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COMMISSION

February 15, 2013

Mr. Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, KY 40602

**RE: 2013-                      – Application of Columbia Gas of Kentucky Inc.  
for Approval of a Stock Transfer**

Dear Mr. Derouen:

Columbia Gas of Kentucky, Inc. ("Columbia") hereby submits for filing an original and ten (10) copies of an application in a new case. If you have questions, please don't hesitate to contact me at 859-288-0242 or [jmcoop@nisource.com](mailto:jmcoop@nisource.com).

Sincerely,



Judy M. Cooper  
Director, Regulatory Policy

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Joint Application of NiSource Inc., )  
Columbia Energy Group and ) Case No. 2013-  
Columbia Gas of Kentucky, Inc. for )  
Approval of a Stock Transfer )

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JOINT APPLICATION

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NiSource Inc. ("NiSource"), Columbia Energy Group ("CEG") and Columbia Gas of Kentucky, Inc. ("Columbia") (collectively referred to as "Applicants") hereby request that the Public Service Commission of Kentucky ("Commission") approve a transaction that will result in the transfer of ownership and control of Columbia within the NiSource family of companies. All of Columbia's stock will be transferred to a new entity, NiSource Gas Distribution Group, Inc. ("NGD"). This Joint Application is filed with the Commission pursuant to KRS § 278.020(5) and (6), and pursuant to the Commission's June 30, 2000 Order in Case No. 2000-129.

## APPLICANTS

1. NiSource is a corporation organized under the laws of the state of Delaware. The post office address for NiSource is 801 East 86<sup>th</sup> Avenue, Merrillville, IN 46410. A certified copy of NiSource's Certificate of Incorporation and all amendments thereto is attached hereto as Attachment A. NiSource is an energy and utility-based holding company that provides natural gas and electricity to the public for residential, commercial and industrial uses in the Midwest and Northeast United States. NiSource, through its subsidiaries, also markets utility services and customer-focused resource solutions along a corridor stretching from Texas to Massachusetts. Other than Columbia, neither NiSource nor any of its direct or indirect subsidiaries is a utility regulated by the Commission pursuant to KRS § 278.010(3).

2. NiSource Gas Distribution Group is not yet in existence, but once formed it will be a corporation organized under the laws of the state of Delaware. The post office address for NGD will be 801 East 86<sup>th</sup> Avenue, Merrillville, IN 40610. NGD will be a wholly-owned subsidiary of NiSource. NGD will not be a utility regulated by the Commission pursuant to KRS § 278.010(3).

3. Columbia Energy Group (formerly known as The Columbia Gas System, Inc.) is a corporation organized under the laws of the state of Delaware. The post office address for CEG is 801 East 86<sup>th</sup> Avenue, Merrillville, IN 46410. A certified copy of CEG's Restated Certificate of Incorporation and all amendments thereto is attached hereto as Attachment B. As a result of the merger between NiSource and CEG, approved by the Commission in an Order dated June 30, 2000 in Case No. 2000-129, CEG is a wholly owned subsidiary of NiSource. CEG is not a utility regulated by the Commission pursuant to KRS § 278.010(3).

4. Columbia Gas of Kentucky is a corporation organized under the laws of the Commonwealth of Kentucky. The post office address for Columbia Gas of Kentucky is 2001 Mercer Road, P.O. Box 14241, Lexington, KY 40512-4241. A certified copy of Columbia's Articles of Incorporation and all amendments thereto is attached hereto as Attachment C. Columbia is a wholly owned subsidiary of CEG. Columbia is a utility regulated by the Commission under KRS § 278.010(3), and presently serves over 134,000 customers in 30 Kentucky counties.

5. NiSource's current organizational structure is depicted in the chart attached hereto as Attachment D.

## THE TRANSACTION

6. NiSource acquired CEG and 49 subsidiaries, including Columbia Gas of Kentucky on November 1, 2000. Since that time, NiSource has sold, dissolved or merged out of existence 39 of these subsidiaries and has created another 22 under CEG. CEG remains a Delaware corporation and direct wholly owned subsidiary of NiSource. NiSource's business model has changed significantly since the acquisition of CEG. Since that time, NiSource's businesses have been aggregated into three distinct lines of business (or business segments) with separate management of each segment. Those businesses are NiSource Gas Distribution, NiSource Gas Transmission and Storage, and Northern Indiana Energy. NiSource intends that the entity currently known as CEG will be renamed Columbia Pipeline Group, Inc. ("CPG"). CPG will become a holding company for entities that primarily relate to the NiSource Gas Transmission and Storage business segment. Entities currently being held by CEG, such as Columbia, that do not relate to CPG will be moved under holding companies associated with business segments to which they relate. NiSource plans to move Columbia under a new holding company – NGD, a Delaware corporation and a direct wholly owned subsidiary of NiSource. This will be accomplished by CEG dividenting 100% of Columbia's stock to NiSource and then NiSource

contributing that stock into NGD. NiSource's proposed organizational structure is depicted in the chart attached hereto as Attachment E. This change will enhance NiSource's corporate structure's fit and focus to facilitate management along its respective distinct business segments. NiSource intends that similar changes will be made throughout its corporate structure to facilitate management of its various businesses along its three distinct business segments.

7. Upon consummation of the two-step stock transfer, Columbia will become a wholly-owned subsidiary of NGD. NGD will be a wholly-owned subsidiary of NiSource. Columbia and the other operating subsidiaries that will become wholly-owned subsidiaries of NGD will retain their separate corporate identities, assets and liabilities, franchises and certificates of public convenience and necessity.

8. This corporate realignment and stock transfer will result in a change in the direct ownership of Columbia, but not the ultimate ownership of Columbia by NiSource. However, the stock transfer will not change the manner in which Columbia provides gas sales and distribution service within the Commonwealth. The stock transfer will be transparent to Columbia's customers.

## STATUTORY CRITERIA FOR APPROVAL OF THE STOCK TRANSFER

9. KRS § 278.020(5) provides that:

No person shall acquire or transfer ownership of, or control, or the right to control, any utility under the jurisdiction of the commission by sale of assets, transfer of stock, or otherwise, or abandon the same, without prior approval by the commission. The commission shall grant its approval if the person acquiring the utility has the financial, technical, and managerial abilities to provide reasonable service.

10. KRS § 278.020(6) further provides that no entity “shall acquire control, either directly or indirectly, of any utility furnishing service in this state, without having first obtained the approval of the commission.” The same statute further provides that, “[t]he commission shall approve any proposed acquisition when it finds that the same is to be made in accordance with law, for a proper purpose and is consistent with the public interest.”

11. KRS § 278.020(7)(b) provides that KRS § 278.020(6) does not apply to acquisition of control of a utility when the acquirer is under common control with the utility , “including any entity created at the direction of such utility for purposes of corporate reorganization.”

12. On June 30, 2000 the Commission issued an Order in Case No. 2000-129. That Order approved the merger between NiSource and CEG. Incorporated into Order were a number of commitments made by NiSource and

CEG. Appendix A of the Order, page 8, *Other Commitments and Assurances* paragraph number 2 provides, "NiSource, Columbia Energy, and Columbia of Kentucky commit that either NiSource or Columbia Energy shall hold 100 percent of the common stock of Columbia of Kentucky and that Columbia Energy shall not transfer any of that stock without prior Commission approval even if the transfer is pursuant to a corporate reorganization as defined in KRS § 278.020(6)(b)."<sup>1</sup> Thus, KRS § 278.020(5) and (6) are both applicable to the proposed stock transfer that is the subject of this Application. In the absence of the Order in Case No. 2000-129, the stock transfer described herein would not require Commission approval. As demonstrated below, the proposed stock transfer satisfies the statutory criteria.

#### **THE STOCK TRANSFER IS IN ACCORDANCE WITH LAW**

13. The stock transfer will be effected only after NiSource and Columbia Energy have obtained all necessary regulatory approvals, and the stock transfer will be consummated in a manner that is consistent with all applicable laws.

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<sup>1</sup> Subsequent to the issuance of the Order in Case No. 2000-129, KRS § 278.020 was amended so that what at that time was KRS § 278.020(6)(b) is now KRS § 278.020(7)(b).



14. While the stock transfer will change the identity of the corporation ultimately owning Columbia, it will not impair or adversely affect the manner in which Columbia provides service to customers. The stock transfer will not diminish the Commission's regulatory authority over Columbia in any way. Accordingly, Columbia will continue to provide service under the tariffs it has on file with the Commission, and will continue to be governed by all applicable rules and regulations of the Commission.

#### **THE STOCK TRANSFER IS FOR A PROPER PURPOSE**

15. NiSource's business model has changed significantly since the acquisition of CEG. Since that time, NiSource's businesses have been aggregated into three distinct lines of business (or business segments) with separate management of each segment. Those businesses are NiSource Gas Distribution, Columbia Gas Transmission and Storage, and Northern Indiana Energy. NiSource intends that the entity currently known as CEG will be renamed Columbia Pipeline Group, Inc. CPG will become a holding company for entities that primarily relate to the NiSource Gas Transmission and Storage business segment. Entities currently being held by CEG, such as Columbia, that do not relate to CPG will be moved under holding companies associated with business

segments to which they relate. NiSource plans to move Columbia under a new holding company – NGD, a direct wholly owned subsidiary of NiSource. This will be accomplished by CEG divesting 100% of Columbia’s stock to NiSource and then NiSource contributing that stock into NGD. This change will enhance NiSource’s corporate structure’s fit and focus to facilitate management of Columbia along its respective distinct business segment. NiSource intends that similar changes will be made throughout its corporate structure to facilitate management of its various businesses along its three distinct business segments. Columbia will continue to be a regulated utility with a focus on serving customers in Kentucky and developing the economy of Kentucky. The stock transfer is therefore for a proper purpose.

**THE STOCK TRANSFER IS CONSISTENT WITH THE PUBLIC INTEREST**

16. The stock transfer will have no detrimental impact on Kentucky or Kentucky consumers because it is a simple stock transfer that does not contemplate changes to Columbia’s operations. Thus, the stock transfer will not result in any change to Columbia’s rates, terms, or conditions of service, the quality of those services, or the Commission’s regulatory authority over Columbia.

17. Columbia's headquarters will remain in Lexington, and key management personnel will be retained. Decision-making authority for Columbia will continue to reside with the Lexington management. This stock transfer does not contemplate any changes in local operations or the employee workforce. Columbia's collective bargaining agreement will be honored. Thus, the stock transfer is not expected to have any impact on employment.

18. Columbia intends to continue to provide charitable contributions and community support within its service area at levels substantially comparable to the levels of charitable contributions and community support provided before the stock transfer.

19. Columbia will continue to support economic development within its service area and throughout the Commonwealth. Columbia currently works closely with state and local economic development agencies to attract or retain business and jobs in the Commonwealth, and this working relationship will continue after the stock transfer.

20. NiSource has no other operating company in Kentucky, and Columbia is not being combined with any NiSource operating affiliate. This stock transfer thus has no impact on competition.

**NISOURCE GAS DISTRIBUTION GROUP WILL HAVE THE FINANCIAL ABILITY TO PROVIDE REASONABLE SERVICE**

21. Columbia Gas of Kentucky will not issue any new equity or indebtedness to effect, or as a result of, the stock transfer.

22. Following the stock transfer, Columbia will continue to benefit from NiSource's policy of attaining and maintaining investment grade credit ratings for its subsidiaries. Columbia will also continue to benefit from NiSource's management and operational policies to minimize costs while maintaining safe, reliable customer service, as well as NiSource's policy to make capital available at favorable terms to fund Columbia's total capital requirements as necessary. This remains true once Columbia's stock is transferred from CEG to NGD.

23. The transfer of Columbia's stock from CEG to NGD will not impact NiSource's market capitalization.

24. NiSource expects to maintain a capital structure consistent with the capital structures of utilities of similar size. NiSource and its subsidiaries are to expected to remain investment grade, with long-term debt rated BBB- or better.

**COLUMBIA, AS PART OF NGD, WILL CONTINUE TO HAVE THE  
TECHNICAL ABILITY TO PROVIDE REASONABLE SERVICE**

25. NiSource and Columbia are well respected in the utility industry for their technical expertise. The transfer of Columbia's stock from CEG to NGD will have no impact on this technical expertise. The stock transfer will enable NiSource and Columbia to continue to leverage strong utility brands while offering customers access to a comprehensive choice of products and services. The only change for Columbia will be the change in its direct parent company, but the ultimate owner will remain NiSource.

26. NiSource's combined base of electric and gas assets will continue to enhance the marketing and delivery of complementary energy products and services through assured energy supplies, and a broad knowledge of a wide range of energy products. This availability of complementing energy products is unaffected by the transfer of Columbia's stock from CEG to NGD.

**THE COMBINED COMPANY HAS THE MANAGERIAL ABILITY TO  
PROVIDE REASONABLE SERVICE**

27. NiSource and Columbia will continue to be able to draw upon the expertise and abilities of a diverse management pool and employee pool, and will remain able to attract and retain the most qualified employees. The transfer

of Columbia's stock from CEG to NGD will result in no management changes for Columbia, and Columbia's provision of service to customers will not be affected by the stock transfer.

#### **TESTIMONY**

28. This application is supported by the testimony of Herbert A. Miller, Jr., President of Columbia Gas of Kentucky, Inc.

#### **CONCLUSION**

29. The proposed stock transfer is to be made in accordance with law, is for a proper purpose, and is consistent with the public interest. Furthermore, NiSource and Columbia will continue to have the financial, technical and managerial abilities to provide reasonable service. Therefore, the Commission should approve the proposed stock transfer pursuant to KRS § 278.020(5) and (6).

**WHEREFORE**, NiSource Inc., the Columbia Energy Group and Columbia Gas of Kentucky, Inc. respectfully request that the Public Service Commission of the Commonwealth of Kentucky:

1. Issue an Order approving the stock transfer described in this Joint Application, and finding that the stock transfer is in accordance with the law, is

for a proper purpose and is consistent with the public interest pursuant to KRS § 278.020(6);

2. Issue an Order approving the stock transfer, and finding that upon consummation of the stock transfer Columbia Gas of Kentucky will retain the technical, financial and managerial ability to provide reasonable service in the Commonwealth pursuant to KRS § 278.020(5);

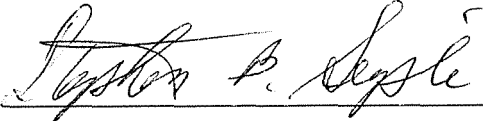
3. Issue an Order granting the Applicants all additional authorizations and relief required for the completion of the stock transfer; and,

4. Issue an Order granting the Applicants all other relief to which they may be entitled.

Dated at Columbus, Ohio, this 19th day of February, 2013.

Respectfully submitted,

**COLUMBIA GAS OF KENTUCKY, INC.**

By: 

Stephen B. Seiple  
Assistant General Counsel

Stephen B. Seiple, Asst. General Counsel  
Brooke E. Leslie, Senior Counsel  
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Attorneys for  
**NISOURCE INC.**  
**THE COLUMBIA ENERGY GROUP**  
**COLUMBIA GAS OF KENTUCKY, INC.**





AFFIDAVIT

STATE OF INDIANA)

) SS:


LAKE COUNTY )

Gary W. Pottorff, being first duly cautioned and sworn, deposes and says that he is the Vice President Ethics Compliance and Corporate Secretary of the Columbia Energy Group, an Applicant herein, that the statements and schedules submitted herewith establish the facts and grounds upon which this Joint Application is based, and that the data and facts set forth herein are true to the best of his knowledge and belief.

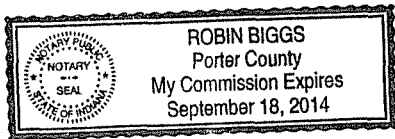


Gary W. Pottorff  
Vice President Ethics Compliance and Corporate Secretary

Sworn to before me and subscribed in my presence this 14 of February, 2013.

  
\_\_\_\_\_  
Notary Public

SEAL



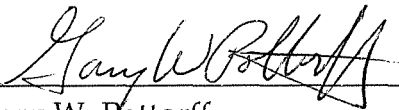
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STATE OF INDIANA )

) SS:

LAKE COUNTY )

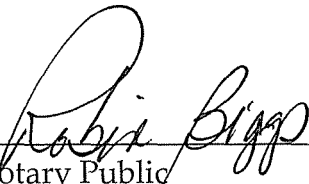
Gary W. Pottorff, being first duly cautioned and sworn, deposes and says that he is the Vice President Ethics Compliance and Corporate Secretary of NiSource Inc., an Applicant herein, that the statements and schedules submitted herewith establish the facts and grounds upon which this Joint Application is based, and that the data and facts set forth herein are true to the best of his knowledge and belief.

  
\_\_\_\_\_

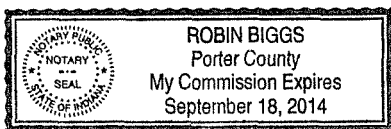
Gary W. Pottorff

Vice President Ethics Compliance and Corporate Secretary

Sworn to before me and subscribed in my presence this 14 of February 2013.

  
\_\_\_\_\_  
Notary Public

SEAL



**ATTACHMENT A**  
**CERTIFICATE OF INCORPORATION OF**  
**NISOURCE INC.**

**CERTIFICATE OF INCORPORATION**

**OF**

**NISOURCE INC.**

**As Amended Through**

**November 1, 2000**

AMENDED AND RESTATED  
CERTIFICATE OF INCORPORATION  
OF  
NISOURCE INC.

**Article I  
Name**

The name of this Corporation is NiSource Inc.

**Article II  
Registered Office**

The registered office of the Corporation in the State of Delaware is located at Corporation Service Company, 2711 Centerville Road, Suite 400, in the City of Wilmington, County of New Castle. The name of its registered agent is Corporation Service Company, and the address of said registered agent is 2711 Centerville Road, Suite 400, in said city.

**Article III  
Statement of Purpose**

The nature of the business to be conducted and the purposes of the Corporation are to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law, as amended.

**Article IV  
Classes of Capital Stock**

The total number of shares of all classes of stock which the Corporation shall have authority to issue is Four hundred twenty million (420,000,000), of which Twenty million (20,000,000) shares of the par value \$.01 each are to be of a class designated Preferred Stock and Four hundred million (400,000,000) shares of the par value of \$.01 each are to be of a class designated Common Stock.

**A. Common Stock**

1. Subject to the powers, preferences and other special rights afforded Preferred Stock by the provisions of this Article IV or resolutions adopted pursuant hereto, the holders of the Common Stock shall be entitled to receive, to the extent permitted by Delaware law, such

dividends as may from time to time be declared by the Board of Directors.

2. Except as otherwise required by Delaware law and as otherwise provided in this Article IV and resolutions adopted pursuant hereto with respect to Preferred Stock, and subject to the provisions of the Bylaws of the Corporation, as from time to time amended, with respect to the closing of the transfer books and the fixing of a record date for the determination of stockholders entitled to vote, the holders of the Common Stock shall exclusively possess voting power for the election of directors and for all other purposes, and the holders of the Preferred Stock shall have no voting power and shall not be entitled to any notice of any meeting of stockholders.

3. Except as may otherwise be required by law, this Amended and Restated Certificate of Incorporation or the provisions of the resolution or resolutions as may be adopted by the Board of Directors pursuant to this Article IV with respect to Preferred Stock, each holder of Common Stock, and each holder of Preferred Stock, if entitled to vote on such matter, shall be entitled to one vote in respect of each share of Common Stock or Preferred Stock, as the case may be, held by such holder on each matter voted upon by stockholders, and any such right to vote shall not be cumulative.

4. Any action required or permitted to be taken by the stockholders of the Corporation must be effected at an annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders. Except as otherwise required by law and subject to the rights of the holders of any class or any series of Preferred Stock, special meetings of stockholders of the Corporation may be called only by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption).

5. In the event of the voluntary or involuntary liquidation, dissolution, distribution of assets or winding-up of the Corporation, after distribution in full of the preferential amounts, if any, to be distributed to the holders of Preferred Stock, as set forth in this Article IV or the resolutions adopted with respect to such series under this Article IV, holders of Common Stock shall be entitled to receive all of the remaining assets of the Corporation of whatever kind available for distribution to the stockholders ratably and in proportion to the number of shares of Common Stock held by them respectively. The Board of Directors may distribute in kind to the holders of Common Stock such remaining assets of the Corporation or may sell, transfer, otherwise dispose of all or any part of such remaining assets to any other corporation, trust or other entity and receive payment therefor in cash, stock or obligations of such other corporation, trust or other entity, or a combination thereof, and may set all or make any part of the consideration so received and distributed or any balance thereof in kind to holders of Common Stock. The merger or consolidation of the Corporation into or with any other corporation, or the merger of any other corporation into it, or any purchase or redemption of shares of stock of the Corporation of any class, shall not be deemed to be a dissolution, liquidation, or winding-up of the Corporation for the purposes of this Article IV.

## B. Preferred Stock

The express grant of authority to the Board of Directors of the Corporation to fix by resolution or resolutions the designations and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of the shares of Preferred Stock that are not fixed by this Amended and Restated Certificate of Incorporation is as follows:

1. The Preferred Stock may be issued from time to time in any amount, not exceeding in the aggregate the total number of shares of Preferred Stock herein above authorized, reduced by the number of shares of Preferred Stock designated under Section C of this Article IV, as Preferred Stock of one or more series, as hereinafter provided. All shares of any one series of Preferred Stock shall be alike in every particular, each series thereof shall be distinctively designated by letter or descriptive words, and all series of Preferred Stock shall rank equally and be identical in all respects except as permitted by the provisions of Subsection B.2 of this Article IV.

2. Authority is hereby expressly granted to and vested in the Board of Directors from time to time to issue the Preferred Stock as Preferred Stock of any series and in connection with the creation of each such series to fix, by the resolution or resolutions providing for the issue of shares thereof, the voting powers, designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, if any, of such series, to the full extent now or hereafter permitted by the laws of the State of Delaware. Pursuant to the foregoing general authority vested in the Board of Directors, but not in limitation of the powers conferred on the Board of Directors thereby and by the laws of the State of Delaware, the Board of Directors is expressly authorized to determine with respect to each series of Preferred Stock other than the series designated under Section C of this Article IV:

- (a) the designation of such series and number of shares constituting such series;
- (b) the dividend rate or amount of such series, the payment dates for dividends on shares of such series, the status of such dividends as cumulative or non-cumulative, the date from which dividends on shares of such series, if cumulative, shall be cumulative, and the status of such as participating or non-participating after the payment of dividends as to which such shares are entitled to any preference;
- (c) the price or prices (which amount may vary under different conditions or at different dates) at which, and the times, terms and conditions on which, the shares of such series may be redeemed at the option of the Corporation;
- (d) whether or not the shares of such series shall be made optionally or mandatorily convertible into, or exchangeable for, shares of any other class or classes or of any other series of the same or any other class or classes of stock of the Corporation or other securities and, if made so convertible or exchangeable, the conversion price or prices, or the rates of exchange, and the adjustments thereof, if any, at which such conversion or exchange may be made and any other terms and conditions of such conversion or exchange;



- (e) whether or not the shares of such series shall be entitled to the benefit of a retirement or sinking fund to be applied to the purchase or redemption of shares of such series, and if so entitled, the amount of such fund and the manner of its application, including the price or prices at which shares of such series may be redeemed or purchased through the application of such fund;
- (f) whether or not the issue of any additional shares of such series or any future series in addition to such series or of any shares of any other class of stock of the Corporation shall be subject to restrictions and, if so, the nature thereof;
- (g) the rights and preferences, if any, of the holders of such series of Preferred Stock upon the voluntary or involuntary liquidation, dissolution or winding-up of the Corporation, and the status of the shares of such series as participating or non-participating after the satisfaction of any such rights and preferences;
- (h) the full or limited voting rights, if any, to be provided for shares of such series, in addition to the voting rights provided by law; and
- (i) any other relative powers, preferences and participating, optional or other special rights and the qualifications, limitations or restrictions thereof, of shares of such series;

in each case, so far as not inconsistent with the provisions of this Amended and Restated Certificate of Incorporation or the Delaware General Corporation Law then in effect.

### **C. Series A Junior Participating Preferred Stock.**

The designation and number of shares, and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of a series of Preferred Stock are fixed by this Section C of ARTICLE IV as follows:

1. Designation and Amount. The shares of such series shall be designated as “Series A Junior Participating Preferred Stock” (the “Series A Preferred Stock”) and the number of shares constituting the Series A Preferred Stock shall be 4,000,000.

2. Dividends and Distributions.

(a) Subject to the rights of the holders of any shares of any series of Preferred Stock (or any similar shares) ranking prior and superior to the Series A Preferred Stock with respect to dividends, the holders of Series A Preferred Stock, in preference to the holders of Common Stock and of any other junior shares, shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the 20th day of February, May, August and November in each year (each such date being referred to herein as a “Quarterly Dividend Payment Date”), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of Series A Preferred Stock, in an amount per share (rounded to the nearest cent) equal to the greater of (i) \$26 or (ii) subject to the provision for adjustment hereinafter set forth, 100 times the aggregate per

share amount of all cash dividends, and 100 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions, other than a dividend payable in Common Stock or a subdivision of the outstanding Common Stock (by reclassification or otherwise), declared on the Common Stock since the immediately preceding Quarterly Dividend Payment Date or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share of Series A Preferred Stock or fraction of a share of Series A Preferred Stock. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding Common Stock (by reclassification or otherwise than by payment of a dividend in Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount to which holders of Series A Preferred Stock were entitled immediately prior to such event under clause (b) of the preceding sentence shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(b) The Corporation shall declare a dividend or distribution on the Series A Preferred Stock as provided in paragraph 2(a) of this Section C immediately after it declares a dividend or distribution on the Common Stock (other than a dividend payable in shares of Common Stock); provided that, in the event no dividend or distribution shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of \$26 per share on the Series A Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

(c) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Preferred Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of Series A Preferred Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date, in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the Series A Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date for the determination of holders of Series A Preferred Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be not more than 60 days prior to the date fixed for the payment thereof.

3. Voting Rights. The holders of Series A Preferred Stock will have the following voting rights:

(a) Subject to the provision for adjustment hereinafter set forth, each share of Series A Preferred Stock shall entitle the holder thereof to 100 votes on all matters submitted to a vote of the stockholders of the Corporation. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the number of votes per share to which holders of Series A Preferred Stock were entitled immediately prior to such event shall be adjusted by multiplying such number by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(b) Except as otherwise provided in this Amended and Restated Certificate of Incorporation, in any resolution creating a series of Preferred Stock or by law, the holders of Series A Preferred Stock and the holders of Common Stock and any other capital stock of the Corporation having general voting rights shall vote together as one class on all matters submitted to a vote of stockholders of the Corporation.

(c) If at the time of any annual meeting of stockholders for the election of directors a “default in preference dividends” on the Series A Preferred Stock shall exist, the number of directors constituting the Board of Directors of the Corporation shall be increased by two (2), and the holders of the Preferred Stock of all series (whether or not the holders of such series of Preferred Stock would be entitled to vote for the election of directors if such default in preference dividends did not exist) shall have the right at such meeting, voting together as a single class without regard to series, to the exclusion of the holders of Common Stock, to elect two (2) directors of the Corporation to fill such newly created directorships. Such right shall continue until there are no dividends in arrears upon the Preferred Stock. Each director elected by the holders of Preferred Stock (a “Preferred Director”) shall continue to serve as such director for the full term for which he shall have been elected, notwithstanding that prior to the end of such term a default in preference dividends shall cease to exist. Any Preferred Director may be removed by, and shall not be removed except by, the vote of the holders of record of the outstanding Preferred Stock voting together as a single class without regard to series, at a meeting of the stockholders or of the holders of Preferred Stock called for the purpose. So long as a default in any preference dividends on the Preferred Stock shall exist, (i) any vacancy in the office of a Preferred Director may be filled (except as provided in the following clause (ii)) by an instrument in writing signed by the remaining Preferred Director and filed with the Corporation and (ii) in the case of the removal of any Preferred Director, the vacancy may be filled by the vote of the holders of the outstanding Preferred Stock voting together as a single class without regard to series, at the same meeting at which such removal shall be voted. Each director appointed as aforesaid by the remaining Preferred Director shall be deemed, for all purposes hereof, to be a Preferred Director. Whenever the term of office of the Preferred Directors shall end and a default in preference dividends shall no longer exist, the number of directors constituting the Board of Directors of the Corporation shall be reduced by two (2). For the purposes hereof, a

“default in preference dividends” on the Preferred Stock shall be deemed to have occurred whenever the amount of accrued dividends upon any series of the Preferred Stock shall be equivalent to six (6) full quarterly dividends or more, and, having so occurred, such default shall be deemed to exist thereafter until, but only until, all accrued dividends on all Preferred Stock of each and every series then outstanding shall have been paid to the end of the last preceding quarterly dividend period.

(d) Except as set forth herein, or as otherwise provided by law, holders of Series A Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for taking any corporate action.

#### 4. Certain Restrictions.

(a) Whenever quarterly dividends or other dividends or distributions payable on the Series A Preferred Stock, as provided in paragraph 2 of this Section C, are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on Series A Preferred Stock outstanding shall have been paid in full, the Corporation shall not:

(i) declare or pay dividends, or make any other distributions, on any shares ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock;

(ii) declare or pay dividends, or make any other distributions, on any shares ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except dividends paid ratably on the Series A Preferred Stock and all such parity shares on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration any shares ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock, provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such junior shares in exchange for any shares of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series A Preferred Stock; or

(iv) redeem or purchase or otherwise acquire for consideration any Series A Preferred Stock, or any shares ranking on a parity with the Series A Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such stock upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(b) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of the Corporation unless the Corporation could, under paragraph 4(a) of this Section C, purchase or otherwise acquire such shares at such time and in such manner.

5. Reacquired Shares. Any Series A Preferred Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and, upon the

filing of any certificate that may be required by Delaware law, canceled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued Preferred Stock and may be reissued as part of a new series of Preferred Stock subject to the conditions and restrictions on issuance set forth in this Article IV or any resolution providing for the creation of any series of Preferred Stock adopted pursuant thereto or as otherwise required by law.

6. Liquidation, Dissolution or Winding Up. Upon any liquidation, dissolution or winding up of the Corporation, no distribution shall be made (a) to the holders of shares ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock unless, prior thereto, the holders of Series A Preferred Stock shall have received \$6,000 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, provided that the holders of Series A Preferred Stock shall be entitled to receive an aggregate amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount to be distributed per share to holders of Common Stock, or (b) to the holders of shares ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except distributions made ratably on the Series A Preferred Stock and all such parity shares in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the aggregate amount to which holders of Series A Preferred Stock were entitled immediately prior to such event under the proviso in clause (a) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of Common Stock that were outstanding immediately prior to such event.

7. Consolidation, Merger, etc. In case the Corporation shall enter into any consolidation, merger, combination or other transaction in which the shares of Common Stock are exchanged for or changed into other shares or securities, cash and/or any other property, then in any such case each share of Series A Preferred Stock shall at the same time be similarly exchanged or changed into an amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount of shares, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is changed or exchanged. In the event the Corporation shall at any time declare or pay any dividend on the Common Shares payable in shares of Common Stock, or effect a

subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Series A Preferred Stock shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

8. No Redemption. The Series A Preferred Stock shall not be redeemable.

9. Conversion. The Series A Preferred Stock shall not be convertible into Common Stock or shares of any other series of any other class of Preferred Stock.

10. Rank. The Series A Preferred Stock shall rank, with respect to the payment of dividends and the distribution of assets, junior to all series of any other class of Preferred Stock, unless the terms of any such series shall provide otherwise.

11. Amendment. This Amended and Restated Certificate of Incorporation shall not be amended in any manner which would materially alter or change the powers, preferences or special rights of the Series A Preferred Stock so as to affect them adversely without the affirmative vote of the holders of at least two-thirds of the outstanding Series A Preferred Stock, voting together as a single class.

## **Article V Board of Directors**

### **A. Election and Removal of Directors**

1. The Board of Directors shall consist of not less than nine (9) or more than twelve (12) persons, the exact number to be fixed from time to time exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption), provided, however, this provision shall not act to limit Board size in the event the holders of one or more series of Preferred Stock are entitled to elect directors to the exclusion of holders of Common Stock. The directors shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, as may be provided in the manner specified in the Bylaws, Class I Directors to hold office initially for a term expiring at the annual meeting of stockholders to be held in 2001, Class II Directors to hold office initially for a term expiring at the annual meeting of stockholders to be held in 2002, and Class III Directors to hold office initially for a term expiring at the annual meeting of stockholders to be held in 2003, with the members of each class to hold office until their successors are duly elected and qualified. At each annual meeting of the stockholders of the Corporation, the successors to the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

2. Notwithstanding the foregoing and except as otherwise provided by law,

whenever the holders of any series of Preferred Stock shall have the right (to the exclusion of holders of Common Stock) to elect directors of the Corporation pursuant to the provisions of Article IV or any resolution adopted pursuant thereto, the election of such directors of the Corporation shall be governed by the terms and provisions of Article IV or said resolutions and such directors so elected shall not be divided into classes pursuant to this Subsection A.2 of Article V and shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the first year following their election or, if such right of the holders of the Preferred Stock is terminated, for a term expiring in accordance with the provisions of Article IV or such resolutions.

3. Newly-created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause may be filled only by a majority vote of the directors then in office, even though less than a quorum of the Board of Directors, acting at a regular or special meeting. If any applicable provision of the Delaware General Corporation Law, Article IV or any resolution adopted pursuant to Article IV expressly confers power on stockholders to fill such a directorship at a special meeting of stockholders, such a directorship may be filled at such a meeting only by the affirmative vote of at least 80 percent of the combined voting powers of the outstanding shares of stock of the Corporation entitled to vote generally; provided, however, that when (a) pursuant to the provisions of Article IV or any resolutions adopted pursuant thereto, the holders of any series of Preferred Stock have the right (to the exclusion of holders of the Common Stock), and have exercised such right, to elect directors and (b) Delaware General Corporation Law, Article IV or any such resolution expressly confers on stockholders voting rights as aforesaid, if the directorship to be filled had been occupied by a director elected by the holders of Common Stock, then such directorship shall be filled by an 80 percent vote as aforesaid, but if such directorship to be filled had been elected by holders of Preferred Stock, then such directorship shall be filled in accordance with Article IV or the applicable resolutions adopted under Article IV. Any director elected in accordance with the two preceding sentences shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified unless such director was elected by holders of Preferred Stock (acting to the exclusion of the holders of Common Stock), in which case such director's term shall expire in accordance with Article IV or the applicable resolutions adopted pursuant to Article IV. No decrease in the number of authorized directors constituting the entire Board of Directors shall shorten the term of any incumbent director, except as otherwise provided in Article IV or the applicable resolutions adopted pursuant to Article IV with respect to directorships created pursuant to one or more series of Preferred Stock.

4. Subject to the rights of the holders of any series of Preferred Stock to elect directors under specified circumstances, any director or directors may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least 80 percent of the combined voting power of all of the then-outstanding shares of stock of the Corporation entitled to vote generally, voting together as a single class (it being understood that for all purposes of this Article V, each share of Preferred Stock shall have the number of votes, if any, granted to it pursuant to this Amended and Restated Certificate of Incorporation or any resolution adopted pursuant to Article IV).

5. Notwithstanding any other provision of this Amended and Restated Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of any particular class or series of the stock of the Corporation required by law, this Amended and Restated Certificate of Incorporation or any resolution adopted pursuant to Article IV, the affirmative vote of at least 80 percent of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such alteration, amendment or repeal is presented to the Board for adoption), shall be required to alter, amend or repeal this Article V, or any provision hereof.

