be more exposed to commodity price risk. For additional information, see "Results and Discussion of Segment Operations" in this Management's Discussion.

Our subsidiaries are required to make cash margin deposits with their brokers to cover actual and potential losses in the value of outstanding exchange traded derivative contracts. The amount of these deposits, some of which are reflected in our restricted cash balance, may fluctuate significantly during periods of high volatility in the energy commodity markets.

Refer to Note 8, "Risk Management Activities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further information on our commodity price risk assets and liabilities as of March 31, 2023 and December 31, 2022.

Interest Rate Risk

We are exposed to interest rate risk as a result of changes in interest rates on borrowings under our revolving credit agreement, commercial paper program, term credit agreement and accounts receivable programs, which have interest rates that are indexed to short-term market interest rates. Based upon average borrowings and debt obligations subject to fluctuations in short-term market interest rates, an increase (or decrease) in short-term interest rates of 100 basis points (1%) would have increased (or decreased) interest expense by $4.5 million and $1.5 million for the three months ended March 31, 2023 and 2022, respectively. We are also exposed to interest rate risk as a result of changes in benchmark rates that can influence the interest rates of future long-term debt issuances. From time to time we may enter into forward interest rate instruments to lock in long term interest costs and/ or rates.

Refer to Note 8, "Risk Management Activities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further information on our interest rate risk assets and liabilities as of March 31, 2023 and December 31, 2022.

Credit Risk

Due to the nature of the industry, credit risk is embedded in many of our business activities. Our extension of credit is governed by a Corporate Credit Risk Policy. In addition, Risk Management Committee guidelines are in place which document management approval levels for credit limits, evaluation of creditworthiness, and credit risk mitigation efforts. Exposures to credit risks are monitored by the risk management function, which is independent of commercial operations. Credit risk arises due to the possibility that a customer, supplier or counterparty will not be able or willing to fulfill its obligations on a transaction on or before the settlement date. For derivative-related contracts, credit risk arises when counterparties are obligated to deliver or purchase defined commodity units of gas or power to us at a future date per execution of contractual terms and conditions. Exposure to credit risk is measured in terms of both current obligations and the market value of forward positions net of any posted collateral such as cash and letters of credit.

We evaluate the financial status of our banking partners through the use of market-based metrics such as credit default swap pricing levels, and also through traditional credit ratings provided by major credit rating agencies.

Other Information

Critical Accounting Estimates

A summary of our critical accounting estimates is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022. There were no material changes made as of March 31, 2023.

Recently Issued Accounting Pronouncements

Refer to Note 2, "Recent Accounting Pronouncements," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about recently issued and adopted accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosures about market risk are reported in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures."

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our chief executive officer and our chief financial officer are responsible for evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our chief executive officer and chief financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to provide reasonable assurance that financial information was processed, recorded and reported accurately.

Changes in Internal Controls

There have been no changes in our internal control over financial reporting during the most recently completed quarter covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

For a description of our legal proceedings, see Note 15, "Other Commitments and Contingencies - B. Legal Proceedings," in the Notes to the Condensed Consolidated Financial Statements (unaudited).

ITEM 1A. RISK FACTORS

Please refer to the risk factors set forth in Part I, Item 1A of the Annual Report on Form 10-K for the year ended December 31, 2022. There have been no material changes to such risk factors.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

NiSource Inc.

(4.1)	Form of 5.250% Notes due 2028 (incorporated by reference to Exhibit 4.1 to the NiSource Inc. Form 8-K filed on March 24, 2023).
(31.1)	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
(31.2)	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
(32.1)	Certification of Chief Executive Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).*
(32.2)	Certification of Chief Financial Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).*
(101.INS)	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
(101.SCH)	Inline XBRL Schema Document
(101.CAL)	Inline XBRL Calculation Linkbase Document
(101.LAB)	Inline XBRL Labels Linkbase Document
(101.PRE)	Inline XBRL Presentation Linkbase Document
(101.DEF)	Inline XBRL Definition Linkbase Document
(104)	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

* Exhibit filed herewith.

SIGNATURE

NiSource Inc.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NiSource Inc.
(Registrant)

Date: May 3, 2023

By: /s/ Gunnar J. Gode
Gunnar J. Gode
Vice President, Chief Accounting Officer
(Principal Accounting Officer)

Exhibit 31.1

Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Lloyd M. Yates, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q for the quarter ended March 31, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2023

By: /s/ Lloyd M. Yates
Lloyd M. Yates
President and Chief Executive Officer

Exhibit 31.2

Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Shawn Anderson, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q for the quarter ended March 31, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2023

By: /s/ Shawn Anderson
Shawn Anderson
Executive Vice President and Chief Financial Officer

Exhibit 32.1

Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of NiSource Inc. (the "Company") on Form 10-Q for the quarter ending March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lloyd M. Yates, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Lloyd M. Yates
Lloyd M. Yates
President and Chief Executive Officer

Date: May 3, 2023

Exhibit 32.2

Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of NiSource Inc. (the "Company") on Form 10-Q for the quarter ending March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Shawn Anderson, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Shawn Anderson
Shawn Anderson
Executive Vice President and Chief Financial Officer

Date: May 3, 2023

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)**
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2022

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)**
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-16189

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE	35-2108964
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
801 East 86th Avenue Merrillville, IN	46410
(Address of principal executive offices)	(Zip Code)

(877) 647-5990
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value $0.01 per share	NI	NYSE
Depositary Shares, each representing a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value $0.01 per share, liquidation preference $25,000 per share and a 1/1,000th ownership interest in a share of Series B-1 Preferred Stock, par value $0.01 per share, liquidation preference $0.01 per share	NI PR B	NYSE
Series A Corporate Units	NIMC	NYSE

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.)

Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐ Emerging growth company ☐ Non-accelerated filer ☐ Smaller reporting company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☑

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, $0.01 Par Value: 406,134,342 shares outstanding at October 31, 2022.

NISOURCE INC.
FORM 10-Q QUARTERLY REPORT
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

Table of Contents

			Page
	Defined Terms		3
PART I	FINANCIAL INFORMATION		
	Item 1.	Financial Statements - unaudited	
		Condensed Statements of Consolidated Income (unaudited)	7
		Condensed Statements of Consolidated Comprehensive Income (unaudited)	8
		Condensed Consolidated Balance Sheets (unaudited)	9
		Condensed Statements of Consolidated Cash Flows (unaudited)	11
		Condensed Statements of Consolidated Equity (unaudited)	12
		Notes to Condensed Consolidated Financial Statements (unaudited)	15
	Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	36
	Item 3.	Quantitative and Qualitative Disclosures About Market Risk	57
	Item 4.	Controls and Procedures	57
PART II	OTHER INFORMATION		
	Item 1.	Legal Proceedings	58
	Item 1A.	Risk Factors	58
	Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	58
	Item 3.	Defaults Upon Senior Securities	58
	Item 4.	Mine Safety Disclosures	58
	Item 5.	Other Information	58
	Item 6.	Exhibits	59
	Signature		60

DEFINED TERMS

The following is a list of frequently used abbreviations or acronyms that are found in this report:

NiSource Subsidiaries and Affiliates

Columbia of Kentucky	Columbia Gas of Kentucky, Inc.
Columbia of Maryland	Columbia Gas of Maryland, Inc.
Columbia of Massachusetts	Bay State Gas Company
Columbia of Ohio	Columbia Gas of Ohio, Inc.
Columbia of Pennsylvania	Columbia Gas of Pennsylvania, Inc.
Columbia of Virginia	Columbia Gas of Virginia, Inc.
NIPSCO	Northern Indiana Public Service Company LLC
NiSource ("we," "us" or "our")	NiSource Inc.
Rosewater	Rosewater Wind Generation LLC and its wholly owned subsidiary, Rosewater Wind Farm LLC
Indiana Crossroads Wind	Indiana Crossroads Wind Generation LLC and its wholly owned subsidiary, Indiana Crossroads Wind Farm LLC

Abbreviations and Other

AFUDC	Allowance for funds used during construction
AOCI	Accumulated Other Comprehensive Income (Loss)
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
ATM	At-the-market
BTA	Build-transfer agreement
CCRs	Coal Combustion Residuals
CEP	Capital Expenditure Program
CERCLA	Comprehensive Environmental Response Compensation and Liability Act (also known as Superfund)
Corporate Units	Series A Corporate Units
COVID-19 ("the COVID-19 pandemic" or "the pandemic")	Novel Coronavirus 2019 and its variants, including the Delta and Omicron variants, and any other variant that may emerge
DPU	Department of Public Utilities
DSIC	Distribution System Improvement Charge
EPA	United States Environmental Protection Agency
EPS	Earnings per share
Equity Units	Series A Equity Units
FAC	Fuel adjustment clause
FASB	Financial Accounting Standards Board
FMCA	Federally Mandated Cost Adjustment
GAAP	Generally Accepted Accounting Principles
GCA	Gas cost adjustment
GHG	Greenhouse gases
GWh	Gigawatt hours
IRA	Inflation Reduction Act
IRP	Infrastructure Replacement Program
IURC	Indiana Utility Regulatory Commission
LIBOR	London InterBank Offered Rate

DEFINED TERMS

LIHEAP	Low Income Heating Energy Assistance Programs
Massachusetts Business	All of the assets sold to, and liabilities assumed by, Eversource pursuant to the Asset Purchase Agreement
MGP	Manufactured Gas Plant
MISO	Midcontinent Independent System Operator
MMDth	Million dekatherms
MW	Megawatts
MWh	Megawatt hours
NTSB	National Transportation Safety Board
NYMEX	New York Mercantile Exchange
OPEB	Other Postemployment Benefits
PHMSA	Pipeline and Hazardous Materials Safety Administration
PPA	Power Purchase Agreement
PUCO	Public Utilities Commission of Ohio
RNG	Renewable Natural Gas
SAVE	Steps to Advance Virginia's Energy Plan
Scope 1 GHG Emissions	Direct emissions from sources owned or controlled by us (e.g., emissions from our combustion of fuel, vehicles, and process emissions and fugitive emissions)
SEC	Securities and Exchange Commission
Section 201 Tariffs	Tariffs imposed by Executive Order from the President of the U.S. on certain imported solar cells and modules at a rate of 15%, which were recently extended to 2026
SMRP	Safety Modification and Replacement Program
STRIDE	Strategic Infrastructure Development Enhancement
TCJA	An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 (commonly known as the Tax Cuts and Jobs Act of 2017)
TDSIC	Transmission, Distribution and Storage System Improvement Charge
U.S. Attorney's Office	U.S. Attorney's Office for the District of Massachusetts
VIE	Variable Interest Entity

Note regarding forward-looking statements

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. Expressions of future goals and expectations and similar expressions, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this Quarterly Report on Form 10-Q include, among other things, our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and natural gas costs and supply risks; fluctuations in demand from residential

and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the attraction and retention of a qualified, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity attacks; increased requirements and costs related to cybersecurity; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net-Zero Goal (as defined below); our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; inflation; recessions; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related to the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney's Office to settle the U.S. Attorney's Office's investigation relating to the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; other matters in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2021, and in our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2022, many of which risks are beyond our control. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time.

All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Index	Page
Condensed Statements of Consolidated Income (unaudited)	7
Condensed Statements of Consolidated Comprehensive Income (unaudited)	8
Condensed Consolidated Balance Sheets (unaudited)	9
Condensed Statements of Consolidated Cash Flows (unaudited)	11
Condensed Statements of Consolidated Equity (unaudited)	12
Notes to Condensed Consolidated Financial Statements (unaudited)	15
1. Basis of Accounting Presentation	15
2. Recent Accounting Pronouncements	15
3. Revenue Recognition	15
4. Earnings Per Share	19
5. Equity	20
6. Regulatory Matters	21
7. Risk Management Activities	22
8. Fair Value	24
9. Income Taxes	27
10. Pension and Other Postretirement Benefits	27
11. Variable Interest Entities	28
12. Long-Term Debt	30
13. Short-Term Borrowings	30
14. Other Commitments and Contingencies	31
15. Accumulated Other Comprehensive Loss	34
16. Other, Net	35
17. Business Segment Information	35

PART I

ITEM 1. FINANCIAL STATEMENTS

NiSource Inc.
Condensed Statements of Consolidated Income (unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in millions, except per share amounts)	**2022**	2021	**2022**	2021
Operating Revenues				
Customer revenues	**$ 1,058.2**	$ 918.8	**$ 4,055.0**	$ 3,377.7
Other revenues	**31.3**	40.6	**91.0**	113.3
Total Operating Revenues	**1,089.5**	959.4	**4,146.0**	3,491.0
Operating Expenses				
Cost of energy	**330.8**	208.3	**1,421.2**	913.4
Operation and maintenance	**347.9**	351.1	**1,124.1**	1,075.4
Depreciation and amortization	**203.2**	188.9	**604.6**	560.2
Loss (gain) on sale of assets, net	**(0.3)**	(1.1)	**(105.3)**	6.9
Other taxes	**51.2**	65.1	**201.1**	212.6
Total Operating Expenses	**932.8**	812.3	**3,245.7**	2,768.5
Operating Income	**156.7**	147.1	**900.3**	722.5
Other Income (Deductions)				
Interest expense, net	**(91.6)**	(84.4)	**(259.8)**	(253.5)
Other, net	**10.1**	14.3	**30.0**	37.2
Total Other Deductions, Net	**(81.5)**	(70.1)	**(229.8)**	(216.3)
Income before Income Taxes	**75.2**	77.0	**670.5**	506.2
Income Taxes	**11.7**	14.8	**119.9**	90.6
Net Income	**63.5**	62.2	**550.6**	415.6
Net loss attributable to noncontrolling interest	**(2.3)**	(1.0)	**(9.0)**	(3.4)
Net Income Attributable to NiSource	**65.8**	63.2	**559.6**	419.0
Preferred dividends	**(13.8)**	(13.8)	**(41.4)**	(41.4)
Net Income Available to Common Shareholders	**52.0**	49.4	**518.2**	377.6
Earnings Per Share				
Basic Earnings Per Share	**$ 0.13**	$ 0.13	**$ 1.28**	$ 0.96
Diluted Earnings Per Share	**$ 0.12**	$ 0.12	**$ 1.18**	$ 0.91
Basic Average Common Shares Outstanding	**406.5**	393.2	**406.3**	392.9
Diluted Average Common Shares	**443.4**	430.3	**441.7**	415.8

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Comprehensive Income (unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in millions, net of taxes)	**2022**	2021	**2022**	2021
Net Income	**$ 63.5**	$ 62.2	**$ 550.6**	$ 415.6
Other comprehensive income:				
Net unrealized loss on available-for-sale debt securities[1]	**(4.5)**	(0.8)	**(14.1)**	(2.4)
Net unrealized gain on cash flow hedges[2]	**16.2**	6.6	**119.2**	41.4
Unrecognized pension and OPEB benefit (costs)[3]	**0.6**	0.4	**(1.8)**	0.3
Total other comprehensive income	**12.3**	6.2	**103.3**	39.3
Comprehensive Income	**$ 75.8**	$ 68.4	**$ 653.9**	$ 454.9

[1]Net unrealized loss on available-for-sale debt securities, net of $1.1 million and $0.2 million tax benefit in the third quarter of 2022 and 2021, respectively, and $3.7 million and $0.6 million tax benefit for the nine months ended 2022 and 2021, respectively.
[2]Net unrealized gain on cash flow hedges, net of $5.3 million and $2.2 million tax expense in the third quarter of 2022 and 2021, respectively, and $39.4 million and $13.7 million tax expense for the nine months ended 2022 and 2021, respectively.
[3]Unrecognized pension and OPEB benefit (costs), net of $0.2 million and $0.2 million tax expense in the third quarter of 2022 and 2021, respectively, and $0.6 million tax benefit and $1.3 million tax expense for the nine months ended 2022 and 2021, respectively.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited)

(in millions)	**September 30, 2022**	December 31, 2021
ASSETS		
Property, Plant and Equipment		
Plant	**$ 26,641.1**	$ 25,171.3
Accumulated depreciation and amortization	**(7,650.1)**	(7,289.5)
Net Property, Plant and Equipment[(1)]	**18,991.0**	17,881.8
Investments and Other Assets		
Unconsolidated affiliates	**1.6**	0.8
Available-for-sale debt securities (amortized cost of $174.6 and $169.3, allowance for credit losses of $1.7 and $0.2, respectively)	**157.8**	171.8
Other investments	**68.8**	87.1
Total Investments and Other Assets	**228.2**	259.7
Current Assets		
Cash and cash equivalents	**35.8**	84.2
Restricted cash	**42.8**	10.7
Accounts receivable	**605.9**	849.1
Allowance for credit losses	**(19.2)**	(23.5)
Accounts receivable, net	**586.7**	825.6
Gas inventory	**606.3**	327.4
Materials and supplies, at average cost	**141.4**	139.1
Electric production fuel, at average cost	**52.4**	32.2
Exchange gas receivable	**184.7**	99.6
Regulatory assets	**245.7**	206.2
Prepayments and other	**332.8**	195.8
Total Current Assets[(1)]	**2,228.6**	1,920.8
Other Assets		
Regulatory assets	**2,240.3**	2,286.0
Goodwill	**1,485.9**	1,485.9
Deferred charges and other	**402.4**	322.7
Total Other Assets	**4,128.6**	4,094.6
Total Assets	**$ 25,576.4**	$ 24,156.9

[(1)]Includes $678.8 million and $695.9 million at September 30, 2022 and December 31, 2021, respectively, of net property, plant and equipment assets and $20.4 million and $14.3 million at September 30, 2022 and December 31, 2021, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 11, "Variable Interest Entities," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited) (continued)

(in millions, except share amounts)	September 30, 2022	December 31, 2021
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - $0.01 par value, 600,000,000 shares authorized; 406,049,747 and 405,303,023 shares outstanding, respectively	**$ 4.1**	$ 4.1
Preferred stock - $0.01 par value, 20,000,000 shares authorized; 1,302,500 shares outstanding	**1,546.5**	1,546.5
Treasury stock	**(99.9)**	(99.9)
Additional paid-in capital	**7,224.8**	7,204.3
Retained deficit	**(1,458.1)**	(1,580.9)
Accumulated other comprehensive loss	**(23.5)**	(126.8)
Total NiSource Stockholders' Equity	**7,193.9**	6,947.3
Noncontrolling interest in consolidated subsidiaries	**311.8**	325.6
Total Equity	**7,505.7**	7,272.9
Long-term debt, excluding amounts due within one year	**9,521.2**	9,183.4
Total Capitalization	**17,026.9**	16,456.3
Current Liabilities		
Current portion of long-term debt	**28.6**	58.1
Short-term borrowings	**1,274.2**	560.0
Accounts payable	**666.5**	697.8
Dividends payable - common stock	**95.6**	—
Dividends payable - preferred stock	**19.4**	—
Customer deposits and credits	**314.5**	237.9
Taxes accrued	**189.7**	277.1
Interest accrued	**124.1**	105.5
Exchange gas payable	**170.9**	107.7
Regulatory liabilities	**288.9**	137.4
Accrued compensation and employee benefits	**150.5**	182.7
Other accruals	**588.2**	382.0
Total Current Liabilities[(1)]	**3,911.1**	2,746.2
Other Liabilities		
Deferred income taxes	**1,803.7**	1,659.4
Accrued liability for postretirement and postemployment benefits	**277.2**	292.5
Regulatory liabilities	**1,810.3**	1,842.6
Asset retirement obligations	**458.7**	469.7
Other noncurrent liabilities	**288.5**	690.2
Total Other Liabilities[(1)]	**4,638.4**	4,954.4
Commitments and Contingencies (Refer to Note 14, "Other Commitments and Contingencies")		
Total Capitalization and Liabilities	**$ 25,576.4**	$ 24,156.9

[(1)]Includes $7.8 million and $10.0 million at September 30, 2022 and December 31, 2021, respectively, of current liabilities and $20.9 million and $20.5 million at September 30, 2022 and December 31, 2021, respectively, of other liabilities of consolidated VIEs that creditors do not have recourse to our general credit. Refer to Note 11, "Variable Interest Entities," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

NiSource Inc.
Condensed Statements of Consolidated Cash Flows (unaudited)

Nine Months Ended September 30, *(in millions)*	2022	2021
Operating Activities		
Net Income	**$ 550.6**	$ 415.6
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation and amortization	**604.6**	560.2
Deferred income taxes and investment tax credits	**118.3**	89.0
Loss (gain) on sale of assets	**(105.3)**	6.4
Other adjustments	**27.7**	17.3
Changes in Assets and Liabilities:		
Components of working capital	**(115.2)**	(154.4)
Regulatory assets/liabilities	**(17.4)**	54.8
Deferred charges and other noncurrent assets	**(16.8)**	1.4
Other noncurrent liabilities	**(10.3)**	(51.0)
Net Cash Flows from Operating Activities	**1,036.2**	939.3
Investing Activities		
Capital expenditures	**(1,523.0)**	(1,292.8)
Insurance recoveries	**105.0**	—
Cost of removal	**(108.6)**	(94.0)
Payment to renewable generation asset developer	**(150.9)**	(7.4)
Other investing activities	**(5.2)**	—
Net Cash Flows used for Investing Activities	**(1,682.7)**	(1,394.2)
Financing Activities		
Issuance of long-term debt, net of discount and underwriting costs	**345.6**	—
Repayments of long-term debt and finance lease obligations	**(52.5)**	(18.7)
Change in short-term borrowings, net (maturity ≤ 90 days)	**714.2**	(123.0)
Issuance of common stock, net of issuance costs	**9.1**	8.8
Equity costs, premiums and other debt related costs	**(10.1)**	(9.7)
Contributions from noncontrolling interest	**—**	7.0
Distributions to noncontrolling interest	**(4.8)**	—
Issuance of equity units, net of underwriting costs	**—**	839.9
Dividends paid - common stock	**(286.0)**	(258.8)
Dividends paid - preferred stock	**(35.7)**	(35.7)
Contract liability payment	**(49.6)**	(24.2)
Net Cash Flows from Financing Activities	**630.2**	385.6
Change in cash, cash equivalents and restricted cash	**(16.3)**	(69.3)
Cash, cash equivalents and restricted cash at beginning of period	**94.9**	125.6
Cash, Cash Equivalents and Restricted Cash at End of Period	**$ 78.6**	$ 56.3

Reconciliation to Balance Sheet

Nine Months Ended September 30, *(in millions)*	2022
Cash and cash equivalents	**35.8**
Restricted Cash	**42.8**
Total Cash, Cash Equivalents and Restricted Cash	**78.6**

Supplemental Disclosures of Cash Flow Information

Nine Months Ended September 30, *(in millions)*	2022	2021
Non-cash transactions:		
Capital expenditures included in current liabilities	**$ 280.4**	$ 217.0
Dividends declared but not paid	**115.0**	105.8
Purchase contract liability[(1)]	**81.1**	145.4
Obligation to developer at formation of joint venture	**$ —**	$ 6.0

[(1)]Refer to Note 5, "Equity," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Equity (unaudited)

(in millions)	Common Stock	Preferred Stock[1]	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of July 1, 2022	**$ 4.1**	**$ 1,546.5**	**$ (99.9)**	**$ 7,218.6**	**$ (1,408.9)**	**$ (35.8)**	**$ 315.8**	**$ 7,540.4**
Comprehensive Income:								
Net income (loss)	—	—	—	—	65.8	—	(2.3)	63.5
Other comprehensive income, net of tax	—	—	—	—	—	12.3	—	12.3
Dividends:								
Common stock ($0.24 per share)	—	—	—	—	(95.6)	—	—	(95.6)
Preferred stock (See Note 5)	—	—	—	—	(19.4)	—	—	(19.4)
Distributions to noncontrolling interests	—	—	—	—	—	—	(1.7)	(1.7)
Stock issuances:								
Employee stock purchase plan	—	—	—	1.3	—	—	—	1.3
Long-term incentive plan	—	—	—	2.6	—	—	—	2.6
401(k) and profit sharing	—	—	—	2.4	—	—	—	2.4
ATM program	—	—	—	(0.1)	—	—	—	(0.1)
Balance as of September 30, 2022	**$ 4.1**	**$ 1,546.5**	**$ (99.9)**	**$ 7,224.8**	**$ (1,458.1)**	**$ (23.5)**	**$ 311.8**	**$ 7,505.7**

[1]Series A, Series B, and Series C shares have an aggregate liquidation preference of $400M, $500M, and $863M, respectively. See Note 5, "Equity," for additional information.

(in millions)	Common Stock	Preferred Stock[1]	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2022	**$ 4.1**	**$ 1,546.5**	**$ (99.9)**	**$ 7,204.3**	**$ (1,580.9)**	**$ (126.8)**	**$ 325.6**	**$ 7,272.9**
Comprehensive Income:								
Net income (loss)	—	—	—	—	559.6	—	(9.0)	550.6
Other comprehensive income, net of tax	—	—	—	—	—	103.3	—	103.3
Dividends:								
Common stock ($0.94 per share)	—	—	—	—	(381.7)	—	—	(381.7)
Preferred stock (See Note 5)	—	—	—	—	(55.1)	—	—	(55.1)
Distributions to noncontrolling interests	—	—	—	—	—	—	(4.8)	(4.8)
Stock issuances:								
Employee stock purchase plan	—	—	—	3.8	—	—	—	3.8
Long-term incentive plan	—	—	—	9.5	—	—	—	9.5
401(k) and profit sharing	—	—	—	7.3	—	—	—	7.3
ATM program	—	—	—	(0.1)	—	—	—	(0.1)
Balance as of September 30, 2022	**$ 4.1**	**$ 1,546.5**	**$ (99.9)**	**$ 7,224.8**	**$ (1,458.1)**	**$ (23.5)**	**$ 311.8**	**$ 7,505.7**

[1]Series A, Series B, and Series C shares have an aggregate liquidation preference of $400M, $500M, and $863M, respectively. See Note 5, "Equity," for additional information.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Equity (unaudited) (continued)

(in millions)	Common Stock	Preferred Stock[1]	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of July 1, 2021	**$ 3.9**	**$ 1,718.8**	**$ (99.9)**	**$ 6,728.0**	**$ (1,704.1)**	**$ (123.6)**	**$ 90.4**	**$ 6,613.5**
Comprehensive Income:								
Net income (loss)	—	—	—	—	63.2	—	(1.0)	62.2
Other comprehensive income, net of tax	—	—	—	—	—	6.2	—	6.2
Dividends:								
Common stock ($0.22 per share)	—	—	—	—	(86.5)	—	—	(86.5)
Preferred stock (See Note 5)	—	—	—	—	(19.4)	—	—	(19.4)
Distribution to noncontrolling interest	—	—	—	—	—	—	(0.2)	(0.2)
Stock issuances:								
Equity Units	—	1.0	—	—	—	—	—	1.0
Employee stock purchase plan	—	—	—	1.2	—	—	—	1.2
Long-term incentive plan	—	—	—	4.0	—	—	—	4.0
401(k) and profit sharing	—	—	—	2.5	—	—	—	2.5
ATM program	—	—	—	(0.4)	—	—	—	(0.4)
Balance as of September 30, 2021	**$ 3.9**	**$ 1,719.8**	**$ (99.9)**	**$ 6,735.3**	**$ (1,746.8)**	**$ (117.4)**	**$ 89.2**	**$ 6,584.1**

[1]Series A, Series B and Series C shares have an aggregate liquidation preference of $400M, $500M, and $863M, respectively. See Note 5, "Equity," for additional information.

(in millions)	Common Stock	Preferred Stock[1]	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2021	**$ 3.9**	**$ 880.0**	**$ (99.9)**	**$ 6,890.1**	**$ (1,765.2)**	**$ (156.7)**	**$ 85.6**	**$ 5,837.8**
Comprehensive Income:								
Net income (loss)	—	—	—	—	419.0	—	(3.4)	415.6
Other comprehensive income, net of tax	—	—	—	—	—	39.3	—	39.3
Dividends:								
Common stock ($0.88 per share)	—	—	—	—	(345.5)	—	—	(345.5)
Preferred stock (See Note 5)	—	—	—	—	(55.1)	—	—	(55.1)
Contribution from noncontrolling interest, net of distributions	—	—	—	—	—	—	7.0	7.0
Stock issuances:								
Equity Units	—	839.8	—	(173.3)	—	—		666.5
Employee stock purchase plan	—	—	—	3.7	—	—	—	3.7
Long-term incentive plan	—	—	—	8.3	—	—	—	8.3
401(k) and profit sharing	—	—	—	7.2	—	—	—	7.2
ATM program	—	—	—	(0.7)	—	—		(0.7)
Balance as of September 30, 2021	**$ 3.9**	**$ 1,719.8**	**$ (99.9)**	**$ 6,735.3**	**$ (1,746.8)**	**$ (117.4)**	**$ 89.2**	**$ 6,584.1**

[1]Series A, Series B and Series C shares have an aggregate liquidation preference of $400M, $500M, and $863M respectively. See Note 5, "Equity," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Equity (unaudited) (continued)

	Preferred	Common		
Shares *(in thousands)*	**Shares**	**Shares**	**Treasury**	**Outstanding**
Balance as of July 1, 2022	**1,303**	**409,841**	**(3,963)**	**405,878**
Issued:				
Employee stock purchase plan	—	46	—	46
Long-term incentive plan	—	45	—	45
401(k) and profit sharing	—	81	—	81
Balance as of September 30, 2022	**1,303**	**410,013**	**(3,963)**	**406,050**

	Preferred	Common		
Shares *(in thousands)*	**Shares**	**Shares**	**Treasury**	**Outstanding**
Balance as of January 1, 2022	**1,303**	**409,266**	**(3,963)**	**405,303**
Issued:				
Employee stock purchase plan	—	129	—	129
Long-term incentive plan	—	373	—	373
401(k) and profit sharing	—	245	—	245
Balance as of September 30, 2022	**1,303**	**410,013**	**(3,963)**	**406,050**

	Preferred	Common		
Shares *(in thousands)*	**Shares**	**Shares**	**Treasury**	**Outstanding**
Balance as of July 1, 2021	**1,303**	**396,292**	**(3,963)**	**392,329**
Issued:				
Employee stock purchase plan	—	52	—	52
Long-term incentive plan	—	151	—	151
401(k) and profit sharing	—	97	—	97
Balance as of September 30, 2021	**1,303**	**396,592**	**(3,963)**	**392,629**

	Preferred	Common		
Shares *(in thousands)*	**Shares**	**Shares**	**Treasury**	**Outstanding**
Balance as of January 1, 2021	**440**	**395,723**	**(3,963)**	**391,760**
Issued:				
Equity Units	863	—	—	—
Employee stock purchase plan	—	158	—	158
Long-term incentive plan	—	414	—	414
401(k) and profit sharing	—	297	—	297
Balance as of September 30, 2021	**1,303**	**396,592**	**(3,963)**	**392,629**

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

1. Basis of Accounting Presentation

Our accompanying Condensed Consolidated Financial Statements (unaudited) reflect all normal recurring adjustments that are necessary, in the opinion of management, to present fairly the results of operations in accordance with GAAP in the United States of America. The accompanying financial statements include the accounts of us, our majority-owned subsidiaries, and VIEs of which we are the primary beneficiary after the elimination of all intercompany accounts and transactions.

The accompanying financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021. Income for interim periods may not be indicative of results for the calendar year due to weather variations and other factors.

The Condensed Consolidated Financial Statements (unaudited) have been prepared pursuant to the rules and regulations of the SEC. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations, although we believe that the disclosures made in this Quarterly Report on Form 10-Q are adequate to make the information herein not misleading.

2. Recent Accounting Pronouncements

Recently Issued Accounting Pronouncements

We are currently evaluating the impact of certain ASUs on our Condensed Consolidated Financial Statements (unaudited) and Notes to Condensed Consolidated Financial Statements (unaudited), which are described below:

In November 2021, the FASB issued ASU 2021-10, *Government Assistance (Topic 832): Disclosures by Business Entities about Government Assistance*. This pronouncement requires certain annual disclosures for transactions with a government that are accounted for by applying a grant or contribution accounting model by analogy to other accounting guidance. This pronouncement is applicable for financial statements issued for annual periods beginning after December 15, 2021. We do not expect the adoption of this pronouncement to have a material impact on the Notes to the Consolidated Financial Statements.

Recently Adopted Accounting Pronouncements

In August 2020, the FASB issued ASU 2020-06, *Debt with Conversion and Other Options (Subtopic 470-20) and Derivative and Hedging - Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity.* This pronouncement amends the guidance for entities that issue convertible instruments and/or contracts indexed to and potentially settled in an entity's own equity. The pronouncement eliminates the beneficial conversion and cash conversion accounting models for convertible instruments. Additionally, the pronouncement amends the guidance for the derivatives scope exception for contracts in an entity's own equity. This pronouncement impacts the denominator in the calculation of diluted EPS for our Equity Units as we are required to assume share settlement of the remaining purchase contract payment balance when applying the if-converted method. Moreover, we are required to utilize the average share price for the period instead of the end of period price. We adopted this pronouncement using the modified retrospective method as of January 1, 2022.

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* and in January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848): Scope.* These pronouncements provide temporary optional expedients and exceptions for applying GAAP principles to contract modifications and hedging relationships to ease the financial reporting burdens of the expected market transition from LIBOR and other interbank offered rates to alternative reference rates. These pronouncements are effective upon issuance on March 12, 2020, and will apply through December 31, 2022. The company has elected to apply the practical expedient which allows for the continuation of cash flow hedge accounting for interest rate derivative contracts upon the transition from LIBOR to alternative reference rates. The application of this expedient had no material impact on the Condensed Consolidated Financial Statements (unaudited).

3. Revenue Recognition

Revenue Disaggregation and Reconciliation. We disaggregate revenue from contracts with customers based upon reportable segment, as well as by customer class. The Gas Distribution Operations segment provides natural gas service and transportation for residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, Maryland, and Indiana. The Electric Operations segment provides electric service in 20 counties in the northern part of Indiana.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

The tables below reconcile revenue disaggregation by customer class to segment revenue, as well as to revenues reflected on the Condensed Statements of Consolidated Income (unaudited):

Three Months Ended September 30, 2022 *(in millions)*	Gas Distribution Operations	Electric Operations	Corporate and Other	Total
Customer Revenues[1]				
Residential	$ 330.1	$ 178.8	$ —	$ 508.9
Commercial	114.6	158.9	—	273.5
Industrial	42.6	151.9	—	194.5
Off-system	72.7	—	—	72.7
Miscellaneous	7.3	1.3	—	8.6
Total Customer Revenues	$ 567.3	$ 490.9	$ —	$ 1,058.2
Other Revenues	5.1	25.4	0.8	31.3
Total Operating Revenues	$ 572.4	$ 516.3	$ 0.8	$ 1,089.5

[1]Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.

Three Months Ended September 30, 2021 *(in millions)*	Gas Distribution Operations	Electric Operations	Corporate and Other[2]	Total
Customer Revenues[1]				
Residential	$ 304.3	$ 178.7	$ —	$ 483.0
Commercial	99.2	151.6	—	250.8
Industrial	41.0	125.7	—	166.7
Off-system	14.5	—	—	14.5
Miscellaneous	4.6	(1.0)	0.2	3.8
Total Customer Revenues	$ 463.6	$ 455.0	$ 0.2	$ 918.8
Other Revenues	8.7	23.9	8.0	40.6
Total Operating Revenues	$ 472.3	$ 478.9	$ 8.2	$ 959.4

[1]Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.
[2]Other revenues primarily related to the Transition Services Agreement entered into in connection with the sale of the Massachusetts Business.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Nine months ended September 30, 2022 *(in millions)*	Gas Distribution Operations	Electric Operations	Corporate and Other[2]	Total
Customer Revenues[1]				
Residential	$ 1,772.0	$ 454.3	$ —	$ 2,226.3
Commercial	631.7	428.1	—	1,059.8
Industrial	158.5	420.4	—	578.9
Off-system	150.5	—	—	150.5
Miscellaneous	29.9	9.6	—	39.5
Total Customer Revenues	$ 2,742.6	$ 1,312.4	$ —	$ 4,055.0
Other Revenues	7.6	71.1	12.3	91.0
Total Operating Revenues	$ 2,750.2	$ 1,383.5	$ 12.3	$ 4,146.0

[1]Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.
[2]Other revenues related to the Transition Services Agreement entered into in connection with the sale of the Massachusetts Business, which was substantially completed as of June 30, 2022.

Nine months ended September 30, 2021 *(in millions)*	Gas Distribution Operations	Electric Operations	Corporate and Other[2]	Total
Customer Revenues[1]				
Residential	$ 1,456.5	$ 439.8	$ —	$ 1,896.3
Commercial	496.0	404.4	—	900.4
Industrial	142.9	367.7	—	510.6
Off-system	46.0	—	—	46.0
Miscellaneous	19.2	4.6	0.6	24.4
Total Customer Revenues	$ 2,160.6	$ 1,216.5	$ 0.6	$ 3,377.7
Other Revenues	21.8	68.4	23.1	113.3
Total Operating Revenues	$ 2,182.4	$ 1,284.9	$ 23.7	$ 3,491.0

[1]Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.
[2]Other revenues related to the Transition Services Agreement entered into in connection with the sale of the Massachusetts Business.

Customer Accounts Receivable. Accounts receivable on our Condensed Consolidated Balance Sheets (unaudited) includes both billed and unbilled amounts, as well as certain amounts that are not related to customer revenues. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from the date of the last cycle billing through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, and weather. A significant portion of our operations are subject to seasonal fluctuations in sales. During the heating season, primarily from November through March, revenues and receivables from gas sales are more significant than in other months. The opening and closing balances of customer receivables for the nine months ended September 30, 2022 are presented in the table below. We had no significant contract assets or liabilities during the period. Additionally, we have not incurred any significant costs to obtain or fulfill contracts.

(in millions)	Customer Accounts Receivable, Billed (less reserve)	Customer Accounts Receivable, Unbilled (less reserve)
Balance as of December 31, 2021	$ 459.6	$ 337.0
Balance as of September 30, 2022	336.5	231.5

Utility revenues are billed to customers monthly on a cycle basis. We expect that substantially all customer accounts receivable will be collected following customer billing, as this revenue consists primarily of periodic, tariff-based billings for service and usage. We maintain common utility credit risk mitigation practices, including requiring deposits and actively pursuing collection of past due amounts. Our regulated operations also utilize certain regulatory mechanisms that facilitate recovery of bad debt costs within tariff-based rates, which provides further evidence of collectibility. It is probable that substantially all of the consideration to which we are entitled from customers will be collected upon satisfaction of performance obligations.

Allowance for Credit Losses. To evaluate for expected credit losses, customer account receivables are pooled based on similar risk characteristics, such as customer type, geography, payment terms, and related macro-economic risks. Expected credit losses are established using a model that considers historical collections experience, current information, and reasonable and supportable forecasts. Internal and external inputs are used in our credit model including, but not limited to, energy consumption trends, revenue projections, actual charge-offs data, recoveries data, shut-offs, customer delinquencies, final bill data, and inflation. We continuously evaluate available information relevant to assessing collectability of current and future receivables. We evaluate creditworthiness of specific customers periodically or following changes in facts and circumstances. When we become aware of a specific commercial or industrial customer's inability to pay, an allowance for expected credit losses is recorded for the relevant amount. We also monitor other circumstances that could affect our overall expected credit losses including, but not limited to, creditworthiness of overall population in service territories, adverse conditions impacting an industry sector, and current economic conditions.

At each reporting period, we record expected credit losses to an allowance for credit losses account. When deemed to be uncollectible, customer accounts are written-off. A rollforward of our allowance for credit losses as of September 30, 2022 and December 31, 2021 are presented in the table below:

(*in millions*)	Gas Distribution Operations	Electric Operations	Corporate and Other	Total
Balance as of January 1, 2022	$ 18.9	$ 3.8	$ 0.8	$ 23.5
Current period provisions	24.1	5.5	—	29.6
Write-offs charged against allowance	(40.9)	(3.8)	—	(44.7)
Recoveries of amounts previously written off	10.5	0.3	—	10.8
Balance as of September 30, 2022	$ 12.6	$ 5.8	$ 0.8	$ 19.2

(*in millions*)	Gas Distribution Operations	Electric Operations	Corporate and Other	Total
Balance as of January 1, 2021	$ 41.8	$ 9.7	$ 0.8	$ 52.3
Current period provisions	5.8	1.4	—	7.2
Write-offs charged against allowance	(46.7)	(7.7)	—	(54.4)
Recoveries of amounts previously written off	18.0	0.4	—	18.4
Balance as of December 31, 2021	$ 18.9	$ 3.8	$ 0.8	$ 23.5

In connection with the COVID-19 pandemic, certain state regulatory commissions instituted regulatory moratoriums that impacted our ability to pursue our standard credit risk mitigation practices during 2021. Following the issuance of these moratoriums, certain of our regulated operations have been authorized to recognize a regulatory asset for bad debt costs above levels currently recovered in rates. At December 31, 2021, in addition to our evaluation of the allowance for credit losses discussed above, we considered benefits available under governmental COVID-19 relief programs, the impact of unemployment benefits initiatives, and flexible payment plans being offered to customers affected by or experiencing hardship as a result of the pandemic, which could help to mitigate the potential for increasing customer account delinquencies. We also considered the on-time bill payment promotion and robust customer marketing strategy for energy assistance programs that we have implemented. Based upon our overall evaluation, we have concluded that the allowance for credit losses as of December 31, 2021 and September 30, 2022 adequately reflected the collection risk and net realizable value for our receivables. As of December 31, 2021, we resumed our common credit mitigation practices in all jurisdictions as all moratoriums had expired.

4. Earnings Per Share

The calculations of basic and diluted EPS are based on the weighted average number of shares of common stock and potential common stock outstanding during the period. For the purposes of determining diluted EPS, the shares underlying the purchase contracts included within the Equity Units were included in the calculation of potential common stock outstanding for the three and nine months ended September 30, 2022 and 2021 using the if-converted method under US GAAP. For the purchase contracts, the number of shares of our common stock that would be issuable at the end of each reporting period will be reflected in the denominator of our diluted EPS calculation. If the average stock price during the period falls below the initial reference price of $24.51, subject to anti-dilution adjustments, the number of shares of our common stock used in calculating diluted EPS will be the maximum number of shares per the contract as described in Note 5, "Equity." Conversely, if the average stock price during the period is above the initial reference price of $24.51, subject to anti-dilution adjustments, a variable number of shares of our common stock will be used in calculating diluted EPS. A numerator adjustment is reflected in the calculation of diluted EPS for interest expense incurred for the three and nine months ended September 30, 2022 and 2021 net of tax, related to the purchase contracts.

We adopted ASU 2020-06 on January 1, 2022, which resulted in additional dilution from our Equity Units by requiring us to assume share settlement of the remaining purchase contract payment balance based on the average share price during the period. Refer to Note 2, "Recent Accounting Pronouncements," for more information on ASU 2020-06.

The shares underlying the Series C Mandatory Convertible Preferred Stock included within the Equity Units are contingently convertible securities as the conversion is contingent on a successful remarketing as described in Note 5, "Equity." Contingently convertible shares where conversion is not tied to a market price trigger are excluded from the calculation of diluted EPS until such time as the contingency has been resolved under the if-converted method. As of September 30, 2022 and 2021, the contingency was not resolved and thus no shares were reflected in the denominator in the calculation of diluted EPS for the three and nine months ended September 30, 2022 and 2021.

Diluted EPS also includes the incremental effects of the various long-term incentive compensation plans and the open ATM forward agreements during the period under the treasury stock method when the impact would be dilutive. Refer to Note 5, "Equity," for more information on our ATM forward agreements.

The following table presents the calculation of our basic and diluted EPS:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in millions, except per share amounts)	**2022**	2021	**2022**	2021
Numerator:				
Net Income Available to Common Shareholders - Basic	**$ 52.0**	$ 49.4	**$ 518.2**	$ 377.6
Dilutive effect of Equity Units	**0.5**	0.6	**1.5**	1.0
Net Income Available to Common Shareholders - Diluted	**$ 52.5**	$ 50.0	**$ 519.7**	$ 378.6
Denominator:				
Average common shares outstanding - Basic	**406.5**	393.2	**406.3**	392.9
Dilutive potential common shares:				
Equity Units purchase contracts	**31.3**	35.2	**29.4**	21.3
Equity Units purchase contract payment balance	**3.0**	—	**3.4**	—
Shares contingently issuable under employee stock plans	**0.9**	0.9	**1.0**	0.7
Shares restricted under employee stock plans	**0.6**	0.3	**0.5**	0.3
ATM forward agreements	**1.1**	0.7	**1.1**	0.6
Average Common Shares - Diluted	**443.4**	430.3	**441.7**	415.8
Earnings per common share:				
Basic	**$ 0.13**	$ 0.13	**$ 1.28**	$ 0.96
Diluted	**$ 0.12**	$ 0.12	**$ 1.18**	$ 0.91

5. Equity

ATM Program and Forward Sale Agreement. On February 22, 2021, we entered into six separate equity distribution agreements pursuant to which we are able to sell up to an aggregate of $750.0 million of our common stock.

On August 9, 2021, under the ATM program, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. From August 9, 2021 to September 1, 2021, the forward purchaser under our forward sale agreement borrowed 5,941,598 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of $25.25 per share. The forward sale agreement must be settled by December 15, 2022 in shares, cash, or net shares. Had we settled all the shares under the forward sale agreement at September 30, 2022, we would have received approximately $143.0 million, based on a net price of $24.06 per share.

As of September 30, 2022, the ATM program (including the impacts of the forward sale agreement discussed above) had approximately $300.0 million of equity available for issuance. The program expires on December 31, 2023.

Preferred Stock. As of September 30, 2022, we had 20,000,000 shares of preferred stock authorized for issuance, of which 1,302,500 shares of preferred stock in the aggregate for all series were outstanding. The following table displays preferred dividends declared for the period by outstanding series of shares:

			Three Months Ended September 30,		Nine Months Ended September 30,		September 30,	December 31,
			2022	2021	2022	2021	2022	2021
(in millions except shares and per share amounts)	Liquidation Preference Per Share	Shares	Dividends Declared Per Share				Outstanding	
5.650% Series A	$ 1,000.00	400,000	28.25	28.25	56.50	56.50	$ 393.9	$ 393.9
6.500% Series B	$ 25,000.00	20,000	406.25	406.25	1,625.00	1,625.00	$ 486.1	$ 486.1
Series C[(1)]	$ 1,000.00	862,500	—	—	—	—	$ 666.5	$ 666.5

[(1)]The Series C Mandatory Convertible Preferred Stock initially will not bear any dividends. We recorded the initial present value of the purchase contract payments as a liability with a corresponding reduction to preferred stock.

In addition, 20,000 shares of Series B–1 Preferred Stock, par value $0.01 per share, were outstanding as of September 30, 2022. Holders of Series B–1 Preferred Stock are not entitled to receive dividend payments and have no conversion rights. The Series B–1 Preferred Stock is paired with the Series B Preferred Stock and may not be transferred, redeemed or repurchased except in connection with the simultaneous transfer, redemption, or repurchase of the underlying Series B Preferred Stock.

As of September 30, 2022 and 2021, Series A Preferred Stock had $6.7 million of cumulative preferred dividends in arrears, or $16.63 per share, and Series B Preferred Stock had $1.4 million of cumulative preferred dividends in arrears, or $72.23 per share.

Equity Units. On April 19, 2021, we completed the sale of 8.625 million Equity Units, initially consisting of Corporate Units, each with a stated amount of $100. Each Corporate Unit consists of a forward contract to purchase shares of our common stock in the future and a 1/10th, or 10%, undivided beneficial ownership interest in one share of Series C Mandatory Convertible Preferred Stock, par value $0.01 per share, with a liquidation preference of $1,000 per share. We are accounting for the Corporate Units as a single unit of account.

Selected information about the Equity Units at the issuance date is presented below:

(in millions except contract rate)	Issuance Date	Units Issued	Total Net Proceeds[(1)]	Purchase Contract Annual Rate	Purchase Contract Liability
Equity Units	April 19, 2021	8.625 $	835.5	7.75 % $	168.8

[(1)]Issuance costs of $27.0 million were recorded on a relative fair value basis as a reduction to preferred stock of $22.5 million and a reduction to the purchase contract liability of $4.5 million.

The purchase contract obligates holders to purchase shares of our common stock on December 1, 2023, subject to early settlement in certain situations. The purchase price paid under the purchase contract is $100 and the number of shares to be purchased will be determined under a settlement rate formula based on the volume-weighted average share price of our common stock near the settlement date, subject to a maximum settlement rate. The Series C Mandatory Convertible Preferred

Stock will initially be pledged upon issuance as collateral to secure the purchase of common stock under the related purchase contracts.

The Series C Mandatory Convertible Preferred Stock is expected to be remarketed prior to December 1, 2023, and each share, unless previously converted, will automatically convert to common stock based on a conversion rate on the mandatory conversion date, which is expected to be on or about March 1, 2024. The conversion rate will be determined based on the volume-weighted average share price of our common stock near the conversion date, subject to a minimum and maximum conversion rate. Prior to December 1, 2023, the Series C Mandatory Convertible Preferred Stock will not bear any dividends and the liquidation preference will not accrete. Following a successful remarketing, dividends may become payable on the Series C Mandatory Convertible Preferred Stock and/or the minimum conversion rate of the Series C Mandatory Convertible Preferred Stock may be increased. If no successful remarketing of the Series C Mandatory Convertible Preferred Stock has previously occurred, effective as of December 1, 2023, the conversion rate will be zero, no shares of our common stock will be delivered upon automatic conversion and each share of Series C Mandatory Convertible Preferred Stock will be automatically transferred to us on the mandatory conversion date without any payment of cash or shares of our common stock thereon. In the event of such a remarketing failure, any shares of Series C Mandatory Convertible Preferred Stock held as part of Corporate Units will be automatically delivered to us on December 1, 2023 in full satisfaction of the relevant holder's obligation under the related purchase contracts.

We will pay quarterly contract adjustment payments to holders of the Equity Units at the rate of 7.75% per year on the stated amount of $100 per Equity Unit. The contract adjustment payments are payable in cash, shares of our common stock or a combination thereof, at our election. The payment of contract adjustment payments may also be deferred until the purchase contract settlement date, December 1, 2023, at our election. As of September 30, 2022, no contract adjustment payments have been deferred with quarterly cash payments being remitted to the holders. As of September 30, 2022 and December 31, 2021 the purchase contract liability was $81.1 million and $129.4 million, respectively. Purchase contract payments are recorded against this liability. Accretion of the purchase contract liability is recorded as interest expense. Cash payments of $50.1 million and $24.5 million were made during the nine months ended September 30, 2022 and 2021, respectively.

Refer to Note 4, "Earnings Per Share," for additional information regarding our treatment of the Equity Units for diluted EPS. Under the terms of the Equity Units, assuming no anti-dilution or other adjustments such as a fundamental change, the maximum number of shares of common stock we will issue under the purchase contracts is 35.2 million and maximum number of shares of common stock we will issue under the Series C Mandatory Convertible Preferred Stock is 35.2 million. Had we settled the remaining purchase contract payment balance in shares at September 30, 2022, we would have issued approximately 3.0 million shares.

6. Regulatory Matters

NIPSCO change in accounting estimate

As part of the NIPSCO Gas Settlement and Stipulation Agreement filed on March 2, 2022, NIPSCO Gas agreed to change the depreciation methodology for its calculation of depreciation rates, which reduces depreciation expense and subsequent revenues and cash flows. An order was received on July 27, 2022 approving the rate case and rates were effective as of September 1, 2022.

Columbia of Ohio regulatory filing update

On Wednesday, April 6, 2022, the PUCO Staff issued its Staff Report in Columbia of Ohio's base rate case, filed on June 21, 2021, which was filed in conjunction with applications for an alternative rate plan, approval of certain deferral authority, and updates to certain riders. Columbia of Ohio's application requested a net rate increase approximating a 21.3% or $221.4 million increase in revenue per year. The Staff Report recommended a rate increase of 4.0% - 6.3% or $35.2 million to $57.6 million increase in revenue per year. The Staff recommended adjustments include, but are not limited to, plant assets, labor adjustments, COVID-19 deferrals and environmental remediation costs, rider caps, and rate of return. On May 6, 2022 and May 13, 2022, respectively, Columbia of Ohio and the other parties filed written objections to the Staff report as well as written testimony. On October 31, 2022, Columbia of Ohio filed a joint stipulation and recommendation with certain parties to settle the base rate case. The joint stipulation and recommendation includes a rate increase of 7.97%, or $68.2 million and includes adjustments to, plant assets, pension expenses, environmental remediation costs and other operations and maintenance expenses. The joint stipulation and recommendation also proposes to extend both of Columbia of Ohio's capital investment riders, the IRP and CEP, for capital invested through the 2026 calendar year. The joint stipulation and recommendation is subject to final PUCO approval.

Regulatory deferral related to renewable energy investments

In accordance with the accounting principles of ASC 980, we recognize a regulatory liability or asset for amounts representing the timing difference between the profit earned from the joint ventures and the amount included in regulated rates to recover our approved investments in consolidated joint ventures. The amounts recorded in income will ultimately reflect the amount allowed in regulated rates to recover our investments over the useful life of the projects. The offset to the regulatory liability or asset associated with our renewable investments included in regulated rates is recorded in "Depreciation expense" on the Condensed Statements of Consolidated Income (unaudited). We recorded a decrease to depreciation expense of $2.2 million and an increase to depreciation expense of $4.5 million for the three and nine months ended September 30, 2022, and zero for the three and nine months ended September 30, 2021, respectively, related to the regulatory deferral of income (loss) associated with our joint ventures, which is not included in current rates. Refer to Note 11, "Variable Interest Entities," for additional information.

FAC Adjustment

As ordered by the IURC on June 15, 2022, NIPSCO is required to refund to customers $8.0 million of over-collected fuel costs. The refund is recorded as a regulatory liability on the Condensed Consolidated Balance Sheets (unaudited).

7. Risk Management Activities

We are exposed to certain risks relating to our ongoing business operations; namely commodity price risk and interest rate risk. We recognize that the prudent and selective use of derivatives may help to lower our cost of debt capital, manage our interest rate exposure and limit volatility in the price of natural gas.

Risk management assets and liabilities on our derivatives are presented on the Condensed Consolidated Balance Sheets (unaudited) as shown below:

	September 30, 2022		December 31, 2021	
(in millions)	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Current[1]				
Derivatives designated as hedging instruments	**$ —**	**$ —**	$ —	$ 136.4
Derivatives not designated as hedging instruments	**41.8**	**1.9**	10.6	0.4
Total	**$ 41.8**	**$ 1.9**	$ 10.6	$ 136.8
Noncurrent[2]				
Derivatives designated as hedging instruments	**$ 12.1**	**$ —**	$ —	$ —
Derivatives not designated as hedging instruments	**82.3**	**1.7**	13.8	7.4
Total	**$ 94.4**	**$ 1.7**	$ 13.8	$ 7.4

[1]Current assets and liabilities are presented in "Prepayments and other" and "Other accruals", respectively, on the Condensed Consolidated Balance Sheets (unaudited).
[2]Noncurrent assets and liabilities are presented in "Deferred charges and other" and "Other noncurrent liabilities", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

Derivatives Not Designated as Hedging Instruments

Commodity price risk management. We, along with our utility customers, are exposed to variability in cash flows associated with natural gas purchases and volatility in natural gas prices. We purchase natural gas for sale and delivery to our retail, commercial and industrial customers, and for most customers the variability in the market price of gas is passed through in their rates. Some of our utility subsidiaries offer programs whereby variability in the market price of gas is assumed by the respective utility. The objective of our commodity price risk programs is to mitigate the gas cost variability, for us or on behalf of our customers, associated with natural gas purchases or sales by economically hedging the various gas cost components using a combination of futures, options, forwards or other derivative contracts. At September 30, 2022 and December 31, 2021, we had 108.0 MMDth and 124.5 MMDth, respectively, of net energy derivative volumes outstanding related to our natural gas hedges.

NIPSCO has received IURC approval to lock in a fixed price for its natural gas customers using long-term forward purchase instruments and is limited to 20% of NIPSCO's average annual GCA purchase volume. As of September 30, 2022, the remaining terms of these instruments range from one to five years.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

All gains and losses on these derivative contracts are deferred as regulatory liabilities or assets and are remitted to or collected from customers through NIPSCO's quarterly GCA mechanism. These instruments are not designated as accounting hedges.

The following table summarizes the gains and losses associated with the commodity price risk programs:

(in millions)	**September 30, 2022**	**December 31, 2021**
Regulatory Assets		
Losses on commodity price risk programs	**$ 6.0**	$ 9.6
Regulatory Liabilities		
Gains on commodity price risk programs	**150.7**	34.2

Derivatives Designated as Hedging Instruments

Interest rate risk management. As of September 30, 2022, we have one forward-starting interest rate swap with a notional value of $250.0 million to hedge the variability in cash flows attributable to changes in the benchmark interest rate associated with a forecasted debt issuance. This interest rate swap is designated as a cash flow hedge.

On June 7, 2022, we settled a $250.0 million forward-starting interest rate swap agreement contemporaneously with the issuance of $350.0 million of 5.00% senior unsecured notes maturing in 2052. The derivative contract was accounted for as a cash flow hedge. As part of the transaction, the associated net unrealized gain position of $10.2 million is being amortized from AOCI loss into interest expense over the life of the associated debt. Refer to Note 12, "Long-Term Debt," for additional information.

Cash flow hedges included in "Accumulated other comprehensive loss" on the Condensed Consolidated Balance Sheets (unaudited) were:

(in millions)	**AOCI[(1)]**	**Amounts Expected to be Reclassified to Earnings During the Next 12 Months[(1)]**	**Maximum Term**
Interest Rate	$ (3.3)	(0.2)	380 months

[(1)] All amounts are net of tax.

The actual amounts reclassified from AOCI to Net Income can differ from the estimate above due to market rate changes.

The gains and losses related to these swaps are recorded to AOCI. Upon issuance, we amortize the gains and losses over the life of the debt associated with these swaps as we recognize interest expense. These amounts are immaterial for the three and nine months ended September 30, 2022 and 2021 and are recorded in "Interest expense, net" on the Condensed Statements of Consolidated Income (unaudited).

If it becomes probable that a hedged forecasted transaction will no longer occur, the accumulated gains or losses on the derivative will be recognized currently in "Other, net" in the Condensed Statements of Consolidated Income (unaudited).

There were no amounts excluded from effectiveness testing for derivatives in cash flow hedging relationships at September 30, 2022 and December 31, 2021.

Our derivative instruments measured at fair value as of September 30, 2022 and December 31, 2021 do not contain any credit-risk-related contingent features. Cash flows for derivative financial instruments are generally classified as operating activities.

8. Fair Value

A. Fair Value Measurements

Recurring Fair Value Measurements

The following tables present financial assets and liabilities measured and recorded at fair value on our Condensed Consolidated Balance Sheets (unaudited) on a recurring basis and their level within the fair value hierarchy as of September 30, 2022 and December 31, 2021:

Recurring Fair Value Measurements September 30, 2022 *(in millions)*	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of September 30, 2022
Assets				
Risk management assets	$ —	$ 136.2	$ —	$ 136.2
Available-for-sale debt securities	—	157.8	—	157.8
Total	**$ —**	**$ 294.0**	**$ —**	**$ 294.0**
Liabilities				
Risk management liabilities	$ —	$ 3.6	$ —	$ 3.6
Total	**$ —**	**$ 3.6**	**$ —**	**$ 3.6**

Recurring Fair Value Measurements December 31, 2021 *(in millions)*	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2021
Assets				
Risk management assets	$ —	$ 24.4	$ —	$ 24.4
Available-for-sale debt securities	—	171.8	—	171.8
Total	**$ —**	**$ 196.2**	**$ —**	**$ 196.2**
Liabilities				
Risk management liabilities	$ —	$ 144.2	$ —	$ 144.2
Total	**$ —**	**$ 144.2**	**$ —**	**$ 144.2**

Risk Management Assets and Liabilities. Risk management assets and liabilities include interest rate swaps, exchange-traded NYMEX futures and NYMEX options and non-exchange-based forward purchase contracts.

Level 1- When utilized, exchange-traded derivative contracts are based on unadjusted quoted prices in active markets and are classified within Level 1. These financial assets and liabilities are secured with cash on deposit with the exchange; therefore, nonperformance risk has not been incorporated into these valuations. These financial assets and liabilities are deemed to be cleared and settled daily by NYMEX as the related cash collateral is posted with the exchange. As a result of this exchange rule, NYMEX derivatives are considered to have no fair value at the balance sheet date for financial reporting purposes, and are presented in Level 1 net of posted cash; however, the derivatives remain outstanding and are subject to future commodity price fluctuations until they are settled in accordance with their contractual terms.

Level 2- Certain non-exchange-traded derivatives are valued using broker or over-the-counter, on-line exchanges. In such cases, these non-exchange-traded derivatives are classified within Level 2. Non-exchange-based derivative instruments include swaps, forwards, and options. In certain instances, these instruments may utilize models to measure fair value. We use a similar model to value similar instruments. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability and market-corroborated inputs, (i.e., inputs derived principally from or corroborated by observable market data by correlation or other means). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized within Level 2.

Level 3- Certain derivatives trade in less active markets with a lower availability of pricing information and models may be utilized in the valuation. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized within Level 3.

Credit risk is considered in the fair value calculation of derivative instruments that are not exchange-traded. Credit exposures are adjusted to reflect collateral agreements that reduce exposures. As of September 30, 2022 and December 31, 2021, there were no material transfers between fair value hierarchies. Additionally, there were no changes in the method or significant assumptions used to estimate the fair value of our financial instruments.

Credit risk is considered in the fair value calculation of each of our forward-starting interest rate swaps, as described in Note 7, "Risk Management Activities." As they are based on observable data and valuations of similar instruments, the hedges are categorized within Level 2 of the fair value hierarchy. There was no exchange of premium at the initial date of the swaps, and we can settle the contracts at any time.

NIPSCO has entered into long-term forward natural gas purchase instruments to lock in a fixed price for its natural gas customers. We value these contracts using a pricing model that incorporates market-based information when available, as these instruments trade less frequently and are classified within Level 2 of the fair value hierarchy. For additional information, see Note 7, "Risk Management Activities."

Available-for-Sale Debt Securities. Available-for-sale debt securities are investments pledged as collateral for trust accounts related to our wholly owned insurance company. We value U.S. Treasury, corporate debt and mortgage-backed securities using a matrix pricing model that incorporates market-based information. These securities trade less frequently and are classified within Level 2.

Our available-for-sale debt securities impairments are recognized periodically using an allowance approach. At each reporting date, we utilize a quantitative and qualitative review process to assess the impairment of available-for-sale debt securities at the individual security level. For securities in a loss position, we evaluate our intent to sell or whether it is more-likely-than-not that we will be required to sell the security prior to the recovery of its amortized cost. If either criteria is met, the loss is recognized in earnings immediately, with the offsetting entry to the carrying value of the security. If both criteria are not met, we perform an analysis to determine whether the unrealized loss is related to credit factors. The analysis focuses on a variety of factors that include, but are not limited to, downgrade on ratings of the security, defaults in the current reporting period or projected defaults in the future, the security's yield spread over treasuries, and other relevant market data. If the unrealized loss is not related to credit factors, it is included in other comprehensive income. If the unrealized loss is related to credit factors, the loss is recognized as credit loss expense in earnings during the period, with an offsetting entry to the allowance for credit losses. The amount of the credit loss recorded to the allowance account is limited by the amount at which the security's fair value is less than its amortized cost basis. If certain amounts recorded in the allowance for credit losses are deemed uncollectible, the allowance on the uncollectible portion will be charged off, with an offsetting entry to the carrying value of the security. Subsequent improvements to the estimated credit losses of available-for-sale debt securities will be recognized immediately in earnings. As of September 30, 2022 and December 31, 2021, we recorded $1.7 million and $0.2 million, respectively, as an allowance for credit losses on available-for-sale debt securities as a result of the analysis described above. Continuous credit monitoring and portfolio credit balancing mitigates our risk of credit losses on our available-for-sale debt securities.

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of available-for-sale securities at September 30, 2022 and December 31, 2021 were:

September 30, 2022 *(in millions)*	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses[1]	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
U.S. Treasury debt securities	$ 69.7	$ —	$ (4.8)	$ —	$ 64.9
Corporate/Other debt securities	104.9	—	(10.3)	(1.7)	92.9
Total	**$ 174.6**	**$ —**	**$ (15.1)**	**$ (1.7)**	**$ 157.8**

December 31, 2021 *(in millions)*	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses[2]	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
U.S. Treasury debt securities	$ 52.8	$ 0.1	$ (0.4)	$ —	$ 52.5
Corporate/Other debt securities	116.5	3.7	(0.7)	(0.2)	119.3
Total	**$ 169.3**	**$ 3.8**	**$ (1.1)**	**$ (0.2)**	**$ 171.8**

[1]Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is $62.3 million and $85.1 million, respectively, at September 30, 2022.
[2]Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is $36.2 million and $35.4 million, respectively, at December 31, 2021.

The cost of maturities sold is based upon specific identification. Realized gains and losses on available-for-sale securities were immaterial for the three and nine months ended September 30, 2022 and 2021.

At September 30, 2022, approximately $7.0 million of U.S. Treasury debt securities and approximately $9.1 million of Corporate/Other debt securities have maturities of less than a year.

Non-recurring Fair Value Measurements

We measure the fair value of certain assets, including goodwill, on a non-recurring basis, typically when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

Purchase Contract Liability. At April 19, 2021, we recorded the purchase contract liability at fair value using a discounted cash flow method and observable, market-corroborated inputs. This estimate was made at April 19, 2021, and will not be remeasured at each subsequent balance sheet date. It has been categorized within Level 2 of the fair value hierarchy. Refer to Note 5, "Equity," for additional information.

B. Other Fair Value Disclosures for Financial Instruments. The carrying amount of cash and cash equivalents, restricted cash, notes receivable, customer deposits and short-term borrowings is a reasonable estimate of fair value due to their liquid or short-term nature. Our long-term borrowings are recorded at historical amounts.

The following method and assumptions were used to estimate the fair value of each class of financial instruments.

Long-term Debt. The fair value of outstanding long-term debt is estimated based on the quoted market prices for the same or similar securities. Certain premium costs associated with the early settlement of long-term debt are not taken into consideration in determining fair value. These fair value measurements are classified within Level 2 of the fair value hierarchy. As of September 30, 2022, there was no change in the method or significant assumptions used to estimate the fair value of long-term debt.

The carrying amount and estimated fair values of these financial instruments were as follows:

(in millions)	Carrying Amount as of September 30, 2022	Estimated Fair Value as of September 30, 2022	Carrying Amount as of Dec. 31, 2021	Estimated Fair Value as of Dec. 31, 2021
Long-term debt (including current portion)	**$ 9,549.8**	**$ 8,154.6**	$ 9,241.5	$ 10,415.7

9. Income Taxes

Our interim effective tax rates reflect the estimated annual effective tax rates for 2022 and 2021, adjusted for tax expense associated with certain discrete items. The effective tax rates for the three months ended September 30, 2022 and 2021 were 15.6% and 19.2%, respectively. The effective tax rate for both the nine months ended September 30, 2022 and 2021 was 17.9%. These effective tax rates differ from the federal statutory tax rate of 21% primarily due to increased amortization of excess deferred federal income tax liabilities, as specified in the TCJA, tax credits, state income taxes, and other permanent book-to-tax differences. These adjustments have a relative impact on the effective tax rate proportionally to pretax income or loss.

The decrease in the three month effective tax rate of 3.6% in 2022 compared to 2021 is primarily attributed to the Pennsylvania tax rate change and rate differential, and increased amortization of excess deferred federal income tax liabilities.

There were no material changes recorded in 2022 to our uncertain tax positions recorded as of December 31, 2021.

10. Pension and Other Postemployment Benefits

We provide defined contribution plans and noncontributory defined benefit retirement plans that cover certain of our employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, we provide health care and life insurance benefits for certain retired employees. The majority of employees may become eligible for these benefits if they reach retirement age while working for us. The expected cost of such benefits is accrued during the employees' years of service. We determined that, for certain rate-regulated subsidiaries, the future recovery of postretirement benefit costs is probable, and we record regulatory assets and liabilities for amounts that would otherwise have been recorded to expense or accumulated other comprehensive loss. Current rates of rate-regulated companies include postretirement benefit costs, including amortization of the regulatory assets and liabilities that arose prior to inclusion of these costs in rates. For most plans, cash contributions are remitted to grantor trusts.

For the nine months ended September 30, 2022, we contributed $2.1 million to our pension plans and $15.9 million to our OPEB plans.

The following table provides the components of the plans' actuarially determined net periodic benefit cost for the three and nine months ended September 30, 2022 and 2021:

	Pension Benefits		OPEB	
Three Months Ended September 30, *(in millions)*	**2022**	2021	**2022**	2021
Components of Net Periodic Benefit (Income) Cost[1]				
Service cost	**$ 6.8**	$ 7.5	**$ 1.6**	$ 1.5
Interest cost	**10.7**	7.9	**3.0**	2.5
Expected return on assets	**(22.6)**	(25.2)	**(4.0)**	(3.8)
Amortization of prior service credit	**—**	—	**(0.6)**	(0.6)
Recognized actuarial loss	**5.6**	5.5	**0.7**	1.2
Settlement loss	**3.0**	2.9	**—**	—
Total Net Periodic Benefit (Income) Cost	**$ 3.5**	$ (1.4)	**$ 0.7**	$ 0.8

[1]The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

	Pension Benefits		OPEB	
Nine Months Ended September 30, *(in millions)*	**2022**	2021	**2022**	2021
Components of Net Periodic Benefit (Income) Cost[1]				
Service cost	**$ 20.9**	$ 22.6	**$ 4.8**	$ 4.5
Interest cost	**29.9**	23.5	**9.0**	7.5
Expected return on assets	**(68.3)**	(76.3)	**(12.0)**	(11.4)
Amortization of prior service credit	**—**	—	**(1.8)**	(1.8)
Recognized actuarial loss	**14.9**	16.3	**2.1**	3.6
Settlement loss	**9.3**	9.5	**—**	—
Total Net Periodic Benefit (Income) Cost	**$ 6.7**	$ (4.4)	**$ 2.1**	$ 2.4

[1]The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

As of May 31, 2022, one of our qualified pension plans met the requirement for settlement accounting. A settlement charge of $6.3 million was recorded during the second quarter of 2022. As a result of the settlement, the pension plan was remeasured, resulting in a decrease to the net pension asset of $39.8 million, a net increase to regulatory assets of $30.0 million, and a net debit to accumulated other comprehensive loss of $3.5 million. Net periodic pension benefit cost for 2022 increased by $5.7 million as a result of the interim remeasurement.

For the interim remeasurement, the discount rate used to calculate the remeasured plan's pension benefit obligation was updated to 4.13% from 2.60% at December 31, 2021. At the time of the interim remeasurement, we also updated the discount rates and expected return on assets used to calculate net periodic pension benefit costs in 2022. Our discount rates for service and interest costs, respectively, were updated to 4.30% and 3.64% from 2.85% and 1.90% at January 1, 2022. The expected return on assets assumption was updated to 5.70% from 4.80% at January 1, 2022.

During the third quarter of 2022, the requirements for settlement accounting were also met, resulting in a settlement charge of $3.0 million for the three months ended September 30, 2022.

11. Variable Interest Entities

A VIE is an entity in which the controlling interest is determined through means other than a majority voting interest. We control decisions that are significant to Rosewater and Indiana Crossroads Wind's ongoing operations and economic results. Therefore, we have concluded that we are the primary beneficiary and have consolidated both.

Members of the respective joint ventures are NIPSCO (who is the managing member) and tax equity partners. Earnings, tax attributes, and cash flows are allocated to both NIPSCO and the tax equity partners in varying percentages over the life of the partnerships. Once the tax equity partners have earned their negotiated rate of return and we have reached the agreed upon

contractual date, NIPSCO has the option to purchase at fair market value from the tax equity partners the remaining interest in the respective joint venture. NIPSCO has an obligation to purchase, through a PPA at established market rates, 100% of the electricity generated by the joint ventures.

Rosewater
Rosewater owns and operates 102 MW of nameplate capacity wind generation assets. NIPSCO and the tax equity partner have made total contributions of $170.1 million. NIPSCO and the tax equity partner contributed cash, and NIPSCO also assumed an obligation to the developer of the wind generation assets representing the remaining economic interest, which comes due in 2023. The obligation to developer is included within "Other accruals" on the Condensed Consolidated Balance Sheets (unaudited). The developer of the facility is not a partner in the joint venture for federal income tax purposes and does not receive any share of earnings, tax attributes, or cash flows of Rosewater.

Indiana Crossroads Wind
Indiana Crossroads Wind owns and operates 302 MW of nameplate capacity wind generation assets. NIPSCO and the tax equity partner have made total contributions of $511.8 million. NIPSCO and the tax equity partner contributed cash, and NIPSCO also assumed an obligation to the developer of the wind generation assets representing the remaining economic interest, which comes due in 2023. The obligation to developer is included within "Other accruals" on the Condensed Consolidated Balance Sheets (unaudited). The developer of the facility is not a partner in the joint venture for federal income tax purposes and does not receive any share of earnings, tax attributes, or cash flows of Indiana Crossroads Wind.

The following table displays the noncontrolling interest in consolidated subsidiaries included in the Condensed Consolidated Balance Sheets (unaudited):

(in millions)	**September 30, 2022**	December 31, 2021
Rosewater	**$ 82.4**	$ 88.2
Indiana Crossroads Wind	**229.4**	237.4
Total	**$ 311.8**	$ 325.6

The following table displays the Net income (loss) attributable to noncontrolling interest included in the Condensed Statements of Consolidated Income (unaudited):

	Three Months Ended September 30,		**Nine Months Ended September 30,**	
(in millions)	**2022**	2021	**2022**	2021
Rosewater	**$ (1.1)**	$ (1.0)	**$ (4.0)**	$ (3.4)
Indiana Crossroads Wind	**(1.2)**	—	**(5.0)**	—
Total	**$ (2.3)**	$ (1.0)	**$ (9.0)**	$ (3.4)

We did not provide any financial or other support during the quarter that was not previously contractually required, nor do we expect to provide such support in the future.

Our Condensed Consolidated Balance Sheets (unaudited) included the following assets and liabilities associated with VIEs.

(in millions)	**September 30, 2022**		December 31, 2021	
	Rosewater	**Indiana Crossroads Wind**	Rosewater	Indiana Crossroads Wind
Net Property, Plant and Equipment	**$ 165.9**	**$ 512.9**	$ 170.1	$ 525.8
Current assets	**7.7**	**12.7**	6.2	8.1
Total assets[(1)]	**173.6**	**525.6**	176.3	533.9
Current liabilities	**4.4**	**3.4**	2.5	7.5
Asset retirement obligations	**5.8**	**15.1**	5.7	14.8
Total liabilities	**$ 10.2**	**$ 18.5**	$ 8.2	$ 22.3

[(1)]The assets of Rosewater and Indiana Crossroads represent assets of a consolidated VIE that can be used only to settle obligations of the respective consolidated VIE. The creditors of the liabilities of Rosewater and Indiana Crossroads do not have recourse, to the general credit of the primary beneficiary.

12. Long-Term Debt

On April 1, 2022, we repaid $20.0 million of 7.99% medium term notes at maturity. The remaining $29.0 million of 7.99% medium term notes outstanding September 30, 2022 and December 31, 2021 are expected to be repaid in May 2027 at maturity.

On June 10, 2022, we completed the issuance and sale of $350.0 million of 5.00% senior unsecured notes maturing in 2052, which resulted in approximately $344.6 million of net proceeds after discount and debt issuance costs.

On August 30, 2022, NIPSCO repaid $10.0 million of 7.40% medium term notes at maturity.

13. Short-Term Borrowings

We generate short-term borrowings through several sources, described in further detail below.

Revolving Credit Facility. We maintain a revolving credit facility to fund ongoing working capital requirements, including the provision of liquidity support for our commercial paper program, provide for issuance of letters of credit and also for general corporate purposes. Our revolving credit facility has a program limit of $1.85 billion and is comprised of a syndicate of banks. On February 18, 2022, we extended the termination date of our revolving credit facility to February 18, 2027. We had no outstanding borrowings under this facility as of September 30, 2022 and December 31, 2021.

Commercial Paper Program. Our commercial paper program has a program limit of up to $1.5 billion. We had $956.0 million and $560.0 million of commercial paper outstanding with weighted-average interest rates of 3.11% and 0.24% as of September 30, 2022 and December 31, 2021, respectively.

Accounts Receivable Transfer Programs. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania each maintain a receivables agreement whereby they may transfer their customer accounts receivables to third-party financial institutions through wholly owned and consolidated special purpose entities. The three agreements expire between May 2023 and October 2023 and may be further extended if mutually agreed to by the parties thereto.

All receivables transferred to third parties are valued at face value, which approximates fair value due to their short-term nature. The amount of the undivided percentage ownership interest in the accounts receivables transferred is determined in part by required loss reserves under the agreements.

Transfers of accounts receivable are accounted for as secured borrowings resulting in the recognition of short-term borrowings on the Condensed Consolidated Balance Sheets (unaudited). As of September 30, 2022, the maximum amount of debt that could be recognized related to our accounts receivable programs is $345.0 million.

We had $318.2 million and zero short-term borrowings related to the securitization transactions as of September 30, 2022 and December 31, 2021, respectively.

For the nine months ended September 30, 2022 and 2021, $318.2 million and zero, respectively, were recorded as cash flows from financing activities related to the change in short-term borrowings due to securitization transactions. For the accounts receivable transfer programs, we pay used facility fees for amounts borrowed, unused commitment fees for amounts not borrowed, and upfront renewal fees. Fees associated with the securitization transactions were $0.7 million and $0.3 million for

the three months ended September 30, 2022 and 2021, respectively and $1.7 million and $1.1 million for the nine months ended September 30, 2022 and 2021, respectively. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania remain responsible for collecting on the receivables securitized, and the receivables cannot be transferred to another party.

Items listed above are presented net in the Condensed Statements of Consolidated Cash Flows (unaudited) as their maturities are less than 90 days.

14. Other Commitments and Contingencies

A. Guarantees and Indemnities. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended commercial purposes. As of September 30, 2022 and December 31, 2021, we had issued stand-by letters of credit of $10.2 million and $18.9 million, respectively.

We provide guarantees related to our future performance under BTAs for our renewable generation projects. At September 30, 2022 and December 31, 2021, our guarantees for BTAs totaled $788.0 million and $288.9 million, respectively. The amount of each guaranty will fluctuate upon the completion of the various steps outlined in each BTA. See "- D. Other Matters - Generation Transition," below for more information.

B. Legal Proceedings. On September 13, 2018, a series of fires and explosions occurred in Lawrence, Andover, and North Andover, Massachusetts related to the delivery of natural gas by Columbia of Massachusetts (the "Greater Lawrence Incident").

We have been subject to inquiries and investigations by government authorities and regulatory agencies regarding the Greater Lawrence Incident. On February 26, 2020, the Company and Columbia of Massachusetts entered into agreements with the U.S. Attorney’s Office for the District of Massachusetts to resolve the U.S. Attorney’s Office’s investigation relating to the Greater Lawrence Incident, as described below. The Company and Columbia of Massachusetts entered into an agreement with the Massachusetts Attorney General’s Office (among other parties) to resolve the Massachusetts DPU and the Massachusetts Attorney General’s Office investigations, that was approved by the Massachusetts DPU on October 7, 2020 as part of the sale of the Massachusetts Business to Eversource.

U.S. Department of Justice Investigation. On February 26, 2020, the Company and Columbia of Massachusetts entered into agreements with the U.S. Attorney's Office to resolve the U.S. Attorney's Office's investigation relating to the Greater Lawrence Incident. Columbia of Massachusetts agreed to plead guilty in the United States District Court for the District of Massachusetts (the "Court") to violating the Natural Gas Pipeline Safety Act (the "Plea Agreement"), and the Company entered into a Deferred Prosecution Agreement (the "DPA").

On March 9, 2020, Columbia of Massachusetts entered its guilty plea pursuant to the Plea Agreement. The Court sentenced Columbia of Massachusetts on June 23, 2020, in accordance with the terms of the Plea Agreement (as modified). On June 23, 2021, the Court terminated Columbia of Massachusetts' period of probation under the Plea Agreement, which marked the completion of all terms of the Plea Agreement.

Under the DPA, the U.S. Attorney's Office agreed to defer prosecution of the Company in connection with the Greater Lawrence Incident for a three-year period ending on February 26, 2023 (which three-year period may be extended for twelve (12) months upon the U.S. Attorney's Office's determination of a breach of the DPA) subject to certain obligations of the Company, including, but not limited to, the Company's agreement, as to each of the Company's subsidiaries involved in the distribution of gas through pipeline facilities in Massachusetts, Indiana, Ohio, Pennsylvania, Maryland, Kentucky and Virginia to implement and adhere to each of the recommendations from the NTSB stemming from the Greater Lawrence Incident. Pursuant to the DPA, if the Company complies with all of its obligations under the DPA, the U.S. Attorney's Office will not file any criminal charges against the Company related to the Greater Lawrence Incident.

Private Actions. Various lawsuits, including several purported class action lawsuits, were filed by various affected residents or businesses in Massachusetts state courts against the Company and/or Columbia of Massachusetts in connection with the Greater Lawrence Incident.

On March 12, 2020, the Court granted final approval of the settlement of the consolidated class action. With respect to claims not included in the consolidated class action, many of the asserted wrongful death and bodily injury claims have settled, and we

continue to discuss potential settlements with remaining claimants. The outcomes and impacts of such private actions are uncertain at this time.

Shareholder Derivative Lawsuit. On April 28, 2020, a shareholder derivative lawsuit was filed by the City of Detroit Police and Fire Retirement System in the United States District Court for the District of Delaware against certain of the Company's current and former directors, alleging state-law claims for breaches of fiduciary duty with respect to the pipeline safety management systems relating to the distribution of natural gas prior to the Greater Lawrence Incident and also including federal-law claims related to our proxy statement disclosures regarding our safety systems. The remedies sought included damages for the alleged breaches of fiduciary duty, corporate governance reforms, and restitution of any unjust enrichment. On March 9, 2021, the district court granted the defendants' motion to dismiss the federal-law claims with prejudice for failure to state a claim on which relief can be granted and declined to exercise jurisdiction over the state-law claims, which were dismissed without prejudice.

Following the dismissal of the federal court action, on April 29, 2021, the same plaintiff filed a shareholder derivative lawsuit in the Delaware Court of Chancery against certain of our current and former directors related to substantially the same matters as those alleged in the dismissed federal derivative complaint and alleged a single count for breach of fiduciary duty. The remedies sought included damages for the alleged breaches of fiduciary duty, corporate governance reforms, and restitution of compensation by the individual defendants. On June 30, 2022, the Court of Chancery issued a Memorandum Opinion granting the defendants' motion to dismiss. The deadline for the plaintiff to appeal the dismissal lapsed on August 12, 2022.

FERC Investigation. In April 2022, NIPSCO was notified that the FERC Office of Enforcement (“OE”) is conducting an investigation of an industrial customer for allegedly manipulating the MISO Demand Response (“DR”) market. The customer and NIPSCO are cooperating with the investigation. If the OE ultimately were to seek to require the customer to repay any portion of the DR revenue received from MISO, it is reasonably possible that the OE would also seek to require NIPSCO to disgorge administrative fees and foregone margin charges that NIPSCO collected pursuant to its own IURC-approved tariff. NIPSCO currently estimates the maximum amount of its disgorgement exposure to be $9.7 million, and the investigation is still ongoing. NIPSCO intends to seek indemnification under its agreements with the customer for any liability NIPSCO incurs related to this matter.

Other Claims and Proceedings. We are also party to certain other claims, regulatory and legal proceedings arising in the ordinary course of business in each state in which we have operations, none of which we believe to be individually material at this time.

Due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim, proceeding or investigation would not have a material adverse effect on our results of operations, financial position or liquidity. If one or more other matters were decided against us, the effects could be material to our results of operations in the period in which we would be required to record or adjust the related liability and could also be material to our cash flows in the periods that we would be required to pay such liability.

C. Environmental Matters. Our operations are subject to environmental statutes and regulations related to air quality, water quality, hazardous waste and solid waste. We believe that we are in substantial compliance with the environmental regulations currently applicable to our operations.

It is management's continued intent to address environmental issues in cooperation with regulatory authorities in such a manner as to achieve mutually acceptable compliance plans. However, there can be no assurance that fines and penalties will not be incurred. Management expects a majority of environmental assessment and remediation costs and asset retirement costs, further described below, to be recoverable through rates.

As of September 30, 2022 and December 31, 2021, we had recorded a liability of $93.7 million and $91.1 million, respectively, to cover environmental remediation at various sites. This liability is included in "Other accruals" and "Other noncurrent liabilities" in the Condensed Consolidated Balance Sheets (unaudited). We recognize costs associated with environmental remediation obligations when the incurrence of such costs is probable and the amounts can be reasonably estimated. The original estimates for remediation activities may differ materially from the amount ultimately expended. The actual future expenditures depend on many factors, including laws and regulations, the nature and extent of impact and the method of remediation. These expenditures are not currently estimable at some sites. We periodically adjust our liability as information is collected and estimates become more refined.

CERCLA. Our subsidiaries are potentially responsible parties at waste disposal sites under CERCLA and similar state laws. Under CERCLA, each potentially responsible party can be held jointly, severally and strictly liable for the remediation costs as the EPA, or state, can allow the parties to pay for remedial action or perform remedial action themselves and request reimbursement from the potentially responsible parties. Our affiliates have retained CERCLA environmental liabilities, including remediation liabilities, associated with certain current and former operations. At this time, NIPSCO cannot estimate the full cost of remediating properties that have not yet been investigated, but it is possible that the future costs could be material to the Condensed Consolidated Financial Statements (unaudited).

MGP. We maintain a program to identify and investigate former MGP sites where Gas Distribution Operations subsidiaries or predecessors may have liability. The program has identified 53 such sites where liability is probable. Remedial actions at many of these sites are being overseen by state or federal environmental agencies through consent agreements or voluntary remediation agreements.

We utilize a probabilistic model to estimate our future remediation costs related to MGP sites. The model was prepared with the assistance of a third party and incorporates our experience and general industry experience with remediating MGP sites. We complete an annual refresh of the model in the second quarter of each fiscal year. No material changes to the estimated future remediation costs were noted as a result of the refresh completed as of June 30, 2022. Our total estimated liability related to the facilities subject to remediation was $88.0 million and $85.1 million at September 30, 2022 and December 31, 2021, respectively. The liability represents our best estimate of the probable cost to remediate the MGP sites. We believe that it is reasonably possible that remediation costs could vary by as much as $17 million in addition to the costs noted above. Remediation costs are estimated based on the best available information, applicable remediation standards at the balance sheet date and experience with similar facilities.

CCRs. We are in compliance with the EPA's final rule for the regulation of CCRs. The CCR rule also resulted in revisions to previously recorded legal obligations associated with the retirement of certain NIPSCO facilities. The actual asset retirement costs related to the CCR rule may vary substantially from the estimates used to record the increased asset retirement obligation due to the uncertainty about the requirements that will be established by environmental authorities, compliance strategies that will be used and the preliminary nature of available data used to estimate costs. As allowed by the rule, NIPSCO will continue to collect data over time to determine the specific compliance solutions and associated costs and, as a result, the actual costs may vary.

D. Other Matters.

Generation Transition. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy will have an associated nameplate capacity, and payments under the PPAs will not begin until the associated generation facility is constructed by the owner/seller. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities. NIPSCO's purchase obligation under each respective BTA is dependent on satisfactory approval of the BTA by the IURC, successful execution by NIPSCO of an agreement with a tax equity partner and timely completion of construction. NIPSCO has received IURC approval for all of its BTAs and PPAs. NIPSCO and the tax equity partner, for each respective BTA, are obligated to make cash contributions to the joint venture that acquires the project at the date construction is substantially complete. Certain agreements require NIPSCO to make partial payments upon the developer's completion of significant construction milestones. Once the tax equity partner has earned its negotiated rate of return and we have reached the agreed upon contractual date, NIPSCO has the option to purchase at fair market value the remaining interest in the joint venture from the tax equity partner.

15. Accumulated Other Comprehensive Loss

The following tables display the components of Accumulated Other Comprehensive Loss:

(in millions)	Gains and Losses on Securities[1]	Gains and Losses on Cash Flow Hedges[1]	Pension and OPEB Items[1]	Accumulated Other Comprehensive Loss[1]
Balance as of July 1, 2022	$ (7.5)	$ (19.5)	$ (8.8)	$ (35.8)
Other comprehensive income (loss) before reclassifications	(4.6)	16.2	—	11.6
Amounts reclassified from accumulated other comprehensive loss	0.1	—	0.6	0.7
Net current-period other comprehensive income (loss)	(4.5)	16.2	0.6	12.3
Balance as of September 30, 2022	**$ (12.0)**	**$ (3.3)**	**$ (8.2)**	**$ (23.5)**

[1]All amounts are net of tax. Amounts in parentheses indicate debits.

(in millions)	Gains and Losses on Securities[1]	Gains and Losses on Cash Flow Hedges[1]	Pension and OPEB Items[1]	Accumulated Other Comprehensive Loss[1]
Balance as of January 1, 2022	$ 2.1	$ (122.5)	$ (6.4)	$ (126.8)
Other comprehensive income (loss) before reclassifications	(14.4)	119.1	(3.3)	101.4
Amounts reclassified from accumulated other comprehensive loss	0.3	0.1	1.5	1.9
Net current-period other comprehensive income (loss)	(14.1)	119.2	(1.8)	103.3
Balance as of September 30, 2022	**$ (12.0)**	**$ (3.3)**	**$ (8.2)**	**$ (23.5)**

[1]All amounts are net of tax. Amounts in parentheses indicate debits.

(in millions)	Gains and Losses on Securities[1]	Gains and Losses on Cash Flow Hedges[1]	Pension and OPEB Items[1]	Accumulated Other Comprehensive Loss[1]
Balance as of July 1, 2021	$ 4.4	$ (113.1)	$ (14.9)	$ (123.6)
Other comprehensive income (loss) before reclassifications	(0.6)	6.5	—	5.9
Amounts reclassified from accumulated other comprehensive loss	(0.2)	0.1	0.4	0.3
Net current-period other comprehensive income (loss)	(0.8)	6.6	0.4	6.2
Balance as of September 30, 2021	$ 3.6	$ (106.5)	$ (14.5)	$ (117.4)

[1]All amounts are net of tax. Amounts in parentheses indicate debits.

(in millions)	Gains and Losses on Securities[1]	Gains and Losses on Cash Flow Hedges[1]	Pension and OPEB Items[1]	Accumulated Other Comprehensive Loss[1]
Balance as of January 1, 2021	$ 6.0	$ (147.9)	$ (14.8)	$ (156.7)
Other comprehensive income (loss) before reclassifications	(2.0)	41.3	(1.3)	38.0
Amounts reclassified from accumulated other comprehensive loss	(0.4)	0.1	1.6	1.3
Net current-period other comprehensive income (loss)	(2.4)	41.4	0.3	39.3
Balance as of September 30, 2021	$ 3.6	$ (106.5)	$ (14.5)	$ (117.4)

[1]All amounts are net of tax. Amounts in parentheses indicate debits.

16. Other, Net

The following table displays the components of Other, Net included on the Condensed Statements of Consolidated Income (unaudited):

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in millions)	**2022**	2021	**2022**	2021
Interest income	**$ 2.1**	$ 1.1	**$ 3.6**	$ 2.7
AFUDC equity	**4.0**	3.5	**11.0**	8.4
Pension and other postretirement non-service benefit	**5.3**	9.3	**17.6**	26.4
Miscellaneous	**(1.3)**	0.4	**(2.2)**	(0.3)
Total Other, net	**$ 10.1**	$ 14.3	**$ 30.0**	$ 37.2

17. Business Segment Information

Our operations are divided into two primary reportable segments, the Gas Distribution Operations and the Electric Operations segments. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as an operating segment, are presented as "Corporate and Other" and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities. Refer to Note 3, "Revenue Recognition," for additional information on our segments and their sources of revenues. The following table provides information about our reportable segments. We use operating income as our primary measurement for each of the reported segments and make decisions on finance, dividends, and taxes at the corporate level on a consolidated basis. Segment revenues include intersegment sales to affiliated subsidiaries, which are eliminated in consolidation. Affiliated sales are recognized on the basis of prevailing market, regulated prices or at levels provided for under contractual agreements. Operating income is derived from revenues and expenses directly associated with each segment.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in millions)	**2022**	2021	**2022**	2021
Operating Revenues				
Gas Distribution Operations				
Unaffiliated	**$ 572.4**	$ 472.3	**$ 2,750.2**	$ 2,182.4
Intersegment	**3.1**	3.0	**9.4**	9.1
Total	**575.5**	475.3	**2,759.6**	2,191.5
Electric Operations				
Unaffiliated	**516.3**	478.9	**1,383.5**	1,284.9
Intersegment	**0.2**	0.2	**0.6**	0.6
Total	**516.5**	479.1	**1,384.1**	1,285.5
Corporate and Other				
Unaffiliated	**0.8**	8.2	**12.3**	23.7
Intersegment	**115.3**	108.6	**349.5**	329.9
Total	**116.1**	116.8	**361.8**	353.6
Eliminations	**(118.6)**	(111.8)	**(359.5)**	(339.6)
Consolidated Operating Revenues	**$ 1,089.5**	$ 959.4	**$ 4,146.0**	$ 3,491.0
Operating Income (Loss)				
Gas Distribution Operations	**$ 33.4**	$ 11.0	**$ 624.8**	$ 419.1
Electric Operations	**123.3**	140.4	**295.1**	307.9
Corporate and Other	**—**	(4.3)	**(19.6)**	(4.5)
Consolidated Operating Income	**$ 156.7**	$ 147.1	**$ 900.3**	$ 722.5

Table of Contents

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NiSource Inc.

Index	Page
Executive Summary	37
Summary of Consolidated Financial Results	39
Results and Discussion of Segment Operations	40
Gas Distribution Operations	41
Electric Operations	44
Liquidity and Capital Resources	48
Regulatory, Environmental and Safety Matters	52
Market Risk Disclosures	55
Other Information	56

EXECUTIVE SUMMARY

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion") includes management's analysis of past financial results and certain potential factors that may affect future results, potential future risks and approaches that may be used to manage those risks. See "Note regarding forward-looking statements" at the beginning of this report for a list of factors that may cause results to differ materially.

Management's Discussion is designed to provide an understanding of our operations and financial performance and should be read in conjunction with our Annual Report on Form 10-K for the fiscal year ended December 31, 2021.

We are an energy holding company under the Public Utility Holding Company Act of 2005 whose utility subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. We generate substantially all of our operating income through these rate-regulated businesses, which are summarized for financial reporting purposes into two primary reportable segments: Gas Distribution Operations and Electric Operations.

Refer to the "Business" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2021 for further discussion of our regulated utility business segments.

Our goal is to develop strategies that benefit all stakeholders as we (i) embark on long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures with our cost structure, and (iii) address changing customer conservation patterns. These strategies focus on improving safety and reliability, enhancing customer service, ensuring customer affordability and reducing emissions while generating sustainable returns. The safety of our customers, communities and employees remains our top priority. The Safety Management System ("SMS") is an established operating model within NiSource. With the continued support and advice from our Quality Review Board (a panel of third parties with safety operations expertise engaged by management to advise on safety matters), we are continuing to mature our SMS processes, capabilities and talent as we collaborate within and across industries to enhance safety and reduce operational risk. Additionally, we continue to pursue regulatory and legislative initiatives that will allow customers not currently on our system to obtain gas and electric service in a cost effective manner.

Your Energy, Your Future: Our plan to replace our coal generation capacity by the end of 2028 with primarily renewable resources, as described in our 2018 Integrated Resource Plan ("2018 Plan"), is well underway, and we are continually adjusting to the dynamic renewable energy landscape. As of September 30, 2022, we have executed and received IURC approval for BTAs and PPAs with a combined nameplate capacity of 1,950 MW and 1,380 MW, respectively, under the 2018 Plan. Further, we have placed three wind projects into service and completed the retirement of R.M. Schahfer Generating Station Units 14 and 15. We anticipate delays on our previously announced solar and storage projects due to several factors, including the U.S. Department of Commerce investigation. In connection with these delays, we currently expect to retire R.M. Schahfer's remaining two coal units by the end of 2025. In June 2022, the Biden Administration announced a 24-month tariff relief on solar panels subject to the ongoing U.S. Department of Commerce investigation and authorized the use of the Defense Production Act of 1950, as amended (the "Defense Production Act"), to accelerate domestic production of clean energy technologies, including solar panel parts. In August 2022, the Inflation Reduction Act ("IRA") was signed into law. We see the IRA as generally supportive of our generation transition strategy and as having the potential to drive increased value for our customers. We are still evaluating the impacts of this legislation on our projects. For additional information, see "Results and Discussion of Segment Operations - Electric Operations," in this Management's Discussion.

In 2021, we announced and filed with the IURC the Preferred Energy Resource Plan associated with our 2021 Integrated Resource Plan ("2021 Plan"). The 2021 Plan lays out a timeline to retire the Michigan City Generating Station which is expected to occur between 2026 and 2028. The 2021 Plan calls for the replacement of the retiring units with a diverse portfolio of resources including demand side management resources, incremental solar, stand-alone energy storage and upgrades to existing facilities at the Sugar Creek Generating Station, among other steps. Additionally, the 2021 Plan calls for a natural gas peaking unit to replace existing vintage gas peaking units at the R.M. Schahfer Generating Station to support system reliability and resiliency, as well as upgrades to the transmission system to enhance our electric generation transition. The planned retirement of the two vintage gas peaking units at the R.M. Schahfer Generating Station is expected to occur between 2025 and 2028. Final retirement dates for these units, as well as Michigan City, will be subject to MISO approval. We are continuing to evaluate potential projects under the 2021 Plan given the responses to our Request for Proposal issued in August 2022.

NiSource Next: Starting in 2021, we optimized our workforce by redefining roles to sharpen our focus on safety and risk mitigation, operational rigor, and adherence to process and procedures, as well as implemented consistent span of control for

leadership to increase individual responsibility and clear accountability. Additionally, we began to make advancements across our operations to improve safety, operational efficiencies, and customer satisfaction through continued standardization of work processes, the implementation of new mobile technology to provide real-time access to information while serving our customers and enhanced customer self-service options to better meet customer expectations. These enhancements set the foundation for 2022 and beyond, to continue improving safety and customer experience through analytics and significant technology investments.

Economic Environment: We are monitoring risks related to increasing order and delivery lead times for construction and other materials, increasing risk of unavailability of materials due to global shortages in raw materials, and risk of decreased construction labor productivity in the event of disruptions in the availability of materials. We are also seeing increasing prices associated with certain materials and supplies. To the extent that delays occur or our costs increase, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected. For more information on supply chain impacts to our electric generation strategy, see "Results and Discussion of Segment Operations - Electric Operations," in this Management's Discussion.

Early in 2022, NIPSCO experienced a rail service shortage in deliveries of coal, particularly to its Michigan City Generating Station, and the primary rail carrier for that generating station was unable to provide assurance of adequate future service to maintain coal inventory. A lack of adequate coal deliveries to any of our coal-fired generating facilities for an extended period could deplete our inventories to a level that prevents the generating station from running, and NIPSCO would need to rely on market purchases of replacement power, which could increase the cost of electricity for NIPSCO's customers. NIPSCO believes these shortages have been resolved but continues to monitor deliveries of coal from its rail carriers. We do not expect this to have a material impact on our operations.

We are faced with increased competition for employee and contractor talent in the current labor market, which has resulted in increased costs to attract and retain talent. We are ensuring that we use all internal human capital programs (development, leadership enablement programs, succession, performance management) to promote retention of our current employees along with having competitive and attractive appeal for potential recruits. With a focus on workforce planning, we are creating flexible work arrangements where we can, and being anticipatory in evaluating our talent footprint for the future to ensure we have the right people, in the right role, and at the right time. To the extent we are unable to execute on our workforce planning initiatives and experience increased employee and contractor costs, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected.

We have seen an increase in natural gas costs as the spot market for natural gas has substantially increased since the start of 2022. Nationally, levels of gas in storage are lower in 2022 compared to 2021, liquified natural gas exports to Europe continue at a steady pace, and domestic production is seeing a recent decline in demand. These factors drive increased volatility in the marketplace, which we expect to influence customer bills through 2022. For the nine months ended September 30, 2022, we have not seen this increase have a material impact on our results of operations. For more information on our commodity price impacts, see "Results and Discussion of Segment Operations - Gas Distribution Operations," and " - Market Risk Disclosures."

Due to rising interest rates, we are experiencing higher interest expense in 2022 compared to 2021 associated with short-term borrowings. We expect additional interest rate increases throughout the remainder of the year that will negatively impact our cash flows and financial condition. We continue to evaluate our financing plan to manage interest expense and exposure to rates. For more information on interest rate risk, see "Market Risk Disclosures."

Summary of Consolidated Financial Results

A summary of our consolidated financial results for the three and nine months ended September 30, 2022 and 2021 are presented below:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in millions, except per share amounts)	**2022**	2021	Favorable (Unfavorable)	**2022**	2021	Favorable (Unfavorable)
Operating Revenues	**$ 1,089.5**	$ 959.4	$ 130.1	**$ 4,146.0**	$ 3,491.0	$ 655.0
Operating Expenses						
Cost of energy	**330.8**	208.3	(122.5)	**1,421.2**	913.4	(507.8)
Other Operating Expenses	**602.0**	604.0	2.0	**1,824.5**	1,855.1	30.6
Total Operating Expenses	**932.8**	812.3	(120.5)	**3,245.7**	2,768.5	(477.2)
Operating Income	**156.7**	147.1	9.6	**900.3**	722.5	177.8
Total Other Deductions, Net	**(81.5)**	(70.1)	(11.4)	**(229.8)**	(216.3)	(13.5)
Income Taxes	**11.7**	14.8	3.1	**119.9**	90.6	(29.3)
Income from Continuing Operations	**63.5**	62.2	1.3	**550.6**	415.6	135.0
Net Income	**63.5**	62.2	1.3	**550.6**	415.6	135.0
Net loss attributable to noncontrolling interest	**(2.3)**	(1.0)	1.3	**(9.0)**	(3.4)	5.6
Net Income Attributable to NiSource	**65.8**	63.2	2.6	**559.6**	419.0	140.6
Preferred dividends	**(13.8)**	(13.8)	—	**(41.4)**	(41.4)	—
Net Income Available to Common Shareholders	**52.0**	49.4	2.6	**518.2**	377.6	140.6
Earnings Per Share						
Basic Earnings Per Share	**$ 0.13**	$ 0.13	$ —	**$ 1.28**	$ 0.96	$ 0.32
Diluted Earnings Per Share	**$ 0.12**	$ 0.12	$ —	**$ 1.18**	$ 0.91	$ 0.27

The majority of the cost of energy in both segments are tracked costs that are passed through directly to the customer, resulting in an equal and offsetting amount reflected in operating revenues.

Net income available to common shareholders for the three months ended September 30, 2022 is comparable to the same period in 2021. The increase in net income available to common shareholders during the nine months ended September 30, 2022 was primarily due to higher revenues from outcomes of gas base rate proceedings and regulatory capital programs, as well as an insurance settlement related to the Greater Lawrence Incident, offset by higher income taxes in 2022 compared to the 2021.

For additional information on operating income variance drivers see "Results and Discussion of Segment Operations" for Gas and Electric Operations in this Management's Discussion.

Other Deductions, net

Other deductions, net for the three and nine months ended September 30, 2022 is comparable to the same periods in 2021. See Note 12, "Long-Term Debt," Note 13, "Short-Term Borrowings," and Note 10, "Pension and Other Postemployment Benefits," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information.

Income Taxes

Refer to Note 9, "Income Taxes," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on income taxes and the change in the effective tax rate.

Changes in tax laws, as well as the potential tax effects of business decisions, could negatively impact our business, results of operations (including our expected project returns from our planned renewable energy projects), financial condition and cash flows. We continue to monitor the implementation of any final and proposed tax legislation and regulations related to the IRA which introduces a new corporation minimum tax, excise tax on stock buy-backs, and an extension of a technology neutral investment tax credit and production tax credit regime beginning in 2023.

RESULTS AND DISCUSSION OF SEGMENT OPERATIONS

Presentation of Segment Information

Our operations are divided into two primary reportable segments, the Gas Distribution Operations and the Electric Operations segments. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as an operating segment, are presented as "Corporate and Other" within the Notes to the Condensed Consolidated Financial Statements (unaudited) and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities.

Table of Contents

NiSource Inc.
Gas Distribution Operations

Financial and operational data for the Gas Distribution Operations segment for the three and nine months ended September 30, 2022 and 2021 are presented below.

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in millions)	**2022**	2021	Favorable (Unfavorable)	**2022**	2021	Favorable (Unfavorable)
Operating Revenues	**$ 575.5**	$ 475.3	$ 100.2	**$ 2,759.6**	$ 2,191.5	$ 568.1
Operating Expenses						
Cost of energy	**158.0**	89.0	(69.0)	**1,000.5**	597.0	(403.5)
Operation and maintenance	**237.0**	232.4	(4.6)	**774.1**	725.1	(49.0)
Depreciation and amortization	**104.3**	96.9	(7.4)	**307.2**	283.4	(23.8)
Loss (gain) on sale of fixed assets and impairments, net	**—**	(0.1)	(0.1)	**(105.0)**	8.0	113.0
Other taxes	**42.8**	46.1	3.3	**158.0**	158.9	0.9
Total Operating Expenses	**542.1**	464.3	(77.8)	**2,134.8**	1,772.4	(362.4)
Operating Income	**$ 33.4**	$ 11.0	$ 22.4	**$ 624.8**	$ 419.1	$ 205.7
Revenues						
Residential	**$ 332.3**	$ 309.8	$ 22.5	**$ 1,772.7**	$ 1,472.9	$ 299.8
Commercial	**115.5**	101.3	14.2	**634.3**	501.6	132.7
Industrial	**42.9**	41.4	1.5	**159.3**	144.0	15.3
Off-System	**72.7**	14.6	58.1	**150.5**	46.0	104.5
Other	**12.1**	8.2	3.9	**42.8**	27.0	15.8
Total	**$ 575.5**	$ 475.3	$ 100.2	**$ 2,759.6**	$ 2,191.5	$ 568.1
Sales and Transportation (MMDth)						
Residential	**13.6**	12.4	1.2	**169.8**	161.5	8.3
Commercial	**17.7**	17.3	0.4	**126.1**	118.8	7.3
Industrial	**115.6**	123.3	(7.7)	**365.6**	384.4	(18.8)
Off-System	**10.6**	4.1	6.5	**23.2**	15.7	7.5
Other	**—**	—	—	**0.2**	0.2	—
Total	**157.5**	157.1	0.4	**684.9**	680.6	4.3
Heating Degree Days	**87**	44	43	**3,493**	3,353	140
Normal Heating Degree Days	**60**	70	(10)	**3,428**	3,475	(47)
% Colder (Warmer) than Normal	**45 %**	(37)%		**2 %**	(4)%	
% Colder than 2021	**98 %**			**4 %**		
Gas Distribution Customers						
Residential				**2,952,458**	2,942,031	10,427
Commercial				**250,919**	250,931	(12)
Industrial				**4,860**	4,904	(44)
Other				**3**	3	—
Total				**3,208,240**	3,197,869	10,371

Comparability of operation and maintenance expenses, depreciation and amortization, and other taxes may be impacted by regulatory, depreciation, and tax trackers that allow for the recovery in rates of certain costs.

NiSource Inc.
Gas Distribution Operations

The underlying reasons for changes in our operating revenues for the three and nine months ended September 30, 2022 compared to the same periods in 2021 are presented below.

	Favorable (Unfavorable)	
Changes in Operating Revenues *(in millions)*	**Three Months Ended September 30, 2022 vs 2021**	**Nine Months Ended September 30, 2022 vs 2021**
New rates from base rate proceedings and regulatory capital programs	$ 24.3	$ 109.3
The effects of weather in 2022 compared to 2021	2.5	13.2
Higher revenue related to off system sales	1.8	5.9
Higher revenue due to the effects of resuming common credit mitigation practices	0.6	3.6
The effects of customer growth	—	3.6
Other	0.1	5.4
Change in operating revenues (before cost of energy and other tracked items)	$ 29.3	$ 141.0
Operating revenues offset in operating expense		
Higher cost of energy billed to customers	69.0	403.5
Higher tracker deferrals within operation and maintenance, depreciation, and tax	1.9	23.6
Total change in operating revenues	**$ 100.2**	**$ 568.1**

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating degree days, net of weather normalization mechanisms. Our composite heating degree days reported do not directly correlate to the weather-related dollar impact on the results of Gas Distribution Operations. Heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when and where they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating degree day comparison.

Throughput

Total volumes for the three months ended September 30, 2022 are comparable to the same period in 2021.

The increase in total volumes for the nine months ended September 30, 2022 compared to the same period in 2021 is primarily attributable to the effects of colder weather.

Commodity Price Impact

Cost of energy for the Gas Distribution Operations segment is principally comprised of the cost of natural gas used while providing transportation and distribution services to customers. All of our Gas Distribution Operations companies have state-approved recovery mechanisms that provide a means for full recovery of prudently incurred gas costs. These are tracked costs that are passed through directly to the customer, and the gas costs included in revenues are matched with the gas cost expense recorded in the period. The difference is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

Certain Gas Distribution Operations companies continue to offer choice opportunities, where customers can choose to purchase gas from a third-party supplier, through regulatory initiatives in their respective jurisdictions.

Table of Contents

NiSource Inc.
Gas Distribution Operations

The underlying reasons for changes in our operating expenses for the three and nine months ended September 30, 2022 compared to the same periods in 2021 are presented below.

	Favorable (Unfavorable)	
Changes in Operating Expenses *(in millions)*	**Three Months Ended September 30, 2022 vs 2021**	**Nine Months Ended September 30, 2022 vs 2021**
Higher outside services expenses	$ (12.4)	$ (21.0)
Higher depreciation and amortization expense	(7.5)	(23.5)
Higher environmental remediation costs	(0.2)	(3.8)
Lower NiSource Next program expenses	5.1	16.9
Lower other than income taxes primarily related to property tax expense	4.4	10.1
Lower (higher) employee and administrative related expenses	4.0	(17.9)
Lower (higher) materials and supplies expense	3.1	(4.3)
The loss on sale and expenses related to the Massachusetts Business in 2021	2.9	17.1
Property insurance settlement related to the Greater Lawrence Incident	—	105.0
Other	(6.3)	(13.9)
Change in operating expenses (before cost of energy and other tracked items)	$ (6.9)	$ 64.7
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers	(69.0)	(403.5)
Higher tracker deferrals within operation and maintenance, depreciation, and tax	(1.9)	(23.6)
Total change in operating expense	**$ (77.8)**	**$ (362.4)**

NiSource Inc.
Electric Operations

Financial and operational data for the Electric Operations segment for the three and nine months ended September 30, 2022 and 2021 are presented below.

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in millions)	**2022**	2021	Favorable (Unfavorable)	**2022**	2021	Favorable (Unfavorable)
Operating Revenues	**$ 516.5**	$ 479.1	$ 37.4	**$ 1,384.1**	$ 1,285.5	$ 98.6
Operating Expenses						
Cost of energy	**172.8**	119.3	(53.5)	**420.8**	316.4	(104.4)
Operation and maintenance	**126.5**	120.5	(6.0)	**367.3**	366.9	(0.4)
Depreciation and amortization	**88.1**	83.3	(4.8)	**267.0**	250.4	(16.6)
Other taxes	**5.8**	15.6	9.8	**33.9**	43.9	10.0
Total Operating Expenses	**393.2**	338.7	(54.5)	**1,089.0**	977.6	(111.4)
Operating Income	**$ 123.3**	$ 140.4	$ (17.1)	**$ 295.1**	$ 307.9	$ (12.8)
Revenues						
Residential	**$ 178.7**	$ 178.7	$ —	**$ 454.3**	$ 439.8	$ 14.5
Commercial	**158.9**	151.6	7.3	**428.1**	404.4	23.7
Industrial	**152.1**	126.0	26.1	**421.0**	368.3	52.7
Wholesale	**4.1**	4.8	(0.7)	**10.6**	11.3	(0.7)
Other	**22.7**	18.0	4.7	**70.1**	61.7	8.4
Total	**$ 516.5**	$ 479.1	$ 37.4	**$ 1,384.1**	$ 1,285.5	$ 98.6
Sales (GWh)						
Residential	**1,080.6**	1,159.4	(78.8)	**2,745.2**	2,785.0	(39.8)
Commercial	**1,044.7**	1,057.0	(12.3)	**2,845.3**	2,829.1	16.2
Industrial	**2,076.3**	2,081.0	(4.7)	**6,078.8**	6,295.1	(216.3)
Wholesale	**4.9**	37.2	(32.3)	**37.0**	81.7	(44.7)
Other	**17.9**	36.1	(18.2)	**67.5**	83.7	(16.2)
Total	**4,224.4**	4,370.7	(146.3)	**11,773.8**	12,074.6	(300.8)
Cooling Degree Days	**592**	658	(66)	**934**	976	(42)
Normal Cooling Degree Days	**573**	556	17	**820**	795	25
% Warmer than Normal	**3 %**	18 %		**14 %**	23 %	
% Colder than 2021	**(10)%**			**(4)%**		
Electric Customers						
Residential				**423,764**	421,074	2,690
Commercial				**58,196**	57,860	336
Industrial				**2,133**	2,140	(7)
Wholesale				**711**	719	(8)
Other				**3**	2	1
Total				**484,807**	481,795	3,012

Comparability of operation and maintenance expenses and depreciation and amortization may be impacted by regulatory and depreciation trackers that allow for the recovery in rates of certain costs.

NiSource Inc.
Electric Operations

The underlying reasons for changes in our operating revenues for the three and nine months ended September 30, 2022 compared to the same periods in 2021 are presented below.

	Favorable (Unfavorable)	
Changes in Operating Revenues *(in millions)*	**Three Months Ended September 30, 2022 vs 2021**	**Nine Months Ended September 30, 2022 vs 2021**
PPA revenue from renewable joint venture projects, fully offset by JV operating expenses	$ 3.6	$ 18.3
Increased fuel handling costs	2.3	4.0
The effects of customer growth	1.3	3.8
New rates from regulatory capital and DSM programs	0.7	2.9
The effects of weather in 2022 compared to 2021	(7.5)	(4.0)
Reduction in gross receipts tax, offset in operating expenses	(6.5)	(5.9)
Decreased customer usage	(5.7)	(10.8)
FAC over earnings reserve	(3.7)	(3.7)
FAC adjustment[(1)]	—	(8.0)
Other	(3.4)	(2.9)
Change in operating revenues (before cost of energy and other tracked items)	$ (18.9)	$ (6.3)
Operating revenues offset in operating expense		
Higher cost of energy billed to customers	53.5	104.4
Higher tracker deferrals within operation and maintenance, depreciation and tax	2.8	0.5
Total change in operating revenues	**$ 37.4**	**$ 98.6**

[(1)]See Note 6, "Regulatory Matters," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information.

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating or cooling degree days. Our composite heating or cooling degree days reported do not directly correlate to the weather-related dollar impact on the results of Electric Operations. Heating or cooling degree days experienced during different times of the year may have more or less impact on volume and dollars depending on when they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating or cooling degree day comparison.

Sales

The decrease in total volumes sold for the three and nine months ended September 30, 2022 compared to the same periods in 2021 was primarily attributable to decreased usage by industrial customers.

Commodity Price Impact

Cost of energy for the Electric Operations segment is principally comprised of the cost of coal, natural gas purchased for internal generation of electricity at NIPSCO, and the cost of power purchased from generators of electricity. NIPSCO has a state-approved recovery mechanism that provides a means for full recovery of prudently incurred costs of energy. The majority of these costs of energy are passed through directly to the customer, and the costs of energy included in operating revenues are matched with the cost of energy expense recorded in the period. The difference is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered fuel cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

The underlying reasons for changes in our operating expenses for the three and nine months ended September 30, 2022 compared to the same periods in 2021 are presented below.

	Favorable (Unfavorable)	
Changes in Operating Expenses *(in millions)*	**Three Months Ended September 30, 2022 vs 2021**	**Nine Months Ended September 30, 2022 vs 2021**
Higher outside services expenses	$ (12.5)	$ (6.1)
Renewable joint venture project expenses, offset by JV operating revenues	(6.6)	(19.6)
Reduction in gross receipts tax, offset in operating revenues	6.5	5.9
Lower employee and administrative expenses	4.3	3.0
Expenses related to the accelerated retirement of the R.M. Schahfer Generating Station's coal Units 14 and 15 in 2021	2.7	11.3
Lower (higher) depreciation and amortization expense driven by the joint venture depreciation adjustment[(1)]	2.0	(4.9)
Lower NiSource Next program expenses	1.9	6.2
Effects of environmental recoveries in 2021	—	(6.5)
Other	3.5	4.2
Change in operating expenses (before cost of energy and other tracked items)	$ 1.8	$ (6.5)
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers	(53.5)	(104.4)
Higher tracker deferrals within operation and maintenance, depreciation and tax	(2.8)	(0.5)
Total change in operating expense	**$ (54.5)**	**$ (111.4)**

[(1)]See Note 6, "Regulatory Matters,"in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information.

Electric Supply and Generation Transition

NIPSCO continues to execute on an electric generation transition consistent with the 2018 Plan, which outlines plans to retire its remaining coal-fired generation by 2026-2028, to be replaced by lower-cost, reliable and cleaner options. We retired R.M. Schahfer Generating Station Units 14 and 15 on October 1, 2021. The remaining two coal units, at Schahfer are currently expected to be retired by the end of 2025. See "Expected Project Delays" discussion, below, and "Liquidity and Capital Resources" in this Management's Discussion for anticipated barriers to the success of our electric generation transition and additional information on our capital investment spend.

NIPSCO will also continue to work with the EPA and the Indiana Department of Environmental Management to obtain administrative approvals associated with the continued operation of R.M. Schahfer's remaining two coal units beyond 2023. These agencies are unlikely to deny approvals, but in the event that the approvals are not obtained, future operations could be impacted. We cannot estimate the financial impact on us if these approvals are not obtained.

The current replacement plan primarily includes renewable sources of energy, including wind, solar, and battery storage to be obtained through a combination of NIPSCO ownership and PPAs. NIPSCO has sold, and may in the future sell, renewable energy credits from this generation to third parties to offset customer costs. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy will have an associated nameplate capacity, and payments under the PPAs will not begin until the associated generation facility is constructed by the owner/seller. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities.

Three wind projects have been placed into service, totaling approximately 804 MW of nameplate capacity. All announced projects below have received IURC approval. During 2022, NIPSCO amended certain of its BTAs and PPAs. NIPSCO is discussing potentially amending other BTAs and PPAs. Any amendments that result in increased project costs may require additional approval by the IURC in order to obtain recovery for increased costs. Our current replacement program will be augmented by the Preferred Energy Resource Plan outlined in our 2021 Integrated Resource Plan. See "Executive Summary - Your Energy, Your Future" in this Management's Discussion for additional information.

NiSource Inc.
Electric Operations

Project Name	Transaction Type	Technology	Nameplate Capacity (MW)	Storage Capacity (MW)
Dunn's Bridge I[(1)]	BTA	Solar	265	—
Indiana Crossroads[(1)]	BTA	Solar	200	—
Dunn's Bridge II[(1)]	BTA	Solar & Storage	435	75
Cavalry[(1)]	BTA	Solar & Storage	200	60
Fairbanks[(1)]	BTA	Solar	250	—
Elliott[(1)]	BTA	Solar	200	—
Indiana Crossroads II	15 year PPA	Wind	204	—
Brickyard	20 year PPA	Solar	200	—
Greensboro	20 year PPA	Solar & Storage	100	30
Gibson	22 year PPA	Solar	280	—
Green River	20 year PPA	Solar	200	—

[(1)]Ownership of the facility will be transferred to joint ventures whose members include NIPSCO and an unrelated tax equity partner.

