Columbia Gas of Kentucky, Inc.
Case No. 2021-00183
Standard Filing Requirements
5/28/2021
Volume 7a of 9

Tab	Filing Requirement	Description	Responsible Witness(es)
62	807 KAR 5:001 Section 16-(7)(p)	SEC Reports (10-Ks, 8-Ks, 10-Qs) (8-Ks - August 19, 2020 through February 26, 2020)	Jeffery T. Gore

Columbia Gas of Kentucky, Inc.
CASE NO. 2021-00183
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(7)(p)

Description of Filing Requirement:

A copy of the utility's annual report on Form 10-K as filed with the Securities and Exchange Commission for the most recent two (2) years, and any Form 8-K issued during the past two (2) years, and any Form 10-Q issued during the past six (6) quarters;

Response:

Please see attached for Columbia's application for Form 10-Q's and Form 8-K's. Form 10-K is part of the Annual Report to Stockholders and is included with Filing Requirement 16-(7)(l) located at Tab 58.

Responsible Witness:

Jeffery T. Gore

FORM 8-K

AUGUST 18, 2020

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

FORM 8-K

CURRENT REPORT
Pursuant To Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 18, 2020

NiSource Inc.
(Exact name of registrant as specified in its charter)

DE	001-16189	35-2108964
(State or other jurisdiction of incorporation)	Commission File Number	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, IN	46410
(Address of principal executive offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 8.01. Other Events.

On August 18, 2020, NiSource Inc.'s ("NiSource") previously announced tender offer (the "Any and All Tender Offer") to purchase for cash the debt securities identified in the table below (collectively, the "Any and All Notes") expired at 5:00 p.m. New York City time. The table below lists the aggregate principal amount of each series of the Any and All Notes that were accepted for purchase and the aggregate principal amount that remains outstanding for each series of Any and All Notes. NiSource has called for redemption all of the remaining Any and All Notes which were not tendered or not accepted for purchase in the Any and All Tender Offer.

Title of Notes	Principal Amount Accepted for Purchase	Principal Amount Outstanding After Any and All Tender Offer
4.45% Notes due 2021	$ 2,922,000	$ 60,630,000
2.650% Notes due 2022	$415,270,000	$ 84,730,000
3.85% Notes due 2023	$146,559,000	$103,441,000
3.650% Notes due 2023	$254,453,000	$ 95,547,000

The amounts listed in the table above under the heading "Principal Amount Accepted for Purchase" exclude $20,000 aggregate principal amount of the 4.45% Notes due 2021, $1,727,000 aggregate principal amount of the 2.650% Notes due 2022, $137,000 aggregate principal amount of the 3.85% Notes due 2023 and $968,000 aggregate principal amount of the 3.650% Notes due 2023 tendered pursuant to the guaranteed delivery procedures described in the Offer to Purchase, dated August 12, 2020, and the related notice of guaranteed delivery provided in connection with the Any and All Tender Offer, which remain subject to the holders' performance of the delivery requirements under such procedures.

The aggregate purchase price for the Any and All Notes accepted for purchase in the Any and All Tender Offer as of the date hereof, including accrued interest, was $880,322,414.06.

On August 18, 2020, NiSource issued a press release announcing the expiration of the Any and All Tender Offer and announcing the purchase prices payable in connection with the Any and All Tender Offer. A copy of the press release is attached as Exhibit 99.1 and the information set forth therein is incorporated herein by reference and constitutes a part of this report.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press Release concerning the Any and All Tender Offer, dated August 18, 2020, issued by NiSource Inc.
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

NiSource Inc.
(Registrant)

Date: August 19, 2020

By: /s/ Donald E. Brown
Donald E. Brown
Executive Vice President and Chief Financial Officer

Exhibit 99.1

NEWS

FOR IMMEDIATE RELEASE

NiSource

WWW.NISOURCE.COM

August 18, 2020

FOR ADDITIONAL INFORMATION

Media
Ken Stammen
Corporate Media Relations
(614) 460-5544
kstammen@nisource.com

Investors
Randy Hulen
Vice President, Investor Relations
and Treasurer
(219) 647-5688
rghulen@nisource.com

Sara Macioch
Manager, Investor Relations
(614) 460-4789
smacioch@nisource.com

NiSource Inc. Announces Pricing and Preliminary Results of its Any and All Tender Offer

MERRILLVILLE, Ind. – NiSource Inc. ("NiSource") announced today the applicable Total Consideration as set forth in the table below in respect of the previously announced cash tender offer for any and all of its outstanding 4.45% Notes due 2021, 2.650% Notes due 2022, 3.85% Notes due 2023 and 3.650% Notes due 2023 (the "Any and All Tender Offer", and such notes, collectively, the "Any and All Notes"). The terms and conditions of the Any and All Tender Offer are described in the Offer to Purchase, dated August 12, 2020 (the "Offer to Purchase").

The Reference Yield, Repurchase Yield and Total Consideration with respect to the Any and All Tender Offer are detailed in the table below:

Title of Security	CUSIP/ISIN Numbers	Initial Principal Amount Outstanding	U.S. Treasury Reference Security	Reference Yield	Fixed Spread	Repurchase Yield	Total Consideration (per $1,000 principal amount)
4.45% Notes due 2021[(a)]	65473QAY9/ US65473QAY98	$63,552,000	1.50% U.S. Treasury due 11/30/2021	0.154%	+40 bps	0.554%	$1,049.75
2.650% Notes due 2022[(b)]	65473QBH5/ US65473QBH56	$500,000,000	1.375% .U.S. Treasury due 10/15/2022	0.155%	+12.5 bps	0.280%	$1,051.03
3.85% Notes due 2023[(a)]	65473QBA0/ US65473QBA04	$250,000,000	1.375% U.S. Treasury due 02/15/2023	0.157%	+35 bps	0.507%	$1,082.58
3.650% Notes due 2023[(b)]	65473PAF2/ US65473PAF27	$350,000,000	0.125% .U.S. Treasury due 05/15/2023	0.165%	+15 bps	0.315%	$1,090.88

(a) The applicable Total Consideration will be calculated to the applicable maturity date of the notes.

(b) The applicable Total Consideration will be calculated to the applicable par call date of the notes.

Upon consummation of the Any and All Tender Offer, NiSource will pay the applicable Total Consideration (as shown in the table above) for each $1,000 principal amount of Any and All Notes tendered and accepted for payment plus accrued and unpaid interest up to, but not including, August 19, 2020, the expected settlement date for the Any and All Tender Offer. The Total Consideration was calculated in the manner described in the Offer to Purchase by reference to a fixed spread specified in the table above plus the yield to par call date or yield to maturity, as applicable, based on the bid-side price of the applicable U.S. Treasury Reference Security specified in the table above at 2:00 p.m., New York City time, on August 18, 2020.

The Any and All Tender Offer expired at 5:00 p.m., New York City time, on August 18, 2020. According to information provided by D.F. King & Co. Inc., the tender and information agent for the Any and All Tender Offer, $2,922,000 aggregate principal amount of the 4.45% Notes due 2021, $415,270,000 aggregate principal amount of the 2.650% Notes due 2022, $146,559,000 aggregate principal amount of the 3.85% Notes due 2023 and $254,453,000 aggregate principal amount of the 3.650% Notes due 2023 were validly tendered prior to or at the expiration of the Any and All Tender Offer and not validly withdrawn. This amount excludes $20,000 aggregate principal amount of the 4.45% Notes due 2021, $1,727,000 aggregate principal amount of the 2.650% Notes due 2022, $137,000 aggregate principal amount of the 3.85% Notes due 2023 and $968,000 aggregate principal amount of the 3.650% Notes due 2023 tendered pursuant to the guaranteed delivery procedures described in the Offer to Purchase and the related notice of guaranteed delivery provided in connection with the Any and All Tender Offer, which remain subject to the holders' performance of the delivery requirements under such procedures. NiSource expects to accept Any and All Notes tendered and to pay the applicable Total Consideration, subject to satisfaction or waiver of certain conditions and other terms set forth in the Offer to Purchase, on August 19, 2020.

On August 18, 2020, NiSource successfully consummated the Financing Transaction (as defined in the Offer to Purchase). Proceeds from the Financing Transaction, along with cash on hand, will be used to pay the applicable Total Consideration for all of the Any and All Notes that were tendered. On August 18, 2020, NiSource issued a notice to redeem all of the Any and All Notes that remain outstanding following the consummation of the Any and All Tender Offer.

Dealer Manager

Credit Suisse Securities (USA) LLC is serving as Dealer Manager for the Any and All Tender Offer. Questions regarding the Any and All Tender Offer may be directed to Credit Suisse Securities (USA) LLC, toll-free at (800) 820-1653 or collect at (212) 325-2476. Requests for the Offer to Purchase or the documents incorporated by reference therein may be directed to D.F. King & Co., Inc., which is acting as Tender and Information Agent for the Any and All Tender Offer, at the following telephone numbers: banks and brokers, (212) 269-5550; all others toll-free at (877) 679-4107. Additionally, a copy of the Offer to Purchase (including the Notice of Guaranteed Delivery) is available at the following web address: www.dfking.com/nisource.

This press release is neither an offer to purchase nor a solicitation of an offer to sell securities. No offer, solicitation, purchase or sale will be made in any jurisdiction in which such offer, solicitation, or sale would be unlawful. The Any and All Tender Offer is being made solely pursuant to terms and conditions set forth in the Offer to Purchase. This press release is being issued pursuant to and in accordance with Rule 134 under the Securities Act of 1933, as amended.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.5 million natural gas customers and 500,000 electric customers across seven states through its local Columbia Gas and NIPSCO brands. Based in Merrillville, Indiana, NiSource's approximately 8,400 employees are focused on safely delivering reliable and affordable energy to our customers and communities we serve. Additional information about NiSource, its investments in modern infrastructure and systems, its commitments and its local brands can be found on its website.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of federal securities laws. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially

from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially. Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this press release include among other things, our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; our ability to execute our growth strategy; changes in general economic, capital and commodity market conditions; pension funding obligations; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; our ability to adapt to, and manage costs related to, advances in technology; any changes in our assumptions regarding the financial implications of a series of fires and explosions that occurred in Lawrence, Andover and North Andover, Massachusetts related to the delivery of natural gas by Columbia of Massachusetts in September 2018 (the "Greater Lawrence Incident"); compliance with the agreements entered into with the U.S. Attorney's Office to settle the U.S. Attorney's Office's investigation relating to the Greater Lawrence Incident; the pending sale of the Columbia Gas of Massachusetts business, including the terms and closing conditions under the Asset Purchase Agreement; potential incidents and other operating risks associated with our business; continuing and potential future impacts from the COVID-19 pandemic; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; any damage to our reputation, including in connection with the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; fluctuations in demand from residential, commercial and industrial customers; economic conditions of certain industries; the success of NIPSCO's electric generation strategy; the price of energy commodities and related transportation costs; the reliability of customers and suppliers to fulfill their payment and contractual obligations; potential impairment of goodwill; changes in taxation and accounting principles; the impact of an aging infrastructure; the impact of climate change; potential cyber-attacks; construction risks and natural gas costs and supply risks; extreme weather conditions; the attraction and retention of a qualified workforce; the ability of our subsidiaries to generate cash; our ability to manage new initiatives and organizational changes; the performance of third-party suppliers and service providers; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; and other matters in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as updated in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 and our subsequent SEC filings. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time. A credit rating is not a recommendation to buy, sell or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization. In addition, dividends are subject to board approval.

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

# # #

FORM 8-K

AUGUST 18, 2020

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

FORM 8-K

CURRENT REPORT
Pursuant To Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 18, 2020

NiSource Inc.
(Exact name of registrant as specified in its charter)

DE	001-16189	35-2108964
(State or other jurisdiction of incorporation)	Commission File Number	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, IN	46410
(Address of principal executive offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 8.01. Other Events.

Senior Notes Due 2025 and Senior Notes Due 2031

On August 12, 2020, NiSource Inc. (the "Company") and Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. LLC and Wells Fargo Securities, LLC, as representatives of the underwriters, entered into a Terms Agreement (the "Terms Agreement") with respect to the offering and sale of $1,250,000,000 aggregate principal amount of the Company's 0.950% Notes due 2025 and $750,000,000 aggregate principal amount of the Company's 1.700% Notes due 2031 (collectively, the "New Notes") under the Company's Registration Statement on Form S-3 (File No. 333-234422) (the "Registration Statement"). The Terms Agreement incorporates by reference an Underwriting Agreement, dated November 30, 2017, of the Company (as filed with the Securities and Exchange Commission on November 30, 2017). The sale closed on August 18, 2020. The Notes were issued pursuant to an Indenture, dated as of November 14, 2000, among the Company, as successor to NiSource Finance Corp., and The Bank of New York Mellon, as successor trustee, as amended and supplemented.

Copies of the forms of the New Notes are filed as Exhibit 4.1 and Exhibit 4.2 to this Current Report on Form 8-K and is hereby incorporated by reference herein. The Company is filing Exhibit 5.1 with this Current Report on Form 8-K in connection with the Registration Statement.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
4.1	Form of 0.950% Notes due 2025
4.2	Form of 1.700% Notes due 2031
5.1	Opinion of Sidley Austin LLP
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

NiSource Inc.
(Registrant)

Date: August 18, 2020

By: /s/ Donald E. Brown
Donald E. Brown
Executive Vice President and Chief Financial Officer

EXHIBIT 4.1

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), NEW YORK, NEW YORK, TO NISOURCE INC. OR ITS AGENT OR AGENTS FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO., OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC) ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

No.: $
CUSIP No.: 65473P AK1
ISIN No.: US65473PAK12

0.950% Notes due 2025

NiSource Inc., a Delaware corporation, promises to pay to Cede & Co., or registered assigns, the principal sum of Dollars on August 15, 2025.

Interest Payment Dates: February 15 and August 15, beginning February 15, 2021.

Record Dates: (i) if all of the Notes are in book-entry form represented by one or more Global Securities, the Business Day immediately preceding the applicable Interest Payment Date and (ii) if any of the Notes are not in book-entry form represented by one or more Global Securities, on each February 1 and August 1 (whether or not a Business Day) (each such date in clauses (i) and (ii), a "Regular Record Date").

Additional provisions of this Note are set forth on the other side of this Note.

Dated:

NISOURCE INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes of the series referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON, as Trustee

By: _____
Authorized Officer

0.950% Notes due 2025

1. Interest

NiSource Inc., a Delaware corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "Company"), promises to pay interest on the principal amount of this Note at the rate per annum shown above. The Company will pay interest semiannually on February 15 and August 15 of each year, beginning February 15, 2021. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from August 18, 2020. Interest will be computed on the basis of a 360-day year of twelve 30-day months. The Company will pay interest on overdue principal and premium at the above rate and will pay interest on overdue installments of interest at such rate to the extent lawful.

2. Method of Payment

The Company will pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the Regular Record Date next preceding each Interest Payment Date even if Notes are canceled after the Regular Record Date and on or before the Interest Payment Date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. Payments in respect of the Notes represented by a Global Note (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by The Depository Trust Company, as Depositary.

3. Paying Agent and Security Registrar

Initially, the Trustee will act as Paying Agent and Security Registrar. The Company may appoint and change any Paying Agent or Security Registrar without notice to the Holders. The Company may act as Paying Agent or Security Registrar.

4. Indenture

The Company issued the Notes under an Indenture dated as of November 14, 2000, among the Company, NiSource Inc. and the Trustee (as amended and supplemented, the "Indenture") and pursuant to an Officers' Certificate of the Company dated August 18, 2020 (the "Officers' Certificate"). The terms of the Notes include those stated in the Indenture and the Officers' Certificate and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. sections 77aaa-77bbbb) as in effect on the date of the Officers' Certificate (the "Act"). Capitalized terms used herein and defined in the Indenture but not defined herein have the respective meanings ascribed thereto in the Indenture. The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the Act for a statement of those terms.

The Notes are senior unsecured obligations of the Company. The Notes issued on the original issue date will be treated as a single class for all purposes under the Indenture. The Indenture contains covenants that limit the ability of the Company and its Subsidiaries (other than Utilities) to incur additional indebtedness and create liens on assets unless the total amount of all the secured debt would not exceed 10% of Consolidated Net Tangible Assets (excluding the Utilities). These covenants are subject to important exceptions and qualifications.

5. Optional Redemption

At any time before July 15, 2025 (which is the date that is one (1) month prior to maturity of the Notes (the "Par Call Date")), the Company will have the right to redeem the Notes, in whole or in part and from time to time, at a Redemption Price equal to the greater of (1) 100% of the principal amount of the Notes being redeemed and (2) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes being redeemed that would be due if the Notes matured on the Par Call Date (exclusive of interest accrued to the Redemption Date), discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 15 basis points, plus, in either case, accrued and unpaid interest on the principal amount of the Notes being redeemed to, but excluding, such Redemption Date.

At any time on or after the Par Call Date, the Company will have the right to redeem the Notes, in whole or in part and from time to time, at a Redemption Price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest on the principal amount of the Notes being redeemed to, but excluding, such Redemption Date.

For purposes of this provision:

"Comparable Treasury Issue" means the United States Treasury security selected by the Quotation Agent as having an actual or interpolated maturity comparable to the remaining term of the Notes to be redeemed (assuming, for this purpose, that the Notes matured on the Par Call Date), that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of the Notes.

"Comparable Treasury Price" means, with respect to any Redemption Date, (A) the average of the Reference Treasury Dealer Quotations for such Redemption Date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (B) if the Quotation Agent obtains fewer than four Reference Treasury Dealer Quotations for such Redemption Date, the average of all such Reference Treasury Dealer Quotations as determined by the Company.

"Quotation Agent" means one of the Reference Treasury Dealers appointed by the Company.

"Reference Treasury Dealer" means each of Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. LLC and Wells Fargo Securities, LLC, or their respective affiliates or successors, each of which is a primary U.S. Government securities dealer in the United States (a "Primary Treasury Dealer"); provided, however, that if any of the foregoing or their affiliates or successors shall cease to be a Primary Treasury Dealer, the Company will substitute another Primary Treasury Dealer for them.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding such Redemption Date.

"Treasury Rate" means, with respect to any Redemption Date, the rate per annum equal to the semi-annual equivalent yield to maturity or interpolated maturity (on a day-count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date.

6. Notice of Redemption

If the Company is redeeming less than all the Notes at any time, the Trustee will select the Notes to be redeemed on a pro rata basis, by lot or by such method it considers fair and appropriate; provided that for Notes represented by a Global Security, selection of such Notes to be redeemed will be in accordance with the Depositary's customary practices. Notice of redemption will be delivered at least 10 days but not more than 60 days before the Redemption Date to each Holder of Notes to be redeemed in accordance with Section 106 of the Indenture; provided that for Notes represented by a Global Security, notice of redemption shall be provided to the Depositary in accordance with the Depositary's customary procedures. Notes in denominations larger than $2,000 principal amount may be redeemed in part but only in integral multiples of $1,000. The Company will not know the exact Redemption Price until three (3) Business Days before the Redemption Date. Therefore, the notice of redemption will only describe how the Redemption Price will be calculated. If money sufficient to pay the Redemption Price of and accrued interest on all Notes (or portions thereof) to be redeemed on the Redemption Date is deposited with the Paying Agent on or before the Redemption Date and certain other conditions are satisfied, on and after such Redemption Date interest will cease to accrue on such Notes (or such portions thereof) called for redemption.

7. Additional Notes

The Company may, without the consent of the Holders of the Notes, create and issue additional Notes ranking equally with the Notes in all respects, including having the same terms (except for the price to public, the issue date and the initial interest accrual date and the first Interest Payment Date, as applicable), so that such additional Notes shall be consolidated and form a single series with the Notes and shall have the same terms as to status, redemption or otherwise as the Notes. Such additional Notes will have the same CUSIP number as the Notes being authenticated on the date hereof, provided that such additional Notes are part of the same issue as the Notes being authenticated on the date hereof for U.S.

federal income tax purposes. If such additional Notes are not part of the same issue for U.S. federal income tax purposes, such additional Notes must be issued with a separate CUSIP number. No additional Notes may be issued if an Event of Default has occurred and is continuing with respect to the Notes.

8. Denominations; Transfer; Exchange

The Notes are in registered form without coupons in denominations of $2,000 principal amount and integral multiples of $1,000. A Holder may transfer or exchange Notes in accordance with the Indenture. The Security Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Security Registrar need not register the transfer or exchange of any Notes selected for redemption (except, in the case of a Note to be redeemed in part, the portion of the Note not to be redeemed) for a period of fifteen (15) Business Days before a selection of Notes to be redeemed.

9. Persons Deemed Owners

The registered Holder of this Note may be treated as the owner of it for all purposes.

10. Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Company at its request. After any such payment, Holders entitled to the money must look only to the Company and not to the Trustee or the Paying Agent for payment.

11. Satisfaction and Discharge

Under the Indenture, the Company can terminate its obligations with respect to the Notes not previously delivered to the Trustee for cancellation when those Notes have become due and payable or will become due and payable at their Stated Maturity within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving notice of redemption. The Company may terminate its obligations with respect to the Notes by depositing with the Trustee, as funds in trust dedicated solely for that purpose, an amount sufficient to pay and discharge the entire indebtedness on the Notes. In that case, the Indenture will cease to be of further effect and the Company's obligations will be satisfied and discharged with respect to the Notes (except as to the Company's obligations to pay all other amounts due under the Indenture and to provide certain Officers' Certificates and Opinions of Counsel to the Trustee). At the expense of the Company, the Trustee will execute proper instruments acknowledging the satisfaction and discharge.

12. Amendment, Waiver

Subject to certain exceptions set forth in the Indenture, (i) the Indenture may be amended with the written consent of the Holders of a majority in principal amount of the then Outstanding Securities of each series affected by such amendment, (ii) the Notes may be amended

with the written consent of the Holders of at least a majority in principal amount outstanding of the Notes and (iii) any default or noncompliance with any provision may be waived with the written consent of the Holders of a majority in principal amount outstanding of the Notes. Subject to certain exceptions set forth in the Indenture, without the consent of any Holder, the Company and the Trustee shall be entitled to amend the Indenture to, among other things, cure any ambiguity, defect or inconsistency, or to evidence the succession of another Person as obligor under the Indenture, or to add to the Company's covenants or to surrender any right or power conferred on the Company under the Indenture, or to add events of default, or to secure the Notes, or to evidence or provide for the acceptance or appointment by a successor Trustee or facilitate the administration of the trusts under the Indenture by more than one trustee, or to conform the Indenture to any amendment of the Trust Indenture Act.

13. Defaults and Remedies

Under the Indenture, Events of Default include: (i) default by the Company in the payment of any interest upon any Note and the continuance of such default for 60 days; (ii) default by the Company in the payment of principal of or any premium on any Note when due at Maturity, on redemption, by declaration or otherwise, and the continuance of such default for three (3) Business Days; (iii) default by the Company in the performance of or breach of any covenant or warranty in the Indenture and continuance of such default for 90 days after written notice to the Company from the Trustee or to the Company and the Trustee from the Holders of at least 33% in principal amount of the Outstanding Notes; (iv) default by the Company under any bond, debenture, note or other evidence of indebtedness for money borrowed by the Company, or the Company defaults under any mortgage, indenture or instrument under which there may be issued, secured or evidenced indebtedness constituting a failure to pay in excess of $50,000,000 of the principal or interest when due and payable, subject to certain cure rights; or (v) certain events of bankruptcy, insolvency or reorganization of the Company. If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 33% in principal amount of the Notes may declare all the Notes to be due and payable immediately.

Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives indemnity or security satisfactory to it. Subject to certain limitations, Holders of a majority in principal amount of the Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except a default in payment of principal or interest) if it determines that withholding notice is in the interest of the Holders.

14. Trustee Dealings with the Company

Subject to certain limitations imposed by the Act, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

15. No Recourse Against Others

A director, officer, employee or stockholder, as such, of the Company or the Trustee shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

16. Authentication

This Note shall not be valid until an authorized signatory of the Trustee (or an Authenticating Agent) manually or electronically signs the certificate of authentication on the other side of this Note.

17. Abbreviations

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with rights of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

18. CUSIP and ISIN Numbers

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes and has directed the Trustee to use CUSIP numbers in notices of redemption as a convenience to Holders. To the extent such numbers have been issued, the Company has caused ISIN numbers to be similarly printed on the Notes and has similarly instructed the Trustee. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

19. Governing Law.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONTRARY CONFLICT OF LAWS OR CHOICE OF LAWS PROVISIONS OF THE STATE OF NEW YORK OR ANY OTHER JURISDICTION.

The Company will furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

Attention: Corporate Secretary

ASSIGNMENT FORM

To assign this Note, fill in the form below: I or we assign and transfer this Note to

_____

(Print or type assignee's name, address and zip code)
(Insert assignee's soc. sec. or tax I.D. No.)

_____

_____

and irrevocably appoint _____ agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: _____ Your Signature: _____

_____
Sign exactly as your name appears on the other side of this Note.

Signature Guarantee:

_____ _____
Signature must be guaranteed Signature

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Security Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Security Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

EXHIBIT 4.2

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), NEW YORK, NEW YORK, TO NISOURCE INC. OR ITS AGENT OR AGENTS FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO., OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC) ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

No.: $
CUSIP No.: 65473P AL9
ISIN No.: US65473PAL94

1.700% Notes due 2031

NiSource Inc., a Delaware corporation, promises to pay to Cede & Co., or registered assigns, the principal sum of Dollars on February 15, 2031.

Interest Payment Dates: February 15 and August 15, beginning February 15, 2021.

Record Dates: (i) if all of the Notes are in book-entry form represented by one or more Global Securities, the Business Day immediately preceding the applicable Interest Payment Date and (ii) if any of the Notes are not in book-entry form represented by one or more Global Securities, on each February 1 and August 1 (whether or not a Business Day) (each such date in clauses (i) and (ii), a "Regular Record Date").

Additional provisions of this Note are set forth on the other side of this Note.

Dated:

NISOURCE INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes of the series referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON, as Trustee

By: _____
Authorized Officer

1.700% Notes due 2031

1. Interest

NiSource Inc., a Delaware corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "Company"), promises to pay interest on the principal amount of this Note at the rate per annum shown above. The Company will pay interest semiannually on February 15 and August 15 of each year, beginning February 15, 2021. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from August 18, 2020. Interest will be computed on the basis of a 360-day year of twelve 30-day months. The Company will pay interest on overdue principal and premium at the above rate and will pay interest on overdue installments of interest at such rate to the extent lawful.

2. Method of Payment

The Company will pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the Regular Record Date next preceding each Interest Payment Date even if Notes are canceled after the Regular Record Date and on or before the Interest Payment Date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. Payments in respect of the Notes represented by a Global Note (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by The Depository Trust Company, as Depositary.

3. Paying Agent and Security Registrar

Initially, the Trustee will act as Paying Agent and Security Registrar. The Company may appoint and change any Paying Agent or Security Registrar without notice to the Holders. The Company may act as Paying Agent or Security Registrar.

4. Indenture

The Company issued the Notes under an Indenture dated as of November 14, 2000, among the Company, NiSource Inc. and the Trustee (as amended and supplemented, the "Indenture") and pursuant to an Officers' Certificate of the Company dated August 18, 2020 (the "Officers' Certificate"). The terms of the Notes include those stated in the Indenture and the Officers' Certificate and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. sections 77aaa-77bbbb) as in effect on the date of the Officers' Certificate (the "Act"). Capitalized terms used herein and defined in the Indenture but not defined herein have the respective meanings ascribed thereto in the Indenture. The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the Act for a statement of those terms.

The Notes are senior unsecured obligations of the Company. The Notes issued on the original issue date will be treated as a single class for all purposes under the Indenture. The Indenture contains covenants that limit the ability of the Company and its Subsidiaries (other than Utilities) to incur additional indebtedness and create liens on assets unless the total amount of all the secured debt would not exceed 10% of Consolidated Net Tangible Assets (excluding the Utilities). These covenants are subject to important exceptions and qualifications.

5. Optional Redemption

At any time before November 15, 2030 (which is the date that is three (3) months prior to maturity of the Notes (the "Par Call Date")), the Company will have the right to redeem the Notes, in whole or in part and from time to time, at a Redemption Price equal to the greater of (1) 100% of the principal amount of the Notes being redeemed and (2) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes being redeemed that would be due if the Notes matured on the Par Call Date (exclusive of interest accrued to the Redemption Date), discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 20 basis points, plus, in either case, accrued and unpaid interest on the principal amount of the Notes being redeemed to, but excluding, such Redemption Date.

At any time on or after the Par Call Date, the Company will have the right to redeem the Notes, in whole or in part and from time to time, at a Redemption Price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest on the principal amount of the Notes being redeemed to, but excluding, such Redemption Date.

For purposes of this provision:

"Comparable Treasury Issue" means the United States Treasury security selected by the Quotation Agent as having an actual or interpolated maturity comparable to the remaining term of the Notes to be redeemed (assuming, for this purpose, that the Notes matured on the Par Call Date), that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of the Notes.

"Comparable Treasury Price" means, with respect to any Redemption Date, (A) the average of the Reference Treasury Dealer Quotations for such Redemption Date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (B) if the Quotation Agent obtains fewer than four Reference Treasury Dealer Quotations for such Redemption Date, the average of all such Reference Treasury Dealer Quotations as determined by the Company.

"Quotation Agent" means one of the Reference Treasury Dealers appointed by the Company.

"Reference Treasury Dealer" means each of Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. LLC and Wells Fargo Securities, LLC, or their respective affiliates or successors, each of which is a primary U.S. Government securities dealer in the United States (a "Primary Treasury Dealer"); provided, however, that if any of the foregoing or their affiliates or successors shall cease to be a Primary Treasury Dealer, the Company will substitute another Primary Treasury Dealer for them.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding such Redemption Date.

"Treasury Rate" means, with respect to any Redemption Date, the rate per annum equal to the semi-annual equivalent yield to maturity or interpolated maturity (on a day-count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date.

6. Notice of Redemption

If the Company is redeeming less than all the Notes at any time, the Trustee will select the Notes to be redeemed on a pro rata basis, by lot or by such method it considers fair and appropriate; provided that for Notes represented by a Global Security, selection of such Notes to be redeemed will be in accordance with the Depositary's customary practices. Notice of redemption will be delivered at least 10 days but not more than 60 days before the Redemption Date to each Holder of Notes to be redeemed in accordance with Section 106 of the Indenture; provided that for Notes represented by a Global Security, notice of redemption shall be provided to the Depositary in accordance with the Depositary's customary procedures. Notes in denominations larger than $2,000 principal amount may be redeemed in part but only in integral multiples of $1,000. The Company will not know the exact Redemption Price until three (3) Business Days before the Redemption Date. Therefore, the notice of redemption will only describe how the Redemption Price will be calculated. If money sufficient to pay the Redemption Price of and accrued interest on all Notes (or portions thereof) to be redeemed on the Redemption Date is deposited with the Paying Agent on or before the Redemption Date and certain other conditions are satisfied, on and after such Redemption Date interest will cease to accrue on such Notes (or such portions thereof) called for redemption.

7. Additional Notes

The Company may, without the consent of the Holders of the Notes, create and issue additional Notes ranking equally with the Notes in all respects, including having the same terms (except for the price to public, the issue date and the initial interest accrual date and the first Interest Payment Date, as applicable), so that such additional Notes shall be consolidated and form a single series with the Notes and shall have the same terms as to status, redemption or otherwise as the Notes. Such additional Notes will have the same CUSIP number as the Notes being authenticated on the date hereof, provided that such additional Notes are part of the same issue as the Notes being authenticated on the date hereof for U.S.

federal income tax purposes. If such additional Notes are not part of the same issue for U.S. federal income tax purposes, such additional Notes must be issued with a separate CUSIP number. No additional Notes may be issued if an Event of Default has occurred and is continuing with respect to the Notes.

8. Denominations; Transfer; Exchange

The Notes are in registered form without coupons in denominations of $2,000 principal amount and integral multiples of $1,000. A Holder may transfer or exchange Notes in accordance with the Indenture. The Security Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Security Registrar need not register the transfer or exchange of any Notes selected for redemption (except, in the case of a Note to be redeemed in part, the portion of the Note not to be redeemed) for a period of fifteen (15) Business Days before a selection of Notes to be redeemed.

9. Persons Deemed Owners

The registered Holder of this Note may be treated as the owner of it for all purposes.

10. Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Company at its request. After any such payment, Holders entitled to the money must look only to the Company and not to the Trustee or the Paying Agent for payment.

11. Satisfaction and Discharge

Under the Indenture, the Company can terminate its obligations with respect to the Notes not previously delivered to the Trustee for cancellation when those Notes have become due and payable or will become due and payable at their Stated Maturity within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving notice of redemption. The Company may terminate its obligations with respect to the Notes by depositing with the Trustee, as funds in trust dedicated solely for that purpose, an amount sufficient to pay and discharge the entire indebtedness on the Notes. In that case, the Indenture will cease to be of further effect and the Company's obligations will be satisfied and discharged with respect to the Notes (except as to the Company's obligations to pay all other amounts due under the Indenture and to provide certain Officers' Certificates and Opinions of Counsel to the Trustee). At the expense of the Company, the Trustee will execute proper instruments acknowledging the satisfaction and discharge.

12. Amendment, Waiver

Subject to certain exceptions set forth in the Indenture, (i) the Indenture may be amended with the written consent of the Holders of a majority in principal amount of the then Outstanding Securities of each series affected by such amendment, (ii) the Notes may be amended

with the written consent of the Holders of at least a majority in principal amount outstanding of the Notes and (iii) any default or noncompliance with any provision may be waived with the written consent of the Holders of a majority in principal amount outstanding of the Notes. Subject to certain exceptions set forth in the Indenture, without the consent of any Holder, the Company and the Trustee shall be entitled to amend the Indenture to, among other things, cure any ambiguity, defect or inconsistency, or to evidence the succession of another Person as obligor under the Indenture, or to add to the Company's covenants or to surrender any right or power conferred on the Company under the Indenture, or to add events of default, or to secure the Notes, or to evidence or provide for the acceptance or appointment by a successor Trustee or facilitate the administration of the trusts under the Indenture by more than one trustee, or to conform the Indenture to any amendment of the Trust Indenture Act.

13. Defaults and Remedies

Under the Indenture, Events of Default include: (i) default by the Company in the payment of any interest upon any Note and the continuance of such default for 60 days; (ii) default by the Company in the payment of principal of or any premium on any Note when due at Maturity, on redemption, by declaration or otherwise, and the continuance of such default for three (3) Business Days; (iii) default by the Company in the performance of or breach of any covenant or warranty in the Indenture and continuance of such default for 90 days after written notice to the Company from the Trustee or to the Company and the Trustee from the Holders of at least 33% in principal amount of the Outstanding Notes; (iv) default by the Company under any bond, debenture, note or other evidence of indebtedness for money borrowed by the Company, or the Company defaults under any mortgage, indenture or instrument under which there may be issued, secured or evidenced indebtedness constituting a failure to pay in excess of $50,000,000 of the principal or interest when due and payable, subject to certain cure rights; or (v) certain events of bankruptcy, insolvency or reorganization of the Company. If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 33% in principal amount of the Notes may declare all the Notes to be due and payable immediately.

Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives indemnity or security satisfactory to it. Subject to certain limitations, Holders of a majority in principal amount of the Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except a default in payment of principal or interest) if it determines that withholding notice is in the interest of the Holders.

14. Trustee Dealings with the Company

Subject to certain limitations imposed by the Act, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

15. No Recourse Against Others

A director, officer, employee or stockholder, as such, of the Company or the Trustee shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

16. Authentication

This Note shall not be valid until an authorized signatory of the Trustee (or an Authenticating Agent) manually or electronically signs the certificate of authentication on the other side of this Note.

17. Abbreviations

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with rights of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

18. CUSIP and ISIN Numbers

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes and has directed the Trustee to use CUSIP numbers in notices of redemption as a convenience to Holders. To the extent such numbers have been issued, the Company has caused ISIN numbers to be similarly printed on the Notes and has similarly instructed the Trustee. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

19. Governing Law.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONTRARY CONFLICT OF LAWS OR CHOICE OF LAWS PROVISIONS OF THE STATE OF NEW YORK OR ANY OTHER JURISDICTION.

The Company will furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

Attention: Corporate Secretary

ASSIGNMENT FORM

To assign this Note, fill in the form below: I or we assign and transfer this Note to

_____

(Print or type assignee's name, address and zip code)
(Insert assignee's soc. sec. or tax I.D. No.)

_____

_____

and irrevocably appoint _____ agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: _____ Your Signature: _____

_____
Sign exactly as your name appears on the other side of this Note.

Signature Guarantee:

_____ _____
Signature must be guaranteed Signature

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Security Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Security Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Exhibit 5.1

SIDLEY

SIDLEY AUSTIN LLP
ONE SOUTH DEARBORN STREET
CHICAGO, IL 60603
+1 312 853 7000
+1 312 853 7036 FAX

AMERICA ● ASIA PACIFIC ● EUROPE

August 18, 2020

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

Re: Registration Statement on Form S-3

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-3, File No. 333-234422 (the "Registration Statement"), filed by NiSource Inc., a Delaware corporation (the "Company"), with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), which Registration Statement became effective upon filing pursuant to Rule 462(e) under the Securities Act. Pursuant to the Registration Statement, the Company will be issuing $1,250,000,000 aggregate principal amount of the Company's 0.950% Notes due 2025 and $750,000,000 aggregate principal amount of the Company's 1.700% Notes due 2031 (collectively, the "Securities"). The Securities are to be issued under an Indenture, dated as of November 14, 2000, between the Company, as successor to NiSource Finance Corp., and The Bank of New York Mellon, as successor trustee (the "Trustee") (as amended and supplemented to the date hereof, the "Indenture"). The Securities are to be sold by the Company pursuant to a Terms Agreement, dated August 12, 2020 (the "Terms Agreement"), by and among the Company and the underwriters named therein.

This opinion letter is being delivered in accordance with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act.

We have examined the Registration Statement, the Indenture, the Terms Agreement, the Securities in global form and the resolutions adopted by the board of directors of the Company relating to the Registration Statement, the Indenture, the Terms Agreement and the issuance of the Securities by the Company. We have also examined originals, or copies of originals certified to our satisfaction, of such agreements, documents, certificates and statements of the Company and other corporate documents and instruments, and have examined such questions of law, as we have considered relevant and necessary as a basis for this opinion letter. We have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures, the legal capacity of all persons and the conformity with the original documents of any copies thereof submitted to us for examination. As to facts relevant to the opinions expressed herein, we have relied without independent investigation or verification upon, and assumed the accuracy and completeness of, certificates, letters and oral and written statements and representations of public officials and officers and other representatives of the Company.

SIDLEY

Based on and subject to the foregoing and the other limitations, qualifications and assumptions set forth herein, we are of the opinion that the Securities will constitute valid and binding obligations of the Company when the Securities are duly executed by duly authorized officers of the Company and duly authenticated by the Trustee, all in accordance with the provisions of the Indenture, and delivered to the purchasers thereof against payment of the agreed consideration therefor in accordance with the Terms Agreement.

Our opinion is subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer and other similar laws relating to or affecting creditors' rights generally and to general equitable principles (regardless of whether considered in a proceeding in equity or at law), including concepts of commercial reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief. Our opinion is also subject to (i) provisions of law which may require that a judgment for money damages rendered by a court in the United States of America be expressed only in United States dollars, (ii) requirements that a claim with respect to any Debt Securities or other obligations that are denominated or payable other than in United States dollars (or a judgment denominated or payable other than in United States dollars in respect of such claim) be converted into United States dollars at a rate of exchange prevailing on a date determined pursuant to applicable law and (iii) governmental authority to limit, delay or prohibit the making of payments outside of the United States of America or in a foreign currency.

This opinion letter is limited to the General Corporation Law of the State of Delaware and the laws of the State of New York (excluding the securities laws of the State of New York). We express no opinion as to the laws, rules or regulations of any other jurisdiction, including, without limitation, the federal laws of the United States of America or any state securities or blue sky laws.

We hereby consent to the filing of this opinion letter as an Exhibit to the Registration Statement and to all references to our Firm included in or made a part of the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ Sidley Austin

FORM 8-K

AUGUST 12, 2020

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

FORM 8-K

CURRENT REPORT
Pursuant To Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 12, 2020

NiSource Inc.
(Exact name of registrant as specified in its charter)

DE	001-16189	35-2108964
(State or other jurisdiction of incorporation)	Commission File Number	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, IN	46410
(Address of principal executive offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 8.01. Other Events.

On August 12, 2020, NiSource Inc. (the "Company") issued a press release announcing that it had priced the underwritten public offering of $1,250,000,000 aggregate principal amount of the Company's 0.950% Notes due 2025 and $750,000,000 aggregate principal amount of the Company's 1.700% Notes due 2031 (collectively, the "New Notes"). A copy of the press release is attached as Exhibit 99.1 and the information set forth therein is incorporated herein by reference and constitutes a part of this report.

The New Notes were registered under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to a shelf registration statement on Form S-3 (File No. 333-234422), including the prospectus forming a part thereof. On August 12, 2020, the Company filed with the Securities and Exchange Commission a preliminary prospectus supplement to the prospectus dated August 12, 2020 pursuant to Rule 424(b)(5) under the Securities Act, relating to the offering of the New Notes.

The information included in Item 8.01 of this report and the press release attached hereto as Exhibits 99.1 are for informational purposes only and do not constitute an offer to sell the New Notes.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press Release concerning the New Notes, dated August 12, 2020, issued by NiSource Inc.
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

NiSource Inc.
(Registrant)

Date: August 12, 2020

By: /s/ Donald E. Brown
Donald E. Brown
Executive Vice President and Chief Financial Officer

Exhibit 99.1

August 12, 2020

FOR ADDITIONAL INFORMATION

Media
Ken Stammen
Corporate Media Relations
(614) 460-5544
kstammen@nisource.com

Investors
Randy Hulen
Vice President, Investor Relations and Treasurer
(219) 647-5688
rghulen@nisource.com

Sara Macioch
Manager, Investor Relations
(614) 460-4789
smacioch@nisource.com

NiSource Inc. Announces Pricing of $1,250,000,000 of 0.950% Senior Notes due 2025 and $750,000,000 of 1.700% Senior Notes due 2031

MERRILLVILLE, Ind. – NiSource Inc. (NYSE: NI) ("NiSource") announced today the pricing of an underwritten public offering of $1,250,000,000 aggregate principal amount of its 0.950% Senior Notes due 2025 and $750,000,000 aggregate principal amount of its 1.700% Senior Notes due 2031 (collectively, the "Notes"). Closing of the offering is expected to occur on August 18, 2020, subject to customary closing conditions.

Following completion of the offering, NiSource expects to use a portion of the aggregate net proceeds from the offering to pay the purchase price and the costs and expenses payable in connection with NiSource's offer to purchase for cash certain of its outstanding debt securities which was announced separately earlier today (the "Tender Offer"). NiSource also expects, following the expiration of the Tender Offer, to use a portion of the aggregate net proceeds from the offering to redeem certain of its outstanding debt securities which are not purchased pursuant to the Tender Offer, as well as prepay all of its outstanding privately placed 5.89% Series D Senior Notes due November 28, 2025. NiSource expects to use any remaining aggregate net proceeds for general corporate purposes.

Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. LLC and Wells Fargo Securities, LLC are acting as joint book-running managers for the offering.

NiSource has filed a registration statement (including a prospectus) related to the Notes with the Securities and Exchange Commission ("SEC"). Information about the offering of the Notes is available in the prospectus supplement to be filed by NiSource with the SEC. The offering is being made under NiSource's registration statement filed with the SEC and only by means of the prospectus supplement and the accompanying prospectus. Before you invest, you should read the prospectus in that registration statement, the prospectus supplement related to the offering and other documents NiSource has filed with the SEC for more complete information about NiSource and the offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, when available, a copy of the prospectus supplement and the accompanying prospectus may be obtained from any of the following:

Citigroup Global Markets Inc., toll-free at 1-800-831-9146, Credit Suisse Securities (USA) LLC, toll-free at 1-800-221-1037, Morgan Stanley & Co. LLC, toll-free at 1-866-718-1649 or Wells Fargo Securities, LLC, toll-free at 1-800-645-3751 or email: wfscustomerservice@wellsfargo.com.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.5 million natural gas customers and 500,000 electric customers across seven states through its local Columbia Gas and NIPSCO brands. Based in Merrillville, Indiana, NiSource's approximately 8,400 employees are focused on safely delivering reliable and affordable energy to our customers and communities we serve. Additional information about NiSource, its investments in modern infrastructure and systems, its commitments and its local brands can be found on its website.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of federal securities laws. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially. Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this press release include among other things, our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; our ability to execute our growth strategy; changes in general economic, capital and commodity market conditions; pension funding obligations; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; our ability to adapt to, and manage costs related to, advances in technology; any changes in our assumptions regarding the financial implications of a series of fires and explosions that occurred in Lawrence, Andover and North Andover, Massachusetts related to the delivery of natural gas by Columbia of Massachusetts in September 2018 (the "Greater Lawrence Incident"); compliance with the agreements entered into with the U.S. Attorney's Office to settle the U.S. Attorney's Office's investigation relating to the Greater Lawrence Incident; the pending sale of the Columbia Gas of Massachusetts business, including the terms and closing conditions under the Asset Purchase Agreement; potential incidents and other operating risks associated with our business; continuing and potential future impacts from the COVID-19 pandemic; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; any damage to our reputation, including in connection with the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; fluctuations in demand from residential, commercial and industrial customers; economic conditions of certain industries; the success of NIPSCO's electric generation strategy; the price of energy commodities and related transportation costs; the reliability of customers and suppliers to fulfill their payment and contractual obligations; potential impairment of goodwill; changes in taxation and accounting principles; the impact of an aging

infrastructure; the impact of climate change; potential cyber-attacks; construction risks and natural gas costs and supply risks; extreme weather conditions; the attraction and retention of a qualified workforce; the ability of our subsidiaries to generate cash; our ability to manage new initiatives and organizational changes; the performance of third-party suppliers and service providers; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; and other matters in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as updated in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 and our subsequent SEC filings. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time. A credit rating is not a recommendation to buy, sell or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization. In addition, dividends are subject to board approval.