## B. Liability, Indemnification and Insurance

1. Limitation on Liability. To the fullest extent that the Delaware General Corporation Law as it exists on the date hereof or as it may hereafter be amended permits the limitation or elimination of the personal liability of directors, no director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. No amendment to or repeal of this Section B.1 shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

2. Right to Indemnification. The Corporation shall to the fullest extent permitted by applicable law as then in effect indemnify any person (the Indemnitee) who was or is involved in any manner (including, without limitation, as a party or a witness) or is threatened to be made so involved in any threatened, pending or completed investigation, claim, action, suit or proceeding, whether civil, criminal, administrative or investigative (including, without limitation, any action, suit or proceeding by or in the right of the Corporation to procure a judgment in its favor) (a "Proceeding") by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation, or of NiSource Corporate Services Company or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise (including, without limitation, any employee benefit plan) against all expenses including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such Proceeding. Such indemnification shall be a contract right and shall include the right to receive payment of any expenses incurred by the Indemnitee in connection with such Proceeding in advance of its final disposition, consistent with the provisions of applicable law as then in effect.

3. Insurance, Contracts and Funding. The Corporation may purchase and maintain insurance to protect itself and any Indemnitee against any expenses, judgments, fines and amounts paid in settlement as specified in Subsection B.2 of this Section B or incurred by any Indemnitee in connection with any Proceeding referred to in Subsection B.2 of this Section B, to the fullest extent permitted by applicable law as then in effect. The Corporation may enter into contracts with any director, officer, employee or agent of the Corporation in furtherance of the provisions of this Section B and may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Section B.

4. Indemnification; No Exclusive Right. The right of indemnification provided in this Section B shall not be exclusive of any other rights to which those seeking indemnification



may otherwise be entitled, and the provisions of this Section B shall inure to the benefit of the heirs and legal representatives of any person entitled to indemnity under this Section B and shall be applicable to Proceedings commenced or continuing after the adoption of this Section B, whether arising from acts or omissions occurring before or after such adoption.

5. Advancement of Expenses; Procedures; Presumptions and Effect of Certain Proceedings; Remedies. In furtherance, but not in limitation of the foregoing provisions, the following procedures, presumptions and remedies shall apply with respect to advancement of expenses and the right to indemnification under this Section B:

(a) Advancement of Expenses. All reasonable expenses incurred by or on behalf of the Indemnitee in connection with any Proceeding shall be advanced to the Indemnitee by the Corporation within twenty (20) days after the receipt by the Corporation of a statement or statements from the Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the expenses incurred by the Indemnitee and, if required by law at the time of such advance, shall include or be accompanied by an undertaking by or on behalf of the Indemnitee to repay the amounts advanced if it should ultimately be determined that the Indemnitee is not entitled to be indemnified against such expenses pursuant to this Section B.

(b) Procedure for Determination of Entitlement to Indemnification.

(i) To obtain indemnification under this Section B, an Indemnitee shall submit to the Secretary of the Corporation a written request, including such documentation and information as is reasonably available to the Indemnitee and reasonably necessary to determine whether and to what extent the Indemnitee is entitled to indemnification (the "Supporting Documentation"). The determination of the Indemnitee's entitlement to indemnification shall be made not later than sixty (60) days after receipt by the Corporation of the written request for indemnification together with the Supporting Documentation. The Secretary of the Corporation shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that the Indemnitee has requested indemnification.

(ii) The Indemnitee's entitlement to indemnification under this Section B shall be determined in one of the following ways: (A) by a majority vote of the Disinterested Directors (as hereinafter defined), even if they constitute less than a quorum of the Board; (B) by a written opinion of Independent Counsel (as hereinafter defined) if (x) a Change of Control (as hereinafter defined) shall have occurred and the Indemnitee so requests or (y) there are no Disinterested Directors or a majority of such Disinterested Directors so directs; (C) by the stockholders of the Corporation (but only if a majority of the Disinterested Directors presents the issue of entitlement to indemnification to the stockholders for their determination); or (D) as provided in Section B.5(c).

(iii) In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section B.5(b)(ii), a majority of the Disinterested Directors shall select the Independent Counsel (except that if there are no Disinterested Directors, the Corporation's General Counsel shall select the Independent Counsel), but only an Independent Counsel to which the Indemnitee does not reasonably object; provided, however, that if a Change of Control shall have occurred, the Indemnitee shall select such Independent Counsel, but only an Independent Counsel to which the Board of Directors does not reasonably object.

(iv) The only basis upon which a finding of no entitlement to indemnification may be made is that indemnification is prohibited by law.

(c) Presumptions and Effect of Certain Proceedings. Except as otherwise expressly provided in this Section B, if a Change of Control shall have occurred, the Indemnitee shall be presumed to be entitled to indemnification under this Section B upon submission of a request for indemnification together with the Supporting Documentation in accordance with Section B.5(b)(i), and thereafter the Corporation shall have the burden of proof to overcome that presumption in reaching a contrary determination. In any event, if the person or persons empowered under Section B.5(b) to determine entitlement to indemnification shall not have been appointed or shall not have made a determination within sixty (60) days after receipt by the Corporation of the request therefor together with the Supporting Documentation, the Indemnitee shall be deemed to be entitled to indemnification and the Indemnitee shall be entitled to such indemnification unless (A) the Indemnitee misrepresented or failed to disclose a material fact in making the request for indemnification or in the Supporting Documentation or (B) such indemnification is prohibited by law. The termination of any Proceeding described in Section B.2, or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, adversely affect the right of the Indemnitee to indemnification or create a presumption that the Indemnitee did not act in good faith and in a manner which the Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal Proceeding, that the Indemnitee had reasonable cause to believe that the Indemnitee's conduct was unlawful.

(d) Remedies of Indemnitee.

(i) In the event that a determination is made, pursuant to Section B.5(b) that the Indemnitee is not entitled to indemnification under this Section B, (A) the Indemnitee shall be entitled to seek an adjudication of his entitlement to such indemnification either, at the Indemnitee's sole option, in (x) an appropriate court of the State of Delaware or any other court of competent jurisdiction or (y) an arbitration to be conducted by a single arbitrator pursuant to the rules of the American Arbitration Association; (B) any such judicial Proceeding or arbitration shall be de novo and the Indemnitee shall not be prejudiced by reason of such adverse determination; and (C) in any such judicial Proceeding or arbitration the

Corporation shall have the burden of proving that the Indemnitee is not entitled to indemnification under this Section B.

(ii) If a determination shall have been made or deemed to have been made, pursuant to Section B.5(b) or (c), that the Indemnitee is entitled to indemnification, the Corporation shall be obligated to pay the amounts constituting such indemnification within five (5) days after such determination has been made or deemed to have been made and shall be conclusively bound by such determination unless (A) the Indemnitee misrepresented or failed to disclose a material fact in making the request for indemnification or in the Supporting Documentation or (B) such indemnification is prohibited by law. In the event that (x) advancement of expenses is not timely made pursuant to Section B.5(a) or (y) payment of indemnification is not made within five (5) days after a determination of entitlement to indemnification has been made or deemed to have been made pursuant to Section B.5(b) or (c), the Indemnitee shall be entitled to seek judicial enforcement of the Corporation's obligation to pay to the Indemnitee such advancement of expenses or indemnification. Notwithstanding the foregoing, the Corporation may bring an action, in an appropriate court in the State of Delaware or any other court of competent jurisdiction, contesting the right of the Indemnitee to receive indemnification hereunder due to the occurrence of an event described in subclause (A) or (B) of this clause (ii) (a "Disqualifying Event"); provided, however, that in any such action the Corporation shall have the burden of proving the occurrence of such Disqualifying Event.

(iii) The Corporation shall be precluded from asserting in any judicial Proceeding or arbitration commenced pursuant to this Section B.5(d) that the procedures and preemptions of this Section B are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Corporation is bound by all the provisions of this Section B.

(iv) In the event that the Indemnitee, pursuant to this Section B.5(d), seeks a judicial adjudication of or an award in arbitration to enforce his rights under, or to recover damages for breach of, this Section B, the Indemnitee shall be entitled to recover from the Corporation, and shall be indemnified by the Corporation against, any expenses actually and reasonably incurred by the Indemnitee if the Indemnitee prevails in such judicial adjudication or arbitration. If it shall be determined in such judicial adjudication or arbitration that the Indemnitee is entitled to receive part but not all of the indemnification or advancement of expenses sought, the expenses incurred by the Indemnitee in connection with such judicial adjudication or arbitration shall be prorated accordingly.

(e) Definitions. For purposes of this Section B.5:

(i) "Change in Control" means (A) so long as the Public Utility Holding Company Act of 1935 is in effect, any "company" becoming a "holding company in respect to the Corporation or any determination by the Securities and

Exchange Commission that any “person” should be subject to the obligations, duties, and liabilities if imposed by said Act by virtue of his, hers or its influence over the management or policies of the Corporation, or (B) whether or not said Act is in effect a change in control of the Corporation of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934 (the “Exchange Act”), whether or not the Corporation is then subject to such reporting requirement; provided that, without limitation, such a change in control shall be deemed to have occurred if (i) any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing ten percent or more of the combined voting power of the Corporation’s then outstanding securities without the prior approval of at least two-thirds of the members of the Board of Directors in office immediately prior to such acquisition; (ii) the Corporation is a party to a merger, consolidation, sale of assets or other reorganization, or a proxy contest, as a consequence of which members of the Board of Directors in office immediately prior to such transaction or event constitute less than a majority of the Board of Directors thereafter; or (iii) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors (including for this purpose any new director whose election or nomination for election by the Corporation’s stockholders was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such period) cease for any reason to constitute at least a majority of the Board of Directors.

(ii) “Disinterested Director” means a director of the Corporation who is not or was not a party to the Proceeding in respect of which indemnification is sought by the Indemnitee.

(iii) “Independent Counsel” means a law firm or a member of a law firm that neither presently is, nor in the past five years has been, retained to represent: (A) the Corporation or the Indemnitee in any matter material to either such party or (B) any other party to the Proceeding giving rise to a claim for indemnification under this Section B. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing under Delaware law, would have a conflict of interest in representing either the Corporation or the Indemnitee in an action to determine the Indemnitee’s rights under this Section B.

6. Severability. If any provision or provisions of this Section B shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provision of this Section B (including, without limitation, all portions of any paragraph of this Section B containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (ii) to the fullest extent possible, the provisions of this Section B (including, without limitation, all portions of any paragraph of this Section B

containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

7. Successor Laws, Regulations and Agencies. Reference herein to laws, regulations or agencies shall be deemed to include all amendments thereof, substitutions therefor and successors thereto.

**Article VI**  
**General Powers of the Board of Directors**

**A. Bylaws**

The Board of Directors shall have the power to make, alter, amend and repeal the Bylaws of the Corporation in such form and with such terms as the Board may determine, subject to the power granted to stockholders to alter or repeal the Bylaws provided under Delaware law; provided, however, that, notwithstanding any other provision of this Amended and Restated Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, the affirmative vote of at least 80 percent of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such alteration, amendment or repeal is presented to the Board for adoption), shall be required to alter, amend or repeal any provision of the Bylaws which is to the same effect as any one or more sections of this Article VI.

**B. Charter Amendments**

Subject to the provisions hereof, the Corporation, through its Board of Directors, reserves the right at any time, and from time to time, to amend, alter, repeal or rescind any provision contained in this Amended and Restated Certificate of Incorporation in the manner now or hereinafter prescribed by law, and any other provisions authorized by Delaware law at the time enforced may be added or inserted, in the manner now or hereinafter prescribed by law, and any and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Amended and Restated Certificate of Incorporation in its present form or as hereinafter amended are granted subject to the rights reserved in this Article.

# Delaware

PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "NISOURCE INC.", FILED IN THIS OFFICE ON THE TWELFTH DAY OF MAY, A.D. 2006, AT 5:34 O'CLOCK P.M.

3203156 8100

070960382



*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 5956979

DATE: 08-27-07

STATE OF DELAWARE

State of Delaware  
Secretary of State  
Division of Corporations  
Delivered 06:34 PM 05/12/2006  
FILED 05:34 PM 05/12/2006  
SRV 060453906 - 3203156 FILE

CERTIFICATE OF AMENDMENT  
OF CERTIFICATE OF INCORPORATION  
OF  
NISOURCE INC.

NiSource Inc. (the "Corporation"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, does hereby certify:

**FIRST:** That at a meeting of the Board of Directors of the Corporation resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of the Corporation and calling for the stockholders of the Corporation to consider said amendment. The resolution setting forth the proposed amendment is as follows:

**RESOLVED,** That Articles V.A.1, V.A.2 and V.A.3 of the Corporation's Certificate of Incorporation be amended to effect the Declassification as set forth on Exhibit A hereto (the "Charter Amendments");

**SECOND:** That thereafter, pursuant to the resolution of the Corporation's Board of Directors, a meeting of the stockholders of the Corporation was duly called and held, at which meeting the necessary number of shares as required by the statute were voted in favor of the amendment.

**THIRD:** That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

**IN WITNESS THEREOF,** said Corporation has caused this certificate to be signed this 12<sup>th</sup> day of May, 2006

By

Name: Gary W. Pottorff

Title: Vice President, Administration and  
Corporate Secretary

Exhibit A  
Amendments to Certificate of Incorporation

Article V.A.1 of the Certificate of Incorporation shall state the following:

The Board of Directors shall consist of not less than nine (9) or more than twelve (12) persons, the exact number to be fixed from time to time exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption), provided, however, this provision shall not act to limit Board size in the event the holders of one or more series of Preferred Stock are entitled to elect directors to the exclusion of holders of Common Stock. Each director who is serving as a director on the date of this Amended and Restated Certificate of Incorporation shall hold office until the next annual meeting of stockholders following such date and until his or her successor has been duly elected and qualified, notwithstanding that such director may have been elected for a term that extended beyond the date of such next annual meeting of stockholders. At each annual meeting of the stockholders of the Corporation after the date of this Amended and Restated Certificate of Incorporation, directors elected at such annual meeting shall hold office until the next annual meeting of stockholders and until their successors have been duly elected and qualified.

Article V.A.2 of the Certificate of Incorporation shall state the following:

Notwithstanding the foregoing and except as otherwise provided by law, whenever the holders of any series of Preferred Stock shall have the right (to the exclusion of holders of Common Stock) to elect directors of the Corporation pursuant to the provisions of Article IV or any resolution adopted pursuant thereto, the election of such directors of the Corporation shall be governed by the terms and provisions of Article IV or said resolutions and such directors shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the first year following their election or, if such right of the holders of the Preferred Stock is terminated, for a term expiring in accordance with the provisions of Article IV or such resolutions.

Article V.A.3 of the Certificate of Incorporation shall state the following:

Newly-created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause may be filled only by a majority vote of the directors then in office, even though less than a quorum of the Board of Directors, acting at a regular or special meeting. If any applicable provision of the Delaware General Corporation Law, Article IV or any resolution adopted pursuant to Article IV expressly confers power on stockholders to fill such a directorship at a special meeting of stockholders, such a directorship may be filled at such a meeting only by the affirmative vote of at least 80 percent of the combined voting powers of the outstanding shares of stock of the Corporation entitled to vote generally; provided, however, that when (a) pursuant to the provisions of Article IV or any resolutions adopted pursuant thereto, the holders of any series of Preferred Stock have the right (to the exclusion of holders of the Common Stock), and have exercised such right, to elect directors and (b) Delaware General Corporation Law, Article IV or any such resolution expressly confers on stockholders voting rights as aforesaid, if the directorship to be filled had been occupied by a director elected by the holders of Common Stock, then such directorship shall be filled by an 80 percent vote as aforesaid, but if such directorship to be filled had been elected by holders of Preferred Stock, then such directorship shall be filled in accordance with Article IV or the applicable resolutions adopted under Article IV. Any director elected in accordance with the two preceding sentences shall hold office until such director's



successor shall have been elected and qualified unless such director was elected by holders of Preferred Stock (acting to the exclusion of the holders of Common Stock), in which case such director's term shall expire in accordance with Article IV or the applicable resolutions adopted pursuant to Article IV. No decrease in the number of authorized directors constituting the entire Board of Directors shall shorten the term of any incumbent director, except as otherwise provided in Article IV or the applicable resolutions adopted pursuant to Article IV with respect to directorships created pursuant to one or more series of Preferred Stock.

# Delaware

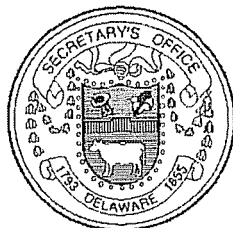
PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF OWNERSHIP OF "NISOURCE INC.", FILED IN THIS OFFICE ON THE FIRST DAY OF NOVEMBER, A.D. 2000, AT 12:30 O'CLOCK P.M.

3203156 8100

070960382



*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 5956964

DATE: 08-27-07

CERTIFICATE OF OWNERSHIP AND MERGER

of

OLD NISOURCE INC.  
(an Indiana corporation)

into

NISOURCE INC.  
(a Delaware corporation)

It is hereby certified that:

1. Old NiSource Inc. (hereinafter called the "Subsidiary") is a corporation of the State of Indiana, the laws of which permit a merger of a corporation of that jurisdiction with a corporation of another jurisdiction.
2. NiSource Inc., a corporation of the State of Delaware, (the "Parent"), as the owner of all of the outstanding shares of the stock of the Subsidiary hereby merges the Subsidiary into the Parent.
3. The following is a copy of the resolutions adopted on the 1st day of November, 2000, by the Merger Committee of the Board of Directors of the Parent to merge the Subsidiary into the Parent:

"WHEREAS, NiSource Inc. is a corporation of the State of Delaware that was formerly named "New NiSource Inc." (the "Parent");

WHEREAS, Old NiSource Inc. is a corporation of the State of Indiana that was formerly named "NiSource Inc." (the "Subsidiary");

WHEREAS, the Parent is the owner of all outstanding shares of common stock of the Subsidiary, which is the only outstanding class of capital stock of the Subsidiary;

WHEREAS, the laws of the States of Delaware and Indiana each permit the merger of a corporation of that State with a corporation of another state;

WHEREAS, by virtue of the Parent's ownership of all outstanding shares of capital stock of the Subsidiary, the laws of the States of Delaware and Indiana each permit the merger of the Subsidiary into the Parent to be approved by the Board of Directors of the Parent without approval of the stockholders of the Parent or the shareholder of the Subsidiary;

WHEREAS, the Merger Committee of the Board of Directors of the Parent, pursuant to authority duly delegated to it by the Board of Directors of the Parent, deems it advisable and in the best interest of the Parent and the Subsidiary that the Subsidiary be merged with and into the Parent;

NOW, THEREFORE, BE IT RESOLVED that the Merger Committee of the Board of Directors of the Parent hereby approves the merger of the Subsidiary with and into the Parent on the terms set forth in the following Plan of Merger:

#### PLAN OF MERGER

1. Old NiSource Inc., an Indiana corporation (the "Subsidiary"), shall be merged (the Merger") with and into NiSource Inc., a Delaware corporation that is qualified to do business as a foreign corporation in the State of Indiana (the "Parent"), in accordance with the laws of the States of Delaware and Indiana.
2. The Parent shall be the surviving corporation and shall continue as a corporation of the State of Delaware, and the status of the Subsidiary as a separate corporation shall cease.
3. The Merger shall effect no change in the Certificate of Incorporation of the Parent or in its By-Laws, and the Directors and Officers of the Parent shall continue as the Directors and Officers of the surviving corporation following the Merger.
4. The outstanding capital stock of the Subsidiary shall be cancelled, and no securities or other property shall be issued in exchange therefor.
5. As a result of the Merger, the Parent shall assume all of the assets and liabilities of the Subsidiary.
6. Parent, as the shareholder of the Subsidiary, has waived the requirement that it receive a copy or summary of the Plan of Merger.


FURTHER RESOLVED, that the Parent, as the shareholder of the Subsidiary, hereby expressly waives any requirement that it receive a copy or summary of the Plan of Merger.

FURTHER RESOLVED, that the officers of the Parent, and each of them, are hereby authorized and directed to execute, deliver, certify and file all such agreements, instruments and documents and to take or cause to be taken such further actions, in the name and on behalf of the Parent, as they may deem necessary or advisable to

complete the transactions described in these resolutions and to carry into effect their intent and purpose."

Signed on November 1, 2000

NISOURCE INC., a Delaware  
corporation



Name: Stephen P. Adik  
Title: Vice Chairman

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# Delaware

PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE RESTATED CERTIFICATE OF "NEW NISOURCE INC.", FILED IN THIS OFFICE ON THE THIRTIETH DAY OF OCTOBER, A.D. 2000, AT 11 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID RESTATED CERTIFICATE IS THE THIRTY-FIRST DAY OF OCTOBER, A.D. 2000, AT 11:59 O'CLOCK P.M.

3203156 8100

070960382



*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 5956965

DATE: 08-27-07

AMENDED AND RESTATED  
CERTIFICATE OF INCORPORATION  
OF  
NEW NISOURCE INC.

It is hereby certified that:

1. The present name of the corporation (hereinafter the "Corporation") is New NiSource Inc., which is the name under which the Corporation was originally incorporated; and the date of the filing of the original certificate of incorporation of the Corporation with the Secretary of State of the State of Delaware is March 29, 2000.

2. This Amended and Restated Certificate of Incorporation has been duly adopted and approved in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware. Stockholder approval of this Amended and Restated Certificate of Incorporation was given by written consent pursuant to Section 228 of the General Corporation Law of the State of Delaware.

3. Pursuant to Section 103(d) of the General Corporation Law of the State of Delaware, the effective date and time of this Amended and Restated Certificate of Incorporation shall be October 31, 2000, at 11:59 p.m. Eastern Standard Time.

4. The certificate of incorporation of the Corporation, as amended and restated herein, shall at the effective time of this amended and restated certificate of incorporation supersede the original certificate of incorporation and shall read in its entirety as follows:

Article I  
Name

The name of this Corporation is New NiSource Inc.

Article II  
Registered Office

The registered office of the Corporation in the State of Delaware is located at Corporation Service Company, 2711 Centerville Road, Suite 400, in the City of Wilmington, County of New Castle. The name of its registered agent is Corporation Service Company, and the address of said registered agent is 2711 Centerville Road, Suite 400, in said city.

Article III  
Statement of Purpose

The nature of the business to be conducted and the purposes of the Corporation are to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law, as amended.

Article IV  
Classes of Capital Stock

The total number of shares of all classes of stock which the Corporation shall have authority to issue is Four hundred twenty million (420,000,000), of which Twenty million (20,000,000) shares of the par value \$.01 each are to be of a class designated Preferred Stock and Four hundred million (400,000,000) shares of the par value of \$.01 each are to be of a class designated Common Stock.

A. Common Stock

1. Subject to the powers, preferences and other special rights afforded Preferred Stock by the provisions of this Article IV or resolutions adopted pursuant hereto, the holders of the Common Stock shall be entitled to receive, to the extent permitted by Delaware law, such dividends as may from time to time be declared by the Board of Directors.

2. Except as otherwise required by Delaware law and as otherwise provided in this Article IV and resolutions adopted pursuant hereto with respect to Preferred Stock, and subject to the provisions of the Bylaws of the Corporation, as from time to time amended, with respect to the closing of the transfer books and the fixing of a record date for the determination of stockholders entitled to vote, the holders of the Common Stock shall exclusively possess voting power for the election of directors and for all other purposes, and the holders of the Preferred Stock shall have no voting power and shall not be entitled to any notice of any meeting of stockholders.

3. Except as may otherwise be required by law, this Amended and Restated Certificate of Incorporation or the provisions of the resolution or resolutions as may be adopted by the Board of Directors pursuant to this Article IV with respect to Preferred Stock, each holder of Common Stock, and each holder of Preferred Stock, if entitled to vote on such matter, shall be entitled to one vote in respect of each share of Common Stock or Preferred Stock, as the case may be, held by such holder on each matter voted upon by stockholders, and any such right to vote shall not be cumulative.

4. Any action required or permitted to be taken by the stockholders of the Corporation must be effected at an annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders. Except as otherwise



required by law and subject to the rights of the holders of any class or any series of Preferred Stock, special meetings of stockholders of the Corporation may be called only by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption).

5. In the event of the voluntary or involuntary liquidation, dissolution, distribution of assets or winding-up of the Corporation, after distribution in full of the preferential amounts, if any, to be distributed to the holders of Preferred Stock, as set forth in this Article IV or the resolutions adopted with respect to such series under this Article IV, holders of Common Stock shall be entitled to receive all of the remaining assets of the Corporation of whatever kind available for distribution to the stockholders ratably and in proportion to the number of shares of Common Stock held by them respectively. The Board of Directors may distribute in kind to the holders of Common Stock such remaining assets of the Corporation or may sell, transfer, otherwise dispose of all or any part of such remaining assets to any other corporation, trust or other entity and receive payment therefor in cash, stock or obligations of such other corporation, trust or other entity, or a combination thereof, and may set all or make any part of the consideration so received and distributed or any balance thereof in kind to holders of Common Stock. The merger or consolidation of the Corporation into or with any other corporation, or the merger of any other corporation into it, or any purchase or redemption of shares of stock of the Corporation of any class, shall not be deemed to be a dissolution, liquidation, or winding-up of the Corporation for the purposes of this Article IV.

#### B. Preferred Stock

The express grant of authority to the Board of Directors of the Corporation to fix by resolution or resolutions the designations and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of the shares of Preferred Stock that are not fixed by this Amended and Restated Certificate of Incorporation is as follows:

1. The Preferred Stock may be issued from time to time in any amount, not exceeding in the aggregate the total number of shares of Preferred Stock herein above authorized, reduced by the number of shares of Preferred Stock designated under Section C of this Article IV, as Preferred Stock of one or more series, as hereinafter provided. All shares of any one series of Preferred Stock shall be alike in every particular, each series thereof shall be distinctively designated by letter or descriptive words, and all series of Preferred Stock shall rank equally and be identical in all respects except as permitted by the provisions of Subsection B.2 of this Article IV.

2. Authority is hereby expressly granted to and vested in the Board of Directors from time to time to issue the Preferred Stock as Preferred Stock of any series and in connection with the creation of each such series to fix, by the resolution or resolutions providing for the issue of shares thereof, the voting powers, designations, preferences and relative, participating, optional

or other special rights, and the qualifications, limitations or restrictions thereof, if any, of such series, to the full extent now or hereafter permitted by the laws of the State of Delaware. Pursuant to the foregoing general authority vested in the Board of Directors, but not in limitation of the powers conferred on the Board of Directors thereby and by the laws of the State of Delaware, the Board of Directors is expressly authorized to determine with respect to each series of Preferred Stock other than the series designated under Section C of this Article IV:

- (a) the designation of such series and number of shares constituting such series;
- (b) the dividend rate or amount of such series, the payment dates for dividends on shares of such series, the status of such dividends as cumulative or non-cumulative, the date from which dividends on shares of such series, if cumulative, shall be cumulative, and the status of such as participating or non-participating after the payment of dividends as to which such shares are entitled to any preference;
- (c) the price or prices (which amount may vary under different conditions or at different dates) at which, and the times, terms and conditions on which, the shares of such series may be redeemed at the option of the Corporation;
- (d) whether or not the shares of such series shall be made optionally or mandatorily convertible into, or exchangeable for, shares of any other class or classes or of any other series of the same or any other class or classes of stock of the Corporation or other securities and, if made so convertible or exchangeable, the conversion price or prices, or the rates of exchange, and the adjustments thereof, if any, at which such conversion or exchange may be made and any other terms and conditions of such conversion or exchange;
- (e) whether or not the shares of such series shall be entitled to the benefit of a retirement or sinking fund to be applied to the purchase or redemption of shares of such series, and if so entitled, the amount of such fund and the manner of its application, including the price or prices at which shares of such series may be redeemed or purchased through the application of such fund;
- (f) whether or not the issue of any additional shares of such series or any future series in addition to such series or of any shares of any other class of stock of the Corporation shall be subject to restrictions and, if so, the nature thereof;
- (g) the rights and preferences, if any, of the holders of such series of Preferred Stock upon the voluntary or involuntary liquidation, dissolution or winding-up of the Corporation, and the status of the shares of such series as participating or non-participating after the satisfaction of any such rights and preferences;

- (h) the full or limited voting rights, if any, to be provided for shares of such series, in addition to the voting rights provided by law; and
- (i) any other relative powers, preferences and participating, optional or other special rights and the qualifications, limitations or restrictions thereof, of shares of such series;

in each case, so far as not inconsistent with the provisions of this Amended and Restated Certificate of Incorporation or the Delaware General Corporation Law then in effect.

#### C. Series A Junior Participating Preferred Stock.

The designation and number of shares, and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of a series of Preferred Stock are fixed by this Section C of ARTICLE IV as follows:

1. Designation and Amount. The shares of such series shall be designated as "Series A Junior Participating Preferred Stock" (the "Series A Preferred Stock") and the number of shares constituting the Series A Preferred Stock shall be 4,000,000.

2. Dividends and Distributions.

(a) Subject to the rights of the holders of any shares of any series of Preferred Stock (or any similar shares) ranking prior and superior to the Series A Preferred Stock with respect to dividends, the holders of Series A Preferred Stock, in preference to the holders of Common Stock and of any other junior shares, shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the 20th day of February, May, August and November in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of Series A Preferred Stock, in an amount per share (rounded to the nearest cent) equal to the greater of (i) \$26 or (ii) subject to the provision for adjustment hereinafter set forth, 100 times the aggregate per share amount of all cash dividends, and 100 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions, other than a dividend payable in Common Stock or a subdivision of the outstanding Common Stock (by reclassification or otherwise), declared on the Common Stock since the immediately preceding Quarterly Dividend Payment Date or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share of Series A Preferred Stock or fraction of a share of Series A Preferred Stock. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding Common Stock (by reclassification or otherwise than by payment of a

dividend in Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount to which holders of Series A Preferred Stock were entitled immediately prior to such event under clause (b) of the preceding sentence shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(b) The Corporation shall declare a dividend or distribution on the Series A Preferred Stock as provided in paragraph 2(a) of this Section C immediately after it declares a dividend or distribution on the Common Stock (other than a dividend payable in shares of Common Stock); provided that, in the event no dividend or distribution shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of \$26 per share on the Series A Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

(c) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Preferred Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of Series A Preferred Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date, in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the Series A Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date for the determination of holders of Series A Preferred Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be not more than 60 days prior to the date fixed for the payment thereof.

3. Voting Rights. The holders of Series A Preferred Stock will have the following voting rights:

(a) Subject to the provision for adjustment hereinafter set forth, each share of Series A Preferred Stock shall entitle the holder thereof to 100 votes on all matters submitted to a vote of the stockholders of the Corporation. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of

a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the number of votes per share to which holders of Series A Preferred Stock were entitled immediately prior to such event shall be adjusted by multiplying such number by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(b) Except as otherwise provided in this Amended and Restated Certificate of Incorporation, in any resolution creating a series of Preferred Stock or by law, the holders of Series A Preferred Stock and the holders of Common Stock and any other capital stock of the Corporation having general voting rights shall vote together as one class on all matters submitted to a vote of stockholders of the Corporation.

(c) If at the time of any annual meeting of stockholders for the election of directors a "default in preference dividends" on the Series A Preferred Stock shall exist, the number of directors constituting the Board of Directors of the Corporation shall be increased by two (2), and the holders of the Preferred Stock of all series (whether or not the holders of such series of Preferred Stock would be entitled to vote for the election of directors if such default in preference dividends did not exist) shall have the right at such meeting, voting together as a single class without regard to series, to the exclusion of the holders of Common Stock, to elect two (2) directors of the Corporation to fill such newly created directorships. Such right shall continue until there are no dividends in arrears upon the Preferred Stock. Each director elected by the holders of Preferred Stock (a "Preferred Director") shall continue to serve as such director for the full term for which he shall have been elected, notwithstanding that prior to the end of such term a default in preference dividends shall cease to exist. Any Preferred Director may be removed by, and shall not be removed except by, the vote of the holders of record of the outstanding Preferred Stock voting together as a single class without regard to series, at a meeting of the stockholders or of the holders of Preferred Stock called for the purpose. So long as a default in any preference dividends on the Preferred Stock shall exist, (i) any vacancy in the office of a Preferred Director may be filled (except as provided in the following clause (ii)) by an instrument in writing signed by the remaining Preferred Director and filed with the Corporation and (ii) in the case of the removal of any Preferred Director, the vacancy may be filled by the vote of the holders of the outstanding Preferred Stock voting together as a single class without regard to series, at the same meeting at which such removal shall be voted. Each director appointed as aforesaid by the remaining Preferred Director shall be deemed, for all purposes hereof, to be a Preferred Director. Whenever the term of office of the Preferred Directors shall end and a default in preference dividends shall no longer exist, the number of directors constituting the Board of Directors of the Corporation shall be reduced by two (2). For the purposes hereof, a "default in preference dividends" on the Preferred Stock shall be deemed to have occurred whenever the amount of accrued dividends upon any series of the Preferred

Stock shall be equivalent to six (6) full quarterly dividends or more, and, having so occurred, such default shall be deemed to exist thereafter until, but only until, all accrued dividends on all Preferred Stock of each and every series then outstanding shall have been paid to the end of the last preceding quarterly dividend period.

(d) Except as set forth herein, or as otherwise provided by law, holders of Series A Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for taking any corporate action.

4. Certain Restrictions.

(a) Whenever quarterly dividends or other dividends or distributions payable on the Series A Preferred Stock, as provided in paragraph 2 of this Section C, are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on Series A Preferred Stock outstanding shall have been paid in full, the Corporation shall not:

(i) declare or pay dividends, or make any other distributions, on any shares ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock;

(ii) declare or pay dividends, or make any other distributions, on any shares ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except dividends paid ratably on the Series A Preferred Stock and all such parity shares on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration any shares ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock, provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such junior shares in exchange for any shares of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series A Preferred Stock; or

(iv) redeem or purchase or otherwise acquire for consideration any Series A Preferred Stock, or any shares ranking on a parity with the Series A Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such stock upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective

series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(b) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of the Corporation unless the Corporation could, under paragraph 4(a) of this Section C, purchase or otherwise acquire such shares at such time and in such manner.

5. Reacquired Shares. Any Series A Preferred Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and, upon the filing of any certificate that may be required by Delaware law, canceled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued Preferred Stock and may be reissued as part of a new series of Preferred Stock subject to the conditions and restrictions on issuance set forth in this Article IV or any resolution providing for the creation of any series of Preferred Stock adopted pursuant thereto or as otherwise required by law.

6. Liquidation, Dissolution or Winding Up. Upon any liquidation, dissolution or winding up of the Corporation, no distribution shall be made (a) to the holders of shares ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock unless, prior thereto, the holders of Series A Preferred Stock shall have received \$6,000 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, provided that the holders of Series A Preferred Stock shall be entitled to receive an aggregate amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount to be distributed per share to holders of Common Stock, or (b) to the holders of shares ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except distributions made ratably on the Series A Preferred Stock and all such parity shares in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up. In the event the Corporation shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the aggregate amount to which holders of Series A Preferred Stock were entitled immediately prior to such event under the proviso in clause (a) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of Common Stock that were outstanding immediately prior to such event.

7. Consolidation, Merger, etc. In case the Corporation shall enter into any consolidation, merger, combination or other transaction in which the shares of Common Stock are exchanged for or changed into other shares or securities, cash and/or any other property, then

in any such case each share of Series A Preferred Stock shall at the same time be similarly exchanged or changed into an amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount of shares, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is changed or exchanged. In the event the Corporation shall at any time declare or pay any dividend on the Common Shares payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Series A Preferred Stock shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

8. No Redemption. The Series A Preferred Stock shall not be redeemable.

9. Conversion. The Series A Preferred Stock shall not be convertible into Common Stock or shares of any other series of any other class of Preferred Stock.

10. Rank. The Series A Preferred Stock shall rank, with respect to the payment of dividends and the distribution of assets, junior to all series of any other class of Preferred Stock, unless the terms of any such series shall provide otherwise.

11. Amendment. This Amended and Restated Certificate of Incorporation shall not be amended in any manner which would materially alter or change the powers, preferences or special rights of the Series A Preferred Stock so as to affect them adversely without the affirmative vote of the holders of at least two-thirds of the outstanding Series A Preferred Stock, voting together as a single class.