Expected Project Delays. Compared to the previously disclosed targeted construction completion dates in our Annual Report on Form 10-K for the year ended December 31, 2021, we estimate delays for most projects to range from six to 18 months, resulting in the majority of our projects, and investment, being in service between 2023 and 2025. We do not currently anticipate any delays to the 2023 in-service date of our outstanding wind energy project. The expected delays and inflationary cost pressures communicated from the developers of our solar and storage projects are primarily due to (i) unavailability of solar panels and other uncertainties related to the pending U.S. Department of Commerce investigation on Antidumping and Countervailing Duties petition filed by a domestic solar manufacturer (the "DOC Investigation"), (ii) the U.S. Department of Homeland Security's June 2021 Withhold Release Order on silica-based products made by Hoshine Silicon Industry Co., Ltd., (iii) Section 201 Tariffs and (iv) persistent general global supply chain and labor availability issues. We are also monitoring potential delays communicated by the developers of our renewable energy projects related to local permitting processes and obtaining interconnection rights. Preliminary findings from the DOC Investigation, including potential tariff amounts, are expected to be released in November 2022, with a final decision expected between January 2023 and March 2023. We have received and are evaluating several notices of possible force majeure from developers in connection with solar panel availability. The resolution of these issues, including the final conclusion of the DOC Investigation will determine what additional costs or delays our solar projects will be subject to as a result of any tariffs imposed. If any of these impacts result in cost increases for certain projects, such potential impacts are expected to result in the need for us to seek additional regulatory review and approvals. Additionally, significant changes to project costs and schedules as a result of these factors could impact the viability of the projects.

In June 2022, the U.S. Department of Homeland Security published its Uyghur Forced Labor Prevention Act Entity List (the "List"). None of the developers or suppliers of our renewable energy projects were named on the List. Additionally, the Biden Administration announced a 24-month tariff relief on solar panels subject to the ongoing U.S. Department of Commerce investigation and authorized the use of the Defense Production Act, to accelerate domestic production of clean energy technologies, including solar panel parts.

We, along with the developers of these generation projects, are continuously evaluating potential impacts to the targeted completion date of each project. Delays to the completion dates of our projects could also include delays in the financial return of certain investments and impact the overall timing of our electric generation transition. Although we are not currently expecting delays to extend the completion dates of our six solar and storage BTA projects beyond the currently planned sunset of investment tax credits at the end of 2025 under the existing tax laws, if such delays occur, they could impact the economic viability of the projects.

Liquidity and Capital Resources

We continually evaluate the availability of adequate financing to fund our ongoing business operations, working capital and core safety and infrastructure investment programs. Our financing is sourced through cash flow from operations and the issuance of debt and/or equity. External debt financing is provided primarily through the issuance of long-term debt, accounts receivable securitization programs and our $1.5 billion commercial paper program, which is backstopped by our committed revolving credit facility with a total availability from third-party lenders of $1.85 billion. On February 18, 2022, we amended our revolving credit agreement to, among other things, extend its term to February 18, 2027. The commercial paper program and credit facility provide cost-effective, short-term financing until it can be replaced with a balance of long-term debt and equity financing that achieves our desired capital structure. On June 10, 2022, we completed the issuance and sale of $350.0 million of 5.00% senior unsecured notes maturing in 2052, which resulted in approximately $344.6 million of net proceeds after discount and debt issuance costs. We intend to disburse an amount equal to the net proceeds of the notes to finance, in whole or in part, the acquisition of our 302 MW Indiana Crossroads Wind project and 102 MW Rosewater Wind project from the project developer. We utilize an ATM equity program that allows us to issue and sell shares of our common stock up to an aggregate issuance of $750.0 million through December 31, 2023. As of September 30, 2022, the ATM program (including the impact of the forward sale agreement) had approximately $300.0 million of equity available for issuance. We also expect to remarket the Series C Mandatory Convertible Preferred stock prior to December 1, 2023, which could result in additional cash proceeds. See Note 5, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information on our ATM program and Equity Units. On November 7, 2022, we announced that we intend to pursue the sale of a minority interest in our NIPSCO business unit.

We believe these sources provide adequate capital to fund our operating activities and capital expenditures in 2022 and beyond.

Greater Lawrence Incident. As discussed in Note 14, "Other Commitments and Contingencies," in the Notes to the Condensed Consolidated Financial Statements (unaudited), due to the inherent uncertainty of litigation, there can be no assurance that the outcome or resolution of any particular claim related to the Greater Lawrence Incident will not continue to have an adverse impact on our cash flows. Through income generated from operating activities, amounts available under the short-term revolving credit facility, and our ability to access capital markets, we believe we have adequate capital available to settle remaining anticipated claims associated with the Greater Lawrence Incident.

Operating Activities

Net cash from operating activities for the nine months ended September 30, 2022 was $1,036.2 million, an increase of $96.9 million compared to the nine months ended September 30, 2021. This increase was primarily driven by year over year increased cash inflows related to the collection of under-recovered gas and fuel costs from the prior year and increased revenues. We also received a refund in 2022 from a gas supplier that will be passed back to customers through the GCA mechanism in each affected jurisdiction. This was offset by increased cash outflows related to inventory balances year over year due to higher gas costs.

Investing Activities

Net cash used for investing activities for the nine months ended September 30, 2022 was $1,682.7 million, an increase of $288.5 million compared to the nine months ended September 30, 2021. Our current year investing activities were comprised of increased capital expenditures related to system growth and reliability and payments to a renewable generation asset developer related to the Dunn's Bridge I construction milestones, which were offset by insurance recoveries in the current year.

As we evaluate adjustments to renewable generation project timing, we remain on track to make capital investments totaling $2.4 billion to $2.7 billion during the 2022 period. We also expect to invest approximately $15.0 billion during the 2023-2027 period, included in these amounts are capital investments to support our generation transition strategy. These forecasted capital investments and those included in our Annual Report on Form 10-K for the year ended December 31, 2021, are subject to continuing review and adjustment. Actual capital expenditures may vary from these estimates. For example, the timing and ultimate cost associated with solar and battery storage capital expenditures may vary due to the U.S. Department of Commerce's investigation into an Antidumping and Countervailing Duties circumvention claim on solar cells and panels supplied from Malaysia, Vietnam, Thailand and Cambodia. For additional information, see "Results and Discussion of Segment Operations - Electric Operations," in this Management's Discussion.

Regulatory Capital Programs. We replace pipe and modernize our gas infrastructure to enhance safety and reliability by reducing leaks. An ancillary benefit of these programs is the reduction of GHG emissions. In 2022, we continue to move forward on core infrastructure and environmental investment programs supported by complementary regulatory and customer initiatives across all six states of our operating area.

The following table describes the most recent vintage of our regulatory programs to recover infrastructure replacement as well as other federally mandated compliance investments currently in rates or pending commission approval:

(in millions)

Company	Program	Incremental Revenue	Incremental Capital Investment	Investment Period	Costs Covered[1]	Rates Effective
Columbia of Ohio[2]	IRP - 2022	$ 25.0	$ 232.9	1/21-12/21	Replacement of (1) hazardous service lines, (2) cast iron, wrought iron, uncoated steel, and bare steel pipe, (3) natural gas risers prone to failure and (4) installation of AMR devices.	May 2022
Columbia of Ohio[2]	CEP - 2022	$ 32.2	$ 253.5	1/21-12/21	Assets not included in the IRP.	September 2022
NIPSCO - Gas[3]	TDSIC 4	$ 0.5	$ 77.5	7/21-12/21	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.	July 2022
NIPSCO - Gas[4]	FMCA 1	$ 1.5	$ 14.1	10/21-3/22	Project costs to comply with federal mandates.	October 2022
Columbia of Virginia	SAVE - 2023	$ 5.1	$ 51.1	1/23-12/23	Replacement projects that (1) enhance system safety or reliability, or (2) reduce, or potentially reduce, greenhouse gas emissions.	January 2023
Columbia of Kentucky	SMRP - 2023	4.8	$ 41.6	1/23-12/23	Replacement of mains and inclusion of system safety investments.	January 2023
Columbia of Maryland	STRIDE - 2022	$ 1.3	$ 17.5	1/22-12/22	Pipeline upgrades designed to improve public safety or infrastructure reliability.	January 2022
NIPSCO - Electric[5]	TDSIC - 1	$ 10.4	$ 148.5	6/21-1/22	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.	August 2022
NIPSCO - Electric	TDSIC - 2	$ 6.6	$ 143.5	2/22-7/22	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.	February 2023

[1]Programs do not include any costs already included in base rates.
[2]The January through March 2021 investments included in these filings are also included in the pending Columbia of Ohio rate case. The infrastructure filings will be adjusted to reflect the final rate case outcome.
[3]NIPSCO Gas program incremental revenue decreased because of revisions for the Step 1 rate case compliance filing amounts included in base rates.
[4]NIPSCO filed a new certificate of public convenience and necessity on April 1, 2022 for an additional Pipeline Safety III Compliance Plan, including $235.3M in capital and $34.1M in operation and maintenance expense project investments.
[5]NIPSCO filed for a new electric TDSIC plan on June 1, 2021. An order approving NIPSCO's new electric TDSIC plan was received on December 28, 2021. NIPSCO filed its first tracker, TDSIC – 1, on March 30, 2022. An order was received and approved on July 27, 2022.

On March 30, 2022, NIPSCO Electric filed a petition with the IURC seeking approval of NIPSCO's federally mandated costs for closure of Michigan City Generating Station's CCR ash ponds. The project includes a total estimated $40.0 million of federally mandated retirement costs. On November 2, 2022, NIPSCO Electric filed a petition with the IURC seeking approval of NIPSCO's federally mandated costs for closure of R.M. Schahfer Generation Station's multi-cell unit. The project includes a total estimated $53.0 million of federally mandated retirement costs. NIPSCO is requesting all associated accounting and ratemaking relief, including establishment of a periodic rate adjustment through the FMCA mechanism. Refer to Note 14, "Other Commitments and Contingencies - C. Environmental Matters," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further discussion of the CCRs.

On April 1, 2022, NIPSCO Gas filed a petition with the IURC seeking approval of NIPSCO's federally mandated costs for a Pipeline Safety III Compliance Plan. The federally mandated costs include a total estimated $228.7 million of capital costs as well as $34.1 million of operation and maintenance programs. NIPSCO Gas is requesting all associated accounting and ratemaking relief, including establishment of a periodic rate adjustment mechanism.

Financing Activities

Common Stock, Preferred Stock and Equity Units. Refer to Note 5, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on common and preferred stock activity.

Long-Term Debt. Refer to Note 12, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on long-term debt.

Short-Term Debt and Sale of Trade Accounts Receivables. Refer to Note 13, "Short-Term Borrowings," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on short-term debt activity, including sale of trade accounts receivable.

Noncontrolling Interest. Refer to Note 11, "Variable Interest Entities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on contributions from noncontrolling interest activity.

Sources of Liquidity

The following table displays our liquidity position as of September 30, 2022 and December 31, 2021:

(in millions)	**September 30, 2022**	December 31, 2021
Current Liquidity		
Revolving Credit Facility	**$ 1,850.0**	$ 1,850.0
Accounts Receivable Programs[(1)]	**318.2**	251.2
Less:		
Commercial Paper	**956.0**	560.0
Accounts Receivable Programs Utilized	**318.2**	—
Letters of Credit Outstanding Under Credit Facility	**10.2**	18.9
Add:		
Cash and Cash Equivalents	**35.8**	84.2
Net Available Liquidity	**$ 919.6**	$ 1,606.5

[(1)]Represents the lesser of the seasonal limit or maximum borrowings supportable by the underlying receivables.

Debt Covenants. We are subject to financial covenants under our revolving credit facility, which require us to maintain a debt to capitalization ratio that does not exceed 70%. As of September 30, 2022, the ratio was 59.1%.

Credit Ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our capital structure and earnings profile. The following table includes our and NIPSCO's credit ratings and ratings outlook as of September 30, 2022. There were no changes to the below credit ratings or outlooks since February 2020.

A credit rating is not a recommendation to buy, sell, or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization.

	S&P		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
NiSource	BBB+	Stable	Baa2	Stable	BBB	Stable
NIPSCO	BBB+	Stable	Baa1	Stable	BBB	Stable
Commercial Paper	A-2	Stable	P-2	Stable	F2	Stable

Certain of our subsidiaries have agreements that contain "ratings triggers" that require increased collateral if our credit rating or the credit ratings of certain of our subsidiaries are below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of power. As of September 30, 2022, the collateral requirement that would be required in the event of a downgrade below the ratings trigger levels would amount to approximately $67.9 million. In addition to agreements with ratings triggers, there are other agreements that contain "adequate assurance" or "material adverse change" provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

Equity. Our authorized capital stock consists of 620,000,000 shares, $0.01 par value, of which 600,000,000 are common stock and 20,000,000 are preferred stock. As of September 30, 2022, 406,049,747 shares of common stock and 1,302,500 shares of preferred stock were outstanding.

Contractual Obligations. A summary of contractual obligations is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2021. Except for our June debt issuance, there were no additional material changes from year-end during the nine months ended September 30, 2022. Refer to Note 12, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information regarding the debt issuance.

Guarantees, Indemnities and Other Off Balance Sheet Arrangements. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. Refer to Note 14, "Other Commitments and Contingencies," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about such arrangements.

NiSource Inc.
Regulatory, Environmental and Safety Matters

Cost Recovery and Trackers

Comparability of our line item operating results is impacted by regulatory trackers that allow for the recovery in rates of certain costs such as those described below. Increases in the expenses that are subject to approved regulatory tracker mechanisms generally lead to increased regulatory assets, which ultimately result in a corresponding increase in operating revenues and, therefore, have essentially no impact on total operating income results. Certain approved regulatory tracker mechanisms allow for abbreviated regulatory proceedings in order for the operating companies to quickly implement revised rates and recover associated costs.

A portion of the Gas Distribution revenue is related to the recovery of gas costs, the review and recovery of which occurs through standard regulatory proceedings. All states in our operating area require periodic review of actual gas procurement activity to determine prudence and to confirm the recovery of prudently incurred energy commodity costs supplied to customers.

We recognize that energy efficiency reduces emissions, conserves natural resources and saves our customers money. Our gas distribution companies offers programs such as energy efficiency upgrades, home checkups and weatherization services. The increased efficiency of natural gas appliances and improvements in home building codes and standards contributes to a long-term trend of declining average use per customer. While we are looking to expand offerings so the energy efficiency programs can benefit as many customers as possible, our Gas Distribution Operations have pursued changes in rate design to more effectively match recoveries with costs incurred. Columbia of Ohio has adopted a straight fixed variable rate design that closely links the recovery of fixed costs with fixed charges. Columbia of Maryland and Columbia of Virginia have regulatory approval for weather and revenue normalization adjustments for certain customer classes, which adjust monthly revenues that exceed or fall short of approved levels. Columbia of Pennsylvania continues to operate its pilot residential weather normalization adjustment and also has a fixed customer charge. This weather normalization adjustment only adjusts revenues when actual weather compared to normal varies by more than 3%. Columbia of Kentucky incorporates a weather normalization adjustment for certain customer classes and also has a fixed customer charge. In a prior gas base rate proceeding, NIPSCO implemented a higher fixed customer charge for residential and small customer classes moving toward recovering more of its fixed costs through a fixed recovery charge, but has no weather or usage protection mechanism.

A portion of the Electric Operations revenue is related to the recovery of fuel costs to generate power and the fuel costs related to purchased power. These costs are recovered through a FAC, which is updated quarterly to reflect actual costs incurred to supply electricity to customers.

While increased efficiency of electric appliances and improvements in home building codes and standards has similarly impacted the average use per electric customer in recent years, NIPSCO expects future growth in per customer usage as a result of increasing electric applications. Further growth is anticipated as electric vehicles become more prevalent. These ongoing changes in use of electricity will likely lead to development of innovative rate designs, and NIPSCO will continue efforts to design rates that increase the certainty of recovery of fixed costs.

NiSource Inc.
Regulatory, Environmental and Safety Matters

Rate Case Actions

The following table describes current rate case actions as applicable in each of our jurisdictions net of tracker impacts:

(in millions)

Company	Proposed ROE	Approved ROE	Requested Incremental Revenue	Approved Incremental Revenue	Filed	Status	Rates Effective
Currently Approved in Current or Future Rates							
Columbia of Pennsylvania[1]	10.95 %	None specified	$ 98.3	$ 58.5	March 30, 2021	Approved December 16, 2021	December 2021
Columbia of Maryland	10.85 %	9.65 %	$ 4.8	$ 2.4	May 14, 2021	Approved December 3, 2021	December 2021
Columbia of Kentucky[2]	10.30 %	9.35 %	$ 26.7	$ 18.3	May 28, 2021	Approved December 28, 2021	January 2022
Columbia of Virginia[3]	10.95 %	None specified	$ 14.2	$ 1.3	August 28, 2018	Approved June 12, 2019	February 2019
Columbia of Ohio	11.50 %	10.39 %	$ 87.8	$ 47.1	March 3, 2008	Approved December 3, 2008	December 2008
NIPSCO - Gas[4]	10.50 %	9.85 %	$ 109.7	$ 71.8	September 29, 2021	Approved July 27, 2022	September 2022
NIPSCO - Electric	10.80 %	9.75 %	$ 21.4	$ (53.5)	October 31, 2018	Approved December 4, 2019	January 2020
Active Rate Cases							
Columbia of Ohio[5]	10.95 %	In process	$ 221.4	In process	June 30, 2021	Order Expected Q1 2023	Pending
Columbia of Pennsylvania[6]	11.20 %	In process	$ 82.2	In process	March 18, 2022	Order Expected Q4 2022	December 2022
Columbia of Virginia[7]	10.75 %	In process	$ 40.6	In process	April 29, 2022	Order Expected Q1 2023	Interim Rates October 2022
Columbia Gas of Maryland[8]	10.95 %	In process	$ 5.5	In process	May 13, 2022	Order Expected Q4 2022	December 2022
NIPSCO - Electric[9]	10.40 %	In process	$ 291.8	In process	September 19, 2022	Order Expected Q3 2023	September 2023

[1]No approved ROE is identified for this matter since the approved revenue increase is the result of a black box settlement under which parties agree upon the amount of increase without specifying ratemaking elements to establish the Company's revenue requirement. Pursuant to the settlement, for purposes of calculating its DSIC, Columbia of Pennsylvania shall use the equity return rate for gas utilities contained in the Pennsylvania Commission's most recent Quarterly Report on the Earnings of Jurisdictional Utilities, including quarterly updates thereto.
[2]The approved ROE for natural gas capital riders (*e.g.* SMRP) is 9.275%.
[3]Columbia of Virginia's rate case resulted in a black box settlement, representing a settlement to a specific revenue increase but not a specified ROE. The settlement provides use of a 9.70% ROE for future SAVE filings.
[4]New rates will be implemented in 2 steps, with implementation of step 1 rates effective in September 2022 and step 2 rates to be effective in March 2023.
[5]On October 31, 2022, certain parties to Columbia of Ohio's rate case filed a Joint Stipulation and Recommendation for Approval of a Settlement Agreement that provides for an annual revenue increase of $68.2 million and an ROE of 9.60%.
[6]The parties to Columbia of Pennsylvania's rate case filed a Joint Petition for Partial Settlement on September 2, 2022 for an annual revenue increase of $44.5 million. On October 4, 2022, the Administrative Law Judges issued their recommended decision to approve the Partial Settlement without modification.
[7]The revenue request including the SAVE tracker related amount is $58.2 million. Beginning October 2022, interim rates will be billed subject to refund, pending a final commission order.
[8]On September 2, 2022, the parties to Columbia of Maryland's rate case filed a Joint Motion for Approval of Settlement Agreement that provides for an annual revenue increase of $4.8 million and an ROE of 9.65%. On November 3, 2022, the Maryland Public Service Commission issued the Judge's Proposed Order, which recommends the acceptance of the settlement without modification. Subject to full Commission review and approval, the Proposed Order will become a final order on November 17, 2022.
[9]New rates will be implemented in 2 steps, with implementation of step 1 rates to be effective in September 2023 and step 2 rates to be effective in March 2024.

PHMSA Regulations

On December 27, 2020, the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020 was signed into law, reauthorizing funding for federal pipeline safety programs through September 30, 2023. Among other things, the PIPES Act requires that PHMSA revise the pipeline safety regulations to require operators to update, as needed, their existing distribution integrity management plans, emergency response plans, and operation and maintenance plans. The PIPES Act also requires PHMSA to adopt new requirements for managing records and updating, as necessary, existing district regulator stations to eliminate common modes of failure that can lead to overpressurization. PHMSA must also require that operators implement and utilize advanced leak detection technologies that enable the location and categorization of all leaks that are hazardous, or potentially hazardous, to human safety or the environment. Natural gas companies, including NiSource and our subsidiaries, may see increased costs depending on how PHMSA implements the new mandates resulting from the PIPES Act.

Climate Change Issues

Physical Climate Risks. Increased frequency of severe and extreme weather events associated with climate change could materially impact our facilities, energy sales, and results of operations. We are unable to predict these events. However, we perform ongoing assessments of physical risk, including physical climate risk, to our business. More extreme and volatile temperatures, increased storm intensity and flooding, and more volatile precipitation leading to changes in lake and river levels are among the weather events that are most likely to impact our business. Efforts to mitigate these physical risks continue to be implemented on an ongoing basis.

Future legislative and regulatory programs, at both the federal and state levels, could significantly limit allowed GHG emissions or impose a cost or tax on GHG emissions. Revised or additional future GHG legislation and/or regulation related to the generation of electricity or the extraction, production, distribution, transmission, storage and end use of natural gas could materially impact our gas supply, financial position, financial results and cash flows. We continue to monitor the implementation of any final and proposed climate change-related legislation and regulations, including the Infrastructure Investment and Jobs Act, signed into law in November 2021; the IRA, signed into law in August 2022; and the EPA's proposed methane regulations for the oil and natural gas industry, but we cannot predict their impact on our business at this time. We have identified potential opportunities associated with the Infrastructure Investment and Jobs Act and the IRA and are evaluating how they may align with our strategy going forward. The energy-related provisions of the Infrastructure Investment and Jobs Act include new federal funding for power grid infrastructure and resiliency investments, new and existing energy efficiency and weatherization programs, electric vehicle infrastructure for public chargers and additional LIHEAP funding over the next five years. The IRA contains climate and energy provisions, including funding to decarbonize the electric sector.

Federal Policy. In February 2021, the United States rejoined the Paris Agreement, an international treaty through which parties set nationally determined contributions to reduce GHG emissions, build resilience, and adapt to the impacts of climate change. Subsequently, the Biden Administration released a target for the United States to achieve a 50%-52% GHG reduction from 2005 levels by 2030, which supports the President's goals to create a carbon-free power sector by 2035 and net zero emissions economy no later than 2050. There are many pathways to reach these goals.

On June 30, 2022, the Supreme Court of the United States ruled for the petitioners in West Virginia v. EPA, which examined the authority of the EPA to regulate GHG emissions from the power sector. We will continue to evaluate this matter, but we remain committed to our previously stated carbon reduction goals.

State Policy. The Virginia Clean Economy Act was signed into law in 2020. While the Act does not establish any new mandates on Columbia of Virginia, certain natural gas customers may, over the long-term, reduce their use of natural gas to meet the 100% renewable electricity requirement. Columbia of Virginia will continue to monitor this matter, but we cannot predict its final impact on our business at this time. Separately, the Virginia Energy Innovation Act ("the Act"), enacted into law in April 2022, and effective July 1, 2022, allows natural gas utilities to supply alternative forms of gas that meet certain standards and reduce emissions intensity. The Act also provides that the costs of enhanced leak detection and repair may be added to a utility's plan to identify proposed eligible infrastructure replacement projects and related cost recovery mechanisms, known as the SAVE Plan. Furthermore, under the Act, utilities can recover eligible biogas supply infrastructure costs on an ongoing basis. The provisions of these laws may provide opportunities for Columbia of Virginia as it participates in the transition to a lower carbon future.

The Climate Solutions Now Act of 2022 requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment is required to adopt a plan to achieve the 2031 goal by December 2023, and it is required to adopt a plan for the net zero goal by 2030. The Act also

enacts a state policy to move to broader electrification of both existing buildings and new construction, and requires the Public Service Commission to complete a study assessing the capacity of gas and electric distribution systems to successfully serve customers under a transition to a highly electrified building sector. Columbia of Maryland will continue to monitor this matter, but we cannot predict its final impact on our business at this time.

NIPSCO, Columbia of Maryland, Columbia of Pennsylvania and Columbia of Virginia each filed petitions to implement the Green Path Rider, which will be a voluntary rider that allows customers to opt in and offset either 50% or 100% of their natural gas related emissions. To reduce the emissions, the utilities will purchase RNG attributes and carbon offsets to match the usage for customers opting into the program. NIPSCO reached settlement with other parties in September 2022 and agreed to add a third tier to offset 25% of customer usage. Columbia of Maryland withdrew the filing from its rate case and refiled it as a separate issue on September 16, 2022.

Net-Zero Goal. In response to these transition risks and opportunities, on November 7, 2022, we announced a goal of net-zero greenhouse gas emissions by 2040 covering both Scope 1 and Scope 2 emissions (Net-Zero Goal). Our Net-Zero Goal builds on greenhouse gas emission reductions achieved to-date and demonstrates that continued execution of our long-term business plan will drive further greenhouse gas emission reductions. We remain on track to achieve previously announced interim greenhouse gas emission reduction targets by reducing fugitive methane emissions from main and service lines by 50 percent from 2005 levels by 2025 and reducing Scope 1 greenhouse gas emissions from company-wide operations by 90 percent from 2005 levels by 2030. We plan to achieve our Net-Zero Goal primarily through continuation and enhancement of existing programs, such as retiring and replacing coal-fired electric generation with low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak-detection technologies. In addition, we plan to advance other low- or zero-emission energy resources and technologies, such as hydrogen, renewable natural gas, and/or deployment of carbon capture and utilization technologies, if and when these become technologically and economically feasible. Carbon offsets and renewable energy credits may also be used to support achievement of our Net-Zero Goal. As of the end of 2021, we had reduced Scope 1 GHG emissions by approximately 58% from 2005 levels.

Our greenhouse gas emissions projections, including achieving a Net-Zero Goal, are subject to various assumptions that involve risks and uncertainties. Achievement of our Net-Zero Goal by 2040 will require supportive regulatory and legislative policies, favorable stakeholder environments and advancement of technologies that are not currently economical to deploy. Should such regulatory and legislative policies, stakeholder environments or technologies fail to materialize, our actual results or ability to achieve our Net-Zero Goal, including by 2040, may differ materially.

As discussed above in this Management's Discussion within "Results and Discussion of Segment Operations - Electric Operations," NIPSCO continues to execute on an electric generation transition consistent with the preferred pathways identified in its 2018 and 2021 Integrated Resource Plans. Additionally, as discussed above in this Management's Discussion within "Liquidity and Capital Resources - Regulatory Capital Programs," our natural gas distribution companies are lowering methane emissions by replacing aging infrastructure, which also increases safety and reliability for customers and communities.

Market Risk Disclosures

Risk is an inherent part of our businesses. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our businesses is critical to our profitability. We seek to identify, assess, monitor and manage, in accordance with defined policies and procedures, the following principal market risks that are involved in our businesses: commodity price risk, interest rate risk and credit risk. We manage risk through a multi-faceted process with oversight by the Risk Management Committee that requires constant communication, judgment and knowledge of specialized products and markets. Our senior management takes an active role in the risk management process and has developed policies and procedures that require specific administrative and business functions to assist in the identification, assessment and control of various risks. These may include, but are not limited to market, operational, financial, compliance and strategic risk types. In recognition of the increasingly varied and complex nature of the energy business, our risk management process, policies and procedures continue to evolve and are subject to ongoing review and modification.

Commodity Price Risk

Our Gas and Electric Operations have commodity price risk primarily related to the purchases of natural gas and power. To manage this market risk, our subsidiaries use derivatives, including commodity futures contracts, swaps, forwards and options. We do not participate in speculative energy trading activity.

Commodity price risk resulting from derivative activities at our rate-regulated subsidiaries is limited and does not bear signification exposure to earnings risk, since our current regulatory mechanisms allow recovery of prudently incurred purchased power, fuel and gas costs through the rate-making process, including gains or losses on these derivative instruments. These changes are included in the GCA and FAC regulatory rate-recovery mechanisms. If these mechanisms were to be adjusted or eliminated, these subsidiaries may begin providing services without the benefit of the traditional rate-making process and may be more exposed to commodity price risk. For additional information, see "Results and Discussion of Segment Operations" in this Management's Discussion.

Our subsidiaries are required to make cash margin deposits with their brokers to cover actual and potential losses in the value of outstanding exchange traded derivative contracts. The amount of these deposits, some of which are reflected in our restricted cash balance, may fluctuate significantly during periods of high volatility in the energy commodity markets.

Refer to Note 7, "Risk Management Activities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further information on our commodity price risk assets and liabilities as of September 30, 2022 and December 31, 2021.

Interest Rate Risk

We are exposed to interest rate risk as a result of changes in interest rates on borrowings under our revolving credit agreement, commercial paper program and accounts receivable programs, which have interest rates that are indexed to short-term market interest rates. Based upon average borrowings and debt obligations subject to fluctuations in short-term market interest rates, an increase (or decrease) in short-term interest rates of 100 basis points (1%) would have increased (or decreased) interest expense by $2.3 million and $5.0 million for the three and nine months ended September 30, 2022, and $0.4 million and $1.8 million for the three and nine months ended September 30, 2021, respectively. We are also exposed to interest rate risk as a result of changes in benchmark rates that can influence the interest rates of future long-term debt issuances. From time to time we may enter into forward interest rate instruments to lock in long term interest costs and/ or rates.

Refer to Note 7, "Risk Management Activities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further information on our interest rate risk assets and liabilities as of September 30, 2022 and December 31, 2021.

Credit Risk

Due to the nature of the industry, credit risk is embedded in many of our business activities. Our extension of credit is governed by a Corporate Credit Risk Policy. In addition, Risk Management Committee guidelines are in place which document management approval levels for credit limits, evaluation of creditworthiness, and credit risk mitigation efforts. Exposures to credit risks are monitored by the risk management function, which is independent of commercial operations. Credit risk arises due to the possibility that a customer, supplier or counterparty will not be able or willing to fulfill its obligations on a transaction on or before the settlement date. For derivative-related contracts, credit risk arises when counterparties are obligated to deliver or purchase defined commodity units of gas or power to us at a future date per execution of contractual terms and conditions. Exposure to credit risk is measured in terms of both current obligations and the market value of forward positions net of any posted collateral such as cash and letters of credit.

We closely monitor the financial status of our banking credit providers. We evaluate the financial status of our banking partners through the use of market-based metrics such as credit default swap pricing levels, and also through traditional credit ratings provided by major credit rating agencies.

Other Information

Critical Accounting Estimates

A summary of our critical accounting estimates is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2021. There were no material changes made as of September 30, 2022.

Recently Issued Accounting Pronouncements

Refer to Note 2, "Recent Accounting Pronouncements," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about recently issued and adopted accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosures about market risk are reported in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures."

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our chief executive officer and our chief financial officer are responsible for evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our chief executive officer and chief financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to provide reasonable assurance that financial information was processed, recorded and reported accurately.

Changes in Internal Controls

There have been no changes in our internal control over financial reporting during the most recently completed quarter covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

For a description of our legal proceedings, see Note 14, "Other Commitments and Contingencies - B. Legal Proceedings," in the Notes to the Condensed Consolidated Financial Statements (unaudited). This information is supplemented by Note 14, "Other Commitments and Contingencies," in the Notes to Condensed Consolidated Financial Statements (unaudited) of the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2022.

ITEM 1A. RISK FACTORS

Please refer to the risk factors set forth in Part I, Item 1A of the Annual Report on Form 10-K for the year ended December 31, 2021, as supplemented by the risk factor set forth in Part II, Item 1A of the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2022.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

NiSource Inc.

(3.1)	Bylaws of NiSource Inc., as amended and restated through August 9, 2022 (incorporated by reference to Exhibit 3.1 to the NiSource Inc. Form 8-K filed on August 10, 2022).
(31.1)	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
(31.2)	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
(32.1)	Certification of Chief Executive Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).*
(32.2)	Certification of Chief Financial Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).*
(101.INS)	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
(101.SCH)	Inline XBRL Schema Document
(101.CAL)	Inline XBRL Calculation Linkbase Document
(101.LAB)	Inline XBRL Labels Linkbase Document
(101.PRE)	Inline XBRL Presentation Linkbase Document
(101.DEF)	Inline XBRL Definition Linkbase Document
(104)	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

* Exhibit filed herewith.

SIGNATURE

NiSource Inc.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NiSource Inc.
(Registrant)

Date: November 7, 2022

By: /s/ Gunnar J. Gode
Gunnar J. Gode
Vice President, Chief Accounting Officer and Controller
(Principal Accounting Officer)

Exhibit 31.1

Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Lloyd M. Yates, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q for the quarter ended September 30, 2022;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2022

By: /s/ Lloyd M. Yates
Lloyd M. Yates
President and Chief Executive Officer

Exhibit 31.2

Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Donald E. Brown, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q for the quarter ended September 30, 2022;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2022

By: /s/ Donald E. Brown

Donald E. Brown
Executive Vice President and Chief Financial Officer

Exhibit 32.1

Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of NiSource Inc. (the "Company") on Form 10-Q for the quarter ending September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lloyd M. Yates, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Lloyd M. Yates
Lloyd M. Yates
President and Chief Executive Officer

Date: November 7, 2022

Exhibit 32.2

Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of NiSource Inc. (the "Company") on Form 10-Q for the quarter ending September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Donald E. Brown, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Donald E. Brown
Donald E. Brown
Executive Vice President and Chief Financial Officer

Date: November 7, 2022

Columbia Gas of Pennsylvania, Inc.

Standard Data Request

Rate of Return

Question No. GAS-ROR-002:

Please supply copies of the Company's balance sheets for each month/quarter for the last two years.

Response:

Please see GAS-ROR-002 Attachment A, which provides the monthly Company balance sheets from December 2021 through November 2023.

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Dec - 2021
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Dec - 2021*	Previous Month	Variance	Month: *Dec - 2021*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,353,076,081.58	$3,283,711,061.37	$69,365,020.21	$3,353,076,081.58	$3,041,590,481.48	$311,485,600.10
Construction Work In Progress	$67,521,690.69	$103,631,256.44	($36,109,565.75)	$67,521,690.69	$43,992,077.61	$23,529,613.08
Total Utility Plant	**$3,420,597,772.27**	**$3,387,342,317.81**	**$33,255,454.46**	**$3,420,597,772.27**	**$3,085,582,559.09**	**$335,015,213.18**
Accum Prov - Amort and Depr	($584,697,322.58)	($586,090,378.16)	$1,393,055.58	($584,697,322.58)	($535,533,696.67)	($49,163,625.91)
Net Utility Plant	**$2,835,900,449.69**	**$2,801,251,939.65**	**$34,648,510.04**	**$2,835,900,449.69**	**$2,550,048,862.42**	**$285,851,587.27**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$2,836,632,321.94**	**$2,801,983,811.90**	**$34,648,510.04**	**$2,836,632,321.94**	**$2,550,780,734.67**	**$285,851,587.27**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,102,042.66	$21,061,532.39	$40,510.27	$21,102,042.66	$20,751,219.06	$350,823.60
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$21,854,004.87	$17,192,445.14	$4,661,559.73	$21,854,004.87	$15,305,515.98	$6,548,488.89
Other Property and Investments	**$42,964,394.02**	**$38,262,324.02**	**$4,702,070.00**	**$42,964,394.02**	**$36,065,081.53**	**$6,899,312.49**
Current and Accrued Assets						
Cash	$1,061,400.68	$1,800,966.80	($739,566.12)	$1,061,400.68	$1,846,823.69	($785,423.01)
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$2,550.00	$0.00
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$114,560,736.98	$86,516,838.08	$28,043,898.90	$114,560,736.98	$111,116,332.88	$3,444,404.10
AR from Associated Cos	$157,917.11	$74,464.54	$83,452.57	$157,917.11	$268,307.17	($110,390.06)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,341,498.20	$1,315,942.98	$25,555.22	$1,341,498.20	$1,214,644.63	$126,853.57
Merchandise	$0.00	$842.71	($842.71)	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$62,974,531.58	$72,970,483.76	($9,995,952.18)	$62,974,531.58	$34,531,497.79	$28,443,033.79
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$4,753,424.17	$6,667,674.73	($1,914,250.56)	$4,753,424.17	$5,021,560.26	($268,136.09)
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$6,753,837.37	$3,685,391.77	$3,068,445.60	$6,753,837.37	$3,688,036.76	$3,065,800.61
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$191,858,896.09**	**$173,288,155.37**	**$18,570,740.72**	**$191,858,896.09**	**$157,942,753.18**	**$33,916,142.91**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$220,175,054.56	$224,073,202.04	($3,898,147.48)	$220,175,054.56	$228,744,963.58	($8,569,909.02)
Preliminary Surveys	$10,127,747.64	$9,471,827.75	$655,919.89	$10,127,747.64	$4,574,196.04	$5,553,551.60

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Dec - 2021
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Dec - 2021*	Previous Month	Variance	Month: *Dec - 2021*	December of Previous Year	Variance
Clearing Accounts	$0.00	$163,241.86	($163,241.86)	$0.00	$0.00	$0.00
Miscellaneous Deferred Debits	$3,563,393.00	$3,800,423.49	($237,030.49)	$3,563,393.00	$4,151,476.04	($588,083.04)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$111,254,418.00	$114,146,238.00	($2,891,820.00)	$111,254,418.00	$119,156,394.00	($7,901,976.00)
Unrecovered Purchase Gas Costs	$21,160,695.67	$27,023,874.05	($5,863,178.38)	$21,160,695.67	($4,202,420.69)	$25,363,116.36
Deferred Debits	**$366,281,308.87**	**$378,678,807.19**	**($12,397,498.32)**	**$366,281,308.87**	**$352,424,608.97**	**$13,856,699.90**
Assets and Other Debits	**$3,437,736,920.92**	**$3,392,213,098.48**	**$45,523,822.44**	**$3,437,736,920.92**	**$3,097,213,178.35**	**$340,523,742.57**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$167,889,827.00	$25,000,000.00	$192,889,827.00	$107,889,827.00	$85,000,000.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,082,462,182.27	$1,054,552,365.53	$27,909,816.74	$1,082,462,182.27	$971,987,434.78	$110,474,747.49
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,320,479,809.27**	**$1,267,569,992.53**	**$52,909,816.74**	**$1,320,479,809.27**	**$1,125,005,061.78**	**$195,474,747.49**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,035,515,000.00	$985,515,000.00	$50,000,000.00	$1,035,515,000.00	$895,515,000.00	$140,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,035,515,000.00**	**$985,515,000.00**	**$50,000,000.00**	**$1,035,515,000.00**	**$895,515,000.00**	**$140,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$14,586,213.79	$23,301,667.47	($8,715,453.68)	$14,586,213.79	$24,900,682.49	($10,314,468.70)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$174,025.87	$177,897.87	($3,872.00)	$174,025.87	$109,678.44	$64,347.43
Accum Prov - Pension & Benefit	$2,346,339.61	$2,326,632.17	$19,707.44	$2,346,339.61	$2,628,257.44	($281,917.83)
Accum Misc Operating Provision	$0.00	$1,461,434.96	($1,461,434.96)	$0.00	$2,922,869.92	($2,922,869.92)
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$17,106,579.27**	**$27,267,632.47**	**($10,161,053.20)**	**$17,106,579.27**	**$30,561,488.29**	**($13,454,909.02)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$54,364,542.28	$57,037,563.74	($2,673,021.46)	$54,364,542.28	$44,013,087.35	$10,351,454.93
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$181,303,742.29	$209,425,927.87	($28,122,185.58)	$181,303,742.29	$185,008,659.77	($3,704,917.48)
Customer Deposits	$3,924,505.11	$3,870,887.11	$53,618.00	$3,924,505.11	$3,479,442.11	$445,063.00
Taxes Accrued	$17,490,344.27	$19,294,694.47	($1,804,350.20)	$17,490,344.27	$23,568,771.88	($6,078,427.61)
Interest Accrued	$335,065.01	$331,403.92	$3,661.09	$335,065.01	$283,175.62	$51,889.39
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$718,250.16	$274,993.09	$443,257.07	$718,250.16	$271,374.68	$446,875.48
Misc Current & Accrued Liab	$74,581,714.03	$86,998,855.56	($12,417,141.53)	$74,581,714.03	$61,938,674.41	$12,643,039.62
Obligation Cap Lease - Current	$2,323,376.79	$2,685,763.08	($362,386.29)	$2,323,376.79	$2,663,606.77	($340,229.98)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$335,041,539.94**	**$379,920,088.84**	**($44,878,548.90)**	**$335,041,539.94**	**$321,226,792.59**	**$13,814,747.35**
Deferred Credits						

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Customer Adv. for Construction	$2,847,671.72	$3,048,274.58	($200,602.86)	$2,847,671.72	$3,793,774.87	($946,103.15)
Acc Defd Investment Tax Credit	$987,643.00	$1,008,071.00	($20,428.00)	$987,643.00	$1,245,058.00	($257,415.00)
Other Deferred Credits	$6,584,367.34	$6,659,906.39	($75,539.05)	$6,584,367.34	$6,553,645.37	$30,721.97
Other Regulatory Liabilities	$208,487,138.69	$209,224,811.98	($737,673.29)	$208,487,138.69	$220,866,696.76	($12,379,558.07)
Accum Defer Inc Tax - Oth Prop	$505,455,621.70	$506,162,667.70	($707,046.00)	$505,455,621.70	$485,726,079.70	$19,729,542.00
Accum Defer Inc Tax - Other	$5,231,549.99	$5,836,652.99	($605,103.00)	$5,231,549.99	$6,719,580.99	($1,488,031.00)
Deferred Credits	**$729,593,992.44**	**$731,940,384.64**	**($2,346,392.20)**	**$729,593,992.44**	**$724,904,835.69**	**$4,689,156.75**
Total Liabilities and Equity	**$3,437,736,920.92**	**$3,392,213,098.48**	**$45,523,822.44**	**$3,437,736,920.92**	**$3,097,213,178.35**	**$340,523,742.57**

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Balance Sheet - Regulated
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	Total					
	Month: *Jan - 2022*	Previous Month	Variance	Month: *Jan - 2022*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,360,069,071.40	$3,353,076,081.58	$6,992,989.82	$3,360,069,071.40	$3,353,076,081.58	$6,992,989.82
Construction Work In Progress	$74,762,656.40	$67,521,690.69	$7,240,965.71	$74,762,656.40	$67,521,690.69	$7,240,965.71
Total Utility Plant	**$3,434,831,727.80**	**$3,420,597,772.27**	**$14,233,955.53**	**$3,434,831,727.80**	**$3,420,597,772.27**	**$14,233,955.53**
Accum Prov - Amort and Depr	($587,611,952.51)	($584,697,322.58)	($2,914,629.93)	($587,611,952.51)	($584,697,322.58)	($2,914,629.93)
Net Utility Plant	**$2,847,219,775.29**	**$2,835,900,449.69**	**$11,319,325.60**	**$2,847,219,775.29**	**$2,835,900,449.69**	**$11,319,325.60**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$2,847,951,647.54**	**$2,836,632,321.94**	**$11,319,325.60**	**$2,847,951,647.54**	**$2,836,632,321.94**	**$11,319,325.60**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,149,400.55	$21,102,042.66	$47,357.89	$21,149,400.55	$21,102,042.66	$47,357.89
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$22,095,851.12	$21,854,004.87	$241,846.25	$22,095,851.12	$21,854,004.87	$241,846.25
Other Property and Investments	**$43,253,598.16**	**$42,964,394.02**	**$289,204.14**	**$43,253,598.16**	**$42,964,394.02**	**$289,204.14**
Current and Accrued Assets						
Cash	$3,464,786.62	$1,061,400.68	$2,403,385.94	$3,464,786.62	$1,061,400.68	$2,403,385.94
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	($1,647.58)	$2,550.00	($4,197.58)	($1,647.58)	$2,550.00	($4,197.58)
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$162,333,036.65	$114,560,736.98	$47,772,299.67	$162,333,036.65	$114,560,736.98	$47,772,299.67
AR from Associated Cos	$366,358.06	$157,917.11	$208,440.95	$366,358.06	$157,917.11	$208,440.95
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,342,788.71	$1,341,498.20	$1,290.51	$1,342,788.71	$1,341,498.20	$1,290.51
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$39,888,832.52	$62,974,531.58	($23,085,699.06)	$39,888,832.52	$62,974,531.58	($23,085,699.06)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$4,969,208.65	$4,753,424.17	$215,784.48	$4,969,208.65	$4,753,424.17	$215,784.48
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$11,945,981.86	$6,753,837.37	$5,192,144.49	$11,945,981.86	$6,753,837.37	$5,192,144.49
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$224,562,345.49**	**$191,858,896.09**	**$32,703,449.40**	**$224,562,345.49**	**$191,858,896.09**	**$32,703,449.40**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$219,615,659.73	$220,175,054.56	($559,394.83)	$219,615,659.73	$220,175,054.56	($559,394.83)
Preliminary Surveys	$10,318,713.71	$10,127,747.64	$190,966.07	$10,318,713.71	$10,127,747.64	$190,966.07

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	Total					
	Month: *Jan - 2022*	Previous Month	Variance	Month: *Jan - 2022*	December of Previous Year	Variance
Clearing Accounts	($842.37)	$0.00	($842.37)	($842.37)	$0.00	($842.37)
Miscellaneous Deferred Debits	$3,560,188.21	$3,563,393.00	($3,204.79)	$3,560,188.21	$3,563,393.00	($3,204.79)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$107,083,419.00	$111,254,418.00	($4,170,999.00)	$107,083,419.00	$111,254,418.00	($4,170,999.00)
Unrecovered Purchase Gas Costs	$3,971,580.72	$21,160,695.67	($17,189,114.95)	$3,971,580.72	$21,160,695.67	($17,189,114.95)
Deferred Debits	**$344,548,719.00**	**$366,281,308.87**	**($21,732,589.87)**	**$344,548,719.00**	**$366,281,308.87**	**($21,732,589.87)**
Assets and Other Debits	**$3,460,316,310.19**	**$3,437,736,920.92**	**$22,579,389.27**	**$3,460,316,310.19**	**$3,437,736,920.92**	**$22,579,389.27**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,133,656,087.02	$1,082,462,182.27	$51,193,904.75	$1,133,656,087.02	$1,082,462,182.27	$51,193,904.75
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,371,673,714.02**	**$1,320,479,809.27**	**$51,193,904.75**	**$1,371,673,714.02**	**$1,320,479,809.27**	**$51,193,904.75**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,035,515,000.00	$1,035,515,000.00	$0.00	$1,035,515,000.00	$1,035,515,000.00	$0.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,035,515,000.00**	**$1,035,515,000.00**	**$0.00**	**$1,035,515,000.00**	**$1,035,515,000.00**	**$0.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$14,438,991.88	$14,586,213.79	($147,221.91)	$14,438,991.88	$14,586,213.79	($147,221.91)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$172,873.88	$174,025.87	($1,151.99)	$172,873.88	$174,025.87	($1,151.99)
Accum Prov - Pension & Benefit	$1,874,312.06	$2,346,339.61	($472,027.55)	$1,874,312.06	$2,346,339.61	($472,027.55)
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$16,486,177.82**	**$17,106,579.27**	**($620,401.45)**	**$16,486,177.82**	**$17,106,579.27**	**($620,401.45)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$44,099,421.82	$54,364,542.28	($10,265,120.46)	$44,099,421.82	$54,364,542.28	($10,265,120.46)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$163,566,774.46	$181,303,742.29	($17,736,967.83)	$163,566,774.46	$181,303,742.29	($17,736,967.83)
Customer Deposits	$3,895,636.11	$3,924,505.11	($28,869.00)	$3,895,636.11	$3,924,505.11	($28,869.00)
Taxes Accrued	$33,144,956.04	$17,490,344.27	$15,654,611.77	$33,144,956.04	$17,490,344.27	$15,654,611.77
Interest Accrued	$264,586.82	$335,065.01	($70,478.19)	$264,586.82	$335,065.01	($70,478.19)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$918,434.08	$718,250.16	$200,183.92	$918,434.08	$718,250.16	$200,183.92
Misc Current & Accrued Liab	$59,281,376.74	$74,581,714.03	($15,300,337.29)	$59,281,376.74	$74,581,714.03	($15,300,337.29)
Obligation Cap Lease - Current	$2,210,577.05	$2,323,376.79	($112,799.74)	$2,210,577.05	$2,323,376.79	($112,799.74)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$307,381,763.12**	**$335,041,539.94**	**($27,659,776.82)**	**$307,381,763.12**	**$335,041,539.94**	**($27,659,776.82)**
Deferred Credits						

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Customer Adv. for Construction	$2,751,666.50	$2,847,671.72	($96,005.22)	$2,751,666.50	$2,847,671.72	($96,005.22)
Acc Defd Investment Tax Credit	$967,392.00	$987,643.00	($20,251.00)	$967,392.00	$987,643.00	($20,251.00)
Other Deferred Credits	$6,566,819.12	$6,584,367.34	($17,548.22)	$6,566,819.12	$6,584,367.34	($17,548.22)
Other Regulatory Liabilities	$207,020,448.92	$208,487,138.69	($1,466,689.77)	$207,020,448.92	$208,487,138.69	($1,466,689.77)
Accum Defer Inc Tax - Oth Prop	$507,530,575.70	$505,455,621.70	$2,074,954.00	$507,530,575.70	$505,455,621.70	$2,074,954.00
Accum Defer Inc Tax - Other	$4,422,752.99	$5,231,549.99	($808,797.00)	$4,422,752.99	$5,231,549.99	($808,797.00)
Deferred Credits	**$729,259,655.23**	**$729,593,992.44**	**($334,337.21)**	**$729,259,655.23**	**$729,593,992.44**	**($334,337.21)**
Total Liabilities and Equity	**$3,460,316,310.19**	**$3,437,736,920.92**	**$22,579,389.27**	**$3,460,316,310.19**	**$3,437,736,920.92**	**$22,579,389.27**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Feb - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Feb - 2022*	Previous Month	Variance	Month: *Feb - 2022*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,371,132,132.71	$3,360,069,071.40	$11,063,061.31	$3,371,132,132.71	$3,353,076,081.58	$18,056,051.13
Construction Work In Progress	$84,796,893.86	$74,762,656.40	$10,034,237.46	$84,796,893.86	$67,521,690.69	$17,275,203.17
Total Utility Plant	**$3,455,929,026.57**	**$3,434,831,727.80**	**$21,097,298.77**	**$3,455,929,026.57**	**$3,420,597,772.27**	**$35,331,254.30**
Accum Prov - Amort and Depr	($594,530,383.18)	($587,611,952.51)	($6,918,430.67)	($594,530,383.18)	($584,697,322.58)	($9,833,060.60)
Net Utility Plant	**$2,861,398,643.39**	**$2,847,219,775.29**	**$14,178,868.10**	**$2,861,398,643.39**	**$2,835,900,449.69**	**$25,498,193.70**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$2,862,130,515.64**	**$2,847,951,647.54**	**$14,178,868.10**	**$2,862,130,515.64**	**$2,836,632,321.94**	**$25,498,193.70**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,217,810.92	$21,149,400.55	$68,410.37	$21,217,810.92	$21,102,042.66	$115,768.26
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$22,337,697.35	$22,095,851.12	$241,846.23	$22,337,697.35	$21,854,004.87	$483,692.48
Other Property and Investments	**$43,563,854.76**	**$43,253,598.16**	**$310,256.60**	**$43,563,854.76**	**$42,964,394.02**	**$599,460.74**
Current and Accrued Assets						
Cash	$3,953,781.78	$3,464,786.62	$488,995.16	$3,953,781.78	$1,061,400.68	$2,892,381.10
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	($1,647.58)	($1,647.58)	$0.00	($1,647.58)	$2,550.00	($4,197.58)
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$157,098,803.45	$162,333,036.65	($5,234,233.20)	$157,098,803.45	$114,560,736.98	$42,538,066.47
AR from Associated Cos	$339,997.43	$366,358.06	($26,360.63)	$339,997.43	$157,917.11	$182,080.32
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,321,170.07	$1,342,788.71	($21,618.64)	$1,321,170.07	$1,341,498.20	($20,328.13)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$25,480,087.78	$39,888,832.52	($14,408,744.74)	$25,480,087.78	$62,974,531.58	($37,494,443.80)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$4,152,320.78	$4,969,208.65	($816,887.87)	$4,152,320.78	$4,753,424.17	($601,103.39)
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$13,215,295.14	$11,945,981.86	$1,269,313.28	$13,215,295.14	$6,753,837.37	$6,461,457.77
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$205,812,808.85**	**$224,562,345.49**	**($18,749,536.64)**	**$205,812,808.85**	**$191,858,896.09**	**$13,953,912.76**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$219,371,686.36	$219,615,659.73	($243,973.37)	$219,371,686.36	$220,175,054.56	($803,368.20)
Preliminary Surveys	$9,324,250.23	$10,318,713.71	($994,463.48)	$9,324,250.23	$10,127,747.64	($803,497.41)

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Feb - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Feb - 2022*	Previous Month	Variance	Month: *Feb - 2022*	December of Previous Year	Variance
Clearing Accounts	($3,615.24)	($842.37)	($2,772.87)	($3,615.24)	$0.00	($3,615.24)
Miscellaneous Deferred Debits	$3,488,044.56	$3,560,188.21	($72,143.65)	$3,488,044.56	$3,563,393.00	($75,348.44)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$103,756,602.00	$107,083,419.00	($3,326,817.00)	$103,756,602.00	$111,254,418.00	($7,497,816.00)
Unrecovered Purchase Gas Costs	($69,030.70)	$3,971,580.72	($4,040,611.42)	($69,030.70)	$21,160,695.67	($21,229,726.37)
Deferred Debits	**$335,867,937.21**	**$344,548,719.00**	**($8,680,781.79)**	**$335,867,937.21**	**$366,281,308.87**	**($30,413,371.66)**
Assets and Other Debits	**$3,447,375,116.46**	**$3,460,316,310.19**	**($12,941,193.73)**	**$3,447,375,116.46**	**$3,437,736,920.92**	**$9,638,195.54**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,167,718,023.16	$1,133,656,087.02	$34,061,936.14	$1,167,718,023.16	$1,082,462,182.27	$85,255,840.89
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,405,735,650.16**	**$1,371,673,714.02**	**$34,061,936.14**	**$1,405,735,650.16**	**$1,320,479,809.27**	**$85,255,840.89**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,035,515,000.00	$1,035,515,000.00	$0.00	$1,035,515,000.00	$1,035,515,000.00	$0.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,035,515,000.00**	**$1,035,515,000.00**	**$0.00**	**$1,035,515,000.00**	**$1,035,515,000.00**	**$0.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$14,407,183.54	$14,438,991.88	($31,808.34)	$14,407,183.54	$14,586,213.79	($179,030.25)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$155,413.92	$172,873.88	($17,459.96)	$155,413.92	$174,025.87	($18,611.95)
Accum Prov - Pension & Benefit	$1,750,900.02	$1,874,312.06	($123,412.04)	$1,750,900.02	$2,346,339.61	($595,439.59)
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$16,313,497.48**	**$16,486,177.82**	**($172,680.34)**	**$16,313,497.48**	**$17,106,579.27**	**($793,081.79)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$48,009,430.92	$44,099,421.82	$3,910,009.10	$48,009,430.92	$54,364,542.28	($6,355,111.36)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$122,190,329.97	$163,566,774.46	($41,376,444.49)	$122,190,329.97	$181,303,742.29	($59,113,412.32)
Customer Deposits	$3,850,611.11	$3,895,636.11	($45,025.00)	$3,850,611.11	$3,924,505.11	($73,894.00)
Taxes Accrued	$41,716,336.95	$33,144,956.04	$8,571,380.91	$41,716,336.95	$17,490,344.27	$24,225,992.68
Interest Accrued	$272,126.46	$264,586.82	$7,539.64	$272,126.46	$335,065.01	($62,938.55)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$1,248,775.50	$918,434.08	$330,341.42	$1,248,775.50	$718,250.16	$530,525.34
Misc Current & Accrued Liab	$42,578,449.53	$59,281,376.74	($16,702,927.21)	$42,578,449.53	$74,581,714.03	($32,003,264.50)
Obligation Cap Lease - Current	$2,136,075.91	$2,210,577.05	($74,501.14)	$2,136,075.91	$2,323,376.79	($187,300.88)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$262,002,136.35**	**$307,381,763.12**	**($45,379,626.77)**	**$262,002,136.35**	**$335,041,539.94**	**($73,039,403.59)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Feb - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Feb - 2022*	Previous Month	Variance	Month: *Feb - 2022*	December of Previous Year	Variance
Customer Adv. for Construction	$2,735,172.68	$2,751,666.50	($16,493.82)	$2,735,172.68	$2,847,671.72	($112,499.04)
Acc Defd Investment Tax Credit	$947,141.00	$967,392.00	($20,251.00)	$947,141.00	$987,643.00	($40,502.00)
Other Deferred Credits	$6,498,280.08	$6,566,819.12	($68,539.04)	$6,498,280.08	$6,584,367.34	($86,087.26)
Other Regulatory Liabilities	$203,747,201.02	$207,020,448.92	($3,273,247.90)	$203,747,201.02	$208,487,138.69	($4,739,937.67)
Accum Defer Inc Tax - Oth Prop	$509,605,531.70	$507,530,575.70	$2,074,956.00	$509,605,531.70	$505,455,621.70	$4,149,910.00
Accum Defer Inc Tax - Other	$4,275,505.99	$4,422,752.99	($147,247.00)	$4,275,505.99	$5,231,549.99	($956,044.00)
Deferred Credits	**$727,808,832.47**	**$729,259,655.23**	**($1,450,822.76)**	**$727,808,832.47**	**$729,593,992.44**	**($1,785,159.97)**
Total Liabilities and Equity	**$3,447,375,116.46**	**$3,460,316,310.19**	**($12,941,193.73)**	**$3,447,375,116.46**	**$3,437,736,920.92**	**$9,638,195.54**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Mar - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Mar - 2022*	Previous Month	Variance	Month: *Mar - 2022*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,396,340,362.00	$3,371,132,132.71	$25,208,229.29	$3,396,340,362.00	$3,353,076,081.58	$43,264,280.42
Construction Work In Progress	$83,004,710.48	$84,796,893.86	($1,792,183.38)	$83,004,710.48	$67,521,690.69	$15,483,019.79
Total Utility Plant	**$3,479,345,072.48**	**$3,455,929,026.57**	**$23,416,045.91**	**$3,479,345,072.48**	**$3,420,597,772.27**	**$58,747,300.21**
Accum Prov - Amort and Depr	($600,823,429.14)	($594,530,383.18)	($6,293,045.96)	($600,823,429.14)	($584,697,322.58)	($16,126,106.56)
Net Utility Plant	**$2,878,521,643.34**	**$2,861,398,643.39**	**$17,122,999.95**	**$2,878,521,643.34**	**$2,835,900,449.69**	**$42,621,193.65**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$2,879,253,515.59**	**$2,862,130,515.64**	**$17,122,999.95**	**$2,879,253,515.59**	**$2,836,632,321.94**	**$42,621,193.65**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,372,857.24	$21,217,810.92	$155,046.32	$21,372,857.24	$21,102,042.66	$270,814.58
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$22,841,780.57	$22,337,697.35	$504,083.22	$22,841,780.57	$21,854,004.87	$987,775.70
Other Property and Investments	**$44,222,984.30**	**$43,563,854.76**	**$659,129.54**	**$44,222,984.30**	**$42,964,394.02**	**$1,258,590.28**
Current and Accrued Assets						
Cash	$2,625,897.24	$3,953,781.78	($1,327,884.54)	$2,625,897.24	$1,061,400.68	$1,564,496.56
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	($1,647.58)	($1,647.58)	$0.00	($1,647.58)	$2,550.00	($4,197.58)
Temp Cash Investments	$3,492,783.35	$0.00	$3,492,783.35	$3,492,783.35	$0.00	$3,492,783.35
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$43,815,203.38	$157,098,803.45	($113,283,600.07)	$43,815,203.38	$114,560,736.98	($70,745,533.60)
AR from Associated Cos	$36,474,277.81	$339,997.43	$36,134,280.38	$36,474,277.81	$157,917.11	$36,316,360.70
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,328,397.47	$1,321,170.07	$7,227.40	$1,328,397.47	$1,341,498.20	($13,100.73)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$14,056,049.81	$25,480,087.78	($11,424,037.97)	$14,056,049.81	$62,974,531.58	($48,918,481.77)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$3,416,769.01	$4,152,320.78	($735,551.77)	$3,416,769.01	$4,753,424.17	($1,336,655.16)
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$11,005,571.95	$13,215,295.14	($2,209,723.19)	$11,005,571.95	$6,753,837.37	$4,251,734.58
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$116,466,302.44**	**$205,812,808.85**	**($89,346,506.41)**	**$116,466,302.44**	**$191,858,896.09**	**($75,392,593.65)**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$217,777,905.27	$219,371,686.36	($1,593,781.09)	$217,777,905.27	$220,175,054.56	($2,397,149.29)
Preliminary Surveys	$10,420,230.50	$9,324,250.23	$1,095,980.27	$10,420,230.50	$10,127,747.64	$292,482.86

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Mar - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Mar - 2022*	Previous Month	Variance	Month: *Mar - 2022*	December of Previous Year	Variance
Clearing Accounts	($1,613.24)	($3,615.24)	$2,002.00	($1,613.24)	$0.00	($1,613.24)
Miscellaneous Deferred Debits	$3,458,970.00	$3,488,044.56	($29,074.56)	$3,458,970.00	$3,563,393.00	($104,423.00)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$101,283,725.00	$103,756,602.00	($2,472,877.00)	$101,283,725.00	$111,254,418.00	($9,970,693.00)
Unrecovered Purchase Gas Costs	($10,212,564.10)	($69,030.70)	($10,143,533.40)	($10,212,564.10)	$21,160,695.67	($31,373,259.77)
Deferred Debits	**$322,726,653.43**	**$335,867,937.21**	**($13,141,283.78)**	**$322,726,653.43**	**$366,281,308.87**	**($43,554,655.44)**
Assets and Other Debits	**$3,362,669,455.76**	**$3,447,375,116.46**	**($84,705,660.70)**	**$3,362,669,455.76**	**$3,437,736,920.92**	**($75,067,465.16)**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,194,927,305.41	$1,167,718,023.16	$27,209,282.25	$1,194,927,305.41	$1,082,462,182.27	$112,465,123.14
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,432,944,932.41**	**$1,405,735,650.16**	**$27,209,282.25**	**$1,432,944,932.41**	**$1,320,479,809.27**	**$112,465,123.14**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,035,515,000.00	$1,035,515,000.00	$0.00	$1,035,515,000.00	$1,035,515,000.00	$0.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,035,515,000.00**	**$1,035,515,000.00**	**$0.00**	**$1,035,515,000.00**	**$1,035,515,000.00**	**$0.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$14,256,434.47	$14,407,183.54	($150,749.07)	$14,256,434.47	$14,586,213.79	($329,779.32)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$188,532.92	$155,413.92	$33,119.00	$188,532.92	$174,025.87	$14,507.05
Accum Prov - Pension & Benefit	$2,276,157.63	$1,750,900.02	$525,257.61	$2,276,157.63	$2,346,339.61	($70,181.98)
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$16,721,125.02**	**$16,313,497.48**	**$407,627.54**	**$16,721,125.02**	**$17,106,579.27**	**($385,454.25)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$42,838,261.84	$48,009,430.92	($5,171,169.08)	$42,838,261.84	$54,364,542.28	($11,526,280.44)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$25,463,099.01	$122,190,329.97	($96,727,230.96)	$25,463,099.01	$181,303,742.29	($155,840,643.28)
Customer Deposits	$3,853,331.11	$3,850,611.11	$2,720.00	$3,853,331.11	$3,924,505.11	($71,174.00)
Taxes Accrued	$47,368,533.72	$41,716,336.95	$5,652,196.77	$47,368,533.72	$17,490,344.27	$29,878,189.45
Interest Accrued	$280,272.09	$272,126.46	$8,145.63	$280,272.09	$335,065.01	($54,792.92)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$750,178.53	$1,248,775.50	($498,596.97)	$750,178.53	$718,250.16	$31,928.37
Misc Current & Accrued Liab	$28,952,377.86	$42,578,449.53	($13,626,071.67)	$28,952,377.86	$74,581,714.03	($45,629,336.17)
Obligation Cap Lease - Current	$2,047,121.21	$2,136,075.91	($88,954.70)	$2,047,121.21	$2,323,376.79	($276,255.58)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$151,553,175.37**	**$262,002,136.35**	**($110,448,960.98)**	**$151,553,175.37**	**$335,041,539.94**	**($183,488,364.57)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Mar - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Mar - 2022*	Previous Month	Variance	Month: *Mar - 2022*	December of Previous Year	Variance
Customer Adv. for Construction	$2,700,288.90	$2,735,172.68	($34,883.78)	$2,700,288.90	$2,847,671.72	($147,382.82)
Acc Defd Investment Tax Credit	$926,890.00	$947,141.00	($20,251.00)	$926,890.00	$987,643.00	($60,753.00)
Other Deferred Credits	$6,428,503.00	$6,498,280.08	($69,777.08)	$6,428,503.00	$6,584,367.34	($155,864.34)
Other Regulatory Liabilities	$200,178,353.37	$203,747,201.02	($3,568,847.65)	$200,178,353.37	$208,487,138.69	($8,308,785.32)
Accum Defer Inc Tax - Oth Prop	$511,680,481.70	$509,605,531.70	$2,074,950.00	$511,680,481.70	$505,455,621.70	$6,224,860.00
Accum Defer Inc Tax - Other	$4,020,705.99	$4,275,505.99	($254,800.00)	$4,020,705.99	$5,231,549.99	($1,210,844.00)
Deferred Credits	**$725,935,222.96**	**$727,808,832.47**	**($1,873,609.51)**	**$725,935,222.96**	**$729,593,992.44**	**($3,658,769.48)**
Total Liabilities and Equity	**$3,362,669,455.76**	**$3,447,375,116.46**	**($84,705,660.70)**	**$3,362,669,455.76**	**$3,437,736,920.92**	**($75,067,465.16)**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Apr - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Apr - 2022*	Previous Month	Variance	Month: *Apr - 2022*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,425,560,386.45	$3,396,340,362.00	$29,220,024.45	$3,425,560,386.45	$3,353,076,081.58	$72,484,304.87
Construction Work In Progress	$80,744,193.22	$83,004,710.48	($2,260,517.26)	$80,744,193.22	$67,521,690.69	$13,222,502.53
Total Utility Plant	**$3,506,304,579.67**	**$3,479,345,072.48**	**$26,959,507.19**	**$3,506,304,579.67**	**$3,420,597,772.27**	**$85,706,807.40**
Accum Prov - Amort and Depr	($606,427,267.02)	($600,823,429.14)	($5,603,837.88)	($606,427,267.02)	($584,697,322.58)	($21,729,944.44)
Net Utility Plant	**$2,899,877,312.65**	**$2,878,521,643.34**	**$21,355,669.31**	**$2,899,877,312.65**	**$2,835,900,449.69**	**$63,976,862.96**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$2,900,609,184.90**	**$2,879,253,515.59**	**$21,355,669.31**	**$2,900,609,184.90**	**$2,836,632,321.94**	**$63,976,862.96**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,466,556.54	$21,372,857.24	$93,699.30	$21,466,556.54	$21,102,042.66	$364,513.88
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$23,083,626.80	$22,841,780.57	$241,846.23	$23,083,626.80	$21,854,004.87	$1,229,621.93
Other Property and Investments	**$44,558,529.83**	**$44,222,984.30**	**$335,545.53**	**$44,558,529.83**	**$42,964,394.02**	**$1,594,135.81**
Current and Accrued Assets						
Cash	$2,529,997.51	$2,625,897.24	($95,899.73)	$2,529,997.51	$1,061,400.68	$1,468,596.83
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	($1,647.58)	($1,647.58)	$0.00	($1,647.58)	$2,550.00	($4,197.58)
Temp Cash Investments	$1,476,777.52	$3,492,783.35	($2,016,005.83)	$1,476,777.52	$0.00	$1,476,777.52
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$42,955,424.55	$43,815,203.38	($859,778.83)	$42,955,424.55	$114,560,736.98	($71,605,312.43)
AR from Associated Cos	$61,438,978.52	$36,474,277.81	$24,964,700.71	$61,438,978.52	$157,917.11	$61,281,061.41
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,357,050.74	$1,328,397.47	$28,653.27	$1,357,050.74	$1,341,498.20	$15,552.54
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$22,475,476.63	$14,056,049.81	$8,419,426.82	$22,475,476.63	$62,974,531.58	($40,499,054.95)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$2,629,519.43	$3,416,769.01	($787,249.58)	$2,629,519.43	$4,753,424.17	($2,123,904.74)
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$11,444,840.14	$11,005,571.95	$439,268.19	$11,444,840.14	$6,753,837.37	$4,691,002.77
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$146,559,417.46**	**$116,466,302.44**	**$30,093,115.02**	**$146,559,417.46**	**$191,858,896.09**	**($45,299,478.63)**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$217,523,112.92	$217,777,905.27	($254,792.35)	$217,523,112.92	$220,175,054.56	($2,651,941.64)
Preliminary Surveys	$11,101,508.88	$10,420,230.50	$681,278.38	$11,101,508.88	$10,127,747.64	$973,761.24

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Apr - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Apr - 2022*	Previous Month	Variance	Month: *Apr - 2022*	December of Previous Year	Variance
Clearing Accounts	($1,088.40)	($1,613.24)	$524.84	($1,088.40)	$0.00	($1,088.40)
Miscellaneous Deferred Debits	$3,412,311.79	$3,458,970.00	($46,658.21)	$3,412,311.79	$3,563,393.00	($151,081.21)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$100,796,493.00	$101,283,725.00	($487,232.00)	$100,796,493.00	$111,254,418.00	($10,457,925.00)
Unrecovered Purchase Gas Costs	($8,037,511.53)	($10,212,564.10)	$2,175,052.57	($8,037,511.53)	$21,160,695.67	($29,198,207.20)
Deferred Debits	**$324,794,826.66**	**$322,726,653.43**	**$2,068,173.23**	**$324,794,826.66**	**$366,281,308.87**	**($41,486,482.21)**
Assets and Other Debits	**$3,416,521,958.85**	**$3,362,669,455.76**	**$53,852,503.09**	**$3,416,521,958.85**	**$3,437,736,920.92**	**($21,214,962.07)**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,204,792,050.09	$1,194,927,305.41	$9,864,744.68	$1,204,792,050.09	$1,082,462,182.27	$122,329,867.82
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,442,809,677.09**	**$1,432,944,932.41**	**$9,864,744.68**	**$1,442,809,677.09**	**$1,320,479,809.27**	**$122,329,867.82**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,035,515,000.00	$1,035,515,000.00	$0.00	$1,035,515,000.00	$1,035,515,000.00	$0.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,035,515,000.00**	**$1,035,515,000.00**	**$0.00**	**$1,035,515,000.00**	**$1,035,515,000.00**	**$0.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$14,104,985.65	$14,256,434.47	($151,448.82)	$14,104,985.65	$14,586,213.79	($481,228.14)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$188,106.92	$188,532.92	($426.00)	$188,106.92	$174,025.87	$14,081.05
Accum Prov - Pension & Benefit	$2,095,093.97	$2,276,157.63	($181,063.66)	$2,095,093.97	$2,346,339.61	($251,245.64)
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$16,388,186.54**	**$16,721,125.02**	**($332,938.48)**	**$16,388,186.54**	**$17,106,579.27**	**($718,392.73)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$57,768,634.28	$42,838,261.84	$14,930,372.44	$57,768,634.28	$54,364,542.28	$3,404,092.00
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$30,018,537.22	$25,463,099.01	$4,555,438.21	$30,018,537.22	$181,303,742.29	($151,285,205.07)
Customer Deposits	$3,822,135.11	$3,853,331.11	($31,196.00)	$3,822,135.11	$3,924,505.11	($102,370.00)
Taxes Accrued	$47,496,689.08	$47,368,533.72	$128,155.36	$47,496,689.08	$17,490,344.27	$30,006,344.81
Interest Accrued	$286,720.52	$280,272.09	$6,448.43	$286,720.52	$335,065.01	($48,344.49)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$649,488.01	$750,178.53	($100,690.52)	$649,488.01	$718,250.16	($68,762.15)
Misc Current & Accrued Liab	$54,075,631.00	$28,952,377.86	$25,123,253.14	$54,075,631.00	$74,581,714.03	($20,506,083.03)
Obligation Cap Lease - Current	$1,965,759.54	$2,047,121.21	($81,361.67)	$1,965,759.54	$2,323,376.79	($357,617.25)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$196,083,594.76**	**$151,553,175.37**	**$44,530,419.39**	**$196,083,594.76**	**$335,041,539.94**	**($138,957,945.18)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Apr - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Apr - 2022*	Previous Month	Variance	Month: *Apr - 2022*	December of Previous Year	Variance
Customer Adv. for Construction	$2,654,918.06	$2,700,288.90	($45,370.84)	$2,654,918.06	$2,847,671.72	($192,753.66)
Acc Defd Investment Tax Credit	$906,639.00	$926,890.00	($20,251.00)	$906,639.00	$987,643.00	($81,004.00)
Other Deferred Credits	$6,416,526.47	$6,428,503.00	($11,976.53)	$6,416,526.47	$6,584,367.34	($167,840.87)
Other Regulatory Liabilities	$197,661,375.24	$200,178,353.37	($2,516,978.13)	$197,661,375.24	$208,487,138.69	($10,825,763.45)
Accum Defer Inc Tax - Oth Prop	$513,755,420.70	$511,680,481.70	$2,074,939.00	$513,755,420.70	$505,455,621.70	$8,299,799.00
Accum Defer Inc Tax - Other	$4,330,620.99	$4,020,705.99	$309,915.00	$4,330,620.99	$5,231,549.99	($900,929.00)
Deferred Credits	**$725,725,500.46**	**$725,935,222.96**	**($209,722.50)**	**$725,725,500.46**	**$729,593,992.44**	**($3,868,491.98)**
Total Liabilities and Equity	**$3,416,521,958.85**	**$3,362,669,455.76**	**$53,852,503.09**	**$3,416,521,958.85**	**$3,437,736,920.92**	**($21,214,962.07)**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of May - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *May - 2022*	Previous Month	Variance	Month: *May - 2022*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,447,657,720.25	$3,425,560,386.45	$22,097,333.80	$3,447,657,720.25	$3,353,076,081.58	$94,581,638.67
Construction Work In Progress	$83,885,811.05	$80,744,193.22	$3,141,617.83	$83,885,811.05	$67,521,690.69	$16,364,120.36
Total Utility Plant	**$3,531,543,531.30**	**$3,506,304,579.67**	**$25,238,951.63**	**$3,531,543,531.30**	**$3,420,597,772.27**	**$110,945,759.03**
Accum Prov - Amort and Depr	($611,731,380.75)	($606,427,267.02)	($5,304,113.73)	($611,731,380.75)	($584,697,322.58)	($27,034,058.17)
Net Utility Plant	**$2,919,812,150.55**	**$2,899,877,312.65**	**$19,934,837.90**	**$2,919,812,150.55**	**$2,835,900,449.69**	**$83,911,700.86**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$2,920,544,022.80**	**$2,900,609,184.90**	**$19,934,837.90**	**$2,920,544,022.80**	**$2,836,632,321.94**	**$83,911,700.86**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,527,660.68	$21,466,556.54	$61,104.14	$21,527,660.68	$21,102,042.66	$425,618.02
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$23,327,108.09	$23,083,626.80	$243,481.29	$23,327,108.09	$21,854,004.87	$1,473,103.22
Other Property and Investments	**$44,863,115.26**	**$44,558,529.83**	**$304,585.43**	**$44,863,115.26**	**$42,964,394.02**	**$1,898,721.24**
Current and Accrued Assets						
Cash	$2,017,601.56	$2,529,997.51	($512,395.95)	$2,017,601.56	$1,061,400.68	$956,200.88
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	($1,647.58)	$4,197.58	$2,550.00	$2,550.00	$0.00
Temp Cash Investments	$930,905.66	$1,476,777.52	($545,871.86)	$930,905.66	$0.00	$930,905.66
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$28,439,534.83	$42,955,424.55	($14,515,889.72)	$28,439,534.83	$114,560,736.98	($86,121,202.15)
AR from Associated Cos	$36,056,461.04	$61,438,978.52	($25,382,517.48)	$36,056,461.04	$157,917.11	$35,898,543.93
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,355,857.83	$1,357,050.74	($1,192.91)	$1,355,857.83	$1,341,498.20	$14,359.63
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$49,884,531.09	$22,475,476.63	$27,409,054.46	$49,884,531.09	$62,974,531.58	($13,090,000.49)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$1,935,821.66	$2,629,519.43	($693,697.77)	$1,935,821.66	$4,753,424.17	($2,817,602.51)
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$10,713,527.22	$11,444,840.14	($731,312.92)	$10,713,527.22	$6,753,837.37	$3,959,689.85
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$131,589,790.89**	**$146,559,417.46**	**($14,969,626.57)**	**$131,589,790.89**	**$191,858,896.09**	**($60,269,105.20)**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$217,162,269.80	$217,523,112.92	($360,843.12)	$217,162,269.80	$220,175,054.56	($3,012,784.76)
Preliminary Surveys	$10,894,629.52	$11,101,508.88	($206,879.36)	$10,894,629.52	$10,127,747.64	$766,881.88

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of May - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *May - 2022*	Previous Month	Variance	Month: *May - 2022*	December of Previous Year	Variance
Clearing Accounts	($7.25)	($1,088.40)	$1,081.15	($7.25)	$0.00	($7.25)
Miscellaneous Deferred Debits	$3,358,488.21	$3,412,311.79	($53,823.58)	$3,358,488.21	$3,563,393.00	($204,904.79)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$101,395,848.00	$100,796,493.00	$599,355.00	$101,395,848.00	$111,254,418.00	($9,858,570.00)
Unrecovered Purchase Gas Costs	($3,136,566.74)	($8,037,511.53)	$4,900,944.79	($3,136,566.74)	$21,160,695.67	($24,297,262.41)
Deferred Debits	**$329,674,661.54**	**$324,794,826.66**	**$4,879,834.88**	**$329,674,661.54**	**$366,281,308.87**	**($36,606,647.33)**
Assets and Other Debits	**$3,426,671,590.49**	**$3,416,521,958.85**	**$10,149,631.64**	**$3,426,671,590.49**	**$3,437,736,920.92**	**($11,065,330.43)**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,201,902,501.79	$1,204,792,050.09	($2,889,548.30)	$1,201,902,501.79	$1,082,462,182.27	$119,440,319.52
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,439,920,128.79**	**$1,442,809,677.09**	**($2,889,548.30)**	**$1,439,920,128.79**	**$1,320,479,809.27**	**$119,440,319.52**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,035,515,000.00	$1,035,515,000.00	$0.00	$1,035,515,000.00	$1,035,515,000.00	$0.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,035,515,000.00**	**$1,035,515,000.00**	**$0.00**	**$1,035,515,000.00**	**$1,035,515,000.00**	**$0.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$13,952,832.21	$14,104,985.65	($152,153.44)	$13,952,832.21	$14,586,213.79	($633,381.58)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$197,729.58	$188,106.92	$9,622.66	$197,729.58	$174,025.87	$23,703.71
Accum Prov - Pension & Benefit	$2,407,064.99	$2,095,093.97	$311,971.02	$2,407,064.99	$2,346,339.61	$60,725.38
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$16,557,626.78**	**$16,388,186.54**	**$169,440.24**	**$16,557,626.78**	**$17,106,579.27**	**($548,952.49)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$67,231,651.70	$57,768,634.28	$9,463,017.42	$67,231,651.70	$54,364,542.28	$12,867,109.42
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$32,801,245.17	$30,018,537.22	$2,782,707.95	$32,801,245.17	$181,303,742.29	($148,502,497.12)
Customer Deposits	$3,821,135.11	$3,822,135.11	($1,000.00)	$3,821,135.11	$3,924,505.11	($103,370.00)
Taxes Accrued	$44,565,802.32	$47,496,689.08	($2,930,886.76)	$44,565,802.32	$17,490,344.27	$27,075,458.05
Interest Accrued	$293,200.34	$286,720.52	$6,479.82	$293,200.34	$335,065.01	($41,864.67)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$344,053.06	$649,488.01	($305,434.95)	$344,053.06	$718,250.16	($374,197.10)
Misc Current & Accrued Liab	$57,148,983.50	$54,075,631.00	$3,073,352.50	$57,148,983.50	$74,581,714.03	($17,432,730.53)
Obligation Cap Lease - Current	$1,916,106.73	$1,965,759.54	($49,652.81)	$1,916,106.73	$2,323,376.79	($407,270.06)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$208,122,177.93**	**$196,083,594.76**	**$12,038,583.17**	**$208,122,177.93**	**$335,041,539.94**	**($126,919,362.01)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of May - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *May - 2022*	Previous Month	Variance	Month: *May - 2022*	December of Previous Year	Variance
Customer Adv. for Construction	$2,601,819.07	$2,654,918.06	($53,098.99)	$2,601,819.07	$2,847,671.72	($245,852.65)
Acc Defd Investment Tax Credit	$886,388.00	$906,639.00	($20,251.00)	$886,388.00	$987,643.00	($101,255.00)
Other Deferred Credits	$6,376,130.78	$6,416,526.47	($40,395.69)	$6,376,130.78	$6,584,367.34	($208,236.56)
Other Regulatory Liabilities	$196,236,287.45	$197,661,375.24	($1,425,087.79)	$196,236,287.45	$208,487,138.69	($12,250,851.24)
Accum Defer Inc Tax - Oth Prop	$515,830,332.70	$513,755,420.70	$2,074,912.00	$515,830,332.70	$505,455,621.70	$10,374,711.00
Accum Defer Inc Tax - Other	$4,625,698.99	$4,330,620.99	$295,078.00	$4,625,698.99	$5,231,549.99	($605,851.00)
Deferred Credits	**$726,556,656.99**	**$725,725,500.46**	**$831,156.53**	**$726,556,656.99**	**$729,593,992.44**	**($3,037,335.45)**
Total Liabilities and Equity	**$3,426,671,590.49**	**$3,416,521,958.85**	**$10,149,631.64**	**$3,426,671,590.49**	**$3,437,736,920.92**	**($11,065,330.43)**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jun - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jun - 2022*	Previous Month	Variance	Month: *Jun - 2022*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,474,151,941.64	$3,447,657,720.25	$26,494,221.39	$3,474,151,941.64	$3,353,076,081.58	$121,075,860.06
Construction Work In Progress	$88,606,796.69	$83,885,811.05	$4,720,985.64	$88,606,796.69	$67,521,690.69	$21,085,106.00
Total Utility Plant	**$3,562,758,738.33**	**$3,531,543,531.30**	**$31,215,207.03**	**$3,562,758,738.33**	**$3,420,597,772.27**	**$142,160,966.06**
Accum Prov - Amort and Depr	($615,008,941.31)	($611,731,380.75)	($3,277,560.56)	($615,008,941.31)	($584,697,322.58)	($30,311,618.73)
Net Utility Plant	**$2,947,749,797.02**	**$2,919,812,150.55**	**$27,937,646.47**	**$2,947,749,797.02**	**$2,835,900,449.69**	**$111,849,347.33**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$2,948,481,669.27**	**$2,920,544,022.80**	**$27,937,646.47**	**$2,948,481,669.27**	**$2,836,632,321.94**	**$111,849,347.33**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,527,888.75	$21,527,660.68	$228.07	$21,527,888.75	$21,102,042.66	$425,846.09
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$15,735,108.38	$23,327,108.09	($7,591,999.71)	$15,735,108.38	$21,854,004.87	($6,118,896.49)
Other Property and Investments	**$37,271,343.62**	**$44,863,115.26**	**($7,591,771.64)**	**$37,271,343.62**	**$42,964,394.02**	**($5,693,050.40)**
Current and Accrued Assets						
Cash	$1,297,846.32	$2,017,601.56	($719,755.24)	$1,297,846.32	$1,061,400.68	$236,445.64
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$2,550.00	$0.00
Temp Cash Investments	$0.00	$930,905.66	($930,905.66)	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$36,826,782.85	$28,439,534.83	$8,387,248.02	$36,826,782.85	$114,560,736.98	($77,733,954.13)
AR from Associated Cos	$12,470.59	$36,056,461.04	($36,043,990.45)	$12,470.59	$157,917.11	($145,446.52)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,329,850.71	$1,355,857.83	($26,007.12)	$1,329,850.71	$1,341,498.20	($11,647.49)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$82,613,218.81	$49,884,531.09	$32,728,687.72	$82,613,218.81	$62,974,531.58	$19,638,687.23
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$4,212,939.44	$1,935,821.66	$2,277,117.78	$4,212,939.44	$4,753,424.17	($540,484.73)
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$11,148,040.08	$10,713,527.22	$434,512.86	$11,148,040.08	$6,753,837.37	$4,394,202.71
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$137,696,698.80**	**$131,589,790.89**	**$6,106,907.91**	**$137,696,698.80**	**$191,858,896.09**	**($54,162,197.29)**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$224,071,820.55	$217,162,269.80	$6,909,550.75	$224,071,820.55	$220,175,054.56	$3,896,765.99
Preliminary Surveys	$11,313,330.51	$10,894,629.52	$418,700.99	$11,313,330.51	$10,127,747.64	$1,185,582.87

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jun - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jun - 2022*	Previous Month	Variance	Month: *Jun - 2022*	December of Previous Year	Variance
Clearing Accounts	($1,473.74)	($7.25)	($1,466.49)	($1,473.74)	$0.00	($1,473.74)
Miscellaneous Deferred Debits	$3,569,346.70	$3,358,488.21	$210,858.49	$3,569,346.70	$3,563,393.00	$5,953.70
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$101,771,569.00	$101,395,848.00	$375,721.00	$101,771,569.00	$111,254,418.00	($9,482,849.00)
Unrecovered Purchase Gas Costs	$1,759,236.61	($3,136,566.74)	$4,895,803.35	$1,759,236.61	$21,160,695.67	($19,401,459.06)
Deferred Debits	**$342,483,829.63**	**$329,674,661.54**	**$12,809,168.09**	**$342,483,829.63**	**$366,281,308.87**	**($23,797,479.24)**
Assets and Other Debits	**$3,465,933,541.32**	**$3,426,671,590.49**	**$39,261,950.83**	**$3,465,933,541.32**	**$3,437,736,920.92**	**$28,196,620.40**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,194,183,237.06	$1,201,902,501.79	($7,719,264.73)	$1,194,183,237.06	$1,082,462,182.27	$111,721,054.79
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,432,200,864.06**	**$1,439,920,128.79**	**($7,719,264.73)**	**$1,432,200,864.06**	**$1,320,479,809.27**	**$111,721,054.79**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,075,515,000.00	$1,035,515,000.00	$40,000,000.00	$1,075,515,000.00	$1,035,515,000.00	$40,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,075,515,000.00**	**$1,035,515,000.00**	**$40,000,000.00**	**$1,075,515,000.00**	**$1,035,515,000.00**	**$40,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$13,799,969.34	$13,952,832.21	($152,862.87)	$13,799,969.34	$14,586,213.79	($786,244.45)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$138,797.08	$197,729.58	($58,932.50)	$138,797.08	$174,025.87	($35,228.79)
Accum Prov - Pension & Benefit	$2,655,043.19	$2,407,064.99	$247,978.20	$2,655,043.19	$2,346,339.61	$308,703.58
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$16,593,809.61**	**$16,557,626.78**	**$36,182.83**	**$16,593,809.61**	**$17,106,579.27**	**($512,769.66)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$73,430,517.37	$67,231,651.70	$6,198,865.67	$73,430,517.37	$54,364,542.28	$19,065,975.09
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$28,100,723.91	$32,801,245.17	($4,700,521.26)	$28,100,723.91	$181,303,742.29	($153,203,018.38)
Customer Deposits	$3,884,608.11	$3,821,135.11	$63,473.00	$3,884,608.11	$3,924,505.11	($39,897.00)
Taxes Accrued	$39,187,904.40	$44,565,802.32	($5,377,897.92)	$39,187,904.40	$17,490,344.27	$21,697,560.13
Interest Accrued	$299,534.22	$293,200.34	$6,333.88	$299,534.22	$335,065.01	($35,530.79)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$134,766.36	$344,053.06	($209,286.70)	$134,766.36	$718,250.16	($583,483.80)
Misc Current & Accrued Liab	$67,585,006.42	$57,148,983.50	$10,436,022.92	$67,585,006.42	$74,581,714.03	($6,996,707.61)
Obligation Cap Lease - Current	$1,898,050.89	$1,916,106.73	($18,055.84)	$1,898,050.89	$2,323,376.79	($425,325.90)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$214,521,111.68**	**$208,122,177.93**	**$6,398,933.75**	**$214,521,111.68**	**$335,041,539.94**	**($120,520,428.26)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jun - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jun - 2022*	Previous Month	Variance	Month: *Jun - 2022*	December of Previous Year	Variance
Customer Adv. for Construction	$2,562,951.23	$2,601,819.07	($38,867.84)	$2,562,951.23	$2,847,671.72	($284,720.49)
Acc Defd Investment Tax Credit	$866,136.00	$886,388.00	($20,252.00)	$866,136.00	$987,643.00	($121,507.00)
Other Deferred Credits	$7,492,935.47	$6,376,130.78	$1,116,804.69	$7,492,935.47	$6,584,367.34	$908,568.13
Other Regulatory Liabilities	$193,719,454.58	$196,236,287.45	($2,516,832.87)	$193,719,454.58	$208,487,138.69	($14,767,684.11)
Accum Defer Inc Tax - Oth Prop	$517,905,222.70	$515,830,332.70	$2,074,890.00	$517,905,222.70	$505,455,621.70	$12,449,601.00
Accum Defer Inc Tax - Other	$4,556,055.99	$4,625,698.99	($69,643.00)	$4,556,055.99	$5,231,549.99	($675,494.00)
Deferred Credits	**$727,102,755.97**	**$726,556,656.99**	**$546,098.98**	**$727,102,755.97**	**$729,593,992.44**	**($2,491,236.47)**
Total Liabilities and Equity	**$3,465,933,541.32**	**$3,426,671,590.49**	**$39,261,950.83**	**$3,465,933,541.32**	**$3,437,736,920.92**	**$28,196,620.40**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jul - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jul - 2022*	Previous Month	Variance	Month: *Jul - 2022*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,493,536,263.60	$3,474,151,941.64	$19,384,321.96	$3,493,536,263.60	$3,353,076,081.58	$140,460,182.02
Construction Work In Progress	$98,096,919.78	$88,606,796.69	$9,490,123.09	$98,096,919.78	$67,521,690.69	$30,575,229.09
Total Utility Plant	**$3,591,633,183.38**	**$3,562,758,738.33**	**$28,874,445.05**	**$3,591,633,183.38**	**$3,420,597,772.27**	**$171,035,411.11**
Accum Prov - Amort and Depr	($620,652,138.26)	($615,008,941.31)	($5,643,196.95)	($620,652,138.26)	($584,697,322.58)	($35,954,815.68)
Net Utility Plant	**$2,970,981,045.12**	**$2,947,749,797.02**	**$23,231,248.10**	**$2,970,981,045.12**	**$2,835,900,449.69**	**$135,080,595.43**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$2,971,712,917.37**	**$2,948,481,669.27**	**$23,231,248.10**	**$2,971,712,917.37**	**$2,836,632,321.94**	**$135,080,595.43**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,545,869.75	$21,527,888.75	$17,981.00	$21,545,869.75	$21,102,042.66	$443,827.09
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$15,895,669.83	$15,735,108.38	$160,561.45	$15,895,669.83	$21,854,004.87	($5,958,335.04)
Other Property and Investments	**$37,449,886.07**	**$37,271,343.62**	**$178,542.45**	**$37,449,886.07**	**$42,964,394.02**	**($5,514,507.95)**
Current and Accrued Assets						
Cash	$1,356,969.32	$1,297,846.32	$59,123.00	$1,356,969.32	$1,061,400.68	$295,568.64
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$2,550.00	$0.00
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$17,303,901.28	$36,826,782.85	($19,522,881.57)	$17,303,901.28	$114,560,736.98	($97,256,835.70)
AR from Associated Cos	($68,492.71)	$12,470.59	($80,963.30)	($68,492.71)	$157,917.11	($226,409.82)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,326,484.83	$1,329,850.71	($3,365.88)	$1,326,484.83	$1,341,498.20	($15,013.37)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$108,235,929.63	$82,613,218.81	$25,622,710.82	$108,235,929.63	$62,974,531.58	$45,261,398.05
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$6,026,720.63	$4,212,939.44	$1,813,781.19	$6,026,720.63	$4,753,424.17	$1,273,296.46
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$8,604,580.54	$11,148,040.08	($2,543,459.54)	$8,604,580.54	$6,753,837.37	$1,850,743.17
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$143,041,643.52**	**$137,696,698.80**	**$5,344,944.72**	**$143,041,643.52**	**$191,858,896.09**	**($48,817,252.57)**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$223,978,512.36	$224,071,820.55	($93,308.19)	$223,978,512.36	$220,175,054.56	$3,803,457.80
Preliminary Surveys	$11,870,597.39	$11,313,330.51	$557,266.88	$11,870,597.39	$10,127,747.64	$1,742,849.75

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jul - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jul - 2022*	Previous Month	Variance	Month: *Jul - 2022*	December of Previous Year	Variance
Clearing Accounts	($1,104.59)	($1,473.74)	$369.15	($1,104.59)	$0.00	($1,104.59)
Miscellaneous Deferred Debits	$3,563,514.36	$3,569,346.70	($5,832.34)	$3,563,514.36	$3,563,393.00	$121.36
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$101,962,378.00	$101,771,569.00	$190,809.00	$101,962,378.00	$111,254,418.00	($9,292,040.00)
Unrecovered Purchase Gas Costs	$6,218,793.89	$1,759,236.61	$4,459,557.28	$6,218,793.89	$21,160,695.67	($14,941,901.78)
Deferred Debits	**$347,592,691.41**	**$342,483,829.63**	**$5,108,861.78**	**$347,592,691.41**	**$366,281,308.87**	**($18,688,617.46)**
Assets and Other Debits	**$3,499,797,138.37**	**$3,465,933,541.32**	**$33,863,597.05**	**$3,499,797,138.37**	**$3,437,736,920.92**	**$62,060,217.45**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,186,590,007.81	$1,194,183,237.06	($7,593,229.25)	$1,186,590,007.81	$1,082,462,182.27	$104,127,825.54
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,424,607,634.81**	**$1,432,200,864.06**	**($7,593,229.25)**	**$1,424,607,634.81**	**$1,320,479,809.27**	**$104,127,825.54**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,075,515,000.00	$1,075,515,000.00	$0.00	$1,075,515,000.00	$1,035,515,000.00	$40,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,075,515,000.00**	**$1,075,515,000.00**	**$0.00**	**$1,075,515,000.00**	**$1,035,515,000.00**	**$40,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$13,645,633.57	$13,799,969.34	($154,335.77)	$13,645,633.57	$14,586,213.79	($940,580.22)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$134,951.78	$138,797.08	($3,845.30)	$134,951.78	$174,025.87	($39,074.09)
Accum Prov - Pension & Benefit	$2,440,884.00	$2,655,043.19	($214,159.19)	$2,440,884.00	$2,346,339.61	$94,544.39
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$16,221,469.35**	**$16,593,809.61**	**($372,340.26)**	**$16,221,469.35**	**$17,106,579.27**	**($885,109.92)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$62,726,203.24	$73,430,517.37	($10,704,314.13)	$62,726,203.24	$54,364,542.28	$8,361,660.96
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$74,643,823.88	$28,100,723.91	$46,543,099.97	$74,643,823.88	$181,303,742.29	($106,659,918.41)
Customer Deposits	$3,944,739.11	$3,884,608.11	$60,131.00	$3,944,739.11	$3,924,505.11	$20,234.00
Taxes Accrued	$34,352,641.82	$39,187,904.40	($4,835,262.58)	$34,352,641.82	$17,490,344.27	$16,862,297.55
Interest Accrued	$304,908.73	$299,534.22	$5,374.51	$304,908.73	$335,065.01	($30,156.28)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$167,645.31	$134,766.36	$32,878.95	$167,645.31	$718,250.16	($550,604.85)
Misc Current & Accrued Liab	$75,958,774.88	$67,585,006.42	$8,373,768.46	$75,958,774.88	$74,581,714.03	$1,377,060.85
Obligation Cap Lease - Current	$1,907,489.07	$1,898,050.89	$9,438.18	$1,907,489.07	$2,323,376.79	($415,887.72)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$254,006,226.04**	**$214,521,111.68**	**$39,485,114.36**	**$254,006,226.04**	**$335,041,539.94**	**($81,035,313.90)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jul - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jul - 2022*	Previous Month	Variance	Month: *Jul - 2022*	December of Previous Year	Variance
Customer Adv. for Construction	$2,542,758.24	$2,562,951.23	($20,192.99)	$2,542,758.24	$2,847,671.72	($304,913.48)
Acc Defd Investment Tax Credit	$845,885.00	$866,136.00	($20,251.00)	$845,885.00	$987,643.00	($141,758.00)
Other Deferred Credits	$7,470,247.14	$7,492,935.47	($22,688.33)	$7,470,247.14	$6,584,367.34	$885,879.80
Other Regulatory Liabilities	$193,967,987.10	$193,719,454.58	$248,532.52	$193,967,987.10	$208,487,138.69	($14,519,151.59)
Accum Defer Inc Tax - Oth Prop	$519,980,110.70	$517,905,222.70	$2,074,888.00	$519,980,110.70	$505,455,621.70	$14,524,489.00
Accum Defer Inc Tax - Other	$4,639,819.99	$4,556,055.99	$83,764.00	$4,639,819.99	$5,231,549.99	($591,730.00)
Deferred Credits	**$729,446,808.17**	**$727,102,755.97**	**$2,344,052.20**	**$729,446,808.17**	**$729,593,992.44**	**($147,184.27)**
Total Liabilities and Equity	**$3,499,797,138.37**	**$3,465,933,541.32**	**$33,863,597.05**	**$3,499,797,138.37**	**$3,437,736,920.92**	**$62,060,217.45**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Aug - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Aug - 2022*	Previous Month	Variance	Month: *Aug - 2022*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,530,211,182.75	$3,493,536,263.60	$36,674,919.15	$3,530,211,182.75	$3,353,076,081.58	$177,135,101.17
Construction Work In Progress	$97,412,782.69	$98,096,919.78	($684,137.09)	$97,412,782.69	$67,521,690.69	$29,891,092.00
Total Utility Plant	**$3,627,623,965.44**	**$3,591,633,183.38**	**$35,990,782.06**	**$3,627,623,965.44**	**$3,420,597,772.27**	**$207,026,193.17**
Accum Prov - Amort and Depr	($625,964,871.74)	($620,652,138.26)	($5,312,733.48)	($625,964,871.74)	($584,697,322.58)	($41,267,549.16)
Net Utility Plant	**$3,001,659,093.70**	**$2,970,981,045.12**	**$30,678,048.58**	**$3,001,659,093.70**	**$2,835,900,449.69**	**$165,758,644.01**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,002,390,965.95**	**$2,971,712,917.37**	**$30,678,048.58**	**$3,002,390,965.95**	**$2,836,632,321.94**	**$165,758,644.01**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,597,439.82	$21,545,869.75	$51,570.07	$21,597,439.82	$21,102,042.66	$495,397.16
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$16,054,955.22	$15,895,669.83	$159,285.39	$16,054,955.22	$21,854,004.87	($5,799,049.65)
Other Property and Investments	**$37,660,741.53**	**$37,449,886.07**	**$210,855.46**	**$37,660,741.53**	**$42,964,394.02**	**($5,303,652.49)**
Current and Accrued Assets						
Cash	$966,364.96	$1,356,969.32	($390,604.36)	$966,364.96	$1,061,400.68	($95,035.72)
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$201.40	$2,550.00	($2,348.60)	$201.40	$2,550.00	($2,348.60)
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$11,260,207.84	$17,303,901.28	($6,043,693.44)	$11,260,207.84	$114,560,736.98	($103,300,529.14)
AR from Associated Cos	($95,136.62)	($68,492.71)	($26,643.91)	($95,136.62)	$157,917.11	($253,053.73)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,304,328.44	$1,326,484.83	($22,156.39)	$1,304,328.44	$1,341,498.20	($37,169.76)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$133,228,856.00	$108,235,929.63	$24,992,926.37	$133,228,856.00	$62,974,531.58	$70,254,324.42
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$5,396,527.12	$6,026,720.63	($630,193.51)	$5,396,527.12	$4,753,424.17	$643,102.95
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$7,756,026.11	$8,604,580.54	($848,554.43)	$7,756,026.11	$6,753,837.37	$1,002,188.74
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$160,070,375.25**	**$143,041,643.52**	**$17,028,731.73**	**$160,070,375.25**	**$191,858,896.09**	**($31,788,520.84)**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$223,642,545.88	$223,978,512.36	($335,966.48)	$223,642,545.88	$220,175,054.56	$3,467,491.32
Preliminary Surveys	$12,008,202.24	$11,870,597.39	$137,604.85	$12,008,202.24	$10,127,747.64	$1,880,454.60

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Aug - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Aug - 2022*	Previous Month	Variance	Month: *Aug - 2022*	December of Previous Year	Variance
Clearing Accounts	($6,717.04)	($1,104.59)	($5,612.45)	($6,717.04)	$0.00	($6,717.04)
Miscellaneous Deferred Debits	$3,304,597.14	$3,563,514.36	($258,917.22)	$3,304,597.14	$3,563,393.00	($258,795.86)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$102,639,181.00	$101,962,378.00	$676,803.00	$102,639,181.00	$111,254,418.00	($8,615,237.00)
Unrecovered Purchase Gas Costs	$17,310,564.77	$6,218,793.89	$11,091,770.88	$17,310,564.77	$21,160,695.67	($3,850,130.90)
Deferred Debits	**$358,898,373.99**	**$347,592,691.41**	**$11,305,682.58**	**$358,898,373.99**	**$366,281,308.87**	**($7,382,934.88)**
Assets and Other Debits	**$3,559,020,456.72**	**$3,499,797,138.37**	**$59,223,318.35**	**$3,559,020,456.72**	**$3,437,736,920.92**	**$121,283,535.80**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,180,161,039.61	$1,186,590,007.81	($6,428,968.20)	$1,180,161,039.61	$1,082,462,182.27	$97,698,857.34
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,418,178,666.61**	**$1,424,607,634.81**	**($6,428,968.20)**	**$1,418,178,666.61**	**$1,320,479,809.27**	**$97,698,857.34**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,075,515,000.00	$1,075,515,000.00	$0.00	$1,075,515,000.00	$1,035,515,000.00	$40,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,075,515,000.00**	**$1,075,515,000.00**	**$0.00**	**$1,075,515,000.00**	**$1,035,515,000.00**	**$40,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$13,497,226.03	$13,645,633.57	($148,407.54)	$13,497,226.03	$14,586,213.79	($1,088,987.76)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$110,414.78	$134,951.78	($24,537.00)	$110,414.78	$174,025.87	($63,611.09)
Accum Prov - Pension & Benefit	$2,340,397.56	$2,440,884.00	($100,486.44)	$2,340,397.56	$2,346,339.61	($5,942.05)
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$15,948,038.37**	**$16,221,469.35**	**($273,430.98)**	**$15,948,038.37**	**$17,106,579.27**	**($1,158,540.90)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$71,674,746.24	$62,726,203.24	$8,948,543.00	$71,674,746.24	$54,364,542.28	$17,310,203.96
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$114,161,875.32	$74,643,823.88	$39,518,051.44	$114,161,875.32	$181,303,742.29	($67,141,866.97)
Customer Deposits	$4,034,033.11	$3,944,739.11	$89,294.00	$4,034,033.11	$3,924,505.11	$109,528.00
Taxes Accrued	$30,108,939.50	$34,352,641.82	($4,243,702.32)	$30,108,939.50	$17,490,344.27	$12,618,595.23
Interest Accrued	$310,864.02	$304,908.73	$5,955.29	$310,864.02	$335,065.01	($24,200.99)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$154,206.28	$167,645.31	($13,439.03)	$154,206.28	$718,250.16	($564,043.88)
Misc Current & Accrued Liab	$95,274,844.80	$75,958,774.88	$19,316,069.92	$95,274,844.80	$74,581,714.03	$20,693,130.77
Obligation Cap Lease - Current	$1,895,713.74	$1,907,489.07	($11,775.33)	$1,895,713.74	$2,323,376.79	($427,663.05)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$317,615,223.01**	**$254,006,226.04**	**$63,608,996.97**	**$317,615,223.01**	**$335,041,539.94**	**($17,426,316.93)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Aug - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Aug - 2022*	Previous Month	Variance	Month: *Aug - 2022*	December of Previous Year	Variance
Customer Adv. for Construction	$2,516,094.17	$2,542,758.24	($26,664.07)	$2,516,094.17	$2,847,671.72	($331,577.55)
Acc Defd Investment Tax Credit	$825,634.00	$845,885.00	($20,251.00)	$825,634.00	$987,643.00	($162,009.00)
Other Deferred Credits	$7,427,490.47	$7,470,247.14	($42,756.67)	$7,427,490.47	$6,584,367.34	$843,123.13
Other Regulatory Liabilities	$194,322,681.48	$193,967,987.10	$354,694.38	$194,322,681.48	$208,487,138.69	($14,164,457.21)
Accum Defer Inc Tax - Oth Prop	$522,054,991.70	$519,980,110.70	$2,074,881.00	$522,054,991.70	$505,455,621.70	$16,599,370.00
Accum Defer Inc Tax - Other	$4,617,306.99	$4,639,819.99	($22,513.00)	$4,617,306.99	$5,231,549.99	($614,243.00)
Deferred Credits	**$731,764,198.81**	**$729,446,808.17**	**$2,317,390.64**	**$731,764,198.81**	**$729,593,992.44**	**$2,170,206.37**
Total Liabilities and Equity	**$3,559,021,126.80**	**$3,499,797,138.37**	**$59,223,988.43**	**$3,559,021,126.80**	**$3,437,736,920.92**	**$121,284,205.88**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Sep - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Sep - 2022*	Previous Month	Variance	Month: *Sep - 2022*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,558,150,744.23	$3,530,211,182.75	$27,939,561.48	$3,558,150,744.23	$3,353,076,081.58	$205,074,662.65
Construction Work In Progress	$98,583,948.43	$97,412,782.69	$1,171,165.74	$98,583,948.43	$67,521,690.69	$31,062,257.74
Total Utility Plant	**$3,656,734,692.66**	**$3,627,623,965.44**	**$29,110,727.22**	**$3,656,734,692.66**	**$3,420,597,772.27**	**$236,136,920.39**
Accum Prov - Amort and Depr	($629,363,121.62)	($625,964,871.74)	($3,398,249.88)	($629,363,121.62)	($584,697,322.58)	($44,665,799.04)
Net Utility Plant	**$3,027,371,571.04**	**$3,001,659,093.70**	**$25,712,477.34**	**$3,027,371,571.04**	**$2,835,900,449.69**	**$191,471,121.35**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,028,103,443.29**	**$3,002,390,965.95**	**$25,712,477.34**	**$3,028,103,443.29**	**$2,836,632,321.94**	**$191,471,121.35**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,616,525.82	$21,597,439.82	$19,086.00	$21,616,525.82	$21,102,042.66	$514,483.16
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$16,010,199.66	$16,054,955.22	($44,755.56)	$16,010,199.66	$21,854,004.87	($5,843,805.21)
Other Property and Investments	**$37,635,071.97**	**$37,660,741.53**	**($25,669.56)**	**$37,635,071.97**	**$42,964,394.02**	**($5,329,322.05)**
Current and Accrued Assets						
Cash	$1,320,937.26	$966,364.96	$354,572.30	$1,320,937.26	$1,061,400.68	$259,536.58
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$201.40	$2,348.60	$2,550.00	$2,550.00	$0.00
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$14,911,242.66	$11,260,207.84	$3,651,034.82	$14,911,242.66	$114,560,736.98	($99,649,494.32)
AR from Associated Cos	($68,001.98)	($95,136.62)	$27,134.64	($68,001.98)	$157,917.11	($225,919.09)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$986,572.80	$1,304,328.44	($317,755.64)	$986,572.80	$1,341,498.20	($354,925.40)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$157,134,908.20	$133,228,856.00	$23,906,052.20	$157,134,908.20	$62,974,531.58	$94,160,376.62
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$6,475,756.49	$5,396,527.12	$1,079,229.37	$6,475,756.49	$4,753,424.17	$1,722,332.32
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$11,559,627.13	$7,756,026.11	$3,803,601.02	$11,559,627.13	$6,753,837.37	$4,805,789.76
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$192,576,592.56**	**$160,070,375.25**	**$32,506,217.31**	**$192,576,592.56**	**$191,858,896.09**	**$717,696.47**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$154,341,685.74	$223,642,545.88	($69,300,860.14)	$154,341,685.74	$220,175,054.56	($65,833,368.82)
Preliminary Surveys	$11,678,063.75	$12,008,202.24	($330,138.49)	$11,678,063.75	$10,127,747.64	$1,550,316.11

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Sep - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Sep - 2022*	Previous Month	Variance	Month: *Sep - 2022*	December of Previous Year	Variance
Clearing Accounts	($1,187.82)	($6,717.04)	$5,529.22	($1,187.82)	$0.00	($1,187.82)
Miscellaneous Deferred Debits	$3,156,388.32	$3,304,597.14	($148,208.82)	$3,156,388.32	$3,563,393.00	($407,004.68)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$99,594,879.00	$102,639,181.00	($3,044,302.00)	$99,594,879.00	$111,254,418.00	($11,659,539.00)
Unrecovered Purchase Gas Costs	$16,192,542.51	$17,310,564.77	($1,118,022.26)	$16,192,542.51	$21,160,695.67	($4,968,153.16)
Deferred Debits	**$284,962,371.50**	**$358,898,373.99**	**($73,936,002.49)**	**$284,962,371.50**	**$366,281,308.87**	**($81,318,937.37)**
Assets and Other Debits	**$3,543,277,479.32**	**$3,559,020,456.72**	**($15,742,977.40)**	**$3,543,277,479.32**	**$3,437,736,920.92**	**$105,540,558.40**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,179,065,548.05	$1,180,161,039.61	($1,095,491.56)	$1,179,065,548.05	$1,082,462,182.27	$96,603,365.78
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,417,083,175.05**	**$1,418,178,666.61**	**($1,095,491.56)**	**$1,417,083,175.05**	**$1,320,479,809.27**	**$96,603,365.78**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,075,515,000.00	$1,075,515,000.00	$0.00	$1,075,515,000.00	$1,035,515,000.00	$40,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,075,515,000.00**	**$1,075,515,000.00**	**$0.00**	**$1,075,515,000.00**	**$1,035,515,000.00**	**$40,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$13,348,114.69	$13,497,226.03	($149,111.34)	$13,348,114.69	$14,586,213.79	($1,238,099.10)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$111,862.53	$110,414.78	$1,447.75	$111,862.53	$174,025.87	($62,163.34)
Accum Prov - Pension & Benefit	$2,663,424.28	$2,340,397.56	$323,026.72	$2,663,424.28	$2,346,339.61	$317,084.67
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$16,123,401.50**	**$15,948,038.37**	**$175,363.13**	**$16,123,401.50**	**$17,106,579.27**	**($983,177.77)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$62,243,232.48	$71,674,746.24	($9,431,513.76)	$62,243,232.48	$54,364,542.28	$7,878,690.20
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$174,148,844.48	$114,161,875.32	$59,986,969.16	$174,148,844.48	$181,303,742.29	($7,154,897.81)
Customer Deposits	$4,114,393.11	$4,034,033.11	$80,360.00	$4,114,393.11	$3,924,505.11	$189,888.00
Taxes Accrued	$25,541,778.40	$30,108,939.50	($4,567,161.10)	$25,541,778.40	$17,490,344.27	$8,051,434.13
Interest Accrued	$316,167.62	$310,864.02	$5,303.60	$316,167.62	$335,065.01	($18,897.39)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$151,774.37	$154,206.28	($2,431.91)	$151,774.37	$718,250.16	($566,475.79)
Misc Current & Accrued Liab	$107,914,663.64	$95,274,844.80	$12,639,818.84	$107,914,663.64	$74,581,714.03	$33,332,949.61
Obligation Cap Lease - Current	$1,912,123.43	$1,895,713.74	$16,409.69	$1,912,123.43	$2,323,376.79	($411,253.36)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$376,342,977.53**	**$317,615,223.01**	**$58,727,754.52**	**$376,342,977.53**	**$335,041,539.94**	**$41,301,437.59**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Sep - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Sep - 2022*	Previous Month	Variance	Month: *Sep - 2022*	December of Previous Year	Variance
Customer Adv. for Construction	$2,359,534.85	$2,516,094.17	($156,559.32)	$2,359,534.85	$2,847,671.72	($488,136.87)
Acc Defd Investment Tax Credit	$805,383.00	$825,634.00	($20,251.00)	$805,383.00	$987,643.00	($182,260.00)
Other Deferred Credits	$7,494,821.67	$7,427,490.47	$67,331.20	$7,494,821.67	$6,584,367.34	$910,454.33
Other Regulatory Liabilities	$189,469,748.11	$194,322,681.48	($4,852,933.37)	$189,469,748.11	$208,487,138.69	($19,017,390.58)
Accum Defer Inc Tax - Oth Prop	$454,406,701.70	$522,054,991.70	($67,648,290.00)	$454,406,701.70	$505,455,621.70	($51,048,920.00)
Accum Defer Inc Tax - Other	$3,677,405.99	$4,617,306.99	($939,901.00)	$3,677,405.99	$5,231,549.99	($1,554,144.00)
Deferred Credits	**$658,213,595.32**	**$731,764,198.81**	**($73,550,603.49)**	**$658,213,595.32**	**$729,593,992.44**	**($71,380,397.12)**
Total Liabilities and Equity	**$3,543,278,149.40**	**$3,559,021,126.80**	**($15,742,977.40)**	**$3,543,278,149.40**	**$3,437,736,920.92**	**$105,541,228.48**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Oct - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Oct - 2022*	Previous Month	Variance	Month: *Oct - 2022*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,611,887,107.80	$3,558,150,744.23	$53,736,363.57	$3,611,887,107.80	$3,353,076,081.58	$258,811,026.22
Construction Work In Progress	$78,414,217.90	$98,583,948.43	($20,169,730.53)	$78,414,217.90	$67,521,690.69	$10,892,527.21
Total Utility Plant	**$3,690,301,325.70**	**$3,656,734,692.66**	**$33,566,633.04**	**$3,690,301,325.70**	**$3,420,597,772.27**	**$269,703,553.43**
Accum Prov - Amort and Depr	($634,296,295.88)	($629,363,121.62)	($4,933,174.26)	($634,296,295.88)	($584,697,322.58)	($49,598,973.30)
Net Utility Plant	**$3,056,005,029.82**	**$3,027,371,571.04**	**$28,633,458.78**	**$3,056,005,029.82**	**$2,835,900,449.69**	**$220,104,580.13**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,056,736,902.07**	**$3,028,103,443.29**	**$28,633,458.78**	**$3,056,736,902.07**	**$2,836,632,321.94**	**$220,104,580.13**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,657,802.05	$21,616,525.82	$41,276.23	$21,657,802.05	$21,102,042.66	$555,759.39
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$16,169,485.05	$16,010,199.66	$159,285.39	$16,169,485.05	$21,854,004.87	($5,684,519.82)
Other Property and Investments	**$37,835,633.59**	**$37,635,071.97**	**$200,561.62**	**$37,835,633.59**	**$42,964,394.02**	**($5,128,760.43)**
Current and Accrued Assets						
Cash	$1,648,973.75	$1,320,937.26	$328,036.49	$1,648,973.75	$1,061,400.68	$587,573.07
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$2,550.00	$0.00
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$35,687,201.36	$14,911,242.66	$20,775,958.70	$35,687,201.36	$114,560,736.98	($78,873,535.62)
AR from Associated Cos	($11,735.75)	($68,001.98)	$56,266.23	($11,735.75)	$157,917.11	($169,652.86)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,363,333.23	$986,572.80	$376,760.43	$1,363,333.23	$1,341,498.20	$21,835.03
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$163,423,131.01	$157,134,908.20	$6,288,222.81	$163,423,131.01	$62,974,531.58	$100,448,599.43
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$5,657,954.61	$6,475,756.49	($817,801.88)	$5,657,954.61	$4,753,424.17	$904,530.44
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$10,719,480.04	$11,559,627.13	($840,147.09)	$10,719,480.04	$6,753,837.37	$3,965,642.67
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$218,743,888.25**	**$192,576,592.56**	**$26,167,295.69**	**$218,743,888.25**	**$191,858,896.09**	**$26,884,992.16**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$155,528,620.49	$154,341,685.74	$1,186,934.75	$155,528,620.49	$220,175,054.56	($64,646,434.07)
Preliminary Surveys	$11,389,084.07	$11,678,063.75	($288,979.68)	$11,389,084.07	$10,127,747.64	$1,261,336.43