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

# # #

FORM 8-K

AUGUST 12, 2020

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

FORM 8-K

CURRENT REPORT
Pursuant To Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 12, 2020

NiSource Inc.
(Exact name of registrant as specified in its charter)

DE	001-16189	35-2108964
(State or other jurisdiction of incorporation)	Commission File Number	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, IN	46410
(Address of principal executive offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 8.01. Other Events.

On August 12, 2020, NiSource Inc. issued a press release announcing the commencement of offers to purchase for cash (i) any and all of its outstanding 4.45% Notes due 2021, 2.650% Notes due 2022, 3.85% Notes due 2023 and 3.650% Notes due 2023 (collectively, the "Any and All Notes") and (ii) up to an aggregate maximum repurchase amount of $150,000,000 principal amount of its outstanding 6.25% Notes due 2040, 5.95% Notes due 2041, 5.80% Notes due 2042, 5.65% Notes due 2045 and 5.25% Notes due 2043 (collectively, and together with the Any and All Notes, the "Securities"). A copy of the press release is attached as Exhibit 99.1 and the information set forth therein is incorporated herein by reference and constitutes a part of this report.

The information included in Item 8.01 of this report and the press release attached hereto as Exhibit 99.1 are for informational purposes only and do not constitute an offer to purchase any of the Securities.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press Release concerning the Securities, dated August 12, 2020, issued by NiSource Inc.
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

NiSource Inc.
(Registrant)

Date: August 12, 2020

By: /s/ Donald E. Brown
Donald E. Brown
Executive Vice President and Chief Financial Officer

Exhibit 99.1

August 12, 2020

FOR ADDITIONAL INFORMATION

Media
Ken Stammen
Corporate Media Relations
(614) 460-5544
kstammen@nisource.com

Investors
Randy Hulen
Vice President, Investor Relations and Treasurer
(219) 647-5688
rghulen@nisource.com

Sara Macioch
Manager, Investor Relations
(614) 460-4789
smacioch@nisource.com

NiSource Inc. Announces Cash Tender Offers for Certain Outstanding Series of Notes

MERRILLVILLE, Ind. – NiSource Inc. (NYSE: NI) announced today that NiSource Inc. ("NiSource") has commenced offers to purchase for cash (the "Tender Offers") the outstanding debt securities listed below.

The Tender Offers are being made pursuant to an Offer to Purchase, dated August 12, 2020 (the "Offer to Purchase"), which sets forth a comprehensive description of the terms of the Tender Offers. NiSource intends to fund the purchase price of the notes accepted in the Tender Offers with a portion of the net proceeds from the sale of long-term debt securities in a public offering.

Any and All of the Outstanding Securities Listed Below

Upon the terms and subject to the conditions described in the Offer to Purchase, NiSource is offering to purchase for cash any and all of its outstanding 4.45% Notes due 2021, 2.650% Notes due 2022, 3.85% Notes due 2023 and 3.650% Notes due 2023 (the "Any and All Tender Offer" and such notes, collectively, the "Any and All Notes"). The following table sets forth some of the terms of the Any and All Tender Offer:

Title of Security	CUSIP/ISIN Numbers	Principal Amount Outstanding	U.S. Treasury Reference Security	Bloomberg Reference Page	Fixed Spread
4.45% Notes due 2021(a)	65473QAY9/ US65473QAY98	$63,552,000	1.50% U.S. Treasury due 11/30/2021	PX4	+40 bps
2.650% Notes due 2022(b)	65473QBH5/ US65473QBH56	$500,000,000	1.375% .U.S. Treasury due 10/15/2022	PX5	+12.5 bps
3.85% Notes due 2023(a)	65473QBA0/ US65473QBA04	$250,000,000	1.375% U.S. Treasury due 02/15/2023	PX5	+35 bps
3.650% Notes due 2023(b)	65473PAF2/ US65473PAF27	$350,000,000	0.125% .U.S. Treasury due 05/15/2023	PX5	+15 bps

(a) The applicable Total Consideration (as defined below) will be calculated to the applicable maturity date of the Security (as defined below) in accordance with the terms of the Security.

(b) The applicable Total Consideration will be calculated to the applicable par call date of the Security in accordance with the terms of the Security.

Up to the Aggregate Maximum Repurchase Amount of the Outstanding Securities Listed Below

Upon the terms and subject to the conditions described in the Offer to Purchase, NiSource is offering to purchase up to an aggregate maximum repurchase amount of $150,000,000 principal amount (such principal amount, the "Aggregate Maximum Repurchase Amount") of its outstanding 6.25% Notes due 2040, 5.95% Notes due 2041, 5.80% Notes due 2042, 5.65% Notes due 2045 and 5.25% Notes due 2043 (the "Maximum Tender Offer" and such notes, collectively, the "Maximum Tender Offer Notes", and the Maximum Tender Offer Notes together with the Any and All Notes, the "Securities"), subject to the acceptance priority levels noted in the table following.

The following table sets forth some of the terms of the Maximum Tender Offer(a):

Title of Security	CUSIP/ISIN Numbers	Principal Amount Outstanding	Acceptance Priority Level(s)	U.S. Treasury Reference Security	Bloomberg Reference Page	Fixed Spread
6.25% Notes due 2040	65473QAW3/ US65473QAW33	$250,000,000	1	1.25% U.S. Treasury due 5/15/2050	PX1	+150 bps
5.95% Notes due 2041	65473QAX1/ US65473QAX16	$400,000,000	2	1.25% U.S. Treasury due 5/15/2050	PX1	+145 bps
5.80% Notes due 2042	65473QAZ6/ US65473QAZ63	$250,000,000	3	1.25% U.S. Treasury due 5/15/2050	PX1	+150 bps
5.65% Notes due 2045	65473QBD4/ US65473QBD43	$500,000,000	4	1.25% U.S. Treasury due 5/15/2050	PX1	+155 bps
5.25% Notes due 2043	65473QBB8/ US65473QBB86	$500,000,000	5	1.25% U.S. Treasury due 5/15/2050	PX1	+155 bps

(a) Holders of any Maximum Tender Offer Notes that are validly tendered after the Early Tender Date (as defined below) but prior to or at the Maximum Tender Expiration Date (as defined below) and that are accepted for purchase will receive the applicable Total Consideration minus an amount in cash equal to $30 per $1,000 principal amount.

The Any and All Tender Offer will expire at 5:00 p.m., New York City time, on August 18, 2020, unless extended or earlier terminated by NiSource (the "Any and All Expiration Date"). Holders of the Any and All Notes must validly tender and not validly withdraw their Any and All Notes prior to or at the Any and All Expiration Date to be eligible to receive the applicable Total Consideration for such Any and All Notes.

The Maximum Tender Offer will expire at 11:59 p.m., New York City time, on September 9, 2020, unless extended or earlier terminated (the "Maximum Tender Expiration Date"). Holders of the Maximum Tender Offer Notes must validly tender and not validly withdraw their Maximum Tender Offer Notes prior to or at 5:00 p.m., New York City time, on August 25, 2020, unless extended or earlier terminated by NiSource (the "Early Tender Date"), to be eligible to receive the applicable Total Consideration for such Maximum Tender Offer Notes, which is inclusive of an amount in cash equal to $30 per $1,000 principal amount (the "Early Tender Payment"). Holders of the Maximum Tender Offer Notes who validly tender their Maximum Tender Offer Notes after the Early Tender Date but prior to or at the applicable Maximum Tender Expiration Date will be eligible to receive the applicable Total Consideration for such Maximum Tender Offer Notes *minus* the Early Tender Payment.

All Maximum Tender Offer Notes tendered prior to or at the Early Tender Date will be accepted based on the acceptance priority levels noted in the second table above and will have priority over Maximum Tender Offer Notes tendered after the Early Tender Date, regardless of the acceptance priority levels of the Maximum Tender Offer Notes tendered after the Early Tender Date. Subject to applicable law, NiSource may increase or decrease the Aggregate Maximum Repurchase Amount in its sole discretion.

The applicable consideration (the "Total Consideration") offered per $1,000 principal amount of each series of Securities validly tendered and accepted for purchase pursuant to the applicable Tender Offer will be determined in the manner described in the Offer to Purchase by reference to the applicable fixed spread for such Securities (the "Fixed Spread") specified in the applicable table above plus the applicable yield to maturity based on the bid-side price of the applicable U.S. Treasury Reference Security specified in the applicable table above, calculated as of 2:00 p.m., New York City time, on August 18, 2020, in the case of the Any and All Tender Offer, and at 10:00 a.m., New York City time, on August 26, 2020, in the case of the Maximum Tender Offer, in each case unless extended or earlier terminated by NiSource. In addition to the Total Consideration, Holders of Securities accepted for purchase will also receive accrued and unpaid interest on Securities validly tendered and accepted for purchase from the applicable last interest payment date up to, but not including, the applicable settlement date. The settlement date for the Any and All Tender Offer is expected to be the first business day after the Any and All Expiration Date and is expected to be August 19, 2020. The settlement date for the Maximum Tender Offer Notes validly tendered and accepted for purchase on the Early Tender Date is expected to be promptly after the Early Tender Date and is expected to be the second business day after the Early Tender Date and is expected to be August 27, 2020. The settlement date for the Maximum Tender Offer Notes validly tendered and accepted for purchase after the Early Tender Date is expected to be the first business day after the Maximum Tender Expiration Date and is expected to be September 10, 2020.

Any and All Notes tendered pursuant to the Any and All Tender Offer may be withdrawn prior to or at, but not after, 5:00 p.m., New York City time, on August 18, 2020, and Maximum Tender Offer Notes tendered pursuant to the Maximum Tender Offer may be withdrawn prior to or at, but not after, 5:00 p.m., New York City time, on August 25, 2020 (such dates and times, as they may be extended with respect to the Any and All Notes or a series of Maximum Tender Offer Notes, the applicable "Withdrawal Deadline").

After the applicable Withdrawal Deadline, you may not, except in certain limited circumstances described in the Offer to Purchase, withdraw your tendered Securities unless NiSource amends the applicable Tender Offer in a manner that is materially adverse to the tendering holders, in which case withdrawal rights may be extended as NiSource determines, to the extent required by law (as determined by NiSource), appropriate to allow tendering holders a reasonable opportunity to respond to such amendment. Additionally, NiSource, in its sole discretion, may extend a Withdrawal Deadline for any purpose. If a custodian bank, broker, dealer, commercial bank, trust company or other nominee holds your Securities, such nominee may have an earlier deadline or deadlines for receiving instructions to withdraw tendered Securities.

To the extent that less than all of the outstanding Any and All Notes are tendered and accepted for purchase in the Any and All Tender Offer, NiSource currently intends to (but is not obligated to) redeem all of the Any and All Notes that remain outstanding following the consummation of the Any and All Tender Offer. Nothing in this press release shall constitute a notice of redemption or an obligation to issue a notice of redemption for the Any and All Notes. Any such notice of redemption will be made only pursuant to and in accordance with the indenture for the Any and All Notes.

NiSource's obligation to accept for purchase and to pay for the Securities in the Tender Offers is subject to the satisfaction or waiver of a number of conditions described in the Offer to Purchase, including a financing condition. The Tender Offers may be terminated or withdrawn in whole or terminated or withdrawn with respect to any series of the Securities, subject to applicable law. NiSource reserves the right, subject to applicable law, to (i) waive any and all conditions to any of the Tender Offers, (ii) extend or terminate any of the Tender Offers, (iii) increase or decrease the Aggregate Maximum Repurchase Amount in the case of the Maximum Tender Offer Notes, or (iv) otherwise amend any of the Tender Offers in any respect.

* * *

The complete terms and conditions of the Tender Offers are set forth in the Offer to Purchase. Holders of Any and All Notes and Maximum Tender Notes are urged to read these documents carefully before making any decision with respect to the tender offers.

None of NiSource or its affiliates, their respective boards of directors, the Dealer Manager, the tender and information agent or the Trustee with respect to the Securities is making any recommendation as to whether holders should tender any Securities in response to any of the Tender Offers, and neither NiSource nor any such other person has authorized any person to make any such recommendation. Holders must make their own decision as to whether to tender any of their Securities, and, if so, the principal amount of Securities to tender.

Credit Suisse Securities (USA) LLC is serving Dealer Manager for the Tender Offers. Questions regarding the offers may be directed to Credit Suisse Securities (USA) LLC toll-free at (800) 820-1653 or collect at (212) 325-2476. Requests for the Offer to Purchase or the documents incorporated by reference therein may be directed to D.F. King & Co., Inc., which is acting as Tender and Information Agent for the Tender Offer, at the following telephone numbers: banks and brokers, (212) 269-5550; all others toll-free at (877) 679-4107. Additionally, a copy of the Offer to Purchase (including the Notice of Guaranteed Delivery) is available at the following web address: www.dfking.com/nisource.

This press release is neither an offer to purchase nor a solicitation of an offer to sell securities. No offer, solicitation, purchase or sale will be made in any jurisdiction in which such offer, solicitation, or sale would be unlawful. The Tender Offers are being made solely pursuant to terms and conditions set forth in the Offer to Purchase. This press release is being issued pursuant to and in accordance with Rule 134 under the Securities Act of 1933, as amended.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.5 million natural gas customers and 500,000 electric customers across seven states through its local Columbia Gas and NIPSCO brands. Based in Merrillville, Indiana, NiSource's approximately 8,400 employees are focused on safely delivering reliable and affordable energy to our customers and communities we serve. Additional information about NiSource, its investments in modern infrastructure and systems, its commitments and its local brands can be found on its website.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of federal securities laws. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially. Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this press release include among other things, our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; our ability to execute our growth strategy; changes in general economic, capital and commodity market conditions; pension funding obligations; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; our ability to adapt to, and manage costs related to, advances in technology; any changes in our assumptions regarding the financial implications of a series of fires and explosions that occurred in Lawrence, Andover and North Andover, Massachusetts related to the delivery of natural gas by Columbia of Massachusetts in September 2018 (the "Greater Lawrence Incident"); compliance with the agreements entered into with the U.S. Attorney's Office to settle the U.S. Attorney's Office's investigation relating to the Greater Lawrence Incident; the pending sale of the Columbia Gas of Massachusetts business, including the terms and closing conditions under the Asset Purchase Agreement; potential incidents and other operating risks associated with

our business; continuing and potential future impacts from the COVID-19 pandemic; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; any damage to our reputation, including in connection with the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; fluctuations in demand from residential, commercial and industrial customers; economic conditions of certain industries; the success of NIPSCO's electric generation strategy; the price of energy commodities and related transportation costs; the reliability of customers and suppliers to fulfill their payment and contractual obligations; potential impairment of goodwill; changes in taxation and accounting principles; the impact of an aging infrastructure; the impact of climate change; potential cyber-attacks; construction risks and natural gas costs and supply risks; extreme weather conditions; the attraction and retention of a qualified workforce; the ability of our subsidiaries to generate cash; our ability to manage new initiatives and organizational changes; the performance of third-party suppliers and service providers; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; and other matters in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as updated in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 and our subsequent SEC filings. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time. A credit rating is not a recommendation to buy, sell or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization. In addition, dividends are subject to board approval.

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

# # #

FORM 8-K

AUGUST 5, 2020

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

FORM 8-K

CURRENT REPORT

Pursuant To Section 13 OR 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 5, 2020

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE	001-16189	35-2108964
(State or other jurisdiction of incorporation or organization)	Commission file number	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, IN	46410
(Address of principal executive offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On August 5, 2020, NiSource Inc. (the "Company") reported its financial results for the year ended June 30, 2020. The Company's press release, dated August 5, 2020, is attached as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated August 5, 2020, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

SIGNATURES

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

NiSource Inc.
(Registrant)

Date: August 5, 2020

By: /s/ Donald E. Brown
Donald E. Brown
Executive Vice President, Chief Financial Officer, and President of NiSource Corporate Services
(Principal Financial Officer)

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release, dated August 5, 2020, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

NEWS

FOR IMMEDIATE RELEASE

NiSource®

WWW.NISOURCE.COM

August 5, 2020

FOR ADDITIONAL INFORMATION

Media
Ken Stammen
Corporate Media Relations
(614) 460-5544
kstammen@nisource.com

Investors
Nick Drew
Director, Investor Relations
(614) 460-4638
ndrew@nisource.com

Sara Macioch
Manager, Investor Relations
(614) 460-4789
smacioch@nisource.com

NiSource Reports Second Quarter 2020 Results

- Mitigation efforts continue to reduce financial impacts of COVID-19
- 2020 CapEx reaffirmed at $1.7 to $1.8 billion
- Columbia Gas of Massachusetts sale remains on track
- New corporate-wide strategic initiative launched to enhance long-term performance, value
- 2021 non-GAAP net operating earnings per share guidance initiated
- Investor Day announced, which will highlight $1.8 to $2.0 billion in incremental renewable generation investment opportunities and enhanced safety programs

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) today announced, on a GAAP basis, a net loss available to common shareholders for the three months ended June 30, 2020, of $18.5 million, or $0.05 per share, compared to net income available to common shareholders of $283.1 million, or $0.76 per share, for the same period of 2019. For the six months ended June 30, 2020, NiSource's net income available to common shareholders was $43.3 million, or $0.11 per share, compared to $488.2 million, or $1.31 per share, for the same period of 2019.

NiSource also reported net operating earnings available to common shareholders (non-GAAP) of $50.2 million, or $0.13 per share, for the three months ended June 30, 2020, compared to net operating earnings available to common shareholders (non-GAAP) of $19.1 million, or $0.05 per share, for the same period of 2019. For the six months ended June 30, 2020, NiSource's net operating earnings available to common shareholders was $341.1 million, or $0.89 per share, compared with $326.8 million, or $0.87 per share, for the same period of 2019. Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures.

NiSource's GAAP results for the six months ended June 30, 2020, include a $364.6 million loss due to the re-classification of Columbia Gas of Massachusetts' assets as held for sale resulting from the previously announced asset purchase agreement with Eversource Energy (NYSE: ES) regarding the sale of these assets. This pending transaction remains on track for regulatory approval by the end of the third quarter of 2020, with closing targeted shortly thereafter.

"2020 is a transitional year for NiSource," said NiSource President and CEO **Joe Hamrock**. "As we mitigate the impacts of the COVID-19 pandemic, and complete the sale of Columbia Gas of Massachusetts, we continue to execute on our strong core growth plan while repositioning for enhanced execution in our key focus areas. We continue to invest in our asset modernization and safety enhancement programs while advancing our transition to renewable generation. To build on these transformational efforts, we have accelerated the initiative to realign our capabilities and cost

structure designed to ensure optimal performance as we execute on the significant opportunities in the NiSource business plan."

Ongoing COVID-19 Response

NiSource and its Columbia Gas and NIPSCO operating companies remain focused on employee and customer safety and providing reliable utility service through the COVID-19 pandemic. Our COVID-19 protections for customers and employees, as outlined in the first quarter 2020 earnings release dated May 6, 2020, remain in place.

In line with the company's base case scenario, NiSource continues to see modest commercial and industrial load impacts due to COVID-19, which are partially offset by increases in residential load. Cost savings and other measures have been implemented to mitigate these negative impacts on revenues. The company expects to continue to manage these impacts and update investors in future quarters. Despite challenges related to the pandemic, NiSource continues to expect to make $1.7 to $1.8 billion in capital investments in 2020.

Update on CMA

Advancing the pending sale of the CMA assets, on July 2, 2020, NiSource and Eversource filed a joint petition with the Massachusetts Department of Public Utilities (DPU) seeking approval of the transaction, as well as a proposed settlement with the Attorney General's Office and the Department of Energy Resources of all remaining state investigations related to the 2018 Greater Lawrence event, including the DPU's investigations on pipeline safety and emergency response. NiSource has agreed to make a payment of $56 million, in lieu of penalties, into an Energy Relief Fund to settle and resolve these pending matters subject to regulatory approval of the transaction and the proposed settlement.

Strategic Initiative Launched to Improve Cost Structure, Support Continued Safety and Generation Investments

NiSource has launched a multi-year enterprise-wide strategic initiative to better leverage the company's current scale, improve its cost structure and drive efficiencies across the organization. This initiative is expected to support continued substantial capital investments in the company's long-term safety and modernization programs, as well as its electric generation strategy, providing value to both customers and investors.

The repositioning of executive leadership roles and responsibilities, announced in May, the strategic initiative and a voluntary separation program for certain employees which commenced today are the first steps in a process designed to ensure that the NiSource organization is best positioned to support the company's enhanced focus on safety, operational excellence and customer value.

2021 EPS Guidance Initiated; Investor Day Previewed

NiSource today is initiating 2021 non-GAAP net operating earnings guidance in the range of $1.28 to $1.36 per share. The company's 2021 guidance reflects management's expectations about initial cost savings to be achieved through the strategic initiative and includes the base case scenario impacts of COVID-19. This guidance establishes the starting point for the long-term plan that will extend through 2024 with an expected rate base compound annual growth rate (CAGR) of 10% to 12%. This rate base growth is expected to drive earnings per share growth in excess of the previous 5 to 7% annual growth commitment, with a shift to a CAGR due to the timing of investments in our renewable generation portfolio.

NiSource is also announcing that it plans to host a virtual Investor Day on September 29, 2020, at which it intends to discuss details of this long-term growth strategy, including:

- Continuation of the approximately $1.8 to $1.9 billion annual capital investment into ongoing utility safety and infrastructure programs.

- Anticipated incremental capital investment opportunities related to its electric generation strategy of approximately $1.8 to $2.0 billion, primarily in 2022 and 2023.
    - This investment is currently expected to represent ownership of at least 50% of the replacement capacity, in the form of joint ventures that will include NIPSCO and tax-equity partners as the members.
    - Driving a renewable portfolio that retires 80% of coal-fired generation by 2023, and retires all coal-fired generation by 2028.
    - The replacement plan is expected to provide an industry leading 90% reduction in greenhouse gas emissions by 2030 compared to 2005 levels.
- Additional aspects and progress on the corporate strategic initiative highlighted above.
- Full details of its balanced financing plan. The plan will be focused on maintaining current investment-grade credit ratings.

“We look forward to discussing in further detail at our Investor Day in late September how these initiatives are designed to drive value creation over the next several years," Hamrock said. "Building on the strength and momentum of the core growth drivers in the NiSource business, the plan we will outline is focused on enhanced execution and growth to deliver long-term value for all stakeholders. As we move through the balance of 2020, completing the CMA asset sale, accelerating restructuring of our capabilities and cost structure, and finalizing our financing plan, we are well-positioned for the significant opportunities in our long-range business plan."

Continued Focus on Safety Enhancements across Enterprise

NiSource will continue to prioritize its safety initiatives across its gas and electric businesses, including its accelerated Safety Management System (SMS) implementation. SMS is a comprehensive approach to managing safety, emphasizing continual assessment and improvement as well as pro-actively identifying and mitigating potential risks.

The company has seen strong results thus far in 2020, including:

- Utilizing advanced analytics to drive the development of targeted strategies to reduce pipeline damages, which are down by 5% through June compared to the same period in 2019.
- Initiating deployment of advanced leak survey technology to perform quality assurance. Continued use of this platform will enhance decision making with respect to repair or replacement of gas infrastructure.
- Continued progress on improving maps and records.
- Leveraging and maturing our Corrective Action Program, or CAP, to mitigate risks across the enterprise. Examples include procedural changes in our meter and regulatory processes as well as equipment changes to address specific concerns at customer premises.
- Continued installation of automatic shutoff devices on its gas distribution system.

Second Quarter 2020 and Recent Business Highlights

Gas Distribution Operations

- **Columbia Gas of Pennsylvania’s** base rate case remains pending before the Pennsylvania Public Utility Commission. The request, filed April 24, 2020, seeks an annual revenue increase of $100.4 million to invest in, modernize and upgrade the company’s existing natural gas distribution system as well as maintain the continued safety of the system. New rates are expected to become effective in February 2021.

- On May 15, 2020 **Columbia Gas of Maryland** filed a base rate case request with the Maryland Public Service Commission (PSC). The request supports further upgrading and replacement of the company's underground natural gas pipelines. The company filed a supplemental update request on July 1, 2020. The updated proposal would result in an annual revenue increase of $6.3 million, including $1.3 million of current tracker revenue, if approved as filed. A PSC order is expected in the fourth quarter of 2020, with rates effective in December 2020.
- The Indiana Utility Regulatory Commission (IURC) on July 22, 2020, approved **Northern Indiana Public Service Company's (NIPSCO)** application for a six-year extension of its long-term gas infrastructure modernization program. The plan includes nearly $950 million in capital investments through 2025, to be recovered through semi-annual adjustments to the existing gas **Transmission, Distribution and Storage Improvement Charge (TDSIC)** tracker. The existing gas TDSIC program has been in place since 2014.
- New rates went into effect in May 2020 for **Columbia Gas of Ohio's (COH) Infrastructure Replacement Program (IRP)** following Public Utilities Commission of Ohio (PUCO) approval of the company's annual tracker adjustment. This allows COH to begin recovery of approximately $234 million in safety and infrastructure investments made in 2019. This well-established pipeline replacement program, authorized through 2022, covers replacement of priority mainline pipe and targeted customer service lines. Also in Ohio, the company's annual application for adjustment to its **Capital Expenditure Program (CEP)** rider remains pending before the PUCO. The CEP rider allows the company to recover capital investments and related deferred expenses that are not recovered through its IRP. The adjustment application seeks to begin recovery of approximately $185 million in capital invested in 2019. A PUCO order is expected in August 2020, with new rates effective in September 2020.

Electric Operations

- NIPSCO on July 17, 2020 submitted applications with the IURC for approval of **two purchase power agreements (PPAs) with NextEra Energy**, which will build projects with a combined nameplate solar capacity of 300 megawatts and 30 megawatts of storage. Commercial negotiations are advancing on **build-transfer agreements (BTAs) representing a significant amount of additional solar capacity**. Regulatory filings related to these BTAs are expected shortly after commercial agreements are executed. These new renewable projects are consistent with NIPSCO's **2018 Integrated Resource Plan**, which outlines plans to retire nearly 80% of its remaining coal-fired generation by 2023, and retire all coal generation by 2028, to be replaced by lower-cost, reliable and cleaner options. The plan is expected to drive a 90% reduction in NiSource's greenhouse gas emissions by 2030 compared with 2005 levels, and is expected to save NIPSCO electric customers more than $4 billion over 30 years. The planned replacement in 2023 of approximately 1,400 megawatts of retiring coal-fired generation could provide NiSource with incremental capital investment opportunities in the range of $1.8 to $2 billion, primarily in 2022 and 2023. Currently, half of the capacity in the replacement plan is targeted to be owned by joint ventures that will include NIPSCO and tax-equity partners as the members. The remaining new capacity is expected to be primarily in the form of PPAs. During the second quarter, the Midwest Independent System Operator (MISO) approved the planned retirement of the R.M. Schahfer Generating Station by 2023.
- Construction continues on both the **Rosewater** and **Jordan Creek** wind projects, which are expected to be in service by the end of this year. NiSource closed on a tax equity financing agreement with Wells Fargo on the Rosewater project in July.

Additional information for the quarter ended June 30, 2020, is available on the Investors section of www.nisource.com, including segment and financial information and our

presentation to be discussed at the company's second quarter 2020 earnings conference call scheduled for August 5, 2020 at 9:00 a.m. ET.

About NiSource
NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.5 million natural gas customers and 500,000 electric customers across seven states through its local Columbia Gas and NIPSCO brands. Based in Merrillville, Indiana, NiSource's approximately 8,400 employees are focused on safely delivering reliable and affordable energy to our customers and communities we serve. NiSource is a member of the Dow Jones Sustainability - North America Index and the Bloomberg Gender Equality Index and has been named by *Forbes* magazine among America's Best Large Employers since 2016. Additional information about NiSource, its investments in modern infrastructure and systems, its commitments and its local brands can be found at www.nisource.com. Follow us at www.facebook.com/nisource, www.linkedin.com/company/nisource or www.twitter.com/nisourceinc. NI-F

Forward-Looking Statements
This press release contains "forward-looking statements" within the meaning of federal securities laws. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially. Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this press release include among other things, our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; our ability to execute our growth strategy; changes in general economic, capital and commodity market conditions; pension funding obligations; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; our ability to adapt to, and manage costs related to, advances in technology; any changes in our assumptions regarding the financial implications of the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney's Office to settle the U.S. Attorney's Office's investigation relating to the Greater Lawrence Incident; the pending sale of the Columbia Gas of Massachusetts business, including the terms and closing conditions under the Asset Purchase Agreement; potential incidents and other operating risks associated with our business; continuing and potential future impacts of from the COVID-19 pandemic ; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; any damage to our reputation, including in connection with the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; fluctuations in demand from residential and commercial customers; economic conditions of certain industries; the success of NIPSCO's electric generation strategy; the price of energy commodities and related transportation costs; the reliability of customers and suppliers to fulfill their payment and contractual obligations; potential impairments of goodwill or definite-lived intangible assets; changes in taxation and accounting principles; the impact of an aging infrastructure; the impact of climate change; potential cyber-attacks; construction risks and natural gas costs and supply risks; extreme weather conditions; the attraction and retention of a qualified workforce; the ability of our subsidiaries to generate cash; our ability to manage new initiatives and organizational changes; the performance of third-party suppliers and service providers; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; and other matters in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as updated in our Quarterly Report on Form 10-Q for the

quarter ended March 31, 2020 and our subsequent SEC filings. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time. A credit rating is not a recommendation to buy, sell or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization. In addition, dividends are subject to board approval.
All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Regulation G Disclosure Statement
This press release includes financial results and guidance for NiSource with respect to net operating earnings available to common shareholders, which is a non-GAAP financial measure as defined by the SEC's Regulation G. The company includes this measure because management believes it permits investors to view the company's performance using the same tools that management uses and to better evaluate the company's ongoing business performance. With respect to such guidance, it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other items included in GAAP results. The company is not able to estimate the impact of such factors on GAAP earnings and, as such, is not providing earnings guidance on a GAAP basis.

Schedule 1 - Reconciliation of Consolidated Net Income (Loss) Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) *(unaudited)*

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions, except per share amounts)	**2020**	2019	**2020**	2019
GAAP Net Income (Loss) Available to Common Shareholders	**$ (18.5)**	$ 283.1	**$ 43.3**	$ 488.2
Adjustments to Operating Income:				
Operating Revenues:				
Weather - compared to normal	**(5.1)**	1.5	**21.2**	(9.4)
Operating Expenses:				
Greater Lawrence Incident[1]	**5.0**	(333.5)	**13.1**	(199.9)
Loss on classification as held for sale[2]	**84.4**	—	**364.6**	—
Plant retirement costs[3]	**4.6**	—	**4.6**	—
Massachusetts Business separation costs[4]	**5.2**	—	**5.2**	—
Massachusetts Business depreciation and amortization[5]	**(19.9)**	—	**(19.9)**	—
Loss (gain) on sale of fixed assets and impairments, net	**(0.6)**	(0.1)	**(0.7)**	0.1
Total adjustments to operating income	**73.6**	(332.1)	**388.1**	(209.2)
Income Taxes:				
Tax effect of above items[6]	**(4.9)**	68.1	**(90.3)**	47.8
Total adjustments to net income	**68.7**	(264.0)	**297.8**	(161.4)
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 50.2**	$ 19.1	**$ 341.1**	$ 326.8
Basic Average Common Shares Outstanding	**383.5**	373.9	**383.3**	373.6
GAAP Basic Earnings (Loss) Per Share	**$ (0.05)**	$ 0.76	**$ 0.11**	$ 1.31
Adjustments to basic earnings per share	**0.18**	(0.71)	**0.78**	(0.44)
Non-GAAP Basic Net Operating Earnings Per Share	**$ 0.13**	$ 0.05	**$ 0.89**	$ 0.87

[1]Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident, net of insurance recoveries recorded.
[2]Represents loss recorded as a result of measuring the assets and liabilities of the Massachusetts Business at fair value, less costs to sell. Second quarter increase primarily includes the $56 million payment in lieu of penalties and approximately $28 million of capital expenditures that will not be recouped through the Asset Purchase Agreement.
[3]Represents costs incurred associated with the planned retirement of Units 14, 15, 17 and 18 at the Schahfer Generating Station. Includes costs for write downs of certain capital projects and materials and supplies inventory balances.
[4]Represents third-party consulting costs incurred for the separation and transition of the Massachusetts Business to Eversource that will occur at the consummation of the Asset Purchase Agreement.
[5]Represents depreciation and amortization expense that was ceased for GAAP purposes as a result of classifying the Massachusetts Business as held for sale.
[6]Represents the tax effect of the adjustments to operating income, adjusted for the CMA non-deductible payment in lieu of penalties, tax effected at statutory tax rates.

Schedule 2 - Total Current Estimated Amounts of Costs and Expenses Related to the Greater Lawrence Incident

Cost or Expense	Total Current Estimated Amount[1] *($ in millions)*
Capital Cost[2]	$258
Incident Related Expenses	
Third-party claims and government fines, penalties and settlements[3]	$1,039 - $1,055
Other incident-related costs[4]	$445 - $455
Insurance Recoveries[5]	$800

[1]Total estimated amount includes costs or expenses from the incident through June 30, 2020 and estimated expected expenses in future periods in the aggregate. Amounts shown are estimates made by management based on currently available information. See the footnotes below for additional information. Actual results may differ materially from these estimates as more information becomes available.

[2]We have invested approximately $258 million of capital spend for the pipeline replacement. This work was completed in 2019. We maintain property insurance for gas pipelines and other applicable property. Columbia Gas of Massachusetts has filed a proof of loss with its property insurer for the full cost of the pipeline replacement. In January 2020, we filed a lawsuit against the property insurer, seeking payment of our property claim. We are currently unable to predict the timing or amount of any insurance recovery under the property policy. This pipeline replacement cost is part of the Massachusetts Business that is classified as held for sale at June 30, 2020. The assets and liabilities of the Massachusetts Business have been recorded at fair value, less costs to sell, which resulted in the loss on classification as held for sale that was recorded as of June 30, 2020.

[3] Amount includes approximately $1,039 million of expenses recorded since the Greater Lawrence Incident for estimated third-party claims and fines, penalties and settlements associated with government investigations. With regards to third-party claims, these costs include, but are not limited to, personal injury and property damage claims, damage to infrastructure, business interruption claims, and mutual aid payments to other utilities assisting with the restoration effort. These costs do not include costs of certain third-party claims and fines, penalties or settlements with government investigations that we are not able to estimate. The process for estimating costs associated with third-party claims and fines, penalties and settlements associated with government investigations relating to the Greater Lawrence Incident requires management to exercise significant judgment based on a number of assumptions and subjective factors. As more information becomes known, including additional information regarding ongoing investigations, management's estimates and assumptions regarding the financial impact of the Greater Lawrence Incident may change.

[4] Amount shown includes other incident related expenses of approximately $436 million recorded since the Greater Lawrence Incident. Amount represents certain consulting costs, legal costs, vendor costs, claims center costs, labor and related expenses incurred in connection with the incident, and insurance-related loss surcharges.

[5] The aggregate amount of third-party liability insurance coverage available for losses arising from the Greater Lawrence Incident is $800 million. We have collected the entire $800 million. Expenses related to the incident have exceeded the total amount of insurance available under our policies.

FORM 8-K

JULY 15, 2020

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

FORM 8-K

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

Date of Report (Date of earliest event reported): July 15, 2020

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware	001-16189	35-2108964
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, Indiana	46410
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On July 15, 2020, NiSource Inc. (the "Company") appointed Gunnar J. Gode, age 46, as Vice President, Chief Accounting Officer and Controller of the Company, effective August 3, 2020. Prior to Mr. Gode's appointment, Donald E. Brown, the Company's Executive Vice President and Chief Financial Officer, assumed the responsibilities of Chief Accounting Officer and Controller of the Company on an interim basis in addition to his existing responsibilities.

Prior to joining the Company, Mr. Gode was employed by Washington Gas Light Company ("Washington Gas"), a regulated natural gas utility, where he served as Vice President and Controller from 2019 to July 2020, Assistant Controller from 2016 to 2019, and Director of Treasury Operations from 2014 to 2016. He joined Washington Gas in 2004 and served in several leadership roles within the finance organization, including the accounting, financial planning and treasury functions. Prior to joining Washington Gas, he was a consultant providing creditor advisory services with FTI Consulting, Inc. He also previously worked as an auditor at Pricewaterhouse Coopers LLP and Grant Thornton LLP, specializing in their technology and regulated utility practices.

In connection with Mr. Gode's appointment as Vice President, Chief Accounting Officer and Controller, he will be entitled to an annual base salary of $290,000 and a one-time signing bonus payment of $75,000. He will also receive a one-time award of restricted stock units with a grant date fair value of $100,000, which will vest at the end of two years, subject to his continued employment through that date.

Subject to approval by the Compensation Committee of the Board of Directors of the Company, Mr. Gode will also receive a long-term incentive grant in the total amount of $203,000. This grant will be awarded as a combination of service-based restricted stock units (20%) and performance-based shares (80%), each vesting during the first quarter of 2023, unless otherwise determined by the Compensation Committee. Vesting of the performance-based shares is contingent on satisfaction of pre-determined performance criteria and individual performance.

Mr. Gode will be eligible for annual equity awards and long-term incentive compensation under the Company's Amended and Restated 2020 Omnibus Plan. He will also be eligible to participate in the Company's 2020 Annual Cash Incentive Plan (prorated based on actual earnings for 2020) and in the NiSource Executive Severance Policy. In connection with his appointment, Mr. Gode received a customary relocation allowance.

Mr. Gode has no family relationships with any director or executive officer of the Company. There are no arrangements or understandings between Mr. Gode and any other persons pursuant to which he was selected as an officer of the Company, and there are no transactions in which Mr. Gode has an interest requiring disclosure under Item 404(a) of Regulation S-K.

SIGNATURES

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

NISOURCE INC.

July 20, 2020

By: /s/ Anne-Marie W. D'Angelo
Anne-Marie W. D'Angelo
Senior Vice President, General Counsel and Corporate Secretary

FORM 8-K

JULY 2, 2020

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

FORM 8-K

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

Date of Report (Date of earliest event reported): July 2, 2020

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware	001-16189	35-2108964
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, Indiana	46410
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 1.01. Entry into a Material Definitive Agreement.

Background

As previously disclosed by NiSource Inc. ("NiSource"), NiSource and Bay State Gas Company d/b/a Columbia Gas of Massachusetts ("CMA") (together with NiSource, "Seller") entered into an asset purchase agreement (the "APA") on February 26, 2020 with Eversource Energy, a Massachusetts voluntary association ("Buyer"), under which Seller agreed to sell to Buyer, with certain additions and exceptions, substantially all of the assets of CMA and related assets (all of the assets being sold to, and liabilities being assumed by, Buyer pursuant to the APA, the "Massachusetts Business") (the "Transaction").

The APA provides for various closing conditions, including the receipt of the approval of the Massachusetts Department of Public Utilities ("DPU") and the final resolution or termination of all pending actions, claims and investigations, lawsuits or other legal or administrative proceedings against CMA and its affiliates under the jurisdiction of the DPU and all future actions, claims and investigations, lawsuits or other legal or administrative proceedings against Seller and its affiliates relating to the Greater Lawrence Incident under the jurisdiction of the DPU, each as determined by NiSource in its reasonable discretion (the "DPU Required Resolution").

Settlement Agreement

On July 2, 2020, Buyer, Seller and Eversource Gas Company of Massachusetts, a wholly-owned subsidiary of Seller ("EGMA"), filed with the DPU a joint petition for the approval of the Transaction as contemplated by the APA and a proposed multi-year rate plan. The petition includes and seeks approval of a settlement agreement executed on July 2, 2020 (the "Settlement Agreement") among, Buyer, Seller, EGMA, the Massachusetts Attorney General's Office ("AGO"), the Massachusetts Department of Energy Resources ("DOER"), and the Low-Income Weatherization and Fuel Assistance Program Network (together with Buyer, Seller, EGMA, AGO and the DOER, the "Settling Parties"). The Settlement Agreement is conditioned on its approval in full by the DPU no later than September 30, 2020. Buyer and Seller seek to obtain the necessary approvals and satisfy all closing conditions by September 30, 2020, to facilitate a closing of the Transaction by November 1, 2020. If the DPU does not approve the Settlement Agreement in its entirety by September 30, 2020, or if, for any reason, the closing of the Transaction does not take place, the Settlement Agreement will be null and void, even if already approved by the DPU. Notwithstanding the foregoing, the Massachusetts Attorney General may, in her sole discretion, or DOER may, in its sole discretion, rescind the Settlement Agreement in its entirety prior to the DPU's issuance of an order approving the Settlement Agreement; provided that notice of such rescission must be filed, or submitted electronically, in writing with the DPU. The Settling Parties agree that the requested date of September 30, 2020 for the approval of the Settlement Agreement may be extended upon the mutual consent of the Settling Parties and notification of such extension to the DPU.

Set forth below are descriptions of the provisions of the Settlement Agreement related to the DPU Required Resolution. The Settlement Agreement includes other provisions generally related to ratemaking and activities of Buyer and EGMA to occur after the closing of the Transaction and other conditions, as further described in the Settlement Agreement. Therefore, the below summary of the Settlement Agreement does not purport to be complete and is qualified in its entirety by reference to the provisions of the Settlement Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Termination of DPU Regulatory Matters. Under the Settlement Agreement, the Settling Parties agree that the terms of the Settlement Agreement achieve the DPU Required Resolution under the APA. Further, under the Settlement Agreement, CMA takes responsibility for the Greater Lawrence Incident and does not

contest facts in the record sufficient to support the DPU's investigations into pipeline safety and emergency response in DPU 19-140 and 19-141, respectively. If adjudicated, CMA could be subject to the payment of penalties potentially up to the maximum allowed by law.

The Settling Parties also agree that, upon the closing of the Transaction, (1) all pending actions, claims, investigations, lawsuits and proceedings against NiSource, CMA and their affiliates, and all of the respective directors, officers, employees, agents and representatives of NiSource, and CMA and their affiliates (such entities and individuals, collectively referred to as the "Discharged Persons"), under the DPU's jurisdiction, shall be considered settled, resolved, and terminated; and (2) all future actions, claims, investigations, lawsuits and proceedings, whether known or unknown, against the Discharged Persons, in each case, relating to, arising out of, or in connection with the Greater Lawrence Incident (as defined in the APA), under the jurisdiction of the DPU shall be considered settled, resolved, and terminated. This includes the DPU's investigations into pipeline safety and emergency response in DPU 19-140 and 19-141, respectively, as well as any other regulatory matters that could have been raised by the DPU relating to, arising out of, or in connection with the Greater Lawrence Incident.

The Settling Parties also agree that, upon the closing of the Transaction, all pending actions, claims, investigations, lawsuits, and proceedings against the Discharged Persons, which are the subject of the Consent Order shall be settled, resolved, and terminated. The "Consent Order" is a consent order the DPU will be issuing in DPU 19-140, including Compliance Actions (as defined in the Consent Order) that correspond to the entirety of cases pending before the DPU. The Settling Parties further agree, upon the closing of the Transaction, that the Consent Order (and the DPU's associated Compliance Actions) addresses all outstanding pipeline safety compliance investigations, inquiries, or ongoing matters, regardless of whether subject to notices of probable violations (NOPVs) or related to the Greater Lawrence Incident, existing as of the execution date of the Settlement Agreement.

Termination of Massachusetts AGO Matters. Under the Settlement Agreement, the Settling Parties agree that, upon the closing of the Transaction, the Settlement Agreement shall constitute receipt from the AGO of an agreement, settlement, compromise, and consent: (1) to terminate with prejudice all pending actions, claims, lawsuits, investigations, or proceedings under the jurisdiction of the AGO against the Discharged Persons relating, arising out of, or in connection with, the Greater Lawrence Incident; and (2) not to commence on its own behalf any new action, claim, lawsuit, investigation or proceeding against any of the Discharged Persons relating, arising out of, or in connection with, the Greater Lawrence Incident.

Payment in Lieu of Penalties. Under the Settlement Agreement, the Settling Parties agree that, at the closing of the Transaction, NiSource will make a payment in lieu of penalties in full settlement of all of the pending and potential claims, lawsuits, investigations or proceedings settled by and released by the Settlement Agreement in the amount of $56.0 million.

Energy Relief Fund. Under the Settlement Agreement, the Settling Parties agree that the funds derived from the NiSource payment described above will be used to create an "Energy Relief Fund," comprised of two components, designated as the "Merrimack Valley Renewal Fund" and the "Arrearage Forgiveness Fund," in each case as further described in the Settlement Agreement. The Merrimack Valley Renewal Fund shall be jointly administered by the AGO and DOER. The Arrearage Forgiveness Fund shall be jointly administered by the AGO and Buyer.

***

The Settlement Agreement and the above description of the Settlement Agreement have been included to provide investors and security holders with information regarding the terms of the Settlement Agreement and are not intended to provide any other factual information about the Settling Parties or any of their

respective subsidiaries, affiliates or businesses. The representations and warranties contained in the Settlement Agreement were made only for purposes of that agreement and as of specific dates, were solely for the benefit of the parties to the Settlement Agreement, may be subject to a contractual standard of materiality different from what might be viewed as material to security holders and may be subject to limitations agreed upon by the parties, including being qualified by confidential disclosures made by the parties to each other. Investors and security holders should not rely on the representations and warranties contained in the Settlement Agreement as characterizations of the actual state of facts or condition of the Settling Parties or any of their respective subsidiaries, affiliates or businesses.

Item 8.01. Other Events.

The close of the Transaction is targeted to occur by the end of the third quarter 2020 or shortly thereafter.

Forward-Looking Statements

This Current Report on Form 8-K contains "forward-looking statements" within the meaning of federal securities laws. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. Examples of forward-looking statements in this report include, but are not limited to, statements and expectations regarding the terms of the Settlement Agreement, approval of the Settlement Agreement, the closing of the Transaction, and developments and outcomes related to legal and regulatory matters. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially. Factors that could cause actual results to differ materially from the plans discussed in this report include, among other things, the risk that the Transaction may not be completed in a timely manner or at all due to the failure to satisfy the conditions precedent to the consummation of the Transaction or otherwise; unanticipated difficulties or expenditures relating to the Transaction; compliance with the agreements entered into with the U.S. Attorney's Office for the District of Massachusetts to settle the U.S. Attorney's Office investigation relating to the Greater Lawrence Incident; potential incidents and other operating risks associated with our business; and other matters set forth in Item 1A, "Risk Factors" section of NiSource's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, NiSource's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, and in other filings with the Securities and Exchange Commission. NiSource expressly disclaims any duty to update, supplement or amend any of its forward-looking statements contained in this report, whether as a result of new information, subsequent events or otherwise, except as required by applicable law.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
10.1	Settlement Agreement, dated July 2, 2020, by and among Bay State Gas Company d/b/a Columbia Gas of Massachusetts, NiSource Inc., Eversource Gas Company of Massachusetts, Eversource Energy, the Massachusetts Attorney General's Office, the Massachusetts Department of Energy Resources the Low-Income Weatherization and Fuel Assistance Program Network
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

NISOURCE INC.