## Article V Board of Directors

### A. Election and Removal of Directors

1. The Board of Directors shall consist of not less than nine (9) or more than twelve (12) persons, the exact number to be fixed from time to time exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption), provided, however, this provision shall not act to limit Board size in the event the holders of one or more series of Preferred Stock are entitled to elect directors to the exclusion of holders of Common Stock. The directors shall be classified, with respect to the time for which they severally hold office, into



three classes, as nearly equal in number as possible, as may be provided in the manner specified in the Bylaws, Class I Directors to hold office initially for a term expiring at the annual meeting of stockholders to be held in 2001, Class II Directors to hold office initially for a term expiring at the annual meeting of stockholders to be held in 2002, and Class III Directors to hold office initially for a term expiring at the annual meeting of stockholders to be held in 2003, with the members of each class to hold office until their successors are duly elected and qualified. At each annual meeting of the stockholders of the Corporation, the successors to the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

2. Notwithstanding the foregoing and except as otherwise provided by law, whenever the holders of any series of Preferred Stock shall have the right (to the exclusion of holders of Common Stock) to elect directors of the Corporation pursuant to the provisions of Article IV or any resolution adopted pursuant thereto, the election of such directors of the Corporation shall be governed by the terms and provisions of Article IV or said resolutions and such directors so elected shall not be divided into classes pursuant to this Subsection A.2 of Article V and shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the first year following their election or, if such right of the holders of the Preferred Stock is terminated, for a term expiring in accordance with the provisions of Article IV or such resolutions.

3. Newly-created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause may be filled only by a majority vote of the directors then in office, even though less than a quorum of the Board of Directors, acting at a regular or special meeting. If any applicable provision of the Delaware General Corporation Law, Article IV or any resolution adopted pursuant to Article IV expressly confers power on stockholders to fill such a directorship at a special meeting of stockholders, such a directorship may be filled at such a meeting only by the affirmative vote of at least 80 percent of the combined voting powers of the outstanding shares of stock of the Corporation entitled to vote generally; provided, however, that when (a) pursuant to the provisions of Article IV or any resolutions adopted pursuant thereto, the holders of any series of Preferred Stock have the right (to the exclusion of holders of the Common Stock), and have exercised such right, to elect directors and (b) Delaware General Corporation Law, Article IV or any such resolution expressly confers on stockholders voting rights as aforesaid, if the directorship to be filled had been occupied by a director elected by the holders of Common Stock, then such directorship shall be filled by an 80 percent vote as aforesaid, but if such directorship to be filled had been elected by holders of Preferred Stock, then such directorship shall be filled in accordance with Article IV or the applicable resolutions adopted under Article IV. Any director elected in accordance with the two preceding sentences shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified unless such director was elected by holders of Preferred Stock (acting to the exclusion of the holders of Common Stock), in which

case such director's term shall expire in accordance with Article IV or the applicable resolutions adopted pursuant to Article IV. No decrease in the number of authorized directors constituting the entire Board of Directors shall shorten the term of any incumbent director, except as otherwise provided in Article IV or the applicable resolutions adopted pursuant to Article IV with respect to directorships created pursuant to one or more series of Preferred Stock.

4. Subject to the rights of the holders of any series of Preferred Stock to elect directors under specified circumstances, any director or directors may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least 80 percent of the combined voting power of all of the then-outstanding shares of stock of the Corporation entitled to vote generally, voting together as a single class (it being understood that for all purposes of this Article V, each share of Preferred Stock shall have the number of votes, if any, granted to it pursuant to this Amended and Restated Certificate of Incorporation or any resolution adopted pursuant to Article IV).

5. Notwithstanding any other provision of this Amended and Restated Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of any particular class or series of the stock of the Corporation required by law, this Amended and Restated Certificate of Incorporation or any resolution adopted pursuant to Article IV, the affirmative vote of at least 80 percent of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such alteration, amendment or repeal is presented to the Board for adoption), shall be required to alter, amend or repeal this Article V, or any provision hereof.

#### B. Liability, Indemnification and Insurance

1. Limitation on Liability. To the fullest extent that the Delaware General Corporation Law as it exists on the date hereof or as it may hereafter be amended permits the limitation or elimination of the personal liability of directors, no director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. No amendment to or repeal of this Section B.1 shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

2. Right to Indemnification. The Corporation shall to the fullest extent permitted by applicable law as then in effect indemnify any person (the Indemnitee) who was or is involved in any manner (including, without limitation, as a party or a witness) or is threatened to be made so involved in any threatened, pending or completed investigation, claim, action, suit or proceeding, whether civil, criminal, administrative or investigative (including, without limitation, any action, suit or proceeding by or in the right of the Corporation to procure a judgment in its favor) (a "Proceeding") by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation, or of NiSource Corporate Services Company or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation,

partnership, joint venture, trust or other enterprise (including, without limitation, any employee benefit plan) against all expenses including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such Proceeding. Such indemnification shall be a contract right and shall include the right to receive payment of any expenses incurred by the Indemnitee in connection with such Proceeding in advance of its final disposition, consistent with the provisions of applicable law as then in effect.

3. Insurance, Contracts and Funding. The Corporation may purchase and maintain insurance to protect itself and any Indemnitee against any expenses, judgments, fines and amounts paid in settlement as specified in Subsection B.2 of this Section B or incurred by any Indemnitee in connection with any Proceeding referred to in Subsection B.2 of this Section B, to the fullest extent permitted by applicable law as then in effect. The Corporation may enter into contracts with any director, officer, employee or agent of the Corporation in furtherance of the provisions of this Section B and may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Section B.

4. Indemnification; No Exclusive Right. The right of indemnification provided in this Section B shall not be exclusive of any other rights to which those seeking indemnification may otherwise be entitled, and the provisions of this Section B shall inure to the benefit of the heirs and legal representatives of any person entitled to indemnity under this Section B and shall be applicable to Proceedings commenced or continuing after the adoption of this Section B, whether arising from acts or omissions occurring before or after such adoption.

5. Advancement of Expenses; Procedures; Presumptions and Effect of Certain Proceedings; Remedies. In furtherance, but not in limitation of the foregoing provisions, the following procedures, presumptions and remedies shall apply with respect to advancement of expenses and the right to indemnification under this Section B:

(a) Advancement of Expenses. All reasonable expenses incurred by or on behalf of the Indemnitee in connection with any Proceeding shall be advanced to the Indemnitee by the Corporation within twenty (20) days after the receipt by the Corporation of a statement or statements from the Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the expenses incurred by the Indemnitee and, if required by law at the time of such advance, shall include or be accompanied by an undertaking by or on behalf of the Indemnitee to repay the amounts advanced if it should ultimately be determined that the Indemnitee is not entitled to be indemnified against such expenses pursuant to this Section B.

(b) Procedure for Determination of Entitlement to Indemnification.

(i) To obtain indemnification under this Section B, an Indemnitee shall submit to the Secretary of the Corporation a written request, including such documentation and information as is reasonably available to the Indemnitee and reasonably necessary to determine whether and to what extent the Indemnitee is entitled to indemnification (the "Supporting Documentation"). The determination of the Indemnitee's entitlement to indemnification shall be made not later than sixty (60) days after receipt by the Corporation of the written request for indemnification together with the Supporting Documentation. The Secretary of the Corporation shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that the Indemnitee has requested indemnification.

(ii) The Indemnitee's entitlement to indemnification under this Section B shall be determined in one of the following ways: (A) by a majority vote of the Disinterested Directors (as hereinafter defined), even if they constitute less than a quorum of the Board; (B) by a written opinion of Independent Counsel (as hereinafter defined) if (x) a Change of Control (as hereinafter defined) shall have occurred and the Indemnitee so requests or (y) there are no Disinterested Directors or a majority of such Disinterested Directors so directs; (C) by the stockholders of the Corporation (but only if a majority of the Disinterested Directors presents the issue of entitlement to indemnification to the stockholders for their determination); or (D) as provided in Section B.5(c).

(iii) In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section B.5(b)(ii), a majority of the Disinterested Directors shall select the Independent Counsel (except that if there are no Disinterested Directors, the Corporation's General Counsel shall select the Independent Counsel), but only an Independent Counsel to which the Indemnitee does not reasonably object; provided, however, that if a Change of Control shall have occurred, the Indemnitee shall select such Independent Counsel, but only an Independent Counsel to which the Board of Directors does not reasonably object.

(iv) The only basis upon which a finding of no entitlement to indemnification may be made is that indemnification is prohibited by law.

(c) Presumptions and Effect of Certain Proceedings. Except as otherwise expressly provided in this Section B, if a Change of Control shall have occurred, the Indemnitee shall be presumed to be entitled to indemnification under this Section B upon submission of a request for indemnification together with the Supporting Documentation in accordance with Section B.5(b)(i), and thereafter the Corporation shall have the burden of proof to overcome that presumption in reaching a contrary determination. In any event, if the person or persons empowered under Section B.5(b) to determine entitlement

to indemnification shall not have been appointed or shall not have made a determination within sixty (60) days after receipt by the Corporation of the request therefor together with the Supporting Documentation, the Indemnitee shall be deemed to be entitled to indemnification and the Indemnitee shall be entitled to such indemnification unless (A) the Indemnitee misrepresented or failed to disclose a material fact in making the request for indemnification or in the Supporting Documentation or (B) such indemnification is prohibited by law. The termination of any Proceeding described in Section B.2, or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, adversely affect the right of the Indemnitee to indemnification or create a presumption that the Indemnitee did not act in good faith and in a manner which the Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal Proceeding, that the Indemnitee had reasonable cause to believe that the Indemnitee's conduct was unlawful.

(d) Remedies of Indemnitee.

(i) In the event that a determination is made, pursuant to Section B.5(b) that the Indemnitee is not entitled to indemnification under this Section B, (A) the Indemnitee shall be entitled to seek an adjudication of his entitlement to such indemnification either, at the Indemnitee's sole option, in (x) an appropriate court of the State of Delaware or any other court of competent jurisdiction or (y) an arbitration to be conducted by a single arbitrator pursuant to the rules of the American Arbitration Association; (B) any such judicial Proceeding or arbitration shall be de novo and the Indemnitee shall not be prejudiced by reason of such adverse determination; and (C) in any such judicial Proceeding or arbitration the Corporation shall have the burden of proving that the Indemnitee is not entitled to indemnification under this Section B.

(ii) If a determination shall have been made or deemed to have been made, pursuant to Section B.5(b) or (c), that the Indemnitee is entitled to indemnification, the Corporation shall be obligated to pay the amounts constituting such indemnification within five (5) days after such determination has been made or deemed to have been made and shall be conclusively bound by such determination unless (A) the Indemnitee misrepresented or failed to disclose a material fact in making the request for indemnification or in the Supporting Documentation or (B) such indemnification is prohibited by law. In the event that (x) advancement of expenses is not timely made pursuant to Section B.5(a) or (y) payment of indemnification is not made within five (5) days after a determination of entitlement to indemnification has been made or deemed to have been made pursuant to Section B.5(b) or (c), the Indemnitee shall be entitled to seek judicial enforcement of the Corporation's obligation to pay to the Indemnitee such advancement of expenses or indemnification. Notwithstanding the foregoing, the

Corporation may bring an action, in an appropriate court in the State of Delaware or any other court of competent jurisdiction, contesting the right of the Indemnitee to receive indemnification hereunder due to the occurrence of an event described in subclause (A) or (B) of this clause (ii) (a "Disqualifying Event"); provided, however, that in any such action the Corporation shall have the burden of proving the occurrence of such Disqualifying Event.

(iii) The Corporation shall be precluded from asserting in any judicial Proceeding or arbitration commenced pursuant to this Section B.5(d) that the procedures and preemptions of this Section B are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Corporation is bound by all the provisions of this Section B.

(iv) In the event that the Indemnitee, pursuant to this Section B.5(d), seeks a judicial adjudication of or an award in arbitration to enforce his rights under, or to recover damages for breach of, this Section B, the Indemnitee shall be entitled to recover from the Corporation, and shall be indemnified by the Corporation against, any expenses actually and reasonably incurred by the Indemnitee if the Indemnitee prevails in such judicial adjudication or arbitration. If it shall be determined in such judicial adjudication or arbitration that the Indemnitee is entitled to receive part but not all of the indemnification or advancement of expenses sought, the expenses incurred by the Indemnitee in connection with such judicial adjudication or arbitration shall be prorated accordingly.

(e) Definitions. For purposes of this Section B.5:

(i) "Change in Control" means (A) so long as the Public Utility Holding Company Act of 1935 is in effect, any "company" becoming a "holding company in respect to the Corporation or any determination by the Securities and Exchange Commission that any "person" should be subject to the obligations, duties, and liabilities if imposed by said Act by virtue of his, hers or its influence over the management or policies of the Corporation, or (B) whether or not said Act is in effect a change in control of the Corporation of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), whether or not the Corporation is then subject to such reporting requirement; provided that, without limitation, such a change in control shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing ten percent or more of the combined voting power of the Corporation's then outstanding securities without the prior approval of at

least two-thirds of the members of the Board of Directors in office immediately prior to such acquisition; (ii) the Corporation is a party to a merger, consolidation, sale of assets or other reorganization, or a proxy contest, as a consequence of which members of the Board of Directors in office immediately prior to such transaction or event constitute less than a majority of the Board of Directors thereafter; or (iii) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors (including for this purpose any new director whose election or nomination for election by the Corporation's stockholders was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such period) cease for any reason to constitute at least a majority of the Board of Directors.

(ii) "Disinterested Director" means a director of the Corporation who is not or was not a party to the Proceeding in respect of which indemnification is sought by the Indemnitee.

(iii) "Independent Counsel" means a law firm or a member of a law firm that neither presently is, nor in the past five years has been, retained to represent: (A) the Corporation or the Indemnitee in any matter material to either such party or (B) any other party to the Proceeding giving rise to a claim for indemnification under this Section B. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing under Delaware law, would have a conflict of interest in representing either the Corporation or the Indemnitee in an action to determine the Indemnitee's rights under this Section B.

6. Severability. If any provision or provisions of this Section B shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provision of this Section B (including, without limitation, all portions of any paragraph of this Section B containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (ii) to the fullest extent possible, the provisions of this Section B (including, without limitation, all portions of any paragraph of this Section B containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

7. Successor Laws, Regulations and Agencies. Reference herein to laws, regulations or agencies shall be deemed to include all amendments thereof, substitutions therefor and successors thereto.

Article VI  
General Powers of the Board of Directors

A. Bylaws

The Board of Directors shall have the power to make, alter, amend and repeal the Bylaws of the Corporation in such form and with such terms as the Board may determine, subject to the power granted to stockholders to alter or repeal the Bylaws provided under Delaware law; provided, however, that, notwithstanding any other provision of this Amended and Restated Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, the affirmative vote of at least 80 percent of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such alteration, amendment or repeal is presented to the Board for adoption), shall be required to alter, amend or repeal any provision of the Bylaws which is to the same effect as any one or more sections of this Article VI.

B. Charter Amendments

Subject to the provisions hereof, the Corporation, through its Board of Directors, reserves the right at any time, and from time to time, to amend, alter, repeal or rescind any provision contained in this Amended and Restated Certificate of Incorporation in the manner now or hereinafter prescribed by law, and any other provisions authorized by Delaware law at the time enforced may be added or inserted, in the manner now or hereinafter prescribed by law, and any and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Amended and Restated Certificate of Incorporation in its present form or as hereinafter amended are granted subject to the rights reserved in this Article.

Signed on October 27, 2000



Name: Nina M. Rausch

Title: Secretary



# Delaware

PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "NEW NISOURCE INC.", FILED IN THIS OFFICE ON THE TWENTY-NINTH DAY OF MARCH, A.D. 2000, AT 9 O'CLOCK A.M.

3203156 8100

070950570



*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 5952651

DATE: 08-24-07

**CERTIFICATE OF INCORPORATION**  
**OF**  
**NEW NISOURCE INC.**

FIRST. The name of the corporation is New NiSource Inc.

SECOND. The address of the corporation's registered office in the State of Delaware is 1013 Centre Road, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is Corporation Service Company.

THIRD. The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware, as amended.

FOURTH. The total number of shares of stock which the corporation shall have authority to issue is One Hundred (100) shares of Common Stock of \$.01 par value per share.

Any and all right, title, interest and claim in or to any dividends declared by the corporation, whether in cash, stock or otherwise, which are unclaimed by the stockholder entitled thereto for a period of six years after the close of business on the payment date shall be and be deemed to be extinguished and abandoned, and any such unclaimed dividends in the possession of the corporation, its transfer agents or other agents or depositaries shall at such time become the absolute property of the corporation, free and clear of any and all claims of any persons whatsoever.

FIFTH. The name and mailing address of the incorporator are Carlen C. Sellers, c/o Schiff Hardin & Waite, 6600 Sears Tower, 233 S. Wacker Drive, Chicago, Illinois 60606.

SIXTH. In furtherance and not in limitation of the powers conferred by statute, the board of directors of the corporation is expressly authorized:

- (1) To adopt, amend or repeal the by-laws of the corporation and
- (2) To provide for the indemnification of directors, officers, management, employees and agents of the corporation, and of persons who serve other enterprises in such or similar capacities at the request of the corporation, to the full extent permitted by the General Corporation Law of Delaware, as amended, or any other applicable laws, as may from time to time be in effect.

SEVENTH. A director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, as amended, or (iv) for any transaction from which the director derived an improper personal benefit. Any repeal or modification of the foregoing paragraph by the stockholders of the corporation shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

EIGHTH. Elections of directors need not be by written ballot unless the by-laws of the corporation shall so provide.

NINTH. Action may be taken by the stockholders of the corporation, without a meeting, by written consent as and to the extent provided at the time by the General Corporation Law of Delaware, as amended, provided that the matter to be acted upon by such written consent previously has been approved by the board of directors of the corporation and directed by such board to be submitted to the stockholders for their action thereon by written consent.

TENTH. Whenever a compromise or arrangement is proposed between this corporation and its creditors or any class of them and/or between this corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this corporation under the provisions of section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this corporation under the provisions of section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this corporation, as the case may be, and also on this corporation.

ELEVENTH. The corporation reserves the right to amend its certificate of incorporation, and thereby to change or repeal any provision therein contained, from time to time, in the manner prescribed at the time by statute, and all rights conferred upon stockholders by such certificate of incorporation are granted subject to this reservation.

The undersigned, being the incorporator hereinabove named, has executed this Certificate of Incorporation this 29th day of March, 2000, thereby acknowledging under penalties of perjury that the foregoing is the act and deed of the undersigned and that the facts stated therein are true.



Carlton C. Sellers  
Sole Incorporator

# Delaware

PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "NEW NISOURCE INC.", CHANGING ITS NAME FROM "NEW NISOURCE INC." TO "NISOURCE INC.", FILED IN THIS OFFICE ON THE FIRST DAY OF NOVEMBER, A.D. 2000, AT 12 O'CLOCK P.M.

3203156 8100

070950570



*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 5952652


DATE: 08-24-07

**CERTIFICATE OF AMENDMENT OF CERTIFICATE OF INCORPORATION**  
**OF**  
**NEW NISOURCE INC.**

It is hereby certified that:

1. The name of the corporation (hereinafter called the "Corporation") is New NiSource Inc.
2. The certificate of incorporation of the Corporation is hereby amended by striking out Article First thereof and by substituting in lieu of said Article the following new Article:  
  
"FIRST. The name of this corporation is NiSource Inc."
3. The amendment of the certificate of incorporation herein certified has been duly adopted and a written consent has been given in accordance with the provisions of Sections 228 and 242 of the General Corporation Law of the State of Delaware.

Dated as of November 1, 2000

  
\_\_\_\_\_  
Stephen P. Adik  
Vice Chairman

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STATE OF DELAWARE  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
FILED 12:00 PM 11/01/2000  
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**ATTACHMENT B**

**RESTATED CERTIFICATE OF INCORPORATION OF  
THE COLUMBIA ENERGY GROUP**

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RESTATED  
CERTIFICATE OF INCORPORATION  
Of  
COLUMBIA ENERGY GROUP



As Filed with the Delaware Secretary of State on November 28, 1995, and amended and restated effective as of January 16, 1998.

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RESTATED  
CERTIFICATE OF INCORPORATION  
OF  
COLUMBIA ENERGY GROUP

Columbia Energy Group, a corporation organized and existing under the laws of the State of Delaware, hereby certifies as follows: The name of the corporation is Columbia Energy Group. Columbia Energy Group was originally incorporated under the name Columbia Gas & Electric Corporation and the original Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on September 30, 1926. This Restated Certificate of Incorporation was duly adopted pursuant to Sections 103, 242 and 245 of the General Corporation Law of the State of Delaware. Upon filing with the Secretary of State, in accordance with Section 103, this Restated Certificate of Incorporation amends and restates and shall henceforth supersede the original Certificate of Incorporation and shall, as it may thereafter be amended in accordance with its terms and applicable law, be the Certificate of Incorporation of the Corporation. The text of the Certificate of Incorporation as heretofore amended or supplemented is hereby amended and restated to read in its entirety as follows:

Article I  
Name

The name of this Corporation is Columbia Energy Group.

Article II  
Registered Office

The registered office of the Corporation in the State of Delaware is located at The Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent is The Corporation Trust Company, and the address of said registered agent is Corporation Trust Center, 1209 Orange Street, in said city.

Article III  
Statement of Purpose

The nature of the business to be conducted and the purposes of the Corporation are to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law, as amended.



Article IV  
Classes of Capital Stock

The total number of shares of all classes of stock which the Corporation shall have authority to issue is One hundred forty million (140,000,000), of which Forty million (40,000,000) shares of the par value of Ten dollars (\$10.00) each are to be of a class designated Preferred Stock and One hundred million (100,000,000) shares of the par value of Ten dollars (\$10.00) each are to be of a class designated Common Stock.

To the extent required by Section 1123(a)(6) of the U.S. Bankruptcy Code (11 U.S.C §1123(a)(6)) no nonvoting equity securities of the Corporation shall be issued. This provision shall have no further force and effect beyond that required by Section 1123(a)(6) and is applicable only for so long as such Section is in effect and applicable to the Corporation.

*A. Common Stock*

1. Subject to the powers, preferences and other special rights afforded Preferred Stock by the provisions of this Article IV or resolutions adopted pursuant hereto, the holders of the Common Stock shall be entitled to receive to the extent permitted by Delaware law, such dividends as may from time to time be declared by the Board of Directors.

2. Except as otherwise required by Delaware law and as otherwise provided in this Article IV and resolutions adopted pursuant hereto with respect to Preferred Stock, and subject to the provisions of the Bylaws of the Corporation, as from time to time amended, with respect to the closing of the transfer books and the fixing of a record date for the determination of stockholders entitled to vote, the holders of the Common Stock shall exclusively possess voting power for the election of directors and for all other purposes, and the holders of the Preferred Stock shall have no voting power and shall not be entitled to any notice of any meeting of stockholders.

3. At all elections of directors by stockholders of the Corporation, each holder of Common Stock, and each holder of Preferred Stock, if entitled to vote at such election, shall be entitled to as many votes as shall equal the number of his shares of Common Stock or Preferred Stock, as the case may be, multiplied by the number of directors for whom he as such holder shall then be entitled to vote, and he may cast all of such votes for one of such directors or may distribute them among any two or more of them as he may see fit.

4. Any action required or permitted to be taken by the stockholders of the Corporation must be effected at an annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders. Except as otherwise required by law and subject to the rights of the holders of any class or any series of Preferred Stock, special meetings of stockholders of the Corporation may be called only by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption).

5. In the event of the voluntary or involuntary liquidation, dissolution, distribution of assets or winding-up of the Corporation, after distribution in full of the preferential amounts, if any, to be distributed to the holders of shares of Preferred Stock, as set forth in the resolutions adopted with respect to such series under this Article IV, holders of Common Stock shall be entitled to receive all of the remaining assets of the Corporation of whatever kind available for distribution to the stockholders ratably and in proportion to the number of shares of Common Stock held by them respectively. The Board of Directors may distribute in kind to the holders of Common Stock such remaining assets of the Corporation or may sell, transfer, otherwise dispose of all or any part of such remaining assets to any other corporation, trust or other entity and receive payment therefor in cash, stock or obligations of such other corporation, trust or other entity, or a combination thereof, and may set all or make any part of the consideration so received and distributed or any balance thereof in kind to holders of Common Stock. The merger or consolidation of the Corporation into or with any other corporation, or the merger of any other corporation into it, or any purchase or redemption of shares of stock of the Corporation of any class, shall not be deemed to be a dissolution, liquidation, or winding-up of the Corporation for the purposes of this Article IV.

#### *B. Preferred Stock*

The designations and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of the classes of stock of the Corporation which are fixed by the Certificate of Incorporation, and the express grant of authority to the Board of Directors of the Corporation to fix by resolution or resolutions the designations and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of the shares of Preferred Stock, which are not fixed by the Certificate of Incorporation, are as follows:

1. The Preferred Stock may be issued from time to time in any amount, not exceeding in the aggregate the total number of shares of Preferred Stock herein above authorized, as Preferred Stock of one or more series, as hereinafter provided. All shares of any one series of Preferred Stock shall be alike in every particular, each series thereof shall be distinctively designated by letter or descriptive words, and all series of Preferred Stock shall rank equally and be identical in all respects except as permitted by the provisions of Subsection B.2 of this Article IV.

2. Authority is hereby expressly granted to and vested in the Board of Directors from time to time to issue the Preferred Stock as Preferred Stock of any series and in connection with the creation of each such series to fix, by the resolution or resolutions providing for the issue of shares thereof, the voting powers, designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, if any, of such series, to the full extent now or hereafter permitted by the laws of the State of Delaware. Pursuant to the foregoing general authority vested in the Board of Directors, but not in limitation of the powers conferred on the Board of Directors thereby and by the laws of the State of Delaware, the Board of Directors is expressly authorized to determine with respect to each series of Preferred Stock:

- (a) the designation of such series and number of shares constituting such series;
- (b) the dividend rate or amount of such series, the payment dates for dividends on shares of such series, the status of such dividends as cumulative or non-cumulative, the date from which dividends on shares of such series, if cumulative, shall be cumulative, and the status of such as participating or non-participating after the payment of dividends as to which such shares are entitled to any preference;
- (c) the price or prices (which amount may vary under different conditions or at different dates) at which, and the times, terms and conditions on which, the shares of such series may be redeemed at the option of the Corporation;
- (d) whether or not the shares of such series shall be made optionally or mandatorily convertible into, or exchangeable for, shares of any other class or classes or of any other series of the same or any other class or classes of stock of the Corporation or other securities and, if made so convertible or exchangeable, the conversion price or prices, or the rates of exchange, and the adjustments thereof, if any, at which such conversion or exchange may be made and any other terms and conditions of such conversion or exchange;
- (e) whether or not the shares of such series shall be entitled to the benefit of a retirement or sinking fund to be applied to the purchase or redemption of shares of such series, and if so entitled, the amount of such fund and the manner of its application, including the price or prices at which shares of such series may be redeemed or purchased through the application of such fund;
- (f) whether or not the issue of any additional shares of such series or any future series in addition to such series or of any shares of any other class of stock of the Corporation shall be subject to restrictions and, if so, the nature thereof;
- (g) the rights and preferences, if any, of the holders of such series of Preferred Stock upon the voluntary or involuntary liquidation, dissolution or winding-up of the Corporation, and the status of the shares of such series as participating or non-participating after the satisfaction of any such rights and preferences;
- (h) the full or limited voting rights, if any, to be provided for shares of such series, in addition to the voting rights provided by law; and
- (i) any other relative powers, preferences and participating, optional or other special rights and the qualifications, limitations or restrictions thereof, of shares of such series;

in each case, so far as not inconsistent with the provisions of this Certificate of Incorporation or the Delaware General Corporation Law then in effect.

Article V  
Board of Directors

A. *Election and Removal of Directors*

1. The Board of Directors shall consist of not less than thirteen (13) or more than eighteen (18) persons, the exact number to be fixed from time to time exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption), *provided, however*, this provision shall not act to limit Board size in the event a class or classes of Preferred Stock are entitled to elect directors to the exclusion of holders of Common Stock. The directors shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, as may be, provided in the manner specified in the Bylaws, Class I Directors to hold office initially for a term expiring at the annual meeting of stockholders to be held in 1997, Class II Directors to hold office initially for a term expiring at the annual meeting of stockholders to be held in 1998, and Class III Directors to hold office initially for a term expiring at the annual meeting of stockholders to be held in 1999, with the members of each class to hold office until their successors are duly elected and qualified. At each annual meeting of the stockholders of the Corporation, the successors to the class, of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

2. Notwithstanding the foregoing and except as otherwise provided by law, whenever the holders of any series of the Preferred Stock shall have the right (to the exclusion of holders of Common Stock) to elect directors of the Corporation pursuant to the provisions of Article IV and any resolution adopted pursuant thereto, the election of such directors of the Corporation shall be governed by the terms and provisions of said resolutions and such directors so elected shall not be divided into classes pursuant to this Subsection A.2 of Article V and shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the first year following their election or, if such right of the holders of the Preferred Stock is terminated, for a term expiring in accordance with the provisions of such resolutions.

3. Newly-created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause may be filled only by a majority vote of the directors then in office, even though less than a quorum of the Board of Directors, acting at a regular or special meeting. If any applicable provision of the Delaware General Corporation Law or any resolution adopted pursuant to Article IV expressly confers power on stockholders to fill such a directorship at a special meeting of stockholders, such a directorship may be filled at such a meeting only by the affirmative vote of at least 80 percent of the combined voting powers of the outstanding shares of stock of the Corporation entitled to vote generally; *provided, however*, that when (a) pursuant to the provisions of Article IV or any resolutions adopted pursuant thereto, the holders of any series of Preferred Stock have the right (to the exclusion of holders of the Common Stock), and have exercised such right, to elect directors and (b) Delaware General

Corporation Law or any such resolution expressly confers on stockholders voting rights as aforesaid, if the directorship to be filled had been occupied by a director elected by the holders of Common Stock, then such directorship shall be filled by an 80 percent vote as aforesaid, but if such directorship to be filled had been elected by holders of Preferred Stock, then such directorship shall be filled in accordance with the applicable resolutions adopted under Article IV. Any director elected in accordance with the two preceding sentences shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified unless such director was elected by holders of Preferred Stock (acting to the exclusion of the holders of Common Stock), in which case such director's term shall expire in accordance with the applicable resolutions adopted pursuant to Article IV. No decrease in the number of authorized directors constituting the entire Board of Directors shall shorten the term of any incumbent director, except, as otherwise provided in the applicable resolutions adopted pursuant to Article IV, with respect to directorships created pursuant to one or more series of Preferred Stock.

4. Subject to the rights of the holders of any class or series of Preferred Stock to elect directors under specified circumstances, any director or directors may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least 80 percent of the combined voting power of all of the then-outstanding shares of stock of the Corporation entitled to vote generally, voting together as a single class (it being understood that for all purposes of this Article V, each share of Preferred Stock shall have the number of votes, if any, granted to it pursuant to this Certificate of Incorporation or any designation of terms of any class or series of Preferred Stock made pursuant to this Certificate of Incorporation).

5. Notwithstanding any other provision of this Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of any particular class or series of the stock of the Corporation required by law, this Certificate of Incorporation or any Preferred Stock certificate of designation, the affirmative vote of at least 80 percent of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such alteration, amendment or repeal is presented to the Board for adoption), shall be required to alter, amend or repeal this Article V, or any provision hereof.

#### *B. Liability, Indemnification and Insurance*

1. Limitation on Liability. To the fullest extent that the Delaware General Corporation Law as it exists on the date hereof or as it may hereafter be amended permits the limitation or elimination of the personal liability of directors, no director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. No amendment to or repeal of this Section B. 1 shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

2. Right to Indemnification. The Corporation shall to the fullest extent permitted by applicable law as then in effect indemnify any person (the Indemnitee who was or is involved in any manner (including, without limitation, as a party or a witness) or is threatened to be made so involved in any threatened, pending or completed investigation, claim, action, suit or proceeding, whether civil, criminal, administrative or investigative (including without limitation, any action, suit or proceeding by or in the right of the Corporation to procure a judgment in its favor) (a "Proceeding") by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation, or of the Columbia Energy Group Service Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise (including, without limitation, any employee benefit plan) against all expenses including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such Proceeding. Such indemnification shall be a contract right and shall include the right to receive payment of any expenses incurred by the Indemnitee in connection with such Proceeding in advance of its final disposition, consistent with the provisions of applicable law as then in effect.

3. Insurance, Contracts and Funding. The Corporation may purchase and maintain insurance to protect itself and any Indemnitee against any expenses, judgments, fines and amounts paid in settlement as specified in Subsection B.2 of this Section B or incurred by any Indemnitee in connection with any Proceeding referred to in Subsection B.1 of this Section B, to the fullest extent permitted by applicable law as then in effect. The Corporation may enter into contracts with any director, officer, employee or agent of the Corporation in furtherance of the provisions of this Section B and may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Section B.

4. Indemnification: No Exclusive Right. The right of indemnification provided in this Section B shall not be exclusive of any other rights to which those seeking indemnification may otherwise be entitled, and the provisions of this Section B shall inure to the benefit of the heirs and legal representatives of any person entitled to indemnity under this Section B and shall be applicable to Proceedings commenced or continuing after the adoption of this Section B, whether arising from acts or omissions occurring before or after such adoption.

5. Advancement of Expenses; Procedures; Presumptions and Effect of Certain Proceedings; Remedies. In furtherance, but not in limitation of the foregoing provisions, the following procedures, presumptions and remedies shall apply with respect to advancement of expenses and the right to indemnification under this Section B:

(a) *Advancement of Expenses*. All reasonable expenses incurred by or on behalf of the Indemnitee in connection with any Proceeding shall be advanced to the Indemnitee by the Corporation within twenty (20) days after the receipt by the Corporation of a statement or statements from the Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the expenses incurred by the

Indemnitee and, if required by law at the time of such advance, shall include or be accompanied by an undertaking by or on behalf of the Indemnitee to repay the amounts advanced if it should ultimately be determined that the Indemnitee is not entitled to be indemnified against such expenses pursuant to this Section B.

(b) *Procedure for Determination of Entitlement to Indemnification.*

(i) To obtain indemnification under this Section B, an Indemnitee shall submit to the Secretary of the Corporation a written request, including such documentation and information as is reasonably available to the Indemnitee and reasonably necessary to determine whether and to what extent the Indemnitee is entitled to indemnification (the "Supporting Documentation"). The determination of the Indemnitee's entitlement to indemnification shall be made not later than sixty (60) days after receipt by the Corporation of the written request for indemnification together with the Supporting Documentation. The Secretary of the Corporation shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that the Indemnitee has requested indemnification.

(ii) The Indemnitee's entitlement to indemnification under this Section B shall be determined in one of the following ways: (A) by a majority vote of the disinterested Directors (as hereinafter defined), even if they constitute less than a quorum of the Board; (B) by a written opinion of Independent Counsel (as hereinafter defined) if (x) a Change of Control (as hereinafter defined) shall have occurred and the Indemnitee so requests or (y) if there are no Disinterested Directors or a majority of such Disinterested Directors so directs; (C) by the stockholders of the Corporation (but only if a majority of the Disinterested Directors presents the issue of entitlement to indemnification to the stockholders for their determination); or (D) as provided in Section B.5(c).

(iii) In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section B.5(b)(ii), a majority of the Disinterested Directors shall select the Independent Counsel (except that if there are no Disinterested Directors, the Corporation's Chief Legal Officer shall select the Independent Counsel), but only an Independent Counsel to which the Indemnitee does not reasonably object; provided, however, that if a Change of Control shall have occurred, the Indemnitee shall select such Independent Counsel, but only an Independent Counsel to which the Board of Directors does not reasonably object.