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Oct - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Oct - 2022*	Previous Month	Variance	Month: *Oct - 2022*	December of Previous Year	Variance
Clearing Accounts	($3,043.92)	($1,187.82)	($1,856.10)	($3,043.92)	$0.00	($3,043.92)
Miscellaneous Deferred Debits	$2,951,731.52	$3,156,388.32	($204,656.80)	$2,951,731.52	$3,563,393.00	($611,661.48)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$99,650,446.00	$99,594,879.00	$55,567.00	$99,650,446.00	$111,254,418.00	($11,603,972.00)
Unrecovered Purchase Gas Costs	$15,933,611.53	$16,192,542.51	($258,930.98)	$15,933,611.53	$21,160,695.67	($5,227,084.14)
Deferred Debits	**$285,450,449.69**	**$284,962,371.50**	**$488,078.19**	**$285,450,449.69**	**$366,281,308.87**	**($80,830,859.18)**
Assets and Other Debits	**$3,598,766,873.60**	**$3,543,277,479.32**	**$55,489,394.28**	**$3,598,766,873.60**	**$3,437,736,920.92**	**$161,029,952.68**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,186,071,816.59	$1,179,065,548.05	$7,006,268.54	$1,186,071,816.59	$1,082,462,182.27	$103,609,634.32
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,424,089,443.59**	**$1,417,083,175.05**	**$7,006,268.54**	**$1,424,089,443.59**	**$1,320,479,809.27**	**$103,609,634.32**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,075,515,000.00	$1,075,515,000.00	$0.00	$1,075,515,000.00	$1,035,515,000.00	$40,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,075,515,000.00**	**$1,075,515,000.00**	**$0.00**	**$1,075,515,000.00**	**$1,035,515,000.00**	**$40,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$13,198,294.57	$13,348,114.69	($149,820.12)	$13,198,294.57	$14,586,213.79	($1,387,919.22)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$111,893.82	$111,862.53	$31.29	$111,893.82	$174,025.87	($62,132.05)
Accum Prov - Pension & Benefit	$2,479,872.49	$2,663,424.28	($183,551.79)	$2,479,872.49	$2,346,339.61	$133,532.88
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$15,790,060.88**	**$16,123,401.50**	**($333,340.62)**	**$15,790,060.88**	**$17,106,579.27**	**($1,316,518.39)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$62,484,764.80	$62,243,232.48	$241,532.32	$62,484,764.80	$54,364,542.28	$8,120,222.52
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$213,763,596.88	$174,148,844.48	$39,614,752.40	$213,763,596.88	$181,303,742.29	$32,459,854.59
Customer Deposits	$4,292,022.11	$4,114,393.11	$177,629.00	$4,292,022.11	$3,924,505.11	$367,517.00
Taxes Accrued	$26,209,277.03	$25,541,778.40	$667,498.63	$26,209,277.03	$17,490,344.27	$8,718,932.76
Interest Accrued	$322,806.88	$316,167.62	$6,639.26	$322,806.88	$335,065.01	($12,258.13)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$276,519.71	$151,774.37	$124,745.34	$276,519.71	$718,250.16	($441,730.45)
Misc Current & Accrued Liab	$112,983,201.28	$107,914,663.64	$5,068,537.64	$112,983,201.28	$74,581,714.03	$38,401,487.25
Obligation Cap Lease - Current	$1,942,115.52	$1,912,123.43	$29,992.09	$1,942,115.52	$2,323,376.79	($381,261.27)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$422,274,304.21**	**$376,342,977.53**	**$45,931,326.68**	**$422,274,304.21**	**$335,041,539.94**	**$87,232,764.27**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Oct - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Oct - 2022*	Previous Month	Variance	Month: *Oct - 2022*	December of Previous Year	Variance
Customer Adv. for Construction	$2,310,463.56	$2,359,534.85	($49,071.29)	$2,310,463.56	$2,847,671.72	($537,208.16)
Acc Defd Investment Tax Credit	$785,132.00	$805,383.00	($20,251.00)	$785,132.00	$987,643.00	($202,511.00)
Other Deferred Credits	$7,482,541.96	$7,494,821.67	($12,279.71)	$7,482,541.96	$6,584,367.34	$898,174.62
Other Regulatory Liabilities	$190,675,564.79	$189,469,748.11	$1,205,816.68	$190,675,564.79	$208,487,138.69	($17,811,573.90)
Accum Defer Inc Tax - Oth Prop	$456,377,117.70	$454,406,701.70	$1,970,416.00	$456,377,117.70	$505,455,621.70	($49,078,504.00)
Accum Defer Inc Tax - Other	$3,467,914.99	$3,677,405.99	($209,491.00)	$3,467,914.99	$5,231,549.99	($1,763,635.00)
Deferred Credits	**$661,098,735.00**	**$658,213,595.32**	**$2,885,139.68**	**$661,098,735.00**	**$729,593,992.44**	**($68,495,257.44)**
Total Liabilities and Equity	**$3,598,767,543.68**	**$3,543,278,149.40**	**$55,489,394.28**	**$3,598,767,543.68**	**$3,437,736,920.92**	**$161,030,622.76**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Nov - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Nov - 2022*	Previous Month	Variance	Month: *Nov - 2022*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,644,559,459.70	$3,611,887,107.80	$32,672,351.90	$3,644,559,459.70	$3,353,076,081.58	$291,483,378.12
Construction Work In Progress	$80,661,759.93	$78,414,217.90	$2,247,542.03	$80,661,759.93	$67,521,690.69	$13,140,069.24
Total Utility Plant	**$3,725,221,219.63**	**$3,690,301,325.70**	**$34,919,893.93**	**$3,725,221,219.63**	**$3,420,597,772.27**	**$304,623,447.36**
Accum Prov - Amort and Depr	($636,235,836.07)	($634,296,295.88)	($1,939,540.19)	($636,235,836.07)	($584,697,322.58)	($51,538,513.49)
Net Utility Plant	**$3,088,985,383.56**	**$3,056,005,029.82**	**$32,980,353.74**	**$3,088,985,383.56**	**$2,835,900,449.69**	**$253,084,933.87**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,089,717,255.81**	**$3,056,736,902.07**	**$32,980,353.74**	**$3,089,717,255.81**	**$2,836,632,321.94**	**$253,084,933.87**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,703,226.79	$21,657,802.05	$45,424.74	$21,703,226.79	$21,102,042.66	$601,184.13
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$16,330,548.38	$16,169,485.05	$161,063.33	$16,330,548.38	$21,854,004.87	($5,523,456.49)
Other Property and Investments	**$38,042,121.66**	**$37,835,633.59**	**$206,488.07**	**$38,042,121.66**	**$42,964,394.02**	**($4,922,272.36)**
Current and Accrued Assets						
Cash	$2,034,642.93	$1,648,973.75	$385,669.18	$2,034,642.93	$1,061,400.68	$973,242.25
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$2,550.00	$0.00
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$68,029,155.16	$35,687,201.36	$32,341,953.80	$68,029,155.16	$114,560,736.98	($46,531,581.82)
AR from Associated Cos	$74,950.71	($11,735.75)	$86,686.46	$74,950.71	$157,917.11	($82,966.40)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,332,620.87	$1,363,333.23	($30,712.36)	$1,332,620.87	$1,341,498.20	($8,877.33)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$141,191,857.45	$163,423,131.01	($22,231,273.56)	$141,191,857.45	$62,974,531.58	$78,217,325.87
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$7,149,366.57	$5,657,954.61	$1,491,411.96	$7,149,366.57	$4,753,424.17	$2,395,942.40
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$12,844,257.87	$10,719,480.04	$2,124,777.83	$12,844,257.87	$6,753,837.37	$6,090,420.50
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$232,912,401.56**	**$218,743,888.25**	**$14,168,513.31**	**$232,912,401.56**	**$191,858,896.09**	**$41,053,505.47**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$158,673,273.51	$155,528,620.49	$3,144,653.02	$158,673,273.51	$220,175,054.56	($61,501,781.05)
Preliminary Surveys	$9,534,831.25	$11,389,084.07	($1,854,252.82)	$9,534,831.25	$10,127,747.64	($592,916.39)

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Nov - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Nov - 2022*	Previous Month	Variance	Month: *Nov - 2022*	December of Previous Year	Variance
Clearing Accounts	($14,131.50)	($3,043.92)	($11,087.58)	($14,131.50)	$0.00	($14,131.50)
Miscellaneous Deferred Debits	$3,034,343.68	$2,951,731.52	$82,612.16	$3,034,343.68	$3,563,393.00	($529,049.32)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$98,718,384.00	$99,650,446.00	($932,062.00)	$98,718,384.00	$111,254,418.00	($12,536,034.00)
Unrecovered Purchase Gas Costs	$11,074,066.90	$15,933,611.53	($4,859,544.63)	$11,074,066.90	$21,160,695.67	($10,086,628.77)
Deferred Debits	**$281,020,767.84**	**$285,450,449.69**	**($4,429,681.85)**	**$281,020,767.84**	**$366,281,308.87**	**($85,260,541.03)**
Assets and Other Debits	**$3,641,692,546.87**	**$3,598,766,873.60**	**$42,925,673.27**	**$3,641,692,546.87**	**$3,437,736,920.92**	**$203,955,625.95**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,206,647,218.54	$1,186,071,816.59	$20,575,401.95	$1,206,647,218.54	$1,082,462,182.27	$124,185,036.27
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,444,664,845.54**	**$1,424,089,443.59**	**$20,575,401.95**	**$1,444,664,845.54**	**$1,320,479,809.27**	**$124,185,036.27**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,075,515,000.00	$1,075,515,000.00	$0.00	$1,075,515,000.00	$1,035,515,000.00	$40,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,075,515,000.00**	**$1,075,515,000.00**	**$0.00**	**$1,075,515,000.00**	**$1,035,515,000.00**	**$40,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$13,047,760.57	$13,198,294.57	($150,534.00)	$13,047,760.57	$14,586,213.79	($1,538,453.22)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$120,836.33	$111,893.82	$8,942.51	$120,836.33	$174,025.87	($53,189.54)
Accum Prov - Pension & Benefit	$2,423,083.28	$2,479,872.49	($56,789.21)	$2,423,083.28	$2,346,339.61	$76,743.67
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$15,591,680.18**	**$15,790,060.88**	**($198,380.70)**	**$15,591,680.18**	**$17,106,579.27**	**($1,514,899.09)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$51,606,752.90	$62,484,764.80	($10,878,011.90)	$51,606,752.90	$54,364,542.28	($2,757,789.38)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$252,848,429.52	$213,763,596.88	$39,084,832.64	$252,848,429.52	$181,303,742.29	$71,544,687.23
Customer Deposits	$4,401,054.11	$4,292,022.11	$109,032.00	$4,401,054.11	$3,924,505.11	$476,549.00
Taxes Accrued	$17,156,693.45	$26,209,277.03	($9,052,583.58)	$17,156,693.45	$17,490,344.27	($333,650.82)
Interest Accrued	$328,983.87	$322,806.88	$6,176.99	$328,983.87	$335,065.01	($6,081.14)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$484,222.33	$276,519.71	$207,702.62	$484,222.33	$718,250.16	($234,027.83)
Misc Current & Accrued Liab	$112,672,835.38	$112,983,201.28	($310,365.90)	$112,672,835.38	$74,581,714.03	$38,091,121.35
Obligation Cap Lease - Current	$2,011,878.81	$1,942,115.52	$69,763.29	$2,011,878.81	$2,323,376.79	($311,497.98)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$441,510,850.37**	**$422,274,304.21**	**$19,236,546.16**	**$441,510,850.37**	**$335,041,539.94**	**$106,469,310.43**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Nov - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Nov - 2022*	Previous Month	Variance	Month: *Nov - 2022*	December of Previous Year	Variance
Customer Adv. for Construction	$2,300,177.71	$2,310,463.56	($10,285.85)	$2,300,177.71	$2,847,671.72	($547,494.01)
Acc Defd Investment Tax Credit	$764,881.00	$785,132.00	($20,251.00)	$764,881.00	$987,643.00	($222,762.00)
Other Deferred Credits	$7,405,669.59	$7,482,541.96	($76,872.37)	$7,405,669.59	$6,584,367.34	$821,302.25
Other Regulatory Liabilities	$192,356,622.87	$190,675,564.79	$1,681,058.08	$192,356,622.87	$208,487,138.69	($16,130,515.82)
Accum Defer Inc Tax - Oth Prop	$458,577,642.70	$456,377,117.70	$2,200,525.00	$458,577,642.70	$505,455,621.70	($46,877,979.00)
Accum Defer Inc Tax - Other	$3,005,846.99	$3,467,914.99	($462,068.00)	$3,005,846.99	$5,231,549.99	($2,225,703.00)
Deferred Credits	**$664,410,840.86**	**$661,098,735.00**	**$3,312,105.86**	**$664,410,840.86**	**$729,593,992.44**	**($65,183,151.58)**
Total Liabilities and Equity	**$3,641,693,216.95**	**$3,598,767,543.68**	**$42,925,673.27**	**$3,641,693,216.95**	**$3,437,736,920.92**	**$203,956,296.03**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Dec - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Dec - 2022*	Previous Month	Variance	Month: *Dec - 2022*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,687,716,429.29	$3,644,559,459.70	$43,156,969.59	$3,687,716,429.29	$3,353,076,081.58	$334,640,347.71
Construction Work In Progress	$68,692,477.92	$80,661,759.93	($11,969,282.01)	$68,692,477.92	$67,521,690.69	$1,170,787.23
Total Utility Plant	**$3,756,408,907.21**	**$3,725,221,219.63**	**$31,187,687.58**	**$3,756,408,907.21**	**$3,420,597,772.27**	**$335,811,134.94**
Accum Prov - Amort and Depr	($634,179,530.32)	($636,235,836.07)	$2,056,305.75	($634,179,530.32)	($584,697,322.58)	($49,482,207.74)
Net Utility Plant	**$3,122,229,376.89**	**$3,088,985,383.56**	**$33,243,993.33**	**$3,122,229,376.89**	**$2,835,900,449.69**	**$286,328,927.20**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,122,961,249.14**	**$3,089,717,255.81**	**$33,243,993.33**	**$3,122,961,249.14**	**$2,836,632,321.94**	**$286,328,927.20**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,735,704.98	$21,703,226.79	$32,478.19	$21,735,704.98	$21,102,042.66	$633,662.32
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$8,893,645.96	$16,330,548.38	($7,436,902.42)	$8,893,645.96	$21,854,004.87	($12,960,358.91)
Other Property and Investments	**$30,637,697.43**	**$38,042,121.66**	**($7,404,424.23)**	**$30,637,697.43**	**$42,964,394.02**	**($12,326,696.59)**
Current and Accrued Assets						
Cash	$3,125,388.83	$2,034,642.93	$1,090,745.90	$3,125,388.83	$1,061,400.68	$2,063,988.15
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$1,712.61	$2,550.00	($837.39)	$1,712.61	$2,550.00	($837.39)
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$83,393,818.43	$68,029,155.16	$15,364,663.27	$83,393,818.43	$114,560,736.98	($31,166,918.55)
AR from Associated Cos	$121,590.64	$74,950.71	$46,639.93	$121,590.64	$157,917.11	($36,326.47)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,238,920.56	$1,332,620.87	($93,700.31)	$1,238,920.56	$1,341,498.20	($102,577.64)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$123,110,374.53	$141,191,857.45	($18,081,482.92)	$123,110,374.53	$62,974,531.58	$60,135,842.95
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$5,266,603.14	$7,149,366.57	($1,882,763.43)	$5,266,603.14	$4,753,424.17	$513,178.97
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$16,721,120.99	$12,844,257.87	$3,876,863.12	$16,721,120.99	$6,753,837.37	$9,967,283.62
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$233,232,529.73**	**$232,912,401.56**	**$320,128.17**	**$233,232,529.73**	**$191,858,896.09**	**$41,373,633.64**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$192,817,434.61	$158,673,273.51	$34,144,161.10	$192,817,434.61	$220,175,054.56	($27,357,619.95)
Preliminary Surveys	$6,261,478.37	$9,534,831.25	($3,273,352.88)	$6,261,478.37	$10,127,747.64	($3,866,269.27)

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Dec - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Dec - 2022*	Previous Month	Variance	Month: *Dec - 2022*	December of Previous Year	Variance
Clearing Accounts	$0.00	($14,131.50)	$14,131.50	$0.00	$0.00	$0.00
Miscellaneous Deferred Debits	$2,947,796.34	$3,034,343.68	($86,547.34)	$2,947,796.34	$3,563,393.00	($615,596.66)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$103,088,926.00	$98,718,384.00	$4,370,542.00	$103,088,926.00	$111,254,418.00	($8,165,492.00)
Unrecovered Purchase Gas Costs	$8,548,919.44	$11,074,066.90	($2,525,147.46)	$8,548,919.44	$21,160,695.67	($12,611,776.23)
Deferred Debits	**$313,664,554.76**	**$281,020,767.84**	**$32,643,786.92**	**$313,664,554.76**	**$366,281,308.87**	**($52,616,754.11)**
Assets and Other Debits	**$3,700,496,031.06**	**$3,641,692,546.87**	**$58,803,484.19**	**$3,700,496,031.06**	**$3,437,736,920.92**	**$262,759,110.14**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,245,197,553.26	$1,206,647,218.54	$38,550,334.72	$1,245,197,553.26	$1,082,462,182.27	$162,735,370.99
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,483,215,180.26**	**$1,444,664,845.54**	**$38,550,334.72**	**$1,483,215,180.26**	**$1,320,479,809.27**	**$162,735,370.99**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,135,515,000.00	$1,075,515,000.00	$60,000,000.00	$1,135,515,000.00	$1,035,515,000.00	$100,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,135,515,000.00**	**$1,075,515,000.00**	**$60,000,000.00**	**$1,135,515,000.00**	**$1,035,515,000.00**	**$100,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$12,896,507.66	$13,047,760.57	($151,252.91)	$12,896,507.66	$14,586,213.79	($1,689,706.13)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$131,412.33	$120,836.33	$10,576.00	$131,412.33	$174,025.87	($42,613.54)
Accum Prov - Pension & Benefit	$2,500,184.42	$2,423,083.28	$77,101.14	$2,500,184.42	$2,346,339.61	$153,844.81
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$15,528,104.41**	**$15,591,680.18**	**($63,575.77)**	**$15,528,104.41**	**$17,106,579.27**	**($1,578,474.86)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$72,666,289.26	$51,606,752.90	$21,059,536.36	$72,666,289.26	$54,364,542.28	$18,301,746.98
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$166,443,842.89	$252,848,429.52	($86,404,586.63)	$166,443,842.89	$181,303,742.29	($14,859,899.40)
Customer Deposits	$4,456,251.11	$4,401,054.11	$55,197.00	$4,456,251.11	$3,924,505.11	$531,746.00
Taxes Accrued	$20,041,598.23	$17,156,693.45	$2,884,904.78	$20,041,598.23	$17,490,344.27	$2,551,253.96
Interest Accrued	$330,829.76	$328,983.87	$1,845.89	$330,829.76	$335,065.01	($4,235.25)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$960,313.64	$484,222.33	$476,091.31	$960,313.64	$718,250.16	$242,063.48
Misc Current & Accrued Liab	$97,871,706.01	$112,672,835.38	($14,801,129.37)	$97,871,706.01	$74,581,714.03	$23,289,991.98
Obligation Cap Lease - Current	$1,997,304.49	$2,011,878.81	($14,574.32)	$1,997,304.49	$2,323,376.79	($326,072.30)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$364,768,135.39**	**$441,510,850.37**	**($76,742,714.98)**	**$364,768,135.39**	**$335,041,539.94**	**$29,726,595.45**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Dec - 2022
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Dec - 2022*	Previous Month	Variance	Month: *Dec - 2022*	December of Previous Year	Variance
Customer Adv. for Construction	$2,240,978.01	$2,300,177.71	($59,199.70)	$2,240,978.01	$2,847,671.72	($606,693.71)
Acc Defd Investment Tax Credit	$744,630.00	$764,881.00	($20,251.00)	$744,630.00	$987,643.00	($243,013.00)
Other Deferred Credits	$7,025,506.47	$7,405,669.59	($380,163.12)	$7,025,506.47	$6,584,367.34	$441,139.13
Other Regulatory Liabilities	$217,169,504.91	$192,356,622.87	$24,812,882.04	$217,169,504.91	$208,487,138.69	$8,682,366.22
Accum Defer Inc Tax - Oth Prop	$472,603,016.70	$458,577,642.70	$14,025,374.00	$472,603,016.70	$505,455,621.70	($32,852,605.00)
Accum Defer Inc Tax - Other	$1,686,644.99	$3,005,846.99	($1,319,202.00)	$1,686,644.99	$5,231,549.99	($3,544,905.00)
Deferred Credits	**$701,470,281.08**	**$664,410,840.86**	**$37,059,440.22**	**$701,470,281.08**	**$729,593,992.44**	**($28,123,711.36)**
Total Liabilities and Equity	**$3,700,496,701.14**	**$3,641,693,216.95**	**$58,803,484.19**	**$3,700,496,701.14**	**$3,437,736,920.92**	**$262,759,780.22**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jan - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jan - 2023*	Previous Month	Variance	Month: *Jan - 2023*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,699,243,813.56	$3,687,716,429.29	$11,527,384.27	$3,699,243,813.56	$3,687,716,429.29	$11,527,384.27
Construction Work In Progress	$81,449,098.83	$68,692,477.92	$12,756,620.91	$81,449,098.83	$68,692,477.92	$12,756,620.91
Total Utility Plant	**$3,780,692,912.39**	**$3,756,408,907.21**	**$24,284,005.18**	**$3,780,692,912.39**	**$3,756,408,907.21**	**$24,284,005.18**
Accum Prov - Amort and Depr	($640,040,444.49)	($634,179,530.32)	($5,860,914.17)	($640,040,444.49)	($634,179,530.32)	($5,860,914.17)
Net Utility Plant	**$3,140,652,467.90**	**$3,122,229,376.89**	**$18,423,091.01**	**$3,140,652,467.90**	**$3,122,229,376.89**	**$18,423,091.01**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,141,384,340.15**	**$3,122,961,249.14**	**$18,423,091.01**	**$3,141,384,340.15**	**$3,122,961,249.14**	**$18,423,091.01**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,694,236.92	$21,735,704.98	($41,468.06)	$21,694,236.92	$21,735,704.98	($41,468.06)
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$8,969,883.37	$8,893,645.96	$76,237.41	$8,969,883.37	$8,893,645.96	$76,237.41
Other Property and Investments	**$30,672,466.78**	**$30,637,697.43**	**$34,769.35**	**$30,672,466.78**	**$30,637,697.43**	**$34,769.35**
Current and Accrued Assets						
Cash	$2,267,450.83	$3,125,388.83	($857,938.00)	$2,267,450.83	$3,125,388.83	($857,938.00)
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$1,712.61	$837.39	$2,550.00	$1,712.61	$837.39
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$70,140,563.06	$83,393,818.43	($13,253,255.37)	$70,140,563.06	$83,393,818.43	($13,253,255.37)
AR from Associated Cos	$187,747.44	$121,590.64	$66,156.80	$187,747.44	$121,590.64	$66,156.80
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,188,222.91	$1,238,920.56	($50,697.65)	$1,188,222.91	$1,238,920.56	($50,697.65)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$97,246,651.38	$123,110,374.53	($25,863,723.15)	$97,246,651.38	$123,110,374.53	($25,863,723.15)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$4,324,939.41	$5,266,603.14	($941,663.73)	$4,324,939.41	$5,266,603.14	($941,663.73)
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$17,368,784.29	$16,721,120.99	$647,663.30	$17,368,784.29	$16,721,120.99	$647,663.30
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$192,979,909.32**	**$233,232,529.73**	**($40,252,620.41)**	**$192,979,909.32**	**$233,232,529.73**	**($40,252,620.41)**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$192,081,739.57	$192,817,434.61	($735,695.04)	$192,081,739.57	$192,817,434.61	($735,695.04)
Preliminary Surveys	$6,743,192.16	$6,261,478.37	$481,713.79	$6,743,192.16	$6,261,478.37	$481,713.79

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jan - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jan - 2023*	Previous Month	Variance	Month: *Jan - 2023*	December of Previous Year	Variance
Clearing Accounts	($4,919.76)	$0.00	($4,919.76)	($4,919.76)	$0.00	($4,919.76)
Miscellaneous Deferred Debits	$2,770,077.24	$2,947,796.34	($177,719.10)	$2,770,077.24	$2,947,796.34	($177,719.10)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$100,947,320.00	$103,088,926.00	($2,141,606.00)	$100,947,320.00	$103,088,926.00	($2,141,606.00)
Unrecovered Purchase Gas Costs	($8,574,001.03)	$8,548,919.44	($17,122,920.47)	($8,574,001.03)	$8,548,919.44	($17,122,920.47)
Deferred Debits	**$293,963,408.18**	**$313,664,554.76**	**($19,701,146.58)**	**$293,963,408.18**	**$313,664,554.76**	**($19,701,146.58)**
Assets and Other Debits	**$3,659,000,124.43**	**$3,700,496,031.06**	**($41,495,906.63)**	**$3,659,000,124.43**	**$3,700,496,031.06**	**($41,495,906.63)**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,290,738,493.20	$1,245,197,553.26	$45,540,939.94	$1,290,738,493.20	$1,245,197,553.26	$45,540,939.94
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,528,756,120.20**	**$1,483,215,180.26**	**$45,540,939.94**	**$1,528,756,120.20**	**$1,483,215,180.26**	**$45,540,939.94**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,135,515,000.00	$1,135,515,000.00	$0.00	$1,135,515,000.00	$1,135,515,000.00	$0.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,135,515,000.00**	**$1,135,515,000.00**	**$0.00**	**$1,135,515,000.00**	**$1,135,515,000.00**	**$0.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$12,755,292.98	$12,896,507.66	($141,214.68)	$12,755,292.98	$12,896,507.66	($141,214.68)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$137,983.32	$131,412.33	$6,570.99	$137,983.32	$131,412.33	$6,570.99
Accum Prov - Pension & Benefit	$2,347,930.08	$2,500,184.42	($152,254.34)	$2,347,930.08	$2,500,184.42	($152,254.34)
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$15,241,206.38**	**$15,528,104.41**	**($286,898.03)**	**$15,241,206.38**	**$15,528,104.41**	**($286,898.03)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$49,469,896.51	$72,666,289.26	($23,196,392.75)	$49,469,896.51	$72,666,289.26	($23,196,392.75)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$111,563,493.59	$166,443,842.89	($54,880,349.30)	$111,563,493.59	$166,443,842.89	($54,880,349.30)
Customer Deposits	$4,444,294.11	$4,456,251.11	($11,957.00)	$4,444,294.11	$4,456,251.11	($11,957.00)
Taxes Accrued	$33,456,718.06	$20,041,598.23	$13,415,119.83	$33,456,718.06	$20,041,598.23	$13,415,119.83
Interest Accrued	$231,203.12	$330,829.76	($99,626.64)	$231,203.12	$330,829.76	($99,626.64)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$1,334,522.29	$960,313.64	$374,208.65	$1,334,522.29	$960,313.64	$374,208.65
Misc Current & Accrued Liab	$72,621,097.93	$97,871,706.01	($25,250,608.08)	$72,621,097.93	$97,871,706.01	($25,250,608.08)
Obligation Cap Lease - Current	$2,019,526.85	$1,997,304.49	$22,222.36	$2,019,526.85	$1,997,304.49	$22,222.36
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$275,140,752.46**	**$364,768,135.39**	**($89,627,382.93)**	**$275,140,752.46**	**$364,768,135.39**	**($89,627,382.93)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jan - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jan - 2023*	Previous Month	Variance	Month: *Jan - 2023*	December of Previous Year	Variance
Customer Adv. for Construction	$2,152,603.73	$2,240,978.01	($88,374.28)	$2,152,603.73	$2,240,978.01	($88,374.28)
Acc Defd Investment Tax Credit	$726,184.00	$744,630.00	($18,446.00)	$726,184.00	$744,630.00	($18,446.00)
Other Deferred Credits	$6,972,498.63	$7,025,506.47	($53,007.84)	$6,972,498.63	$7,025,506.47	($53,007.84)
Other Regulatory Liabilities	$218,637,083.34	$217,169,504.91	$1,467,578.43	$218,637,083.34	$217,169,504.91	$1,467,578.43
Accum Defer Inc Tax - Oth Prop	$474,711,417.70	$472,603,016.70	$2,108,401.00	$474,711,417.70	$472,603,016.70	$2,108,401.00
Accum Defer Inc Tax - Other	$1,147,257.99	$1,686,644.99	($539,387.00)	$1,147,257.99	$1,686,644.99	($539,387.00)
Deferred Credits	**$704,347,045.39**	**$701,470,281.08**	**$2,876,764.31**	**$704,347,045.39**	**$701,470,281.08**	**$2,876,764.31**
Total Liabilities and Equity	**$3,659,000,124.43**	**$3,700,496,701.14**	**($41,496,576.71)**	**$3,659,000,124.43**	**$3,700,496,701.14**	**($41,496,576.71)**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Feb - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Feb - 2023*	Previous Month	Variance	Month: *Feb - 2023*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,718,845,652.05	$3,699,243,813.56	$19,601,838.49	$3,718,845,652.05	$3,687,716,429.29	$31,129,222.76
Construction Work In Progress	$84,541,615.40	$81,449,098.83	$3,092,516.57	$84,541,615.40	$68,692,477.92	$15,849,137.48
Total Utility Plant	**$3,803,387,267.45**	**$3,780,692,912.39**	**$22,694,355.06**	**$3,803,387,267.45**	**$3,756,408,907.21**	**$46,978,360.24**
Accum Prov - Amort and Depr	($644,938,542.84)	($640,040,444.49)	($4,898,098.35)	($644,938,542.84)	($634,179,530.32)	($10,759,012.52)
Net Utility Plant	**$3,158,448,724.61**	**$3,140,652,467.90**	**$17,796,256.71**	**$3,158,448,724.61**	**$3,122,229,376.89**	**$36,219,347.72**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,159,180,596.86**	**$3,141,384,340.15**	**$17,796,256.71**	**$3,159,180,596.86**	**$3,122,961,249.14**	**$36,219,347.72**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,623,458.07	$21,694,236.92	($70,778.85)	$21,623,458.07	$21,735,704.98	($112,246.91)
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$9,046,120.78	$8,969,883.37	$76,237.41	$9,046,120.78	$8,893,645.96	$152,474.82
Other Property and Investments	**$30,677,925.34**	**$30,672,466.78**	**$5,458.56**	**$30,677,925.34**	**$30,637,697.43**	**$40,227.91**
Current and Accrued Assets						
Cash	$2,038,971.15	$2,267,450.83	($228,479.68)	$2,038,971.15	$3,125,388.83	($1,086,417.68)
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$1,712.61	$837.39
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$21,685,283.57	$70,140,563.06	($48,455,279.49)	$21,685,283.57	$83,393,818.43	($61,708,534.86)
AR from Associated Cos	$41,686.31	$187,747.44	($146,061.13)	$41,686.31	$121,590.64	($79,904.33)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,190,660.88	$1,188,222.91	$2,437.97	$1,190,660.88	$1,238,920.56	($48,259.68)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$69,405,977.66	$97,246,651.38	($27,840,673.72)	$69,405,977.66	$123,110,374.53	($53,704,396.87)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$3,729,451.99	$4,324,939.41	($595,487.42)	$3,729,451.99	$5,266,603.14	($1,537,151.15)
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$15,873,129.04	$17,368,784.29	($1,495,655.25)	$15,873,129.04	$16,721,120.99	($847,991.95)
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$114,220,710.60**	**$192,979,909.32**	**($78,759,198.72)**	**$114,220,710.60**	**$233,232,529.73**	**($119,011,819.13)**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$191,234,155.81	$192,081,739.57	($847,583.76)	$191,234,155.81	$192,817,434.61	($1,583,278.80)
Preliminary Surveys	$6,939,400.39	$6,743,192.16	$196,208.23	$6,939,400.39	$6,261,478.37	$677,922.02

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Feb - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Feb - 2023*	Previous Month	Variance	Month: *Feb - 2023*	December of Previous Year	Variance
Clearing Accounts	($9,555.15)	($4,919.76)	($4,635.39)	($9,555.15)	$0.00	($9,555.15)
Miscellaneous Deferred Debits	$2,759,812.66	$2,770,077.24	($10,264.58)	$2,759,812.66	$2,947,796.34	($187,983.68)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$98,783,398.00	$100,947,320.00	($2,163,922.00)	$98,783,398.00	$103,088,926.00	($4,305,528.00)
Unrecovered Purchase Gas Costs	($11,218,878.44)	($8,574,001.03)	($2,644,877.41)	($11,218,878.44)	$8,548,919.44	($19,767,797.88)
Deferred Debits	**$288,488,333.27**	**$293,963,408.18**	**($5,475,074.91)**	**$288,488,333.27**	**$313,664,554.76**	**($25,176,221.49)**
Assets and Other Debits	**$3,592,567,566.07**	**$3,659,000,124.43**	**($66,432,558.36)**	**$3,592,567,566.07**	**$3,700,496,031.06**	**($107,928,464.99)**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,329,935,082.02	$1,290,738,493.20	$39,196,588.82	$1,329,935,082.02	$1,245,197,553.26	$84,737,528.76
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,567,952,709.02**	**$1,528,756,120.20**	**$39,196,588.82**	**$1,567,952,709.02**	**$1,483,215,180.26**	**$84,737,528.76**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,135,515,000.00	$1,135,515,000.00	$0.00	$1,135,515,000.00	$1,135,515,000.00	$0.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,135,515,000.00**	**$1,135,515,000.00**	**$0.00**	**$1,135,515,000.00**	**$1,135,515,000.00**	**$0.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$12,604,734.26	$12,755,292.98	($150,558.72)	$12,604,734.26	$12,896,507.66	($291,773.40)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$139,864.02	$137,983.32	$1,880.70	$139,864.02	$131,412.33	$8,451.69
Accum Prov - Pension & Benefit	$2,271,705.26	$2,347,930.08	($76,224.82)	$2,271,705.26	$2,500,184.42	($228,479.16)
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$15,016,303.54**	**$15,241,206.38**	**($224,902.84)**	**$15,016,303.54**	**$15,528,104.41**	**($511,800.87)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$45,016,923.06	$49,469,896.51	($4,452,973.45)	$45,016,923.06	$72,666,289.26	($27,649,366.20)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$23,879,128.41	$111,563,493.59	($87,684,365.18)	$23,879,128.41	$166,443,842.89	($142,564,714.48)
Customer Deposits	$4,447,178.11	$4,444,294.11	$2,884.00	$4,447,178.11	$4,456,251.11	($9,073.00)
Taxes Accrued	$42,604,928.35	$33,456,718.06	$9,148,210.29	$42,604,928.35	$20,041,598.23	$22,563,330.12
Interest Accrued	$252,456.79	$231,203.12	$21,253.67	$252,456.79	$330,829.76	($78,372.97)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$928,129.01	$1,334,522.29	($406,393.28)	$928,129.01	$960,313.64	($32,184.63)
Misc Current & Accrued Liab	$52,027,997.06	$72,621,097.93	($20,593,100.87)	$52,027,997.06	$97,871,706.01	($45,843,708.95)
Obligation Cap Lease - Current	$2,059,877.13	$2,019,526.85	$40,350.28	$2,059,877.13	$1,997,304.49	$62,572.64
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$171,216,617.92**	**$275,140,752.46**	**($103,924,134.54)**	**$171,216,617.92**	**$364,768,135.39**	**($193,551,517.47)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Feb - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Feb - 2023*	Previous Month	Variance	Month: *Feb - 2023*	December of Previous Year	Variance
Customer Adv. for Construction	$2,069,133.82	$2,152,603.73	($83,469.91)	$2,069,133.82	$2,240,978.01	($171,844.19)
Acc Defd Investment Tax Credit	$707,738.00	$726,184.00	($18,446.00)	$707,738.00	$744,630.00	($36,892.00)
Other Deferred Credits	$6,965,783.68	$6,972,498.63	($6,714.95)	$6,965,783.68	$7,025,506.47	($59,722.79)
Other Regulatory Liabilities	$214,732,042.40	$218,637,083.34	($3,905,040.94)	$214,732,042.40	$217,169,504.91	($2,437,462.51)
Accum Defer Inc Tax - Oth Prop	$476,819,817.70	$474,711,417.70	$2,108,400.00	$476,819,817.70	$472,603,016.70	$4,216,801.00
Accum Defer Inc Tax - Other	$1,572,419.99	$1,147,257.99	$425,162.00	$1,572,419.99	$1,686,644.99	($114,225.00)
Deferred Credits	**$702,866,935.59**	**$704,347,045.39**	**($1,480,109.80)**	**$702,866,935.59**	**$701,470,281.08**	**$1,396,654.51**
Total Liabilities and Equity	**$3,592,567,566.07**	**$3,659,000,124.43**	**($66,432,558.36)**	**$3,592,567,566.07**	**$3,700,496,701.14**	**($107,929,135.07)**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Mar - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Mar - 2023*	Previous Month	Variance	Month: *Mar - 2023*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,739,930,990.80	$3,718,845,652.05	$21,085,338.75	$3,739,930,990.80	$3,687,716,429.29	$52,214,561.51
Construction Work In Progress	$91,452,430.15	$84,541,615.40	$6,910,814.75	$91,452,430.15	$68,692,477.92	$22,759,952.23
Total Utility Plant	**$3,831,383,420.95**	**$3,803,387,267.45**	**$27,996,153.50**	**$3,831,383,420.95**	**$3,756,408,907.21**	**$74,974,513.74**
Accum Prov - Amort and Depr	($651,261,051.07)	($644,938,542.84)	($6,322,508.23)	($651,261,051.07)	($634,179,530.32)	($17,081,520.75)
Net Utility Plant	**$3,180,122,369.88**	**$3,158,448,724.61**	**$21,673,645.27**	**$3,180,122,369.88**	**$3,122,229,376.89**	**$57,892,992.99**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,180,854,242.13**	**$3,159,180,596.86**	**$21,673,645.27**	**$3,180,854,242.13**	**$3,122,961,249.14**	**$57,892,992.99**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,369,301.19	$21,623,458.07	($254,156.88)	$21,369,301.19	$21,735,704.98	($366,403.79)
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$9,334,975.73	$9,046,120.78	$288,854.95	$9,334,975.73	$8,893,645.96	$441,329.77
Other Property and Investments	**$30,712,623.41**	**$30,677,925.34**	**$34,698.07**	**$30,712,623.41**	**$30,637,697.43**	**$74,925.98**
Current and Accrued Assets						
Cash	$3,553,363.52	$2,038,971.15	$1,514,392.37	$3,553,363.52	$3,125,388.83	$427,974.69
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$1,712.61	$837.39
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$139,553,703.05	$21,685,283.57	$117,868,419.48	$139,553,703.05	$83,393,818.43	$56,159,884.62
AR from Associated Cos	$394,658.82	$41,686.31	$352,972.51	$394,658.82	$121,590.64	$273,068.18
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,197,191.03	$1,190,660.88	$6,530.15	$1,197,191.03	$1,238,920.56	($41,729.53)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$36,087,700.36	$69,405,977.66	($33,318,277.30)	$36,087,700.36	$123,110,374.53	($87,022,674.17)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$3,760,803.38	$3,729,451.99	$31,351.39	$3,760,803.38	$5,266,603.14	($1,505,799.76)
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$15,388,767.82	$15,873,129.04	($484,361.22)	$15,388,767.82	$16,721,120.99	($1,332,353.17)
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$200,191,737.98**	**$114,220,710.60**	**$85,971,027.38**	**$200,191,737.98**	**$233,232,529.73**	**($33,040,791.75)**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$190,809,605.85	$191,234,155.81	($424,549.96)	$190,809,605.85	$192,817,434.61	($2,007,828.76)
Preliminary Surveys	$7,542,672.58	$6,939,400.39	$603,272.19	$7,542,672.58	$6,261,478.37	$1,281,194.21

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Mar - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Mar - 2023*	Previous Month	Variance	Month: *Mar - 2023*	December of Previous Year	Variance
Clearing Accounts	($8,493.08)	($9,555.15)	$1,062.07	($8,493.08)	$0.00	($8,493.08)
Miscellaneous Deferred Debits	$2,621,378.04	$2,759,812.66	($138,434.62)	$2,621,378.04	$2,947,796.34	($326,418.30)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$98,391,214.00	$98,783,398.00	($392,184.00)	$98,391,214.00	$103,088,926.00	($4,697,712.00)
Unrecovered Purchase Gas Costs	($6,312,398.12)	($11,218,878.44)	$4,906,480.32	($6,312,398.12)	$8,548,919.44	($14,861,317.56)
Deferred Debits	**$293,043,979.27**	**$288,488,333.27**	**$4,555,646.00**	**$293,043,979.27**	**$313,664,554.76**	**($20,620,575.49)**
Assets and Other Debits	**$3,704,802,582.79**	**$3,592,567,566.07**	**$112,235,016.72**	**$3,704,802,582.79**	**$3,700,496,031.06**	**$4,306,551.73**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,356,808,156.50	$1,329,935,082.02	$26,873,074.48	$1,356,808,156.50	$1,245,197,553.26	$111,610,603.24
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,594,825,783.50**	**$1,567,952,709.02**	**$26,873,074.48**	**$1,594,825,783.50**	**$1,483,215,180.26**	**$111,610,603.24**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,135,515,000.00	$1,135,515,000.00	$0.00	$1,135,515,000.00	$1,135,515,000.00	$0.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,135,515,000.00**	**$1,135,515,000.00**	**$0.00**	**$1,135,515,000.00**	**$1,135,515,000.00**	**$0.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$12,456,175.54	$12,604,734.26	($148,558.72)	$12,456,175.54	$12,896,507.66	($440,332.12)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$104,295.02	$139,864.02	($35,569.00)	$104,295.02	$131,412.33	($27,117.31)
Accum Prov - Pension & Benefit	$2,675,646.74	$2,271,705.26	$403,941.48	$2,675,646.74	$2,500,184.42	$175,462.32
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$15,236,117.30**	**$15,016,303.54**	**$219,813.76**	**$15,236,117.30**	**$15,528,104.41**	**($291,987.11)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$42,570,261.31	$45,016,923.06	($2,446,661.75)	$42,570,261.31	$72,666,289.26	($30,096,027.95)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$112,458,194.57	$23,879,128.41	$88,579,066.16	$112,458,194.57	$166,443,842.89	($53,985,648.32)
Customer Deposits	$4,476,330.11	$4,447,178.11	$29,152.00	$4,476,330.11	$4,456,251.11	$20,079.00
Taxes Accrued	$49,134,694.83	$42,604,928.35	$6,529,766.48	$49,134,694.83	$20,041,598.23	$29,093,096.60
Interest Accrued	$275,288.22	$252,456.79	$22,831.43	$275,288.22	$330,829.76	($55,541.54)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$614,548.81	$928,129.01	($313,580.20)	$614,548.81	$960,313.64	($345,764.83)
Misc Current & Accrued Liab	$44,052,455.51	$52,027,997.06	($7,975,541.55)	$44,052,455.51	$97,871,706.01	($53,819,250.50)
Obligation Cap Lease - Current	$2,091,710.86	$2,059,877.13	$31,833.73	$2,091,710.86	$1,997,304.49	$94,406.37
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$255,673,484.22**	**$171,216,617.92**	**$84,456,866.30**	**$255,673,484.22**	**$364,768,135.39**	**($109,094,651.17)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Mar - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Mar - 2023*	Previous Month	Variance	Month: *Mar - 2023*	December of Previous Year	Variance
Customer Adv. for Construction	$1,999,800.97	$2,069,133.82	($69,332.85)	$1,999,800.97	$2,240,978.01	($241,177.04)
Acc Defd Investment Tax Credit	$689,291.00	$707,738.00	($18,447.00)	$689,291.00	$744,630.00	($55,339.00)
Other Deferred Credits	$6,687,573.58	$6,965,783.68	($278,210.10)	$6,687,573.58	$7,025,506.47	($337,932.89)
Other Regulatory Liabilities	$213,606,269.53	$214,732,042.40	($1,125,772.87)	$213,606,269.53	$217,169,504.91	($3,563,235.38)
Accum Defer Inc Tax - Oth Prop	$478,928,218.70	$476,819,817.70	$2,108,401.00	$478,928,218.70	$472,603,016.70	$6,325,202.00
Accum Defer Inc Tax - Other	$1,641,043.99	$1,572,419.99	$68,624.00	$1,641,043.99	$1,686,644.99	($45,601.00)
Deferred Credits	**$703,552,197.77**	**$702,866,935.59**	**$685,262.18**	**$703,552,197.77**	**$701,470,281.08**	**$2,081,916.69**
Total Liabilities and Equity	**$3,704,802,582.79**	**$3,592,567,566.07**	**$112,235,016.72**	**$3,704,802,582.79**	**$3,700,496,701.14**	**$4,305,881.65**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Apr - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Apr - 2023*	Previous Month	Variance	Month: *Apr - 2023*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,754,049,834.88	$3,739,930,990.80	$14,118,844.08	$3,754,049,834.88	$3,687,716,429.29	$66,333,405.59
Construction Work In Progress	$105,969,234.12	$91,452,430.15	$14,516,803.97	$105,969,234.12	$68,692,477.92	$37,276,756.20
Total Utility Plant	**$3,860,019,069.00**	**$3,831,383,420.95**	**$28,635,648.05**	**$3,860,019,069.00**	**$3,756,408,907.21**	**$103,610,161.79**
Accum Prov - Amort and Depr	($657,181,063.45)	($651,261,051.07)	($5,920,012.38)	($657,181,063.45)	($634,179,530.32)	($23,001,533.13)
Net Utility Plant	**$3,202,838,005.55**	**$3,180,122,369.88**	**$22,715,635.67**	**$3,202,838,005.55**	**$3,122,229,376.89**	**$80,608,628.66**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,203,569,877.80**	**$3,180,854,242.13**	**$22,715,635.67**	**$3,203,569,877.80**	**$3,122,961,249.14**	**$80,608,628.66**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,424,668.02	$21,369,301.19	$55,366.83	$21,424,668.02	$21,735,704.98	($311,036.96)
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$9,414,203.96	$9,334,975.73	$79,228.23	$9,414,203.96	$8,893,645.96	$520,558.00
Other Property and Investments	**$30,847,218.47**	**$30,712,623.41**	**$134,595.06**	**$30,847,218.47**	**$30,637,697.43**	**$209,521.04**
Current and Accrued Assets						
Cash	$2,553,469.00	$3,553,363.52	($999,894.52)	$2,553,469.00	$3,125,388.83	($571,919.83)
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$1,712.61	$837.39
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$112,362,329.55	$139,553,703.05	($27,191,373.50)	$112,362,329.55	$83,393,818.43	$28,968,511.12
AR from Associated Cos	$172,365.89	$394,658.82	($222,292.93)	$172,365.89	$121,590.64	$50,775.25
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,189,378.47	$1,197,191.03	($7,812.56)	$1,189,378.47	$1,238,920.56	($49,542.09)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$41,165,706.42	$36,087,700.36	$5,078,006.06	$41,165,706.42	$123,110,374.53	($81,944,668.11)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$2,962,504.71	$3,760,803.38	($798,298.67)	$2,962,504.71	$5,266,603.14	($2,304,098.43)
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$13,601,068.80	$15,388,767.82	($1,787,699.02)	$13,601,068.80	$16,721,120.99	($3,120,052.19)
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$174,262,372.84**	**$200,191,737.98**	**($25,929,365.14)**	**$174,262,372.84**	**$233,232,529.73**	**($58,970,156.89)**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$189,790,380.69	$190,809,605.85	($1,019,225.16)	$189,790,380.69	$192,817,434.61	($3,027,053.92)
Preliminary Surveys	$8,196,250.73	$7,542,672.58	$653,578.15	$8,196,250.73	$6,261,478.37	$1,934,772.36

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Apr - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Apr - 2023*	Previous Month	Variance	Month: *Apr - 2023*	December of Previous Year	Variance
Clearing Accounts	($8,253.98)	($8,493.08)	$239.10	($8,253.98)	$0.00	($8,253.98)
Miscellaneous Deferred Debits	$2,649,533.76	$2,621,378.04	$28,155.72	$2,649,533.76	$2,947,796.34	($298,262.58)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$98,438,404.00	$98,391,214.00	$47,190.00	$98,438,404.00	$103,088,926.00	($4,650,522.00)
Unrecovered Purchase Gas Costs	($12,881,751.44)	($6,312,398.12)	($6,569,353.32)	($12,881,751.44)	$8,548,919.44	($21,430,670.88)
Deferred Debits	**$286,184,563.76**	**$293,043,979.27**	**($6,859,415.51)**	**$286,184,563.76**	**$313,664,554.76**	**($27,479,991.00)**
Assets and Other Debits	**$3,694,864,032.87**	**$3,704,802,582.79**	**($9,938,549.92)**	**$3,694,864,032.87**	**$3,700,496,031.06**	**($5,631,998.19)**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,366,097,523.04	$1,356,808,156.50	$9,289,366.54	$1,366,097,523.04	$1,245,197,553.26	$120,899,969.78
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,604,115,150.04**	**$1,594,825,783.50**	**$9,289,366.54**	**$1,604,115,150.04**	**$1,483,215,180.26**	**$120,899,969.78**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,135,515,000.00	$1,135,515,000.00	$0.00	$1,135,515,000.00	$1,135,515,000.00	$0.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,135,515,000.00**	**$1,135,515,000.00**	**$0.00**	**$1,135,515,000.00**	**$1,135,515,000.00**	**$0.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$12,150,927.61	$12,456,175.54	($305,247.93)	$12,150,927.61	$12,896,507.66	($745,580.05)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$114,779.22	$104,295.02	$10,484.20	$114,779.22	$131,412.33	($16,633.11)
Accum Prov - Pension & Benefit	$2,531,076.13	$2,675,646.74	($144,570.61)	$2,531,076.13	$2,500,184.42	$30,891.71
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$14,796,782.96**	**$15,236,117.30**	**($439,334.34)**	**$14,796,782.96**	**$15,528,104.41**	**($731,321.45)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$50,836,833.55	$42,570,261.31	$8,266,572.24	$50,836,833.55	$72,666,289.26	($21,829,455.71)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$93,747,035.31	$112,458,194.57	($18,711,159.26)	$93,747,035.31	$166,443,842.89	($72,696,807.58)
Customer Deposits	$4,426,535.11	$4,476,330.11	($49,795.00)	$4,426,535.11	$4,456,251.11	($29,716.00)
Taxes Accrued	$48,519,650.04	$49,134,694.83	($615,044.79)	$48,519,650.04	$20,041,598.23	$28,478,051.81
Interest Accrued	$296,066.49	$275,288.22	$20,778.27	$296,066.49	$330,829.76	($34,763.27)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$395,835.80	$614,548.81	($218,713.01)	$395,835.80	$960,313.64	($564,477.84)
Misc Current & Accrued Liab	$36,093,046.75	$44,052,455.51	($7,959,408.76)	$36,093,046.75	$97,871,706.01	($61,778,659.26)
Obligation Cap Lease - Current	$2,070,150.46	$2,091,710.86	($21,560.40)	$2,070,150.46	$1,997,304.49	$72,845.97
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$236,385,153.51**	**$255,673,484.22**	**($19,288,330.71)**	**$236,385,153.51**	**$364,768,135.39**	**($128,382,981.88)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Apr - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Apr - 2023*	Previous Month	Variance	Month: *Apr - 2023*	December of Previous Year	Variance
Customer Adv. for Construction	$1,980,315.17	$1,999,800.97	($19,485.80)	$1,980,315.17	$2,240,978.01	($260,662.84)
Acc Defd Investment Tax Credit	$670,845.00	$689,291.00	($18,446.00)	$670,845.00	$744,630.00	($73,785.00)
Other Deferred Credits	$6,662,138.11	$6,687,573.58	($25,435.47)	$6,662,138.11	$7,025,506.47	($363,368.36)
Other Regulatory Liabilities	$212,107,830.39	$213,606,269.53	($1,498,439.14)	$212,107,830.39	$217,169,504.91	($5,061,674.52)
Accum Defer Inc Tax - Oth Prop	$481,036,619.70	$478,928,218.70	$2,108,401.00	$481,036,619.70	$472,603,016.70	$8,433,603.00
Accum Defer Inc Tax - Other	$1,594,197.99	$1,641,043.99	($46,846.00)	$1,594,197.99	$1,686,644.99	($92,447.00)
Deferred Credits	**$704,051,946.36**	**$703,552,197.77**	**$499,748.59**	**$704,051,946.36**	**$701,470,281.08**	**$2,581,665.28**
Total Liabilities and Equity	**$3,694,864,032.87**	**$3,704,802,582.79**	**($9,938,549.92)**	**$3,694,864,032.87**	**$3,700,496,701.14**	**($5,632,668.27)**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of May - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *May - 2023*	Previous Month	Variance	Month: *May - 2023*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,776,998,918.73	$3,754,049,834.88	$22,949,083.85	$3,776,998,918.73	$3,687,716,429.29	$89,282,489.44
Construction Work In Progress	$117,461,438.28	$105,969,234.12	$11,492,204.16	$117,461,438.28	$68,692,477.92	$48,768,960.36
Total Utility Plant	**$3,894,460,357.01**	**$3,860,019,069.00**	**$34,441,288.01**	**$3,894,460,357.01**	**$3,756,408,907.21**	**$138,051,449.80**
Accum Prov - Amort and Depr	($663,537,235.71)	($657,181,063.45)	($6,356,172.26)	($663,537,235.71)	($634,179,530.32)	($29,357,705.39)
Net Utility Plant	**$3,230,923,121.30**	**$3,202,838,005.55**	**$28,085,115.75**	**$3,230,923,121.30**	**$3,122,229,376.89**	**$108,693,744.41**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,231,654,993.55**	**$3,203,569,877.80**	**$28,085,115.75**	**$3,231,654,993.55**	**$3,122,961,249.14**	**$108,693,744.41**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,419,343.18	$21,424,668.02	($5,324.84)	$21,419,343.18	$21,735,704.98	($316,361.80)
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$9,491,961.18	$9,414,203.96	$77,757.22	$9,491,961.18	$8,893,645.96	$598,315.22
Other Property and Investments	**$30,919,650.85**	**$30,847,218.47**	**$72,432.38**	**$30,919,650.85**	**$30,637,697.43**	**$281,953.42**
Current and Accrued Assets						
Cash	$1,838,124.60	$2,553,469.00	($715,344.40)	$1,838,124.60	$3,125,388.83	($1,287,264.23)
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$1,712.61	$837.39
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$74,531,470.62	$112,362,329.55	($37,830,858.93)	$74,531,470.62	$83,393,818.43	($8,862,347.81)
AR from Associated Cos	$226,884.13	$172,365.89	$54,518.24	$226,884.13	$121,590.64	$105,293.49
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,193,251.08	$1,189,378.47	$3,872.61	$1,193,251.08	$1,238,920.56	($45,669.48)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$47,075,155.44	$41,165,706.42	$5,909,449.02	$47,075,155.44	$123,110,374.53	($76,035,219.09)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$2,125,372.63	$2,962,504.71	($837,132.08)	$2,125,372.63	$5,266,603.14	($3,141,230.51)
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$12,203,774.01	$13,601,068.80	($1,397,294.79)	$12,203,774.01	$16,721,120.99	($4,517,346.98)
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$139,449,582.51**	**$174,262,372.84**	**($34,812,790.33)**	**$139,449,582.51**	**$233,232,529.73**	**($93,782,947.22)**
Deferred Debits						
Unamortized Debt Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$189,314,168.88	$189,790,380.69	($476,211.81)	$189,314,168.88	$192,817,434.61	($3,503,265.73)
Preliminary Surveys	$9,065,736.49	$8,196,250.73	$869,485.76	$9,065,736.49	$6,261,478.37	$2,804,258.12

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of May - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *May - 2023*	Previous Month	Variance	Month: *May - 2023*	December of Previous Year	Variance
Clearing Accounts	($39,449.57)	($8,253.98)	($31,195.59)	($39,449.57)	$0.00	($39,449.57)
Miscellaneous Deferred Debits	$2,725,699.76	$2,649,533.76	$76,166.00	$2,725,699.76	$2,947,796.34	($222,096.58)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$98,547,536.00	$98,438,404.00	$109,132.00	$98,547,536.00	$103,088,926.00	($4,541,390.00)
Unrecovered Purchase Gas Costs	($11,472,005.31)	($12,881,751.44)	$1,409,746.13	($11,472,005.31)	$8,548,919.44	($20,020,924.75)
Deferred Debits	**$288,141,686.25**	**$286,184,563.76**	**$1,957,122.49**	**$288,141,686.25**	**$313,664,554.76**	**($25,522,868.51)**
Assets and Other Debits	**$3,690,165,913.16**	**$3,694,864,032.87**	**($4,698,119.71)**	**$3,690,165,913.16**	**$3,700,496,031.06**	**($10,330,117.90)**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,364,612,800.31	$1,366,097,523.04	($1,484,722.73)	$1,364,612,800.31	$1,245,197,553.26	$119,415,247.05
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,602,630,427.31**	**$1,604,115,150.04**	**($1,484,722.73)**	**$1,602,630,427.31**	**$1,483,215,180.26**	**$119,415,247.05**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,135,515,000.00	$1,135,515,000.00	$0.00	$1,135,515,000.00	$1,135,515,000.00	$0.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,135,515,000.00**	**$1,135,515,000.00**	**$0.00**	**$1,135,515,000.00**	**$1,135,515,000.00**	**$0.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$12,002,081.13	$12,150,927.61	($148,846.48)	$12,002,081.13	$12,896,507.66	($894,426.53)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$122,553.02	$114,779.22	$7,773.80	$122,553.02	$131,412.33	($8,859.31)
Accum Prov - Pension & Benefit	$2,377,133.39	$2,531,076.13	($153,942.74)	$2,377,133.39	$2,500,184.42	($123,051.03)
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$14,501,767.54**	**$14,796,782.96**	**($295,015.42)**	**$14,501,767.54**	**$15,528,104.41**	**($1,026,336.87)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$49,567,526.00	$50,836,833.55	($1,269,307.55)	$49,567,526.00	$72,666,289.26	($23,098,763.26)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$92,016,150.61	$93,747,035.31	($1,730,884.70)	$92,016,150.61	$166,443,842.89	($74,427,692.28)
Customer Deposits	$4,389,619.11	$4,426,535.11	($36,916.00)	$4,389,619.11	$4,456,251.11	($66,632.00)
Taxes Accrued	$45,630,644.29	$48,519,650.04	($2,889,005.75)	$45,630,644.29	$20,041,598.23	$25,589,046.06
Interest Accrued	$315,859.81	$296,066.49	$19,793.32	$315,859.81	$330,829.76	($14,969.95)
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$277,827.79	$395,835.80	($118,008.01)	$277,827.79	$960,313.64	($682,485.85)
Misc Current & Accrued Liab	$38,107,623.18	$36,093,046.75	$2,014,576.43	$38,107,623.18	$97,871,706.01	($59,764,082.83)
Obligation Cap Lease - Current	$2,030,890.48	$2,070,150.46	($39,259.98)	$2,030,890.48	$1,997,304.49	$33,585.99
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$232,336,141.27**	**$236,385,153.51**	**($4,049,012.24)**	**$232,336,141.27**	**$364,768,135.39**	**($132,431,994.12)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of May - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *May - 2023*	Previous Month	Variance	Month: *May - 2023*	December of Previous Year	Variance
Customer Adv. for Construction	$1,975,379.92	$1,980,315.17	($4,935.25)	$1,975,379.92	$2,240,978.01	($265,598.09)
Acc Defd Investment Tax Credit	$651,699.00	$670,845.00	($19,146.00)	$651,699.00	$744,630.00	($92,931.00)
Other Deferred Credits	$6,665,976.38	$6,662,138.11	$3,838.27	$6,665,976.38	$7,025,506.47	($359,530.09)
Other Regulatory Liabilities	$211,099,721.05	$212,107,830.39	($1,008,109.34)	$211,099,721.05	$217,169,504.91	($6,069,783.86)
Accum Defer Inc Tax - Oth Prop	$483,145,020.70	$481,036,619.70	$2,108,401.00	$483,145,020.70	$472,603,016.70	$10,542,004.00
Accum Defer Inc Tax - Other	$1,644,779.99	$1,594,197.99	$50,582.00	$1,644,779.99	$1,686,644.99	($41,865.00)
Deferred Credits	**$705,182,577.04**	**$704,051,946.36**	**$1,130,630.68**	**$705,182,577.04**	**$701,470,281.08**	**$3,712,295.96**
Total Liabilities and Equity	**$3,690,165,913.16**	**$3,694,864,032.87**	**($4,698,119.71)**	**$3,690,165,913.16**	**$3,700,496,701.14**	**($10,330,787.98)**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jun - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jun - 2023*	Previous Month	Variance	Month: *Jun - 2023*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,810,370,068.71	$3,776,998,918.73	$33,371,149.98	$3,810,370,068.71	$3,687,716,429.29	$122,653,639.42
Construction Work In Progress	$127,142,345.80	$117,461,438.28	$9,680,907.52	$127,142,345.80	$68,692,477.92	$58,449,867.88
Total Utility Plant	**$3,937,512,414.51**	**$3,894,460,357.01**	**$43,052,057.50**	**$3,937,512,414.51**	**$3,756,408,907.21**	**$181,103,507.30**
Accum Prov - Amort and Depr	($669,154,874.58)	($663,537,235.71)	($5,617,638.87)	($669,154,874.58)	($634,179,530.32)	($34,975,344.26)
Net Utility Plant	**$3,268,357,539.93**	**$3,230,923,121.30**	**$37,434,418.63**	**$3,268,357,539.93**	**$3,122,229,376.89**	**$146,128,163.04**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,269,089,412.18**	**$3,231,654,993.55**	**$37,434,418.63**	**$3,269,089,412.18**	**$3,122,961,249.14**	**$146,128,163.04**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,476,985.52	$21,419,343.18	$57,642.34	$21,476,985.52	$21,735,704.98	($258,719.46)
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$9,549,629.64	$9,491,961.18	$57,668.46	$9,549,629.64	$8,893,645.96	$655,983.68
Other Property and Investments	**$31,034,961.65**	**$30,919,650.85**	**$115,310.80**	**$31,034,961.65**	**$30,637,697.43**	**$397,264.22**
Current and Accrued Assets						
Cash	$1,607,924.78	$1,838,124.60	($230,199.82)	$1,607,924.78	$3,125,388.83	($1,517,464.05)
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$1,712.61	$837.39
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$244,742.14	$253,000.00	($8,257.86)	$244,742.14	$253,000.00	($8,257.86)
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$57,547,401.94	$74,531,470.62	($16,984,068.68)	$57,547,401.94	$83,393,818.43	($25,846,416.49)
AR from Associated Cos	($38,266.61)	$226,884.13	($265,150.74)	($38,266.61)	$121,590.64	($159,857.25)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,048,332.92	$1,193,251.08	($144,918.16)	$1,048,332.92	$1,238,920.56	($190,587.64)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$51,565,376.73	$47,075,155.44	$4,490,221.29	$51,565,376.73	$123,110,374.53	($71,544,997.80)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$3,507,625.08	$2,125,372.63	$1,382,252.45	$3,507,625.08	$5,266,603.14	($1,758,978.06)
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$9,485,457.23	$12,203,774.01	($2,718,316.78)	$9,485,457.23	$16,721,120.99	($7,235,663.76)
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$124,971,144.21**	**$139,449,582.51**	**($14,478,438.30)**	**$124,971,144.21**	**$233,232,529.73**	**($108,261,385.52)**
Deferred Debits						
Unamortized Debt Expense	$99.00	$0.00	$99.00	$99.00	$0.00	$99.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$189,466,686.12	$189,314,168.88	$152,517.24	$189,466,686.12	$192,817,434.61	($3,350,748.49)
Preliminary Surveys	$9,372,753.97	$9,065,736.49	$307,017.48	$9,372,753.97	$6,261,478.37	$3,111,275.60

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jun - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jun - 2023*	Previous Month	Variance	Month: *Jun - 2023*	December of Previous Year	Variance
Clearing Accounts	($42,142.78)	($39,449.57)	($2,693.21)	($42,142.78)	$0.00	($42,142.78)
Miscellaneous Deferred Debits	$2,660,257.56	$2,725,699.76	($65,442.20)	$2,660,257.56	$2,947,796.34	($287,538.78)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$98,622,316.00	$98,547,536.00	$74,780.00	$98,622,316.00	$103,088,926.00	($4,466,610.00)
Unrecovered Purchase Gas Costs	($6,366,968.95)	($11,472,005.31)	$5,105,036.36	($6,366,968.95)	$8,548,919.44	($14,915,888.39)
Deferred Debits	**$293,713,000.92**	**$288,141,686.25**	**$5,571,314.67**	**$293,713,000.92**	**$313,664,554.76**	**($19,951,553.84)**
Assets and Other Debits	**$3,718,808,518.96**	**$3,690,165,913.16**	**$28,642,605.80**	**$3,718,808,518.96**	**$3,700,496,031.06**	**$18,312,487.90**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,358,091,039.49	$1,364,612,800.31	($6,521,760.82)	$1,358,091,039.49	$1,245,197,553.26	$112,893,486.23
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,596,108,666.49**	**$1,602,630,427.31**	**($6,521,760.82)**	**$1,596,108,666.49**	**$1,483,215,180.26**	**$112,893,486.23**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,175,515,000.00	$1,135,515,000.00	$40,000,000.00	$1,175,515,000.00	$1,135,515,000.00	$40,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,175,515,000.00**	**$1,135,515,000.00**	**$40,000,000.00**	**$1,175,515,000.00**	**$1,135,515,000.00**	**$40,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$12,044,602.70	$12,002,081.13	$42,521.57	$12,044,602.70	$12,896,507.66	($851,904.96)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$111,371.06	$122,553.02	($11,181.96)	$111,371.06	$131,412.33	($20,041.27)
Accum Prov - Pension & Benefit	$2,561,274.56	$2,377,133.39	$184,141.17	$2,561,274.56	$2,500,184.42	$61,090.14
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$14,717,248.32**	**$14,501,767.54**	**$215,480.78**	**$14,717,248.32**	**$15,528,104.41**	**($810,856.09)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$52,829,637.49	$49,567,526.00	$3,262,111.49	$52,829,637.49	$72,666,289.26	($19,836,651.77)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$81,898,363.14	$92,016,150.61	($10,117,787.47)	$81,898,363.14	$166,443,842.89	($84,545,479.75)
Customer Deposits	$4,395,959.11	$4,389,619.11	$6,340.00	$4,395,959.11	$4,456,251.11	($60,292.00)
Taxes Accrued	$39,483,722.11	$45,630,644.29	($6,146,922.18)	$39,483,722.11	$20,041,598.23	$19,442,123.88
Interest Accrued	$333,256.21	$315,859.81	$17,396.40	$333,256.21	$330,829.76	$2,426.45
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$182,840.01	$277,827.79	($94,987.78)	$182,840.01	$960,313.64	($777,473.63)
Misc Current & Accrued Liab	$43,935,429.98	$38,107,623.18	$5,827,806.80	$43,935,429.98	$97,871,706.01	($53,936,276.03)
Obligation Cap Lease - Current	$2,010,144.14	$2,030,890.48	($20,746.34)	$2,010,144.14	$1,997,304.49	$12,839.65
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$225,069,352.19**	**$232,336,141.27**	**($7,266,789.08)**	**$225,069,352.19**	**$364,768,135.39**	**($139,698,783.20)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jun - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jun - 2023*	Previous Month	Variance	Month: *Jun - 2023*	December of Previous Year	Variance
Customer Adv. for Construction	$1,943,370.08	$1,975,379.92	($32,009.84)	$1,943,370.08	$2,240,978.01	($297,607.93)
Acc Defd Investment Tax Credit	$633,953.00	$651,699.00	($17,746.00)	$633,953.00	$744,630.00	($110,677.00)
Other Deferred Credits	$6,818,425.47	$6,665,976.38	$152,449.09	$6,818,425.47	$7,025,506.47	($207,081.00)
Other Regulatory Liabilities	$211,218,331.72	$211,099,721.05	$118,610.67	$211,218,331.72	$217,169,504.91	($5,951,173.19)
Accum Defer Inc Tax - Oth Prop	$485,253,420.70	$483,145,020.70	$2,108,400.00	$485,253,420.70	$472,603,016.70	$12,650,404.00
Accum Defer Inc Tax - Other	$1,530,750.99	$1,644,779.99	($114,029.00)	$1,530,750.99	$1,686,644.99	($155,894.00)
Deferred Credits	**$707,398,251.96**	**$705,182,577.04**	**$2,215,674.92**	**$707,398,251.96**	**$701,470,281.08**	**$5,927,970.88**
Total Liabilities and Equity	**$3,718,808,518.96**	**$3,690,165,913.16**	**$28,642,605.80**	**$3,718,808,518.96**	**$3,700,496,701.14**	**$18,311,817.82**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jul - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jul - 2023*	Previous Month	Variance	Month: *Jul - 2023*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,846,278,286.70	$3,810,370,068.71	$35,908,217.99	$3,846,278,286.70	$3,687,716,429.29	$158,561,857.41
Construction Work In Progress	$118,626,217.11	$127,142,345.80	($8,516,128.69)	$118,626,217.11	$68,692,477.92	$49,933,739.19
Total Utility Plant	**$3,964,904,503.81**	**$3,937,512,414.51**	**$27,392,089.30**	**$3,964,904,503.81**	**$3,756,408,907.21**	**$208,495,596.60**
Accum Prov - Amort and Depr	($675,103,341.73)	($669,154,874.58)	($5,948,467.15)	($675,103,341.73)	($634,179,530.32)	($40,923,811.41)
Net Utility Plant	**$3,289,801,162.08**	**$3,268,357,539.93**	**$21,443,622.15**	**$3,289,801,162.08**	**$3,122,229,376.89**	**$167,571,785.19**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,290,533,034.33**	**$3,269,089,412.18**	**$21,443,622.15**	**$3,290,533,034.33**	**$3,122,961,249.14**	**$167,571,785.19**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,534,109.93	$21,476,985.52	$57,124.41	$21,534,109.93	$21,735,704.98	($201,595.05)
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$9,625,867.05	$9,549,629.64	$76,237.41	$9,625,867.05	$8,893,645.96	$732,221.09
Other Property and Investments	**$31,168,323.47**	**$31,034,961.65**	**$133,361.82**	**$31,168,323.47**	**$30,637,697.43**	**$530,626.04**
Current and Accrued Assets						
Cash	$1,445,143.93	$1,607,924.78	($162,780.85)	$1,445,143.93	$3,125,388.83	($1,680,244.90)
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$1,712.61	$837.39
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$244,742.14	$8,257.86	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$48,932,319.28	$57,547,401.94	($8,615,082.66)	$48,932,319.28	$83,393,818.43	($34,461,499.15)
AR from Associated Cos	($54,379.89)	($38,266.61)	($16,113.28)	($54,379.89)	$121,590.64	($175,970.53)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$1,006,611.83	$1,048,332.92	($41,721.09)	$1,006,611.83	$1,238,920.56	($232,308.73)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$56,576,344.12	$51,565,376.73	$5,010,967.39	$56,576,344.12	$123,110,374.53	($66,534,030.41)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$4,261,581.59	$3,507,625.08	$753,956.51	$4,261,581.59	$5,266,603.14	($1,005,021.55)
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$8,813,754.19	$9,485,457.23	($671,703.04)	$8,813,754.19	$16,721,120.99	($7,907,366.80)
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$121,236,925.05**	**$124,971,144.21**	**($3,734,219.16)**	**$121,236,925.05**	**$233,232,529.73**	**($111,995,604.68)**
Deferred Debits						
Unamortized Debt Expense	$99.00	$99.00	$0.00	$99.00	$0.00	$99.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$189,408,851.83	$189,466,686.12	($57,834.29)	$189,408,851.83	$192,817,434.61	($3,408,582.78)
Preliminary Surveys	$9,817,505.81	$9,372,753.97	$444,751.84	$9,817,505.81	$6,261,478.37	$3,556,027.44

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jul - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jul - 2023*	Previous Month	Variance	Month: *Jul - 2023*	December of Previous Year	Variance
Clearing Accounts	($40,576.79)	($42,142.78)	$1,565.99	($40,576.79)	$0.00	($40,576.79)
Miscellaneous Deferred Debits	$2,048,221.85	$2,660,257.56	($612,035.71)	$2,048,221.85	$2,947,796.34	($899,574.49)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$98,604,708.00	$98,622,316.00	($17,608.00)	$98,604,708.00	$103,088,926.00	($4,484,218.00)
Unrecovered Purchase Gas Costs	($2,753,613.67)	($6,366,968.95)	$3,613,355.28	($2,753,613.67)	$8,548,919.44	($11,302,533.11)
Deferred Debits	**$297,085,196.03**	**$293,713,000.92**	**$3,372,195.11**	**$297,085,196.03**	**$313,664,554.76**	**($16,579,358.73)**
Assets and Other Debits	**$3,740,023,478.88**	**$3,718,808,518.96**	**$21,214,959.92**	**$3,740,023,478.88**	**$3,700,496,031.06**	**$39,527,447.82**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,353,161,089.95	$1,358,091,039.49	($4,929,949.54)	$1,353,161,089.95	$1,245,197,553.26	$107,963,536.69
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,591,178,716.95**	**$1,596,108,666.49**	**($4,929,949.54)**	**$1,591,178,716.95**	**$1,483,215,180.26**	**$107,963,536.69**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,175,515,000.00	$1,175,515,000.00	$0.00	$1,175,515,000.00	$1,135,515,000.00	$40,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,175,515,000.00**	**$1,175,515,000.00**	**$0.00**	**$1,175,515,000.00**	**$1,135,515,000.00**	**$40,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$11,896,081.73	$12,044,602.70	($148,520.97)	$11,896,081.73	$12,896,507.66	($1,000,425.93)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$116,106.46	$111,371.06	$4,735.40	$116,106.46	$131,412.33	($15,305.87)
Accum Prov - Pension & Benefit	$2,393,295.19	$2,561,274.56	($167,979.37)	$2,393,295.19	$2,500,184.42	($106,889.23)
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$14,405,483.38**	**$14,717,248.32**	**($311,764.94)**	**$14,405,483.38**	**$15,528,104.41**	**($1,122,621.03)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$42,791,963.14	$52,829,637.49	($10,037,674.35)	$42,791,963.14	$72,666,289.26	($29,874,326.12)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$109,794,778.61	$81,898,363.14	$27,896,415.47	$109,794,778.61	$166,443,842.89	($56,649,064.28)
Customer Deposits	$4,412,639.11	$4,395,959.11	$16,680.00	$4,412,639.11	$4,456,251.11	($43,612.00)
Taxes Accrued	$35,476,079.86	$39,483,722.11	($4,007,642.25)	$35,476,079.86	$20,041,598.23	$15,434,481.63
Interest Accrued	$353,238.42	$333,256.21	$19,982.21	$353,238.42	$330,829.76	$22,408.66
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$131,539.93	$182,840.01	($51,300.08)	$131,539.93	$960,313.64	($828,773.71)
Misc Current & Accrued Liab	$54,222,003.03	$43,935,429.98	$10,286,573.05	$54,222,003.03	$97,871,706.01	($43,649,702.98)
Obligation Cap Lease - Current	$1,985,582.39	$2,010,144.14	($24,561.75)	$1,985,582.39	$1,997,304.49	($11,722.10)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$249,167,824.49**	**$225,069,352.19**	**$24,098,472.30**	**$249,167,824.49**	**$364,768,135.39**	**($115,600,310.90)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Jul - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Jul - 2023*	Previous Month	Variance	Month: *Jul - 2023*	December of Previous Year	Variance
Customer Adv. for Construction	$1,930,757.37	$1,943,370.08	($12,612.71)	$1,930,757.37	$2,240,978.01	($310,220.64)
Acc Defd Investment Tax Credit	$615,507.00	$633,953.00	($18,446.00)	$615,507.00	$744,630.00	($129,123.00)
Other Deferred Credits	$6,747,974.45	$6,818,425.47	($70,451.02)	$6,747,974.45	$7,025,506.47	($277,532.02)
Other Regulatory Liabilities	$211,747,593.55	$211,218,331.72	$529,261.83	$211,747,593.55	$217,169,504.91	($5,421,911.36)
Accum Defer Inc Tax - Oth Prop	$487,361,821.70	$485,253,420.70	$2,108,401.00	$487,361,821.70	$472,603,016.70	$14,758,805.00
Accum Defer Inc Tax - Other	$1,352,799.99	$1,530,750.99	($177,951.00)	$1,352,799.99	$1,686,644.99	($333,845.00)
Deferred Credits	**$709,756,454.06**	**$707,398,251.96**	**$2,358,202.10**	**$709,756,454.06**	**$701,470,281.08**	**$8,286,172.98**
Total Liabilities and Equity	**$3,740,023,478.88**	**$3,718,808,518.96**	**$21,214,959.92**	**$3,740,023,478.88**	**$3,700,496,701.14**	**$39,526,777.74**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Aug - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Aug - 2023*	Previous Month	Variance	Month: *Aug - 2023*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,888,626,463.03	$3,846,278,286.70	$42,348,176.33	$3,888,626,463.03	$3,687,716,429.29	$200,910,033.74
Construction Work In Progress	$125,683,917.05	$118,626,217.11	$7,057,699.94	$125,683,917.05	$68,692,477.92	$56,991,439.13
Total Utility Plant	**$4,014,310,380.08**	**$3,964,904,503.81**	**$49,405,876.27**	**$4,014,310,380.08**	**$3,756,408,907.21**	**$257,901,472.87**
Accum Prov - Amort and Depr	($680,962,797.32)	($675,103,341.73)	($5,859,455.59)	($680,962,797.32)	($634,179,530.32)	($46,783,267.00)
Net Utility Plant	**$3,333,347,582.76**	**$3,289,801,162.08**	**$43,546,420.68**	**$3,333,347,582.76**	**$3,122,229,376.89**	**$211,118,205.87**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,334,079,455.01**	**$3,290,533,034.33**	**$43,546,420.68**	**$3,334,079,455.01**	**$3,122,961,249.14**	**$211,118,205.87**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,593,697.89	$21,534,109.93	$59,587.96	$21,593,697.89	$21,735,704.98	($142,007.09)
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$9,704,180.06	$9,625,867.05	$78,313.01	$9,704,180.06	$8,893,645.96	$810,534.10
Other Property and Investments	**$31,306,224.44**	**$31,168,323.47**	**$137,900.97**	**$31,306,224.44**	**$30,637,697.43**	**$668,527.01**
Current and Accrued Assets						
Cash	$1,204,394.22	$1,445,143.93	($240,749.71)	$1,204,394.22	$3,125,388.83	($1,920,994.61)
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$1,712.61	$837.39
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$41,507,905.71	$48,932,319.28	($7,424,413.57)	$41,507,905.71	$83,393,818.43	($41,885,912.72)
AR from Associated Cos	($63,590.04)	($54,379.89)	($9,210.15)	($63,590.04)	$121,590.64	($185,180.68)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$902,994.33	$1,006,611.83	($103,617.50)	$902,994.33	$1,238,920.56	($335,926.23)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$60,919,006.92	$56,576,344.12	$4,342,662.80	$60,919,006.92	$123,110,374.53	($62,191,367.61)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$5,596,540.04	$4,261,581.59	$1,334,958.45	$5,596,540.04	$5,266,603.14	$329,936.90
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$7,626,467.93	$8,813,754.19	($1,187,286.26)	$7,626,467.93	$16,721,120.99	($9,094,653.06)
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$117,949,269.11**	**$121,236,925.05**	**($3,287,655.94)**	**$117,949,269.11**	**$233,232,529.73**	**($115,283,260.62)**
Deferred Debits						
Unamortized Debt Expense	$99.00	$99.00	$0.00	$99.00	$0.00	$99.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$189,507,187.94	$189,408,851.83	$98,336.11	$189,507,187.94	$192,817,434.61	($3,310,246.67)
Preliminary Surveys	$10,044,433.96	$9,817,505.81	$226,928.15	$10,044,433.96	$6,261,478.37	$3,782,955.59

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Aug - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Aug - 2023*	Previous Month	Variance	Month: *Aug - 2023*	December of Previous Year	Variance
Clearing Accounts	($42,430.70)	($40,576.79)	($1,853.91)	($42,430.70)	$0.00	($42,430.70)
Miscellaneous Deferred Debits	$2,108,494.63	$2,048,221.85	$60,272.78	$2,108,494.63	$2,947,796.34	($839,301.71)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$99,176,471.00	$98,604,708.00	$571,763.00	$99,176,471.00	$103,088,926.00	($3,912,455.00)
Unrecovered Purchase Gas Costs	$405,250.39	($2,753,613.67)	$3,158,864.06	$405,250.39	$8,548,919.44	($8,143,669.05)
Deferred Debits	**$301,199,506.22**	**$297,085,196.03**	**$4,114,310.19**	**$301,199,506.22**	**$313,664,554.76**	**($12,465,048.54)**
Assets and Other Debits	**$3,784,534,454.78**	**$3,740,023,478.88**	**$44,510,975.90**	**$3,784,534,454.78**	**$3,700,496,031.06**	**$84,038,423.72**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,346,271,261.69	$1,353,161,089.95	($6,889,828.26)	$1,346,271,261.69	$1,245,197,553.26	$101,073,708.43
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,584,288,888.69**	**$1,591,178,716.95**	**($6,889,828.26)**	**$1,584,288,888.69**	**$1,483,215,180.26**	**$101,073,708.43**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,175,515,000.00	$1,175,515,000.00	$0.00	$1,175,515,000.00	$1,135,515,000.00	$40,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,175,515,000.00**	**$1,175,515,000.00**	**$0.00**	**$1,175,515,000.00**	**$1,135,515,000.00**	**$40,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$11,746,826.23	$11,896,081.73	($149,255.50)	$11,746,826.23	$12,896,507.66	($1,149,681.43)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$129,900.66	$116,106.46	$13,794.20	$129,900.66	$131,412.33	($1,511.67)
Accum Prov - Pension & Benefit	$2,200,780.76	$2,393,295.19	($192,514.43)	$2,200,780.76	$2,500,184.42	($299,403.66)
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$14,077,507.65**	**$14,405,483.38**	**($327,975.73)**	**$14,077,507.65**	**$15,528,104.41**	**($1,450,596.76)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$54,787,631.08	$42,791,963.14	$11,995,667.94	$54,787,631.08	$72,666,289.26	($17,878,658.18)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$143,039,958.24	$109,794,778.61	$33,245,179.63	$143,039,958.24	$166,443,842.89	($23,403,884.65)
Customer Deposits	$4,400,775.11	$4,412,639.11	($11,864.00)	$4,400,775.11	$4,456,251.11	($55,476.00)
Taxes Accrued	$30,769,752.12	$35,476,079.86	($4,706,327.74)	$30,769,752.12	$20,041,598.23	$10,728,153.89
Interest Accrued	$370,877.65	$353,238.42	$17,639.23	$370,877.65	$330,829.76	$40,047.89
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$112,810.93	$131,539.93	($18,729.00)	$112,810.93	$960,313.64	($847,502.71)
Misc Current & Accrued Liab	$63,216,712.62	$54,222,003.03	$8,994,709.59	$63,216,712.62	$97,871,706.01	($34,654,993.39)
Obligation Cap Lease - Current	$2,000,286.29	$1,985,582.39	$14,703.90	$2,000,286.29	$1,997,304.49	$2,981.80
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$298,698,804.04**	**$249,167,824.49**	**$49,530,979.55**	**$298,698,804.04**	**$364,768,135.39**	**($66,069,331.35)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Aug - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Aug - 2023*	Previous Month	Variance	Month: *Aug - 2023*	December of Previous Year	Variance
Customer Adv. for Construction	$1,924,176.96	$1,930,757.37	($6,580.41)	$1,924,176.96	$2,240,978.01	($316,801.05)
Acc Defd Investment Tax Credit	$597,061.00	$615,507.00	($18,446.00)	$597,061.00	$744,630.00	($147,569.00)
Other Deferred Credits	$6,762,964.47	$6,747,974.45	$14,990.02	$6,762,964.47	$7,025,506.47	($262,542.00)
Other Regulatory Liabilities	$211,690,220.28	$211,747,593.55	($57,373.27)	$211,690,220.28	$217,169,504.91	($5,479,284.63)
Accum Defer Inc Tax - Oth Prop	$489,470,222.70	$487,361,821.70	$2,108,401.00	$489,470,222.70	$472,603,016.70	$16,867,206.00
Accum Defer Inc Tax - Other	$1,509,608.99	$1,352,799.99	$156,809.00	$1,509,608.99	$1,686,644.99	($177,036.00)
Deferred Credits	**$711,954,254.40**	**$709,756,454.06**	**$2,197,800.34**	**$711,954,254.40**	**$701,470,281.08**	**$10,483,973.32**
Total Liabilities and Equity	**$3,784,534,454.78**	**$3,740,023,478.88**	**$44,510,975.90**	**$3,784,534,454.78**	**$3,700,496,701.14**	**$84,037,753.64**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Sep - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Sep - 2023*	Previous Month	Variance	Month: *Sep - 2023*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,909,360,920.86	$3,888,626,463.03	$20,734,457.83	$3,909,360,920.86	$3,687,716,429.29	$221,644,491.57
Construction Work In Progress	$136,467,397.69	$125,683,917.05	$10,783,480.64	$136,467,397.69	$68,692,477.92	$67,774,919.77
Total Utility Plant	**$4,045,828,318.55**	**$4,014,310,380.08**	**$31,517,938.47**	**$4,045,828,318.55**	**$3,756,408,907.21**	**$289,419,411.34**
Accum Prov - Amort and Depr	($687,075,860.26)	($680,962,797.32)	($6,113,062.94)	($687,075,860.26)	($634,179,530.32)	($52,896,329.94)
Net Utility Plant	**$3,358,752,458.29**	**$3,333,347,582.76**	**$25,404,875.53**	**$3,358,752,458.29**	**$3,122,229,376.89**	**$236,523,081.40**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,359,484,330.54**	**$3,334,079,455.01**	**$25,404,875.53**	**$3,359,484,330.54**	**$3,122,961,249.14**	**$236,523,081.40**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,637,093.10	$21,593,697.89	$43,395.21	$21,637,093.10	$21,735,704.98	($98,611.88)
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$9,561,112.56	$9,704,180.06	($143,067.50)	$9,561,112.56	$8,893,645.96	$667,466.60
Other Property and Investments	**$31,206,552.15**	**$31,306,224.44**	**($99,672.29)**	**$31,206,552.15**	**$30,637,697.43**	**$568,854.72**
Current and Accrued Assets						
Cash	$2,080,809.92	$1,204,394.22	$876,415.70	$2,080,809.92	$3,125,388.83	($1,044,578.91)
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$1,712.61	$837.39
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$21,670,345.33	$41,507,905.71	($19,837,560.38)	$21,670,345.33	$83,393,818.43	($61,723,473.10)
AR from Associated Cos	($95,619.85)	($63,590.04)	($32,029.81)	($95,619.85)	$121,590.64	($217,210.49)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$939,321.60	$902,994.33	$36,327.27	$939,321.60	$1,238,920.56	($299,598.96)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$64,173,229.60	$60,919,006.92	$3,254,222.68	$64,173,229.60	$123,110,374.53	($58,937,144.93)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$7,057,614.54	$5,596,540.04	$1,461,074.50	$7,057,614.54	$5,266,603.14	$1,791,011.40
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$1,085,962.57	$7,626,467.93	($6,540,505.36)	$1,085,962.57	$16,721,120.99	($15,635,158.42)
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$97,167,213.71**	**$117,949,269.11**	**($20,782,055.40)**	**$97,167,213.71**	**$233,232,529.73**	**($136,065,316.02)**
Deferred Debits						
Unamortized Debt Expense	$99.00	$99.00	$0.00	$99.00	$0.00	$99.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$187,300,862.45	$189,507,187.94	($2,206,325.49)	$187,300,862.45	$192,817,434.61	($5,516,572.16)
Preliminary Surveys	$10,154,946.10	$10,044,433.96	$110,512.14	$10,154,946.10	$6,261,478.37	$3,893,467.73

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Sep - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Sep - 2023*	Previous Month	Variance	Month: *Sep - 2023*	December of Previous Year	Variance
Clearing Accounts	($38,849.57)	($42,430.70)	$3,581.13	($38,849.57)	$0.00	($38,849.57)
Miscellaneous Deferred Debits	$2,167,257.74	$2,108,494.63	$58,763.11	$2,167,257.74	$2,947,796.34	($780,538.60)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$99,956,139.00	$99,176,471.00	$779,668.00	$99,956,139.00	$103,088,926.00	($3,132,787.00)
Unrecovered Purchase Gas Costs	$8,807,832.25	$405,250.39	$8,402,581.86	$8,807,832.25	$8,548,919.44	$258,912.81
Deferred Debits	**$308,348,286.97**	**$301,199,506.22**	**$7,148,780.75**	**$308,348,286.97**	**$313,664,554.76**	**($5,316,267.79)**
Assets and Other Debits	**$3,796,206,383.37**	**$3,784,534,454.78**	**$11,671,928.59**	**$3,796,206,383.37**	**$3,700,496,031.06**	**$95,710,352.31**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,338,961,602.44	$1,346,271,261.69	($7,309,659.25)	$1,338,961,602.44	$1,245,197,553.26	$93,764,049.18
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,576,979,229.44**	**$1,584,288,888.69**	**($7,309,659.25)**	**$1,576,979,229.44**	**$1,483,215,180.26**	**$93,764,049.18**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,285,515,000.00	$1,175,515,000.00	$110,000,000.00	$1,285,515,000.00	$1,135,515,000.00	$150,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,285,515,000.00**	**$1,175,515,000.00**	**$110,000,000.00**	**$1,285,515,000.00**	**$1,135,515,000.00**	**$150,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$11,746,270.50	$11,746,826.23	($555.73)	$11,746,270.50	$12,896,507.66	($1,150,237.16)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$133,445.85	$129,900.66	$3,545.19	$133,445.85	$131,412.33	$2,033.52
Accum Prov - Pension & Benefit	$2,548,669.88	$2,200,780.76	$347,889.12	$2,548,669.88	$2,500,184.42	$48,485.46
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$14,428,386.23**	**$14,077,507.65**	**$350,878.58**	**$14,428,386.23**	**$15,528,104.41**	**($1,099,718.18)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$45,723,460.44	$54,787,631.08	($9,064,170.64)	$45,723,460.44	$72,666,289.26	($26,942,828.82)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$54,541,824.75	$143,039,958.24	($88,498,133.49)	$54,541,824.75	$166,443,842.89	($111,902,018.14)
Customer Deposits	$4,499,285.11	$4,400,775.11	$98,510.00	$4,499,285.11	$4,456,251.11	$43,034.00
Taxes Accrued	$24,913,322.73	$30,769,752.12	($5,856,429.39)	$24,913,322.73	$20,041,598.23	$4,871,724.50
Interest Accrued	$390,247.39	$370,877.65	$19,369.74	$390,247.39	$330,829.76	$59,417.63
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$172,627.05	$112,810.93	$59,816.12	$172,627.05	$960,313.64	($787,686.59)
Misc Current & Accrued Liab	$74,812,329.79	$63,216,712.62	$11,595,617.17	$74,812,329.79	$97,871,706.01	($23,059,376.22)
Obligation Cap Lease - Current	$2,039,732.81	$2,000,286.29	$39,446.52	$2,039,732.81	$1,997,304.49	$42,428.32
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$207,092,830.07**	**$298,698,804.04**	**($91,605,973.97)**	**$207,092,830.07**	**$364,768,135.39**	**($157,675,305.32)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Sep - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Sep - 2023*	Previous Month	Variance	Month: *Sep - 2023*	December of Previous Year	Variance
Customer Adv. for Construction	$1,910,623.42	$1,924,176.96	($13,553.54)	$1,910,623.42	$2,240,978.01	($330,354.59)
Acc Defd Investment Tax Credit	$578,614.00	$597,061.00	($18,447.00)	$578,614.00	$744,630.00	($166,016.00)
Other Deferred Credits	$6,883,093.60	$6,762,964.47	$120,129.13	$6,883,093.60	$7,025,506.47	($142,412.87)
Other Regulatory Liabilities	$209,637,070.92	$211,690,220.28	($2,053,149.36)	$209,637,070.92	$217,169,504.91	($7,532,433.99)
Accum Defer Inc Tax - Oth Prop	$491,578,622.70	$489,470,222.70	$2,108,400.00	$491,578,622.70	$472,603,016.70	$18,975,606.00
Accum Defer Inc Tax - Other	$1,602,912.99	$1,509,608.99	$93,304.00	$1,602,912.99	$1,686,644.99	($83,732.00)
Deferred Credits	**$712,190,937.63**	**$711,954,254.40**	**$236,683.23**	**$712,190,937.63**	**$701,470,281.08**	**$10,720,656.55**
Total Liabilities and Equity	**$3,796,206,383.37**	**$3,784,534,454.78**	**$11,671,928.59**	**$3,796,206,383.37**	**$3,700,496,701.14**	**$95,709,682.23**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Oct - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Oct - 2023*	Previous Month	Variance	Month: *Oct - 2023*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,959,361,054.63	$3,909,360,920.86	$50,000,133.77	$3,959,361,054.63	$3,687,716,429.29	$271,644,625.34
Construction Work In Progress	$130,769,622.18	$136,467,397.69	($5,697,775.51)	$130,769,622.18	$68,692,477.92	$62,077,144.26
Total Utility Plant	**$4,090,130,676.81**	**$4,045,828,318.55**	**$44,302,358.26**	**$4,090,130,676.81**	**$3,756,408,907.21**	**$333,721,769.60**
Accum Prov - Amort and Depr	($691,366,909.97)	($687,075,860.26)	($4,291,049.71)	($691,366,909.97)	($634,179,530.32)	($57,187,379.65)
Net Utility Plant	**$3,398,763,766.84**	**$3,358,752,458.29**	**$40,011,308.55**	**$3,398,763,766.84**	**$3,122,229,376.89**	**$276,534,389.95**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,399,495,639.09**	**$3,359,484,330.54**	**$40,011,308.55**	**$3,399,495,639.09**	**$3,122,961,249.14**	**$276,534,389.95**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,653,686.44	$21,637,093.10	$16,593.34	$21,653,686.44	$21,735,704.98	($82,018.54)
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$9,637,349.97	$9,561,112.56	$76,237.41	$9,637,349.97	$8,893,645.96	$743,704.01
Other Property and Investments	**$31,299,382.90**	**$31,206,552.15**	**$92,830.75**	**$31,299,382.90**	**$30,637,697.43**	**$661,685.47**
Current and Accrued Assets						
Cash	$2,688,379.57	$2,080,809.92	$607,569.65	$2,688,379.57	$3,125,388.83	($437,009.26)
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$2,550.00	$2,550.00	$0.00	$2,550.00	$1,712.61	$837.39
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$34,214,173.41	$21,670,345.33	$12,543,828.08	$34,214,173.41	$83,393,818.43	($49,179,645.02)
AR from Associated Cos	($60,407.27)	($95,619.85)	$35,212.58	($60,407.27)	$121,590.64	($181,997.91)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$945,238.66	$939,321.60	$5,917.06	$945,238.66	$1,238,920.56	($293,681.90)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$66,240,894.07	$64,173,229.60	$2,067,664.47	$66,240,894.07	$123,110,374.53	($56,869,480.46)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$7,726,267.49	$7,057,614.54	$668,652.95	$7,726,267.49	$5,266,603.14	$2,459,664.35
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$1,059,615.67	$1,085,962.57	($26,346.90)	$1,059,615.67	$16,721,120.99	($15,661,505.32)
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$113,069,711.60**	**$97,167,213.71**	**$15,902,497.89**	**$113,069,711.60**	**$233,232,529.73**	**($120,162,818.13)**
Deferred Debits						
Unamortized Debt Expense	$99.00	$99.00	$0.00	$99.00	$0.00	$99.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$187,327,580.24	$187,300,862.45	$26,717.79	$187,327,580.24	$192,817,434.61	($5,489,854.37)
Preliminary Surveys	$10,397,175.11	$10,154,946.10	$242,229.01	$10,397,175.11	$6,261,478.37	$4,135,696.74

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Oct - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Oct - 2023*	Previous Month	Variance	Month: *Oct - 2023*	December of Previous Year	Variance
Clearing Accounts	($42,847.91)	($38,849.57)	($3,998.34)	($42,847.91)	$0.00	($42,847.91)
Miscellaneous Deferred Debits	$1,982,290.37	$2,167,257.74	($184,967.37)	$1,982,290.37	$2,947,796.34	($965,505.97)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$100,594,406.00	$99,956,139.00	$638,267.00	$100,594,406.00	$103,088,926.00	($2,494,520.00)
Unrecovered Purchase Gas Costs	$10,134,787.24	$8,807,832.25	$1,326,954.99	$10,134,787.24	$8,548,919.44	$1,585,867.80
Deferred Debits	**$310,393,490.05**	**$308,348,286.97**	**$2,045,203.08**	**$310,393,490.05**	**$313,664,554.76**	**($3,271,064.71)**
Assets and Other Debits	**$3,854,258,223.64**	**$3,796,206,383.37**	**$58,051,840.27**	**$3,854,258,223.64**	**$3,700,496,031.06**	**$153,762,192.58**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,339,676,898.32	$1,338,961,602.44	$715,295.88	$1,339,676,898.32	$1,245,197,553.26	$94,479,345.06
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,577,694,525.32**	**$1,576,979,229.44**	**$715,295.88**	**$1,577,694,525.32**	**$1,483,215,180.26**	**$94,479,345.06**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,285,515,000.00	$1,285,515,000.00	$0.00	$1,285,515,000.00	$1,135,515,000.00	$150,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,285,515,000.00**	**$1,285,515,000.00**	**$0.00**	**$1,285,515,000.00**	**$1,135,515,000.00**	**$150,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$10,672,996.47	$11,746,270.50	($1,073,274.03)	$10,672,996.47	$12,896,507.66	($2,223,511.19)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$145,812.65	$133,445.85	$12,366.80	$145,812.65	$131,412.33	$14,400.32
Accum Prov - Pension & Benefit	$2,388,951.43	$2,548,669.88	($159,718.45)	$2,388,951.43	$2,500,184.42	($111,232.99)
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$13,207,760.55**	**$14,428,386.23**	**($1,220,625.68)**	**$13,207,760.55**	**$15,528,104.41**	**($2,320,343.86)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$55,101,187.31	$45,723,460.44	$9,377,726.87	$55,101,187.31	$72,666,289.26	($17,565,101.95)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$88,087,803.55	$54,541,824.75	$33,545,978.80	$88,087,803.55	$166,443,842.89	($78,356,039.34)
Customer Deposits	$4,611,028.11	$4,499,285.11	$111,743.00	$4,611,028.11	$4,456,251.11	$154,777.00
Taxes Accrued	$24,185,139.96	$24,913,322.73	($728,182.77)	$24,185,139.96	$20,041,598.23	$4,143,541.73
Interest Accrued	$407,757.36	$390,247.39	$17,509.97	$407,757.36	$330,829.76	$76,927.60
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$155,603.05	$172,627.05	($17,024.00)	$155,603.05	$960,313.64	($804,710.59)
Misc Current & Accrued Liab	$89,571,451.77	$74,812,329.79	$14,759,121.98	$89,571,451.77	$97,871,706.01	($8,300,254.24)
Obligation Cap Lease - Current	$1,905,232.87	$2,039,732.81	($134,499.94)	$1,905,232.87	$1,997,304.49	($92,071.62)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$264,025,203.98**	**$207,092,830.07**	**$56,932,373.91**	**$264,025,203.98**	**$364,768,135.39**	**($100,742,931.41)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Oct - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Oct - 2023*	Previous Month	Variance	Month: *Oct - 2023*	December of Previous Year	Variance
Customer Adv. for Construction	$1,811,486.59	$1,910,623.42	($99,136.83)	$1,811,486.59	$2,240,978.01	($429,491.42)
Acc Defd Investment Tax Credit	$560,168.00	$578,614.00	($18,446.00)	$560,168.00	$744,630.00	($184,462.00)
Other Deferred Credits	$6,858,396.10	$6,883,093.60	($24,697.50)	$6,858,396.10	$7,025,506.47	($167,110.37)
Other Regulatory Liabilities	$209,968,608.41	$209,637,070.92	$331,537.49	$209,968,608.41	$217,169,504.91	($7,200,896.50)
Accum Defer Inc Tax - Oth Prop	$493,130,990.70	$491,578,622.70	$1,552,368.00	$493,130,990.70	$472,603,016.70	$20,527,974.00
Accum Defer Inc Tax - Other	$1,486,083.99	$1,602,912.99	($116,829.00)	$1,486,083.99	$1,686,644.99	($200,561.00)
Deferred Credits	**$713,815,733.79**	**$712,190,937.63**	**$1,624,796.16**	**$713,815,733.79**	**$701,470,281.08**	**$12,345,452.71**
Total Liabilities and Equity	**$3,854,258,223.64**	**$3,796,206,383.37**	**$58,051,840.27**	**$3,854,258,223.64**	**$3,700,496,701.14**	**$153,761,522.50**

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Nov - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Nov - 2023*	Previous Month	Variance	Month: *Nov - 2023*	December of Previous Year	Variance
ASSETS						
Utility Plant						
Utility Plant	$3,991,573,643.32	$3,959,361,054.63	$32,212,588.69	$3,991,573,643.32	$3,687,716,429.29	$303,857,214.03
Construction Work In Progress	$135,257,418.16	$130,769,622.18	$4,487,795.98	$135,257,418.16	$68,692,477.92	$66,564,940.24
Total Utility Plant	**$4,126,831,061.48**	**$4,090,130,676.81**	**$36,700,384.67**	**$4,126,831,061.48**	**$3,756,408,907.21**	**$370,422,154.27**
Accum Prov - Amort and Depr	($695,984,449.90)	($691,366,909.97)	($4,617,539.93)	($695,984,449.90)	($634,179,530.32)	($61,804,919.58)
Net Utility Plant	**$3,430,846,611.58**	**$3,398,763,766.84**	**$32,082,844.74**	**$3,430,846,611.58**	**$3,122,229,376.89**	**$308,617,234.69**
Other Plant Adjustments	-	-	-	-	-	-
Gas Store Underground	$895,339.06	$895,339.06	$0.00	$895,339.06	$895,339.06	$0.00
System Balancing Gas	($163,466.81)	($163,466.81)	$0.00	($163,466.81)	($163,466.81)	$0.00
Gas Store Undergrd_SysBal	$731,872.25	$731,872.25	$0.00	$731,872.25	$731,872.25	$0.00
Utility Plant	**$3,431,578,483.83**	**$3,399,495,639.09**	**$32,082,844.74**	**$3,431,578,483.83**	**$3,122,961,249.14**	**$308,617,234.69**
Other Property and Investments						
Non Utility Other Property	$8,346.49	$8,346.49	$0.00	$8,346.49	$8,346.49	$0.00
Accum Prov - Deprec Oth Plant	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investments in Associated Cos	-	-	-	-	-	-
Investments in Subsidiary Cos	$21,681,714.10	$21,653,686.44	$28,027.66	$21,681,714.10	$21,735,704.98	($53,990.88)
Other Investments	-	-	-	-	-	-
Sinking Fund	-	-	-	-	-	-
Other Special Funds	$9,713,587.42	$9,637,349.97	$76,237.45	$9,713,587.42	$8,893,645.96	$819,941.46
Other Property and Investments	**$31,403,648.01**	**$31,299,382.90**	**$104,265.11**	**$31,403,648.01**	**$30,637,697.43**	**$765,950.58**
Current and Accrued Assets						
Cash	$3,416,158.54	$2,688,379.57	$727,778.97	$3,416,158.54	$3,125,388.83	$290,769.71
Special Deposits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working Funds	$0.00	$2,550.00	($2,550.00)	$0.00	$1,712.61	($1,712.61)
Temp Cash Investments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Notes Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Customer Accounts Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Accounts Receivable	$253,000.00	$253,000.00	$0.00	$253,000.00	$253,000.00	$0.00
Accum Prov Uncollectible - Cr	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
NR from Associated Cos	$69,719,929.85	$34,214,173.41	$35,505,756.44	$69,719,929.85	$83,393,818.43	($13,673,888.58)
AR from Associated Cos	$7,397.82	($60,407.27)	$67,805.09	$7,397.82	$121,590.64	($114,192.82)
Fuel Stock	-	-	-	-	-	-
Fuel Stock Expenses Undistrib	-	-	-	-	-	-
Residuals & Extracted Products	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Materials & Supplies	$988,009.88	$945,238.66	$42,771.22	$988,009.88	$1,238,920.56	($250,910.68)
Merchandise	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Allowances	-	-	-	-	-	-
Stores Exp Undistributed	-	-	-	-	-	-
Gas Stored Underground - Curr	$56,481,180.91	$66,240,894.07	($9,759,713.16)	$56,481,180.91	$123,110,374.53	($66,629,193.62)
LNG Stored & Held for Process	-	-	-	-	-	-
Prepayments	$7,194,730.43	$7,726,267.49	($531,537.06)	$7,194,730.43	$5,266,603.14	$1,928,127.29
Interest & Dividends Rec	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Rent Receivable	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Accrued Utility Revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Misc Current & Accrued Assets	$1,621,252.41	$1,059,615.67	$561,636.74	$1,621,252.41	$16,721,120.99	($15,099,868.58)
Derivative Instrument Assets	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Assets - Hedging	-	-	-	-	-	-
Current and Accrued Assets	**$139,681,659.84**	**$113,069,711.60**	**$26,611,948.24**	**$139,681,659.84**	**$233,232,529.73**	**($93,550,869.89)**
Deferred Debits						
Unamortized Debt Expense	$0.00	$99.00	($99.00)	$0.00	$0.00	$0.00
Extraordinary Property Loss	-	-	-	-	-	-
Other Regulatory Asset	$187,593,065.99	$187,327,580.24	$265,485.75	$187,593,065.99	$192,817,434.61	($5,224,368.62)
Preliminary Surveys	$11,044,036.29	$10,397,175.11	$646,861.18	$11,044,036.29	$6,261,478.37	$4,782,557.92

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Nov - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Nov - 2023*	Previous Month	Variance	Month: *Nov - 2023*	December of Previous Year	Variance
Clearing Accounts	($3,417.22)	($42,847.91)	$39,430.69	($3,417.22)	$0.00	($3,417.22)
Miscellaneous Deferred Debits	$2,087,500.89	$1,982,290.37	$105,210.52	$2,087,500.89	$2,947,796.34	($860,295.45)
Research & Development Expense	-	-	-	-	-	-
Unamort Loss Reacquired Debt	-	-	-	-	-	-
Accum Deferred Income Taxes	$99,777,193.00	$100,594,406.00	($817,213.00)	$99,777,193.00	$103,088,926.00	($3,311,733.00)
Unrecovered Purchase Gas Costs	$9,231,680.00	$10,134,787.24	($903,107.24)	$9,231,680.00	$8,548,919.44	$682,760.56
Deferred Debits	**$309,730,058.95**	**$310,393,490.05**	**($663,431.10)**	**$309,730,058.95**	**$313,664,554.76**	**($3,934,495.81)**
Assets and Other Debits	**$3,912,393,850.63**	**$3,854,258,223.64**	**$58,135,626.99**	**$3,912,393,850.63**	**$3,700,496,031.06**	**$211,897,819.57**
LIABILITIES AND OTHER CREDITS						
Proprietary Capital						
Common Stock FERC	$45,127,800.00	$45,127,800.00	$0.00	$45,127,800.00	$45,127,800.00	$0.00
Preferred Stock Issued	-	-	-	-	-	-
Capital Stock Subscribed	-	-	-	-	-	-
Premium on Capital Stock	-	-	-	-	-	-
Other Paid-in Capital	$192,889,827.00	$192,889,827.00	$0.00	$192,889,827.00	$192,889,827.00	$0.00
Capital Stock Expense	-	-	-	-	-	-
Retained Earnings	$1,361,057,823.43	$1,339,676,898.32	$21,380,925.11	$1,361,057,823.43	$1,245,197,553.26	$115,860,270.17
Unapprop Undistrib Sub Earning	-	-	-	-	-	-
Reqcquired Capital Stock	-	-	-	-	-	-
Accumulated OCI	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Proprietary Capital	**$1,599,075,450.43**	**$1,577,694,525.32**	**$21,380,925.11**	**$1,599,075,450.43**	**$1,483,215,180.26**	**$115,860,270.17**
Long Term Debt						
Bonds	-	-	-	-	-	-
Advances from Associated Cos	$1,285,515,000.00	$1,285,515,000.00	$0.00	$1,285,515,000.00	$1,135,515,000.00	$150,000,000.00
Other Long Term Debt	-	-	-	-	-	-
Unamortized Premium on LTD	-	-	-	-	-	-
Unamortized Discount on LTD	-	-	-	-	-	-
Long Term Debt	**$1,285,515,000.00**	**$1,285,515,000.00**	**$0.00**	**$1,285,515,000.00**	**$1,135,515,000.00**	**$150,000,000.00**
Other Noncurrent Liabilities						
Obligations - Cap Leases - NC	$10,811,342.62	$10,672,996.47	$138,346.15	$10,811,342.62	$12,896,507.66	($2,085,165.04)
Accum Prov - Property Ins	-	-	-	-	-	-
Accum Prov - Injuries & Damage	$94,853.21	$145,812.65	($50,959.44)	$94,853.21	$131,412.33	($36,559.12)
Accum Prov - Pension & Benefit	$2,149,892.03	$2,388,951.43	($239,059.40)	$2,149,892.03	$2,500,184.42	($350,292.39)
Accum Misc Operating Provision	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Provision for Rate Refunds	-	-	-	-	-	-
Asset Retirement Obligations	-	-	-	-	-	-
Other Noncurrent Liabilities	**$13,056,087.86**	**$13,207,760.55**	**($151,672.69)**	**$13,056,087.86**	**$15,528,104.41**	**($2,472,016.55)**
Current and Accrued Liabilities						
Curr Portion of Long-Term Debt	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-
Accounts Payable	$47,509,846.04	$55,101,187.31	($7,591,341.27)	$47,509,846.04	$72,666,289.26	($25,156,443.22)
NP to Associated Cos	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
AP to Associated Cos	$138,863,605.49	$88,087,803.55	$50,775,801.94	$138,863,605.49	$166,443,842.89	($27,580,237.40)
Customer Deposits	$4,663,057.11	$4,611,028.11	$52,029.00	$4,663,057.11	$4,456,251.11	$206,806.00
Taxes Accrued	$11,677,132.48	$24,185,139.96	($12,508,007.48)	$11,677,132.48	$20,041,598.23	($8,364,465.75)
Interest Accrued	$425,233.17	$407,757.36	$17,475.81	$425,233.17	$330,829.76	$94,403.41
Dividends Declared	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Collections Payable	$236,861.49	$155,603.05	$81,258.44	$236,861.49	$960,313.64	($723,452.15)
Misc Current & Accrued Liab	$93,474,855.88	$89,571,451.77	$3,903,404.11	$93,474,855.88	$97,871,706.01	($4,396,850.13)
Obligation Cap Lease - Current	$1,891,236.40	$1,905,232.87	($13,996.47)	$1,891,236.40	$1,997,304.49	($106,068.09)
Derivative Liability	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Derivative Liability - Hedge	-	-	-	-	-	-
Current & Accrued Liabilities	**$298,741,828.06**	**$264,025,203.98**	**$34,716,624.08**	**$298,741,828.06**	**$364,768,135.39**	**($66,026,307.33)**
Deferred Credits						

Columbia Gas of Pennsylvania
Balance Sheet - Regulated
Regulated - Account FERC Hierarchy
As of Nov - 2023
FDW Standard Report - For Internal Use Only

	Total					
	Month: *Nov - 2023*	Previous Month	Variance	Month: *Nov - 2023*	December of Previous Year	Variance
Customer Adv. for Construction	$1,806,398.27	$1,811,486.59	($5,088.32)	$1,806,398.27	$2,240,978.01	($434,579.74)
Acc Defd Investment Tax Credit	$541,722.00	$560,168.00	($18,446.00)	$541,722.00	$744,630.00	($202,908.00)
Other Deferred Credits	$6,812,267.04	$6,858,396.10	($46,129.06)	$6,812,267.04	$7,025,506.47	($213,239.43)
Other Regulatory Liabilities	$210,564,763.28	$209,968,608.41	$596,154.87	$210,564,763.28	$217,169,504.91	($6,604,741.63)
Accum Defer Inc Tax - Oth Prop	$495,239,392.70	$493,130,990.70	$2,108,402.00	$495,239,392.70	$472,603,016.70	$22,636,376.00
Accum Defer Inc Tax - Other	$1,040,940.99	$1,486,083.99	($445,143.00)	$1,040,940.99	$1,686,644.99	($645,704.00)
Deferred Credits	**$716,005,484.28**	**$713,815,733.79**	**$2,189,750.49**	**$716,005,484.28**	**$701,470,281.08**	**$14,535,203.20**
Total Liabilities and Equity	**$3,912,393,850.63**	**$3,854,258,223.64**	**$58,135,626.99**	**$3,912,393,850.63**	**$3,700,496,701.14**	**$211,897,149.49**

Columbia Gas of Pennsylvania, Inc.

Standard Data Request

Rate of Return

Question No. GAS-ROR-003:

Please provide the bond rating history for the Company and, if applicable, its parent from the major credit rating agencies for the last five years.

Response:

Columbia Gas of Pennsylvania, Inc. (Company) is a wholly owned subsidiary of NiSource Gas Distribution, Inc. (NGD), which is a subsidiary of NiSource Inc. (Parent). Neither the Company nor NGD have bond rating histories that are separate from NiSource Inc.

GAS-ROR-003 Attachment A provides the bond rating history for NiSource Inc. from 2019 through 2023.

CREDIT RATINGS MATRIX

NiSource

Moody's	**2023**	**2022**	**2021**	**2020**	**2019**
Issuer Rating	Baa2	Baa2	Baa2	Baa2	Baa2
Commercial Paper	P-2	P-2	P-2	P-2	P-2
Standard & Poor's					
Corporate Credit Rating	BBB+	BBB+	BBB+	BBB+	BBB+
Commercial Paper	A-2	A-2	A-2	A-2	A-2
Fitch					
Issuer Rating	BBB	BBB	BBB	BBB	BBB
Commercial Paper	F2	F2	F2	F2	F2

Columbia Gas of Pennsylvania

Moody's	**2023**	**2022**	**2021**	**2020**	**2019**
Issuer Rating	NR	NR	NR	NR	NR
Commercial Paper	NR	NR	NR	NR	NR
Standard & Poor's					
Corporate Credit Rating	NR	NR	NR	NR	NR
Commercial Paper	NR	NR	NR	NR	NR
Fitch					
Issuer Rating	NR	NR	NR	NR	NR
Commercial Paper	NR	NR	NR	NR	NR

Columbia Gas of Pennsylvania, Inc.

Standard Data Request

Rate of Return

Question No. GAS-ROR-004:

Please provide copies of all bond rating reports relating to the Company and, if applicable, its parent for the past two years.

Response:

Columbia Gas of Pennsylvania, Inc., (Company) is a wholly owned subsidiary of NiSource Gas Distribution, Inc. (NGD), which is a subsidiary of NiSource Inc. (Parent). Neither the Company nor NGD have bond rating reports that are separate from the Parent.

Attachment A to this response provides the NiSource Inc. bond rating reports for the past two years.

03-Mar-2022 | 04:30 EST

Annual Review For NiSource Inc.

This publication does not constitute a rating action.

S&P Global Ratings has performed annual reviews of the credit ratings of this issuer. When applicable, this review would include the review of the issuer's subsidiaries or associated entities.

In an annual review, S&P Global Ratings reviews current credit ratings against the latest issuers/issues performance data as well as any recent market developments. Annual reviews may, depending on their outcome, result in a referral of a credit rating for a committee review, which may result in a credit rating action. This publication is not an indication of whether or not a credit rating action is likely in the near future.

Please refer to the below information for the key elements considered during this review and underlying the current credit rating.

Rating Component Scores

Business risk	Excellent
Country risk	Very Low Risk

Industry risk	Very Low Risk
Competitive position	Strong
Financial risk	Significant
Cash flow/leverage	Significant
Anchor	a-
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Adequate (no impact)
Management and governance	Satisfactory (no impact)
Comparable rating analysis	Negative (-1 notch)
Stand-alone credit profile	bbb+
Current Credit Rating	

Foreign currency issuer credit rating	BBB+/Stable/A-2
Local currency issuer credit rating	BBB+/Stable/A-2

Regulatory Disclosures (PCRs)

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S&P Global
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Table Of Contents

Credit Highlights

Outlook

Our Base-Case Scenario

Company Description

Peer Comparison

Business Risk

Financial Risk

Liquidity

Environmental, Social, And Governance

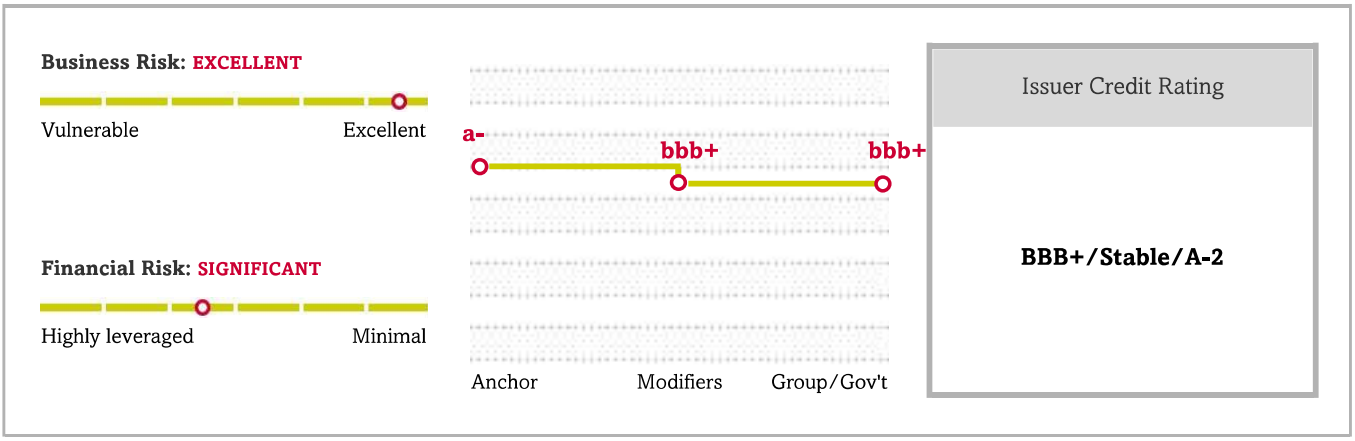
Group Influence

Issue Ratings - Subordination Risk Analysis

Ratings Score Snapshot

Related Criteria

NiSource Inc.



Credit Highlights

Overview

Key strengths	Key risks
Lower-risk regulated and vertically integrated electric and gas distribution operations.	Robust capital spending plan mostly for renewable energy transition and investments in infrastructure.
Effective management of regulatory risk through continued use of regulatory mechanisms in credit-supportive jurisdictions.	Continued negative discretionary cash flow, indicating external funding needs.
Solid customer base and geographic and regulatory diversity with large service territory across six states.	

NiSource Inc. continues its clean energy momentum with robust capital spending plan and will effectively manage its regulatory risks through use of regulatory mechanisms. We expect the company will continue to benefit from credit-supportive regulatory framework across six jurisdictions through use of regulatory riders for cost recovery of investments in infrastructure. We expect the company's financial measures will remain at the lower end of the range for its financial risk profile category with funds from operations (FFO) to debt of about 13%-14% throughout the outlook period.

Outlook

The stable outlook reflects our view that NiSource will continue to effectively manage its regulatory risk in across six regulatory jurisdictions and will continue its clean energy transition momentum to execute on its carbon-reduction plan of closing down its coal-fired generation in Indiana.

Downside scenario

We could lower our issuer credit rating on NiSourceif its ability to manage regulatory risk weakens or if FFO to debt falls to consistently below 13%.

Upside scenario

We could raise the ratings if FFO to debt consistently rises to above 16% and the company is able to effectively manage regulatory risks throughout its service territories.

Our Base-Case Scenario

Assumptions

- Modest customer growth.
- Continued use of regulatory mechanisms and rate cases.
- Annual capital spending averaging about $2.6 billion through 2023.
- Minimal cash balance assumed.
- All debt maturities to be refinanced.

Key metrics

NiSource Inc.--Key Metrics

	2020a	2021e	2022e
FFO/debt (%)	13	13.0-14.0	13.0-14.0
Debt/EBITDA (x)	6	5.5-6.0	5.5-6.0

All figures are S&P Global Ratings adjusted. a--actual. e--estimate. FFO--Funds from operations.

Company Description

NiSource Inc., an energy holding company, operates as a regulated natural gas and electric utility company in the U.S. The company operates in two segments, gas distribution operations and electric operations. It provides natural gas service and transportation for residential, commercial, and industrial customers; generates, transmits, and distributes electricity; and wholesale and transmission transaction services. It serves approximately 3.2 million natural gas customers in Ohio, Pennsylvania, Virginia, Kentucky, Maryland, and Indiana; and about 500,000 electricity customers in northern Indiana.

Peer Comparison

Table 1

NiSource Inc. -- Peer Comparison

Industry Sector: Combo

	NiSource Inc.	CenterPoint Energy Inc.	Atmos Energy Corp.	ONE Gas Inc.
Ratings as of March 3, 2022	BBB+/Stable/A-2	BBB+/Stable/A-2	A-/Negative/A-2	BBB+/Negative/A-2
	--Fiscal year ended Dec. 31, 2020--	--Fiscal year ended Dec. 31, 2020--	--Fiscal year ended Sept. 30, 2020--	--Fiscal year ended Dec. 31, 2020--
(Mil. $)				
Revenue	4,681.7	7,160.0	2,821.1	1,530.3
EBITDA	1,738.4	2,449.0	1,304.4	516.6
Funds from operations (FFO)	1,359.2	1,802.0	1,089.4	418.0

Table 1

NiSource Inc. -- Peer Comparison (cont.)

Industry Sector: Combo

	NiSource Inc.	CenterPoint Energy Inc.	Atmos Energy Corp.	ONE Gas Inc.
Interest expense	419.2	571.0	99.8	67.7
Cash interest paid	380.2	504.0	218.0	68.2
Cash flow from operations	1,093.1	1,713.0	1,055.8	364.8
Capital expenditure	1,736.5	2,569.0	1,927.2	467.1
Free operating cash flow (FOCF)	(643.4)	(856.0)	(871.4)	(102.3)
Discretionary cash flow (DCF)	(1,012.6)	(1,360.5)	(1,153.8)	(223.0)
Cash and short-term investments	116.5	879.0	20.8	8.0
Debt	10,489.1	15,016.9	5,053.9	2,014.5
Equity	5,397.8	7,224.0	6,791.2	2,233.3
Adjusted ratios				
EBITDA margin (%)	37.1	34.2	46.2	33.8
Return on capital (%)	6.3	5.3	7.7	7.5
EBITDA interest coverage (x)	4.1	4.3	13.1	7.6
FFO cash interest coverage (x)	4.6	4.6	6.0	7.1
Debt/EBITDA (x)	6.0	6.1	3.9	3.9
FFO/debt (%)	13.0	12.0	21.6	20.8
Cash flow from operations/debt (%)	10.4	11.4	20.9	18.1
FOCF/debt (%)	(6.1)	(5.7)	(17.2)	(5.1)
DCF/debt (%)	(9.7)	(9.1)	(22.8)	(11.1)

Source: S&P Global Ratings and company data.

