



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
400 NORTH STREET, HARRISBURG, PA 17120

IN REPLY PLEASE  
REFER TO OUR FILE

May 30, 2024

G-2017-2619362

THEODORE J GALLAGHER  
121 CHAMPIONSHIP WAY  
SUITE 100  
CANONSBURG PA 15317

Re: Modifications to System Money Pool Agreement

Dear Mr. Gallagher:

On December 5, 2001, at Docket No. G-00010908, the Commission approved the initial Money Pool Agreement (Agreement) among NiSource Inc. (NiSource) and several of its utilities, one of which is Columbia Gas of Pennsylvania, Inc. (Columbia). The purpose of the Agreement was to enable Columbia and its affiliates to establish a pool of funds from which they can borrow on a short-term basis. On October 25, 2017, via Secretarial Letter, the Commission approved a revised version of the Agreement which removed certain financing subsidiaries.

On January 31, 2024, Columbia filed, pursuant to 66 Pa. C.S. Chapter 21, an amendment to the Agreement. On February 7, 2024, the Commission extended the consideration period.

Columbia has filed the revised Agreement as a result of NiSource's determination that Northern Indiana Public Service Company LLC (NIPSCO), NIPSCO Accounts Receivable Corporations (NARC), and Central Kentucky Transmission Company (CKT) be removed as eligible borrowers and the addition of NIPSCO Holdings I LLC<sup>1</sup> (Holdings I) as an eligible borrower.

NIPSCO and its subsidiary, NARC, are no longer part of the NiSource consolidated group for tax purposes.<sup>2</sup> As such, there is a risk that the repayments of loans under the Agreement could be recharacterized as a distribution on equity which could result in negative tax consequences. Therefore, NiSource has determined that it is in the best interest of all parties to the Agreement that NIPSCO and NARC should be removed as eligible borrowers from the Agreement. Additionally, CKT shall also be removed as an eligible borrower as NiSource dissolved CKT in September 2023.

NiSource has further determined that Holdings I should be added as an eligible borrower to the agreement. NiSource avers that Holdings I expects to incur costs from certain routine administrative services, such as accounting and legal services, performed by its affiliate shared

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<sup>1</sup> Holdings I is a wholly-owned, direct subsidiary of NiSource and holds an 80.1% indirect interest in NIPSCO.

<sup>2</sup> On December 31, 2023, Blackstone Infrastructure Partners acquired a 19.9% indirect interest in NIPSCO.

services organization, NiSource Corporate Services Company. Holdings I also expects to make and receive interest and principal payments due under existing intercompany borrowing arrangements

Upon review of the filing, it does not appear that the removal of NIPSCO, NARC, and CKT from, as well as the addition of Holdings I to, the revised Agreement is unreasonable or contrary to the public interest. Therefore, this filing is approved. However, approval of this filing does not constitute a determination that such filing is consistent with the public interest, and that the associated costs or expenses are reasonable or prudent for the purposes of determining just and reasonable rates. Furthermore, the Commission's approval is contingent upon the possibility that subsequent audits, reviews, and inquiry, in any Commission proceeding, may be conducted, pursuant to 66 Pa. C.S. §§2102, *et seq.*

In addition, this approval will apply only to the agreement(s), service(s), matters, and parties specifically and clearly defined under this instant filing as well as any associated and previously filed filings.

Sincerely,

A handwritten signature in black ink, appearing to read "Rosemary Chiavetta". The signature is written in a cursive, flowing style.

Rosemary Chiavetta  
Secretary