(iv) The only basis upon which a finding of no entitlement to indemnification may be made is that indemnification is prohibited by law

(c) *Presumptions and Effect of Certain Proceedings.* Except as otherwise expressly provided in this Section B, if a Change of Control shall have occurred, the Indemnitee Shall be presumed to be entitled to indemnification under this Section B upon

submission of a request for indemnification together with the Supporting Documentation in accordance with Section B.5 (b)(i), and thereafter the Corporation shall have the burden of proof to overcome that presumption in reaching a contrary determination. In any event, if the person or persons empowered under Section B.5(b) to determine entitlement to indemnification shall not have been appointed or shall not have made a determination within sixty (60) days after receipt by the Corporation of the request therefor together with the Supporting Documentation, the Indemnitee shall be deemed to be entitled to indemnification and the Indemnitee shall be entitled to such indemnification unless (A) the Indemnitee misrepresented or failed to disclose a material fact in making the request for indemnification or in the Supporting Documentation or (B) such indemnification is prohibited by law. The termination of any Proceeding described in Section B.2, or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, adversely affect the right of the Indemnitee to indemnification or create a presumption that the Indemnitee did not act in good faith and in a manner which the Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal Proceeding, that the Indemnitee had reasonable cause to believe that the Indemnitee's conduct was unlawful.

(d) Remedies of Indemnitee.

(i) In the event that a determination is made, pursuant to Section B.5(b) that the Indemnitee is not entitled to indemnification under this Section B, (A) the Indemnitee shall be entitled to seek an adjudication of his entitlement to such indemnification either, at the Indemnitee's sole option, in (x) an appropriate court of the State of Delaware or any other court of competent jurisdiction or (y) an arbitration to be conducted by a single arbitrator pursuant to the rules of the American Arbitration Association; (B) any such judicial Proceeding or arbitration shall be de nova and the Indemnitee shall not be prejudiced by reason of such adverse determination; and (C) in any such judicial Proceeding or arbitration the Corporation shall have the burden of proving that the Indemnitee is not entitled to indemnification under this Section B.

(ii) If a determination shall have been made or deemed to have been made, pursuant to Section B.5(b) or (c), that the Indemnitee is entitled to indemnification, the Corporation shall be obligated to pay the amounts constituting such indemnification within five (5) days after such determination has been made or deemed to have been made and shall be conclusively bound by such determination unless (A) the Indemnitee misrepresented or failed to disclose a material fact in making the request for indemnification or in the Supporting Documentation or (B) such indemnification is prohibited by law. In the event that (x) advancement of expenses is not timely made pursuant to Section B.5(a) or (y) payment of indemnification is not made within five (5) days after a determination of entitlement to indemnification has been made or deemed to have been made pursuant to Section B.5(b) or (c), the Indemnitee shall be entitled to seek judicial enforcement of the Corporation's obligation to pay to the Indemnitee such



advancement of expenses or indemnification. Notwithstanding the foregoing, the Corporation may bring an action, in an appropriate court in the State of Delaware or any other court of competent jurisdiction, contesting the right of the Indemnitee to receive indemnification hereunder due to the occurrence of an event described in subclause (A) or (B) of this clause (ii) (a "Disqualifying Event"); provided, however, that in any such action the Corporation shall have the burden of proving the occurrence of such Disqualifying Event.

(iii) The Corporation shall be precluded from asserting in any judicial Proceeding or arbitration commenced pursuant to this Section B.5(d) that the procedures and preemptions of this Section B are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Corporation is bound by all the provisions of this Section B.

(iv) In the event that the Indemnitee, pursuant to this Section B.5(d), seeks a judicial adjudication of or an award in arbitration to enforce his rights under, or to recover damages for breach of, this Section B, the Indemnitee shall be entitled to recover from the Corporation, and shall be indemnified by the Corporation against, any expenses actually and reasonably incurred by the Indemnitee if the Indemnitee prevails in such judicial adjudication or arbitration. If it shall be determined in such judicial adjudication or arbitration that the Indemnitee is entitled to receive part but not all of the indemnification or advancement of expenses sought, the expenses incurred by the Indemnitee in connection with such judicial adjudication or arbitration shall be prorated accordingly.

(e) *Definitions.* For purposes of this Section B.5:

(i) "Change in Control" means (A) so long as the Public Utility Holding Company Act of 1935 is in effect, any "company" becoming a "holding company" in respect to the Corporation or any determination by the Securities and Exchange Commission that any "person" should be subject to the obligations, duties, and liabilities if imposed by said Act by virtue of his, hers or its influence over the management or policies of the Corporation, or (B) whether or not said Act is in effect a change in control of the Corporation of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934 (the "Act"), whether or not the Corporation is then subject to such reporting requirement; provided that, without limitation, such a change in control shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Act) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Corporation representing ten percent or more of the combined voting power of the Corporation's then outstanding securities without the prior approval of at least two-thirds of the members of the Board of Directors in office immediately prior to such acquisition; (ii) the Corporation is a party to a merger, consolidation, sale of assets or other reorganization, or a proxy

contest, as a consequence of which members of the Board of Directors in office immediately prior to such transaction or event constitute less than a majority of the Board of Directors thereafter; or (iii) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors (including for this purpose any new director whose election or nomination for election by the Corporation's stockholders was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such period) cease for any reason to constitute at least a majority of the Board of Directors.

(ii) "Disinterested Director" means a director of the Corporation who is not or was not a party to the Proceeding in respect of which indemnification is sought by the Indemnitee.

(iii) "Independent Counsel" means a law firm or a member of a law firm that neither presently is, nor in the past five years has been, retained to represent: (A) the Corporation or the Indemnitee in any matter material to either such party or (B) any other party to the Proceeding giving rise to a claim for indemnification under this Section B. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing under the Delaware law, would have a conflict of interest in representing either the Corporation or the Indemnitee in an action to determine the Indemnitee's rights under this Section B.

6. *Severability.* If any provision or provisions of this Section B shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provision of this Section B (including, without limitation, all portions of any paragraph of this Section B containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (ii) to the fullest extent possible, the provisions of this Section B (including, without limitation, all portions of any paragraph of this Section B containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

7. *Successor Laws, Regulations and Agencies.* Reference herein to laws, regulations or agencies shall be deemed to include all amendments thereof, substitutions therefor and successors thereto.

## Article VI General Powers of the Board of Directors

### A. *Bylaws*

The Board of Directors shall have the power to make, alter, amend and repeal the Bylaws of the Corporation in such form and with such terms as the Board may determine, subject to the

power granted to stockholders to alter or repeal the Bylaws provided under Delaware law; *provided, however*, that, notwithstanding any other provision of this Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote the affirmative vote of at least 80 percent of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such alteration, amendment or repeal is presented to the Board for adoption), shall be required to alter, amend or repeal any provision of the Bylaws which is to the same effect as any one or more sections of this Article VI.

B. *Charter Amendments*

Subject to the provisions hereof, the Corporation, through its Board of Directors, reserves the right at any time, and from time to time, to amend, alter, repeal or rescind any provision contained in this Restated Certificate of Incorporation in the manner now or hereinafter prescribed by law, and any other provisions authorized by Delaware law at the time enforced may be added or inserted, in the manner now or hereinafter prescribed by law, and any and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Restated Certificate of Incorporation in its present form or as hereinafter amended are granted subject to the rights reserved in this Article.

IN WITNESS WHEREOF, this Restated Certificate of Incorporation has been signed under the Seal of the Corporation as of this 16th day of January, 1998.

**COLUMBIA ENERGY GROUP**

Attest: C. M. Afshar  
Secretary

BY: M. J. Arnold  
Senior Vice President and Chief  
Financial Officer

[SEAL]

**ATTACHMENT C**

**ARTICLES OF INCORPORATION OF  
COLUMBIA GAS OF KENTUCKY, INC.**

0010555.09

Ghance  
PAOA

Trey Grayson  
Secretary of State  
Received and Filed  
12/30/2004 12:38:08 PM  
Fee Receipt: \$40.00

**ARTICLES OF AMENDMENT**

**OF**

**COLUMBIA GAS OF KENTUCKY, INC.**

**To the Secretary of State  
Commonwealth of Kentucky**

Pursuant to the provisions of the Kentucky Business Corporation Act, the corporate hereinafter named (the "corporation") does hereby adopt the following Articles of Amendment.

1. Article SIX of the Articles of Incorporation of the corporation is hereby amended so as henceforth to read as follows:

"The corporation is to have perpetual existence."

2. The effective date of adoption of the aforesaid amendment will be the filing date.

3. The designation, the number of outstanding shares, the number of shares entitled to be cast by the voting group entitled to vote on the said amendment, and the number of votes of the voting group indisputably represented at the meeting at which the said amendment was approved are as follows:

- (a) Designation of voting group: Common Stockholders
- (b) Number of outstanding shares of voting group: 952,248
- (c) Number of shares of voting group entitled to vote separately on the amendment: 952,248
- (d) Number of shares of voting group indisputably represented at the meeting: 952,248

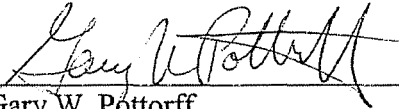
4. The total number of votes cast for and against the said amendment by the voting group entitled to vote on the said amendment is as follows:

- (a) Designation of voting group: Common Stockholders
- (b) Number of votes of voting group cast for the amendment: 952,248
- (c) Number of votes of voting group cast against the amendment: 0

5. The said number of votes cast for the said amendment was sufficient for the approval thereof by the said voting group.

Dated as of December 29, 2004

COLUMBIA GAS OF KENTUCKY, INC.

  
\_\_\_\_\_  
Gary W. Pottorff  
Corporate Secretary

**WRITTEN CONSENT  
OF THE SOLE SHAREHOLDER OF  
COLUMBIA GAS OF KENTUCKY, INC.**

The undersigned, being the sole shareholder of Columbia Gas of Kentucky, Inc. (the "Corporation"), does hereby adopt the following resolutions by written consent in lieu of a meeting pursuant to the Kentucky Business Corporation Act:

**RESOLVED**, That Article SIX of the Articles of Incorporation of the Corporation is amended and restated in its entirety to read as follows:

**ARTICLE SIX**

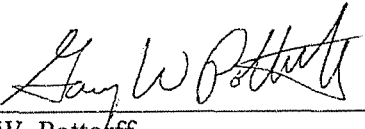
"The corporation is to have perpetual existence."

**RESOLVED**, that any and all acts of any officer of the Corporation and of any person or persons designated and authorized to act by any officer of the Corporation, which acts would have been authorized by the foregoing resolution except that such acts were taken prior to the adoption of such resolution, be and each such act hereby is ratified, confirmed and approved in all respects; and

**RESOLVED**, that the appropriate officers of the Corporation be, and each of them hereby is, authorized, empowered and directed to take all such further action and to execute, deliver, certify and file all such further instruments and documents, in the name and on behalf of the Corporation, under its corporate seal or otherwise, and to pay all such costs and expenses as such officers shall approve as necessary or advisable to carry out the intent and accomplish the purpose of the foregoing resolutions and the transactions contemplated thereby, the taking of such actions and the execution, delivery, certification and filing of such documents to be conclusive evidence of such approval.

<sup>th</sup>  
28 day of December 2004. **IN WITNESS WHEREOF**, the undersigned has executed this Consent as of the

**Columbia Energy Group**, being the sole shareholder of the Corporation.

By:   
\_\_\_\_\_  
Gary W. Pottorff  
Corporate Secretary

#0010556

ARTICLES OF AMENDMENT  
OF  
THE ARTICLES OF INCORPORATION  
OF  
COLUMBIA GAS OF KENTUCKY, INC.

JOHN  
SECRETARY  
COLUMBIA GAS OF KENTUCKY, INC.  
*Andrew J. Sonderman*

JUN 29 10 38 AM '96

RECEIVED & FILED  
*Dr. H. H. H.*

I, Andrew J. Sonderman, Secretary and General Counsel of COLUMBIA GAS OF KENTUCKY, INC., a corporation organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, do hereby certify that the following is a true and complete copy of resolutions adopted on January 12, 1996 by THE COLUMBIA GAS SYSTEM, INC., a Delaware corporation and the sole stockholder and owner of all outstanding shares of COLUMBIA GAS OF KENTUCKY, INC., amending the Articles of Incorporation of said COLUMBIA GAS OF KENTUCKY, INC.

Amendment of Articles of Incorporation  
To Delete the Offices of Chairman of the Board  
and General Manager

RESOLVED, That Article Seventh of the Articles of Incorporation of this Corporation be amended to reflect the deletion of the offices of Chairman of the Board and General Manager to facilitate a more efficient organizational structure and management of the affairs of this Corporation, so that said Article Seventh, as amended, shall read as follows:

"SEVENTH. The affairs of the Company shall be conducted by a Board of Directors, consisting of not less than three (3) nor more than twelve (12) directors; a President, one or more Vice Presidents, the Secretary and the Treasurer, who shall be elected by the Board of Directors, and such Assistant Secretaries, Assistant Treasurers and special subordinate officers as may from time to time be elected or appointed by the Board of Directors. The directors shall be elected by the stockholders at the annual meeting, or at any such adjourned meeting or meetings in each year, pursuant to the law, at the office of the company in Lexington, Kentucky.


RESOLVED FURTHER, that the proper officers of this Corporation be, and hereby are, authorized and directed to certify a copy of these Resolutions to the Secretary of State of the Commonwealth of Kentucky for the purpose of carrying into effect the provisions of



these Resolutions and

RESOLVED FURTHER, that the proper officers of this Corporation be, and they hereby are, authorized and directed, upon the issuance by said Secretary of State of his certificate reciting such resolutions approving the amendment of the Articles of Incorporation of this Corporation hereinabove set forth, to record, or cause to be recorded, in the official records of Jefferson County, Kentucky, such certificate of such Secretary of State or a certified copy thereof.

WITNESS my hand and the corporate seal of said Corporation,  
this 23<sup>rd</sup> Day of January, 1996.

  
\_\_\_\_\_  
Andrew J. Sonderman, Secretary  
and General Counsel

STATE OF OHIO

COUNTY OF FRANKLIN

ss.

I, Maryie H. Hunt, a Notary Public in and for said County, do hereby certify that on this day before me in said County personally appeared Andrew J. Sonderman, known to me to be the Secretary and General Counsel of Columbia Gas of Kentucky, Inc. and duly signed and acknowledged the above writing before me as the act and deed of said Corporation.

WITNESS my hand and official notarial seal at Columbus, Ohio, this 13<sup>th</sup> day of January, 1996

Maryie H. Hunt  
Notary Public  
MADE BY ME BEYOND MY COMMISSION EXPIRES  
ON JANUARY 1, 1997  
JACKSON 41 103 86

**AGREEMENT AND CONSENT**  
in Lieu of Special Meeting of the Stockholder of  
**COLUMBIA GAS OF Kentucky, INC.**

The undersigned, **THE COLUMBIA GAS SYSTEM, INC.**, a Delaware corporation, being the sole stockholder and owner of all outstanding shares of **COLUMBIA GAS OF KENTUCKY, INC.**, a Kentucky corporation, pursuant to the laws of the Commonwealth of Kentucky, hereby waives notice of the time, place and purpose of a meeting for the purpose of the following action, and takes the following action without meeting:

**Amendment of Articles of Incorporation**  
**To Delete the Offices of Chairman of the Board**  
**and General Manager**

**RESOLVED**, That Article Seventh of the Articles of Incorporation of this Corporation be amended to reflect the deletion of the offices of Chairman of the Board and General Manager to facilitate a more efficient organizational structure and management of the affairs of this Corporation, so that said Article Seventh, as amended, shall read as follows:

**"SEVENTH.** The affairs of the Company shall be conducted by a Board of Directors, consisting of not less than three (3) nor more than twelve (12) directors; a President, one or more Vice Presidents, the Secretary and the Treasurer, who shall be elected by the Board of Directors, and such Assistant Secretaries, Assistant Treasurers and special subordinate officers as may from time to time be elected or appointed by the Board of Directors. The directors shall be elected by the stockholders at the annual meeting, or at any such adjourned meeting or meetings in each year, pursuant to the law, at the office of the company in Lexington, Kentucky.

**RESOLVED FURTHER**, that the proper officers of this Corporation be, and hereby are, authorized and directed to certify a copy of these Resolutions to the Secretary of State of the Commonwealth of Kentucky for the purpose of carrying into effect the provisions of these Resolutions; and

**RESOLVED FURTHER**, that the proper officers of this Corporation be, and they hereby are, authorized and directed, upon the issuance by


said Secretary of State of his certificate reciting such resolutions approving the amendment of the Articles of Incorporation of this Corporation hereinabove set forth, to record, or cause to be recorded, in the official records of Jefferson County, Kentucky, such certificate of such Secretary of State or a certified copy thereof.

WHEREAS, the sole stockholder of Columbia Gas of Kentucky, Inc., is of the opinion that the aforesaid Resolutions are necessary and proper;

NOW, THEREFORE, The Columbia Gas System, Inc., the sole stockholder of Columbia Gas of Kentucky, Inc., does hereby consent to the amendment to the Articles of Incorporation of said Corporation and to all actions taken or directed to be taken, as hereinabove and in said Resolutions set forth.

IN WITNESS WHEREOF, THE COLUMBIA GAS SYSTEM, INC. has caused this Agreement and Consent to be duly executed in its corporate name and under its corporate seal, as of the 12th day of January, 1996.

THE COLUMBIA GAS SYSTEM, INC.

By:   
Chairman

(SEAL)

Attest:

  
Secretary

010555

ARTICLES OF CORRECTION  
TO THE  
AMENDMENT OF ARTICLES OF INCORPORATION  
OF COLUMBIA GAS OF KENTUCKY, INC.

# 10555-gact

RECEIVED & FILED  
\$ 20.00  
APR 10 3 58 PM '95  
BOB SARRAGE  
SECRETARY OF STATE  
COMMONWEALTH OF KENTUCKY

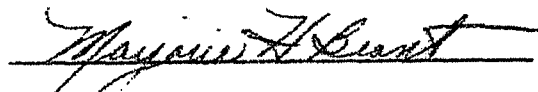
On March 13, 1995, by and through counsel, Columbia Gas of Kentucky, Inc., caused to be filed with the Secretary of State an Amendment to its Articles of Incorporation to increase the number of authorized shares of its capital stock. A copy of that Amendment is attached hereto as Exhibit A.

The number of authorized shares was erroneously written in the second paragraph of the Board of Directors' Resolution in that the word "Thousand" was omitted.

Therefore, the following should be substituted for the paragraph which contained the above-referenced error:

"FOURTH. The total number of shares of stock which this Corporation shall have authority to issue is One Million One Hundred Thousand shares (1,100,000) and the par value of each of such shares shall be Twenty-five Dollars (\$25)."

Witness my hand and the corporate seal of said Corporation, this 7th day of April, 1995.



Marjorie H. Brant  
Assistant Secretary and  
Assistant General Counsel

RECEIVED &amp; FILED

\$760.00

MAR 13 2 39 PM '95

CERTIFICATION

I, Andrew J. Sonderman, Secretary and General Counsel of  
of COLUMBIA GAS OF KENTUCKY, INC., a corporation organized and  
existing under and by virtue of the laws of the Commonwealth of  
Kentucky, do hereby certify that the following is a true and  
complete copy of resolutions passed by the Board of Directors of  
said Corporation as the same appear in the minutes of the Directors  
Regular Meeting held in Wilmington, Delaware on February 15, 1995:

Amendment of Articles of IncorporationTo Increase Authorized Shares of Capital Stock

RESOLVED, That the first paragraph of  
Article Fourth of the Articles of  
Incorporation of this Corporation be amended  
to increase the authorized number of shares of  
Common Stock from Seven Hundred Forty Thousand  
shares (740,000), of par value of Twenty-five  
Dollars (\$25) per share, to One Million One  
Hundred Thousand shares (1,100,000), of the  
par value of Twenty-five Dollars (\$25), so  
that said Article Fourth, as amended, shall  
read as follows:

"FOURTH. The total number of shares of  
stock which this Corporation shall have  
authority to issue is One Million One Hundred  
shares (1,100,000) and the par value of each

of such shares shall be Twenty-five Dollars (\$25)."

RESOLVED FURTHER, that upon the unanimous consent and agreement in writing of the holder of all the capital stock of said Corporation, the proper officers of this Corporation be, and hereby are, authorized and directed to certify a copy of these Resolutions to the Secretary of State of the Commonwealth of Kentucky for the purpose of carrying into effect the provisions of these Resolutions; and

RESOLVED FURTHER, that the proper officers of this Corporation be, and they hereby are, authorized and directed, upon the issuance by said Secretary of State of his certificate reciting such resolutions approving the amendment of the Articles of Incorporation of this Corporation hereinabove set forth, to record, or cause to be recorded, in the official records of Jefferson County, Kentucky, such certificate of such Secretary of State or a certified copy thereof.

WITNESS my hand and the corporate seal of said Corporation, this 15th day of February, 1995.



Andrew J. Sonderman, Secretary  
and General Counsel

STATE OF OHIO )  
COUNTY OF FRANKLIN )

ss.

I, Margaret A. Grant, a Notary Public in and for said County, so hereby certify that on this day before me in said County personally appeared Andrew J. Sonderman, known to me to be the Secretary and General Counsel of Columbia Gas of Kentucky, Inc. and duly signed and acknowledged the above writing before me as the act and deed of said Corporation.

WITNESS my hand and official notarial seal at Columbus, Ohio, this 8th day of March, 1995.

Margaret A. Grant  
Notary Public

MARGARET A. GRANT, Attorney At Law  
NOTARY PUBLIC, STATE OF OHIO  
My commission expires on expiration date  
Expires 10/31/98



BOOK 0476 PAGE 609

**AGREEMENT AND CONSENT**  
in Lieu of Special Meeting of the Stockholder of  
**COLUMBIA GAS OF Kentucky, INC.**

The undersigned, **THE COLUMBIA GAS SYSTEM, INC.**, a Delaware corporation, being the sole stockholder and owner of all outstanding shares of **COLUMBIA GAS OF KENTUCKY, INC.**, a Kentucky corporation, pursuant to the laws of the Commonwealth of Kentucky, hereby waives notice of the time, place and purposes of a meeting for the purpose of the following action, and takes the following action without meeting:

WHEREAS, at a regular meeting of the Board of Directors of Columbia Gas of Kentucky, Inc., held on February 15, 1995, the following Resolutions were adopted by said Board:

Amendment of Articles of Incorporation  
To Increase Authorized Shares of Capital Stock

RESOLVED, That the first paragraph of Article Fourth of the Articles of Incorporation of this Corporation be amended to increase the authorized number of shares of Common Stock from Seven Hundred Forty Thousand shares (740,000), of par value of Twenty-five Dollars (\$25) per share, to One Million One Hundred Thousand shares (1,100,000), of the par value of Twenty-five Dollars (\$25), so that said Article Fourth, as amended, shall read as follows:

"FOURTH. The total number of shares of stock which this Corporation shall have authority to issue is One Million One Hundred shares (1,100,000) and the par value of each of such shares shall be Twenty-five Dollars (\$25)."

RESOLVED FURTHER, that upon the unanimous consent and agreement in writing of the holder of all the capital stock of said Corporation, the proper officers of this Corporation be, and hereby are, authorized and directed to certify a copy of these Resolutions to the Secretary of State of the Commonwealth of Kentucky for the purpose of carrying into effect the provisions of these Resolutions; and

RESOLVED FURTHER, that the proper officers of this Corporation be, and they hereby are, authorized and directed, upon the

issuance by said Secretary of State of his certificate reciting such resolutions approving the amendment of the Articles of Incorporation of this Corporation hereinabove set forth, to record, or cause to be recorded, in the official records of Jefferson County, Kentucky, such certificate of such Secretary of State or a certified copy thereof.

WHEREAS, the sole stockholder of Columbia Gas of Kentucky, Inc., is of the opinion that the aforesaid Resolutions are necessary and proper;

NOW, THEREFORE, The Columbia Gas System, Inc., the sole stockholder of Columbia Gas of Kentucky, Inc., does hereby consent to the amendment to the Articles of Incorporation of said Corporation and to all actions taken or directed to be taken, as hereinabove and in said Resolutions set forth.

IN WITNESS WHEREOF, THE COLUMBIA GAS SYSTEM, INC. has caused this Agreement and Consent to be duly executed in its corporate name and under its corporate seal, as of the 15th day of February, 1995.

THE COLUMBIA GAS SYSTEM, INC.

By: *H. Cream*  
Chairman

(SEAL)

Attest: *[Signature]*  
Secretary

*A29329*

Document No: 1995029329  
Lodged By: mail  
Recorded On: Mar 20, 1995 08:06:03 A.M.  
Total Fees: \$13.00  
County Clerk: Rebecca Jackson  
Deputy Clerk: TERI

END OF DOCUMENT

*C*

A-71455

RECEIVED & FILED  
In Filings Fee \$10.00  
Tax Fee - \$730.00  
MAR 13 2 39 PM '95

CERTIFICATION

I, Andrew J. Sonderman, Secretary and General Counsel of  
of COLUMBIA GAS OF KENTUCKY, INC., a corporation organized and  
existing under and by virtue of the laws of the Commonwealth of  
Kentucky, do hereby certify that the following is a true and  
complete copy of resolutions passed by the Board of Directors of  
said Corporation as the same appear in the minutes of the Directors  
Regular Meeting held in Wilmington, Delaware on February 15, 1995:

Amendment of Articles of Incorporation

To Increase Authorized Shares of Capital Stock

RESOLVED, That the first paragraph of  
Article Fourth of the Articles of  
Incorporation of this Corporation be amended  
to increase the authorized number of shares of  
Common Stock from Seven Hundred Forty Thousand  
shares (740,000), of par value of Twenty-five  
Dollars (\$25) per share, to One Million One  
Hundred Thousand shares (1,100,000), of the  
par value of Twenty-five Dollars (\$25), so  
that said Article Fourth, as amended, shall  
read as follows:

"FOURTH. The total number of shares of  
stock which this Corporation shall have  
authority to issue is One Million One Hundred  
shares (1,100,000) and the par value of each

of such shares shall be Twenty-five Dollars  
(\$25)."

RESOLVED FURTHER, that upon the unanimous consent and agreement in writing of the holder of all the capital stock of said Corporation, the proper officers of this Corporation be, and hereby are, authorized and directed to certify a copy of these Resolutions to the Secretary of State of the Commonwealth of Kentucky for the purpose of carrying into effect the provisions of these Resolutions; and

RESOLVED FURTHER, that the proper officers of this Corporation be, and they hereby are, authorized and directed, upon the issuance by said Secretary of State of his certificate reciting such resolutions approving the amendment of the Articles of Incorporation of this Corporation hereinabove set forth, to record, or cause to be recorded, in the official records of Jefferson County, Kentucky, such certificate of such Secretary of State or a certified copy thereof.

WITNESS my hand and the corporate seal of said Corporation,  
this 15th day of February, 1995.



Andrew J. Sonderman, Secretary  
and General Counsel

STATE OF OHIO            )  
                                  )    ss.  
COUNTY OF FRANKLIN    )

I, Maymie H. Grant, a Notary Public in and for said County, so hereby certify that on this day before me in said County personally appeared Andrew J. Sonderman, known to me to be the Secretary and General Counsel of Columbia Gas of Kentucky, Inc. and duly signed and acknowledged the above writing before me as the act and deed of said Corporation.

WITNESS my hand and official notarial seal at Columbus, Ohio, this 8th day of March, 1995.

Maymie H. Grant  
Notary Public

MINORIE H. BRANT, Attorney At Law  
NOTARY PUBLIC, STATE OF OHIO  
My commission has no expiration date.  
Section 147.63 R.C.

**AGREEMENT AND CONSENT**  
**in Lieu of Special Meeting of the Stockholder of**  
**COLUMBIA GAS OF Kentucky, INC.**

The undersigned, THE COLUMBIA GAS SYSTEM, INC., a Delaware corporation, being the sole stockholder and owner of all outstanding shares of COLUMBIA GAS OF KENTUCKY, INC., a Kentucky corporation, pursuant to the laws of the Commonwealth of Kentucky, hereby waives notice of the time, place and purposes of a meeting for the purpose of the following action, and takes the following action without meeting:

WHEREAS, at a regular meeting of the Board of Directors of Columbia Gas of Kentucky, Inc., held on February 15, 1995, the following Resolutions were adopted by said Board:

Amendment of Articles of Incorporation  
To Increase Authorized Shares of Capital Stock

RESOLVED, That the first paragraph of Article Fourth of the Articles of Incorporation of this Corporation be amended to increase the authorized number of shares of Common Stock from Seven Hundred Forty Thousand shares (740,000), of par value of Twenty-five Dollars (\$25) per share, to One Million One Hundred Thousand shares (1,100,000), of the par value of Twenty-five Dollars (\$25), so that said Article Fourth, as amended, shall read as follows:

"FOURTH. The total number of shares of stock which this Corporation shall have authority to issue is One Million One Hundred shares (1,100,000) and the par value of each of such shares shall be Twenty-five Dollars (\$25)."

RESOLVED FURTHER, that upon the unanimous consent and agreement in writing of the holder of all the capital stock of said Corporation, the proper officers of this Corporation be, and hereby are, authorized and directed to certify a copy of these Resolutions to the Secretary of State of the Commonwealth of Kentucky for the purpose of carrying into effect the provisions of these Resolutions; and

RESOLVED FURTHER, that the proper officers of this Corporation be, and they hereby are, authorized and directed, upon the

issuance by said Secretary of State of his certificate reciting such resolutions approving the amendment of the Articles of Incorporation of this Corporation hereinabove set forth, to record, or cause to be recorded, in the official records of Jefferson County, Kentucky, such certificate of such Secretary of State or a certified copy thereof.

WHEREAS, the sole stockholder of Columbia Gas of Kentucky, Inc., is of the opinion that the aforesaid Resolutions are necessary and proper;

NOW, THEREFORE, The Columbia Gas System, Inc., the sole stockholder of Columbia Gas of Kentucky, Inc., does hereby consent to the amendment to the Articles of Incorporation of said Corporation and to all actions taken or directed to be taken, as hereinabove and in said Resolutions set forth.

IN WITNESS WHEREOF, THE COLUMBIA GAS SYSTEM, INC. has caused this Agreement and Consent to be duly executed in its corporate name and under its corporate seal, as of the 15th day of February, 1995.

THE COLUMBIA GAS SYSTEM, INC.

By: \_\_\_\_\_

  
Chairman

(SEAL)

Attest: \_\_\_\_\_

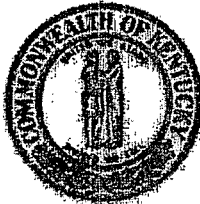
  
Secretary

10555

# Commonwealth of Kentucky

OFFICE OF  
SECRETARY OF STATE

**BREMER EHRLER**  
Secretary



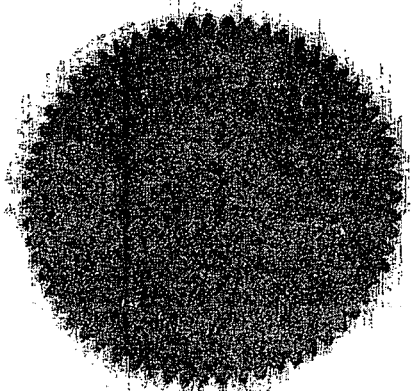
FRANKFORT,  
KENTUCKY

## CERTIFICATE OF AMENDMENT TO ARTICLES OF INCORPORATION

*I, BREMER EHRLER, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Amended Articles of Incorporation of*

COLUMBIA GAS OF KENTUCKY, INC.

*amended pursuant to Kentucky Revised Statutes, 271A, (273) duly signed and verified or acknowledged according to law, have been filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.*



SECRETARY OF STATE

Given under my hand and seal of Office as Secretary of State,  
at Frankfort, Kentucky, this 28TH  
day of NOVEMBER, 19 68.

*Bremer Ehler*

SECRETARY OF STATE

ASSISTANT SECRETARY OF STATE



ARTICLES OF AMENDMENT  
OF  
ARTICLES OF INCORPORATION  
OF  
COLUMBIA GAS OF KENTUCKY, INC. # 10556-*gld* NOV 2 1988

COLUMBIA GAS OF KENTUCKY, INC., a corporation organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, does hereby certify:

FIRST: That the Board of Directors of said corporation at a meeting thereof duly held on November 15, 1988, unanimously adopted a resolution proposing and declaring advisable the following amendment to the Articles of Incorporation of said Corporation:

RESOLVED, that the first paragraph of Article Fourth of the Articles of Incorporation of this Corporation be amended to change the authorized capital stock of this Corporation from Five Hundred Forty Thousand (540,000) shares, of the par value of Twenty-Five Dollars (\$25) per share, to Seven Hundred Forty Thousand (740,000) shares, of the par value of Twenty-Five Dollars (\$25) per share, so that said Article Fourth, as amended, shall read as follows:

542932

"FOURTH. The total number of shares of stock which this Corporation shall have authority to issue is Seven Hundred Forty Thousand (740,000), and the par value of each of such shares shall be Twenty-Five Dollars (\$25)."

and that upon the unanimous consent and agreement in writing of the holder of all the capital stock of said Corporation, the President or any Vice President, and the Secretary of this Corporation be, and hereby are, authorized and directed to execute and deliver articles of amendment to the Secretary of State of the Commonwealth of Kentucky for

the purpose of carrying into effect the provisions of this resolution; and

RESOLVED, that the proper officers of this Corporation be, and they hereby are, authorized and directed, upon the issuance by said Secretary of State of his certificate reciting such resolution approving the amendment of the Articles of Incorporation of this Corporation hereinabove set forth, to record, or cause to be recorded, in the official records of Franklin County, Kentucky, such certificate of such Secretary of State or a certified copy thereof.

SECOND: That in lieu of a meeting and vote of stockholders, the sole stockholder has given written consent to said amendment.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of the law of the Commonwealth of Kentucky.

FOURTH: The capital of the Corporation will not be reduced under or by reason of said amendment.

IN WITNESS WHEREOF, said COLUMBIA GAS OF KENTUCKY, INC. has caused its corporate seal to be hereunto affixed and this Certificate to be signed by E. Gralla, President, and attested by T. E. Morgan, its Secretary, this 23rd day of November, 1988.

COLUMBIA GAS OF KENTUCKY, INC.

BY

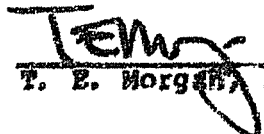


ITS

President

ATTEST:

BY



T. E. Morgan, Secretary

VERIFICATION

STATE OF OHIO        )  
                          ) SS:  
COUNTY OF FRANKLIN)

E. Gralla, being duly sworn, deposes and says that he is President of Columbia Gas of Kentucky, Inc., the corporation which executed the foregoing Articles of Amendment of Certificate of Incorporation of Columbia Gas of Kentucky, Inc., and that the same is his free act and deed and the free act and deed of said Columbia Gas of Kentucky, Inc.

  
\_\_\_\_\_  
E. Gralla

Sworn to before me this 23rd  
day of November, 1988.

  
\_\_\_\_\_  
Notary Public

Allan E. Roth, Attorney At Law  
Notary Public, State of Ohio  
Commission Expires 12/31/91  
Notary Public

# Commonwealth of Kentucky

OFFICE OF  
SECRETARY OF STATE

FRANCES JONES MILLS  
*Secretary*



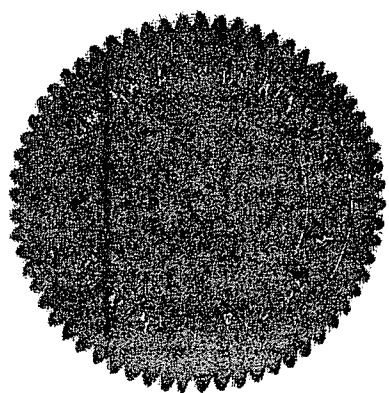
FRANKFORT,  
KENTUCKY

## CERTIFICATE OF AMENDMENT TO ARTICLES OF INCORPORATION

I, **FRANCES JONES MILLS**, *Secretary of State of the Commonwealth of Kentucky*, do hereby certify that Amended Articles of Incorporation of

"COLUMBIA GAS OF KENTUCKY, INC."

*amended pursuant to Kentucky Revised Statutes, 271A, (~~272~~) duly signed and verified or acknowledged according to law, have been filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.*



SECRETARY OF STATE

Given under my hand and seal of Office as Secretary of State, at Frankfort, Kentucky, this 21ST day of JANUARY, 19 82.