July 6, 2020

By: /s/ Carrie J. Hightman
Carrie J. Hightman
Executive Vice President and Chief Legal Officer

Exhibit 10.1

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF PUBLIC UTILITIES

Petition of Eversource Energy, NiSource Inc., Eversource Gas Company of Massachusetts and Bay State Gas Company for Approval of Purchase and Sale of Assets Pursuant to General Laws Chapter 164, § 94 and § 96	))))))	D.P.U. 20-59

SETTLEMENT AGREEMENT

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF PUBLIC UTILITIES

Petition of Eversource Energy, NiSource Inc., Eversource Gas Company of Massachusetts and Bay State Gas Company for Approval of Purchase and Sale of Assets Pursuant to General Laws Chapter 164, § 94 and § 96	)	D.P.U. 20-59

SETTLEMENT AGREEMENT

WHEREAS, this Settlement Agreement ("Settlement Agreement") is entered into by and among Bay State Gas Company d/b/a Columbia Gas of Massachusetts ("Bay State Gas"), and its holding company parent, NiSource Inc. ("NiSource"), Eversource Gas Company of Massachusetts ("EGMA")[1] and its holding company parent, Eversource Energy ("Eversource"), the Massachusetts Attorney General's Office ("AGO"), the Massachusetts Department of Energy Resources ("DOER"), and the Low-Income Weatherization and Fuel Assistance Program Network ("Network") (collectively, the "Settling Parties") with regard to the proposed sale by NiSource and Bay State Gas, and acquisition by Eversource, of the business of Bay State Gas.

WHEREAS, there is a desire by the Settling Parties to address the loss of public confidence and to resolve matters arising from the Greater Lawrence Incident.[2]

1 EGMA is a wholly owned subsidiary of Eversource incorporated in Massachusetts on May 15, 2020, pursuant to G.L. c. 164, § 1 to own and operate the business of Bay State Gas.

2 "Greater Lawrence Incident" means the events described in the Order on Scope issued by the Massachusetts Department of Public Utilities in D.P.U. 19-141, on December 23, 2019, including the fires and explosions that occurred on September 13, 2018 in Lawrence, Andover, and North Andover, Massachusetts related to the delivery of natural gas by Bay State Gas and the subsequent shut-down of the Bay State Gas affected gas delivery system by September 14, 2018; the Bay State Gas restoration and recovery efforts undertaken in response thereto from and including September 14, 2018; and the gas leak that occurred on September 27, 2019, on a main that Bay State Gas installed during such efforts as well as the Bay State Gas restoration of outages resulting from such leak.

WHEREAS, NiSource, Bay State Gas, and Eversource have agreed to a transaction, subject to the terms and conditions set forth in the Asset Purchase Agreement ("APA"), dated February 26, 2020, and submitted to the Department as Exhibit JP-SA-2, in this proceeding, involving NiSource's agreement to sell the business operated by Bay State Gas to Eversource for a purchase price of $1,100 million in cash (the "Transaction"), subject to the approval of the Massachusetts Department of Public Utilities (the "Department") under G.L. c. 164, § 96.

WHEREAS, under the APA, Eversource and NiSource have agreed to make a joint filing with the Department for approval of the Transaction within 60 days of the execution date of the APA (i.e., April 26, 2020), which was extended by mutual agreement of Eversource and NiSource to July 3, 2020, and whereas Eversource and NiSource, along with Bay State Gas and EGMA will be the "Joint Petitioners" in that docket for approval of the Transaction. In that filing, the Joint Petitioners will submit a comprehensive proposal to the Department for approval of the acquisition under G.L. c. 164, § 96, along with a multi-year rate plan for review and approval under G.L. c. 164, § 94.

WHEREAS, the Settling Parties have raised competing and disputed claims with respect to the various issues involved in the Transaction but wish to resolve only those matters specified in Article II and Article III of the Settlement Agreement on mutually agreeable terms, and without establishing any new precedent or principle applicable to any other proceedings.

WHEREAS, it is the objective of the Settling Parties to assure that Bay State Gas customers benefit from the Transaction in terms of improved safety and reliability, reduced long-term operating costs, enhanced service-quality requirements, and reduced environmental impact, and the Settling Parties have structured this Settlement Agreement to achieve such objectives.

WHEREAS, if approved by the Department, the provisions of the Settlement Agreement will take effect as of the date of Closing.[3]

NOW THEREFORE, in consideration of the exchange of promises and covenants herein contained, the legal sufficiency of which is hereby acknowledged, the Settling Parties agree, subject to approval by the Department as follows:

ARTICLE I

1.1 On July 2, 2020, the Joint Petitioners submitted a petition to the Department for approval of the proposed Transaction under G.L. c. 164, § 96, as contemplated by the APA, and under G.L. c. 164, § 94, regarding the proposed multi-year rate plan.

1.2 A copy of the Joint Petitioners' testimony and exhibits supporting the proposed Transaction is submitted to the Department as the evidentiary record in this proceeding, simultaneously with this Settlement Agreement.

ARTICLE II

Approval of Transaction Under G.L. c. 164, § 96

2.1 APPROVAL OF THE PROPOSED TRANSACTION: The Settling Parties agree that the proposed Transaction among Eversource, NiSource, Bay State Gas, and EGMA contemplated in the APA is consistent with the public interest as required by G.L. c. 164, § 96, and that further action pursuant to G.L. c. 164, § 21, is not required to consummate the Transaction.

[3] The APA defines "Closing" as the closing of the sale and transfer of the Purchased Assets from the Seller and its Affiliates to Buyer, together with the assumption of the Assumed Liabilities by Buyer (APA at Section 1.1). The date on which the Closing is actually held is referred to herein as the "Closing Date" (APA at Section 4.1).

Comprehensive Safety Assessment and Implementation Plan

2.2 COMPREHENSIVE SAFETY ASSESSMENT & IMPLEMENTATION PLAN: The Settling Parties agree that, to obtain the concessions encompassed herein relating to rate recovery, Eversource and EGMA shall conduct a Comprehensive Safety Assessment & Implementation Plan ("Safety Assessment") to thoroughly evaluate the safety and condition of the EGMA system following the Closing, subject to the docketing, review, and approval of the Department through an adjudicatory process. The Safety Assessment shall follow the template incorporated herewith as Appendix 1 to this Settlement Agreement.

2.2.1. The Settling Parties agree that the Safety Assessment will include investigation, evaluation, and review of all aspects of operation including, but not limited to: gas supply; liquefied natural gas ("LNG") and liquid propane gas ("LPG") facilities; gate stations and district regulators; pipeline-safety practices; standards and procedures; leak surveys and preventive maintenance; training and operator qualification practices; engineering and design; construction; leak management; safety management systems; integrity of maps; records and operating data; gas operations tooling and safety equipment; meters; compliance work backlog; and safety culture practices.

2.2.2. EGMA shall submit a comprehensive statement of: (i) the processes and methods used to conduct the Safety Assessment; (ii) the findings and recommended courses of action arising from the Safety Assessment; and (iii) the work plan and associated capital budget to implement the Safety Assessment, to the Department for docketing, review, and approval of the Department through an adjudicatory process, and to the public record, no later than September 1, 2021. With respect to the capital budget, the following shall apply:

2.2.2.1 The annual capital forecast shall cover non-GSEP and LNG/LPG capital investment needed to maintain the safe and reliable condition of the EGMA system over the period 2021 through 2028.

2.2.2.2 The annual capital forecast shall include expenditure targets with a limited contingency deadband (percentage) to account for reasonably expected variation from target, for the years 2021 through 2026.

2.2.2.3 In future rate reviews to incorporate capital investment into rate base under Section 2.6 of this Settlement Agreement, EGMA shall justify any variation exceeding the deadband established in Section 2.2.2.2, for the respective expenditure target. If EGMA exceeds the upper boundary of the deadband, EGMA shall have the burden to prove the necessity of the expenditures exceeding the upper boundary or risk a delay in recovery until the next rate interval. EGMA shall notify the AGO and DOER within 60 days of the end of the calendar year, in the event that the deadband will be exceeded for any reason.

2.2.3. As part of the Safety Assessment, EGMA will evaluate the EGMA Gas Safety Enhancement Program ("GSEP"), as outlined in Appendix 1 to this Settlement Agreement. However, the Settling Parties agree that EGMA shall limit GSEP replacement work to no more than 45 miles of main per year on average over the four years, 2021-2024.

2.2.3.1. EGMA further agrees that the increase in GSEP revenue requirement sought for recovery through the GSEP factors in the years 2021 through 2024 shall not exceed three percent per year on average over those four years, pursuant to the GSEP tariff provisions included in EGMA's Local Distribution Adjustment Clause ("LDAC") tariff, as in effect from time to time.

2.2.3.2. In the event that EGMA identifies, on an emergent basis, an unforeseen public-safety issue requiring additional targeted replacement in any given year to eliminate the public safety threat, EGMA shall be eligible to make the replacement and recover, subject to litigation, the cost through the applicable Gas System Enhancement Reconciliation Adjustment Factor ("GSERAF") in its annual Gas System Enhancement Reconciliation ("GREC") filing. EGMA shall provide an explanation in its initial GREC filing: (i) supporting the unforeseeable/emergent nature of the replacement; (ii) why the replacement was not included in the GSEP plan for the respective construction year; and (iii) why EGMA could not reasonably adjust the scope of work for the year in question to satisfy the limitations set forth in Sections 2.2.3 and 2.2.3.1, above. Recovery of such costs through the GSERAF shall be contingent upon EGMA's demonstration of the preceding three elements.

2.2.3.3. In the event that an unforeseen public-safety issue is identified, after each year's April 30th Department approval of the GSEP Plan, on an emergent basis and cannot be addressed within the limitations set forth in Sections 2.2.3 and 2.2.3.1, EGMA shall be authorized to perform the replacement to protect the public safety and shall notify the Department, the AGO and DOER within 30 days of completing said replacement. Recovery of cost associated with such replacement through the GSERAF shall be governed by Section 2.2.3.2 of this Agreement.

2.2.4. Progress on implementation of the Safety Assessment investigation, evaluation, review, and findings, and EGMA's plans to address any previously unidentified safety-related issues not identified in Appendix 1 to this Settlement Agreement shall be reported to the Department, the AGO, and DOER at six-month intervals through the expiration of this Settlement Agreement on October 31, 2028.

2.2.5. The Settling Parties agree that, upon approval of the Transaction, Eversource and EGMA shall be responsible for confirming or achieving compliance with all provisions of the Consent Order (discussed in Section 2.25.3 of this Settlement Agreement), to be executed between the Department's Pipeline Safety Division and Bay State Gas, as resolution of all outstanding pipeline safety enforcement and compliance action items, referenced in Section 2.25 of this Settlement Agreement. EGMA shall report on the status of such compliance action, and prioritization of any incomplete compliance items, as part of the Safety Assessment due to the Department on or before September 1, 2021.

Rate Plan

2.3 INCREASE TO LOW-INCOME DISCOUNT RATE: The current low-income discount rate for Bay State Gas customers is 25 percent of the total residential gas bill.

2.3.1 NSTAR Gas Company, in NSTAR Gas Company d/b/a Eversource Energy, D.P.U. 19-120, is proposing to increase the current low-income discount rate for NSTAR Gas customers to 30 percent of the total residential gas bill.

2.3.2 The Settling Parties agree that the low-income discount rate for Bay State Gas customers will be the same as the low-income discount rate for NSTAR customers, as approved by the Department in D.P.U. 19-120.

2.3.3 If the current low-income discount rate for Bay State Gas customers changes due to the Department's decision in D.P.U. 19-120, that change will become effective November 1, 2021.

2.4 IMPLEMENTATION OF D.P.U. 18-45 RATE SETTLEMENT: The Settling Parties agree to implement provisions set forth in D.P.U. 18-45 Rate Settlement, as modified and specified below (including Sections 2.23 and 2.24, below). The D.P.U. 18-45 Rate Settlement is provided for reference as Appendix 2 to this Settlement Agreement. The Settling Parties agree that the D.P.U. 18-45 Rate Settlement is a reference document, providing support for the Department's finding in this proceeding that authorization to recover the revenue deficiency described below in Section 2.4 will result in just and reasonable rates. In the event of any conflict between this Settlement Agreement and the D.P.U. 18-45 Rate Settlement, this Settlement Agreement shall supersede. To the extent that provisions set forth in the D.P.U. 18-45 Rate Settlement are addressed in this Settlement Agreement, directly or indirectly, it is the Settling Parties intent that the provisions of this Settlement Agreement supersede those provisions.

2.4.1 Amount of Rate Increase. Section 1.1.1 of the D.P.U. 18-45 Rate Settlement states verbatim that "in lieu of a fully litigated rate case, the Settling Parties agree to reduce the [Bay State Gas] proposed distribution rate increase of $44.5 million to $33.2 million.[4]" Footnote 4, therein, states that "[t]he proposed distribution rate increase of $33.2 million consists of the . . . agreed upon revenue deficiency ($13.4 million), as well as current GSEP and TIRF revenues ($19.8 million) that will be transferred into base rates."[4] Further, Section 1.1.4 states that the "amended incremental revenue request (i.e., revenue not associated with GSEP or TIRF) of $24.7 million shall be reduced to $13.4 million."

2.4.1.1 The Settling Parties agree that the quoted revenue deficiency figure of $13.4 million was the product of an inadvertent error in the rate schedules produced by Bay State Gas as part of the settlement process. For purposes of this Settlement Agreement, the Settling Parties agree that the correct figure for the "agreed upon revenue deficiency" is $22.6 million, including the then-pending return of Excess Deferred Income Tax ("EDIT") to customers.

4 "TIRF" refers to the "Targeted Infrastructure Reinvestment Factor," which, along with GSEP, constituted the infrastructure recovery mechanisms that were in place for Bay State Gas at the time of D.P.U. 18-45.

2.4.1.2 On December 21, 2018, the Department approved the creation of a Tax Act Credit Factor ("TACF") through the Local Distribution Adjustment Charge ("LDAC") for Bay State Gas, reducing customer rates by approximately $3.3 million to provide customers the benefit of EDIT (D.P.U. 18-15-E, at 24-25). This increased the properly calculated "agreed upon revenue deficiency" in D.P.U. 18-45 from $22.6 million to $25.9 million.

2.4.1.3 For purposes of this Settlement Agreement, the Settling Parties agree that the figure of $25.9 million shall be reduced by $2.9 million to $23 million, in consideration of the inadvertent misstatement of the revenue deficiency in Sections 1.1.1 and 1.1.4 of the D.P.U. 18-45 Rate Settlement.

2.4.2 Timing of Rate Increase. Section 1.1.2 of the D.P.U. 18-45 Rate Settlement provided that the distribution revenue increase resulting from implementation of the D.P.U. 18-45 Rate Settlement would be effective November 1, 2018. For purposes of this Settlement Agreement, the Settling Parties agree that the base revenue increase will take effect in two steps starting November 1, 2021, as follows:

2.4.2.1 On November 1, 2021, the base distribution rates of EGMA will be increased by $32.8 million. This increase in base distribution rates will be offset by two items. First, the increase will be reduced by the refund to customers of the federal income-tax savings resulting from the Tax Cuts and Jobs Act for the period January 1, 2018 through June 30, 2018, acknowledging that new rates effective July 1, 2018 incorporated the normalized level of federal income-tax expense, as required by Section 1.6.7 of the D.P.U. 18-45 Rate Settlement. Accordingly, on November 1, 2021, EGMA shall

implement a 6-month "2018 Tax Credit" through the LDAC to refund EGMA customers the amount of approximately $6.7 million on monthly customer bills for the period November 1, 2021 through April 30, 2022, including estimated interest. This balance will be returned to customers with interest at the prime rate on the monthly balance of the regulatory liability calculated starting January 1, 2018, until the amount is returned to customers through rates.

2.4.2.2 Second, as part of the change in base rates on November 1, 2021, approximately $19.8 million of revenue requirement associated with GSEP and TIRF capital projects completed through December 31, 2017, which is currently being recovered through the Bay State Gas GSEP and TIRF factors, will be transferred into base rates. Recovery through the respective GSEP and TIRF factors shall be reduced to eliminate recovery of the revenue requirement on GSEP and TIRF plant additions completed through December 31, 2017, and to allow for recovery through base rates on and after November 1, 2021. EGMA shall remain eligible to recover the revenue requirement amounts associated TIRF and GSEP plant additions completed through December 31, 2017, and earned pursuant to the applicable tariffs through October 31, 2021, through the respective TIRF and GSEP factors.

2.4.2.3 EGMA shall make a filing no later than September 17, 2021, to institute the rate change to take effect on November 1, 2021. The combined revenue change on November 1, 2021 will be approximately $6.3 million, which is comprised of a base rate increase of $32.8 million (Section 2.4.2.1) that is reduced by: (i) the 2018 Tax Credit of approximately $6.7 million (Section 2.4.2.1); and (ii) the GSEP rate to reflect the recovery of $19.8 million of GSEP investments in service through December 31, 2017, through base rates (Section 2.4.2.2).

2.4.2.4 EGMA shall make a filing no later than September 16, 2022, to institute the rate change to take effect on November 1, 2022. On November 1, 2022, the base distribution rates of EGMA will be increased by $10 million, representing the second half of the D.P.U. 18-45 Rate Settlement revenue deficiency, as adjusted by Section 2.4.1.

2.4.3 Revenue Decoupling Mechanism. On November 1, 2021, EGMA shall adjust the Benchmark Revenue Per Customer targets for the EGMA Revenue Decoupling Mechanism ("RDM") to move all customers in existence as of December 31, 2017 into the RDM and to reflect the revenue target established by Section 2.4.2.1. On November 1, 2022, EGMA shall adjust the Benchmark Revenue Per Customer targets for the EGMA RDM to reflect the revenue requirement established by Section 2.4.2.4.

2.4.4 Cost of Capital. The provisions of Section 1.5 of the D.P.U. 18-45 Rate Settlement shall apply as of January 1, 2021, establishing a return on equity of 9.70 percent; actual capital structure of 53.25 percent common equity and 46.75 percent long-term debt; cost of debt of 5.01 percent; and resulting weighted average cost of capital of 7.50 percent (9.45 percent on a pre-tax basis), for GSEP and non-GSEP ratemaking purposes.

2.4.5 Base Distribution Rate Freeze. Section 1.8.1 of the D.P.U. 18-45 Rate Settlement established that, aside from the November 1, 2018 distribution rate increase contemplated therein, Bay State Gas would not increase or redesign base distribution rates to become effective prior to March 1, 2021, starting with the effective date of the D.P.U. 18-45 Rate Settlement. Section 1.8.1 further stated that the creation of any new reconciling rate recovery factor shall be deemed a distribution rate increase, and, therefore, may not become effective before March 1, 2021, unless mandated by statute.

2.4.5.1 For purposes of this Settlement Agreement, the Settling Parties agree that the terms set forth in Sections 1.8.1 and 1.8.2 of the D.P.U. 18-45 Rate Settlement shall be renewed in this Settlement Agreement, substituting the date of "November 1, 2028" for the date of "March 1, 2021," except in relation to items specified in this Settlement Agreement, including the reinstatement of the rate increase on November 1, 2021 and November 1, 2022, and the two rate base resets provided for in Section 2.6 of this Settlement Agreement.

2.4.5.2 For purposes of this Settlement Agreement, the Settling Parties agree that the terms set forth in Sections 1.8.1 and 1.8.2 of the D.P.U. 18-45 Rate Settlement are not intended to apply to any reconciling rate recovery factor in existence as of the effective date of this Settlement Agreement. Nor will the provisions of these sections prohibit recovery of costs associated with COVID-19, as established through the Department's proceeding in D.P.U. 20-58; fee free credit/debit transactions as pending in D.P.U. 19-71, or other recovery allowed by new Massachusetts statutory provisions mandating operating expenditures.

2.4.5.3 The Settling Parties agree that EGMA shall be prohibited from filing a base-rate petition under G.L. c. 164, § 94 for rates effective prior to November 1, 2028.

2.5 RATE BASE OFFSET: In this Transaction, the balance of ADIT at Closing will not transfer with the sale of the Bay State Gas business to Eversource and EGMA. To assure that EGMA customers are not harmed by the resulting increase in base rates that would otherwise occur, the Settling Parties agree that Eversource will calculate and record a liability associated with the acquired assets and liabilities that will serve as a rate base offset ("RBO") in applicable ratemaking proceedings for a period of 20 years following Closing. The RBO, will be determined as follows:

2.5.1 Prior to Closing, NiSource will determine the portion of actual, year-end 2019 per book ADIT that is rate base related, relying on the pro forma or as-filed Bay State Gas Federal income tax return for calendar year 2019, as available.

2.5.2 For calendar 2020 activity, NiSource shall provide Eversource with the incremental rate base related ADIT activity to be added to (or subtracted from) the 2019 rate base related ADIT based on the income-tax provision that supports NiSource's books, consistent with generally accepted accounting principles. Activity for 2020 will be calculated based on actual plant investment in 2020, consistent with typical ratemaking practices (i.e., by calculating the ADIT on the book-tax timing differences).

2.5.3 Eversource shall amortize the RBO on a straight-line basis over 20 years from the date of Closing. The RBO Amortization Schedule and associated remaining balance of the RBO regulatory liability for each year of the 20-year period will be memorialized in a written schedule so that, in rate-setting processes taking place during the rate plan and beyond, EGMA's revenue requirement will be calculated by incorporating the remaining balance of the RBO regulatory liability designated in the RBO Amortization Schedule as a credit to rate base in computing the rate base for setting rates. The RBO Amortization Schedule shall follow the form shown in Appendix 3 to this Settlement Agreement and shall reflect only the balance of the RBO to be used as a deduction to rate base. The amortization of the RBO shall be recorded to Account 425 and will not be reflected in the calculation of utility operating income in any future rate proceeding, consistent with Liberty Utilities , D.P.U. 13-07 (2013) and Liberty Utilities, D.P.U. 15-75 (2015). The RBO Amortization Schedule shall apportion the RBO to distribution-related rate base, GSEP and the EGMA peaking assets listed in Appendix 4 to this Settlement Agreement and discussed in Section 2.10 of this Settlement Agreement. Eversource shall submit the RBO Amortization Schedule to the Department within 45 days of Closing.

2.5.4 To the extent that EGMA accumulates new ADIT associated with the stepped-up basis arising from the Transaction, the ADIT amount associated with the stepped-up increment would be deducted from the RBO during the rate-setting process occurring in any year of the 20-year amortization period.

2.6 RATE BASE RESETS: The Settling Parties agree that EGMA shall be eligible to reset all components of rate base in base distribution rates on two dates within the term of the Settlement Agreement, as follows:

2.6.1 November 1, 2024. On November 1, 2024, EGMA shall be eligible to reset all components of rate base in base distribution rates for capital additions completed in the period January 1, 2018 through December 31, 2023 ("First Rate Base Reset"), including depreciation expense, property taxes and return on rate base, in accordance with the following provisions:

2.6.1.1 The Settling Parties agree that Eversource shall waive the condition precedent to Closing established in Section 9.1 of the APA, and make a downward adjustment to rate base acquired as of Closing.[5] Specifically, the Settling Parties agree that the rate base at Closing to be used for ratemaking in the First Rate Base Reset shall be equal to $995 million, including all distribution rate base components. For completeness, this means that the sum of gross plant, less accumulated depreciation, less the RBO, less ADIT, less EDIT, less the plant-in-service adjustment, and net of all other appropriate additions and deductions normally included in rate base, must equal $995 million, as of the Closing date.[6]

5 Section 9.1 of the APA provides for the "MDPU Required Regulatory Approval," which is defined in Section 7.3(a) of the APA to include recognition that the applicable rate base for the Bay State Gas business of storing, distributing or transporting natural gas to residential, commercial and industrial customers in Massachusetts for ratemaking purposes following the Closing shall be the rate base as of the Closing, and that Eversource shall have the burden of showing prudence for any adjustments made to rate base after the Closing but not before the Closing.

6 As part of the rate base reset effective November 1, 2024, investments made after the date of Closing through December 31, 2023, will be additive to the rate base amount of $995 million referenced in Section 2.6.1.1.

2.6.1.2 The downward adjustment to the balance of plant in service at Closing will be applied entirely to the capital assets booked by Bay State Gas to plant-in-service as a result of the Greater Lawrence Incident. The specific plant accounts shall be adjusted in direct proportion to the capital assets booked to plant accounts relating to restoration of the system following the Greater Lawrence Incident.

2.6.1.3 Notwithstanding Section 9.1 of the APA, EGMA shall bear the burden of demonstrating prudence in relation to GSEP capital additions in 2018, 2019 and 2020, completed prior to Closing. In addition, Eversource agrees to conduct a third-party verification of rate base at Closing and EGMA shall bear the burden of any modifications to rate base arising from the third-party verification of rate base at Closing, except that any modifications relating to capital assets booked in relation to the Greater Lawrence Incident shall be considered part of the adjustment made in Section 2.6.1.1, herein.

2.6.1.4 As part of the First Rate Base Reset, the revenue requirement associated with GSEP capital projects completed through December 31, 2023, and recovered through the EGMA GSEP factor, will be transferred into base rates. Recovery through the respective GSEP factor shall be reduced to eliminate recovery of the revenue requirement on GSEP plant additions completed through December 31, 2023, and to allow for recovery through base rates on and after November 1, 2024. EGMA shall remain eligible to recover the revenue requirement amounts associated GSEP plant additions completed through December 31, 2023, and earned pursuant to the applicable tariffs through October 31, 2024, through the respective GSEP factor.

2.6.1.5 EGMA shall update sales revenues for weather normalized billing determinants for the 12-months ended December 31, 2023, for the First Rate Base Reset. Benchmark Revenue Per Customer targets under the EGMA RDM shall be updated to reflect EGMA's updated base distribution revenue inclusive of the revenue requirement for the First Rate Base Reset.

2.6.1.6 EGMA shall submit capital project documentation to the Department, the AGO, and DOER no later than May 1, 2024, for projects completed between the date of Closing and December 31, 2023. EGMA shall be responsible for demonstrating prudence of capital additions completed from the date of Closing through December 31, 2023. The capital project documentation shall be subject to a prudence review through an adjudicatory process, including evidentiary hearings.

2.6.1.7 The distribution rate increase amount associated with the First Rate Base Reset shall be assigned to each rate class by the percentage of volumetric base revenue generated from effective base rates (pursuant to this Settlement Agreement) using 2023 calendar year, normalized sales volume. The resulting allocated portion of the base revenue increase will then be added to the 2023 volumetric base revenue of each volumetric rate component to determine the target volumetric base revenue by rate component. The target volumetric base revenue by rate component will be divided by the 2023 calendar year, normalized sales volume to derive the base rates to become effective on November 1, 2024. The Settlement Agreement applies the November 1, 2024 distribution rate adjustments on a volumetric basis. There is no change to the customer charge under the Settlement Agreement; however, the peak and off-peak demand rates for commercial and industrial customers shall be adjusted to reflect the First Rate Base Reset.

2.6.1.8 EGMA shall apply a cap to the revenue requirement of the First Rate Base Reset equal to 7.0 percent of EGMA's most recent calendar year total firm delivery revenues at the time of filing, plus imputed cost of gas revenues for sales and transportation customers ("Base Rate Reset Cap"). The Base Rate Rest Cap shall exclude the revenue requirement associated with GSEP capital projects completed through December 31, 2023, already included in rates as a result of the GSEP factor and designated for transfer into base rates per Section 2.6.1.4.[7] Any portion of the aforementioned revenue requirement in excess of the 7.0 percent cap will be deferred for recovery on a reconciling basis in the following year through the LDAC. Such deferral will be allocated to each rate class for collection based on the Distribution Revenue Allocator in effect. Should the Base Rate Reset Cap be exceeded, EGMA will implement the remaining revenue requirement in the following year through a base distribution rate increase.

2.6.2 November 1, 2027. On November 1, 2027, EGMA shall be eligible to reset all components of rate base in base distribution rates for capital additions completed through December 31, 2026 (Second Rate Base Reset), including depreciation expense, property taxes and return on rate base, in accordance with the following provisions:

2.6.2.1 The rate base used for ratemaking purposes in the Second Rate Base Reset will be computed in accordance with Section 2.5 of this Settlement Agreement.

[7] Recovery of the revenue requirement associated with GSEP projects completed through December 31, 2023 is transferring from the GSEP factors into base rates as of November 1, 2024, which will result in a corresponding reduction to the GSEP revenues, consistent with Section 2.6.1.4. Therefore, on a total revenue basis, recovery of the GSEP revenue requirement is a revenue neutral event not subject to the cap.

2.6.2.2 EGMA shall submit capital project documentation to the Department, the AGO, and DOER no later than May 1, 2027, for projects completed between January 1, 2024 and December 31, 2026. Eversource shall be responsible for demonstrating prudence of capital additions completed from January 1, 2024 through December 31, 2026. The capital project documentation shall be subject to a prudence review through an adjudicatory process, including evidentiary hearings.

2.6.2.3 As part of the Second Rate Base Reset, the revenue requirement associated with GSEP capital projects completed through December 31, 2026, and recovered through the EGMA GSEP factor, will be transferred into base rates. Recovery through the respective GSEP factor shall be reduced to eliminate recovery of the revenue requirement on GSEP plant additions completed through December 31, 2026, and to allow for recovery through base rates on and after November 1, 2027. EGMA shall remain eligible to recover the revenue requirement amounts associated GSEP plant additions completed through December 31, 2026, and earned pursuant to the applicable tariffs through October 31, 2027, through the respective GSEP factor.

2.6.2.4 EGMA shall update sales revenues for weather normalized billing determinants for the 12-months ended December 31, 2026, for the Second Rate Base Reset. Benchmark Revenue Per Customer targets under the EGMA RDM shall be updated to reflect EGMA's updated base distribution revenue inclusive of the revenue requirement for the Second Rate Base Reset.

2.6.2.5 The distribution rate increase associated with the Second Rate Base Reset shall be instituted in customer rates as described for the First Rate Base Reset (Section 2.6.1.7) except that billing quantities shall be updated for calendar year 2026.

2.6.2.6 EGMA shall apply the Rate Base Reset Cap to the revenue requirement of the Second Rate Base Reset equal to 7.0 percent of EGMA's most recent calendar year total firm delivery revenues at the time of filing, plus imputed cost of gas revenues for sales and transportation customers. The Rate Base Reset Cap shall exclude the revenue requirement associated with GSEP capital projects completed through December 31, 2026 and designated for transfer into base rates per Section 2.6.2.3. Any portion of the aforementioned revenue requirement in excess of the 7.0 percent cap will be deferred for recovery on a reconciling basis in the following year through the LDAC. Such deferral will be allocated to each rate class for collection based on the Distribution Revenue Allocator in effect. Should the Base Rate Reset Cap be exceeded, EGMA will implement the remaining revenue requirement in the following year through a base distribution rate increase.

2.7 EXOGENOUS ADJUSTMENTS: The Settling Parties agree that, through October 31, 2028, distribution rates shall be subject to adjustment up or down for exogenous factors that occur after the approval of the Settlement Agreement. Eligibility for exogenous cost recovery or rate credit shall be allowed in accordance with the criteria established by the Department in Boston Gas Company, D.P.U. 96-50 (1996), unless new and/or different eligibility criteria are established by the Department in NSTAR Gas Company, D.P.U. 19-120, in which case the eligibility criteria established by the Department in D.P.U. 19-120 shall apply. The significance threshold for qualification as an exogenous factor in any calendar year covered by this Settlement Agreement shall be determined by multiplying the total operating revenues of that year by a factor of 0.001253. The AGO and DOER reserve all rights regarding disputing the substance of any such exogenous cost filings made by EGMA.

2.8 EARNINGS SHARING MECHANISM: The Settling Parties agree that EGMA shall be subject to an Earnings Sharing Mechanism during the term of this Settlement Agreement, as follows:

2.8.1 In the event that EGMA's distribution return on equity ("ROE") exceeds 230 basis points above the ROE authorized in D.P.U. 18-45, earnings above the threshold of 230 basis points shall be shared between customers and EGMA on a 75/25 basis, respectively. No sharing will occur below the authorized ROE.

2.8.2 ROE shall be computed to exclude incentive payments and amounts recorded to Account 425 pursuant to Section 2.5.3 of this Settlement Agreement, but conversely, would exclude service-quality penalties, if any, as well as any amounts recognized in the current period resulting from regulatory or court settlements or decisions related to prior periods. Any adjustment shall be subject to investigation and hearing before the Department.

Gas Resource Portfolio

2.9 GAS COST SAVINGS. The Settling Parties agree that, post-Closing, Eversource will perform a comprehensive study of the potential gas resource portfolio efficiencies and resulting gas cost savings that could arise from Eversource's management of the EGMA gas resources or integration of the gas-resource portfolios of NSTAR Gas and EGMA. EGMA will submit a report on the comprehensive study to the Department, the AGO, and DOER no later than September 1, 2021. Eversource shall take all reasonable steps to achieve gas cost savings to the benefit for EGMA customers and shall pass gas cost savings achieved directly to EGMA customers through the Cost of Gas Adjustment Clause.

2.10 TRANSFER OF EGMA PEAKING ASSETS TO HOPCO. The Settling Parties agree that, immediately following Closing, Eversource shall transfer the assets comprising the LNG and LPG assets currently owned and operated by Bay State Gas into Hopkinton LNG Corp. ("HOPCO").

2.10.1 The peaking assets shall be transferred from EGMA to HOPCO at net book value as of the date of Closing. The peaking assets subject to transfer are identified in Appendix 4 to this Settlement Agreement, which presents a draft, illustrative copy of the Gas Service Agreement, or "GSA," to be executed by EGMA and HOPCO following Closing.[8]

[8] Appendix 4 is an illustrative presentation only. The illustrative provisions of Exhibit A (Rate Schedule) of Appendix 4 to the Settlement Agreement are not agreed to by AGO and DOER and remain subject to review within the context of the Department's contract approval process.

2.10.2 Eversource shall be authorized to operate HOPCO to provide simultaneous peaking services to NSTAR Gas and EGMA, with appropriate apportionment of operating and commodity costs across all customer segments of NSTAR Gas and EGMA, except that HOPCO shall not combine capital costs incurred in relation to the peaking assets primarily serving NSTAR Gas (i.e., Hopkinton LNG and Acushnet) and primarily serving EGMA customers (i.e., assets listed in Appendix 4 to this Settlement Agreement). HOPCO shall charge such capital costs exclusively to the respective company with primary use of the peaking assets. During the term of this Settlement Agreement, HOPCO, shall not be prohibited from submitting a proposal to the Department in coordination with NSTAR Gas, EGMA or both proposing to consolidate capital costs across both systems; however, no such consolidation shall occur without prior approval of the Department.

2.10.3 Within 30 days of Closing, EGMA shall submit a long-term GSA to the Department to establish the term and conditions of service between HOPCO and EGMA, consistent with the draft, illustrative agreement included as Appendix 4 to this Settlement Agreement for docketing, review, and approval by the Department pursuant to GL c. 164 § 94A[9] and § 94B,[10] subject to an adjudicatory process. The filing to the Department shall include a method of apportionment to assign, allocate or otherwise attribute operating and commodity costs between NSTAR Gas and EGMA customers.

9 See, *NSTAR Gas Company and Hopkinton LNG Corp*., D.P.U. 14-64, at 15 (2015) (citing *Commonwealth Gas Company*, D.P.U. 94-174-A, at 27 (1996) (the Department examines whether acquisition of the resource is consistent with the public interest).

10 Any service agreement between a natural gas utility and affiliated company for a term greater than one year is subject to the Department's approval.

2.11 CONSOLIDATION OF GAS COST FACTORS: The Settling Parties agree that, at any time during the term of this Settlement Agreement that Eversource plans to petition the Department for consolidation of the Gas Cost Factors and/or other elements of the Cost of Gas Adjustment Clause ("CGAC") of NSTAR Gas and EGMA, Eversource shall make a presentation to AGO, DOER and the Network, no less than 30 days in advance of such filing to provide estimated bill impacts associated with the proposal. Eversource agrees that any proposed consolidation of the CGAC would not take effect prior to November 1, 2022. In any such filing, Eversource shall propose a method to mitigate material bill impacts, if any, for all customer segments of both NSTAR Gas and EGMA, to the extent reasonably possible without unduly burdening any particular customer segment.

Treatment of Transaction and Integration Costs

2.12 ACCOUNTING TREATMENT OF ACQUISITION-RELATED COSTS: Transaction costs will be recorded on the Eversource books, as the parent company, and not allocated or assigned to EGMA. Integration costs, such as costs incurred to transition services from NiSource Corporate Service Company to Eversource Energy Service Company; to reorganize

9 See, *NSTAR Gas Company and Hopkinton LNG Corp*., D.P.U. 14-64, at 15 (2015) (citing *Commonwealth Gas Company*, D.P.U. 94-174-A, at 27 (1996) (the Department examines whether acquisition of the resource is consistent with the public interest).

10 Any service agreement between a natural gas utility and affiliated company for a term greater than one year is subject to the Department's approval.

operations; to consolidate information systems; to identify or achieve operating cost savings, or that are otherwise incurred for the purpose of reducing operating costs of EGMA, may be recorded on the books of the parent company, or EGMA, or charged to EGMA by a service company, in a proportion appropriate to the benefit received by EGMA.

2.13 FUTURE RATEMAKING TREATMENT: Subject to Department review and approval, transaction and integration costs from the Transaction shall be eligible for recovery, amortized over a 10-year period, subject to the following terms limitations:

2.13.1 Transaction costs eligible for recovery shall exclude bankers' fees in the entirety. In the event that transaction costs, excluding bankers' fees, exceeds $5.0 million, transaction cost recovery shall be capped at $5.0 million.

2.13.2 If Eversource has achieved operating cost savings in relation to the operations of EGMA by December 31, 2026 in an amount sufficient to offset the annual amortization of all, or a portion of, transaction and integration costs incurred as a direct result of the Transaction, EGMA shall be eligible to file with the Department to make a demonstration that annual operating costs savings have been achieved as a direct result of the Transaction and that recovery of the annual amortization of all, or a portion of, the transaction and integration costs incurred in relation to the Transaction should commence. The demonstration of savings shall follow the showing of discrete savings consistent with the demonstrations provided in NSTAR Gas Company, D.P.U. 14-150 (2015) and NSTAR Electric Company and Western Massachusetts Electric Company each d/b/a Eversource Energy, D.P.U. 17-05 (2017).

2.13.3 Where annual operating savings are demonstrated to equal or exceed the annual amortization of all, or a portion of, the transaction or integration costs incurred, EGMA shall be eligible to commence recovery of the annual amortization of transaction and integration costs, but only to the extent that a corresponding reduction in rates is made to provide customers with the benefit of the savings achieved. Such recovery will occur in two parts:

2.13.2.1 EGMA shall propose to reduce base distribution rates to reflect the demonstrated level of savings approved by the Department. This reduction will be equal to the amount of annual amortization of cost sought for recovery through rates.

2.13.2.2 EGMA shall recover an amount through the LDAC representing recovery of the annual amortization of the transaction and/or integration costs offset by demonstrated operating savings. The resulting impact would be revenue neutral for EGMA.

2.13.4 At the time of the next base-rate case following the expiration of this Settlement Agreement, the operating cost savings will automatically exist within the cost of service, thereby eliminating the need for continuation of the base-rate credit. The amortization of cost recovered through the LDAC shall then be included in new base rates limited to the remainder of amortization period (i.e., up to 10 years in total).

2.13.5 If, at the time that EGMA petitions the Department to make a demonstration of savings and initiate recovery of costs under Section 2.13.2, the savings achieved are insufficient to offset fully the annual amortization of the actual transaction and integration costs incurred, the EGMA shall be eligible to recover only the amount of annual amortization that is offset by annual operating savings at that time. EGMA shall remain eligible to make the requisite showing of operating cost savings in the base-rate case following the expiration of this Settlement Agreement, and to recover the remainder of actual transaction and integration costs incurred, but not included in the initial recovery authorized under Section 2.13.2, on a 10-year amortization schedule.

Reporting of Post-Closing Operations

2.14 TRANSACTION COSTS: Actual transaction costs, by account, shall be reported to the Department in a compliance filing made within ninety (90) days of the Closing.

2.15 INTEGRATION COSTS: Actual integration costs, by account, shall be reported to the Department in a compliance filing made within sixty (60) days following the end of each calendar year through December 31, 2026.

2.16 NOTICE OF FACILITY CLOSINGS OR LAYOFFS: In the event of a facility closing or layoff of employees by EGMA during the first three years of the Settlement Agreement, EGMA will provide 30 days' advance notice of such action to the AGO and DOER. Nothing in this Settlement Agreement shall be interpreted to abridge any collective bargaining rights regarding reductions to work force.

Service Quality & Pipeline Safety

2.17 NEW SERVICE QUALITY METRICS: EGMA shall institute, track and report on service quality metrics approved by the Department for NSTAR Gas Company in NSTAR Gas Company d/b/a Eversource Energy, D.P.U. 19-120, as long as necessary data is readily available. Appendix 5 to this Settlement Agreement lists the service-quality metrics that shall apply to EGMA, if approved by the Department in D.P.U. 19-120.

2.17.1 EGMA shall develop a performance metric for leakage to be applied coincident with the capital upgrades made over the workplan period, 2021 through 2028. EGMA shall submit the proposed metric to the Department for no later than March 1, 2021, for docketing, review, and approval, subject to an adjudicatory process.

2.17.2 EGMA shall submit the new service-quality metrics, baselines and performance benchmarks referenced in Sections 2.17.1 and 2.17.2 to the Department as an addendum to the Annual Service Quality Report due to the Department on March 1, 2021, for informational purposes.

2.18 EGMA PIPELINE SAFETY COMPLIANCE. The Settling Parties agree that, in the event that the Department's Pipeline Safety Division ("Division") issues a notice of probable violation ("NOPV") in relation to work performed, or work processes employed, on the EGMA system following Closing, EGMA will present information to the Department as to whether the probable violation in question is a "pre-existing condition," meaning that the probable violation: (i) pertains to work performed, or work processes employed, prior to the date of Closing; and (ii) is not the product of any work performed or work practices undertaken by, or for, EGMA since the date of Closing. However, all other compliance aspects of the NOPV shall apply to EGMA, including, but not limited to, EGMA addressing all non-compliance issues.

Clean Energy Initiatives

2.19 Clean Energy Business Case Analysis. The Settling Parties agree that EGMA and NSTAR Gas (together, "Eversource Gas") shall prepare and submit a business case analysis of potential decarbonization strategies that could be implemented in relation to the reduction of GHG emissions associated with the sale and distribution of natural gas consistent with Massachusetts law. Eversource shall submit its business case analysis to the Department for review and comment by all stakeholders no later than September 1, 2021. The business case analysis shall be prepared by an independent consulting firm. Eversource shall be responsible for all costs and expenses associated with retaining the independent consulting firm, up to the amount of $500,000. Appendix 6 to this Settlement Agreement sets forth the agreement of the Settling Parties on the parameters of the business case analysis.

2.20 Energy Efficiency. EGMA shall commit to the savings goals, budgets, and Term Sheet commitments applicable to Bay State Gas in the 2019-2021 Three-Year Energy Efficiency Plan. EGMA shall maintain Bay State Gas commitments approved in D.P.U. 18-110 on energy efficiency in the Merrimack Valley. EGMA shall extend the enhanced special offer for the City of Lawrence through December 31, 2021.[11] EGMA shall commit to maintaining monthly reporting to the Energy Efficiency Advisory Council ("EEAC"), enhanced landlord outreach, partnerships with local organizations, and shall arrange for and provide Spanish speaking outreach and marketing, including establishment of a Spanish-only customer service line. The costs associated with this commitment shall be recovered through the energy efficiency program budget. EGMA shall also maintain Bay State Gas commitments to its municipal partners established in 2020.[12]

11 See, DPU Letter Order, D.P.U. 18-110 (April 10, 2020), approving extension through December 31, 2020.
12 See, Statewide Plan, Exh. 1 (D.P.U. 18-110 through 18-119), at 35-36; See, also, CMA Plan Year Report, Appendix 6, at 11 (D.P.U. 20-50).

2.21 Heat Pump Incentive Program. EGMA shall commit, for the term of this Settlement Agreement, to terminate plans for development of the "Northampton Lateral" project.[13] In the municipalities affected by the moratorium, as a condition of settlement, EGMA agrees to allocate to DOER $500,000, on a schedule and in a manner to be directed by DOER, for outreach and enhanced electrification (i.e., heat pumps) incentives for customers. No portion of the $500,000, for this heat pump incentive program, shall be recovered through EGMA's energy efficiency program, or included, directly or indirectly, in establishing EGMA's regulated cost of service, nor will be otherwise recovered by EGMA through customer rates. Upon closing, EGMA shall establish an interest-bearing money market account for this purpose. DOER will consult with, to the extent necessary, the electric distribution companies serving these customers and the Network. EGMA agrees to support this effort as necessary.