Business Risk

Our assessment of business risk reflects NiSource's lower-risk, regulated and vertically integrated electric and gas distribution operations with solid customer base, geographic and regulatory diversity, and effective management of regulatory risk in its jurisdictions. We expect the company will continue to benefit from credit-supportive regulatory framework across its service territories in six jurisdictions and recover costs related to investments in infrastructure through future rate-case filings and regulatory riders. We also expect the company will continue its clean energy transition momentum and is on track to eliminate all of its coal-fired generation by 2026 to 2028. However, its business risk is marginally offset by subsidiary Northern Indiana Public Service Co.'s (NIPSCO's) dependence on industrial customers, particularly from the steel industry which is accounted for about 48% of NIPSCO's industrial electric sales in 2021. In addition, we continue to monitor developments on the company's strategic review including potential asset sales or purchases which could have an effect on the company's business or financial risk.

Financial Risk

We assess NiSource's financial risk profile as significant using our medial volatility financial ratio benchmarks. In our base-case scenario, we forecast S&P Global Ratings-adjusted FFO to total debt will be in the 13%-14% range throughout the outlook period. This reflects cost recovery through use of various recovery mechanisms including future rate case fillings and regulatory riders. In addition, the ratings on NiSource incorporate our assessment of a negative comparable rating analysis modifier, lowering our assessment of the rating on the company by one notch. This reflects the company's financial ratios being at the very low end of the range for its financial risk profile category.

Financial summary

Table 2

NiSource Inc. -- Financial Summary

Industry Sector: Combo

	--Fiscal year ended Dec. 31--				
	2020	**2019**	**2018**	**2017**	**2016**
(Mil. $)					
Revenue	4,681.7	5,208.9	5,114.5	4,874.6	4,492.5
EBITDA	1,738.4	1,867.3	1,815.1	1,582.9	1,519.3
Funds from operations (FFO)	1,359.2	1,470.3	1,397.1	1,185.1	1,122.4
Interest expense	419.2	415.4	413.8	405.6	400.6
Cash interest paid	380.2	386.2	414.7	392.3	388.9
Cash flow from operations	1,093.1	1,564.7	520.0	734.5	800.7
Capital expenditure	1,736.5	1,776.2	1,774.1	1,653.2	1,434.5
Free operating cash flow (FOCF)	(643.4)	(211.5)	(1,254.1)	(918.7)	(633.8)
Discretionary cash flow (DCF)	(1,012.6)	(558.6)	(1,535.5)	(1,155.0)	(848.7)
Cash and short-term investments	116.5	139.3	112.8	29.0	26.4
Gross available cash	116.5	139.3	112.8	29.0	26.4
Debt	10,489.1	10,374.9	9,875.5	9,296.8	8,378.3
Equity	5,397.8	5,546.7	5,310.9	4,320.1	4,071.2
Adjusted ratios					
EBITDA margin (%)	37.1	35.8	35.5	32.5	33.8
Return on capital (%)	6.3	7.0	8.3	7.2	7.5
EBITDA interest coverage (x)	4.1	4.5	4.4	3.9	3.8
FFO cash interest coverage (x)	4.6	4.8	4.4	4.0	3.9
Debt/EBITDA (x)	6.0	5.6	5.4	5.9	5.5
FFO/debt (%)	13.0	14.2	14.1	12.7	13.4
Cash flow from operations/debt (%)	10.4	15.1	5.3	7.9	9.6
FOCF/debt (%)	(6.1)	(2.0)	(12.7)	(9.9)	(7.6)
DCF/debt (%)	(9.7)	(5.4)	(15.5)	(12.4)	(10.1)

Source: S&P Global Ratings.

Reconciliation

Table 3

NiSource Inc.--Reconciliation Of Reported Amounts With S&P Global Ratings' Adjusted Amounts

	--Fiscal year ended Dec. 31, 2020--								
NiSource Inc. reported amounts (mil. $)									
	Debt	**Shareholders' equity**	**EBITDA**	**Operating income**	**Interest expense**	**S&P Global Ratings' adjusted EBITDA**	**Cash flow from operations**	**Dividends**	**Capital expenditure**
	9,551.1	5,752.2	1,276.7	550.8	370.7	1,738.4	1,104.0	376.7	1,758.1
S&P Global Ratings' adjustments									
Cash taxes paid	--	--	--	--	--	1.0	--	--	--
Cash interest paid	--	--	--	--	--	(349.0)	--	--	--
Reported lease liabilities	235.2	--	--	--	--	--	--	--	--
Operating leases	--	--	20.3	2.1	2.1	(2.1)	18.2	--	--
Intermediate hybrids reported as equity	440.0	(440.0)	--	--	7.5	(7.5)	(7.5)	(7.5)	--
Postretirement benefit obligations/deferred compensation	193.6	--	--	--	--	--	--	--	--
Accessible cash and liquid investments	(116.5)	--	--	--	--	--	--	--	--
Capitalized interest	--	--	--	--	21.6	(21.6)	(21.6)	--	(21.6)
Share-based compensation expense	--	--	13.5	--	--	--	--	--	--
Asset-retirement obligations	376.9	--	17.3	17.3	17.3	--	--	--	--
Nonoperating income (expense)	--	--	--	18.2	--	--	--	--	--
Noncontrolling interest/minority interest	--	85.6	--	--	--	--	--	--	--
Debt: Other	(191.2)	--	--	--	--	--	--	--	--
EBITDA: Gain/(loss) on disposals of PP&E	--	--	410.6	410.6	--	--	--	--	--
Total adjustments	938.0	(354.4)	461.7	448.2	48.5	(379.2)	(10.9)	(7.5)	(21.6)
S&P Global Ratings' adjusted amounts									
	Debt	**Equity**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from operations**	**Cash flow from operations**	**Dividends paid**	**Capital expenditure**
	10,489.1	5,397.8	1,738.4	999.0	419.2	1,359.2	1,093.1	369.2	1,736.5

Source: S&P Global Ratings.

Liquidity

We assess NiSource's liquidity as adequate because liquidity sources are likely to cover uses by more than 1.1x over the next 12 months and meet cash outflows even with a 10% decline in EBITDA. The assessment also reflects the company's generally prudent risk management, sound relationship with banks, ability to absorb high-impact, low-probability events with a limited need for refinancing, and a generally satisfactory standing in the credit markets.

Principal liquidity sources

- Cash balance of about $84 million;
- Credit facility availability of about $1.85 billion; and
- Cash FFO of about $1.6 billion.

Principal liquidity uses

- Debt maturities of about $618 million including commercial paper;
- Capital spending of about $2.1 billion; and
- Dividends of about $363 million.

Environmental, Social, And Governance

ESG Credit Indicators

E-1	E-2	**E-3**	E-4	E-5	S-1	**S-2**	S-3	S-4	S-5	G-1	**G-2**	G-3	G-4	G-5
- Climate transition risks					- N/A					- N/A				

N/A—Not applicable. ESG credit indicators provide additional disclosure and transparency at the entity level and reflect S&P Global Ratings' opinion of the influence that environmental, social, and governance factors have on our credit rating analysis. They are not a sustainability rating or an S&P Global Ratings ESG Evaluation. The extent of the influence of these factors is reflected on an alphanumerical 1-5 scale where 1 = positive, 2 = neutral, 3 = moderately negative, 4 = negative, and 5 = very negative. For more information, see our commentary "ESG Credit Indicators: Definition And Applications," published Oct. 13, 2021.

Environmental factors are a moderately negative consideration in our credit rating analysis of NiSource. As a vertically integrated electric generation and natural gas distribution company, NiSource has exposure to gas pipelines with potential methane leaks. We expect the company will replace 80% of its coal-fired generation by 2023, significantly reducing its environmental risks. In addition, NiSource is implementing plans to retire 100% of its coal generation by 2028 and plans to invest approximately $30 billion to modernize its electric and natural gas infrastructure over the next 20-plus years, which we expect will provide additional environmental and customer benefits.

Group Influence

Under our group rating methodology, we view NiSource as the parent company of NIPSCO. NiSource's group and stand-alone credit profiles are the same at 'bbb+'.

Issue Ratings - Subordination Risk Analysis

Capital structure

NiSource's capital structure consists of about $9 billion of unsecured notes, $1.5 billion of commercial paper, and about $1.5 billion of preferred stock.

Analytical conclusions

- We rate NiSource's unsecured debt 'BBB+', the same as our long-term issuer credit rating on the company, because the vast majority of its debt is at the holding company.
- We rate the company's commercial paper program 'A-2', which is consistent with the issuer credit rating.
- We rate NiSource's preferred stock two notches below our issuer credit rating on the company, one notch for deferability and one notch for subordination.

Ratings Score Snapshot

Issuer Credit Rating

BBB+/Stable/A-2

Business risk: Excellent

- **Country risk:** Very low
- **Industry risk:** Very low
- **Competitive position:** Strong

Financial risk: Significant

- **Cash flow/leverage:** Significant

Anchor: a-

Modifiers

- **Diversification/portfolio effect:** Neutral (no impact)
- **Capital structure:** Neutral (no impact)
- **Financial policy:** Neutral (no impact)
- **Liquidity:** Adequate (no impact)
- **Management and governance:** Satisfactory (no impact)
- **Comparable rating analysis:** Negative (-1 notch)

Stand-alone credit profile : bbb+

- **Group credit profile:** bbb+

Related Criteria

- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Hybrid Capital: Methodology And Assumptions, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
- Criteria | Corporates | Utilities: Key Credit Factors For The Regulated Utilities Industry, Nov. 19, 2013
- Criteria | Corporates | General: Corporate Methodology, Nov. 19, 2013
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities, Nov. 13, 2012
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Business And Financial Risk Matrix

	Financial Risk Profile					
Business Risk Profile	Minimal	Modest	Intermediate	**Significant**	Aggressive	Highly leveraged
Excellent	aaa/aa+	aa	a+/a	**a-**	bbb	bbb-/bb+
Strong	aa/aa-	a+/a	a-/bbb+	bbb	bb+	bb
Satisfactory	a/a-	bbb+	bbb/bbb-	bbb-/bb+	bb	b+
Fair	bbb/bbb-	bbb-	bb+	bb	bb-	b
Weak	bb+	bb+	bb	bb-	b+	b/b-
Vulnerable	bb-	bb-	bb-/b+	b+	b	b-

Ratings Detail (As Of March 8, 2022)*

NiSource Inc.	
Issuer Credit Rating	BBB+/Stable/A-2
Commercial Paper	
Local Currency	A-2
Preferred Stock	BBB-
Issuer Credit Ratings History	
28-Feb-2020	BBB+/Stable/A-2
18-Sep-2018	BBB+/Negative/A-2

Ratings Detail (As Of March 8, 2022)*(cont.)	
18-Jun-2015	BBB+/Stable/A-2
Related Entities	
Bay State Gas Co.	
Issuer Credit Rating	BBB+/Stable/NR
Senior Unsecured	BBB+
Northern Indiana Public Service Co. LLC	
Issuer Credit Rating	BBB+/Stable/NR
Senior Unsecured	BBB+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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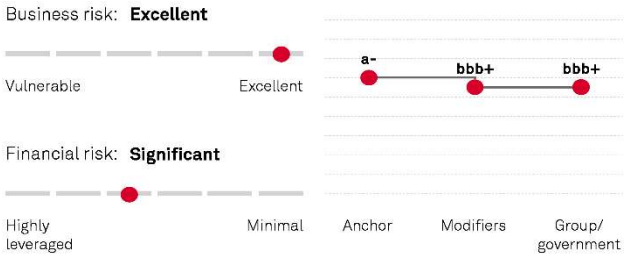
S&P Global
Ratings

RatingsDirect®

NiSource Inc.

September 7, 2022

Ratings Score Snapshot



BBB+/Stable/A-2

Issuer credit rating

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Credit Highlights

Overview

Key strengths	Key risks
Lower-risk regulated and vertically integrated electric and gas distribution operations.	Robust capital spending plan mostly for renewable energy transition and investments in electric and natural gas infrastructure to enhance safety and reliability.
Effective management of regulatory risk through continued use of regulatory mechanisms in credit-supportive jurisdictions.	Continued negative discretionary cash flow driven by robust capital spending, indicating external funding needs.
Solid customer base and geographic and regulatory diversity with a large service territory across six states.	

NiSource Inc. will effectively manage its regulatory risks through the use of regulatory mechanisms. We expect the company will continue to benefit from a credit-supportive regulatory framework across six jurisdictions through the use of regulatory riders for cost recovery of investments in infrastructure. We expect the company's financial measures will remain at the lower end of the range for its financial risk profile category, with funds from operations (FFO) to debt of about 13%-14% throughout the outlook period.

We expect the company to continue implementing its renewable energy transition plans with robust capital spending over the next few years. NiSource aims to reduce about 90% of its scope 1 greenhouse gas emissions by 2030 and 50% of methane emissions from gas mains and services by 2025 relative to 2005 levels. The company aims to be coal free by 2026-2028 and increase clean energy resources with capital investments for renewable projects of about $2 billion, primarily between 2022 and 2024, with any remainder expected in 2025. In addition, the company expects to retire the remaining two coal units of Schahfer Generating Station by 2025 and Michigan City Generating Station by 2026-2028.

Outlook

The stable outlook reflects our view that NiSource will continue to effectively manage its regulatory risk across six regulatory jurisdictions and to execute its clean energy transition plans, including retirement of its coal-fired generation plants in Indiana.

Downside scenario

We could lower our issuer credit rating on NiSource if its ability to manage regulatory risk weakened or if FFO to debt fell to consistently below 13%.

Upside scenario

We could raise the ratings if FFO to debt consistently rose to above 16% and the company were able to effectively manage regulatory risks throughout its service territories.

Our Base-Case Scenario

Assumptions

- Modest customer growth.
- Continued use of regulatory mechanisms and rate cases.
- Annual capital spending averaging about $2.6 billion through 2024.
- Minimal cash balance assumed.
- All debt maturities to be refinanced.

Key metrics

NiSource Inc.--Key Metrics*

	2021a	2022e	2023f
Debt to EBITDA (x)	5.9	5..5-6.0	5.5-6.0
FFO to debt (%)	14.0	13.0-14.0	13.0-14.0

*All figures adjusted by S&P Global Ratings. a--Actual. e--Estimate. f--Forecast. FFO—Funds from operations.

Company Description

NiSource Inc., an energy holding company, operates as a regulated natural gas and electric utility company in the U.S. The company operates in two segments, gas distribution operations and electric operations. It provides natural gas service and transportation for residential, commercial, and industrial customers and generates, transmits, and distributes electricity and wholesale and transmission transaction services. It serves more than 3.2 million natural gas customers in Ohio, Pennsylvania, Virginia, Kentucky, Maryland, and Indiana and about 485,000 electricity customers in northern Indiana.

Peer Comparison

NiSource Inc.--Peer Comparisons

	NiSource Inc.	CenterPoint Energy Inc.	Atmos Energy Corp.	ONE Gas Inc.
Foreign currency issuer credit rating	BBB+/Stable/A-2	BBB+/Stable/A-2	A-/Negative/A-2	A-/Stable/A-2
Local currency issuer credit rating	BBB+/Stable/A-2	BBB+/Stable/A-2	A-/Negative/A-2	A-/Stable/A-2
Period	Annual	Annual	Annual	Annual
Period ending	2021-12-31	2021-12-31	2021-09-30	2021-12-31
Mil.	$	$	$	$
Revenue	4,900	8,121	3,407	1,809
EBITDA	1,811	2,715	1,437	536
Funds from operations (FFO)	1,455	2,196	1,189	437
Interest	385	589	102	65
Cash interest paid	351	565	240	110
Operating cash flow (OCF)	1,205	(277)	(1,074)	(1,568)
Capital expenditure	1,819	3,130	1,958	491
Free operating cash flow (FOCF)	(613)	(3,407)	(3,032)	(2,059)
Discretionary cash flow (DCF)	(1,007)	(3,875)	(3,356)	(2,187)
Cash and short-term investments	84	1,577	117	9
Gross available cash	84	1,577	117	9
Debt	10,375	16,252	7,611	4,042
Equity	6,833	9,018	7,907	2,350
EBITDA margin (%)	37.0	33.4	42.2	29.6
Return on capital (%)	6.3	6.1	6.8	5.9
EBITDA interest coverage (x)	4.7	4.6	14.1	8.2
FFO cash interest coverage (x)	5.2	4.9	6.0	5.0
Debt/EBITDA (x)	5.7	6.0	5.3	7.5
FFO/debt (%)	14.0	13.5	15.6	10.8

NiSource Inc.--Peer Comparisons				
OCF/debt (%)	11.6	(1.7)	(14.1)	(38.8)
FOCF/debt (%)	(5.9)	(21.0)	(39.8)	(50.9)
DCF/debt (%)	(9.7)	(23.8)	(44.1)	(54.1)

Business Risk

Our assessment of business risk reflects NiSource's lower-risk, regulated, and vertically integrated electric and gas distribution operations with a solid customer base, geographic and regulatory diversity, and effective management of regulatory risk in its jurisdictions. We expect the company will continue to benefit from a credit-supportive regulatory framework across its service territories in six jurisdictions and recover costs related to investments in infrastructure through future rate-case filings and regulatory riders. We also expect the company will continue to execute its clean energy transition plans and is on track to eliminate all of its coal-fired generation by 2026-2028. However, its business risk is marginally offset by subsidiary Northern Indiana Public Service Co.'s (NIPSCO) dependence on industrial customers, particularly from the steel industry, which accounted for about 48% of NIPSCO's industrial electric sales in 2021. In addition, the company expects to have a long-term growth plan beyond 2024 in November. We continue to monitor developments on the company's strategic review, including potential asset sales or purchases that could have an effect on the company's business or financial risk.

Financial Risk

We assess NiSource's financial risk profile as significant using our medial volatility financial ratio benchmarks. In our base case scenario, we forecast S&P Global Ratings-adjusted FFO to total debt will be in the 13%-14% range throughout the outlook period. This reflects cost recovery through the use of various recovery mechanisms, including future rate case fillings and regulatory riders. In addition, the ratings on NiSource incorporate our assessment of a negative comparable rating analysis modifier, lowering our assessment of the rating on the company by one notch. This reflects the company's financial ratios being at the very low end of the range for its financial risk profile category.

NiSource Inc.--Financial Summary						
Period ending	Dec-31-2016	Dec-31-2017	Dec-31-2018	Dec-31-2019	Dec-31-2020	Dec-31-2021
Reporting period	2016a	2017a	2018a	2019a	2020a	2021a
Display currency (mil.)	$	$	$	$	$	$
Revenues	4,493	4,875	5,115	5,209	4,682	4,900
EBITDA	1,519	1,583	1,815	1,867	1,738	1,811
Funds from operations (FFO)	1,122	1,185	1,397	1,470	1,359	1,455
Interest expense	401	406	414	415	419	385
Cash interest paid	389	392	415	386	380	351
Operating cash flow (OCF)	801	734	520	1,565	1,093	1,205
Capital expenditure	1,435	1,653	1,774	1,776	1,737	1,819
Free operating cash flow (FOCF)	(634)	(919)	(1,254)	(211)	(643)	(613)
Discretionary cash flow (DCF)	(849)	(1,155)	(1,536)	(559)	(1,013)	(1,007)
Cash and short-term investments	26	29	113	139	117	84

NiSource Inc.--Financial Summary

Gross available cash	26	29	113	139	117	84
Debt	8,378	9,297	9,876	10,375	10,489	10,375
Common equity	4,071	4,320	5,311	5,547	5,398	6,833
Adjusted ratios						
EBITDA margin (%)	33.8	32.5	35.5	35.8	37.1	37.0
Return on capital (%)	7.5	7.2	8.3	7.0	6.3	6.3
EBITDA interest coverage (x)	3.8	3.9	4.4	4.5	4.1	4.7
FFO cash interest coverage (x)	3.9	4.0	4.4	4.8	4.6	5.2
Debt/EBITDA (x)	5.5	5.9	5.4	5.6	6.0	5.7
FFO/debt (%)	13.4	12.7	14.1	14.2	13.0	14.0
OCF/debt (%)	9.6	7.9	5.3	15.1	10.4	11.6
FOCF/debt (%)	(7.6)	(9.9)	(12.7)	(2.0)	(6.1)	(5.9)
DCF/debt (%)	(10.1)	(12.4)	(15.5)	(5.4)	(9.7)	(9.7)

Reconciliation Of NiSource Inc. Reported Amounts With S&P Global Adjusted Amounts (Mil. $)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Financial year	Dec-31-2021									
Company reported amounts	9,616	6,947	4,900	1,755	1,007	341	1,811	1,218	401	1,838
Cash taxes paid	-	-	-	-	-	-	(5)	-	-	-
Cash interest paid	-	-	-	-	-	-	(322)	-	-	-
Lease liabilities	220	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	16	1	1	(1)	14	-	-
Intermediate hybrids (equity)	440	(440)	-	-	-	8	(8)	(8)	(8)	-
Postretirement benefit obligations/ deferred compensation	105	-	-	-	-	-	-	-	-	-
Accessible cash and liquid investments	(84)	-	-	-	-	-	-	-	-	-
Capitalized interest	-	-	-	-	-	19	(19)	(19)	-	(19)
Share-based compensation expense	-	-	-	17	-	-	-	-	-	-

Reconciliation Of NiSource Inc. Reported Amounts With S&P Global Adjusted Amounts (Mil. $)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Asset-retirement obligations	405	-	-	16	16	16	-	-	-	-
Nonoperating income (expense)	-	-	-	-	5	-	-	-	-	-
Noncontrolling/ minority interest	-	326	-	-	-	-	-	-	-	-
Debt: other	(327)	-	-	-	-	-	-	-	-	-
EBITDA - Gain/(loss) on disposals of PP&E	-	-	-	8	8	-	-	-	-	-
Total adjustments	759	(114)	-	56	30	44	(356)	(13)	(8)	(19)
S&P Global Ratings adjusted	**Debt**	**Equity**	**Revenue**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from Operations**	**Operating cash flow**	**Dividends**	**Capital expenditure**
	10,375	6,833	4,900	1,811	1,037	385	1,455	1,205	393	1,819

Liquidity

We assess NiSource's liquidity as adequate because liquidity sources are likely to cover uses by more than 1.1x over the next 12 months and meet cash outflows even with a 10% decline in EBITDA. The assessment also reflects the company's generally prudent risk management; sound relationship with banks; ability to absorb high-impact, low-probability events with a limited need for refinancing; and a generally satisfactory standing in the credit markets.

Principal liquidity sources

- Cash balance of about $80 million,
- Credit facility availability of about $1.85 billion, and
- Cash FFO of about $1.6 billion.

Principal liquidity uses

- Debt maturities of about $590 million, including the current portion of long-term debt and short-term borrowings;
- Capital spending of about $2.1 billion; and
- Dividends of about $363 million.

Environmental, Social, And Governance

ESG Credit Indicators

E-1	E-2	**E-3**	E-4	E-5	S-1	**S-2**	S-3	S-4	S-5	G-1	**G-2**	G-3	G-4	G-5
- Climate transition risks					N/A					N/A				

N/A—Not applicable. ESG credit indicators provide additional disclosure and transparency at the entity level and reflect S&P Global Ratings' opinion of the influence that environmental, social, and governance factors have on our credit rating analysis. They are not a sustainability rating or an S&P Global Ratings ESG Evaluation. The extent of the influence of these factors is reflected on an alphanumerical 1-5 scale where 1 = positive, 2 = neutral, 3 = moderately negative, 4 = negative, and 5 = very negative. For more information, see our commentary "ESG Credit Indicator Definitions And Applications," published Oct. 13, 2021.

Environmental factors are a moderately negative consideration in our credit rating analysis of NiSource. As a vertically integrated electric generation and natural gas distribution company, NiSource has exposure to gas pipelines with potential methane leaks. We expect the company to continue implementing its plans to retire 100% of its coal generation by 2028 and investing in its electric and natural gas infrastructure to enhance safety, reliability, customer affability, and sustainability over the next few years, which we expect will provide additional environmental and customer benefits.

Group Influence

Under our group rating methodology, we view NiSource as the parent company of NIPSCO. NiSource's group and stand-alone credit profiles are the same at 'bbb+'.

Issue Ratings--Subordination Risk Analysis

Capital structure

NiSource's capital structure consists of about $9 billion of unsecured notes, $1.5 billion of commercial paper, and about $1.5 billion of preferred stock.

Analytical conclusions

- We rate NiSource's unsecured debt 'BBB+', the same as our long-term issuer credit rating on the company, because the vast majority of its debt is at the holding company.
- We rate the company's commercial paper program 'A-2', which is consistent with the issuer credit rating.
- We rate NiSource's preferred stock two notches below our issuer credit rating on the company, one notch for deferability and one notch for subordination.

Rating Component Scores

Foreign currency issuer credit rating	**BBB+/Stable/A-2**
Local currency issuer credit rating	**BBB+/Stable/A-2**
Business risk	**Excellent**
Country risk	Very Low
Industry risk	Very Low
Competitive position	Strong
Financial risk	**Significant**
Cash flow/leverage	Significant
Anchor	**a-**
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Adequate (no impact)
Management and governance	Satisfactory (no impact)
Comparable rating analysis	Negative (-1 notch)
Stand-alone credit profile	**bbb+**

Related Criteria

- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Hybrid Capital: Methodology And Assumptions, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- Criteria | Corporates | General: Corporate Methodology, Nov. 19, 2013
- Criteria | Corporates | Utilities: Key Credit Factors For The Regulated Utilities Industry, Nov. 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities, Nov. 13, 2012
- ARCHIVE | General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009

Ratings Detail (as of September 07, 2022)*

NiSource Inc.	
Issuer Credit Rating	BBB+/Stable/A-2
Commercial Paper	
Local Currency	A-2
Preferred Stock	BBB-

Ratings Detail (as of September 07, 2022)*

Issuer Credit Ratings History

28-Feb-2020	BBB+/Stable/A-2
18-Sep-2018	BBB+/Negative/A-2
18-Jun-2015	BBB+/Stable/A-2

Related Entities

Bay State Gas Co.

Issuer Credit Rating	BBB+/Stable/NR
Senior Unsecured	BBB+

Northern Indiana Public Service Co. LLC

Issuer Credit Rating	BBB+/Stable/NR
Senior Unsecured	BBB+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings credit ratings on the global scale are comparable across countries. S&P Global Ratings credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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10-Nov-2022 | 14:44 EST

NiSource Inc. And Northern Indiana Public Service Co. Ratings Affirmed On Announced Sale Of Minority Interest In NIPSCO

— NiSource Inc. recently announced it intends to sell a minority interest in subsidiary Northern Indiana Public Service Co. (NIPSCO).

— We affirmed all of our ratings on NiSource and NIPSCO, including our 'BBB+' long-term issuer credit ratings.

— At the same time, we revised our assessment of NIPSCO's group status to strategically important from core. This revision does not affect any of our ratings on NIPSCO.

— The stable outlook reflects our expectation that NiSource will continue to effectively manage its regulatory risk across its six regulatory jurisdictions and execute its clean energy transition plans, including the retirement of its coal-fired generation plants in Indiana. The stable outlook also reflects its potential sale of a minority stake in NIPSCO, which will strengthen the company's balance sheet and increase our expectation that NiSource will maintain consolidated funds from operations (FFO) to debt of 14%-15% through 2025.

NEW YORK (S&P Global Ratings) Nov. 10, 2022--S&P Global Ratings today took the rating actions listed above.

We affirmed our ratings on NiSource and NIPSCO.

We expect NiSource will use the proceeds from the expected minority sale to strengthen its balance sheet and maintain consolidated FFO to debt of about 14%-15% through 2025. We view the sale as an attempt to address NiSource's equity needs because of its robust capital spending. Furthermore, we view the asset sale as replacing our prior expectation that NiSource would issue equity, thus our revised base-case forecast is essentially in-line with our prior forecast. NiSource's financial performance is consistent with the lower end of the range for the intermediate financial risk category, which leads us to apply a negative comparable rating analysis modifier to our anchor on the company.

We revised our assessment of NIPSCO's group status to strategically important from core.

This revision reflects NiSource's planned sale of up to a 19.9% equity stake in NIPSCO. While we anticipate the potential minority owner will have certain limited rights, we expect NiSource will continue to operate NIPSCO and retain its majority ownership with at least an 80.1% share. As such, we no longer view it as highly unlikely that NiSource will sell NIPSCO. Accordingly, we revised our assessment of NIPSCO's group status to incorporate this assumption. We now view NIPSCO as a strategically important subsidiary of NiSource because it is a successful utility operator, benefits from a long-term commitment from its parent, and is important to the group's long-term strategy. The revision of our assessment does not affect any of our ratings on NISPCO.

We continue to assess NiSource's business risk profile as excellent.

Our assessment reflects the company's lower-risk, regulated, and vertically integrated electric and gas distribution operations, as well as its solid customer base, geographic and regulatory diversity, and effective management of regulatory risk in its jurisdictions. We expect NiSource will continue to benefit from the credit-supportive regulatory framework across its service territories in six jurisdictions and

recover costs related to its infrastructure investments through future rate-case filings and regulatory riders. We also expect the company will continue to execute its clean energy transition plans and is on track to eliminate all of its coal-fired generation by 2028. However, we view NiSource's business risk as marginally offset by NIPSCO's dependence on industrial customers, particularly from the steel industry, which accounted for about 48% of the subsidiary's industrial electric sales in 2021.

The stable outlook reflects our expectation that NiSource will continue to effectively manage its regulatory risk across its six regulatory jurisdictions and execute its clean energy transition plans, including the retirement of its coal-fired generation plants in Indiana. The stable outlook also reflects its potential sale of a minority stake in NIPSCO, which will strengthen the company's balance sheet and increase our anticipation it will maintain consolidated FFO to debt of 14%-15% through 2025.

We could lower our issuer credit rating on NiSource over the next 24 months if its ability to manage its regulatory risk weakens or its FFO to debt falls consistently below 13%.

We could raise our issuer credit rating on NiSource over the next 24 months if its FFO to debt improves consistently above 16% and it is able to effectively manage its regulatory risk throughout its service territories.

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, March 2, 2022
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
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- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- Criteria | Corporates | General: Corporate Methodology, Nov. 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities, Nov. 13, 2012
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- NiSource Inc., Sept. 7, 2022
- Northern Indiana Public Service Co. LLC, March 9, 2022

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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26-Feb-2023 | 21:01 EST

Annual Review For NiSource Inc.

This publication does not constitute a rating action.

S&P Global Ratings has performed annual reviews of the credit ratings of this issuer. When applicable, this review would include the review of the issuer's subsidiaries or associated entities.

In an annual review, S&P Global Ratings reviews current credit ratings against the latest issuers/issues performance data as well as any recent market developments. Annual reviews may, depending on their outcome, result in a referral of a credit rating for a committee review, which may result in a credit rating action. This publication is not an indication of whether or not a credit rating action is likely in the near future.

Please refer to the below information for the key elements considered during this review and underlying the current credit rating.

Rating Component Scores

Business risk	Excellent
Country risk	Very Low Risk

Industry risk	Very Low Risk
Competitive position	Strong
Financial risk	Significant
Cash flow/leverage	Significant
Anchor	a-
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Adequate (no impact)
Management and governance	Satisfactory (no impact)
Comparable rating analysis	Negative (-1 notch)
Stand-alone credit profile	bbb+
Current Credit Rating	

Foreign currency issuer credit rating	BBB+/Stable/A-2
Local currency issuer credit rating	BBB+/Stable/A-2

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Bulletin:

NiSource Inc.'s Sale Of A 19.9% Equity Stake In NIPSCO Will Modestly Improve Its Financial Measures

June 20, 2023

NEW YORK (S&P Global Ratings) June 20, 2023--S&P Global Ratings today said its view of NiSource Inc.'s (BBB+/Stable/A-2) credit quality is unchanged following the company's announcement that it has entered into a definitive agreement to sell a 19.9% equity interest in its subsidiary Northern Indiana Public Service Co. (NIPSCO; BBB+/Stable/NR) to Blackstone Infrastructure Partners (BIP) for about $2.15 billion of cash and $250 million in contractual obligations to support ongoing capital requirements. NiSource will remain the sole operator and retain 80.1% ownership of NIPSCO (which provides lower-risk, regulated, and vertically integrated electric and gas distribution operations in northern Indiana), while BIP will receive certain limited minority rights. We believe the sale will modestly improve NiSource's financial measures and expect its business risk will remain in line with our expectations for the current rating. Therefore, all of our ratings on the company are unchanged.

We expect NiSource will use the proceeds from the minority sale to strengthen its balance sheet and fund the robust capital spending needs related to its energy transition, including the retirement of its coal-fired generation plants in Indiana by 2028. Specifically, we expect NiSource's funds from operations to debt will be in the 14%-16% range through 2025.

The sale, which we expect will close by year-end 2023, remains subject to approval by the Federal Energy Regulatory Commission. We will continue to monitor any developments related to this transaction.

Related Research

- Northern Indiana Public Service Co., May 5, 2023
- NiSource Inc. And Northern Indiana Public Service Co. Ratings Affirmed On Announced Sale Of Minority Interest In NIPSCO, Nov. 10, 2022

This report does not constitute a rating action.

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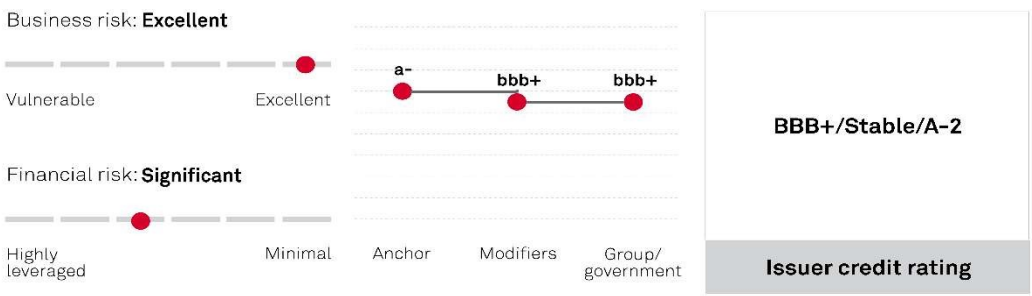
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NiSource Inc.

June 29, 2023

Ratings Score Snapshot



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Credit Highlights

Overview

Key strengths	Key risks
Lower-risk regulated and vertically integrated electric and gas distribution operations.	Robust capital spending plan mostly for renewable energy transition and investments in electric and natural gas infrastructure to enhance safety and reliability.
Effective management of regulatory risk through continued use of regulatory mechanisms in credit-supportive jurisdictions.	Continued negative discretionary cash flow driven by robust capital spending, indicating external funding needs.
Solid customer base and geographic and regulatory diversity with a large service territory across six states.	

We expect NiSource Inc.'s minority interest sale of subsidiary Northern Indiana Public Service Co. LLC (NIPSCO) will modestly improve its financial measures. In June 2023, NiSource entered into a definitive agreement to sell a 19.9% equity stake in NIPSCO to Blackstone Infrastructure Partners (BIP) for about $2.15 billion of cash and $250 million in contractual obligations to support ongoing capital requirements. NiSource will continue to operate NIPSCO and retain its majority ownership with an 80.1% share while BIP will receive certain limited minority rights. We expect NiSource will use the proceeds from the minority sale to strengthen its balance sheet and fund the robust capital spending needs related to its energy transition. Specifically, we expect NiSource's funds from operations to debt will be in the 14%-16% range through 2025. The sale, which we expect will close by year-end 2023, remains subject to approval by the Federal Energy Regulatory Commission. We will continue to monitor any developments related to this transaction.

We expect the company to continue implementing its renewable energy transition plans with robust capital spending over the next few years. NiSource aims to reduce about 90% of its scope 1 greenhouse gas emissions by 2030 and 50% of methane emissions from gas mains and services by 2025 relative to 2005 levels. As of 2022, the company had reduced Scope 1 greenhouse gas emissions by about 67% from 2005 levels. NiSource aims to be coal free by 2028 and increase clean energy resources with capital investments for renewable projects. The company expects to retire the remaining two coal units of Schahfer Generating Station by 2025 and Michigan City Generating Station by the end of 2028.

NiSource will effectively manage its regulatory risks through the use of regulatory mechanisms. We expect the company will continue to benefit from a credit-supportive regulatory framework across six jurisdictions through the use of regulatory riders for cost recovery of investments in infrastructure. We expect the company's financial measures will remain at the lower end of the range for its financial risk profile category, with funds from operations (FFO) to debt of about 14%-16% through 2025.

Outlook

The stable outlook reflects our expectation that NiSource will continue to effectively manage its regulatory risk across its six regulatory jurisdictions and execute its clean energy transition plans, including the retirement of its coal-fired generation plants in Indiana. The stable outlook also reflects its sale of a minority stake in NIPSCO, which will strengthen the company's balance sheet and increase our anticipation it will maintain consolidated FFO to debt, which we expect will be 14%-16% through 2025.

Downside scenario

We could lower our issuer credit rating on NiSource over the next 24 months if its ability to manage its regulatory risk weakened or its FFO to debt fell consistently below 13%.

Upside scenario

We could raise our issuer credit rating on NiSource over the next 24 months if its FFO to debt improved consistently above 16% and it were able to effectively manage its regulatory risk throughout its service territories.

Our Base-Case Scenario

Assumptions

- Modest customer growth.

- Continued use of regulatory mechanisms and rate cases.
- Annual capital spending averaging about $3.2 billion through 2025.
- Minimal cash balance assumed.
- All debt maturities to be refinanced.

Key metrics

NiSource Inc.--Key Metrics*

	2021a	2022a	2023e	2024f	2025f
FFO to debt (%)	14.0	13.9	14.0-16.0	14.0-16.0	14.0-16.0
Debt to EBITDA (x)	5.7	5.8	5.0-5.5	5.0-5.5	5.0-5.5

*All figures adjusted by S&P Global Ratings. a--Actual. e--Estimate. f--Forecast. FFO—Funds from operations.

Company Description

NiSource Inc., an energy holding company, operates as a regulated natural gas and electric utility company in the U.S. The company operates in two segments, gas distribution operations and electric operations. It provides natural gas service and transportation for residential, commercial, and industrial customers and generates, transmits, and distributes electricity and wholesale and transmission transaction services. It serves more than 3.3 million natural gas customers in Ohio, Pennsylvania, Virginia, Kentucky, Maryland, and Indiana and about 486,000 electricity customers in northern Indiana.

Peer Comparison

NiSource Inc.--Peer Comparisons

	NiSource Inc.	CenterPoint Energy Inc.	Atmos Energy Corp.	ONE Gas Inc.
Foreign currency issuer credit rating	BBB+/Stable/A-2	BBB+/Stable/A-2	A-/Stable/A-2	A-/Stable/A-2
Local currency issuer credit rating	BBB+/Stable/A-2	BBB+/Stable/A-2	A-/Stable/A-2	A-/Stable/A-2
Period	Annual	Annual	Annual	Annual
Period ending	2022-12-31	2022-12-31	2022-09-30	2022-12-31
Mil.	$	$	$	$
Revenue	5,851	9,088	4,202	2,555
EBITDA	2,029	2,699	1,511	574
Funds from operations (FFO)	1,641	1,706	1,234	410
Interest	415	600	122	81

NiSource Inc.--Peer Comparisons

Cash interest paid	381	572	261	97
Operating cash flow (OCF)	1,383	1,491	994	1,544
Capital expenditure	2,175	4,375	2,432	605
Free operating cash flow (FOCF)	(792)	(2,884)	(1,438)	939
Discretionary cash flow (DCF)	(1,227)	(3,349)	(1,814)	802
Cash and short-term investments	41	509	52	10
Gross available cash	41	509	52	10
Debt	11,806	17,659	8,022	2,644
Equity	7,462	9,645	9,419	2,584
EBITDA margin (%)	34.7	29.7	36.0	22.5
Return on capital (%)	6.6	6.4	5.8	5.9
EBITDA interest coverage (x)	4.9	4.5	12.4	7.1
FFO cash interest coverage (x)	5.3	4.0	5.7	5.2
Debt/EBITDA (x)	5.8	6.5	5.3	4.6
FFO/debt (%)	13.9	9.7	15.4	15.5
OCF/debt (%)	11.7	8.4	12.4	58.4
FOCF/debt (%)	(6.7)	(16.3)	(17.9)	35.5
DCF/debt (%)	(10.4)	(19.0)	(22.6)	30.3

Business Risk

Our assessment of business risk reflects NiSource's lower-risk, regulated, and vertically integrated electric and gas distribution operations with a solid customer base, geographic and regulatory diversity, and effective management of regulatory risk in its jurisdictions. We expect the company will continue to benefit from a credit-supportive regulatory framework across its service territories in six jurisdictions and recover costs related to investments in infrastructure through future rate-case filings and regulatory riders. We also expect the company will continue to execute its clean energy transition plans and is on track to eliminate all of its coal-fired generation by 2028.

Financial Risk

We assess NiSource's financial risk profile as significant using our medial volatility financial ratio benchmarks. In our base case scenario, we forecast S&P Global Ratings-adjusted FFO to total debt will be in the 14%-16% range throughout the outlook period. This reflects cost recovery through the use of various recovery mechanisms, including future rate case fillings and regulatory riders. In addition, the ratings on NiSource incorporate our assessment of a negative comparable rating analysis modifier, lowering our assessment of the rating on the company by one notch. This reflects the company's financial ratios being at the very low end of the range for its financial risk profile category.

NiSource Inc.--Financial Summary

Period ending	Dec-31-2017	Dec-31-2018	Dec-31-2019	Dec-31-2020	Dec-31-2021	Dec-31-2022
Reporting period	2017a	2018a	2019a	2020a	2021a	2022a
Display currency (mil.)	$	$	$	$	$	$
Revenues	4,875	5,115	5,209	4,682	4,900	5,851
EBITDA	1,583	1,815	1,867	1,738	1,811	2,029
Funds from operations (FFO)	1,185	1,397	1,470	1,359	1,455	1,641
Interest expense	406	414	415	419	385	415
Cash interest paid	392	415	386	380	351	381
Operating cash flow (OCF)	734	520	1,565	1,093	1,205	1,383
Capital expenditure	1,653	1,774	1,776	1,737	1,819	2,175
Free operating cash flow (FOCF)	(919)	(1,254)	(211)	(643)	(613)	(792)
Discretionary cash flow (DCF)	(1,155)	(1,536)	(559)	(1,013)	(1,007)	(1,227)
Cash and short-term investments	29	113	139	117	84	41
Gross available cash	29	113	139	117	84	41
Debt	9,297	9,876	10,375	10,489	10,375	11,806
Common equity	4,320	5,311	5,547	5,398	6,833	7,462
Adjusted ratios						
EBITDA margin (%)	32.5	35.5	35.8	37.1	37.0	34.7
Return on capital (%)	7.2	8.3	7.0	6.3	6.3	6.6
EBITDA interest coverage (x)	3.9	4.4	4.5	4.1	4.7	4.9
FFO cash interest coverage (x)	4.0	4.4	4.8	4.6	5.2	5.3
Debt/EBITDA (x)	5.9	5.4	5.6	6.0	5.7	5.8
FFO/debt (%)	12.7	14.1	14.2	13.0	14.0	13.9
OCF/debt (%)	7.9	5.3	15.1	10.4	11.6	11.7
FOCF/debt (%)	(9.9)	(12.7)	(2.0)	(6.1)	(5.9)	(6.7)
DCF/debt (%)	(12.4)	(15.5)	(5.4)	(9.7)	(9.7)	(10.4)

Reconciliation Of NiSource Inc. Reported Amounts With S&P Global Adjusted Amounts (Mil. $)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Financial year	Dec-31-2022									
Company reported amounts	11,141	7,575	5,851	2,087	1,266	362	2,029	1,409	443	2,203
Cash taxes paid	-	-	-	-	-	-	(7)	-	-	-
Cash interest paid	-	-	-	-	-	-	(344)	-	-	-
Lease liabilities	211	-	-	-	-	-	-	-	-	-

Reconciliation Of NiSource Inc. Reported Amounts With S&P Global Adjusted Amounts (Mil. $)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Operating leases	-	-	-	10	1	1	(1)	9	-	-
Intermediate hybrids (equity)	440	(440)	-	-	-	8	(8)	(8)	(8)	-
Postretirement benefit obligations/ deferred compensation	181	-	-	-	-	-	-	-	-	-
Accessible cash and liquid investments	(41)	-	-	-	-	-	-	-	-	-
Capitalized interest	-	-	-	-	-	28	(28)	(28)	-	(28)
Share-based compensation expense	-	-	-	19	-	-	-	-	-	-
Asset-retirement obligations	406	-	-	17	17	17	-	-	-	-
Nonoperating income (expense)	-	-	-	-	15	-	-	-	-	-
Noncontrolling/ minority interest	-	326	-	-	-	-	-	-	-	-
Debt: other	(532)	-	-	-	-	-	-	-	-	-
EBITDA - Gain/(loss) on disposals of PP&E	-	-	-	(104)	(104)	-	-	-	-	-
Total adjustments	665	(114)	-	(58)	(71)	54	(388)	(26)	(8)	(28)
S&P Global Ratings adjusted	**Debt**	**Equity**	**Revenue**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from Operations**	**Operating cash flow**	**Dividends**	**Capital expenditure**
	11,806	7,462	5,851	2,029	1,195	415	1,641	1,383	435	2,175

Liquidity

We base our short-term 'A-2' rating on our long-term issuer credit rating. We assess NiSource's liquidity as adequate because we believe its liquidity sources are likely to cover uses by more than 1.1x over the next 12 months and its net sources will remain positive even if its consolidated EBITDA declines 10%. We believe the company's predictable regulatory framework provides it with cash flow stability even in times of economic stress, which supports our use of slightly lower thresholds to assess its liquidity. In addition, we believe NiSource has the ability to absorb high-impact, low-probability events. This reflects its $1.85 billion revolving credit facility, maturing February 2027, and our expectation that it would reduce its high capital spending during stressful

periods, if needed. Furthermore, our assessment reflects the company's generally prudent risk management, sound relationships with its banking group, and satisfactory standing in the credit markets. Overall, we anticipate NiSource will likely be able to withstand adverse market circumstances over the next 12 months while maintaining sufficient liquidity to meet its obligations. The company's next major long debt maturity is in 2025, when about $1.26 billion comes due, which we expect it will proactively address well in advance of the due date.

Principal liquidity sources

- Cash balance of about $106 million as of March 31, 2023;
- Credit facility availability of about $1.85 billion;
- Cash FFO of about $1.86 billion.

Principal liquidity uses

- Debt maturities of about $1.3 billion, including the current portion of long-term debt and short-term borrowings, as of March 31, 2023;
- Maintenance capital spending of about $1.7 billion; and
- Dividends of about $400 million.

Environmental, Social, And Governance

ESG Credit Indicators

E-1	E-2	**E-3**	E-4	E-5	S-1	**S-2**	S-3	S-4	S-5	G-1	**G-2**	G-3	G-4	G-5
- Climate transition risks					N/A					N/A				

N/A—Not applicable. ESG credit indicators provide additional disclosure and transparency at the entity level and reflect S&P Global Ratings' opinion of the influence that environmental, social, and governance factors have on our credit rating analysis. They are not a sustainability rating or an S&P Global Ratings ESG Evaluation. The extent of the influence of these factors is reflected on an alphanumerical 1-5 scale where 1 = positive, 2 = neutral, 3 = moderately negative, 4 = negative, and 5 = very negative. For more information, see our commentary "ESG Credit Indicator Definitions And Applications," published Oct. 13, 2021.

Environmental factors are a moderately negative consideration in our credit rating analysis of NiSource. As a vertically integrated electric generation and natural gas distribution company, NiSource has exposure to gas pipelines with potential methane leaks. We expect the company to continue implementing its plans to retire 100% of its coal generation by 2028 and investing in its electric and natural gas infrastructure to enhance safety, reliability, customer affability, and sustainability over the next few years, which we expect will provide additional environmental and customer benefits.

Group Influence

Under our group rating methodology, we view NiSource as the parent company of NIPSCO. NiSource's group and stand-alone credit profiles are the same at 'bbb+'.

Issue Ratings--Subordination Risk Analysis

Capital structure

NiSource's capital structure consists of about $9.5 billion of unsecured notes, $1.5 billion of commercial paper and term loan, and about $1.5 billion of preferred stock.

Analytical conclusions

- We rate NiSource's unsecured debt 'BBB+', the same as our long-term issuer credit rating on the company, because the vast majority of its debt is at the holding company.
- We rate the company's commercial paper program 'A-2', which is consistent with the issuer credit rating.
- We rate NiSource's preferred stock two notches below our issuer credit rating on the company, one notch for deferability and one notch for subordination.

Rating Component Scores

Foreign currency issuer credit rating	**BBB+/Stable/A-2**
Local currency issuer credit rating	**BBB+/Stable/A-2**
Business risk	**Excellent**
Country risk	Very Low
Industry risk	Very Low
Competitive position	Strong
Financial risk	**Significant**
Cash flow/leverage	Significant
Anchor	**a-**
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Adequate (no impact)
Management and governance	Satisfactory (no impact)
Comparable rating analysis	Negative (-1 notch)
Stand-alone credit profile	**bbb+**

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, March 2, 2022
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
- Criteria | Corporates | General: Corporate Methodology, Nov. 19, 2013

- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- Criteria | Corporates | Utilities: Key Credit Factors For The Regulated Utilities Industry, Nov. 19, 2013
- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities, Nov. 13, 2012
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Ratings Detail (as of June 29, 2023)*

NiSource Inc.	
Issuer Credit Rating	BBB+/Stable/A-2
Commercial Paper	
Local Currency	A-2
Preferred Stock	BBB-
Issuer Credit Ratings History	
28-Feb-2020	BBB+/Stable/A-2
18-Sep-2018	BBB+/Negative/A-2
18-Jun-2015	BBB+/Stable/A-2
Related Entities	
Bay State Gas Co.	
Issuer Credit Rating	BBB+/Stable/NR
Senior Unsecured	BBB+
Northern Indiana Public Service Co. LLC	
Issuer Credit Rating	BBB+/Stable/NR
Senior Unsecured	BBB+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings credit ratings on the global scale are comparable across countries. S&P Global Ratings credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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MOODY'S
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CREDIT OPINION
29 July 2022

Update

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NiSource Inc.

Update to credit analysis

Summary

NiSource Inc.'s (NiSource) credit profile reflects the diversity and supportiveness of its multiple regulatory jurisdictions that provide predictable operating cash flow. Its fully regulated operating utility subsidiaries have low business risk, given their critical infrastructure asset base. Together, these utilities have helped to mitigate a historically weak financial profile driven by the company's high leverage.

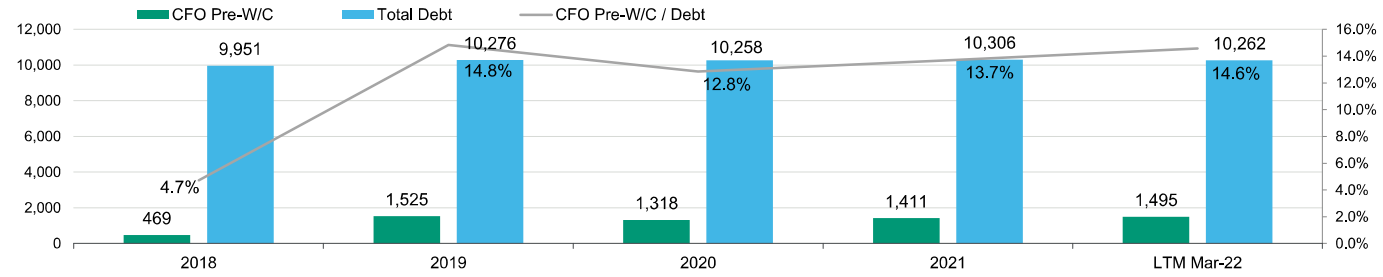
We expect NiSource's financial profile to remain under pressure as the company executes a substantial capital expenditure program which includes significant investments in renewable energy generation at subsidiary Northern Indiana Public Service Company (NIPSCO) to replace the retirement of 722 MW of the company's current coal generating capacity of 1,177 MW by 2025. With its renewables financing plan of 60% equity and 40% debt, we expect NiSource to maintain a ratio of operating cash flow excluding working capital changes (CFO pre-WC) to debt of around 13%-14% over the next two years.

Recent Events

In May 2022, NiSource announced that it would delay the retirement of its remaining Schahfer coal plant units from 2023 to 2025. NiSource cited delays to planned solar projects caused by the U.S. Department of Commerce's (DOC) investigation into circumvention of solar antidumping and countervailing duties by solar manufacturers in Cambodia, Malaysia, Thailand and Vietnam. The company announced that solar projects previously expected to be completed in 2022 and 2023 could experience a six to 18 month delay. Keeping the coal plants operational longer than planned will help NiSource to ensure reliable service to its customers. The delays do not impact our view of the company's credit profile as we expect NiSource's capital spending to remain elevated, with the company replacing delayed renewables capex with investments in its natural gas infrastructure to achieve its overall growth targets.

Exhibit 1

Historical CFO Pre-WC, Total Debt and CFO Pre-WC to Debt ($ MM)



Source: Moody's Financial Metrics

Credit Strengths

» Operations in jurisdictions with attractive cost recovery mechanisms

» Fully regulated utility assets with fundamentally low business risk

» Majority equity financing plan for renewable investments helps to support credit quality

Credit Challenges

» Persistently high debt balance

» Elevated capital expenditures

» Weak metrics for the rating leave little room to absorb unexpected negative events

Rating Outlook

NiSource's stable outlook reflects Moody's view that the company will maintain a CFO pre-WC to debt ratio in the 13-14% range over the next two years. The stable outlook also reflects our view that NiSource's regulated utility capital expenditure plans will be financed with a balanced mix of debt and equity and that its regulatory jurisdictions will remain supportive.

Factors that Could Lead to an Upgrade

» Improvement in the utility regulatory environments

» A material and sustained increase in the company's credit metrics with a CFO pre-WC to debt ratio at or above 17% and debt to capitalization below 50%

» A significant reduction in parent company leverage

Factors that Could Lead to a Downgrade

» A decline in the credit supportiveness of it's regulatory environments

» An adverse change in the company's business mix that increases risk

» A ratio of CFO pre-WC to debt sustained below 13%

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

Key Indicators

Exhibit 2
NiSource Inc. [1]

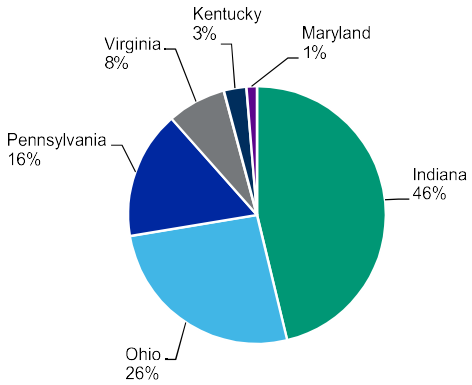
	Dec-18	Dec-19	Dec-20	Dec-21	LTM Mar-22
CFO Pre-W/C + Interest / Interest	2.3x	4.7x	4.3x	4.8x	5.0x
CFO Pre-W/C / Debt	4.7%	14.8%	12.8%	13.7%	14.6%
CFO Pre-W/C – Dividends / Debt	1.9%	11.7%	9.4%	10.1%	10.8%
Debt / Capitalization	60.2%	59.6%	59.9%	54.8%	53.6%

[1] All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Source: Moody's Financial Metrics

Profile

NiSource Inc. is a utility holding company with a portfolio of fully regulated utility subsidiaries totaling about $14.9 billion in rate base. NiSource owns one of the largest LDC systems in the US, with operations in Ohio, Indiana, Pennsylvania, Virginia, Kentucky, and Maryland providing service to about 3.2 million customers, as well as a mid-sized vertically integrated electric utility in Indiana providing service to about 483,000 customers. The LDCs account for about 60% of the company's consolidated operating earnings, with the balance coming from the electric utility.

Exhibit 3
State Rate Base Exposure



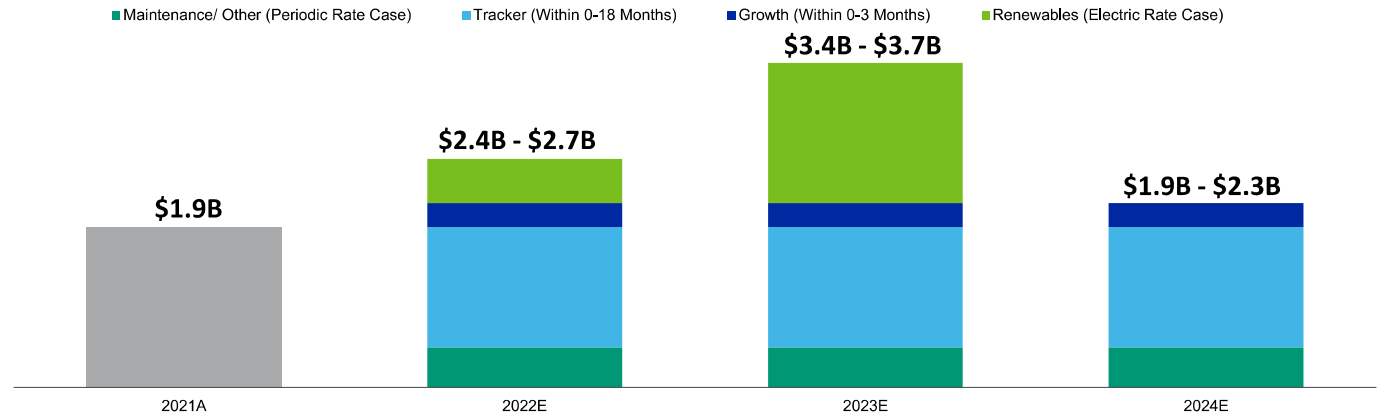
Source: Company's reports

Detailed Credit Considerations

Predictability of cash flow underpinned by supportive regulatory construct

The state regulators overseeing NiSource's utilities are credit supportive. With the exception of NIPSCO Gas, all of NiSource's LDCs benefits from decoupling mechanisms and/or weather normalization adjustments which reduce earnings volatility. In addition, NiSource has access to a variety of tracker mechanisms across its different jurisdictions that provide for timely recovery of its sizeable infrastructure investment program, with more than 75% of its investments beginning recovery within 18 months. Similarly, NiSource's electric segment benefits from a broad array of tracker mechanisms providing for timely recovery of operating expenses as well as environmental investments.

Exhibit 4
Capital investments with estimated recovery periods



Source: Company presentations

The company's investments across all of its jurisdictions continue to drive an active regulatory calendar. In addition to ongoing infrastructure replacement and other tracker filings, NiSource currently has four rate cases pending and one recently completed in July 2022.

Gas operations

NiSource's most frequent significant rate case activity has recently been in Pennsylvania where subsidiary Columbia Gas of Pennsylvania continues to invest in safety and modernization. In March 2022, the utility filed a rate case requesting a revenue increase of $82.2 million based on an ROE of 11.20%, equity capitalization of 54.38% and a forecasted rate base of $3 billion. The rate case is expected to be concluded in the fourth quarter of 2022. The utility's previous rate case was finalized in December 2021 when Columbia Gas of Pennsylvania received regulatory approval for a $58.5 million rate increase.

NiSource also has a rate case pending in Ohio, expected to be concluded in the third quarter of 2022, for a $221.4 million revenue increase based on a 10.95% ROE, 50.60% equity capitalization and $3.6 billion rate base. Filed in June 2021, this is Columbia Gas of Ohio's first rate case since 2008 during which time the utility recovered most of its investments through trackers and riders. The current rate increase request reflects an approximately $2.5 billion increase over its last authorized rate base.

NiSource has an additional gas rate case pending in Virginia for a $40.6 million revenue increase, net of about $17.7 million under the Steps to Advance Virginia's Energy Plan (SAVE) infrastructure tracker, based on a 10.75% ROE, 39.28% equity capitalization and $1 billion rate base. The rate case was filed in April 2022 with rates effective in October 2022, subject to refund following a final decision from the Virginia Corporation Commission which is expected early in 2023.

In May 2022, NiSource filed a rate case in Maryland requesting a $7.1 million revenue increase on a $204 million rate base with an ROE of 10.95% and a cap structure of 52.77%.

In March 2022, NIPSCO Gas reached a settlement agreement for a $71.8 million revenue increase based on a 9.85% ROE and a 49.47% equity capitalization. The utility filed it's initial rate request in September 2021 and had requested a $109.7 million revenue increase, net of infrastructure trackers, based on a 10.50% ROE, 57.7% equity capitalization and $2.4 billion forecasted rate base. The Indiana Utility Regulatory Commission (IURC) approved the settlement in July 2022, with rates expected to be made effective September 2022 and March 2023.

Electric operations

In 2021, NIPSCO retired Schahfer coal plant units 14 and 15 as planned in its 2018 IRP. NIPSCO added 300 MW of new wind generation in 2021 and 100 MW of new wind generation and 400 MW of wind PPAs in 2020. The company currently has 465 MW of

solar generation under construction and regulatory approval for about 2,200 MW of additional wind, solar and storage PPAs and JV projects all expected to be in service in the 2023-2025 time frame.

NIPSCO Electric's most recent rate case was finalized in December 2019 when the utility received regulatory approval for a $42.7 million rate increase based on a 9.75% ROE, 47.86% equity capitalization and $4.1 billion rate base. New rates were implemented in two steps effective January 2020 and March 2020, respectively. As part of the rate case order, NIPSCO Electric also received three credit supportive approvals. First, the IURC approved a change in industrial customer rate structure to mitigate the risk of a significant curtailment in usage by industrial customers, which represent over 50% of the utility's total energy sales. Second, the utility received approval for the full recovery of its coal generation investments by 2030. Finally, with respect to tax reform, the IURC approved the return to customers of the protected excess accumulated deferred income tax (ADIT) balance of about $203 million over a period of approximately 26 years based on the average rate assumption method. The unprotected ADIT balance of about $137 million will be amortized by $12.2 million annually until the utility's next rate case when the remainder will be included in the revenue requirement and fully amortized by the end of 2030.

Regulated utility assets exhibit fundamentally low business risk

NiSource's six LDCs represent about 60% of its business, while its fully regulated vertically integrated electric utility segment makes up the difference. We continue to view NiSource's LDCs as having low business risk in spite of the possible risk to public safety associated with natural gas distribution operations. NiSource's size, diversity of operations and broad geographic footprint offer regulatory diversity and provide a natural hedge against material exposure to a single event or adverse regulatory action.

NiSource's electric segment entails more business risk than the LDC's. In addition to its exposure to the risks associated with generation assets, its operations are concentrated in a single, highly industrialized market territory. Over 50% of the company's retail electric sales volumes is derived from industrial customers, leaving it particularly sensitive to economic cycles. The electric segment's rate structure does not have the decoupling mechanisms that many of NiSource's LDCs have, further exacerbating potential volatility from the company's electric segment. The volatility is somewhat mitigated by the approximately 50%-55% fixed component of NIPSCO Electric's industrial rates.

Indiana's regulatory environment is favorable from a credit standpoint and provides the company's electric segment with an attractive suite of cost recovery mechanisms that cover most of its operating and capital expenses. NIPSCO Electric plans to retire all of its coal capacity by 2028, which will reduce its exposure to more stringent environmental regulations that could require costly investments. The company plans to replace its retired coal capacity with lower-cost renewable energy sources such as wind, solar and battery technology.

Persistently high debt balance and elevated investment spending weigh on financial profile

NiSource's credit profile is constrained by its relatively weak financial profile, primarily because of its highly levered capital structure. We expect this will continue to weigh on its debt coverage metrics as the company executes its elevated capital investment plan. Besides legacy debt at subsidiary NIPSCO, NiSource issues all debt at the parent level and allocates it to its subsidiaries. Assuming that NiSource's subsidiaries are capitalized at their authorized capital structures, with a 50% debt to capitalization ratio assumed for states with black box settlements, we estimate that approximately 30% of consolidated debt is not recoverable in utility rates.

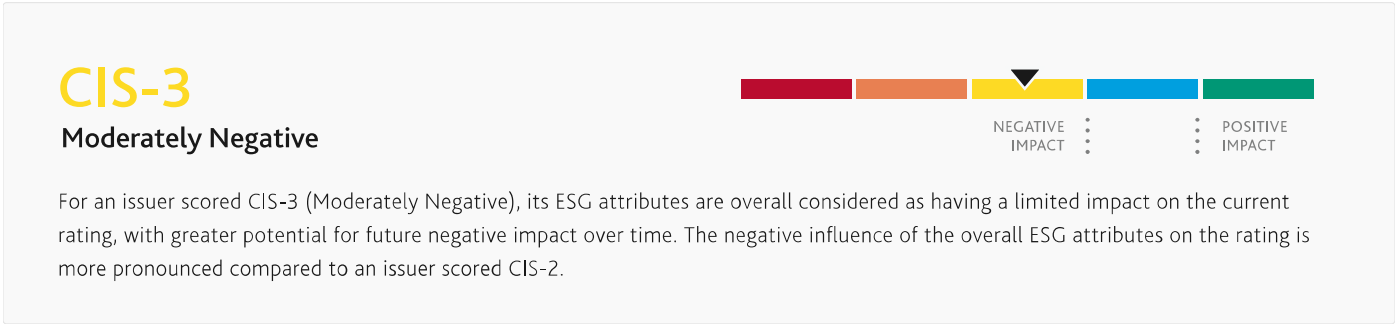
NiSource's capital expenditure program is substantial, totaling more than $8 billion over the 2022-2024 period. Capital spending is expected to peak in 2023 because of renewable energy investments at NIPSCO. NIPSCO expects to start recovering its renewables investments in late 2023 following a general rate case. We expect NiSource's key financial measures to strengthen beginning in 2024 as cash flow benefits from a full year of renewable investment recovery.

NiSource's financing plan for its renewable investments targets 60% equity financing. In April 2021, the company issued $862.5 million of equity units that Moody's views as having equity-like features that allow them to receive basket “E” treatment, i.e, 100% equity, for financial leverage purposes (please refer to Moody's Hybrid Equity Credit methodology published in September 2018). NiSource's balanced financing approach should allow it to sustain a CFO pre-WC to debt ratio above 13% as it executes its capital plan over the next few years.

ESG considerations

NiSource's ESG Credit Impact Score is CIS-3 (Moderately Negative)

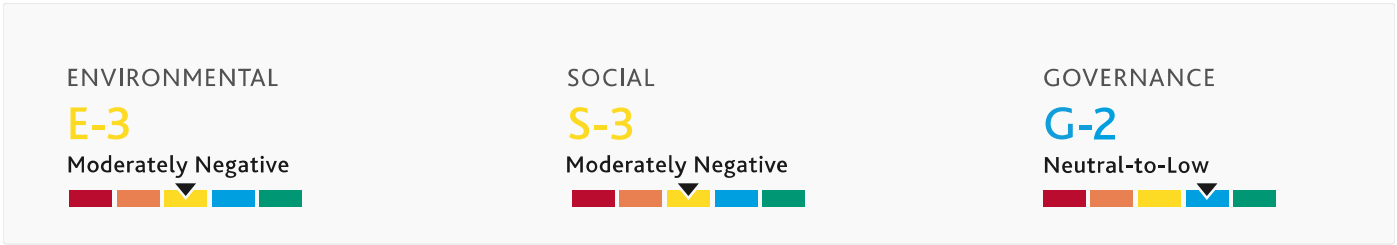
Exhibit 5
ESG Credit Impact Score



Source: Moody's Investors Service

NiSource's ESG Credit Impact Score is moderately negative (**CIS-3**) because of ESG attributes that we consider as overall having a limited impact on the current rating, with greater potential for future negative impact over time. NiSource's **CIS-3** reflects moderately negative exposure to environmental and social risk but neutral to low exposure to governance risk

Exhibit 6
ESG Issuer Profile Scores



Source: Moody's Investors Service

Environmental

NiSource has moderately negative exposure to environmental risk (**E-3** issuer profile score) primarily because of its exposure to carbon transition risk at both its electric and gas utilities. The company's focus on replacing its coal generation with renewables, while important to reduce carbon transition risk, requires significant capital investments. NiSource is also moderately exposed to physical climate risks, including the risk that extreme or unusual weather events could damage physical assets or negatively impact commodity prices. NiSource's exposure to water management, waste and pollution and natural capital risks is credit neutral.

Social

NiSource's moderately negative exposure to social risks (**S-3** issuer profile score) reflects the risk associated with the regulated utilities sector that public concern over environmental, social or affordability issues could lead to adverse regulatory or political intervention. Furthermore, from a responsible production perspective, NiSource is moderately exposed to the risk to public safety inherent in its gas utility operations. Social risks related to customer relations and human capital are neutral to NiSource's credit profile.

Governance

NiSource's exposure to governance risks is overall credit neutral (**G-2** issuer profile score). The company's inconsistent track record of financial performance is mitigated by its improved financial strategy and risk management as well as neutral to low risk associated with organizational structure, board structure, policies and procedures, and compliance and reporting.

ESG Issuer Profile Scores and Credit Impact Scores for NiSource are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for NiSource on MDC and view the ESG Scores section.

Rating Methodology and Scorecard Factors

Exhibit 7
Methodology Scorecard Factors
NiSource Inc.

Regulated Electric and Gas Utilities Industry [1][2]	Current LTM 3/31/2022		Moody's 12-18 Month Forward View As of 7/27/2022 [3]	
Factor 1 : Regulatory Framework (25%)	**Measure**	**Score**	**Measure**	**Score**
a) Legislative and Judicial Underpinnings of the Regulatory Framework	A	A	A	A
b) Consistency and Predictability of Regulation	A	A	A	A
Factor 2 : Ability to Recover Costs and Earn Returns (25%)				
a) Timeliness of Recovery of Operating and Capital Costs	A	A	A	A
b) Sufficiency of Rates and Returns	A	A	A	A
Factor 3 : Diversification (10%)				
a) Market Position	A	A	A	A
b) Generation and Fuel Diversity	Ba	Ba	Ba	Ba
Factor 4 : Financial Strength (40%)				
a) CFO pre-WC + Interest / Interest (3 Year Avg)	4.8x	A	4.5x - 5.5x	A
b) CFO pre-WC / Debt (3 Year Avg)	14.3%	Baa	13% - 14%	Baa
c) CFO pre-WC – Dividends / Debt (3 Year Avg)	10.9%	Baa	9% - 12%	Baa
d) Debt / Capitalization (3 Year Avg)	57.7%	Ba	55% - 60%	Ba
Rating:				
Scorecard-Indicated Outcome Before Notching Adjustment		Baa1		Baa1
HoldCo Structural Subordination Notching	0	0		
a) Scorecard-Indicated Outcome		Baa1		Baa1
b) Actual Rating Assigned		Baa2		Baa2

[1] All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non- Financial Corporations.
[2] As of 03/31/2022(L)
[3] This represents Moody's forward view; not the view of the issuer; and unless noted in the text, does not incorporate significant acquisitions and divestitures.
Source: Moody's Financial Metrics

Liquidity Analysis

NiSource's liquidity is adequate and supported by a $1.85 billion revolving credit facility maturing in February 2027. The revolver backs a $1.5 billion commercial paper program and provides funds for ongoing working capital needs. Terms of the facility allow for reliable access to funds by not requiring the company to represent and warrant to any material adverse change at each borrowing. The sole financial covenant is a maximum debt to capitalization ratio of 70%. As of 31 March 2022, the ratio was 56.4%.

NiSource also maintains three separate accounts receivables securitization programs totaling $480 million at its operating companies ($355 million outstanding balance as of 31 March 2022). The programs are renewed annually. As of 31 March 2022, NiSource had about $115 million of cash on hand as well as $1.85 billion of available capacity under its revolver, $165 million of commercial paper outstanding and $14.4 million of LCs. NiSource does not have a material debt maturity until 2025 ($1.25 billion).

For the twelve months ended 31 March 2022, NiSource generated $1.3 billion in operating cash flow, invested $1.9 billion in capital expenditures, and paid $411 million in dividend distributions, resulting in a negative free cash flow position of $982 million. NiSource funded the cash shortfall with long-term debt, common equity and equity units. Over the next 12-18 months, we expect NiSource to remain free cash flow negative as it executes on its sizeable capital expenditure plan. We expect cash shortfalls to be funded with a mix of debt and equity.

Appendix

Exhibit 8

Peer Comparison Table [1]

	NiSource Inc. Baa2 (Stable)			Black Hills Corporation Baa2 (Stable)			PPL Corporation Baa1 (Stable)			CenterPoint Energy, Inc. Baa2 (Stable)		
(In US millions)	FYE Dec-20	FYE Dec-21	LTM Mar-22	FYE Dec-20	FYE Dec-21	LTM Mar-22	FYE Dec-20	FYE Dec-21	LTM Mar-22	FYE Dec-20	FYE Dec-21	LTM Mar-22
Revenue	4,682	4,900	5,227	1,697	1,949	2,139	5,474	5,783	6,067	7,418	8,352	8,568
CFO Pre-W/C	1,318	1,411	1,495	533	4	679	2,750	2,328	2,112	1,780	(47)	2,240
Total Debt	10,258	10,306	10,262	3,819	4,571	4,493	24,858	11,351	12,269	14,239	16,753	14,522
CFO Pre-W/C + Interest / Interest	4.3x	4.8x	5.0x	4.6x	1.0x	5.4x	5.3x	5.4x	5.4x	4.1x	0.9x	4.9x
CFO Pre-W/C / Debt	12.8%	13.7%	14.6%	14.0%	0.1%	15.1%	11.1%	20.5%	17.2%	12.5%	-0.3%	15.4%
CFO Pre-W/C – Dividends / Debt	9.4%	10.1%	10.8%	10.0%	-3.4%	11.5%	5.9%	9.2%	6.9%	9.0%	-3.1%	12.2%
Debt / Capitalization	59.9%	54.8%	53.6%	55.4%	57.7%	56.5%	60.4%	39.9%	41.5%	55.2%	56.4%	51.8%

[1] All figures & ratios calculated using Moody's estimates & standard adjustments. FYE = Financial Year-End. LTM = Last Twelve Months. RUR* = Ratings under Review, where UPG = for upgrade and DNG = for downgrade.

Source: Moody's Financial Metrics

Exhibit 9

Cash Flow and Credit Metrics [1]

CF Metrics	Dec-18	Dec-19	Dec-20	Dec-21	LTM Mar-22
As Adjusted					
FFO	463	1,646	1,344	1,465	1,531
+/- Other	6	-121	-26	-54	-36
CFO Pre-WC	469	1,525	1,318	1,411	1,495
+/- ΔWC	104	46	-223	-206	-159
CFO	573	1,571	1,095	1,205	1,336
- Div	277	321	349	373	383
- Capex	1,858	1,828	1,795	1,878	1,961
FCF	-1,563	-584	-1,049	-1,047	-1,008
(CFO Pre-W/C) / Debt	4.7%	14.8%	12.8%	13.7%	14.6%
(CFO Pre-W/C - Dividends) / Debt	1.9%	11.7%	9.4%	10.1%	10.8%
FFO / Debt	4.6%	16.0%	13.1%	14.2%	14.9%
RCF / Debt	1.9%	12.8%	9.7%	10.6%	11.2%
Revenue	5,115	5,209	4,682	4,900	5,227
Interest Expense	372	413	401	371	370
Net Income	441	945	458	526	572
Total Assets	22,000	22,660	22,041	24,157	24,366
Total Liabilities	16,758	17,184	16,728	17,650	17,604
Total Equity	5,242	5,476	5,312	6,507	6,762

[1] All figures and ratios are calculated using Moody's estimates and standard adjustments. Periods are Financial Year-End unless indicated. LTM = Last Twelve Months.
Source: Moody's Financial Metrics

Exhibit 10

NiSource Inc. Moody's - Adjusted Debt Breakdown

NiSource Inc.						
(USD Millions)	FYE Dec-17	FYE Dec-18	FYE Dec-19	FYE Dec-20	FYE Dec-21	LTM Mar-22
As Reported Debt	9,002.2	9,132.6	9,642.8	9,746.1	9,801.5	9,757.7
Pensions	42.4	113.6	57.8	32.1	30.0	30.0
Operating Leases	198.0	196.4	64.8	40.2	34.6	34.6
Hybrid Securities	0.0	440.0	440.0	440.0	440.0	440.0
Non-Standard Adjustments	71.5	68.5	70.5	0.0	0.0	0.0
Moody's Ajusted Debt	9,314.1	9,951.1	10,275.9	10,258.4	10,306.1	10,262.3

Based on consolidated financial data of NiSource Inc. All figures are calculated using Moody's estimates and standard adjustments
Source: Moody's Financial Metrics

Ratings

Exhibit 11

Category	Moody's Rating
NISOURCE INC.	
Outlook	Stable
Issuer Rating	Baa2
Sr Unsec Bank Credit Facility	Baa2
Senior Unsecured	Baa2
Pref. Stock	Ba1
Commercial Paper	P-2
NISOURCE FINANCE CORPORATION	
Outlook	Stable
Issuer Rating	Baa2
Bkd Senior Unsecured	Baa2
NORTHERN INDIANA PUBLIC SERVICE COMPANY	
Outlook	Stable
Issuer Rating	Baa1
Senior Unsecured	Baa1
NISOURCE CAPITAL MARKETS, INC.	
Outlook	Stable
Bkd Senior Unsecured	Baa2
BAY STATE GAS COMPANY	
Outlook	Stable
Senior Unsecured	Baa2

Source: Moody's Investors Service

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NiSource Inc.

NIPSCO stake sale proceeds will supplement NiSource's debt financing and enhance financial flexibility

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On 20 June, NiSource Inc. (Baa2 stable) announced the sale of a 19.9% equity interest in utility subsidiary Northern Indiana Public Service Company (NIPSCO, Baa1 stable) to Blackstone Infrastructure Partners (BIP) for $2.15 billion in cash, an implied rate base valuation of 1.85x. BIP also supported its intention to finance its proportionate share of NIPSCO's ongoing capital requirements with a $250 million commitment letter. NiSource expects the transaction to close by year end, pending Federal Energy Regulatory Commission approval.

NiSource will apply transaction proceeds to its $15 billion five-year capital expenditure program. Although introducing another owner at NIPSCO presents some governance complexity, the transaction is overall credit positive for NiSource because the proceeds will supplement debt financing and enhance cash flow coverage metrics. Our assessment of NiSource's credit quality following the completion of the transaction will be based on credit metrics that include NiSource's proportional ownership of NIPSCO's cash flow and debt. NiSource's financing plan also includes $863 million of proceeds in 2023 from remarketing mandatory convertible preferred stock issued in 2021, which will later convert to common equity.

Although the alternatives to debt financing will help support NiSource's credit quality, the regulatory environments in which the company's utilities operate will be a primary driver of its credit quality. Assuming continued supportive regulatory outcomes, we expect NiSource to generate a ratio of operating cash flow excluding changes to working capital (CFO pre-WC) to debt of 14%-15% over the next three years, up from 13%-14% over the past three years. The expected improvement in debt coverage metrics also assumes that the Indiana Utilities Regulatory Commission will adopt (with limited modifications) the credit supportive settlement NIPSCO reached in its pending electric rate case. The rate case, the largest in NIPSCO's history, is important for NIPSCO's electric business. The electric business is spending significantly on renewable generation and storage to replace the retirement of 722 megawatt (MW) of its current coal generating capacity of 1,177 MW by 2025 and the remainder by 2028.

To reflect the increased complexity associated with a minority shareholder after the stake sale, NIPSCO's Board Structure and Policies Governance risk subcategory score will change to a 3 (moderately negative) from a 2 (neutral to low).

Headquartered in Merrillville, Indiana, NiSource is a utility holding company with a portfolio of fully regulated utility subsidiaries totaling about $16.7 billion in rate base. NiSource owns one of the largest gas distribution (LDC) systems in the US, with operations in Ohio, Indiana, Pennsylvania, Virginia, Kentucky, and Maryland, providing service to about 3.3 million customers. It also owns a mid-sized vertically integrated electric utility in Indiana providing service to about 486,000 customers. The LDCs accounted for about 72% of the company's consolidated operating income in 2022, with the remainder coming from the electric utility.

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CREDIT OPINION
23 June 2023

Update

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NiSource Inc.

Update following ratings affirmation

Summary

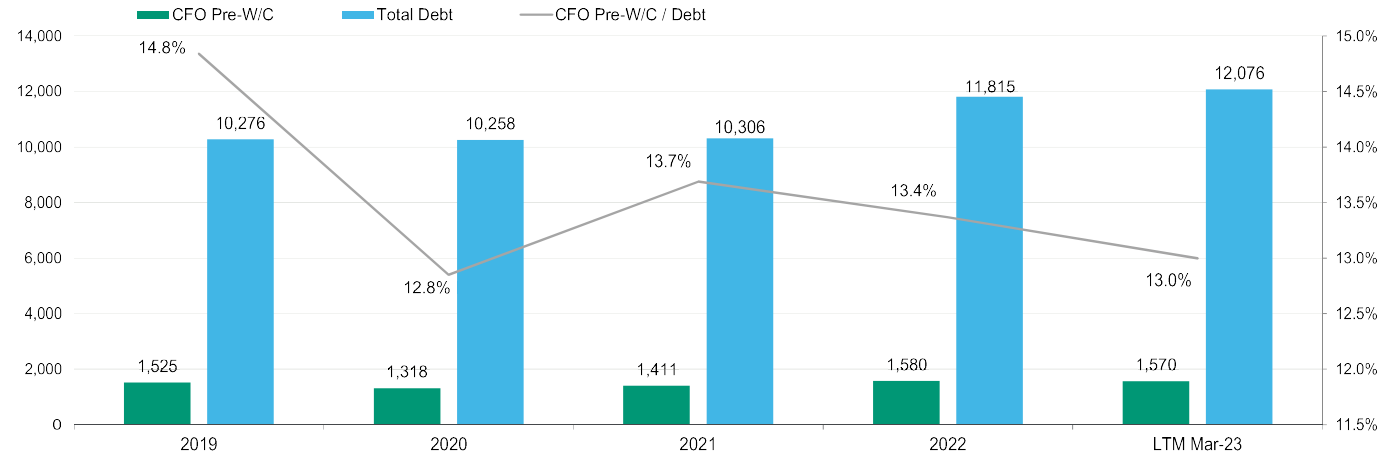
NiSource Inc.'s (NiSource) credit profile reflects the diversity and supportiveness of its multiple regulatory jurisdictions that provide predictable operating cash flow. Its fully regulated operating utility subsidiaries have low business risk, given their critical infrastructure asset base. Together, these utilities have helped to mitigate a historically weak financial profile driven by the company's high leverage.

We expect NiSource's financial profile to remain under pressure as the company executes a substantial capital expenditure program which includes significant investments in renewable energy generation at subsidiary Northern Indiana Public Service Company (NIPSCO) to replace the coal generation. The company retired 900 MW of coal generation in 2021, plans to retire 722 MW of its current coal generating capacity of 1,177 MW by 2025 and to retire all of its coal generation by 2028. Over the next two years, we expect continued favorable regulatory outcomes, and the use of proceeds from the sale of a minority interest in NIPSCO to reduce debt financing, to enable NiSource to generate a ratio of operating cash flow excluding working capital changes (CFO pre-WC) to debt around 14%-15%.

Recent Events

On 20 June 2023, NiSource announced the sale of a 19.9% equity interest in NIPSCO to Blackstone Infrastructure Partners (BIP, not rated) for $2.15 billion in cash. BIP further supported its commitment to finance its pro rata share of NIPSCO's ongoing capital requirements with a $250 million commitment letter. The transaction is expected to close by the end of 2023 subject to approval by the Federal Energy Regulatory Commission (FERC). Proceeds from the sale will be used to supplement debt financing for NiSource's $15 billion five-year capital expenditure program, enhancing financial flexibility. Following transaction completion, our assessment of NiSource's credit will include a proportional consolidation of NiSource's ownership of NIPSCO.

Exhibit 1
Historical CFO Pre-WC, Total Debt and CFO Pre-WC to Debt ($ MM)



Source: Moody's Financial Metrics™

Credit Strengths

» Operations in jurisdictions with attractive cost recovery mechanisms

» Fully regulated utility assets with fundamentally low business risk

» Financing plan for capital investments that includes common equity and minority sale proceeds should help support credit quality

Credit Challenges

» Persistently high debt balance

» Elevated capital expenditures

» Current weak metrics leave little room to absorb unexpected negative events

Rating Outlook

NiSource's stable outlook reflects Moody's view that its utility regulatory jurisdictions will remain credit supportive and that regulated utility capital expenditure plans will be financed in a manner that supports the organization's credit quality.

Factors that Could Lead to an Upgrade

» Improvement in the utility regulatory environments

» A material and sustained increase in the company's credit metrics with a CFO pre-WC to debt ratio above 17%

Factors that Could Lead to a Downgrade

» A decline in the credit supportiveness of its utility regulatory environments

» An adverse change in the company's business mix that increases risk

» A ratio of CFO pre-WC to debt sustained below 13%

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

Key Indicators

Exhibit 2
NiSource Inc. [1]

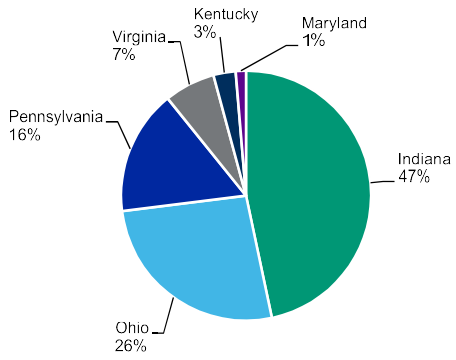
	Dec-19	Dec-20	Dec-21	Dec-22	LTM Mar-23
CFO Pre-W/C + Interest / Interest	4.7x	4.3x	4.8x	5.0x	4.8x
CFO Pre-W/C / Debt	14.8%	12.8%	13.7%	13.4%	13.0%
CFO Pre-W/C – Dividends / Debt	11.7%	9.4%	10.1%	9.9%	9.5%
Debt / Capitalization	59.6%	59.9%	54.8%	55.9%	55.9%

[1] All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Source: Moody's Financial Metrics™

Profile

NiSource Inc. is a utility holding company with a portfolio of fully regulated utility subsidiaries totaling about $16.7 billion in rate base. NiSource owns one of the largest LDC systems in the US, with operations in Ohio, Indiana, Pennsylvania, Virginia, Kentucky, and Maryland providing service to about 3.3 million customers, as well as a mid-sized vertically integrated electric utility in Indiana providing service to about 486,000 customers. The LDCs accounted for about 72% of the company's consolidated operating income in 2022, with the remainder coming from the electric utility.

Exhibit 3
State Rate Base Exposure



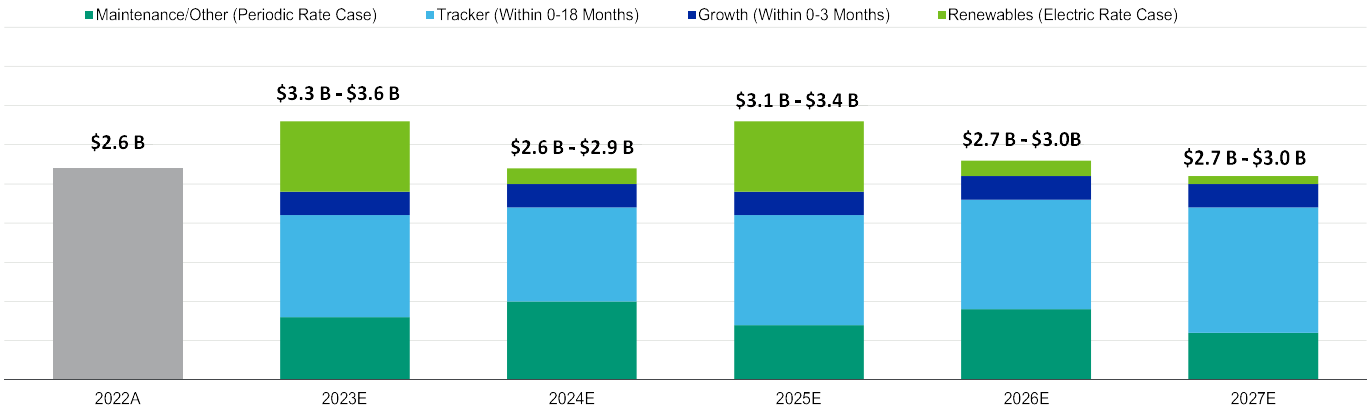
Source: Company's reports

Detailed credit considerations

Predictability of cash flow underpinned by supportive regulatory construct

The state regulators overseeing NiSource's utilities are credit supportive. With the exception of NIPSCO Gas, all of NiSource's LDCs benefits from decoupling mechanisms and/or weather normalization adjustments which reduce earnings volatility. In addition, NiSource has access to a variety of tracker mechanisms across its different jurisdictions that provide for timely recovery of its sizeable infrastructure investment program, with more than 75% of its investments beginning recovery within 18 months. Similarly, NiSource's electric segment benefits from a broad array of tracker mechanisms providing for timely recovery of operating expenses as well as environmental investments.

Exhibit 4
Capital investments with estimated recovery periods



Source: Company presentations

The company's investments across all of its jurisdictions continue to drive an active regulatory calendar. In addition to ongoing infrastructure replacement and other tracker filings, NiSource completed three rate cases in the last six months and currently has two rate cases pending.

Gas operations

NiSource's most frequent significant rate case activity has recently been in Pennsylvania where subsidiary Columbia Gas of Pennsylvania continues to invest in safety and modernization. In March 2022, the utility filed a rate case requesting a revenue increase of $82.2 million based on an ROE of 10.95%, equity capitalization of 54.38% and a forecasted rate base of $3 billion. The rate case was concluded in December 2022 with the approval of a $44.5 million revenue increase in a black box settlement.

NiSource completed a rate case in Ohio in January 2023 when the Public Utilities Commission of Ohio approved a settlement for a revenue increase of $68.2 million based on a 9.6% ROE and 50.6% equity layer. The settlement also extended the utility's capital investment riders through 2026. The company had requested a revenue increase of $221.4 million based on a 10.95% ROE and 50.6% equity layer. This was Columbia Gas of Ohio's first rate case since 2008 and the authorized rate base of $3.5 billion reflects an approximately $2.5 billion increase over its previously authorized rate base.

In May 2023, the Virginia State Corporation Commission approved a settlement for a $40.3 million revenue increase, inclusive of about $14.5 million collected under the Steps to Advance Virginia's Energy Plan (SAVE) infrastructure tracker. The settlement did not specify an ROE or equity layer. The company had requested a $58.2 million revenue increase, inclusive of about $17.7 million under the SAVE tracker.

NiSource currently has a gas rate case pending in Maryland with a request for an $8.1 million revenue increase based on a 10.95% ROE and 52.07% equity layer. A final order is expected by the end of 2023.

Electric operations

In September 2022, NIPSCO Electric filed a rate case requesting a total incremental revenue increase of $395 million. The request included a $291.8 million base rate increase to be implemented in two steps in September 2023 and March 2024 and an additional request of $103.2 million for costs associated with a new variable cost tracker. In March 2023, NIPSCO reached a settlement for a $292 million total revenue increase, inclusive of $29.9 million to be recovered through a new environmental cost tracker. A final order from the Indiana Utilities Regulatory Commission is expected in August, with new rates effective September 2023.

Regulated utility assets exhibit fundamentally low business risk

NiSource's six LDCs represented about 72% of its operating income in 2022, while its fully regulated vertically integrated electric utility segment made up the difference. We continue to view NiSource's LDCs as having low business risk in spite of the possible risk to public

safety associated with natural gas distribution operations. NiSource's size, diversity of operations and broad geographic footprint offer regulatory diversity and provide a natural hedge against material exposure to a single event or adverse regulatory action.

NiSource's electric segment entails more business risk than the LDC's. In addition to its exposure to the risks associated with generation assets, its operations are concentrated in a single, highly industrialized market territory. Over 50% of the company's retail electric sales volume is derived from industrial customers, leaving it particularly sensitive to economic cycles. The electric segment's rate structure does not have the decoupling mechanisms that many of NiSource's LDCs have, further exacerbating potential volatility from the company's electric segment. The volatility is somewhat mitigated by the approximately 50%-55% fixed component of NIPSCO Electric's industrial rates.

Indiana's regulatory environment is favorable from a credit standpoint and provides the company's electric segment with an attractive suite of cost recovery mechanisms that cover most of its operating and capital expenses. NIPSCO Electric plans to retire all of its coal capacity by 2028, which will reduce its exposure to more stringent environmental regulations that could require costly investments. The company plans to replace its retired coal capacity with lower-cost renewable energy sources such as wind, solar and battery technology.

Persistently high debt balance and elevated investment spending weigh on financial profile

NiSource's credit profile is constrained by its relatively weak financial profile, primarily because of its highly levered capital structure. We expect this will continue to weigh on its debt coverage metrics as the company executes its elevated capital investment plan. Besides legacy debt at subsidiary NIPSCO, NiSource issues all debt at the parent level and allocates it to its subsidiaries. Assuming that NiSource's subsidiaries are capitalized at their authorized capital structures, with a 50% debt to capitalization ratio assumed for states with black box settlements, we estimate that approximately 30% of consolidated debt is not recoverable in utility rates.

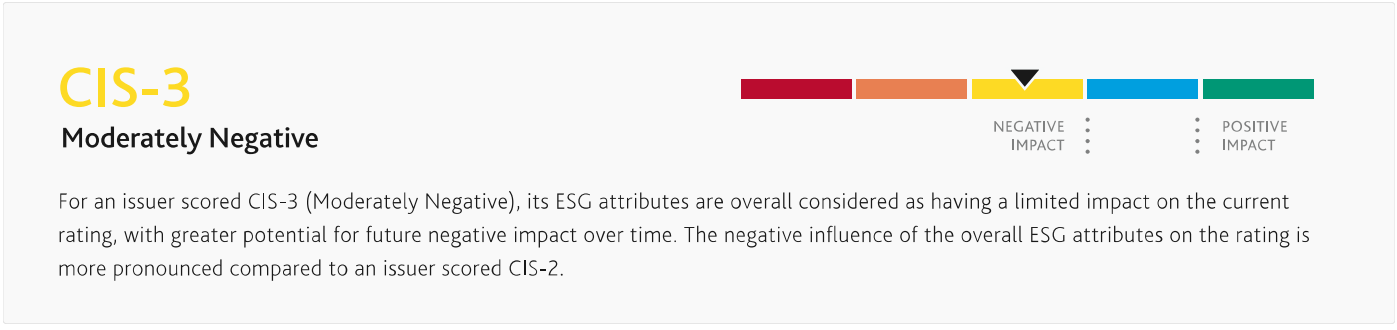
NiSource's capital expenditure program is substantial, totaling approximately $15 billion over the 2023-2027 period. Capital spending is expected to peak in 2023 because of renewable energy investments at NIPSCO. Over the next two years, we expect continued favorable regulatory outcomes, including in NIPSCO's currently pending rate case, and the use of proceeds from the sale of a minority interest in NIPSCO to reduce debt financing, to enable NiSource to generate a ratio of CFO pre-WC to debt around 14%-15%.

The company's financing plan for its five-year capital investments program also includes approximately $863 million of proceeds in 2023 from the remarketing of mandatory convertible preferred stock issued in April 2021.

ESG considerations

NiSource ESG Credit Impact Score is CIS-3 (Moderately Negative)

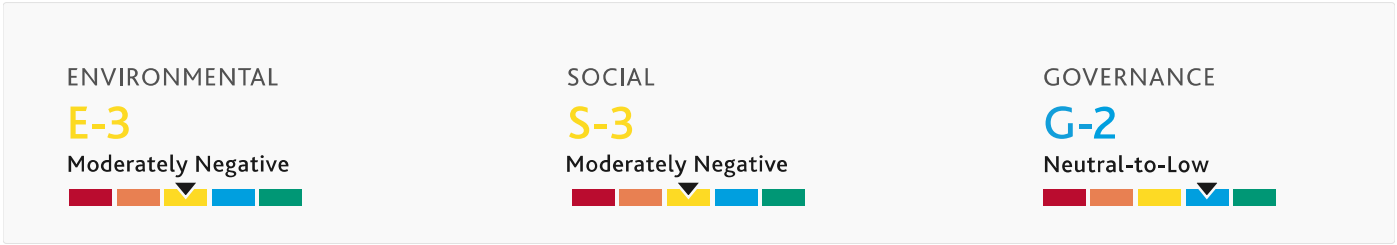
Exhibit 5
ESG Credit Impact Score



Source: Moody's Investors Service

NiSource's ESG Credit Impact Score is moderately negative (**CIS-3**) because of ESG attributes that we consider as overall having a limited impact on the current rating, with greater potential for future negative impact over time. NiSource's **CIS-3** reflects moderately negative exposure to environmental and social risk but neutral to low exposure to governance risk

Exhibit 6
ESG Issuer Profile Scores



Source: Moody's Investors Service

Environmental

NiSource has moderately negative exposure to environmental risk (**E-3** issuer profile score) primarily because of its exposure to carbon transition risk at both its electric and gas utilities. The company's focus on replacing its coal generation with renewables, while important to reduce carbon transition risk, requires significant capital investments. NiSource is also moderately exposed to physical climate risks, including the risk that extreme or unusual weather events could damage physical assets or negatively impact commodity prices. NiSource's exposure to water management, waste and pollution and natural capital risks is credit neutral.

Social

NiSource's moderately negative exposure to social risks (**S-3** issuer profile score) reflects the risk associated with the regulated utilities sector that public concern over environmental, social or affordability issues could lead to adverse regulatory or political intervention. Furthermore, from a responsible production perspective, NiSource is moderately exposed to the risk to public safety inherent in its gas utility operations. Social risks related to customer relations and human capital are neutral to NiSource's credit profile.

Governance

Governance is broadly in line with other utilities and does not pose a particular risk (**G-2** issuer profile score). NiSource's governance assessment is supported by neutral to low scores on financial strategy and risk management, management credibility and track record, organizational structure, compliance and reporting and board structure policies and procedures.

ESG Issuer Profile Scores and Credit Impact Scores for NiSource are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for NiSource on Moodys.com and view the ESG Scores section.

Liquidity Analysis

NiSource's liquidity is adequate and supported by a $1.85 billion revolving credit facility maturing in February 2027. The revolver backs a $1.5 billion commercial paper program and provides funds for ongoing working capital needs. Terms of the facility allow for reliable access to funds by not requiring the company to represent and warrant to any material adverse change at each borrowing. The sole financial covenant is a maximum debt to capitalization ratio of 70%. As of 31 March 2023, the ratio was 59.1%.

NiSource also maintains three separate accounts receivables securitization programs totaling $635.5 million at its operating companies ($281.8 million outstanding balance as of 31 March 2023). The programs are renewed annually. As of 31 March 2023, NiSource had about $106.4 million of cash on hand, no commercial paper outstanding and $10.2 million of letters of credit issued under its credit facility. NiSource does not have a material debt maturity until 2025 ($1.25 billion).

For the twelve months ended 31 March 2023, NiSource generated $1.5 billion in operating cash flow, invested $2.3 billion in capital expenditures, and paid $455 million in dividend distributions, resulting in a negative free cash flow position of $1.3 billion. NiSource funded the cash shortfall primarily with debt. Over the next 12-18 months, we expect NiSource to remain free cash flow negative as it executes on its sizeable capital expenditure plan. We expect cash shortfalls to be funded with a mix of debt, equity and proceeds from the minority sale of NIPSCO.

Rating Methodology and Scorecard Factors

Exhibit 7
Methodology Scorecard Factors
NiSource Inc.

Regulated Electric and Gas Utilities Industry [1][2]	Current LTM 3/31/2023		Moody's 12-18 Month Forward View As of Date Published [3]	
Factor 1 : Regulatory Framework (25%)	**Measure**	**Score**	**Measure**	**Score**
a) Legislative and Judicial Underpinnings of the Regulatory Framework	A	A	A	A
b) Consistency and Predictability of Regulation	A	A	A	A
Factor 2 : Ability to Recover Costs and Earn Returns (25%)				
a) Timeliness of Recovery of Operating and Capital Costs	A	A	A	A
b) Sufficiency of Rates and Returns	A	A	A	A
Factor 3 : Diversification (10%)				
a) Market Position	A	A	A	A
b) Generation and Fuel Diversity	Ba	Ba	Baa	Baa
Factor 4 : Financial Strength (40%)				
a) CFO pre-WC + Interest / Interest (3 Year Avg)	4.7x	A	4.5x - 5x	A
b) CFO pre-WC / Debt (3 Year Avg)	13.5%	Baa	14% - 15%	Baa
c) CFO pre-WC – Dividends / Debt (3 Year Avg)	9.9%	Baa	9% - 12%	Baa
d) Debt / Capitalization (3 Year Avg)	56.1%	Ba	50% - 55%	Baa
Rating:				
Scorecard-Indicated Outcome Before Notching Adjustment		Baa1		Baa1
HoldCo Structural Subordination Notching		0		0
a) Scorecard-Indicated Outcome		Baa1		Baa1
b) Actual Rating Assigned		Baa2		Baa2

[1] All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non- Financial Corporations.
[2] As of 03/31/2023(L)
[3] This represents Moody's forward view; not the view of the issuer; and unless noted in the text, does not incorporate significant acquisitions and divestitures.
Source: Moody's Financial Metrics™

Appendix

Exhibit 8

Peer Comparison Table [1]

	NiSource Inc. Baa2 (Stable)			Black Hills Corporation Baa2 (Stable)			Alliant Energy Corporation Baa2 (Stable)			Spire Inc. Baa2 (Stable)		
(In US millions)	FYE Dec-21	FYE Dec-22	LTM Mar-23	FYE Dec-21	FYE Dec-22	LTM Mar-23	FYE Dec-21	FYE Dec-22	LTM Mar-23	FYE Sep-21	FYE Sep-22	LTM Mar-23
Revenue	4,900	5,851	5,943	1,949	2,552	2,649	3,669	4,205	4,214	2,236	2,199	2,700
CFO Pre-W/C	1,411	1,580	1,570	4	755	798	1,103	1,106	1,028	559	51	304
Total Debt	10,306	11,815	12,076	4,571	4,706	4,518	8,150	9,119	9,460	4,039	4,610	4,853
CFO Pre-W/C + Interest / Interest	4.8x	5.0x	4.8x	1.0x	5.6x	5.7x	5.2x	4.8x	4.4x	5.6x	1.4x	2.8x
CFO Pre-W/C / Debt	13.7%	13.4%	13.0%	0.1%	16.0%	17.7%	13.5%	12.1%	10.9%	13.8%	1.1%	6.3%
CFO Pre-W/C – Dividends / Debt	10.1%	9.9%	9.5%	-3.4%	12.3%	13.7%	8.6%	7.1%	6.0%	10.3%	-2.1%	3.1%
Debt / Capitalization	54.8%	55.9%	55.9%	57.7%	56.7%	54.8%	50.7%	52.6%	53.4%	56.1%	57.7%	57.3%

[1] All figures & ratios calculated using Moody's estimates & standard adjustments. FYE = Financial Year-End. LTM = Last Twelve Months. RUR* = Ratings under Review, where UPG = for upgrade and DNG = for downgrade.
Source: Moody's Financial Metrics™

Exhibit 9

Cash Flow and Credit Metrics [1]

CF Metrics	Dec-19	Dec-20	Dec-21	Dec-22	LTM Mar-23
As Adjusted					
FFO	1,646	1,344	1,465	1,676	1,683
+/- Other	-121	-26	-54	-97	-114
CFO Pre-WC	1,525	1,318	1,411	1,580	1,570
+/- ΔWC	46	-223	-206	-189	-75
CFO	1,571	1,095	1,205	1,391	1,494
- Div	327	349	373	415	428
- Capex	1,828	1,795	1,878	2,242	2,349
FCF	-584	-1,049	-1,047	-1,267	-1,283
(CFO Pre-W/C) / Debt	14.8%	12.8%	13.7%	13.4%	13.0%
(CFO Pre-W/C - Dividends) / Debt	11.7%	9.4%	10.1%	9.9%	9.5%
FFO / Debt	16.0%	13.1%	14.2%	14.2%	13.9%
RCF / Debt	12.8%	9.7%	10.6%	10.7%	10.4%
Revenue	5,209	4,682	4,900	5,851	5,943
Interest Expense	413	401	371	392	417
Net Income	945	458	526	675	676
Total Assets	22,660	22,041	24,157	26,744	26,861
Total Liabilities	17,184	16,728	17,650	19,603	19,621
Total Equity	5,476	5,312	6,507	7,142	7,241

[1] All figures and ratios are calculated using Moody's estimates and standard adjustments. Periods are Financial Year-End unless indicated. LTM = Last Twelve Months.
Source: Moody's Financial Metrics™

Exhibit 10

NiSource Inc. Moody's - Adjusted Debt Breakdown [1]

NiSource Inc.						
(USD Millions)	FYE Dec-18	FYE Dec-19	FYE Dec-20	FYE Dec-21	FYE Dec-22	LTM Mar-23
As Reported Debt	9,132.6	9,642.8	9,746.1	9,801.5	11,315.5	11,576.6
Pensions	113.6	57.8	32.1	30.0	22.9	22.9
Operating Leases	196.4	64.8	40.2	34.6	36.7	36.7
Hybrid Securities	440.0	440.0	440.0	440.0	440.0	440.0
Non-Standard Adjustments	68.5	70.5	0.0	0.0	0.0	0.0
Moody's Adjusted Debt	9,951.1	10,275.9	10,258.4	10,306.1	11,815.1	12,076.2

[1] Based on consolidated financial data of NiSource Inc. All figures are calculated using Moody's estimates and standard adjustments
Source: Moody's Financial Metrics™

Ratings

Exhibit 11

Category	Moody's Rating
NISOURCE INC.	
Outlook	Stable
Issuer Rating	Baa2
Sr Unsec Bank Credit Facility	Baa2
Senior Unsecured	Baa2
Pref. Stock	Ba1
Commercial Paper	P-2
NISOURCE FINANCE CORPORATION	
Outlook	Stable
Issuer Rating	Baa2
Bkd Senior Unsecured	Baa2
NORTHERN INDIANA PUBLIC SERVICE COMPANY	
Outlook	Stable
Issuer Rating	Baa1
Senior Unsecured	Baa1
BAY STATE GAS COMPANY	
Outlook	Stable
Senior Unsecured	Baa2
NISOURCE CAPITAL MARKETS, INC.	
Outlook	Stable
Bkd Senior Unsecured	Baa2

Source: Moody's Investors Service

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FitchRatings

RATING ACTION COMMENTARY

Fitch Affirms NiSource Inc. and NIPSCO at 'BBB'; Outlook Stable

Tue 08 Mar, 2022 - 1:46 PM ET

Fitch Ratings - New York - 08 Mar 2022: Fitch Ratings has affirmed the 'BBB' Long-Term Issuer Default Ratings (IDRs) of NiSource Inc. (NI) and Northern Indiana Public Service Company (NIPSCO). The Rating Outlook is Stable. NI's credit profile is supported by its 100% regulated gas and electric utility operations in six states. NI's credit metrics will remain elevated primarily due to a large capex program. A fully regulated business model with supportive regulation mitigates relatively high leverage, which has been the case for NI due to the capex program and legacy debt. NIPSCO's ratings mirror those of NI, as it relies on NI solely for capital access.

KEY RATING DRIVERS

Low Business Risk

NI's ratings and Outlook are supported by stable cash flows and earnings from 100% regulated gas and electric utilities in six states. Gas rate base is approximately 65% the total rate base. Gas-distribution utilities benefit from supportive recovery mechanisms and are less exposure to environmental mandates. Four states have legislations that prohibit municipalities from banning natural gas use. Fitch considers Ohio, Pennsylvania and Indiana -- NI's top three service territories -- to be among the most supportive jurisdictions in the U.S. Fitch believes a fully regulated business model mitigates relatively high leverage.

Supportive Regulation

Approximately 75% of NI's growth, safety and modernization capex are expected to begin earning within 18 months. NI's gas utilities have revenue decoupling in Ohio, Maryland and Virginia; weather normalization in Pennsylvania, Maryland, Virginia and Kentucky; and straight fixed-variable rates in Ohio. Gas rates in Indiana are nearly 50% fixed for residential and commercial customers. Approximately 50% of the total revenue is nonvolumetric.

All NI's gas utilities use infrastructure trackers on a regular basis except in Pennsylvania. Columbia Gas of Pennsylvania has an option to file for infrastructure tracker or a forward-looking test year in a base rate case. NIPSCO Gas, Columbia Gas of Maryland and Columbia Gas of Kentucky and have authorized ROEs of 9.85%, 9.65% and 9.35%, respectively. Other gas utilities have ROE for specific infrastructure or modernization programs ranging from 9.275% to 10.39%. NIPSCO electric's authorized ROE is 9.75%, compared with 2021 industry average of 9.54%.

In Indiana, the Transmission, Distribution and Storage System Improvement Charge statute provides for cost recovery between rate cases for safety, reliability and modernization, and allows pre-approval of a seven-year plan of eligible investments. Up to 80% of eligible costs can be recovered using semi-annual trackers.

NIPSCO's transmission projects are regulated by the Federal Energy Regulatory Commission (FERC) regulation which enjoy forward-looking rates and construction work in progress recovery. NIPSCO's FERC ROE is 10.82%, including a 50bps adder for participating in the Midcontinent Independent System Operator transmission service and wholesale energy market.

Constructive Rate Cases

NiSource files rate cases frequently to recover maintenance capex. In 2021, NiSource's gas utilities completed three rate cases. Columbia Gas of Pennsylvania, NiSource's second largest gas LDC, was granted $58.5 million revenue increase, compared with the proposed $98.3 million. The ROE and equity layer were not specified. NiSource agreed to use the generic ROE approved by the PUC in its quarterly earning reviews to calculate prospective adjustments under the DISC. Residential monthly customer charge is unchanged at $16.75. But small commercial customer will see modest increase and large volume customers will see higher increase. Two rate cases are pending at Columbia Gas of Ohio and NIPSCO Gas. Orders are expected in Q3 2022.

Large Capex

In the next three years, annual capex is expected to average $2.5 billion, compared with approximately $1.9 billion in the last three years. Most projects are small, providing flexibility in execution. NI's robust capex program is mainly supported by infrastructure modernization legislations and riders in all its service territories. Renewable projects are pre-approved, reducing regulatory uncertainties. Rate base will grow 10%-12% CAGR from 2021 to 2024.

Cleaner Generation

NI plans to retire all coal generation by 2028. 51% (1,177MW) of NIPSCO's nameplate generation capacity is from coal generation. NI proposed that the retiring units be replaced by demand side management resources, solar, energy storage and upgrades to the Sugar Creek Generating Station. Two vintage gas peaking units at the R.M. Schahfer Generating Station is expected to retire between 2025 and 2028. NISPCO proposed a natural gas peaking unit to replace these units. At YE 2021, NI have executed and received IURC approval for Build-Transfer Agreements and PPAs with a combined capacity of 1,950MW and 1,380MW, respectively.

Credit Metrics

Over the last three years, FFO leverage averaged 5.7x incorporating impact from the Merrimack Valley gas explosions, the pandemic, asset sale in Massachusetts and weather. Fitch expects FFO leverage to average in the high 5x in the next two years due to the large capex program and rebound to 5.5x in 2024.

Parent Sub Linkage

NI's operating subsidiaries rely on NI solely for liquidity and capital access. As such, NIPSCO's standalone credit profile (SCP) is not analytically meaningful and its IDR reflects NI's consolidated credit profile. NiSource has not issued any new debt at the operating companies and doesn't plan to do so going forward. Debt balances at the operating subs are largely intercompany loans and small amount of public debt which will be repaid as they mature.

DERIVATION SUMMARY

NI's fully regulated business model provides predictable earnings and cash flow, compared with Southern Company Gas (BBB+/Stable) which invests in unregulated operations. NI's business model, geographic diversification and supportive regulations mitigate its relatively weak credit metrics. Similar to IPALCO Enterprises, Inc. (BBB-/Stable) which also operates in Indiana, NI's subsidiary NIPSCO has coal generation.

However, NI's operation is diversified and gas focused compared with IPALCO's single-state electric generation. Both NI and IPALCO are executing a large capex program. Fitch expects both NI and IPALCO's FFO leverage to be in the high-5x for the next few years. NiSource's superbly low operating risks result in the one-notch IDR difference from IPALCO although their FFO leverage ratios are similar.

NIPSCO's gas and electric assets are superior to Indianapolis Power & Light Co.'s (IPL; BBB+/Stable) electric-only operations. Gas utilities generally have lower operating risks and enjoy favorable regulations. NIPSCO and IPL's coal-generation portfolios rely on Indiana's supportive environmental cost-recovery mechanisms. NIPSCO's SCP is strong. However, its rating is the same as NI, as it depends on NI for funding. IPL's rating is upward constrained by the ownership of IPALCO, which relies on IPL solely to service its debt obligations.

KEY ASSUMPTIONS

--Approximately $7.5 billion capex for 2022-2024 forecast including nearly $2 billion renewable capex;

--At-the-market equity of $200 to 300 million in 2022, and 0 to 150 million in 2023;

--Common equity issuances of $1.725B through the equity units;

--Employee stock purchase plan issuance $30-$50 million per year.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

--NI and NIPSCO could be upgraded if consolidated FFO leverage is sustained below 5.0x.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

--Consolidated FFO leverage sustains above 6.0x with low probability of recovery;

--Material adverse changes in NI's regulatory construct that result in unexpected lag or disallowance in recovering capital spending.

BEST/WORST CASE RATING SCENARIO

International scale credit ratings of Non-Financial Corporate issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of four notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit https://www.fitchratings.com/site/re/10111579.

ISSUER PROFILE

NiSource Inc. is a regulated utility holding company which owns and operates five distribution subsidiaries that provide natural gas to approximately 2.4 million customers in Ohio, Pennsylvania, Virginia, Kentucky and Maryland. Additionally, NiSource distributes natural gas to approximately 853,000 customers in northern Indiana through its wholly-owned subsidiary, NIPSCO, which also generates, transmits and distributes electricity to approximately 483,000 customers in the northern part of Indiana and also engage in wholesale electric and transmission transactions. Coal pre-presents 51% of NIPSCO's 2,315MW generation capacity as of Dec. 31, 2021.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on NiSource and NIPSCO, either due to their nature or the way in which they are being managed by NiSource and NIPSCO. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg.

RATING ACTIONS

ENTITY / DEBT	RATING			PRIOR
NiSource Inc.	LT IDR	BBB Rating Outlook Stable	Affirmed	BBB Rating Outlook Stable
	ST IDR	F2	Affirmed	F2
senior unsecured	LT	BBB	Affirmed	BBB
preferred	LT	BB+	Affirmed	BB+
senior unsecured	ST	F2	Affirmed	F2
Northern Indiana Public Service Company	LT IDR	BBB Rating Outlook Stable	Affirmed	BBB Rating Outlook Stable
senior unsecured	LT	BBB+	Affirmed	BBB+

VIEW ADDITIONAL RATING DETAILS

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APPLICABLE CRITERIA

Corporates Recovery Ratings and Instrument Ratings Criteria (pub. 09 Apr 2021) (including rating assumption sensitivity)

Corporate Rating Criteria (pub. 15 Oct 2021) (including rating assumption sensitivity)

Parent and Subsidiary Linkage Rating Criteria (pub. 01 Dec 2021)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Corporate Monitoring & Forecasting Model (COMFORT Model), v7.9.0 (1)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

ENDORSEMENT STATUS

NiSource Inc.	EU Endorsed, UK Endorsed
Northern Indiana Public Service Company	EU Endorsed, UK Endorsed

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ENDORSEMENT POLICY

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Energy and Natural Resources Corporate Finance Utilities and Power North America

United States

FitchRatings

RATING ACTION COMMENTARY

Fitch Rates NiSource Inc.'s Senior Notes 'BBB'

Wed 22 Mar, 2023 - 5:54 PM ET

Fitch Ratings - New York - 22 Mar 2023: Fitch Ratings has assigned a 'BBB' to NiSource Inc.'s (NI) $750 million 5.25% notes due March 30, 2028. NI's Long-Term Issuer Default Rating (IDR) is 'BBB', and the Rating Outlook is Stable.

NI's credit profile is supported by its 100% regulated gas and electric utility operations in six states. The pending sale of 19.9% of Northern Indiana Public Service Company (NIPSCO, BBB/Stable) is neutral to negative from a credit perspective. However, the transaction is relatively small and provides funding for NI's aggressive growth capex program while improving its financial flexibility.

KEY RATING DRIVERS

Minority Interest Sale Pending

In November 2022, NI announced plan to sell up to 19.9% equity interest in NIPSCO. A formal sale process is currently pending. While Fitch views the sale as neutral to negative as NIPSCO is a strong electric utility that provides fuel diversification, the transaction is relatively small. Fitch expects NI to use the proceeds to right-size the balance sheet and fund its large capex program. Pro forma closing of the transaction, Fitch's rating methodology requires that cash distribution to minority interest be deducted from the funds from operations.

Low Business Risk

NI's ratings and Outlook are supported by stable cash flows and earnings from 100% regulated gas and electric utilities in six states. The gas rate base is approximately 65% the total rate base. Pro forma NIPSCO transaction, gas rate base will be approximately 69% the total rate base. Gas distribution utilities benefit from supportive recovery mechanisms and are less exposure to environmental mandates.

Four states have legislations that prohibit municipalities from banning natural gas use. Fitch considers Ohio, Pennsylvania and Indiana -- NI's top three service territories -- to be among the most supportive jurisdictions in the U.S.

Supportive Regulation

Approximately 75% of NI's growth, safety and modernization capex would begin earning within 18 months. Gas utilities have revenue decoupling in Ohio, Maryland and Virginia; weather normalization in Pennsylvania, Maryland, Virginia and Kentucky; and straight fixed-variable rates in Ohio. All of NI's gas utilities use infrastructure trackers except in Pennsylvania. Gas rates in Indiana are nearly 50% fixed for residential and commercial customers. Approximately 50% of the total revenue is non-volumetric. Gas utilities in Indiana, Maryland and Kentucky have authorized ROEs of 9.85%, 9.65% and 9.35%, respectively. Other gas utilities have ROEs for infrastructure programs ranging from 9.275% to 9.7%.

NIPSCO electric's authorized ROE is 9.75%, compared with 2021 industry average of 9.54%. In Indiana, the Transmission, Distribution and Storage System Improvement Charge statute provides for cost recovery between rate cases for safety, reliability and modernization, and allows pre-approval of a seven-year plan of eligible investments. Up to 80% of eligible costs can be recovered using semi-annual trackers. Transmission projects are regulated by the Federal Energy Regulatory Commission (FERC), which enjoy forward-looking rates and construction work in progress recovery with over 10% ROE.

Large Capex

Capex continues to rise. In the next three years, annual capex will average $3.2 billion, compared with approximately $1.9 billion in the last three years. Most projects are small, providing flexibility in execution. NI's robust capex program is mainly supported by infrastructure modernization legislations and riders in all its service territories. Renewable projects are pre-approved, reducing regulatory uncertainties. Rate base will grow 8%-10% CAGR from 2023.

Cleaner Generation

NI plans to retire all coal generation by 2028. Fifty-one percent (1,177MW) of NIPSCO's nameplate generation capacity is from coal generation. NI proposed that the retiring units be replaced by demand side management resources, solar, energy storage and upgrades to the Sugar Creek Generating Station. Two vintage gas peaking units at the R.M. Schahfer Generating Station are expected to retire between 2025 and 2028. NISPCO proposed a natural gas peaking unit to replace these units.

Weak Credit Metrics

Over the last three years, NI's credit metrics in the last three years were impacted from the Merrimack Valley gas explosions, the pandemic, asset sale in Massachusetts and weather. FFO leverage ratio averaged near 6x for the period, weak for its rating. Fitch expects FFO leverage to modestly improve and average in the high 5x in the next few years.

DERIVATION SUMMARY

NI's fully regulated business model provides predictable earnings and cash flow, compared with Southern Company Gas (BBB+/Stable), which invests in unregulated operations. NI's business model, geographic diversification and supportive regulations mitigate its relatively weak credit metrics. Similar to IPALCO Enterprises, Inc. (BBB-/Stable), which also operates in Indiana, NI's subsidiary NIPSCO has coal generation.

However, NI's operation is diversified and gas focused compared with IPALCO's single-state electric generation. Both NI and IPALCO are executing a large capex program. Fitch expects both NI and IPALCO's FFO leverage to be in the high-5x for the next few years. NI's larger scale and asset mix result in the one-notch IDR difference from IPALCO, although their FFO leverage ratios are similar.