*Frances Jones Mills*  
SECRETARY OF STATE

ASSISTANT SECRETARY OF STATE

ORIGINAL COPY  
FILED  
SECRETARY OF STATE OF KENTUCKY  
FRANKFORT, KENTUCKY

JAN 21 1982

6295

*Samuel J. Hall*  
SECRETARY OF STATE

CERTIFICATE OF AMENDMENT  
OF  
ARTICLES OF INCORPORATION  
OF  
COLUMBIA GAS OF KENTUCKY, INC.

239462

COLUMBIA GAS OF KENTUCKY, INC., a corporation organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, does hereby certify:

FIRST: That the Board of Directors of said corporation at a meeting thereof duly held on November 4, 1981, unanimously adopted a resolution proposing and declaring advisable the following amendment to the Articles of Incorporation of said Corporation:

RESOLVED, that the first paragraph of Article Fourth of the Articles of Incorporation of this Corporation be amended to change the authorized capital stock of this Corporation from Four Hundred Thousand (400,000) shares, of the par value of Twenty-Five Dollars (\$25) per share, to Five Hundred Forty Thousand (540,000) shares, of the par value of Twenty-Five Dollars (\$25) per share, so that said Article Fourth, as amended, shall read as follows:

"FOURTH. The total number of shares of stock which this Corporation shall have authority to issue is Five Hundred Forty Thousand (540,000), and the par value of each of such shares shall be Twenty-Five Dollars (\$25)."

SECOND: That in lieu of a meeting and vote of stockholders, the sole stockholder has given written consent to said amendment.


THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of the law of the Commonwealth of Kentucky.

FOURTH: The capital of the Corporation will not be reduced under or by reason of said amendment.

IN WITNESS WHEREOF, said COLUMBIA GAS OF KENTUCKY, INC. has caused its corporate seal to be hereunto affixed and this Certificate to be signed by E. Gralla Senior Vice President, and attested by T. E. Morgan, its Secretary, this 21st day of December, 1981.

COLUMBIA GAS OF KENTUCKY, INC.

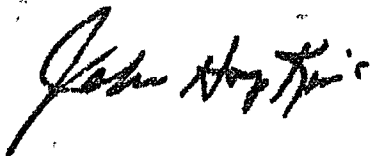
BY

  
Its Senior Vice President

ATTEST:

BY

  
T. E. Morgan, Secretary



COLUMBIA GAS OF KENTUCKY, INC.

CONSENT AND WAIVER OF NOTICE OF  
MEETING OF STOCKHOLDERS

The Columbia Gas System, Inc., the sole stockholder of Columbia Gas of Kentucky, Inc., a corporation organized and existing under the laws of the State of Kentucky, hereby waives notice of the time, place and purposes of a meeting for the purpose of the following action, and takes the following action without meeting:

WHEREAS, at a regular meeting of the Board of Directors of Columbia Gas of Kentucky, Inc., held on November 4, 1981, the following Resolutions were adopted by said Board:

Amendment to Articles of Incorporation to  
Increase Authorized Shares of Capital Stock

RESOLVED, that the first paragraph of Article Fourth of the Articles of Incorporation of this Corporation be amended to change the authorized capital stock of this Corporation from Four Hundred Thousand (400,000) shares, of the par value of Twenty-Five Dollars (\$25) per share, to Five Hundred Forty Thousand (540,000) shares, of the par value of Twenty-Five Dollars (\$25) per share, so that said Article Fourth, as amended, shall read as follows:

"FOURTH. The total number of shares of stock which this Corporation shall have authority to issue is Five Hundred Forty Thousand (540,000), and the par value of each of such shares shall be Twenty-Five Dollars (\$25)."

and that upon the unanimous consent and agreement in writing of the holder of all the capital stock of said Corporation, the President or any Vice President of this Corporation be, and hereby is, authorized and directed to certify a copy of this resolution to the Secretary of State of the Commonwealth of Kentucky for the purpose of carrying into effect the provisions of this resolution; and

RESOLVED, that the proper officers of this Corporation be, and they hereby are, authorized and directed, upon the issuance by said Secretary of State of his certificate reciting such resolution approving the amendment of the Articles of Incorporation of this Corporation hereinabove set forth, to record, or cause to be recorded, in the official records of Franklin County, Kentucky, such certificate of such Secretary of State or a certified copy thereof.

WHEREAS, the sole stockholder of Columbia Gas of Kentucky, Inc., is of the opinion that the aforesaid Resolutions are necessary and proper:

NOW, THEREFORE, the said The Columbia Gas System, Inc., the sole stockholder of Columbia Gas of Kentucky, Inc., does hereby consent to the amendment to the Articles of Incorporation of said corporation and to all actions taken or directed to be taken, as hereinabove and in said Resolutions set forth.

IN WITNESS WHEREOF, the undersigned has caused this Consent to be executed by its Chairman and President and its corporate seal to be hereto affixed and attested by its Secretary this 14th day of December , 1981.

THE COLUMBIA GAS SYSTEM, INC.

ATTEST:

  
Secretary

By   
Chairman and President

(SEAL)



CERTIFICATION

I, Thomas E. Morgan, Secretary and General Counsel of Columbia Gas of Kentucky, Inc., do hereby certify that the following is a true and complete copy of a resolution duly passed by the Board of Directors of said Corporation as the same appears in the minutes of the Directors Regular Meeting held in Columbus, Ohio on November 4, 1981:

Amendment to Articles of Incorporation  
to Increase Authorized Shares of Capital Stock

RESOLVED, that the first paragraph of Article Fourth of the Articles of Incorporation of this Corporation be amended to change the authorized capital stock of this Corporation from Four Hundred Thousand (400,000) shares, of the par value of Twenty-Five Dollars (\$25) per share, to Five Hundred Forty Thousand (540,000) shares, of the par value of Twenty-Five Dollars (\$25) per share, so that said Article Fourth, as amended, shall read as follows:

"FOURTH. The total number of shares of stock which this Corporation shall have authority to issue is Five Hundred Forty Thousand (540,000), and the par value of each of such shares shall be Twenty-Five Dollars (\$25)."

and that upon the unanimous consent and agreement in writing of the holder of all the capital stock of said Corporation, the President or any Vice President of this Corporation be, and hereby is, authorized and directed to certify a copy of this resolution to the Secretary of State of the Commonwealth of Kentucky for the purpose of carrying into effect the provisions of this resolution; and

RESOLVED, that the proper officers of this Corporation be, and they hereby are, authorized and directed, upon the issuance by said Secretary of State of his certificate reciting such resolution approving the amendment of the Articles of Incorporation of this Corporation hereinabove set forth, to record, or cause to be recorded, in the official records of Franklin County, Kentucky, such certificate of such Secretary of State or a certified copy thereof.


WITNESS my hand and the corporate seal of said Corporation, this 23rd day of November, 1981.

  
\_\_\_\_\_  
Thomas E. Morgan, Secretary  
and General Counsel

STATE OF OHIO                    )  
  ) ss.  
COUNTY OF FRANKLIN            )

I, Lorena Keirns, a Notary Public in and for said County, do hereby certify that on this day before me in said County personally appeared Thomas E. Morgan, known to me to be the Secretary and General Counsel of Columbia Gas of Kentucky, Inc., and duly signed and acknowledged the above writing before me as the act and deed of said Corporation.

WITNESS my hand and official notarial seal at Columbus, Ohio, this 23rd day of November, 1981.

  
\_\_\_\_\_  
LORENA KEIRNS  
Notary Public For The State of Ohio  
Franklin County  
My Commission Expires February 4, 1986

10556

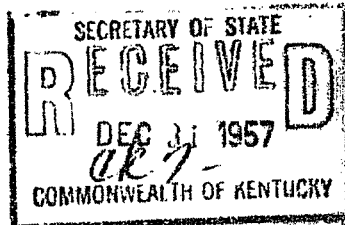
# Commonwealth of Kentucky

## Department of State



Office of Secretary of State

THELMA L. STOVALL, SECRETARY



### ARTICLES OF AMENDMENT

1189

I, *THELMA L. STOVALL*, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Articles of Incorporation of

CENTRAL KENTUCKY NATURAL GAS COMPANY; changing name to "COLUMBIA GAS OF KENTUCKY, INC.", Lexington, Kentucky

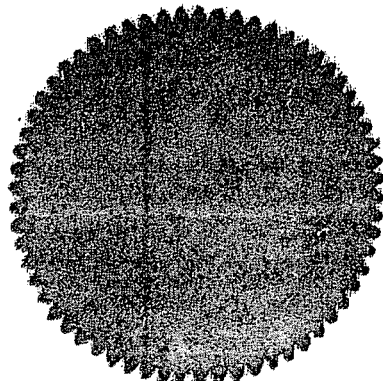
have been amended pursuant to Articles of Amendment, duly signed and acknowledged according to law, this day filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.

Witness my official signature this 31st day

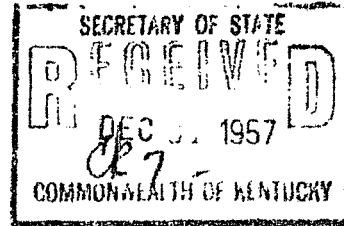
of December, 1957

*Thelma L. Stovall*  
Secretary of State

*Francis Marshall*  
Chief Clerk, Corporation Department



SECRETARY OF STATE



CERTIFICATE OF AMENDMENT

TO

ARTICLES OF INCORPORATION

OF

CENTRAL KENTUCKY NATURAL GAS COMPANY

Made and Entered into this  
13th day of March, 1957

5- 24848

WHEREAS, the Articles of Incorporation of Central Kentucky Natural Gas Company were duly filed in the month of October, 1905, and Amended Articles of Incorporation amending the same have, from time to time, been duly filed, including Amended Articles of Incorporation dated, respectively, the 9th day of September, 1914, the 5th day of February, 1927, the 24th day of October, 1928, the 7th day of March, 1946, the 23rd day of December, 1940, the 10th day of May, 1950, the 26th day of June, 1951, the 20th day of September, 1951, the 8th day of March, 1951, and the 9th day of December, 1954; and


WHEREAS, it is desired to further amend the Articles of Incorporation of said Central Kentucky Natural Gas Company in order to change its name from "Central Kentucky Natural Gas Company" to "Columbia Gas of Kentucky, Inc."

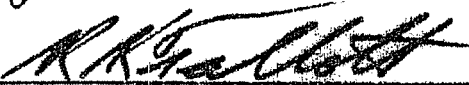
NOW, THEREFORE, we, the undersigned, being respectively the Vice President and General Manager and the Secretary of said

Central Kentucky Natural Gas Company, do hereby certify that the holder of record of all the outstanding voting stock entitled to vote, by action taken without a meeting on the 11th day of March, 1957, adopted the following resolution amending Article FIRST of said Articles of Incorporation, as heretofore amended, so that the same shall henceforth read as follows:

FIRST: The name of the corporation is "Columbia Gas of Kentucky, Inc."

IN WITNESS WHEREOF, these presents have, on the day first above written, been signed and acknowledged by the undersigned.

  
\_\_\_\_\_  
Vice President and General Manager

  
\_\_\_\_\_  
Secretary

STATE OF WEST VIRGINIA,  
COUNTY OF KANAWHA, SS:

This day personally appeared before me, a Notary Public in and for the State and County aforesaid, J. S. Phillips and R. K. Talbott, respectively, Vice President and General Manager and Secretary of Central Kentucky Natural Gas Company, a corporation, and signed and acknowledged the foregoing Certificate of Amendment to the Articles of Incorporation of said Central Kentucky Natural Gas Company to be the free act and deed of said J. S. Phillips and R. K. Talbott, and of each of them, and the same and this Certificate is hereby certified to the proper office for record.

WITNESS my hand and official seal this 13th day of March, 1957.

My commission expires March 11, 1958.

*Blanche Horan*  
Notary Public for Kanawha  
County, West Virginia.

ORIGINAL COPY  
FILED AND RECORDED

DEC 11 1957

*Blanche Horan*  
Notary Public for Kanawha  
County, West Virginia.  
*Blanche Horan*

BLANCHE HORAN  
Notary Public  
for Kanawha  
County, West Virginia  
My Commission Expires March 11, 1958

10555

# Commonwealth of Kentucky

## Department of State



### Office of Secretary of State

CHARLES K. O'CONNELL, SECRETARY

#### ARTICLES OF AMENDMENT

I, CHARLES K. O'CONNELL, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Articles of Incorporation of

CENTRAL KENTUCKY NATURAL GAS COMPANY

LEXINGTON, KENTUCKY

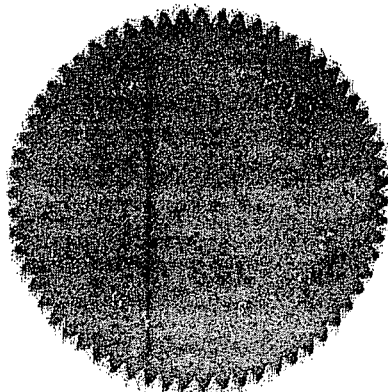
have been amended pursuant to Articles of Amendment, duly signed and acknowledged according to law, this day filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.

Witness my official signature this 13th day

of DECEMBER, 1954.

*Charles K. O'Connell*  
Secretary of State

*D. P. Davis*  
Chief Clerk, Corporation Department



SECRETARY OF STATE

CERTIFICATE OF AMENDMENT  
TO  
ARTICLES OF INCORPORATION  
OF  
CENTRAL KENTUCKY NATURAL GAS COMPANY

Mad and Entered into this  
9th day of September, 1954

WHEREAS, the Articles of Incorporation of Central Kentucky Natural Gas Company were duly filed in the month of October, 1905, and Amended Articles of Incorporation amending the same have, from time to time, been duly filed, including Amended Articles of Incorporation dated, respectively, the 9th day of September, 1911, the 5th day of February, 1927, the 24th day of October, 1928, the 7th day of March, 1946, the 23rd day of December, 1946, the 16th day of May, 1950, the 26th day of June, 1951, the 20th day of September, 1951, and the 8th day of March, 1954; and

WHEREAS, it is desired to amend further the Articles of Incorporation of said Central Kentucky Natural Gas Company in order to increase the authorized capital stock from 360,000 shares, of the par value of \$25 per share, to 400,000 shares, of the par value of \$25 per share.

NOW, THEREFORE, we, the undersigned, being respectively the Vice President and the Secretary of said Central Kentucky



Natural Gas Company, do hereby certify that the holder of record of all the outstanding voting stock entitled to vote, by action taken without a meeting on the 2nd day of December, 1954, adopted the following resolution amending Article FOURTH of said Articles of Incorporation, as heretofore amended, so that the same shall henceforth read as follows:

"The total number of shares of stock which the Company shall have authority to issue is Four Hundred Thousand (400,000), and the par value of each of such shares shall be Twenty-Five Dollars (\$25)."

IN WITNESS WHEREOF these presents have, on the day first above written, been signed and acknowledged by the undersigned.

  
Vice President

  
Secretary

STATE OF WEST VIRGINIA }  
COUNTY OF KANAWHA } SS:

This day personally appeared before me, a Notary Public in and for the State and County aforesaid, J. S. Phillips and R. K. Talbott, respectively, Vice President and Secretary of Central Kentucky Natural Gas Company, a corporation, and signed

and acknowledged the foregoing Certificate of Amendment to the Articles of Incorporation of said Central Kentucky Natural Gas Company to be the first act and deed of said J. S. Phillips and R. K. Talbott, and of each of them, and the same and this Certificate is hereby certified to the proper office for record.

WITNESS my hand and official seal this 9th day of December, 1954.

My commission expires March 11, 1958.

*Gladys O. Gentry*  
Notary Public

**GLADYS O. GENTRY, Notary Public,**  
Kanawha County, West Virginia,  
(Commissioned as Gladys O'Connor)  
My Commission Expires March 11, 1958

**ORIGINAL COPY  
FILED AND RECORDED**

DEC 13 1954

*Charles K. Cornell*  
SECRETARY OF STATE OF KENTUCKY  
FRANKFORT, KENTUCKY  
BY *D. P. Bush*  
CHIEF CORR. CLERK

10555

# Commonwealth of Kentucky

## Department of State



### Office of Secretary of State

CHARLES K. O'CONNELL, SECRETARY

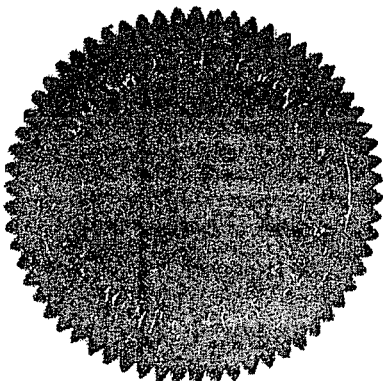
#### ARTICLES OF AMENDMENT

I, CHARLES K. O'CONNELL, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Articles of Incorporation of

Central Kentucky Natural Gas Company,  
Lexington, Kentucky,

have been amended pursuant to Articles of Amendment, duly signed and acknowledged according to law, this day filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.

Witness my official signature this 18th day  
of March, 1954.



SECRETARY OF STATE

Charles K. O'Connell  
Secretary of State  
Lucille Barclay  
Chief Clerk, Corporation Department

STATE OF NEW YORK  
OFFICE OF THE SECRETARY OF STATE  
DIVISION OF CORPORATIONS

CERTIFICATE OF INCORPORATION

IN SENATE,  
January 11, 1950.

WHEREAS, the articles of incorporation of Central  
New York Natural Gas Company, Inc., in the month  
of January, 1950, and the certificate of incorporation  
thereof, both of which have been duly filed,  
and the same have been approved by the Secretary of State,  
and the same have been approved by the Board of Regents  
of the University of the State of New York, on the 5th day of  
February, 1950, the 14th day of February, 1950, the 7th day  
of March, 1950, the 14th day of March, 1950, the 15th day  
of May, 1950, the 14th day of June, 1950, and the 20th day  
of September, 1950;


WHEREAS, the said articles and certificate of incorporation  
of the said Central New York Natural Gas Company  
provide that the authorized capital stock of said  
company shall be divided into 500,000 shares of the par value of \$25 per share, to 300,000  
shares of the par value of \$25 per share.

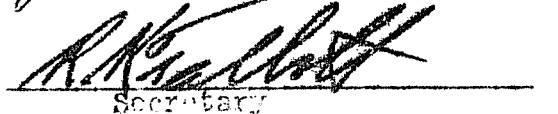
AND, WHEREAS, the said articles and certificate of incorporation  
provide that the Secretary of said Central

Kindly by Notary for Company, to hereby certify that the  
 holder of record of all the outstanding voting stock entitled  
 to vote, by the above described meeting on the 5th day  
 of March, 1934, adopted the following resolution amending  
 Article FOURTH of said Articles of Incorporation, as hereto-  
 fore amended, which resolution is hereby set forth read as  
 follows:

"The total number of shares of stock which  
 the Company shall have authority to issue is  
 Five Hundred (500) Shares (\$100,000), and the  
 number of shares of stock which shall be Twenty-  
 Five Dollars (\$25)."

IN WITNESS WHEREOF these presents have, on the day  
 and date aforesaid, been signed and acknowledged by the  
 undersigned.

  
 Vice President

  
 Secretary

COUNTY OF [unclear] )  
 STATE OF [unclear] )

On this day, 1934, all appeared before me, a Notary

Public, and the same being read and approved by said J. S. Phillips

Secretary, and [unclear] and Secretary

of Central ... incorporation, and  
signed and returned to the ... of  
... of ... Central  
... and ...  
of said J. S. P. ...  
and the ... to ...  
the ...

WITNESSE my hand and seal of said State 19th day of  
April, 1954.

In testimony whereof, I have hereunto set my hand and seal of said State at Frankfort, Kentucky, this 19th day of April, 1954.

*Glady's O. O'Conner*  
\_\_\_\_\_  
Notary Public, Randolph  
County, West Virginia  
(Commissioned as Gladys O'Connor)

**ORIGINAL COPY  
FILED AND RECORDED**

MAY 18 1954

*Charles K. O'Connell*  
SECRETARY OF STATE OF KENTUCKY  
FRANKFORT, KENTUCKY  
BY *L. B. ...*  
CHIEF CLERK

10535

# Commonwealth of Kentucky

## Department of State



### Office of Secretary of State

GEORGE GLENN HATCHER, SECRETARY

### CERTIFICATE OF AMENDMENT

I, GEORGE GLENN HATCHER, Secretary of State, do hereby certify that the triplicate originals of the articles of amendment of

CENTRAL KENTUCKY NATURAL GAS COMPANY, Lexington, Kentucky. Increasing capital stock to

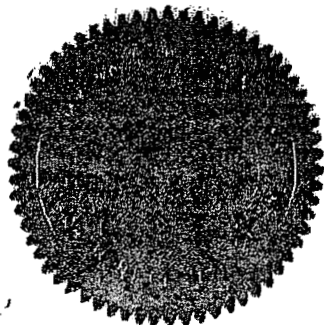
300,000 shares of the par value of \$25.00 each.

delivered to me are found to be duly signed and acknowledged according to law; that all taxes, fees and charges have been paid; and one original copy is filed and recorded in this office.

This certificate with two original articles of amendment indorsed with the fact and time of recording in this office have been returned to the corporation. The amendment, certifying the time and manner of the adoption thereof, statement of the purposes of said amendment and the changes to be effected, signed and acknowledged according to law by the proper officials of said corporation, and the issuance of this certificate, is evidence of the fact that the above named corporation articles have been amended.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my

official seal. Done at Frankfort, this 21st  
day of September 19 51.



George Glenn Hatcher  
Secretary of State, Commonwealth of Kentucky

By V. J. J.  
Deputy, Corporation Clerk

D-4812

CERTIFICATE OF AMENDMENT  
OF  
ARTICLES OF INCORPORATION  
OF  
CENTRAL KENTUCKY NATURAL GAS COMPANY

Made and Entered into this  
20th day of September, 1951.

WHEREAS, the Articles of Incorporation of Central Kentucky Natural Gas Company were duly filed in the month of October, 1905, and Amended Articles of Incorporation amending the same have, from time to time, been duly filed, including Amended Articles of Incorporation dated, respectively, the 9th day of September, 1914, the 5th day of February, 1927, the 24th day of October, 1928, the 7th day of March, 1946, the 23rd day of December, 1946, the 16th day of May, 1950, and the 20th day of June, 1951; and,

WHEREAS, it is desired to amend further the Articles of Incorporation of said Central Kentucky Natural Gas Company in order to increase the authorized capital stock from 200,000 shares, of the par value of \$25.00 per share, to 300,000 shares, of the par value of \$25.00 per share.


NOW, THEREFORE, we, the undersigned, being respectively the Vice President and the Assistant Secretary of said Central Kentucky Natural Gas Company, do hereby certify that the share-




holders of said Central Kentucky Natural Gas Company, at a meeting duly called upon notice of the proposed amendment and held on the 11th day of September, 1951, by a vote of the holders of a majority of the voting power of all shareholders entitled to vote, viz., 128,121 shares out of a total of 188,139 shares issued and outstanding, adopted an amendment of said Articles of Incorporation further amending ARTICLE FOURTH thereof, as heretofore amended, so that the same shall henceforth read as follows:

"FOURTH: The total number of shares of stock which the Company shall have authority to issue is three hundred thousand (300,000), and the par value of each of such shares shall be Twenty Five Dollars (\$25.00)."

IN WITNESS WHEREOF these presents have, on the day first above written, been signed and acknowledged by the undersigned.

  
\_\_\_\_\_  
Vice President

  
\_\_\_\_\_  
Assistant Secretary

STATE OF WEST VIRGINIA )  
                                  ) SS:  
COUNTY OF KANAWHA      )

This day personally appeared before me, a Notary Public in and for the State and County aforesaid, E. D. Bivens and

R. K. Talbott, respectively, Vice President and Assistant Secretary of Central Kentucky Natural Gas Company, a corporation, and signed and acknowledged the foregoing Certificate of Amendment of the Articles of Incorporation of said Central Kentucky Natural Gas Company, to be the free act and deed of said E. D. Bivens and R. K. Talbott, and of each of them, and the same and this certificate is hereby certified to the proper office for record.

WITNESS my hand and official seal this 20th day of September, 1951.

My commission expires: March 11, 1958.

*Gladys O. Keating*  
Notary Public  
COMMISSIONED AS  
GLADYS O'CONNOR

ORIGINAL COPY  
FILED AND RECORDED

DATE SEP 21 1951

*George W. Hatcher*  
SECRETARY OF STATE OF KENTUCKY  
FRANKFORT, KENTUCKY

BY *[Signature]* DEPUTY

Commonwealth of Kentucky  
Department of State



Office of Secretary of State

GEORGE GLENN HATCHER, SECRETARY

CERTIFICATE OF AMENDMENT

I, GEORGE GLENN HATCHER, Secretary of State, do hereby certify that the triplicate originals of the articles of amendment of

CENTRAL KENTUCKY NATURAL GAS COMPANY, Lexington, Kentucky. Amending Article Seventh of

the Articles of Incorporation.

delivered to me are found to be duly signed and acknowledged according to law; that all taxes, fees and charges have been paid; and one original copy is filed and recorded in this office.

This certificate with two original articles of amendment indorsed with the fact and time of recording in this office have been returned to the corporation. The amendment, certifying the time and manner of the adoption thereof, statement of the purposes of said amendment and the changes to be effected, signed and acknowledged according to law by the proper officials of said corporation, and the issuance of this certificate, is evidence of the fact that the above named corporation articles have been amended.

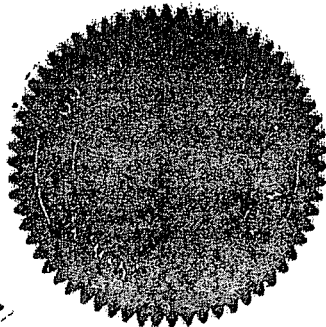
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my

official seal. Done at Frankfort, this 10th

day of July 19 51.

*George Glenn Hatcher*

Secretary of State, Commonwealth of Kentucky



D- 11111

SECRETARY OF STATE

By *H. J. J.*  
Deputy, Corporation Clerk

D-4591

CERTIFICATE OF AMENDMENT  
OF  
ARTICLES OF INCORPORATION  
OF  
CENTRAL KENTUCKY NATURAL GAS COMPANY

Made and Entered into this  
26th day of June, 1951.

WHEREAS, the Articles of Incorporation of Central Kentucky Natural Gas Company were duly filed in the month of October, 1905, and Amended Articles of Incorporation amending the same have, from time to time, been duly filed, including Amended Articles of Incorporation dated, respectively, the 9th day of September, 1914, the 5th day of February, 1927, the 24th day of October, 1928, the 7th day of March, 1946, the 23rd day of December, 1946, and the 16th day of May, 1950; and,

WHEREAS, it is desired to amend further the Articles of Incorporation of said Central Kentucky Natural Gas Company in order to increase the number of directors from nine (9) to twelve (12), and provide for the office of Chairman of the Board.

NOW, THEREFORE, we, the undersigned, being respectively the Vice President and the Assistant Secretary of said Central Kentucky Natural Gas Company, do hereby certify that the shareholders of said Central Kentucky Natural Gas Company, at a meeting duly called upon notice of the proposed amendment and held on the 20th day of June, 1951, by a vote of the holders of a majority of the voting power of all shareholders entitled to

vote, viz., 188,121 shares out of a total of 188,139 shares issued and outstanding, adopted an amendment of said Articles of incorporation further amending ARTICLE SEVENTH thereof, as heretofore amended, so that the same shall henceforth read as follows:

"SEVENTH: The affairs of the Company shall be conducted by a Board of Directors, consisting of not less than three (3) nor more than twelve (12) directors; a Chairman of the Board, President, one or more Vice Presidents, General Manager, the Secretary and the Treasurer, who shall be elected by the Board of Directors, and such Assistant Secretaries, Assistant Treasurers and special subordinate officers as may from time to time be elected or appointed by the Board of Directors. The directors shall be elected by the stockholders at the annual meeting, or at any such adjourned meeting or meetings in each year, pursuant to the law, at the office of the company in Lexington, Kentucky."

IN WITNESS WHEREOF these presents have, on the day first above written, been signed and acknowledged by the undersigned.

  
\_\_\_\_\_  
Vice President

  
\_\_\_\_\_  
Assistant Secretary

STATE OF WEST VIRGINIA }  
COUNTY OF KANAWHA } SS:

This day personally appeared before me, a Notary Public in and for the State and County aforesaid, E. D. Bivens and R. K. Talbott, respectively, Vice President and Assistant Secretary

of Central Kentucky Natural Gas Company, a corporation, and signed and acknowledged the foregoing Certificate of Amendment of the Articles of Incorporation of said Central Kentucky Natural Gas Company, to be the free act and deed of said E. D. Bivens and R. K. Talbott, and of each of them, and the same and this certificate is hereby certified to the proper office for record.

WITNESS my hand and official seal this 26<sup>th</sup> day of June, 1951.

My commission expires: March 11, 1958.

*Glades O. Connor*  
Notary Public  
COMMISSIONED BY  
GLADES O'CONNOR

ORIGINAL COPY  
FILED AND RECORDED

DATE JUL 19 1951

*Georgia Wilson Hatcher*  
SECRETARY OF STATE OF KENTUCKY  
FRANKFORT, KENTUCKY

BY *[Signature]*  
DEPUTY

11555

# Commonwealth of Kentucky

## Department of State



### Office of Secretary of State

GEORGE GLENN HATCHER, SECRETARY

### CERTIFICATE OF AMENDMENT

I, GEORGE GLENN HATCHER, Secretary of State, do hereby certify that the triplicate originals of the articles of amendment of

CENTRAL KENTUCKY NATURAL GAS COMPANY,

( Amending Article XI, et seq )  
Lexington, Kentucky

delivered to me are found to be duly signed and acknowledged according to law; that all taxes, fees and charges have been paid; and one original copy is filed and recorded in this office.

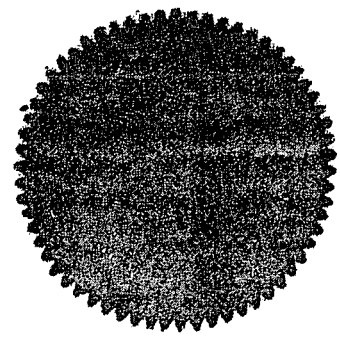
This certificate with two original articles of amendment indorsed with the fact and time of recording in this office have been returned to the corporation. The amendment, certifying the time and manner of the adoption thereof, statement of the purposes of said amendment and the changes to be effected, signed and acknowledged according to law by the proper officials of said corporation, and the issuance of this certificate, is evidence of the fact that the above named corporation articles have been amended.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my

official seal. Done at Frankfort, this 21st  
day of June 1950.

George Glenn Hatcher  
Secretary of State, Commonwealth of Kentucky

By H. P. Lyon  
Deputy, Corporation Clerk



SECRETARY OF STATE

D-602

D-602

... of Central Kentucky Natural Gas Company, incorporated in the month of October, 1943, and approved articles of incorporation wherein the stated was, among other things, that the company should include in its articles of incorporation, respectively, the 9th day of September, 1943, the 27th day of February, 1944, the 24th day of October, 1945, the 25th day of March, 1946, and the 23rd day of August, 1947.

It is desired to amend further the articles of incorporation of said Central Kentucky Natural Gas Company, for the reason that the above articles of incorporation, as amended, have become null and obsolete by reason of said amendment to the articles of incorporation filed the 24th day of March, 1946.

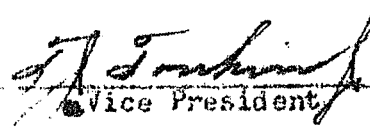
It is desired to amend, respectively the articles of incorporation of said Central Kentucky Natural Gas Company, and to certify that the Central Kentucky Natural Gas Company, at a

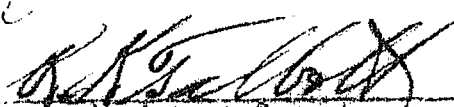


meeting duly called on notice of the proposed amendment and held on the 16th day of May, 1951, by a vote of the holders of a majority of the voting power of all shareholders entitled to vote, viz., 187,992 shares out of a total of 188,139 shares issued and outstanding, adopted the amendment of said Articles of Incorporation further amending Article XXVIII thereof, as heretofore amended, so that the same shall henceforth read as follows:

"EIGHTH: This Corporation shall not be limited, except as may from time to time be specifically required by law, as to the amount of indebtedness or liability which it may at any time incur."

IN WITNESS WHEREOF these presents have, on the day first above written, been signed and acknowledged by the undersigned.

  
\_\_\_\_\_  
Vice President

  
\_\_\_\_\_  
Assistant Secretary

STATE OF KENTUCKY )  
                          ) ss.:  
COUNTY OF FAYETTE)

This day personally appeared before me, a Notary Public in and for the State and County aforesaid, J. J. Tonkin, Jr., and R. K. Pallott, respectively, Vice President and Assistant Secretary of Central Kentucky Natural Gas Company, a corporation,

and signed and acknowledged the foregoing Certificate of Amendment of the Articles of Incorporation of said Central Kentucky Natural Gas Company, to be the true and lawful deed of said T. J. Fonkin, Jr., and J. A. Elliott, and of each of them, and the same and this certificate is hereby certified to the proper office for record.

Witness my hand and official seal this 16 day of May, 1950.

My commission expires: MAY 21, 1951

*Wm. J. Mattingly*  
Notary Public

**ORIGINAL COPY  
FILED AND RECORDED**

DATE JUN 9 1950

*George Allen Hatcher*  
SECRETARY OF STATE OF KENTUCKY  
FRANKFORT, KENTUCKY

BY *M. N. A.* DEPUTY

10565

# Commonwealth of Kentucky

## Department of State



### Office of Secretary of State

CHARLES K. O'CONNELL, SECRETARY

#### ARTICLES OF AMENDMENT

I, CHARLES K. O'CONNELL, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Articles of Incorporation of

Central Kentucky Natural Gas Company

Lexington, Kentucky

have been amended pursuant to Articles of Amendment, duly signed and acknowledged according to law, this day filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.

Witness my official signature this 21st day

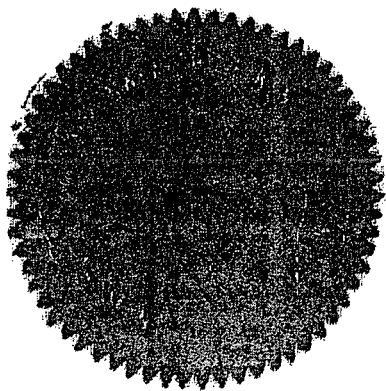
of December, 19 48.

Charles K. O'Connell

Secretary of State

A. J. [Signature]

Chief Clerk, Corporation Department



SECRETARY OF STATE

CERTIFICATE OF FILING  
OF  
ARTICLES OF INCORPORATION  
OF  
CENTRAL KENTUCKY NATURAL GAS COMPANY  
made and entered into this  
23rd day of December, 1930.

WHEREAS, the Articles of Incorporation of Central Kentucky Natural Gas Company were duly filed in the month of October, 1905, and amended articles of Incorporation amending the said law from time to time have been duly filed, including amended articles of Incorporation dated the 24th day of September, 1911, the 14th day of February, 1927, the 10th day of October, 1928, and the 24th day of March, 1930, respectively; and

WHEREAS, Paragraph FIFTH of the articles of Incorporation of said Central Kentucky Natural Gas Company provided for a capitalization of \$1,500,000.00, to be divided into 60,000 shares of the par value of \$25.00 per share; and

WHEREAS, the articles of Incorporation of said Central Kentucky Natural Gas Company were further amended by increasing the total number of shares of capital stock from 60,000 shares of the par value of \$25.00 to 200,000 shares of the par value of \$25.00 per share;

AND, WHEREAS, we, the undersigned, being the majority stockholders and directors of said Central Kentucky Natural Gas Company, do hereby certify that it a



STATE OF WEST VIRGINIA,  
COUNTY OF LINCOLN, 10-1171

This day personally appeared before me, a Notary Public in and for the State and County aforesaid, H. A. Wallace, Jr., Oliver H. Harman, J. I. Hightower and W. J. Pevlarsky, and they acknowledged to me the foregoing Certificate of Amendment of Articles of Incorporation of Central Kentucky Natural Gas Company to be their free act and deed, and the same and this certificate is hereby certified to the proper office for record.