2.22 Gas Demand Response Program: EGMA shall initiate a gas demand response program that includes up to 2,000 residential and small-commercial wi-fi thermostats for a term of three years, starting November 1, 2021. Eversource shall also initiate a gas demand response program that includes up to 10 medium/large commercial customers, starting November 1, 2021. For residential customers, the program shall utilize Eversource's

13 Bay State Gas, 2017/2018 – 2021/2022 Forecast and Supply Plan, D.P.U. 17-166, at 105 (2017).

existing residential demand response management system (DRMS) and shall leverage the DRMS vendor's relationships with major thermostat manufacturers to enroll customers into the program. The program will temporarily reduce gas usage from residential and small commercial customers by changing setpoints on wi-fi thermostats that are connected to natural gas fired furnaces or boilers. EGMA shall follow a process that includes: (i) a program plan reviewed by the EEAC; (ii) quarterly reporting to the EEAC; and (iii) coordination of evaluation of program through the energy efficiency EMV framework. As a condition of settlement, EGMA shall expend up to $1.0 million for this gas demand response program, inclusive of all program and evaluation costs for both the residential and commercial programs. No portion of the $1.0 million, for this gas demand response program, shall be recovered through EGMA's energy efficiency program, or included, directly or indirectly, in establishing EGMA's regulated cost of service, nor will be otherwise recovered by EGMA through customer rates, unless there is agreement by the AGO and DOER to allow EGMA to seek recovery of part or all of the cost through the energy efficiency budget to expand the impact of EGMA's required contribution.

2.23 Seasonal Savings Program. In accordance with Section 1.14.1 of the D.P.U. 18-45 Rate Settlement, Bay State Gas has already implemented a seasonal savings program within its 2019-2021 Three-Year Energy Efficiency Plan to be implemented by the 2020-2021 heating season. The savings program utilizes Nest thermostats (or other comparable technology) and allows any residential customer with the Nest thermostat (or other comparable technology) to opt-in for participation in the seasonal savings program to reduce gas usage and increase winter gas savings. As a commitment of this settlement, EGMA shall make a good faith effort to increase customer enrollment in the seasonal programs using marketing and advertising. EGMA shall report participation and savings to DOER following each heating season to the extent that such data is available from the vendor.

2.24 EGMA Heat Pump Pilot. To fulfill the requirements of Section 1.14.2 of the D.P.U. 18-45 Rate Settlement, EGMA shall spend $250,000 in 2021 as an incremental incentive for supplemental high efficiency air-source heat pumps for residential gas heating consumers in EGMA's service territory, as determined in consultation with DOER. EGMA shall coordinate with the Mass Save® electric Program Administrators to offer incremental incentives to the existing $250/ton incentive for gas heating customers that install air-source heat pumps to pilot an offer for expanded incentive for customers to use those heat pumps for heating to offset gas usage in the winter and shoulder seasons. This incentive shall be in addition to any existing or planned program offered through the Bay State Gas's 2019-2021 Three-Year Energy Efficiency Plan. No portion of the $250,000, for such incremental heat pumps, shall be recovered through EGMA's energy efficiency program, or included, directly or indirectly, in establishing EGMA's regulated cost of service, nor will be otherwise recovered by EGMA through customer rates. EGMA shall provide DOER quarterly status updates and an annual written report for the calendar year 2021 on or before July 1st of the following year, which shall include savings, benefits, the expenditures made by EGMA, and the number of customers participating.

Termination of Pending Legal Matters and Establishment of the Energy Relief Fund

2.25 Termination of DPU Regulatory Matters. The Settling Parties agree that the terms of this Settlement Agreement achieve the "MDPU Required Resolution" applicable under the APA.[14]

2.25.1 Bay State Gas takes responsibility for the Greater Lawrence Incident and does not contest facts in the record sufficient to support the Department's investigations into pipeline safety and emergency response in D.P.U. 19-140 and D.P.U. 19-141, respectively. If adjudicated, Bay State Gas could be subject to the payment of penalties potentially up to the maximum allowed by law. The Settling Parties agree that customer interests are served by the acceptance of responsibility by Bay State Gas and that customers and the Commonwealth of Massachusetts will benefit from the payment to be made pursuant to Section 2.27; the creation of the Energy Relief Fund pursuant to Section 2.28; and, avoidance of protracted and complex litigation of the issues involved in D.P.U. 19-140 and D.P.U. 19-141.

2.25.2 The Settling Parties agree that, upon the date of Closing: (i) all pending actions, claims, investigations, lawsuits and proceedings against NiSource, Bay State Gas and their affiliates, and all of the respective directors, officers, employees, agents and representatives of NiSource, and Bay State Gas and their affiliates (such entities and individuals, collectively referred

14 The *MDPU Required Resolution,"* is defined in the APA to mean the final resolution or termination of all pending actions, claims and investigations, lawsuits or other legal or administrative proceedings against Bay State Gas and its affiliates under the jurisdiction of the Department and all future actions, claims and investigations, lawsuits or other legal or administrative proceedings against Bay State Gas and its affiliates relating to the Greater Lawrence Incident under the jurisdiction of the Department, each as determined by NiSource in its reasonable discretion (APA at Section 10.1).

to as the "Discharged Persons"), under the Department's jurisdiction, shall be considered settled, resolved, and terminated; and (ii) all future actions, claims, investigations, lawsuits and proceedings, whether known or unknown, against the Discharged Persons, in each case, relating to, arising out of, or in connection with the Greater Lawrence Incident, under the jurisdiction of the Department shall be considered settled, resolved, and terminated. This includes D.P.U. 19-140[15] and D.P.U. 19-141,[16] as well as any other regulatory matters that could have raised by the Department relating to, arising out of, or in connection with the Greater Lawrence Incident.

2.25.3 The Settling Parties agree that, upon the date of Closing, all pending actions, claims, investigations, lawsuits, and proceedings against the Discharged Persons, which are the subject of the Consent Order[17,18] shall be settled, resolved, and terminated. The Settling Parties further agree, upon the date

15 In D.P.U. 19-140, the Department is investigating possible violations of pipeline safety regulations in relation to the Greater Lawrence Incident, but also other unrelated potential violations of pipeline safety regulations. Under M.G.L. c. 164, § 105A and the Department's regulations at 220 C.M.R. 69.09, the Department is authorized to investigate potential violations of federal pipeline safety regulations and to assess a civil penalty of up to $218,647 for a violation of those regulations. A separate violation occurs for each day of violation up to $2.2 million for a related series of violations. The penalty amount is set by 49 U.S.C. § 60122, as amended from time to time.

16 In D.P.U. 19-141, the Department is investigating the Bay State Gas emergency response following the September 2018 incident in the Merrimack Valley, as well as the Bay State Gas response to the Grade 1 leak that occurred on September 27, 2019. Under M.G.L. c. 164, § 1J, the Department may assess penalties for violations of emergency response regulations and guidelines in the amount of $250,000 for each violation for each day that the violation of the Department's standards persists up to a maximum of $20.0 million for any "related series of violations."

17 As part of the APA, all outstanding pipeline safety compliance investigations, inquiries, or ongoing matters at the Department regardless of whether subject to Notices of Probable Violation or related to the Greater Lawrence Incident shall be terminated for Bay State Gas and its affiliates.

18 In D.P.U. 19-140, the Department will be issuing a Consent Order, including Compliance Actions. These Compliance Actions correspond to the entirety of cases pending before the Department.

of Closing, that the Consent Order (and the Department's associated Compliance Actions) addresses all outstanding pipeline safety compliance investigations, inquiries, or ongoing matters, regardless of whether subject to NOPVs or related to the Greater Lawrence Incident, existing as of the execution date of the Settlement Agreement.

2.26 Termination of AGO Matters. The Settling Parties agree that, upon the date of Closing, this Settlement Agreement shall constitute receipt from the AGO of an agreement, settlement, compromise, and consent: (i) to terminate with prejudice all pending actions, claims, lawsuits, investigations, or proceedings under the jurisdiction of the AGO against the Discharged Persons relating, arising out of, or in connection with, the Greater Lawrence Incident; and (ii) not to commence on its own behalf any new action, claim, lawsuit, investigation or proceeding against any of the Discharged Persons relating, arising out of, or in connection with, the Greater Lawrence Incident.[19]

2.27 Payment in Lieu of Penalties. The Settling Parties agree that, at Closing, NiSource will make a payment in lieu of penalties in full settlement of all of the pending and potential claims, lawsuits, investigations, or proceedings settled by and released by this Settlement Agreement, including, without limitation, all pending matters referenced in Sections 2.25.2 and 2.25.3, and Section 2.26 of this Settlement Agreement in the amount of $56.0 million.

19 On February 4, 2020, the AGO issued a Civil Investigative Demand ("CID") to NiSource and Bay State Gas pursuant to G.L. 93A, § 6. Under the CID, the AGO is investigating potential violations of the Massachusetts consumer protection statute (Chapter 93A, § 2), and the accompanying regulations. Under Chapter 93A, the court may issue an injunction and award actual damages based on the AGO's findings. If the defendant "knew or should have known" that its conduct would violate G.L. c. 93A, the court may award a penalty of not more than $5,000 for each violation plus reasonable costs. G.L. 93A, § 4.

2.28 Energy Relief Fund. The Settling Parties agree that the funds derived from the NiSource payment described in Section 2.27 of this Settlement Agreement will be used to create an "Energy Relief Fund," comprised of two components, designated as the "Merrimack Valley Renewal Fund" (further described in Section 2.28.3, below) and the "Arrearage Forgiveness Fund" (further described in Section 2.28.4, below). The Merrimack Valley Renewal Fund shall be jointly administered by the AGO and DOER. The Arrearage Forgiveness Fund shall be jointly administered by the AGO and Eversource. Eversource shall withhold NiSource's payment in lieu of penalties from the Closing payment and such payment shall be in the amount of $56.0 million.

2.28.1 Eversource shall establish an interest-bearing money market account to hold the Energy Relief Funds and shall assume the obligation of disbursing the Energy Relief Funds, including any interest earned, to programs and customers designated by the AGO and DOER in accordance with the purposes, amounts, manner and details identified below in Sections 2.28.3 and 2.28.4, and in the Memorandum of Understanding described in Section 2.28.6. The Energy Relief Funds will be apportioned as follows: (1) the Merrimack Valley Renewal Fund shall receive at least $41.0 Million; and (2) the Arrearage Forgiveness Fund shall receive up to $15.0 Million.

2.28.2 Eversource shall assume the obligation of accounting for the Energy Relief Funds disbursed to AGO and/or DOER for non-arrearage initiatives identified in Section 2.28.3 of this Settlement Agreement, in quarterly reports to the Department, until the Energy Relief Funds are exhausted from the account. The AGO and DOER shall provide annual reports to the Department regarding the purpose, amount, and manner of disbursement of the Energy Relief Funds, in accordance with Sections 2.28.3, 2.28.4, and 2.28.6, of this Settlement Agreement.

2.28.3 The Merrimack Valley Renewal Fund shall be directed toward energy efficiency and clean energy measures for the benefit of residents, businesses, and municipal governments within the City of Lawrence, the Town of Andover, and the Town of North Andover. Program initiatives shall be designed and administered by the AGO and DOER, utilizing existing state programs;[20] competitive requests for proposals; and, directed grants. The Energy Relief Funds associated with the Merrimack Valley Renewal Fund shall be distributed, as follows:

20 Existing state programs includes the low-income energy efficiency programs administered by the Network.

Initiative	Description	Allocation of Funds
Municipal Clean or Efficient Energy	Grants for energy efficiency and clean energy projects within municipal government operations in Lawrence, Andover, and North Andover.	$6.0 million
Geothermal Microgrid Project	Competitive grant for development of a geothermal district in Lawrence, Andover, or North Andover.	$4.0 million
Removing Energy Efficiency Barriers and Increased Access to Efficient and Clean Energy for Low and Moderate Income Residential and Multi-Unit Housing	Design and implementation of a new program that will include, at a minimum, incentives for housing upgrades and barrier mitigation to enable energy efficiency, incremental energy efficiency measures, and electrification. This program will include requirements for partnerships with local organizations, and innovative strategies to serve renters and landlords through direct technical assistance and project support.	$21.0 million
Energy Efficiency and Heat Pumps for Market Rate Residential Housing	Incentives for insulation and electrification not covered through Mass Save® programs.	$3.5 million
Public Affordable Housing Energy Efficiency	Grants to support expansion of energy efficiency and electrification projects at public housing in coordination with Department of Housing and Community Development.	$3.0 million
Private Affordable Housing Energy Efficiency	Design and implementation of grants for comprehensive audits, planning, and implementation of energy efficiency and clean energy.	$1.5 million
Small Business Energy Efficiency and Heat Pumps	Design and implementation of a program that serves small business customers through dedicated technical assistance and project support, and incentives for weatherization, insulation, and electrification. This program will include requirements to partner with local organizations.	$2.0 million

Any Energy Relief Funds allocated to a designated initiative but not disbursed by January 1, 2026, shall be reallocated to the initiative designated as “Removing Energy Efficiency Barriers and Increased Access to Efficient and Clean Energy for Low and Moderate Income Residential and Multi-Unit Housing.” The funding amount allocated to the Municipal Clean or Efficient Energy Initiative shall be divided among the recipient communities as follows: 50 percent to the City of Lawrence; 25 percent to the Town of Andover; and 25 percent to the Town of North Andover.

2.28.4 The Arrearage Forgiveness Fund shall benefit all R2 and R4 customers taking service from EGMA within the municipalities comprising the three Bay State Gas service areas of Springfield, Brockton and Greater Lawrence. By the close of the 2020 November billing cycles, EGMA will issue credits from the Arrearage Forgiveness Fund to residential low-income customers in the amount equal to the customer's respective arrearage balance on June 30, 2020 ("June 30 Forgiveness Credit"). All credits will be issued by the completion of all November billing cycles. Specifically, EGMA shall apply the June 30 Forgiveness Credit to the customer accounts of all EGMA R2 and R4 customers having an outstanding balance for natural gas service as of June 30, 2020 and that remain active on the same account through when the credit is issued.[21]

2.28.5 EGMA shall file a report with the Department, the AGO and DOER no later than January 1, 2021, detailing the disposition of the Arrearage Forgiveness Fund. This report shall detail the number of customers that received the June 30 Forgiveness Credit; the total amount of funds expended; and, the average credit amount paid. This report shall also provide the total outstanding arrearages for EGMA R2 and R4 customers following the distribution of the Arrearage Forgiveness Fund.

21 After the issuance of all June 30 Forgiveness Credits, any interest accumulated and/or unallocated funds in the Arrearage Management Fund shall be transferred to the Merrimack Valley Renewal Fund, for program funding to be determined by the AGO and DOER, and the Arrearage Management Fund shall be terminated.

2.28.6 The AGO and DOER shall provide a detailed Memorandum of Understanding for the details of the disbursement of the Merrimack Valley Renewal Fund to the Department within seven business days of the Department's approval of this Settlement Agreement. AGO and DOER shall consult with relevant parties and stakeholders during the development of Memorandum of Understanding, including, but not limited to, the City of Lawrence, the Town of Andover, the Town of North Andover, the Network, local community organizations,[22] and the EEAC. In development of the "Removing Energy Efficiency Barriers and Increased Access to Efficient and Clean Energy for Low and Moderate Income Residential and Multi-Unit Housing," the AGO and DOER will work toward establishing equitable usage of funds between low- and moderate-income customers. On August 1, 2021, the AGO and DOER shall provide a report to the Department regarding the status of Merrimack Valley Renewal Fund initiatives. Thereafter, the AGO and DOER shall file annual updates on the Merrimack Valley Renewal Fund initiative spending plans and results, including an accounting of program spending and benefits, measures implemented, number of participants, and local staffing and training. The first such annual report shall be filed on March 1, 2022.

22 Local Community Organizations may include, but may not be limited to: ABCD; ACT Lawrence; All In Energy; E for All; Greater Lawrence Community Action Council; Groundwork Lawrence; Lawrence, Andover, and North Andover Inter-faith Team; Lawrence Community Works Development; Lawrence Partnership; LISC Boston; Merrimack Valley Chamber of Commerce; Merrimack Valley Housing Partnership; Merrimack Valley Planning Commission; NACA Lawrence; and Pueblo Verde.

ARTICLE III: ADDITIONAL CONDITIONS

3.1 The making of this Settlement Agreement establishes no principles and shall not be deemed to foreclose any party from making any contention in any future proceeding or investigation, except as to those issues and proceedings set forth in Sections 2.25.2, 2.25.3 and Section 2.26 in this Settlement Agreement.

3.2 This Settlement Agreement shall not be deemed in any respect to constitute an admission by any party that any allegation or contention in this proceeding, or any facts relating to any other pending proceeding cited in this document, are true or false.

3.3 Except as specified in this Settlement Agreement to accomplish the customer benefits intended by this Settlement Agreement, the entry of an order by the Department approving the Settlement Agreement shall not in any respect constitute a determination by the Department as to the merits of any other issue raised in this proceeding or any proceeding cited in this document.

3.4 This Settlement Agreement is the product of settlement negotiations. The Settling Parties agree that the content of those negotiations (including any workpapers or documents produced in connection with the negotiations) are confidential to the extent permissible under the Massachusetts Public Records Law, G.L. c. 66, § 10 and G.L. c. 4, § 7, cl. twenty-sixth, that all offers of settlement are without prejudice to the position of any party or participant presenting such offer or participating in such discussion, and, except to enforce rights related to this Settlement Agreement or defend against claims made under this Settlement Agreement, that they will not use the content of those negotiations in any manner in these or other proceedings involving one or more of the parties to this Settlement Agreement, or otherwise.

3.5 The Settling Parties intend that customers receive the full value of the settled issues, and not some substitute regulatory treatment of lesser value either now or in the future, and the Settling Parties agree that no terms of this Settlement Agreement or supporting workpapers, calculations, or proposed tariffs will be used or interpreted to diminish, in any way, the intended customer benefit related to this Settlement Agreement.

3.6 This Settlement Agreement and the Settlement Appendices referred to herein comprise the entire understanding of the Settling Parties with respect to the subject matter hereof and supersede all other prior representations, warranties, agreements, understandings or letters of intent between or among any of the Settling Parties regarding the subject matter hereof. This Settlement Agreement shall not be amended, modified or supplemented except by a written instrument signed by an authorized representative of each of the Settling Parties.

3.7 This Settlement Agreement shall be binding upon and inure to the benefit of the Settling Parties and their respective successors and permitted assigns. No party to this Settlement Agreement may assign its rights or delegate its obligations under this Settlement Agreement without the prior express written consent of the other parties to this Settlement Agreement. Nothing in this Settlement Agreement, express or implied, is intended to or shall confer upon any person or entity other than the Settling Parties, the Discharged Parties and their respective successors, assigns, heirs and estates any legal or equitable right, benefit or remedy of any nature under or by reason of this Settlement Agreement.

3.8 The provisions of this Settlement Agreement are not severable. This Settlement Agreement is conditioned on its approval in full by the Department no later than September 30, 2020 ("Requested Approval Date"), and any supporting information or evidence provided to the Department during any proceeding to investigate this settlement shall not interpreted to vary the express terms of this Settlement Agreement. Notwithstanding any of the foregoing provisions, the Attorney General may, in her sole discretion, or DOER may, in its sole discretion, rescind the Settlement Agreement in its entirety prior to the Department's issuance of an order approving the Settlement Agreement; provided that notice of such rescission must be filed, or submitted electronically, in writing with the Department. The Settling Parties agree that the Requested Approval Date of this Settlement Agreement may be extended upon the mutual consent of the Settling Parties and notification of such extension to the Department.

3.9 If the Department does not approve this Settlement Agreement in its entirety by the Requested Approval Date, or if, for any reason, the Closing does not take place, this Settlement Agreement shall be null and void, even if already approved by the Department, and this Settlement Agreement and filed supporting documents shall be deemed to be withdrawn and shall not constitute a part of the record in any proceeding or used for any other purpose.

3.10 To the extent permitted by law, the Department shall have its usual jurisdiction to implement the terms of this Settlement Agreement. Nothing in this Settlement Agreement, however, shall be construed to prevent or delay the AGO from pursuing any cause of action related to this Settlement Agreement in court under G.L. c. 93A or otherwise under law or regulation.

3.11 Under no circumstances shall: (i) any charge under this Settlement Agreement or tariffs promulgated hereunder recover costs that are collected by Eversource or EGMA more than once, or through some other rate, charge or tariff; or (ii) any charge recover costs more than once in any other rate, charge or tariff collected by Eversource or EGMA, it being acknowledged by the Settling Parties that such collection(s), unless fully refunded with interest, as soon as reasonably possible, shall constitute a breach of this Settlement Agreement when discovered and generally known and be deemed to violate the involved tariffs.

3.12 The terms of this Settlement Agreement shall be governed by Massachusetts law and not the law of another state jurisdiction. This Settlement Agreement shall be effective upon approval by the Department, regardless of any pending appeals or motions for reconsideration, clarification or recalculation.

3.13 Any number of counterparts of this Settlement Agreement may be executed, and each shall have the same force and effect as an original instrument, and as if all the parties to all the counterparts had signed the same instrument.

The signatories listed below represent that they are authorized on behalf of their principals to enter into this Settlement Agreement.

MAURA HEALEY,
COMMONWEALTH OF MASSACHUSETTS
ATTORNEY GENERAL

By: Rebecca L. Tepper
Chief, Office of Ratepayer Advocacy
Office of the Attorney General
One Ashburton Place
Boston, MA 02108-1598
Tel: 617-727-2200

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF ENERGY RESOURCES

By: Robert H. Hoaglund II
General Counsel
Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114
Tel: 617-626-7318

NISOURCE INC.

By: Donald E. Brown
Executive Vice President,
Chief Financial Officer
801 E. 86th Avenue
Merrillville, IN 46410

EVERSOURCE ENERGY

By: John M. Moreira
Senior Vice President & Treasurer
Eversource Energy
800 Boylston Street
Boston, MA 02109

BAY STATE GAS COMPANY D/B/A
COLUMBIA GAS OF MASSACHUSETTS

By: Carrie J. Hightman
Chief Executive Officer
4 Technology Drive
Westborough, MA 01581

EVERSOURCE GAS COMPANY
OF MASSACHUSETTS

By: William J. Akley
President
800 Boylston Street
Boston, MA 02109

Dated: July 2, 2020

FORM 8-K

MAY 26, 2020

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

FORM 8-K

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

Date of Report (Date of earliest event reported): May 26, 2020

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware	001-16189	35-2108964
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, Indiana	46410
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 7.01. Regulation FD Disclosure.

On May 26, 2020, NiSource Inc. posted a presentation on its website to provide additional information regarding its activities related to responding to the novel coronavirus (COVID-19) pandemic and related information. A copy of that presentation is furnished as an exhibit to this report.

The information furnished in this Item 7.01 (including Exhibit 99.1) shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and is not incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
99.1	NiSource Inc. Presentation dated May 26, 2020
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

.

SIGNATURES

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

NISOURCE INC.

May 26, 2020

By: /s/ Donald E. Brown
Donald E. Brown
Executive Vice President and Chief Financial Officer

COVID-19 Supplemental Investor Update

May 26, 2020

NiSource®

Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of federal securities laws. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. Examples of forward-looking statements in this presentation include, but are not limited to, statements and expectations regarding NiSource's or any of its subsidiaries' plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

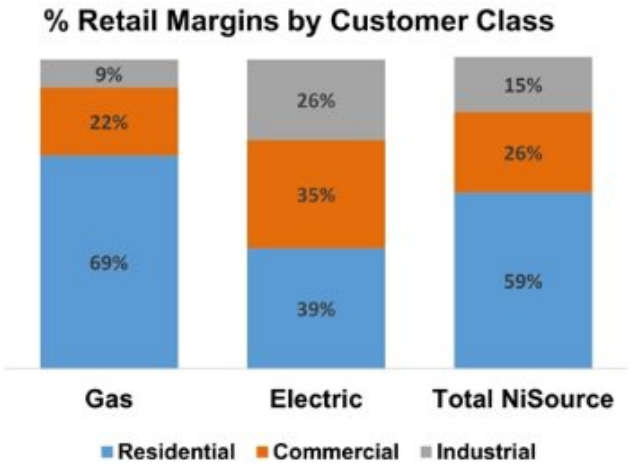
Factors that could cause actual results to differ materially from the projections, forecasts, estimates, and expectations discussed in this presentation include, among other things the ongoing impact of the coronavirus (COVID-19) pandemic; NiSource's debt obligations; any changes in NiSource's credit rating or the credit rating of certain of NiSource's subsidiaries; NiSource's ability to execute its growth strategy; changes in general economic, capital and commodity market conditions; pension funding obligations; economic regulation and the impact of regulatory rate reviews; NiSource's ability to obtain expected financial or regulatory outcomes; NiSource's ability to adapt to, and manage costs related to, advances in technology; any changes in NiSource's assumptions regarding the financial implications of the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney's Office for the District of Massachusetts to settle the U.S. Attorney's Office investigation relating to the Greater Lawrence Incident; the pending sale of the Columbia Gas of Massachusetts business, including the terms and closing conditions under the asset purchase agreement; potential incidents and other operating risks associated with NiSource's business; NiSource's ability to obtain sufficient insurance coverage; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; any damage to NiSource's reputation, including in connection with the Greater Lawrence Incident; compliance with environmental laws and the costs of associated liabilities; fluctuations in demand from residential and commercial customers; economic conditions of certain industries; the success of NIPSCO's electric generation strategy; the price of energy commodities and related transportation costs; the reliability of customers and suppliers to fulfill their payment and contractual obligations; potential impairments of goodwill or definite-lived intangible assets; changes in taxation and accounting principles; the impact of an aging infrastructure; the impact of climate change; potential cyber-attacks; construction risks and natural gas costs and supply risks; extreme weather conditions; the attraction and retention of a qualified work force; the ability of NiSource's subsidiaries to generate cash; NiSource's ability to manage new initiatives and organizational changes; the performance of third-party suppliers and service providers; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; and other matters set forth in Item 1A, "Risk Factors" section of NiSource's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and in NiSource's Quarterly Report on Form 10Q for the quarter ended March 31, 2020. A credit rating is not a recommendation to buy, sell or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization. In addition, dividends are subject to board approval. All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements.

NiSource expressly disclaims any duty to update, supplement or amend any of its forward-looking statements contained in this presentation, whether as a result of new information, subsequent events or otherwise, except as required by applicable law.

Primary Focus on Customer and Employee Safety and Health

- **Following CDC and local guidelines intended to ensure the health and safety of our employees and customers**
- **Activated Incident Command Structure to coordinate strategy, execution and communication across all seven states**
- **For Customers**
  - Suspended shut-offs for non-payment and are offering flexible payment plans
  - Directed field employees to follow CDC and local health department guidance including social distancing at any customer premises and minimized all non-essential field work that requires entry to customer homes and locations
  - On-going and frequent communications
- **For Communities**
  - NiSource foundation donation of $1M to American Red Cross
  - Nearly $500K donated by the foundation to support operating company initiatives at the local level
- **For Employees**
  - Approximately 75% are working remotely or reporting directly to job sites
  - Sequestering employees in critical operations
  - Employees who need to enter company facilities are required to submit to temperature checks, adhere to social distancing measures and wear face masks
  - More frequent cleaning and sanitizing of equipment and buildings
  - Generally limiting company vehicle occupancy to one person

Rate Design and Recovery Mechanisms/Trackers Help Mitigate Impacts



Initial pre-tax operating earnings sensitivity to +/- 1% change in annual sales volumes* ($M)		
Customer Class	Electric	Gas
Residential	$ 3.9	$ 3.8
Commercial	$ 3.9	$ 2.4
Industrial	$ 2.3	$ 1.2

Expected Customer Demand (During State Shutdowns)

- Lower commercial and industrial sales
- Increased residential sales

Rate Design

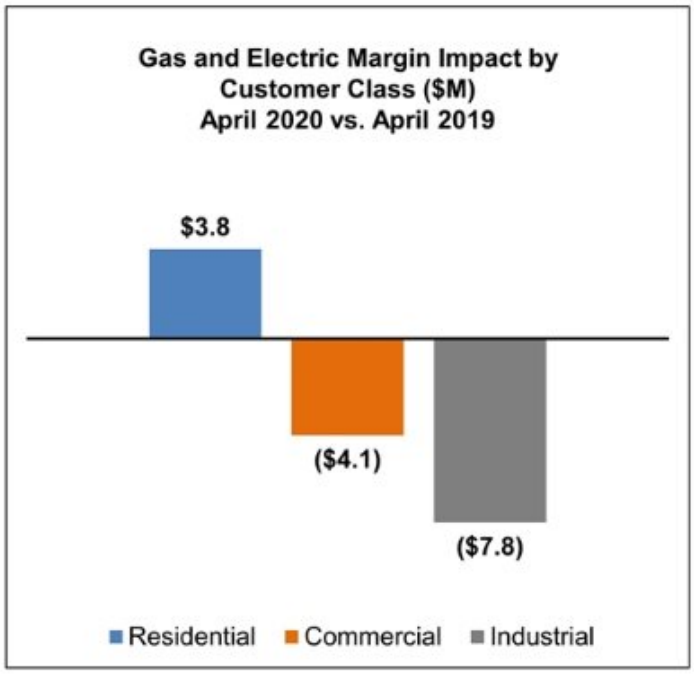
- Gas Segment
  - Residential ~75% Fixed
  - Commercial ~45% Fixed
- Electric Segment
  - Residential ~20% Fixed
  - Commercial ~25% Fixed
  - Small Industrial ~55% Fixed (demand charge ratcheting)
  - Large Industrial ~50% Fixed (5 year fixed demand charge)

Bad Debt

- Expect higher expense
- Bad debt primarily recovered in base rates; additional mechanisms exist in several states on gas/fuel recovery
- Recent orders in MD, VA and PA allow for deferral of COVID-related expenses and bad debt. Request on file with IN IURC for deferral of expenses and creation of bad debt tracker

* Sensitivity may not be linear for large or prolonged volume changes

COVID-19 Weather Normalized April Volume Impacts



- As an off peak month…April sales volumes are less than 8% of total annual volumes for both gas and electric
- April 2020 sales volume declines vs. prior year (month/annualized):
  - (4%) / (0.3%) Gas Distribution
  - (26%) / (2.3%) Electric Operations
- April volumetric declines were concentrated in the Commercial and Industrial segments, partially offset by increased Residential volumes
- April total margin loss of ($8.1M) reflects the mitigating effects of "decoupled" rate designs across the NiSource utilities
- Trends indicate mid-to-late May volumes beginning to recover from April lows

Demand Trends Show Upward Trajectory Starting in May as States Begin to Reopen

Actions Underway to Mitigate 2020/2021 Headwinds from COVID-19

COVID-19 Impact Base Case Assumptions

Estimated COVID Related NOEPS* Impacts	
2020	2021
($0.15 - $0.20)	($0.00 - $0.10)

- Customer load and demand changes highly concentrated in 2020 during state shutdowns; assumes current state level reopen plans and a gradual recovery into normal usage patterns in 1H 2021
- Modest customer attrition and load declines in 2021
- Base Case margin reduction of ($30-$40M) in 2020 and ($0-$25M) in 2021
- Lost late payment and reconnection fee revenues and increased bad debt expenses continue into second half of 2020 with a modest impact into 2021
- Increased operational expenses and supply costs primarily during 2020 with some potential impact into 2021
- Other potential 2020/2021 impacts include regulatory timing and additional financing expenses

Mitigation Efforts Underway - Initiated in April

Estimated NOEPS Impact of Mitigation Efforts Underway	
2020	2021
$0.10 - $0.15	$0.05 - $0.10

- O&M Reductions (non-safety related): Employee and administrative expenses, deferral of some non-essential field work
- Regulatory deferrals/recovery for COVID related impacts currently allowed in several states with ongoing conversations across all jurisdictions
- Organizational repositioning (announced May 21, 2020) includes adjustments to address dis-synergies and improve efficiencies. Timing of implementation/execution will impact the level of benefit in 2021

Estimated Net NOEPS Impact (Base Case Scenario)	
2020 ($0.00 - $0.10)	2021 ($0.00 - $0.10)

* Net Operating Earnings Per Share (Non-GAAP)

Reopening Progress for Each State of Operation

Ohio

- May 19: Stay at home no longer an order, only a recommendation
- May 12: retail
- May 15: outdoor dining and personal services
- May 21: indoor dining, campgrounds
- May 26: gyms, outdoor recreation

Pennsylvania

- June 4: Stay at home expires (for part of the state)
- Yellow Phase: 49 counties included – daycare, retail open: 8 more counties May 29, all counties by June 5
- Green Phase: 17 counties will move to green on May 29 – dining, bars, personal services, gyms at 50% capacity

Indiana

- May 1: Stay at home expired
- May 4: (most counties): public libraries
- May 24: retail at 75% capacity, gyms, community pools, playgrounds
- June 14: retail full capacity, restaurants 75% capacity
- July 4: retail, restaurants, gyms, etc. all full capacity

Gas Service Territory

Electric Service Territory

Virginia

- June 10: Stay at home expires
- Phase 1: May 15 – retail, outdoor dining, worship at 50% capacity, personal services by appt. only
- No dates yet for Phase 2 and beyond

Kentucky

- May 11: professional services, construction, manufacturing
- May 20: retail, worship
- May 22: outdoor dining at 33% capacity
- May 25: personal services
- June 15: childcare services

Maryland

- May 15: Stay at home order expired
- May 15: retail, worship, personal services at 50%, manufacturing

Massachusetts

- Four phase approach to new normal
- Phase 1: May 18 – worship, manufacturing, construction
- May 25: Retail, limited personal services
- No dates yet for Phase 2 and beyond

Constructive Regulatory Approaches to COVID-19

Company	Status
NIPSCO	**Petition filed with IURC** on May 8, 2020 for deferral of expenses and lost revenues, seeking to establish a bad debt tracker. Order requested by July 15th.
Columbia Gas of Ohio	Engaging with peer utilities and PUCO, planning to file for deferrals related to COVID impacts
Columbia Gas of Pennsylvania	**Order received** May 13, 2020 authorizing deferral of incremental bad debt above levels currently in rates
Columbia Gas of Massachusetts	DPU established two working groups to focus on customer and utility concerns
Columbia Gas of Virginia	**Order received** April 29, 2020 allowing deferral of incremental bad debt, reconnection fees, late payment fees suspended, reconnection costs, carrying costs and other incremental incurred costs
Columbia Gas of Maryland	**Order received** April 9, 2020 allowing deferral of incremental costs and suspended late fees
Columbia Gas of Kentucky	Tracking COVID related costs for potential future recovery

Monitoring Health & Economic Indicators to Inform Mitigation Strategy

Public Health

May dictate need to redeploy shelter-in-place (major driver of economic outlook, even regionally)

Health indicators to track:

- COVID-19 cases
- Hospitalizations
- COVID deaths
- Share of population tested

Macroeconomic

Looking for consumer confidence, demand, and business distress to inform trajectory

Consumer indicators to track:

- Unemployment claims
- Consumer spend

Employer indicators to track:

- Consumer demand
- Business bankruptcies / financial distress

Internal perspectives

NiSource is well positioned for a current view of economic outlook in our states based on load and gas demand

Internal metrics to track:

- C&I demand and outlook
- Customer arrearages

Rationale: Movement of these indicators over the coming weeks and months will be evidence of economy shifting closer to, or farther from, the base case scenario

NiSource will continue to monitor these metrics, including after shelter-in-place is initially lifted, to assess mitigation strategy and potential impacts to economic outlook

Key Takeaways

- Continued Focus on Customer and Employee Safety and Health
- Currently no Significant Impacts to Supply Chain or Operating Activities
- Proactively Managing Impacts to our Business Plan
  - O&M Reductions Underway
  - Regulatory Solutions – in dialogue across all jurisdictions
  - Organizational Repositioning announced May 21, 2020

5 to 7% Long-Term Growth and Generation Strategy Remain Intact

Appendix:
COVID-19 Update

NiSource®

Bad Debt Recovery Mechanisms

Company	Bad Debt Expense Included in Base Rates*	Tracked Incremental Expense	Tracked Filing Frequency
Gas Distribution			
NIPSCO Gas	Yes	Gas cost only	Quarterly
Columbia Gas of Ohio	Yes	Gas cost and delivery charge	Annual
Columbia Gas of Pennsylvania	Yes	Partial Gas Cost only	Quarterly
Columbia Gas of Massachusetts	Yes	Gas cost only	Semi-annual
Columbia Gas of Virginia	Yes	Gas cost only	Quarterly
Columbia Gas of Maryland	Yes	Gas cost only	Quarterly
Columbia Gas of Kentucky	Yes	Gas cost only	Quarterly
Electric Operations			
NIPSCO Electric	Yes	None	N/A

* Based on historical bad debt of ~1% of gross revenue

Revenue and Weather Normalization Mechanisms

Company	Revenue Decoupling/ Normalization	Weather Normalization
Gas Distribution		
NIPSCO Gas	None	None
Columbia Gas of Ohio	Straight Fixed Variable Rates for Residential and Small Commercial	None
Columbia Gas of Pennsylvania	None	Yes - Residential
Columbia Gas of Massachusetts	Yes (Decoupling) – All Classes	None
Columbia Gas of Virginia	Yes (RNA*) – Residential	Yes – Residential & Commercial
Columbia Gas of Maryland	Yes (RNA) – Residential	Yes – Residential & Commercial
Columbia Gas of Kentucky	None	Yes – Residential & Commercial
Electric Operations		
NIPSCO Electric	None (Most Industrial Rates include fixed demand or demand ratcheting)	None

* Revenue Normalization Adjustment

FORM 8-K

MARCH 9, 2020

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

FORM 8-K/A
Amendment No. 1

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

Date of Report (Date of earliest event reported): March 9, 2020

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware	001-16189	35-2108964
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, Indiana	46410
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

This Current Report on Form 8-K/A amends certain information included in a Current Report on Form 8-K filed by NiSource Inc. ("NiSource") on March 11, 2020, regarding the appointment of Lloyd M. Yates as a director of the Board of Directors of NiSource effective on March 9, 2020. The Board of Directors did not appoint Mr. Yates to serve on any of its committees at the time of his appointment. On May 19, 2020, the Board of Directors appointed Mr. Yates to serve on the Compensation Committee and the Environmental, Safety and Sustainability Committee.

SIGNATURES

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

NISOURCE INC.

May 21, 2020

By: /s/ Anne-Marie W. D'Angelo
Anne-Marie W. D'Angelo
Senior Vice President, General Counsel and Corporate Secretary

FORM 8-K

MAY 19, 2020

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

FORM 8-K

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

Date of Report (Date of earliest event reported): May 19, 2020

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware	001-16189	35-2108964
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, Indiana	46410
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 5.07 Submission of Matters to a Vote of Security Holders.

Set forth below are the matters acted upon by the stockholders of the Company at the Annual Stockholder Meeting held on May 19, 2020, as described in the Company's Proxy Statement filed on April 13, 2020, and the final voting results for each matter.

Proposal 1: Election of Directors. The number of votes cast for and against each nominee, as well as the number of abstentions and broker non-votes, were as follows:

Name of Nominee	Votes For	Votes Against	Abstentions	Broker Non-Votes
Peter A. Altabef	323,560,076	2,259,091	598,068	21,451,759
Theodore H. Bunting, Jr.	323,935,341	1,996,121	485,773	21,451,759
Eric L. Butler	323,386,075	2,482,292	548,868	21,451,759
Aristides S. Candris	323,609,482	2,338,831	468,922	21,451,759
Wayne S. DeVeydt	323,581,176	2,321,259	514,800	21,451,759
Joseph Hamrock	323,764,974	2,102,855	549,406	21,451,759
Deborah A. Henretta	322,233,594	3,532,191	651,450	21,451,759
Deborah A.P. Hersman	324,087,355	1,798,470	531,410	21,451,759
Michael E. Jesanis	317,522,122	8,405,068	490,045	21,451,759
Kevin T. Kabat	317,838,188	8,104,352	474,695	21,451,759
Carolyn Y. Woo	313,017,111	12,837,811	562,313	21,451,759
Lloyd M. Yates	322,809,404	3,117,375	490,456	21,451,759

Each nominee was elected.

Proposal 2: Approval of Named Executive Officer Compensation on an Advisory Basis. The number of votes cast for and against this matter, as well as the number of abstentions, were as follows:

Votes For	Votes Against	Abstentions
315,232,182	10,031,401	1,153,652

There were 21,451,759 broker non-votes as to Proposal 2.

Proposal 2 was approved on an advisory basis.

Proposal 3: Ratification of the Appointment of Deloitte & Touche LLP as the Company's Independent Registered Public Accounting Firm for 2020. The number of votes cast for and against this matter, as well as the number of abstentions, were as follows:

Votes For	Votes Against	Abstentions
343,175,566	4,013,543	679,885

There were no broker non-votes as to Proposal 3.

Proposal 3 was approved.

Proposal 4: Approval of the NiSource Inc. 2020 Omnibus Incentive Plan. The number of votes cast for and against this matter, as well as the number of abstentions, were as follows:

Votes For	Votes Against	Abstentions
315,264,446	10,089,270	1,063,519

There were 21,451,759 broker non-votes as to Proposal 4.

Proposal 4 was approved.

Proposal 5: Stockholder Proposal Regarding Stockholder Right to Act by Written Consent. The number of votes cast for and against this matter, as well as the number of abstentions, were as follows:

Votes For	Votes Against	Abstentions
120,422,844	204,388,663	1,605,728

There were 21,451,759 broker non-votes as to Proposal 5.

Proposal 5 was not approved.

SIGNATURES

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

NISOURCE INC.

May 21, 2020

By: /s/ Anne-Marie W. D'Angelo
Anne-Marie W. D'Angelo
Senior Vice President, General Counsel and Corporate Secretary

FORM 8-K

MAY 19, 2020

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

FORM 8-K

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

Date of Report (Date of earliest event reported): May 19, 2020

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware	001-16189	35-2108964
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, Indiana	46410
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 19, 2020, the Board of Directors of NiSource Inc. (the "Company") appointed Pablo A. Vegas as Executive Vice President. Chief Operating Officer and President, NiSource Utilities, effective June 1, 2020.

Mr. Vegas, age 47, has served as Executive Vice President and President, Gas Utilities, from January 2019 through May 2020; Executive Vice President and Chief Restoration Officer from September 2018 through December 2018; Executive Vice President, Gas Business Segment and Chief Customer Officer from May 2017 to September 2018; and Executive Vice President and President, Columbia Gas Group, from May 2016 to May 2017. Previously, Mr. Vegas held a variety of senior executive positions in the regulated utility and consulting industries, including President and Chief Operating Officer at American Electric Power ("AEP") Ohio from 2012 to 2016.

Mr. Vegas has not entered into any material compensation plan, contract, arrangement or amendment in connection with his new appointment and he does not have any direct or indirect material interest in any transaction or proposed transaction involving the Company required to be reported under Item 404(a) of Regulation S-K. There is no arrangement or understanding pursuant to which he was selected as an officer of the Company, and there is no family relationship requiring disclosure under Item 401(d) of Regulation S-K.

Item 7.01. Regulation FD Disclosure.

On May 21, 2020, the Company issued a press release announcing the appointment of Mr. Vegas and other organizational changes. A copy of that press release is furnished as an exhibit to this report.

The information furnished in this Item 7.01, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and is not incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
99.1	Press Release issued on May 21, 2020 by NiSource Inc.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

NISOURCE INC.

May 21, 2020

By: /s/ Anne-Marie W. D'Angelo
Anne-Marie W. D'Angelo
Senior Vice President, General Counsel and Corporate Secretary

Exhibit 99.1

May 21, 2020

FOR ADDITIONAL INFORMATION

Media
Ken Stammen
Corporate Media Relations
(614) 460-5544
kstammen@nisource.com

Investors
Nick Drew
Director, Investor Relations
(614) 460-4638
ndrew@nisource.com

Sara Macioch
Manager, Investor Relations
(614) 460-4789
smacioch@nisource.com

NiSource Announces Repositioning of
Executive Leadership Team Roles and Responsibilities

MERRILLVILLE, Ind. – NiSource (NYSE: NI) today announced a series of changes to and additional responsibilities for its executive team, effective June 1. These changes will further advance the company's commitment to customer and employee safety and service across its seven-state operating area.

"The leadership changes announced today position NiSource to support our enhanced focus on public safety, customer value and operational excellence, and reflect the next steps in our strategy to drive our company forward," said Joe Hamrock, president and CEO of NiSource. "We are continuing to take actions across the company to build the next generation of gas and electric energy platforms. With a deep bench of talented leaders throughout our organization, we are positioned to enhance growth, and improve safety and environmental performance across NiSource while renewing our commitments to our customers and focusing on driving value for our shareholders."

The leaders, all reporting to Hamrock, include:

- Pablo Vegas, current executive vice president and president, gas utilities, has been named executive vice president, chief operating officer (COO) and president, NiSource Utilities. In this new role, Vegas will oversee NiSource's gas and electric business segments. This appointment will support the continued advancement of NiSource's safety management system and align investment priorities across NiSource's utility portfolio to deliver operational excellence across its gas and electric segments.
- Donald Brown, current executive vice president and chief financial officer (CFO), has been named executive vice president, CFO and president, NiSource Corporate Services. Brown's appointment reflects NiSource's focus on driving value through enhanced capabilities, processes and systems across our central business organizations including accounting, finance, information technology, supply chain, business services, regulatory services, and internal audit.
- Violet Sistovaris, current executive vice president and president, NIPSCO, has been named executive vice president and chief experience officer, responsible for NiSource's customer service, human resources and communications functions. In this new role, Sistovaris will bring a singular focus to NiSource's employee and customer experience, focused on enhancing transparency, innovation and customer value to its key stakeholders.

- Shawn Anderson has been named chief strategy and risk officer, highlighting the importance of aligning NiSource's long-term strategy with stakeholder priorities, including portfolio optimization, renewable energy and growth strategies. This appointment reflects Anderson's key contributions to the company's strategy development.

Based on the changes above, we are pleased to announce additional key senior leadership changes:

- Mike Hooper, current senior vice president regulatory, legislative affairs and strategy, NIPSCO, has been named senior vice president and president, NIPSCO, reporting to Vegas. In this capacity, Hooper will be responsible for NiSource's electric business segment, including its advanced energy and renewable portfolio strategy.
- Dan Creekmur, current president and COO, Columbia Gas of Ohio, has been named senior vice president and president, gas utilities, reporting to Vegas. In this role Creekmur will have responsibility for NiSource's gas utility companies in Ohio, Indiana, Pennsylvania, Virginia, Kentucky and Maryland.
- Vince Parisi will be rejoining NiSource on June 8 as president and COO, Columbia Gas of Ohio, reporting to Dan Creekmur.