KEY ASSUMPTIONS

--Approximately $15 billion capex for 2023 to 2027 forecast period.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

--NI could be upgraded if consolidated FFO leverage is sustained below 5.0x.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

--Consolidated FFO leverage sustains above 6.0x with low probability of recovery;

--Material adverse changes in NI's regulatory construct that result in unexpected lag or disallowance in recovering capital spending.

BEST/WORST CASE RATING SCENARIO

International scale credit ratings of Non-Financial Corporate issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of four notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit https://www.fitchratings.com/site/re/10111579.

ISSUER PROFILE

NiSource Inc. is an energy holding company whose primary subsidiaries are fully regulated natural gas and electric utility companies, serving approximately 3.7 million customers in six states.

DATE OF RELEVANT COMMITTEE

07 March 2022

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

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RATING ACTIONS

ENTITY / DEBT	RATING		
NiSource Inc.			
senior unsecured	LT	BBB	New Rating

VIEW ADDITIONAL RATING DETAILS

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Corporates Recovery Ratings and Instrument Ratings Criteria (pub. 09 Apr 2021) (including rating assumption sensitivity)

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Parent and Subsidiary Linkage Rating Criteria (pub. 01 Dec 2021)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Corporate Monitoring & Forecasting Model (COMFORT Model), v7.9.0 (1)

ADDITIONAL DISCLOSURES

Solicitation Status

Endorsement Policy

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Energy and Natural Resources Corporate Finance North America United States

FitchRatings

RATING ACTION COMMENTARY

Fitch Rates NiSource Inc.'s Senior Notes 'BBB'

Mon 05 Jun, 2023 - 3:06 PM ET

Fitch Ratings - New York - 05 Jun 2023: Fitch Ratings has assigned a 'BBB' rating to NiSource Inc.'s (NI) $450 million 5.400% Notes due 2033. NI's Long-Term Issuer Default Rating (IDR) is 'BBB', and the Rating Outlook is Stable.

NI's credit profile is supported by its 100% regulated gas and electric utility operations in six states. The pendin sale of 19.9% of Northern Indiana Public Service Company (NIPSCO; BBB/Stable) is neutral to negative from a credit perspective. However, the transaction is relatively small and provides funding for NI's aggressive growth capex program while improving its financial flexibility.

KEY RATING DRIVERS

Minority Interest Sale Pending

In November 2022, NI announced a plan to sell up to 19.9% equity interest in NIPSCO. A formal sale process is currently pending. While Fitch views the sale as neutral to negative as NIPSCO is a strong electric utility that provides fuel diversification, the transaction is relatively small. Fitch expects NI to use the proceeds to right-size the balance sheet and fund its large capex program. Pro forma for the closing of the transaction, Fitch's rating methodology requires that cash distribution to minority interest be deducted from the funds from operations.

Low Business Risk

NI's ratings and Outlook are supported by stable cash flows and earnings from 100% regulated gas and electric utilities in six states. The gas rate base is approximately 65% the total rate base. Pro forma for the NIPSCO transaction, the gas rate base will be approximately 69% the total rate base. Gas distribution utilities benefit frc supportive recovery mechanisms and less exposure to environmental mandates.

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Supportive Regulation

Approximately 75% of NI's growth, safety and modernization capex would begin earning within 18 months. Gas utilities have revenue decoupling in Ohio, Maryland and Virginia; weather normalization in Pennsylvania, Maryland, Virginia and Kentucky; and straight fixed-variable rates in Ohio. All of NI's gas utilities use infrastruct trackers except in Pennsylvania. Gas rates in Indiana are nearly 50% fixed for residential and commercial customers. Approximately 50% of the total revenue is non-volumetric. Gas utilities in Indiana, Maryland and Kentucky have authorized ROEs of 9.85%, 9.65% and 9.35%, respectively. Other gas utilities have ROEs for infrastructure programs ranging from 9.275% to 9.700%.

NIPSCO electric's authorized ROE is 9.75%, compared with the 2021 industry average of 9.54%. In Indiana, the Transmission, Distribution and Storage System Improvement Charge statute provides for cost recovery betwee rate cases for safety, reliability and modernization, and allows for pre-approval of a seven-year plan of eligible investments. Up to 80% of eligible costs can be recovered using semi-annual trackers. Transmission projects are regulated by the Federal Energy Regulatory Commission (FERC), which enjoy forward-looking rates and construction work in progress recovery with over 10% ROE.

Large Capex

Capex continues to rise. In the next three years, annual capex will average $3.2 billion, compared with approximately $1.9 billion in the last three years. Most projects are small, providing flexibility in execution. NI's robust capex program is mainly supported by infrastructure modernization legislations and riders in all its servi territories. Renewable projects are pre-approved, reducing regulatory uncertainties. The rate base will grow 8%-10% CAGR from 2023.

Cleaner Generation

NI plans to retire all coal generation by 2028. Fifty-one percent (1,177MW) of NIPSCO's nameplate generation capacity is from coal generation. NI proposed that the retiring units be replaced by demand side management resources, solar, energy storage and upgrades to the Sugar Creek Generating Station. Two vintage gas peaking units at the R.M. Schahfer Generating Station are expected to retire between 2025 and 2028. NISPCO propose natural gas peaking unit to replace these units.

Weak Credit Metrics

Over the last three years, NI's credit metrics in the last three years were affected by the Merrimack Valley gas

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DERIVATION SUMMARY

NI's fully regulated business model provides predictable earnings and cash flow, compared with Southern Comp Gas (BBB+/Stable), which invests in unregulated operations. NI's business model, geographic diversification and supportive regulations mitigate its relatively weak credit metrics. Similar to IPALCO Enterprises, Inc. (BBB-/Sta which also operates in Indiana, NI's subsidiary NIPSCO has coal generation.

However, NI's operation is diversified and gas focused compared with IPALCO's single-state electric generation Both NI and IPALCO are executing a large capex program. Fitch expects both NI and IPALCO's FFO leverage to in the high-5x for the next few years. NI's larger scale and asset mix result in the one-notch IDR difference from IPALCO, although their FFO leverage ratios are similar.

KEY ASSUMPTIONS

--Approximately $15 billion capex for 2023 to 2027 forecast period.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

--NI could be upgraded if consolidated FFO leverage is sustained below 5.0x.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

--Consolidated FFO leverage sustains above 6.0x with low probability of recovery;

--Material adverse changes in NI's regulatory construct that result in unexpected lag or disallowance in recover capital spending.

BEST/WORST CASE RATING SCENARIO

International scale credit ratings of Non-Financial Corporate issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a th year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of four notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenar credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit https://www.fitchratings.com/site/re/10111579.

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NiSource Inc. is an energy holding company whose primary subsidiaries are fully regulated natural gas and elect utility companies, serving approximately 3.7 million customers in six states.

DATE OF RELEVANT COMMITTEE

07 March 2022

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

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RATING ACTIONS

ENTITY / DEBT	RATING		
NiSource Inc.			
senior unsecured	LT	BBB	New Rating

VIEW ADDITIONAL RATING DETAILS

FITCH RATINGS ANALYSTS

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APPLICABLE CRITERIA

Corporates Recovery Ratings and Instrument Ratings Criteria (pub. 09 Apr 2021) (including rating assumption sensitivity)

Corporate Rating Criteria - Effective from 15 October 2021 to 28 October 2022 (pub. 15 Oct 2021) (including rating assumption sensitivity)

Parent and Subsidiary Linkage Rating Criteria - Effective from 1 December 2021 to 16 June 2023 (pub. 01 Dec 2021)

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ADDITIONAL DISCLOSURES

Solicitation Status

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NiSource Inc.	EU Endorsed, UK Endorsed

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FitchRatings

RATING ACTION COMMENTARY

Fitch Affirms NiSource and NIPSCO; Outlooks Stable

Mon 12 Jun, 2023 - 3:49 PM ET

Fitch Ratings - New York - 12 Jun 2023: Fitch Ratings has affirmed the 'BBB' Long-Term Issuer Default Ratings (IDRs) of NiSource Inc. (NI) and Northern Indiana Public Service Company (NIPSCO). NI's credit profile is supported by its 100% regulated gas and electric utility operations in six states. The pending sale of 19.9% of equity interest in NIPSCO is neutral to mildly negative from a credit perspective. Fitch expects NiSource to maintain credit metrics that are consistent with its 'BBB' IDR.

KEY RATING DRIVERS

NIPSCO Sale Pending: In November 2022, NI announced a plan to sell up to 19.9% equity interest in NIPSCO. A formal sale process is currently pending. Fitch views the sale as neutral to mildly negative, as Fitch believes NIPSCO is a strong electric and gas utility and the transaction will reduce operating scale and diversity. However, the transaction is relatively small and Fitch expects NI to use the proceeds such that its FFO leverage will remain consistent with the 'BBB' IDR. Execution risk is minimal as regulatory approval is not required in Indiana for an equity interest sale in a regulated utility. The transaction will be tax free.

Low Business Risk: NI's ratings and Outlook are supported by stable cash flows and earnings from 100% regulated gas and electric utilities in six states. The gas rate base is approximately 65% the total rate base. Pro forma for the NIPSCO transaction, the gas rate base will be approximately 69% the total rate base. Gas distribution utilities benefit from supportive recovery mechanisms and less exposure to environmental mandates. Four

states have legislations that prohibit municipalities from banning natural gas use. Fitch considers Ohio, Pennsylvania and Indiana -- NI's top three service territories -- to be among the most supportive jurisdictions in the U.S.

NIPSCO Rate Case Settlement Constructive: Fitch views NIPSCO's electric rate case settlement favorably. On March 10, 2023, NIPSCO filed a settlement which allows for a $262 million base rate increase based on a 9.8% ROE and 51.63% equity layer. The ROE is higher than the industry average of mid-9%. Under the settlement, NIPSCO would withdraw a variable cost tracker (VCT) for its coal-fired generation plants and replace it with a new environmental cost tracker (ECT). The ECT would allow a few categories of costs than the VCT and would total about $29.9 million annually.

The difference between the ECT and VCT would be recovered through base rate case proceedings. The company requested a base rate increase of $291.8 million and the approval of a VCT. NIPSCO's existing electric revenue requirement is based on a 9.75% ROE and 49.88% equity ratio. Final order is expected in August 2023 with rates taking effect in 2023 and 2024.

Supportive Regulation: Approximately 75% of NI's growth, safety and modernization capex would begin earning within 18 months. Gas utilities have revenue decoupling in Ohio, Maryland and Virginia; weather normalization in Pennsylvania, Maryland, Virginia and Kentucky; and straight fixedvariable rates in Ohio. All of NI's gas utilities use infrastructure trackers except in Pennsylvania. Gas rates in Indiana are nearly 50% fixed for residential and commercial customers. Approximately 50% of the total revenue is non-volumetric.

Gas utilities in Indiana, Maryland, Kentucky and Ohio have authorized ROEs of 9.85%, 9.65%, 9.35% and 9.60% respectively. Other gas utilities have ROEs for infrastructure programs ranging from 9.275% to 9.700%.

NIPSCO electric's authorized ROE is 9.75% (pending approval of a new settlement the ROE could be 9.8%), compared with the industry average of mid-9%. In Indiana, the Transmission, Distribution and Storage System Improvement Charge statute provides for cost recovery between rate cases for safety, reliability and modernization, and allows for pre-approval of a seven-year plan of eligible investments. Up to 80% of eligible costs can be recovered using semi-annual trackers. Transmission projects are regulated by the Federal Energy Regulatory Commission (FERC), which enjoy forward-looking rates and construction work in progress recovery with over 10% ROE.

Large Capex: Capex continues to rise. In the next five years, annual capex will average $3 billion, compared with approximately $1.9 billion in the last three years. Most projects are small, providing flexibility in execution. NI's robust capex program is mainly supported by infrastructure modernization legislations and riders in all its service territories. Renewable projects are pre-approved, reducing regulatory uncertainties. The rate base will grow 8%-10% CAGR from 2023. Approximately 75% of the capex begins recovery within 18 months.

Cleaner Generation: NI plans to retire all coal generation by 2028. Fifty-one percent (1,177MW) of NIPSCO's nameplate generation capacity is from coal generation. It remains on track to retire R.M Schahfer's remaining two coal units by the end of 2025. Michigan City will retire by 2028 subject to approval by MISO. NI proposed that the retiring units be replaced by demand side management resources, solar, energy storage and upgrades to the Sugar Creek Generating Station. Two vintage gas peaking units at the R.M. Schahfer Generating Station are expected to retire by 2028. NISPCO proposed a natural gas peaking unit to replace these units in its 2021 Integrated Resource Plan.

Credit Metrics: Over the last three years, NI's credit metrics were affected by the Merrimack Valley gas explosions, the pandemic, an asset sale in Massachusetts, one-time expenses associated with NiSource Next initiative and unfavorable weather. The FFO leverage ratio averaged around 6x. Fitch expects FFO leverage to average in the mid 5x range in the next few years.

Parent Sub Linkage: NiSource and NIPSCO's standalone credit profiles are the same. NIPSCO has very small amount of debt as it relies NiSource solely for liquidity and capital access. NiSource has not issued any new debt at the operating company levels and doesn't plan to do so going forward. The legacy public debt which will be repaid as they mature. NIPSCO's standalone credit profile is not analytically meaningful.

DERIVATION SUMMARY

NI's fully regulated business model provides predictable earnings and cash flow, compared with Southern Company Gas (BBB+/Stable), which invests in unregulated operations. NI's business model, geographic diversification and supportive regulations mitigate its relatively weak credit metrics. Similar to IPALCO Enterprises, Inc. (BBB-/Stable), which also operates in Indiana, NI's subsidiary NIPSCO has coal generation. However, NI's operation is diversified and gas focused compared with IPALCO's single-state electric generation. Both NI and IPALCO are executing a large capex program. Fitch expects NI and IPALCO's FFO leverage to be in the mid-5x and high-5x, respectively for the next few years.

NIPSCO's gas and electric assets are superior to Indianapolis Power & Light Co.'s (IPL, BBB+/Stable) electric-only operations. Gas utilities generally have lower operating risks and enjoy favorable regulations. NIPSCO and IPL's coal-generation portfolios rely on Indiana's supportive environmental cost-recovery mechanisms. NIPSCO relies solely on NiSource for funding. IPL's rating is upward constrained by the ownership of IPALCO, which relies on IPL solely to service its debt obligations.

KEY ASSUMPTIONS

--Approximately $15 billion capex for 2023 to 2027, including $2 billion to $2.2 billion (first round of funding) renewable investments in Indiana;

--Normal weather;

--Assume certain amount of sale proceeds from the NIPSCO transaction;

--Remarketing the same mandatory converts in 2023 as indicated in the public financial statements.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

--NI and NIPSCO could be upgraded if the consolidated FFO leverage is sustained below 5x.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

--Consolidated FFO leverage sustains above 6.0x with low probability of recovery;

--Material adverse changes in NI's regulatory construct that result in unexpected lag or disallowance in recovering capital spending.

BEST/WORST CASE RATING SCENARIO

International scale credit ratings of Non-Financial Corporate issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of four notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more

information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit https://www.fitchratings.com/site/re/10111579.

ISSUER PROFILE

NiSource Inc. is an energy holding company whose primary subsidiaries are fully regulated natural gas and electric utility companies, serving approximately 3.7 million customers in six states.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on NiSource or NIPSCO, either due to their nature or the way in which they are being managed by the entities. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg.

RATING ACTIONS

ENTITY / DEBT	RATING			PRIOR
NiSource Inc.	LT IDR	BBB Rating Outlook Stable	Affirmed	BBB Rating Outlook Stable
	ST IDR	F2	Affirmed	F2
senior unsecured	LT	BBB	Affirmed	BBB
preferred	LT	BB+	Affirmed	BB+

senior unsecured	ST	F2	Affirmed	F2
Northern Indiana Public Service Company	LT IDR	BBB Rating Outlook Stable	Affirmed	BBB Rating Outlook Stable
senior unsecured	LT	BBB+	Affirmed	BBB+

VIEW ADDITIONAL RATING DETAILS

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APPLICABLE CRITERIA

Corporate Hybrids Treatment and Notching Criteria (pub. 12 Nov 2020)

Corporates Recovery Ratings and Instrument Ratings Criteria (pub. 09 Apr 2021) (including rating assumption sensitivity)

Parent and Subsidiary Linkage Rating Criteria (pub. 01 Dec 2021)

Corporate Rating Criteria (pub. 28 Oct 2022) (including rating assumption sensitivity)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Corporate Monitoring & Forecasting Model (COMFORT Model), v8.1.0 (1)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

ENDORSEMENT STATUS

NiSource Inc.	EU Endorsed, UK Endorsed
Northern Indiana Public Service Company	EU Endorsed, UK Endorsed

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Energy and Natural Resources Corporate Finance Utilities and Power North America

United States

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FitchRatings

NiSource Inc.

NiSource Inc.'s credit profile is supported by its 100% regulated gas and electric utility operations in six states. The pending sale of 19.9% of Northern Indiana Public Service Company (NIPSCO) is neutral to mildly negative from a credit perspective. NIPSCO's ratings mirror those of NiSource, as it relies on NiSource solely for capital access.

Key Rating Drivers

NIPSCO Sale Pending: In November 2022, NiSource announced a plan to sell up to 19.9% equity interest in NIPSCO. In June 2023, NiSource announced it entered into definitive agreement with Blackstone Infrastructure Partners, which will acquire the minority interest for $2.15 billion. As part of the transaction, Blackstone is committed to funding its pro rata share of ongoing capital requirements. Fitch Ratings views the sale as neutral to mildly negative as we believe NIPSCO is a strong electric and gas utility and the transaction will reduce operating scale.

The sale proceeds will be used to replace equity as well as debt. Fitch expects NiSource to use the proceeds to right-size the balance sheet and fund its large capex program such that its FFO leverage will remain consistent with the 'BBB' Issuer Default Rating (IDR). Execution risk is minimal as there is no regulatory approval necessary in Indiana for a sale of equity interest in a utility. The deal will be tax-free as it is a minority equity interest sale with full consolidation remaining in effect. The deal is expected to close by YE 2023.

Low Business Risk: NiSource's ratings and Outlook are supported by stable cash flows and earnings from 100% regulated gas and electric utilities in six states. The gas rate base is approximately 65% the total rate base. Pro forma for the NIPSCO transaction, the gas rate base will be approximately 69% the total rate base. Gas distribution utilities benefit from supportive recovery mechanisms and less exposure to environmental mandates.

Four states have legislations that prohibit municipalities from banning natural gas use. Fitch considers Ohio, Pennsylvania and Indiana — NiSource's top three service territories — to be among the most supportive jurisdictions in the U.S.

NIPSCO Rate Case Settlement Approved: NIPSCO's electric rate case settlement that was approved in August 2023, is constructive, is constructive in Fitch's view. On March 10, 2023, NIPSCO filed a settlement which allows for a $262 million base rate increase based on a 9.8% return on equity and 51.63% equity layer. The ROE is higher than the industry average of mid-9%. However, under the settlement, NIPSCO would withdraw a variable cost tracker (VCT) for its coal-fired generation plants and replace it with a new environmental cost tracker (ECT). The ECT would allow a few categories of costs than the VCT and would total about $29.9 million annually. The difference between the ECT and VCT would be recovered through base rate case proceedings.

The company requested a base rate increase of $291.8 million and the approval of a VCT. Without the VCT, the rate request would have been approximately $394 million. This implies that the rate increase under the settlement is approximately 74% of the requested amount, which is favorable. NIPSCO's existing electric revenue requirement is based on a 9.75% ROE and 47.9% equity ratio. Rate increases will be phased in starting in August 2023, with remaining increases implemented in 2024.

Ratings

NiSource Inc.	
Long-Term IDR	BBB
Short-Term IDR	F2
Senior Unsecured Debt - Long-Term Rating	BBB
Senior Unsecured Debt – Short-Term Rating	F2
Outlook	
Long-Term Foreign-Currency IDR	Stable

Northern Indiana Public Service Company	
Long-Term IDR	BBB
Senior Unsecured Debt - Long-Term Rating	BBB+
Outlook	
Long-Term Foreign-Currency IDR	Stable

2035 Climate Vulnerability Signal: 44

Click here for the full list of ratings

Applicable Criteria

Corporate Rating Criteria (October 2022)

Parent and Subsidiary Linkage Rating Criteria - Effective from 1 December 2021 to 16 June 2023 (December 2021)

Corporates Recovery Ratings and Instrument Ratings Criteria (April 2021)

Corporate Hybrids Treatment and Notching Criteria (November 2020)

Related Research

Fitch Affirms NiSource and NIPSCO; Outlooks Stable (June 2023)

North American Utilities, Power & Gas Dashboard: Second-Quarter 2023 (July 2023)

North American Utilities, Power & Gas Outlook 2023 (December2022)

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Supportive Regulation: Approximately 75% of NiSource's growth, safety and modernization capex would begin earning within 18 months. Gas utilities have revenue decoupling in Ohio, Maryland and Virginia; weather normalization in Pennsylvania, Maryland, Virginia and Kentucky; and straight fixed-variable rates in Ohio. All of NiSource's gas utilities use infrastructure trackers except in Pennsylvania. Gas rates in Indiana are nearly 50% fixed for residential and commercial customers. Approximately 50% of the total revenue is non-volumetric. Gas utilities in Indiana, Maryland, Kentucky and Ohio have authorized ROEs of 9.85%, 9.65%, 9.35% and 9.60%, respectively. Other gas utilities have ROEs for infrastructure programs ranging between 9.275% and 9.700%.

NIPSCO electric's authorized ROE is 9.8% compared with the industry average of mid-9.0%. In Indiana, the Transmission, Distribution and Storage System Improvement Charge statute provides for cost recovery between rate cases for safety, reliability and modernization, and allows for pre-approval of a seven-year plan of eligible investments. Up to 80% of eligible costs can be recovered using semi-annual trackers. Transmission projects are regulated by the Federal Energy Regulatory Commission (FERC), which enjoy forward-looking rates and construction work in progress recovery with over 10% ROE.

Large Capex: Capex continues to rise. In the next five years, annual capex will average $3 billion, compared with approximately $1.9 billion in the last three years. Most projects are small, providing flexibility in execution. NiSource's robust capex program is mainly supported by infrastructure modernization legislations and riders in all its service territories. Renewable projects are pre-approved, reducing regulatory uncertainties. The rate base will grow 8%–10% CAGR from 2023. Approximately 75% of the capex can be recovered within 18 months, a credit positive.

Cleaner Generation: NiSource plans to retire all coal generation by 2028, as 51% (1,177megawatts) of NIPSCO's nameplate generation capacity is from coal. NiSource remains on track to retire R.M Schahfer's remaining two coal units by YE 2025. Michigan City will retire by 2028 subject to approval by Midcontinent Independent System Operator, NiSource proposed that the retiring units be replaced by demand-side management resources, solar, energy storage and upgrades to the Sugar Creek Generating Station. Two vintage gas peaking units at the R.M. Schahfer Generating Station are expected to retire by 2028. NISPCO proposed a natural gas peaking unit to replace these units in its 2021 Integrated Resource Plan.

Credit Metrics: Over the last three years, NiSource's credit metrics were affected by the Merrimack Valley gas explosions, the pandemic, an asset sale in Massachusetts, one-time expenses associated with NiSource Next initiative and unfavorable weather. The FFO leverage ratio averaged around 6x. Fitch expects FFO leverage to improve and average in the mid-5x range in the next few years.

Parent Sub Linkage: There is parent subsidiary linkage between NiSource and NIPSCO. Access and control are open. NiSource's operating subsidiaries, including NIPSCO, rely on NiSource solely for liquidity and capital access. NiSource has not issued any new debt at the operating company levels and doesn't plan to do so going forward. The debt balances at the operating subs are largely intercompany loans and small amount of legacy public debt which will be repaid as they mature. NIPSCO's standalone credit profile is not analytically meaningful. As such, NiSource and NIPSCO's IDRs are equalized and reflect NiSource's consolidated credit profile.

Financial Summary

NiSource Inc.

($ mil.)	2019	2020	2021	2022
Gross revenue	5,209	4,682	4,900	5,851
EBITDA	1,996	1,653	1,717	2,071
CFO (Fitch-defined)	1,512	1,026	1,133	1,316
Debt	9,952	10,078	10,135	11,657
FFO interest coverage (x)	4.8	4.1	4.6	4.7
FFO leverage (x)	5.1	6.1	5.9	6.3
EBITDA leverage (x)	5.0	6.1	5.9	5.6

CFO – Cash flow from operations
Source: Fitch Ratings, Fitch Solutions

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Rating Derivation Relative to Peers

NiSource's fully regulated business model provides predictable earnings and cash flow, similar to Southern Company Gas (BBB+/Stable), which has natural gas distribution utility operations in four states , but also a long-term contracted pipeline investments, and a modest exposure to non-regulated natural gas marketing business. NiSource's business model, geographic diversification and supportive regulations mitigate its relatively weak credit metrics. Similar to IPALCO Enterprises, Inc. (BBB–/Stable), which also operates in Indiana, NiSource's subsidiary NIPSCO has coal generation.

However, NiSource's operation is diversified and gas focused compared with IPALCO's single-state electric generation. Both NiSource and IPALCO are executing a large capex program. Fitch expects NiSource and IPALCO's FFO leverage to be in the mid-5x and around 6.0x respectively for the next few years.

NIPSCO's gas and electric assets are superior to Indianapolis Power & Light Co.'s (IPL, BBB+/Stable) electric-only operations. Gas utilities generally have lower operating risks and enjoy favorable regulations. NIPSCO and IPL's coal-generation portfolios rely on Indiana's supportive environmental cost-recovery mechanisms. NIPSCO's standalone credit profile is strong. However, its rating is the same as NiSource, as it depends on NiSource for funding. IPL's rating is upward constrained by the ownership of IPALCO, which relies on IPL solely to service its debt obligations.

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- NiSource and NIPSCO could be upgraded if the consolidated FFO leverage is sustained below 5.0x.

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- Consolidated FFO leverage sustains above 6.0x with low probability of recovery;
- Material adverse changes in NiSource's regulatory construct that result in unexpected lag or disallowance in recovering capex.

Liquidity and Debt Structure

Adequate Liquidity: NiSource has adequate liquidity and access to capital markets. NiSource currently maintains a $1.85 billion revolving credit facility with a termination date of Feb. 18, 2027. The purpose of the facility is to fund ongoing working capital requirements including liquidity support a $1.5 billion CP program, provide for issuance of LOC and for general corporate purposes. Gas utilities draw the most liquidity as they purchase gas inventory months before heating season approaches, and they reduce borrowing as heating season ends. At June, 2023, NiSource had $1.8 billion available liquidity including cash on hand and the revolver. In addition, the regulated utilities' liquidity is also supported by accounts receivable securitization program which has $400 million availability.

NiSource has been actively refinancing its debt maturities with longer tenor and lower interest rates over the years. This resulted in very manageable debt maturities and very modest need for refinancing in the near term. The weighted average maturities is 13 years and weight average interest rate is 3.93% as of June 30, 2023 compared with the most recent issuances with coupon of 5.2% to 5.4%. The next major maturity is $1.25 billion 0.95% senior notes due in 2025. And then May 2027 3.49% notes are due. Higher interest expenses are assumed in the forecast.

Vast majority of NiSource long-term debt is fixed rate, which mitigate interest rate risk, except for a $1.0 billion term credit agreement, which matures on March 15, 2024 with an interest rate of SOFR plus 105bps.

NiSource has always utilized an ATM equity program that allows it to issue common stock from time to time. It plans to issue ATM equity starting in 2025.

ESG Considerations

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

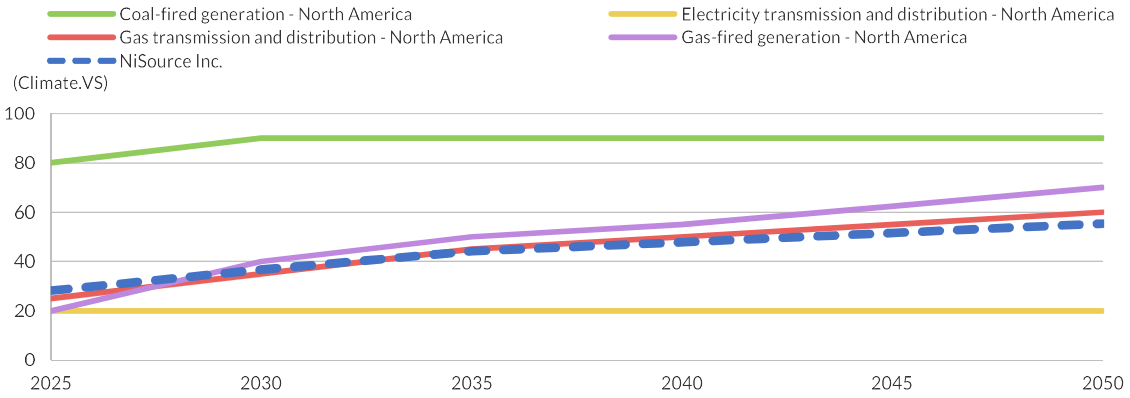
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Climate Vulnerability Considerations

Fitch's *Climate Vulnerability in Corporate Ratings Criteria* report describes how we use Climate Vulnerability Signals (Climate.VS) as a screening tool to identify sectors and Fitch-rated issuers that are potentially most exposed to credit-relevant climate transition risks and, therefore, require additional consideration of these risks in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk). Click here for the Criteria.

NiSource's 2021 revenue-weighted Climate Vulnerability Signal (Climate. VS) is close to average at '44' in 2035. The signal reflects its utilities' natural gas distribution operations (approximately 70% of revenue), electric transmission and distribution operations and the remaining coal and gas generation. NiSource's gas utilities reduce methane emissions through modernization and advanced leak detection and repair of the gas distribution systems. The company also has a well-articulated plan to exit coal and replace it with renewable resources. The company is on track to reduce 90% of greenhouse gas emissions by 2030. For further information on how Fitch perceives climate-related risks in the Utilities sector see *Utilities - Long-Term Climate Vulnerability Signals Update*.

Climate.VS Evolution
As of Dec. 31, 2022



Source: Fitch Ratings

Liquidity and Debt Maturities

Liquidity Analysis — NiSource Inc.

($ mil.)	12/31/22
Total cash and cash equivalents	75
Short-term investments	0
Less not readily available cash and cash equivalents	35
Fitch-defined readily available cash and cash equivalents	**41**
Availability under committed lines of credit	1,425
Total liquidity	**1,466**
LTM EBITDA after associates and minorities	2,065
LTM FCF	-1,592

Source: Fitch Ratings, Fitch Solutions, NiSource Inc.

Scheduled Debt Maturities — NiSource Inc.

(USD mil.)	12/31/22
2023	1,762
2024	0
2025	1,260
2026	0
2027	1,090
Thereafter	7,545

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Total	11,657

Source: Fitch Ratings, Fitch Solutions, NiSource Inc.

Key Assumptions

Fitch's Key Assumptions Within Our Rating Case for the Issuer Include

- Approximately $15 billion capex for 2023–2027, including $2 billion–$2.2 billion in first round of renewable investments in Indiana;
- Normal weather;
- Assume $2.1 billion sale proceeds from the NIPSCO transaction;
- Remarketing the same mandatory converts in 2023 as indicated in the public financial statements.

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Financial Data

NiSource Inc.				
($ mil.)	2019	2020	2021	2022
Summary income statement				
Gross revenue	5,209	4,682	4,900	5,851
Revenue growth (%)	1.8	-10.1	4.7	19.4
EBITDA before income from associates	1,996	1,653	1,717	2,071
EBITDA margin (%)	38.3	35.3	35.0	35.4
EBITDA after associates and minorities	1,996	1,653	1,717	2,065
EBITDAR	2,041	1,708	1,717	2,071
EBITDAR margin (%)	39.2	36.5	35.0	35.4
EBIT	1,294	950	998	1,282
EBIT margin (%)	24.8	20.3	20.4	21.9
Gross interest expense	-375	-367	-336	-360
Pretax income including associate income/loss	507	-31	707	956
Summary balance sheet				
Readily available cash and equivalents	139	117	84	41
Debt	9,952	10,078	10,135	11,657
Lease-adjusted debt	10,309	10,516	10,135	11,657
Net debt	9,813	9,962	10,051	11,616
Summary cash flow statement				
EBITDA	1,996	1,653	1,717	2,071
Cash interest paid	-346	-345	-318	-342
Cash tax	-11	-1	-5	-7
Dividends received less dividends paid to minorities (inflow/outflow)	—	—	-1	-6
Other items before FFO	-40	-9	-3	-193
FFO	1,551	1,249	1,340	1,472
FFO margin (%)	29.8	26.7	27.3	25.2
Change in working capital	-40	-223	-206	-156
CFO (Fitch-defined)	1,512	1,026	1,133	1,316
Total non-operating/nonrecurring cash flow	—	—	—	—
Capex	-1,802	-1,843	-2,078	-2,527
Capital intensity (capex/revenue) (%)	34.6	39.4	42.4	43.2
Common dividends	-299	-322	-345	-382
FCF	-589	-1,140	-1,290	-1,592
FCF margin (%)	-11.3	-24.3	-26.3	-27.2
Net acquisitions and divestitures	—	1,116	1	—
Other investing and financing cash flow items	-123	-293	86	-69
Net debt proceeds	494	82	31	1,488
Net equity proceeds	244	211	1,140	154
Total change in cash	27	-23	-32	-20
Leverage ratios (x)				
EBITDA leverage	5.0	6.1	5.9	5.6
EBITDA net leverage	4.9	6.0	5.9	5.6
EBITDAR leverage	5.1	6.2	5.9	5.6
EBITDAR net leverage	5.0	6.1	5.9	5.6
EBITDAR net fixed-charge coverage	5.3	4.3	5.5	6.1

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NiSource Inc.				
($ mil.)	2019	2020	2021	2022
FFO adjusted leverage	5.2	6.2	5.9	6.3
FFO adjusted net leverage	5.1	6.1	5.9	6.2
FFO leverage	5.1	6.1	5.9	6.3
FFO net leverage	5.0	6.1	5.9	6.2
Calculations for forecast publication				
Capex, dividends, acquisitions and other items before FCF	-2,101	-1,049	-2,423	-2,909
FCF after acquisitions and divestitures	-589	-24	-1,290	-1,592
FCF margin after net acquisitions (%)	-11.3	-0.5	-26.3	-27.2
Coverage ratios (x)				
FFO interest coverage	4.8	4.1	4.6	4.7
FFO fixed-charge coverage	4.5	3.7	4.6	4.7
EBITDAR fixed-charge coverage	5.2	4.3	5.4	6.0
EBITDA interest coverage	5.8	4.8	5.4	6.0
Additional metrics (%)				
CFO-capex/debt	-2.9	-8.1	-9.3	-10.4
CFO-capex/net debt	-3.0	-8.2	-9.4	-10.4
CFO/capex	83.9	55.6	54.5	52.1

CFO – Cash flow from operations
Source: Fitch Ratings, Fitch Solutions

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Ratings Navigator

FitchRatings

NiSource Inc.

ESG Relevance:

Corporates Ratings Navigator
North American Utilities



Bar Chart Legend:	
Vertical Bars = Range of Rating Factor	Bar Arrows = Rating Factor Outlook
Bar Colors = Relative Importance	⇧ Positive
Higher Importance	⇩ Negative
Average Importance	⇳ Evolving
Lower Importance	▭ Stable

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FitchRatings

NiSource Inc.

Corporates Ratings Navigator
North American Utilities

Operating Environment

aa+		Economic Environment	aa	Very strong combination of countries where economic value is created and where assets are located.
aa		Financial Access	aa	Very strong combination of issuer specific funding characteristics and of the strength of the relevant local financial market.
		Systemic Governance	aa	Systemic governance (eg rule of law, corruption, government effectiveness) of the issuer's country of incorporation consistent with 'aa'.
b-				
ccc+				

Regulatory Environment

a		Degree of Transparency and Predictability	bbb	Generally transparent and predictable regulation with limited political interference.
a-		Timeliness of Cost Recovery	a	Minimal lag to recover capital and operating costs.
bbb+		Trend in Authorized ROEs	a	Above-average authorized ROE.
bbb		Mechanisms Available to Stabilize Cash Flows	bbb	Revenues partially insulated from variability in consumption.
bbb-		Mechanisms Supportive of Creditworthiness		n.a.

Asset Base and Operations

a-		Diversity of Assets	bbb	Good quality and/or reasonable scale diversified assets.
bbb+		Operations Reliability and Cost Competitiveness	bbb	Reliability and cost of operations at par with industry averages.
bbb		Exposure to Environmental Regulations	bbb	Limited or manageable exposure to environmental regulations.
bbb-		Capital and Technological Intensity of Capex	bbb	Moderate reinvestments requirements in established technologies.
bb+				

Profitability

a-		Free Cash Flow	bbb	Structurally neutral to negative FCF across the investment cycle.
bbb+		Volatility of Profitability	a	Higher stability and predictability of profits relative to utility peers.
bbb				
bbb-				
bb+				

Financial Flexibility

a		Financial Discipline	bbb	Less conservative policy, but generally applied consistently.
a-		Liquidity		Very comfortable liquidity. No need to use external funding in the next 12 months even under a severe stress scenario. Well-spread debt maturity schedule. Diversified sources of funding.
bbb+		FFO Interest Coverage	bbb	4.5x
bbb				
bbb-				

How to Read This Page: The left column shows the three-notch band assessment for the overall Factor, illustrated by a bar. The right column breaks down the Factor into Sub-Factors, with a description appropriate for each Sub-Factor and its corresponding category.

Management and Corporate Governance

aa-		Management Strategy	a	Coherent strategy and good track record in implementation.
a+		Governance Structure	aa	No record of governance failing. Experienced board exercising effective check and balance to management. No ownership concentration.
a		Group Structure	aa	Transparent group structure.
a-		Financial Transparency	a	High quality and timely financial reporting.
bbb+				

Market Position

a		Market Structure	a	Well-established market structure with complete transparency in price-setting mechanisms.
a-		Consumption Growth Trend	bbb	Customer and usage growth in line with industry averages.
bbb+		Customer Mix	a	Favorable customer mix.
bbb		Geographic Location	bbb	Beneficial location or reasonable locational diversity.
bbb-		Supply Demand Dynamics	bbb	Moderately favorable outlook for prices/rates.

Commodity Exposure

a		Ability to Pass Through Changes in Fuel	bbb	Limited exposure to changes in commodity costs.
a-		Underlying Supply Mix	bbb	Low variable costs and moderate flexibility of supply.
bbb+		Hedging Strategy	a	Highly captive supply and customer base.
bbb				
bbb-				

Financial Structure

a-		EBITDA Leverage	bb	4.75x
bbb+		FFO Leverage	bbb	5.0x
bbb				
bbb-				
bb+				

Credit-Relevant ESG Derivation

Overall ESG

NiSource Inc. has 12 ESG potential rating drivers

Emissions from operations	key driver	0	issues	5
Fuel use to generate energy and serve load	driver	0	issues	4
Impact of waste from operations	potential driver	12	issues	3
Plants' and networks' exposure to extreme weather				
Product affordability and access	not a rating driver	2	issues	2
Quality and safety of products and services; data security		0	issues	1

Showing top 6 issues

For further details on Credit-Relevant ESG scoring, see page 3.

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FitchRatings

NiSource Inc.

Corporates Ratings Navigator
North American Utilities

Credit-Relevant ESG Derivation

NiSource Inc. has 12 ESG potential rating drivers

- NiSource Inc. has exposure to emissions regulatory risk but this has very low impact on the rating.
- NiSource Inc. has exposure to energy productivity risk but this has very low impact on the rating.
- NiSource Inc. has exposure to waste & impact management risk but this has very low impact on the rating.
- NiSource Inc. has exposure to extreme weather events but this has very low impact on the rating.
- NiSource Inc. has exposure to access/affordability risk but this has very low impact on the rating.
- NiSource Inc. has exposure to customer accountability risk but this has very low impact on the rating.

Showing top 6 issues

key driver	0	issues	5
driver	0	issues	4
potential driver	12	issues	3
not a rating driver	2	issues	2
	0	issues	1

ESG Relevance to Credit Rating

Environmental (E) Relevance Scores

General Issues	E Score	Sector-Specific Issues	Reference
GHG Emissions & Air Quality	3	Emissions from operations	Asset Base and Operations; Commodity Exposure; Regulation; Profitability
Energy Management	3	Fuel use to generate energy and serve load	Asset Base and Operations; Commodity Exposure; Profitability
Water & Wastewater Management	2	Water used by hydro plants or by other generation plants; also effluent management	Asset Base and Operations; Regulation; Profitability
Waste & Hazardous Materials Management; Ecological Impacts	3	Impact of waste from operations	Asset Base and Operations; Regulation; Profitability
Exposure to Environmental Impacts	3	Plants' and networks' exposure to extreme weather	Asset Base and Operations; Regulation; Profitability

E Relevance

Social (S) Relevance Scores

General Issues	S Score	Sector-Specific Issues	Reference
Human Rights; Community Relations; Access & Affordability	3	Product affordability and access	Asset Base and Operations; Regulation; Profitability; Financial Structure
Customer Welfare - Fair Messaging; Privacy & Data Security	3	Quality and safety of products and services; data security	Regulation; Profitability
Labor Relations & Practices	3	Impact of labor negotiations and employee (dis)satisfaction	Asset Base and Operations; Profitability
Employee Wellbeing	2	Worker safety and accident prevention	Profitability; Asset Base and Operations
Exposure to Social Impacts	3	Social resistance to major projects that leads to delays and cost increases	Asset Base and Operations; Profitability

S Relevance

Governance (G) Relevance Scores

General Issues	G Score	Sector-Specific Issues	Reference
Management Strategy	3	Strategy development and implementation	Management and Corporate Governance
Governance Structure	3	Board independence and effectiveness; ownership concentration	Management and Corporate Governance
Group Structure	3	Complexity, transparency and related-party transactions	Management and Corporate Governance
Financial Transparency	3	Quality and timing of financial disclosure	Management and Corporate Governance

G Relevance

How to Read This Page

ESG relevance scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.

The Environmental (E), Social (S) and Governance (G) tables break out the ESG general issues and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Criteria Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The vertical color bars are visualizations of the frequency of occurrence of the highest constituent relevance scores. They do not represent an aggregate of the relevance scores or aggregate ESG credit relevance.

The Credit-Relevant ESG Derivation table's far right column is a visualization of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The three columns to the left of ESG Relevance to Credit Rating summarize rating relevance and impact to credit from ESG issues. The box on the far left identifies any ESG Relevance Sub-factor issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the relevance score. All scores of '4' and '5' are assumed to result in a negative impact unless indicated with a '+' sign for positive impact.

Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI), the Sustainability Accounting Standards Board (SASB), and the World Bank.

CREDIT-RELEVANT ESG SCALE

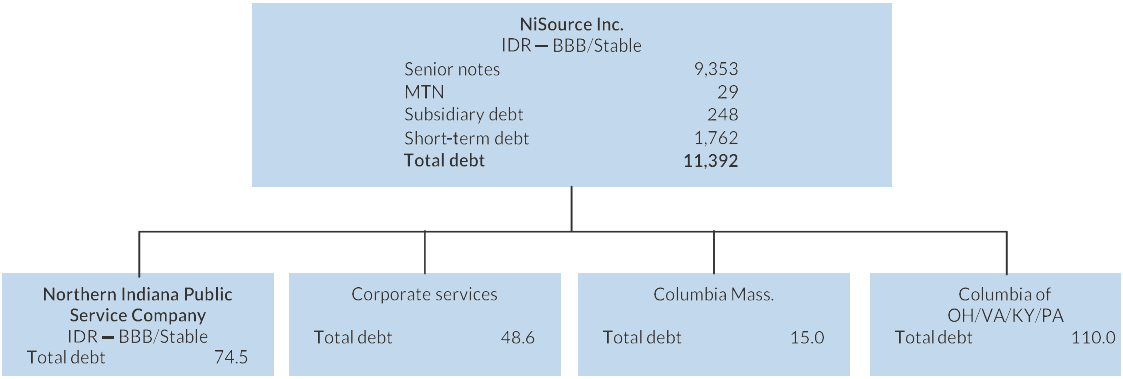
How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

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Simplified Group Structure Diagram

Organizational Structure
$ mil., as of Dec. 31, 2022



IDR – Issuer Default Rating. Note: Debt includes finance leases.
Source: Fitch Ratings, Fitch Solutions, NiSource Inc.

Peer Financial Summary

Company	Issuer Default Rating	Financial statement date	Gross revenue ($ mil.)	FFO leverage (x)	FFO interest coverage (x)	FFO ($ mil.)	EBITDA leverage (x)
NiSource Inc.	BBB						
	BBB	2022	5,851	6.3	4.7	1,472	5.6
	BBB	2021	4,900	5.9	4.6	1,340	5.9
	BBB	2020	4,682	6.1	4.1	1,249	6.1
Southern Company Gas	BBB+						
	BBB+	2022	5,962	4.6	6.5	1,461	5.3
	BBB+	2021	4,380	4.5	3.6	1,248	5.3
	BBB+	2020	3,434	4.7	5.8	1,156	5.1
IPALCO Enterprises, Inc.	BBB-						
	BBB-	2022	1,792	6.7	3.8	335	6.1
	BBB-	2021	1,426	6.0	3.9	349	5.5
	BBB-	2020	1,353	5.9	3.8	351	5.5
Indianapolis Power & Light Company	BBB+						
	BBB+	2022	1,792	4.9	5.3	359	4.3
	BBB+	2021	1,426	4.1	5.4	375	3.7
	BBB+	2020	1,353	4.1	5.3	375	3.7
Indiana Michigan Power Company	A-						
	A-	2022	2,670	3.8	6.9	723	3.4
	A-	2021	2,327	3.8	7.1	689	3.5
	BBB+	2020	2,242	3.1	8.5	821	3.4

Source: Fitch Ratings, Fitch Solutions

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Fitch Adjusted Financials

NiSource Inc.

($ mil. as of 31 Dec 2022)	Notes and formulas	Standardized values	Fair value and other debt adjustments	Lease treatment	Other adjustments	Adjusted values
Income statement summary						
Revenue		5,851	—	—	—	5,851
EBITDA	(a)	2,087	—	-40	25	2,071
Depreciation and amortization		-821	—	32	-0	-789
EBIT		1,266	—	-9	25	1,282
Balance sheet summary						
Debt	(b)	11,756	76	-175	0	11,657
Of which other off-balance-sheet debt		—	—	—	—	—
Lease-equivalent debt		—	—	—	—	—
Lease-adjusted debt		11,756	76	-175	0	11,657
Readily available cash and equivalents	(c)	41	—	—	—	41
Not readily available cash and equivalents		35	—	—	—	35
Cash flow summary						
EBITDA	(a)	2,087	—	-40	25	2,071
Dividends received from associates less dividends paid to minorities	(d)	-6	—	—	—	-6
Interest paid	(e)	-344	—	9	-7	-342
Interest received	(f)	4	—	—	—	4
Preferred dividends paid	(g)	-55	—	—	—	-55
Cash tax paid		-7	—	—	—	-7
Other items before FFO		-175	—	—	-18	-193
FFO	(h)	1,504	—	-32	0	1,472
Change in working capital		-156	—	—	—	-156
CFO	(i)	1,348	—	-32	0	1,316
Non-operating/nonrecurring cash flow		—	—	—	—	—
Capex	(j)	-2,527	—	—	—	-2,527
Common dividends paid		-382	—	—	—	-382
FCF		-1,560	—	-32	0	-1,592
Gross leverage (x)						
EBITDA leverage	b / (a+d)	5.7	—	—	—	5.6
FFO leverage	b / (h-e-f-g)	6.2	—	—	—	6.3
(CFO-capex)/debt (%)	(i+j) / b	-10.0	—	—	—	-10.4
Net leverage (x)						
EBITDA net leverage	(b-c) / (a+d)	5.7	—	—	—	5.6
FFO net leverage	(b-c) / (h-e-f-g)	6.2	—	—	—	6.2
(CFO-capex)/net debt (%)	(i+j) / (b-c)	-10.0	—	—	—	-10.4
Coverage (x)						
EBITDA interest coverage	(a+d) / (-e)	6.1	—	—	—	6.0
FFO interest coverage	(h-e-f-g) / (-e-g)	4.8	—	—	—	4.7

CFO – Cash flow from operations. Notes: The standardized items presented above are based on Fitch's taxonomy for the given sector and region. Reported items may not match the Fitch taxonomy, but they are captured into corresponding lines accordingly. Debt includes other off-balance-sheet debt.
Source: Fitch Ratings, Fitch Solutions, NiSource Inc.

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MOODY'S

Rating Action: Moody's affirms ratings of NiSource and subsidiaries; outlooks stable

13 Jun 2023

Approximately $11 billion of debt securities affected

New York, June 13, 2023 – Moody's Investors Service (Moody's) affirmed the ratings of NiSource Inc., including its Baa2 senior unsecured and Issuer ratings and its Prime-2 short term rating for commercial paper, the ratings of its guaranteed subsidiaries, as well as the Baa1 Issuer and senior unsecured ratings of its utility operating company Northern Indiana Public Service Company (NIPSCO). The outlook for all of the companies is stable. A complete list of ratings affirmed appears below.

RATINGS RATIONALE

"The affirmation of NiSource's ratings reflects our expectation that favorable regulatory outcomes, and the use of proceeds from the pending sale of a minority interest in NIPSCO to reduce debt financing needs, will help support improved debt coverage metrics," stated Nana Hamilton, VP-Senior Analyst.

NiSource's credit quality is underpinned by the diversity and supportiveness of its six regulatory jurisdictions that provide its utility subsidiaries with predictable operating cash flow. A history of credit supportive regulatory outcomes at these subsidiaries has helped to mitigate a historically weak consolidated financial profile driven by the organization's high leverage.

In the most recent significant credit supportive regulatory development, subsidiary NIPSCO, in March 2023, reached a settlement in its electric rate case. The settlement[1] includes a $292 million total revenue increase (it's largest ever increase) relative to an initial request of $395 million, based on a 9.8% ROE and a 51.63% equity capitalization. A final order from the Indiana Utilities Regulatory Commission (IURC) is expected in August, with new rates effective September 2023. The ratings affirmations at both NiSource and NIPSCO assume adoption of the settlement by the IURC with limited modifications as has historically been the case in Indiana. The rate case is an important one for NIPSCO's electric business which is spending significantly on renewable generation and storage to replace the retirement of 722 MW of its current coal generating capacity of 1,177 MW by 2025 and the remainder by 2028.

Despite these favorable regulatory outcomes, NiSource's financial profile continues to be pressured by high leverage. Aside from a small amount of legacy debt at subsidiary NIPSCO, NiSource issues all of the consolidated organization's debt at the parent level and allocates it to its subsidiaries. Assuming that all of NiSource's utility subsidiaries were capitalized at their regulatory authorized capital structures, we estimate that approximately 30% of consolidated debt is holding company debt not recoverable in utility rates. With substantial capital expenditures on the horizon to support NiSource's decarbonization goals, a strong balance sheet will be essential for the company to maintain its credit quality.

NiSource is currently in the process of selling a minority interest in subsidiary NIPSCO, and expects to announce a sale before the end of 2023. Proceeds from the sale will be used to supplement debt and common equity financing for the company's capital expenditure program, which totals approximately $15 billion over the 2023 to 2027 period. This should help the company maintain credit metrics appropriate for its rating over the next few years, assuming a premium valuation of NIPSCO, which is NiSource's largest subsidiary and has attractive growth prospects. Over the next two years, we expect NiSource to generate a ratio of operating cash flow excluding changes in working capital

(CFO pre-WC) to debt in the 14% to 15% range.

NIPSCO's rating is constrained by NiSource's highly leveraged consolidated capital structure and a relatively unrestricted ability to move cash across the corporate family. For NIPSCO, we expect a ratio of CFO pre-WC to debt in the 18% to 20% range over the next two years.

Rating Outlook

NiSource's stable outlook reflects Moody's view that its utility regulatory jurisdictions will remain credit supportive and that regulated utility capital expenditure plans will be financed in a manner that supports the NiSource organization's credit quality.

NIPSCO's stable rating outlook reflects the credit supportiveness of the Indiana regulatory environment, our expectation of a favorable final order in its pending electric rate case and continued timely recovery of costs associated with its large planned capital program. NIPSCO's stable outlook also incorporates the stable outlook at its parent company, NiSource.

FACTORS THAT COULD LEAD TO AN UPGRADE OR DOWNGRADE OF THE RATINGS

Factors that Could Lead to an Upgrade

NiSource's rating could be upgraded if there is a material and sustained increase in the company's credit metrics with a CFO pre-WC to debt ratio above 17%.

NIPSCO's rating could be upgraded if its CFO pre-WC to debt ratio is sustained above 21% and there is a significant reduction in the amount of parent company debt that it supports. An upgrade at NiSource could also result in upward rating pressure on NIPSCO.

Factors that Could Lead to a Downgrade

NiSource's rating could be downgraded if there is a decline in the credit supportiveness of its regulatory environments or other adverse developments, or if debt financing increases significantly such that the company's ratio of CFO pre-WC to debt declines below 13% on a sustained basis.

NIPSCO's rating could be downgraded if there is a deterioration in the credit supportiveness of the regulatory environment in Indiana such that CFO pre-WC to debt falls below 18% on a sustained basis. A downgrade at NiSource could also place downward rating pressure on NIPSCO.

Headquartered in Merrillville, Indiana, NiSource is a utility holding company with a portfolio of fully regulated utility subsidiaries totaling about $16.7 billion in rate base. NiSource owns one of the largest gas distribution (LDC) systems in the US, with operations in Ohio, Indiana, Pennsylvania, Virginia, Kentucky, and Maryland providing service to about 3.3 million customers, as well as a mid-sized vertically integrated electric utility in Indiana providing service to about 486,000 customers. The LDCs accounted for about 72% of the company's consolidated operating income in 2022, with the remainder coming from the electric utility.

The principal methodology used in these ratings was Regulated Electric and Gas Utilities published in June 2017 and available at https://ratings.moodys.com/rmc-documents/68547. Alternatively, please see the Rating Methodologies page on https://ratings.moodys.com for a copy of this methodology.

Affirmations:

..Issuer: Bay State Gas Company

....Senior Unsecured Medium-Term Note Program, Affirmed (P)Baa2

....Senior Unsecured Regular Bond/Debenture, Affirmed Baa2

..Issuer: NiSource Capital Markets, Inc.

....Backed Senior Unsecured Regular Bond/Debenture, Affirmed Baa2

..Issuer: NiSource Finance Corporation

.... Issuer Rating, Affirmed Baa2

....Backed Senior Unsecured Regular Bond/Debenture, Affirmed Baa2

..Issuer: NiSource Inc.

.... Issuer Rating, Affirmed Baa2

....Pref. Shelf, Affirmed (P)Ba1

....Pref. Stock, Affirmed Ba1

....Senior Unsecured Bank Credit Facility, Affirmed Baa2

....Senior Unsecured Commercial Paper, Affirmed P-2

....Senior Unsecured Regular Bond/Debenture, Affirmed Baa2

....Senior Unsecured Shelf, Affirmed (P)Baa2

..Issuer: Northern Indiana Public Service Company

.... Issuer Rating, Affirmed Baa1

....Senior Unsecured Medium-Term Note Program, Affirmed (P)Baa1

....Senior Unsecured Regular Bond/Debenture, Affirmed Baa1

Outlook Actions:

..Issuer: Bay State Gas Company

....Outlook, Remains Stable

..Issuer: NiSource Capital Markets, Inc.

....Outlook, Remains Stable

..Issuer: NiSource Finance Corporation

....Outlook, Remains Stable

..Issuer: NiSource Inc.

....Outlook, Remains Stable

..Issuer: Northern Indiana Public Service Company

....Outlook, Remains Stable

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REFERENCES/CITATIONS

[1] Indiana Utility Regulatory Commission, Docket 45772 10-Mar-2023

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Columbia Gas of Pennsylvania, Inc.

Standard Data Request

Rate of Return

Question No. GAS-ROR-005:

Please provide a work paper showing the derivation of the Company's current AFUDC rate.

Response:

Attached as Attachment A is the NiSource Inc. notification to Columbia Gas of Pennsylvania, Inc. on the applicable Allowance for Funds Used During Construction (AFUDC) for 2023. The CPA rate is 5.58%.

Attached as Attachment B is the worksheet showing the computation of the current AFUDC rate of 5.58%. Employee names have been redacted.

Number: CL 2023-29
Date: 5/24/2023

2023 Allowance for Funds Used During Construction (AFUDC) Borrowed and Equity Rates

Listed below are the updated AFUDC rates to be used for 2023 shown alongside the rates last published in Controller's Letter 2022-54 (issued Nov 2022).
Interim rates are published to capture significant rate trends prior to year-end.

Please follow the instructions below to update rates :
1. TABLE A: Rates published in November 2022. Provided here for reference only
2. TABLE B: Rates calculated with using the standard AFUDC methodology for rate applicable Jan 1, 2023 onwards

See tab 'AFUDC' for schedules showing the computation of the 2023 AFUDC rates. If you have any questions regarding the AFUDC calculations, please contact Technical Accounting Team

TABLE A

	Using 12 Months Ended October 31, 2022		
	Borrowed	Equity	Total
CPA	1.62%	2.17%	3.79%

TABLE B

	Using 12 Months Ended April 30, 2023				
	Borrowed	Equity	Total	Chg from Oct	
	3.29%	2.29%	5.58%	1.79%	**(2)**

PeopleSoft 9.1	Account	Cost Ele	Activity Code
Borrowed	43200000	4503	11003
Equity	41910000	4504	

(1) Decrease in Debt and Equity rates is primarily the result of higher average short-term debt as a percentage of CWIP for these business units.

(2) Increase in Debt and Equity rates is primarily the result of lower average short-term debt as a percentage of CWIP for these business units.

Notes on certain key components of the AFUDC Rate calculation:

ST Debt Interest Rate: Generally, an increase in the ST Debt Interest Rate will increase the AFUDC-Borrowed Rate and have no impact on the AFUDC-Equity Rate. Operating company rates are based on the consolidated rate. The ST Debt Interest Rate is based on Money Pool Borrowings.

Ratio of Average ST Debt to Average CWIP (S/W Ratio): An increase in the S/W Ratio will decrease both the AFUDC-Borrowed Rate and AFUDC-Equity Rate, as the AFUDC formula assumes that ST borrowings are used first for construction before costs of LT debt and equity are factored in. Average ST Debt is based on Money Pool Borrowings. In the event average ST borrowings exceed the average CWIP balance for the period, the AFUDC-Equity Rate will be zero, and the AFUDC-Borrowed Rate will equal the ST borrowing rate.

Cost of Equity Rate: An increase in the Cost of Equity Rate will increase the AFUDC-Equity Rate and have no impact on the AFUDC-Borrowed Rate. The Cost of Equity Rate is based on regulatory filings and is a weighted average rate at the NiSource Consolidated level.

AFUDC Rates	
	CPA037
AFUDC Debt	3.29%
AFUDC Equity	2.29%
Total AFUDC	5.58%

AFUDC Debt = s(S/W)+d(D/(D+P+C)*(1-S/W)
AFUDC Equity = (1-S/W)*[(p(P/(D+P+C))*+c(C/(D+P+C))]

AFUDC Formula Inputs	
	CPA037
D - LTD	1,135,515,000
d - LTD Interest Rate (see Note C)	4.70%
P - Preferred Stock (see Note D)	-
p - Preferred Stock Cost Rate (see Note D)	0.00%
C - Common Equity	1,479,409,757
c - Common Equity Cost Rate (see Note A)	10.15%
s - ST Debt Interest Rate	4.12%
S - Average ST Debt	54,748,426
W - Average CWIP	91,167,686
STD/AVCWIP	60.05%

CWIP - Ending Balance		
100129000		CPA037
2022	Apr	85,043,787
2022	May	88,024,548
2022	Jun	92,652,927
2022	Jul	102,053,923
2022	Aug	101,265,551
2022	Sep	102,490,399
2022	Oct	82,406,006
2022	Nov	84,737,679
2022	Dec	72,944,842
2023	Jan	85,610,610
2023	Feb	88,689,833
2023	Mar	95,610,488
2023	Apr	110,007,072
Average CWIP Ending Balance		91,656,744

CWIP - Average Monthly Balance		
		CPA037
2022	May	86,534,167
2022	Jun	90,338,738
2022	Jul	97,353,425
2022	Aug	101,659,737
2022	Sep	101,877,975
2022	Oct	92,448,203
2022	Nov	83,571,843
2022	Dec	78,841,261
2023	Jan	79,277,726
2023	Feb	87,150,222
2023	Mar	92,150,161
2023	Apr	102,808,780
TTM Average CWIP Balance		91,167,686

Interest Expense - Money Pool

700102000		CPA037
2022	May	-
2022	Jun	12,373
2022	Jul	27,578
2022	Aug	135,605
2022	Sep	260,374
2022	Oct	465,497
2022	Nov	647,870
2022	Dec	820,484
2023	Jan	434,317
2023	Feb	166,765
2023	Mar	160,552
2023	Apr	276,531
TTM MP Interest Expense		3,407,945

Average Daily Balance of Short-term Borrowings (Money Pool)

300203234		CPA037
2022	May	-
2022	Jun	11,809,443
2022	Jul	16,146,029
2022	Aug	60,747,780
2022	Sep	107,214,131
2022	Oct	152,788,903
2022	Nov	183,578,092
2022	Dec	215,437,853
2023	Jan	97,181,460
2023	Feb	40,196,414
2023	Mar	33,785,455
2023	Apr	58,278,987
TTM Avg. ST Borrowings		81,430,379

Short-term Borrowings Used for AFUDC Calculation

		CPA037
2022	May	-
2022	Jun	11,809,443
2022	Jul	16,146,029
2022	Aug	60,747,780
2022	Sep	101,877,975
2022	Oct	92,448,203
2022	Nov	83,571,843
2022	Dec	78,841,261
2023	Jan	79,277,726
2023	Feb	40,196,414
2023	Mar	33,785,455
2023	Apr	58,278,987
TTM Avg. ST Borrowings for AFUDC		54,748,426

Interest Expense on ST Borrowings for AFUDC

		CPA037
2022	May	-
2022	Jun	12,373

2022	Jul	27,578
2022	Aug	135,605
2022	Sep	247,415
2022	Oct	281,659
2022	Nov	294,936
2022	Dec	300,263
2023	Jan	354,302
2023	Feb	166,765
2023	Mar	160,552
2023	Apr	276,531
TTM MP Interest Expense for AFUDC		2,257,978

Long-term Debt / Preferred Stock / Common Equity

2022	Dec	CPA037
201299000	Long Term Debt (incl. Finance Leases)	1,143,537,959
300199000	Current Portion of Long Term Debt	903,496
300201233	Short-term Debt I/C (see Note J)	-
300129000	Less: Capital Leases in Current LTD	903,496
201230225	Less: Unamortized Premium	-
201235226	Less: Unamortized Discount	-
201240000	Less: Interest Rate Swaps	-
201249000	Less: Capital Leases in LTD	8,022,959
Long-term Debt		1,135,515,000
200299900	Preferred Stock	-
200999000	Total Stock Equity	1,479,409,757
200699000	Less: AOCI	-
200299900	Less: Preferred Stock	-
200280008	Less: NCI	-
Total Common Equity		1,479,409,757

Note A - The Common Equity Cost Rates and Preferred Equity Cost Rates (where applicable) for all companies, as well as the AFUDC rates for CMD, was obtained from [redacted].

Note B - The consolidated weighted average cost of equity is calculated by using only the companies whose cost of equity (or the calculation to determine the cost of equity) were explicitly authorized by a state commission.

Note C - LTD Interest Rate obtained from Debt Cost Report worksheet obtained from Treasury as of 12/31/21 (NiSource's policy is to use prior year-end debt balances to calculated LTD Interest Rate).

Note D - Per Regulatory, while NiSource had preferred equity as of 12/31/22, most state commissions have not yet approved a preferred equity cost rate.

Note E - Amounts obtained from [redacted] Money Pool Spreadsheet (see tab E).

Note J - Peoplesoft account 2330000 - Notes Payable Affiliated is mapped to this intercompany short-term debt account in Hyperion. As these balances represent a current portion of long-term debt and not short-term borrowings, account must be included herein. As this account is marked as intercompany, these balances are eliminated in consolidation so there is no missclassification between short-term borrowings and current portion of long-term debt on the consolidated balance sheet. For FERC purposes, the balances are appropriately recorded in a 233 Notes Payable account.

Note K - Amounts from [redacted].

Columbia Gas of Pennsylvania, Inc.

Standard Data Request

Rate of Return

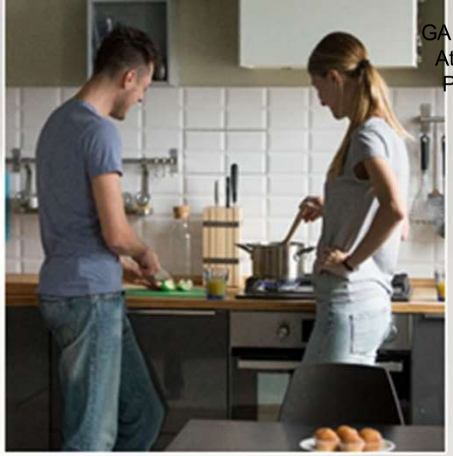
Question No. GAS-ROR-006:

Please supply copies of all presentations by the Company's and, if applicable, its parent's management to securities analysts during the past 2 years. This would include presentations of financial projections.

Response:

Columbia Gas of Pennsylvania, Inc. (Company) is a wholly owned subsidiary of NiSource Gas Distribution, Inc. (NGD), which is a subsidiary of NiSource Inc. (Parent). Neither the Company nor NGD have made presentations to securities analysts separate from the Parent.

Presentations made by the Parent from the past 2 years are included in Attachments A – J.



SUPPLEMENTAL SLIDES
YEAR END 2021 RESULTS

February 23, 2022






FORWARD-LOOKING STATEMENTS

This presentation contains "forward-looking statements," within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. Expressions of future goals and expectations and similar expressions, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this presentation include, among other things, our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and natural gas costs and supply risks; fluctuations in demand from residential and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the attraction and retention of a qualified, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity-attacks; increased requirements and costs related to cybersecurity; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related to the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney's Office to settle the U.S. Attorney's Office's investigation relating to the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; and other matters set forth in Part I Item 1, "Business," Item 1A, "Risk Factors" and Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of our annual report on form 10-K for the year ended December 31, 2021, some of which risks are beyond our control. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time. All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Regulation G Disclosure Statement

This presentation includes financial results for NiSource with respect to net operating earnings available to common shareholders, diluted net operating earnings per share, and operating earnings, which are non-GAAP financial measures as defined by the Securities and Exchange Commission's (SEC) Regulation G. This presentation also includes guidance for NiSource with respect to net operating earnings per share and adjusted funds from operations / total debt. The company includes these measures because management believes they permit investors to view the company's performance using the same tools that management uses and to better evaluate the company's ongoing business performance. With respect to such guidance for net operating earnings per share, it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other items included in GAAP results. NiSource is not able to estimate the impact of such factors on GAAP earnings and, as such, is not providing earnings guidance on a GAAP basis. With respect to such guidance for adjusted funds from operations / total debt it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various adjustments the S&P and Moody's rating agencies apply when calculating their metrics. NiSource is not able to provide a reconciliation of its non-GAAP net operating earnings or adjusted funds from operations / total debt guidance, to their GAAP equivalents without unreasonable efforts.

KEY TAKEAWAYS

- **Long-planned leadership succession process implemented**
  - Lloyd Yates named President and CEO February 14 upon Joe Hamrock retirement
  - Sondra Barbour and Cassandra Lee named to Board of Directors
- **2021 guidance range exceeded; 2022 guidance and long-term growth rates reaffirmed**
  - 2021 NOEPS* of $1.37 exceeded both original and updated guidance ranges
  - 2022 NOEPS guidance range of $1.42 to $1.48 reaffirmed
  - Reaffirmed 5-7% 2023 annual NOEPS growth and 7-9% CAGR** from 2021 results to 2024
  - 2022 capital expenditures expected be $2.4 to $2.7B
- **NIPSCO 2021 IRP submitted with Preferred Plan**
  - Preferred Plan advances the retirement of all coal-fired generation during the 2026-28 period while shifting toward lower-cost, clean and reliable forms of energy
  - Investment up to $750M will be necessary to replace retiring coal-fired generation, NIPSCO investment to be better understood following further Request for Proposals (RFP) analysis
- **Regulatory execution continues with balanced outcomes for all stakeholders**
  - Final rate case orders received in Pennsylvania, Kentucky and Maryland
  - Ohio rate case advancing; constructive settlement discussions continue in NIPSCO's gas rate case
  - Final electric TDSIC order received in Indiana
- **Non-GAAP Diluted NOEPS* of $0.39 in 4Q21 vs. $0.34 in 4Q20**
  - Reflects continued investment in safety, reliability, customer affordability and sustainability

FOCUSED ON ENHANCING SAFETY, RELIABILITY, CUSTOMER AFFORDABILITY AND SUSTAINABILITY

*Diluted Net Operating Earnings Per Share (Non-GAAP). For the GAAP Diluted Earnings Per Share and the reconciliation of GAAP to non-GAAP diluted earnings per share, see Schedule 1 in the appendix to this presentation
**Compound Annual Growth Rate

FOURTH QUARTER & YTD CONSOLIDATED FINANCIAL RESULTS

GAAP	FOURTH QUARTER			YTD		
	2021	2020	Change Fav/(Unfav)	2021	2020	Change Fav/(Unfav)
Net Income (Loss) Available to Common Shareholders ($ in Millions)	$152.2	$70.7	$81.5	$529.8	$(72.7)	$602.5
Diluted Earnings (Loss) Per Share	$0.36	$0.18	$0.18	$1.27	$(0.19)	$1.46

NON-GAAP*	FOURTH QUARTER			YTD		
	2021	2020	Change Fav/(Unfav)	2021	2020	Change Fav/(Unfav)
Net Operating Earnings (Loss) Available to Common Shareholders ($ in Millions)	$166.7	$130.1	$36.6	$571.2	$507.5	$63.7
Diluted Net Operating Earnings Per Share	$0.39	$0.34	$0.05	$1.37	$1.32	$0.05

*Net Operating Earnings (non-GAAP). For a reconciliation of GAAP to non-GAAP earnings, see Schedule 1 in the appendix to this presentation

FOURTH QUARTER & YTD SEGMENT NON-GAAP* RESULTS

GAS DISTRIBUTION OPERATIONS ($ Millions)	FOURTH QUARTER			YTD		
	2021	2020	Change Fav/(Unfav)	2021	2020	Change Fav/(Unfav)
Operating Revenues	$ 1,006.5	$ 833.9	$ 172.6	$ 3,206.4	$ 3,168.4	$ 38.0
Cost of Energy	$ 365.7	$ 234.6	$ (131.1)	$ 962.7	$ 794.2	$ (168.5)
Tracked Operating Expenses	$ 50.1	$ 44.7	$ (5.4)	$ 166.9	$ 203.9	$ 37.0
Other Operating Expenses	$ 374.9	$ 361.6	$ (13.3)	$ 1,403.1	$ 1,502.6	$ 99.5
Total Operating Expenses	$ 790.7	$ 640.9	$ (149.8)	$ 2,532.7	$ 2,500.7	$ (32.0)
Operating Earnings (Loss)*	**$ 215.8**	**$ 193.0**	**$ 22.8**	**$ 673.7**	**$ 667.7**	**$ 6.0**

ELECTRIC OPERATIONS ($ Millions)	FOURTH QUARTER			YTD		
	2021	2020	Change Fav/(Unfav)	2021	2020	Change Fav/(Unfav)
Operating Revenues	$ 410.8	$ 371.3	$ 39.5	$ 1,675.4	$ 1,532.3	$ 143.1
Cost of Energy	$ 113.3	$ 80.9	$ (32.4)	$ 429.7	$ 315.2	$ (114.5)
Tracked Operating Expenses	$ 11.2	$ 9.7	$ (1.5)	$ 46.8	$ 42.4	$ (4.4)
Other Operating Expenses	$ 204.4	$ 221.1	$ 16.7	$ 811.7	$ 812.8	$ 1.1
Total Operating Expenses	$ 328.9	$ 311.7	$ (17.2)	$ 1,288.2	$ 1,170.4	$ (117.8)
Operating Earnings (Loss)*	**$ 81.9**	**$ 59.6**	**$ 22.3**	**$ 387.2**	**$ 361.9**	**$ 25.3**

*Operating Earnings (non-GAAP). For comparable GAAP results by segment, refer to Part I. Item 2 of the Company's Annual Report on Form 10-K for the period ended December 31, 2021. For a reconciliation of GAAP to non-GAAP earnings, see Schedule 2 in the appendix to this presentation

CONTINUED FOCUS ON SAFE AND RELIABLE EXECUTION

NISOURCE DEBT AND CREDIT PROFILE

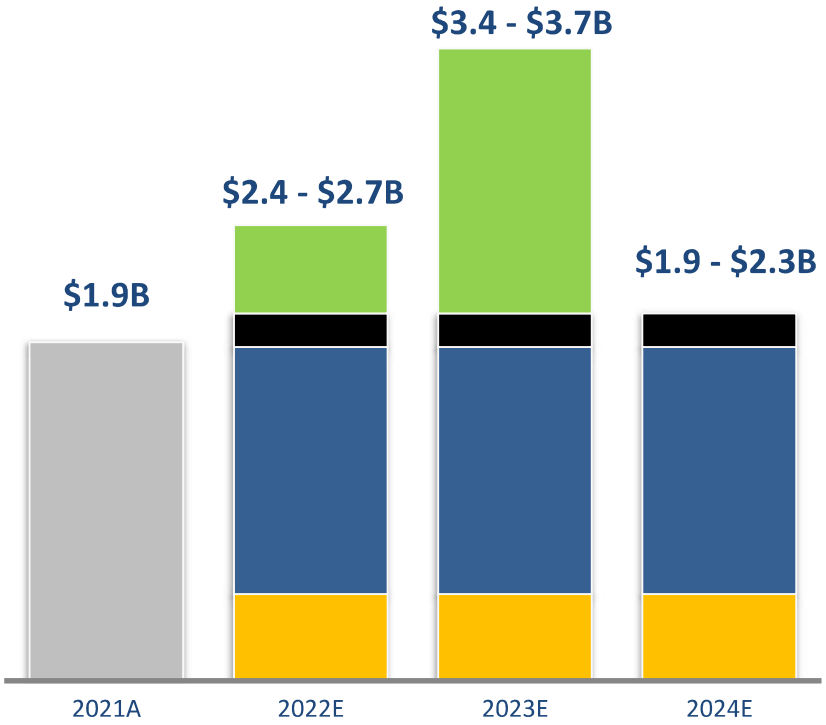
- **Debt level: ~$9.8B as of December 31, 2021**
  - ~$9.2B of long-term debt
    - Weighted average maturity ~14 years
    - Weighted average interest rate of 3.68%
- **Solid liquidity position**
  - ~$1.6B in net available liquidity as of December 31, 2021*
  - ~$2.1B of committed facilities in place as of December 31, 2021
    - ~$1.9B revolving credit facility
    - ~$0.2B accounts receivable securitization facilities **
- **Committed to maintaining current investment-grade credit ratings**
  - S&P (BBB+), Moody's (Baa2), and Fitch (BBB)
  - All three agencies have completed their annual credit reviews in 2021 with no change to ratings and stable outlooks

SOLID FINANCIAL FOUNDATION TO SUPPORT LONG-TERM INFRASTRUCTURE AND SAFETY INVESTMENTS

* Consisting of cash and available capacity under credit facilities
** Capacity on accounts receivable securitization facilities changes with seasonality

2021A – 2024E CAPITAL FORECAST

Investment opportunities expected to enhance system safety and reliability while driving shareholder value



Expected Renewable Generation Investments of ~$2.0B

Expected Investment Recovery Period

- Renewables (Rate Case Effective 2H/2023)
- Growth (Within 0-3 Months)
- Tracker (Within 0-18 Months)
- Maintenance/Other (Periodic Rate Cases)

Anticipate >75% of Capital Investments Begin Earning in Less Than 18 Months

2021 - 2024 FINANCING PLAN*

Financing strategy targets long-term Adj. FFO/total debt** of ~14%-15%

($ millions)	2021A	2022E	2023E	2024E
Planned Annual Safety & Modernization Investments				
Equity				
ATM (At-the-Market)	$300	$200 - $300	$0 - $150	
ESPP/401K/Other	$26	$30 - $50 Annually		
Long-Term Debt				
Incremental Long-Term Debt		$500 - $700 Annually		
Planned Renewable Generation Investments (Targeting 60% Equity)				
Equity				
Common Equity Block		---------- None Planned ----------		
Long-Term Debt				
Incremental Long-Term Debt		~ $800 Total		
Other Financing				
Equity Unit Issuance	$862.5 Total***		$862.5 Total***	

Current Financing Plan

- All financing is included in our long-term growth commitments
- Reflects our focus on maintaining current investment grade credit rating
- Targets renewable investment financing (60% Equity / 40% Debt)

*Current financing plan may change based on business developments
**As calculated according to the S&P and Moody's rating agency methodologies
*** Remarketing of additional $862.5M in December of 2023

GAS DISTRIBUTION OPERATIONS

- Final orders received in Pennsylvania, Kentucky, Maryland
- Continuing to invest in infrastructure to enhance safety, reliability, customer affordability and sustainability

HIGHLIGHT	KEY COMPONENTS	STATUS
Columbia Gas of Ohio Base Rate Case	• Requested $221.4 million, net of the Capital Expenditure Program ("CEP") and Infrastructure Replacement Program ("IRP") Riders; $3.6 billion rate base • Requested 10.95% ROE and 50.6% equity capital structure	• Filed June 30, 2021 • New rates proposed effective 3Q 2022
Columbia Gas of Kentucky Base Rate Case	• Requested $26.7 million net of infrastructure tracker on $446 million forecasted rate base • Requested 10.3% ROE and 52.64% equity capital structure • Final order approves a revenue increase of $18.3 million	• Filed May 28, 2021 • Settlement reached Oct. 27, 2021 • Final order received Dec. 28, 2021 • Rates effective Jan. 2022
Columbia Gas of Maryland Base Rate Case	• Requested $4.8 million net of infrastructure trackers on $185 million partially forecasted rate base • Requested 10.85% ROE and 52.95% equity capital structure • Final order approves a $2.4 million revenue increase	• Filed May 14, 2021 • Final order received Dec. 3, 2021 • New rates effective Dec. 2021
Columbia Gas of Pennsylvania Base Rate Case	• Supports continued replacement of aging pipelines and adoption of pipeline safety upgrades • Requested initial increase of $98.3M on $2.7 billion forecasted rate base • Final order approves a revenue increase of $58.5 million	• Filed Mar. 30, 2021 • Final order received Dec. 16, 2021 • New rates effective Dec. 2021
NIPSCO Gas Base Rate Case	• Requested $109.7 million net of infrastructure trackers on a $2.4 billion forecasted rate base. • Requested 10.5% ROE and 57.68% equity capital structure.	• Filed Sept. 29, 2021 • Intervenor Testimony filed in January • New rates proposed effective September 2022 and March 2023

~$40B IN IDENTIFIED LONG-TERM GAS AND ELECTRIC INFRASTRUCTURE INVESTMENT OPPORTUNITIES

ELECTRIC OPERATIONS

- 2021 IRP Preferred Plan advances plans for retirement of all coal-fired generation by 2026-2028 while shifting towards lower-cost, clean and reliable forms of generation
- Final order for the NIPSCO Electric TDSIC received December 2021
- Indiana Crossroads wind placed in service December 2021

HIGHLIGHT	KEY COMPONENTS	STATUS
2021 Integrated Resource Plan (IRP) & Request for Proposals (RFP)	• Michigan City Generation Station retirement between 2026 and 2028 • Preferred path outlines new generation investment estimated to be up to $750M • RFP solicitation concluded in 3Q21, analysis continues	• IRP submitted to IURC in mid-November • RFP analysis continues through early 2022
New 5-Year TDSIC	• Includes long-term investments in modernizing the company's electric infrastructure with some projects that were previously identified in the last TDSIC plan • Total $1.64 billion of current and planned investments over the 2021-2026 period	• New plan filed June 2021 • Final order received Dec. 2021
Renewable Generation Projects	• Construction progresses on Dunns Bridge Solar I and Indiana Crossroads Solar	• Indiana Crossroads wind placed in service Dec. 2021

~$40B IN IDENTIFIED LONG-TERM GAS AND ELECTRIC INFRASTRUCTURE INVESTMENT OPPORTUNITIES

SAFETY AND INFRASTRUCTURE PROGRAMS

COMPANY	YEAR-END 2021 RATE BASE	AUTHORIZED PROGRAM ROE	MODERNIZATION PROGRAM INVESTMENTS	ESTIMATED ANNUAL MODERNIZATION PROGRAM INVESTMENTS	RECOVERY MECHANISM
Columbia Gas of OH	$3.9B	10.39%	~$10.6B	$520M - $600M	Tracked
Columbia Gas of PA	$2.4B	N/A	~$4.1B	$340M - $410M	Rate Case (Forward Test Year)
NIPSCO Gas	$2.0B*	9.85%	~$5.0B	$165M - $220M	Tracked
Columbia Gas of VA	$1.1B	9.70%	~$500M	$67M - $70M	Tracked
Columbia Gas of KY	$423M	9.275%	~$900M	$40M - $43M	Tracked
Columbia Gas of MD	$198M	9.65%	~$230M	$30M - $35M	Tracked
NIPSCO Electric	$4.9B*	9.75%	~$5.0B	$220M - $275M	Tracked

LONG-TERM INVESTMENT PROGRAMS DELIVER CUSTOMER VALUE ON $14.9B RATE BASE**

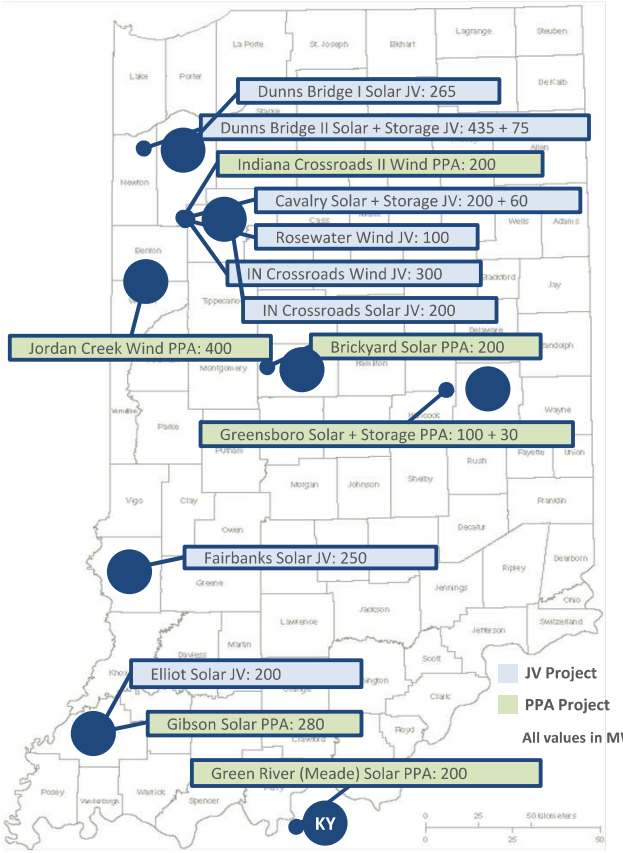
* Effective equity = 50% with deferred taxes included in rate base for NIPSCO electric and gas
** As of Dec. 31, 2021
Note all rate base figures exclude CWIP except VA and MD

SAFETY AND INFRASTRUCTURE INVESTMENT AND TRACKER FILING DETAILS

COMPANY	MECHANISM	INCREMENTAL INVESTMENTS		RECOVERY
		PERIOD	AMOUNT ($M)	EFFECTIVE DATE
Columbia Gas of Ohio	Infrastructure Replacement Program (IRP)	FY 2019	$234.4	May 2020
		FY 2020	$212.6	May 2021
Columbia Gas of Ohio	Capital Expenditure Program (CEP)	FY 2019	$185.1	Sept 2020
		FY 2020	$177.2	Sept 2021
Columbia Gas of Pennsylvania	Distribution System Improvement Charge (DSIC)	Jun 2020 - Aug 2020	$85.0	Oct 2020
		Sep 2020 - Nov 2020	$25.0	Jan 2021
Columbia Gas of Virginia	Steps to Advance Virginia's Energy Plan (SAVE)	FY 2021	$46.4	Jan 2021
		FY 2022	$63.0	Jan 2022
Columbia Gas of Kentucky	Safety Modification and Replacement Program (SMRP)	FY 2020	$40.4	Jan 2020
		FY 2021	$40.0	May 2021
Columbia Gas of Maryland	Strategic Infrastructure Development and Enhancement (STRIDE)	FY 2021	$16.9	Jan 2021
		FY 2022	$17.5	Jan 2022
NIPSCO – Gas	Transmission, Distribution and Storage System Improvement Charge (TDSIC)	TDSIC 2: July 2020 – Dec 2020	$52.3	July 2021
		TDSIC 3: Jan 2021 – June 2021	$52.1	Jan 2022
NIPSCO – Electric	Transmission, Distribution and Storage System Improvement Charge (TDSIC)	TDSIC 8: Aug 2020 - Jan 2021	$73.5	Aug 2021
		TDSIC 9: Feb 2021 - May 2021	$42.7	Feb 2022

Robust Renewable INVESTMENTS in Indiana

Project	Structure	NIPSCO Investment ($M)	Target In Service	Status
Projects in Execution:				
Rosewater Wind	JV	~$100	'20	Complete
Jordan Creek Wind	PPA	N/A	'20	Complete
Indiana Crossroads Wind	JV	~$300	'21	Complete
Brickyard Solar	PPA	N/A	'22	Approved
Greensboro Solar + Storage	PPA	N/A	'22	Approved
Dunns Bridge I Solar	JV	~$240	'22	Under Construction
Dunns Bridge II Solar + Storage	JV	~$420	'23	Approved
Cavalry Solar + Storage	JV	~$190	'23	Approved
Gibson Solar	PPA	N/A	'23	Approved
Green River Solar	PPA	N/A	'23	Approved
Fairbanks Solar	JV	~$245	'23	Approved
Crossroads II Wind	PPA	N/A	'23	Approved
Crossroads Solar	JV	~$200	'22	Under Construction
Elliott Solar	JV	~$180	'23	Approved
Transmission Projects	NI owned	~$150	'21–'22	Engineering / Under Construction
Total		**~$2,000**		



ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)



Environmental

- Driving toward 90% reduction* in scope 1 greenhouse gas emissions by 2030, inclusive of a 50% reduction in methane emissions by 2025
- Expected to retire 100% of coal-fired generation assets between 2026 and 2028, and replace primarily with renewable generation
- ~$2.0B of planned renewable investments through 2023



Social

- Transformation focused on customer safety, reliability and affordability
- Economically benefiting customers and communities
- Committed to engagement, diversity, equity and inclusion from the boardroom through the organization and supplier network

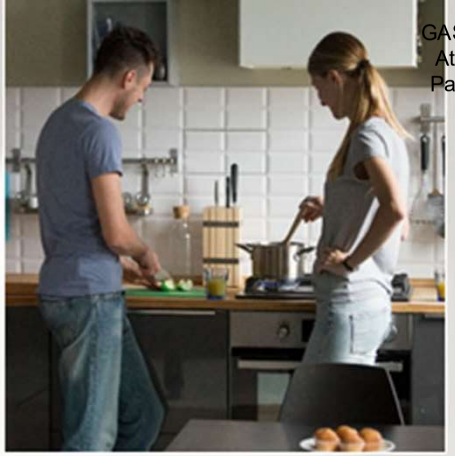


Governance

- Leadership enhancements support commitment to customer service and safety
- Diverse, skilled and independent Board
- Robust framework for strategy, risk management and oversight

* Compared to 2005 baseline









APPENDIX
YEAR END 2021 RESULTS

NiSource®





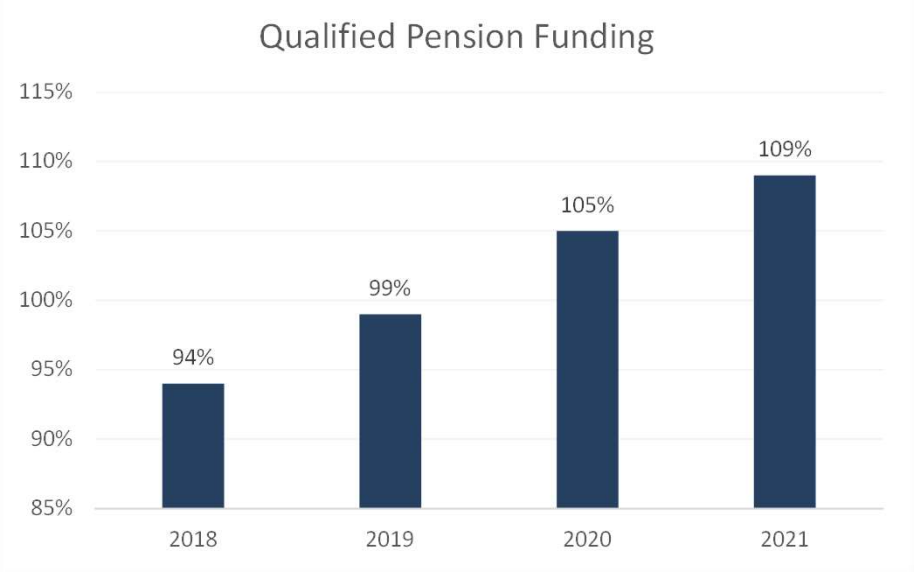


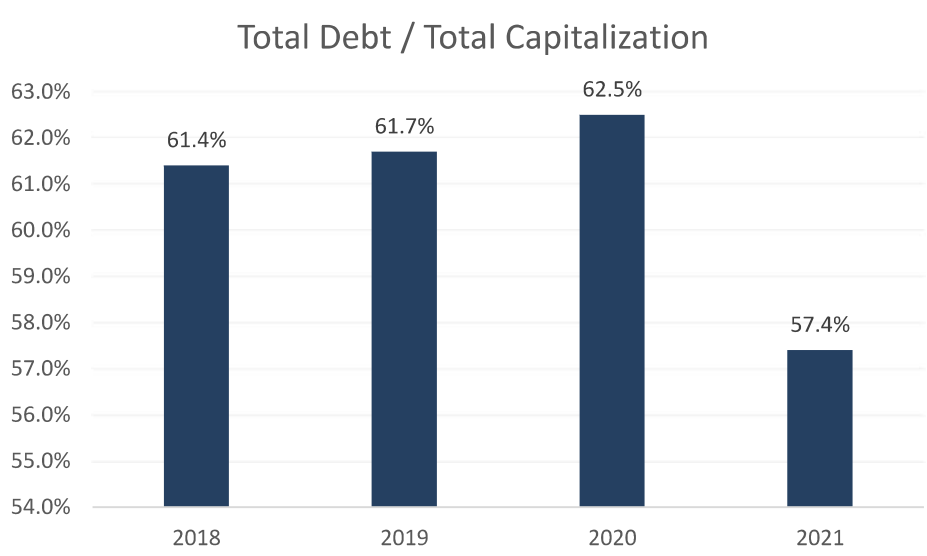


LIQUIDITY AND CAPITALIZATION AS OF YEAR END 2021 ($M)

CURRENT LIQUIDITY	ACTUAL 12/31/21	MATURITY
Revolving Credit Facility	$1,850.0	Feb. 20, 2027
Accounts Receivable Programs*	251.2	
Less:		
Drawn on Credit Facility	—	
Commercial Paper	560.0	
Accounts Receivable Programs Utilized	—	
L/C's Outstanding Under Credit Facility	18.9	
Add:		
Cash & Equivalents	84.2	
Net Available Liquidity	$1,606.5	

* Represents the lesser of seasonal limit or maximum borrowings supportable by underlying receivables





NiSource Inc.

Schedule 1 - Reconciliation of Consolidated Net Income (Loss) Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) (*unaudited*)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
(in millions, except per share amounts)	**2021**	2020	**2021**	2020
GAAP Net Income (Loss) Available to Common Shareholders	**$ 152.2**	$ 70.7	**$ 529.8**	$ (72.7)
Adjustments to Operating Income:				
Operating Revenues:				
Weather - compared to normal	**13.7**	8.0	**1.2**	24.0
Massachusetts Business transaction revenue	**—**	(9.0)	**—**	(9.0)
Operating Expenses:				
Greater Lawrence Incident[1]	**1.2**	1.3	**9.2**	16.7
Plant retirement costs[2]	**1.9**	—	**14.1**	4.6
NiSource Next initiative[3]	**2.6**	19.2	**24.7**	45.8
Massachusetts Business sale related amounts[4]	**—**	18.9	**6.8**	400.3
Gain on sale of assets, net	**—**	(1.4)	**—**	(1.8)
Total adjustments to operating income	**19.4**	37.0	**56.0**	480.6
Other Income (Deductions):				
Loss on early extinguishment of long-term debt	**—**	0.1	**—**	243.5
Income Taxes:				
Tax effect of above items[5]	**(4.9)**	(10.4)	**(14.6)**	(191.8)
Income taxes - discrete items[6]	**—**	32.7	**—**	47.9
Total adjustments to net income (loss)	**14.5**	59.4	**41.4**	580.2
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 166.7**	$ 130.1	**$ 571.2**	$ 507.5
Diluted Average Common Shares[7]	**428.8**	388.0	**417.3**	385.3
GAAP Diluted Earnings (Loss) Per Share[8]	**$ 0.36**	$ 0.18	**$ 1.27**	$ (0.19)
Adjustments to diluted earnings (loss) per share	**0.03**	0.16	**0.10**	1.51
Non-GAAP Diluted Net Operating Earnings Per Share[8]	**$ 0.39**	$ 0.34	**$ 1.37**	$ 1.32

(1) Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident.
(2) Represents unrecoverable costs incurred in connection with the partial retirement completed on October 1, 2021 at R.M. Schahfer Generating Station.
(3) Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.
(4) 2021 primarily represents final net working capital adjustments to the purchase price for the loss incurred on the sale of the Massachusetts Business. 2020 primarily represents loss recorded as a result of measuring the assets and liabilities of the Massachusetts Business at fair value, less costs to sell, including third-party consulting costs incurred for the separation and transition of the Massachusetts Business, offset by depreciation and amortization expense that was ceased for GAAP purposes as a result of classifying the Massachusetts Business as held for sale.
(5) Represents income tax expense calculated using the statutory tax rates by legal entity.
(6) 2020 represents non-deductible fines and penalties related to the Greater Lawrence Incident and tax discrete adjustments in connection with the sale of the Massachusetts Business, including (i) deferred taxes on a TCJA regulatory liability divested, (ii) consolidated state deferred taxes and (iii) associated valuation allowance related to state net operating loss carry forward.
(7) Beginning in 2021, we changed our Non-GAAP measure from Basic to Diluted Net Operating Earnings per Share. Basic Average Common Shares Outstanding were 387.0M and 384.3M for the three and twelve months ended December 31, 2020. Non-GAAP Net Operating Earnings per Share of $0.34 and $1.32,, remained unchanged.
(8) The GAAP and Non-GAAP diluted NOEPS numerator for the three and twelve months ended December 31, 2021 is equal to net operating earnings available to common shareholders adjusted for respective $0.6M and $1.6M add-backs for interest expense incurred, net of tax, related to the Series A Equity Unit purchase contracts.

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses (Benefits), and Income (Loss) (GAAP) to Operating Revenues, Expenses (Benefits), and Income (Loss) (Non-GAAP) (*unaudited*)

Three Months Ended December 31, 2021 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 992.0	$ 411.6	$ 5.0	$ 1,408.6
Adjustments:				
Weather - compared to normal	14.5	(0.8)	—	13.7
Operating Revenues (Non-GAAP)	$ 1,006.5	$ 410.8	$ 5.0	$ 1,422.3
Operating Expenses (Benefit) (GAAP)	$ 793.6	$ 331.7	$ (1.1)	$ 1,124.2
Adjustments:				
Greater Lawrence Incident[1]	1.2	—	—	1.2
Plant retirement costs[2]	—	1.9	—	1.9
NiSource Next initiative[3]	1.7	0.9	—	2.6
Operating Expenses (Benefit) (Non-GAAP)	$ 790.7	$ 328.9	$ (1.1)	$ 1,118.5
Operating Income (GAAP)	$ 198.4	$ 79.9	$ 6.1	$ 284.4
Total Revenue and Expense Adjustments to Operating Income	17.4	2.0	—	19.4
Operating Income (Non-GAAP)	$ 215.8	$ 81.9	$ 6.1	$ 303.8

Three Months Ended December 31, 2020 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 826.8	$ 370.4	$ 13.8	$ 1,211.0
Adjustments				
Weather - compared to normal	7.1	0.9	—	8.0
Massachusetts Business transaction revenue	—	—	(9.0)	(9.0)
Operating Revenues (Non-GAAP)	$ 833.9	$ 371.3	$ 4.8	$ 1,210.0
Operating Expenses (GAAP)	$ 665.7	$ 317.0	$ 10.2	$ 992.9
Adjustments				
Greater Lawrence Incident[1]	1.3	—	—	1.3
NiSource Next initiative[3]	13.6	5.3	0.3	19.2
Massachusetts Business sale related amounts[4]	9.9	—	9.0	18.9
Gain on sale of assets, net	—	—	(1.4)	(1.4)
Operating Expenses (Non-GAAP)	$ 640.9	$ 311.7	$ 2.3	$ 954.9
Operating Income (GAAP)	$ 161.1	$ 53.4	$ 3.6	$ 218.1
Total Revenue and Expense Adjustments to Operating Income	31.9	6.2	(1.1)	37.0
Operating Income (Non-GAAP)	$ 193.0	$ 59.6	$ 2.5	$ 255.1

See footnote descriptions contained with Schedule 1.

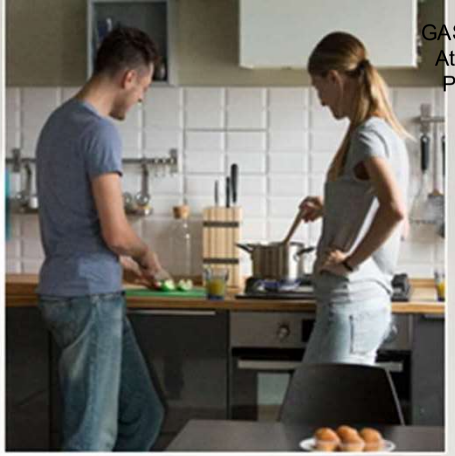
NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses (Benefits), and Income (Loss) (GAAP) to Operating Revenues, Expenses (Benefits), and Income (Loss) (Non-GAAP) (*unaudited*)

Twelve Months Ended December 31, 2021 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 3,183.5	$ 1,697.1	$ 19.0	$ 4,899.6
Adjustments:				
Weather - compared to normal	22.9	(21.7)	—	1.2
Operating Revenues (Non-GAAP)	$ 3,206.4	$ 1,675.4	$ 19.0	$ 4,900.8
Operating Expenses (GAAP)	$ 2,566.0	$ 1,309.3	$ 17.4	$ 3,892.7
Adjustments:				
Greater Lawrence Incident[1]	9.2	—	—	9.2
Plant retirement costs[2]	—	14.1	—	14.1
NiSource Next initiative[3]	17.3	7.0	0.4	24.7
Massachusetts Business sale related amounts[4]	6.8	—	—	6.8
Operating Expenses (Non-GAAP)	$ 2,532.7	$ 1,288.2	$ 17.0	$ 3,837.9
Operating Income (GAAP)	$ 617.5	$ 387.8	$ 1.6	$ 1,006.9
Total Revenue and Expense Adjustments to Operating Income	56.2	(0.6)	0.4	56.0
Operating Income (Non-GAAP)	$ 673.7	$ 387.2	$ 2.0	$ 1,062.9

Twelve Months Ended December 31, 2020 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 3,140.1	$ 1,536.6	$ 5.0	$ 4,681.7
Adjustments:				
Weather - compared to normal	28.3	(4.3)	—	24.0
Massachusetts Business transaction revenue	—	—	(9.0)	(9.0)
Operating Revenues (Non-GAAP)	$ 3,168.4	$ 1,532.3	$ (4.0)	$ 4,696.7
Operating Expenses (GAAP)	$ 2,941.0	$ 1,187.8	$ 2.1	$ 4,130.9
Adjustments:				
Greater Lawrence Incident[1]	16.7	—	—	16.7
Plant retirement costs[2]	—	4.6	—	4.6
NiSource Next initiative[3]	32.3	12.8	0.7	45.8
Massachusetts Business sale related amounts[4]	391.3	—	9.0	400.3
Gain on sale of assets, net	—	—	(1.8)	(1.8)
Operating Expenses (Benefit) (Non-GAAP)	$ 2,500.7	$ 1,170.4	$ (5.8)	$ 3,665.3
Operating Income (GAAP)	$ 199.1	$ 348.8	$ 2.9	$ 550.8
Total Revenue and Expense Adjustments to Operating Income	468.6	13.1	(1.1)	480.6
Operating Income (Non-GAAP)	$ 667.7	$ 361.9	$ 1.8	$ 1,031.4

See footnote descriptions contained with Schedule 1.



SUPPLEMENTAL SLIDES
1Q 2022 RESULTS

NiSource®

May 4, 2022






FORWARD-LOOKING STATEMENTS

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. Expressions of future goals and expectations and similar expressions, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this presentation include, among other things, our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and natural gas costs and supply risks; fluctuations in demand from residential and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the attraction and retention of a qualified, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity attacks; increased requirements and costs related to cybersecurity; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; inflation; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related to the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney's Office to settle the U.S. Attorney's Office's investigation relating to the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; other matters in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2021, and matters related to our electric generation transition as set forth in Part II, Item 1A, "Risk Factors," of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, many of which risks are beyond our control. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time.

All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Regulation G Disclosure Statement

This presentation includes financial results for NiSource with respect to net operating earnings available to common shareholders, diluted net operating earnings per share, and operating earnings, which are non-GAAP financial measures as defined by the Securities and Exchange Commission's (SEC) Regulation G. This presentation also includes guidance for NiSource with respect to net operating earnings per share and adjusted funds from operations / total debt. The company includes these measures because management believes they permit investors to view the company's performance using the same tools that management uses and to better evaluate the company's ongoing business performance. With respect to such guidance for net operating earnings per share, it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other items included in GAAP results. NiSource is not able to estimate the impact of such factors on GAAP earnings and, as such, is not providing earnings guidance on a GAAP basis. With respect to such guidance for adjusted funds from operations / total debt it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various adjustments the S&P and Moody's rating agencies apply when calculating their metrics. NiSource is not able to provide a reconciliation of its non-GAAP net operating earnings or adjusted funds from operations / total debt guidance, to their GAAP equivalents without unreasonable efforts.

KEY TAKEAWAYS

- **2022 guidance and long-term growth rates reaffirmed**
  - 2022 non-GAAP diluted NOEPS guidance range of $1.42 to $1.48 reaffirmed
  - Reaffirmed 5-7% 2023 annual non-GAAP NOEPS growth and 7-9% CAGR** from 2021 results to 2024
  - Continue to expect 2022 capital expenditures of $2.4 to $2.7B
- **Evaluating/managing the impact of supply chain constraints on generation transition**
  - Department of Commerce AD/CVD investigation delaying project timelines, most projects delayed 6-18 months
  - Now expect to retire Schahfer units 17 & 18 by the end of 2025 to ensure customer reliability; continue to expect Michigan City to retire between 2026-2028
  - Electric rate case options provide flexibility to timely recover renewable project investments as they are put in service
  - Mitigation plan being developed and implemented to maintain 2024 growth commitment
- **Regulatory execution continues seeking balanced outcomes for all stakeholders**
  - Ohio rate case staff report received, company response to be filed later this month
  - Settlement agreement achieved in NIPSCO's gas rate case
  - New rate cases filed in Pennsylvania and Virginia
- **Non-GAAP diluted NOEPS* of $0.75 in 1Q22 vs. $0.77 in 1Q21**
  - Reflects continued investment in safety, reliability, customer affordability and sustainability

FOCUSED ON ENHANCING SAFETY, RELIABILITY, CUSTOMER AFFORDABILITY AND SUSTAINABILITY

*Diluted Net Operating Earnings Per Share (Non-GAAP). For the GAAP Diluted Earnings Per Share and the reconciliation of GAAP to non-GAAP diluted earnings per share, see Schedule 1 in the appendix to this presentation
**Compound Annual Growth Rate

FIRST QUARTER CONSOLIDATED FINANCIAL RESULTS

GAAP	FIRST QUARTER		
	2022	2021	Change Fav/(Unfav)
Net Income (Loss) Available to Common Shareholders ($ in Millions)	$413.0	$281.7	$131.3
Diluted Earnings (Loss) Per Share	$0.94	$0.72	$0.22

NON-GAAP*	FIRST QUARTER		
	2022	2021	Change Fav/(Unfav)
Net Operating Earnings (Loss) Available to Common Shareholders ($ in Millions)	$328.7	$304.8	$23.9
Diluted Net Operating Earnings Per Share	$0.75	$0.77	$(0.02)

*Net Operating Earnings (non-GAAP). For a reconciliation of GAAP to non-GAAP earnings, see Schedule 1 in the appendix to this presentation

FIRST QUARTER NON-GAAP* RESULTS

GAS DISTRIBUTION OPERATIONS ($ Millions)	FIRST QUARTER		
	2022	2021	Change Fav/(Unfav)
Operating Revenues	$ 1,437.7	$ 1,147.3	$ 290.4
Cost of Energy	$ 589.1	$ 379.0	$ (210.1)
Tracked Operating Expenses	$ 81.0	$ 66.3	$ (14.7)
Other Operating Expenses	$ 362.8	$ 328.0	$ (34.8)
Total Operating Expenses	$ 1,032.9	$ 773.3	$ (259.6)
Operating Earnings (Loss)*	**$ 404.8**	**$ 374.0**	**$ 30.8**

ELECTRIC OPERATIONS ($ Millions)	FIRST QUARTER		
	2022	2021	Change Fav/(Unfav)
Operating Revenues	$ 429.4	$ 403.3	$ 26.1
Cost of Energy	$ 117.6	$ 97.8	$ (19.8)
Tracked Operating Expenses	$ 9.8	$ 12.3	$ 2.5
Other Operating Expenses	$ 203.3	$ 202.6	$ (0.7)
Total Operating Expenses	$ 330.7	$ 312.7	$ (18.0)
Operating Earnings (Loss)*	**$ 98.7**	**$ 90.6**	**$ 8.1**

*Operating Earnings (non-GAAP). For comparable GAAP results by segment, refer to Part I. Item 2 of the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2022. For a reconciliation of GAAP to non-GAAP earnings, see Schedule 2 in the appendix to this presentation

CONTINUED FOCUS ON SAFE AND RELIABLE EXECUTION

NISOURCE DEBT AND CREDIT PROFILE

- **Debt level: ~$9.8B as of March 31, 2022**
  - ~$9.2B of long-term debt
    - Weighted average maturity ~14 years
    - Weighted average interest rate of 3.68%

- **Solid liquidity position**
  - ~$1.9B in net available liquidity as of March 31, 2022*
  - ~$2.4B of committed facilities in place as of March 31, 2022
    - ~$1.9B revolving credit facility
    - ~$0.5B accounts receivable securitization facilities **

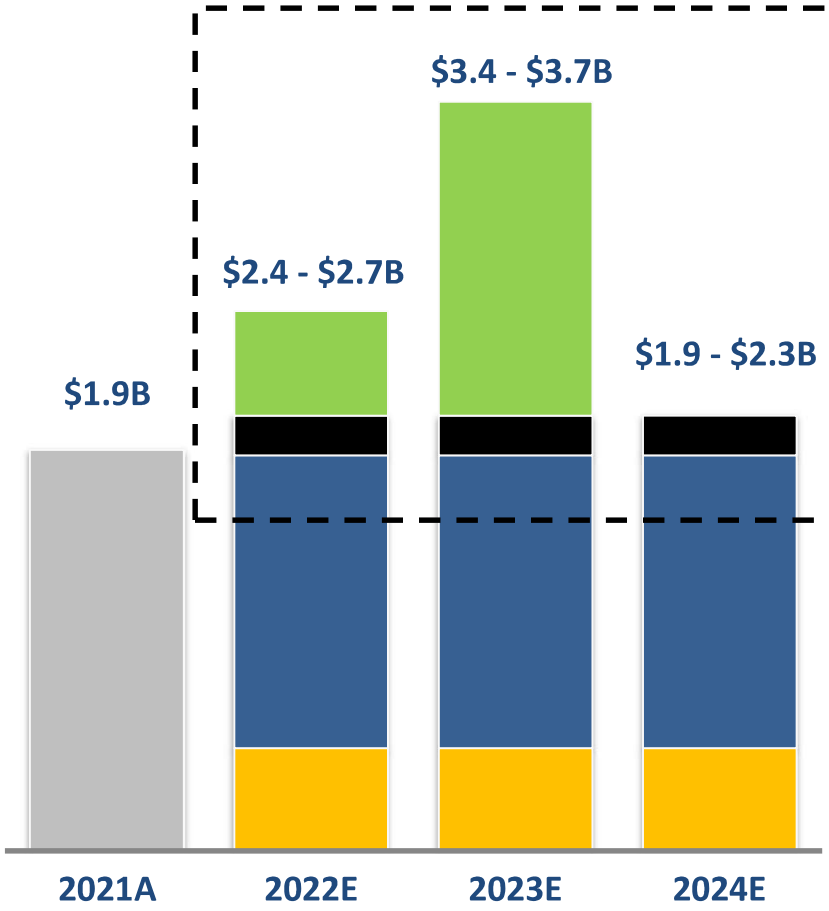
- **Committed to maintaining current investment-grade credit ratings**
  - S&P (BBB+), Moody's (Baa2), and Fitch (BBB)
  - S&P and Fitch completed their annual credit reviews in 2022 with no change to ratings and stable outlooks

SOLID FINANCIAL FOUNDATION TO SUPPORT LONG-TERM INFRASTRUCTURE AND SAFETY INVESTMENTS

* Consisting of cash and available capacity under credit facilities
** Capacity on accounts receivable securitization facilities changes with seasonality

CAPITAL FORECAST (BEFORE SOLAR PROJECT DELAYS)

Investment opportunities expected to enhance system safety and reliability while driving shareholder value



Planned Renewable Generation Investments of ~$2.0B

Expected delays in solar generation projects is likely to impact annual capex timing/amounts

(see slide 8 for preliminary capex changes)

Expected Investment Recovery Period

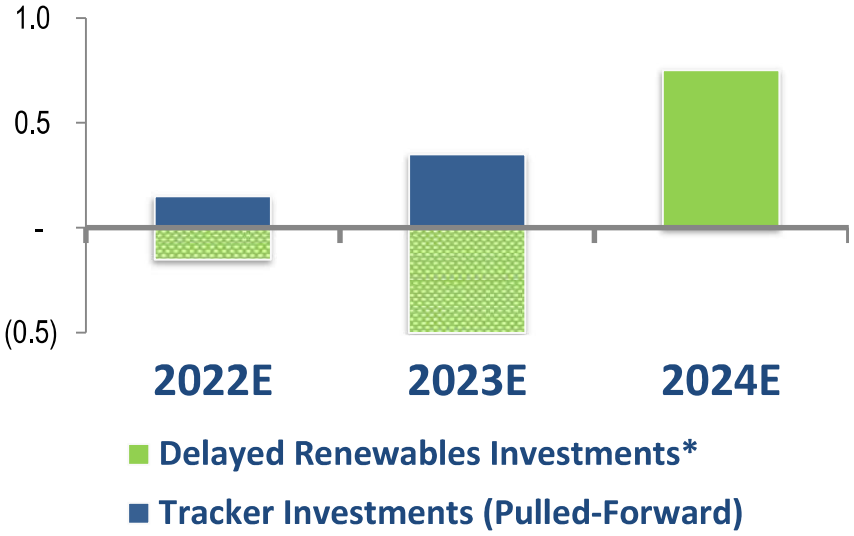
- Renewables (Electric Rate Case)
- Growth (Within 0-3 Months)
- Tracker (Within 0-18 Months)
- Maintenance/Other (Periodic Rate Cases)

Anticipate >75% of Capital Investments Begin Earning in Less Than 18 Months

MAINTAINING 2024 EPS GROWTH COMMITMENT

Ensuring customer reliability, rate case flexibility and well-established infrastructure programs are key components

Illustrative Capital Investment Plan Adjustments ($B) / 2024 EPS Impacts



Delayed Renewable Investments • ~$1.0B in-service by 2023 • ~$1.0B in-service 2024+	($0.09 - $0.10)
Pulling Forward Tracked/Other Investments • ~$400-$500M Pulled into 2022/2023	+$0.04 - $0.05
O&M • Accelerating NiNEXT and operational excellence opportunities	+$0.03 - $0.04
Financing Cost • Less financing need with delayed projects	+$0.01 - $0.02
Total 2024 EPS Impact	$0.00

Key Assumptions:

- Half of renewable investments (~$1.0B) will be in-service by YE 2023
- Electric rate case options provide flexibility to timely recover renewable project investments as they are put in service
- Now expect to retire Schahfer units 17 & 18 by the end of 2025 to ensure customer reliability

NiSource resiliency and flexibility allow for offsetting 2024 EPS impacts related to solar project delays

*The above timeline and estimates are subject to continuing review and adjustment and actual capital expenditures may vary from these estimates.