Witness my hand and official seal this 23rd day of December, 1946.

My commission expires March 17, 1948.

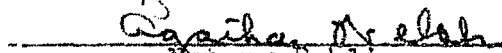
  
Notary Public

STATE OF KENTUCKY,  
COUNTY OF MARIETTA, 33:

This day personally appeared before me, a Notary Public in and for the State and County aforesaid, T. J. Tonkin, Jr., and signed and acknowledged the foregoing Certificate of Amendment of Articles of Incorporation of Central Kentucky Natural Gas Company to be his free act and deed, and the same and this certificate is hereby certified to the proper office for record.

Witness my hand and official seal this 24<sup>th</sup> day of December, 1946.

My commission expires August 12 - 1947

  
Notary Public

STATE OF MISSISSIPPI,  
Department of the Interior,  
Bureau of Land Management.

This day personally appeared \_\_\_\_\_, a Henry Public  
Land for the State of Mississippi, P. M. Wallace, Jr.,  
President of the \_\_\_\_\_, a corporation,  
and \_\_\_\_\_, Secretary of  
said corporation, of the Parish of \_\_\_\_\_, State of  
Mississippi, who depose and say that the \_\_\_\_\_  
has a right to hold \_\_\_\_\_, and the same and this  
certificate is hereby certified to the proper office for  
record.

Witness my hand and the seal of the Department of the Interior of  
Mississippi, this \_\_\_\_\_ day of \_\_\_\_\_, 1948.

My commission expires \_\_\_\_\_ 17, 1948

  
Secretary Public

10555

# Commonwealth of Kentucky

## Department of State



Office of **Secretary of State**

CHARLES K. O'CONNELL, SECRETARY

### CORPORATION DEPARTMENT

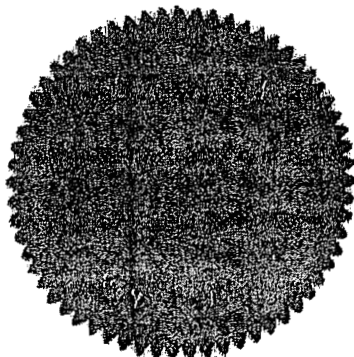
The Central Kentucky Natural Gas Company Lexington, Kentucky

a Corporation organized and existing under and by virtue of the laws of the Commonwealth of Kentucky; having this day filed in the office of the Secretary of State of the State of Kentucky, a certified copy of the amended Articles of Incorporation,

~~I: Providing that the original articles of incorporation be amended relative to the nature of the business of the corporation.~~

~~II: Changing the annual meeting date of the corporation to the Third Tuesday in May of each year.~~

this certificate is issued as evidence of the fact that the said corporation has amended its charter as above set out in the manner prescribed by law.



SECRETARY OF STATE

Witness my official signature, this 14th day of March, 1946.

Charles K. O'Connell  
Secretary of State.

By H. J. Perdue  
Chief Clerk, Corporation Department.



CERTIFICATE OF AMENDMENT

OF

ARTICLES OF INCORPORATION

OF

CENTRAL KENTUCKY NATURAL GAS COMPANY

made and entered into this

7th day of *March* . 19*46*

WHEREAS, the Articles of Incorporation of Central Kentucky Natural Gas Company were duly filed in the month of October, 1905, and Amended Articles of Incorporation amending the same have from time to time been duly filed, including Amended Articles of Incorporation dated the 9th day of September, 1914, the 5th day of February, 1927, and the 24th day of October, 1928, respectively; and

WHEREAS, said Amended Articles of Incorporation dated the 5th day of February, 1927, provided in sub-divisions (a) to (g), inclusive, of Section 1 thereof, that said Central Kentucky Natural Gas Company should have and exercise certain additional powers in addition to those granted and conferred upon it by Article Third of its original Articles of Incorporation; and

WHEREAS, said Amended Articles of Incorporation dated the 24th day of October, 1928, provided that the time for the holding of the annual meeting of said Company should be the Friday following the second Thursday in April of each year; and

WHEREAS, it is desired to amend further the Articles of Incorporation of said Central Kentucky Natural Gas Company

by providing for certain additional powers in lieu of those provided in sub-divisions (a) to (g), inclusive, of Section 1 of said Amended Articles of Incorporation dated the 5th day of February, 1927, and by changing the provision for the date of the annual meeting of said company:

NOW, THEREFORE, we, the undersigned, being the majority of the members of the Board of Directors of said Central Kentucky Natural Gas Company, do hereby certify that, pursuant to the consent in writing of Columbia Gas & Electric Corporation, the holder of more than two-thirds of the capital stock of said Central Kentucky Natural Gas Company, to wit, 59,973 shares out of a total of 60,000 shares issued and outstanding, the Articles of Incorporation of said Central Kentucky Natural Gas Company be, and the same hereby are, amended as follows:

I. The object and purposes for which Central Kentucky Natural Gas Company is organized and the nature of the business to be transacted and carried on by it as set forth in Section Third of the original Articles of Incorporation, as amended by Section 1 of the Amended Articles of Incorporation dated the 5th day of February, 1927, are hereby changed and amended by striking out the provisions of sub-divisions (a) to (g), inclusive, of Section 1 of said Amended Articles of Incorporation dated the 5th day of February, 1927, and by substituting therefor the following:

a. To carry on, in the Commonwealth of Kentucky, and in any other state, territory or district of the United States of America, the business of producing, acquiring, transporting, buying, selling and otherwise disposing of and dealing in petroleum, gasoline, natural, manufactured and mixed gas and any and all

other hydrocarbons and any and all products and by-products thereof.

b. To prospect, explore for, drill for, discover, extract, produce, mine, separate, convert, refine, reduce, treat, manufacture, store or otherwise turn to account, sell, deal in, transport, handle and otherwise dispose of each and every other substance specified in subdivision a herein either in its natural form or in any altered or manufactured form in any state or locality herein enumerated.

c. To manufacture, transport, store, sell at wholesale and retail, or otherwise turn to account, gas of any description, for light, heat, power and other purposes.

d. To design, build, construct, enlarge, develop, improve, extend, repair and operate any and all structures, apparatus and equipment used or useful in connection with the production, transmission, storage, distribution and utilization of any of the substances specified in subdivision a herein, including, but without limiting the generality of the foregoing, wells, storage fields, gathering lines, transmission lines, compressor stations, gasoline extraction plants, dehydrating plants, telephone and telegraph lines, distribution lines, gas manufacturing plants, holders, tanks, regulators and meters.

e. To acquire by lease, purchase, contract, concession or otherwise, and to own, develop, explore, exploit, improve, operate, lease, enjoy, control, manage or otherwise turn to account, mortgage, grant, sell, exchange, convey or otherwise dispose of, in any state or locality herein enumerated, any and all real estate, lands, options, concessions, grants, land patents, oil leases, gas leases, oil royalties, gas royalties, franchises, patents, copyrights, trade marks, trade names, locations, claims, rights, privileges, easements, tenements, estates, hereditaments, interests and properties of every description or nature whatsoever, which may be necessary or proper in connection with the conduct of any business or businesses enumerated herein, or of any other business in which the Company may lawfully engage.

f. To acquire, own, hold, sell, assign, transfer, exchange, mortgage, pledge or otherwise dispose of, any shares of capital stock of, and/or any bonds, debentures, notes, securities or other evidences of indebtedness created, issued or incurred by any public, municipal, quasi-public or private corporations or associations of any kind, or by any national, state or

local government; and as owner thereof to exercise all the rights, powers and privileges of ownership, including the right to vote upon any shares of capital stock thus owned.

g. To borrow or raise money to any amount by the sale or issue of bonds, notes, debentures, collateral trust certificates or other obligations of any nature or in any manner, and to secure the same by mortgage or other liens upon any and all of the property, real, personal or mixed, whether at the time owned or thereafter acquired, of every description whatsoever, or any portion thereof, by the Company.

h. Insofar as it may be lawful under the laws of the State of Kentucky now or hereafter applicable to the Company, to do any and all things necessary, suitable, convenient or proper for, or in connection with, or incidental to, the accomplishment of any of the purposes, or the attainment of any one or more of the objects enumerated hereinabove, or set forth in the original Articles of Incorporation.

II. The provisions contained in the Amended Articles of Incorporation dated the 9th day of September, 1914, and amended by the Amended Articles of Incorporation filed the 24th day of October, 1925, are hereby changed and amended so that the provision with respect to the time for holding the annual meeting of the Company, as set forth in said Amended Articles of Incorporation dated the 9th day of September, 1915, shall read as follows:

"1. The time for the holding of the annual meeting of the Company shall be the third Tuesday in May of each year, subject to change by the By-Laws of the Company."

J. H. Harwin  
W. H. R. R. R.  
H. O. R. R. R.

J. B. R. R. R.  
W. M. R. R. R.  
George S. Young

Alvin S. Hagerman  
at J. Tonkin &

Columbia Gas & Electric Corporation, being the holder of more than two-thirds of the capital stock of Central Kentucky Natural Gas Company, does hereby consent in writing that the Articles of Incorporation of said Central Kentucky Natural Gas Company be amended in the respects set forth above.

Dated March 7<sup>th</sup>, 1946.

COLUMBIA GAS & ELECTRIC CORPORATION

By H. W. [Signature]  
Vice President

Attest:

[Signature]  
Assistant Secretary

STATE OF NEW YORK, )  
COUNTY OF NEW YORK, ) ss.:

This day personally appeared before me, a Notary Public in and for the State and County aforesaid,

J. R. HARVIS  
F. B. FLAHERTY  
STUART M. CROCKER and  
GEORGE S. YOUNG,

and signed and acknowledged the foregoing Certificate of Amendment of Articles of Incorporation of Central Kentucky Natural Gas Company to be their free act and deed and the same and this certificate is hereby certified to the proper office for record.

Witness my hand and official seal this 6th day of March, 1946.

*John J. Millett*  
Notary Public

728 424 M

NOTARY  
L. 6

STATE OF NEW YORK, }  
COUNTY OF NEW YORK, } ss.:

I, JOHN J. MILLETT, Notary Public in and for the State and County aforesaid, do certify that the foregoing consent to the amendment of the Articles of Incorporation of Central Kentucky Natural Gas Company was produced to me in the County aforesaid, by H. H. Fell, Jr., to me personally known and acknowledged by him, as Vice President of said Columbia Gas & Electric Corporation, to be the act and deed of said Columbia Gas & Electric Corporation.

Given under my hand and seal of office this 7th day of March, 1946, in the County and State aforesaid.

My commission expires on the 30th day of March, 1946.

John J. Millett

STATE OF WEST VIRGINIA, )  
                                  ) ss.:  
COUNTY OF MORGAN,       )

This day personally appeared before me, a Notary Public in and for the State and County aforesaid,

W. J. HIGHTOWER  
E. A. WALLACE, JR., and  
OLIVER S. HAGENMAN,

and signed and acknowledged the foregoing Certificate of Amendment of Articles of Incorporation of Central Kentucky Natural Gas Company to be their free act and deed and the same and this certificate is hereby certified to the proper office for record.

Witness my hand and official seal this 11<sup>th</sup> day of March, 1946



*My commission expires: March 17, 1948*



STATE OF KENTUCKY, }  
COUNTY OF FAYETTE, } ss.:

This day personally appeared before us, a Notary Public in and for the State and County aforesaid,

T. J. TONKIN, JR.

and signed and acknowledged the foregoing Certificate of Amendment of Articles of Incorporation of Central Kentucky Natural Gas Company to be his free act and deed and the same and this certificate is hereby certified to the proper office for record.

Witness my hand and official seal this day of March, 1946.

Virginia Welsh  
Notary Public  
MY COMMISSION EXPIRES  
AUG. 10, 1947

These Amended Articles of Incorporation of the  
Central Kentucky Natural Gas Company made by the Directors  
of said corporation this 24th day of October, 1938.  
WITNESSETH:

Whereas, at the regular annual meeting of the  
stockholders of the Central Kentucky Natural Gas Company,  
held at the office of the company at Lexington, Kentucky,  
on September 11th, 1938, the officers of the company were  
directed to take steps required by law to amend the Arti-  
cles of Incorporation as amended by the Amended Articles  
dated September 8, 1914, wherein the time for the annual  
meeting was fixed for "the second Tuesday in September of  
each year" so as to fix the time of the annual meeting the  
Friday following the second Thursday in April of each year;

And, whereas, the consent in writing of the owners  
of at least two-thirds of the capital stock of the company,  
as is required by law, has been obtained consenting to the  
said amendment,

Now, we, the undersigned directors, constituting  
a majority of the directors of said company, do hereby cer-  
tify that the Articles of Incorporation of the Central Ken-  
tucky Natural Gas Company as amended September 8th, 1914, where-  
in it is provided as follows:

"First, the time for holding the annual meeting of  
the company shall be the second Tuesday in September subject  
to change by the by-laws of the company",

Be, and the same is now amended so that said section  
of said Amended Articles shall read as follows:

First, the time for the holding of the annual meet-  
ing of the company shall be the Friday following the second  
Thursday in April of each year.

WITNESS OUR HANDS this 24th day of  
October, 1928.

J. B. Gregory

W. W. [unclear]

John E. [unclear]

~~W. W. [unclear]~~

E. J. [unclear]

P. G. [unclear]

J. [unclear]

W. H. [unclear]

G. W. [unclear]

STATE OF New York )  
COUNTY OF New York )

I HOWLAND H. PELL, JR. a Notary Public in and for the county and state aforesaid do hereby certify that the foregoing amended Articles of Incorporation of the Central Kentucky Natural Gas Company were this day produced to me by T. B. Gregory and acknowledged and delivered by said party to be his act and deed.

Witness my hand this 5th day of October 1928.

Howland H. Pell, Jr.  
Notary Public

My commission expires \_\_\_\_\_

NOTARY PUBLIC  
NEW YORK COUNTY, N. Y.  
New York County Clerk's No. 48  
New York County Register's No. 0-21  
Commission Expires March 30, 1930

SEAL

STATE OF New York )  
COUNTY OF New York )

I HOWLAND H. PELL, JR. a Notary Public in and for the County and state aforesaid do hereby certify that the foregoing amended Articles of Incorporation of the Central Kentucky Natural Gas Company were this day produced to me by W. W. Freeman and acknowledged and delivered by said party to be his act and deed.

Witness my hand this 5th day of October 1928.

Howland H. Pell, Jr.  
Notary Public

My commission expires \_\_\_\_\_

NOTARY PUBLIC  
NEW YORK COUNTY, N. Y.  
New York County Clerk's No. 48  
New York County Register's No. 0-21  
Commission Expires March 30, 1930

SEAL

STATE OF New York )  
COUNTY OF New York )

I HOWLAND H. PELL, JR. a Notary Public in and for the County and state aforesaid do hereby certify that the foregoing amended Articles of Incorporation of the Central Kentucky Natural Gas Company were this day produced to me by John G. New and acknowledged and delivered by said party to be his act and deed.

Witness my hand this 5th day of October 1928.

Howland H. Pell, Jr.  
Notary Public

My commission expires \_\_\_\_\_

NOTARY PUBLIC  
NEW YORK COUNTY, N. Y.  
New York County Clerk's No. 48  
New York County Register's No. 0-21  
Commission Expires March 30, 1930

SEAL

STATE OF West Virginia  
COUNTY OF Monroe

I D. E. Jay a Notary Public in and for the County and state aforesaid do hereby certify that the foregoing amended Articles of Incorporation of the Central Kentucky Natural Gas Company were this day produced to me by H. L. Wallace and acknowledged and delivered by said party to be his act and deed.

Witness my hand this 17th day of October 1928.

D. E. Jay  
Notary Public

My commission expires February 25, 1935

SEAL

STATE OF Kentucky  
COUNTY OF Fayette

I Agatha Welch a Notary Public in and for the County and state aforesaid do hereby certify that the foregoing amended Articles of Incorporation of the Central Kentucky Natural Gas Company were this day produced to me by J. J. Tomken and acknowledged and delivered by said party to be his act and deed.

Witness my hand this 17th day of October 1928

Agatha Welch  
Notary Public

My commission expires July 22, 1931

SEAL

STATE OF New York  
COUNTY OF New York

I HOWLAND H. PELL, JR. a Notary Public in and for the County and state aforesaid do hereby certify that the foregoing amended Articles of Incorporation of the Central Kentucky Natural Gas Company were this day produced to me by J. G. Gosler and acknowledged and delivered by said party to be his act and deed.

Witness my hand this 5th day of October 1928.

Howland H. Pell Jr.  
Notary Public

My commission expires \_\_\_\_\_

SEAL

NOTARY PUBLIC  
NEW YORK COUNTY, N. Y.  
New York County Clerk's No. 43  
New York County Register's No. 211  
Commission Expires March 30, 1933

STATE OF New York  
COUNTY OF New York }

I HOWLAND H. PELL, JR. a Notary Public in and for the County and state aforesaid do hereby certify that the foregoing amended Articles of Incorporation of the Central Kentucky Natural Gas Company were this day produced to me by E. Reynolds, Jr. and acknowledged and delivered by said party to be his act and deed.

Witness my hand this 5th day of October 1928.

Howland H. Pell, Jr.  
Notary Public

My commission expires \_\_\_\_\_

NOTARY PUBLIC  
NEW YORK COUNTY, N. Y.  
New York County Clerk's No. 48  
New York County Register's No. 0-21  
Commission Expires March 30, 1930

SEAL

STATE OF New York  
COUNTY OF New York }

I HOWLAND H. PELL, JR. a Notary Public in and for the county and state aforesaid do hereby certify that the foregoing amended Articles of Incorporation of the Central Kentucky Natural Gas Company were this day produced to me by Fred W. Crawford and acknowledged and delivered by said party to be his act and deed.

Witness my hand this 5th day of October 1928.

Howland H. Pell, Jr.  
Notary Public

My commission expires \_\_\_\_\_

NOTARY PUBLIC  
NEW YORK COUNTY, N. Y.  
New York County Clerk's No. 48  
New York County Register's No. 0-21  
Commission Expires March 30, 1930

SEAL

STATE OF Pennsylvania  
COUNTY OF Allegheny } S.S.

I Clifton C. Robertson a Notary Public in and for the County and state aforesaid do hereby certify that the foregoing amended Articles of Incorporation of the Central Kentucky Natural Gas Company were this day produced to me by Fred W. Crawford and acknowledged and delivered by said party to be his act and deed.

Witness my hand this 18th day of October 1928.

Clifton C. Robertson  
Notary Public

My commission expires \_\_\_\_\_

CLIFTON C. ROBERTSON, Notary Public  
My Commission Expires  
March 6, 1931

SEAL

I, FAUST FOUSHEE, Clerk of the County Court of Fayette County,  
in the State of Kentucky, do hereby certify that the foregoing  
Amended Articles of Incorporation of The Central Kentucky Natural  
Gas Company were produced to me in my office and ordered to record.  
Wherefore the same with certificates thereon endorsed and this my  
certificate has been duly recorded in my office.

Witness my hand this 10th day of November 1928

Faust Foushee Clerk

By Louise Faircloth D.C.

# Commonwealth of Kentucky



Office of **Secretary of State**

ELLA LEWIS, SECRETARY

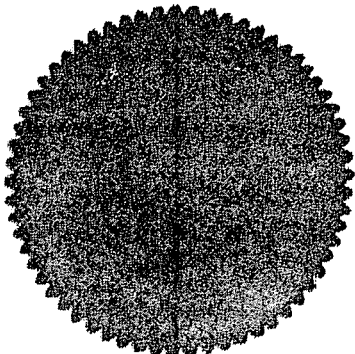
## CORPORATION DEPARTMENT

The Central Kentucky Natural Gas Company, Lexington, Ky.

a Corporation organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, having this day filed in the office of the Secretary of State of the State of Kentucky a certified copy of the amended Articles of Incorporation, \_\_\_\_\_ any changed to \_\_\_\_\_ in \_\_\_\_\_ in April of each year.

**DUPLICATE**

this certificate is issued as evidence of the fact that the said corporation has amended its charter as above set out in the manner prescribed by law.



Witness, My official signature, this 1st day of April, 1929

*Ella Lewis*  
Secretary of State.

By

*C. D. Roberts*  
Chief Clerk.



Box 171

Franklin County

**Amended Articles of Incorporation**

Central Kentucky Natural Gas Company

# 3 Reduce  
# 7 Set to members of Association  
# 8 Increasing the Capital Stock to \$1,000,000

\* 17 to \$ 99  
Organization Tax on Increase \$

Filed and Certificate Issued Feb 10 1927 day of 1927

Recording Fee \$ 5.00 paid.

EMMA GUY CROMWELL,  
Sec'y of State.

By [Signature]  
Chief Clerk Corporation Dept.

Recorded in Corporation

Book No. 101 Page 604

Recorded J. H. H.

Indexed 176

10555  
Commonwealth of Kentucky



Office of Secretary of State

EMMA GUY CROMWELL, SECRETARY

CORPORATION DEPARTMENT

The Central Kentucky Natural Gas Company, Lexington, Ky.

a Corporation organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, having this day filed in the office of the Secretary of State of the State of Kentucky a certified copy of the amended Articles of Incorporation, art. 13 Business of business.

7 names of directors: etc.

8 amount of indebtedness or liability which it may incur

limited to \$1,000,000/00.

D U P L I C A T E

this certificate is issued as evidence of the fact that the said corporation has amended its charter as above set out in the manner prescribed by law.

Witness, My official signature, this 10th day

of February

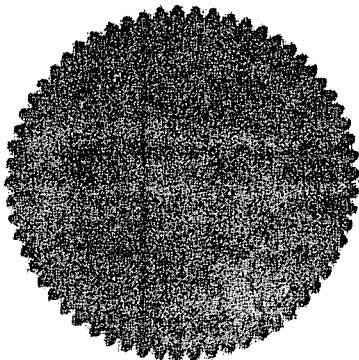
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Emma Guy Cromwell

Secretary of State.

By C. R. Hester

Chief Clerk.



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AMENDED ARTICLES OF INCORPORATION

of

"CENTRAL KENTUCKY NATURAL GAS COMPANY."

---0000000---

THESE AMENDED ARTICLES OF INCORPORATION of Central Kentucky Natural Gas Company made and entered into, this 5th. day of February, 1927;

WITNESSETH: That,

WHEREAS, during the year 1926 and prior to the 5th. day of February, 1927, the stockholders of this Corporation holding and owning more than Two-thirds ( $2/3$ ) of its issued and outstanding capital stock, consented in writing that the Articles of Incorporation of said Central Kentucky Natural Gas Company be amended in the respects hereinafter set out; and,

WHEREAS, at a meeting of the Board of Directors of the Central Kentucky Natural Gas Company held on the 5th. day of February, 1927, resolutions were adopted authorizing the Articles of Incorporation of Central Kentucky Natural Gas Company to be amended in the respects hereinafter set out, in compliance with the said written request and consent of the stockholders of said Corporation, holding and owning more than Two-thirds ( $2/3$ ) of its then issued and outstanding capital stock and in conformity to said resolutions adopted by said Board at said meeting held on said date; and,

WHEREAS, at said meeting of the Board of Directors of Central Kentucky Natural Gas Company held on the 5th. day of February, 1927, a draft of this amendment of the Articles of Incorporation of said Corporation was presented to said Board; and at said meeting this draft of said amendment was by resolutions passed and adopted at said meeting approved and adopted by said Board of Directors and ordered to be made in the respects therein set out and in conformity to said resolutions and in the manner provided by the laws of the State of Kentucky,

1. Now, Therefore, we the undersigned Central Kentucky Natural Gas Company and the President thereof, and the Secretary of the thereof, and a majority, members of the Board of Directors of said Corporation by and with written consent of the stockholders of said Cor-

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poration, owning more than Two-thirds (2/3) of its issued and outstanding capital stock, and in compliance with said resolutions of said Board of Directors adopted at a meeting thereof held on the 5th day of February, 1927, do hereby amend Article III of the original Articles of Incorporation of Central Kentucky Natural Gas Company, so as to provide that said Corporation shall have and exercise, in addition to the powers granted to and conferred upon it by Article III, the following additional powers, to-wit:-

(a) The power to manufacture, transmit, distribute and sell manufactured gas, in addition to the distribution and sale of natural gas, for heating, fuel, lighting, manufacturing, power and other purposes in any and all cities and towns, including Mt. Sterling, Winchester and Lexington, and in any county or counties in the State of Kentucky; for any and all such purposes hereinbefore and hereafter mentioned, and under legal authority, or right, granted to, or acquired by it for such purpose, to acquire by purchase, lease, or otherwise, and to construct, install, operate and maintain and use over and along the public highways, or roads of said state, and over, upon and across other places, properties, and in, upon, through, across and under the streets, avenues, alleys and public places of any such city, or cities, town, or towns, and on and under the bridges and viaducts owned and controlled by any such city, or town, a system of conductors, mains, pipelines, pumping stations, meters and other apparatus and facilities for conveying, distributing, and selling natural gas, manufactured gas, mixed natural and manufactured gas, for heating, fuel, lighting, manufacturing, power and other purposes, in any one, or more of said cities, towns, <sup>counties</sup> or places, as they now exist, or may hereafter be enlarged, or extended;

(b) Also the power to acquire by purchase, lease, or otherwise, and to construct, hold, use, maintain and operate for any and all of the purposes hereinbefore and hereinafter mentioned, and in connection therewith, all such buildings, structures, plants, pressure gauges, governor stations, compressors, storage tanks, pumping stations, fixtures, machinery, equipment and other property, real or personal, necessary or proper, for any and all such purposes and to enable the corporation to accomplish any and all of the purposes for which it is created and to conduct and carry on its business in an efficient, proper and economical manner; and for any and all the foregoing purposes hereinbefore and hereinafter mentioned to acquire by purchase, lease, or otherwise, and to hold, use and operate franchises in any one or more, of such cities, towns and counties and other places in said state of Kentucky; and also the further power to construct, maintain and operate thereon and over and along any and all of its properties, rights of way, telephone and telegraph poles, with all necessary lines and other equipment, for any purpose in connection with the conduct and operation of its business;

(c) Also the further power to acquire by purchase, lease, or otherwise, and to hold, use, develop and operate, and to sell, lease, mortgage, or otherwise dispose of, oil and gas leases, nat-

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ural gas wells and natural gas from natural gas wells and natural gas properties, and oil and gas lands, or properties, and any rights, or interests therein; and to do anything necessary, or proper, in the conduct and operation of its said business, and of developing and operating such leases and properties and in improving and increasing the value thereof, and in producing therefrom oil and gas and the by-products thereof, for sale, distribution, and other purposes;

(d) Also the further power to sell, rent, trade and deal in generally, stoves, lamps, and other lighting and heating and power appliances, equipment and other articles, <sup>and</sup> ~~facilities~~ and inventions, which may seem directly, or indirectly to promote and increase the consumption of natural gas, manufactured gas, and manufactured gas mixed with natural gas, for producing and utilizing light, heat and power, or any one or more, or all of them, and to acquire by lease, or otherwise, such other and additional methods and means for any and all such purposes, as such corporation may deem necessary or proper;

(e) To acquire by purchase, lease or otherwise and to hold, sell or otherwise dispose of, all kinds of real and personal property necessary or proper for any of the purposes and objects for which this corporation is created;

(f) To draw, make, accept, endorse, execute, issue, and deliver bills of exchange, promissory notes, warrants, bonds, debentures and other negotiable or transferrable instruments and obligations, or other evidences of indebtedness or liability;

(g) Without in any particular limiting any of the objects and powers of the corporation, it is hereby expressly provided that this corporation shall have full power and authority to sell, assign, transfer, convey, lease, mortgage, pledge or otherwise dispose of, any stocks, bonds, securities, obligations, and any property, real or personal, or both, which may be issued, made, owned or acquired by it, or in which it owns any right or interest; also to have full power and authority to secure any such bonds, obligations, securities, contracts, debts, or liabilities by it issued, made, acquired or incurred, by mortgage, deed of trust, pledge, or otherwise; to guarantee the payment of any interest, or dividends on any bonds, stocks or other obligations and securities, owned, issued or acquired by it, or in which it has any interest.

3. And in compliance with said resolutions of said Board of Directors adopted at a meeting thereof held on the 5th. day of February, 1927, and in compliance with said written consent of said stockholders, we do hereby amend Article Seventh of the original Articles of Incorporation of Central Kentucky Natural Gas Company so as to provide that the corporate powers, business and property of the Corporation shall be exercised, managed, conducted and controlled by a Board of Di-

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rectors of not less than Three (3) nor more than Nine (9) Directors; and that said Directors shall be elected by the stockholders at the annual meeting, or at any such adjourned meeting, or meetings, in each year pursuant to the law, at the office of the Corporation in Lexington, Kentucky; that the said Directors so elected, at any such meeting shall hold their respective offices from the day of their election until the next annual meeting of the stockholders, and until their respective successors shall be duly elected and qualify; and that the majority of the Board of Directors shall always constitute a quorum for the transaction of any business, except to adjourn from time to time to another day or date, and to fill vacancies in the Board that may occur in their number between the annual stockholders' meeting, when less than a majority may act for such purposes; and that the person, or persons so chosen, or elected, to fill any such vacancy are to hold his, or their respective office (as the case may be) until the next annual meeting of the stockholders and until his, or their respective successors shall have been duly elected and qualify; that both the President and Vice-President must be members of the Board of Directors; that the Secretary and Treasurer may, or may not be, members of said Board; that the offices of Secretary and Treasurer and the offices of Vice-President and General Manager may be held and the duties thereof performed by one person; that said Board of Directors, by the affirmative vote of a majority thereof, may appoint from such Board of Directors, an Executive Committee of two or more, and to such extent as may be authorized by the stockholders at any annual or special meeting thereof, such Committee shall have, and may exercise, in addition to the powers conferred by the By-Laws, all or any of the powers of the Board of Directors, when not in session, not inconsistent with the laws of this state, the provisions of Original and amended Articles of In-

14  
corporation, and the By-Laws of the corporation, and which may be lawfully delegated in the management of the business and affairs of the corporation; that said Executive Committee shall appoint and elect its own Chairman and that the majority of such Committee shall constitute a quorum for the transaction of such business.

3. And in compliance with said written request and consent of said stockholders, and with said resolutions of said Board of Directors, we do hereby amend Article Eighth of the original Articles of Incorporation of Central Kentucky Natural Gas Company so as to increase and provide that the highest amount of indebtedness or liability which this corporation may incur at any time shall be the sum of One Million Dollars (\$1,000,000.00) instead of Six Hundred Thousand Dollars (\$600,000.00) <sup>is</sup> as now provided for in said Article Eighth, so that when said Article Eighth as amended shall read as follows, to-wit:-

"The highest amount of indebtedness or liability which this Corporation may incur at any time shall be the sum of One Million Dollars (\$1,000,000.00) instead of Six Hundred Thousand Dollars (\$600,000.00), as is now provided for in said Article Eighth."

IN TESTIMONY WHEREOF, witness the signatures of the President and a majority <sup>of the</sup> members of the Board of Directors and Secretary of said Central Kentucky Natural Gas Company; and to this amendment of its Articles of Incorporation said Central Kentucky Natural Gas Company has caused its name to be hereunto signed by - - - John Tonkin - - - its President, and its corporate seal to be hereunto affixed and attested by Robert S. Hampton, its Secretary, this 5th. day of February, 1927.

CENTRAL KENTUCKY NATURAL GAS CO.,

By \_\_\_\_\_  
President.

ATTEST:

\_\_\_\_\_  
Secretary.

Secretary.

President.

Director of Central Kentucky  
Natural Gas Company.

Director of Central Kentucky  
Natural Gas Company.

Director of Central Kentucky  
Natural Gas Company.

Director of Central Kentucky  
Natural Gas Company.

Director of Central Kentucky  
Natural Gas Company.

Director of Central Kentucky  
Natural Gas Company.

Director of Central Kentucky  
Natural Gas Company.

Director of Central Kentucky  
Natural Gas Company.

Director of Central Kentucky  
Natural Gas Company.

Director of Central Kentucky  
Natural Gas Company.

STATE OF PENNSYLVANIA )  
 ) sct.  
COUNTY OF CRAWFORD )

I, \_\_\_\_\_, a Notary Public in and for the County and State aforesaid, whose commission expires on the day of \_\_\_\_\_, 19\_\_\_\_, do hereby certify that the foregoing amended Articles of Incorporation of the Central Kentucky Natural Gas Company was produced to me in said County and State by the parties whose names are signed thereto and acknowledged before me by John Tonkin as President of the Central Kentucky Natural Gas Company, and by Robert S. Hampton as Secretary thereof, to be the act and deed of said Central Kentucky Natural Gas Company, and their respective acts and deeds as such President and Secretary for the uses and purposes therein set forth; and was also acknowledged before me by Joseph Seep, John Tonkin, John B. Tonkin, Robert S. Hampton, Robert Hampton, Jr. and John Harvey as Directors of the Central Kentucky Natural Gas Company, to be their respective acts and deeds as such Directors for the uses and purposes therein set forth; and was also acknowledged before me by John Tonkin, President of the Central Kentucky Natural Gas Company to be his act and deed as such President, and by Robert S. Hampton, Secretary of the Central Kentucky Natural Gas Company to be his act and deed as such Secretary; all of which is hereby certified to the proper office for record.

Given under my hand and seal of office, this \_\_\_\_\_ day of February, 1927.

Notary Public Crawford County, Penna.



Robert S. Hampton  
Secretary.

John Tonkin  
President.

Robert S. Hampton  
Director of Central Kentucky  
Natural Gas Company.

John Tonkin  
Director of Central Kentucky  
Natural Gas Company.

Joseph Seep  
Director of Central Kentucky  
Natural Gas Company.

John B. Tonkin  
Director of Central Kentucky  
Natural Gas Company.

Robert Hampton, Jr.  
Director of Central Kentucky  
Natural Gas Company.

John J. Harvey  
Director of Central Kentucky  
Natural Gas Company.

R. R. Harting  
Director of Central Kentucky  
Natural Gas Company.

George S. Week  
Director of Central Kentucky  
Natural Gas Company.

Director of Central Kentucky  
Natural Gas Company.

Director of Central Kentucky  
Natural Gas Company.

STATE OF PENNSYLVANIA )  
Crawford : act.  
COUNTY OF ~~YRELAND~~ )

I, C. R. Church, a Notary Public in and for the County and State aforesaid, whose commission expires on the 17 day of April, 1927, do hereby certify that the foregoing amended Articles of Incorporation of the Central Kentucky Natural Gas Company was produced to me in said County and State by the parties whose names are signed thereto and acknowledged before me by John Tonkin as President of the Central Kentucky Natural Gas Company, and by Robert S. Hampton as Secretary thereof, to be the act and deed of said Central Kentucky Natural Gas Company, and their respective acts and deeds as such President and Secretary for the uses and purposes therein set forth; and was also acknowledged before me by Joseph Seep, John Tonkin, John B. Tonkin, Robert S. Hampton, Robert Hampton, Jr. and John Harvey as Directors of the Central Kentucky Natural Gas Company, to be their respective acts and deeds as such Directors for the uses and purposes therein set forth; and was also acknowledged before me by John Tonkin, President of the Central Kentucky Natural Gas Company to be his act and deed as such President, and by Robert S. Hampton, Secretary of the Central Kentucky Natural Gas Company to be his act and deed as such Secretary; all of which is hereby certified to the proper office for record.

Given under my hand and seal of office, this 5th day of February, 1927.