"We are confident that these changes, along with the previously announced elevation of Carrie Hightman's role to executive vice president and chief legal officer and CEO of Columbia Gas of Massachusetts and Chuck Shafer's role to chief safety officer, position NiSource for continued strength going forward," Hamrock concluded.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.5 million natural gas customers and 500,000 electric customers across seven states through its local Columbia Gas and NIPSCO brands. Based in Merrillville, Indiana, NiSource's approximately 8,400 employees are focused on safely delivering reliable and affordable energy to our customers and communities we serve. NiSource is a member of the Dow Jones Sustainability - North America Index and the Bloomberg Gender Equality Index and has been named by *Forbes* magazine among America's Best Large Employers since 2016. Additional information about NiSource, its investments in modern infrastructure and systems, its commitments and its local brands can be found at www.nisource.com. Follow us at www.facebook.com/nisource, www.linkedin.com/company/nisource or www.twitter.com/nisourceinc. NI-F

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of federal securities laws. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance and any and all underlying assumptions and other statements that are other than statements of historical fact. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially. Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this press release include among other things, continuing and potential future impacts from the COVID-19 pandemic; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; our ability to execute our growth strategy; changes in general economic, capital and commodity market conditions;

pension funding obligations; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; our ability to adapt to, and manage costs related to, advances in technology; any changes in our assumptions regarding the financial implications of the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney's Office to settle the U.S. Attorney's Office's investigation relating to the Greater Lawrence Incident; the pending sale of the Columbia Gas of Massachusetts business, including the terms and closing conditions under the Asset Purchase Agreement; potential incidents and other operating risks associated with our business; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; any damage to our reputation, including in connection with the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; fluctuations in demand from residential and commercial customers; economic conditions of certain industries; the success of our electric generation strategy; the price of energy commodities and related transportation costs; the reliability of customers and suppliers to fulfill their payment and contractual obligations; potential impairments of goodwill or definite-lived intangible assets; changes in taxation and accounting principles; the impact of an aging infrastructure; the impact of climate change; potential cyber-attacks; construction risks and natural gas costs and supply risks; extreme weather conditions; the attraction and retention of a qualified workforce; the ability of our subsidiaries to generate cash; our ability to manage new initiatives and organizational changes; the performance of third-party suppliers and service providers; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; and other matters in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as updated in our subsequent SEC filings, including our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020. All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

###

FORM 8-K

MAY 6, 2020

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

FORM 8-K

CURRENT REPORT

Pursuant To Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 6, 2020

NiSource, Inc.

(Exact name of registrant as specified in its charter)

DE	001-16189	35-2108964
(State or other jurisdiction of incorporation or organization)	Commission file number	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, IN	46410
(Address of principal executive offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On May 6, 2020, NiSource Inc. (the "Company") reported its financial results for the year ended March 31, 2020. The Company's press release, dated May 6, 2020, is attached as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated May 6, 2020, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

SIGNATURES

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

NiSource Inc.
(Registrant)

Date: May 6, 2020

By: /s/ Donald E. Brown
Donald E. Brown
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release, dated May 6, 2020, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

NEWS

FOR IMMEDIATE RELEASE

NiSource

WWW.NISOURCE.COM

May 6, 2020

FOR ADDITIONAL INFORMATION

Media
Ken Stammen
Corporate Media Relations
(614) 460-5544
kstammen@nisource.com

Investors
Nick Drew
Director, Investor Relations
(614) 460-4638
ndrew@nisource.com

Sara Macioch
Manager, Investor Relations
(614) 460-4789
smacioch@nisource.com

NiSource Reports First Quarter 2020 Results

- Company continues its focus on maintaining essential utility service during COVID-19 pandemic
- First quarter financial results minimally affected by COVID-19; company lowers 2020 CapEx by $100 million
- Safety Management System (SMS) implementation, pipeline safety enhancements remain a top priority
- Electric generation strategy continues to advance

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) today announced, on a GAAP basis, net income available to common shareholders for the three months ended March 31, 2020, of $61.8 million, or $0.16 per share, compared to net income available to common shareholders of $205.1 million, or $0.55 per share, for the same period of 2019.

NiSource also reported net operating earnings available to common shareholders (non-GAAP) of $290.9 million, or $0.76 per share, for the three months ended March 31, 2020, compared to net operating earnings available to common shareholders (non-GAAP) of $307.7 million, or $0.82 per share, for the same period of 2019.

NiSource's first quarter GAAP results include a $280.2 million loss due to the re-classification of Columbia Gas of Massachusetts' assets as held for sale resulting from the previously announced sale to Eversource Energy (NYSE: ES). This pending sales transaction remains on track to close by the end of the third quarter of 2020. Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures.

"Our continuous focus during this pandemic is the safety of our employees and customers while supporting the communities we serve," said NiSource President and CEO **Joe Hamrock**. "As our states restricted all business activities in many other industries they designated all NiSource utilities as providing essential services. This designation is important to the service we provide to our nearly four million utility customers, and it's also critical to the support we provide to other essential service providers, to whom we are deeply grateful. While continuing to maintain safe, reliable service through the pandemic is at the forefront today, much of the first quarter of 2020 played out prior to COVID reaching crisis proportions in the United States. Since then we have taken additional steps which position NiSource to manage through this crisis."

NiSource responding to COVID-19 pandemic

NiSource and its Columbia Gas and NIPSCO operating companies are following health and safety protocols recommended by the Centers for Disease Control and Prevention, federal, state and local governments, and have taken a number of additional actions to help customers through the COVID-19 pandemic; this included suspending shut-offs for non-payment until further notice and offering flexible payment plans to customers impacted by or facing hardship due to COVID-19. Customers should contact **NIPSCO or the Columbia Gas utility** in their state directly for payment plan options. Additional measures the company has taken to protect customers include directing field employees to practice strict social distancing at any customer premise and minimizing non-essential field work that requires entering a customer's home.

The company has activated its Incident Command System (ICS) structure to coordinate strategy, execution and communication across its seven-state operating area. To protect its employees, the company has allowed all those who can do so to work from home. For those employees who must report to a work location, it has implemented social distancing protocols, temperature checks for people entering certain company buildings, more frequent cleaning of facilities and equipment and limited company vehicles to only one person at a time. Also, certain critical functions have activated sequestration plans to prevent any outbreak among a limited number of specialized employees necessary to continue providing safe, reliable service to our customers. NiSource's sequestration approach is consistent with others in the utility industry.

In addition, the NiSource Charitable Foundation, the charitable foundation supported by NiSource Inc., has committed nearly $1.5 million in donations to provide relief support across the company's seven-state service territory. The foundation donated $1 million to the American Red Cross and nearly $500,000 to support operating company initiatives to provide relief at the local level. The charitable dollars are intended to support the delivery of care and comfort to communities in need across our footprint as a result of the COVID-19 public health crisis.

The continued spread of COVID-19 has resulted in widespread impacts on the global economy and financial markets and could lead to a prolonged reduction in economic activity, extended disruptions to supply chains and capital markets, and reduced labor availability and productivity. NiSource continues to evaluate the range of potential impacts of the pandemic on its natural gas and electric businesses and on its future operating results and liquidity.

NiSource currently expects to experience decreased sales volumes to commercial and industrial customers, increased bad debt expenses, and sustained customer attrition. There could also be an impact of availability of contractor labor, materials and supplies, although the company has not experienced any material impact thus far. NiSource lowered its capital investment plan by $100 million to help conserve cash and now expects to make investments of $1.7 to $1.8 billion in 2020.
The company expects to continue to manage these impacts and will update investors in future quarters as details become known**.**

Credit and Liquidity Update

NiSource also recently took a pair of actions to reduce financing risk and increase liquidity. On April 13, 2020, NiSource issued $1 billion of 3.6% notes due May 1, 2030, with the net proceeds to be used for general corporate purposes, including financing capital investments, additions to working capital and to repay existing debt. On April 1, 2020, NiSource refinanced its $850 million term loan agreement with a new maturity date of March 31, 2021. Debt associated with the term loan is anticipated to be repaid with proceeds of the Columbia Gas of Massachusetts asset sale.

NiSource remains committed to maintaining its current investment-grade credit ratings. The company has investment-grade ratings with Fitch Ratings (BBB), Moody's (Baa2) and Standard &

Poor's (BBB+). As of March 31, 2020, NiSource had approximately $1.3 billion in net available liquidity, consisting of cash and available capacity under its credit facility and accounts receivable securitization programs.

NiSource reminds investors that it does not provide a GAAP equivalent of its earnings guidance due to the impact of unpredictable factors such as fluctuations in weather, asset sales and impairments, and other items included in GAAP results.

Safety Enhancements across Seven-State Footprint Remain Top Priority in 2020

NiSource has continued to prioritize its safety initiatives across its footprint, including its accelerated Safety Management System (SMS) implementation, which in 2020 is being expanded to its electric business. SMS is a comprehensive approach to managing safety, emphasizing continual assessment and improvement as well as pro-actively identifying and mitigating potential risks.

In the gas business, NiSource has advanced the maturity of risk identification through the Corrective Action Program (CAP), which provides enhanced analytical insights. The company is also piloting the use of mobile gas leak detection technology. The company has matured its gas emergency preparedness and response capabilities, including the ongoing deployment of new state-of-the-art mobile command centers.

"Safety remains the foundation of everything we do across our business, including managing new challenges like the COVID-19 pandemic," Hamrock said. "Our safety enhancements are already delivering value, as we are using the Incident Command System structure developed as part of our emergency preparedness and response enhancements to help us manage through the pandemic."

First Quarter 2020 and Recent Business Highlights

Gas Distribution Operations

- **Columbia Gas of Pennsylvania (CPA)** on April 24, 2020 filed a base rate case with the Pennsylvania Public Utility Commission (PUC) seeking an annual revenue increase of $100.4 million to invest in, modernize and upgrade the company’s existing natural gas distribution system as well as maintain the continued safety of the system. New rates are expected to become effective in January 2021.
- Also in Pennsylvania, CPA on April 24, 2020, filed a petition with the PUC requesting authority to implement **a temporary program that would make grants to residential customers who are experiencing a loss of income due to the COVID-19 pandemic**, but are not eligible to participate in the company’s existing assistance programs. CPA proposed to use a portion of pipeline penalty credits that the PUC has previously approved for hardship funds, matched by a contribution from the **NiSource Charitable Foundation**, to fund the grants.
- On April 22, 2020, the Public Utilities Commission of Ohio (PUCO) approved **Columbia Gas of Ohio's (COH)** annual **Infrastructure Replacement Program (IRP)** tracker adjustment, and new rates went into effect this month. This order allows the company to begin recovery of approximately $234 million in safety and infrastructure investments made in 2019. This well-established pipeline replacement program, authorized through 2022, covers replacement of priority mainline pipe and targeted customer service lines.
- Also in Ohio, on February 28, 2020 COH filed its latest annual application for adjustment to its **Capital Expenditure Program (CEP)** rider. The CEP rider, which was first approved by the PUCO in 2018, allows the company to recover capital investments and related deferred expenses that are not recovered through its IRP. The adjustment application seeks to begin

recovery of approximately $185 million in capital invested in 2019. A PUCO order is expected in August 2020.

- **Northern Indiana Public Service Company's (NIPSCO)** application for a six-year extension of its long-term gas infrastructure modernization program remains pending before the Indiana Utility Regulatory Commission (IURC). The proposal includes nearly $950 million in capital investments through 2025, to be recovered through semi-annual adjustments to the existing gas **Transmission, Distribution and Storage Improvement Charge (TDSIC)** tracker. The existing gas TDSIC program has been in place since 2014. An IURC order is expected in July 2020.
- **Columbia Gas of Maryland** and **Columbia Gas of Virginia** each received orders from their respective state regulatory commissions in April granting the companies authority to **defer incremental COVID-related expenses and bad debt for recovery at a later date.**

Electric Operations

- NIPSCO continues to have discussions with a number of commercial bidders who responded to its latest all-source request for proposal (RFP) to consider potential resources to meet the future electric needs of its customers. The RFP results were consistent with NIPSCO's **2018 Integrated Resource Plan**, which outlines plans to retire nearly 80% of its remaining coal-fired generation by 2023, and retire all coal generation by 2028, to be replaced by lower-cost, reliable and cleaner options. The plan is expected to drive a 90% reduction in NiSource's greenhouse gas emissions by 2030, and is expected to save NIPSCO electric customers more than $4 billion over 30 years. NIPSCO is considering all sources in the RFP process and is expecting to obtain adequate resources to facilitate the retirement of the R.M. Schahfer Generating Station in 2023. Currently, half of the capacity in the replacement plan is targeted to be owned by joint ventures that will include NIPSCO and unrelated financial investors as the members. The remaining new capacity is expected to be primarily in the form of purchase power agreements. NIPSCO expects to begin the appropriate regulatory compliance filings related to the new capacity as agreements are finalized with counterparties in 2020 and 2021. The planned replacement in 2023 of approximately 1,600 megawatts of retiring coal-fired generation could provide incremental NiSource capital investment opportunities for 2022 and 2023.
- Construction is underway on both the **Rosewater** and **Jordan Creek** wind projects, which are expected to be in service by the end of this year. The company is monitoring any potential impact that the COVID-19 pandemic may have on the expected completion dates of these projects. The Rosewater project could experience a construction delay due to the COVID-19 pandemic. The IURC on February 19, 2020 approved NIPSCO's application for another wind project, **Indiana Crossroads**, a joint venture with EDP Renewables North America LLC. Indiana Crossroads will have an aggregate nameplate capacity of 302 megawatts, and is expected to be in operation in the fourth quarter of 2021.

Additional information for the quarter ended March 31, 2020, is available on the Investors section of www.nisource.com, including segment and financial information and our presentation to be discussed at the company's first quarter 2020 earnings conference call scheduled for May 6, 2020 at 9:00 a.m. ET.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.5 million natural gas customers and 500,000 electric customers across seven states through its local Columbia Gas and NIPSCO brands. Based in Merrillville, Indiana, NiSource’s approximately 8,400 employees are focused on safely delivering reliable and affordable

energy to our customers and communities we serve. NiSource is a member of the Dow Jones Sustainability - North America Index and the Bloomberg Gender Equality Index and has been named by *Forbes* magazine among America's Best Large Employers since 2016. Additional information about NiSource, its investments in modern infrastructure and systems, its commitments and its local brands can be found at www.nisource.com. Follow us at www.facebook.com/nisource, www.linkedin.com/company/nisource or www.twitter.com/nisourceinc. NI-F

Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of federal securities laws. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially. Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this Quarterly Report on Form 10-Q include among other things, our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; our ability to execute our growth strategy; changes in general economic, capital and commodity market conditions; pension funding obligations; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; our ability to adapt to, and manage costs related to, advances in technology; any changes in our assumptions regarding the financial implications of the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney’s Office to settle the U.S. Attorney’s Office’s investigation relating to the Greater Lawrence Incident; the pending sale of the Columbia Gas of Massachusetts business, including the terms and closing conditions under the Asset Purchase Agreement; potential incidents and other operating risks associated with our business; continuing and potential future impacts of from the COVID-19 pandemic ; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; any damage to our reputation, including in connection with the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; fluctuations in demand from residential and commercial customers; economic conditions of certain industries; the success of NIPSCO's electric generation strategy; the price of energy commodities and related transportation costs; the reliability of customers and suppliers to fulfill their payment and contractual obligations; potential impairments of goodwill or definite-lived intangible assets; changes in taxation and accounting principles; the impact of an aging infrastructure; the impact of climate change; potential cyber-attacks; construction risks and natural gas costs and supply risks; extreme weather conditions; the attraction and retention of a qualified workforce; the ability of our subsidiaries to generate cash; our ability to manage new initiatives and organizational changes; the performance of third-party suppliers and service providers; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; and other matters in the “Risk Factors” section of this report and our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, our Current Report on Form 8-K filed on April 8, 2020 and our subsequent SEC filings, including as will be disclosed in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time. A credit rating is not a recommendation to buy, sell or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization. In addition, dividends are subject to board approval.

All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or

revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Regulation G Disclosure Statement

This press release includes financial results and guidance for NiSource with respect to net operating earnings available to common shareholders, which is a non-GAAP financial measure as defined by the SEC's Regulation G. The company includes this measure because management believes it permits investors to view the company's performance using the same tools that management uses and to better evaluate the company's ongoing business performance. With respect to such guidance, it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other items included in GAAP results. The company is not able to estimate the impact of such factors on GAAP earnings and, as such, is not providing earnings guidance on a GAAP basis.

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) *(unaudited)*

	Three Months Ended March 31,	
(in millions, except per share amounts)	**2020**	2019
GAAP Net Income Available to Common Shareholders	**$ 61.8**	$ 205.1
Adjustments to Operating Income:		
Operating Revenues:		
Weather - compared to normal	**26.3**	(10.9)
Operating Expenses:		
Greater Lawrence Incident[1]	**8.1**	133.6
Loss on classification as held for sale[2]	**280.2**	—
Loss (gain) on sale of fixed assets and impairments, net	**(0.1)**	0.2
Total adjustments to operating income	**314.5**	122.9
Income Taxes:		
Tax effect of above items[3]	**(85.4)**	(20.3)
Total adjustments to net income	**229.1**	102.6
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 290.9**	$ 307.7
Basic Average Common Shares Outstanding	**383.1**	373.4
GAAP Basic Earnings Per Share	**$ 0.16**	$ 0.55
Adjustments to basic earnings per share	**0.60**	0.27
Non-GAAP Basic Net Operating Earnings Per Share	**$ 0.76**	$ 0.82

[1]Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident, net of insurance recoveries recorded.
[2]Represents loss recorded as a result of measuring the assets and liabilities of the Massachusetts Business at fair value, less costs to sell.
[3]Represents the tax effect of the adjustments to operating income at statutory tax rates.

Schedule 2 - Total Current Estimated Amounts of Costs and Expenses Related to the Greater Lawrence Incident

Cost or Expense	Total Current Estimated Amount[1] *($ in millions)*
Capital Cost[2]	$258
Incident Related Expenses	
Third-party claims and government fines, penalties and settlements[3]	$1,041 - $1,055
Other incident-related costs[4]	$450 - $460
Insurance Recoveries[5]	$800

[1]Total estimated amount includes costs or expenses from the incident through March 31, 2020 and estimated expected expenses in future periods in the aggregate. Amounts shown are estimates made by management based on currently available information. See the footnotes below for additional information. Actual results may differ materially from these estimates as more information becomes available.

[2]We have invested approximately $258 million of capital spend for the pipeline replacement. This work was completed in 2019. We maintain property insurance for gas pipelines and other applicable property. Columbia Gas of Massachusetts has filed a proof of loss with its property insurer for the full cost of the pipeline replacement. In January 2020, we filed a lawsuit against the property insurer, seeking payment of our property claim. We are currently unable to predict the timing or amount of any insurance recovery under the property policy. This pipeline replacement cost is part of the Massachusetts Business that is classified as held for sale at March 31, 2020. The assets and liabilities of the Massachusetts Business have been recorded at fair value, less costs to sell, which resulted in the loss on classification as held for sale that was recorded as of March 31, 2020.

[3] Amount includes approximately $1,041 million of expenses recorded since the Greater Lawrence Incident for estimated third-party claims and fines, penalties and settlements associated with government investigations. With regards to third-party claims, these costs include, but are not limited to, personal injury and property damage claims, damage to infrastructure, business interruption claims, and mutual aid payments to other utilities assisting with the restoration effort. These costs do not include costs of certain third-party claims and fines, penalties or settlements with government investigations that we are not able to estimate. The process for estimating costs associated with third-party claims and fines, penalties and settlements associated with government investigations relating to the Greater Lawrence Incident requires management to exercise significant judgment based on a number of assumptions and subjective factors. As more information becomes known, including additional information regarding ongoing investigations, management's estimates and assumptions regarding the financial impact of the Greater Lawrence Incident may change.

[4] Amount shown includes other incident related expenses of approximately $429 million recorded since the Greater Lawrence Incident. Amount represents certain consulting costs, legal costs, vendor costs, claims center costs, labor and related expenses incurred in connection with the incident, and insurance-related loss surcharges.

[5] The aggregate amount of third-party liability insurance coverage available for losses arising from the Greater Lawrence Incident is $800 million. We have collected the entire $800 million. Expenses related to the incident have exceeded the total amount of insurance available under our policies.

FORM 8-K

APRIL 23, 2020

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

FORM 8-K

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

Date of Report (Date of earliest event reported): April 23, 2020

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware	001-16189	35-2108964
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, Indiana	46410
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 7.01. Regulation FD Disclosure.

On April 23, 2020, NiSource Inc. posted a presentation on its website to provide additional information regarding its activities related to responding to the novel coronavirus (COVID-19) pandemic and related information. A copy of that presentation is furnished as an exhibit to this report.

The information furnished in this Item 7.01 (including Exhibit 99.1) shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and is not incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
99.1	NiSource Inc. Presentation dated April 23, 2020
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

NISOURCE INC.

April 23, 2020

By: /s/ Donald E. Brown
Donald E. Brown
Executive Vice President and Chief Financial Officer

COVID-19 Update

April 23, 2020

NiSource®

Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of federal securities laws. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. Examples of forward-looking statements in this presentation include, but are not limited to, statements and expectations regarding NiSource's or any of its subsidiaries' plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates, and expectations discussed in this presentation include, among other things the ongoing impact of the coronavirus (COVID-19) pandemic; NiSource's debt obligations; any changes in NiSource's credit rating or the credit rating of certain of NiSource's subsidiaries; NiSource's ability to execute its growth strategy; changes in general economic, capital and commodity market conditions; pension funding obligations; economic regulation and the impact of regulatory rate reviews; NiSource's ability to obtain expected financial or regulatory outcomes; NiSource's ability to adapt to, and manage costs related to, advances in technology; any changes in our assumptions regarding the financial implications of the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney's Office for the District of Massachusetts to settle the U.S. Attorney's Office investigation relating to the Greater Lawrence Incident; the pending sale of the Columbia Gas of Massachusetts business, including the terms and closing conditions under the asset purchase agreement; potential incidents and other operating risks associated with our business; our ability to obtain sufficient insurance coverage; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; any damage to NiSource's reputation, including in connection with the Greater Lawrence Incident; compliance with environmental laws and the costs of associated liabilities; fluctuations in demand from residential and commercial customers; economic conditions of certain industries; the success of NIPSCO's electric generation strategy; the price of energy commodities and related transportation costs; the reliability of customers and suppliers to fulfill their payment and contractual obligations; potential impairments of goodwill or definite-lived intangible assets; changes in taxation and accounting principles; the impact of an aging infrastructure; the impact of climate change; potential cyber-attacks; construction risks and natural gas costs and supply risks; extreme weather conditions; the attraction and retention of a qualified work force; the ability of NiSource's subsidiaries to generate cash; NiSource's ability to manage new initiatives and organizational changes; the performance of third-party suppliers and service providers; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; and other matters set forth in Item 1A, "Risk Factors" section of NiSource's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and in our Current Report on Form 8-K filed on April 8, 2020. A credit rating is not a recommendation to buy, sell or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization. In addition, dividends are subject to board approval. All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements.

NiSource expressly disclaims any duty to update, supplement or amend any of its forward-looking statements contained in this presentation, whether as a result of new information, subsequent events or otherwise, except as required by applicable law.

NiSource COVID-19 Immediate Actions

- Following CDC (Centers for Disease Control) and local guidelines around social distancing to ensure the health and safety of our employees and customers.
- Activated ***Incident Command Structure (ICS)*** to coordinate strategy, execution and communication across all seven states
- For Customers:
  - Suspended shut-offs for non-payment and are offering flexible payment plans
  - Temporarily suspended all non-essential work that would require our employees to enter customer homes and locations
  - On-going and frequent communications
- For Communities:
  - NiSource foundation donation of $1M to American Red Cross,
  - Nearly $500K donated by the foundation to support operating company initiatives at the local level
- For Employees:
  - ~75% working remotely
  - Sequestering critical operations
  - Completing work that requires little or no potential exposure
  - Temperature checks for employees that need to enter company facilities
  - More frequent cleaning of equipment and buildings
  - Limiting company vehicles to one person

Primary Focus on Customer and Employee Safety and Health

Incident Command Structure (ICS)

Monitoring state by state conditions and determining steps to execute our plans safely for customers and employees

- Assessing COVID cases, conditions and mandates by location
- Implementing employee and customer health and mitigation plans
- Rolling out technology to maximize work from home capabilities
- Securing appropriate personal protective equipment and cleaning facilities
- Coordinating customer, employee and stakeholder messaging
- Monitoring impacts to supply chain and contractor networks

Currently no Significant Impacts to Capital and Operating Plans

COVID-19 Business Implications

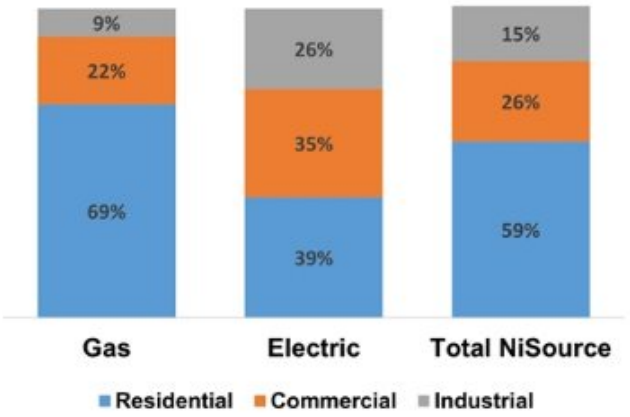
Key Areas of Focus:

- Customer – impacts expected to lower revenue and cash flows
  - Sales volume declines (Commercial and Industrial)
  - Increased bad debt expense (due to shut-off moratorium and job losses)
  - Long-term customer attrition
- Supply Chain – no material impacts at this time
  - Contractor availability
  - Utility materials and supplies
  - Generation Strategy (except: Rosewater project could experience some delay)
- State Regulatory Environment – in current dialog across all jurisdictions
  - Vulnerable customers
  - Treatment of COVID-19 incremental expenses
  - Procedural schedules
- Capital Markets and Liquidity – current liquidity remains sufficient for the next 12 – 24 months following recent financing activity with limited additional capital market needs
- Pension Expense and Contributions – well positioned with 98% funded plans at year-end 2019
- CARES (Coronavirus Aid, Relief, and Economic Security Act) Legislation – constructive components to managing cash position

Proactively Assessing and Planning for Potential Impacts to our Strategy and Plan

Customer Demand and Bad Debt

Retail Margins by Customer Class



Initial EPS Sensitivity to +/- 1% change in annual sales volumes*		
Customer Class	**Electric**	**Gas**
Residential	$0.01	$0.01
Commercial	$0.01	$0.01
Industrial	$0.01	$ —

- Customer Demand
  - Expect lower commercial and industrial sales
  - Potential for increased residential sales
- Rate Design
  - Gas Segment
    - Residential ~75% Fixed
    - Commercial ~45% Fixed
  - Electric Segment
    - Residential ~20% Fixed
    - Commercial ~25% Fixed
    - Large Industrial ~55% Fixed (includes demand ratcheting)
- Bad Debt
  - Expect higher expense
  - Bad debt primarily recovered in base rates.
  - Additional trackers exist in several states. See Appendix for details.

Rate Design and Periodic Base Rate Cases Mitigate Impacts

* Sensitivity may not be linear for large or prolonged volume changes

Liquidity and Financing Updates ($M)

- No Significant Long-Term Debt Maturities in 2020 or 2021
- Term Loan
  - Refinanced $850M term loan on April 1, 2020
- Debt Issuances
  - Issued $1.0B 10-year notes @ 3.60% on April 13, 2020
  - Expected to satisfy long-term debt capital needs for 2020 and 2021
- Cash proceeds from CMA sale expected Q3 2020
- Investment grade credit with stable outlook
  - Most recent reaffirmation received April 3, 2020

Current Liquidity	Actual 03/31/2020	Maturity
Revolving Credit Facility	$1,850	Feb. 20, 2024
Accounts Receivable Programs*	459	
Less:		
Drawn on Credit Facility	500	
Commercial Paper	237	
Accounts Receivable Programs Utilized	459	
L/C's Outstanding Under Credit Facility	10	
Add:		
Cash & Equivalents	204	
Net Available Liquidity	$1,307	

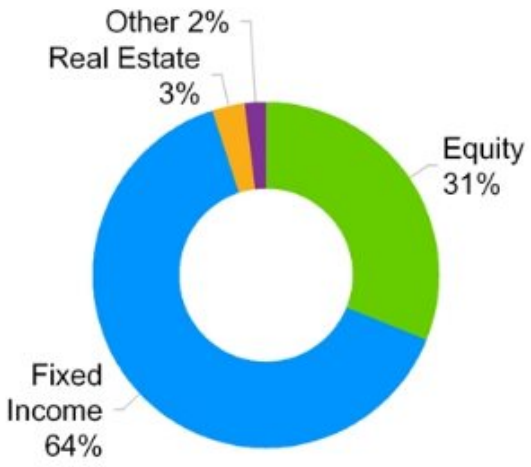
Limited Additional Capital Market Needs, No Expected Changes to Dividend

Pension Plan

- As of year-end 2019:
  - Funding percentage: 98%
  - Discount rate: 3.12%
  - Expected 2020 contributions: $3M
- Pension expense not impacted until pension plans are remeasured

  Drivers of expense:
  - Discount rate
    - 50bp change in discount rate = +/- ~$1M
  - Asset valuations
    - $100M change in asset valuation = +/- ~$7M
- Plan remeasurement not expected until year-end 2020
- Pension tracker in MA, deferral in OH & PA

Year-End 2019 Asset Allocation



Pension Expense and Contributions Not Impacted Until Remeasurement

Key Takeaways

- Continued Focus on Customer and Employee Safety and Health
- Currently no Significant Impacts to Capital and Operating Plans
- Proactively Assessing and Planning for Potential Impacts to our Long-Term Strategy and Plan
- Rate Design and Periodic Base Rate Cases Mitigate Impacts
- Limited Additional Capital Market Needs Expected During COVID-19 Challenges
- No Changes Expected to the Dividend
- Pension Expense and Contributions Not Impacted Until Remeasurement

Appendix:
COVID-19 Update

NiSource®

Bad Debt Recovery Mechanisms

Company	Bad Debt Expense Included in Base Rates*	Bad Debt Tracker	Tracker Frequency
Gas Distribution			
NIPSCO Gas	Yes	Gas cost only	Quarterly
Columbia Gas of Ohio	Yes	Gas cost and delivery charge	Annual
Columbia Gas of Pennsylvania	Yes	Partial Gas Cost only	Quarterly
Columbia Gas of Massachusetts	Yes	Gas cost only	Semi-annual
Columbia Gas of Virginia	Yes	Gas cost only	Quarterly
Columbia Gas of Maryland	Yes	Gas cost only	Quarterly
Columbia Gas of Kentucky	Yes	Gas cost only	Quarterly
Electric Operations			
NIPSCO Electric	Yes	None	N/A

* Based on historical bad debt of ~1% of gross revenue

Constructive Regulatory Mechanisms

Revenue and Weather Normalization Mechanisms

Company	Revenue Decoupling/ Normalization	Weather Normalization
Gas Distribution		
NIPSCO Gas	None	None
Columbia Gas of Ohio	Straight Fixed Variable Rates for Residential and Small Commercial	None
Columbia Gas of Pennsylvania	None	Yes - Residential
Columbia Gas of Massachusetts	Yes (Decoupling) – All Classes	None
Columbia Gas of Virginia	Yes (RNA*) – Residential	Yes – Residential & Commercial
Columbia Gas of Maryland	Yes (RNA) – Residential	Yes – Residential & Commercial
Columbia Gas of Kentucky	None	Yes – Residential & Commercial
Electric Operations		
NIPSCO Electric	None (Demand Ratcheting Large Industrial Rates)	None

* Revenue Normalization Adjustment

FORM 8-K

APRIL 8, 2020

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

FORM 8-K

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

Date of Report (Date of earliest event reported): April 8, 2020

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware	001-16189	35-2108964
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, Indiana	46410
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 8.01. Other Events.

Senior Notes Due 2030

On April 7, 2020, NiSource Inc. (the "Company") and Barclays Capital Inc., J.P. Morgan Securities LLC, MUFG Securities Americas Inc. and PNC Capital Markets LLC, as representatives of the underwriters, entered into a Terms Agreement (the "Terms Agreement") with respect to the offering and sale of $1,000,000,000 aggregate principal amount of the Company's 3.600% Notes due 2030 (the "Notes") under the Company's Registration Statement on Form S-3 (File No. 333-234422) (the "Registration Statement"). The Terms Agreement incorporates by reference an Underwriting Agreement, dated November 30, 2017, of the Company (as filed with the Securities and Exchange Commission (the "SEC") on November 30, 2017). The Notes will be issued pursuant to an Indenture, dated as of November 14, 2000, among the Company, as successor to NiSource Finance Corp., and The Bank of New York Mellon, as successor trustee, as amended and supplemented. The form, terms and provisions of the Notes are further described in the prospectus supplement, dated April 7, 2020, together with the related prospectus, dated November 1, 2019, as filed with the SEC under Rule 424(b)(2) of the Securities Act of 1933, as amended, on April 8, 2020, which description is incorporated herein by reference. The sale of the Notes is expected to close on April 13, 2020, subject to customary closing conditions.

A copy of the form of the Notes is filed as Exhibit 4.1 to this Current Report on Form 8-K and is hereby incorporated by reference herein. The Company is filing Exhibit 5.1 with this Current Report on Form 8-K in connection with the Registration Statement.

Risk Factors

The Company hereby supplements the risk factors set forth in Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2019 with the following risk factor, which should be read in conjunction with the risk factors set forth in the Annual Report on Form 10-K.

The novel coronavirus (COVID-19) pandemic could materially adversely impact our business, results of operations, financial condition, liquidity and cash flows.

The continued spread of COVID-19 has resulted in widespread impacts on the global economy and financial markets and could lead to a prolonged reduction in economic activity, extended disruptions to supply chains and capital markets, and reduced labor availability and productivity. We are currently evaluating the potential impacts the pandemic may have on our essential natural gas and electric businesses and on our future operating results and liquidity, including potential impacts related to the health, safety and availability of our employees and contractors, suspended shutoffs of natural gas and electric services for nonpayment, more flexible payment plans for customers, demand for commercial, industrial and residential gas and electric services, counterparty credit, costs and availability of supplies, capital construction and infrastructure operations and maintenance programs, financing plans, pension valuations, and legal and regulatory matters, including the potential for delayed state regulatory filings and recovery of invested capital, as well as newly enacted and proposed state regulatory actions and federal laws. To the extent the COVID-19 pandemic adversely affects our business, results of operations, financial condition, liquidity or cash flows, it may also have the effect of heightening many of the other risks described in the ''Risk Factors'' section of our Annual Report on Form 10-K for the year ended December 31, 2019. The degree to which COVID-19 will impact us will depend in part on future developments, including the ultimate geographic spread, severity and duration of the outbreak, actions that may be taken by governmental authorities, and to what extent and when normal economic and operating conditions can resume.

Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of

1934, as amended. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning the closing of the sale of the Notes. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially. Factors that could cause actual results to differ materially from the forward-looking statements include, among other things, matters set forth in Item 1A, "Risk Factors" section of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and in other filings with the SEC. All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit	Description
4.1	Form of 3.600% Notes due 2030
5.1	Opinion of Sidley Austin LLP
23.1	Consent of Sidley Austin LLP (included in Exhibit 5.1)
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

NISOURCE INC.

April 8, 2020

By: /s/ Donald E. Brown
Donald E. Brown
Executive Vice President and Chief Financial Officer

Exhibit 4.1

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), NEW YORK, NEW YORK, TO NISOURCE INC. OR ITS AGENT OR AGENTS FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO., OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC) ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

No.: $
CUSIP No.: 65473P AJ4
ISIN No.: US65473PAJ49

3.600% Notes due 2030

NiSource Inc., a Delaware corporation, promises to pay to Cede & Co., or registered assigns, the principal sum of [ ] Dollars on May 1, 2030.

Interest Payment Dates: May 1 and November 1, beginning November 1, 2020.

Record Dates: (i) if all of the Notes are in book-entry form represented by one or more Global Securities, the Business Day immediately preceding the applicable Interest Payment Date and (ii) if any of the Notes are not in book-entry form represented by one or more Global Securities, on each April 15 and October 15 (whether or not a Business Day) (each such date in clauses (i) and (ii), a "Regular Record Date").

Additional provisions of this Note are set forth on the other side of this Note.

Dated:

NISOURCE INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes of the series referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON, as Trustee

By: _____
Authorized Officer

3.600% Notes due 2030

1. Interest

NiSource Inc., a Delaware corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "Company"), promises to pay interest on the principal amount of this Note at the rate per annum shown above. The Company will pay interest semiannually on May 1 and November 1 of each year, beginning November 1, 2020. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from April 13, 2020. Interest will be computed on the basis of a 360-day year of twelve 30-day months. The Company will pay interest on overdue principal and premium at the above rate and will pay interest on overdue installments of interest at such rate to the extent lawful.

2. Method of Payment

The Company will pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the Regular Record Date next preceding each Interest Payment Date even if Notes are canceled after the Regular Record Date and on or before the Interest Payment Date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. Payments in respect of the Notes represented by a Global Note (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by The Depository Trust Company, as Depositary.

3. Paying Agent and Security Registrar

Initially, the Trustee will act as Paying Agent and Security Registrar. The Company may appoint and change any Paying Agent or Security Registrar without notice to the Holders. The Company may act as Paying Agent or Security Registrar.

4. Indenture

The Company issued the Notes under an Indenture dated as of November 14, 2000, among the Company, NiSource Inc. and the Trustee (as amended and supplemented, the "Indenture") and pursuant to an Officers' Certificate of the Company dated April 13, 2020 (the "Officers' Certificate"). The terms of the Notes include those stated in the Indenture and the Officers' Certificate and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. sections 77aaa-77bbbb) as in effect on the date of the Officers' Certificate (the "Act"). Capitalized terms used herein and defined in the Indenture but not defined herein have the respective meanings ascribed thereto in the Indenture. The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the Act for a statement of those terms.

The Notes are senior unsecured obligations of the Company. The Notes issued on the original issue date will be treated as a single class for all purposes under the Indenture. The Indenture contains covenants that limit the ability of the Company and its Subsidiaries (other than Utilities) to incur additional indebtedness and create liens on assets unless the total amount of all the secured debt would not exceed 10% of Consolidated Net Tangible Assets (excluding the Utilities). These covenants are subject to important exceptions and qualifications.

5. Optional Redemption

At any time before February 1, 2030 (which is the date that is three (3) months prior to maturity of the Notes (the "Par Call Date")), the Company will have the right to redeem the Notes, in whole or in part and from time to time, at a Redemption Price equal to the greater of (1) 100% of the principal amount of the Notes being redeemed and (2) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes being redeemed that would be due if the Notes matured on the Par Call Date (exclusive of interest accrued to the Redemption Date), discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 45 basis points, plus, in either case, accrued and unpaid interest on the principal amount of the Notes being redeemed to, but excluding, such Redemption Date.

At any time on or after the Par Call Date, the Company will have the right to redeem the Notes, in whole or in part and from time to time, at a Redemption Price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest on the principal amount of the Notes being redeemed to, but excluding, such Redemption Date.

For purposes of this provision:

"Comparable Treasury Issue" means the United States Treasury security selected by the Quotation Agent as having an actual or interpolated maturity comparable to the remaining term of the Notes to be redeemed (assuming, for this purpose, that the Notes matured on the Par Call Date), that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of the Notes.

"Comparable Treasury Price" means, with respect to any Redemption Date, (A) the average of the Reference Treasury Dealer Quotations for such Redemption Date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (B) if the Quotation Agent obtains fewer than four Reference Treasury Dealer Quotations for such Redemption Date, the average of all such Reference Treasury Dealer Quotations as determined by the Company.

"Quotation Agent" means one of the Reference Treasury Dealers appointed by the Company.

"Reference Treasury Dealer" means each of Barclays Capital Inc., J.P. Morgan Securities LLC, a Primary Treasury Dealer (as defined below) selected by MUFG Securities

Americas Inc. and a Primary Treasury Dealer selected by PNC Capital Markets LLC, or their respective affiliates or successors, each of which is a primary U.S. Government securities dealer in the United States (a "Primary Treasury Dealer"); provided, however, that if any of the foregoing or their affiliates or successors shall cease to be a Primary Treasury Dealer, the Company will substitute another Primary Treasury Dealer for them.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding such Redemption Date.

"Treasury Rate" means, with respect to any Redemption Date, the rate per annum equal to the semi-annual equivalent yield to maturity or interpolated maturity (on a day-count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date.

6. Notice of Redemption

If the Company is redeeming less than all the Notes at any time, the Trustee will select the Notes to be redeemed on a pro rata basis, by lot or by such method it considers fair and appropriate; provided that for Notes represented by a Global Security, selection of such Notes to be redeemed will be in accordance with the Depositary's customary practices. Notice of redemption will be delivered at least 10 days but not more than 60 days before the Redemption Date to each Holder of Notes to be redeemed in accordance with Section 106 of the Indenture; provided that for Notes represented by a Global Security, notice of redemption shall be provided to the Depositary in accordance with the Depositary's customary procedures. Notes in denominations larger than $2,000 principal amount may be redeemed in part but only in integral multiples of $1,000. The Company will not know the exact Redemption Price until three (3) Business Days before the Redemption Date. Therefore, the notice of redemption will only describe how the Redemption Price will be calculated. If money sufficient to pay the Redemption Price of and accrued interest on all Notes (or portions thereof) to be redeemed on the Redemption Date is deposited with the Paying Agent on or before the Redemption Date and certain other conditions are satisfied, on and after such Redemption Date interest will cease to accrue on such Notes (or such portions thereof) called for redemption.

7. Additional Notes

The Company may, without the consent of the Holders of the Notes, create and issue additional Notes ranking equally with the Notes in all respects, including having the same terms (except for the price to public, the issue date and the first Interest Payment Date, as applicable), so that such additional Notes shall be consolidated and form a single series with the Notes and shall have the same terms as to status, redemption or otherwise as the Notes. Such additional Notes will have the same CUSIP number as the Notes being

authenticated on the date hereof, provided that such additional Notes are part of the same issue as the Notes being authenticated on the date hereof for U.S. federal income tax purposes. If such additional Notes are not part of the same issue for U.S. federal income tax purposes, such additional Notes must be issued with a separate CUSIP number. No additional Notes may be issued if an Event of Default has occurred and is continuing with respect to the Notes.

8. Denominations; Transfer; Exchange

The Notes are in registered form without coupons in denominations of $2,000 principal amount and integral multiples of $1,000. A Holder may transfer or exchange Notes in accordance with the Indenture. The Security Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Security Registrar need not register the transfer or exchange of any Notes selected for redemption (except, in the case of a Note to be redeemed in part, the portion of the Note not to be redeemed) for a period of fifteen (15) Business Days before a selection of Notes to be redeemed.

9. Persons Deemed Owners

The registered Holder of this Note may be treated as the owner of it for all purposes.

10. Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Company at its request. After any such payment, Holders entitled to the money must look only to the Company and not to the Trustee or the Paying Agent for payment.

11. Satisfaction and Discharge

Under the Indenture, the Company can terminate its obligations with respect to the Notes not previously delivered to the Trustee for cancellation when those Notes have become due and payable or will become due and payable at their Stated Maturity within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving notice of redemption. The Company may terminate its obligations with respect to the Notes by depositing with the Trustee, as funds in trust dedicated solely for that purpose, an amount sufficient to pay and discharge the entire indebtedness on the Notes. In that case, the Indenture will cease to be of further effect and the Company’s obligations will be satisfied and discharged with respect to the Notes (except as to the Company’s obligations to pay all other amounts due under the Indenture and to provide certain Officers’ Certificates and Opinions of Counsel to the Trustee). At the expense of the Company, the Trustee will execute proper instruments acknowledging the satisfaction and discharge.

12. Amendment, Waiver

Subject to certain exceptions set forth in the Indenture, (i) the Indenture may be amended with the written consent of the Holders of a majority in principal amount of the then Outstanding Securities of each series affected by such amendment, (ii) the Notes may be amended with the written consent of the Holders of at least a majority in principal amount outstanding of the Notes and (iii) any default or noncompliance with any provision may be waived with the written consent of the Holders of a majority in principal amount outstanding of the Notes. Subject to certain exceptions set forth in the Indenture, without the consent of any Holder, the Company and the Trustee shall be entitled to amend the Indenture to, among other things, cure any ambiguity, defect or inconsistency, or to evidence the succession of another Person as obligor under the Indenture, or to add to the Company's covenants or to surrender any right or power conferred on the Company under the Indenture, or to add events of default, or to secure the Notes, or to evidence or provide for the acceptance or appointment by a successor Trustee or facilitate the administration of the trusts under the Indenture by more than one trustee, or to conform the Indenture to any amendment of the Trust Indenture Act.

13. Defaults and Remedies

Under the Indenture, Events of Default include: (i) default by the Company in the payment of any interest upon any Note and the continuance of such default for 60 days; (ii) default by the Company in the payment of principal of or any premium on any Note when due at Maturity, on redemption, by declaration or otherwise, and the continuance of such default for three (3) Business Days; (iii) default by the Company in the performance of or breach of any covenant or warranty in the Indenture and continuance of such default for 90 days after written notice to the Company from the Trustee or to the Company and the Trustee from the Holders of at least 33% in principal amount of the Outstanding Notes; (iv) default by the Company under any bond, debenture, note or other evidence of indebtedness for money borrowed by the Company, or the Company defaults under any mortgage, indenture or instrument under which there may be issued, secured or evidenced indebtedness constituting a failure to pay in excess of $50,000,000 of the principal or interest when due and payable, subject to certain cure rights; or (v) certain events of bankruptcy, insolvency or reorganization of the Company. If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 33% in principal amount of the Notes may declare all the Notes to be due and payable immediately.

Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives indemnity or security satisfactory to it. Subject to certain limitations, Holders of a majority in principal amount of the Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except a default in payment of principal or interest) if it determines that withholding notice is in the interest of the Holders.

14. Trustee Dealings with the Company

Subject to certain limitations imposed by the Act, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

15. No Recourse Against Others

A director, officer, employee or stockholder, as such, of the Company or the Trustee shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

16. Authentication

This Note shall not be valid until an authorized signatory of the Trustee (or an Authenticating Agent) manually or electronically signs the certificate of authentication on the other side of this Note.