2021 - 2024 FINANCING PLAN*

Financing strategy targets long-term Adj. FFO/total debt** of ~14%-15%

($ millions)	2021A	2022E	2023E	2024E
Planned Annual Safety & Modernization Investments				
Equity				
ATM (At-the-Market)	$300	$200 - $300 Total	$0 - $150 Total	
ESPP/401K/Other	$26	$30 - $50 Annually		
Long-Term Debt				
Incremental Long-Term Debt		$500 - $700 Annually		
Planned Renewable Generation Investments (Targeting 60% Equity)				
Equity				
Common Equity Block		None Planned		
Long-Term Debt				
Incremental Long-Term Debt		~ $800 Total		
Other Financing				
Equity Unit Issuance	$862.5 Total***		$862.5 Total***	

Current Financing Plan

- All financing is included in our long-term growth commitments
- Reflects our focus on maintaining current investment grade credit rating
- Targets renewable investment financing (60% Equity / 40% Debt)
- Financing plan may be adjusted to reflect updated renewable project timing

*Current financing plan may change based on business developments
**As calculated according to the S&P and Moody's rating agency methodologies
*** Remarketing of additional $862.5M in December of 2023

GAS DISTRIBUTION OPERATIONS

- Base rate case filed in Virginia
- Settlement filed in Indiana Gas Rate Case
- Continuing to invest in infrastructure to enhance safety, reliability, customer affordability and sustainability

HIGHLIGHT	KEY COMPONENTS	STATUS
Columbia Gas of Virginia Base Rate Case	• Requested $40.6 million net of SAVE infrastructure tracker ($17.7 M); $1.0 billion rate base • Requested 10.75% ROE and 39.3% equity capital structure	• Filed April 29, 2022
Columbia Gas of Ohio Base Rate Case	• Requested $221.4 million, net of the Capital Expenditure Program ("CEP") and Infrastructure Replacement Program ("IRP") Riders; $3.6 billion rate base • Requested 10.95% ROE and 50.6% equity capital structure	• Filed June 30, 2021 • Staff report received Apr. 6, 2022 • New rates proposed effective 3Q2022
Columbia Gas of Pennsylvania Base Rate Case	• Supports continued replacement of aging pipelines and adoption of pipeline safety upgrades • Requested initial revenue increase of $82.2 million on $3.0 billion forecasted rate base	• Filed Mar. 18, 2022 • Order expected 4Q22
NIPSCO Gas Base Rate Case	• Requested $109.7 million net of infrastructure trackers on a $2.4 billion forecasted rate base • Requested 10.50% ROE and 57.7% equity capital structure. • Settlement supports a revenue increase of $71.8 million	• Filed Sept. 29, 2021 • Settlement Reached Mar. 2, 2022 • New rates proposed effective September 2022 and March 2023
NIPSCO Gas FMCA Tracker	• Supports federally mandated Pipeline Safety III Compliance plan • $228.7 million in capital and $34.1 million in O&M from 2022-2026	• Filed April 1, 2022

~$40B IN IDENTIFIED LONG-TERM GAS AND ELECTRIC INFRASTRUCTURE INVESTMENT OPPORTUNITIES

ELECTRIC OPERATIONS

- Continuing to evaluate 2021 Integrated Resource Plan Request for Proposals
- Filed NIPSCO Electric FMCA tracker request in March

HIGHLIGHT	KEY COMPONENTS	STATUS
2021 Integrated Resource Plan (IRP) & Request for Proposals (RFP)	• Michigan City Generation Station retirement between 2026 and 2028 • Preferred path outlines new generation investment estimated to be up to $750M • RFP solicitation concluded in 3Q21, analysis continues	• IRP submitted to IURC in mid-November • NIPSCO responding to other party comments
Renewable Generation Projects	• Construction progresses on Dunns Bridge I Solar and Indiana Crossroads Solar	• Indiana Crossroads Solar and Dunns Bridge I Solar expected to be placed in-service in 2023
NIPSCO Electric FMCA Tracker	• Requested approval to recover $40 million of federally mandated retirement costs associated with the Ash Pond Recovery Project at the Michigan City Generating Station	• Filed Mar. 30, 2022

~$40B IN IDENTIFIED LONG-TERM GAS AND ELECTRIC INFRASTRUCTURE INVESTMENT OPPORTUNITIES

SAFETY AND INFRASTRUCTURE PROGRAMS

COMPANY	YEAR-END 2021 RATE BASE	AUTHORIZED PROGRAM ROE	MODERNIZATION PROGRAM INVESTMENTS	ESTIMATED ANNUAL MODERNIZATION PROGRAM INVESTMENTS	RECOVERY MECHANISM
Columbia Gas of OH	$3.9B	10.39%	~$10.6B	$520M - $600M	Tracked
Columbia Gas of PA	$2.4B	N/A	~$4.1B	$340M - $410M	Rate Case (Forward Test Year)
NIPSCO Gas	$2.0B*	9.85%	~$5.0B	$165M - $220M	Tracked
Columbia Gas of VA	$1.1B	9.70%	~$500M	$67M - $70M	Tracked
Columbia Gas of KY	$423M	9.35%	~$900M	$40M - $43M	Tracked
Columbia Gas of MD	$198M	9.65%	~$230M	$30M - $35M	Tracked
NIPSCO Electric	$4.9B*	9.75%	~$5.0B	$220M - $275M	Tracked

LONG-TERM INVESTMENT PROGRAMS DELIVER CUSTOMER VALUE ON $14.9B RATE BASE**

* Effective equity = 50% with deferred taxes included in cap structure for NIPSCO electric and gas
** As of Dec. 31, 2021
Note all rate base figures exclude CWIP except VA and MD

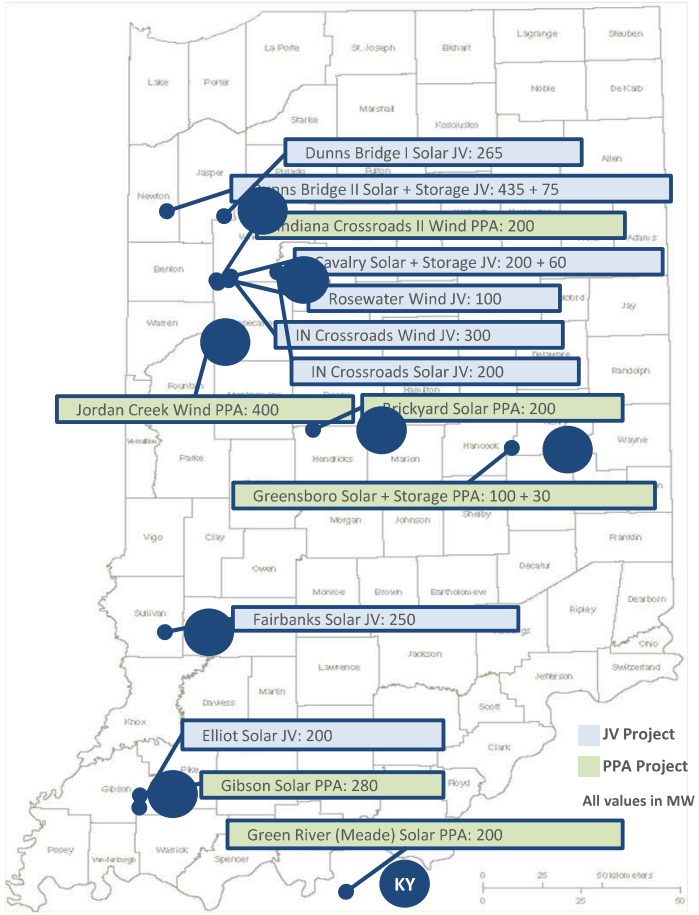
SAFETY AND INFRASTRUCTURE INVESTMENT AND TRACKER FILING DETAILS

COMPANY	MECHANISM	INCREMENTAL INVESTMENTS		RECOVERY
		PERIOD	AMOUNT ($M)	EFFECTIVE DATE
Columbia Gas of Ohio	Infrastructure Replacement Program (IRP)	FY 2020	$212.6	May 2021
		FY 2021	$232.9	May 2022
Columbia Gas of Ohio	Capital Expenditure Program (CEP)	FY 2020	$177.2	Sept 2021
		FY 2021	$253.5	Sept 2022
Columbia Gas of Pennsylvania	Distribution System Improvement Charge (DSIC)	Jun 2020 - Aug 2020	$85.0	Oct 2020
		Sep 2020 - Nov 2020	$25.0	Jan 2021
Columbia Gas of Virginia	Steps to Advance Virginia's Energy Plan (SAVE)	FY 2021	$46.4	Jan 2021
		FY 2022	$63.0	Jan 2022
Columbia Gas of Kentucky	Safety Modification and Replacement Program (SMRP)	FY 2020	$40.4	Jan 2020
		FY 2021	$40.0	May 2021
Columbia Gas of Maryland	Strategic Infrastructure Development and Enhancement (STRIDE)	FY 2021	$16.9	Jan 2021
		FY 2022	$17.5	Jan 2022
NIPSCO – Gas	Transmission, Distribution and Storage System Improvement Charge (TDSIC)	TDSIC 3: Jan 2021 – June 2021	$52.1	Jan 2022
		TDSIC 4: July 2021 – Dec 2021	$77.5	July 2022
	Federally Mandated Cost Adjustment Rider (FMCA)	FMCA 7: Apr 2021 – Sept. 2021	$32.8	April 2022
NIPSCO – Electric	Transmission, Distribution and Storage System Improvement Charge (TDSIC)	TDSIC 9: Feb 2021 - May 2021	$42.7	Feb 2022
		TDSIC 1: May 2021 - Jan 2022	$148.5	Aug 2022

Robust Renewable INVESTMENTS in Indiana

JV Projects	NIPSCO Investment ($M)	Estimated In Service	Status
Rosewater Wind	~$100	’20	Complete
Indiana Crossroads Wind	~$300	’21	Complete
Dunns Bridge I Solar	~$240	’23	Under Construction
Crossroads Solar	~$200	’23	Under Construction
Transmission Projects	~$150	’21–’22	Under Construction
Dunns Bridge II Solar + Storage	~$420	’23-’24	Approved
Cavalry Solar + Storage	~$190	’23-’24	Approved
Fairbanks Solar	~$245	’24-’25	Approved
Elliott Solar	~$180	’24-’25	Approved
Total	**~$2,000**		

PPA Projects	Estimated In Service	Status
Jordan Creek Wind	’20	Complete
Crossroads II Wind	’23	Approved
Brickyard Solar	’24	Approved
Greensboro Solar + Storage	’23-’24	Approved
Gibson Solar	’24	Approved
Green River Solar	’24	Approved



Estimated in-service dates for solar and storage projects not already complete or under construction will be refined when resolution is reached in Department of Commerce investigation

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)



Environmental

- Driving toward 90% reduction* in scope 1 greenhouse gas emissions by 2030, inclusive of a 50% reduction in methane emissions by 2025
- Expected to retire 100% of coal-fired generation assets between 2026 and 2028, and replace primarily with renewable generation
- ~$2.0B of planned renewable investments



Social

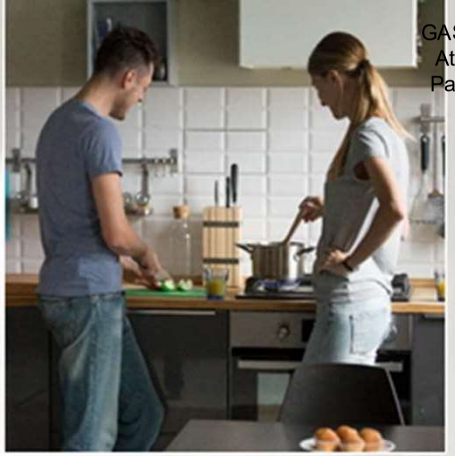
- Transformation focused on customer safety, reliability and affordability
- Economically benefiting customers and communities
- Committed to engagement, diversity, equity and inclusion from the boardroom through the organization and supplier network



Governance

- Leadership enhancements support commitment to customer service and safety
- Diverse, skilled and independent Board
- Robust framework for strategy, risk management and oversight

* Compared to 2005 baseline



APPENDIX
1Q 2022 RESULTS

NiSource

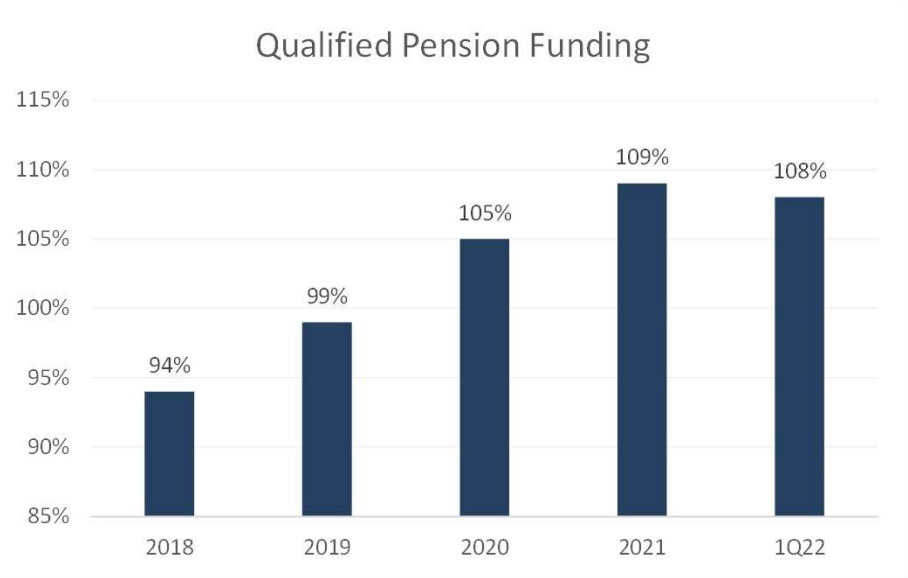


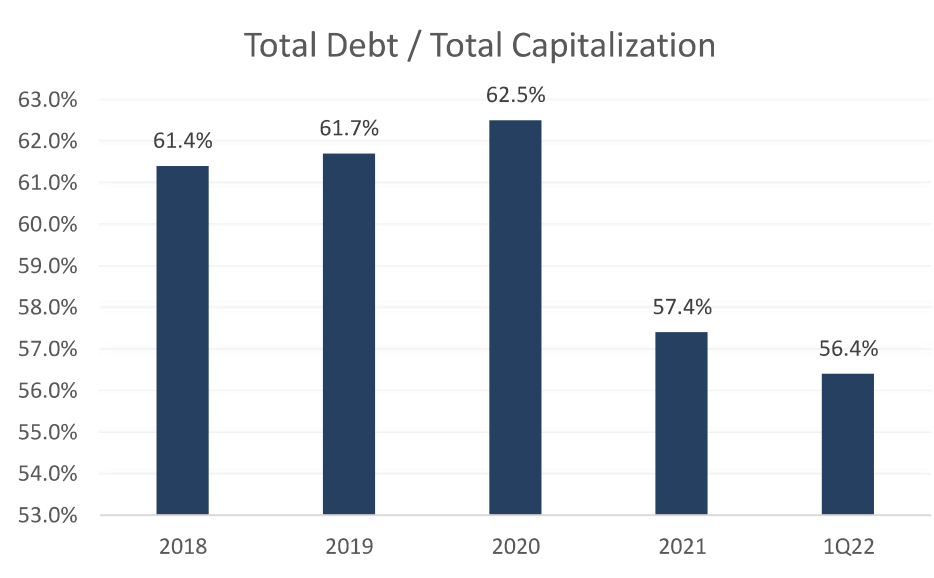



LIQUIDITY AND CAPITALIZATION AS OF 1Q 2022 ($M)

CURRENT LIQUIDITY	ACTUAL 3/31/22	MATURITY
Revolving Credit Facility	$1,850.0	Feb. 18, 2027
Accounts Receivable Programs*	480.0	
Less:		
Drawn on Credit Facility	—	
Commercial Paper	165.0	
Accounts Receivable Programs Utilized	355.0	
L/C's Outstanding Under Credit Facility	14.4	
Add:		
Cash & Equivalents	114.5	
Net Available Liquidity	$1,910.1	

* Represents the lesser of seasonal limit or maximum borrowings supportable by underlying receivables





NiSource Inc.

Schedule 1 - Reconciliation of Consolidated Net Income (Loss) Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) (*unaudited*)

	Three Months Ended March 31,	
(in millions, except per share amounts)	**2022**	2021
GAAP Net Income Available to Common Shareholders	**$ 413.0**	$ 281.7
Adjustments to Operating Income:		
Operating Revenues:		
Weather - compared to normal	**(3.0)**	9.0
Operating Expenses:		
Greater Lawrence Incident	**—**	5.8
NiSource Next initiative[(1)]	**1.5**	9.7
Massachusetts Business related amounts[(2)]	**(105.0)**	6.9
Total adjustments to operating income	**(106.5)**	31.4
Income Taxes:		
Tax effect of above items[(3)]	**22.2**	(8.3)
Total adjustments to net income	**(84.3)**	23.1
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 328.7**	$ 304.8
Diluted Average Common Shares	**441.4**	393.9
GAAP Diluted Earnings Per Share[(4)]	**$ 0.94**	$ 0.72
Adjustments to diluted earnings per share	**(0.19)**	0.05
Non-GAAP Diluted Net Operating Earnings Per Share[(4)]	**$ 0.75**	$ 0.77

[(1)] Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.
[(2)] 2022 represents proceeds from a property insurance settlement related to the Greater Lawrence Incident. 2021 primarily represents final net working capital adjustments to the purchase price for the loss incurred on the sale of the Massachusetts Business.
[(3)] Represents income tax expense calculated using the statutory tax rates by legal entity.
[(4)] The GAAP and Non-GAAP diluted NOEPS numerator for the three months ended March 31, 2022 is equal to net operating earnings available to common shareholders adjusted for $0.5M add-back for interest expense incurred, net of tax, related to the Series A Equity Unit purchase contracts.

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses (Benefits), and Income (Loss) (GAAP) to Operating Revenues, Expenses (Benefits), and Income (Loss) (Non-GAAP) (*unaudited*)

Three Months Ended March 31, 2022 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 1,439.8	$ 430.3	$ 3.2	$ 1,873.3
Adjustments:				
Weather - compared to normal	(2.1)	(0.9)	—	(3.0)
Operating Revenues (Non-GAAP)	$ 1,437.7	$ 429.4	$ 3.2	$ 1,870.3
Operating Expenses (GAAP)	$ 929.0	$ 331.1	$ 12.9	$ 1,273.0
Adjustments:				
NiSource Next initiative[1]	1.1	0.4	—	1.5
Massachusetts Business sale related amounts[2]	(105.0)	—	—	(105.0)
Operating Expenses (Non-GAAP)	$ 1,032.9	$ 330.7	$ 12.9	$ 1,376.5
Operating Income (Loss) (GAAP)	$ 510.8	$ 99.2	$ (9.7)	$ 600.3
Total Revenue and Expense Adjustments to Operating Income (Loss)	(106.0)	(0.5)	—	(106.5)
Operating Income (Loss) (Non-GAAP)	$ 404.8	$ 98.7	$ (9.7)	$ 493.8

Three Months Ended March 31, 2021 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 1,138.9	$ 402.7	$ 4.0	$ 1,545.6
Adjustments				
Weather - compared to normal	8.4	0.6	—	9.0
Operating Revenues (Non-GAAP)	$ 1,147.3	$ 403.3	$ 4.0	$ 1,554.6
Operating Expenses (GAAP)	$ 792.0	$ 314.8	$ 5.6	$ 1,112.4
Adjustments				
Greater Lawrence Incident	5.8	—	—	5.8
NiSource Next initiative[1]	6.0	2.1	1.6	9.7
Massachusetts Business sale related amounts[2]	6.9	—	—	6.9
Operating Expenses (Non-GAAP)	$ 773.3	$ 312.7	$ 4.0	$ 1,090.0
Operating Income (Loss) (GAAP)	$ 346.9	$ 87.9	$ (1.6)	$ 433.2
Total Revenue and Expense Adjustments to Operating Income	27.1	2.7	1.6	31.4
Operating Income (Non-GAAP)	$ 374.0	$ 90.6	$ —	$ 464.6

See footnote descriptions contained with Schedule 1.









NiSource®

Segment and Financial Information
Second Quarter 2022

Supplement to NiSource Second Quarter 2022
Earnings Presentation









NiSource Inc.

Condensed Statements of Consolidated Income (unaudited) (GAAP)

(in millions, except per share amounts)	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Operating Revenues				
Customer revenues	**$ 1,156.5**	$ 952.4	**$ 2,996.8**	$ 2,458.9
Other revenues	**26.7**	33.6	**59.7**	72.7
Total Operating Revenues	**1,183.2**	986.0	**3,056.5**	2,531.6
Operating Expenses				
Cost of energy	**383.7**	228.3	**1,090.4**	705.1
Operation and maintenance	**381.9**	362.8	**776.2**	724.3
Depreciation and amortization	**208.7**	186.3	**401.4**	371.3
Loss (gain) on sale of assets, net	**—**	(0.1)	**(105.0)**	8.0
Other taxes	**65.6**	66.5	**149.9**	147.5
Total Operating Expenses	**1,039.9**	843.8	**2,312.9**	1,956.2
Operating Income	**143.3**	142.2	**743.6**	575.4
Other Income (Deductions)				
Interest expense, net	**(84.5)**	(84.5)	**(168.2)**	(169.1)
Other, net	**9.0**	12.4	**19.9**	22.9
Total Other Deductions, Net	**(75.5)**	(72.1)	**(148.3)**	(146.2)
Income before Income Taxes	**67.8**	70.1	**595.3**	429.2
Income Taxes	**12.0**	13.2	**108.2**	75.8
Net Income	**55.8**	56.9	**487.1**	353.4
Net loss attributable to noncontrolling interest	**(11.2)**	(3.4)	**(6.7)**	(2.4)
Net Income Attributable to NiSource	**67.0**	60.3	**493.8**	355.8
Preferred dividends	**(13.8)**	(13.8)	**(27.6)**	(27.6)
Net Income Available to Common Shareholders	**53.2**	46.5	**466.2**	328.2
Earnings Per Share				
Basic Earnings Per Share	**$ 0.13**	$ 0.12	**$ 1.15**	$ 0.84
Diluted Earnings Per Share	**$ 0.12**	$ 0.11	**$ 1.06**	$ 0.80
Basic Average Common Shares Outstanding	**406.4**	393.0	**406.2**	392.8
Diluted Average Common Shares	**440.2**	422.9	**440.8**	408.5

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited) (GAAP)

(in millions)	June 30, 2022	December 31, 2021
ASSETS		
Property, Plant and Equipment		
Plant	$ **26,046.1**	$ 25,171.3
Accumulated depreciation and amortization	**(7,534.4)**	(7,289.5)
Net Property, Plant and Equipment[(1)]	**18,511.7**	17,881.8
Investments and Other Assets		
Unconsolidated affiliates	**0.8**	0.8
Available-for-sale debt securities (amortized cost of $160.2 and $169.3, allowance for credit losses of $1.0 and $0.2, respectively)	**149.8**	171.8
Other investments	**73.5**	87.1
Total Investments and Other Assets	**224.1**	259.7
Current Assets		
Cash and cash equivalents	**77.8**	84.2
Restricted cash	**21.7**	10.7
Accounts receivable	**740.7**	849.1
Allowance for credit losses	**(26.1)**	(23.5)
Accounts receivable, net	**714.6**	825.6
Gas inventory	**307.5**	327.4
Materials and supplies, at average cost	**142.9**	139.1
Electric production fuel, at average cost	**41.2**	32.2
Exchange gas receivable	**134.6**	99.6
Regulatory assets	**179.7**	206.2
Prepayments and other	**291.7**	195.8
Total Current Assets[(1)]	**1,911.7**	1,920.8
Other Assets		
Regulatory assets	**2,308.8**	2,286.0
Goodwill	**1,485.9**	1,485.9
Deferred charges and other	**371.6**	322.7
Total Other Assets	**4,166.3**	4,094.6
Total Assets	$ **24,813.8**	$ 24,156.9

[(1)] Includes $684.6 million and $695.9 million at June 30, 2022 and December 31, 2021, respectively, of net property, plant and equipment assets and $20.4 million and $14.3 million at June 30, 2022 and December 31, 2021, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs.

NiSource Inc.

Condensed Consolidated Balance Sheets (unaudited) (GAAP) (continued)

(in millions, except share amounts)	**June 30, 2022**	December 31, 2021
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - $0.01 par value, 600,000,000 shares authorized; 405,878,297 and 405,303,023 shares outstanding, respectively	**$ 4.1**	$ 4.1
Preferred stock - $0.01 par value, 20,000,000 shares authorized; 1,302,500 shares outstanding	**1,546.5**	1,546.5
Treasury stock	**(99.9)**	(99.9)
Additional paid-in capital	**7,218.6**	7,204.3
Retained deficit	**(1,408.9)**	(1,580.9)
Accumulated other comprehensive loss	**(35.8)**	(126.8)
Total NiSource Stockholders' Equity	**7,224.6**	6,947.3
Noncontrolling interest in consolidated subsidiaries	**315.8**	325.6
Total Stockholders' Equity	**7,540.4**	7,272.9
Long-term debt, excluding amounts due within one year	**9,520.2**	9,183.4
Total Capitalization	**17,060.6**	16,456.3
Current Liabilities		
Current portion of long-term debt	**37.3**	58.1
Short-term borrowings	**555.0**	560.0
Accounts payable	**650.3**	697.8
Dividends payable - common stock	**95.4**	—
Dividends payable - preferred stock	**8.2**	—
Customer deposits and credits	**184.7**	237.9
Taxes accrued	**232.3**	277.1
Interest accrued	**124.4**	105.5
Exchange gas payable	**91.2**	107.7
Regulatory liabilities	**300.4**	137.4
Accrued compensation and employee benefits	**142.9**	182.7
Other accruals	**592.9**	382.0
Total Current Liabilities[(1)]	**3,015.0**	2,746.2
Other Liabilities		
Deferred income taxes	**1,830.9**	1,659.4
Accrued liability for postretirement and postemployment benefits	**280.5**	292.5
Regulatory liabilities	**1,833.0**	1,842.6
Asset retirement obligations	**464.1**	469.7
Other noncurrent liabilities	**329.7**	690.2
Total Other Liabilities[(1)]	**4,738.2**	4,954.4
Commitments and Contingencies	**—**	—
Total Capitalization and Liabilities	**$ 24,813.8**	$ 24,156.9

[(1)] Includes $7.5 million and $10.0 million at June 30, 2022 and December 31, 2021, respectively, of current liabilities and $20.8 million and $20.5 million at June 30, 2022 and December 31, 2021, respectively, of other liabilities of consolidated VIEs that creditors do not have recourse to our general credit.

NiSource Inc.
Statements of Consolidated Cash Flows (GAAP)

Six Months Ended June 30, *(in millions)*	2022	2021
Operating Activities		
Net Income	$ **487.1**	$ 353.4
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation and amortization	**401.4**	371.3
Deferred income taxes and investment tax credits	**100.8**	70.8
Loss (gain) on sale of assets	**(105.0)**	8.0
Other adjustments	**14.1**	8.9
Changes in Assets and Liabilities:		
Components of working capital	**2.4**	(106.2)
Regulatory assets/liabilities	**(8.2)**	21.5
Deferred charges and other noncurrent assets	**(16.1)**	(2.5)
Other noncurrent liabilities	**30.7**	(22.2)
Net Cash Flows from Operating Activities	**907.2**	703.0
Investing Activities		
Capital expenditures	**(917.0)**	(798.1)
Insurance recoveries	**105.0**	—
Payment to renewable generation asset developer	**(79.0)**	(7.4)
Other investing activities	**(60.1)**	(56.9)
Net Cash Flows used for Investing Activities	**(951.1)**	(862.4)
Financing Activities		
Issuance of long-term debt, net of discount and underwriting costs	**345.6**	—
Repayments of long-term debt and finance lease obligations	**(34.7)**	(12.2)
Change in short-term borrowings, net (maturity ≤ 90 days)	**(5.0)**	(503.0)
Issuance of common stock, net of issuance costs	**5.9**	6.0
Equity costs, premiums and other debt related costs	**(9.1)**	(5.9)
Contributions from noncontrolling interest	**—**	7.4
Distributions to noncontrolling interest	**(3.0)**	(0.2)
Issuance of equity units, net of underwriting costs	**—**	839.9
Dividends paid - common stock	**(190.6)**	(172.5)
Dividends paid - preferred stock	**(27.6)**	(27.6)
Contract liability payment	**(33.0)**	(7.7)
Net Cash Flows from Financing Activities	**48.5**	124.2
Change in cash, cash equivalents and restricted cash	**4.6**	(35.2)
Cash, cash equivalents and restricted cash at beginning of period	**94.9**	125.6
Cash, Cash Equivalents and Restricted Cash at End of Period	$ **99.5**	$ 90.4

Information contained herein is on a non-GAAP basis that is supplemental to and should be read in conjunction with our GAAP financial results. For our GAAP financial results and discussion of segment operations, please refer to Part I, Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations, of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022. For a reconciliation of GAAP to non-GAAP earnings, GAAP to non-GAAP operating revenues, GAAP to non-GAAP operating expenses and GAAP to non-GAAP operating income, see Schedules 1 and 2 contained herein.

Three and Six Months Ended June 30, 2022 Non-GAAP Net Operating Earnings - Segment Results

NiSource's consolidated non-GAAP net operating earnings available to common shareholders for the three months ended June 30, 2022 were $53.9 million, compared to $52.6 million in the comparable 2021 period. NiSource's consolidated non-GAAP net operating earnings for the six months ended June 30, 2022 were $382.6 million, compared to $357.4 million in the comparable 2021 period. Refer to the attached schedules for the items included in 2022 and 2021 GAAP net income but excluded from non-GAAP net operating earnings available to common shareholders.

Non-GAAP operating income for NiSource's business segments for the three and six months ended June 30, 2022, are discussed below.

Gas Distribution Operations

For the three months ended June 30, 2022, Gas Distribution Operations reported non-GAAP operating income of $80.7 million, compared to non-GAAP operating income of $65.9 million in the comparable 2021 period. For the six months ended June 30, 2022, Gas Distribution Operations reported non-GAAP operating income of $485.5 million, compared to non-GAAP operating income of $439.9 million in the comparable 2021 period.

Non-GAAP operating revenues for the three months ended June 30, 2022 were $743.4 million, an increase of $166.8 million from the comparable 2021 period. Non-GAAP operating revenues for the six months ended June 30, 2022 were $2,181.1 million, an increase of $457.2 million from the comparable 2021 period.

	Favorable (Unfavorable)	
Changes in non-GAAP Operating Revenues *(in millions)*	**Three Months Ended June 30, 2022 vs 2021**	**Six Months Ended June 30, 2022 vs 2021**
New rates from base rate proceedings and regulatory capital programs	23.9	85.0
Increased (decreased) customer usage	3.3	(1.5)
Higher revenue related to off system sales	1.4	4.1
The effects of customer growth	1.3	3.6
Higher revenue due to the effects of resuming common credit mitigation practices	1.2	3.0
Other	4.1	6.8
Change in non-GAAP operating revenues (before cost of energy and other tracked items)	$ 35.2	$ 101.0
Operating revenues offset in operating expense		
Higher cost of energy billed to customers	124.4	334.5
Higher tracker deferrals within operation and maintenance, depreciation,	7.2	21.7
Total change in non-GAAP operating revenues	**$ 166.8**	**$ 457.2**

Non-GAAP operating expenses for the three months ended June 30, 2022 were $662.7 million, an increase of $152.0 million from the comparable 2021 period. Non-GAAP operating expense for the six months ended June 30, 2022 were $1,695.6 million, an increase of $411.6 million from the comparable 2021 period.

	Favorable (Unfavorable)	
Changes in non-GAAP Operating Expenses *(in millions)*	**Three Months Ended June 30, 2022 vs 2021**	**Six Months Ended June 30, 2022 vs 2021**
Higher employee and administrative related expenses	(9.2)	(21.9)
Higher depreciation and amortization expense	(8.2)	(16.0)
Higher materials and supplies expense	(4.0)	(7.4)
Higher outside services expenses	(3.3)	(8.6)
Higher environmental remediation costs	(3.1)	(3.6)
Lower other than income taxes primarily related to property tax expense	5.5	5.7
Lower NiSource Next program expenses	4.0	3.7
Other	(2.1)	(7.3)
Change in non-GAAP operating expenses (before cost of energy and other tracked items)	$ (20.4)	$ (55.4)
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers	(124.4)	(334.5)
Higher tracker deferrals within operation and maintenance, depreciation, and tax	(7.2)	(21.7)
Total change in non-GAAP operating expense	**$ (152.0)**	**$ (411.6)**

Electric Operations

For the three months ended June 30, 2022, Electric Operations reported non-GAAP operating income of $73.4 million, compared to non-GAAP operating income of $84.6 million in the comparable 2021 period. For the six months ended June 30, 2022, Electric Operations reported non-GAAP operating income of $172.1 million compared to non-GAAP operating income of $175.2 million in the comparable 2021 period.

Non-GAAP operating revenues for the three months ended June 30, 2022 were $437.9 million, an increase of $39.6 million from the comparable 2021 period. Non-GAAP operating revenues for the six months ended June 30, 2022 were $867.3 million, an increase of $65.7 million from the comparable 2021 period.

	Favorable (Unfavorable)	
Changes in non-GAAP Operating Revenues *(in millions)*	**Three Months Ended June 30, 2022 vs 2021**	**Six Months Ended June 30, 2022 vs 2021**
Decreased customer usage	(1.9)	(5.1)
PPA revenue from renewable joint venture projects, mostly offset by JV operating expenses	6.2	14.7
The effects of customer growth	1.2	2.5
New rates from regulatory capital and DSM programs	1.1	2.2
Other	1.8	2.8
Change in non-GAAP operating revenues (before cost of energy and other tracked items)	$ 8.4	$ 17.1
Operating revenues offset in operating expense		
Higher cost of energy billed to customers	31.1	50.9
Higher (lower) tracker deferrals within operation and maintenance, depreciation and tax	0.1	(2.3)
Total change in non-GAAP operating revenues	**$ 39.6**	**$ 65.7**

Non-GAAP operating expenses for the three months ended June 30, 2022 were $364.5 million, an increase of $50.8 million from the comparable 2021 period. Non-GAAP operating expenses for the six months ended June 30, 2022 were $695.2 million, an increase of $68.8 million from the comparable 2021 period.

	Favorable (Unfavorable)	
Changes in non-GAAP Operating Expenses *(in millions)*	**Three Months Ended June 30, 2022 vs 2021**	**Six Months Ended June 30, 2022 vs 2021**
Higher depreciation and amortization expense driven by the joint venture depreciation adjustment	(10.1)	(6.9)
Renewable joint venture project expenses, offset by JV operating revenues	(6.1)	(13.0)
Effects of environmental recoveries in 2021	(1.3)	(6.5)
Lower NiSource Next program expenses	1.3	1.0
Lower outside services expenses	$ 0.5	$ 6.4
Other	(3.9)	(1.2)
Change in non-GAAP operating expenses (before cost of energy and other tracked items)	$ (19.6)	$ (20.2)
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers	(31.1)	(50.9)
Lower (higher) tracker deferrals within operation and maintenance, depreciation and tax	(0.1)	2.3
Total change in non-GAAP operating expense	**$ (50.8)**	**$ (68.8)**

Corporate and Other Operations

For the three months ended June 30, 2022, Corporate and Other Operations reported a non-GAAP operating loss of $9.9 million compared to non-GAAP operating earnings of zero in the comparable 2021 period. This change resulted primarily from unfavorable fluctuations in the cash surrender value of corporate owned life insurance investments, as well as higher outside service costs in 2022.

For the six months ended June 30, 2022, Corporate and Other Operations reported a non-GAAP operating loss of $19.6 million compared to non-GAAP operating earnings of zero in the comparable 2021 period. The drivers for this change were consistent with that of the quarter-to-date period.

Other Deductions, net

Other deductions, net, reduced non-GAAP net operating earnings by $75.5 million for the three months ended June 30, 2022, which was comparable to the reduction in non-GAAP net operating earnings of $72.1 million in the comparable 2021 period.

Other deductions, net, reduced non-GAAP net operating earnings by $148.3 million for the six months ended June 30, 2022, which was comparable to the reduction in non-GAAP net operating earnings of $146.2 million in the comparable 2021 period.

Income Taxes

The effective tax rate of non-GAAP net operating earnings for the three months ended June 30, 2022 was 17.8 percent compared to 19.6 percent for the same period last year. The decrease in 2022 is primarily attributed to lower state income taxes due to the jurisdictional mix of pre-tax income and partnership income, offset by decreased amortization of excess deferred federal income tax liabilities.

The effective tax rate of non-GAAP net operating earnings for the six months ended June 30, 2022 was 17.6 percent compared to 18.4 percent for the same period last year. The decrease in 2022 is primarily attributed to lower state income taxes due to the jurisdictional mix of pre-tax income.

NiSource Inc.

Consolidated Net Operating Earnings Available to Common Shareholders (Non-GAAP) *(unaudited)*

(in millions, except per share amounts)	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Operating Revenues	**$ 1,182.9**	$ 979.9	**$ 3,053.2**	$ 2,534.5
Operating Expenses				
Cost of energy	**383.7**	228.3	**1,090.4**	705.1
Operation and maintenance	**354.1**	326.6	**688.6**	624.3
Operation and maintenance - trackers	**26.6**	22.0	**84.9**	70.5
Depreciation and amortization	**207.2**	183.2	**398.6**	365.2
Depreciation and amortization - trackers	**1.5**	3.1	**2.8**	6.1
Loss (Gain) on sale of assets, net	**—**	(0.1)	**—**	1.1
Other taxes	**44.8**	49.5	**97.9**	103.2
Other taxes - trackers	**20.8**	16.8	**52.0**	43.9
Total Operating Expenses	**1,038.7**	829.4	**2,415.2**	1,919.4
Operating Income	**144.2**	150.5	**638.0**	615.1
Other Income (Deductions)				
Interest expense, net	**(84.5)**	(84.5)	**(168.2)**	(169.1)
Other, net	**9.0**	12.4	**19.9**	22.9
Total Other Deductions, Net	**(75.5)**	(72.1)	**(148.3)**	(146.2)
Operating Earnings Before Income Taxes	**68.7**	78.4	**489.7**	468.9
Income Taxes	**12.2**	15.4	**86.2**	86.3
Net Operating Earnings	**56.5**	63.0	**403.5**	382.6
Net loss attributable to noncontrolling interest	**(11.2)**	(3.4)	**(6.7)**	(2.4)
Net Operating Earnings attributable to NiSource	**67.7**	66.4	**410.2**	385.0
Preferred dividends	**(13.8)**	(13.8)	**(27.6)**	(27.6)
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**53.9**	52.6	**382.6**	357.4
Non-GAAP Diluted Net Operating Earnings Per Share[1]	**$ 0.12**	$ 0.13	**$ 0.87**	$ 0.88
Diluted Average Common Shares	**440.2**	422.9	**440.8**	408.5

[1] The Non-GAAP diluted NOEPS numerator is equal to net operating earnings available to common shareholders adjusted for add-backs for interest expense incurred, net of tax, related to the Series A Equity Unit purchase contracts. The add-backs for the three months ended June 30, 2022 and 2021 were $0.5M and $0.4M, respectively. The add-backs for the six months ended June 30, 2022 and 2021 were $1.0M and $0.4M, respectively.

NiSource Inc.

Segment Operating Income (Non-GAAP) *(unaudited)*

Gas Distribution Operations	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2022**	2021	**2022**	2021
Operating Revenues	**$ 743.4**	$ 576.6	**$ 2,181.1**	$ 1,723.9
Operating Expenses				
Cost of energy	**253.4**	129.0	**842.5**	508.0
Operation and maintenance	**243.6**	225.7	**470.9**	424.6
Operation and maintenance - trackers	**15.2**	13.0	**64.1**	51.3
Depreciation and amortization	**101.2**	93.1	**201.0**	185.1
Depreciation and amortization - trackers	**1.0**	0.5	**1.9**	1.4
Loss on sale of assets, net	**—**	—	**—**	1.2
Other taxes	**27.5**	32.6	**63.2**	68.5
Other taxes - trackers	**20.8**	16.8	**52.0**	43.9
Total Operating Expenses	**662.7**	510.7	**1,695.6**	1,284.0
Operating Income (Non-GAAP)	**$ 80.7**	$ 65.9	**$ 485.5**	$ 439.9

Electric Operations	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2022**	2021	**2022**	2021
Operating Revenues	**$ 437.9**	$ 398.3	**$ 867.3**	$ 801.6
Operating Expenses				
Cost of energy	**130.4**	99.3	**248.0**	197.1
Operation and maintenance	**112.6**	107.9	**219.4**	214.7
Operation and maintenance - trackers	**11.4**	9.0	**20.8**	19.2
Depreciation and amortization	**95.5**	81.1	**178.0**	162.4
Depreciation and amortization - trackers	**0.5**	2.6	**0.9**	4.7
Other taxes	**14.1**	13.8	**28.1**	28.3
Total Operating Expenses	**364.5**	313.7	**695.2**	626.4
Operating Income (Non-GAAP)	**$ 73.4**	$ 84.6	**$ 172.1**	$ 175.2

Corporate and Other Operations	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2022**	2021	**2022**	2021
Operating Loss (Non-GAAP)	**$ (9.9)**	$ —	**$ (19.6)**	$ —

NiSource Inc.

Segment Volumes and Statistical Data *(unaudited)*

Gas Distribution Operations	Three Months Ended June 30, 2022	2021	Six Months Ended June 30, 2022	2021
Sales and Transportation (MMDth)				
Residential	**33.3**	30.7	**156.2**	149.1
Commercial	**28.5**	27.2	**108.4**	101.5
Industrial	**114.9**	124.7	**250.0**	261.1
Off-System	**8.3**	6.2	**12.6**	11.6
Other	**—**	—	**0.2**	0.2
Total	**185.0**	188.8	**527.4**	523.5
Weather Adjustment	**(2.5)**	(2.9)	**(7.2)**	3.8
Sales and Transportation Volumes - Excluding Weather	**182.5**	185.9	**520.2**	527.3
Customers				
Residential			**2,962,126**	2,950,269
Commercial			**252,591**	252,235
Industrial			**4,883**	4,943
Other			**5**	3
Total			**3,219,605**	3,207,450
Heating Degree Days	**565**	606	**3,406**	3,309
Normal Heating Degree Days	**544**	551	**3,368**	3,405
% Colder (Warmer) than Normal	**4 %**	10 %	**1 %**	(3)%

Electric Operations	Three Months Ended June 30, 2022	2021	Six Months Ended June 30, 2022	2021
Sales (GWh)				
Residential	**845.4**	821.0	**1,664.6**	1,625.6
Commercial	**915.3**	904.2	**1,800.6**	1,772.1
Industrial	**1,994.7**	2,150.8	**4,002.5**	4,214.1
Wholesale	**27.7**	12.4	**32.1**	44.5
Other	**24.5**	20.3	**49.6**	47.6
Total	**3,807.6**	3,908.7	**7,549.4**	7,703.9
Weather Adjustment	**(86.4)**	(58.9)	**(101.3)**	(52.7)
Sales Volumes - Excluding Weather	**3,721.2**	3,849.8	**7,448.1**	7,651.2
Customers				
Residential			**423,365**	420,347
Commercial			**58,156**	57,637
Industrial			**2,133**	2,148
Wholesale			**712**	719
Other			**3**	2
Total			**484,369**	480,853
Cooling Degree Days	**342**	318	**342**	318
Normal Cooling Degree Days	**247**	239	**247**	239
% Warmer than Normal	**38 %**	33 %	**38 %**	33 %

NiSource Inc.

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) *(unaudited)*

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions, except per share amounts)	**2022**	2021	**2022**	2021
GAAP Net Income Available to Common Shareholders	**$ 53.2**	$ 46.5	**$ 466.2**	$ 328.2
Adjustments to Operating Income:				
Operating Revenues:				
Weather - compared to normal	**(8.3)**	(6.1)	**(11.3)**	2.9
FAC adjustment[1]	**8.0**	—	**8.0**	—
Operating Expenses:				
Greater Lawrence Incident	**—**	1.2	**—**	7.0
Plant retirement costs	**—**	8.6	**—**	8.6
NiSource Next initiative[2]	**1.2**	4.6	**2.7**	14.3
Massachusetts Business related amounts[3]	**—**	—	**(105.0)**	6.9
Total adjustments to operating income	**0.9**	8.3	**(105.6)**	39.7
Income Taxes:				
Tax effect of above items[4]	**(0.2)**	(2.2)	**22.0**	(10.5)
Total adjustments to net income	**0.7**	6.1	**(83.6)**	29.2
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 53.9**	$ 52.6	**$ 382.6**	$ 357.4
Diluted Average Common Shares	**440.2**	422.9	**440.8**	408.5
GAAP Diluted Earnings Per Share[5]	**$ 0.12**	$ 0.11	**$ 1.06**	$ 0.80
Adjustments to diluted earnings (loss) per share	**—**	0.02	**(0.19)**	0.08
Non-GAAP Diluted Net Operating Earnings Per Share[5]	**$ 0.12**	$ 0.13	**$ 0.87**	$ 0.88

[1] Represents fuel costs deemed over-collected from customers through the FAC mechanism and ordered to be refunded to customers.
[2] Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.
[3] 2022 represents proceeds from a property insurance settlement related to the Greater Lawrence Incident. 2021 primarily represents final net working capital adjustments to the purchase price for the loss incurred on the sale of the Massachusetts Business.
[4] Represents income tax expense calculated using the statutory tax rates by legal entity.
[5] The Non-GAAP diluted NOEPS numerator is equal to net operating earnings available to common shareholders adjusted for add-backs for interest expense incurred, net of tax, related to Series A Equity Unit purchase contracts. The add-backs for the three months ended June 30, 2022 and 2021were $0.5M and $0.4M, respectively. The add-back for the six months ended June 30, 2022 and 2021 were $1.0M and $0.4M, respectively.

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses, and Income (Loss) (GAAP) to Operating Revenues, Expenses, and Income (Loss) (Non-GAAP) *(unaudited)*

Three Months Ended June 30, 2022 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	**$ 744.3**	**$ 437.3**	**$ 1.6**	**$ 1,183.2**
Adjustments:				
Weather - compared to normal	(0.9)	(7.4)	—	**(8.3)**
FAC adjustment[1]	—	8.0	—	**8.0**
Operating Revenues (Non-GAAP)	**$ 743.4**	**$ 437.9**	**$ 1.6**	**$ 1,182.9**
Operating Expenses (GAAP)	**$ 663.7**	**$ 364.7**	**$ 11.5**	**$ 1,039.9**
Adjustments:				
NiSource Next initiative[2]	1.0	0.2	—	**1.2**
Operating Expenses (Non-GAAP)	**$ 662.7**	**$ 364.5**	**$ 11.5**	**$ 1,038.7**
Operating Income (Loss) (GAAP)	**$ 80.6**	**$ 72.6**	**$ (9.9)**	**$ 143.3**
Total Revenue and Expense Adjustments to Operating Income (Loss)	**0.1**	**0.8**	**—**	**0.9**
Operating Income (Loss) (Non-GAAP)	**$ 80.7**	**$ 73.4**	**$ (9.9)**	**$ 144.2**

Three Months Ended June 30, 2021 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	**$ 577.3**	**$ 403.7**	**$ 5.0**	**$ 986.0**
Adjustments				
Weather - compared to normal	(0.7)	(5.4)	—	**(6.1)**
Operating Revenues (Non-GAAP)	**$ 576.6**	**$ 398.3**	**$ 5.0**	**$ 979.9**
Operating Expenses (GAAP)	**$ 516.1**	**$ 324.1**	**$ 3.6**	**$ 843.8**
Adjustments				
Greater Lawrence Incident	1.2	—	—	**1.2**
Plant retirement costs	—	8.6	—	**8.6**
NiSource Next initiative[2]	4.2	1.8	(1.4)	**4.6**
Operating Expenses (Non-GAAP)	**$ 510.7**	**$ 313.7**	**$ 5.0**	**$ 829.4**
Operating Income (GAAP)	**$ 61.2**	**$ 79.6**	**$ 1.4**	**$ 142.2**
Total Revenue and Expense Adjustments to Operating Income	**4.7**	**5.0**	**(1.4)**	**8.3**
Operating Income (Non-GAAP)	**$ 65.9**	**$ 84.6**	**$ —**	**$ 150.5**

See footnote descriptions contained with Schedule 1.

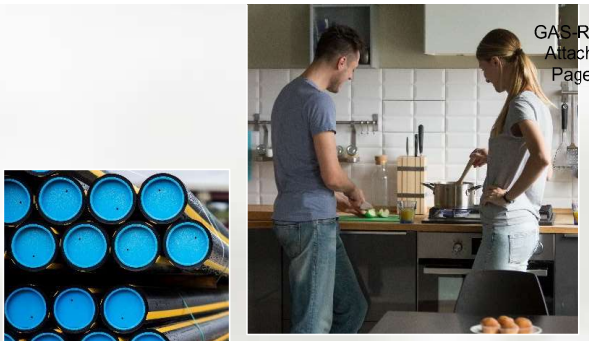
NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses, and Income (Loss) (GAAP) to Operating Revenues, Expenses, and Income (Loss) (Non-GAAP) *(unaudited)*

Six months ended June 30, 2022 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	**$ 2,184.1**	**$ 867.6**	**$ 4.8**	**$ 3,056.5**
Adjustments:				
Weather - compared to normal	(3.0)	(8.3)	—	**(11.3)**
FAC adjustment[1]	—	8.0	—	**8.0**
Operating Revenues (Non-GAAP)	**$ 2,181.1**	**$ 867.3**	**$ 4.8**	**$ 3,053.2**
Operating Expenses (GAAP)	**$ 1,592.7**	**$ 695.8**	**$ 24.4**	**$ 2,312.9**
Adjustments:				
NiSource Next initiative[2]	2.1	0.6	—	**2.7**
Massachusetts Business related amounts[3]	(105.0)	—	—	**(105.0)**
Operating Expenses (Non-GAAP)	**$ 1,695.6**	**$ 695.2**	**$ 24.4**	**$ 2,415.2**
Operating Income (Loss) (GAAP)	**$ 591.4**	**$ 171.8**	**$ (19.6)**	**$ 743.6**
Total Revenue and Expense Adjustments to Operating Income (Loss)	**(105.9)**	**0.3**	**—**	**(105.6)**
Operating Income (Loss) (Non-GAAP)	**$ 485.5**	**$ 172.1**	**$ (19.6)**	**$ 638.0**

Six months ended June 30, 2021 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	**$ 1,716.2**	**$ 806.4**	**$ 9.0**	**$ 2,531.6**
Adjustments:				
Weather - compared to normal	7.7	(4.8)	—	**2.9**
Operating Revenues (Non-GAAP)	**$ 1,723.9**	**$ 801.6**	**$ 9.0**	**$ 2,534.5**
Operating Expenses (GAAP)	**$ 1,308.1**	**$ 638.9**	**$ 9.2**	**$ 1,956.2**
Adjustments:				
Greater Lawrence Incident	7.0	—	—	**7.0**
Plant retirement costs	—	8.6	—	**8.6**
NiSource Next initiative	10.2	3.9	0.2	**14.3**
Massachusetts Business sale related amounts	6.9	—	—	**6.9**
Operating Expenses (Non-GAAP)	**$ 1,284.0**	**$ 626.4**	**$ 9.0**	**$ 1,919.4**
Operating Income (Loss) (GAAP)	**$ 408.1**	**$ 167.5**	**$ (0.2)**	**$ 575.4**
Total Revenue and Expense Adjustments to Operating Income (Loss)	**31.8**	**7.7**	**0.2**	**39.7**
Operating Income (Non-GAAP)	**$ 439.9**	**$ 175.2**	**$ —**	**$ 615.1**

See footnote descriptions contained with Schedule 1.






NiSource – A Premium Utility Company

November 7, 2022






This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. Expressions of future goals and expectations and similar expressions, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this presentation include, among other things, our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and natural gas costs and supply risks; fluctuations in demand from residential and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the attraction and retention of a qualified, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity attacks; increased requirements and costs related to cybersecurity; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our net-zero goal; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; inflation; recessions; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related to the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney's Office to settle the U.S. Attorney's Office's investigation relating to the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; other matters in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2021, and in our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2022, many of which risks are beyond our control. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time. All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Regulation G Disclosure Statement

This presentation includes financial results and guidance for NiSource with respect to net operating earnings available to common shareholders, which is a non-GAAP financial measure as defined by the SEC's Regulation G. The company includes this measure because management believes it permits investors to view the company's performance using the same tools that management uses and to better evaluate the company's ongoing business performance. With respect to such guidance, it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other items included in GAAP results. NiSource is not able to estimate the impact of such factors on GAAP earnings and, as such, is not providing earnings guidance on a GAAP basis.

AGENDA

	Presenter
Welcoming Remarks	Chris Turnure Director, Investor Relations
Strategic Overview & Plan Extension	Lloyd Yates President and Chief Executive Officer
Business Review & Sustainability	Shawn Anderson SVP Strategy and Chief Risk Officer
Financial Overview	Donald Brown Executive Vice President / Chief Financial Officer
Closing Remarks	Lloyd Yates President and Chief Executive Officer
Q&A Session	Lloyd Yates, Shawn Anderson and Donald Brown

Mission



We exist to deliver safe, reliable energy that drives value for our customers

Vision



To be an innovative and trusted energy partner

Values



Be Safe | Look For a Better Way | Act with Care | Take Accountability

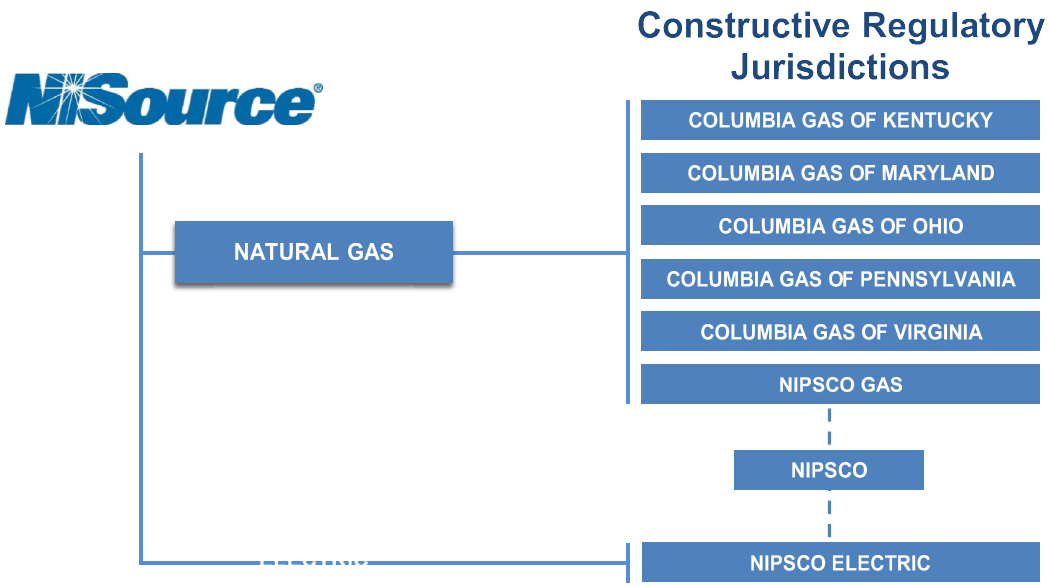
NiSource™

NiSource is a **100% regulated gas and electric utility** serving customers across six Midwestern centric states with a focus on **safety and reliability, and a commitment to maximize long-term Shareholder Value.**

NiSource's **long and well-established history** in **strong regulatory environments** provides **consistent earnings and strong cash flows alongside clear sustainable growth opportunities** for the foreseeable future.



COMPANY PROFILE



Significant Scale across Six States

~3.2M
Gas Customers

~500K
Electric Customers

NI
LISTED
NYSE

9-11%
Compelling expected annual total shareholder return proposition*

* Estimated total shareholder return at a constant P/E ratio

NiSource Fundamentals

Delivering Consistent Returns

- Regulatory **prowess**
- Strong portfolio of **$15B+** of regulated electric and gas rate base
- Proximity to **low-cost** natural gas
- Scale benefits from **synergies** associated with **centralized costs**
- Generation investments lead to **significant customer savings** and **reduce GHG 90% by 2030**

Identifiable Investment Inventory

- Option to allocate capital between Gas and Electric systems
- Jurisdictions of **significant scale**
- Ability to execute rate case **flexibility** with **low regulatory lag**
- Tracking mechanisms to **optimize cash flow** timing
- **~$3B** in infrastructure investments annually driving **long-term growth**

Commitment to Stakeholder Value

- **100% regulated** revenue expected to deliver consistent and predicable **earnings growth**
- **Accelerated** and **enhanced** implementation of Safety Management System (SMS)
- **Employer of choice** that represents the **diversity** of our communities
- **Strong community involvement** in jurisdictions supportive of natural gas and electric

Fundamentals of sustainable business plan and a strengthened balance sheet position NiSource to become a premium utility investment

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

Environmental



- Approximately $3B of generation transition investments through 2028
- Expected to retire 100% of coal assets by 2026-2028 and replace primarily with renewables
- On track to 90% reduction* in greenhouse gas emissions by 2030
- 50% reduction in methane emissions by 2025
- Net Zero emissions goal by 2040 with support from key stakeholders for Scope 1 and 2 emissions

Social



- Transformation focused on customer safety, reliability and affordability
- Published inaugural safety report
- Enhancing DE&I initiatives across the organization
  - Hired a DE&I officer in 2021
  - ELT consists of ~85% women and minorities; BOD consists of ~58% women and minorities
  - Initiating economic inclusion initiatives including setting a goal of 25% diverse suppliers by 2025
- Supporting cultural awareness initiatives and development opportunities for under-represented groups

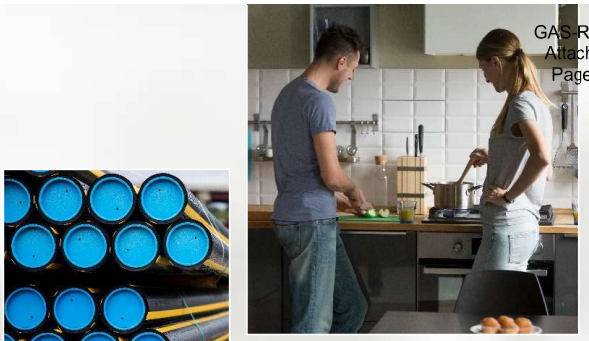
Governance



- Leadership enhancements support commitment to customer service and safety
- Diverse, skilled, and independent Board
- 25% of Board refreshed in last year, including 2 new female directors and additional utility experience
- Robust framework for strategy, risk management, and oversight
- Enhanced alignment of employee and executive incentive programs
- Cybersecurity and Climate subcommittees report to Risk Management Committee

NiSource's corporate strategy is aligned with commitment to best-in-class ESG practices

Data based on latest ESG Report - can be found on investors.nisource.com






Strategic Overview & Plan Extension

Lloyd Yates
Chief Executive Officer

NiSource®






Strategic Overview & Plan Extension	Business Review & Sustainability	Financial Overview	Closing Remarks Followed by Q&A
Lloyd Yates *Chief Executive Officer*	**Shawn Anderson** *SVP Strategy & Chief Risk Officer*	**Donald Brown** *Chief Financial Officer*	**Lloyd Yates** *Chief Executive Officer*

Ensuring NiSource is well-positioned to drive long-term value for all stakeholders

Process led by executive leaders and Board members with deep finance, operations and strategy experience

Board of Directors



Michael Jesanis
- 40+ Years of Utility Experience

nationalgrid | The Electric Company – El Paso Electric



Theodore Bunting Jr.
- 30+ Years of Utility Experience

entergy



Bill Johnson
- 40+ Years of Utility Experience

PG&E | TENNESSEE VALLEY AUTHORITY | Progress Energy

Leadership Team



Lloyd Yates
President and CEO



Donald Brown
Executive Vice President and CFO



Shawn Anderson
SVP Strategy and Chief Risk Officer

NiSource is focused on enhancing long-term shareholder value

CEO OBSERVATIONS BROUGHT TO THE BUSINESS REVIEW

Opportunities

- Creating efficiencies in our operations
- Leveraging our operational scale and diversified portfolio
- Reaching industry-leading environmental goals
- Streamlining organization and culture of customer focus
- Energy transition / electric and natural gas

Weaknesses

- Constrained balance sheet
- Cost profile
- Technology systems

Threats

- Rising commodity prices
- Rising interest rates
- Energy transition

Business review focused on enhancing our execution and strengthening the constrained balance sheet

CEO OBSERVATIONS BROUGHT TO THE BUSINESS REVIEW

NiSource 5-Year Performance (Since Columbia Pipeline Group Separation: 2016-2021)

Net Operating Earnings Growth = **~60%**
*CAGR = **~10%***

Strong Operational and Regulatory Track Record of Execution

Net Operating EPS Growth = **~25%**
*CAGR = **~5%***

Burdened by a Constrained Balance Sheet

STRATEGIC BUSINESS REVIEW - SCOPE

Areas Reviewed:

- Ways to optimize base case best-in-class high growth proposition
- Legislative and regulatory environments
- Financing solutions that enhance balance sheet health, minimize dilution, and align with our long-term strategy
- Thorough analysis of strategic M&A and portfolio optimization opportunities
- Robust benchmarking of our utility operating companies against other premium utilities
- Culture and talent

STRATEGIC BUSINESS REVIEW – CONCLUSIONS AND ACTIONS

Scale and Portfolio Diversity Offers the Best Opportunity to Drive Long-Term Shareholder Value

- Scale and portfolio diversity add value
- Industry leading recovery programs drive strong top line growth
- Identified opportunities to strengthen the balance sheet
- Opportunity exists to improve cost profile, processes, and customer experience

Actions

- ✓ Execute a tax efficient Minority Interest Sale of NIPSCO by YE2023
- ✓ Optimize cost profile
- ✓ Enhance operations with process and technology improvements

Disciplined approach on operational excellence ensures the sustainability of our plan

Operational Excellence



Operational efforts intended to drive enhanced focus on safety, operational excellence, and customer affordability

Advancing our Safety Initiatives[1]

~286 miles
Priority Pipe Retired

Zero
Significant Safety Events

~97%
Enhanced Emergency Response in 45min

1.92
Damages Per 1,000 Locates

Enhancing Operational Excellence & Driving Our Safety Journey Through SMS

- Modernizing infrastructure & incorporating the latest technology
- Data driven risk-based capital allocation strategy
- Protecting the assets that reliably serve customers across our jurisdictions

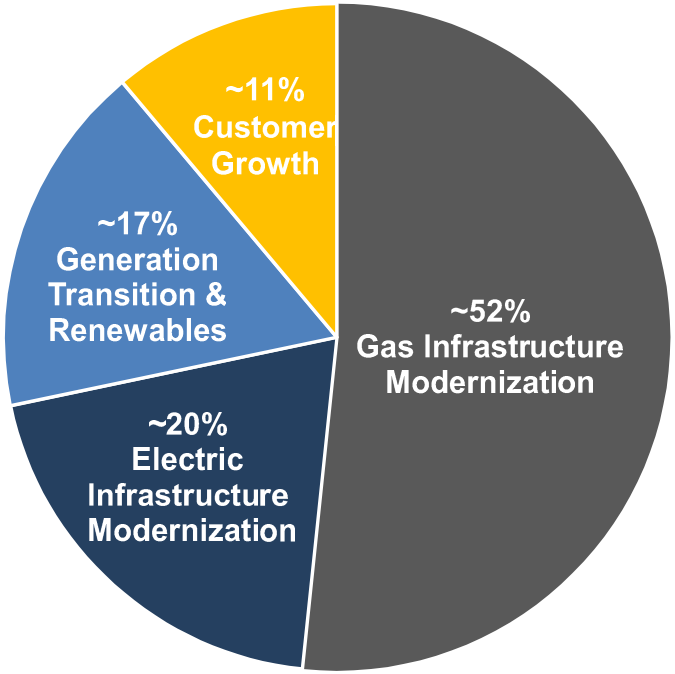
Recognition

American Petroleum Institute's Recommended Practice 1173 Conformance Certified

LRQA

[1] Per 2021 Safety Report – can be found on investors.nisource.com

LONG-TERM IDENTIFIED INVESTMENT OPPORTUNITIES



Identified **~$30B** of investment opportunities over the next 10 years (2023-2032)

Significant investment opportunities continue beyond 10 years

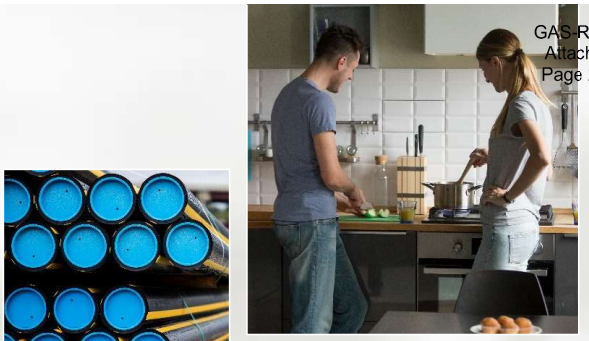
ENHANCED NISOURCE VALUE PROPOSITION DRIVING SUSTAINABLE GROWTH



FINANCIAL FOUNDATION

100% Regulated Across Six Constructive Jurisdictions	Significant Investment Opportunities	Efficient Recovery Mechanisms	Strengthened Balance Sheet

[1]Net Operating Earnings Per Diluted Share (Non-GAAP)
[2]As calculated according to the S&P and Moody's rating agency methodologies
[3]Goal for Scope 1 and 2 emissions
[4]Estimated total shareholder return at a constant P/E ratio






Business Review – Strategic Evaluation & Direction

Shawn Anderson
SVP Strategy and Chief Risk Officer

NiSource®






STRATEGIC BUSINESS REVIEW

Organic Plan Enhancements

- Evaluated broad categories of O&M, capital investment, customer demand, cost profile, regulatory, financing, etc.
- Explored alternatives to accelerate balance sheet strengthening

Portfolio Optimization

- Reviewed each operating company's ability to produce incremental value
- Identified numerous high growth investment opportunities and scale and diversity benefits across each of NiSource's six jurisdictions

M&A

- Extensively assessed potential transaction structures across portfolio (both whole and minority), as well as potential partners
- Disciplined focus on identifying M&A opportunities accretive to the intrinsic value of foundational organic plan

Maximizing Shareholder Value Reflective of a Premium Utility

REGULATORY / LEGISLATIVE ENVIRONMENT

NiSource's six constructive jurisdictions recognize the value of gas and electric service to customers

	IN	OH	PA	VA	KY	MD
Legislation protecting customers from gas bans	✓	✓			✓	
Commodity cost pass through	✓	✓	✓	✓	✓	✓
Revenue/bill stabilization		✓	✓	✓	✓	✓
Bad debt/low-income assistance	✓	✓	✓	✓	✓	✓
Customer gas supplier choice	✓	✓	✓	✓	✓	
Infrastructure tracking and recovery mechanisms	✓	✓	✓	✓	✓	✓
Energy efficiency programs	✓	✓	✓	✓	✓	✓

MINORITY INTEREST SALE OF NIPSCO ENABLES NISOURCE TO LEVERAGE ITS PORTFOLIO TO ENHANCE THE BALANCE SHEET

Highly executable alternative to capital raising that accelerates strengthening of balance sheet

Prior

Financing plan highly correlated to external capital markets execution to maintain credit ratings

Minority Interest Sale of NIPSCO

- **Diversifies capital raising while minimizing the cost of capital**
  - Strengthens credit and financing flexibility
  - Stabilizes earnings growth trajectory and capital investment execution
- **Minimizes external future capital markets needs**
- **Retains existing benefits of scale and regulatory diversification**

Go-Forward

Aligns NiSource into position of strength and focus on capital efficiency and execution

Supports stable annualized growth while maximizing organic investment opportunities

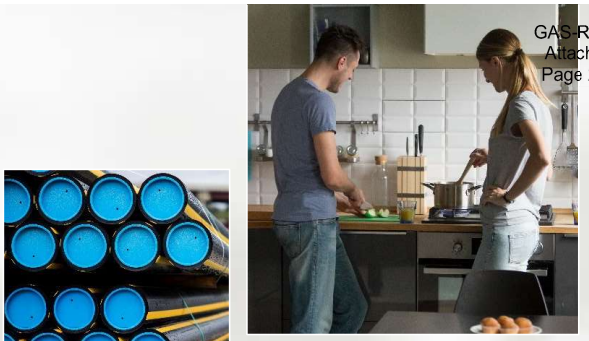
BUSINESS REVIEW – NISOURCE STRATEGIC EXECUTION

Premium Utility Benchmark Comparisons

Metric	NiSource Proforma	Premium Utility Peers (Avg.)	NiSource Proforma vs. Premium Peers
Business Mix (% Regulated)	100	>90%	Favorable ▲
Jurisdiction Diversity (# of Jurisdictions)	6	3	Favorable ▲
Rate Base Growth	8-10%	~6-7%	Favorable ▲
EPS Growth	6-8% Annual	~5-8%	Favorable ▲
Payout Ratio	60-70%	~62%	In-line –
FFO/Debt (TTM)	14-16%	15-16%	In-line –
Forward P/E Multiple		~18-19x	

Strengthened balance sheet and financing flexibility expected to drive premium valuation

[1]Represents trailing twelve months






Long-Term Sustainability of Our Business

Shawn Anderson
SVP Strategy and Chief Risk Officer

NiSource®






Sustainable Customers / Community Impact

- **Reinvesting** in the **communities** we serve
- Enhanced **safety** and **reliability**
- Focus on **customer affordability**

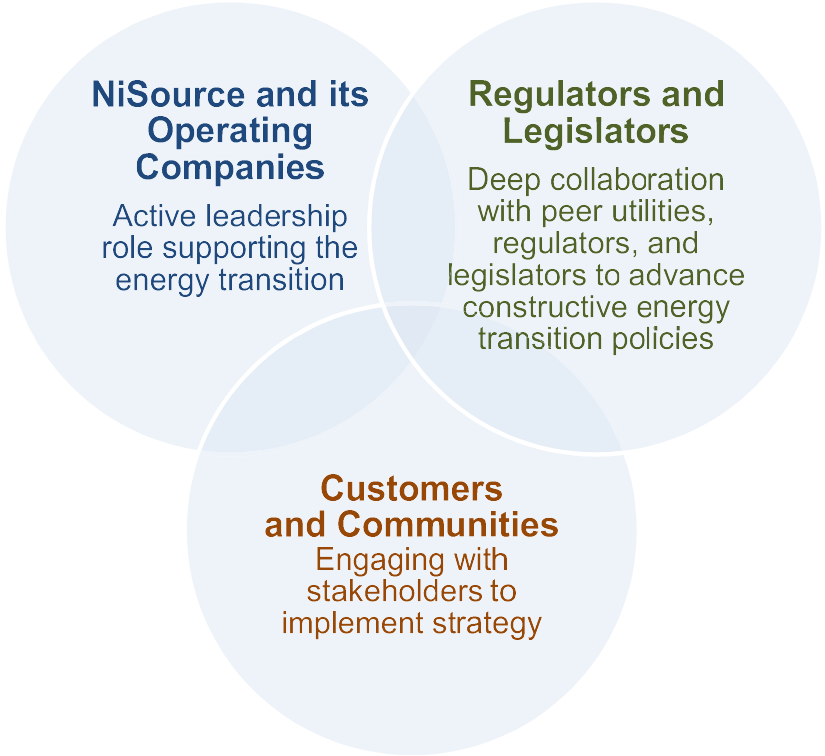
Sustainable Environmental Impact

- Replacing **100%** of **coal generation** by **2026-2028** with primarily **renewable resources**
- Utilize **existing gas infrastructure** to create a path to **decarbonization**

Sustainable Growth For Shareholders

- Up to **$30B** of planned **investment opportunities** through **2032**
- Driving **6%-8%** annual **NOEPS growth**

Supportive Approach with Key Stakeholders

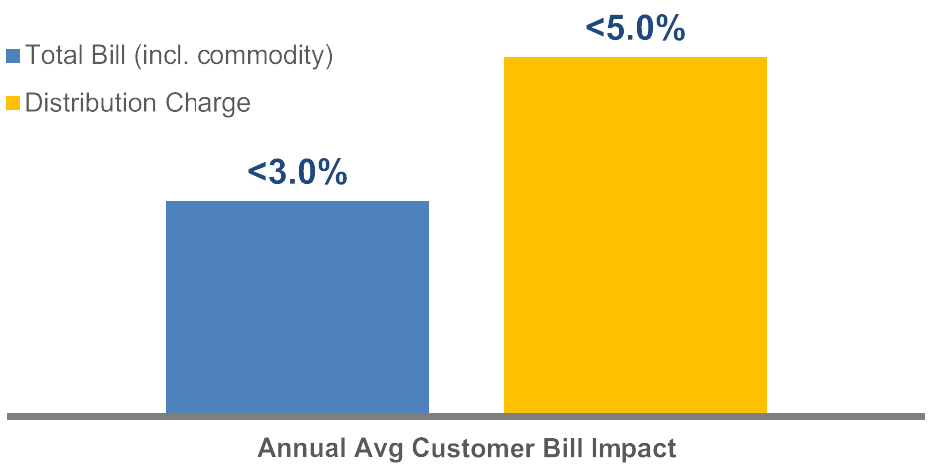


Capital plan supports sustainability, safety and reliability for our stakeholders

COMMITMENT TO CUSTOMER AFFORDABILITY

NiSource plan supports customer affordability over the plan horizon

Estimated Annual Customer Bill Increases (2023-2027)



Mitigating Rate Impacts

- **Geographic Advantage –** competitive natural gas supplies
- **O&M Discipline –** decreases inflationary rate pressures
- **Customer Growth –** investment program cost distributed across more customers
- **NIPSCO Generation Transition –** will reduce customers' exposure to commodity prices
- **Energy Efficiency –** lowers bills through lower usage

NiSource Customer Bills in 2021

Average Residential Electric Customer Bill = ~$113/month
Average Residential Gas Customer Bill = ~$80/month

Natural Gas Remains Critical to Energy Systems

Most in-demand and affordable heating source in the Midwest

Accelerates economy-wide decarbonization while utilizing existing assets

Supports onshoring and economic development for today's manufacturing and industrial processes

Federal and state policies are enablers for development of new technologies

Pilot Programs and Gas Future

Advanced Leak Detection and Repair

Utilizing Picarro vehicles to identify and prioritize methane leaks across system

RNG Production

Developing strategic partnerships to increase RNG injection on our system

Hydrogen Pilot

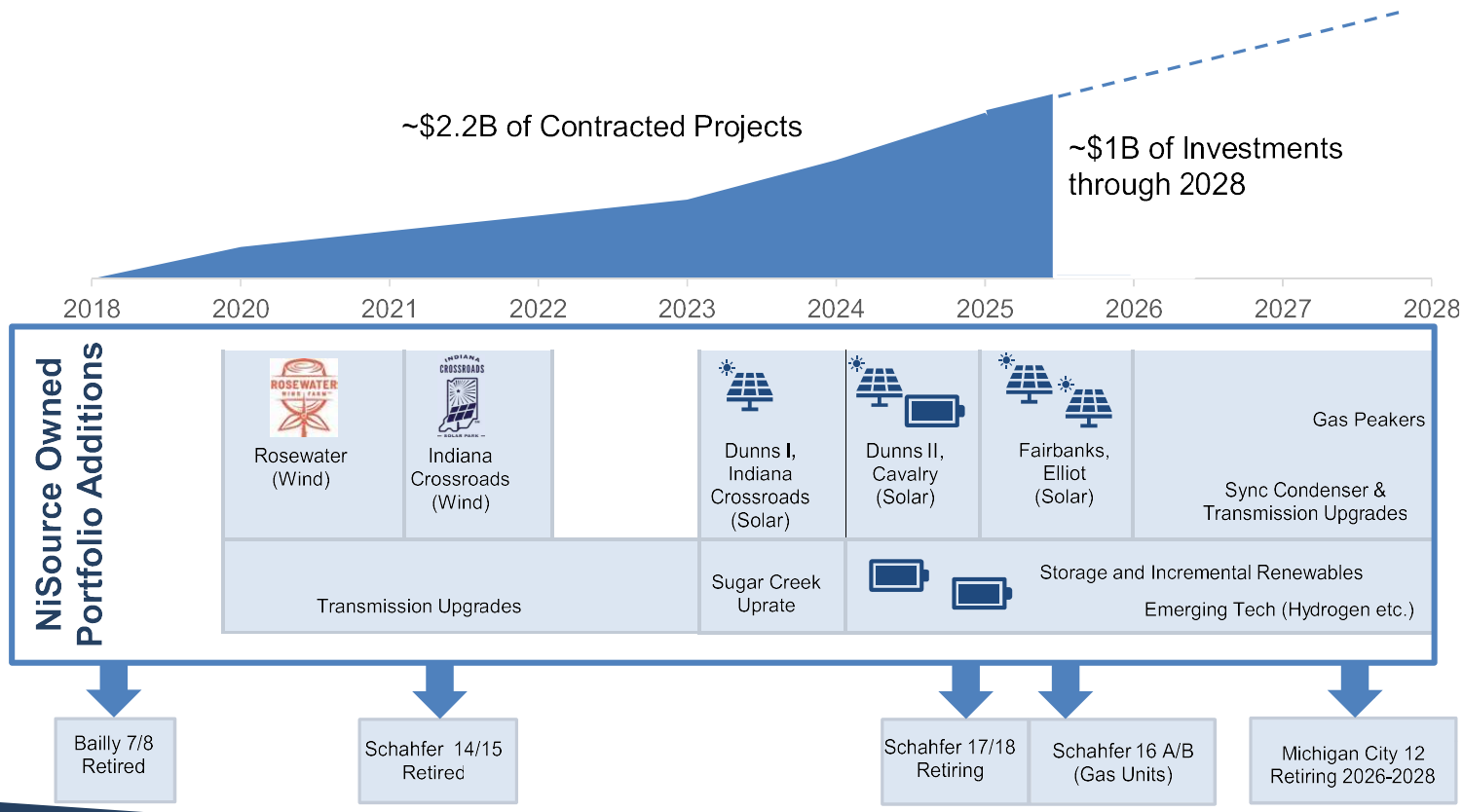
Developing an understanding around the capabilities for hydrogen distribution at Columbia Gas of Pennsylvania's Training Center

Hydrogen Hub

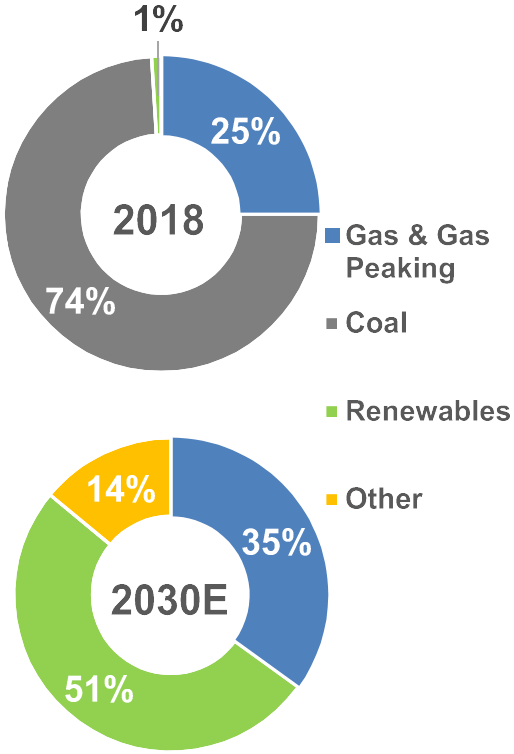
Actively participating and partnering in the development of the hydrogen economy across the Midwest

Natural gas enables affordable decarbonization across the global economy

Over $3B of Cumulative Capex in Generation Transition Investments



Generation Portfolio Mix*



*Summer UCAP

Sources and Notes: 2018 NIPSCO Integrated Resource Preferred plan; Renewables include, Hydro, Wind, Solar and Solar plus Storage; Other includes DSM and Short-term capacity purchases

CONTINUE TO EXECUTE ON GENERATION TRANSITION COMMITMENTS - KEY TAKEAWAYS

Coal and Gas Unit Retirements

- The remaining coal units at Schahfer are still on track to retire in the fall of 2025
- Michigan City Unit 12 is still on track to retire by 2026-2028
- Unit 16 A/B also on track to retire in the 2025-2026 timeframe

Portfolio Additions

- 2021 IRP preferred plan to include energy storage, new gas peaking and small amounts of incremental renewables
- Robust participation in recently completed RFP solicitation indicating higher pricing across the board for most technologies and deal structures
- MISO rules and market conditions are driving need for incremental capacity

Schahfer Replacement Resources

- NiSource investments of ~$2.2B to support the retirement
- Two solar projects expected to be online in the 1st half of 2023: remainder of projects come online in 2024 and 2025

IRA Opportunities

- Incremental tax credit qualification for current projects driving significant value for customers
- Potential opportunities in solar PTC and tax transferability to maintain customer value while simplifying transaction structure (utility ownership)

We continue to actively implement our plans to reduce Scope 1 GHG emissions by 90% from 2005 levels by 2030

Decarbonization is Supported by Key Drivers

- Customers, Employees, Communities, and Investors
- Technology and Operational Cost Reduction
- Environmental Sustainability
- Policy and Federal Funding Support

Over 50%

Coal Capacity Retirement Over the Last 5 Years

3,000+ miles

Priority Pipe Retired Over the Last 10 Years

14

Picarro Advanced Methane Leak Detection Vehicles Deployed by 2025

Scope 1 **58%** by 2021

- Transition from coal to natural gas and renewable energy
- More than a 40% decrease in methane emissions from main and service lines through priority pipe replacement

Scope 1 **90%** by 2030

- Retirement of coal generation by 2026-2028
- Continued methane reductions from priority pipe replacement
- Traditional and advanced leak detection and repair

Scope 1 & 2 **Net Zero** by 2040

…with key stakeholder engagement, policy, and regulatory support

Generation Pathways

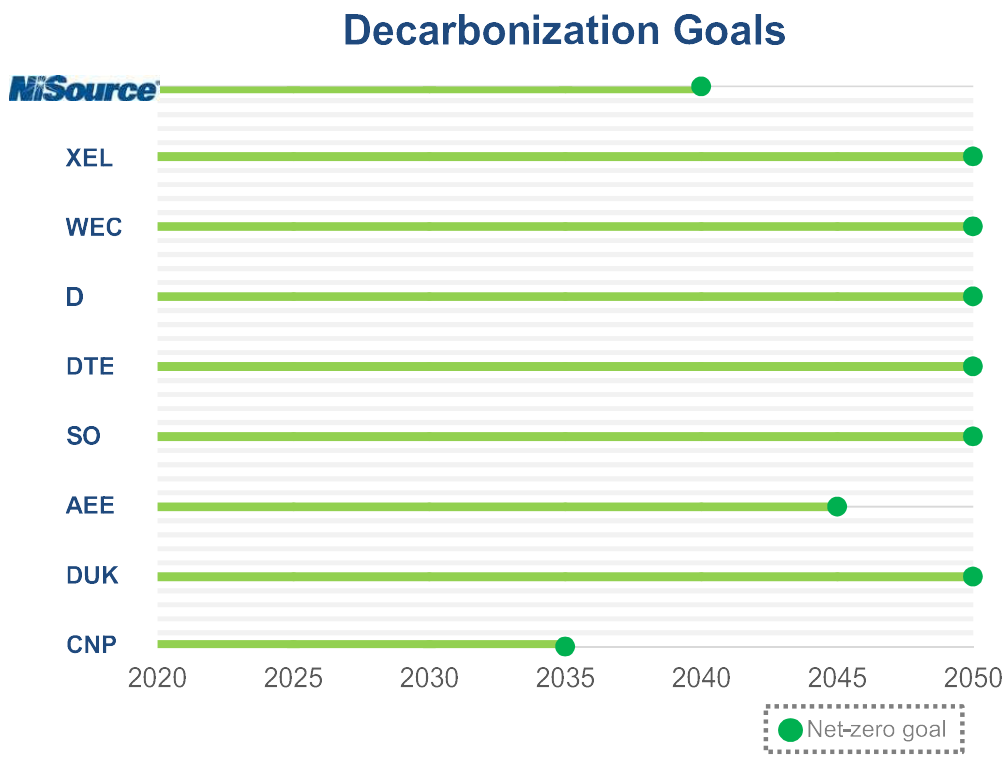
- Continued deployment of low and zero carbon technologies and fuels for electric generation

Gas Distribution Pathways

- Continued methane reductions from advanced leak detection and repair and priority pipe replacement
- Supply of RNG and hydrogen for operations

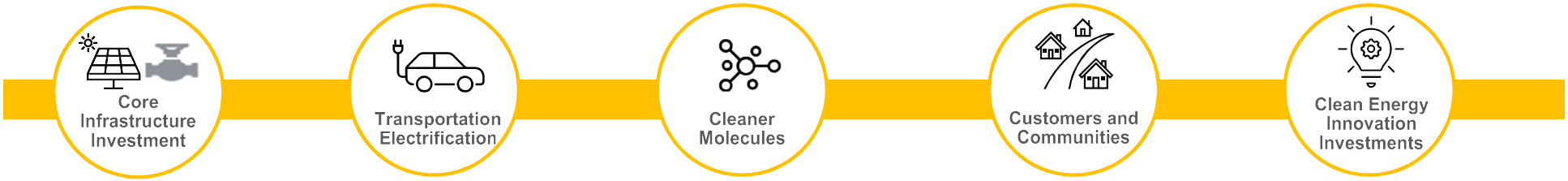
Other Pathways

- Fleet and building decarbonization



Decarbonization enabled by traditional utility infrastructure investments

NISOURCE IS SUPPORTING THE ENERGY TRANSITION FOR ITS STAKEHOLDERS



Core Infrastructure Investment

- Pipeline Modernization
- Advanced Methane Leak Detection
- Generation Transition
- Grid Modernization
- MISO Transmission Projects

Transportation Electrification

- Customer Fleet Decarbonization
- NiSource Fleet Decarbonization

Cleaner Molecules

- Regional Hydrogen Hub Initiatives
- Columbia Gas of PA Hydrogen Pilot
- Voluntary Decarbonization Programs
- Supporting RNG Producers

Customers and Communities

- Customer Assistance Programs
- Energy Efficiency Programs
- Analytics Driven Personalization
- Renewable Energy Offering

Clean Energy Innovation Investments

- Low-Carbon Resources Initiative (LCRI)
- RNG Coalition
- Targeted Investments Supporting Energy Innovation

NISOURCE: LEADING IN THE TRANSITION TO A CLEANER ENERGY FUTURE

FASTEST COAL TRANSITION IN THE SECTOR[1]

UP TO ~$2.2B IN PROJECTED RENEWABLE GENERATION CAPITAL EXPENDITURES THROUGH 2025[2]

ENERGY TRANSITION CREATES NEW INVESTMENT OPPORTUNITIES FOR NISOURCE ON GAS AND ELECTRIC ENERGY SYSTEMS

NET ZERO GOAL BY 2040

ADDITIONAL ~$1B IN PROJECTED CAPACITY-FOCUSED CAPITAL EXPENDITURES

CONTINUE ON TRACK WITH 90% REDUCTION IN GREENHOUSE GAS EMISSIONS BY 2030[3]

1. FASTEST COAL TRANSITION IN THE SECTOR

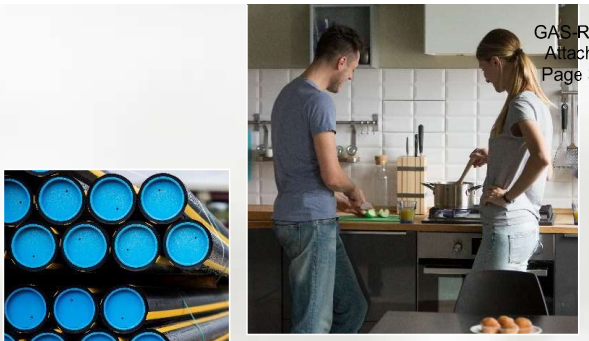
From 74% coal to zero inside one decade
All coal retired by 2026-2028
Continue to project Schahfer generating station retirement by 2025
Continue to project Michigan City generating station retirement by 2026-2028

2. UP TO $2.2B IN PROJECTED RENEWABLE GENERATION CAPITAL EXPENDITURES THROUGH 2025

2 projects currently in-service
2 projects under construction and in-service in 1H2023
2 projects under construction and in-service in 2024
2 projects under commercial negotiations

3. CONTINUE ON TRACK WITH 90% REDUCTION IN GREENHOUSE GAS EMISSIONS BY 2030

58% reduction in greenhouse gas emissions achieved through 2021
Includes 50% reduction in methane emissions on mains and services by 2025






Financial Overview

Donald Brown
Executive Vice President and Chief Financial Officer

NiSource®






THIRD QUARTER KEY TAKEAWAYS

- 2022 non-GAAP diluted NOEPS guidance range narrowed to $1.44 to $1.46
- Continue to expect 2022 capital expenditures of $2.4 to $2.7B

- Initiated 2023 non-GAAP diluted NOEPS guidance of $1.50 to $1.57 (consistent with 5-7% annual growth commitment)
- Expect 2023 capital expenditures of $2.8 to $3.1B

- Annual non-GAAP NOEPS growth commitment of 6-8% from 2021 though 2027
- Top tier growth projection reflects significantly de-risked financing plan following minority interest sale of NIPSCO to strengthen the balance sheet
- Extended plan outlines over $15B in regulated investments across six states with constructive regulatory and legislative environments

- Columbia Gas of Ohio settlement filed in October representing a $68.2 million revenue increase and 9.6% ROE, rates are expected to be implemented in early 2023
- NIPSCO Electric rate case filed in September
- Columbia Gas of Pennsylvania settlement expected to receive the commission's final decision later this month
- Public Utility Law judge issued a proposed order supporting Columbia Gas of Maryland settlement
- Columbia Gas of Virginia implemented interim rates on September 28 as its case moves forward

*Diluted Net Operating Earnings Per Share (Non-GAAP). For the GAAP Diluted Earnings Per Share and the reconciliation of GAAP to non-GAAP diluted earnings per share, see Schedule 1 in the appendix to this presentation

ENHANCED NISOURCE VALUE PROPOSITION DRIVING SUSTAINABLE GROWTH



FINANCIAL FOUNDATION

100% Regulated Across Six Constructive Jurisdictions	Significant Investment Opportunities	Efficient Recovery Mechanisms	Strengthened Balance Sheet

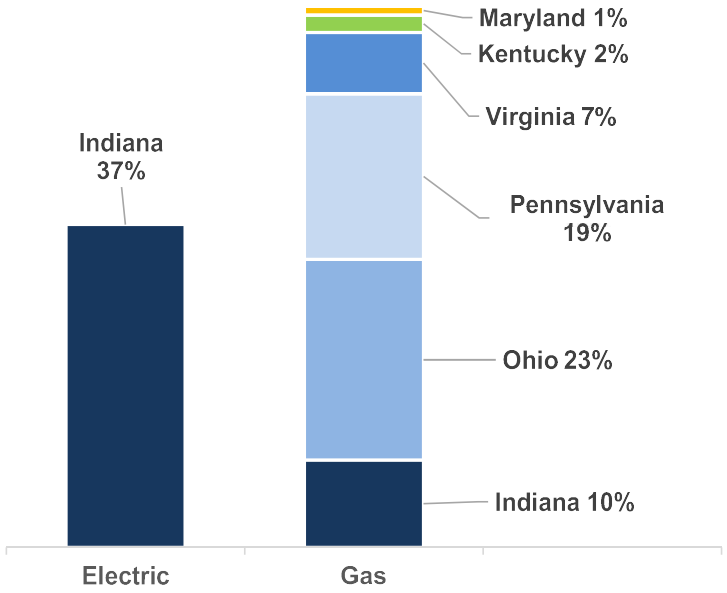
[1]Net Operating Earnings Per Diluted Share (Non-GAAP)
[2]As calculated according to the S&P and Moody's rating agency methodologies
[3]Goal for Scope 1 and 2 emissions
[4]Estimated total shareholder return at a constant P/E ratio

DIVERSIFIED BUSINESS MIX

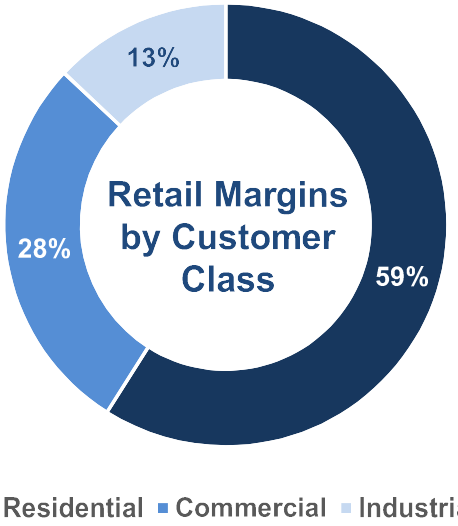
Financial strength driven by diverse constructive regulatory jurisdictions and balanced portfolio mix

Operating Earnings[1]

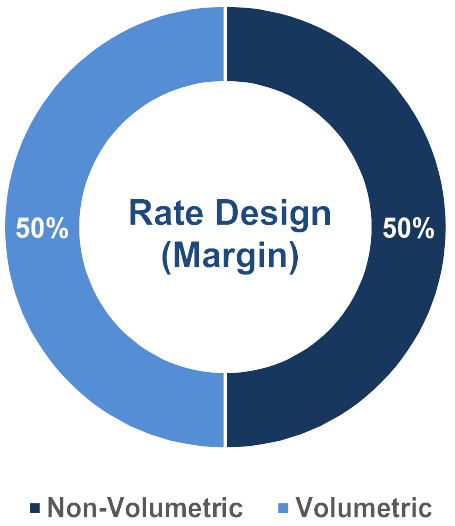
Balanced Business Mix with Regulatory Diversity



Diversified Revenue[2] Mix



Stable Revenue Profile



[1]Non-GAAP measure of Revenue minus Opex and Cost of Energy
[2]Revenue net of Cost of Energy

OPERATIONAL EXCELLENCE DRIVING EFFICIENCY

Transformation efforts drive increased safety and process rigor, enhanced customer and employee experiences and cost savings

Major Business Initiatives

Initiatives underway and executed	New organizational structure driving increased accountability
	Front-line leadership development
	Streamlined business services
	Customer digital solutions
Plan to invest ~$1B in IT systems to support field and customer service enhancements and productivity	Field mobility
	Standardized work planning, scheduling, dispatch and project management
	Call center modernization

Offsetting annual inflationary pressures

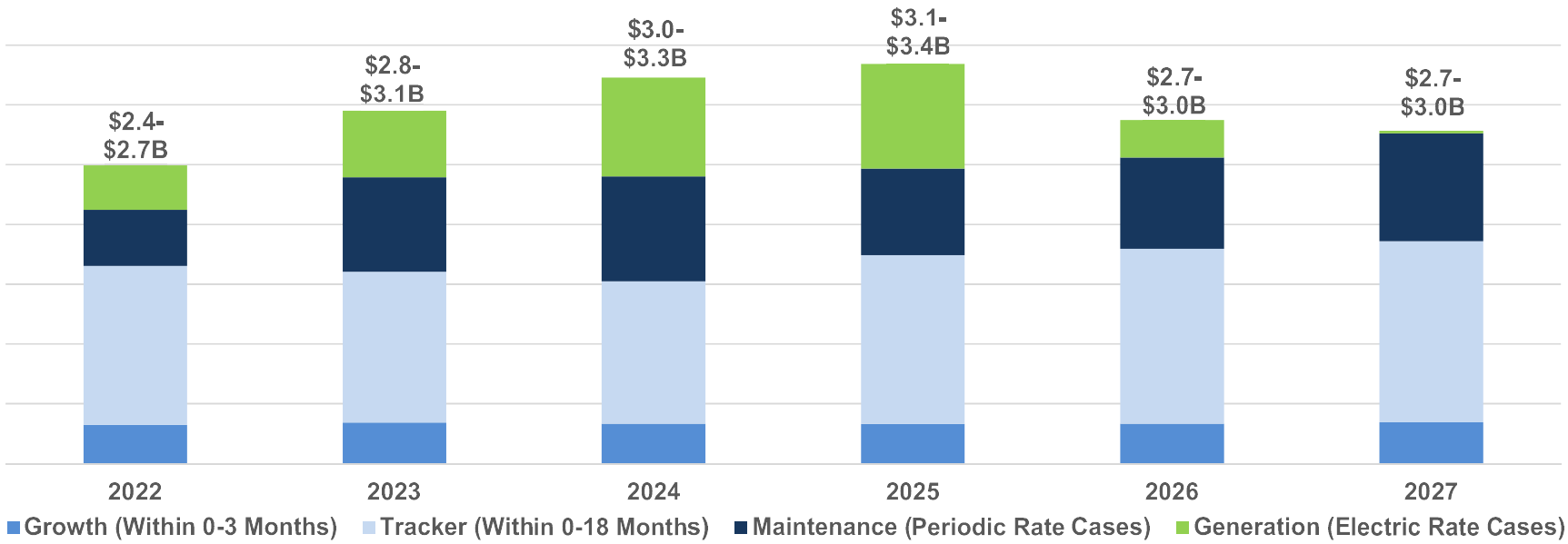
Flat Annual O&M 2022-2027

- Supports average annual customer rate increases of <3% annually
- Provides bill headroom for customer and reliability investments

Transformation drives organizational capabilities and supports sustainability of long-term investment plans

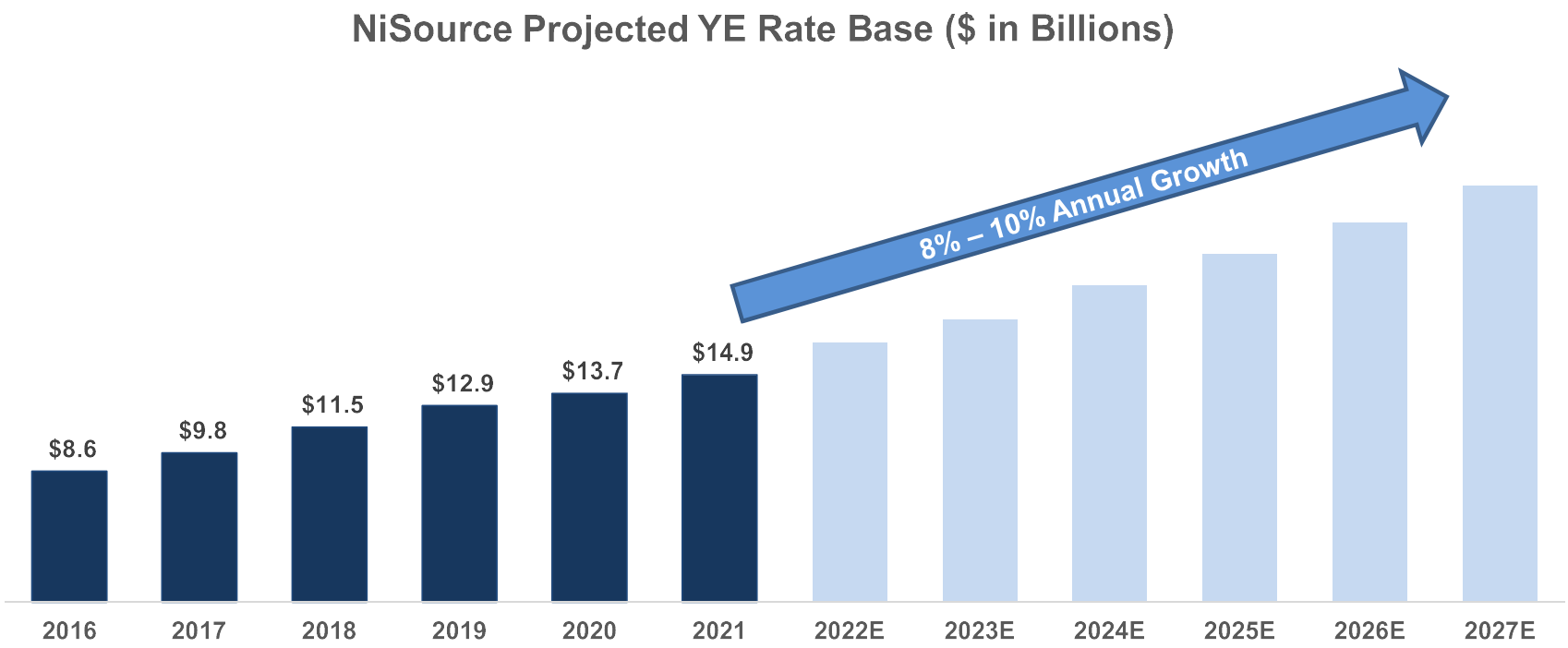
INVESTING $15B FROM 2023-2027 TO DRIVE SAFETY, RELIABILITY AND SUSTAINABILITY

Regulatory Programs and New Customer Demand Support Timely Recovery

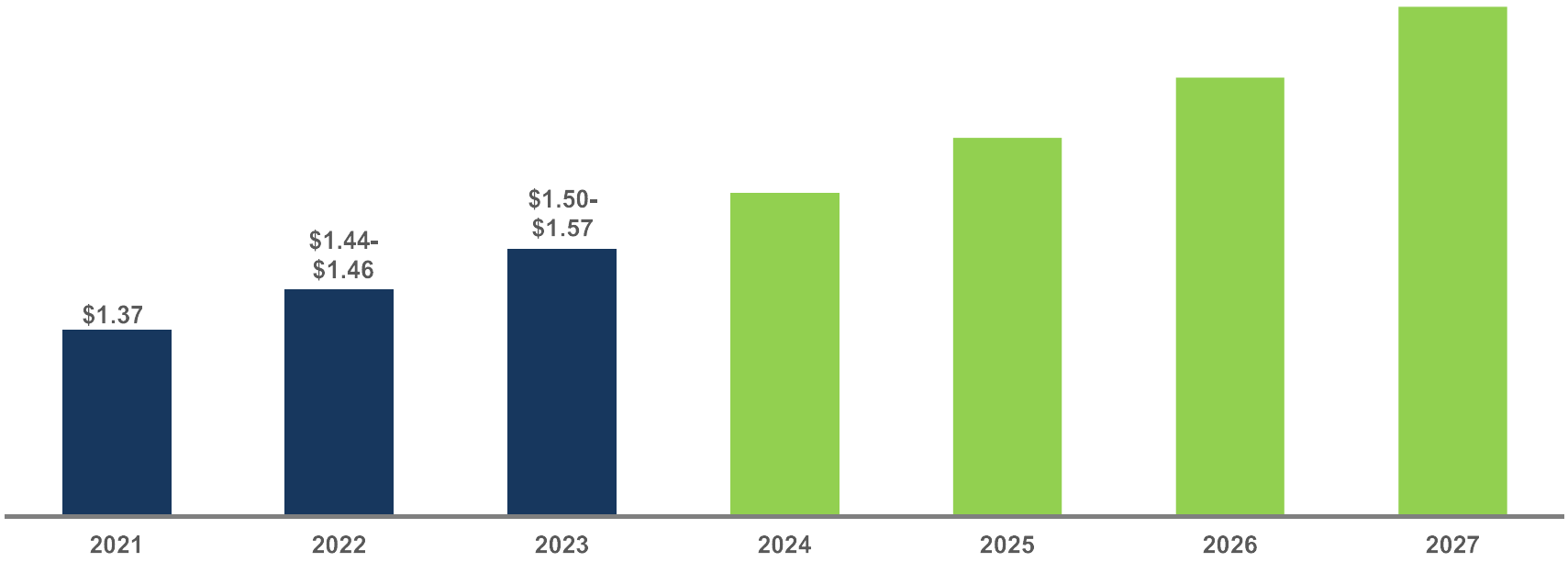


CAPITAL INVESTMENT DRIVING ROBUST RATE BASE GROWTH

Cost management/efficiencies create headroom to drive sustainable investments to grow rate base from 2021 - 2027



EXTENDING GUIDANCE THROUGH 2027 – MAINTAINING OUR 2021 BASE YEAR



Top tier growth extension of plan through 2027

STRENGTHENED FINANCING PLAN PROVIDES FLEXIBILITY TO INVEST IN GROWTH

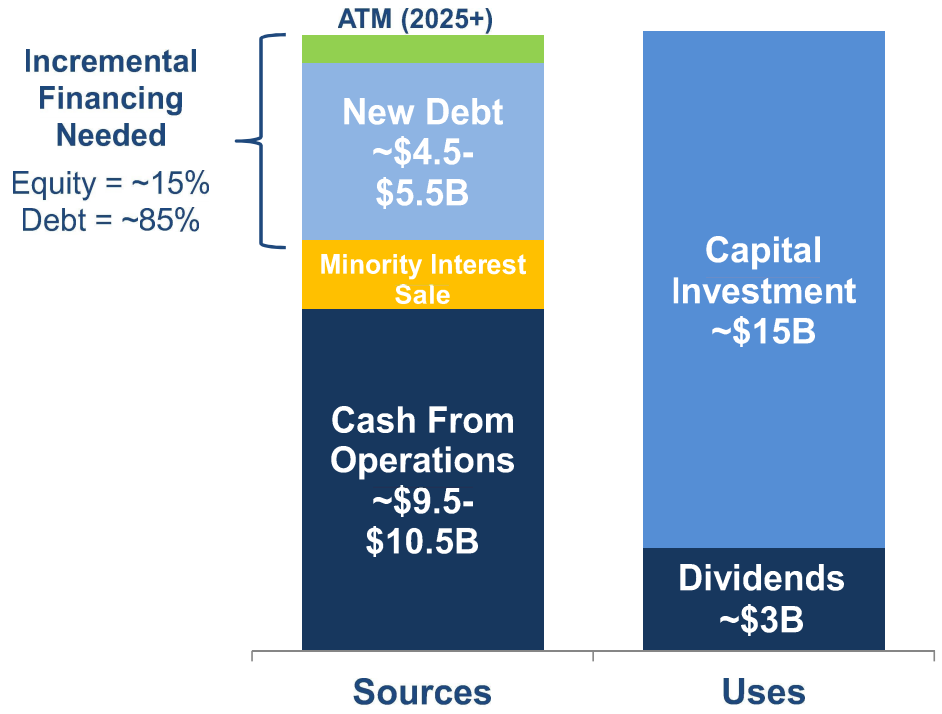
Dividends and **capital investments** primarily funded through **cash from operations**

Minority interest sale adds **flexibility** to financing plan

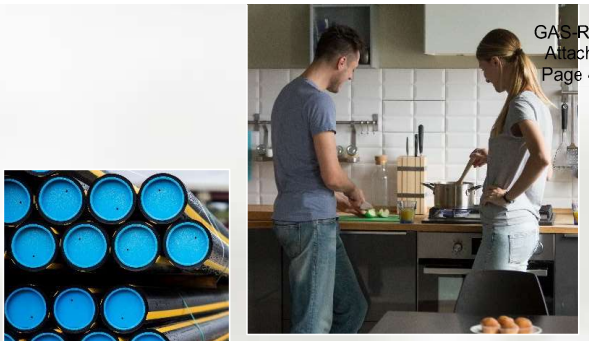
Target FFO/Debt[1] 14-16%
ATM Equity (2025+) to support current investment grade credit ratings

Minimize near-term capital markets costs and volatility

Sources / Uses (2023 – 2027)[2]



[1]As calculated according to the S&P and Moody's rating agency methodologies
[2]Excludes remarketed Equity Units ($863M), may be used to redeem outstanding Preferred Stock ($900M)






Closing Remarks

Lloyd Yates
Chief Executive Officer





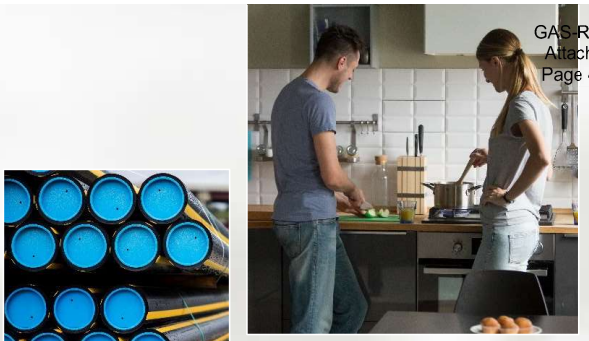

ENHANCED NISOURCE VALUE PROPOSITION DRIVING SUSTAINABLE GROWTH



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[4]Estimated total shareholder return at a constant P/E ratio









Appendix

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Peter A. Altabef
Age: 62
Elected: 2017
Occupation: Chairman. & CEO, Unisys Corp.
Board Committees: Finance (C), ESNG, Exec



Theodore H. Bunting, Jr.
Age: 63
Elected: 2018
Occupation: Retired Group Pres., Entergy Corp.
Board Committees: Audit (C), Comp, Exec



Eric L. Butler
Age: 61
Elected: 2017
Occupation: Pres. & CEO, Aswan'-Butler Associates
Board Committees: Comp (C), Audit, Exec



Aristides S. Candris
Age: 70
Elected: 2012
Occupation: Retired Pres. & CEO, Westinghouse
Board Committees: SORP (C), ESNG, Exec



William D. Johnson
Age: 68
Elected: 2022
Occupation: Retired President & CEO, PG&E
Board Committees: Comp, SORP



Lloyd M. Yates
Age: 61
Elected: 2020
Occupation: Pres. & CEO, NiSource Inc.



Deborah A. Henretta
Age: 61
Elected: 2015
Occupation: Partner G100 Companies
Board Committees: ESNG (C), Comp, & Executive



Deborah A. P. Hersman
Age:52
Elected: 2019
Occupation: Consultant Waymo, LLC
Board Committees: SORP, Finance



Michael E. Jesanis
Age: 65
Elected: 2008
Occupation: Retired Pres. & CEO National Grid USA
Board Committees: SORP, Finance



Kevin T. Kabat
Age: 65
Elected: 2015
Occupation: Independent Chairman of the Board, NiSource Inc.; Retired CEO of Fifth Third Bancorp
Board Committees: ESNG, Exec



Sondra L. Barbour
Age: 59
Elected: 2022
Occupation:. Retired EVP, Lockheed Martin
Board Committees: Audit, ESNG



Cassandra S. Lee
Age: 53
Elected: 2022
Occupation: Chief Audit Executive, AT&T Inc.
Board Committees: Audit, Finance

MANAGEMENT OVERVIEW

Skills and Experience to Lead Commitment to Safety, Customer Experience and Stakeholder Value



Lloyd Yates
- President and CEO since Feb. 14, 2022
- Joined NiSource Board in 2020, held numerous senior roles at Duke Energy Corp



Donald Brown
- EVP and CFO since June 1, 2020
- Joined NiSource in 2015, has more than 20 years of experience, includ ng at UGI Corp., Constellation Energy and Progress Energy.



Melody Birmingham
- EVP & Chief Innovation Officer since July 1, 2022
- Joined NiSource in 2022, has more than 25 years of executive leadership experience at Duke Energy & Exelon Corp





Kim Cuccia
- General Counsel & Corporate Secretary of NiSource since Dec. 2021
- Joined NiSource in 2008, has held a variety of leadership positions



Shawn Anderson
- Chief Strategy and Risk Officer since June 1, 2020
- Joined NiSource in 2010, has held a variety of leadership positions



Melanie Berman
- Chief Human Resources Officer since July 1, 2022
- Joined NiSource in 2021, has extensive CHRO experience at Michaels Co., Anthem, and Baker Corp.

NORTHERN INDIANA PUBLIC SERVICE COMPANY (NIPSCO ELECTRIC)

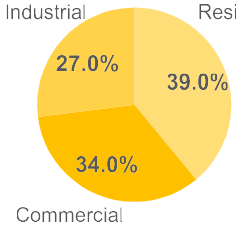
Business Profile



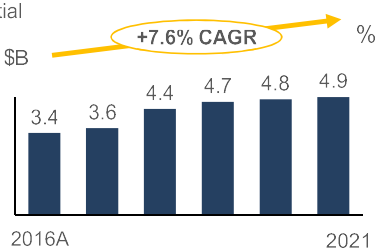
Unique Insights/Opportunities

100%	Lowest	MISO	~$3B	$170-$230M
Of coal generation to be retired by 2026-2028	Number of complaints(3) in the state over the past 5 years	Geographic proximity provides future transmission opportunity	In generation investments 2022-2027	In annual investment opportunity outside of generation

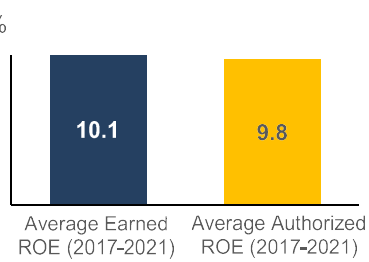
Net Revenue Mix(4)



Rate Base(4)



Return on Equity(1)



Regulatory Landscape

- TDSIC recovers new or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development
- Design of rate 831 insulates NIPSCO from potential year-to-year variability of industrial electric load
- Fully Forward Test Year and CWIP in Rate Base
- ~$550M FERC Regulated Electric Transmission Rate Base

Constructive Legislation

- SB 560 – *Forward test year, timely rate cases and infrastructure tracking*
- HB 1470 – *Increased flexibility for inclusion of future projects in TDSI*
- HB 1221 – *build-out of electric vehicle public charging infrastructure*

Economic Outlook

- NIPSCO continues to work with customers impacted by the pandemic with extended payment plans

Key Riders/Constructs	Weighted Avg. Regulatory Lag
Transmission, Distribution, and Storage System Improvement Charge(TDSIC)	12 Months(6) (80% of Investment)
Federally Mandated Cost Adjustment (FMCA)	11 Months (6)
Bad Debt	Base Rates
RTO	Forecasted with a True-Up to Actual
Energy Efficiency	Forecasted with a True-Up to Actual
Fuel Costs	Forecasted with a True-Up to Actual
Pension/OPEB	WACC / Base Rate Return
Resource Adequacy	10 Months

Footnotes:
(1) Inclusive of both Gas & Electric
(2) Compound annual growth between 2018 actuals and 2021 estimate
(3) Represents complaints justified by the Indiana Utility Regulatory Commission (IURC)
(4) Revenue mix based on net revenues for the year ending 2021
(5) NIPSCO rate base includes deferred taxes in capital structure
(6) Under TDSIC/FMCA 20% of investment is deferred with carrying cost for recovery in next rate case

COLUMBIA GAS OF OHIO (COH)

Business Profile



Regulatory Landscape

- Fully tracked annual Infrastructure Replacement Program (IRP) and Capital Expenditure Program (CEP)
- Public policy provides tools supporting investment for economic development and deferral of pipeline safety costs
- Straight fixed variable rate design

Constructive Legislation

- HB 95 – *authorization of utility modernization capital programs*
- SB 319 – *Annual infrastructure cost recovery of up to $25.5M for economic development projects*
- SB 378 – *Underground protection & enforcement*
- HB 201 – *Codifies consumers' right to fuel diversity*

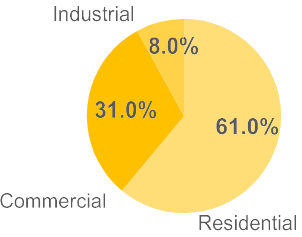
Economic Outlook

- Intel's investment in 2 new chip fabrication facilities is the largest economic development project for Ohio

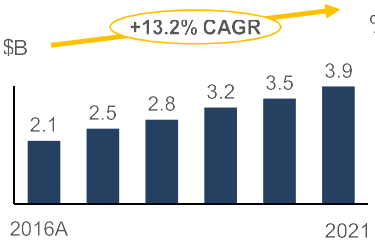
Unique Insights/Opportunities

$20-$100B	100%	#2	1,200	$550M
Investment by Intel Corporation in Central Ohio	Of capital investment tracked and recovery beginning within 12 months	In customer satisfaction based on 2021 JD Power Survey	Communities served throughout the state of Ohio	In annual investment opportunity

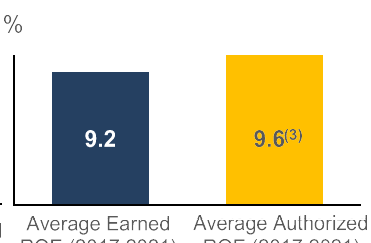
Net Revenue Mix[2]



Rate Base



Return on Equity

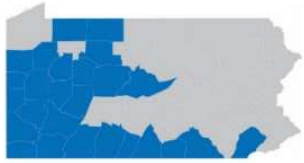


Key Riders/Constructs	Weighted Avg. Regulatory Lag
Capital Expenditure Program (CEP)	14 Months
Infrastructure Replacement Program (IRP)	10 Months
Bad Debt	10 Months (SGS/GS) Base Rates (LGS)
Environmental	Deferral / Base Rates
Energy Efficiency	10 Months
Fuel Costs	Forecasted with a True-Up to Actual
Low Income	11 Months
Pipeline Safety	Deferral / Base Rates

Footnotes:
(1) Compound annual growth between 2018 actuals and 2021 estimate
(2) Revenue mix based on net revenues for the year ending 2021
(3) Authorized return within settlement stipulation filed 10/31/22 for case 21-0637-GA-AIR

COLUMBIA GAS OF PENNSYLVANIA (CPA)

Business Profile



Regulatory Landscape

- Fully projected Future Test year allows for capital and expense recovery with zero lag
- Authorized Weather Normalized Adjustment of residential bills during winter period stabilizes revenue for CPA and bills for customers
- State leader in universal services, low-income initiatives, choice and energy efficiency programs

Constructive Legislation

- Act 11 – *Allows for filing of a Distribution Service Improvement Charge (DSIC) and a rate case with a fully forecasted rate year*

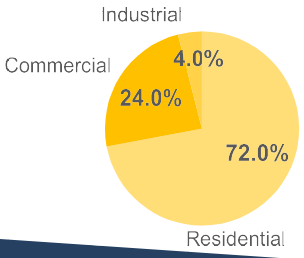
Economic Outlook

- Pennsylvania is the second largest producer of natural gas in the US, and CPA is geographically situated on top of the Marcellus/Utica shale.

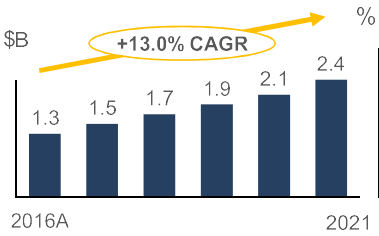
Unique Insights/Opportunities

1.1K Miles	100%	#2	9	$375M
Of remaining priority pipe	Of capital recovered with zero lag	In customer satisfaction based on 2021 JD Power Survey	Of the last 10 base rate proceedings have been settled	In annual investment opportunity

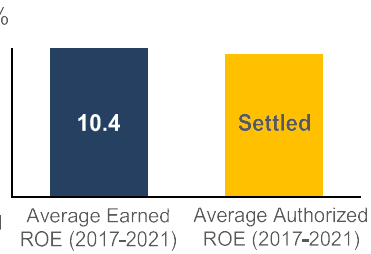
Net Revenue Mix[2]



Rate Base



Return on Equity



Key Riders/Constructs	Weighted Avg. Regulatory Lag
Rate Case	0 Months (Fully Projected Future Test Year)
DSIC	3 - 6 Months
USECP Rider	0 Months
Environmental	Deferred to Rate Case
Energy Efficiency[3]	Deferral/Surcharge
Fuel Costs (inc. Bad debt)	Deferred
Pension/OPEB	Deferred
Low Income	Deferral/Surcharge

Footnotes:
(1) Compound annual growth between 2018 actuals and 2021 estimate
(2) Revenue mix based on net revenues for the year ending 2021
(3) CPA's energy efficiency program for non-low income customers is currently pending before the PA utility commission

NORTHERN INDIANA PUBLIC SERVICE COMPANY (NIPSCO GAS)

Business Profile



Regulatory Landscape

- TDSIC recovers new or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development
- FMCA offers capital recovery for federally mandated costs, including adherence to PHMSA
- Fully Forward Test Year available for base rate case

Constructive Legislation

- SB 560 – *Forward test year, timely rate cases and infrastructure tracking*
- HB 1470 – *Increased flexibility for inclusion of future projects in TDSIC*
- HB 1191 – *Codifies consumers' right to fuel diversity*

Economic Outlook

- NIPSCO continues to work with customers impacted by the pandemic with extended payment plans
- Stellantis and Samsung SDI are forming a joint venture to invest more than $2.5B to build an electric vehicle battery facility in Kokomo, IN

Unique Insights/Opportunities

$130.29
Average residential bill over the last 5 years – the lowest in the state

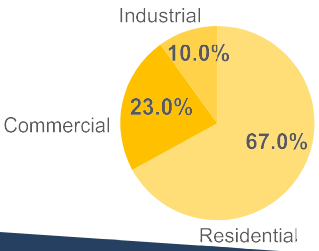
Lowest
Number of complaints(3) in the state over the past 5 years

100%
Of distribution rate cases settled since 1987

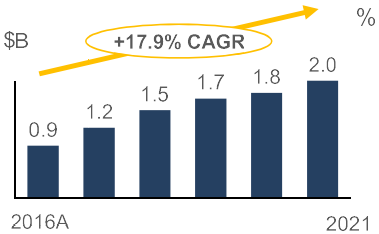
Largest
LDC in the state of Indiana

$150-$250M
In annual investment opportunity

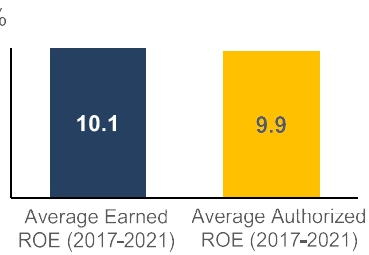
Net Revenue Mix(4)



Rate Base(5)



Return on Equity(1)

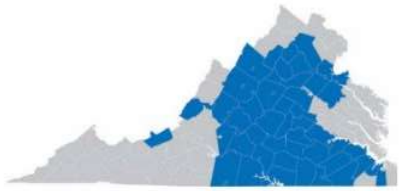


Key Riders/Constructs	Weighted Avg. Regulatory Lag
Transmission, Distribution, and Storage System Improvement Charge(TDSIC)	12 Months(6) (80% of Investment)
Federally Mandated Cost Adjustment (FMCA)	11 Months(6)
Bad Debt	Base Rates / Fuel Costs
Energy Efficiency	Forecasted with a True-Up to Actual
Fuel Costs	Forecasted with a True-Up to Actual
Low Income	Deferral with a True-Up to Actuals
Pension/OPEB	WACC / Base Rate Return

Footnotes:
(1) Inclusive of both Gas & Electric
(2) Compound annual growth between 2018 actuals and 2021 estimate
(3) Represents complaints justified by the Indiana Utility Regulatory Commission (IURC)
(4) Revenue mix based on net revenues for the year ending 2021
(5) NIPSCO rate base includes deferred taxes in capital structure
(6) Under TDSIC/FMCA 20% of investment is deferred with carrying cost for recovery in next rate case; a future test year is utilized to recover operating expenses

COLUMBIA GAS OF VIRGINIA (CVA)

Business Profile



2nd Nationally in overall CSAT[4] through 3Q2022 (among 85 brands)

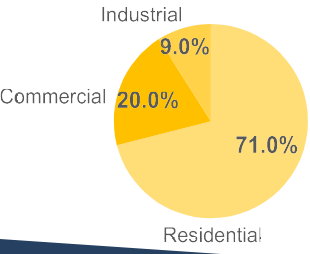
Top Decile Nationally in damage prevention

Awarded For energy efficiency and community service by Virginia DOE

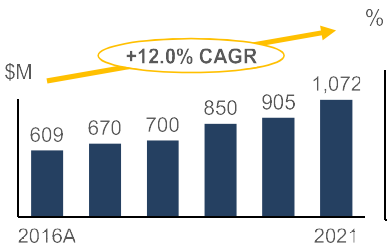
1st Amongst major VA LDC's in customer growth rate[2]

$45-$70M In annual investment opportunity

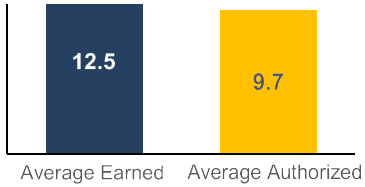
Net Revenue Mix[3]



Rate Base



Return on Equity[5]



Regulatory Landscape

- Forward-looking annual modernization/safety infrastructure investment tracker filings
- Tracker filings supplemented by rate case filings with forward test year

Constructive Legislation

- DIMP Act – *Allows deferral of incremental O&M related to pipeline safety*
- SAVE Act – *Allows recovery of investment on infrastructure replacement*
- CARE Act – *Provides for energy efficiency programs and a revenue decoupling adjustment*
- Energy Innovation Act – *Provides regulatory pathways to procure substitute/supplemental gas (RNG/Hydrogen), promotes biogas supply and expends energy efficiency*

Economic Landscape

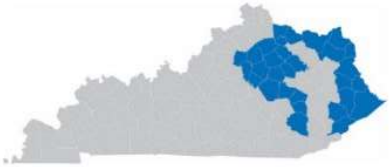
- Plenty Limited Vertical Farming investing over $300M in Chesterfield County
- U.S. Navy partnering in major pipeline expansion at Portsmouth facility for combined heat and power project

Key Riders/Constructs	Weighted Avg. Regulatory Lag
Steps to Advance Virginias Energy Plan (SAVE)	0 Months (Forward Looking Test Year)
Energy Efficiency (CARE)	Deferral/Surcharge
Bad Debt	Rate Case – non tracked
Fuel Costs (inc. Bad debt)	Deferral/Surcharge
Pipeline Safety (DIMP)	O&M Above baseline Deferred to Rate Case

Footnotes:
(1) Compound annual growth between 2018 actuals and 2021 estimate
(2) Based on customer growth reported in 2016 -2020 annual LDC filings (2021 not yet available), excludes LDC"s with less than 5,000 customers
(3) Revenue mix based on net revenues for the year ending 2021

COLUMBIA GAS OF KENTUCKY (CKY)

Business Profile



3rd
Consecutive year (20,21,22) on Kentucky's best place to work list

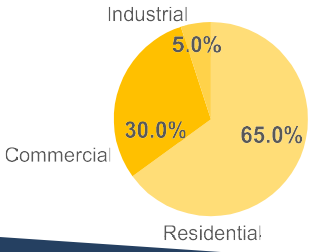
$50M
In annual investment opportunity

#1
In Customer Satisfaction based on 2021 JD Power Survey(2)

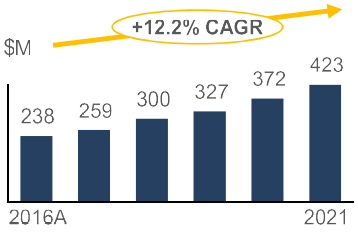
Recognized
For Leadership in Emerging Energy/Transition Environment(3)

AGA
Safety achievement award winner in 2021

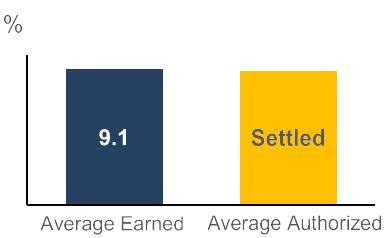
Net Revenue Mix(4)



Rate Base



Return on Equity



Regulatory Landscape

- SMRP allows for full cost recovery of eligible pipeline replacement/safety related initiatives via forward looking test year
- Commission has authorized economic development extension tariff for high potential sites requiring natural gas
- Performance based incentives for gas supply management
- Base rate recovery is weather normalized

Constructive Legislation

- HB 207 – *Codifies consumers' right to fuel diversity*
- HB 100 – *Governments may create and assess for special energy efficiency project districts*

Economic Landscape

- Buffalo Trace Distillery is completing a $1.2B investment in their bourbon facility in Frankfort, KY
- Baptist Health investing $225M in new surgery center and campus

Key Riders/Constructs	Weighted Avg. Regulatory Lag
Safety Modification & Replacement Program (SMRP)	0 Months (Forward Looking Test Year)
Energy Efficiency	Base Rates
Gas Costs	Forecasted with a True-Up to Actual

Footnotes:
(1) Compound annual growth between 2018 actuals and 2021 estimate
(2) JD Power Scores – CKY does not meet residential customer threshold for syndicated survey but ranked #1 in Midwest Midsize Segment
(3) Recognized at Governor's Conference on Energy & Environment
(4) Revenue mix based on net revenues for the year ending 2021

COLUMBIA GAS OF MARYLAND (CMD)

Business Profile



Rates
Of residential customers are below the state average for other LDC's[2]

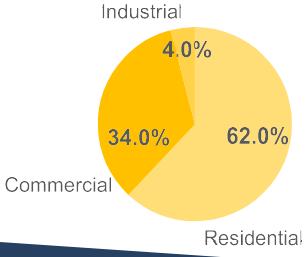
102
Miles of cast Iron/Bare Steel pipeline replaced since 2008

0
PHMSA/DOT reportable incidents in 2021

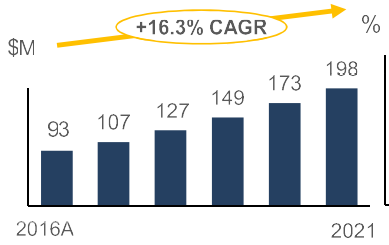
Revenue
Normalization enables full recovery of distribution revenue (residential)

$25-$35M
In annual investment opportunity

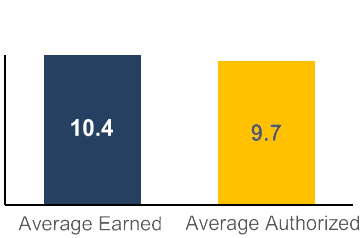
Net Revenue Mix[3]



Rate Base



Return on Equity



Regulatory Landscape

- Forward-looking annual infrastructure replacement and improvement surcharge (IRIS) recovers age and condition investment
- IRIS filings supplemented by periodic rate cases

Constructive Legislation

- STRIDE Act – *Prospective cost recovery for age and condition investment.*

Economic Landscape

- Eastern operations are now attracting commuters from Washington DC, supporting customer growth
- Tariff provisions allow for modest customer growth
- Grow West Cannabis Company investing $20M in an expansion of their medical marijuana production in Cumberland, Maryland

Key Riders/Constructs	Weighted Avg. Regulatory Lag
Strategic Infrastructure Development & Enhancement (STRIDE)	0 Months
Energy Efficiency Rider	Deferral/Surcharge
Bad Debt	Base Rates
Fuel Costs (inc. Bad Debt)	Deferral
Environmental	Deferral / Base Rates

Footnotes:
(1) Compound annual growth between 2018 actuals and 2021 estimate
(2) Based on information available in public LDC filings, based on 2016-2020 (2021 was not yet available for all MD LDCs)
(3) Revenue mix based on net revenues for the year ending 2021

REGULATORY / LEGISLATIVE ENVIRONMENT

Supportive environment drives balanced returns and growth across ALL jurisdictions

	5-Year Average ROE	Allowed ROE	Rate Base Growth (CAGR 2021-2027)
Indiana – Electric	10.1%[1]	9.8%	12.4%
Indiana – Gas	10.1%[1]	9.9%	13.8%
Ohio	9.2%	9.6%[2]	7.9%
Pennsylvania	10.4%	BB[3]	9.0%
Virginia	12.5%	9.7%	8.2%
Kentucky	9.1%	9.4%	10.2%
Maryland	10.4%	9.7%	11.6%

[1]NIPSCO Consolidated avg. ROE
[2]Authorized return within settlement stipulation filed 10/31/22 for case 21-0637-GA-AIR
[3]Black Box Settlement

Federal Policy Playbook

- Active partnerships through the policy making process

AGA American Gas Association

EEI Edison Electric INSTITUTE

Public / Private entities

- Federal Government Affairs engaging directly with Administration on relevant opportunities

NiSource

Supporting the passage and implementation of federal legislation

State Policy Playbook

Building consensus and coalitions through our OpCos to enact legislative and regulatory changes

- Developing state level policy strategies for 2023 and beyond
- Enables recoverable decarbonization for scope 1, 2 and 3 emissions
- Varying opportunities by state:
  - Alternative fuel enabling legislation (similar to VA and TN)
  - Enhancement of energy efficiency programs
  - Gas system modernization

Actively engaged at the federal and state levels to drive policies that support positive outcomes for our investors and customers

Potential for NIPSCO to Invest $400M - $950M in MISO Future 1 Transmission Projects

Estimated Opportunities*

~$400M

Investment in MISO Tranche 1

Estimated In Service: 2030

~$250M to ~$550M

Investment in MISO Tranche 2

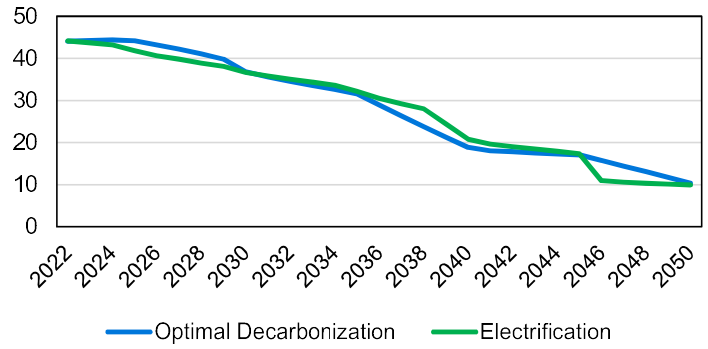
Estimated In Service: 2031 - 2035

Tranche 1 portfolio of projects has been approved by MISO, Tranche 2 project development is in progress. Opportunity range is based on estimated project allocations. Actual allocations will be determined in future.