C. R. Church  
Notary Public ~~Yreland~~ County, Penna.  
Crawford

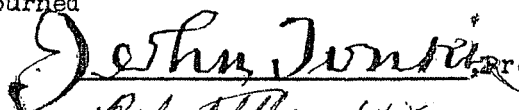
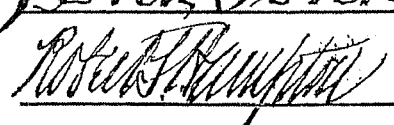
(SEAL)

Thereupon, on motion duly made and seconded, and by the affirmative vote of all present, it was

ORDERED AND RESOLVED by the Board of Directors in this meeting assembled that the draft of the amended Articles of Incorporation of Central Kentucky Natural Gas Company presented and read to the Board of Directors in this meeting assembled, and hereinbefore set out, be and the same is hereby declared to be satisfactory in form and substance and in its terms and provisions, and in compliance with the foregoing resolutions of the Board of Directors passed and adopted by them in this meeting, and in compliance with the written consent of the stockholders of this corporation heretofore produced and read at this meeting, consenting and requesting the Articles of Incorporation of this corporation to be amended in all respects as therein set out; and further, that the draft of said amendment produced and read at this meeting in form and substance, and in its terms and provisions, as hereinbefore set out, is hereby ratified, approved and confirmed and adopted as an amendment of the Articles of Incorporation of Central Kentucky Natural Gas Company, as therein set out; and further, that said draft of said amendment is hereby ordered and directed to be executed, signed and acknowledged for and on behalf of this corporation, and its name thereto signed by its President or Vice-President, and its corporate seal to be thereto affixed and attested by its Secretary; and further, that said draft of said amendment be also signed and acknowledged by the President or Vice-President and Secretary of this Corporation, and the members of its Board of Directors, or a majority thereof, as an amendment of the Articles of Incorporation of Central Kentucky Natural Gas Company in the respects therein set out and provided for; and further, that the President or Vice-President, or Secretary, in pursuance of this resolution, be and they, or either of them, are hereby authorized and directed to take all such steps and to do all such acts and things as may be necessary or proper to cause said amended Articles of Incorporation of the Central Kentucky Natural Gas Company to be so signed and acknowledged by this Corporation, and other persons and officers and Directors, as hereinbefore directed and provided for in this resolution, and after such execution and acknowledgment, to cause the same to be filed and recorded in the proper offices of the State of Kentucky, as required by law, and to pay the recording fees thereon.

There being no other business before the board, upon motion duly made and seconded, and by the affirmative vote of all present, it was

ORDERED AND RESOLVED by the Board of Directors in this meeting assembled that this meeting be adjourned

  
\_\_\_\_\_, President.  
  
\_\_\_\_\_, Secretary.

STATE OF KENTUCKY )  
 )  
 ) not.  
COUNTY OF FAYETTE )

I, Henry T. Duncan, a Notary Public in and for the County and State aforesaid, whose commission expires on the 19th day of February, 1927, do hereby certify that the foregoing amended Articles of Incorporation of the Central Kentucky Natural Gas Company was produced to me in said County and State by the parties whose names are signed thereto and acknowledged before me by George S. Weeks and R. R. Harting as Directors of the Central Kentucky Natural Gas Company, to be their respective acts and deeds as such Directors for the uses and purposes therein set forth; all of which is hereby certified to the proper office for record.

Given under my hand and seal of office, this 9th day of February, 1927.

Henry T. Duncan

Notary Public Fayette County, Kentucky.

(SEAL)

I, Faust Bushee, Clerk of the County Court  
of Fayette county in the State of Kentucky, do  
hereby certify that on the 9th day of February,  
1927 the foregoing <sup>Amended</sup> Articles of Incorporation of  
"Central Kentucky Natural Gas Company" were  
produced to me in my office and ordered to record.  
Therefore the same with Certificates thereon  
endorsed and this my certificate have been duly  
recorded in my office.

Given under my hand this 9th day of February,  
1927.

Faust Bushee Clerk  
By May DeLozier D.C.



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Lafayette County.

Amended Articles of Incorporation

OF  
Central City  
Natural Gas Co.

giving the time for holding the  
Annual meeting for 1915 Tuesday in Dept  
of State of Colorado, not less than 3  
Increasing its Capital Stock from

\$ \_\_\_\_\_ to \$ \_\_\_\_\_

Organization Tax on Increase \$ \_\_\_\_\_

Filed and Certificate Issued 19th day of  
February 1915

Recording Fee \$ 1.00 paid.

X C. I. CRECHIN  
Sec'y of State.

By Magoffin  
President

Recorded in Corporation  
Book No. 54 Page 110

Recorded RCJA Compared E. M. U.  
C. C.

CENTRAL KENTUCKY NATURAL )  
GAS COMPANY ) AMENDED ARTICLES OF INCORPORATION.  
)

These amended articles of incorporation of the Central Kentucky Natural Gas Company made and entered into this 9th day of Sept, 1914, by the under-signed directors of said Company,

WITNESSETH: That whereas, at a meeting of the stockholders of the Central Kentucky Natural Gas Company held at the office of the Company in Lexington, Kentucky, on September 8, 1914, at which meeting 87 percent of the stock of said Company was represented, the following resolution was adopted,

"Resolved, that the articles of incorporation of the Central Kentucky Natural Gas Company be amended so that, First, the time for holding the annual meeting of the Company shall be the Second Tuesday in September, subject to change by the by-laws of the Company.

Second: The number of directors of the Company may be fixed by the directors, but shall not be less than three."

And whereas it was further ordered that the Board of Directors take the necessary steps to effectuate said proposed amendments as to the time of holding annual meeting and the number of directors of the Company,

And whereas at a meeting of the directors held immediately thereafter said resolution was adopted,

now, therefore, in consideration of the premises the articles of incorporation of the Central Kentucky Natural Gas Company dated, Oct 11, 1905, are hereby amended as follows:

First: The time for holding the annual meeting of the Company shall be the Second Tuesday in September, subject to change by the by-laws of the Company.

Second: The number of directors shall be fixed by the Board of directors, but shall not be less than three.

In testimony whereof, we have this day set our hand and seal.  
Joseph Seep  
C N Payne

Robert S Hampton  
John Tonkin  
T M Blackwell  
J H Hazelrigg

State of Pennsylvania

County of Venango, Set

This day personally appeared before me, a Notary Public in and for the State and County aforesaid, Joseph Seep, C N Payne, Robert S Hampton, John Tonkin and T M Blackwell, and signed and acknowledged the foregoing amended articles of incorporation to be their free act and deed, and the same and this certificate is hereby certified to the proper office for record.

Witness my hand and official seal this 18th day of November, 1914.

(Seal)

P H Curry

Notary Public

My commission expires March 25th, 1917.

State of Kentucky,

Franklin County,

This day personally appeared before me a Notary Public in & for the State & County aforesaid J H Hazelrigg & signed & acknowledged the foregoing Amended Articles of Incorporation to be his free act & deed & the same & this certificate is hereby certified to the proper \_\_\_\_\_ for record.

Witness my hand official seal this 9 day of Feb'y 1915.

(Seal)

D D Smith

Notary Public, Franklin Co. Ky

My commission expires Jan 12, 1918.

I, Theo Lewis, Clerk of the County Court of Fayette County, in the State of Kentucky, do certify that on this day the foregoing Amended Articles of Incorporation of Central Kentucky Natural Gas



Company were produced to me in my office, and ordered to record:  
Wherefore the same with certificates thereon endorsed and this my  
certificate have been duly recorded in my office.

Witness my hand this 16 day of February 1915.

Theo Lewis Clerk

By Bettie Baker D C

State of Kentucky.

County of Fayette.

} Sci.

I, THEO. LEWIS, Clerk of the County Court of Fayette County, State of  
Kentucky, and as the custodian of the Seal and all records of or apper-  
taining to said court, do hereby certify the foregoing to be a true and accurate  
copy of the Amended Articles of Incorporation of Central Kentucky  
Natural Gas Company.

as the same appears of record in my office.

IN TESTIMONY WHEREOF, Witness my hand, this ~~15th~~  
~~said court~~, this 16 day of February 1915

*Theo. Lewis*

Clerk Fayette County Court.

ARTICLES  
OF  
INCORPORATION  
of the  
CENTRAL KENTUCKY NATURAL GAS COMPANY.  
\*\*\*\*\*

These articles of incorporation are to declare that we, E. Strong, Robert S. Hampton, John Tonkin, Joseph Seep and J. H. Hazlerigg have associated ourselves together for the purpose of establishing a corporation to carry on a lawful business, as hereinafter more specifically set out, and that we do hereby organize and establish such corporation and do declare:

FIRST-- The name of the corporation is "Central Kentucky Natural Gas Company."

SECOND-- The principal office and place of business of the Corporation is the City of Lexington, Kentucky.

X THIRD-- The objects and purposes for which the Corporation is organized and the nature of the business to be transacted and carried on by the Corporation is the acquisition of natural gas franchises in the cities of Mt. Sterling, Winchester and Lexington, Kentucky, and the franchises of any other city or town in said Commonwealth for the purpose of constructing, laying, operating and maintaining through the streets, avenues, alleys and public places of said cities, a system of pipes for the conveyance, distribution and sale of natural gas for heating, fuel, and lighting, manufacturing and power purposes; and the right to exercise said franchise after acquiring same, as herein indicated. The right to legally acquire by purchase or otherwise, natural gas wells, or natural gas from natural gas wells and the right to purchase or lease lands in the Commonwealth of Kentucky for the purpose of drilling for natural gas or for the purpose of using natural gas from any wells that may have heretofore been drilled on any land in the Commonwealth of Kentucky, and the right to erect and maintain pumping stations, pipe lines and all other appliances incident to the carrying of natural gas from any natural gas wells that the company may own or control, to any city or town in the Commonwealth of Kentucky, or to any individual consumer of natural gas, and the further right to purchase or otherwise legally acquire the ownership and control of the right of way for its main pipe lines, from said gas wells to said cities and towns hereinbefore mentioned, and the right to do all things usually incident and necessary to the development of natural gas and the carrying of same to market and the distribution and sale of the same; the right to adopt and use a corporate seal; and the Corporation shall have the power to sue and be sued, to contract and be contracted with, to pledge or mortgage its property, real or personal, and issue bonds to secure the fulfillment of its objects, purposes and contracts, appoint, remove and elect officers, define their duties, and require from any of them a bond for the faithful discharge of their duties; to prescribe by its board of directors, by-laws for the government of the corporation not inconsistent with law; and to exercise, subject to law, such powers as may be necessary to conduct the business or promote and carry on the objects and purposes for which it is organized.

X FOURTH. That the capital stock of the "Central Kentucky Natural Gas Company" is the sum of One Million Five Hundred Thousand (\$1,500,000.00) Dollars, divided into sixty thousand (60,000) shares of the par value of Twenty-five (\$25.00) per share.

FIFTH. The names and places of residence of each of the stockholders and the number of shares each have subscribed is as follows:

E. Strong, Oil City, Penn. -----4000 Shares.  
Robert S. Hampton, Oil City, Penn. ----- 4000 "  
John Tonkin, Oil City, Pa.,----- 4000 "  
Joseph Seep, Oil City, Penn. ----- 44400 "  
J. H. Hazlerigg, Frankfort, Ky., ----- 3600 "  
10000

SIXTH. The corporation shall commence business so soon as these articles of incorporation are filed and recorded and the license tax is paid and certificates of organization issued, and shall continue in existence for the period of ninety-nine years unless sooner dissolved by mutual agreement, or in the manner prescribed by law.

SEVENTH. The affairs of the corporation shall be conducted by a board of directors consisting of seven persons; a president, vice president, general manager, secretary and treasurer, and one person may be vice president & general manager, and one person may be secretary & treasurer. The directors shall be elected by the stockholders at noon on the 15th day of October in each year at the office of the company in the City of Lexington. The president, vice president, general manager, secretary & treasurer shall be elected by the directors at such time and place as may be fixed by the Corporation.

EIGHTH. The highest amount of indebtedness or liability which this corporation may at any time incur is the sum of six hundred thousand (\$600,000.00) dollars.

NINTH. The private property of the stockholders shall not be subject to the payment of corporate debts.

TENTH. Until the directors and officers are elected the signers of these articles of incorporation shall have the direction of the affairs of the organization of the corporation and may take such steps as are proper to obtain the necessary subscription of stock and to perfect the organization of the Corporation.

(Signed) E. Strong.  
Robt. S. Hampton.  
John Tonkin.  
Joseph Seep.  
James H. Hazlerigg.

STATE OF PENNSYLVANIA)

COUNTY OF VENANGO ) SCT:

This day personally appeared before me a notary public in and for the State and County aforesaid, E. Strong, Robt. S. Hampton, John Tonkin and Joseph Seep, and signed and acknowledged the foregoing articles of incorporation to be their free act and deed and the same and this certificate is hereby certified to the proper office for record.

Witness my hand and official seal this 9th day of October, 1905.

(Signed) L. L. Graham, Notary Public.

My commission as Notary Public expires on the 27th day of Feby., 1909.

STATE OF KENTUCKY

County of Franklin, Sct:

This day personally appeared before me the undersigned County Clerk of the State and County aforesaid J. H. Hazlerigg, and signed and acknowledged the foregoing articles of incorporation as his free act and deed, and the same and this certificate is certified in the proper office for record.

Given under my hand this 11th day of October, 1905.

(Signed) W. B. Smith,

Clerk for the County Court of  
Franklin County.

By L. C. Wallace, D. C.

I, R. L. Baker, Clerk of the County Court of Fayette County in the State of Kentucky, do hereby certify that on this the 11th day of October, 1905, the foregoing Articles of Incorporation of the "Central Kentucky Natural Gas Company" was produced to me in my office and ordered to record.

Wherefore the same with certificates thereon and endorsed and this my certificate has been duly recorded in my office.

WITNESS my hand this 11th day of October, 1905.

(Signed) R. L. Baker, Clerk.

By C. J. Reagan, D. C.

\*\*\*\*\*

COMMONWEALTH OF KENTUCKY.

Office of Secretary of State.

I, H. V. McChesney, Secretary of State of the State of Kentucky, hereby certify that Articles of Incorporation have this day been filed in my office by the

--- CENTRAL KENTUCKY NATURAL GAS COMPANY.---

Said Articles of Incorporation show that the Central Kentucky Natural Gas Company has a capital stock of One Million and Five Hundred Thousand Dollars, and the license fee of Fifteen Hundred Dollars, which is one tenth of one per cent. of the capital stock, having been this day paid into the Treasury as required by law, the said Corporation is now authorized under the laws of Kentucky to do business.

Given under my hand as Secretary of State, this 11th day of October, 1905.

H. V. McChesney,

Secretary of State.

By Rid Reed,

Chief Corporation Department.

\*\*\*\*\*

*amended*  
*99 yrs*

*Fayette*

County.

ARTICLES OF INCORPORATION

OF

*Central Kentucky  
Natural Gas Co*

Capital Stock, \$ *1,500,000*

Organization Tax, \$ *1,500<sup>00</sup>*

Filed and Certificate Issued,

*11<sup>th</sup>* Day of *Oct.*, 19*05*

Recording Fee, \$ *3<sup>00</sup>* paid. *79*

*H. V. McCHESNEY*

(Sec'y of State.

By *Reed*

*Recorded in Corporation*

Book No *28* Page *123-124*

*Vol 171*

*Sec 13*

State of Kentucky,

Fayette County.

Act.

I, R. L. BAKER, Clerk of the County Court of Fayette County,  
State of Kentucky, and as such the Custodian of the Seal and all Rec-  
ords of or appertaining to said court, do hereby certify the foregoing to  
be a true and accurate copy of *Articles of Incorporation*  
*of The Central Kentucky Nutcrack Gas*  
*Company*  
as the same appears of record in my office.

In Testimony Whereof, Witness my hand, the Seal of said  
court, this *11* day of *October* 190*5*

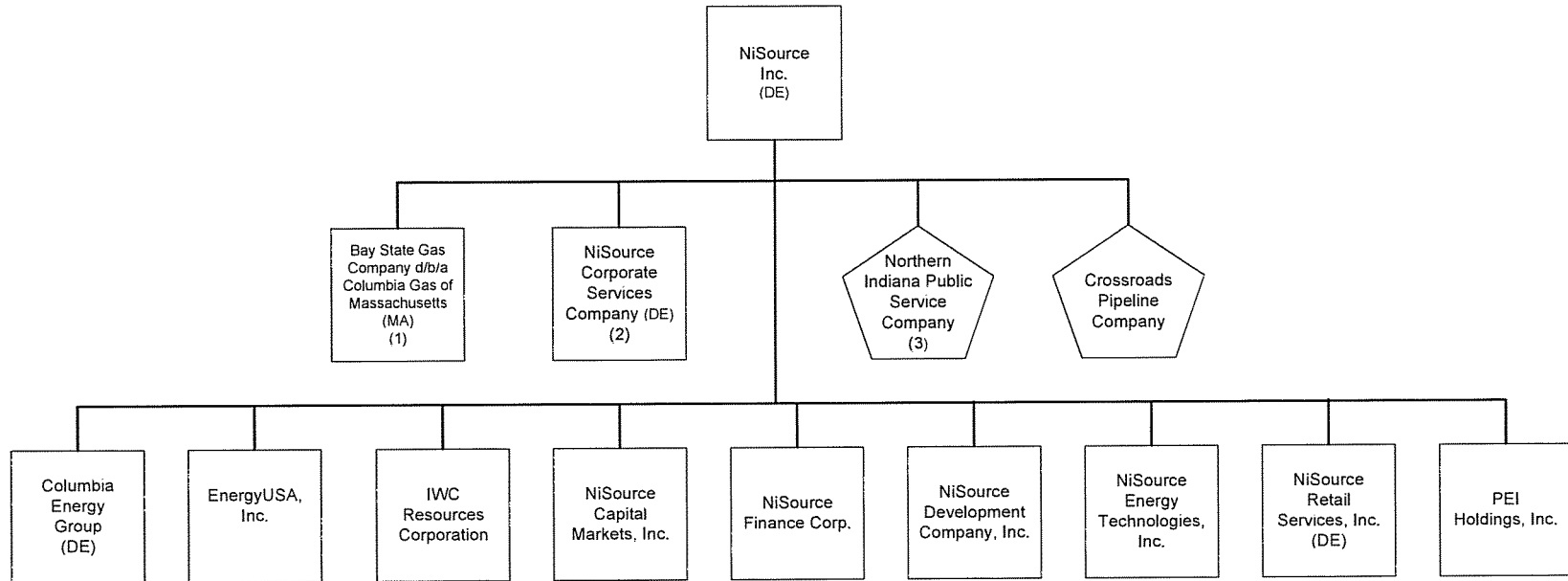
*R. L. Baker*

Clerk Fayette County Court.

**ATTACHMENT D**

**NISOURCE AND COLUMBIA ENERGY CURRENT  
CORPORATE STRUCTURES**

## Complete NiSource Inc. Corporate Structure and Direct Subsidiaries as of January 1, 2013



Shaded boxes represent Marketing and Energy Affiliates, as those terms are defined by the Federal Energy Regulatory Commission. Pentagonal shaped boxes represent Transmission Providers. Each subsidiary is 100% owned, unless a smaller percentage is indicated. All entities are organized in Indiana unless otherwise noted.

(1) Bay State Gas Company d/b/a Columbia Gas of Massachusetts

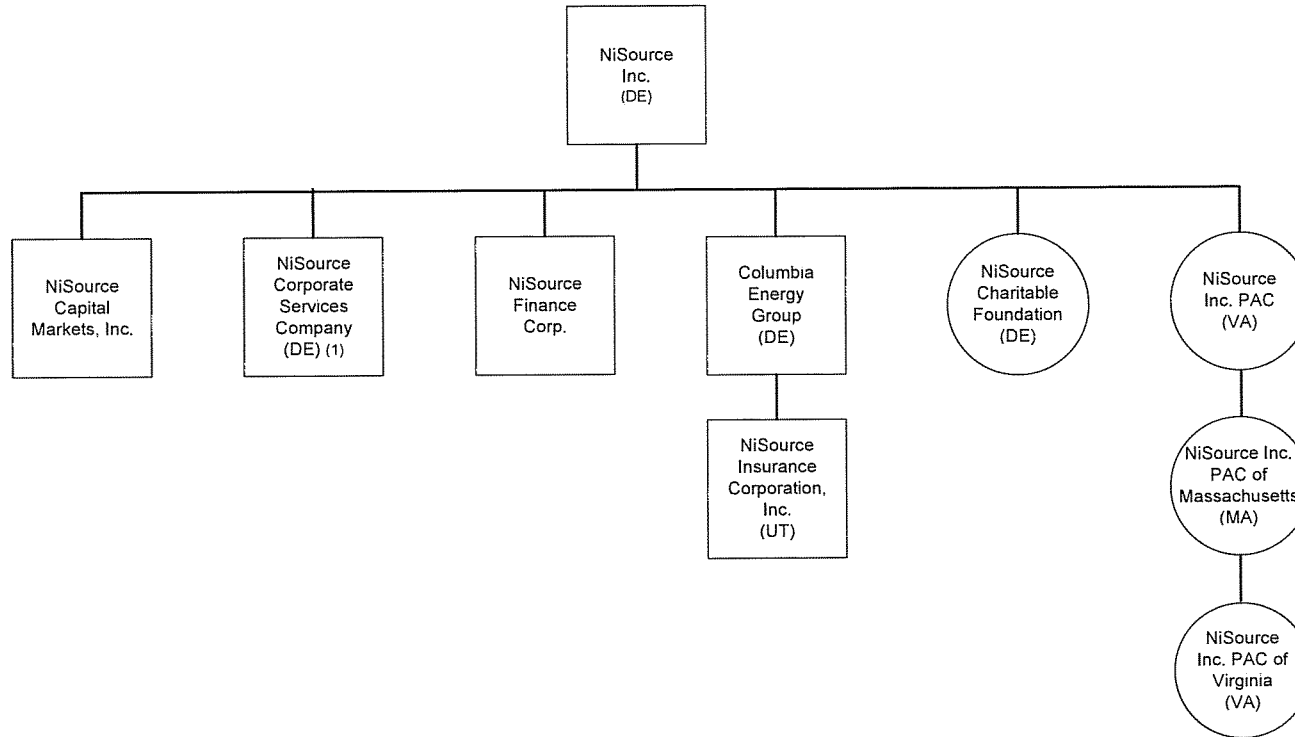
(2) A division of NiSource Corporate Service Company, is treated as a Marketing and Energy Affiliate.

Since NiSource is a registered holding company, certain support services are provided on a company-wide basis by a corporate service company; NiSource Corporate Services Company (NCSC). NCSC provides the following services to NiSource Transmission Providers, Marketing and Energy Affiliates, and other direct or indirect subsidiaries of NiSource Inc.: (a) accounting and budget; (b) human resources; (c) information technology; (d) legal; (e) tax; (f) corporate communications; (g) insurance procurement; (h) risk management; (i) corporate credit; (j) investor relations; (k) real estate services; (l) internal audit; and (j) supply chain non-energy procurement.

(3) Northern Indiana Public Service Company (NIPSCO) is a combined electric and gas utility. Within NIPSCO are: an electric public utility Transmission Provider, a retail electric service provider, a gas local distribution (LDC) provider, and employees engaged in wholesale power trading. The gas LDC and employees engaged in wholesale power trading are treated as Marketing and Energy Affiliates.



## Corporate Center Subsidiaries as of January 1, 2013

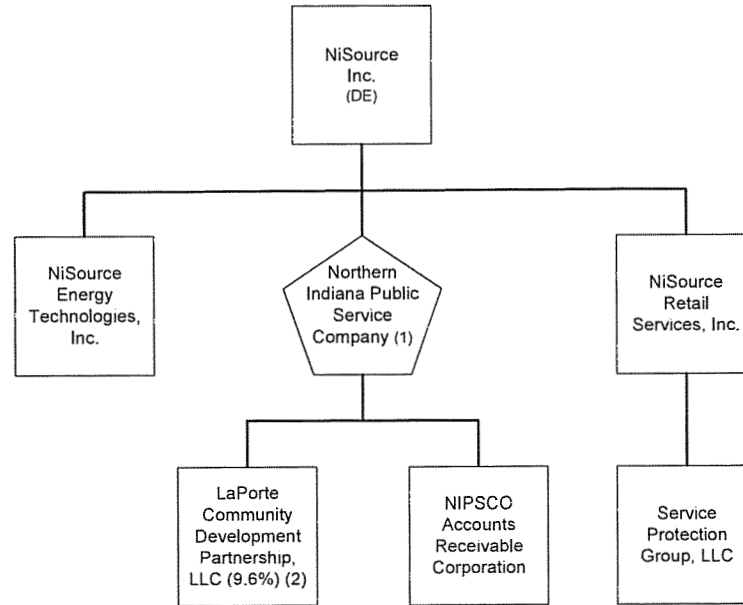


Shaded boxes represent Marketing and Energy Affiliates, as those terms are defined by the Federal Energy Regulatory Commission. Pentagonal shaped boxes represent Transmission Providers. Each subsidiary is 100% owned, unless a smaller percentage is indicated. Circles represent not-for-profits. All entities are organized in Indiana unless otherwise noted.

(1) A division of NiSource Corporate Service Company, is treated as a Marketing and Energy Affiliate.

Since NiSource is a registered holding company, certain support services are provided on a company-wide basis by a single corporate service company, NiSource Corporate Services Company (NCSC). NCSC provides the following services to NiSource Transmission Providers, Marketing and Energy Affiliates, and other direct or indirect subsidiaries of NiSource Inc.: (a) accounting and budget; (b) human resources; (c) information technology; (d) legal; (e) tax; (f) corporate communications; (g) insurance procurement; (h) risk management; (i) corporate credit; (j) investor relations; (k) real estate services; (l) internal audit; and (j) supply chain non-energy procurement.

**NIPSCO Subsidiaries  
(with Additional Other Products and Services Subsidiaries)  
as of January 1, 2013**

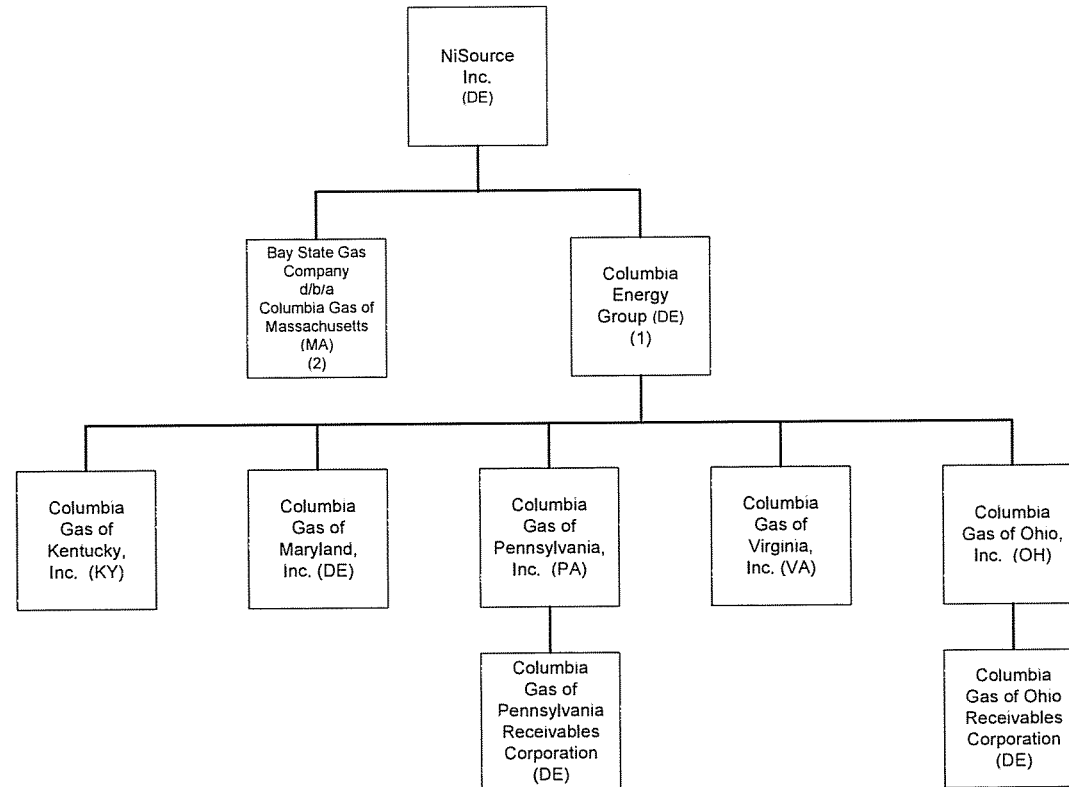


Shaded boxes represent Marketing and Energy Affiliates, as those terms are defined by the Federal Energy Regulatory Commission. Pentagonal shaped boxes represent Transmission Providers. Each subsidiary is 100% owned, unless a smaller percentage is indicated. All entities are organized in Indiana unless otherwise noted.

(1) Northern Indiana Public Service Company (NIPSCO) is a combined electric and gas utility. Within NIPSCO are: an electric public utility Transmission Provider, a retail electric service provider, a gas local distribution (LDC) provider, and employees engaged in wholesale power trading. The gas LDC and employees engaged in wholesale power trading are treated as Marketing and Energy Affiliates.

(2) Investment in community development entity.

**NiSource Gas Distribution Subsidiaries  
(with Additional Other Products and Services Subsidiaries)  
as of January 1, 2013**

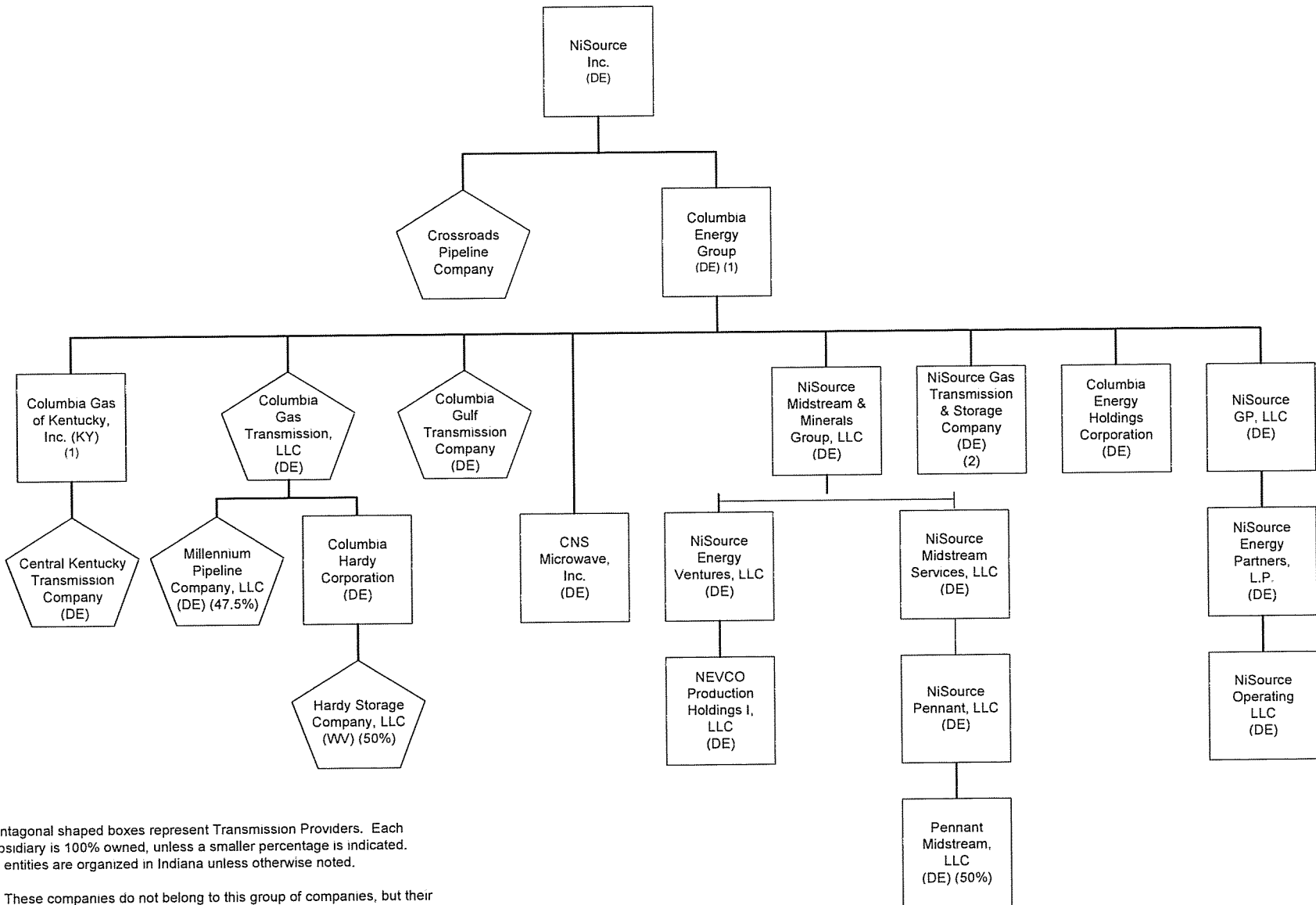


Shaded boxes represent Marketing and Energy Affiliates, as those terms are defined by the Federal Energy Regulatory Commission. Each subsidiary is 100% owned, unless a smaller percentage is indicated. All entities are organized in Indiana unless otherwise noted.

(1) This company does not belong to this group of companies, but the subsidiaries shown here do.

(2) Bay State Gas Company d/b/a Columbia Gas of Massachusetts

## Gas Transmission and Storage Subsidiaries (with Additional Other Products and Services Subsidiaries) as of January 1, 2013

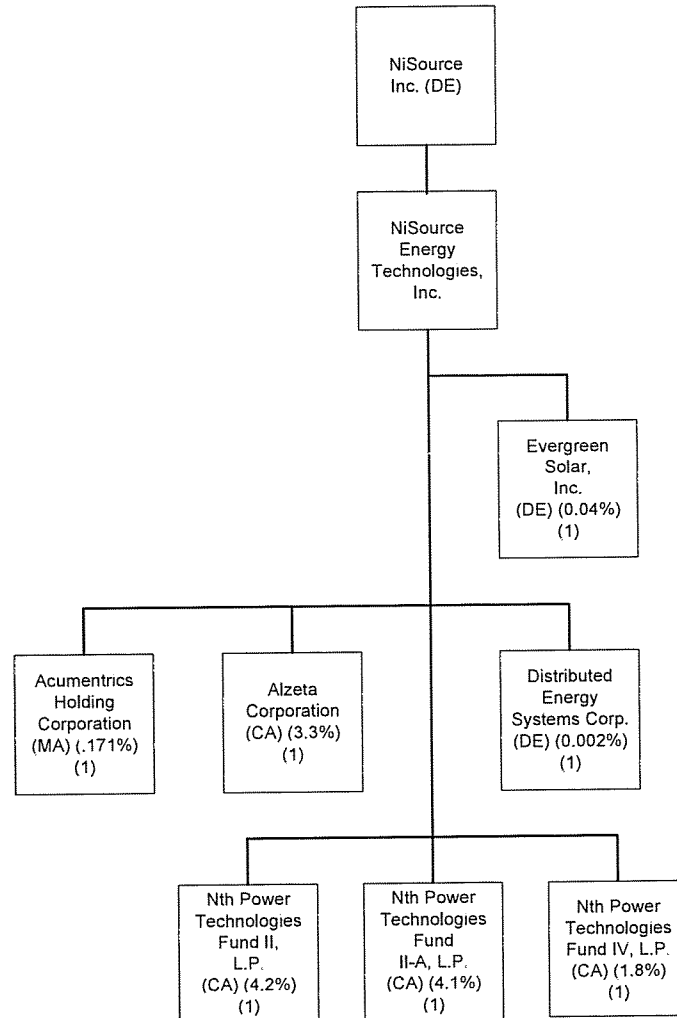


Pentagonal shaped boxes represent Transmission Providers. Each subsidiary is 100% owned, unless a smaller percentage is indicated. All entities are organized in Indiana unless otherwise noted.

(1) These companies do not belong to this group of companies, but their subsidiaries shown here do.

(2) Certain support services are provided to this group by NiSource Gas Transmission & Storage Company.