17. Abbreviations

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with rights of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

18. CUSIP and ISIN Numbers

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes and has directed the Trustee to use CUSIP numbers in notices of redemption as a convenience to Holders. To the extent such numbers have been issued, the Company has caused ISIN numbers to be similarly printed on the Notes and has similarly instructed the Trustee. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

19. Governing Law.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONTRARY CONFLICT OF LAWS OR CHOICE OF LAWS PROVISIONS OF THE STATE OF NEW YORK OR ANY OTHER JURISDICTION.

The Company will furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

Attention: Corporate Secretary

ASSIGNMENT FORM

To assign this Note, fill in the form below: I or we assign and transfer this Note to

(Print or type assignee's name, address and zip code) (Insert assignee's soc. sec. or tax I.D. No.)

and irrevocably appoint_____ agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date:_____ Your Signature: _____

Sign exactly as your name appears on the other side of this Note.

Signature Guarantee:

Signature must be guaranteed Signature

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Security Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Security Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Exhibit 5.1

SIDLEY

SIDLEY AUSTIN LLP
ONE SOUTH DEARBORN STREET
CHICAGO, IL 60603
+1 312 853 7000
+1 312 853 7036 FAX

AMERICA • ASIA PACIFIC • EUROPE

April 8, 2020

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

Re: Registration Statement on Form S-3

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-3, File No. 333-234422 (the "Registration Statement"), filed by NiSource Inc., a Delaware corporation (the "Company"), with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), which Registration Statement became effective upon filing pursuant to Rule 462(e) under the Securities Act. Pursuant to the Registration Statement, the Company will be issuing $1,000,000,000 aggregate principal amount of the Company's 3.600% Notes due 2030 (the "Securities"). The Securities are to be issued under an Indenture, dated as of November 14, 2000, between the Company, as successor to NiSource Finance Corp., and The Bank of New York Mellon, as successor trustee (the "Trustee") (as amended and supplemented to the date hereof, the "Indenture"). The Securities are to be sold by the Company pursuant to a Terms Agreement, dated April 7, 2020 (the "Terms Agreement"), by and among the Company and the underwriters named therein.

This opinion letter is being delivered in accordance with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act.

We have examined the Registration Statement, the Indenture, the Terms Agreement, the Securities in global form and the resolutions adopted by the board of directors of the Company relating to the Registration Statement, the Indenture, the Terms Agreement and the issuance of the Securities by the Company. We have also examined originals, or copies of originals certified to our satisfaction, of such agreements, documents, certificates and statements of the Company and other corporate documents and instruments, and have examined such questions of law, as we have considered relevant and necessary as a basis for this opinion letter. We have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures, the legal capacity of all persons and the conformity with the original documents of any copies thereof submitted to us for examination. As to facts relevant to the opinions expressed herein, we have

relied without independent investigation or verification upon, and assumed the accuracy and completeness of, certificates, letters and oral and written statements and representations of public officials and officers and other representatives of the Company.

Based on and subject to the foregoing and the other limitations, qualifications and assumptions set forth herein, we are of the opinion that the Securities will constitute valid and binding obligations of the Company when the Securities are duly executed by duly authorized officers of the Company and duly authenticated by the Trustee, all in accordance with the provisions of the Indenture, and delivered to the purchasers thereof against payment of the agreed consideration therefor in accordance with the Terms Agreement.

Our opinion is subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer and other similar laws relating to or affecting creditors' rights generally and to general equitable principles (regardless of whether considered in a proceeding in equity or at law), including concepts of commercial reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief. Our opinion is also subject to (i) provisions of law which may require that a judgment for money damages rendered by a court in the United States of America be expressed only in United States dollars, (ii) requirements that a claim with respect to any Debt Securities or other obligations that are denominated or payable other than in United States dollars (or a judgment denominated or payable other than in United States dollars in respect of such claim) be converted into United States dollars at a rate of exchange prevailing on a date determined pursuant to applicable law and (iii) governmental authority to limit, delay or prohibit the making of payments outside of the United States of America or in a foreign currency.

This opinion letter is limited to the General Corporation Law of the State of Delaware and the laws of the State of New York (excluding the securities laws of the State of New York). We express no opinion as to the laws, rules or regulations of any other jurisdiction, including, without limitation, the federal laws of the United States of America or any state securities or blue sky laws.

We hereby consent to the filing of this opinion letter as an Exhibit to the Registration Statement and to all references to our Firm included in or made a part of the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ Sidley Austin LLP

FORM 8-K

APRIL 1, 2020

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

FORM 8-K

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

Date of Report (Date of earliest event reported): April 1, 2020

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware	001-16189	35-2108964
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, Indiana	46410
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 1.01 Entry into a Material Definitive Agreement

On April 1, 2020, NiSource Inc. (the "Company"), as Borrower, entered into a Term Loan Agreement (the "Agreement") with the lenders party thereto and KeyBank National Association, as Administrative Agent, with KeyBank National Association, PNC Bank, National Association, and U.S. Bank National Association, as Joint Lead Arrangers and Joint Bookrunners. Under the Agreement, the Company borrowed $850 million. The term loan matures on March 31, 2021 and bears interest at the option of the Company at:

- a rate equal to the Alternate Base Rate, which is a floating rate equal to the highest of (A) the prime rate of interest quoted by The Wall Street Journal as the "Prime Rate" in the U.S. from time to time, (B) the Federal Funds Effective Rate in effect from time to time plus 0.50% and (C) the one-month LIBO rate plus 1.0%, or
- a rate equal to (A) the one-, two-, three- or six-month LIBO rate plus (B) 75 basis points.

The Agreement contains customary affirmative and negative covenants, as well as customary events of default. The Agreement includes one financial covenant, a maximum debt-to-capitalization covenant set at 70%, which is consistent with the Company's existing $1.85 billion Fifth Amended and Restated Revolving Credit Agreement.

The description above is a summary of the Agreement and is qualified in its entirety by the complete text of the Agreement, a copy of which is attached to this report as Exhibit 10.1 and incorporated herein by reference.

Item 1.02 Termination of a Material Definitive Agreement

In connection with entering into the Agreement, the Company terminated and repaid in full its existing $850,000,000 of indebtedness, plus applicable interest and fees, under its Amended and Restated Term Loan Agreement dated as of April 17, 2019, by and among the Company, the lenders party thereto, and MUFG Bank Ltd., as Administrative Agent, Sole Lead Arranger and Sole Bookrunner.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

The information set forth under Item 1.01 of this Current Report on Form 8-K is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits

(d) *Exhibits*

Exhibit Number	Description
10.1	Term Loan Agreement, dated as of April 1, 2020, among NiSource Inc., as Borrower, the lenders party thereto, and KeyBank National Association, as Administrative Agent, and KeyBank National Association, PNC Bank, National Association and U.S. Bank National Association, as Joint Lead Arrangers and Joint Bookrunners.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

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

NISOURCE INC.

Date: April 1, 2020

By: /s/ Donald E. Brown
Donald E. Brown
Executive Vice President and Chief Financial Officer

EXHIBIT 10.1

TERM LOAN AGREEMENT

Dated as of April 1, 2020

among

NISOURCE INC.,
as Borrower,

THE LENDERS PARTY HERETO,

and

KEYBANK NATIONAL ASSOCIATION,
as Administrative Agent,

KEYBANK NATIONAL ASSOCIATION,
PNC BANK, NATIONAL ASSOCIATION and U.S. BANK NATIONAL ASSOCIATION,
as Joint Lead Arrangers and Joint Bookrunners

TABLE OF CONTENTS

EXHIBITS AND SCHEDULES

TERM LOAN AGREEMENT, dated as of April 1, 2020 (as amended, restated, supplemented or otherwise modified pursuant to the terms hereof, this "***Agreement***"), among **NISOURCE INC.**, a Delaware corporation (the "***Borrower***"), **KEYBANK NATIONAL ASSOCIATION**, as administrative agent for the lenders hereunder (in such capacity, the "***Administrative Agent***"), and the lenders from time to time party hereto.

The parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.01. Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"***ABR***", when used in reference to any Loan or Borrowing, refers to whether such Loan is, or the Loans comprising such Borrowing are, bearing interest at a rate determined by reference to the Alternate Base Rate.

"***Act***" means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

"***Administrative Agent***" has the meaning assigned to such term in the preamble hereto.

"***Administrative Questionnaire***" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"***Affected Financial Institution***" means (a) any EEA Financial Institution or (b) any UK Financial Institution**.**

"***Affiliate***" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"***Agent Party***" has the meaning assigned to such term in Section 11.01(g).

"***Agreement***" has the meaning assigned to such term in the preamble hereto.

"***Alternate Base Rate***" means, for any day, a rate *per annum* equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1% and (c) 1.0% per annum plus the LIBO Rate applicable to an Interest Period of one month on such day (or if such day is not a Business Day, the immediately preceding Business Day), provided that, for the avoidance of doubt, (i) the LIBO Rate for any day shall be based on the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such page) at approximately 11:00 a.m. London time on such day and (ii) if the Alternate Base Rate shall be less than 1.00%, such rate shall be deemed to be 1.00% for purposes of this Agreement. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the one-month LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the one-month LIBO Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.14 hereof, then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above.

"***Anti-Corruption Laws***" means all laws, rules, and regulations of any jurisdiction applicable to the Borrower or its Subsidiaries from time to time concerning or relating to bribery, corruption or money laundering.

"***Applicable Percentage***" means, at any time with respect to any Lender, the percentage of the aggregate amount of unused and available Commitments and Outstanding Loans of all Lenders at such time represented by the unused and available Commitment and Outstanding Loans held by such Lender; provided that, in the case of Section 2.20 when a Defaulting Lender shall exist, such Defaulting Lender's Commitment and Outstanding Loans shall be disregarded for purposes of this definition.

"***Applicable Rate"*** means, for any day, a rate *per annum* (stated in basis points) equal to (a) 75.0 with respect to any Eurodollar Loan and (b) 0.0 with respect to any ABR Loan.

"***Arrangers***" means KeyBank, PNC Bank, National Association, and U.S. Bank National Association in their capacity as joint lead arrangers and joint bookrunners for the term loan facility under this Agreement.

"***Assignment and Assumption***" means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 11.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form approved by the Administrative Agent.

"***Authorized Officer***" means the president, chief financial officer or the treasurer of the Borrower; provided that solely with respect to the submission of a Borrowing Request, "***Authorized Officer***" shall also mean the assistant treasurer, the treasury operations manager or the corporate finance manager of the Borrower.

"***Bail-In Action***" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"***Bail-In Legislation***" means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"***Bankruptcy Event***" means, with respect to any Person, such Person becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment; provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof; provided, further, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States of America or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

"***Bay State Assets***" means the "Purchased Assets" under and as defined in the Bay State Asset Purchase Agreement as in effect on the date hereof.

"***Bay State Asset Purchase Agreement***" means that certain Asset Purchase Agreement dated as of February 26, 2020 by and among the Borrower, Bay State Gas Company, a Massachusetts corporation and indirect wholly-owned subsidiary of the Company and Eversource Energy, a Massachusetts voluntary association, as amended, modified or supplemented from time to time.

"***Benchmark Replacement***" means the sum of: (a) the alternate benchmark rate (which may include Term SOFR) that has been selected by the Administrative Agent and the Borrower giving due consideration to (i) any selection or recommendation of a replacement rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a rate of interest as a replacement to the LIBO Screen Rate for U.S. dollar-denominated syndicated credit facilities at such time and (b) the Benchmark Replacement Adjustment; provided that, if the Benchmark Replacement as so determined would be less than zero, the Benchmark Replacement will be deemed to be zero for the purposes of this Agreement.

"***Benchmark Replacement Adjustment***" means, with respect to any replacement of the LIBO Screen Rate with an Unadjusted Benchmark Replacement for each applicable Interest Period, the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the LIBO Screen Rate with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the LIBO Screen Rate with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time.

"***Benchmark Replacement Conforming Changes***" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Alternate Base Rate," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest and other administrative matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of the Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement).

"***Benchmark Replacement Date***" means the earlier to occur of the following events with respect to the LIBO Screen Rate:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the LIBO Screen Rate permanently or indefinitely ceases to provide the LIBO Screen Rate; or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

"***Benchmark Transition Event***" means the occurrence of one or more of the following events with respect to the LIBO Screen Rate:

(1) a public statement or publication of information by or on behalf of the administrator of the LIBO Screen Rate announcing that such administrator has ceased or will cease to provide the LIBO Screen Rate, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the LIBO Screen Rate;

(2) a public statement or publication of information by the regulatory supervisor for the administrator of the LIBO Screen Rate, the U.S. Federal Reserve System, an insolvency official with jurisdiction over the administrator for the LIBO Screen Rate, a resolution authority with jurisdiction over the administrator for the LIBO Screen Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the LIBO Screen Rate, which states that the administrator of the LIBO Screen Rate has ceased or will cease to provide the LIBO Screen Rate permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the LIBO Screen Rate; or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of the LIBO Screen Rate or a Relevant Governmental Body announcing that the LIBO Screen Rate is no longer representative.

"***Benchmark Transition Start Date***" means (a) in the case of a Benchmark Transition Event, the earlier of (i) the applicable Benchmark Replacement Date and (ii) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication) and (b) in the case of an Early Opt-in Election, the date specified by the Administrative Agent by notice to the Borrower and the Lenders.

"***Benchmark Unavailability Period***" means, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the LIBO Screen Rate and solely to the extent that the LIBO Screen Rate has not been replaced with a Benchmark Replacement, the period (x) beginning at the time that such Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the LIBO Screen Rate for all purposes hereunder in accordance with Section 2.14 hereof and (y) ending at the time that a Benchmark Replacement has replaced the LIBO Screen Rate for all purposes hereunder pursuant to Section 2.14 hereof.

"***Beneficial Ownership Certification***" means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"***Beneficial Ownership Regulation***" means 31 C.F.R. § 1010.230.

"***Benefit Plan***" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"***Board***" means the Board of Governors of the Federal Reserve System of the United States of America.

"***Board of Directors***" means, with respect to any Person, (i) in the case of any corporation, the board of directors of such Person, (ii) in the case of any limited liability company, the board of managers (or equivalent) of such Person, (iii) in the case of any partnership, the board of directors (or equivalent) of the general partner of such Person and (iv) in any other case, the functional equivalent of the foregoing.

"***Borrower***" means NiSource Inc., a Delaware corporation.

"***Borrowing***" means Loans of the same Type, made, converted or continued on the same date and, in the case of Eurodollar Loans, as to which a single Interest Period is in effect.

"***Borrowing Request***" means a request by the Borrower for a Borrowing in accordance with Section 2.02.

"***Business Day***" means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; provided that, when used in connection with a Eurodollar Loan, the term "***Business Day***" shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market.

"***Capital Lease***" means, as to any Person, any lease of real or personal property in respect of which the obligations of the lessee are required, in accordance with GAAP, to be capitalized on the balance sheet of such Person, provided that, for purposes of this Agreement:

(i) any changes in GAAP pursuant to ASC Topic 840 or 842 (or any successor thereto) that would treat as capital leases any operating leases existing as of the date of this Agreement (and any renewals or replacements thereof), and

(ii) additional operating leases entered into after the date of this Agreement (to the extent not exceeding $100,000,000 in aggregate notional amount for all such capitalized lease obligations),

in each case, that would not have been treated as capital leases under GAAP as in effect on December 31, 2019, will not be given effect for purposes of calculation of the financial covenant contained in Article VII.

"***Capital Stock***" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person other than a corporation (including, but not limited to, all common stock and preferred stock and partnership, membership and joint venture interests or units in a Person), and any and all warrants, rights or options to purchase any of the foregoing.

"***CERCLA***" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act, 42, U.S.C. Section 9601 et seq., as amended.

"***Change in Law***" means the occurrence, after the date of this Agreement (or with respect to any Lender, if later, the date on which such Lender becomes a Lender), of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rules, guideline, requirement or directive (whether or not having the force of law) by any Governmental Authority; provided, however, that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements and directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines, requirements and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States of America or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law" regardless of the date enacted, adopted, issued or implemented.

"***Change of Control***" means (a) any "person" or "group" within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended, shall become the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended) of more than 50% of the then outstanding voting Capital Stock of the Borrower, (b) Continuing Directors shall cease to constitute at least a majority of the directors constituting the Board of Directors of the Borrower, (c) a consolidation or merger of the Borrower shall occur after which the holders of the outstanding voting Capital Stock of the Borrower immediately prior thereto hold less than 50% of the outstanding voting Capital Stock of the surviving entity, (d) more than 50% of the outstanding voting Capital Stock of the Borrower shall be transferred to an entity of which the Borrower owns less than 50% of the outstanding voting Capital Stock, (e) there shall occur a sale of all or substantially all of the assets of the Borrower or (f) NIPSCO shall cease to be a Wholly-Owned Subsidiary of the Borrower (except to the extent otherwise permitted under clauses (i), (ii) or (iii) of Section 6.01(b)).

"***Code***" means the Internal Revenue Code of 1986, as amended from time to time.

"***Commitment***" means, with respect to each Lender, the commitment of such Lender to make its Loan hereunder on the Effective Date as set forth herein. The amount of each Lender's Commitment is as of the Effective Date, the amount set forth on Schedule 2.01 opposite such Lender's name.

"***Communications***" has the meaning assigned to such term in Section 11.01(g).

"***Connection Income Taxes***" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"***Consolidated Capitalization***" means the sum of (a) Consolidated Debt, (b) consolidated common equity of the Borrower and its Consolidated Subsidiaries determined in accordance with GAAP, (c) Hybrid Securities and Mandatorily Convertible Securities not exceeding 15% of Consolidated Capitalization, and (d) the aggregate liquidation preference of preferred stocks (other than preferred stocks subject to mandatory redemption or repurchase) of the Borrower and its Consolidated Subsidiaries upon involuntary liquidation.

"***Consolidated Debt***" means, at any time, the Indebtedness of the Borrower and its Consolidated Subsidiaries that would be classified as debt on a balance sheet of the Borrower determined on a consolidated basis in accordance with GAAP; provided that, for purposes of calculation of the financial covenant contained in Article VII, Consolidated Debt shall exclude Hybrid Securities and Mandatorily Convertible Securities not exceeding 15% of Consolidated Capitalization. For the avoidance of doubt, the aggregate amount of Hybrid Securities and Mandatorily Convertible Securities in excess of 15% of Consolidated Capitalization will be included in Consolidated Debt.

"***Consolidated Subsidiary***" means, on any date, each Subsidiary of the Borrower the accounts of which, in accordance with GAAP, would be consolidated with those of the Borrower in its consolidated financial statements if such statements were prepared as of such date.

"***Contingent Guaranty***" means a direct or contingent liability in respect of a Project Financing (whether incurred by assumption, guaranty, endorsement or otherwise) that either (a) is limited to guarantying performance of the completion of the Project that is financed by such Project Financing or (b) is contingent upon, or the obligation to pay or perform under which is contingent upon, the occurrence of any event other than failure of the primary obligor to pay upon final maturity (whether by acceleration or otherwise).

"***Continuing Directors***" means (a) all members of the Board of Directors of the Borrower who have held office continually since the Effective Date, and (b) all members of the Board of Directors of the Borrower who were elected as directors after the Effective Date and whose nomination for election was approved by a vote of at least 50% of the Continuing Directors.

"***Contractual Obligation***" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"***Control***" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "***Controlling***" and "***Controlled***" have meanings correlative thereto.

"***Credit Documents***" means (a) this Agreement, any promissory notes executed pursuant to Section 2.10, and any Assignment and Assumptions, (b) any certificates, opinions and other documents required to be delivered pursuant to Section 3.01 and (c) any other documents delivered by the Borrower pursuant to or in connection with any one or more of the foregoing.

"***Creditor Party***" means the Administrative Agent or any other Lender.

"***Debt for Borrowed Money***" means, as to any Person, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all Capital Lease obligations of such Person, and (d) all obligations of such Person under synthetic leases, tax retention operating leases, off-balance sheet loans or other off-balance sheet financing products that, for tax purposes, are considered indebtedness for borrowed money of the lessee but are classified as operating leases under GAAP.

"***Debt to Capitalization Ratio***" means, at any time, the ratio of Consolidated Debt to Consolidated Capitalization.

"***Default***" means any event or condition that constitutes an Event of Default or that, upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

"***Defaulting Lender***" means any Lender that (a) has failed, within two Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans or (ii) pay over to any Creditor Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's good faith determination that a condition precedent to funding set forth in Section 3.02 (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Borrower or any Creditor Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender's good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement set forth in Section 3.02 cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three Business Days after request by a Creditor Party, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations to fund prospective Loans; provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Creditor Party's receipt of such certification in form and substance satisfactory to it and the Administrative Agent, or (d) has become the subject of (i) a Bankruptcy Event or (ii) a Bail-In Action.

"***Disposition***" or "***Dispose***" means the sale, transfer, license, lease or other disposition (in one transaction or in a series of transactions and whether effected pursuant to a Division or otherwise) of any property by any Person (including any sale and leaseback transaction and any issuance of Capital Stock by a Subsidiary of such Person), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"***Dividing Person***" has the meaning assigned to it in the definition of "Division".

"***Division***" means the division of the assets, liabilities and/or obligations of a Person (the "***Dividing Person***") among two or more Persons (whether pursuant to a "plan of division" or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive. For all purposes under the Credit Documents, in connection with any Division: (a) if any asset, right, obligation or liability of any Dividing Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Capital Stock at such time.

"***Dollars***" or "***$***" refers to lawful money of the United States of America.

"***Early Opt-in Election***" means the occurrence of:

(1) a determination by the Administrative Agent or the Required Lenders that U.S. dollar-denominated syndicated credit facilities being executed at such time, or that include language similar to that contained in Section 2.14 hereof are being executed or amended, as applicable, to incorporate or adopt a new benchmark interest rate to replace the LIBO Screen Rate, and

(2) the election by the Administrative Agent or the Required Lenders to declare that an Early Opt-in Election has occurred and the provision by the Administrative Agent or at the direction of the Required Lenders of written notice of such election to the Borrower and the Lenders.

"***EEA Financial Institution***" means (a) any institution established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"***EEA Member Country***" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"***EEA Resolution Authority***" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"***Effective Date***" means the date on which each of the conditions precedent set forth in Section 3.01 have been satisfied or waived by the Lenders in accordance with Section 11.02.

"***Electronic Signature***" means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

"***Electronic System***" means any electronic system, including (i) e-mail, (ii) e-fax, (iii) Intralinks®, Syndtrak®, ClearPar® and (iv) any other Internet or extranet-based site, whether such electronic system is owned, operated or hosted by the Administrative Agent and any of its Related Parties or any other Person, providing for access to data protected by passcodes or other security system.

"***Environmental Laws***" means any and all foreign, federal, state, local or municipal laws (including, without limitation, common laws), rules, orders, regulations, statutes, ordinances, codes, decrees, judgments, awards, writs, injunctions, requirements of any Governmental Authority or other requirements of law regulating, relating to or imposing liability or standards of conduct concerning, pollution, waste, industrial hygiene, occupational safety or health, the presence, transport, manufacture, generation, use, handling, treatment, distribution, storage, disposal or release of Hazardous Materials, or protection of human health, plant life or animal life, natural resources or the environment, as now or at any time hereafter in effect.

"***Environmental Liability***" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower or any of its Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"***ERISA***" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"***ERISA Affiliate***" means any Person who, for purposes of Title IV of ERISA, is a member of the Borrower's controlled group, or under common control with the Borrower, within the meaning of Section 414 of the Code and the regulations promulgated and rulings issued thereunder.

"***ERISA Event***" means (a) a reportable event, within the meaning of Section 4043 of ERISA, with respect to a Plan unless the 30-day notice requirement with respect thereto has been waived by the PBGC, (b) the provision by the administrator of any Plan of a notice of intent to terminate such Plan, pursuant to Section 4041(a)(2) and 4041(c) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA), (c) the withdrawal by the Borrower or any ERISA Affiliate from a Multiple Employer Plan during a plan year for which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA, (d) the failure by the Borrower or any ERISA Affiliate to make a payment to a Plan required under Section 302 of ERISA, for which Section 303(k) of ERISA imposes a lien for failure to make required payments, or (e) the institution by the PBGC of proceedings to terminate a Plan, pursuant to Section 4042 of ERISA, or the occurrence of any event or condition which may reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, a Plan.

"***EU Bail-In Legislation Schedule***" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"***Eurocurrency Liabilities***" has the meaning assigned to that term in Regulation D of the Board, as in effect from time to time.

"***Eurodollar***", when used in reference to any Loan or Borrowing, refers to whether such Loan is, or the Loans comprising such Borrowing are, bearing interest at a rate determined by reference to the LIBO Rate.

"***Eurodollar Rate Reserve Percentage***" of any Lender for the Interest Period for any Eurodollar Loan means the reserve percentage applicable during such Interest Period (or if more than one such percentage shall be so applicable, the daily average of such percentages for those days in such Interest Period during which any such percentage shall be so applicable) under regulations issued from time to time by the Board (or any successor) for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for such Lender with respect to liabilities or assets consisting of or including Eurocurrency Liabilities having a term equal to such Interest Period.

"***Event of Default***" has the meaning assigned to such term in Article VIII.

"***Excluded Taxes***" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on (or measured by) its net income or net earnings (however denominated), franchise Taxes and branch profits Taxes, in each case, (i) imposed by the jurisdiction (or any political subdivision thereof) under the laws of which such Recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located or (ii) that are Other Connection Taxes, (b) in case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 2.19) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.17, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.17(e) or (f), and (d) any Taxes imposed under FATCA.

"***Existing Loan Agreement***" means that certain Amended and Restated Term Loan Agreement, dated as of April 17, 2019, by and among the Borrower, the Lenders from time to time party thereto and MUFG Bank, Ltd., as the Administrative Agent thereunder.

"***Extension of Credit***" means the making by any Lender of a Loan.

"***FATCA***" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

"***Federal Reserve Bank of New York's Website***" means the website of the Federal Reserve Bank of New York at http://www.newyorkfed.org, or any successor source.

"***Federal Bankruptcy Code***" means Title 11 of the United States Code (11 U.S.C. § 101 et seq.) as now or hereafter in effect, or any successor statute.

"***Federal Funds Effective Rate***" means, for any day, the rate calculated by the Federal Reserve Bank of New York based on such day's federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on the Federal Reserve Bank of New York's Website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided that if such rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"***Foreign Lender***" means any Lender that is not a U.S. Person.

"***GAAP***" means generally accepted accounting principles in the United States of America consistent with those applied in the preparation of the financial statements referred to in Section 4.01(e).

"***Governmental Authority***" means the government of the United States of America, any other nation, or any political subdivision of the United States of America or any other nation, whether state or local, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank), and any group or body charged with setting financial accounting or regulatory capital rules or standards (including, without limitation, the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

"***Hazardous Materials***" means any asbestos; flammables; volatile hydrocarbons; industrial solvents; explosive or radioactive materials; hazardous wastes; toxic substances; liquefied natural gas; natural gas liquids; synthetic gas; oil, petroleum, or related materials and any constituents, derivatives, or byproducts thereof or additives thereto; or any other material, substance, waste, element or compound (including any product) regulated pursuant to any Environmental Law, including, without limitation, substances defined as "hazardous substances," "hazardous materials," "contaminants," "pollutants," "hazardous wastes," "toxic substances," "solid waste," or "extremely hazardous substances" in (i) CERCLA, (ii) the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq., (iii) the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., (iv) the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251 et seq., (v) the Clean Air Act, 42 U.S.C. Section 7401 et seq., (vi) the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., (vii) the Safe Drinking Water Act, 42 U.S.C. Section 300f et seq., or (viii) foreign, state, local or municipal law, in each case, as may be amended from time to time.

"***Hybrid Securities***" means, on any date, any securities, other than common stock, issued by the Borrower or a Hybrid Vehicle that meet the following criteria: (a) at the time of issuance and at the time of any amendment, restatement or other modification of the related indenture or other operative documentation in respect of such securities, such securities are classified as possessing a minimum of "intermediate equity content" by S&P, Basket B equity credit by Moody's, and 50% equity credit by Fitch Ratings Ltd. (or any successor) (or the equivalent classifications then in effect by such agencies), (b) such securities require no repayments or prepayments and no mandatory redemptions or repurchases, in each case prior to a date at least 91 days after the Termination Date and (c) the claims of holders of any such securities are subordinated to the claims of the Administrative Agent and the Lenders in respect of the Obligations on terms reasonably satisfactory to the Administrative Agent. As used in this definition, "mandatory redemption" shall not include conversion of a security into common stock of the Borrower or the applicable Hybrid Vehicle.

"***Hybrid Vehicle***" means a special purpose subsidiary directly owned by the Borrower, or a trust formed by the Borrower, in each case, for the sole purpose of issuing Hybrid Securities and which conducts no business other than the issuance of Hybrid Securities and activities incidental thereto.

"***IBA***" has the meaning set forth in Section 1.05.

"***Indebtedness***" of any Person means (without duplication) (a) Debt for Borrowed Money, (b) obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business which are not overdue, (c) all obligations, contingent or otherwise, of such Person in respect of any letters of credit, bankers' acceptances or interest rate, currency or commodity swap, cap or floor arrangements, (d) all indebtedness of others secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the indebtedness secured thereby has been assumed, (e) all amounts payable by such Person in connection with mandatory redemptions or repurchases of preferred stock, and (f) obligations of such Person under direct or indirect guarantees in respect of, and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in clauses (a) through (e) above.

"***Indemnified Taxes***" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Credit Document and (b) to the extent not otherwise described in (a), Other Taxes.

"***Indemnitee***" has the meaning set forth in Section 11.03.

"***Index Debt***" means the senior unsecured long-term debt securities of the Borrower, without third-party credit enhancement provided by a Person other than the Borrower.

"***Ineligible Institution***" has the meaning assigned to such term in Section 11.04(b).

"***Information***" has the meaning set forth in Section 11.12.

"***Insufficiency***" means, with respect to any Plan, the amount, if any, by which the present value of all vested and unvested accrued benefits under such Plan exceeds the fair market value of assets allocable to such benefits, all determined as of the then most recent valuation date for such Plan using actuarial assumptions used in determining such Plan's target normal cost for purposes of Section 430(b) of the Code.

"***Interest Election Request***" means a request by the Borrower to convert or continue all or a portion of any Borrowing in accordance with Section 2.06.

"***Interest Payment Date***" means (a) with respect to any ABR Loan, the last Business Day of each March, June, September and December, (b) with respect to any Eurodollar Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Eurodollar Borrowing with an Interest Period of more than three months' duration, the day that is three months after the first day of such Interest Period and (c) with respect to any Loan, the Termination Date.

"***Interest Period***" means (i) with respect to the Borrowings converted to Eurodollar Borrowings on April 3, 2020, the period commencing on such date and ending on April 30, 2020 and (ii) with respect to any other Eurodollar Borrowing, the period commencing on the date such Borrowing was converted or continued and ending on the numerically corresponding day in the calendar month that is one, two, three or six months thereafter, as the Borrower may elect; provided that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day; and (b) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

"***Interpolated Rate***" means, in relation to the LIBO Screen Rate, the rate which results from interpolating on a linear basis between:

(a) the applicable LIBO Screen Rate for the longest period (for which that LIBO Screen Rate is available) which is less than the Interest Period of that Loan; and

(b) the applicable LIBO Screen Rate for the shortest period (for which that LIBO Screen Rate is available) which exceeds the Interest Period of that Loan,

each as of approximately 11:00 a.m. (London, England time) two Business Days prior to the commencement of such Interest Period of that Loan.

"***KeyBank***" means KeyBank National Association and its successors and permitted assigns.

"***Lenders***" means the Persons listed on Schedule 2.01, including any such Person identified thereon or in the signature pages hereto as a Lender, and any other Person that shall have become a party hereto pursuant to an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption.

"***LIBO Rate***" means for any Interest Period as to any Eurodollar Loan, the rate per annum (i) determined by the Administrative Agent to be the offered rate which appears on the page of the Reuters Screen which displays the London interbank offered rate administered by IBA (such page currently being the LIBOR01 page) (such rate and any replacement rate described in the following clause (ii) being collectively referred to as the ***"LIBO Screen Rate"***) for deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period in Dollars, determined as of approximately 11:00 a.m. (London, England time), two Business Days prior to the commencement of such Interest Period, (ii) in the event the rate referenced in the preceding clause (i) does not appear on such page or service or if such page or service shall cease to be available, determined by the Administrative Agent to be the offered rate on such other page or other service which displays the LIBO Rate for deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period in Dollars, determined as of approximately 11:00 a.m. (London, England time) two Business Days prior to the commencement of such Interest Period or (iii) in the event the rates referenced in the preceding clauses (i) and (ii) are not available, determined by the Administrative Agent to be the average offered quotation rate by major banks in the London interbank market to KeyBank for deposits (for delivery on the first day of the relevant period) in Dollars of amounts in same day funds comparable to the principal amount of the Eurodollar Loan for which the LIBO Rate is then being determined with maturities comparable to such Interest Period as of approximately 11:00 a.m. (London, England time) two Business Days prior to the commencement of such Interest Period; provided that if LIBO Screen Rates are quoted under either of the preceding clauses (i) or (ii), but there is no such quotation for the Interest Period elected, the LIBO Rate shall be equal to the Interpolated Rate; and provided, further, that if any such rate determined pursuant to the preceding clauses (i), (ii) or (iii) is below zero, the LIBO Rate will be deemed to be zero. It is understood and agreed that all of the terms and conditions of this definition of "LIBO Rate" shall be subject to Section 2.14 hereof.

"***LIBO Screen Rate***" has the meaning set forth in the definition of LIBO Rate.

"***Lien***" has the meaning set forth in Section 6.01(a).

"***Loans***" means the loans made by the Lenders to the Borrower pursuant to this Agreement.

"***Mandatorily Convertible Securities***" means any mandatorily convertible equity-linked securities issued by the Borrower or a Hybrid Vehicle that meet the following criteria: (a) such securities require no repayments or prepayments and no mandatory redemptions or repurchases (other than repayments, prepayments, redemptions or repurchases that are to be settled by the issuance of equity securities by the Borrower), in each case prior to at least 91 days after the Termination Date and (b) the claims of holders of any such securities are subordinated to the claims of the Administrative Agent and the Lenders in respect of the Obligations on terms reasonably satisfactory to the Administrative Agent. As used in this definition, "mandatory redemption" shall not include conversion of a security into common stock of the Borrower.

"***Margin Stock***" means margin stock within the meaning of Regulations U and X issued by the Board.

"***Material Adverse Effect***" means a material adverse effect on (a) the business, assets, operations, condition (financial or otherwise) or prospects of the Borrower and its Subsidiaries taken as a whole; (b) the validity or enforceability of any of Credit Documents or the rights, remedies and benefits available to the Administrative Agent and the Lenders thereunder; or (c) the ability of the Borrower to consummate the Transactions.

"***Material Subsidiary***" means at any time (a) NIPSCO and (b) each Subsidiary of the Borrower, other than NIPSCO, in respect of which:

(a) the Borrower's and its other Subsidiaries' investments in and advances to such Subsidiary and its Subsidiaries exceed 10% of the consolidated total assets of the Borrower and its Subsidiaries taken as a whole, as of the end of the most recent fiscal year; or

(b) the Borrower's and its other Subsidiaries' proportionate interest in the total assets (after intercompany eliminations) of such Subsidiary and its Subsidiaries exceeds 10% of the consolidated total assets of the Borrower and its Subsidiaries as of the end of the most recent fiscal year; or

(c) the Borrower's and its other Subsidiaries' equity in the income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principles of such Subsidiary and its Subsidiaries exceeds 10% of the consolidated income of the Borrower and its Subsidiaries for the most recent fiscal year.

"***Moody's***" means Moody's Investors Service, Inc., and any successor thereto.

"***Multiemployer Plan***" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA that is subject to Title IV of ERISA and to which the Borrower or an ERISA Affiliate makes, or is required to make, contributions or otherwise has any liability (including contingent liability).

"***Multiple Employer Plan***" means a single employer plan, as defined in Section 4001(a)(15) of ERISA, which (a) is maintained for employees of the Borrower or an ERISA Affiliate and at least one Person other than the Borrower and its ERISA Affiliates, or (b) was so maintained and in respect of which the Borrower or an ERISA Affiliate could have liability under Section 4064 or 4069 of ERISA in the event that such plan has been or were to be terminated.

"***NIPSCO***" means Northern Indiana Public Service Company, an Indiana corporation.

"***Non-Consenting Lender***" means any Lender that does not approve any consent, waiver or amendment that (i) requires the approval of all or all affected Lenders in accordance with the terms of Section 11.02 and (ii) has been approved by the Required Lenders.

"***Non-Recourse Debt***" means Indebtedness of the Borrower or any of its Subsidiaries which is incurred in connection with the acquisition, construction, sale, transfer or other Disposition of specific assets, to the extent recourse, whether contractual or as a matter of law, for non-payment of such Indebtedness is limited (a) to such assets or (b) if such assets are (or are to be) held by a Subsidiary formed solely for such purpose, to such Subsidiary or the Capital Stock of such Subsidiary.

"***Obligations***" means all amounts, direct or indirect, contingent or absolute, of every type or description, and at any time existing and whenever incurred (including, without limitation, after the commencement of any bankruptcy proceeding), owing to the Administrative Agent or any Lender pursuant to the terms of this Agreement or any other Credit Document.

"***OFAC***" means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

"***Other Connection Taxes***" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Credit Document, or sold or assigned an interest in any Loan or Credit Document).

"***Other Taxes***" means any and all present or future stamp, documentary or similar Taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

"***Outstanding Loans***" means, as to any Lender at any time, the aggregate principal amount of all Loans made or maintained by such Lender then outstanding.

"***Parent***" means, with respect to any Lender, any Person as to which such Lender is, directly or indirectly, a subsidiary.

"***Participant***" has the meaning set forth in Section 11.04.

"***Participant Register***" has the meaning set forth in Section 11.04.

"***PBGC***" means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

"***Person***" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"***Plan***" means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"***Plan Asset Regulations***" means 29 CFR § 2510.3-101 et seq., as modified by Section 3(42) of ERISA.

"***Prime Rate***" means the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"***Pro Forma Basis***" means, in connection with any calculation of compliance with any financial covenant or term, the calculation thereof after giving effect on a pro forma basis to the change in such calculation required by the applicable provision hereof, and otherwise on a basis in accordance with GAAP as used in the preparation of the latest financial statements provided pursuant to Section 5.01(h)(i) or (ii) and otherwise reasonably satisfactory to the Administrative Agent.

"***Project***" means an energy or power generation, transmission or distribution facility (including, without limitation, a thermal energy generation, transmission or distribution facility and an electric power generation, transmission or distribution facility (including, without limitation, a cogeneration facility)), a gas production, transportation or distribution facility, or a minerals extraction, processing or distribution facility, together with (a) all related electric power transmission, fuel supply and fuel transportation facilities and power supply, thermal energy supply, gas supply, minerals supply and fuel contracts, (b) other facilities, services or goods that are ancillary, incidental, necessary or reasonably related to the marketing, development, construction, management, servicing, ownership or operation of such facility, (c) contractual arrangements with customers, suppliers and contractors in respect of such facility, and (d) any infrastructure facility related to such facility, including, without limitation, for the treatment or management of waste water or the treatment or remediation of waste, pollution or potential pollutants.

"***Project Financing***" means Indebtedness incurred by a Project Financing Subsidiary to finance (a) the development and operation of the Project such Project Financing Subsidiary was formed to develop or (b) activities incidental thereto; provided that such Indebtedness does not include recourse to the Borrower or any of its other Subsidiaries other than (x) recourse to the Capital Stock in any such Project Financing Subsidiary, and (y) recourse pursuant to a Contingent Guaranty.

"***Project Financing Subsidiary***" means any Subsidiary of the Borrower (a) that (i) is not a Material Subsidiary, and (ii) whose principal purpose is to develop a Project and activities incidental thereto (including, without limitation, the financing and operation of such Project), or to become a partner, member or other equity participant in a partnership, limited liability company or other entity having such a principal purpose, and (b) substantially all the assets of which are limited to the assets relating to the Project being developed or Capital Stock in such partnership, limited liability company or other entity (and substantially all of the assets of any such partnership, limited liability company or other entity are limited to the assets relating to such Project); provided that such Subsidiary incurs no Indebtedness other than in respect of a Project Financing.

"***PTE***" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"***Recipient***" means, as applicable, (a) the Administrative Agent and (b) any Lender.

"***Referenced Annual Financial Statements***" means the consolidated balance sheet of the Borrower and its Subsidiaries dated as of December 31, 2019, and related statements of income, statements of cash flows and common shareholders' equity of the Borrower and its Subsidiaries for the fiscal year then ended.

"***Register***" has the meaning set forth in Section 11.04.

"***Relevant Governmental Body***" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto, including without limitation the Alternative Reference Rates Committee.

"***Related Parties***" means, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, employees, agents, partners, advisors and representatives of such Person and such Person's Affiliates.

"***Required Lenders***" means, at any time and subject to the terms of Section 2.20, Lenders having more than 50% of (a) the aggregate amount of the Commitments of all Lenders at such time, or (b) if the Commitments shall have been terminated upon the funding of the Loans on the Effective Date (or otherwise), the Outstanding Loans of all Lenders at such time.

"***Responsible Officer***" of the Borrower means any of (a) the President, the chief financial officer, the chief accounting officer and the Treasurer of the Borrower and (b) any other officer of the Borrower whose responsibilities include monitoring compliance with this Agreement.

"***Resolution Authority***" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"***S&P***" means Standard & Poor's Financial Services LLC, a subsidiary of S&P Global Inc. and any successor thereto.

"***Sanctioned Country***" means, at any time, a region, country or territory which is, or whose government is, the subject or target of any Sanctions (at the date of this Agreement, Crimea, Cuba, Iran, North Korea and Syria).

"***Sanctioned Person***" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, Her Majesty's Treasury of the United Kingdom, the European Union or any EU member state, (b) any Person located, operating, organized or resident in a Sanctioned Country, (c) any Person controlled by any such Person or (d) any Person otherwise the subject of any Sanctions.

"***Sanctions***" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union, any European Union Member State or Her Majesty's Treasury of the United Kingdom.

"***SOFR***" with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York's Website.

"***Specified Event***" means the "Greater Lawrence Incident" as described in Note 6, 19-C and Note 19-E of the Referenced Annual Financial Statements and in the "Risk Factors" section of Borrower's Form 10-K for the fiscal year ended December 31, 2019, as filed with the Securities and Exchange Commission on February 28, 2020.

"***Subsidiary***" means, with respect to any Person, any corporation or other entity of which at least a majority of the outstanding shares of stock or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the Board of Directors of such corporation or other entity (irrespective of whether or not at the time stock or other equity interests of any other class or classes of such corporation or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more of the Subsidiaries of such Person. Unless otherwise expressly stated, any reference to a Subsidiary shall mean a Subsidiary of the Borrower.

"***Substantial Subsidiaries***" has the meaning set forth in Section 8.01.

"***Taxes***" means any and all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, penalties and additions to tax imposed thereon or in connection therewith.

"***Term SOFR***" means the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"***Termination Date***" means the earlier of (a) March 31, 2021 and (b) the date upon which (i) the Commitments are terminated if not previously expired and (ii) amounts payable under this Agreement are accelerated pursuant to Section 8.01 or otherwise.

"***Transactions***" means the execution, delivery and performance by the Borrower of this Agreement and the other Credit Documents, the Borrowing of Loans hereunder and the use of the proceeds thereof.

"***Type***", when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the LIBO Rate or the Alternate Base Rate.

"***UK Financial Institution***" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"***UK Resolution Authority***" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"***Unadjusted Benchmark Replacement***" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

"***U.S. Person***" means any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code.

"***U.S. Tax Compliance Certificate***" has the meaning specified in Section 2.17(e).

"***Utility Subsidiary***" means a Subsidiary of the Borrower that is subject to regulation by a Governmental Authority (federal, state or otherwise) having authority to regulate utilities, and any Wholly-Owned Subsidiary thereof.

"***Wholly-Owned Subsidiary***" means, with respect to any Person, any corporation or other entity of which all of the outstanding shares of stock or other ownership interests in which, other than directors' qualifying shares (or the equivalent thereof), are at the time directly or indirectly owned or controlled by such Person or one or more of the Subsidiaries of such Person.

"***Withdrawal Liability***" means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Sections 4201, 4203 and 4205 of ERISA.

"***Withholding Agent***" means the Borrower and the Administrative Agent.

"***Write-Down and Conversion Powers***" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02. Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Type (e.g., a "***Eurodollar Loan***"). Borrowings also may be classified and referred to by Type (e.g., a "***Eurodollar Borrowing***").

SECTION 1.03. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "or" shall not be exclusive. The word "will" shall be construed to have the same meaning and effect as the word "shall". The word "law" shall be construed as referring to all statutes, rules, regulations, codes and other laws (including official rulings and interpretations thereunder having the force of law or with which affected Persons customarily comply), and all judgments, orders and decrees, of all Governmental Authorities. The word "regulation" shall be construed as referring to all regulations, rules, official directives, requests or guidelines (whether or not having the force of law) of any Governmental Authority. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth herein), (b) any definition of or reference to any statute, rule or regulation shall be construed as referring thereto as from time to time amended, supplemented or otherwise modified (including by succession of comparable successor laws), (c) any reference herein to any Person shall be construed to include such Person's successors and assigns, (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (f) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights. The terms "knowledge of", "awareness of" and "receipt of notice of" in relation to the Borrower, and other similar expressions, mean knowledge of, awareness of, or receipt of notice by, a Responsible Officer of the Borrower.

SECTION 1.04. Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Effective Date in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made (i) without giving effect to any election under Accounting Standards Codification 825-10-25 (previously referred to as Statement of Financial Accounting Standards 159) (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Borrower or any Subsidiary at "fair value", as defined therein and (ii) without giving effect to any treatment of Indebtedness in respect of convertible debt instruments under Financial Accounting Standards Board Staff Position APB 14-1 to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof.