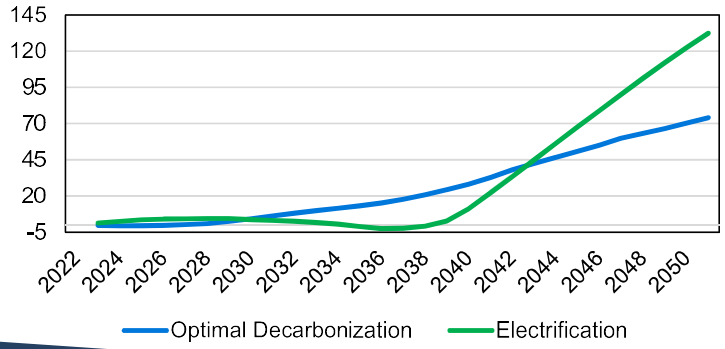
NISOURCE EXISTING INFRASTRUCTURE SUPPORTS DECARBONIZATION

Completed analysis that demonstrates a portfolio of initiatives leveraging existing gas infrastructure in our jurisdictions provides optimal pathway to long term decarbonization

*Total Emissions (Million tCO_2)



Cumulative Incremental Cost ($Billions)



Approach

- Robust analysis of potential energy pathways for NiSource's jurisdictions
- Incorporating key considerations such as future systems investments and associated costs, current and plausible future technologies, availability resources, potential federal and state energy policies
- Leveraged third party experts utilizing industry leading tools and approaches for evaluating customer impacts of alternative pathways across electric and gas systems

Results and Insights

- Both scenarios delivers a **75% carbon reduction by 2050**
- **Electrification pathway is 44% more costly** on an NPV basis than an optimal portfolio that utilizes gas infrastructure

- Total emissions include scope 1,2 and 3
- $ not adjusted for inflation

STRENGTHENING BALANCE SHEET

Long-Term Debt

- Weighted Average Rate – 3.72%
- Weighted Average Maturity – 14.1 Years

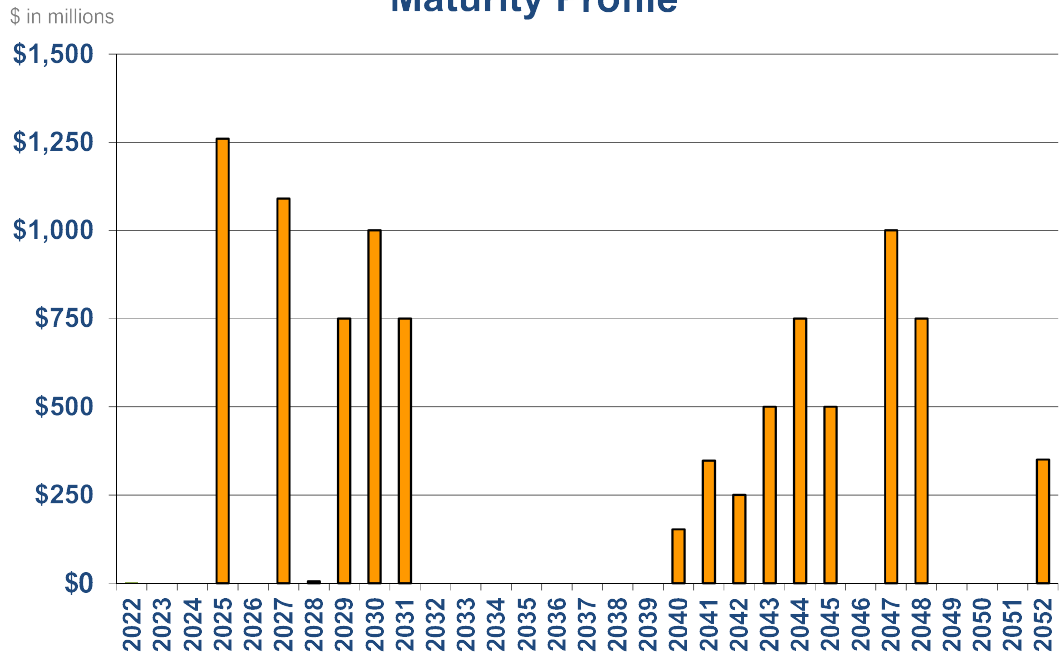
Targeted FFO/Debt of 14-16%

- Minority Interest Sale expected to accelerate NiSource into targeted range

Credit Ratings

- Moody's (Baa2)
- S&P (BBB+)
- Fitch (BBB)

Maturity Profile

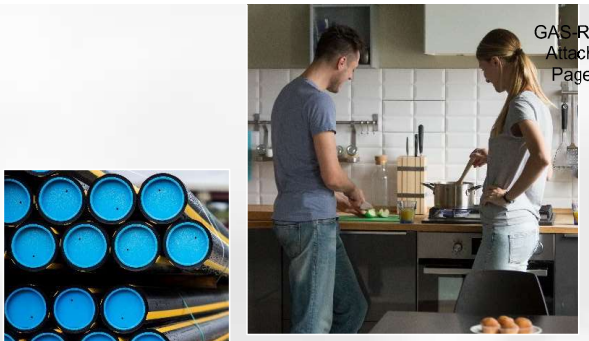


NiSource Inc.

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) (*unaudited*)

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in millions, except per share amounts)	**2022**	2021	**2022**	2021
GAAP Net Income Available to Common Shareholders	**$ 52.0**	$ 49.4	**$ 518.2**	$ 377.6
Adjustments to Operating Income:				
Operating Revenues:				
Weather - compared to normal	**(10.4)**	(15.4)	**(21.7)**	(12.5)
FAC adjustment[1]	**—**	—	**8.0**	—
Operating Expenses:				
Greater Lawrence Incident	**—**	1.0	**—**	8.0
Plant retirement costs	**—**	3.6	**—**	12.2
NiSource Next initiative[2]	**0.6**	7.8	**3.3**	22.1
Massachusetts Business related amounts[3]	**—**	(0.1)	**(105.0)**	6.8
Total adjustments to operating income	**(9.8)**	(3.1)	**(115.4)**	36.6
Income Taxes:				
Tax effect of above items[4]	**2.4**	0.8	**24.4**	(9.7)
Total adjustments to net income (loss)	**(7.4)**	(2.3)	**(91.0)**	26.9
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 44.6**	$ 47.1	**$ 427.2**	$ 404.5
Diluted Average Common Shares	**443.4**	430.3	**441.7**	415.8
GAAP Diluted Earnings Per Share[5]	**$ 0.12**	$ 0.12	**$ 1.18**	$ 0.91
Adjustments to diluted earnings (loss) per share	**(0.02)**	(0.01)	**(0.21)**	0.07
Non-GAAP Diluted Net Operating Earnings Per Share[5]	**$ 0.10**	$ 0.11	**$ 0.97**	$ 0.98

[1]Represents fuel costs deemed over-collected from customers through the FAC mechanism and ordered to be refunded to customers.
[2]Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.
[3]2022 represents proceeds from a property insurance settlement related to the Greater Lawrence Incident. 2021 primarily represents final net working capital adjustments to the purchase price for the loss incurred on the sale of the Massachusetts Business.
[4]Represents income tax expense calculated using the statutory tax rates by legal entity.
[5]The Non-GAAP diluted NOEPS numerator is equal to net operating earnings available to common shareholders adjusted for add-backs for interest expense incurred, net of tax, related to Series A Equity Unit purchase contracts. The add-backs for the three months ended September 30, 2022 and 2021were $0.5M and $0.6M, respectively. The add-back for the nine months ended September 30, 2022 and 2021 were $1.5M and $1.0M, respectively.






NiSource

ESG Update

November 2022






This presentation contains "forward-looking statements," within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. Expressions of future goals and expectations and similar expressions, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

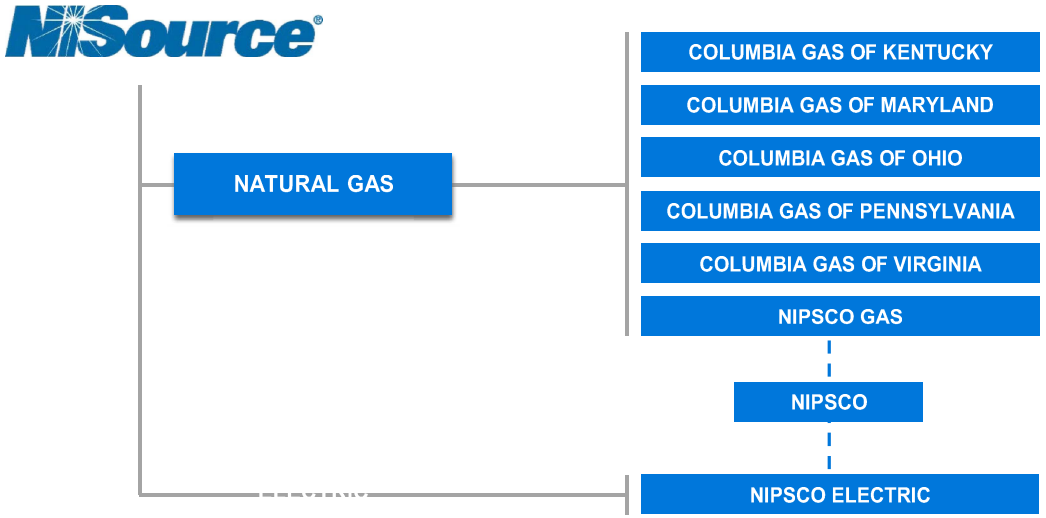
Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this presentation include, among other things, our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and natural gas costs and supply risks; fluctuations in demand from residential and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the attraction and retention of a qualified, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity-attacks; increased requirements and costs related to cybersecurity; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; inflation; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related to the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney's Office to settle the U.S. Attorney's Office's investigation relating to the Greater Lawrence Incident; compliance with or changes in applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; and other matters set forth in Part I, Item 1A, "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2021, and matters set forth in Part II, Item 1A, "Risk Factors" of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, many of which risks are beyond our control. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time.

All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Regulation G Disclosure Statement

This presentation includes guidance for NiSource with respect to net operating earnings available to common shareholders, diluted net operating earnings per share, and operating earnings which are non-GAAP financial measures as defined by the Securities and Exchange Commission's (SEC) Regulation G. This presentation also includes guidance for NiSource with respect to net operating earnings per share and adjusted funds from operations / total debt. The company includes these measures because management believes they permit investors to view the company's performance using the same tools that management uses and to better evaluate the company's ongoing business performance. With respect to such guidance for net operating earnings per share, it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other items included in GAAP results. NiSource is not able to estimate the impact of such factors on GAAP earnings and, as such, is not providing earnings guidance on a GAAP basis. With respect to such guidance for adjusted funds from operations / total debt it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various adjustments the S&P and Moody's rating agencies apply when calculating their metrics. NiSource is not able to provide a reconciliation of its non-GAAP net operating earnings or adjusted funds from operations / total debt guidance, to their GAAP equivalents without unreasonable efforts.

PREMIER REGULATED UTILITY BUSINESS



Significant Scale across Six States

~3.2M
Gas Customers

~500K
Electric Customers

NI
LISTED
NYSE

9%–11%
Compelling expected annual total shareholder return proposition 2021-2027*

* Estimated total shareholder return at a constant P/E ratio

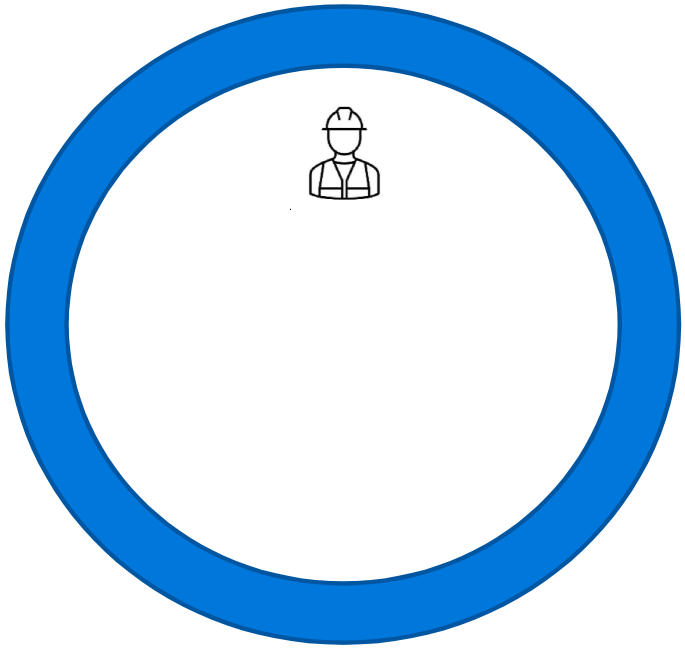
NISOURCE LONG-TERM STRATEGIC ASPIRATIONS

Customer –

Through modernization of both our infrastructure and digital customer service channels we expect to achieve top quartile customer satisfaction.

Workforce –

We strive to be an employer of choice that cultivates a high-performing culture by attracting, developing, and retaining individuals with a diverse range of backgrounds and competencies.



Financial –

We continue to execute on our robust financial plan, delivering industry-leading, risk-adjusted, long-term shareholder value.

Sustainability –

We engage key stakeholders to thoughtfully shape sustainability plans that meet the rising expectations of investors and regulators, while ensuring that energy delivery remains safe, reliable, and affordable.

Continued Enhancement of Sustainability Investment, Social Engagement and Governance Focus

- Net Zero emissions goal by 2040 for scope 1 and 2 emissions introduced November 2022
  - Remain committed to achieving a 90% reduction in greenhouse gas emissions by 2030 and a 50% reduction in methane emissions by 2025
- Major sustainability investment and regulatory initiatives making tangible progress
  - 4 of 14 renewable generation projects (2018 IRP) are in-service, 3 are under construction, and remaining 7 are on track according to the revised timeline introduced in May 2022
  - Your Energy Your Future (YEYF) expands as our holistic, customer-centric strategic priority aimed at identifying and executing initiatives that mitigate risks and advance RNG adoption as well as hydrogen pilot opportunities
  - Green Path Riders filed in several jurisdictions allowing customers to voluntarily offset natural gas emissions
- Safety and cybersecurity initiatives continue to mature
  - Safety Management System (SMS) received Lloyd's Conformance Certification
  - In Feb 2022 we completed the installation of automatic shut-off devices on over 1,800 low pressure regulator stations across our system
  - Cybersecurity architecture fortification includes comprehensive monitoring programs, network security tools, employee education and system-wide security enhancements
- Governance focus highlighted by several 2022 Board changes
  - Sondra Barbour, Cassandra Lee, and Bill Johnson joined the board early in 2022, enhancing Cybersecurity, Utility, Finance, and Operational expertise

ENHANCED NISOURCE VALUE PROPOSITION DRIVING SUSTAINABLE GROWTH



FINANCIAL FOUNDATION

100% Regulated Across Six Constructive Jurisdictions	Significant Investment Opportunities	Efficient Recovery Mechanisms	Strengthened Balance Sheet

[1]Net Operating Earnings Per Diluted Share (Non-GAAP)
[2]As calculated according to the S&P and Moody's rating agency methodologies
[3]Goal for Scope 1 and 2 emissions
[4]Estimated total shareholder return at a constant P/E ratio

OUR SUSTAINABLE APPROACH TO ESG



Environmental

- Environmental performance is a key catalyst behind our investment strategy
- We are committed to reducing GHG emissions 100%[1] by 2040, 90%[1] by 2030, and methane emissions 50% by 2025
- We expect to replace all coal generation (primarily with renewable generation) by 2028
- We expect to complete our priority pipe replacement program early next decade



Social

- Transformation focused on customer safety, reliability and affordability
- Promoting economic growth within our communities
- Committed to diversity, equity and inclusion throughout the organization and supplier network



Governance

- Committed to maintaining a diverse, skilled and independent Board
- Robust framework for strategy, risk management and oversight
- Strong alignment of executive incentive compensation with financial, customer, and ESG objectives

[1]Compared to 2005 baseline

DRIVING ENVIRONMENTAL BENEFITS

The *Your Energy, Your Future* Initiative Integrates Climate Risk Into Our Strategic-financial Planning In Order To Prioritize Environmental Performance

Cleaner generation mix significantly reducing GHG emissions

Driving down other environmental impacts related to coal

Greenhouse Gas
Reductions from 2005 Levels

58%[1]
As of 2021

90%[1]
By 2030

100%[2]
By 2040

Key Highlights

- Industry leading generation transition replaces 80% of coal generation capacity by 2025 and 100% by 2028
- Pipe replacement program has replaced ~25% (1,000+ miles) of the priority pipe in our system since 2017
  - We expect to complete this program early next decade, as it is a key driver of our targeted 50% reduction in fugitive methane emissions by 2025
- Currently interconnect with and transport RNG from several producers within our agriculturally rich jurisdictions
  - We continue to evaluate and facilitate larger scale RNG interconnections as well as hydrogen pilot programs
- Filing Green Path Riders in several jurisdictions for customers to voluntarily offset their natural gas emissions
- Engaging in the development of low-carbon energy technologies as a member of the Low Carbon Resources Initiative (LCRI) and as an investor in Energy Capital Ventures (ECV)

[1]Scope 1
[2]Scope 1 & 2

ADVANCING SOCIAL PRIORITIES

Our Social Priorities Are Founded Around a Rigorous Safety Culture, Targeted DEI Initiatives, and Support Of Our Communities

Social

Key Highlights

- First annual public NiSource Safety Report published March 2022
- SMS (Safety Management System) is established and continues to mature as the NiSource core operating model
  - Industry-leading probabilistic risk assessment models advance risk-informed decision-making capabilities
  - Lead the establishment of the Natural Gas SMS Collaborative – a first of its kind in industry
- Enhancing DE&I initiatives across the organization
  - Executive leadership team now consists of >40% women and >55% minorities
  - Supplier diversity program continues to expand strategic partnerships
  - Diverse talent monitoring program fosters equal opportunities for growth
- Aiding economically vulnerable customers through payment assistance and energy efficiency programs
  - $45M in LIHEAP funding dispersed in 2021
  - $18M+ saved through energy efficiency programs in 2021

ROBUST GOVERNANCE FRAMEWORK

Our Governance Practices Promote Responsible Oversight and Balanced Expertise Within The Board

Governance

Key Highlights

- Committed to an independent, skilled and diverse board with the 2022 additions of Sondra Barbour, Cassandra Lee, and Bill Johnson
- Independent Chairman preserves the integrity of the oversight function of the Board
- Chief Safety Officer has dual reporting relationship to the CEO and the SORP Committee (per amendments made to the charter in May 2022)
- Board member age limit of 72 instated to promote regular director refresh
- Enhanced alignment of employee and executive incentive programs
  - STI (Short-Term Incentive) includes financial, customer and safety targets
  - The 2021 PSU (Performance-Based Stock Units) include financial goals plus safety, environmental, and diversity modifiers

ESG DISCLOSURES & REPORTING

Links: **Comprehensive NiSource ESG Reporting**





- Integrated Annual Report (IAR)
- Form 10-K/10-Q
- Proxy Statement
- Sustainability Accounting Standards Board (SASB)
- Enhanced Climate (TCFD) Report (Updated – Q4 2021)
- Biodiversity Commitment (New in 2020)
- Edison Electric Institute (EEI)-American Gas Association (AGA) ESG/Sustainability Template
- Global Reporting Initiative (GRI)
- CDP Climate & Water
- Supplemental Sustainability Data
- ESG Related Policies (May 2022)

NISOURCE IS RATED AND BENCHMARKED AT OR NEAR TOP QUARTILE AMONG PEERS

Dow Jones Sustainability Indices
Powered by the S&P Global CSA

- Named to Index for 8th consecutive year
- 2022 list of companies on Index to be released in December 2022

MSCI

- Upgraded from 'AA' to 'AAA' in September 2022
- Now at MSCI's highest ESG rating
- Top 10% of utilities rated 'AAA'

FTSE Russell

- Member of FTSE4Good Index Series
- Ranked at 78th percentile

ISS CORPORATE SOLUTIONS

- Environment disclosure at 4th decile
- Social disclosure at 3rd decile
- Governance disclosure at 3rd decile
- ESG Corporate [Performance] Rating at 5th decile

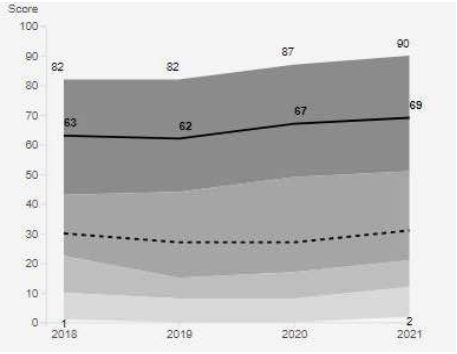
SUSTAINALYTICS
a Morningstar company

- ESG Risk Rating at 61st percentile
- ESG Risk Management is 'Strong'
- ESG Risk Rating is 'Medium'

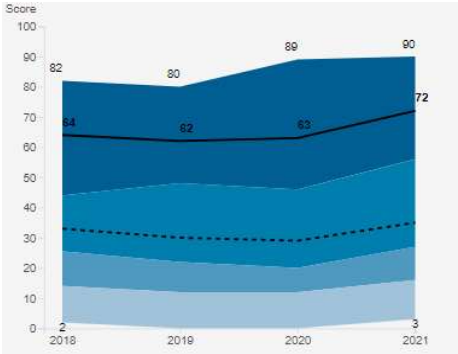
Peer Benchmark Analysis S&P Global

Company score
Industry average
Top quartile
Bottom quartile

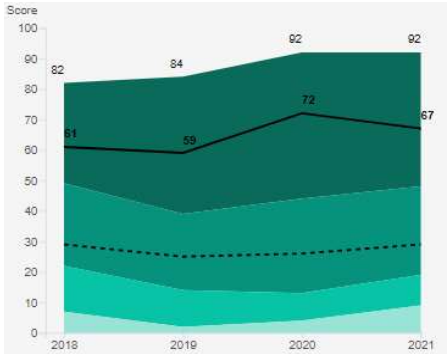
All Dimensions



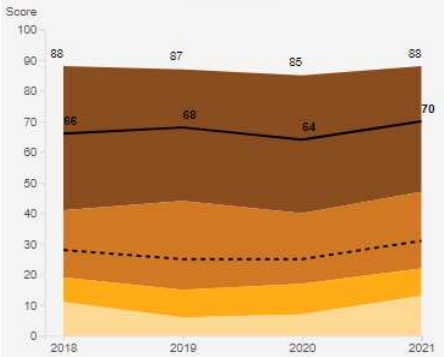
Governance & Economic

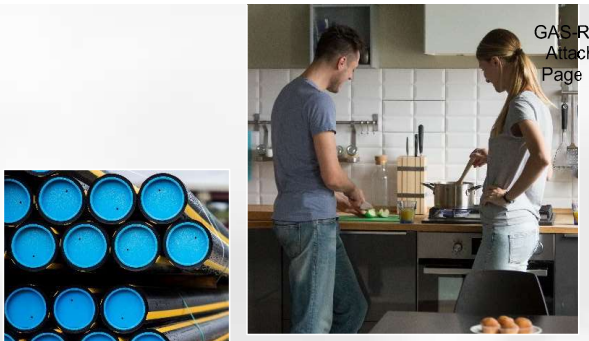


Environmental



Social











Appendix

NiSource®









ENVIRONMENTAL STEWARDSHIP

The ***Environmental, Social, Nominating, & Governance Committee*** Oversees Environmental Stewardship Initiatives and Execution

	Emissions Reductions	2021 Reduction*	2030 Reduction Target*
ALL OPERATIONS	Greenhouse Gas	58%	90%
ELECTRIC BUSINESS	Air Emissions –Nitrogen Oxide –Sulfur Dioxide --Mercury	 86% 97% 93%	99%
	Water Withdrawal Water Discharge	91% 93%	99%
	Coal Ash Generated	60%	100%
GAS BUSINESS	Methane from Mains & Services	42%	>50%

*Compared to 2005

SAFETY PERFORMANCE AND EMERGENCY RESPONSE

Driving Toward Sustained Industry Leadership In Safety

By applying operational rigor and continuous process improvement our Safety Management System (SMS) continues to mature – achieving key milestones in our risk reduction journey

- In Sep. 2022, we received conformance certification of our SMS from Lloyd's Register
- As of early 2022, over 5,000 CAP (Corrective Action Program) submissions have been made by employees and contractors informing asset risk profiles
- In Feb. 2022, we completed the installation of automatic shut-off devices at over 1,800 low-pressure regulator stations to protect against over-pressurization
- We have developed industry-leading probabilistic risk assessment models advancing risk-informed decision-making around our gas infrastructure
- We received Gold Shovel Standard Certification for a second consecutive year, recognizing our reduction in 1st and 2nd party damages
  - We have reduced our damage per 1,000 locates from 3.8 in 2012 to 1.9 in 2021

Key Performance Category	2021 YE Status	Goal
DART* Rate	Second Quartile	Industry Top Decile
OSHA Injury Rate	Top Quartile	Industry Top Decile
Miles of Priority Pipe Replaced	286	> 350 Per Year
Emergency Response Time (<45 minutes)	96.9%	97%

*Days away, restricted or transferred

EXPANDING DIVERSITY, CREATING AN INCLUSIVE CULTURE AND DEVELOPING ENGAGED EMPLOYEES

Prioritizing Inclusion, Equity and Diversity

- Diversity is a critical consideration for NiSource's Board, as evidenced by its current strong representation of diversity, setting expectations from the top
- NiSource added a Chief DE&I Officer (Carlos Ayala) to further advance company focus and efforts
- Management further aligned with diversity efforts in 2021 via new diversity performance goals added to long-term compensation framework
- Supporting initiatives to embed DE&I across the organization by strengthening our Cultural Awareness and Development Opportunities to increase diverse opportunities across the organization
- Developed "Inclusive Index" as part of Annual Employee Survey; Providing Inclusive Leadership Training for all Managers
- Continuation of our NiSource Mentoring Program and Targeted Development for Diverse Talent Program Focused on Traditionally Under-represented Leaders

Engaging Employees

- Annual Employee Surveys Driving "Action Items"
- Implemented new Governance structure to align our (7) Employee Resource Groups & Diversity Councils to business priorities

Giving Back and Making a Difference in Our Communities

- $7M Donated to targeted nonprofit organizations in our communities in 2021
- 2.5K+ hours volunteered by employees

Progress/Recognition

- CEO Signed on to the CEO Action for Diversity & Inclusion Pledge in 2017
- Named America's Best Employers for Diversity 2022
- Named one of America's Best Employers for Women 2022
- Named one of American's Best Large Employers by *Forbes* since 2016
- Member of the Bloomberg Gender Equality index since 2018
- Named Top 50 Inclusive Brands '2022

Political Engagement

NiSource Is Committed to Being a Good Corporate Citizen In The Communities In Which It Conducts Business, Constructively Participating In The Political Process Where Legal and Appropriate

Political Spending Policy

- In January of 2021, NiSource's Executive Leadership Team updated our Political Spending Policy to affirm and support our long-standing commitment to constructive political involvement
  - Corporate funds may be used, where legally permissible, for indirect political support and to participate in the election of state and local candidates who share NiSource's public policy views or in support of state and local ballot measures having an impact on our business and industry
  - Contributions to federal candidates may only be made by NiSource Inc. Political Action Committee (NiPAC), a non-profit entity that solicits voluntary contributions from eligible employees in compliance with applicable law
- NiSource's President and CEO and the Nominating and Governance Committee of the Board are responsible for overseeing corporate political spending
  - EVP & General Counsel reviews political spending with the President & CEO and the Nominating and Governance Committee at least once a year
- NiSource's political spending supports our business plan and is not based on the personal interests or political preference of any of our individual officers, directors or employees
- NiSource annually discloses:
  - Lobbying portion of trade associations dues where dues are greater than $25,000
  - Federal lobbying expenditures
  - List of associations (name only) where some portion of corporate membership dues may be attributed to lobbying
  - Contributions to political parties, committees, ballot measures
  - Total of NiPAC contributions and number of candidates supported
- Additional detail about NiSource's contributions can be found on our website

SETTING A NEW STANDARD IN CUSTOMER EXPERIENCE

Focused On Achieving Top-tier Customer Satisfaction and Dependable Service

- Fostering a Customer-centric Culture, Enhancing our Processes and Implementing New Technologies to Meet Customers' Changing Expectations
  - Launched Chatbots and Live Chat with Agents, facilitating more than 500K conversations since June 2022
  - Launched new conversational IVR (Interactive Voice Response)
  - Over 300K downloads of our customer-facing mobile app for Columbia Gas and NIPSCO since Aug 2021 deployment
  - Deployed robotic process automations to billing exceptions, automating manual work in 2021
- Continued Support of Customer Programs to Help Ensure Affordability, Increase Comfort and Reduce Energy Usage
  - We offer flexible 12-month payment plans, to ease monthly bill volatility for vulnerable customers
  - Continue to provide customer payment assistance to our vulnerable customers
  - Extended customer education and awareness including payment plans, alerts, start/stop/move, mobile apps, chatbots, payment budgets, energy efficiency, safety (i.e. Know Your Home program); high bill and usage mgmt.
  - NIPSCO was the first utility in Indiana that extended the winter moratorium to vulnerable customers due to backlogs at various government agencies (not mandatory).

Key Performance Category	2021 Status	Milestone
Customer Perception (JD Power)	First Quartile	Industry Top Quartile
Customer Satisfaction (Post-Interaction Survey)	87%	90%
Net Promoter Score (New Business)*	58%	57%

*NPS score represents the question "Would you recommend Columbia Gas/NIPSCO to

NISOURCE CYBER INITIATIVES

- The Chief Information Security Officer manages cybersecurity at NiSource and provides regular updates to the Cybersecurity Sub-Committee, a component of the Full Risk Management Committee
- The Audit Committee provides independent board oversight

Identify	• Continued implementation of NIST Cybersecurity Framework (CSF) controls across all of IT • Enhanced due diligence on IT and NERC CIP vendors through the Third-Party Risk Management Program • Updated IT Policies, Standards, Procedures and Technical Specifications to meet industry best practices and benchmarks
Protect	• Expansion of tools to enhance user access management, Privileged Access Management (PAM), and multi-factor authentication capabilities • Updated security awareness training and consequence policy is in development • Implementing controls related to data security across the NiSource environment • Upgrading VPN technology to further enhance cyber controls related to remote access
Detect	• Maturing cyber capabilities with technology such as log management, security orchestration, automation and response (SOAR), firewall protections, cloud security and endpoint security • Implementing network security tools to monitor baseline activity and anonymous behaviors • Enhancing the vulnerability management program • Developing a defined Insider Threat Program
Response	• Updated incident response plans that included defined procedures for various types of cyber events such as ransomware • Participated in GridEx in November 2021 and performed a technical cyber tabletop in September 2022 • Implementing cyber forensics program including tools and personnel • Performed an Executive Leadership Team exercise to educate on roles and responsibilities during a cyber event
Recover	• Continued engagement with the insurance team to ensure appropriate cyber insurance is in place • Performing lessons learned exercises after each IR (Incident Response) event • Updated cyber recovery plans to align with the IT Disaster Recovery plan

ROBUST FRAMEWORK FOR RISK MANAGEMENT AND OVERSIGHT

The Board and Management Engage Committees and Other Structures To Reinforce The Board's Oversight of Senior Management and Risk Management

The Board sets the strategy for the five-year operating plan and oversees management's execution thereof, including key sustainability and risk management initiatives

The Audit Committee regularly reviews key risks facing the Company and mitigation efforts

- Chief Strategy & Risk Officer provides regular reports on the ERM program and Risk Management Committee activities
- Chaired by Theodore H. Bunting Jr. and includes Sondra Barbour, Eric Butler, and Cassandra Lee
  - Ms. Barbour joined the Board in 2022 and formerly served as Executive Vice President Information Systems and Global Solutions, of Lockheed Martin Corporation
  - Ms. Lee joined the Board in 2022 and serves as Chief Audit Executive for AT&T Inc.

The Safety, Operations, Regulatory and Policy (SORP) Committee oversees the programs, performance and risks related to safety, operations, regulatory and policy matters

- Chaired by Aristides Candris and includes Deborah Hersman, Michael Jesanis and William Johnson
  - Mr. Johnson joined the board in 2022 and formerly served as President and Chief Executive Officer of Pacific Gas & Electric Corporation

Management Oversight

Senior leaders serve on Risk Management Committee (RMC), which was formed with NiSource's inception in 2000

- Formal bi-monthly meetings with executive leadership to review risks and mitigations
- Committee consists of Executive Leadership Team (ELT) plus the head of internal Audit

NiSource is a leader among peers by having both a dedicated Chief Strategy and Risk Officer (Shawn Anderson) as well as a Chief Safety Officer (Bill Jefferson)

- Chief Strategy Officer reports directly to the CEO
- Chief Safety Officer has dual reporting relationship to the CEO and the SORP Committee

Quality Review Board (QRB) was established in 2019 and advises management on SMS and Enterprise Risk Management (ERM)

Announced acceleration of SMS in 2018 using probabilistic risk assessment as a quantitative way to assess risk. SMS continues to mature as the core operating model at NiSource

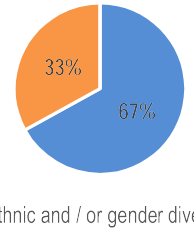
BOARD COMPOSITION AND EVALUATION

Diverse and Refreshed Board with a Broad Range of Relevant Experience and Skills

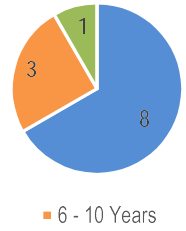
Rigorous Board Evaluation and Selection Process

- Annual and ongoing evaluation of full Board, Board Committees and individual Directors is overseen by the Environmental, Social, Nominating and Governance Committee (ESNG)
- In searching for Director candidates, the ESNG Committee uses a professional search firm, considers recommendations from current Board members and existing shareholders, and hosts interviews of candidates before making its recommendation to the Board
- The ESNG Committee considers the skills, expertise, experience, and qualifications that will best complement the overall mix of skills and expertise of the Board in view of our strategy and the risks and opportunities we face
- Diversity is a critical consideration for NiSource's Board and a breadth of perspectives and competencies is necessary to fully evaluate ideas and challenge the status quo
- The ESNG Committee also assesses the diversity of the Board as part of its annual self-assessment process
- Board member age limit of 72 instated in 2021 in order to promote regular director refresh

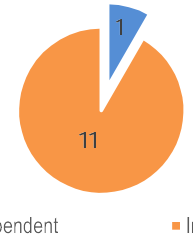
Diverse Composition



Refreshed Board with Balance of Tenures



Highly Independent



NISOURCE BOARD OF DIRECTORS



Peter A. Altabef
Age: 62
Elected: 2017
Occupation: Chairman. & CEO, Unisys Corp.
Board Committees: Finance (C)*, ESNG**, Exec



Theodore H. Bunting, Jr.
Age: 63
Elected: 2018
Occupation: Retired Group Pres., Entergy Corp.
Board Committees: Audit (C), Comp, Exec



Eric L. Butler
Age: 61
Elected: 2017
Occupation: Pres. & CEO, Aswan'-Butler Associates
Board Committees: Comp (C), Audit, Exec



Aristides S. Candris
Age: 70
Elected: 2012
Occupation: Retired Pres. & CEO, Westinghouse
Board Committees: SORP*** (C), ESNG, Exec





Lloyd M. Yates
Age: 61
Elected: 2020
Occupation: Pres. & CEO, NiSource Inc.



Deborah A. Henretta
Age: 61
Elected: 2015
Occupation: Partner G100 Companies
Board Committees: ESNG (C), Comp, & Executive



Deborah A. P. Hersman
Age:52
Elected: 2019
Occupation: Consultant Waymo, LLC
Board Committees: SORP, Finance



Michael E. Jesanis
Age: 65
Elected: 2008
Occupation: Retired Pres. & CEO National Grid USA
Board Committees: SORP, Finance



Kevin T. Kabat
Age: 65
Elected: 2015
Occupation: Independent Chairman of the Board, NiSource Inc.; Retired CEO of Fifth Third Bancorp
Board Committees: ESNG, Exec



Sondra L. Barbour
Age: 59
Elected: 2022
Occupation: Retired EVP, Lockheed Martin
Board Committees: Audit, ESNG



Cassandra S. Lee
Age: 53
Elected: 2022
Occupation: Chief Audit Executive, AT&T Inc.
Board Committees: Audit, Finance

*(C) Chair
** Environmental, Social, Nominating & Governance
*** Safety, Operations, Regulatory and Policy

NISOURCE BOARD OF DIRECTORS

Area of Expertise	% of Directors	Commentary
Industry Experience		*Ensures Board has the knowledge to keep abreast of industry trends and be a leader in the utilities space*
• Gas Distribution or Transmission	50%	
• Electricity Distribution, Transmission or Generation	50%	
• Energy Markets or Technology	67%	
Operations & Leadership		*Provides the Board with the experience to oversee the execution of strategy*
• Other Operations/Customer Service	100%	
• CEO (current or prior)	67%	
• Strategic Planning	100%	
• Technology	67%	
• Talent Management	100%	
ESG		*Ensures that NiSource will consider the concerns of all stakeholders and focus on long-term value creation*
• Environmental, Sustainability, Corporate Responsibility and Ethics	100%	
• Community Service / Non-Profit Board	92%	
Oversight		*Focuses the Board on the most material risks, including safety and regulatory, facing the Company*
• Safety	67%	
• Government and Regulatory	100%	
• Risk Management	100%	
Finance		*Provides the Board with the skills to review strategic alternatives and financing options as well as oversee the auditing process*
• Financial or Capital Markets	75%	
• Financial Literacy and Expertise	100%	
Public Company Board Experience	92%	

MANAGEMENT OVERVIEW

Skills and Experience to Lead Commitment to Safety, Customer Experience and Stakeholder Value



Lloyd Yates
- President and CEO since Feb. 14, 2022
- Joined NiSource Board in 2020, held numerous senior roles at Duke Energy Corp



Donald Brown
- EVP and CFO since June 1, 2020
- Joined NiSource in 2015, has more than 20 years of experience, includ ng at UGI Corp., Constellation Energy and Progress Energy.



Melody Birmingham
- EVP & Chief Innovaton Officer since July 1, 2022
- Joined NiSource in 2022, has more than 25 years of executive leadership experience at Duke Energy & Exelon Corp



William (Bill) Jefferson
- EVP & Chief Safety Officer since July 1, 2022
- Joined NiSource in 2022, has held a variety of leadership positions at STP Nuclear Operating Co., Duke, and Exelon



Kim Cuccia
- General Counsel & Corporate Secretary of NiSource since Dec. 2021
- Joined NiSource in 2008, has held a variety of leadership positions



Shawn Anderson
- Chief Strategy and Risk Officer since June 1, 2020
- Joined NiSource in 2010, has held a variety of leadership positions



Melanie Berman
- Chief Human Resources Officer since July 1, 2022
- Joined NiSource in 2021, has extensive CHRO experience at Michaels Co., Anthem, and Baker Corp.

Average Say-On Pay Vote for the Last Five Years is 97%

Compensation Committee Periodically Refreshes Incentive Programs to Better Align with Longer-term ESG Initiatives

	Pay Element (% of 2021 CEO / NEOs pay)	Form	Performance Element	Rationale and Link to Strategy
	Base Salary (15% / 28%)	Fixed Cash	• Reviewed annually based on corporate performance relative to business and financial goals, market competitiveness and individual performance relative to the role	• Provides all employees with level of fixed pay that is commensurate with their role and responsibility, enabling us to attract and retain top talent
Variable or "At Risk" (85% / 72%)	Short-term Cash-based Incentive (STI) (18% / 21%)	Performance-Based Cash	• 70% payout based on annual NOEPS performance • 30% payout based on annual performance related to safety scorecard goals	• Directly links compensation to achievement of business and financial objectives over a one-year performance period
	Equity Based Long-Term Incentive (LTI) (67% / 51%)	Performance Stock Units	• 80% of LTI opportunity • ½ of LTI target opportunity vests based on cumulative NOEPS performance and ½ based upon relative total shareholder return results against a comparative peer group • Subject to +/-20% payout modifier based on safety scorecard, and a +/-10% modifier based on greenhouse gas reduction and workforce diversity goals	• Directly links compensation to achievement of business and financial objectives over a three-year performance period by promoting long-term decision making and driving accountability for safety, greenhouse gas reduction and workforce diversity
		Restricted Stock Units	• 20% of LTI opportunity • Vests based on continued employment over a multi-year period	• Retains our executives by rewarding long-term service

COMPENSATION PRACTICES

Reflects Best Practices

GOVERNANCE PRACTICES

Reflects Best Practices







We exist to deliver safe, reliable energy that drives value to our customers

Segment and Financial Information
Year End 2022

Supplement to NiSource Year End 2022
Earnings Presentation







NiSource Inc.

Condensed Statements of Consolidated Income (unaudited) (GAAP)

(in millions, except per share amounts)	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	**2022**	2021
Operating Revenues				
Customer revenues	**$ 1,683.6**	$ 1,353.6	**$ 5,738.6**	$ 4,731.3
Other revenues	**21.0**	55.0	**112.0**	168.3
Total Operating Revenues	**1,704.6**	1,408.6	**5,850.6**	4,899.6
Operating Expenses				
Cost of energy	**689.3**	478.9	**2,110.5**	1,392.3
Operation and maintenance	**365.3**	380.6	**1,489.4**	1,456.0
Depreciation and amortization	**216.2**	188.2	**820.8**	748.4
Loss (gain) on sale of assets, net	**1.1**	0.8	**(104.2)**	7.7
Other taxes	**67.2**	75.7	**268.3**	288.3
Total Operating Expenses	**1,339.1**	1,124.2	**4,584.8**	3,892.7
Operating Income	**365.5**	284.4	**1,265.8**	1,006.9
Other Income (Deductions)				
Interest expense, net	**(101.8)**	(87.6)	**(361.6)**	(341.1)
Other, net	**22.2**	3.6	**52.2**	40.8
Total Other Deductions, Net	**(79.6)**	(84.0)	**(309.4)**	(300.3)
Income before Income Taxes	**285.9**	200.4	**956.4**	706.6
Income Taxes	**44.7**	27.2	**164.6**	117.8
Net Income	**241.2**	173.2	**791.8**	588.8
Net income (loss) attributable to noncontrolling interest	**(3.3)**	7.3	**(12.3)**	3.9
Net Income Attributable to NiSource	**244.5**	165.9	**804.1**	584.9
Preferred dividends	**(13.7)**	(13.7)	**(55.1)**	(55.1)
Net Income Available to Common Shareholders	**230.8**	152.2	**749.0**	529.8
Earnings Per Share				
Basic Earnings Per Share	**$ 0.56**	$ 0.38	**$ 1.84**	$ 1.35
Diluted Earnings Per Share	**$ 0.52**	$ 0.36	**$ 1.70**	$ 1.27
Basic Average Common Shares Outstanding	**409.6**	395.6	**407.1**	393.6
Diluted Average Common Shares	**445.9**	428.8	**442.7**	417.3

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited) (GAAP)

(in millions)	December 31, 2022	December 31, 2021
ASSETS		
Property, Plant and Equipment		
Plant	$ **27,551.3**	$ 25,171.3
Accumulated depreciation and amortization	**(7,708.7)**	(7,289.5)
Net Property, Plant and Equipment[(1)]	**19,842.6**	17,881.8
Investments and Other Assets		
Unconsolidated affiliates	**1.6**	0.8
Available-for-sale debt securities (amortized cost of $166.7 and $169.3, allowance for credit losses of $0.9 and $0.2, respectively)	**151.6**	171.8
Other investments	**71.0**	87.1
Total Investments and Other Assets	**224.2**	259.7
Current Assets		
Cash and cash equivalents	**40.8**	84.2
Restricted cash	**34.6**	10.7
Accounts receivable	**1,065.8**	849.1
Allowance for credit losses	**(23.9)**	(23.5)
Accounts receivable, net	**1,041.9**	825.6
Gas inventory	**531.7**	327.4
Materials and supplies, at average cost	**151.4**	139.1
Electric production fuel, at average cost	**68.8**	32.2
Exchange gas receivable	**128.1**	99.6
Regulatory assets	**233.2**	206.2
Deposits to renewable generation asset developer	**143.8**	—
Prepayments and other	**210.0**	195.8
Total Current Assets[(1)]	**2,584.3**	1,920.8
Other Assets		
Regulatory assets	**2,347.6**	2,286.0
Goodwill	**1,485.9**	1,485.9
Deferred charges and other	**252.0**	322.7
Total Other Assets	**4,085.5**	4,094.6
Total Assets	$ **26,736.6**	$ 24,156.9

[(1)] Includes $978.5 million and $695.9 million at December 31, 2022 and December 31, 2021, respectively, of net property, plant and equipment assets and $25.7 million and $14.3 million at December 31, 2022 and December 31, 2021, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs.

NiSource Inc.

Condensed Consolidated Balance Sheets (unaudited) (GAAP) (continued)

(in millions, except share amounts)	December 31, 2022	December 31, 2021
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - $0.01 par value, 600,000,000 shares authorized; 412,142,602 and 405,303,023 shares outstanding, respectively	**$ 4.2**	$ 4.1
Preferred stock - $0.01 par value, 20,000,000 shares authorized; 1,302,500 shares outstanding	**1,546.5**	1,546.5
Treasury stock	**(99.9)**	(99.9)
Additional paid-in capital	**7,375.3**	7,204.3
Retained deficit	**(1,213.6)**	(1,580.9)
Accumulated other comprehensive loss	**(37.1)**	(126.8)
Total NiSource Stockholders' Equity	**7,575.4**	6,947.3
Noncontrolling interest in consolidated subsidiaries	**326.4**	325.6
Total Stockholders' Equity	**7,901.8**	7,272.9
Long-term debt, excluding amounts due within one year	**9,523.6**	9,183.4
Total Capitalization	**17,425.4**	16,456.3
Current Liabilities		
Current portion of long-term debt	**29.7**	58.1
Short-term borrowings	**1,762.2**	560.0
Accounts payable	**899.5**	697.8
Customer deposits and credits	**324.7**	237.9
Taxes accrued	**246.2**	277.1
Interest accrued	**138.4**	105.5
Exchange gas payable	**147.6**	107.7
Regulatory liabilities	**236.8**	137.4
Accrued compensation and employee benefits	**167.5**	182.7
Obligations to renewable generation asset developer	**347.2**	—
Other accruals	**360.7**	382.0
Total Current Liabilities[(1)]	**4,660.5**	2,746.2
Other Liabilities		
Deferred income taxes	**1,854.5**	1,659.4
Accrued liability for postretirement and postemployment benefits	**245.5**	292.5
Regulatory liabilities	**1,775.8**	1,842.6
Asset retirement obligations	**478.1**	469.7
Other noncurrent liabilities and deferred credits	**296.8**	690.2
Total Other Liabilities[(1)]	**4,650.7**	4,954.4
Total Capitalization and Liabilities	**$ 26,736.6**	$ 24,156.9

[(1)] Includes $128.2 million and $10.0 million at December 31, 2022 and December 31, 2021, respectively, of current liabilities and $30.6 million and $20.5 million at December 31, 2022 and December 31, 2021, respectively, of other liabilities of consolidated VIEs that creditors do not have recourse to our general credit.

NiSource Inc.
Statements of Consolidated Cash Flows (GAAP)

Twelve Months Ended December 31, *(in millions)*	2022	2021
Operating Activities		
Net Income	$ **791.8**	$ 588.8
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation and amortization	**820.8**	748.4
Deferred income taxes and investment tax credits	**156.9**	111.9
Stock compensation expense and 401(k) profit sharing contribution	**24.9**	24.3
Loss (gain) on sale of assets	**(105.3)**	5.6
Other adjustments	**5.7**	(0.7)
Changes in Assets and Liabilities:		
Accounts receivable	**(216.3)**	(40.3)
Inventories	**(258.9)**	(112.9)
Accounts payable	**165.0**	54.9
Exchange gas receivable/payable	**57.8**	(114.2)
Other accruals	**73.4**	43.0
Prepayments and other current assets	**(9.8)**	(36.6)
Regulatory assets/liabilities	**(129.4)**	76.8
Postretirement and postemployment benefits	**84.7**	(96.4)
Deferred charges and other noncurrent assets	**(4.1)**	(4.7)
Other noncurrent liabilities	**(47.8)**	(30.0)
Net Cash Flows from Operating Activities	**1,409.4**	1,217.9
Investing Activities		
Capital expenditures	**(2,203.1)**	(1,838.0)
Insurance recoveries	**105.0**	—
Cost of removal	**(151.7)**	(121.1)
Proceeds from disposition of assets	**—**	0.7
Purchases of available-for-sale securities	**(73.5)**	(102.9)
Sales of available-for-sale securities	**75.7**	97.8
Payment to renewable generation asset developer	**(323.9)**	(240.4)
Other investing activities	**1.3**	(1.0)
Net Cash Flows used for Investing Activities	**(2,570.2)**	(2,204.9)
Financing Activities		
Proceeds from issuance of long-term debt	**345.6**	—
Repayments of long-term debt and finance lease obligations	**(60.3)**	(25.7)
Issuance of short-term debt (maturity > 90 days)	**1,000.0**	—
Change in short-term borrowings, net (maturity ≤ 90 days)	**202.2**	57.0
Issuance of common stock, net of issuance costs	**154.3**	299.6
Equity costs, premiums and other debt related costs	**(13.0)**	(18.2)
Contributions from noncontrolling interest	**21.2**	245.1
Distributions to noncontrolling interest	**(6.0)**	(0.6)
Issuance of equity units, net of underwriting costs	**—**	839.9
Dividends paid - common stock	**(381.5)**	(345.2)
Dividends paid - preferred stock	**(55.1)**	(55.1)
Contract liability payment	**(66.1)**	(40.5)
Net Cash Flows from Financing Activities	**1,141.3**	956.3
Change in cash, cash equivalents and restricted cash	**(19.5)**	(30.7)
Cash, cash equivalents and restricted cash at beginning of period	**94.9**	125.6
Cash, Cash Equivalents and Restricted Cash at End of Period	$ **75.4**	$ 94.9

Information contained herein is on a non-GAAP basis that is supplemental to and should be read in conjunction with our GAAP financial results. For our GAAP financial results and discussion of segment operations, please refer to Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, of the Company's Quarterly Report on Form 10-K for the fiscal year ended December 31, 2022. For a reconciliation of GAAP to non-GAAP earnings, GAAP to non-GAAP operating revenues, GAAP to non-GAAP operating expenses and GAAP to non-GAAP operating income, see Schedules 1 and 2 contained herein.

Three and Twelve Months Ended December 31, 2022 Non-GAAP Net Operating Earnings - Segment Results

NiSource's consolidated non-GAAP net operating earnings available to common shareholders for the three months ended December 31, 2022 were $221.0 million, compared to $166.7 million in the comparable 2021 period. NiSource's consolidated non-GAAP net operating earnings for the twelve months ended December 31, 2022 were $648.2 million, compared to $571.2 million in the comparable 2021 period. Refer to the attached schedules for the items included in 2022 and 2021 GAAP net income but excluded from non-GAAP net operating earnings available to common shareholders.

Non-GAAP operating income for NiSource's business segments for the three and twelve months ended December 31, 2022, are discussed below.

Gas Distribution Operations

For the three months ended December 31, 2022, Gas Distribution Operations reported non-GAAP operating income of $287.6 million, compared to non-GAAP operating income of $215.8 million in the comparable 2021 period. For the twelve months ended December 31, 2022, Gas Distribution Operations reported non-GAAP operating income of $805.2 million, compared to non-GAAP operating income of $673.7 million in the comparable 2021 period.

Non-GAAP operating revenues for the three months ended December 31, 2022 were $1,256.8 million, an increase of $250.3 million from the comparable 2021 period. Non-GAAP operating revenues for the twelve months ended December 31, 2022 were $4,011.6 million, an increase of $805.2 million from the comparable 2021 period.

	Favorable (Unfavorable)	
Changes in non-GAAP Operating Revenues *(in millions)*	**Three Months Ended December 31, 2022 vs 2021**	**Twelve Months Ended December 31, 2022 vs 2021**
New rates from base rate proceedings and regulatory capital programs	60.4	169.7
Increased customer usage	3.9	2.3
Higher revenue related to off system sales	2.9	8.8
The effects of customer growth	1.3	4.9
Higher (lower) revenue due to the effects of resuming common credit mitigation practices	(0.1)	3.5
Other	(2.3)	4.7
Change in non-GAAP operating revenues (before cost of energy and other tracked items)	$ 66.1	$ 193.9
Operating revenues offset in operating expense		
Higher cost of energy billed to customers	168.6	572.1
Higher tracker deferrals within operation and maintenance, depreciation, and tax	15.6	39.2
Total change in non-GAAP operating revenues	**$ 250.3**	**$ 805.2**

Non-GAAP operating expenses for the three months ended December 31, 2022 were $969.2 million, an increase of $178.5 million from the comparable 2021 period. Non-GAAP operating expenses for the twelve months ended December 31, 2022 were $3,206.4 million, an increase of $673.7 million from the comparable 2021 period.

	Favorable (Unfavorable)	
Changes in non-GAAP Operating Expenses *(in millions)*	**Three Months Ended December 31, 2022 vs 2021**	**Twelve Months Ended December 31, 2022 vs 2021**
Lower (higher) outside services expenses	8.8	(12.2)
Lower (higher) employee and administrative related expenses	7.9	(10.0)
Lower other than income taxes primarily related to property tax expense	7.7	17.8
Lower (higher) materials and supplies expense	1.6	(2.7)
Lower NiSource Next program expenses	1.4	5.3
Lower (higher) environmental remediation costs	1.1	(2.7)
Higher depreciation and amortization expense	(9.8)	(33.3)
Rate case settlement adjustment	(4.4)	(4.4)
Earnings reserve adjustment	(2.5)	(2.5)
The loss (gain) on sale and expenses related to the Massachusetts Business in 2021	(1.7)	0.6
Higher fleet expenses	(0.5)	(5.5)
Other	(3.9)	(12.8)
Change in non-GAAP operating expenses (before cost of energy and other tracked items)	$ 5.7	$ (62.4)
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers	(168.6)	(572.1)
Higher tracker deferrals within operation and maintenance, depreciation, and tax	(15.6)	(39.2)
Total change in non-GAAP operating expense	**$ (178.5)**	**$ (673.7)**

Electric Operations

For the three months ended December 31, 2022, Electric Operations reported non-GAAP operating income of $67.5 million, compared to non-GAAP operating income of $81.9 million in the comparable 2021 period. For the twelve months ended December 31, 2022, Electric Operations reported non-GAAP operating income of $354.4 million compared to non-GAAP operating income of $387.2 million in the comparable 2021 period.

Non-GAAP operating revenues for the three months ended December 31, 2022 were $447.8 million, an increase of $37.0 million from the comparable 2021 period. Non-GAAP operating revenues for the twelve months ended December 31, 2022 were $1,823.0 million, an increase of $147.6 million from the comparable 2021 period.

	Favorable (Unfavorable)	
Changes in non-GAAP Operating Revenues *(in millions)*	**Three Months Ended December 31, 2022 vs 2021**	**Twelve Months Ended December 31, 2022 vs 2021**
PPA revenue from renewable JV projects, fully offset by JV operating expenses and noncontrolling interest net income (loss)	$ 9.2	$ 27.5
The effects of customer growth	0.8	4.6
Decreased fuel handling costs	—	4.0
Decreased customer usage	(7.7)	(18.5)
Reduction in gross receipts tax, offset in operating expenses	(4.4)	(10.3)
FAC over earnings reserve	(2.1)	(5.8)
New rates from regulatory capital and DSM programs	(0.1)	2.8
Other	0.5	(2.4)
Change in non-GAAP operating revenues (before cost of energy and other tracked items)	$ (3.8)	$ 1.9
Operating revenues offset in operating expense		
Higher cost of energy billed to customers	41.7	146.1
Lower tracker deferrals within operation and maintenance, depreciation and tax	(0.9)	(0.4)
Total change in non-GAAP operating revenues	**$ 37.0**	**$ 147.6**

Non-GAAP operating expenses for the three months ended December 31, 2022 were $380.3 million, an increase of $51.4 million from the comparable 2021 period. Non-GAAP operating expenses for the twelve months ended December 31, 2022 were $1,468.6 million, an increase of $180.4 million from the comparable 2021 period.

	Favorable (Unfavorable)	
Changes in non-GAAP Operating Expenses *(in millions)*	**Three Months Ended December 31, 2022 vs 2021**	**Twelve Months Ended December 31, 2022 vs 2021**
Higher depreciation and amortization expense driven by the joint venture depreciation adjustment	$ (10.8)	$ (15.7)
Renewable JV project expenses, offset by JV operating revenues	(5.9)	(25.5)
Reduction in gross receipts tax, offset in operating revenues	4.4	10.3
Lower employee and administrative expenses	2.6	5.6
Lower (higher) outside services expenses	0.4	(5.7)
Effects of environmental recoveries in 2021	—	(6.5)
Other	(1.3)	2.8
Change in non-GAAP operating expenses (before cost of energy and other tracked items)	$ (10.6)	$ (34.7)
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers	(41.7)	(146.1)
Lower tracker deferrals within operation and maintenance, depreciation and tax	0.9	0.4
Total change in non-GAAP operating expense	**$ (51.4)**	**$ (180.4)**

Corporate and Other Operations

For the three months ended December 31, 2022, Corporate and Other Operations reported a non-GAAP operating earnings of $7.2 million compared to non-GAAP operating earnings of $6.1 million in the comparable 2021 period. This change resulted primarily from favorable fluctuations in the cash surrender value of corporate owned life insurance investments, as well as lower outside service costs in 2022.

For the twelve months ended December 31, 2022, Corporate and Other Operations reported a non-GAAP operating loss of $12.4 million compared to non-GAAP operating earnings of $2.0 million in the comparable 2021 period. This change resulted primarily from unfavorable fluctuations in the cash surrender value of corporate owned life insurance investments, as well as higher outside service costs in 2022.

Other Deductions, net

Other deductions, net, reduced non-GAAP net operating earnings by $89.6 million for the three months ended December 31, 2022, which was comparable to the reduction in non-GAAP net operating earnings of $84.0 million in the comparable 2021 period.

Other deductions, net, reduced non-GAAP net operating earnings by $319.4 million for the twelve months ended December 31, 2022, which was comparable to the reduction in non-GAAP net operating earnings of $300.3 million in the comparable 2021 period.

Income Taxes

The effective tax rate of non-GAAP net operating earnings for the three months ended December 31, 2022 was 15.1 percent compared to 14.6 percent for the same period last year. The increase in the effective tax rate in 2022 is primarily attributed to the state jurisdictional mix of pre-tax income in 2022 tax effected at statutory tax rates.

The effective tax rate of non-GAAP net operating earnings for the twelve months ended December 31, 2022 was 16.5 percent compared to 17.4 percent for the same period last year. The decrease in the effective tax rate in 2022 is primarily attributed to slightly lower amortization of excess deferred income taxes, offset by the state jurisdictional mix of pre-tax income in 2022 tax effected at statutory tax rates, and the reduction of the Pennsylvania corporate income tax rate.

NiSource Inc.

Consolidated Net Operating Earnings Available to Common Shareholders (Non-GAAP) *(unaudited)*

(in millions, except per share amounts)	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2021
Operating Revenues	**$ 1,701.4**	$ 1,422.3	**$ 5,833.7**	$ 4,900.8
Operating Expenses				
Cost of energy	**689.3**	478.9	**2,110.5**	1,392.3
Operation and maintenance	**315.9**	336.4	**1,332.0**	1,281.1
Operation and maintenance - trackers	**49.4**	38.5	**154.1**	127.6
Depreciation and amortization	**213.2**	186.8	**811.4**	739.7
Depreciation and amortization - trackers	**3.0**	1.4	**9.4**	8.7
Loss on sale of assets, net	**1.1**	0.8	**0.8**	0.9
Other taxes	**43.5**	54.3	**179.2**	210.2
Other taxes - trackers	**23.7**	21.4	**89.1**	77.4
Total Operating Expenses	**1,339.1**	1,118.5	**4,686.5**	3,837.9
Operating Income	**362.3**	303.8	**1,147.2**	1,062.9
Other Income (Deductions)				
Interest expense, net	**(101.8)**	(87.6)	**(361.6)**	(341.1)
Other, net	**12.2**	3.6	**42.2**	40.8
Total Other Deductions, Net	**(89.6)**	(84.0)	**(319.4)**	(300.3)
Operating Earnings Before Income Taxes	**272.7**	219.8	**827.8**	762.6
Income Taxes	**41.3**	32.1	**136.8**	132.4
Net Operating Earnings	**231.4**	187.7	**691.0**	630.2
Net income (loss) attributable to noncontrolling interest	**(3.3)**	7.3	**(12.3)**	3.9
Net Operating Earnings attributable to NiSource	**234.7**	180.4	**703.3**	626.3
Preferred dividends	**(13.7)**	(13.7)	**(55.1)**	(55.1)
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**221.0**	166.7	**648.2**	571.2
Non-GAAP Diluted Net Operating Earnings Per Share[1]	**$ 0.50**	$ 0.39	**$ 1.47**	$ 1.37
Diluted Average Common Shares	**445.9**	428.8	**442.7**	417.3

[1] The Non-GAAP diluted NOEPS numerator is equal to net operating earnings available to common shareholders adjusted for add-backs for interest expense incurred, net of tax, related to the Series A Equity Unit purchase contracts. The add-backs for the three months ended December 31, 2022 and 2021 were $0.5M and $0.6M, respectively. The add-backs for the twelve months ended December 31, 2022 and 2021 were $2.0M and $1.6M, respectively.

NiSource Inc.
Segment Operating Income (Non-GAAP) *(unaudited)*

Gas Distribution Operations	**Three Months Ended December 31,**		**Twelve Months Ended December 31,**	
(in millions)	**2022**	2021	**2022**	2021
Operating Revenues	**$ 1,256.8**	$ 1,006.5	**$ 4,011.6**	$ 3,206.4
Operating Expenses				
Cost of energy	**534.3**	365.7	**1,534.8**	962.7
Operation and maintenance	**229.4**	238.0	**928.1**	880.8
Operation and maintenance - trackers	**41.8**	27.6	**114.6**	86.7
Depreciation and amortization	**108.5**	98.5	**413.4**	380.2
Depreciation and amortization - trackers	**0.2**	1.1	**2.5**	2.8
Loss on sale of assets, net	**1.1**	0.7	**1.1**	1.9
Other taxes	**30.2**	37.7	**122.8**	140.2
Other taxes - trackers	**23.7**	21.4	**89.1**	77.4
Total Operating Expenses	**969.2**	790.7	**3,206.4**	2,532.7
Operating Income (Non-GAAP)	**$ 287.6**	$ 215.8	**$ 805.2**	$ 673.7

Electric Operations	**Three Months Ended December 31,**		**Twelve Months Ended December 31,**	
(in millions)	**2022**	2021	**2022**	2021
Operating Revenues	**$ 447.8**	$ 410.8	**$ 1,823.0**	$ 1,675.4
Operating Expenses				
Cost of energy	**155.0**	113.3	**575.8**	429.7
Operation and maintenance	**111.3**	113.2	**446.0**	432.1
Operation and maintenance - trackers	**7.6**	10.9	**39.5**	40.9
Depreciation and amortization	**93.1**	78.7	**356.0**	323.5
Depreciation and amortization - trackers	**2.8**	0.3	**6.9**	5.9
Gain on sale of assets, net	**—**	(0.9)	**—**	(0.9)
Other taxes	**10.5**	13.4	**44.4**	57.0
Total Operating Expenses	**380.3**	328.9	**1,468.6**	1,288.2
Operating Income (Non-GAAP)	**$ 67.5**	$ 81.9	**$ 354.4**	$ 387.2

Corporate and Other Operations	**Three Months Ended December 31,**		**Twelve Months Ended December 31,**	
(in millions)	**2022**	2021	**2022**	2021
Operating Income (Loss) (Non-GAAP)	**$ 7.2**	$ 6.1	**$ (12.4)**	$ 2.0

NiSource Inc.

Segment Volumes and Statistical Data *(unaudited)*

Gas Distribution Operations	Three Months Ended December 31, 2022	2021	Twelve Months Ended December 31, 2022	2021
Sales and Transportation (MMDth)				
Residential	**79.2**	69.7	**249.0**	231.2
Commercial	**55.2**	48.2	**181.3**	167.0
Industrial	**125.1**	122.7	**490.7**	507.1
Off-System	**9.1**	5.9	**32.3**	21.6
Other	**0.1**	0.1	**0.3**	0.3
Total	**268.7**	246.6	**953.6**	927.2
Weather Adjustment	**(2.3)**	16.1	**(10.4)**	20.4
Sales and Transportation Volumes - Excluding Weather	**266.4**	262.7	**943.2**	947.6
Customers				
Residential			**2,991,913**	2,970,157
Commercial			**254,436**	253,987
Industrial			**4,870**	4,921
Other			**3**	4
Total			**3,251,222**	3,229,069
Heating Degree Days	**1,943**	1,649	**5,436**	5,002
Normal Heating Degree Days	**1,919**	1,952	**5,347**	5,427
% Colder (Warmer) than Normal	**1 %**	(16)%	**2 %**	(8)%

Electric Operations	Three Months Ended December 31, 2022	2021	Twelve Months Ended December 31, 2022	2021
Sales (GWh)				
Residential	**737.7**	761.8	**3,482.9**	3,546.8
Commercial	**837.1**	868.9	**3,682.4**	3,698.0
Industrial	**1,836.5**	1,958.6	**7,915.3**	8,253.7
Wholesale	**13.0**	43.0	**50.0**	124.7
Other	**22.0**	24.8	**89.5**	108.5
Total	**3,446.3**	3,657.1	**15,220.1**	15,731.7
Weather Adjustment	**(4.3)**	(13.0)	**(208.5)**	(244.8)
Sales Volumes - Excluding Weather	**3,442.0**	3,644.1	**15,011.6**	15,486.9
Customers				
Residential			**424,735**	422,436
Commercial			**58,374**	58,010
Industrial			**2,130**	2,137
Wholesale			**710**	714
Other			**3**	2
Total			**485,952**	483,299
Cooling Degree Days	**8**	44	**942**	1,020
Normal Cooling Degree Days	**11**	8	**831**	803
% Warmer (Colder) than Normal	**(27)%**	450 %	**13 %**	27 %

NiSource Inc.

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) *(unaudited)*

	Three Months Ended December 31,		Twelve Months Ended December 31,	
(in millions, except per share amounts)	**2022**	2021	**2022**	2021
GAAP Net Income Available to Common Shareholders	**$ 230.8**	$ 152.2	**$ 749.0**	$ 529.8
Adjustments to Operating Income:				
Operating Revenues:				
Weather - compared to normal	**(3.2)**	13.7	**(24.9)**	1.2
FAC adjustment[1]	**—**	—	**8.0**	—
Operating Expenses:				
Greater Lawrence Incident	**—**	1.2	**—**	9.2
Plant retirement costs	**—**	1.9	**—**	14.1
NiSource Next initiative[2]	**—**	2.6	**3.3**	24.7
Massachusetts Business related amounts[3]	**—**	—	**(105.0)**	6.8
Total adjustments to operating income	**(3.2)**	19.4	**(118.6)**	56.0
Other Income (Deductions):				
Interest rate swap settlement gain	**(10.0)**	—	**(10.0)**	—
Income Taxes:				
Tax effect of above items[4]	**3.4**	(4.9)	**27.8**	(14.6)
Total adjustments to net income	**(9.8)**	14.5	**(100.8)**	41.4
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 221.0**	$ 166.7	**$ 648.2**	$ 571.2
Diluted Average Common Shares	**445.9**	428.8	**442.7**	417.3
GAAP Diluted Earnings Per Share	**$ 0.52**	$ 0.36	**$ 1.70**	$ 1.27
Adjustments to diluted earnings per share	**(0.02)**	0.03	**(0.23)**	0.10
Non-GAAP Diluted Net Operating Earnings Per Share[5]	**$ 0.50**	$ 0.39	**$ 1.47**	$ 1.37

[1] Represents fuel costs deemed over-collected from customers through the FAC mechanism and ordered to be refunded to customers.
[2] Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.
[3] 2022 represents proceeds from a property insurance settlement related to the Greater Lawrence Incident. 2021 primarily represents final net working capital adjustments to the purchase price for the loss incurred on the sale of the Massachusetts Business.
[4] Represents income tax expense calculated using the statutory tax rates by legal entity.
[5] The Non-GAAP diluted NOEPS numerator is equal to net operating earnings available to common shareholders adjusted for add-backs for interest expense incurred, net of tax, related to Series A Equity Unit purchase contracts. The add-backs for the three months ended December 31, 2022 and 2021were $0.5M and $0.6M, respectively.The add-back for the twelve months ended December 31, 2022 and 2021 were $2.0M and $1.6M, respectively.

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses, and Income (Loss) (GAAP) to Operating Revenues, Expenses, and Income (Loss) (Non-GAAP) *(unaudited)*

Three Months Ended December 31, 2022 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 1,260.2	$ 447.6	$ (3.2)	$ 1,704.6
Adjustments:				
Weather - compared to normal	(3.4)	0.2	—	(3.2)
Operating Revenues (Non-GAAP)	$ 1,256.8	$ 447.8	$ (3.2)	$ 1,701.4
Operating Expenses (GAAP)	$ 969.2	$ 380.3	$ (10.4)	$ 1,339.1
Adjustments:				
Operating Expenses (Non-GAAP)	$ 969.2	$ 380.3	$ (10.4)	$ 1,339.1
Operating Income (GAAP)	$ 291.0	$ 67.3	$ 7.2	$ 365.5
Total Revenue and Expense Adjustments to Operating Income	(3.4)	0.2	—	(3.2)
Operating Income (Non-GAAP)	$ 287.6	$ 67.5	$ 7.2	$ 362.3

Three Months Ended December 31, 2021 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 992.0	$ 411.6	$ 5.0	$ 1,408.6
Adjustments				
Weather - compared to normal	14.5	(0.8)	—	**13.7**
Operating Revenues (Non-GAAP)	$ 1,006.5	$ 410.8	$ 5.0	$ 1,422.3
Operating Expenses (GAAP)	$ 793.6	$ 331.7	$ (1.1)	$ 1,124.2
Adjustments				
Greater Lawrence Incident	1.2	—	—	**1.2**
Plant retirement costs	—	1.9	—	**1.9**
NiSource Next initiative	1.7	0.9	—	**2.6**
Operating Expenses (Benefit) (Non-GAAP)	$ 790.7	$ 328.9	$ (1.1)	$ 1,118.5
Operating Income (GAAP)	$ 198.4	$ 79.9	$ 6.1	$ 284.4
Total Revenue and Expense Adjustments to Operating Income	17.4	2.0	—	**19.4**
Operating Income (Non-GAAP)	$ 215.8	$ 81.9	$ 6.1	$ 303.8

See footnote descriptions contained with Schedule 1.

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses, and Income (Loss) (GAAP) to Operating Revenues, Expenses, and Income (Loss) (Non-GAAP) *(unaudited)*

Twelve months ended December 31, 2022 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	**$ 4,019.8**	**$ 1,831.7**	**$ (0.9)**	**$ 5,850.6**
Adjustments:				
Weather - compared to normal	(8.2)	(16.7)	—	**(24.9)**
FAC adjustment[1]	—	8.0	—	**8.0**
Operating Revenues (Non-GAAP)	**$ 4,011.6**	**$ 1,823.0**	**$ (0.9)**	**$ 5,833.7**
Operating Expenses (GAAP)	**$ 3,104.0**	**$ 1,469.3**	**$ 11.5**	**$ 4,584.8**
Adjustments:				
NiSource Next initiative	2.6	0.7	—	**3.3**
Massachusetts Business related amounts	(105.0)	—	—	**(105.0)**
Operating Expenses (Non-GAAP)	**$ 3,206.4**	**$ 1,468.6**	**$ 11.5**	**$ 4,686.5**
Operating Income (Loss) (GAAP)	**$ 915.8**	**$ 362.4**	**$ (12.4)**	**$ 1,265.8**
Total Revenue and Expense Adjustments to Operating Income (Loss)	**(110.6)**	**(8.0)**	**—**	**(118.6)**
Operating Income (Loss) (Non-GAAP)	**$ 805.2**	**$ 354.4**	**$ (12.4)**	**$ 1,147.2**

Twelve months ended December 31, 2021 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	**$ 3,183.5**	**$ 1,697.1**	**$ 19.0**	**$ 4,899.6**
Adjustments:				
Weather - compared to normal	22.9	(21.7)	—	**1.2**
Operating Revenues (Non-GAAP)	**$ 3,206.4**	**$ 1,675.4**	**$ 19.0**	**$ 4,900.8**
Operating Expenses (GAAP)	**$ 2,566.0**	**$ 1,309.3**	**$ 17.4**	**$ 3,892.7**
Adjustments:				
Greater Lawrence Incident	9.2	—	—	**9.2**
Plant retirement costs	—	14.1	—	**14.1**
NiSource Next initiative	17.3	7.0	0.4	**24.7**
Massachusetts Business sale related amounts	6.8	—	—	**6.8**
Operating Expenses (Non-GAAP)	**$ 2,532.7**	**$ 1,288.2**	**$ 17.0**	**$ 3,837.9**
Operating Income (GAAP)	**$ 617.5**	**$ 387.8**	**$ 1.6**	**$ 1,006.9**
Total Revenue and Expense Adjustments to Operating Income	**56.2**	**(0.6)**	**0.4**	**56.0**
Operating Income (Non-GAAP)	**$ 673.7**	**$ 387.2**	**$ 2.0**	**$ 1,062.9**

See footnote descriptions contained with Schedule 1.





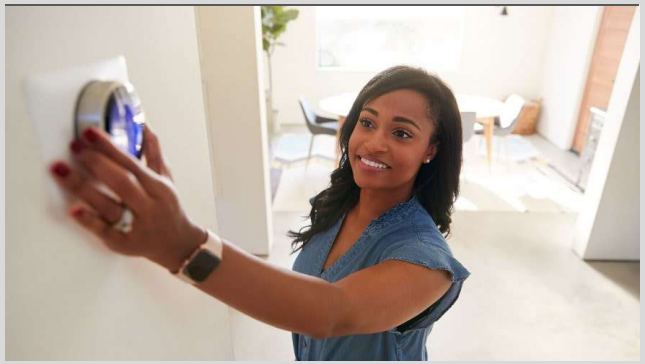
NiSource®



We exist to deliver safe, reliable energy that drives value to our customers

SUPPLEMENTAL SLIDES
1Q 2023 RESULTS

May 3, 2023







FORWARD-LOOKING STATEMENTS

This presentation contains "forward-looking statements," within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. Expressions of future goals and expectations and similar expressions, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this presentation include, among other things, our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in, or failures of, technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and natural gas costs and supply risks; fluctuations in demand from residential and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the attraction and retention of a qualified, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity attacks; increased requirements and costs related to cybersecurity; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; inflation; recessions; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related to the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; and other matters set forth in Item 1, "Business," Item 1A, "Risk Factors" and Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, some of which risks are beyond our control. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time.

All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Regulation G Disclosure Statement

This presentation includes financial results and guidance for NiSource with respect to net operating earnings available to common shareholders, diluted earnings per share, and funds from operations/debt which are non-GAAP financial measures as defined by the SEC's Regulation G. The company includes these measures because management believes they permit investors to view the company's performance using the same tools that management uses and to better evaluate the company's ongoing business performance. With respect to such guidance, it should be noted that there will likely be a difference between these measures and their GAAP equivalents due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other unusual or infrequent items included in GAAP results. The company is not able to estimate the impact of such factors on their GAAP equivalents and, as such, is not providing such guidance on a GAAP basis. In addition, the company is not able to provide a reconciliation of its non-GAAP net operating earnings or its funds from operations/debt guidance to their GAAP equivalents without unreasonable efforts.

ENHANCED NISOURCE VALUE PROPOSITION DRIVING SUSTAINABLE GROWTH



FINANCIAL FOUNDATION

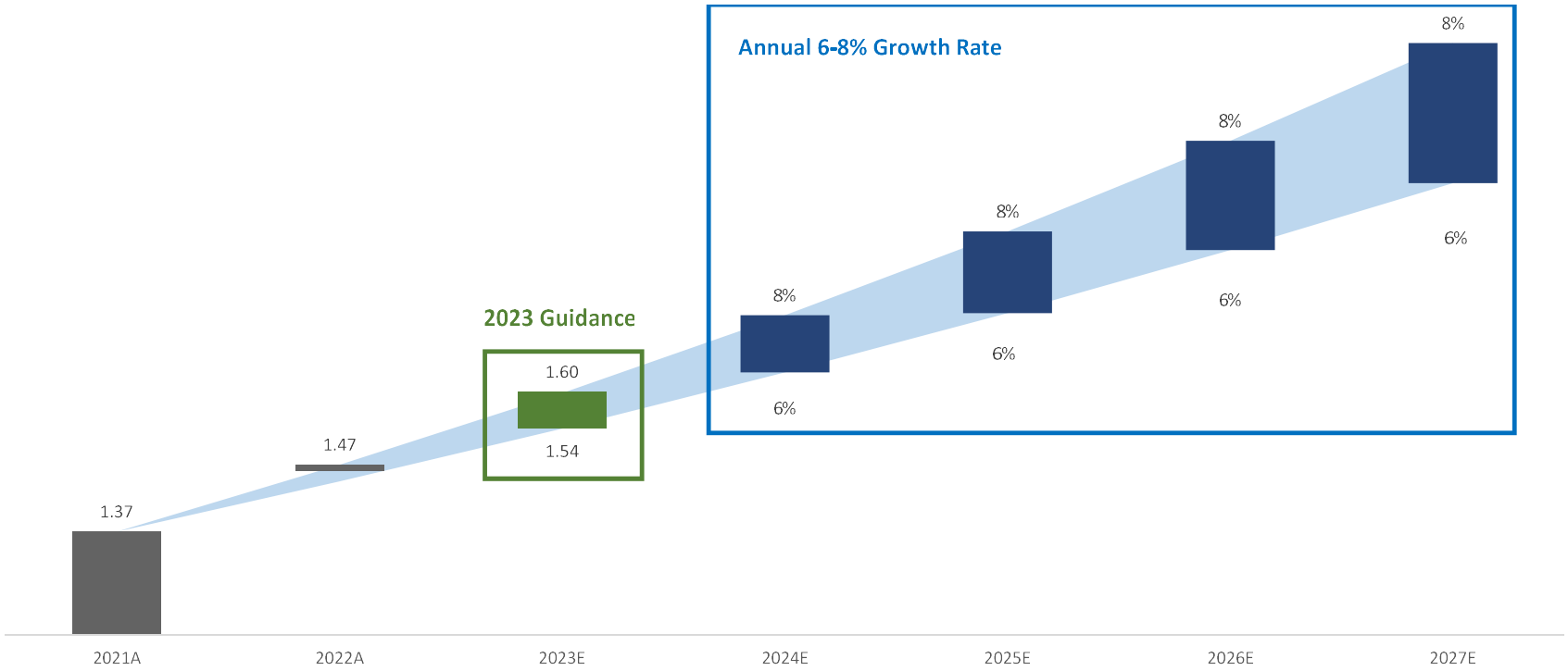
100% Regulated Across Six Constructive Jurisdictions	Significant Investment Opportunities	Efficient Recovery Mechanisms	Strengthened Balance Sheet

[1]Net Operating Earnings Per Diluted Share (Non-GAAP)
[2]As calculated according to the S&P and Moody's rating agency methodologies
[3]Goal for Scope 1 and 2 emissions
[4]Estimated total shareholder return at a constant P/E ratio

BUILDING ON OUR TRACK RECORD OF EXECUTION AND GROWTH

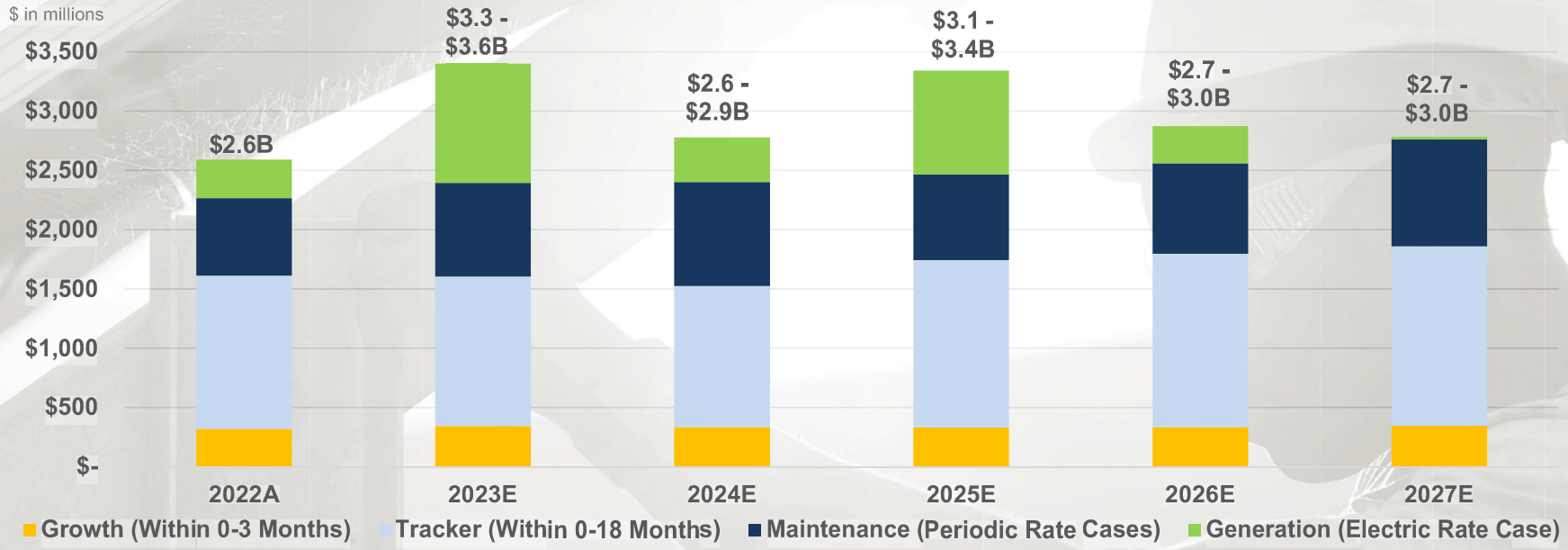
	2021	2022	2023	2024	2025	2026	2027	PROGRESS
NOEPS* (GROWTH)	✓ $1.37	✓ $1.47 (+7.3%)	$1.54-$1.60	Deliver 6-8% Annual NOEPS GROWTH				On track - Solid 1Q Results
DIVIDEND (ANNUAL GROWTH)	✓ $0.88	✓ $0.94 (+6.8%)	$1.00 (+6.4%)	9-11% Total Shareholder Return 60-70% PAYOUT				On track
CREDIT (FFO/DEBT)	✓ ~13.5%	✓ ~13.5%	Execute Minority Interest Sale	Strengthened Balance Sheet to Achieve 14-16% FFO/DEBT				On track
REGULATORY EXECUTION	✓	✓	NIPSCO Electric Rate Case Tracking Mechanisms	Sustained Superior Regulatory Execution				On track - Filed Electric Rate Case Settlement
OPERATIONAL EXCELLENCE (SAFETY, O&M MANAGEMEMENT, ETC.)	✓	✓	Continuing to Prioritize Safety while Optimizing our Long-Term Cost Profile					On track

2023 GUIDANCE & LONG-TERM 6-8% ANNUAL NOEPS* GROWTH RATE



* NOEPS: Diluted Net Operating Earnings Per Share (Non-GAAP)

INVESTING $15B OVER FIVE YEARS TO DRIVE SAFETY, RELIABILITY AND SUSTAINABILITY



KEY PRIORITIES

- **Delivering 2023 and long-term EPS guidance**
  - Non-GAAP NOEPS guidance of $1.54 to $1.60 in 2023 and growth of 6-8% through 2027 reaffirmed
  - Annual rate base growth of 8-10% driven by $15 billion of capital expenditures during 2023-27
- **Regulatory execution with balanced outcomes for stakeholders**
  - NIPSCO electric rate case settlement incorporates $1.8 billion of incremental capital investments since 2019 and represents a $292 million revenue increase. Final order anticipated in August with rates effective in 2023 and 2024
  - Columbia Gas of Ohio rate case settlement approved with new rates implemented in first quarter
  - Tracked infrastructure replacement program execution continues on plan for 2023, as highlighted by Ohio's recently approved Infrastructure Replacement Program (IRP) authorizing recovery of $316 million of capital investment
- **NIPSCO minority interest sale**
  - Remains on track for 2023
  - Long-term 14-16% FFO/Debt target reaffirmed

Additional Investment Opportunities for NiSource

Near-Term (Through 2027)

Near-Term investment opportunities that can enhance our current investment plan

- New gas system modernization programs focused on replacing **legacy plastic mains** and services installed prior to 1985
- Gas transmission programs focused on **inspection retrofits and reconfirmations to comply with PHMSA regulations**
- New programs to deploy **advanced metering infrastructure (AMI)** for gas systems
- **Increased ownership of electric generation** investments utilizing the IRA's tax transferability provision

Longer Term (2028+)

Longer-Term investment themes beyond our current guidance period

- Continuation of **legacy plastic, gas transmission and gas AMI programs**
- **Electric generation additions** to support anticipated capacity requirements
- Electric reliability and performance investments focused on **infrastructure replacement, continued grid modernization and system hardening**
- FERC regulated **electric transmission projects** included in MISO's multi-year Long Range Transmission Planning initiative

Upsides (2028+)

Additional opportunities past 2027

- Electric T&D investments to **support transportation electrification**, including utility-owned charging points
- **Generation investments** to support incremental demand, asset retirements and decarbonization
- Investments in **Renewable Natural Gas** production and transportation infrastructure
- Investments to support **Hydrogen** production, transportation, storage and consumption in our territories

GAS DISTRIBUTION OPERATIONS

- Final order received in Ohio gas rate case in January 2023
- Continuing to invest in infrastructure to enhance safety, reliability, customer affordability and sustainability

HIGHLIGHT	KEY COMPONENTS	STATUS
Columbia Gas of Virginia Base Rate Case	• Settlement Stipulation filed Dec 9, 2022 requesting approval of $25.8 million net of SAVE infrastructure tracker ($14.5M)	• Filed Apr 29, 2022 • Interim rates effective Oct 2022 • Order expected Q2 2023

ELECTRIC OPERATIONS

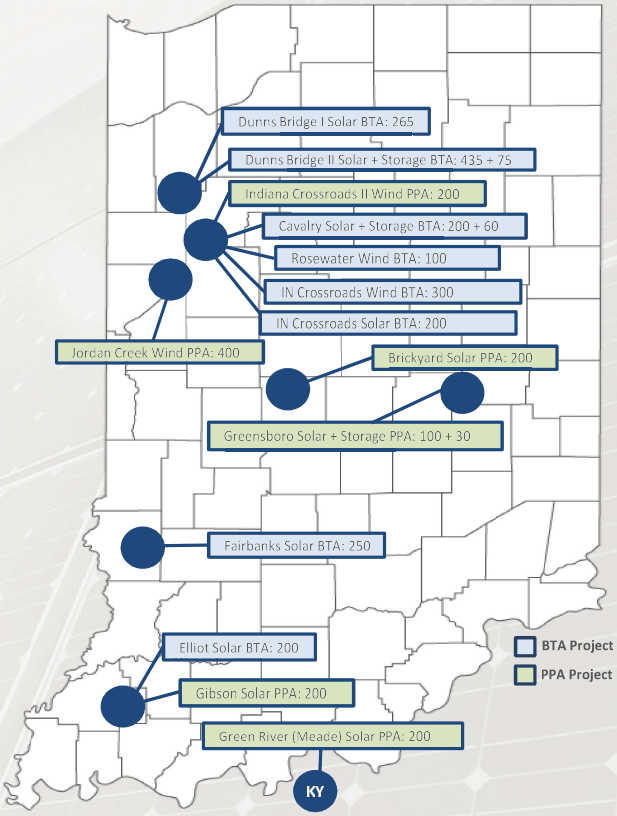
- NIPSCO Electric rate case settlement achieved Mar 10, 2023
- Renewable generation projects remain on target with previously revised in-service dates
- New request for proposals (RFP) for generation resources closed in September 2022; bid evaluation underway

HIGHLIGHT	KEY COMPONENTS	STATUS
2022 NIPSCO Electric Base Rate Case	• Settlement supports 9.80% ROE, $292 million revenue increase, and $5.95 billion rate base • Settlement supports tracking of variable Environmental Operating Costs related to coal-fired generating units	• Filed Sep 19, 2022 • Settlement achieved Mar 10, 2023 • Order expected Aug 2023 • Rates proposed effective Sep 2023
2021 Integrated Resource Plan (IRP) & Request for Proposals (RFP)	• Schahfer Development RFP and All-Source RFP solicitation concluded September 2022	• Project proposals are currently under evaluation
NIPSCO Electric FMCA Tracker	• Requested approval to recover $40 million of federally mandated retirement costs associated with the closure of Michigan City Generating Station's CCR ash ponds • Proceeding stayed, pending outcome of electric rate case Settlement Agreement	• Filed Mar 30, 2022 • Filed Motion to stay proceeding Mar 10, 2023
NIPSCO Electric FMCA Tracker	• Requested approval to recover $53 million of federally mandated retirement costs associated with the closure of R.M. Schahfer Generating Station's multi-cell unit • Proceeding stayed, pending outcome of electric rate case Settlement Agreement	• Filed Nov 2, 2022 • Filed Motion to stay proceeding Mar 10, 2023

ROBUST RENEWABLE INVESTMENTS IN INDIANA

BTA Projects	NIPSCO Investment ($M)	Estimated In Service	Status
Rosewater Wind	~$100	2020	Complete
Indiana Crossroads Wind	~$300	2021	Complete
Dunns Bridge I Solar	~$240	2Q23	Construction
Crossroads Solar	~$200	2Q23	Construction
Transmission Projects	~$150	2Q23	Construction
Cavalry Solar + Storage	~$190+	2Q24	Started Construction
Dunns Bridge II Solar + Storage	~$420+	4Q24	Started Construction
Fairbanks Solar	~$245+	2Q25	Approved
Elliott Solar	~$180+	2025	Approved
Total	**~$2,000 – 2,200**		

PPA Projects	Estimated In Service	Status
Jordan Creek Wind	2020	Complete
Crossroads II Wind	2023	Under Construction
Brickyard Solar	2024	Approved
Greensboro Solar + Storage	2024	Approved
Gibson Solar	2024	Approved
Green River Solar	2024	Amendment Approved



Estimated in-services dates for solar and storage projects will continue to be refined as more information on potential solar panel tariffs and delivery of panels is available.

FIRST QUARTER CONSOLIDATED FINANCIAL RESULTS

GAAP	FIRST QUARTER		
	2023	2022	Change Fav/(Unfav)
Net Income Available to Common Shareholders ($ in Millions)	$319.2	$413.0	$(93.8)
Diluted Net Operating Earnings Per Share	$0.71	$0.94	$(0.23)

NON-GAAP*	FIRST QUARTER		
	2023	2022	Change Fav/(Unfav)
Net Income Available to Common Shareholders ($ in Millions)	$343.0	$328.7	$14.3
Diluted Net Operating Earnings Per Share	$0.77	$0.75	$0.02

* Net Operating Earnings (non-GAAP). For a reconciliation of GAAP to non-GAAP earnings, see Schedule 1 in the appendix to this presentation

1Q23 Results Reflect Solid Regulatory Execution and Expense Management

FIRST QUARTER SEGMENT NON-GAAP* RESULTS

OPERATING INCOME/EARNINGS ($ Millions)	FIRST QUARTER 2023	2022	CHANGE FAV/(UNFAV)
Gas Distribution	$ 478.1	$ 404.8	$ 73.3
Electric Operations	83.0	98.7	(15.7)
Corporate & Other	2.2	(9.7)	11.9
Consolidated NiSource Operating Earnings*	**$ 563.3**	**$ 493.8**	**$ 69.5**

Key Drivers

GAS DISTRIBUTION

Increased Revenue from new rates and capital programs	82.6
Higher outside service and uncollectible accounts expense	(4.0)

ELECTRIC OPERATIONS

Increased Revenue from new rates, offset by lower customer usage	(4.3)
Higher outside service expense related to generation maintenance	(7.4)

CORPORATE & OTHER

Lower outside services expense

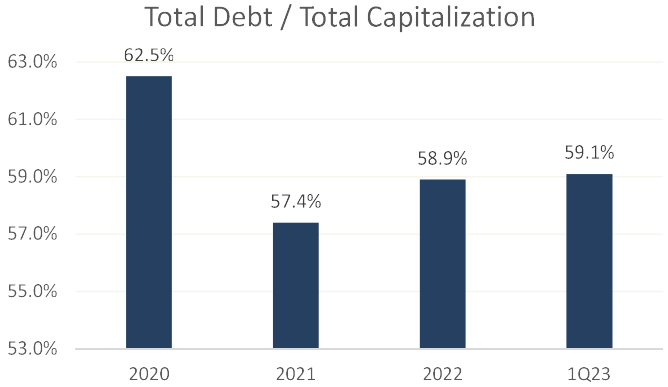
* Operating Earnings (non-GAAP). For comparable GAAP results by segment, refer to Part I. Item 2 of the Company's Quarterly Report on Form 10-Q for the period ended Mar 31, 2023. For a reconciliation of GAAP to non-GAAP earnings, see Schedule 2 in the appendix to this presentation.

Continued Focus on Safe and Reliable Execution

NISOURCE DEBT AND CREDIT PROFILE

- **Debt level: ~$11.6B as of March 31, 2023**
  - ~$10.3B of long-term debt
  - Weighted average maturity ~13 years
  - Weighted average interest rate of 3.83%

- **Solid liquidity position**
  - ~$2.3B in net available liquidity as of March 31, 2023*
  - ~$2.5B of committed facilities in place as of March 31, 2023
    - ~$1.9B revolving credit facility
    - ~$0.6B accounts receivable securitization facilities **



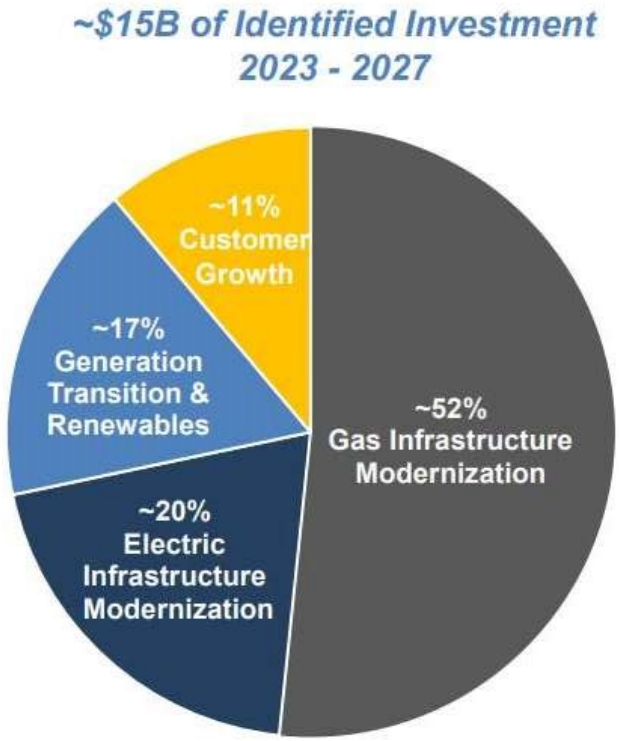
- **Committed to maintaining current investment-grade credit ratings**
  - S&P (BBB+), Moody's (Baa2), and Fitch (BBB)

* Consisting of cash and available capacity under credit facilities
** Capacity on accounts receivable securitization facilities changes with seasonality

Solid Financial Foundation to Support Long-Term Infrastructure and Safety Investments

STRENGTHENED FINANCING PLAN PROVIDES FLEXIBILITY TO INVEST IN GROWTH

- **Dividends** and **capital investments** primarily funded through **cash from operations**
- **Minority interest sale** adds **flexibility** to financing plan
- **Target FFO/Debt[1] 14-16%**
  ATM Equity[2] (2025+) to support current investment grade credit ratings
- **Minimize near-term capital markets costs and volatility**



[1]As calculated according to the S&P and Moody's rating agency methodologies
[2]Excludes remarketed Equity Units ($863M), may be used to redeem outstanding Preferred Stock ($900M)

Financing Plan Remains Unchanged from Investor Day



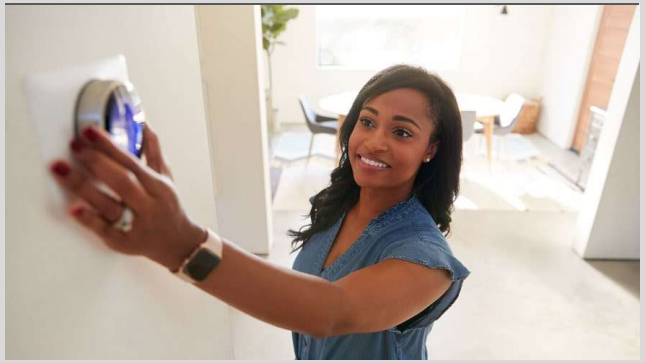


NiSource®



We exist to deliver safe, reliable energy that drives value to our customers

Appendix
1Q 2023 RESULTS







ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

ENVIRONMENTAL

- Approximately $3B of generation transition investments between 2021 - 2027
- Expected to retire 100% of coal assets by 2028 and replace primarily with renewables
- On track for 90% reduction* in greenhouse gas emissions by 2030
- Reduction in methane emissions through modernization and advanced leak detection and repair
- Actionable pathways to achieve Net Zero Goal by 2040 with support from key stakeholders
- Establishment of customer opportunities to reduce greenhouse gas emissions

SOCIAL

- Transformation focused on customer safety, reliability and affordability
- Published a 2022 Safety Report
- Enhancing DE&I initiatives across the organization
  - Executive Leadership Team consists of ~75% women and minorities
  - Board consists of ~58% women and minorities
  - Advancing economic inclusion initiatives including a goal of 25% diverse supplier spend by 2025
- Supporting cultural awareness initiatives and development opportunities for under-represented groups

GOVERNANCE

- Leadership enhancements support commitment to customer service and safety
- Diverse, skilled, and independent Board
- 25% of Board refreshed in 2022, including two new female directors and additional utility experience
- Robust framework for strategy, risk management, and oversight
- Enhanced alignment of employee and executive incentive programs
- Cybersecurity management Sub-Committee reports to Risk Management Committee

America's Most Responsible Companies 2023 – Newsweek – statista

The Best Employers for Women – Forbes 2022 – Powered by Statista

Member of Dow Jones Sustainability Indices – Powered by the S&P Global CSA

MSCI ESG RATINGS – AAA

CCC | B | BB | BBB | A | AA | AAA

THE USE BY NISOURCE INC. OF ANY MSCI ESG RESEARCH LLC OR ITS AFFILIATES ("MSCI") DATA, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT, RECOMMENDATION, OR PROMOTION OF NISOURCE INC. BY MSCI. MSCI SERVICES AND DATA ARE THE PROPERTY OF MSCI OR ITS INFORMATION PROVIDERS, AND ARE PROVIDED 'AS-IS' AND WITHOUT WARRANTY. MSCI NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI.

* Scope 1 emissions, compared to 2005 baseline

NiSource's Corporate Strategy is Aligned with Commitment to Best-In-Class ESG Practices

SAFETY AND INFRASTRUCTURE INVESTMENT AND TRACKER FILING DETAILS

COMPANY	MECHANISM	INCREMENTAL INVESTMENTS		RECOVERY
		PERIOD	AMOUNT ($M)	EFFECTIVE DATE
Columbia Gas of Ohio	Infrastructure Replacement Program (IRP)	FY 2021	$232.9	May 2022
		FY 2022	$316.3	May 2023
	Capital Expenditure Program (CEP)	FY 2021	$253.5	Sep 2022
		FY 2022	$265.6	Sep 2023
Columbia Gas of Virginia	Steps to Advance Virginia's Energy Plan (SAVE)	FY 2022	$63.0	Jan 2022
		FY 2023	$45.9	Jan 2023
Columbia Gas of Kentucky	Safety Modification and Replacement Program (SMRP)	FY 2023	$41.6	Jan 2023
Columbia Gas of Maryland	Strategic Infrastructure Development and Enhancement (STRIDE)	FY 2022	$17.5	Jan 2022
		FY 2023	$18.0	Jan 2023
NIPSCO – Gas	Transmission, Distribution and Storage System Improvement Charge (TDSIC)	TDSIC 4: Jul 2021 – Dec 2021	$77.5	Jul 2022
		TDSIC 6: Jan 2022 – Feb 2023	$149.8	Sep 2023
	Federally Mandated Cost Adjustment Rider (FMCA)	FMCA 7: Apr 2021 – Sep 2021	$32.8	Apr 2022
		FMCA 1: Oct 2021 – Mar 2022	$14.1	Oct 2022
		FMCA 2: Apr 2022 – Sep 2022	$38.2	Apr 2023
NIPSCO – Electric	Transmission, Distribution and Storage System Improvement Charge (TDSIC)	TDSIC 9: Feb 2021 - May 2021	$42.7	Feb 2022
		TDSIC 1: Jun 2021 - Jan 2022	$148.5	Aug 2022
		TDSIC 2: Feb 2022 - Jul 2022	$143.5	Feb 2023

NiSource Inc.

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) (*unaudited*)

(in millions, except per share amounts)	Three Months Ended March 31, 2023	2022
GAAP Net Income Available to Common Shareholders	**$ 319.2**	$ 413.0
Adjustments to Operating Income:		
Operating Revenues:		
Weather - compared to normal	**32.3**	(3.0)
Operating Expenses:		
NiSource Next initiative[1]	**—**	1.5
Massachusetts Business related amounts[2]	**—**	(105.0)
Total adjustments to operating income	**32.3**	(106.5)
Income Taxes:		
Tax effect of above items[3]	**(8.5)**	22.2
Total adjustments to net income	**23.8**	(84.3)
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 343.0**	$ 328.7
Diluted Average Common Shares	**447.1**	441.4
GAAP Diluted Earnings Per Share	**$ 0.71**	$ 0.94
Adjustments to diluted earnings per share	**0.06**	(0.19)
Non-GAAP Diluted Net Operating Earnings Per Share[4]	**$ 0.77**	$ 0.75

[1] Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.
[2] 2022 represents proceeds from a property insurance settlement related to the Greater Lawrence Incident.
[3] Represents income tax expense calculated using the statutory tax rates by legal entity.
[4] The Non-GAAP diluted NOEPS numerator is equal to net operating earnings available to common shareholders adjusted for income allocated to participating securities and add-backs for interest expense incurred, net of tax, related to Series A Equity Unit purchase contracts. The add-backs for the three months ended March 31, 2023 and 2022 were $0.4M and $0.5M, respectively. The adjustment for the income allocated to participating securities for the three months ended March 31, 2023 and 2022 were $(0.2)M and zero, respectively.

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses (Benefits), and Income (Loss) (GAAP) to Operating Revenues, Expenses (Benefits), and Income (Loss) (Non-GAAP) (*unaudited*)

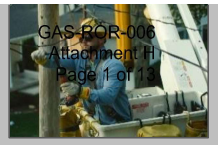
Three Months Ended March 31, 2023 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 1,504.4	$ 464.7	$ (3.1)	$ 1,966.0
Adjustments:				
Weather - compared to normal	31.2	1.1	—	32.3
Operating Revenues (Non-GAAP)	$ 1,535.6	$ 465.8	$ (3.1)	$ 1,998.3
Operating Expenses (Benefit) (GAAP)	$ 1,057.5	$ 382.8	$ (5.3)	$ 1,435.0
Adjustments	—	—	—	—
Operating Expenses (Non-GAAP)	$ 1,057.5	$ 382.8	$ (5.3)	$ 1,435.0
Operating Income (GAAP)	$ 446.9	$ 81.9	$ 2.2	$ 531.0
Total Revenue and Expense Adjustments to Operating Income	31.2	1.1	—	32.3
Operating Income (Non-GAAP)	$ 478.1	$ 83.0	$ 2.2	$ 563.3

Three Months Ended March 31, 2022 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 1,439.8	$ 430.3	$ 3.2	$ 1,873.3
Adjustments				
Weather - compared to normal	(2.1)	(0.9)	—	(3.0)
Operating Revenues (Non-GAAP)	$ 1,437.7	$ 429.4	$ 3.2	$ 1,870.3
Operating Expenses (GAAP)	$ 929.0	$ 331.1	$ 12.9	$ 1,273.0
Adjustments				
NiSource Next initiative[1]	1.1	0.4	—	1.5
Massachusetts Business sale related amounts[2]	(105.0)	—	—	(105.0)
Operating Expenses (Non-GAAP)	$ 1,032.9	$ 330.7	$ 12.9	$ 1,376.5
Operating Income (Loss) (GAAP)	$ 510.8	$ 99.2	$ (9.7)	$ 600.3
Total Revenue and Expense Adjustments to Operating Income (Loss)	(106.0)	(0.5)	—	(106.5)
Operating Income (Loss) (Non-GAAP)	$ 404.8	$ 98.7	$ (9.7)	$ 493.8

See footnote descriptions contained with Schedule 1.

See footnote descriptions contained with Schedule 1.





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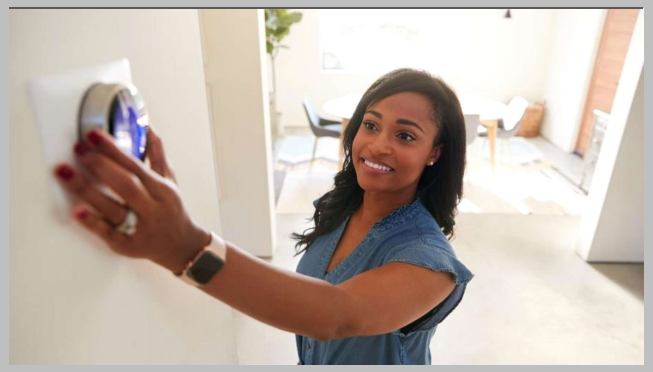


We exist to deliver safe, reliable energy that drives value to our customers

Sale of a 19.9% Ownership Interest in NIPSCO

$2.40B Equity Capital Raise to Drive Sustainable Growth Across NiSource, a Premium Utility

June 20, 2023







FORWARD-LOOKING STATEMENTS

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements in this presentation include any statements regarding the ability to complete the Transaction on the anticipated timeline or at all; the anticipated benefits of the Transaction if completed; the projected impact of the Transactions on our performance or opportunities; any statements regarding our expectations, beliefs, plans, objectives or prospects or future performance or financial condition as a result of or in connection with the Transaction; statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis; and any and all underlying assumptions and other statements that are other than statements of historical fact. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. Expressions of future goals and expectations and similar expressions, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this presentation include, among other things, risks and uncertainties relating to the timing and certainty of closing the Transaction; the ability to satisfy the conditions to closing the Transaction, including the ability to obtain FERC approval necessary to complete the Transaction; the ability to achieve the anticipated benefits of the Transaction; the effect of this communication on our stock price; the effects of transaction costs; the effects of the Transaction on industry, market, economic, political or regulatory conditions outside of our control; any disruption to our business from the Transaction, including the diversion of management time on Transaction-related issues, our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and natural gas costs and supply risks; fluctuations in demand from residential and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the attraction and retention of a qualified, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity attacks; increased requirements and costs related to cybersecurity; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net-Zero Goal; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; inflation; recessions; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related to the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney's Office to settle the U.S. Attorney's Office's investigation relating to the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; other matters in the "Risk Factors" section and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and the "Risk Factors" section of our Quarterly Report on Form 10-Q for the first quarter of 2023, some of which risks are beyond our control.

All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Regulation G Disclosure Statement

This presentation includes financial results and guidance for NiSource with respect to net operating earnings available to common shareholders, diluted earnings per share, and funds from operations/debt, which are non-GAAP financial measures as defined by the SEC's Regulation G. The company includes these measures because management believes they permit investors to view the company's performance using the same tools that management uses and to better evaluate the company's ongoing business performance. With respect to such guidance, it should be noted that there will likely be a difference between these measures and their GAAP equivalents due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other unusual or infrequent items included in GAAP results. The company is not able to estimate the impact of such factors on their GAAP equivalents and, as such, is not providing such guidance on a GAAP basis. In addition, the company is not able to provide a reconciliation of its non-GAAP net operating earnings guidance or its funds from operations/debt guidance to their GAAP equivalent without unreasonable efforts.

ENHANCED NISOURCE VALUE PROPOSITION DRIVING SUSTAINABLE GROWTH



FINANCIAL FOUNDATION

100% Regulated Across Six Constructive Jurisdictions	Significant Investment Opportunities	Efficient Recovery Mechanisms	Strengthened Balance Sheet

[1] Net Operating Earnings Per Diluted Share (Non-GAAP)
[2] Goal for Scope 1 and 2 emissions
[3] Estimated total shareholder return at a constant P/E ratio

BUILDING ON OUR TRACK RECORD OF EXECUTION AND GROWTH

	2021	2022	2023	2024	2025	2026	2027	PROGRESS
NOEPS* (GROWTH)	✓ $1.37	✓ $1.47 (+7.3%)	**$1.54-$1.60**	**Deliver 6-8% Annual NOEPS GROWTH**				On track - Solid 1Q Results
DIVIDEND (ANNUAL GROWTH)	✓ $0.88	✓ $0.94 (+6.8%)	**$1.00 (+6.4%)**	**9-11% Total Shareholder Return 60-70% PAYOUT**				On track
CREDIT (FFO/DEBT)	✓ ~13.5%	✓ ~13.5%	Execute Minority Interest Sale	Strengthened Balance Sheet to Achieve **14-16% FFO/DEBT**				On track - Minority Interest Sale Announced
REGULATORY EXECUTION	✓	✓	NIPSCO Electric Rate Case Tracking Mechanisms	Sustained **Superior Regulatory** Execution				On track - Filed Electric Rate Case Settlement
OPERATIONAL EXCELLENCE (SAFETY, O&M MANAGEMEMENT, ETC.)	✓	✓	Continuing to Prioritize **Safety** while Optimizing our **Long-Term Cost Profile**					On track

* Diluted Net Operating Earnings Per Share (Non-GAAP). For the GAAP Diluted Earnings Per Share and the reconciliation of GAAP to non-GAAP diluted earnings per share, see Schedule 1 in the appendix to NiSource's 1Q 2023 Results presentation

$2.40B MINORITY INTEREST SALE AND EQUITY CAPITAL RAISE AT NIPSCO

Blackstone to acquire a 19.9% interest in NIPSCO for $2.15B, and is committed to funding its pro rata share of ongoing capital requirements, which is supported by a $250M equity commitment letter

- **Highly attractive and efficient equity financing**
  - $2.40B capital infusion to support NiSource and its fastest growing utility, including to fund ongoing capital needs associated with the renewable generation transition underway
  - $2.15B upfront cash payment for the 19.9% interest implies an equity value of $10.8B and an enterprise value of $14.3B[1] for 100% of NIPSCO
  - 32.5x LTM P/E and 1.85x EV / YE 2022 Rate Base multiples[1] for the 19.9% interest represent a significant premium to precedent transactions
  - Inclusion of Blackstone's $250M additional investment commitment increases the total capital raise to $2.40B
  - This capital is being raised at a substantial premium to alternative sources of financing
- **Highlights NIPSCO's industry-leading value proposition**
  - Multi-decade rate base investment opportunity driven by decarbonization, electrification, electric and gas system reliability, and customer growth leads to ~$2.1B expected 2023E CapEx opportunity and long-term 13-14% rate base growth CAGR at NIPSCO
  - Efficient rate structure that drives predictable cash flow and returns
  - Operates in Indiana, one of the most constructive utility jurisdictions in the U.S., with strong support for utility-owned generation and affordable energy
  - Economically robust service territory benefitting from on-shoring and migration trends, as well as robust economic development
- **Establishes a long-term partnership with Blackstone, a leading global infrastructure investor**
  - With ~$36B in assets under management, Blackstone is among the largest infrastructure investors globally, with a permanent capital approach to investing in high quality, stable, cash generative, long duration assets
  - Blackstone is aligned with NIPSCO in its commitment to invest in Indiana and into energy transition as a long-term partner to NiSource
  - Significant expected go-forward benefits to both NiSource and NIPSCO
- **Outcome consistent with previous NiSource commitments, and demonstrates ongoing best-in-class execution capabilities**
  - Reaffirming 2023 Non-GAAP NOEPS guidance of $1.54 to $1.60
  - Maintaining long-term annual NOEPS growth guidance of 6-8% and FFO/Debt target of 14-16%

Transaction Supports NiSource's Robust Capital Plan While Strengthening the Balance Sheet

[1] Figures based on $3.5B NIPSCO net debt (excludes NiSource holding company debt) and ~$333M NIPSCO LTM Non-GAAP Net Income as of 31-Mar-2023, and $7.7B YE 2022 Rate Base.