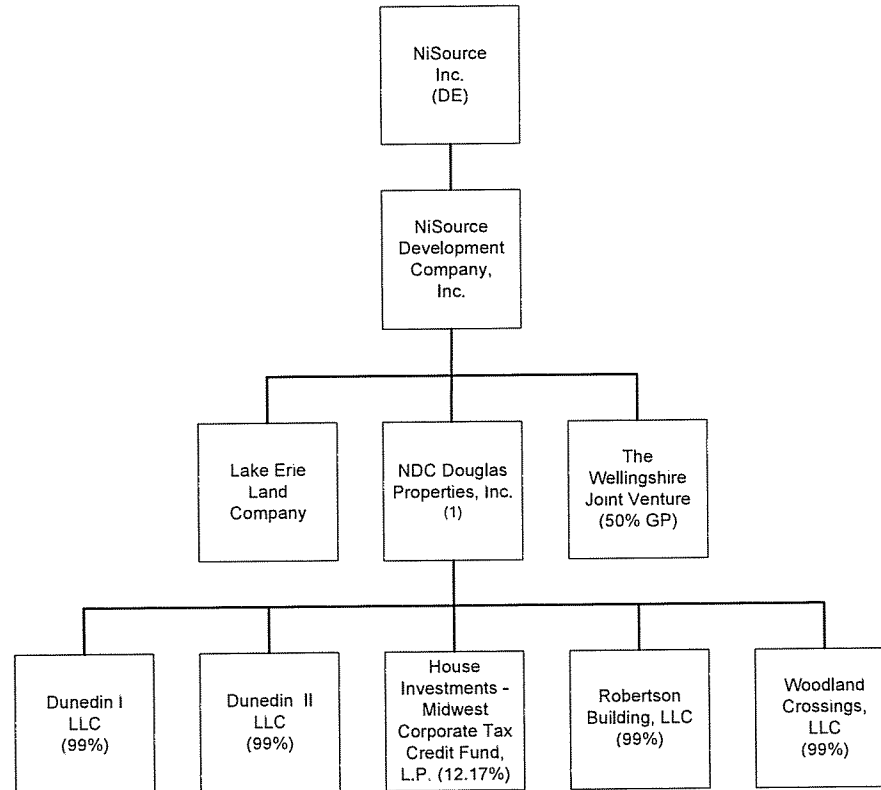
## Certain Other Products and Services Subsidiaries and Investments as of January 1, 2013



Each subsidiary is 100% owned, unless a smaller percentage is indicated. All entities are organized in Indiana unless otherwise noted.

(1) These entities are investments in energy technologies.

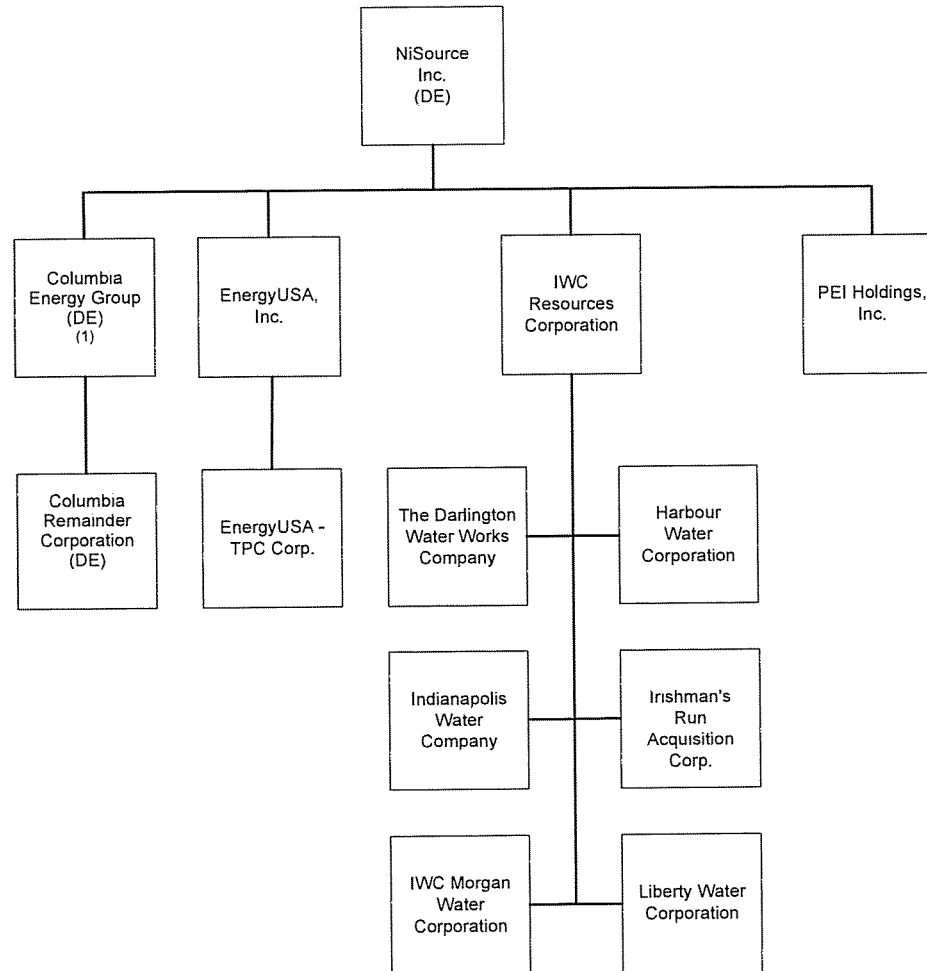
## Certain Other Products and Services Subsidiaries and Investments as of January 1, 2013



Each subsidiary is 100% owned, unless a smaller percentage is indicated. All entities are organized in Indiana unless otherwise noted.

(1) NDC Douglas Properties, Inc. is not the General Partner or the managing member of any of its investments.

## Certain Other Products and Services Subsidiaries as of January 1, 2013



Each subsidiary is 100% owned, unless a smaller percentage is indicated.  
All entities are organized in Indiana unless otherwise noted.

(1) These companies do not belong to this group of companies, but their subsidiaries shown here do.

**ATTACHMENT E**

**THE PROPOSED  
CORPORATE STRUCTURE**



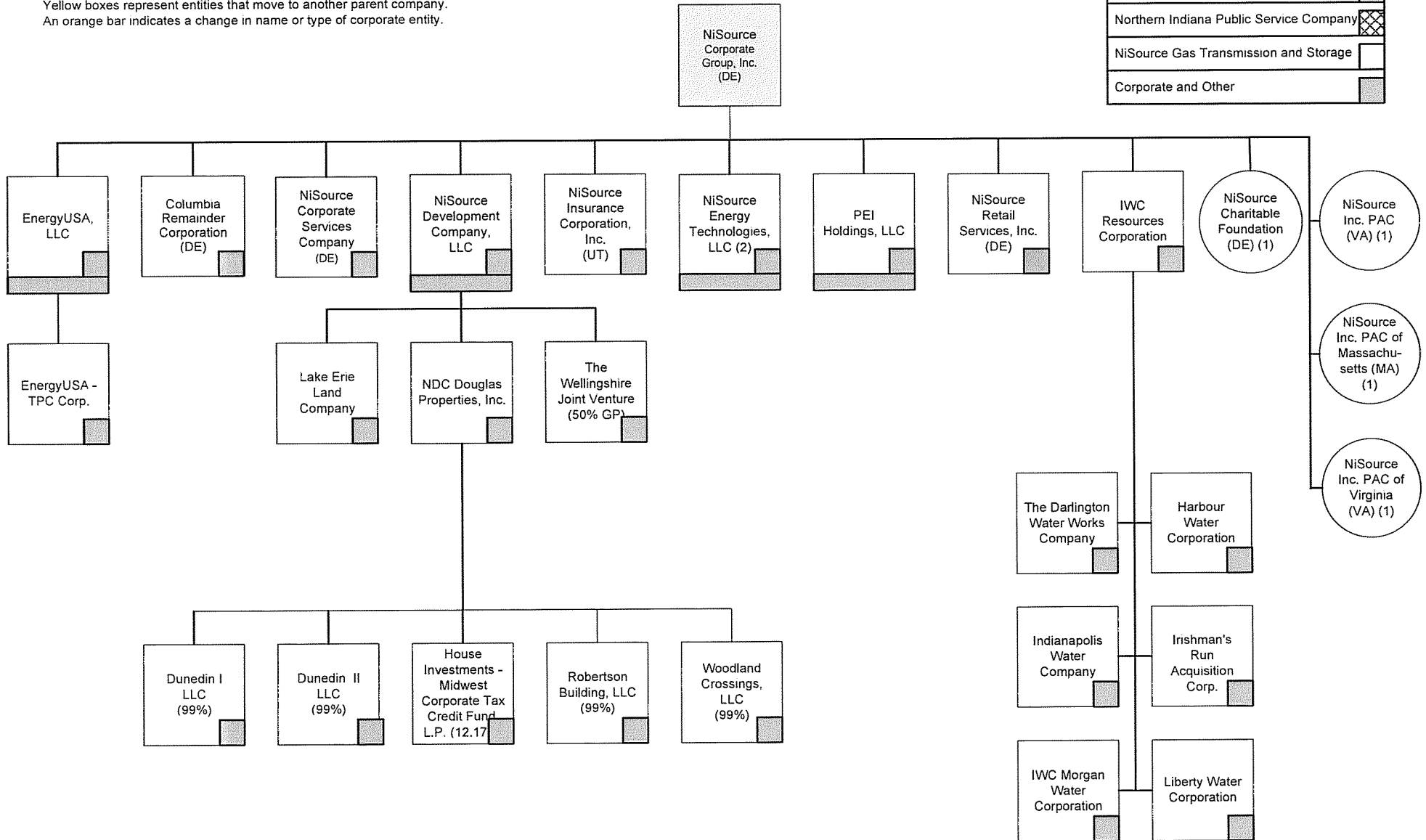


# NiSource Inc. Corporate Structure NiSource Corporate Group (Reorganization Analysis)

January 8, 2013

Green boxes represent entities that are new.  
Yellow boxes represent entities that move to another parent company.  
An orange bar indicates a change in name or type of corporate entity.

Current Accounting Areas	
NiSource Gas Distribution	■
Northern Indiana Public Service Company	■
NiSource Gas Transmission and Storage	■
Corporate and Other	■



(1) Non-stock entities, moved for management purposes only  
2) See investments on page 6

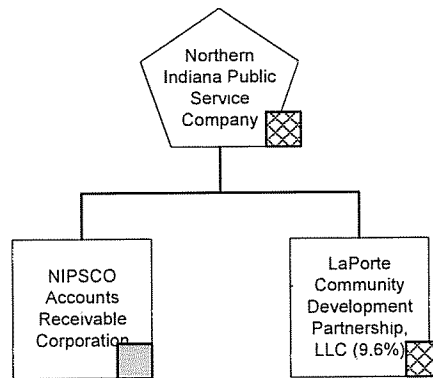
# NiSource Inc. Corporate Structure Northern Indiana Public Service Company (Reorganization Analysis)

January 8, 2013

Green boxes represent entities that are new.  
 Yellow boxes represent entities that move to another parent company.  
 An orange bar indicates that the name changes.

Pentagonal shaped boxes represent Transmission Providers as defined by the Federal Energy Regulatory Commission. Each subsidiary is 100% owned, unless a smaller percentage is indicated. All entities are organized in Indiana unless otherwise noted.

Current Accounting Areas	
NiSource Gas Distribution	
Northern Indiana Public Service Company	
NiSource Gas Transmission and Storage	
Corporate and Other	



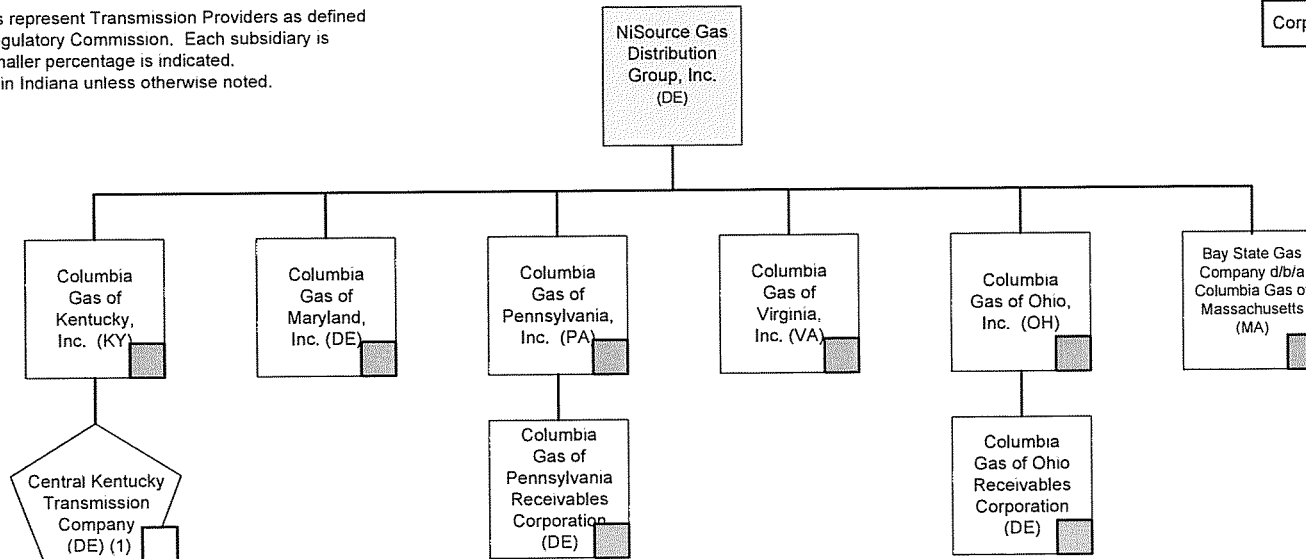
# NiSource Inc. Corporate Structure NiSource Gas Distribution Group (Reorganization Analysis)

January 8, 2013

Green boxes represent entities that are new.  
 Yellow boxes represent entities that move to another parent company.  
 Red boxes represent entities that should be considered for elimination.  
 An orange bar indicates that the name changes.

Pentagonal shaped boxes represent Transmission Providers as defined by the Federal Energy Regulatory Commission. Each subsidiary is 100% owned, unless a smaller percentage is indicated.  
 All entities are organized in Indiana unless otherwise noted.

Current Accounting Areas	
NiSource Gas Distribution	■
Northern Indiana Public Service Company	■
NiSource Gas Transmission and Storage	■
Corporate and Other	■



(1) Central Kentucky Transmission Company is managed and operated as part of NiSource Gas Transmission & Storage Group

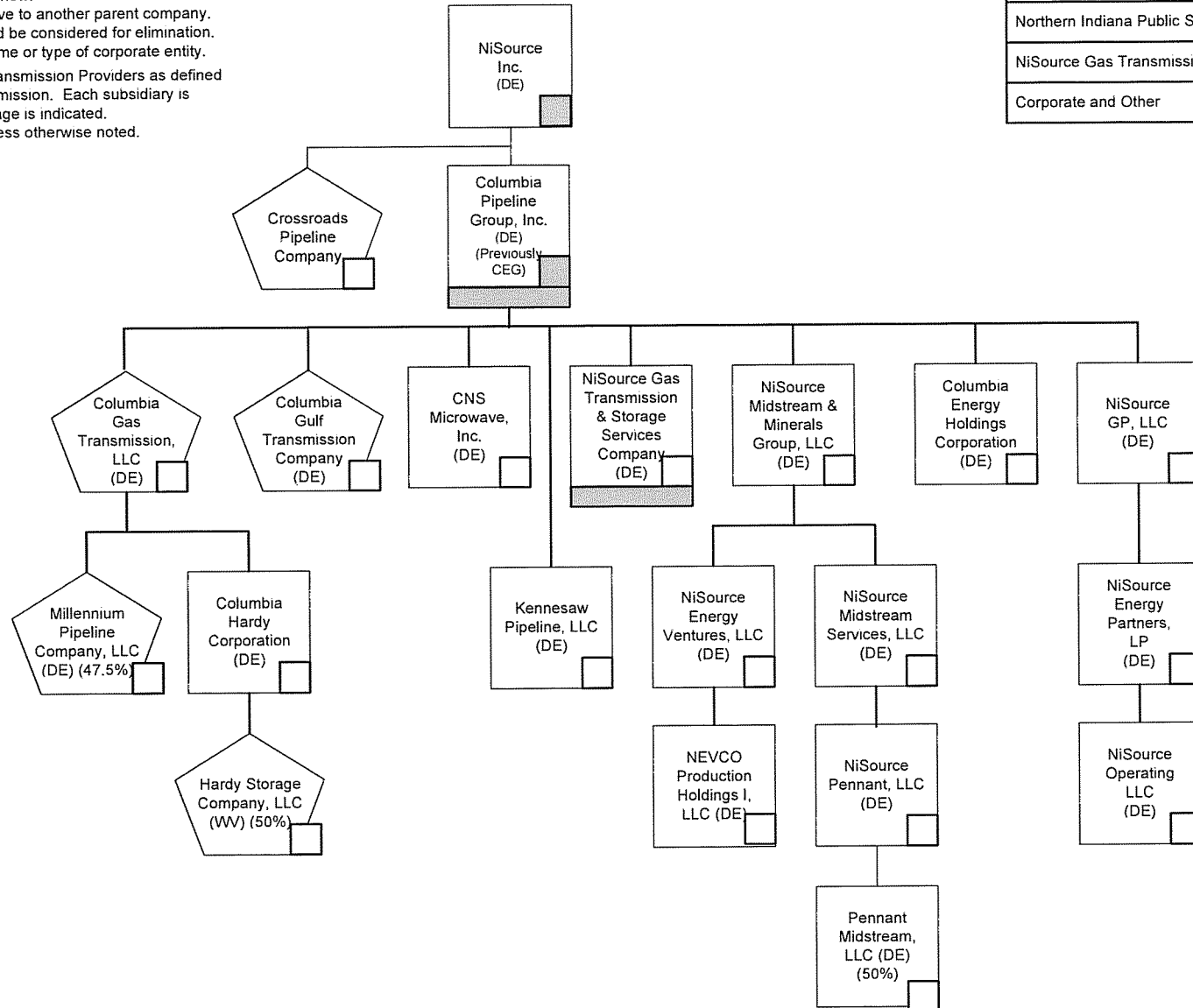
# NiSource Inc. Corporate Structure

## NiSource Gas Transmission & Storage (NGT&S) Group (Reorganization Analysis)

January 8, 2013

Green boxes represent entities that are new.  
 Yellow boxes represent entities that move to another parent company.  
 Red boxes represent entities that should be considered for elimination.  
 An orange bar indicates a change in name or type of corporate entity.  
 Pentagonal shaped boxes represent Transmission Providers as defined by the Federal Energy Regulatory Commission. Each subsidiary is 100% owned, unless a smaller percentage is indicated.  
 All entities are organized in Indiana unless otherwise noted.

Current Accounting Areas	
NiSource Gas Distribution	■
Northern Indiana Public Service Company	■
NiSource Gas Transmission and Storage	■
Corporate and Other	■

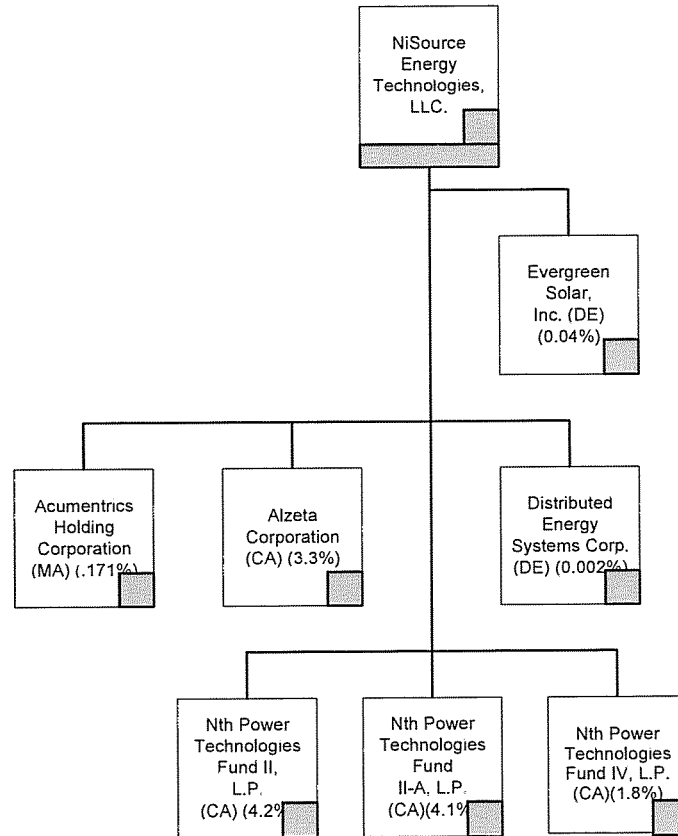


# NiSource Inc. Corporate Structure NiSource Corporate Group NiSource Energy Technologies, LLC. Investments (Reorganization Analysis)

January 8, 2013

Green boxes represent entities that are new.  
Yellow boxes represent entities that move to another parent company.  
An orange bar indicates a change in name or type of corporate entity.

Current Accounting Areas	
NiSource Gas Distribution	■
Northern Indiana Public Service Company	■
NiSource Gas Transmission and Storage	■
Corporate and Other	■



COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

FEB 19 2013

PUBLIC SERVICE  
COMMISSION

In the Matter of:

Joint Application of NiSource Inc., Co- )  
lumbia Energy Group and Columbia ) Case No. 2013-\_\_\_\_\_  
Gas of Kentucky, Inc. for Approval of a )  
Stock Transfer )

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PREPARED DIRECT TESTIMONY OF  
HERBERT A. MILLER, JR.  
ON BEHALF OF JOINT APPLICANTS

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Attorneys for  
NISOURCE INC.  
THE COLUMBIA ENERGY GROUP  
COLUMBIA GAS OF KENTUCKY, INC.

Date: February 19, 2013

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PREPARED DIRECT TESTIMONY OF HERBERT A. MILLER

1    **I.     INTRODUCTION**

2    **Q.     Please state your name and business address.**

3    A.     My name is Herbert A. Miller, Jr. and my business address is 2001 Mercer  
4           Road, P.O. Box 14241, Lexington, KY 40512-4241.

5

6    **Q.     Please describe your current position and responsibilities.**

7    A.     I am the President of Columbia Gas of Kentucky, Inc. ("Columbia", or the  
8           "Company"). In this capacity, I am the corporate officer responsible for  
9           the leadership of Columbia, including oversight of regulatory matters,  
10          governmental affairs, external affairs, local customer relations and corpo-  
11          rate policies.

12

13   **Q.     What is your educational background?**

14   A.     I received a B.A. degree from the University of Kentucky in 1972 and a Ju-  
15          ris Doctor degree from the University of Kentucky College of Law in 1976.

16

17   **Q:     Please describe your employment history?**

18   A:     On September 1, 2006, I became President of Columbia Gas of Kentucky,  
19          Inc. From 1998 until that time, I was the Vice-President and Corporate

1 Counsel of Kentucky-American Water Company and Associate Regional  
2 Counsel for the Southeast Region of the American Water Services Compa-  
3 ny, Inc. In those positions I was responsible for the legal and regulatory  
4 affairs for the subsidiaries and operations of the American Water Compa-  
5 ny in Kentucky, Tennessee and Georgia.

6 From 1993 to 1998, I practiced law as a partner in what is now the  
7 firm of Stoll Keenon Ogden in Lexington, Kentucky. My clients were pri-  
8 marily financial institutions, utilities, real estate developers, governmental  
9 entities and non-profit organizations.

10 During this time period I also served as an adjunct professor at the  
11 University of Kentucky College of Business and Economics teaching clas-  
12 ses in the *Regulatory and Ethical Environment of Business*.

13 From 1980 until 1993, I was the Senior Vice-President, General  
14 Counsel and Corporate Secretary of First Security Corporation, a multi-  
15 bank holding company headquartered in Lexington, Kentucky. In this po-  
16 sition, I managed the legal, regulatory compliance and loss control de-  
17 partments and supervised the Securities and Exchange Commission  
18 ("SEC") reporting and disclosure functions.

19 From 1977 to 1980 I served as Corporate Counsel for the Lexington-  
20 Fayette Urban County Government and from 1976 to 1977 was an attorney

1 in the office of General Counsel of the United States Customs Service in  
2 Washington, D.C.

3  
4 **Q. Have you previously testified before the Public Service Commission of**  
5 **Kentucky?**

6 A. Yes.

7  
8 **II. PURPOSE AND SCOPE OF TESTIMONY**

9 **Q. What is the purpose of the Joint Application?**

10 A. The purpose of the Joint Application is to request respectfully that the  
11 Commission approve the transfer of ownership and control over Colum-  
12 bia as part of a corporate realignment. Currently, all of Columbia's stock is  
13 held by Columbia Energy Group ("CEG"). All of CEG's stock is held by  
14 NiSource Inc. ("NiSource"). Under the corporate realignment, Columbia's  
15 stock will be transferred to a new entity within the NiSource family of  
16 companies, NiSource Gas Distribution Group, Inc. ("NGD"). All of NGD's  
17 stock will be held by NiSource. Columbia will remain an indirect, wholly  
18 owned subsidiary of NiSource. The Joint Application and my testimony  
19 support this request.

20

1 Q. What is the purpose of your testimony?

2 A. The purpose of my testimony is to demonstrate that the proposed corpo-  
3 rate realignment is in the public interest and should be approved by the  
4 Commission.

5

6 **III. SUMMARY OF RECOMMENDATIONS AND PROPOSED FINDINGS**

7 Q. What finding is Columbia seeking from the Commission in this pro-  
8 ceeding?

9 A. Columbia asks that the Commission find that the corporate realignment  
10 satisfies the statutory criteria set forth in KRS § 278.020(5) and (6), includ-  
11 ing a finding that the proposed corporate realignment is in the public in-  
12 terest.

13

14 **IV. DESCRIPTION OF THE CORPORATE REALIGNMENT**

15 Q. Please describe the corporate realignment which is the subject of Co-  
16 lumbia's Application.

17 A. NiSource acquired CEG and 49 subsidiaries, including Columbia on No-  
18 vember 1, 2000. Since that time, NiSource has sold, dissolved or merged  
19 out of existence approximately 39 of these subsidiaries and has created  
20 another 22 under CEG. CEG remains a Delaware corporation and direct

1 wholly owned subsidiary of NiSource. NiSource's business model has  
2 changed significantly since the acquisition of CEG. Since that time,  
3 NiSource's businesses have been aggregated into three distinct lines of  
4 business (or business segments) with separate management of each seg-  
5 ment. Those businesses are NiSource Gas Distribution, NiSource Gas  
6 Transmission and Storage, and Northern Indiana Energy. NiSource in-  
7 tends that the entity currently known as CEG will be renamed Columbia  
8 Pipeline Group, Inc. ("CPG"). CPG will become a holding company for  
9 entities that primarily relate to the NiSource Gas Transmission and Stor-  
10 age business segment. Entities currently being held by CEG, such as Co-  
11 lumbia, that do not relate to CPG will be moved under holding companies  
12 associated with business segments to which they relate.

13 NiSource plans to move Columbia under a new holding company –  
14 NGD, a Delaware corporation and a direct wholly owned subsidiary of  
15 NiSource. This would be accomplished by CEG dividenting 100% of Co-  
16 lumbia's stock to NiSource and then NiSource contributing that stock into  
17 NDG. Upon consummation of the two-step stock transfer, Columbia will  
18 become a wholly-owned subsidiary of NGD. NGD will be a wholly-  
19 owned subsidiary of NiSource. Columbia and the other operating subsidi-  
20 aries that will become wholly-owned subsidiaries of NGD will retain their

1 separate corporate identities, assets and liabilities, franchises and certifi-  
2 cates of public convenience and necessity.

3  
4 **Q. Why is NiSource making these changes?**

5 A. These changes will enhance NiSource's corporate structure's fit and focus  
6 to facilitate management along its respective distinct business segments.  
7 NiSource intends that similar changes will be made throughout its corpo-  
8 rate structure to facilitate management of its various businesses along its  
9 three distinct business segments.

10  
11 **Q. Will the corporate realignment change the manner in which Columbia  
12 serves its customers?**

13 A. No. This corporate realignment and stock transfer will result in a change  
14 in the direct ownership of Columbia, but not the ultimate ownership of  
15 Columbia by NiSource. The stock transfer will not change the manner in  
16 which Columbia provides gas sales and distribution service within the  
17 Commonwealth. The stock transfer will be transparent to Columbia's cus-  
18 tomers. Columbia will continue to provide service under the tariffs it has  
19 on file with the Commission, and will continue to be governed by all ap-  
20 plicable rules and regulations of the Commission.

1           The stock transfer is in the public interest because it will have no  
2 detrimental impact on Kentucky or Kentucky consumers. The transaction  
3 is a simple stock transfer that does not contemplate changes to Columbia's  
4 operations. This change will enhance NiSource's corporate structure's fit  
5 and focus to facilitate management along its respective distinct business  
6 segments. Thus, the stock transfer will not result in any change to Colum-  
7 bia's rates, terms, or conditions of service, the quality of those services, or  
8 the Commission's regulatory authority over Columbia.

9  
10 **V. FINANCIAL, TECHNICAL AND MANAGERIAL ABILITIES**

11  
12 **Q. Following the corporate realignment, will Columbia have the financial**  
13 **ability to provide reasonable service?**

14 **A.** Yes, the transaction is a simple corporate realignment. Columbia will nei-  
15 ther issue securities nor incur debt to fund the transaction. No costs will  
16 be directly allocated to Columbia as a result of the corporate realignment.

17           Following the stock transfer, Columbia will continue to benefit  
18 from NiSource's policy of attaining and maintaining investment grade  
19 credit ratings for its subsidiaries. Columbia will also continue to benefit  
20 from NiSource's management and operational policies while maintaining  
21 safe and reliable customer service, as well as NiSource's policy to make

1 capital available at favorable terms to fund Columbia's total capital re-  
2 quirements as necessary. This remains true once Columbia's stock is trans-  
3 ferred from CEG to NGD.

4  
5 **Q. Will the corporate realignment impact NiSource's market capitaliza-**  
6 **tion?**

7 A. No. The transfer of Columbia's stock from CEG to NGD will not impact  
8 NiSource's market capitalization.

9  
10 **Q. Following the corporate realignment will Columbia have the technical**  
11 **and managerial abilities required to provide reasonable service?**

12 A. Yes. Because this is only a corporate realignment, there will be no mana-  
13 gerial or operational changes resulting from the realignment. There will be  
14 no change in Columbia's management or any of its workforce resulting  
15 from the corporate realignment.

16 In addition to Columbia's existing technical and managerial abili-  
17 ties, Columbia will remain able to call upon NiSource's substantial corpo-  
18 rate technical and managerial expertise. The only change for Columbia  
19 will be a change in its direct parent company, but ultimate ownership will  
20 remain with NiSource.



1 NiSource and Columbia are well respected in the utility industry  
2 for their technical expertise. The transfer of Columbia's stock from CEG to  
3 NGD will have no impact on this technical expertise. The stock transfer  
4 will enable NiSource and Columbia to continue to leverage strong utility  
5 brands while offering customers access to a comprehensive choice of  
6 products and services.

7 NiSource's combined base of electric and gas assets will continue to  
8 enhance the marketing and delivery of complementary energy products  
9 and services through assured energy supplies and a broad knowledge of a  
10 wide range of energy products. This availability of complementing energy  
11 products is unaffected by the transfer of Columbia's stock from CEG to  
12 NGD.

13  
14 **Q. Will the corporate realignment have any impact upon Columbia's oper-**  
15 **ations in Kentucky?**

16 **A.** No. Columbia's headquarters will remain in Lexington, and key manage-  
17 ment personnel will be retained. Decision-making authority for Columbia  
18 will continue to reside with the Lexington management. This stock trans-  
19 fer does not contemplate any changes in local operations or the employee  
20 workforce. Columbia's collective bargaining agreement will be honored.

1 Thus, the stock transfer is not expected to have any impact on employ-  
2 ment.

3  
4 **VI. THE COMMISSION'S REGULATORY AUTHORITY**

5  
6 **Q. Will the Commission continue to have access to NiSource's books and**  
7 **records?**

8 A. Yes. NiSource recognizes that access to its books and records may be nec-  
9 essary for the Commission to exercise adequate regulatory authority over  
10 Columbia. NiSource will continue to cooperate with the Commission and  
11 provide access to its books, records and personnel as needed so that the  
12 Commission may exercise its regulatory authority over Columbia.

13  
14 **Q. Will the corporate realignment affect the Commission's regulatory au-**  
15 **thority over Columbia?**

16 A. No. Columbia remains subject to Commission jurisdiction, and the extent  
17 of that jurisdiction is unaffected by the corporate realignment. The rea-  
18 lignment will effect a change in the ownership of Columbia's stock within  
19 the NiSource family of companies, but this Commission's jurisdiction over  
20 Columbia will remain unchanged.

1 VII. BENEFITS OF THE CORPORATE REALIGNMENT

2 Q. Please describe some of the benefits of the corporate realignment.

3 A. The corporate realignment will enable NiSource to continue to operate ef-  
4 ficiently – to the benefit of all the NiSource subsidiaries and their custom-  
5 ers. Columbia will remain a separate and distinct business entity, and the  
6 Company’s field locations will not change as a result of this transaction.  
7 We will remain committed to system safety and reliability and to provid-  
8 ing excellent customer service.

9

10 Q. Has NiSource’s Board of Directors approved the corporate realignment?

11 A. Yes, NiSource’s Board of Directors approved the corporate realignment on  
12 January 25, 2013.

13

14 Q. Please describe any changes that will occur to Columbia as a result of  
15 the corporate realignment.

16 A. There really are not any changes. After the corporate realignment, NGD  
17 will be Columbia’s sole stockholder. However, Columbia will remain an  
18 indirect, wholly owned subsidiary of NiSource. Columbia will continue in  
19 existence as a corporation organized under Kentucky law, and the Com-  
20 pany’s headquarters will remain in Lexington. Decision-making will con-

1           tinue to be made at the local level, and no utility workforce reductions are  
2           contemplated as a result of the corporate realignment. The company  
3           name, Columbia Gas of Kentucky, Inc., will remain unchanged.

4  
5   **Q.    Will the corporate realignment affect Columbia’s commitment to chari-**  
6   **table and community projects?**

7   A.    No. Columbia has been a major sponsor of state and local educational, civ-  
8           ic and cultural initiatives, and will continue to support such activities at  
9           levels comparable with past practice.

10  
11 **Q.    Will the corporate realignment alter Columbia’s commitment to eco-**  
12 **nomic development?**

13 A.    No. Columbia is committed to supporting the economic development of  
14           the communities it serves. Columbia currently works closely with state  
15           and local economic development agencies to attract or retain business and  
16           jobs in the Commonwealth, and this working relationship will continue  
17           after the corporate realignment.

18

1 VIII. CONCLUSION

2 Q. What action are you requesting that the Commission take in this proceed-  
3 ing?

4 A. The Applicants are requesting that the Commission approve the transfer  
5 of ownership and control of Columbia to a new holding company within  
6 the NiSource family of companies. The corporate realignment preserves  
7 the separate existence of Columbia and the historic ties it has to the com-  
8 munities it serves. The corporate realignment ensures that NiSource and  
9 Columbia will have the strength, resources, and experience to thrive in a  
10 competitive marketplace and to continue to provide reliable, safe service  
11 to customers.

12  
13 Q. **Does this complete your Prepared Direct Testimony?**

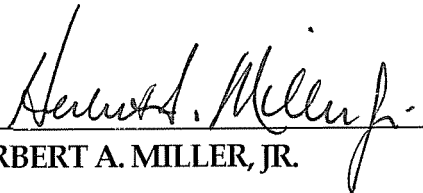
14 A. Yes, it does.

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF FAYETTE ) SS:

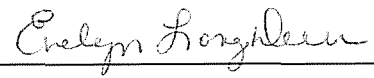
Herbert A. Miller, Jr., being first duly sworn, deposes and states:

That he has read the foregoing testimony, and knows the matters contained therein; that said matters are true and correct to the best of his knowledge and belief, except as to those matters stated on information and belief, and as to those matters, he believes them to be true.

  
HERBERT A. MILLER, JR.

Subscribed and Sworn to before me, a Notary Public in and before said County and State,

this 13<sup>th</sup> day of February, 2013.

  
Notary Public # 419232

My Commission Expires:

5/15/14