SECTION 1.05. LIBO Rate Notification. The interest rate on Eurodollar Loans and Eurodollar Borrowings is determined by reference to the LIBO Screen Rate, which is derived from the London interbank offered rate. The London interbank offered rate is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. In July 2017, the U.K. Financial Conduct Authority announced that, after the end of 2021, it would no longer persuade or compel contributing banks to make rate submissions to the ICE Benchmark Administration Limited (together with any successor thereof, the "***IBA***") for purposes of the IBA setting the London interbank offered rate. As a result, it is possible that commencing in 2022, the London interbank offered rate may no longer be available or may no longer be deemed an appropriate reference rate upon which to determine the interest rate on Eurodollar Loans and Eurodollar Borrowings. In light of this eventuality, public and private sector industry initiatives are currently underway to identify new or alternative reference rates to be used in place of the London interbank offered rate. In the event that the London interbank offered rate is no longer available or in certain other circumstances as set forth in Section 2.14 of this Agreement, such Section 2.14 provides a mechanism for determining an alternative rate of interest. The Administrative Agent will notify the Borrower, pursuant to Section 2.14, in advance of any change to the reference rate upon which the interest rate on Eurodollar Loans is based. However, the Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of "***LIBO Rate***" or "***LIBO Screen Rate***" or with respect to any alternative or successor rate thereto, or replacement rate therefor or thereof, including, without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate, as it may or may not be adjusted pursuant to Section 2.14, will be similar to, or produce the same value or economic equivalence of, the LIBO Rate or have the same volume or liquidity as did the London interbank offered rate prior to its discontinuance or unavailability.

ARTICLE II
THE CREDITS

SECTION 2.01. Commitments.

(a) Subject to the terms and conditions set forth herein, each Lender severally agrees to make a term loan to the Borrower in Dollars in a single drawing on the Effective Date, in an aggregate principal amount not to exceed such Lender's Commitment.

(b) Amounts repaid or prepaid in respect of the Loans may not be reborrowed.

SECTION 2.02. Loans and Borrowings; Request for Borrowings.

(a) Each Loan shall be made as part of a Borrowing consisting of Loans made by the Lenders ratably in accordance with their respective Commitments. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make Loans as required.

(b) Subject to Section 2.14 hereof, each Borrowing shall be comprised entirely of ABR Loans or Eurodollar Loans or some combination thereof as the Borrower may request in accordance herewith. Each Lender at its option may make any Eurodollar Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan (and in the case of an Affiliate, the provisions of Sections 2.14, 2.15, 2.16 and 2.17 shall apply to such Affiliate to the same extent as to such Lender); provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any Eurodollar Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of $5,000,000 and not less than $10,000,000. At the time that each ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of $1,000,000; provided that an ABR Borrowing may be in an aggregate amount that is equal to the entire unused balance of the aggregate Commitments. Borrowings of more than one Type may be outstanding at the same time; provided that there shall not at any time be more than a total of five Eurodollar Borrowings outstanding under this Agreement.

(d) To request a Borrowing of Loans, the Borrower shall notify the Administrative Agent of such request by email (x) in the case of a Eurodollar Borrowing, not later than 11:00 a.m., New York City time, three Business Days before the date of the proposed Borrowing; provided that, with respect to any Borrowing on the Effective Date, the Administrative Agent shall have received a written indemnification letter substantially consistent with the terms of Section 2.16 concurrently with such request; or (y) in the case of an ABR Borrowing, not later than 1:00 p.m., New York City time, on the date of the proposed Borrowing. Each such Borrowing Request shall be irrevocable and shall be confirmed promptly by email to the Administrative Agent of a written Borrowing Request in substantially the form of Exhibit C (or such other form as shall be approved by the Administrative Agent) signed by an Authorized Officer of the Borrower. Each such Borrowing Request shall specify the following information:

(i) the aggregate amount of the requested Borrowing;

(ii) the date of such Borrowing, which shall be a Business Day;

(iii) whether such Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing and the aggregate amount of each Type of Borrowing (if applicable); and

(iv) in the case of a Eurodollar Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period".

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Eurodollar Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

(e) Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Eurodollar Borrowing if the Interest Period requested with respect thereto would end after the Termination Date.

SECTION 2.03. [Reserved].

SECTION 2.04. [Reserved].

SECTION 2.05. Funding of Borrowings.

(a) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds (i) in the case of Eurodollar Borrowings, by 1:00 p.m., New York City time and (ii) in the case of ABR Borrowings, by 3:00 p.m., New York City time, in each case to the account of the Administrative Agent designated by it for such purpose by notice to the Lenders. The Administrative Agent will make such Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to an account established and maintained by the Borrower at the Administrative Agent's office in New York City.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed time of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the Federal Funds Effective Rate or (ii) in the case of the Borrower, the interest rate applicable to ABR Loans. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

SECTION 2.06. Interest Elections.

(a) Each Borrowing initially shall be of the Type or Types specified in the applicable Borrowing Request and, in the case of a Eurodollar Borrowing, shall have an initial Interest Period as specified in such Borrowing Request, subject to Section 2.02. Thereafter, the Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Eurodollar Borrowing, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) To make an election pursuant to this Section, the Borrower shall notify the Administrative Agent of such election by email by the time that a Borrowing Request would be required under Section 2.02 if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election; provided, however, with regard to any election pursuant to this Section 2.06 related to a Eurodollar Borrowing, notice of election shall be delivered not later than 11:00 a.m., New York City time, three (3) Business Days prior to the effective date of such election. Each such Interest Election Request shall be irrevocable and shall be confirmed promptly by email to the Administrative Agent of a written Interest Election Request in substantially the form of Exhibit G (or such other form as shall be approved by the Administrative Agent) and signed by the Borrower. Notwithstanding any contrary provision herein, this Section shall not be construed to permit the Borrower to elect an Interest Period for Eurodollar Loans that does not comply with Section 2.02(e).

(c) Each such Interest Election Request shall specify the following information in compliance with Section 2.02:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions of such Borrowing, the portions thereof to be allocated to each resulting Type of Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing; and

(iv) if the resulting Borrowing is a Eurodollar Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Eurodollar Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Type of Borrowing.

(e) If the Borrower fails to deliver a timely Interest Election Request with respect to a Eurodollar Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be converted to an ABR Borrowing. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Borrower, then, so long as an Event of Default is continuing (i) no outstanding Borrowing may be converted to or continued as a Eurodollar Borrowing and (ii) unless repaid, each Eurodollar Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

SECTION 2.07. Termination of Commitments. Unless previously terminated, the Commitments shall automatically and permanently terminate and be reduced to zero concurrently with the funding of the Loans on the Effective Date.

SECTION 2.08. [Reserved].

SECTION 2.09. [Reserved].

SECTION 2.10. Repayment of Loans; Evidence of Debt.

(a) The Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Loan on the Termination Date.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(d) The Register and the corresponding entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be *prima facie* evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement.

(e) Any Lender may request that Loans made by it be evidenced by a promissory note. In such event, the Borrower shall prepare, execute and deliver to such Lender a promissory note payable to such Lender and its registered assigns and in substantially the form of Exhibit F. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 11.04) be represented by one or more promissory notes in such form payable to the payee named therein and its registered assigns.

SECTION 2.11. Optional Prepayment of Loans.

(a) The Borrower shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, subject to prior notice in accordance with paragraph (b) of this Section.

(b) The Borrower shall notify the Administrative Agent by email of any prepayment hereunder (i) in the case of prepayment of a Eurodollar Borrowing, not later than 11:00 a.m., New York City time, three Business Days before the date of prepayment or (ii) in the case of prepayment of an ABR Borrowing, not later than 11:00 a.m., New York City time, one Business Day before the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; provided that a notice of prepayment delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Each such notice of prepayment shall be confirmed promptly by email to the Administrative Agent of a prepayment notice in substantially the form of Exhibit H (or such other form as shall be approved by the Administrative Agent) and signed by the Borrower. Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02, it being understood that the foregoing minimum shall not apply to the prepayment in whole of the outstanding Loans of all Lenders. Each prepayment of a Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.13 and by any amounts payable under Section 2.16 in connection with such prepayment.

SECTION 2.12. Fees.

(a) The Borrower agrees to pay to the Administrative Agent and the Arrangers, in each case, for its own account and for the account of the other Persons entitled thereto, such fees as separately agreed among the Borrower and such Persons, in each case, in the amounts and at the times set forth therein and in immediately available funds.

(b) All fees payable hereunder shall be paid in immediately available funds. Fees due and paid shall not be refundable under any circumstances.

SECTION 2.13. Interest.

(a) The Loans comprising each ABR Borrowing shall bear interest at a rate *per annum* equal to the Alternate Base Rate plus the Applicable Rate.

(b) The Loans comprising each Eurodollar Borrowing shall bear interest at a rate *per annum* equal to the LIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(c) Notwithstanding the foregoing, if any principal of or interest on any Loan or any fee or other amount payable by the Borrower hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate *per annum* equal to (i) in the case of overdue principal of any Loan, 2% plus the rate otherwise applicable to such Loan as provided above or (ii) in the case of any other amount, 2% plus the rate applicable to ABR Loans as provided above.

(d) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan; provided that (i) interest accrued pursuant to paragraph (c) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan, accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any Eurodollar Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(e) All interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate or LIBO Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

SECTION 2.14. Alternate Rate of Interest.

(a) If prior to the commencement of any Interest Period for a Eurodollar Borrowing:

(i) the Administrative Agent reasonably determines (which determination shall be conclusive and binding absent manifest error) that adequate and reasonable means do not exist for ascertaining the LIBO Rate (including, without limitation, because the LIBO Screen Rate is not available or published on a current basis) for such Interest Period; provided, that no Benchmark Transition Event shall have occurred at such time; or

(ii) the Administrative Agent is advised by the Required Lenders that the LIBO Rate for such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans included in such Borrowing for such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by any Electronic System as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (x) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurodollar Borrowing shall be ineffective and any such Eurodollar Borrowing shall be repaid or converted into an ABR Borrowing on the last day of the then current Interest Period applicable thereto and (y) if any Borrowing Request requests a Eurodollar Borrowing, such Borrowing shall be made as an ABR Borrowing.

(b) ***Benchmark Replacement.*** Notwithstanding anything to the contrary herein or in any other Credit Document, (i) upon the determination of the Administrative Agent (which shall be conclusive absent manifest error) that a Benchmark Transition Event has occurred or (ii) upon the occurrence of an Early Opt-in Election, as applicable, the Administrative Agent and the Borrower may amend this Agreement to replace the LIBO Screen Rate with a Benchmark Replacement, by a written document executed by the Borrower and the Administrative Agent, subject to the requirements of this Section 2.14. Notwithstanding the requirements of Section 11.02 or anything else to the contrary herein or in any other Credit Document, any such amendment with respect to a Benchmark Transition Event will become effective and binding upon the Administrative Agent, the Borrower and the Lenders at 5:00 p.m. on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all Lenders and the Borrower so long as the Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders, and any such amendment with respect to an Early Opt-in Election will become effective and binding upon the Administrative Agent, the Borrower and the Lenders on the date that Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders accept such amendment. No replacement of the LIBO Screen Rate with a Benchmark Replacement pursuant to this Section 2.14 will occur prior to the applicable Benchmark Transition Start Date.

(c) ***Benchmark Replacement Conforming Changes.*** In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

(d) ***Notices; Standards for Decisions and Determinations.*** The Administrative Agent will promptly notify the Borrower and the Lenders in writing of (i) any occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date and Benchmark Transition Start Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes and (iv) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or Lenders pursuant to this Section 2.14 including, without limitation, any determination with respect to a tenor, comparable replacement rate or adjustment, or implementation of any Benchmark Replacement Conforming Changes, or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding on all parties hereto absent manifest error and may be made in its or their sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section 2.14 and shall not be a basis of any claim of liability of any kind or nature by any party hereto, all such claims being hereby waived individually be each party hereto.

(e) ***Benchmark Unavailability Period.*** Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurodollar Borrowing during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such Interest Election Request into a request for a Borrowing of or conversion to an ABR Borrowing. During any Benchmark Unavailability Period, the components of the Alternate Base Rate based upon the LIBO Rate will not be used in any determination of the Alternate Base Rate.

SECTION 2.15. Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, liquidity, compulsory loan, insurance charge or similar assessment or requirement against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement described in paragraph (e) of this Section);

(ii) impose on any Lender or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Eurodollar Loans made by such Lender or participation therein; or

(iii) subject the Administrative Agent or any Lender to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to the Administrative Agent or such Lender of making, continuing, converting to or maintaining any Loan (or of maintaining its obligation to make any such Loan) or to reduce the amount of any sum received or receivable by the Administrative Agent or such Lender hereunder (whether of principal, interest or otherwise), then the Borrower will pay to the Administrative Agent or such Lender, as the case may be, such additional amount or amounts as will compensate the Administrative Agent or such Lender for such additional costs incurred or reduction suffered.

(b) If any Lender determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of its holding company, if any, as a consequence of this Agreement to a level below that which such Lender or its holding company could have achieved but for such Change in Law (taking into consideration its policies and the policies of its holding company with respect to capital adequacy and liquidity), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate it or its holding company for any such reduction suffered.

(c) A certificate of a Lender setting forth the amount or amounts necessary to compensate it or its holding company as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of its right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs or reductions incurred more than ninety days prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of its intention to claim compensation therefor; provided, further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the ninety day period referred to above shall be extended to include the period of retroactive effect thereof.

(e) The Borrower shall pay (without duplication as to amounts paid under this Section 2.15) to each Lender, so long as such Lender shall be required under regulations of the Board to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency Liabilities, additional interest on the unpaid principal amount of each Eurodollar Loan of such Lender, from the date of such Loan until such principal amount is paid in full, at an interest rate per annum equal at all times to the remainder obtained by subtracting (i) the LIBO Rate for the Interest Period for such Loan from (ii) the rate obtained by dividing such LIBO Rate by a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage of such Lender for such Interest Period, payable on each date on which interest is payable on such Loan. Such additional interest determined by such Lender and notified to the Borrower and the Administrative Agent, accompanied by the calculation by such Lender of the amount thereof, shall be conclusive and binding for all purposes absent manifest error. Any notice of additional interest pursuant to this Section 2.15(e) shall be delivered no later than three (3) Business Days prior to the next applicable Interest Payment Date.

(f) If any Lender determines that any law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain or fund Eurodollar Loans, or to determine or charge interest rates based upon the LIBO Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, any obligation of such Lender to make or continue Eurodollar Loans or to convert ABR Loans to Eurodollar Loans shall be suspended until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Eurodollar Loans of such Lender to ABR Loans, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Loans. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

SECTION 2.16. Break Funding Payments. In the event of (a) the payment of any principal of any Eurodollar Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any Eurodollar Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice is permitted to be revocable under Section 2.11(b) and is revoked in accordance therewith), or (d) the assignment of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.19, then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. In the case of a Eurodollar Loan, the loss to any Lender attributable to any such event shall be deemed to include an amount reasonably determined by such Lender to be equal to the excess, if any, of (x) the amount of interest that such Lender would pay for a deposit equal to the principal amount of such Loan for the period from the date of such payment, conversion, failure or assignment to the last day of the then current Interest Period for such Loan (or, in the case of a failure to borrow, convert or continue, the duration of the Interest Period that would have resulted from such borrowing, conversion or continuation) if the interest rate payable on such deposit were equal to the LIBO Rate for such Interest Period, over (y) the amount of interest that such Lender would earn on such principal amount for such period if such Lender were to invest such principal amount for such period at the interest rate that would be bid by such Lender (or an affiliate of such Lender) for dollar deposit from other banks in the eurodollar market at the commencement of such period. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

SECTION 2.17. Taxes.

(a) Any and all payments by or on account of any obligation of the Borrower hereunder shall be made free and clear of and without deduction for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then (i) the applicable Withholding Agent shall be entitled to make such deduction or withholding and timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law, and (ii) if such Tax is an Indemnified Tax, then the amount payable shall be increased as necessary so that after making all required deductions (including deductions and withholdings of Indemnified Taxes applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deductions or withholdings been made.

(b) In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) The Borrower shall indemnify each Recipient, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by such Recipient and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) As soon as practicable after any payment of Indemnified Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e)

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Credit Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.17(e)(ii)(A) and (ii)(B) and Section 2.17(f) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Credit Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E (as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Credit Document, IRS Form W-8BEN or IRS Form W-8BEN-E (as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit I-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E (as applicable); or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-2 or Exhibit I-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-4 on behalf of each such direct and indirect partner; and

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(f) If a payment made to a Lender under any Credit Document would be subject to U.S. Federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 2.17(f), "FATCA" shall include any amendments made to FATCA after the date of this Agreement. Each Lender agrees that if any documentation it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such documentation or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(g) If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.17 (including by the payment of additional amounts pursuant to this Section 2.17), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this Section 2.17(g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 2.17(g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 2.17(g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.04 relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Credit Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Credit Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (h).

(i) Each party's obligations under this Section 2.17 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Credit Document.

(j) For purposes of this Section 2.17, the term "applicable law" includes FATCA.

SECTION 2.18. Payments Generally; Pro Rata Treatment; Sharing of Set-Offs.

(a) The Borrower shall make each payment required to be made by it hereunder (whether of principal, interest or fees, or under Section 2.15, 2.16, 2.17 or 11.03, or otherwise) prior to 12:00 noon, New York City time, on the date when due, in immediately available funds, without set-off, recoupment or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its office listed in Section 11.01(b), except that payments pursuant to Sections 2.15, 2.16, 2.17 and 11.03 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in Dollars.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, to pay interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, to pay principal then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(c) If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Obligations owing to it resulting in such Lender receiving payment of a greater proportion of the aggregate amount of such Obligations and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans of, or other Obligations owing to, other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans or other Obligations, as applicable; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate of the Borrower (as to which the provisions of this paragraph shall apply). The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

(d) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the Federal Funds Effective Rate.

(e) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.05(b) or 2.18(d), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

(f) None of the funds or assets of the Borrower that are used to pay any amount due pursuant to this Agreement shall constitute funds obtained from transactions with or relating to Anti-Corruption Laws or Sanctions.

SECTION 2.19. Mitigation Obligations; Replacement of Lenders.

(a) Any Lender claiming reimbursement or compensation from the Borrower under either of Sections 2.15 and 2.17 for any losses, costs or other liabilities shall use reasonable efforts (including, without limitation, reasonable efforts to designate a different lending office of such Lender for funding or booking its Loans or to assign its rights and obligations hereunder to another of its offices, branches or affiliates) to mitigate the amount of such losses, costs and other liabilities, if such efforts can be made and such mitigation can be accomplished without such Lender suffering (i) any economic disadvantage for which such Lender does not receive full indemnity from the Borrower under this Agreement or (ii) otherwise be disadvantageous to such Lender.

(b) In determining the amount of any claim for reimbursement or compensation under Sections 2.15 and 2.17, each Lender will use reasonable methods of calculation consistent with such methods customarily employed by such Lender in similar situations.

(c) Each Lender will notify the Borrower either directly or through the Administrative Agent of any event giving rise to a claim under Section 2.15 or Section 2.17 promptly after the occurrence thereof which notice shall be accompanied by a certificate of such Lender setting forth in reasonable detail the circumstances of such claim.

(d) If any Lender requests compensation under Section 2.15, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 11.04, provided that the Administrative Agent may, in its sole discretion, elect to waive the $3,500 processing and recordation fee in connection therewith), all its interests, rights (other than its existing rights to payments pursuant to Sections 2.15 or 2.17) and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Borrower shall have received the prior written consent of the Administrative Agent, which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts), (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments, (iv) such assignment does not conflict with applicable law and (v) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply. Each party hereto agrees that (a) an assignment required pursuant to this paragraph may be effected pursuant to an Assignment and Assumption executed by the Borrower, the Administrative Agent and the assignee (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Electronic System as to which the Administrative Agent and such parties are participants), and (b) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to an be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender, provided that any such documents shall be without recourse to or warranty by the parties thereto.

SECTION 2.20. Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then, for so long as such Lender is a Defaulting Lender, the Commitment and the Outstanding Loans of such Defaulting Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 11.02); provided, that this Section 2.20 shall not apply to the vote of a Defaulting Lender in the case of an amendment, waiver or other modification requiring the consent of such Lender or each Lender affected thereby.

In the event that the Administrative Agent and the Borrower each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Applicable Percentage of the Lenders shall be readjusted to reflect the inclusion of such Lender's unused and available Commitment and Outstanding Loans and on such date, to the extent applicable, such Lender shall purchase at par such of the Loans of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Applicable Percentage.

ARTICLE III
CONDITIONS

SECTION 3.01. Conditions Precedent to the Effectiveness of this Agreement. This Agreement shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 11.02).

(a) The Administrative Agent (or its counsel) shall have received from each party thereto either (i) a counterpart of this Agreement signed on behalf of such party or (ii) written evidence satisfactory to the Administrative Agent (which may include facsimile or electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

(b) (i) The Administrative Agent shall have received, for the account of each Lender, structuring fees in amounts equal to $20,000 for each Lender, and (ii) the Lenders, the Administrative Agent, the Arrangers and each other Person entitled to the payment of fees or the reimbursement or payment of expenses, pursuant hereto or to certain fee letters executed and delivered with respect to the term loan facility provided for herein, shall have received all other fees required to be paid by the Effective Date and all expenses for which invoices have been presented on or before the Effective Date.

(c) The Administrative Agent shall have received certified copies of the resolutions of the Board of Directors of the Borrower approving this Agreement, and of all documents evidencing other necessary corporate action and governmental and regulatory approvals with respect to this Agreement.

(d) The Administrative Agent shall have received from the Borrower, to the extent generally available in the relevant jurisdiction, a copy of a certificate or certificates of the Secretary of State (or other appropriate public official) of the jurisdiction of its incorporation, dated reasonably near the Effective Date, (i) listing the charter of the Borrower and each amendment thereto on file in such office and certifying that such amendments are the only amendments to the Borrower's charter on file in such office, and (ii) stating that the Borrower is duly incorporated and in good standing under the laws of the jurisdiction of its place of incorporation.

(e) (i) The Administrative Agent shall have received a certificate or certificates of the Borrower, signed on behalf of the Borrower by a Secretary, an Assistant Secretary or a Responsible Officer thereof, dated the Effective Date, certifying as to (A) the absence of any amendments to the charter of the Borrower since the date of the certificates referred to in paragraph (d) above, (B) a true and correct copy of the bylaws of the Borrower as in effect on the Effective Date, (C) the absence of any proceeding for the dissolution or liquidation of the Borrower, (D) the truth, in all material respects (provided that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that are already qualified or modified by "materiality," "Material Adverse Effect" or similar language in the text thereof), of the representations and warranties contained in the Credit Documents to which the Borrower is a party, as the case may be, as though made on and as of the Effective Date and (E) the absence, as of the Effective Date and after giving effect to the funding of the Loans, of any Default or Event of Default; and (ii) each of such certifications shall be true.

(f) The Administrative Agent shall have received a certificate of the Secretary or an Assistant Secretary of the Borrower certifying the names and true signatures of the officers of the Borrower authorized to sign, and signing, this Agreement and the other Credit Documents to be delivered hereunder on or before the Effective Date.

(g) The Administrative Agent shall have received from McGuireWoods LLP, counsel for the Borrower, a favorable opinion, substantially in the form of Exhibit B hereto and as to such other matters as any Lender through the Administrative Agent may reasonably request.

(h) The Administrative Agent and the Lenders shall have received, at least ten Business Days prior to the Effective Date (or such later date approved by the Administrative Agent) all documentation and other information that is required by the regulatory authorities under the applicable "know your customer" and anti-money laundering rules and regulations, including without limitation, the Act.

(i) The Administrative Agent shall have received a promissory note for each Lender that shall have requested one, duly executed by the Borrower.

(j) To the extent the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, the Borrower shall have delivered, at least five days prior to the Effective Date, a Beneficial Ownership Certification in relation to the Borrower, to each Lender who requests the same in writing at least ten days prior to the Effective Date.

(k) The Administrative Agent shall have received a satisfactory payoff letter for the repayment of existing indebtedness under the Existing Loan Agreement, which confirms that all commitments thereunder will be terminated concurrently with such payment.

SECTION 3.02. Conditions Precedent to Each Extension of Credit. The obligation of each Lender to make the Loans on the Effective Date (but excluding any conversion or continuation of any Loan) shall be subject to the satisfaction (or waiver in accordance with Section 11.02) of each of the following conditions:

(a) The representations and warranties of the Borrower set forth in this Agreement shall be true and correct in all material respects on and as of the date of each Extension of Credit, except to the extent that such representations and warranties are specifically limited to a prior date, in which case such representations and warranties shall be true and correct in all material respects on and as of such prior date; provided, that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that are already qualified or modified by "materiality," "Material Adverse Effect" or similar language in the text thereof.

(b) Such Extension of Credit will comply with all other applicable requirements of Article II, including, without limitation Sections 2.01 and 2.02, as applicable.

(c) At the time of and immediately after giving effect to such Extension of Credit, no Default or Event of Default shall have occurred and be continuing or would result from such Extension of Credit or from the application of the proceeds thereof.

(d) The Administrative Agent shall have timely received a Borrowing Request in accordance with Section 2.02(d).

Each Extension of Credit and the acceptance by the Borrower of the benefits thereof shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in paragraphs (a), (b) and (c) of this Section.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES

SECTION 4.01. Representations and Warranties of the Borrower. The Borrower represents and warrants as follows:

(a) The Borrower is a corporation duly organized, validly existing, in good standing, and authorized to transact business under the laws of the State of its incorporation.

(b) The execution, delivery and performance by the Borrower of the Credit Documents to which it is a party (i) are within the Borrower's corporate powers, (ii) have been duly authorized by all necessary corporate action, (iii) do not contravene (A) the Borrower's charter or by-laws, as the case may be, or (B) any law, rule or regulation, or any material Contractual Obligation or legal restriction, binding on or affecting the Borrower or any Material Subsidiary, as the case may be, and (iv) do not require the creation of any Lien on the property of the Borrower or any Material Subsidiary under any Contractual Obligation binding on or affecting the Borrower or any Material Subsidiary.

(c) No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or other Person is required for the due execution, delivery and performance by the Borrower of this Agreement or any other Credit Document to which any of them is a party, except for such as (i) have been obtained or made and that are in full force and effect or (ii) are not presently required under applicable law and have not yet been applied for.

(d) Each Credit Document to which the Borrower is a party is a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(e) The Referenced Annual Financial Statements, copies of which have been made available or furnished to each Lender, fairly present the financial condition of the Borrower and its Subsidiaries as at the date thereof and the results of the operations of the Borrower and its Subsidiaries for the period ended on such date, all in accordance with GAAP consistently applied.

(f) Since December 31, 2019, there has been no material adverse change in such condition or operations, or in the business, assets, operations, condition (financial or otherwise) or prospects of the Borrower.

(g) Except for the Specified Event, there is no pending or threatened action, proceeding or investigation affecting the Borrower before any court, governmental agency or other Governmental Authority or arbitrator that (taking into account the exhaustion of appeals) would have a Material Adverse Effect, or that (i) purports to affect the legality, validity or enforceability of this Agreement or any promissory notes executed pursuant hereto, or (ii) seeks to prohibit the ownership or operation, by the Borrower or any of its Material Subsidiaries, of all or a material portion of their respective businesses or assets.

(h) The Borrower and its Subsidiaries, taken as a whole, do not hold or carry Margin Stock having an aggregate value in excess of 10% of the value of their consolidated assets, and no part of the proceeds of any Loan hereunder will be used to buy or carry any Margin Stock.

(i) No ERISA Event has occurred, or is reasonably expected to occur, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect.

(j) Schedule SB (Actuarial Information) to the 2018 Annual report (Form 5500 Series) for each Plan, copies of which have been filed with the Internal Revenue Service and made available or furnished to each Lender, is complete and accurate and fairly presents the funding status of such Plan, and since the date of such Schedule SB there has been no adverse change in such funding status which may reasonably be expected to have a Material Adverse Effect.

(k) Neither the Borrower nor any ERISA Affiliate has incurred or is reasonably expected to incur any Withdrawal Liability to any Multiemployer Plan which may reasonably be expected to have a Material Adverse Effect.

(l) Neither the Borrower nor any ERISA Affiliate has been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan has been terminated, within the meaning of Title IV of ERISA, and no Multiemployer Plan is reasonably expected to be terminated, within the meaning of Title IV of ERISA, in either such case, that could reasonably be expected to have a Material Adverse Effect.

(m) The Borrower is not an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

(n) The Borrower has filed all federal, state and other material income tax returns required to be filed by it and has paid or caused to be paid all taxes due for the periods covered thereby, including interest and penalties, except for any such taxes, interest or penalties which are being contested in good faith and by proper proceedings and in respect of which the Borrower has set aside adequate reserves for the payment thereof in accordance with GAAP.

(o) Except for the Specified Event, the Borrower and its Subsidiaries are and have been in compliance with all laws (including, without limitation, all Environmental Laws), except to the extent that any failure to be in compliance, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

(p) No Subsidiary of the Borrower is party to, or otherwise bound by, any agreement that prohibits such Subsidiary from making any payments, directly or indirectly, to the Borrower, by way of dividends, advances, repayment of loans or advances, reimbursements of management or other intercompany charges, expenses and accruals or other returns on investment, or any other agreement that restricts the ability of such Subsidiary to make any payment, directly or indirectly, to the Borrower, other than prohibitions and restrictions permitted to exist under Section 6.01(e).

(q) The information, exhibits and reports furnished by the Borrower or any of its Subsidiaries to the Administrative Agent or to any Lender in connection with the negotiation of, or compliance with, the Credit Documents, taken as a whole, do not contain any material misstatement of fact and do not omit to state a material fact or any fact necessary to make the statements contained therein not misleading in light of the circumstances made.

(r) The Borrower and its Subsidiaries have implemented and maintain in effect policies and procedures reasonably designed to ensure compliance by the Borrower and its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the Borrower and its Subsidiaries and their respective officers and employees and to the knowledge of the Borrower and its Subsidiaries, its respective directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the Borrower or its Subsidiaries or, to the knowledge of the Borrower or its Subsidiaries, any of their respective directors, officers or employees, or (b) to the knowledge of the Borrower, any agent of the Borrower or any of its Subsidiaries which agent will act in any capacity in connection with or benefit from the term loan facility established hereby, is a Sanctioned Person. No Borrowing, use of proceeds hereunder or other Transactions will violate Anti-Corruption Laws or applicable Sanctions.

(s) The Borrower is not an Affected Financial Institution.

(t) The information included in each Beneficial Ownership Certification is true and correct in all respects.

(u) None of the Borrower or any of its Subsidiaries is an entity deemed to hold "plan assets" (within the meaning of the Plan Asset Regulations), and neither the execution, delivery nor performance of the transactions hereunder, including the making of any Loan hereunder, will give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

ARTICLE V
AFFIRMATIVE COVENANTS

SECTION 5.01. Affirmative Covenants. So long as any Lender shall have any Commitment hereunder or any principal of any Loan, interest or fees payable hereunder shall remain unpaid, the Borrower will, unless the Required Lenders shall otherwise consent in writing:

(a) ***Compliance with Laws, Etc.*** (i) Comply, and cause each of its Subsidiaries to comply, in all material respects with all applicable laws, rules, regulations and orders (including, without limitation, any of the foregoing relating to employee health and safety or public utilities and all Environmental Laws), unless the failure to so comply could not reasonably be expected to have a Material Adverse Effect and (ii) maintain in effect and enforce policies and procedures reasonably designed to ensure compliance by the Borrower and its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

(b) ***Maintenance of Properties, Etc.*** Maintain and preserve, and cause each Material Subsidiary to maintain and preserve, all of its material properties which are used in the conduct of its business in good working order and condition, ordinary wear and tear excepted, if the failure to do so could reasonably be expected to have a Material Adverse Effect.

(c) ***Payment of Taxes, Etc.*** Pay and discharge, and cause each of its Subsidiaries to pay and discharge, before the same shall become delinquent, (i) except to the extent the failure to do so could not reasonably be expected to result in a Material Adverse Effect, all taxes, assessments and governmental charges or levies imposed upon it or upon its property, and (ii) all legal claims which, if unpaid, might by law become a lien upon its property; provided, however, that neither the Borrower nor any of its Subsidiaries shall be required to pay or discharge any such tax, assessment, charge or claim which is being contested in good faith and by proper proceedings and as to which appropriate reserves are being maintained.

(d) ***Maintenance of Insurance***. Maintain, and cause each of its Subsidiaries to maintain, insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is usually obtained by companies engaged in similar businesses of comparable size and financial strength and owning similar properties in the same general areas in which the Borrower or such Subsidiary operates, or, to the extent the Borrower or Subsidiary deems it reasonably prudent to do so, through its own program of self-insurance.

(e) ***Preservation of Corporate Existence, Etc.*** Preserve and maintain, and cause each Material Subsidiary to preserve and maintain, its corporate existence, rights (charter and statutory) and franchises, except as otherwise permitted under this Agreement; provided that no such Person shall be required to preserve any right or franchise with respect to which the Board of Directors of such Person has determined that the preservation thereof is no longer desirable in the conduct of the business of such Person and that the loss thereof is not disadvantageous in any material respect to the Borrower or the Lenders.

(f) ***Visitation Rights***. At any reasonable time and from time to time, permit the Administrative Agent or any of the Lenders or any agents or representatives thereof, on not less than five Business Days' notice (which notice shall be required only so long as no Default shall be occurred and be continuing), to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, the Borrower or any of its Subsidiaries, and to discuss the affairs, finances and accounts of the Borrower and its Subsidiaries with any of their respective officers and with their independent certified public accountants; subject, however, in all cases to the imposition of such conditions as the Borrower or the affected Subsidiary, as the case may be, shall deem necessary based on reasonable considerations of safety and security; provided that so long as no Default or Event of Default shall have occurred and be continuing, each Lender will be limited to one visit each year.

(g) ***Keeping of Books***. (i) Keep, and cause each of its Subsidiaries to keep, proper books of record and account, in which full and correct entries shall be made of all material financial transactions and the assets and business of the Borrower and each of its Subsidiaries, and (ii) maintain, and cause each of its Subsidiaries to maintain, a system of accounting established and administered in accordance with generally accepted accounting principles consistently applied.

(h) ***Reporting Requirements***. Deliver to the Administrative Agent for distribution to the Lenders:

(i) as soon as available and in any event within 60 days after the end of each of the first three quarters of each fiscal year of the Borrower (or, if earlier, concurrently with the filing thereof with the Securities and Exchange Commission or any national securities exchange in accordance with applicable law or regulation), commencing with the fiscal quarter ended March 31, 2020, balance sheets and cash flow statements of the Borrower and its Consolidated Subsidiaries in comparative form as of the end of such quarter and statements of income and statements of common shareholders' equity of the Borrower and its Consolidated Subsidiaries for the period commencing at the end of the previous fiscal year of the Borrower and ending with the end of such quarter, each prepared in accordance with generally accepted accounting principles consistently applied, subject to normal year-end audit adjustments, certified by the chief financial officer of the Borrower.

(ii) as soon as available and in any event within 90 days after the end of each fiscal year of the Borrower (or, if earlier, concurrently with the filing thereof with the Securities and Exchange Commission or any national securities exchange in accordance with applicable law or regulation), commencing with the fiscal year ending December 31, 2020, a copy of the audit report for such year for the Borrower and its Consolidated Subsidiaries containing balance sheets and cash flow statements of the Borrower and its Consolidated Subsidiaries and statements of income and statements of common shareholders' equity of the Borrower and its Consolidated Subsidiaries for such year prepared in accordance with generally accepted accounting principles consistently applied as reported on by independent certified public accountants of recognized national standing acceptable to the Required Lenders, which audit was conducted by such accounting firm in accordance with generally accepted auditing standards;

(iii) concurrently with the delivery of financial statements pursuant to clauses (i) and (ii) above or the notice relating thereto contemplated by the final sentence of this Section 5.01(h), a certificate of a senior financial officer of the Borrower (A) to the effect that no Default or Event of Default has occurred and is continuing (or, if any Default or Event of Default has occurred and is continuing, describing the same in reasonable detail and describing the action that the Borrower has taken and proposes to take with respect thereto), and (B) setting forth calculations, in reasonable detail, establishing the Borrower's compliance (the first test period for the delivery of such certificate to be for the period ended March 31, 2020), as at the end of such fiscal quarter, with the financial covenant contained in Article VII;

(iv) as soon as possible and in any event within five days after the occurrence of each Default or Event of Default continuing on the date of such statement, a statement of the chief financial officer of the Borrower setting forth details of such Event of Default or event and the action which the Borrower has taken and proposes to take with respect thereto;

(v) promptly after the sending or filing thereof, copies of all reports which the Borrower sends to its stockholders, and copies of all reports and registration statements (other than registration statements filed on Form S-8) that the Borrower or any Subsidiary of the Borrower files with the Securities and Exchange Commission;

(vi) promptly and in any event within 10 days after the Borrower knows or has reason to know that any material ERISA Event has occurred, a statement of the chief financial officer of the Borrower describing such ERISA Event and the action, if any, which the Borrower or any affected ERISA Affiliate proposes to take with respect thereto;

(vii) promptly and in any event within two Business Days after receipt thereof by the Borrower (or knowledge being obtained by the Borrower of the receipt thereof by any ERISA Affiliate), copies of each notice from the PBGC stating its intention to terminate any Plan or to have a trustee appointed to administer any Plan;

(viii) promptly and in any event within five Business Days after receipt thereof by the Borrower (or knowledge being obtained by the Borrower of the receipt thereof by any ERISA Affiliate) from the sponsor of a Multiemployer Plan, a copy of each notice received by the Borrower or any ERISA Affiliate concerning (A) the imposition on the Borrower or any ERISA Affiliate of material Withdrawal Liability by a Multiemployer Plan, (B) the termination, within the meaning of Title IV of ERISA, of any Multiemployer Plan or (C) the amount of liability incurred, or which may be incurred, by the Borrower or any ERISA Affiliate in connection with any event described in clause (A) or (B) above;

(ix) promptly after the Borrower has knowledge of the commencement thereof, notice of any actions, suits and proceedings before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, affecting the Borrower or any Material Subsidiary of the type described in Section 4.01(g);

(x) promptly after the Borrower knows of any change in the rating of the Index Debt by S&P or Moody's, a notice of such changed rating;

(xi) any change in the information provided in the Beneficial Ownership Certification that would result in a change to the list of beneficial owners identified in such certification; and

(xii) (1) such other information respecting the condition or operations, financial or otherwise, of the Borrower or any of its Subsidiaries as any Lender through the Administrative Agent may from time to time reasonably request and (2) information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" requirements under the Act or other applicable anti-money laundering laws.

Notwithstanding the foregoing, the Borrower's obligations to deliver the documents or information required under any of clauses (i), (ii) and (v) above shall be deemed to be satisfied upon (x) the relevant documents or information being publicly available on the Borrower's website or other publicly available electronic medium (such as EDGAR) within the time period required by such clause, and (y) the delivery by the Borrower of notice to the Administrative Agent for distribution to the Lenders, within the time period required by such clause, that such documents or information are so available.

(i) ***Use of Proceeds***. Use the proceeds of the Loans hereunder to repay certain existing Indebtedness under the Existing Loan Agreement and for working capital and other general corporate purposes, and not request any Extensions of Credit, nor use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Extension of Credit directly or indirectly (i) for the purpose of funding, financing or facilitating any acquisition for which the Board of Directors of the Person to be acquired (or whose assets are to be acquired) shall have indicated publicly its opposition to the consummation of such acquisition (which opposition has not been publicly withdrawn), (ii) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (iii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country or (iv) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

(j) ***Ratings***. At all times maintain ratings by both Moody's and S&P with respect to the Index Debt.

ARTICLE VI
NEGATIVE COVENANTS

SECTION 6.01. Negative Covenants. So long as any Lender shall have any Commitment hereunder or any principal of any Loan, interest or fees payable hereunder shall remain unpaid, the Borrower will not, without the written consent of the Required Lenders:

(a) ***Limitation on Liens***. Create or suffer to exist, or permit any of its Subsidiaries (other than a Utility Subsidiary) to create or suffer to exist, any lien, security interest, or other charge or encumbrance (collectively, "***Liens***") upon or with respect to any of its properties, whether now owned or hereafter acquired, or collaterally assign for security purposes, or permit any of its Subsidiaries (other than a Utility Subsidiary) to so assign any right to receive income in each case to secure or provide for or guarantee the payment of Debt for Borrowed Money of any Person, without in any such case effectively securing, prior to or concurrently with the creation, issuance, assumption or guaranty of any such Debt for Borrowed Money, the Obligations (together with, if the Borrower shall so determine, any other Debt for Borrowed Money of or guaranteed by the Borrower or any of its Subsidiaries ranking equally with the Loans and then existing or thereafter created) equally and ratably with (or prior to) such Debt for Borrowed Money; provided, however, that the foregoing restrictions shall not apply to or prevent the creation or existence of:

(i) (A) Liens on any property acquired, constructed or improved by the Borrower or any of its Subsidiaries (other than a Utility Subsidiary) after the date of this Agreement that are created or assumed prior to, contemporaneously with, or within 180 days after, such acquisition or completion of such construction or improvement, to secure or provide for the payment of all or any part of the purchase price of such property or the cost of such construction or improvement; or (B) in addition to Liens contemplated by clauses (ii) and (iii) below, Liens on any property existing at the time of acquisition thereof, provided that the Liens shall not apply to any property theretofore owned by the Borrower or any such Subsidiary other than, in the case of any such construction or improvement, (1) unimproved real property on which the property so constructed or the improvement is located, (2) other property (or improvements thereon) that is an improvement to or is acquired or constructed for specific use with such acquired or constructed property (or improvement thereof), and (3) any rights and interests (A) under any agreements or other documents relating to, or (B) appurtenant to, the property being so constructed or improved or such other property;

(ii) existing Liens on any property or indebtedness of a corporation that is merged with or into or consolidated with the Borrower or any of its Subsidiaries; provided that such Lien was not created in contemplation of such merger or consolidation;

(iii) Liens on any property or indebtedness of a corporation existing at the time such corporation becomes a Subsidiary of the Borrower; provided that such Lien was not created in contemplation of such occurrence;

(iv) Liens to secure Debt for Borrowed Money of a Subsidiary of the Borrower to the Borrower or to another Subsidiary of the Borrower;

(v) Liens in favor of the United States of America, any State, any foreign country or any department, agency or instrumentality or political subdivision of any such jurisdiction, to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure any Debt for Borrowed Money incurred for the purpose of financing all or any part of the purchase price of the cost of constructing or improving the property subject to such Liens, including, without limitation, Liens to secure Debt for Borrowed Money of the pollution control or industrial revenue bond type;

(vi) Liens on any property (including any natural gas, oil or other mineral property) to secure all or part of the cost of exploration, drilling or development thereof or to secure Debt for Borrowed Money incurred to provide funds for any such purpose;

(vii) Liens existing on the date of this Agreement;

(viii) Liens for the sole purposes of extending, renewing or replacing in whole or in part Debt for Borrowed Money secured by any Lien referred to in the foregoing clauses (i) through (vii), inclusive, or this clause (viii); provided, however, that the principal amount of Debt for Borrowed Money secured thereby shall not exceed the principal amount of Debt for Borrowed Money so secured at the time of such extension, renewal or replacement (which, for purposes of this limitation as it applies to a synthetic lease, shall be deemed to be (x) the lessor's original cost of the property subject to such lease at the time of extension, renewal or replacement, *less* (y) the aggregate amount of all prior payments under such lease allocated pursuant to the terms of such lease to reduce the principal amount of the lessor's investment, and borrowings by the lessor, made to fund the original cost of the property), and that such extension, renewal or replacement shall be limited to all or a part of the property or indebtedness which secured the Lien so extended, renewed or replaced (plus improvements on such property);

(ix) Liens on any property or assets of a Project Financing Subsidiary, or on any Capital Stock in a Project Financing Subsidiary, in either such case, that secure only a Project Financing or a Contingent Guaranty that supports a Project Financing; or

(x) any Lien, other than a Lien described in any of the foregoing clauses (i) through (ix), inclusive, to the extent that it secures Debt for Borrowed Money, or guaranties thereof, the outstanding principal balance of which at the time of creation of such Lien, when added to the aggregate principal balance of all Debt for Borrowed Money secured by Liens incurred under this clause (x) then outstanding, does not exceed $150,000,000.

If at any time the Borrower or any of its Subsidiaries shall create, issue, assume or guaranty any Debt for Borrowed Money secured by any Lien and the first paragraph of this Section 6.01(a) requires that the Loans be secured equally and ratably with such Debt for Borrowed Money, the Borrower shall promptly deliver to the Administrative Agent and each Lender:

(1) a certificate of a duly authorized officer of the Borrower stating that the covenant contained in the first paragraph of this Section 6.01(a) has been complied with; and

(2) an opinion of counsel acceptable to the Required Lenders to the effect that such covenant has been complied with and that all documents executed by the Borrower or any of its Subsidiaries in the performance of such covenant comply with the requirements of such covenant.

(b) ***Mergers, Etc.*** Merge or consolidate with or into, or consummate a Division as the Dividing Person, or reorganize in a jurisdiction outside the United States, or, except in a transaction permitted under paragraph (c) of this Section, convey, transfer, lease or otherwise Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to any Person, or permit any of its Subsidiaries to do so, except that:

(i) any Subsidiary of the Borrower may merge or consolidate with or transfer assets to or acquire assets from any other Subsidiary of the Borrower; provided that in the case of any such merger, consolidation, or transfer of assets to which NIPSCO is a party, the continuing or surviving Person shall be a Wholly-Owned Subsidiary of the Borrower; and

(ii) any Subsidiary of the Borrower may merge into or consolidate with the Borrower or transfer assets to the Borrower; provided that, in each case, the continuing or surviving Person shall be the Borrower; and

(iii) the Borrower or any Subsidiary of the Borrower may merge, or consolidate with or transfer all or substantially all of its assets to any other Person; provided that, in each case under this clause (iii), immediately after giving effect thereto, (A) no Event of Default shall have occurred and be continuing (determined, for purposes of compliance with Article VII after giving effect to such transaction, on a Pro Forma Basis as if such transaction had occurred on the last day of the Borrower's fiscal quarter then most recently ended); (B) in the case of any such merger, consolidation or transfer of assets to which the Borrower is a party, the Borrower shall be the continuing or surviving corporation; (C) subject to the foregoing clause (B), in the case of any such merger, consolidation, or transfer of assets to which NIPSCO is a party, NIPSCO shall be the continuing or surviving corporation and shall be a Wholly-Owned Subsidiary of the Borrower; and (D) the Index Debt shall be rated at least BBB- by S&P and at least Baa3 by Moody's.