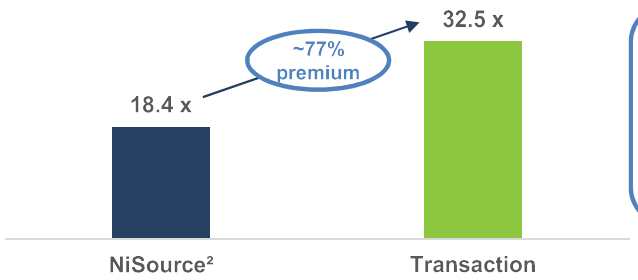
TRANSACTION SUMMARY

Topic	Description
Minority Investor	■ Blackstone Infrastructure Partners, a permanent capital investor across global infrastructure asset classes
Purchase Price	■ Commitment to fund $2.40B through our five-year plan — $2.15B cash investment at closing in exchange for a 19.9% interest in NIPSCO — Commitment to fund pro rata share of NIPSCO's ongoing capital requirements, supported by a $250M equity commitment letter
Structure	■ NiSource to retain control with 80.1% ownership in NIPSCO ■ Tax-efficient transaction that utilizes a partnership structure for tax purposes
Governance	■ Blackstone will receive minority rights commensurate with a 19.9% interest
Operations	■ NiSource will remain the sole operator of NIPSCO ■ No impact to NIPSCO employees or management team
Customers	■ Upholds NIPSCO's century-long commitment to delivering reliable and affordable energy to Northern Indiana
Use of Proceeds	■ Funding NIPSCO capital needs, providing increased surety in NIPSCO's ability to finance its energy transition strategy ■ Strengthening NiSource's balance sheet and other corporate uses in line with NiSource's capital allocation objectives
Closing Conditions	■ FERC approval
Timing	■ Expected transaction close by year-end 2023

PREMIUM VALUATION HIGHLIGHTS THE VALUE EMBEDDED IN NISOURCE

$2.40B Equity Raise at a Premium Valuation

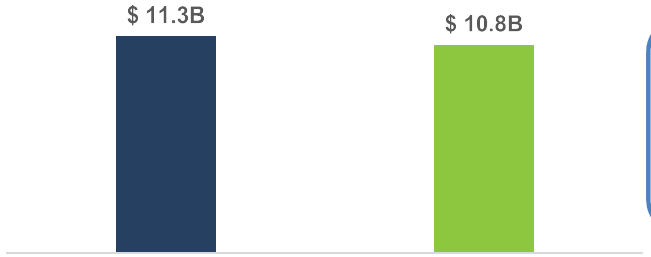
P/E Multiple[1]



Substantial premium to NiSource's P/E and to alternative sources of financing

Highlights Immense Value Embedded in NiSource

Equity Value

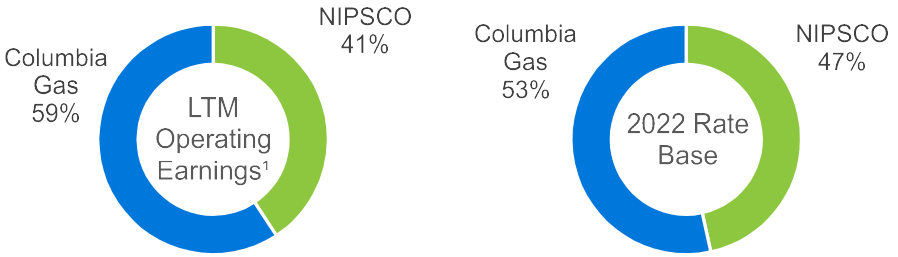


Implied value for 100% of NIPSCO represents ~96% of NiSource market capitalization, despite NIPSCO contributing <50% to consolidated earnings and rate base

NIPSCO Benefits from NiSource's Full Operating Platform

- Shared services across 4M customers delivering greater customer value
- Enhanced purchasing power fueled by a robust capital plan across six operating companies
- Benefitting from energy diversification, particularly through the energy transition
- Regulatory diversification to support and grow safety and reliability initiatives for our communities

NIPSCO Contribution to NiSource



[1] LTM P/E multiple and earnings based on the LTM ended 31-Mar-2023. Transaction multiple shown reflects $2.15B investment at closing. [2] Market data as of 16-Jun-2023. [3] Value for NIPSCO implied by upfront consideration of $2.15B in exchange for 19.9% ownership of NIPSCO.

EXCEPTIONAL OUTCOME ACHIEVES ALL OF NISOURCE'S OBJECTIVES

Transaction Objectives	Objectives Accomplished
■ Strengthen balance sheet and financial flexibility	✓ 14-16% FFO/debt
■ Raise capital at highly attractive, premium valuation	✓ $2.40B equity raise at a 77% premium to NiSource's P/E
■ Reduce reliance on capital markets and minimize equity needs	✓ Significantly reduces NiSource's equity needs
■ Retain NiSource's benefits of scale and regulatory diversification	✓ 4M customer platform across six states supports the shared service model, keeping customer value in focus
■ Preserve NIPSCO's access to NiSource's shared service model	✓ Enhances execution of robust capital plan and ability to deliver safe and reliable energy service
■ Supports capital investment execution and energy transition	✓ Permanent capital partner that will provide ongoing capital to NIPSCO, supported by $250M equity commitment letter
■ Introduce a stakeholder to support economic development in Indiana	✓ Blackstone will help NiSource to identify and implement economic development opportunities
■ Highlight the value of NIPSCO embedded within NiSource	✓ Implied value for 100% of NIPSCO is 96% of NI market capitalization, vs. <50% contribution to consolidated earnings and rate base

Highly successful outcome, despite the challenging market backdrop, reinforces NiSource's best-in-class execution capabilities

NIPSCO IS A PREMIUM ELECTRIC & GAS UTILITY

NIPSCO Highlights

Fully Regulated Utility
By the IURC and the FERC

Vertically-Integrated Electric & Gas Combination Utility
~70% of Energy Volumes are Delivered to Electricity / Gas Combination Customers

Largest Utility in Indiana
Serves Approximately 1.3 Million Customer Meters in Northern Indiana

One of the Fastest Generation Transitions in the Utility Sector
100% of Coal Generation to Retire by YE 2028; No Stranded Asset Risk

Premium Regulatory Backdrop
Broad Support for Vertically Integrated Utility Model and Long-Term Role of Nat. Gas

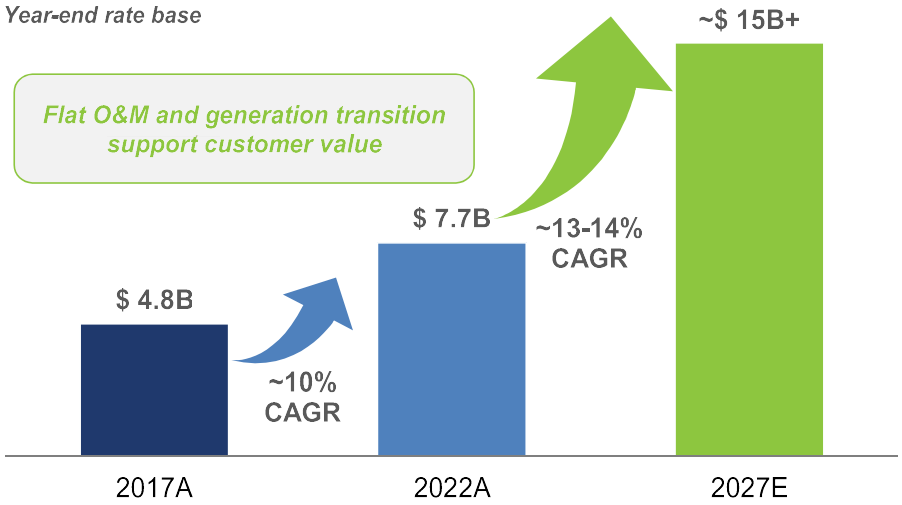
Efficient Rate Structure Drives Predictable Cash Flow
Forward Test Years and Trackers Largely Eliminate Regulatory Lag

Economically Vibrant Service Territory
Serving the Densely Populated and Growing Northern Third of Indiana

Benefits from NiSource's Scale and Platform
Shared Services Model Enhances Execution of NIPSCO's Robust Capital Plan

Proven Commitment to Customer Value
Flat O&M and Generation Transition Underpin Sustainable Customer Rates

Attractive and Sustainable Growth



Drivers of NIPSCO Future Growth

- Decarbonization, incl. generation transition and alternative gas fuels
- FERC-regulated transmission
- Electrification and EV build-out
- Gas and electric grid modernization
- Pipeline and safety compliance and modernization
- Economic development and system expansion

NIPSCO'S PREMIUM VALUE PROPOSITION UNDERPINNED BY AN ECONOMICALLY ROBUST SERVICE TERRITORY AND FAVORABLE REGULATORY BACKDROP

Indiana Highlights

#1 Manufacturing State[1]
U.S. State Rankings

#1 for Infrastructure[2]
Rails, Highways, Ports, Airports

#6 for Inbound Migration[3]
Influx of Chicago Residents

$650B Annually[1]
Goods moving through Indiana

25% of U.S. Steel Production
Comes from Northern Indiana

80% of U.S. Population
Within one-day drive from NIPSCO

4.90% Corporate Tax Rate
One of Lowest in the Region

Aaa / AAA
Moody's / S&P Credit Ratings

Stellar Business Environment

✓ **Pro-Business Policy Promoting Growth, Innovation, Profits**
- Economic incentives offered for R&D, relocation, training
- Policies support natural gas, a critical input for manufacturers across Northern Indiana

✓ **Geographic Center of U.S.**
- Can get goods to market faster than from other regions
- Northern Indiana is <1 hour to Chicago

✓ **World-Class Infrastructure**
- Efficient logistics for shipping goods via water, rail or truck
- 45 miles of Lake Michigan shoreline

✓ **Low Cost of Doing Business**
- Reliable, low-cost energy
- Low corporate tax rate

✓ **Strong Talent Pipeline**
- Nationally-ranked universities

Constructive Regulatory Backdrop

Federal / MISO Policy
Policies Targeting Reliability & Safety Drive Increased Investment Requirements at Utilities

Indiana State Legislature
Recovery Mechanisms and Policy Support Ability to Comply with Federal Mandates

IURC
Rate Structures and Policies that Support Ability to Earn Authorized Returns While Supporting Customer Affordability

[1] Indiana Development Economic Corporation. [2] CNBC Top States for Doing Business. [3] U-Haul Growth Index Study.

COLUMBIA GAS IS A PREMIUM LDC BUSINESS

	Metric	ATMOS energy	ONE Gas	Columbia Gas (A NiSource Company)
Scale	Rate Base	~$14B	~$5B	~$9B *(Total NiSource: ~$16.6B)*
	Customers	~3.5M	~2.3M	~2.4M *(Total NiSource: ~4M)*
	Regulatory Diversity (# of States)	8	3	5 *(Total NiSource: 6)*
Growth	Rate Base CAGR[4]	11% - 13%	7% - 9%	8% - 10%
Location / Footprint	State-Level Support for Natural Gas[1]	~97%	100%	~85%
	Weather (Heating Degree Days[2])	2,307	3,653	5,423
Valuation	Avg. Earned ROE[3]	9.9%	8.9%	10.0%
	Market Capitalization	~$17B	~$4B	
	Forward P/E Multiple	~18x	~19x	

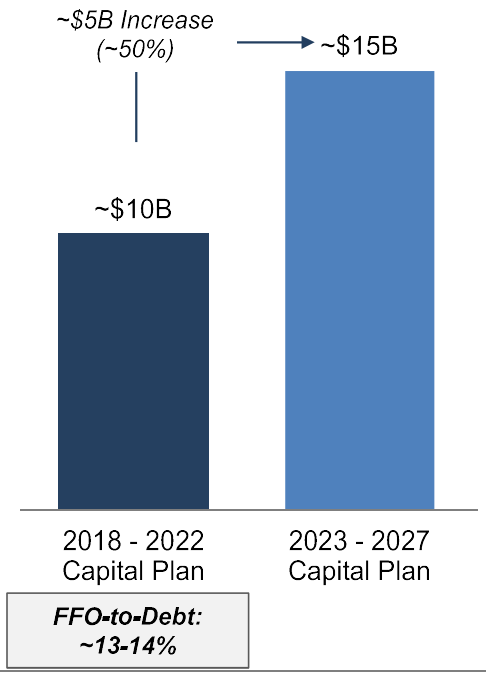
- ✓ 100% regulated gas distribution platform
- ✓ High quality regulatory jurisdictions supportive of natural gas
- ✓ Efficient rate structure, with 75-80% of capital investments recovered within 18 months
- ✓ Benefits from NiSource's 4M customer platform and shared service model, driving efficiencies and scale benefits
- ✓ Customer value supported by flat O&M, low delivered gas costs, and the shared service model
- ✓ Best-in-class SMS platform driving safety and reliability for customers

Columbia Gas compares favorably against publicly traded Gas LDC peers

Note: Market data as of 16-Jun-2023. [1] Represents rate base located in states with passed or proposed legislation that offer policy support for natural gas infrastructure. [2] Heating degree days are summations of negative differences between the mean daily temperature and the 65°F base. Jan-Dec 2022 total heating degree days weighted by rate base. [3] Based on average of last five fiscal year earned ROE, sourced from SNL Interactive. [4] Based on public disclosure. CAGR represents the 2022-2027 period for Atmos, the 2023-2027 period for OneGas, and the 2021-2027 period for Columbia Gas.

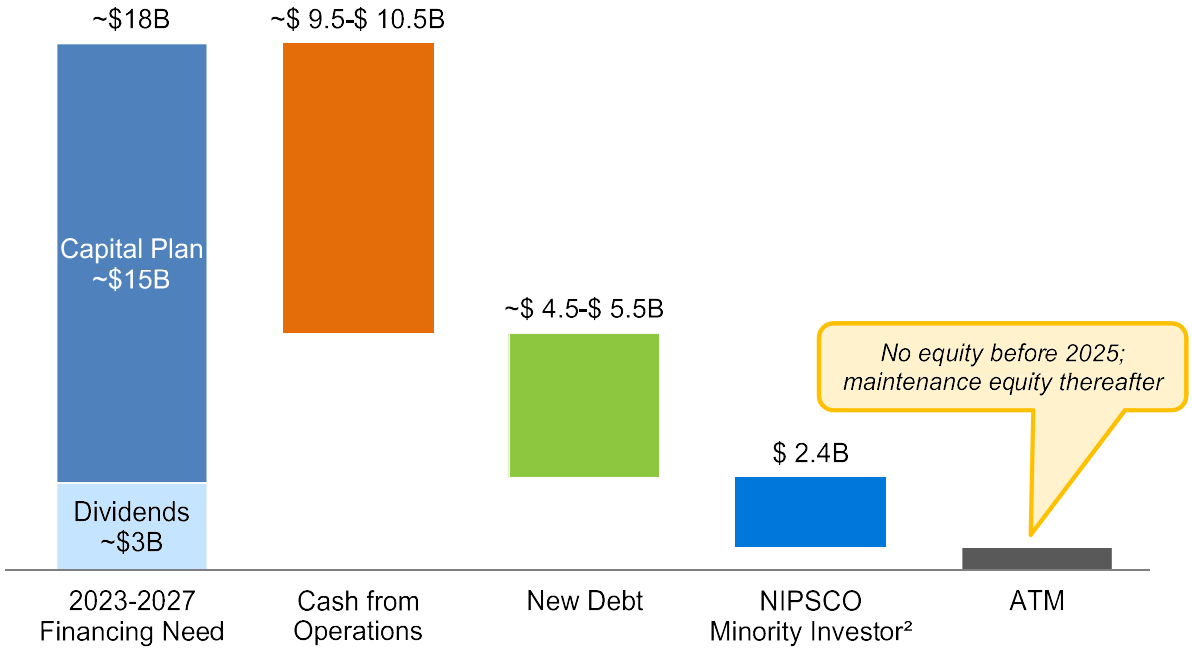
EFFICIENT FINANCING STRATEGY SUPPORTS NISOURCE'S ROBUST CAPITAL PLAN

Five Year Capital Plan



FFO-to-Debt: ~13-14%

2023 – 2027 Financing Plan[1]



FFO-to-Debt: ~14-16%

Financing Plan Remains Unchanged from Investor Day. Only Maintenance Equity, and Not Before 2025

[1] Excludes remarketed Equity Units ($863M), may be used to redeem outstanding Preferred Stock ($900M) [2] Includes NIPSCO Minority Investor up front investment of $2.15B and $250M equity commitment letter.

ENHANCED NISOURCE VALUE PROPOSITION DRIVING SUSTAINABLE GROWTH



FINANCIAL FOUNDATION

100% Regulated Across Six Constructive Jurisdictions	Significant Investment Opportunities	Efficient Recovery Mechanisms	Strengthened Balance Sheet

[1] Net Operating Earnings Per Diluted Share (Non-GAAP)
[2] Goal for Scope 1 and 2 emissions
[3] Estimated total shareholder return at a constant P/E ratio





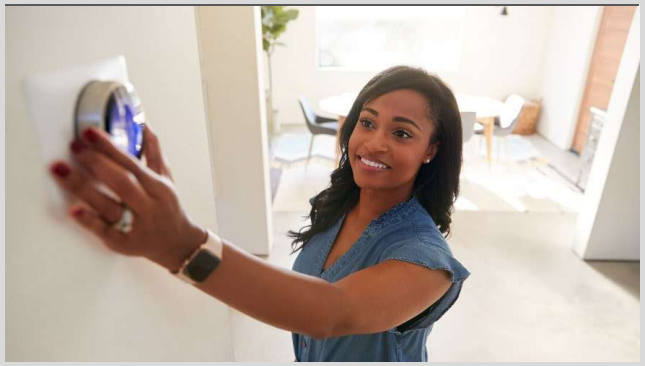
NiSource®



We exist to deliver safe, reliable energy that drives value to our customers

SUPPLEMENTAL SLIDES
2Q 2023 RESULTS

August 2, 2023






FORWARD-LOOKING STATEMENTS

This presentation contains "forward-looking statements," within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements in this presentation include, but are not limited to, statements regarding the purchase and sale agreement that NiSource's wholly-owned subsidiary, NIPSCO Holdings II LLC, entered into with BIP BLUE BUYER L.L.C., an affiliate of Blackstone Infrastructure Partners (the "Investor") on June 17, 2023 whereby Investor will acquire newly issued membership interests of NIPSCO Holdings II LLC which will represent a 19.9% ownership in NIPSCO Holdings II LLC at closing time (the "NIPSCO Minority Equity Interest Sale"); statements regarding the ability to complete the NIPSCO Minority Equity Interest Sale on the anticipated timeline or at all; statements concerning the anticipated benefits of the NIPSCO Minority Equity Interest Sale if completed; statements concerning the projected impact of the NIPSCO Minority Equity Interest Sales on our performance or opportunities; any statements regarding our expectations, beliefs, plans, objectives or prospects or future performance or financial condition as a result of or in connection with the NIPSCO Minority Equity Interest Sale; statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis; and any and all underlying assumptions and other statements that are other than statements of historical fact. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. Expressions of future goals and expectations and similar expressions, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this presentation include, but are not limited to, risks and uncertainties relating to the timing and certainty of closing the NIPSCO Minority Equity Interest Sale; the ability to satisfy the conditions to closing the NIPSCO Minority Equity Interest Sale, including the ability to obtain Federal Energy Regulatory Commission approval necessary to complete the NIPSCO Minority Equity Interest Sale; the ability to achieve the anticipated benefits of the NIPSCO Minority Equity Interest Sale; the effects of transaction costs; the effects of the NIPSCO Minority Equity Interest Sale on industry, market, economic, political or regulatory conditions outside of NiSource's control; any disruption to NiSource's business from the NIPSCO Minority Equity Interest Sale, including the diversion of management time on NIPSCO Minority Equity Interest Sale-related issues, our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in, or failures of, technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and natural gas costs and supply risks; fluctuations in demand from residential and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the attraction and retention of a qualified, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity attacks; increased requirements and costs related to cybersecurity; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; inflation; recessions; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related to the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; and other matters set forth in Item 1, "Business," Item 1A, "Risk Factors" and Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and matters set forth in our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2023 and June 30, 2023, respectively, some of which risks are beyond our control. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time.
All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Regulation G Disclosure Statement

This presentation includes financial results and guidance for NiSource with respect to net operating earnings available to common shareholders, diluted earnings per share and funds from operations/debt, which are non-GAAP financial measures as defined by the Securities and Exchange Commission's Regulation G. The company includes these measures because management believes they permit investors to view the company's performance using the same tools that management uses and to better evaluate the company's ongoing business performance. With respect to such guidance, it should be noted that there will likely be a difference between these measures and their GAAP equivalents due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other unusual or infrequent items included in GAAP results. The company is not able to estimate the impact of such factors on GAAP earnings and, as such, is not providing earnings guidance on a GAAP basis. In addition, the company is not able to provide a reconciliation of its non-GAAP net operating earnings guidance or its funds from operations/debt guidance to their GAAP equivalents without unreasonable efforts.

ENHANCED NISOURCE VALUE PROPOSITION DRIVING SUSTAINABLE GROWTH



FINANCIAL FOUNDATION

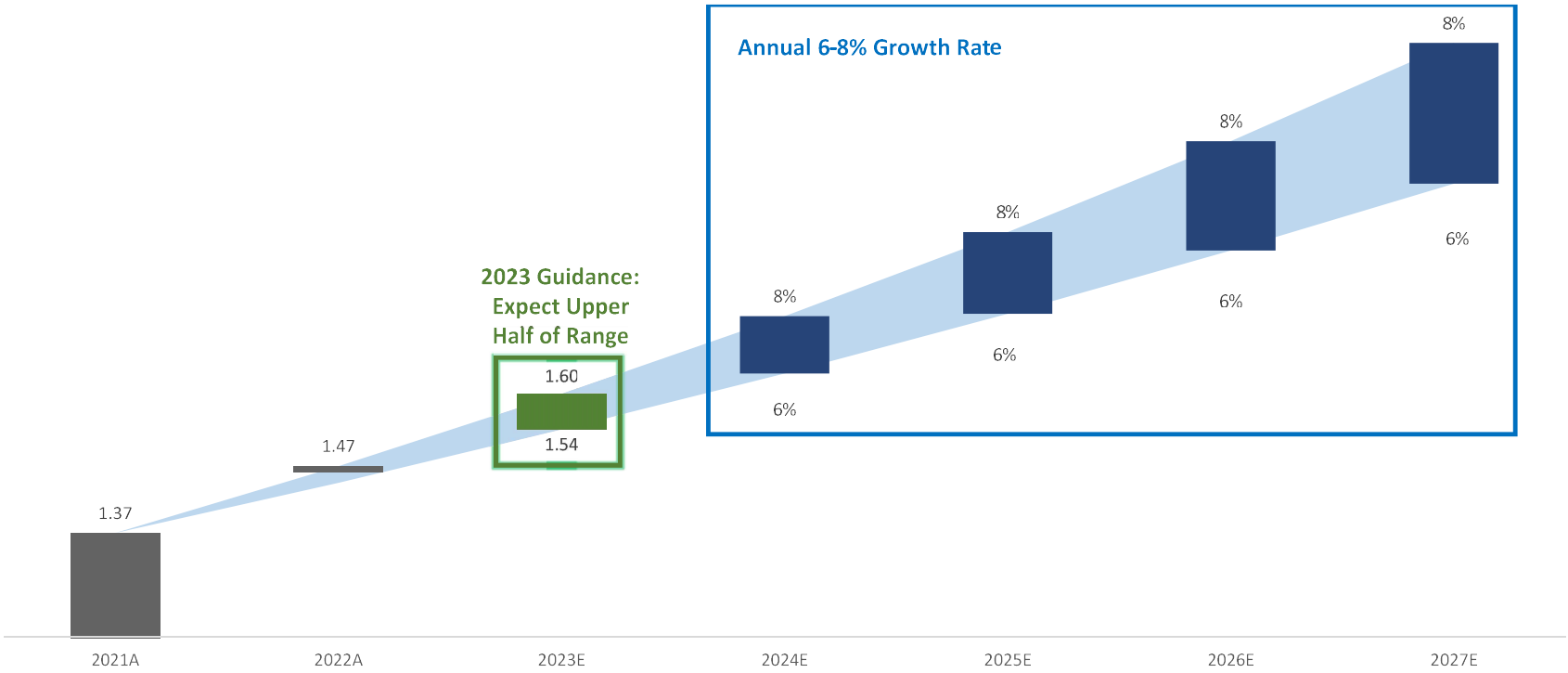
100% Regulated Across Six Constructive Jurisdictions	Significant Investment Opportunities	Efficient Recovery Mechanisms	Strengthened Balance Sheet

[1] Net Operating Earnings Per Diluted Share and long-term FFO/Debt (non-GAAP)
[2] Goal for Scope 1 and 2 emissions
[3] Estimated total shareholder return at a constant P/E ratio

BUILDING ON OUR TRACK RECORD OF EXECUTION AND GROWTH

	2021	2022	2023	2024	2025	2026	2027	PROGRESS
NOEPS* (GROWTH)	✓ $1.37	✓ $1.47 (+7.3%)	**$1.54-$1.60**	**Deliver 6-8% Annual NOEPS GROWTH**				On track 2023 Guidance Raised to Upper Half of Range
DIVIDEND (ANNUAL GROWTH)	✓ $0.88	✓ $0.94 (+6.8%)	**$1.00 (+6.4%)**	**9-11% Total Shareholder Return 60-70% PAYOUT**				On track
CREDIT* (FFO/DEBT)	✓ 13.6%	✓ 13.4%	Execute Minority Interest Sale	Strengthened Balance Sheet to Achieve **14-16% FFO/DEBT**				On track Entered Definitive Agreement
REGULATORY EXECUTION	✓	✓	NIPSCO Electric Rate Case Tracking Mechanisms	Sustained **Superior Regulatory** Execution				On track Filed Electric Rate Case Settlement
OPERATIONAL EXCELLENCE (SAFETY, O&M MANAGEMEMENT, ETC.)	✓	✓	Continuing to Prioritize **Safety** while Optimizing our **Long-Term Cost Profile**					On track

2023 GUIDANCE & LONG-TERM 6-8% ANNUAL NOEPS* GROWTH RATE

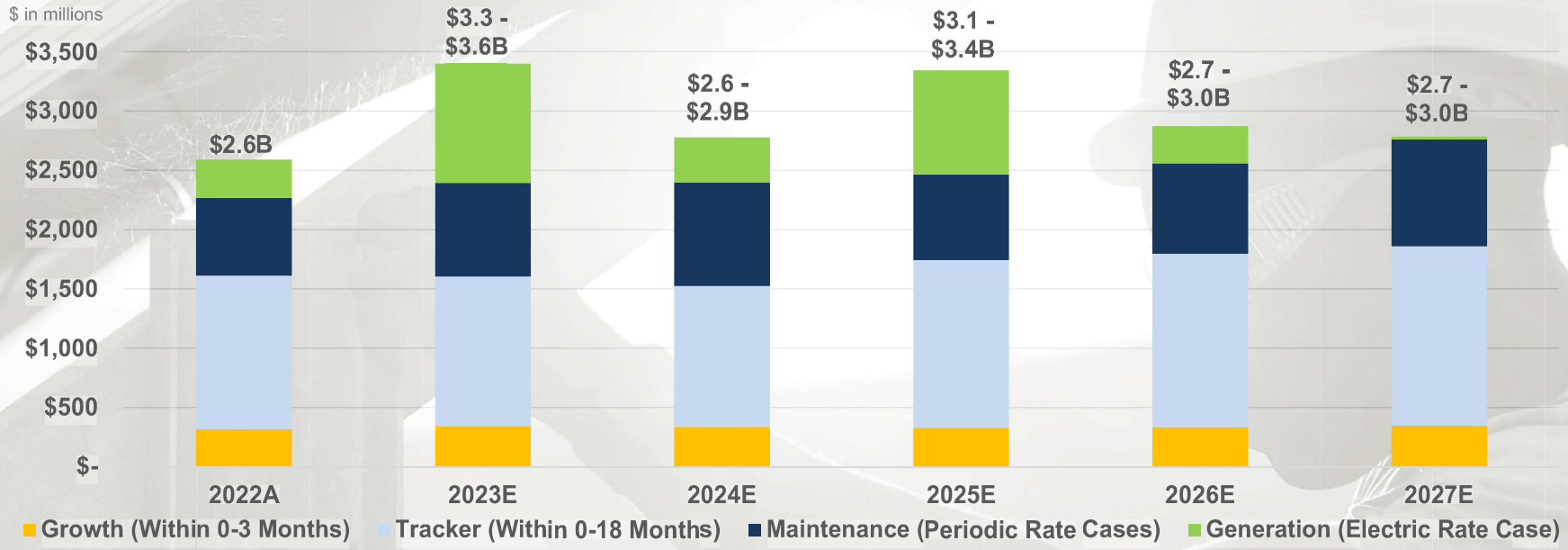


* NOEPS: Diluted Net Operating Earnings Per Share (Non-GAAP)

KEY PRIORITIES

- **2023 EPS guidance raised to upper half of range, long-term growth commitments reaffirmed**
  - 2023 Non-GAAP NOEPS* guidance range raised to upper half of $1.54 to $1.60
  - Annual NOEPS* growth of 6-8% through 2027 and long-term 14-16% FFO/Debt* target reaffirmed
  - Annual rate base growth of 8-10% driven by $15 billion of capital expenditures during 2023-27
- **Leading regulatory execution continues in both electric and gas businesses**
  - Columbia Gas of Maryland rate case filed in May
  - Columbia Gas of Virginia rate case approved in May, interim rates in effect since October 2023
  - Columbia Gas of Ohio 2023 IRP tracker rates effective in May
  - NIPSCO electric rate case record closed; awaiting final IURC order
- **NIPSCO Minority Equity Interest Sale announced**
  - Entered into a definitive agreement with Blackstone Infrastructure Partners
  - Filed FERC 203 Application; on track to close by year-end

INVESTING $15B OVER FIVE YEARS TO DRIVE SAFETY, RELIABILITY AND SUSTAINABILITY



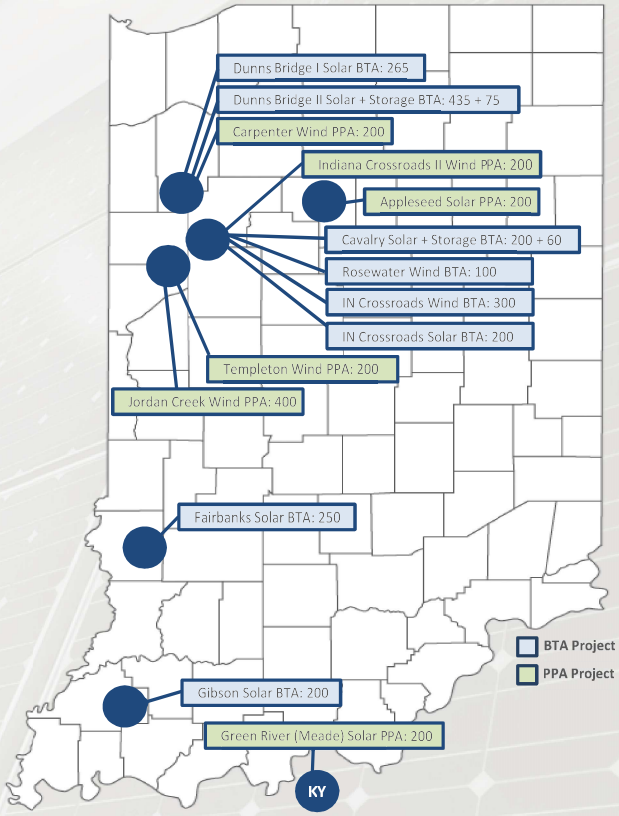
LEADING REGULATORY EXECUTION CONTINUES IN BOTH ELECTRIC AND GAS BUSINESSES

		2021				2022				2023			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
NIPSCO Electric	Rate Case							Filed		Settled		Step 1 Rates[1]	
	Trackers	TDSIC 7 Approved		TDSIC 8 Approved		TDSIC 9 Approved		TDSIC 1 Approved		TDSIC 2 Approved		TDSIC 3 Approved	
NIPSCO Gas	Rate Case			Filed		Settled		Approved Step 1 Rates		Step 2 Rates			
	Trackers	FMCA 5 Approved	TDSIC 2 Approved	FMCA 6 Approved	TDSIC 3 Approved	FMCA7 Approved	TDSIC 4 Approved	FMCA 1 Approved		FMCA 2 Approved		TDSIC 6 FMCA 1	
Columbia Gas of Ohio	Rate Case		Filed						Settled	Approved In rates			
	Trackers		IRP Approved	CEP Approved			IRP Approved	CEP Approved			IRP Approved	CEP	
Columbia Gas of Pennsylvania	Rate Cases	Filed		Settled	Approved In rates	Filed		Settled	Approved In Rates				
Columbia Gas of Virginia	Rate Case						Filed	Rates Effective[2]	Settled		Approved		
	Trackers				SAVE Approved				SAVE Approved				
Columbia Gas of Kentucky	Rate Case		Filed		Settled Approved	In Rates							
	Trackers		SMRP Approved						SMRP Approved				SMRP
Columbia Gas of Maryland	Rate Cases		Filed	Settled	Approved In rates		Filed	Settled	Approved In Rates		Filed		
	Trackers				STRIDE Approved				STRIDE Approved				

ROBUST RENEWABLE INVESTMENTS IN INDIANA

BTA Projects	NIPSCO Investment ($M)	Estimated In Service	Status
Rosewater Wind	~$100	2020	Complete
Indiana Crossroads Wind	~$300	2021	Complete
Dunns Bridge I Solar	~$240	2Q23	In-Service
Crossroads Solar	~$200	2Q23	In-Service
Transmission Projects	~$150	2Q23	Complete
Cavalry Solar + Storage	~$190	2Q24	Construction
Dunns Bridge II Solar + Storage	~$420	4Q24	Construction
Fairbanks Solar	~$245	2Q25	Construction
Gibson Solar	~$230	2025	Filed with IURC
Total	**~$2,000 – 2,200**		

PPA Projects	Estimated In Service	Status
Jordan Creek Wind	2020	Complete
Crossroads II Wind	2023	Construction
Green River Solar	2024	Amendment Approved
Templeton Wind	2025	Filed with IURC
Carpenter Wind	2025	Filed with IURC
Appleseed Solar	2025	Filed with IURC



Estimated in-services dates for solar and storage projects could be refined as more information on potential solar panel tariffs and delivery of panels is available.

Additional Investment Opportunities for NiSource

Near-Term (Through 2027)

Near-Term investment opportunities that can enhance our current investment plan

- New gas system modernization programs focused on replacing **legacy plastic mains** and services installed prior to early 1980s
- Gas transmission programs focused on **inspection retrofits and reconfirmations to comply with PHMSA regulations**
- New programs to deploy **advanced metering infrastructure (AMI)** for gas systems
- **Increased ownership of electric generation** investments utilizing the IRA's tax transferability provision

Longer Term (2028+)

Longer-Term investment themes beyond our current guidance period

- Continuation of **legacy plastic, gas transmission and gas AMI programs**
- **Electric generation additions** to support anticipated capacity requirements
- Electric reliability and performance investments focused on **infrastructure replacement, continued grid modernization and system hardening**
- FERC regulated **electric transmission projects** included in MISO's multi-year Long Range Transmission Planning initiative

Upsides (2028+)

Additional opportunities past 2027

- Electric T&D investments to **support transportation electrification**, including utility-owned charging points
- **Generation investments** to support incremental demand, asset retirements and decarbonization
- Investments in **Renewable Natural Gas** production and transportation infrastructure
- Investments to support **Hydrogen** production, transportation, storage and consumption in our territories

SECOND QUARTER & YTD CONSOLIDATED FINANCIAL RESULTS

GAAP	SECOND QUARTER			YTD		
	2023	2022	Change Fav/(Unfav)	2023	2022	Change Fav/(Unfav)
Net Income Available to Common Shareholders ($ in Millions)	$39.9	$53.2	$(13.3)	$359.1	$466.2	$(107.1)
Diluted Earnings Per Share	$0.09	$0.12	$(0.03)	$0.80	$1.06	$(0.26)

NON-GAAP*	SECOND QUARTER			YTD		
	2023	2022	Change Fav/(Unfav)	2023	2022	Change Fav/(Unfav)
Net Income Available to Common Shareholders ($ in Millions)	$50.3	$53.9	$(3.6)	$393.3	$382.6	$10.7
Diluted Earnings Per Share	$0.11	$0.12	$(0.01)	$0.88	$0.87	$0.01

* Net Operating Earnings (non-GAAP). For a reconciliation of GAAP to non-GAAP earnings, see Schedule 1A in the appendix to this presentation

SECOND QUARTER SEGMENT NON-GAAP* RESULTS

OPERATING EARNINGS ($ Millions)	SECOND QUARTER 2023	SECOND QUARTER 2022	SECOND QUARTER CHANGE FAV/(UNFAV)	YTD 2023	YTD 2022	YTD CHANGE FAV/(UNFAV)
Gas Distribution	$ 119.9	$ 80.7	$ 39.2	$ 598.0	$ 485.5	$ 112.5
Electric Operations	$ 51.0	$ 73.4	$ (22.4)	$ 134.0	$ 172.1	$ (38.1)
Corporate & Other	$ 3.9	$ (9.9)	$ 13.8	$ 6.1	$ (19.6)	$ 25.7
Consolidated Operating Earnings*	**$ 174.8**	**$ 144.2**	**$ 30.6**	**$ 738.1**	**$ 638.0**	**$ 100.1**

Key Drivers

SECOND QUARTER	
GAS DISTRIBUTION	
Increased revenue from new rates and capital programs	60.5
Lower customer usage	(3.2)
Lower non-tracked O&M	0.3
ELECTRIC OPERATIONS	
Lower customer usage	(7.8)
Higher non-tracked O&M related to Generation maintenance timing and reliability expenses (vegetation management)	(5.0)

YTD	
GAS DISTRIBUTION	
Increased Revenue from new rates and capital programs	143.1
Higher non-tracked O&M	(6.7)
ELECTRIC OPERATIONS	
Increased revenue from new rates and capital programs	5.5
Lower customer usage	(16.1)
Higher non-tracked O&M related to Generation maintenance timing and reliability expenses (vegetation management)	(13.8)

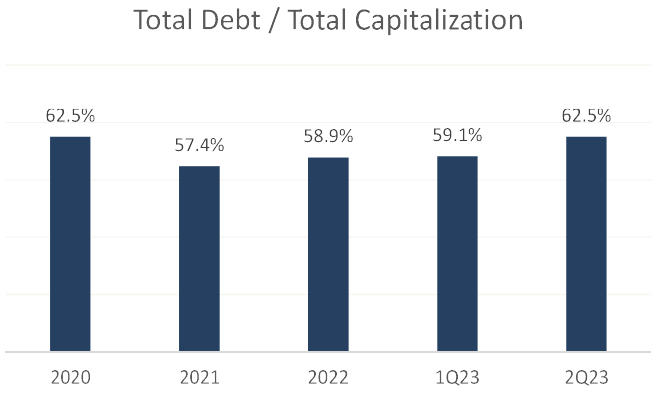
* Operating Earnings (non-GAAP). For comparable GAAP results by segment, refer to Part I. Item 2 of the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2023. For a reconciliation of GAAP to non-GAAP earnings, see Schedule 2 in the appendix to this presentation.

Continued Focus on Safe and Reliable Execution

NISOURCE DEBT AND CREDIT PROFILE

- **Debt level: ~$12.6B as of June 30, 2023**
  - ~$11.0B of long-term debt
  - Weighted average maturity ~12 years
  - Weighted average interest rate of 3.93%

- **Solid liquidity position**
  - ~$1.8B in net available liquidity as of June 30, 2023*
  - ~$2.2B of committed facilities in place as of June 30, 2023
    - ~$1.85B revolving credit facility
    - ~$0.40B accounts receivable securitization facilities **



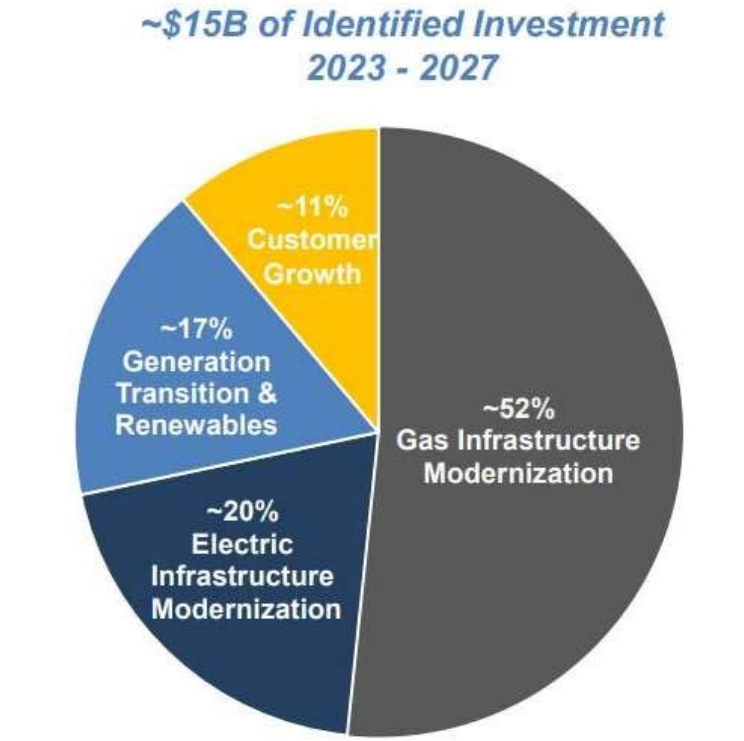
- **Committed to maintaining current investment-grade credit ratings**
  - S&P (BBB+), Moody's (Baa2), and Fitch (BBB)
  - All three rating agencies affirmed ratings and stable outlooks following the announcement of the NIPSCO Minority Equity Interest Sale

* Consisting of cash and available capacity under credit facilities
** Capacity on accounts receivable securitization facilities changes with seasonality

Solid Financial Foundation to Support Long-Term Infrastructure and Safety Investments

STRENGTHENED FINANCING PLAN PROVIDES FLEXIBILITY TO INVEST IN GROWTH

- **Dividends** and **capital investments** primarily funded through **cash from operations**
- **NIPSCO Minority Equity Interest Sale** adds **flexibility** to financing plan
- **Target FFO/Debt 14-16%**[1]
  ATM Equity[2] (2025+) to support current investment grade credit ratings
- **Minimize near-term capital markets costs and volatility**



[1] Target FFO/Debt (non-GAAP)

[2] Excludes remarketed Equity Units ($863M), may be used to redeem outstanding Preferred Stock ($900M)

Financing Plan Remains Unchanged from Investor Day



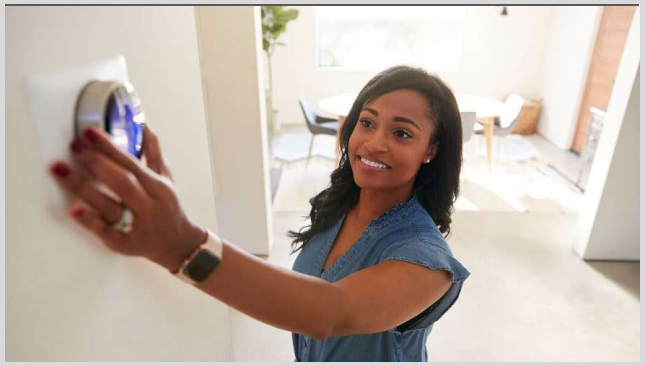


NiSource®



We exist to deliver safe, reliable energy that drives value to our customers

Appendix
2Q 2023 RESULTS






GAS DISTRIBUTION OPERATIONS

- Final order received in Virginia gas rate case in May 2023, interim rates in effect since October 2023
- Gas rate case filed in Maryland in May 2023
- Ohio gas IRP rider rates effective May 2023
- Continuing to invest in infrastructure to enhance safety, reliability, customer affordability and sustainability

HIGHLIGHT	KEY COMPONENTS	STATUS
Columbia Gas of Maryland Base Rate Case	• Requested $8.1 million revenue increase, and $235 million rate base • Requested 10.95% ROE and 52.1% equity capital structure	• Filed May 12, 2023 • Order Expected 4Q23 • Rates proposed effective Dec. 2023
Columbia Gas of Virginia Base Rate Case	• Final order supports a revenue increase of $25.8 million net of SAVE infrastructure tracker; $1.0 billion rate base	• Filed Apr 29, 2022 • Rates effective Oct 2022 • Final Order May 15, 2023
2023 Columbia Gas of Ohio IRP Rider	• Tracked infrastructure replacement program approved in April 2023, authorizing recovery of $316.0 million in safety enhancing capital investments. • Supports tracked revenue increase of $38 million	• Filed Feb 24, 2023 • Approved Apr 19, 2023 • Rates effective May 1, 2023
2023 Columbia Gas of Ohio CEP Rider	• Tracked capital expenditure program filed in Feb 2023, seeking recovery of $265.6 million in safety enhancing capital investments. • Supports tracked revenue increase of $30 million	• Filed Feb 22, 2023 • Rates proposed effective Sep, 2023
PHMSA Ohio IRP Rider	• Tracked capital and expense program filed Feb 2023, seeking recovery of $619 million in work related to the PHMSA Mega Rule requirements for investments made during 2023-2027	• Filed Feb 28, 2023 • Staff report filed July 7, 2023

ELECTRIC OPERATIONS

- Dunn's Bridge I and Crossroads solar projects complete; construction underway on Cavalry, Dunn's Bridge II and Fairbanks Solar projects
- Three New PPAs submitted to IURC for approval in 2Q
- Gibson Solar PPA converted to BTA to replace Elliott Solar BTA

HIGHLIGHT	KEY COMPONENTS	STATUS
2022 NIPSCO Electric Base Rate Case	• Settlement supports 9.80% ROE, $292 million revenue increase, and $5.95 billion rate base • Settlement supports tracking of variable Environmental Operating Costs related to coal-fired generating units	• Filed Sep 19, 2022 • Settlement achieved Mar 10, 2023 • Order expected Aug 2023 • Rates proposed effective Sep 2023
2021 Integrated Resource Plan (IRP) & Request for Proposals (RFP)	• Schahfer Development RFP and All-Source RFP solicitation concluded September 2022	• Project proposals are currently under evaluation
NIPSCO Electric FMCA Tracker	• Requested approval to recover $40 million of federally mandated retirement costs associated with the closure of Michigan City Generating Station's CCR ash ponds • Proceeding stayed, pending outcome of electric rate case Settlement Agreement	• Filed Mar 30, 2022 • Filed Motion to stay proceeding Mar 10, 2023
NIPSCO Electric FMCA Tracker	• Requested approval to recover $53 million of federally mandated retirement costs associated with the closure of R.M. Schahfer Generating Station's multi-cell unit • Proceeding stayed, pending outcome of electric rate case Settlement Agreement	• Filed Nov 2, 2022 • Filed Motion to stay proceeding Mar 10, 2023

FMCA: Federally Mandated Cost Adjustment

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

ENVIRONMENTAL

- Approximately $3B of generation transition investments 2022 - 2027
- Expected to retire 100% of coal assets by 2028 and replace primarily with renewables
- On track for 90% reduction* in greenhouse gas emissions by 2030
- Reduction in methane emissions through modernization and advanced leak detection and repair
- Actionable pathways to achieve Net Zero Goal by 2040 with support from key stakeholders
- Establishment of customer opportunities to reduce greenhouse gas emissions

SOCIAL

- Transformation focused on customer safety, reliability and affordability
- Published 2022 Integrated Annual and Safety Reports
- Ongoing DE&I initiatives across the organization
  - Executive Leadership Team consists of ~75% women and minorities
  - Board consists of ~58% women and minorities
  - Advancing economic inclusion initiatives including a goal of 25% diverse supplier spend by 2025
- Long-standing support for cultural awareness initiatives and development opportunities for under-represented groups

GOVERNANCE

- Leadership enhancements support commitment to customer service and safety
- Diverse, skilled, and independent Board
- 25% of Board refreshed in 2022, including additional utility experience
- Robust framework for strategy, risk management, and oversight
- Enhanced alignment of employee and executive incentive programs
- Cybersecurity management Sub-Committee reports to Risk Management Committee

Forbes 2023 BEST EMPLOYERS FOR DIVERSITY

America's Most Responsible Companies 2023 Newsweek statista

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

MSCI ESG RATINGS AAA

CCC | B | BB | BBB | A | AA | AAA

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* Scope 1 emissions, compared to 2005 baseline

NiSource's Corporate Strategy is Aligned with Commitment to Best-In-Class ESG Practices

SAFETY AND INFRASTRUCTURE INVESTMENT AND TRACKER FILING DETAILS

COMPANY	MECHANISM	INCREMENTAL INVESTMENTS		RECOVERY
		PERIOD	AMOUNT ($M)	EFFECTIVE DATE
Columbia Gas of Ohio	Infrastructure Replacement Program (IRP)	FY 2021	$232.9	May 2022
		FY 2022	$316.3	May 2023
	Capital Expenditure Program (CEP)	FY 2021	$253.5	Sep 2022
		FY 2022	$265.6	Sep 2023
Columbia Gas of Virginia	Steps to Advance Virginia's Energy Plan (SAVE)	FY 2023	$45.9	Jan 2023
Columbia Gas of Kentucky	Safety Modification and Replacement Program (SMRP)	FY 2023	$41.6	Jan 2023
Columbia Gas of Maryland	Strategic Infrastructure Development and Enhancement (STRIDE)	FY 2023	$18.0	Jan 2023
NIPSCO – Gas	Transmission, Distribution and Storage System Improvement Charge (TDSIC)	TDSIC 4: Jul 2021 – Dec 2021	$77.5	Jul 2022
		TDSIC 6: Jan 2022 – Feb 2023	$149.8	Sep 2023
	Federally Mandated Cost Adjustment Rider (FMCA)	FMCA 7: Apr 2021 – Sep 2021	$32.8	Apr 2022
		FMCA 1: Oct 2021 – Mar 2022	$14.1	Oct 2022
		FMCA 2: Apr 2022 – Sep 2022	$38.2	Apr 2023
NIPSCO – Electric	Transmission, Distribution and Storage System Improvement Charge (TDSIC)	TDSIC 1: Jun 2021 - Jan 2022	$148.5	Aug 2022
		TDSIC 2: Feb 2022 - Jul 2022	$143.5	Feb 2023

NiSource Inc.

Schedule 1A - Reconciliation of Consolidated Net Income Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) (*unaudited*)

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions, except per share amounts)	2023	2022	2023	2022
GAAP Net Income Available to Common Shareholders	$ 39.9	$ 53.2	$ 359.1	$ 466.2
Adjustments to Operating Income:				
Operating Revenues:				
Weather - compared to normal	5.9	(8.3)	38.2	(11.3)
FAC adjustment[1]	—	8.0	—	8.0
Operating Expenses:				
NiSource Next initiative[2]	—	1.2	—	2.7
Massachusetts Business related amounts[3]	—	—	—	(105.0)
Total adjustments to operating income	5.9	0.9	38.2	(105.6)
Income Taxes:				
Tax effect of above items[4]	(1.7)	(0.2)	(10.2)	22.0
Preferred Dividends:				
Preferred dividends redemption premium[5]	6.2		6.2	
Total adjustments to net income	10.4	0.7	34.2	(83.6)
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	$ 50.3	$ 53.9	$ 393.3	$ 382.6
Diluted Average Common Shares	446.8	440.2	446.9	440.8
GAAP Diluted Earnings Per Share	$ 0.09	$ 0.12	$ 0.80	$ 1.06
Adjustments to diluted earnings per share	0.02	—	0.08	(0.19)
Non-GAAP Diluted Net Operating Earnings Per Share[6]	$ 0.11	$ 0.12	$ 0.88	$ 0.87

[1]Represents fuel costs deemed over-collected from customers through the FAC mechanism and ordered to be refunded to customers.
[2]Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.
[3]2022 represents proceeds from a property insurance settlement related to the Greater Lawrence Incident.
[4]Represents income tax expense calculated using the statutory tax rates by legal entity.
[5]Represents the premium from our Series A Preferred Stock redemption calculated as the difference between the carrying value of the Series A Preferred Stock and the total amount of consideration paid to redeem.
[6]The Non-GAAP diluted NOEPS numerator is equal to net operating earnings available to common shareholders adjusted for income allocated to participating securities and add-backs for interest expense incurred, net of tax, related to Series A Equity Unit purchase contracts. The add-backs for the three months ended June 30, 2023 and 2022 were $0.4M and $0.5M, respectively. The add-backs for the six months ended June 30, 2023 and 2022 were $0.8M and $1.0M, respectively. The adjustment for the income allocated to participating securities for the six months ended June 30, 2023 and 2022 were $(0.2)M and zero, respectively.

NiSource Inc.

Schedule 1B - Reconciliation of Consolidated Net Income Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) (*unaudited*)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
(in millions, except per share amounts)	**2022**	2021	**2022**	2021
GAAP Net Income Available to Common Shareholders	**$ 230.8**	$ 152.2	**$ 749.0**	$ 529.8
Adjustments to Operating Income:				
Operating Revenues:				
Weather - compared to normal	**(3.2)**	13.7	**(24.9)**	1.2
FAC adjustment[1]	**—**	—	**8.0**	—
Operating Expenses:				
Greater Lawrence Incident	**—**	1.2	**—**	9.2
Plant retirement costs	**—**	1.9	**—**	14.1
NiSource Next initiative[2]	**—**	2.6	**3.3**	24.7
Massachusetts Business related amounts[3]	**—**	—	**(105.0)**	6.8
Total adjustments to operating income	**(3.2)**	19.4	**(118.6)**	56.0
Other Income (Deductions):				
Interest rate swap settlement gain	**(10.0)**	—	**(10.0)**	—
Income Taxes:				
Tax effect of above items[4]	**3.4**	(4.9)	**27.8**	(14.6)
Total adjustments to net income	**(9.8)**	14.5	**(100.8)**	41.4
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 221.0**	$ 166.7	**$ 648.2**	$ 571.2
Diluted Average Common Shares	**445.9**	428.8	**442.7**	417.3
GAAP Diluted Earnings Per Share	**$ 0.52**	$ 0.36	**$ 1.70**	$ 1.27
Adjustments to diluted earnings per share	**(0.02)**	0.03	**(0.23)**	0.10
Non-GAAP Diluted Net Operating Earnings Per Share[5]	**$ 0.50**	$ 0.39	**$ 1.47**	$ 1.37

[1]Represents fuel costs deemed over-collected from customers through the FAC mechanism and ordered to be refunded to customers.
[2]Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.
[3]2022 represents proceeds from a property insurance settlement related to the Greater Lawrence Incident. 2021 primarily represents final net working capital adjustments to the purchase price for the loss incurred on the sale of the Massachusetts Business.
[4]Represents income tax expense calculated using the statutory tax rates by legal entity.
[5]The Non-GAAP diluted NOEPS numerator is equal to net operating earnings available to common shareholders adjusted for add-backs for interest expense incurred, net of tax, related to Series A Equity Unit purchase contracts. The add-backs for the three months ended December 31, 2022 and 2021were $0.5M and $0.6M, respectively.The add-back for the twelve months ended December 31, 2022 and 2021 were $2.0M and $1.6M, respectively.

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses (Benefits), and Income (Loss) (GAAP) to Operating Revenues, Expenses (Benefits), and Income (Loss) (Non-GAAP) (*unaudited*)

Three Months Ended June 30, 2023 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 695.9	$ 397.1	$ (3.0)	$ 1,090.0
Weather - compared to normal	4.5	1.4	—	5.9
Operating Revenues (Non-GAAP)	$ 700.4	$ 398.5	$ (3.0)	$ 1,095.9
Operating Expenses (Benefit) (GAAP)	$ 580.5	$ 347.5	$ (6.9)	$ 921.1
Adjustments	—	—	—	—
Operating Expenses (Non-GAAP)	$ 580.5	$ 347.5	$ (6.9)	$ 921.1
Operating Income (GAAP)	$ 115.4	$ 49.6	$ 3.9	$ 168.9
Total Revenue and Expense Adjustments to Operating Income	4.5	1.4	—	5.9
Operating Income (Non-GAAP)	$ 119.9	$ 51.0	$ 3.9	$ 174.8

Three Months Ended June 30, 2022 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 744.3	$ 437.3	$ 1.6	$ 1,183.2
Adjustments				
Weather - compared to normal	(0.9)	(7.4)	—	(8.3)
FAC refunds to customers[1]	—	8.0	—	8.0
Operating Revenues (Non-GAAP)	$ 743.4	$ 437.9	$ 1.6	$ 1,182.9
Operating Expenses (GAAP)	$ 663.7	$ 364.7	$ 11.5	$ 1,039.9
Adjustments				
NiSource Next initiative[2]	1.0	0.2	—	1.2
Operating Expenses (Non-GAAP)	$ 662.7	$ 364.5	$ 11.5	$ 1,038.7
Operating Income (Loss) (GAAP)	$ 80.6	$ 72.6	$ (9.9)	$ 143.3
Total Revenue and Expense Adjustments to Operating Income (Loss)	0.1	0.8	—	0.9
Operating Income (Loss) (Non-GAAP)	$ 80.7	$ 73.4	$ (9.9)	$ 144.2

See footnote descriptions contained with Schedule 1A

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses (Benefits), and Income (Loss) (GAAP) to Operating Revenues, Expenses (Benefits), and Income (Loss) (Non-GAAP) (*unaudited*)

Six months ended June 30, 2023 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 2,200.3	$ 861.8	$ (6.1)	$ 3,056.0
Adjustments:				
Weather - compared to normal	35.7	2.5	—	38.2
Operating Revenues (Non-GAAP)	$ 2,236.0	$ 864.3	$ (6.1)	$ 3,094.2
Operating Expenses (GAAP)	$ 1,638.0	$ 730.3	$ (12.2)	$ 2,356.1
Adjustments:	—	—	—	—
Operating Expenses (Non-GAAP)	$ 1,638.0	$ 730.3	$ (12.2)	$ 2,356.1
Operating Income (Loss) (GAAP)	$ 562.3	$ 131.5	$ 6.1	$ 699.9
Total Revenue and Expense Adjustments to Operating Income (Loss)	35.7	2.5	—	38.2
Operating Income (Loss) (Non-GAAP)	$ 598.0	$ 134.0	$ 6.1	$ 738.1

Six months ended June 30, 2022 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 2,184.1	$ 867.6	$ 4.8	$ 3,056.5
Adjustments:				
Weather - compared to normal	(3.0)	(8.3)	—	(11.3)
FAC refunds to customers[1]	—	8.0	—	8.0
Operating Revenues (Non-GAAP)	$ 2,181.1	$ 867.3	$ 4.8	$ 3,053.2
Operating Expenses (GAAP)	$ 1,592.7	$ 695.8	$ 24.4	$ 2,312.9
Adjustments:				
NiSource Next initiative[2]	2.1	0.6	—	2.7
Massachusetts Business related amounts[3]	(105.0)	—	—	(105.0)
Operating Expenses (Non-GAAP)	$ 1,695.6	$ 695.2	$ 24.4	$ 2,415.2
Operating Income (GAAP)	$ 591.4	$ 171.8	$ (19.6)	$ 743.6
Total Revenue and Expense Adjustments to Operating Income	(105.9)	0.3	—	(105.6)
Operating Income (Non-GAAP)	$ 485.5	$ 172.1	$ (19.6)	$ 638.0

See footnote descriptions contained with Schedule 1A

NiSource Inc.

Schedule 3 - Reconciliation by of Net Cash Flows from Operating Activities to FFO to Debt (Adjusted)
(Non-GAAP) (*unaudited*)

Annual FFO/Debt Reconciliation

($ in millions)

	2022	2021
Net Cash Flows from Operating Activities	1,409.4	1,217.9
Changes to Working Capital		
- Accounts Receivable	(216.3)	(40.3)
- Inventories	(258.9)	(112.9)
- Accounts Payable	165.0	54.9
- Exchange gas receivable/payable	57.8	(114.2)
- Other accruals	73.4	43.0
- Prepayments and other current assets	(9.8)	(36.6)
Other Adjustments		
- 50% of Preferred Dividends (Series A & B)	27.6	27.6
Funds from Operations (Adjusted)	**1,570.7**	**1,396.5**
Long-term debt	9,523.6	9,183.4
+ Current portion of long-term debt	30.0	58.1
+ Short-term borrowings	1,761.9	560.0
Other Adjustments		
+ 50% Preferred Equity (Series A & B)	440.0	440.0
Total Adjusted Debt	**11,755.5**	**10,241.5**
FFO to Debt (Adjusted)	**13.4%**	**13.6%**

NOTE: Methodology will be adjusted for the Minority Interest transaction going forward





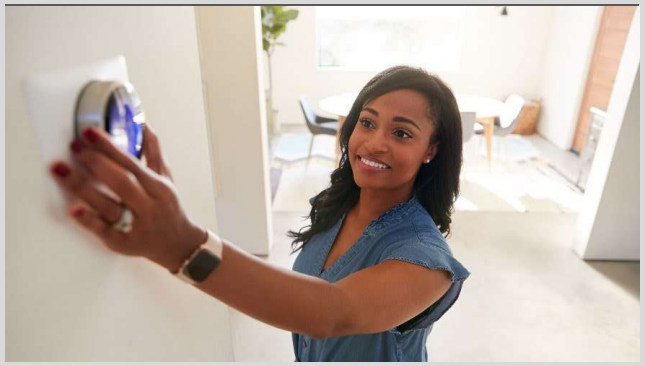
NiSource®



We exist to deliver safe, reliable energy that drives value to our customers

SUPPLEMENTAL SLIDES
3Q 2023 RESULTS

November 1, 2023







FORWARD-LOOKING STATEMENTS

This presentation contains "forward-looking statements," within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements in this presentation include, but are not limited to, statements regarding the purchase and sale agreement that NiSource's wholly-owned subsidiary, NIPSCO Holdings II LLC, entered into with BIP BLUE BUYER L.L.C., an affiliate of Blackstone Infrastructure Partners (the "Investor") on June 17, 2023 whereby Investor will acquire newly issued membership interests of NIPSCO Holdings II LLC which will represent a 19.9% ownership in NIPSCO Holdings II LLC at closing time (the "NIPSCO Minority Equity Interest Sale"); statements regarding the ability to complete the NIPSCO Minority Equity Interest Sale on the anticipated timeline or at all; statements concerning the anticipated benefits of the NIPSCO Minority Equity Interest Sale if completed; statements concerning the projected impact of the NIPSCO Minority Equity Interest Sales on our performance or opportunities; any statements regarding our expectations, beliefs, plans, objectives or prospects or future performance or financial condition as a result of or in connection with the NIPSCO Minority Equity Interest Sale; statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis; and any and all underlying assumptions and other statements that are other than statements of historical fact. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. Expressions of future goals and expectations and similar expressions, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this presentation include, but are not limited to, risks and uncertainties relating to the timing and certainty of closing the NIPSCO Minority Equity Interest Sale, the ability to obtain Federal Energy Regulatory Commission approval necessary to complete the NIPSCO Minority Equity Interest Sale; the ability to achieve the anticipated benefits of the NIPSCO Minority Equity Interest Sale; the effects of transaction costs; the effects of the NIPSCO Minority Equity Interest Sale on industry, market, economic, political or regulatory conditions outside of NiSource's control; any disruption to NiSource's business from the NIPSCO Minority Equity Interest Sale, including the diversion of management time on NIPSCO Minority Equity Interest Sale-related issues, our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in, or failures of, technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and natural gas costs and supply risks; fluctuations in demand from residential and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the attraction and retention of a qualified, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity attacks; increased requirements and costs related to cybersecurity; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; inflation; recessions; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related to the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; and other matters set forth in Item 1, "Business," Item 1A, "Risk Factors" and Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and matters set forth in our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2023 and June 30, 2023, respectively, some of which risks are beyond our control. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time.
All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Regulation G Disclosure Statement

This presentation includes financial results and guidance for NiSource with respect to net operating earnings available to common shareholders, diluted earnings per share and funds from operations/debt, which are non-GAAP financial measures as defined by the Securities and Exchange Commission's Regulation G. The company includes these measures because management believes they permit investors to view the company's performance using the same tools that management uses and to better evaluate the company's ongoing business performance. With respect to such guidance, it should be noted that there will likely be a difference between these measures and their GAAP equivalents due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other unusual or infrequent items included in GAAP results. The company is not able to estimate the impact of such factors on GAAP earnings and, as such, is not providing earnings guidance on a GAAP basis. In addition, the company is not able to provide a reconciliation of its non-GAAP net operating earnings guidance or its funds from operations/debt guidance to their GAAP equivalents without unreasonable efforts.

NISOURCE VALUE PROPOSITION DRIVING SUSTAINABLE GROWTH

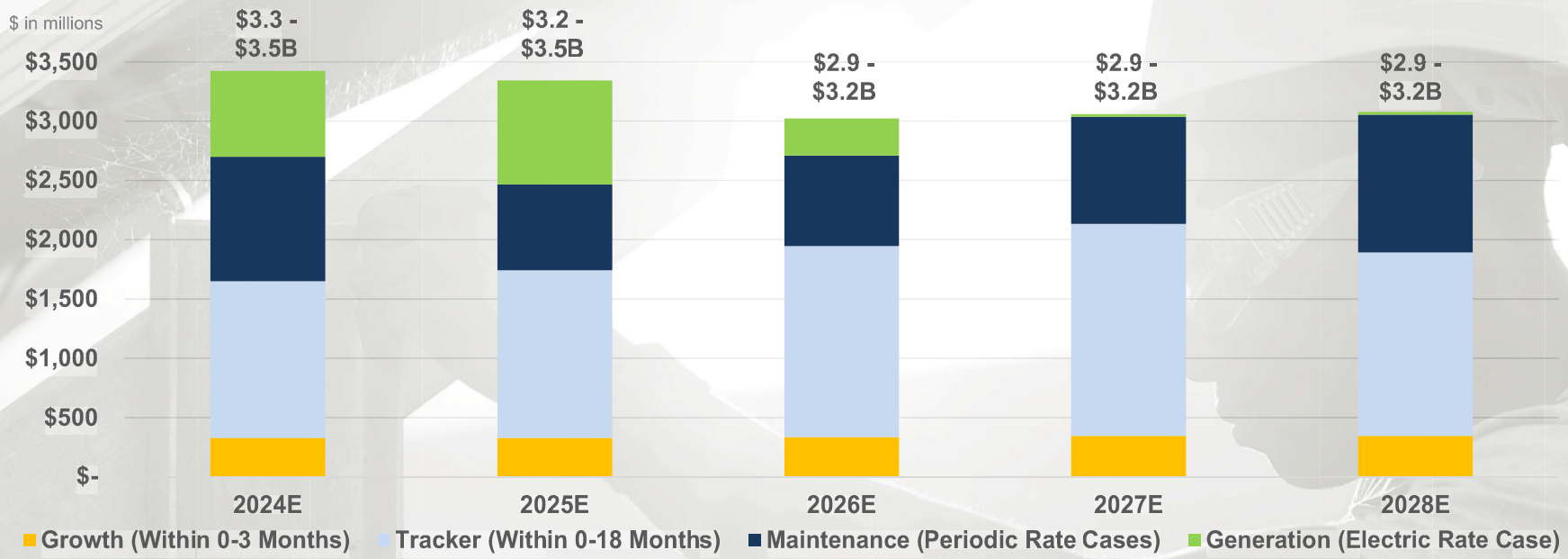


[1] Net Operating Earnings Per Diluted Share and FFO/Debt (non-GAAP)
[2] Goal for Scope 1 and 2 emissions
[3] Estimated total shareholder return at a constant P/E ratio
[4] Core business rate base growth; select years may exceed range

KEY PRIORITIES

- **Resilient Financial Commitments**
  - Reiterating upper half of 2023 non-GAAP NOEPS[1] of $1.54-$1.60 and initiating 2024 guidance of $1.68-1.72
  - Extending 6-8% annual non-GAAP NOEPS[1] growth to 2023-28
  - $16 billion 2024-2028 base plan capital expenditures support 8%-10% annual 2023-2028 rate base growth[2]
  - 14-16% FFO/Debt[3] annually through 2028
- **Superior Regulatory & Stakeholder Foundation**
  - NIPSCO electric rate case order received and implemented in August
  - NIPSCO gas rate case filed in October
  - Columbia Gas of Maryland rate case order received in October
- **Balance Sheet Flexibility**
  - NIPSCO minority interest transaction FERC approval received in October & on track to close by year-end
- **Programmatic and Enduring Investment Plans Plus Upside Opportunities**
  - Driven by safety, reliability, regulation, decarbonization, modernization

SUSTAINABLE INVESTMENT OPPORTUNITIES FOR CUSTOMERS AND COMMUNITIES



- Capital expenditures include 100% of NIPSCO
- Figures exclude upside capex

SUPERIOR REGULATORY AND STAKEHOLDER FOUNDATION

		2021				2022				2023			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
NIPSCO Electric	Rate Case							Filed		Settled +$292M		Approved In Rates	
	Trackers	TDSIC 7 Approved		TDSIC 8 Approved		TDSIC 9 Approved		TDSIC 1 Approved		TDSIC 2 +$6.6M		TDSIC 3 +$21.2M	
NIPSCO Gas	Rate Case			Filed		Settled +$71.8		Approved Step 1 Rates		Step 2 Rates			Filed +$162M
	Trackers	FMCA 5 Approved	TDSIC 2 Approved	FMCA 6 Approved	TDSIC 3 Approved	FMCA7 Approved	TDSIC 4 Approved	FMCA 1 Approved		FMCA 2 +$4.2M		TDSIC 6 FMCA 1	TDSIC 7
Columbia Gas of Ohio	Rate Case		Filed						Settled +$68.3M	Approved In Rates			
	Trackers		IRP Approved	CEP Approved			IRP Approved	CEP Approved			IRP +$38.4M	CEP +$31.0M	
Columbia Gas of Pennsylvania	Rate Cases	Filed		Settled	Approved In Rates	Filed		Settled	Approved In Rates				
Columbia Gas of Virginia	Rate Case						Filed	Rates Effective	Settled +$25.8M		Approved		
	Trackers				SAVE Approved				SAVE +$4.5M				SAVE
Columbia Gas of Kentucky	Rate Case		Filed		Settled Approved	In Rates							
	Trackers		SMRP Approved						SMRP +$1.6M				SMRP
Columbia Gas of Maryland	Rate Cases		Filed	Settled	Approved In Rates		Filed	Settled +$3.5M	Approved In Rates		Filed	Settled +$3.9M	Approved In Rates*
	Trackers				STRIDE Approved				STRIDE Approved	In Rates +$1.3M			STRIDE

OPERATIONAL EXCELLENCE

Prioritizes Safety, Assures Predictable, Reliable Operations and a Culture of Continuous Improvement

SAFETY

Gas and Electric Probabilistic Risk Modeling being used to maximize risk reduction in our work plans

Advanced Leak Survey Technology and Repair accelerating the elimination of large-volume leaks with greater precision

Accelerated In-Line Inspection Capabilities ensuring the health of our most critical transmission assets

RELIABILITY

Work and Asset Management System standardizing work, system reliability and data quality

Distribution & Substation Automation (Vipers) enhancing system awareness and reducing customer impacts

Underground Storage Modernization maintains NiSource's ability to keep gas moving during times of supply constraints

System Hardening via large scale substation and circuit rebuilds

EFFICIENCY

Enterprise Continuous Improvement Organization driving process efficiencies and waste reduction and ensuring spend is delivering value for our customers and shareholders

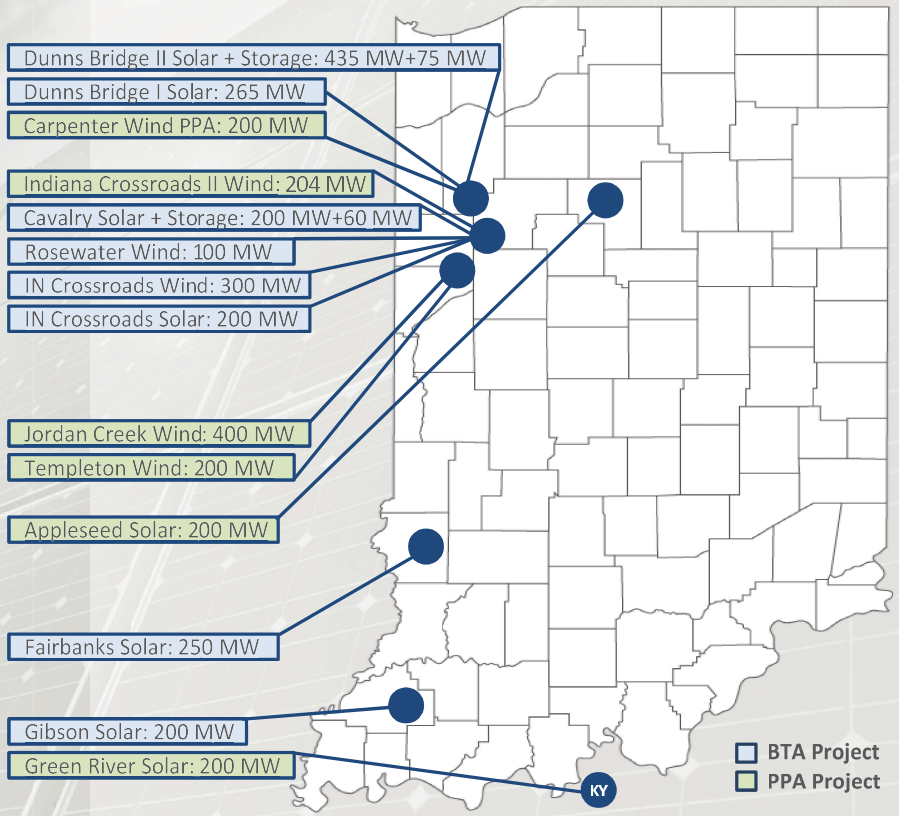
CULTURE

Human Performance Training equipping employees with the tools and skills to minimize error and foster a culture of continuous improvement

ROBUST RENEWABLE INVESTMENTS IN INDIANA

BTA Projects	Estimated In-Service	NIPSCO Investment ($M)	Status
Rosewater Wind	2020	~$1,000 (In Rate base)	Complete
Indiana Crossroads Wind	2021		
Dunns Bridge I Solar	2023		
Crossroads Solar	2023		
Transmission Projects	2023		
Cavalry Solar + Storage	2024	~$1,700 (Pending IURC Approval)	Construction
Dunns Bridge II Solar + Storage	2024		
Fairbanks Solar	2025		
Gibson Solar	2025		Pre-Construction
Total		**~$2,700***	

PPA Projects	Estimated In Service	Status
Jordan Creek Wind	2020	Complete
Crossroads II Wind	2023	Construction
Green River Solar	2024	Pre-Construction
Templeton Wind	2025	Pre-Construction
Carpenter Wind	2025	Pre-Construction
Appleseed Solar	2025	Pre-Construction



- Projects and investment amounts represent base capital plan only; assumes full ownership of Calvary and Dunns Bridge II, pending IURC approval.

Additional Investment Opportunities for NiSource

Near-Term (Through 2028)
~$2B Upside Opportunity Not Included In Base Plan

Investment opportunities that can enhance our current financial plan

- **Increased ownership of electric generation** investments utilizing the IRA's tax transferability provision
- New gas system modernization programs focused on replacing **legacy plastic mains** and services installed prior to early 1980s
- Gas transmission programs focused on **inspection retrofits and reconfirmations to comply with PHMSA regulations**
- New programs to deploy **advanced metering infrastructure (AMI)** for gas systems
- Investments in **Renewable Natural Gas** production and transportation infrastructure

Longer-Term (2028+)

Longer-Term investment themes beyond our current financial plan

- Electric T&D reliability and performance investments focused on **infrastructure replacement, continued grid modernization, system hardening and transportation electrification**
- **Generation investments** to support incremental demand, asset retirements and decarbonization
- FERC regulated **electric transmission projects** included in MISO's multi-year Long Range Transmission Planning initiative
- Continuation of investments in **gas system modernization and AMI programs and Renewable Natural Gas** infrastructure
- Investments to support **Hydrogen** production, transportation, storage and consumption in our territories

THIRD QUARTER & YTD CONSOLIDATED FINANCIAL RESULTS

GAAP	THIRD QUARTER			YTD		
	2023	2022	Change Fav/(Unfav)	2023	2022	Change Fav/(Unfav)
Net Income Available to Common Shareholders ($ in Millions)	$77.0	$52.0	$25.0	$436.1	$518.2	$(82.1)
Diluted Earnings Per Share	$0.17	$0.12	$0.05	$0.98	$1.18	$(0.20)

NON-GAAP*	THIRD QUARTER			YTD		
	2023	2022	Change Fav/(Unfav)	2023	2022	Change Fav/(Unfav)
Net Operating Earnings Available to Common Shareholders ($ in Millions)	$83.7	$44.6	$39.1	$477.0	$427.2	$49.8
Net Operating Earnings Per Share	$0.19	$0.10	$0.09	$1.07	$0.97	$0.10

* Net Operating Earnings (non-GAAP). For a reconciliation of GAAP to non-GAAP earnings, see Schedule 1A in the appendix to this presentation

THIRD QUARTER SEGMENT NON-GAAP* RESULTS

NET OPERATING EARNINGS ($ Millions)	THIRD QUARTER			YTD		
	2023	2022	CHANGE FAV/(UNFAV)	2023	2022	CHANGE FAV/(UNFAV)
Gas Distribution	$ 53.0	$ 32.1	$ 20.9	$ 651.0	$ 517.6	$ 133.4
Electric Operations	$ 184.0	$ 114.8	$ 69.2	$ 318.0	$ 286.9	$ 31.1
Corporate & Other	$ 5.0	$ 0.0	$ 5.0	$ 11.1	$ (19.6)	$ 30.7
Consolidated Net Operating Earnings	**$ 242.0**	**$ 146.9**	**$ 95.1**	**$ 980.1**	**$ 784.9**	**$ 195.2**

THIRD QUARTER DRIVERS

GAS DISTRIBUTION

Increased revenue from new rates and capital programs
Increased customer usage
Higher non-tracked Depreciation and Amortization Expense
Higher non-tracked Operating and Maintenance Expense

ELECTRIC OPERATIONS

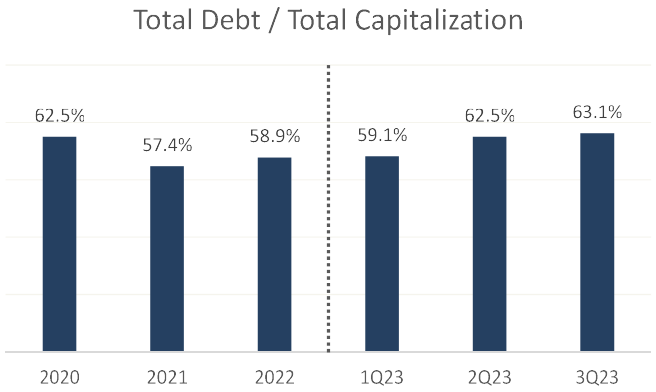
Increased revenue from new rates and capital programs
Increased customer usage

* Net Operating Earnings (non-GAAP). For comparable GAAP results by segment, refer to Part I. Item 2 of the Company's Quarterly Report on Form 10-Q for the period ended Sep 30, 2023. For a reconciliation of GAAP to non-GAAP earnings, see Schedule 2 in the appendix to this presentation.

NISOURCE DEBT AND CREDIT PROFILE

- **Debt level: ~$13.3B as of September 30, 2023**
  - ~$11.0B of long-term debt
    - Weighted average maturity ~12 years
    - Weighted average interest rate of 3.93%
  - ~$2.2B of short-term debt
    - $1.0B term loan (maturity March 2024)
    - ~$0.9B of commercial paper issued
    - ~$0.3 accounts receivable securitization balance

- **Solid liquidity position**
  - ~$1.0B in net available liquidity as of September 30, 2023*
  - ~$2.2B of committed facilities in place as of September 30, 2023
    - ~$1.85B revolving credit facility
    - ~$0.3B accounts receivable securitization facilities **



- **Committed to maintaining current investment-grade credit ratings**
  - S&P (BBB+), Moody's (Baa2), and Fitch (BBB)
  - All three rating agencies affirmed ratings and outlooks this year

* Consisting of cash and available capacity under credit facilities
** Capacity on accounts receivable securitization facilities changes with seasonality

EXTEND FINANCIAL COMMITTMENTS

Extended Base 5 Year Plan

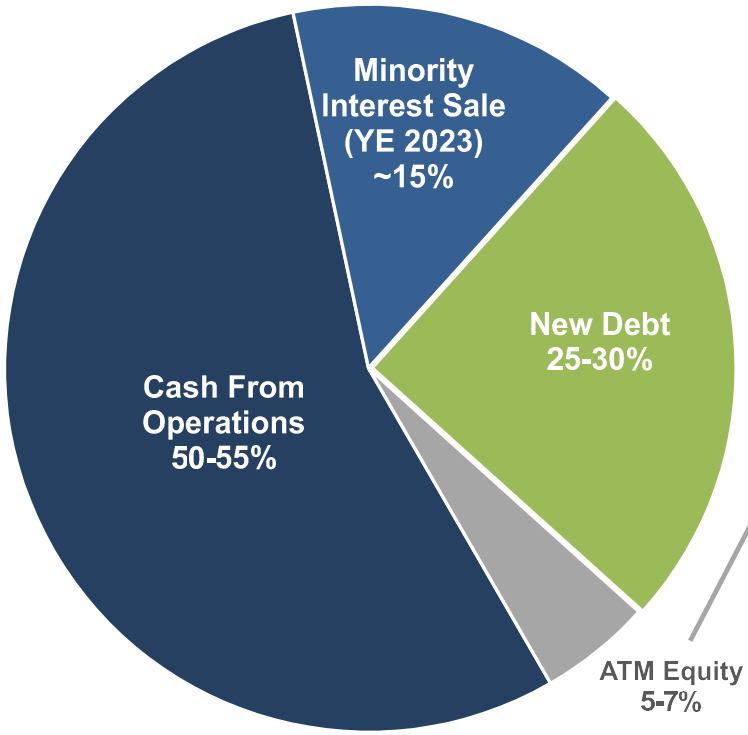
- Annual non-GAAP NOEPS[1] growth of 6-8% 2023-2028
- 8-10% annual 2023-28 rate base[2] growth
- Customer bill < 4% average annual 2023-2028 growth[3]
- Continued commitment to 14-16% FFO/Debt[4] annually through 2028

Capital Expenditures

November 2022 5 Year Plan	Extended Base 5 Year Plan	Upside 5 Year Opportunity
$15 billion 2023-2027	$16 billion 2024-2028	$2 billion 2024-2028 incremental opportunity not included in base plan

STRENGTHENED BALANCE SHEET PROVIDES FLEXIBLE FINANCING PLAN TO INVEST IN GROWTH

$16B CAPITAL INVESTMENT FUNDING SOURCES[1] (2024-2028)



TARGETING ANNUAL FFO/Debt[2] 14-16%

- Base Capital Plan assumes $200-300 million of annual total equity raised via ATM from 2025-2028
- No equity required in 2024; ATM utilized starting in 2025
- Equity sized to support current investment grade credit ratings and maintain 14-16% FFO/Debt
- Plan to utilize ATM program under all scenarios (with or without a successful execution on the equity unit remarketing)
- Upside to the Base Capital Plan may require modest increases to ATM to maintain the capital structure

1. Assumes a successful Equity Units remarketing with proceeds used to redeem Preferred Equity and minority interest transaction closing by year-end 2023
2. Funds from Operations / Debt (Non-GAAP); see Appendix for reconciliation, target represents the period of 2023 through 2028

Equity figures exclude internal programs

BUILDING ON OUR TRACK RECORD OF EXECUTION AND GROWTH

	2021	2022	2023	2024	2025	2026	2027	2028	PROGRESS
NOEPS[1] (GROWTH)	✓ $1.37	✓ $1.47 (+7.3%)	$1.54-$1.60	$1.68-$1.72	Deliver 6-8% Annual NOEPS Growth				On track 2023 Guidance Raised 2X
DIVIDEND (ANNUAL GROWTH)	✓ $0.88	✓ $0.94 (+6.8%)	$1.00 (+6.4%)	10-12% Total Shareholder Return[2] 60-70% Payout					On track
CAPEX	✓ $1.9B (Guide: $1.9-2.1B)	✓ $2.6B (Guide: $2.4-2.7B)	$3.5B[3] (Guide: $3.3-3.6B)	$16B Sustainable Investment Opportunities For Customers and Communities					Highly Visible Capital Investment
BALANCE SHEET FLEXIBLITY[1] (FFO/DEBT)	✓ 13.6%	✓ 13.4%	Execute Minority Interest Transaction	14-16% FFO/Debt Annually					On track FERC Transaction Approval
SUPERIOR REGULATORY & STAKEHOLDER FOUNDATION	✓	✓	NIPSCO Electric Rate Case Tracking Mechanisms	Sustained Superior Regulatory Execution					On track Electric Rate Case Implemented
OPERATIONAL EXCELLENCE (SAFETY, O&M MANAGEMEMENT, ETC.)	✓	✓	Continuing to Prioritize Safety while Optimizing our Long-Term Cost Profile						On track



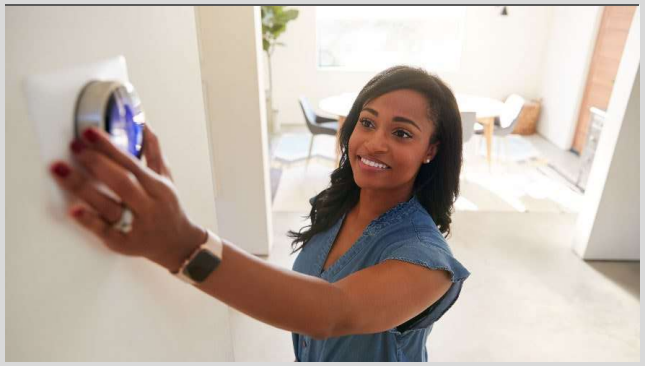


NiSource®



We exist to deliver safe, reliable energy that drives value to our customers

Appendix
3Q 2023 RESULTS







BASE PLAN CAPITAL EXPENDITURES

Capital Plan by Segment

	2024	2025	2026	2027	2028
ELECTRIC	1.5	1.4 - 1.6	1.0 - 1.1	0.8	0.8
GAS	1.9	1.7 - 1.9	1.9 - 2.1	2.2 - 2.4	2.2 - 2.4
TOTAL	$3.3 - 3.5	$3.2 - 3.5	$2.9 - 3.2	$2.9 - 3.2	$2.9 - 3.2

- Capital expenditures include 100% of NIPSCO
- Figures exclude upside capex

NORTHERN INDIANA PUBLIC SERVICE COMPANY (NIPSCO ELECTRIC)

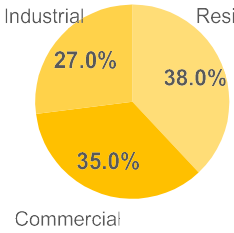
Business Profile



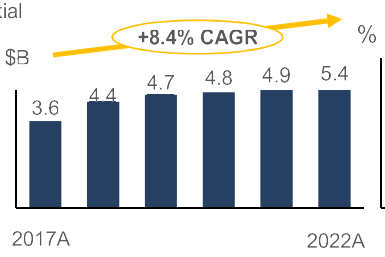
Unique Insights/Opportunities

100%	Lowest	MISO	$3B+
Of coal generation to be retired by 2026-2028	Number of complaints[3] in the state over the past 5 years	Geographic proximity provides future transmission opportunity	In generation investments 2022-2028

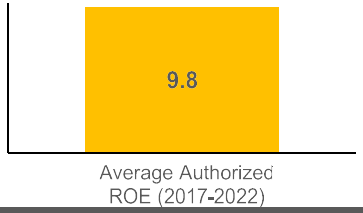
Net Revenue Mix[4]



Rate Base[4]



Return on Equity[1]



Regulatory Landscape

- TDSIC recovers new or replacement projects for safety, reliability and system modernization;
- Design of Rate 531 (former 831) insulates NIPSCO from potential year-to-year variability of industrial electric load
- Fully Forward Test Year utilized for base rate cases
- ~$550M FERC Regulated Electric Transmission Rate Base under formula rates

Constructive Legislation

- HB 1420 *clarifies incumbent utility ROFR for transmission projects within jurisdiction*
- HB 1421 *allows CWIP recovery for gas generation capex and enacts 240-day timeline for IURC to rule on generation CPCNs*

Economic Outlook

- Indiana Ranked #1 State To Start A Business[7]
- Indiana Ranks 3rd in Business Tax Climate – Property Tax[8]
- State has budgeted 500M economic development deal closing find for 2023/2024

Key Riders/Constructs	Weighted Avg. Regulatory Lag
Transmission, Distribution, and Storage System Improvement Charge(TDSIC)	12 Months[6] (80% of Investment)
Federally Mandated Cost Adjustment (FMCA)	11 Months [6]
RTO	Forecasted with a True-Up to Actual
Energy Efficiency	Forecasted with a True-Up to Actual
Fuel Costs	Forecasted with a True-Up to Actual
Resource Adequacy	Historic [9]

Footnotes:

(1) Inclusive of both Gas & Electric
(2) Compound annual growth between 2018A and 2022A
(3) Represents complaints justified by the Indiana Utility Regulatory Commission (IURC) as of YE2022
(4) NIPSCO rate base includes deferred taxes in capital structure
(5) Under TDSIC/FMCA 20% of investment cost for recovery in next rate case
(6) Revenue mix based on net revenues for the year ending 2021
(7) Forbes, 2023
(8) Tax Foundation, 2023
(9) NIPSCO recovers $22.4 million of capacity costs annually in base rates, with the RA used to track deviations from that amount

COLUMBIA GAS OF OHIO (COH)

Business Profile



Regulatory Landscape

- Fully tracked annual Infrastructure Replacement Program (IRP) and Capital Expenditure Program (CEP)
- Public policy provides tools supporting investment for economic development and deferral of pipeline safety costs
- Straight fixed variable rate design
- 100% of capital investment is tracked and recovery begins within 12 months

Constructive Legislation

- HB 95 – *Authorization of utility modernization capital programs*
- SB 319 – *Annual infrastructure cost recovery of up to $25.5M for economic development projects*
- SB 378 – *Underground protection & enforcement*
- HB 201 – *Codifies consumers' right to fuel diversity*

Economic Outlook

- Intel's $20-100 Billion investment in two new chip fabrication facilities is the largest economic development project for Ohio, announced in January 2022

Unique Insights/Opportunities

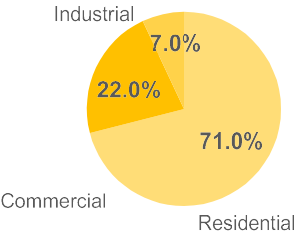
2023 Energy Star Partner of the Year for sustained excellence in energy efficiency program delivery

~1,200 Communities served throughout the state of Ohio

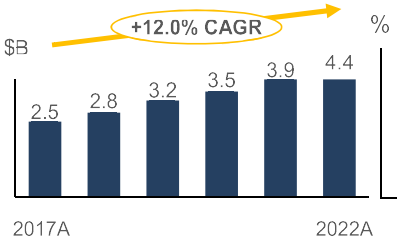
Top Tier Performance in customer satisfaction based on 2023 YTD JD Power Survey[3]

2x Most Trusted Utility Brand Awarded in 2023 and 2022 by **Escalent**

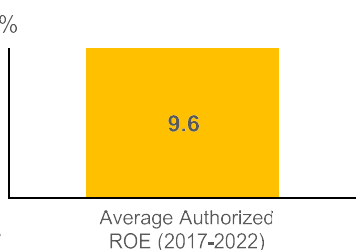
Net Revenue Mix[2]



Rate Base



Return on Equity

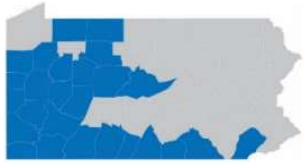


Key Riders/Constructs	Weighted Avg. Regulatory Lag
Capital Expenditure Program (CEP)	14 Months
Infrastructure Replacement Program (IRP)	10 Months
Bad Debt	10 Months (SGS/GS) Base Rates (LGS)
Environmental	Deferral
Low Income Energy Efficiency	10 Months
Fuel Costs	Forecasted with a True-Up to Actual
Low Income	11 Months

Footnotes:
(1) Compound annual growth between 2018A and 2022A
(2) Revenue mix based on net revenues for the year ending 2022
(3) COH Ranks in top 5 in all 6 categories vs. 16 other utilities in the Midwest large segment

COLUMBIA GAS OF PENNSYLVANIA (CPA)

Business Profile



Regulatory Landscape

- Fully projected Future Test year allows for capital and expense recovery with zero lag
- Authorized Weather Normalized Adjustment of residential bills during winter period stabilizes revenue for CPA and bills for customers
- State leader in universal services, low-income initiatives, choice and energy efficiency programs

Constructive Legislation

- Act 11 – *Allows for filing of a Distribution Service Improvement Charge (DSIC) and a rate case with a fully forecasted rate year*
- Chapter 14 – *Stabilized credit and collections 19 years ago, up for renewal in 2024, at risk for negative changes*

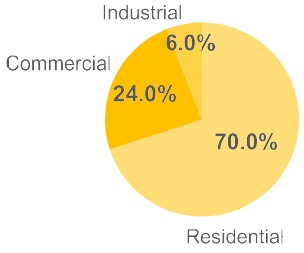
Unique Insights/Opportunities

1.1K Miles of remaining priority pipe

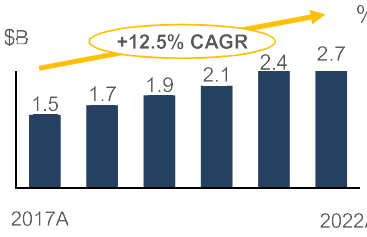
#2 In customer satisfaction based on 2022 JD Power Survey (3)

10 Of the last 11 base rate proceedings have been settled

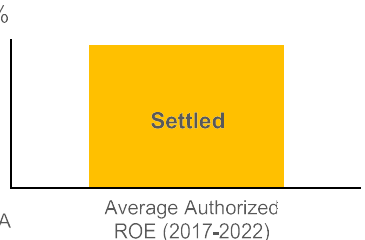
Net Revenue Mix(2)



Rate Base



Return on Equity



Key Riders/Constructs	Weighted Avg. Regulatory Lag
Rate Case	0 Months (Fully Projected Future Test Year)
DSIC	3 - 6 Months
USECP Rider	0 Months
Environmental	Deferred
Energy Efficiency	Deferred
Fuel Costs (inc. Bad debt)	Deferred
Pension/OPEB	Deferred
Low Income	Deferred

Footnotes:
(1) Compound annual growth between 2018A and 2022A
(2) Revenue mix based on net revenues for the year ending 2022
(3) Among midsized eastern gas utilities

NORTHERN INDIANA PUBLIC SERVICE COMPANY (NIPSCO GAS)

Business Profile



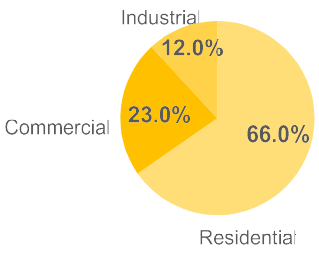
Unique Insights/Opportunities

Lowest
Number of complaints[3] in the state over the past 5 years

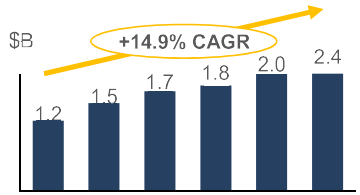
100%
Of distribution rate cases settled since 1987

Largest
LDC in the state of Indiana[7]

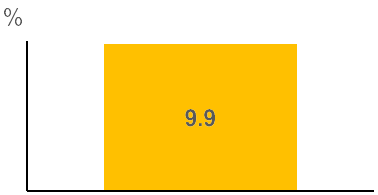
Net Revenue Mix[4]



Rate Base[5]



Return on Equity[1]



Regulatory Landscape

- TDSIC recovers new or replacement projects for safety, reliability and system modernization; semi-annual infrastructure tracker under TDSIC statute
- FMCA offers capital and O&M semi-annual recovery for federally mandated costs, including adherence to PHMSA
- Fully Forward Test Year utilized for base rate cases

Constructive Legislation

- SB 560 – *Forward test year, timely rate cases and infrastructure tracking*
- HB 1470 – *Increased flexibility for inclusion of future projects in TDSIC*
- HB 1191 – *Codifies consumers' right to fuel diversity*

Economic Outlook

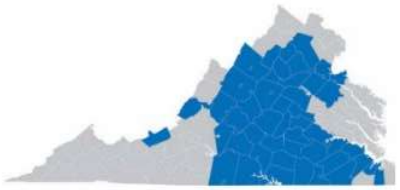
- StarPlus Energy announced, in Oct. 2023, two EV battery manufacturing projects, investing nearly $6B and creating 2700 jobs. NIPSCO is ready to serve gas from a completed approximately $200M gas expansion project.
- GM and Samsung finalized plans, in June 2023, for an EV battery manufacturing project in New Carlisle, $3B investment planned to create 1700 jobs served by NIPSCO gas.

Key Riders/Constructs	Weighted Avg. Regulatory Lag
Transmission, Distribution, and Storage System Improvement Charge(TDSIC)	11 Months[6]
Federally Mandated Cost Adjustment (FMCA)	11 Months[6]
Bad Debt	Base Rates / Gas Costs
Energy Efficiency	Forecasted with a True-Up to Actual
Fuel Costs	Forecasted with a True-Up to Actual
Low Income	Deferral with a True-Up to Actuals

Footnotes:
(1) Inclusive of both Gas & Electric
(2) Compound annual growth between 2018A and 2022A
(3) Represents complaints justified by the Indiana Utility Regulatory Commission (IURC)
(4) Revenue mix based on net revenues for the year ending 2022
(5) NIPSCO rate base includes deferred taxes in capital structure
(6) Under TDSIC/FMCA 20% of investment is deferred with carrying cost for recovery in next rate case; a future test year is utilized to recover operating expenses
(7) As of YE2022

COLUMBIA GAS OF VIRGINIA (CVA)

Business Profile

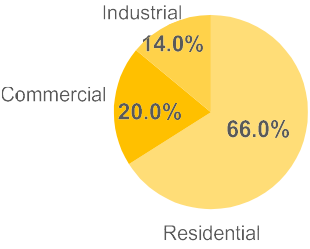


Unique Insights/Opportunities

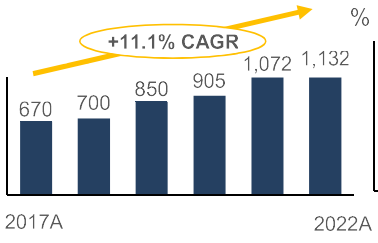
236
Industrial Customers, **13** Power Generation Customers

Recognized
By Lynchburg Regional Business Alliance for 50-year support of economic development in region in Fall 2023

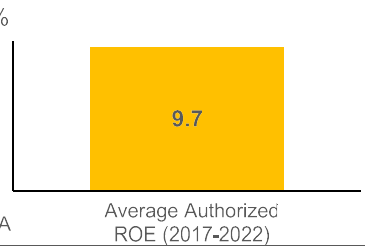
Net Revenue Mix(2)



Rate Base



Return on Equity



Regulatory Landscape

- Forward-looking annual modernization/safety infrastructure investment tracker filings
- Tracker filings supplemented by rate case filings with forward test year

Constructive Legislation

- DIMP Act– *Allows deferral of incremental O&M related to pipeline safety*
- SAVE Act – *Allows recovery of investment on infrastructure replacement*
- CARE Act – *Provides for energy efficiency programs and a revenue decoupling adjustment*
- Energy Innovation Act– *Provides regulatory pathways to procure substitute/supplemental gas (RNG/Hydrogen), promotes biogas supply and expends energy efficiency*

Economic Landscape

- Service Center Metals, a manufacturer of aluminum extrusions, brought online two new facilities in Prince George County Summer 2023. These new facilities are expected to consume 600,000 dth/year and generate $320,000 in annual revenue

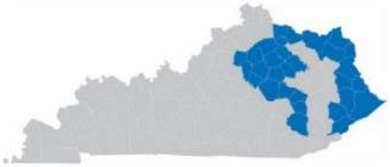
- The VA Budget, enacted Sep-23, adds $125 million to the VA Business Ready Sites Program Fund to promote the readiness of industrial sites in the Commonwealtn.

Key Riders/Constructs	Weighted Avg. Regulatory Lag
Steps to Advance Virginias Energy Plan (SAVE)	0 Months (Forward Looking Test Year)
Energy Efficiency (CARE)	Deferred
Fuel Costs (inc. Bad debt)	Deferred
Pipeline Safety (DIMP)	O&M Above baseline Deferred to Rate Case

Footnotes:
(1) Compound annual growth between 2018A and 2022A
(2) Revenue mix based on net revenues for the year ending 2022

COLUMBIA GAS OF KENTUCKY (CKY)

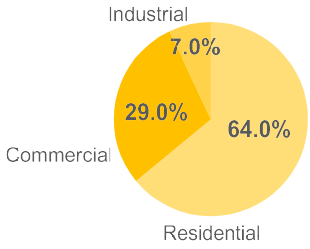
Business Profile



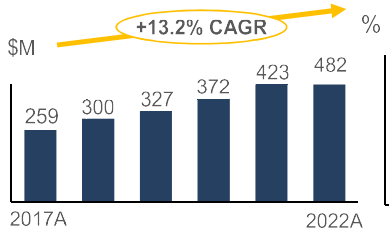
Unique Insights/Opportunities

5X Named to Best Place to Work in Kentucky roster in 2023; fourth year in a row	**215** Miles of priority pipe replaced since 2008	**AGA** Safety achievement award winner in 2021[5]	**#1** In Customer Satisfaction based on Q3 2023 JD Power Survey[2]	**Recognized** For Leadership in Emerging Energy /Transition Environment[3]

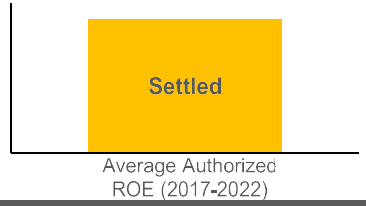
Net Revenue Mix[4]



Rate Base



Return on Equity



Regulatory Landscape

- SMRP allows for full cost recovery of eligible pipeline replacement/safety related initiatives via forward looking test year
- Commission has authorized economic development extension tariff for high potential sites requiring natural gas
- Performance based incentives for gas supply management
- Base rate recovery is weather normalized

Constructive Legislation

- HB 207 – *Codifies consumers' right to fuel diversity*
- HB 100 – *Governments may create and assess for special energy efficiency project districts*

Economic Landscape

- $100M in 2023 KY Product Development Initiative (PDI) funding which will significantly benefit CKY's eastern territory ED initiatives
- KY Ranked $5 in US in Economic Development success by Site Selection Magazine (#1 in South Central region) in Q2 2023

Key Riders/Constructs	Weighted Avg. Regulatory Lag
Safety Modification & Replacement Program (SMRP)	0 Months (Forward Looking Test Year)
Gas Costs	Forecasted with a True-Up to Actual

Footnotes:

(1) Compound annual growth between 2018A and 2022A
(2) JD Power Scores – CKY' does not meet residential customer threshold for syndicated survey but ranked #1 in Midwest Midsize Segment
(3) Recognized at Governor's Conference on Energy & Environment Oct 2023
(4) Revenue mix based on net revenues for the year ending 2022
(5) 3 teams will celebrate five-year safety milestones in 2023

COLUMBIA GAS OF MARYLAND (CMD)

Business Profile

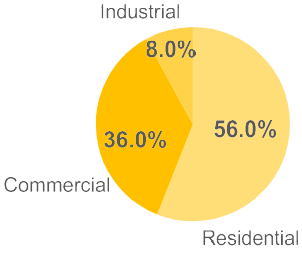


Unique Insights/Opportunities

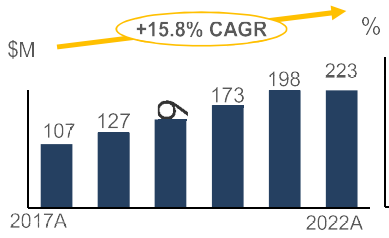
108
Miles of cast Iron/Bare Steel pipeline replaced since 2008

0
PHMSA/DOT reportable incidents in 2021-3Q23

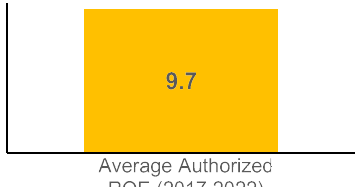
Net Revenue Mix[2]



Rate Base



Return on Equity



Regulatory Landscape

- Forward-looking annual infrastructure replacement and improvement surcharge (IRIS) recovers age and condition investment
- Revenue normalization enables full recovery of residential distribution revenue
- IRIS filings supplemented by periodic rate cases
- Tariff provisions allow for modest customer growth.

Constructive Legislation

- STRIDE Act – *Prospective cost recovery for age and condition investment.*

Key Riders/Constructs	Weighted Avg. Regulatory Lag
Strategic Infrastructure Development & Enhancement (STRIDE)	0 Months
Energy Efficiency Rider	Deferred
Fuel Costs (inc. Bad Debt)	Deferred
Environmental	Deferred

Footnotes:
(1) Compound annual growth between 2018A and 2022A
(2) Revenue mix based on net revenues for the year ending 2022

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

ENVIRONMENTAL

- Expected to retire 100% of coal assets by 2028 and replace primarily with renewables
- On track for 90% reduction* in greenhouse gas emissions by 2030
- Reduction in methane emissions through modernization and advanced leak detection and repair
- Actionable pathways to achieve Net Zero Goal by 2040 with support from key stakeholders
- Establishment of customer opportunities to reduce greenhouse gas emissions

SOCIAL

- Transformation focused on customer safety, reliability and affordability
- Published 2023 ESG Report
- Enhancing DE&I initiatives across the organization
  - Executive Leadership Team consists of ~75% women and minorities
  - Board consists of ~58% women and minorities
  - Advancing economic inclusion initiatives including a goal of 25% diverse supplier spend by 2025
- Supporting cultural awareness initiatives and development opportunities for under-represented groups

GOVERNANCE

- Leadership enhancements support commitment to customer service and safety
- Diverse, skilled, and independent Board
- 25% of Board refreshed in 2022, including two new female directors and additional utility experience
- Robust framework for strategy, risk management, and oversight
- Enhanced alignment of employee and executive incentive programs
- Cybersecurity management Sub-Committee reports to Risk Management Committee

TIME WORLD'S BEST COMPANIES statista 2023

Forbes 2023 BEST EMPLOYERS FOR DIVERSITY

America's Most Responsible Companies 2023 Newsweek statista

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

MSCI ESG RATINGS AAA

CCC | B | BB | BBB | A | AA | AAA

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* Scope 1 emissions, compared to 2005 baseline

NiSource's Corporate Strategy is Aligned with Commitment to Best-In-Class ESG Practices

SAFETY AND INFRASTRUCTURE INVESTMENT AND TRACKER FILING DETAILS

COMPANY	MECHANISM	INCREMENTAL INVESTMENTS		RECOVERY
		PERIOD	AMOUNT ($M)	EFFECTIVE DATE
Columbia Gas of Ohio	Infrastructure Replacement Program (IRP)	FY 2021	$232.9	May 2022
		FY 2022	$316.3	May 2023
	Capital Expenditure Program (CEP)	FY 2021	$253.5	Sep 2022
		FY 2022	$265.6	Sep 2023
Columbia Gas of Virginia	Steps to Advance Virginia's Energy Plan (SAVE)	FY 2023	$45.9	Jan 2023
Columbia Gas of Kentucky	Safety Modification and Replacement Program (SMRP)	FY 2023	$41.6	Jan 2023
		FY 2024	$40.2	Jan 2024
Columbia Gas of Maryland	Strategic Infrastructure Development and Enhancement (STRIDE)	FY 2023	$18.0	Jan 2023
NIPSCO – Gas	Transmission, Distribution and Storage System Improvement Charge (TDSIC)	TDSIC 6: Jan 2022 – Feb 2023	$149.8	Sep 2023
		TDSIC 7: Mar 2023 – Aug 2023	$207.1	Mar 2024
	Federally Mandated Cost Adjustment Rider (FMCA)	FMCA 1: Oct 2021 – Mar 2022	$14.1	Oct 2022
		FMCA 2: Apr 2022 – Sep 2022	$38.2	Apr 2023
NIPSCO – Electric	Transmission, Distribution and Storage System Improvement Charge (TDSIC)	TDSIC 2: Feb 2022 - Jul 2022	$143.5	Feb 2023
		TDSIC 3: Jan 2023 – Aug 2023	$144.8	Sep 2024

NiSource Inc.

Schedule 1A - Reconciliation of Consolidated Net Income Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) (*unaudited*)

(in millions, except per share amounts)	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
GAAP Net Income Available to Common Shareholders	**$ 77.0**	$ 52.0	**$ 436.1**	$ 518.2
Adjustments to Operating Income :				
Operating Revenues:				
Weather - compared to normal	**9.0**	(10.4)	**47.2**	(21.7)
FAC adjustment[1]	**—**	—	**—**	8.0
Operating Expenses:				
NiSource Next initiative[2]	**—**	0.6	**—**	3.3
Massachusetts Business related amounts[3]	**—**	—	**—**	(105.0)
Total adjustments to operating income	**9.0**	(9.8)	**47.2**	(115.4)
Income Taxes:				
Tax effect of above items[4]	**(2.3)**	2.4	**(12.5)**	24.4
Preferred Dividends:				
Preferred dividends redemption premium[5]	**—**	—	**6.2**	—
Total adjustments to net income (loss)	**6.7**	(7.4)	**40.9**	(91.0)
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 83.7**	$ 44.6	**$ 477.0**	$ 427.2
Diluted Average Common Shares	**448.3**	443.4	**447.4**	441.7
GAAP Diluted Earnings Per Share[6]	**$ 0.17**	$ 0.12	**$ 0.98**	$ 1.18
Adjustments to diluted earnings (loss) per share	**0.02**	(0.02)	**0.09**	(0.21)
Non-GAAP Diluted Net Operating Earnings Per Share	**$ 0.19**	$ 0.10	**$ 1.07**	$ 0.97

[1] Represents fuel costs deemed over-collected from customers through the FAC mechanism and ordered to be refunded to customers.
[2] Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.
[3] Represents proceeds from a property insurance settlement related to the Greater Lawrence Incident.
[4] Represents income tax expense calculated using the statutory tax rates by legal entity.
[5] Represents the premium from our Series A Preferred Stock redemption calculated as the difference between the carrying value of the Series A Preferred Stock and the total amount of consideration paid to redeem.
[6] The GAAP Diluted Earnings Per Share numerator is equal to Net Operating Earnings Available to Common Shareholders adjusted for income allocated to participating securities and add-backs for interest expense incurred, net of tax, related to Series A Equity Unit purchase contracts.

NiSource Inc.

Schedule 1B - Reconciliation of Consolidated Net Income Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) (*unaudited*)

(in millions, except per share amounts)	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2021
GAAP Net Income Available to Common Shareholders	**$ 230.8**	$ 152.2	**$ 749.0**	$ 529.8
Adjustments to Operating Income:				
Operating Revenues:				
Weather - compared to normal	**(3.2)**	13.7	**(24.9)**	1.2
FAC adjustment[1]	**—**	**—**	**8.0**	**—**
Operating Expenses:				
Greater Lawrence Incident	**—**	1.2	**—**	9.2
Plant retirement costs	**—**	1.9	**—**	14.1
NiSource Next initiative[2]	**—**	2.6	**3.3**	24.7
Massachusetts Business related amounts[3]	**—**	**—**	**(105.0)**	6.8
Total adjustments to operating income	**(3.2)**	19.4	**(118.6)**	56.0
Other Income (Deductions):				
Interest rate swap settlement gain	**(10.0)**	**—**	**(10.0)**	**—**
Income Taxes:				
Tax effect of above items[4]	**3.4**	(4.9)	**27.8**	(14.6)
Total adjustments to net income	**(9.8)**	14.5	**(100.8)**	41.4
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 221.0**	$ 166.7	**$ 648.2**	$ 571.2
Diluted Average Common Shares	**445.9**	428.8	**442.7**	417.3
GAAP Diluted Earnings Per Share	**$ 0.52**	$ 0.36	**$ 1.70**	$ 1.27
Adjustments to diluted earnings per share	**(0.02)**	0.03	**(0.23)**	0.10
Non-GAAP Diluted Net Operating Earnings Per Share[5]	**$ 0.50**	$ 0.39	**$ 1.47**	$ 1.37

[1]Represents fuel costs deemed over-collected from customers through the FAC mechanism and ordered to be refunded to customers.
[2]Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.
[3]2022 represents proceeds from a property insurance settlement related to the Greater Lawrence Incident. 2021 primarily represents final net working capital adjustments to the purchase price for the loss incurred on the sale of the Massachusetts Business.
[4]Represents income tax expense calculated using the statutory tax rates by legal entity.
[5]The Non-GAAP diluted NOEPS numerator is equal to net operating earnings available to common shareholders adjusted for add-backs for interest expense incurred, net of tax, related to Series A Equity Unit purchase contracts. The add-backs for the three months ended December 31, 2022 and 2021were $0.5M and $0.6M, respectively.The add-back for the twelve months ended December 31, 2022 and 2021 were $2.0M and $1.6M, respectively.

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses (Benefits), and Income (Loss) (GAAP) to Operating Revenues, Expenses (Benefits), and Income (Loss) (Non-GAAP) (*unaudited*)

Three Months Ended September 30, 2023 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 531.5	$ 499.1	$ (3.2)	$ 1,027.4
Weather - compared to normal	0.8	8.2	—	9.0
Operating Revenues (Non-GAAP)	$ 532.3	$ 507.3	$ (3.2)	$ 1,036.4
Operating Expenses (Benefit) (GAAP)	$ 479.3	$ 323.3	$ (8.2)	$ 794.4
Adjustments	—	—	—	—
Operating Expenses (Non-GAAP)	$ 479.3	$ 323.3	$ (8.2)	$ 794.4
Operating Income (GAAP)	$ 52.2	$ 175.8	$ 5.0	$ 233.0
Total Revenue and Expense Adjustments to Operating Income	0.8	8.2	—	9.0
Operating Income (Non-GAAP)	$ 53.0	$ 184.0	$ 5.0	$ 242.0

Three Months Ended September 30, 2022 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 575.5	$ 516.5	$ (2.5)	$ 1,089.5
Adjustments				
Weather - compared to normal	(1.8)	(8.6)	—	(10.4)
Operating Revenues (Non-GAAP)	$ 573.7	$ 507.9	$ (2.5)	$ 1,079.1
Operating Expenses (GAAP)	$ 542.1	$ 393.2	$ (2.5)	$ 932.8
Adjustments				
NiSource Next initiative[2]	0.5	0.1	—	0.6
Operating Expenses (Non-GAAP)	$ 541.6	$ 393.1	$ (2.5)	$ 932.2
Operating Income (GAAP)	$ 33.4	$ 123.3	$ —	$ 156.7
Total Revenue and Expense Adjustments to Operating Income	(1.3)	(8.5)	—	(9.8)
Operating Income (Non-GAAP)	$ 32.1	$ 114.8	$ —	$ 146.9

See footnote descriptions contained with Schedule 1A

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Revenues, Expenses (Benefits), and Income (Loss) (GAAP) to Operating Revenues, Expenses (Benefits), and Income (Loss) (Non-GAAP) (*unaudited*)

Nine months ended September 30, 2023 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 2,731.8	$ 1,360.9	$ (9.3)	$ 4,083.4
Adjustments:				
Weather - compared to normal	36.5	10.7	—	47.2
Operating Revenues (Non-GAAP)	$ 2,768.3	$ 1,371.6	$ (9.3)	$ 4,130.6
Operating Expenses (GAAP)	$ 2,117.3	$ 1,053.6	$ (20.4)	$ 3,150.5
Adjustments:	—	—	—	—
Operating Expenses (Non-GAAP)	$ 2,117.3	$ 1,053.6	$ (20.4)	$ 3,150.5
Operating Income (GAAP)	$ 614.5	$ 307.3	$ 11.1	$ 932.9
Total Revenue and Expense Adjustments to Operating Income	36.5	10.7	—	47.2
Operating Income (Non-GAAP)	$ 651.0	$ 318.0	$ 11.1	$ 980.1

Nine months ended September 30, 2022 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Revenues (GAAP)	$ 2,759.6	$ 1,384.1	$ 2.3	$ 4,146.0
Adjustments:				
Weather - compared to normal	(4.8)	(16.9)	—	(21.7)
FAC refunds to customers[1]	—	8.0	—	8.0
Operating Revenues (Non-GAAP)	$ 2,754.8	$ 1,375.2	$ 2.3	$ 4,132.3
Operating Expenses (GAAP)	$ 2,134.8	$ 1,089.0	$ 21.9	$ 3,245.7
Adjustments:				
NiSource Next initiative[2]	2.6	0.7	—	3.3
Massachusetts Business related amounts[3]	(105.0)	—	—	(105.0)
Operating Expenses (Non-GAAP)	$ 2,237.2	$ 1,088.3	$ 21.9	$ 3,347.4
Operating Income (Loss) (GAAP)	$ 624.8	$ 295.1	$ (19.6)	$ 900.3
Total Revenue and Expense Adjustments to Operating Income (Loss)	(107.2)	(8.2)	—	(115.4)
Operating Income (Loss) (Non-GAAP)	$ 517.6	$ 286.9	$ (19.6)	$ 784.9

See footnote descriptions contained with Schedule 1A

NiSource Inc.

Schedule 3 - Reconciliation by of Net Cash Flows from Operating Activities to FFO to Debt (Adjusted)
(Non-GAAP) (*unaudited*)

Annual FFO/Debt Reconciliation

($ in millions)

	2022	2021
Net Cash Flows from Operating Activities	1,409.4	1,217.9
Changes to Working Capital		
- Accounts Receivable	(216.3)	(40.3)
- Inventories	(258.9)	(112.9)
- Accounts Payable	165.0	54.9
- Exchange gas receivable/payable	57.8	(114.2)
- Other accruals	73.4	43.0
- Prepayments and other current assets	(9.8)	(36.6)
Other Adjustments		
- 50% of Preferred Dividends (Series A & B)	27.6	27.6
Funds from Operations (Adjusted)	**1,570.7**	**1,396.5**
Long-term debt	9,523.6	9,183.4
+ Current portion of long-term debt	30.0	58.1
+ Short-term borrowings	1,761.9	560.0
Other Adjustments		
+ 50% Preferred Equity (Series A & B)	440.0	440.0
Total Adjusted Debt	**11,755.5**	**10,241.5**
FFO to Debt (Adjusted)	**13.4%**	**13.6%**

NOTE: Methodology will be adjusted for the Minority Interest transaction going forward

Columbia Gas of Pennsylvania, Inc.

Standard Data Request

Rate of Return

Question No. GAS-ROR-007:

Please provide a listing of all securities issuances for the Company and, if applicable, its parent projected for the next two years. The response should identify for each projected issuance the date, dollar amount, type of security, and effective cost rate.

Response:

Columbia Gas of Pennsylvania, Inc.:

The Company plans on issuing the debt below to meet business needs.

Issue Date		Principal		Coupon		Maturity
September 2024		$40 million		6.25%		30 Year
December 2024		$105 million		6.25%		30 Year
December 2025		$150 million		6.00%		30 Year

Note: The coupons are based upon U.S. Treasury yield forecasts obtained from Bloomberg L.P. plus NiSource's BBB+ credit spread.

NiSource Gas Distribution Group, Inc. ("NGD"):

NGD does not issue securities.

Columbia Gas of Pennsylvania, Inc.

Standard Data Request

Rate of Return

Question No. GAS-ROR-008:

Please identify all of the Company's and, if applicable, its parent's publicly underwritten common stock issuances written in the last five years. Identify which such issuances were related to mergers or acquisitions, and which were undertaken to fund facility investments in utility plant and equipment.

Response:

Columbia Gas of Pennsylvania, Inc. (Company) is a wholly owned subsidiary of NiSource Gas Distribution Group, Inc., which is a wholly owned subsidiary of NiSource Inc. (Parent). All equity of the Company is held by the Parent and is not publicly traded.

Response: NiSource Inc.

NiSource Inc. has not issued any shares of its common stock over the last five years (2019-2023) through an underwritten public offering. However, NiSource Inc. has issued 53,648,357 shares of common stock during the time period 2019-2023 by means of the respective types of transactions listed below. None of the proceeds were used to fund mergers or acquisitions. Proceeds were used for investments in utility plant and equipment and other general corporate purposes.

Type	Shares Issued
At the Market Offerings	See Attachment A
401(k) and other employee benefit plans	

		Shares
401(k)		
	2019	630,393
	2020	543,576
	2021	390,809
	2022	336,777
	2023	366,148
		2,267,703
ESPP		
	2019	201,147
	2020	236,323
	2021	208,739
	2022	186,092
	2023	216,236
		1,048,537
Omnibus Plan		
	2019	517,988
	2020	385,042
	2021	418,209
	2022	379,262
	2023	757,848
		2,458,349
ATM 2018		
	2019	8,422,498
	2020	8,459,430
	2021	12,525,215
	2022	5,941,590
	2023	-
		35,348,733
ATM 2021		
	2021	12,525,215
Total Issued		53,648,537

Columbia Gas of Pennsylvania, Inc.

Standard Data Request

Rate of Return

Question No. GAS-ROR-009:

Please identify any plan by the Company to refinance high cost long-term debt or preferred stock.

Response:

There are currently no plans to refinance existing long term debt; debt will be refinanced in normal course at maturity. The Company does not have preferred stock outstanding.