(c) ***Sales, Etc. of Assets***. Sell, lease, transfer or otherwise Dispose of, or permit any of its Subsidiaries to sell, lease, transfer or otherwise Dispose of (other than in connection with a transaction authorized by paragraph (b) of this Section) any substantial part of its assets; *provided* that the foregoing shall not prohibit (i) the realization on a Lien permitted to exist under Section 6.01(a); (ii) the sale, transfer and Disposition of the Bay State Assets pursuant to the Bay State Asset Purchase Agreement; or (iii) any such sale, conveyance, lease, transfer or other Disposition that (A) (1) is for a price not materially less than the fair market value of such assets, (2) would not materially impair the ability of the Borrower to perform its obligations under this Agreement and (3) together with all other such sales, conveyances, leases, transfers and other Dispositions, would have no Material Adverse Effect, or (B) would not result in the sale, lease, transfer or other Disposition, in the aggregate (but excluding the Bay State Assets from the determination of the aggregate value of assets Disposed of by the Borrower), of more than 10% of the consolidated total assets of the Borrower and its Subsidiaries, determined in accordance with GAAP, on December 31, 2019.

(d) ***Compliance with ERISA***. (i) Terminate, or permit any ERISA Affiliate to terminate, any Plan so as to result in a Material Adverse Effect or (ii) permit to exist any occurrence of any Reportable Event (as defined in Title IV of ERISA), or any other event or condition, that presents a material (in the reasonable opinion of the Required Lenders) risk of such a termination by the PBGC of any Plan, if such termination could reasonably be expected to have a Material Adverse Effect.

(e) ***Certain Restrictions***. Permit any of its Subsidiaries to enter into or permit to exist any agreement that by its terms prohibits such Subsidiary from making any payments, directly or indirectly, to the Borrower by way of dividends, advances, repayment of loans or advances, reimbursements of management or other intercompany charges, expenses and accruals or other returns on investment, or any other agreement that restricts the ability of such Subsidiary to make any payment, directly or indirectly, to the Borrower; provided that the foregoing shall not apply to prohibitions and restrictions (i) imposed by applicable law, (ii) (A) imposed under an agreement in existence on the date of this Agreement, and (B) described on Schedule 6.01(e), (iii) existing with respect to a Subsidiary on the date it becomes a Subsidiary that are not created in contemplation thereof (but shall apply to any extension or renewal of, or any amendment or modification expanding the scope of, any such prohibition or restriction), (iv) contained in agreements relating to the sale of a Subsidiary pending such sale, provided that such prohibitions or restrictions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder, (v) imposed on a Project Financing Subsidiary in connection with a Project Financing, or (vi) that could not reasonably be expected to have a Material Adverse Effect.

ARTICLE VII
FINANCIAL COVENANT

So long as any Lender shall have any Commitment hereunder or any principal of any Loan, interest or fees payable hereunder shall remain unpaid, the Borrower shall maintain a Debt to Capitalization Ratio of not more than 0.70 to 1.00.

ARTICLE VIII
EVENTS OF DEFAULT

SECTION 8.01. Events of Default. If any of the following events ("***Events of Default***") shall occur and be continuing:

(a) The Borrower shall fail to pay any principal of any Loan when the same becomes due and payable or shall fail to pay any interest, fees or other amounts hereunder within three Business Days after when the same becomes due and payable; or

(b) Any representation or warranty made by the Borrower in any Credit Document or by the Borrower (or any of its officers) in connection with this Agreement shall prove to have been incorrect in any material respect (or any such representation or warranty that was otherwise qualified by materiality or Material Adverse Effect shall prove to have been false or misleading in any respect) when made; or

(c) The Borrower shall fail to perform or observe any term, covenant or agreement contained in Section 5.01(e), 5.01(f), 5.01(h) (other than clause (y) of the last paragraph thereof), 5.01(i), 6.01 or Article VII; or

(d) The Borrower shall fail to perform or observe any term, covenant or agreement contained in any Credit Document on its part to be performed or observed (other than one identified in paragraph (a), (b) or (c) above) if the failure to perform or observe such other term, covenant or agreement shall remain unremedied for thirty days after written notice thereof shall have been given to the Borrower by the Administrative Agent or any Lender; or

(e) The Borrower or any of its Subsidiaries shall fail to pay any principal of or premium or interest on any Indebtedness (excluding Non-Recourse Debt) which is outstanding in a principal amount of at least $50,000,000 in the aggregate (but excluding the Loans) of the Borrower or such Subsidiary, as the case may be, when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness; or any other event shall occur or condition shall exist under any agreement or instrument relating to any such Indebtedness and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate, or to permit the acceleration of, the scheduled maturity of such Indebtedness; or any such Indebtedness shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof; or

(f) The Borrower shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the Borrower seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against the Borrower (but not instituted by the Borrower), either such proceeding shall remain undismissed or unstayed for a period of 60 days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, the Borrower or for any substantial part of its property) shall occur; or the Borrower shall take any corporate action to authorize any of the actions set forth above in this paragraph (f); or

(g) One or more Subsidiaries of the Borrower in which the aggregate sum of (i) the amounts invested by the Borrower and its other Subsidiaries in the aggregate, by way of purchases of Capital Stock, Capital Leases, loans or otherwise, and (ii) the amount of recourse, whether contractual or as a matter of law (but excluding Non-Recourse Debt), available to creditors of such Subsidiary or Subsidiaries against the Borrower or any of its other Subsidiaries, is $100,000,000 or more (collectively, "***Substantial Subsidiaries***") shall generally not pay their respective debts as such debts become due, or shall admit in writing their respective inability to pay their debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against Substantial Subsidiaries seeking to adjudicate them bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of them or their respective debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for them or for any substantial part of their respective property and, in the case of any such proceeding instituted against Substantial Subsidiaries (but not instituted by the Borrower or any Subsidiary of the Borrower), either such proceeding shall remain undismissed or unstayed for a period of 60 days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, the Substantial Subsidiaries or for any substantial part of their respective property) shall occur; or Substantial Subsidiaries shall take any corporate action to authorize any of the actions set forth above in this paragraph (g); or

(h) Any judgment or order for the payment of money in excess of $50,000,000 shall be rendered against the Borrower or any of its Subsidiaries and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be any period of 30 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(i) Any ERISA Event shall have occurred with respect to a Plan and, 30 days after notice thereof shall have been given to the Borrower by the Administrative Agent, (i) such ERISA Event shall still exist and (ii) the sum (determined as of the date of occurrence of such ERISA Event) of the Insufficiency of such Plan and the Insufficiency of any and all other Plans with respect to which an ERISA Event shall have occurred and then exist (or, in the case of a Plan with respect to which an ERISA Event described in clauses (c) through (e) of the definition of ERISA Event shall have occurred and then exist, the liability related thereto) is equal to or greater than $10,000,000 (when aggregated with paragraphs (j), (k) and (l) of this Section 8.01), and a Material Adverse Effect could reasonably be expected to occur as a result thereof; or

(j) The Borrower or any ERISA Affiliate shall have been notified by the sponsor of a Multiemployer Plan that it has incurred Withdrawal Liability to such Multiemployer Plan in an amount which, when aggregated with all other amounts required to be paid to Multiemployer Plans by the Borrower and its ERISA Affiliates as Withdrawal Liability (determined as of the date of such notification), exceeds $10,000,000 or requires payments exceeding $10,000,000 *per annum* (in either case, when aggregated with paragraphs (i), (k) and (l) of this Section 8.01), and a Material Adverse Effect could reasonably be expected to occur as a result thereof; or

(k) The Borrower or any ERISA Affiliate shall have been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is being terminated, within the meaning of Title IV of ERISA, if as a result of such termination the aggregate annual contributions of the Borrower and its ERISA Affiliates to all Multiemployer Plans which are then being terminated have been or will be increased over the amounts contributed to such Multiemployer Plans for the respective plan year of each such Multiemployer Plan immediately preceding the plan year in which the termination occurs by an amount exceeding $10,000,000 (when aggregated with paragraphs (i), (j) and (l) of this Section 8.01), and a Material Adverse Effect could reasonably be expected to occur as a result thereof; or

(l) The Borrower or any ERISA Affiliate shall have committed a failure described in Section 303(k)(1) of ERISA and the amount determined under Section 303(k)(3) of ERISA is equal to or greater than $10,000,000 (when aggregated with paragraphs (i), (j) and (k) of this Section 8.01), and a Material Adverse Effect could reasonably be expected to occur as a result thereof; or

(m) Any provision of the Credit Documents shall be held by a court of competent jurisdiction to be invalid or unenforceable against the Borrower, or the Borrower shall so assert in writing; or

(n) Any Change of Control shall occur;

then, and in any such event, the Administrative Agent (i) shall at the request, or may with the consent, of the Required Lenders, by notice to the Borrower, declare the Commitment of each Lender to be terminated, whereupon the same shall forthwith terminate, and (ii) shall at the request or with the consent of the Required Lenders, by notice to the Borrower, declare all amounts payable under this Agreement to be forthwith due and payable, whereupon all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; provided that in the event of an actual or deemed entry of an order for relief with respect to the Borrower under the Federal Bankruptcy Code, (1) the Commitment of each Lender hereunder shall automatically be terminated and (2) all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower.

ARTICLE IX
THE ADMINISTRATIVE AGENT

SECTION 9.01. The Administrative Agent.

(a) Each of the Lenders hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto.

(b) The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Borrower or any of the Borrower's Subsidiaries or other Affiliates thereof as if it were not the Administrative Agent hereunder.

(c) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein. Without limiting the generality of the foregoing, (i) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (ii) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby that the Administrative Agent is required to exercise in writing by the Required Lenders, and (iii) except as expressly set forth herein, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Subsidiaries that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or, if applicable, all of the Lenders) or in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (1) any statement, warranty or representation made in or in connection with this Agreement, (2) the contents of any certificate, report or other document delivered hereunder or in connection herewith, (3) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein, (4) the validity, enforceability, effectiveness or genuineness of this Agreement or any other agreement, instrument or document, or (5) the satisfaction of any condition set forth in Article III or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent and the conformity thereof to such express requirement.

(d) The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower) independent accountants and other experts selected by it and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

(e) The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the term loan facility provided for herein as well as activities as Administrative Agent.

(f) Subject to the appointment and acceptance of a successor Administrative Agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders and the Borrower. Upon any such resignation, the Required Lenders shall have the right, with the consent of the Borrower (which consent shall not unreasonably be withheld), to appoint a successor; provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent which shall be a bank with an office in New York, New York, or an Affiliate of any such bank, in any event having total assets in excess of $500,000,000 and who shall serve until such time, if any, as a successor Administrative Agent shall have been appointed as provided above. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the Administrative Agent's resignation hereunder, the provisions of this Article and Section 11.03 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as Administrative Agent.

(g) Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any related agreement or any document furnished hereunder or thereunder.

(h) No Lender identified on the signature pages of this Agreement as a "Lead Arranger" or "Bookrunner", or that is given any other title hereunder other than "Administrative Agent", shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the generality of the foregoing, no Lender so identified as a "Lead Arranger" or "Bookrunner" or that is given any other title hereunder, shall have, or be deemed to have, any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on the Lenders so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

(i) Notwithstanding anything to the contrary herein or in any other Credit Document, the authority to enforce rights and remedies hereunder and in the other Credit Documents against the Borrower shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.01 for the benefit of all the Lenders; provided, however, that the foregoing shall not prohibit (i) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Credit Documents, (ii) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.18(c)) or (iii) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a Bankruptcy Event relative to the Borrower; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Credit Documents, then (A) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.01 and (B) in addition to the matters set forth in clauses (ii), (iii) and (iv) of the preceding proviso and subject to Section 2.18(c), any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

(j) Each Lender acknowledges and agrees that the Extensions of Credit made hereunder are commercial loans and not investments in a business enterprise or securities. Each Lender further represents that it is engaged in making, acquiring or holding commercial loans in the ordinary course of its business and has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement as a Lender, and to make, acquire or hold Loans hereunder. Each Lender shall, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information (which may contain material, non-public information within the meaning of the United States securities laws concerning the Borrower and its Affiliates) as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any related agreement or any document furnished hereunder or thereunder and in deciding whether or to the extent to which it will continue as a Lender or assign or otherwise transfer its rights, interests and obligations hereunder.

ARTICLE X
CERTAIN ERISA MATTERS

SECTION 10.01. Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Credit Document or any documents related hereto or thereto).

ARTICLE XI
MISCELLANEOUS

SECTION 11.01. Notices. All notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by email, as follows:

(a) if to the Borrower, to it at:

290 West Nationwide Boulevard
Columbus, Ohio 43215
Attention: Vice President, Investor Relations and Treasurer
Email: treasuryops@nisource.com;

with a copy to the Borrower at:

290 West Nationwide Boulevard
Columbus, Ohio 43215
Attention: Assistant Treasurer
Email: treasuryops@nisource.com;

801 East 86th Avenue
Merrillville, Indiana 46410
Attention: Vice President and Deputy General Counsel, Corporate and Commercial;

(b) if to the Administrative Agent, to KeyBank at:

KeyBank National Association
127 Public Square
Cleveland, OH 44114
Attention: Ben Cooper
Email: benjamin.cooper@key.com

with a copy to:

KeyBank National Association
4900 Tiedeman Road, Cleveland, Ohio 44114
Attention: KAS Energy
Email: KAS_Energy@KeyBank.com

(c) if to any Lender, to it at its address (or email) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received. Notices delivered through Electronic Systems, to the extent provided in paragraph (e) below, shall be effective as provided in said paragraph (e).

(d) Notices and other communications to the Lenders hereunder may be delivered or furnished by using Electronic Systems pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

(e) Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website, including an Electronic System, shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(f) Any party hereto may change its address or email for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

(g) Electronic Systems.

(i) The Borrower and each Lender agrees that the Administrative Agent may, but shall not be obligated to, make Communications (as defined below) available to the Lenders by posting the Communications on Debt Domain, Intralinks, Syndtrak, ClearPar or a substantially similar Electronic System.

(ii) Any Electronic System used by the Administrative Agent is provided "as is" and "as available." The Agent Parties (as defined below) and the Borrower do not warrant the adequacy of such Electronic Systems and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party or the Borrower in connection with the Communications or any Electronic System. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "***Agent Parties***") or the other Creditor Parties have any liability to the Borrower, any Lender, Administrative Agent or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrower's or the Administrative Agent's transmission of Communications through an Electronic System, except to the extent that such damages, losses or expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party. "Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of the Borrower pursuant to any Credit Document or the transactions contemplated therein which is distributed by the Administrative Agent or any Lender by means of electronic communications pursuant to this Section, including through an Electronic System.

SECTION 11.02. Waivers; Amendments.

(a) No failure or delay by the Administrative Agent or any Lender in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent and the Lenders hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, no Extension of Credit shall be construed as a waiver of any Default, regardless of whether the Administrative Agent or any Lender may have had notice or knowledge of such Default at the time.

(b) Subject to Section 2.14 hereof, neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Required Lenders or by the Borrower and the Administrative Agent with the consent of the Required Lenders; provided that no such agreement shall (i) increase the Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or reduce the rate of interest thereon, or reduce any fees or other amounts payable hereunder, without the written consent of each Lender affected thereby, (iii) postpone the scheduled date of payment of the principal amount of any Loan or any interest thereon, or any fees or other amounts payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender affected thereby, (iv) change Section 2.18(b) or (c) in a manner that would alter the pro rata sharing of payments required thereby, without the written consent of each Lender, (v) waive any of the conditions precedent to the Effective Date set forth in Section 3.01 without the written consent of each Lender, or (vi) change any of the provisions of this Section or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender; provided, further, that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent hereunder without the prior written consent of the Administrative Agent. Notwithstanding the foregoing, no consent with respect to any amendment, waiver or other modification of this Agreement shall be required of any Defaulting Lender, except with respect to any amendment, waiver or other modification referred to in clause (i), (ii) or (iii) of the first proviso of this paragraph and then only in the event such Defaulting Lender shall be directly affected by such amendment, waiver or other modification.

SECTION 11.03. Expenses; Indemnity; Damage Waiver.

(a) The Borrower shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with the initial syndication of the term loan facility provided for herein, the preparation and administration of this Agreement or any amendments, modifications or waivers of the provisions hereof (whether or not the transactions contemplated hereby or thereby shall be consummated) and (ii) all reasonable out-of-pocket expenses incurred by the Administrative Agent or any Lender, including the reasonable fees, charges and disbursements of any counsel for the Administrative Agent or any Lender, in connection with the enforcement or protection of its rights in connection with this Agreement, including its rights under this Section, or in connection with the Loans made hereunder, including in connection with any workout, restructuring or negotiations in respect thereof.

(b) The Borrower shall indemnify the Administrative Agent, the Arrangers, each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "***Indemnitee***") against, and hold each Indemnitee harmless from, any and all losses, claims, penalties, damages, liabilities and related reasonable expenses, including the reasonable fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the Transactions or any other transaction contemplated hereby, (ii) any Loan or the use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property now, in the past or hereafter owned or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation, arbitration or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any of its Subsidiaries, and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee. This Section 11.03(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, penalties, damages, etc. arising from any non-Tax claim.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent under paragraph (a) or (b) of this Section, each Lender severally agrees to pay to the Administrative Agent such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent in its capacity as such.

(d) To the extent permitted by applicable law, (i) the Borrower shall not assert, and does hereby waive, any claim against any Indemnitee for any damages arising from the use by others of information or other materials obtained through telecommunications, electronic or other information transmission systems (including the Internet), and (ii) without limiting the rights of indemnification of any Indemnitee set forth in this Agreement with respect to liabilities asserted by third parties, each party hereto shall not assert, and hereby waives, any claim against each other party, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions or any Loan or the use of the proceeds thereof.

(e) All amounts due under this Section shall be payable not later than 20 days after written demand therefor.

SECTION 11.04. Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby; provided that, (i) except to the extent permitted pursuant to Section 6.01(b)(ii), the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more Persons (other than an Ineligible Institution) all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Borrower (provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof); provided, further, that no consent of the Borrower shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default has occurred and is continuing, any other assignee; and

(B) the Administrative Agent.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000 unless each of the Borrower and the Administrative Agent otherwise consent, provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement, provided that this clause shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of such Lender's Loans;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent (x) an Assignment and Assumption or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Electronic System as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, together with a processing and recordation fee of $3,500, such fee to be paid by either the assigning Lender or the assignee Lender or shared between such Lenders;

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Borrower and its Affiliates and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws;

(E) without the prior written consent of the Administrative Agent, no assignment shall be made to a prospective assignee that bears a relationship to the Borrower described in Section 108(e)(4) of the Code; and

(F) no assignment shall be made to any Affiliate of the Borrower.

For the purposes of this Section 11.04(b), the terms "Approved Fund" and "Ineligible Institution" have the following meanings:

"***Approved Fund***" means any Person (other than a natural person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person)) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"***Ineligible Institution***" means (a) a natural person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person), (b) a Defaulting Lender, (c) the Borrower, any of its Subsidiaries or any of its Affiliates, or (d) a company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person or relative(s) thereof.

Subject to acceptance and recording thereof pursuant to paragraph (d) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.15, 2.16, 2.17 and 11.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 11.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (e) of this Section.

(c) The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices in The City of New York a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount (and stated interest) of the Loans and other Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "***Register***"). The entries in the Register shall be conclusive (absent manifest error), and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary.

(d) Upon its receipt of (x) a duly completed Assignment and Assumption executed by an assigning Lender and an assignee or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Electronic System as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.05(b), 2.18(d) or 11.03(c), the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(e) Any Lender may, without the consent of or notice to the Borrower or the Administrative Agent, sell participations to one or more banks or other entities (a "***Participant***"), other than an Ineligible Institution, in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower and the Administrative Agent shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 11.02(b) that affects such Participant. Subject to paragraph (f) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.15, 2.16 and 2.17 (subject to the requirements and limitations therein (it being understood that the documentation required under Section 2.17(e) and (f) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant agrees to be subject to the provisions of Section 2.19 as though it were an assignee under paragraph (b) of this Section. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the obligations under this Agreement (the "***Participant Register***"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in the obligations under this Agreement) except to the extent that such disclosure is necessary to establish that such interest is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(f) A Participant shall not be entitled to receive any greater payment under Section 2.15 or 2.17 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation.

(g) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including, without limitation, to a Federal Reserve Bank or any central bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such assignee for such Lender as a party hereto.

SECTION 11.05. Survival. All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans. The provisions of Sections 2.15, 2.16, 2.17 and 11.03 and Article IX shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Commitments or the termination of this Agreement or any provision hereof.

SECTION 11.06. Counterparts; Integration; Effectiveness; Electronic Execution. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and any separate letter agreements with respect to fees payable to the Administrative Agent and the Arrangers constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 3.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging shall be effective as delivery of an original executed counterpart of this Agreement. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to any document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its prior written consent.

SECTION 11.07. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 11.08. Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender or any Affiliate thereof is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or such Affiliate to or for the credit or the account of the Borrower against any of and all the Obligations now or hereafter existing under this Agreement or any other Credit Document held by such Lender or such Affiliate, irrespective of whether or not such Lender or such Affiliate shall have made any demand under this Agreement or any other Credit Document and although such obligations of the Borrower may be contingent or unmatured or are owed to a branch, office or Affiliate of such Lender different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of this Agreement and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender or its Affiliates may have. Each Lender agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 11.09. Governing Law; Jurisdiction; Consent to Service of Process.

(a) This Agreement shall be construed in accordance with and governed by the law of the State of New York.

(b) The Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in the Borough of Manhattan and of the United States District Court of the Southern District of New York sitting in the Borough of Manhattan, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement against the Borrower or its properties in the courts of any jurisdiction.

(c) The Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 11.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 11.10. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 11.11. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 11.12. Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any Governmental Authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) actual or prospective counterparty (or its advisors) to any swap or derivative transaction or any credit insurance provider, in each case, relating to the Borrower and its obligations, (g) with the consent of the Borrower, (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent or any Lender on a nonconfidential basis from a source other than the Borrower or any Subsidiary of the Borrower or (i) on a confidential basis to (i) any rating agency in connection with rating the Borrower or its Subsidiaries or the term loan facility provided hereunder or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the term loan facility provided hereunder. For the purposes of this Section, "***Information***" means all information received from the Borrower or any Subsidiary of the Borrower relating to the Borrower or any Subsidiary of the Borrower or its respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by the Borrower or any Subsidiary of the Borrower; provided that, in the case of information received from the Borrower or any Subsidiary of the Borrower after the Effective Date, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. In addition, the Administrative Agent and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Administrative Agent, the Arrangers and the Lenders in connection with the administration of this Agreement, the other Credit Documents, and the Commitments.

EACH LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN THE IMMEDIATELY PRECEDING PARAGRAPH FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE BORROWER AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS, FURNISHED BY THE BORROWER OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE BORROWER AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE BORROWER AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.

SECTION 11.13. USA PATRIOT Act. Each Lender hereby notifies the Borrower that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Act.

SECTION 11.14. Acknowledgments. The Borrower hereby acknowledges that:

(a) no Creditor Party will have any obligations except those obligations expressly set forth herein and in the other Credit Documents and each Creditor Party is acting solely in the capacity of an arm's length contractual counterparty to the Borrower with respect to the Credit Documents and the transactions contemplated therein and not as a financial advisor or a fiduciary to, or an agent of, the Borrower or any other Person;

(b) it has been advised by and consulted with its own legal, accounting, regulatory and tax advisors (to the extent it deemed appropriate) in the negotiation, execution and delivery of this Agreement and the other Credit Documents;

(c) neither the Arrangers, the Administrative Agent nor any Lender has any fiduciary relationship with or duty to the Borrower arising out of or in connection with this Agreement or any of the other Credit Documents, and the relationship between the Arrangers, the Administrative Agent and the Lenders, on one hand, and the Borrower, on the other hand, in connection herewith or therewith is solely that of debtor and creditor, and, to the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Administrative Agent, the Arrangers and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby;

(d) it is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents;

(e) no joint venture is created hereby or by the other Credit Documents or otherwise exists by virtue of the transactions contemplated hereby among the Arrangers, the Administrative Agent and the Lenders or among the Borrower and the Lenders;

(f) (i) each Creditor Party, together with its Affiliates, is a full service securities or banking firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services; (ii) in the ordinary course of business, any Creditor Party may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of, the Borrower and other companies with which it may have commercial or other relationships; and (iii) with respect to any securities and/or financial instruments so held by any Creditor Party or any of its customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion; and

(g) (i) each Creditor Party and its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which the Borrower or its Subsidiaries may have conflicting interests regarding the transactions described herein and otherwise; (ii) no Creditor Party will use confidential information obtained from the Borrower by virtue of the transactions contemplated by the Credit Documents or its other relationships with the Borrower in connection with the performance by such Creditor Party of services for other companies, and no Creditor Party will furnish any such information to other companies; and (iii) the Borrower also acknowledges that no Creditor Party has any obligation to use in connection with the transactions contemplated by the Credit Documents, or to furnish to the Borrower, confidential information obtained from other companies.

SECTION 11.15. Acknowledgment and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

SECTION 11.16. Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender. Any amount collected by such Lender that exceeds the maximum amount collectible at the Maximum Rate shall be applied to the reduction of the principal balance of such Loan or refunded to the Borrower so that at no time shall the interest and charges paid or payable in respect of such Loan exceed the maximum amount collectible at the Maximum Rate.

SECTION 11.17. Prepayment of Loans under the Existing Loan Agreement. Each of the signatories hereto is also a party to the Existing Loan Agreement and each such signatory hereby agrees that any and all required notice periods under the Existing Loan Agreement in connection with the prepayment (if any) on the Effective Date of any "Loans" under the Existing Loan Agreement are hereby waived and of no force and effect.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

NISOURCE INC., as the Borrower

By: /s/ Randy G. Hulen
Name: Randy G. Hulen
Title: Vice President, Investor Relations and Treasurer

Federal Tax Identification Number: 35-2108964

KEYBANK NATIONAL ASSOCIATION, as Administrative Agent

By: /s/ Benjamin C Cooper
Name: Benjamin C Cooper
Title: Senior Vice President

KEYBANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Benjamin C Cooper
Name: Benjamin C Cooper
Title: Senior Vice President

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: /s/ John M. Eyerman
Name: John M. Eyerman
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Kelly Sarver
Name: Kelly Sarver
Title: Vice President

MIZUHO BANK, LTD., as a Lender

By: /s/ Edward Sacks
Name: Edward Sacks
Title: Authorized Signatory

MUFG BANK, LTD., as a Lender

By: /s/ Nietzsche Rodricks
Name: Nietzsche Rodricks
Title: Managing Director

EXHIBIT A

ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the "Assignor") and [*Insert name of Assignee*] (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Term Loan Agreement identified below (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Loan Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Loan Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Loan Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1.	Assignor:	_____
2.	Assignee:	_____ [and is an Affiliate/Approved Fund of [identify Lender] [1]]
3.	Borrower(s):	NiSource Inc., a Delaware corporation
4.	Administrative Agent:	KeyBank National Association, as the administrative agent under the Loan Agreement
5.	Loan Agreement:	The Term Loan Agreement, dated as of April 1, 2020, among NiSource Inc., a Delaware corporation, as borrower, the Lenders parties thereto, KeyBank National Association, as Administrative Agent, and the other agents parties thereto
6.	Assigned Interest:	

[1] Select as applicable.

Aggregate Amount of Commitments/Loans	Amount of Commitments/Loans	Percentage Assigned of Commitments/Loans [2]
$	$	%
$	$	%
$	$	%

Effective Date: _____ ___, 20___ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The Assignee agrees to deliver to the Administrative Agent a completed Administrative Questionnaire in which the Assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Borrower and its Related Parties or their respective securities) will be made available and who may receive such information in accordance with the Assignee's compliance procedures and applicable laws, including Federal and state securities laws.

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Title:

ASSIGNEE

[NAME OF ASSIGNEE]

By: _____
Title:

Consented to and Accepted:

KEYBANK NATIONAL ASSOCIATION, as
Administrative Agent

By: _____
Title:

[NISOURCE INC., as Borrower][3]

By: _____
Title:

[2] Set forth, so at least 9 decimals, as a percentage of the Commitments/Loans of all Lenders thereunder.

[3] To be added only if the consent of the Borrower is required by the terms of the Loan Agreement.

ANNEX I

STANDARD TERMS AND CONDITIONS FOR

ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Loan Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Credit Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Credit Document.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Loan Agreement, (ii) it satisfies the requirements, if any, specified in the Loan Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Loan Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Loan Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.01(h) thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent, any arranger or any other Lender and their respective Related Parties, (v) if it is a Foreign Lender, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Loan Agreement, duly completed and executed by the Assignee; and (vi) it does not bear a relationship to the Borrower described in Section 108(e)(4) of the Code; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, any arranger, the Assignor or any other Lender and their respective Related Parties, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Acceptance and adoption of the terms of this Assignment and Assumption by the Assignee and the Assignor by Electronic Signature or delivery of an executed counterpart of a signature page of this Assignment and Assumption by any Electronic System shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. THIS ASSIGNMENT AND ASSUMPTION SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

EXHIBIT B

FORM OF OPINION OF MCGUIREWOODS LLP

[See Attached.]

EXHIBIT C

FORM OF BORROWING REQUEST

BORROWING REQUEST

Date: _____, ____

To: KeyBank National Association
127 Public Square
Cleveland, OH 44114
Attention: Ben Cooper
Email: benjamin.cooper@key.com

Ladies and Gentlemen:

Reference is made to that certain Term Loan Agreement, dated as of April 1, 2020 (as may be amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time in accordance with its terms, the "Agreement"; the terms defined therein being used herein as therein defined), among NiSource Inc., a Delaware corporation (the "Borrower"), KeyBank National Association, as the Administrative Agent, and the other parties thereto.

The Borrower hereby requests a Borrowing of Loans, as follows:

1. In the aggregate amount of $_____.

2. On _____, 20__ (a Business Day).

3. Comprised of [an ABR] [a Eurodollar] Borrowing.

[4. With an Interest Period of ___ [week][months].] [4]

[4][5]. The Borrower's account to which funds are to be disbursed is:
Account Number: _____
Location:_____

This Borrowing Request and the Borrowing requested herein comply with the Agreement, including Sections 2.01, 2.02 and 3.02 of the Agreement.

[Signature Page Follows.]

_____

[4] Insert if a Eurodollar Borrowing.

NISOURCE INC.

By: _____
Name:
Title:

EXHIBIT D

[Reserved]

EXHIBIT E

[Reserved]

EXHIBIT F

FORM OF NOTE

NOTE

FOR VALUE RECEIVED, the undersigned (the "Borrower"), hereby promises to pay to _____ or registered assigns (the "Lender"), in accordance with the provisions of the Agreement (as hereinafter defined), the aggregate unpaid principal amount of each Loan made by the Lender to the Borrower under that certain Term Loan Agreement, dated as of April 1, 2020 (as may be amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time in accordance with its terms, the "Agreement"; the terms defined therein being used herein as therein defined), among the Borrower, the Lenders party thereto, KeyBank National Association, as the Administrative Agent, and the other parties thereto. The Borrower promises to pay interest on the aggregate unpaid principal amount of each Loan from time to time made by the Lender to the Borrower under the Agreement from the date of such Loan until such principal amount is paid in full, at such interest rates and at such times as provided in the Agreement. All payments of principal and interest shall be made to the Administrative Agent for the account of the Lender in Dollars in immediately available funds at the Administrative Agent's office pursuant to the terms of the Agreement. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, to be paid upon demand, from the due date thereof until the date of actual payment (and before as well as after judgment) computed at the per annum rate set forth in the Agreement.

This Note is one of the promissory notes referred to in Section 2.10(e) of the Agreement, is one of the Credit Documents, is entitled to the benefits thereof and may be prepaid in whole or in part subject to the terms and conditions provided therein. Upon the occurrence and continuation of one or more of the Events of Default specified in the Agreement, all amounts then remaining unpaid on this Note shall become, or may be declared to be, immediately due and payable all as provided in the Agreement. Loans made by the Lender shall be evidenced by one or more loan accounts or records maintained by the Lender in the ordinary course of business. The Lender may also attach schedules to this Note and endorse thereon the date, amount and maturity of its Loans and payments with respect thereto.

The Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Note.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[Signature Page Follows.]

NISOURCE INC.

By: _____
Name:
Title:

LOANS AND PAYMENTS WITH RESPECT THERETO

Date	Type of Loan Made	Amount of Loan Made	End of Interest Period	Amount of Principal or Interest Paid This Date	Outstanding Principal Balance This Date	Notation Made By

EXHIBIT G

FORM OF INTEREST ELECTION REQUEST

INTEREST ELECTION REQUEST

Date: _____, ____

To: KeyBank National Association
127 Public Square
Cleveland, OH 44114
Attention: Ben Cooper
Email: benjamin.cooper@key.com

Ladies and Gentlemen:

Reference is made to that certain Term Loan Agreement, dated as of April 1, 2020 (as may be amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time in accordance with its terms, the "Agreement"; the terms defined therein being used herein as therein defined), among NiSource Inc., a Delaware corporation (the "Borrower"), the Lenders party thereto, KeyBank National Association, as the Administrative Agent, and the other parties thereto.

This Interest Election Request is delivered to you pursuant to Section 2.06 of the Agreement and relates to the following:

1. A conversion of a Borrowing A continuation of a Borrowing (select one).

2. In the aggregate principal amount of $_____.

3. which Borrowing is being maintained as a [ABR Borrowing] [Eurodollar Borrowing with an Interest Period ending on _____, 20__].

4. (select relevant election)

If such Borrowing is a Eurodollar Borrowing, such Borrowing shall be continued as a Eurodollar Borrowing having an Interest Period of [__] months.

If such Borrowing is a Eurodollar Borrowing, such Borrowing shall be converted to an ABR Borrowing.

If such Borrowing is an ABR Borrowing, such Borrowing shall be converted to a Eurodollar Borrowing having an Interest Period of [___] months.

5. Such election to be effective on _____, 20)__ (a Business Day).

This Interest Election Request and the election made herein comply with the Agreement, including Section 2.06 of the Agreement.

[Signature Page Follows.]

NISOURCE INC.

By: _____
Name:
Title:

EXHIBIT H

FORM OF PREPAYMENT NOTICE

PREPAYMENT NOTICE

Date: _____, ____

To: KeyBank National Association
127 Public Square
Cleveland, OH 44114
Attention: Ben Cooper
Email: benjamin.cooper@key.com

Ladies and Gentlemen:

Reference is made to that certain Term Loan Agreement, dated as of April 1, 2020 (as may be amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time in accordance with its terms, the "Agreement"; the terms defined therein being used herein as therein defined), among NiSource Inc., a Delaware corporation (the "Borrower"), the Lenders party thereto, KeyBank National Association, as the Administrative Agent, and the other parties thereto.

This Prepayment Notice is delivered to you pursuant to Section 2.11 of the Agreement. The Borrower hereby gives notice of a prepayment of Loans as follows:

1. (select Type(s) of Loans)

☐ ABR Loans in the aggregate principal amount of $_____.

☐ Eurodollar Loans with an Interest Period ending _____, 20__ in the aggregate principal amount of $_____.

2. On _____, 20__ (a Business Day).

This Prepayment Notice and prepayment contemplated hereby comply with the Agreement, including Section 2.11 of the Agreement.

[Signature Page Follows.]

NISOURCE INC.

By: _____
Name:
Title:

EXHIBIT I-1

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Term Loan Agreement, dated as of April 1, 2020 (as may be amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time in accordance with its terms, the "Loan Agreement"; the terms defined therein being used herein as therein defined), among NiSource Inc., a Delaware corporation (the "Borrower"), the Lenders party thereto, KeyBank National Association, as the Administrative Agent, and the other parties thereto.

Pursuant to the provisions of Section 2.17 of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF LENDER]

By:_____
Name:
Title:

Date: _____, 20[__]

EXHIBIT I-2

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Term Loan Agreement, dated as of April 1, 2020 (as may be amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time in accordance with its terms, the "Loan Agreement"; the terms defined therein being used herein as therein defined), among NiSource Inc., a Delaware corporation (the "Borrower"), the Lenders party thereto, KeyBank National Association, as the Administrative Agent, and the other parties thereto.

Pursuant to the provisions of Section 2.17 of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF PARTICIPANT]

By:_____
Name:
Title:

Date: _____ __, 20[__]

EXHIBIT I-3

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Term Loan Agreement, dated as of April 1, 2020 (as may be amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time in accordance with its terms, the "Loan Agreement"; the terms defined therein being used herein as therein defined), among NiSource Inc., a Delaware corporation (the "Borrower"), the Lenders party thereto, KeyBank National Association, as the Administrative Agent, and the other parties thereto.

Pursuant to the provisions of Section 2.17 of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF PARTICIPANT]

By:_____
Name:
Title:

Date: _____ __, 20[__]

EXHIBIT I-4

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Term Loan Agreement, dated as of April 1, 2020 (as may be amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time in accordance with its terms, the "Loan Agreement"; the terms defined therein being used herein as therein defined), among NiSource Inc., a Delaware corporation (the "Borrower"), the Lenders party thereto, KeyBank National Association, as the Administrative Agent, and the other parties thereto.

Pursuant to the provisions of Section 2.17 of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to the Loan Agreement or any other Credit Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF LENDER]

By:_____
Name:
Title:

Date: _____ __, 20[__]

SCHEDULE 2.01

LENDERS AND COMMITMENTS

Lender	Commitment
KeyBank National Association	$200,000,000
PNC Bank, National Association	$200,000,000
U.S. Bank National Association	$200,000,000
Mizuho Bank, Ltd.	$135,000,000
MUFG Bank, Ltd.	$115,000,000
TOTAL	**$850,000,000**

SCHEDULE 6.01(e)

EXISTING AGREEMENTS

Receivables Purchase Agreements and Receivables Sales Agreements of (a) Columbia Gas of Ohio Receivables Corporation, (b) Columbia Gas of Pennsylvania Receivables Corporation, (c) NIPSCO Accounts Receivables Corporation, and (d) any renewal, modification, extension or replacement of the above, in each case, to provide for receivables financings upon terms and conditions not materially more restrictive on the Borrower and its Subsidiaries, taken as a whole, than the terms and conditions of such renewed, modified, extended or replaced facility.

FORM 8-K

MARCH 6, 2020

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

FORM 8-K

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

Date of Report (Date of earliest event reported): March 6, 2020

NiSource Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware	001-16189	35-2108964
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, Indiana	46410
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On March 6, 2020, Joseph M. Mulpas announced his intent to resign as Vice President, Chief Accounting Officer and Controller of NiSource Inc. (the "Company") and from all positions he holds with the Company's subsidiaries, effective May 6, 2020.

In connection with Mr. Mulpas' announcement, the Company has initiated a search for a replacement Chief Accounting Officer and Controller. Donald E. Brown, Executive Vice President and Chief Financial Officer, will assume the responsibilities of Chief Accounting Officer and Controller of the Company upon the effectiveness of Mr. Mulpas' resignation on an interim basis until the positions are filled.

Mr. Mulpas' decision to resign is not a result of any disagreement with the Company's independent registered public accounting firm or any member of management on any matter of accounting principles or practices, financial statement disclosures or internal controls.

SIGNATURES

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

NISOURCE INC.

March 12, 2020

By: /s/ Anne-Marie W. D'Angelo
Anne-Marie W. D'Angelo
Senior Vice President, General Counsel and Corporate Secretary

FORM 8-K

MARCH 9, 2020

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

FORM 8-K

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

Date of Report (Date of earliest event reported): March 9, 2020

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware	001-16189	35-2108964
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, Indiana	46410
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On March 9, 2020, the Board of Directors of NiSource Inc. ("NiSource") appointed Lloyd M. Yates as a director of NiSource, effective immediately. As of the date hereof, the Board of Directors has not determined any committee appointments for Mr. Yates.

There is no arrangement or understanding between Mr. Yates and any other person pursuant to which he was selected as a director of NiSource. Mr. Yates does not have any direct or indirect material interest in any transaction or proposed transaction involving NiSource required to be reported under Item 404(a) of Regulation S-K.

Consistent with NiSource's compensation practices for non-employee directors, Mr. Yates will receive an annualized retainer of $235,000, consisting of $97,500 in cash and an award of restricted stock units valued at $137,500 at the time of the award.

On March 10, 2020, NiSource issued a press release announcing the appointment of Mr. Yates as a director of NiSource. A copy of that press release is filed as an exhibit to this report and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
99.1	Press Release dated March 10, 2020
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

NISOURCE INC.

March 10, 2020

By: /s/ Anne-Marie W. D'Angelo
Anne-Marie W. D'Angelo
Senior Vice President, General Counsel and Corporate Secretary

Exhibit 99.1

NEWS

FOR IMMEDIATE RELEASE

NiSource®

WWW.NISOURCE.COM

March 10, 2020

FOR ADDITIONAL INFORMATION

Media
Ken Stammen
Corporate Media Relations
(614) 460-5544
kstammen@nisource.com

Investors
Nick Drew
Director, Investor Relations
(614) 460-4638
ndrew@nisource.com

Sara Macioch
Manager, Investor Relations
(614) 460-4789
smacioch@nisource.com

Lloyd Yates Appointed to NiSource Board of Directors

MERRILLVILLE, Ind. – NiSource Inc. (NYSE: NI) today announced that its Board of Directors appointed Lloyd Yates to the board.

Yates, brings significant energy and regulated utility experience to NiSource's board, having retired in 2019 from Duke Energy Corporation, where he most recently served as Executive Vice President, Customer and Delivery Operations, and President, Carolinas Region, since 2014. In this role, he was responsible for aligning customer-focused products and services to deliver a personalized end-to-end customer experience to position Duke Energy for long-term growth, as well as for the profit/loss, strategic direction and performance of Duke Energy's regulated utilities in North Carolina and South Carolina.

Previously, he served as Executive Vice President of Regulated Utilities, overseeing Duke Energy's utility operations in six states, federal government affairs, and environmental and energy policy at the state and federal levels, as well as Executive Vice President, Customer Operations, where he led the transmission, distribution, customer services, gas operations and grid modernization functions for millions of utility customers. He held various senior leadership roles at Progress Energy, Inc., prior to its merger with Duke Energy, from 2000 to 2012.

"Lloyd adds significant energy industry and regulated utility experience to the NiSource Board of Directors," said NiSource Chairman Kevin T. Kabat. "At Duke Energy, he used his operational experience to improve safety, reliability and the overall customer experience for millions of customers. He has significant expertise overseeing regulated utility operations, working with state regulators, and managing consumer and community affairs. He also has experience managing gas and grid modernization functions, which is valuable to our Board as we execute our business strategies. In addition, Lloyd's experience as a director for other prominent public companies will benefit our board by bringing additional perspective to a variety of important areas of governance and strategic planning."

Yates currently serves on the boards of directors of American Water Works Company, Inc., Marsh & McLennan Companies, Inc. and Sonoco Products Company.

His appointment to the NiSource Board is effective March 9, and he is expected to stand for election by NiSource stockholders at the annual stockholders meeting in May. He is not currently assigned to any standing board committees. Yates' appointment represents an expansion of the NiSource board from 11 to 12 members.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.5 million natural gas customers and 500,000 electric customers across seven states through its local Columbia Gas and NIPSCO brands. Based in Merrillville, Indiana, NiSource's approximately 8,400 employees are focused on safely delivering reliable and affordable energy to our customers and communities we serve. NiSource is a member of the Dow Jones Sustainability - North America Index and the Bloomberg Gender Equality Index and has been named by *Forbes* magazine among America's Best Large Employers since 2016. Additional information about NiSource, its investments in modern infrastructure and systems, its commitments and its local brands can be found at www.nisource.com. Follow us at www.facebook.com/nisource, www.linkedin.com/company/nisource or www.twitter.com/nisourceinc. NI-F

# # #

FORM 8-K

FEBRUARY 26, 2020

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

FORM 8-K

CURRENT REPORT

Pursuant To Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 26, 2020

NiSource, Inc.

(Exact name of registrant as specified in its charter)

DE	001-16189	35-2108964
(State or other jurisdiction of incorporation or organization)	Commission file number	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, IN	46410
(Address of principal executive offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On February 26, 2020, NiSource Inc. (the "Company") reported its financial results for the year ended December 31, 2019. The Company's press release, dated February 26, 2020, is attached as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated February 26, 2020, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

SIGNATURES

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

NiSource Inc.
(Registrant)

Date: February 26, 2020

By: /s/ Joseph W. Mulpas
Joseph W. Mulpas
Vice President, Chief Accounting Officer and Controller

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release, dated February 26, 2020, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

NEWS

FOR IMMEDIATE RELEASE

NiSource®

WWW.NISOURCE.COM

February 26, 2020

FOR ADDITIONAL INFORMATION

Media	**Investors**	
Ken Stammen	Nick Drew	Sara Macioch
Corporate Media Relations	Director, Investor Relations	Manager, Investor Relations
(614) 460-5544	(614) 460-4638	(614) 460-4789
kstammen@nisource.com	ndrew@nisource.com	smacioch@nisource.com

NiSource Reports 2019 Results

- Safety Management System (SMS) implementation, system safety enhancements remain top priority
- Execution consistent with 2019 financial commitments
- Electric base rate case settlement approved, generation strategy advances
- Agreements reached with United States Attorney for District of Massachusetts
- Agreement reached to sell Columbia Gas of Massachusetts assets

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) today announced, on a GAAP basis, a net loss to common shareholders for the three months ended December 31, 2019, of $153.0 million, or $0.41 per share, compared to a net loss to common shareholders of $19.8 million, or $0.05 per share, for the same period of 2018. For the twelve months ended December 31, 2019, NiSource's net income available to common shareholders was $328.0 million, or $0.88 per share, compared to a net loss of $65.6 million, or $0.18 per share, for the same period of 2018.

NiSource also reported net operating earnings available to common shareholders (non-GAAP) of $169.6 million, or $0.45 per share, for the three months ended December 31, 2019, compared to net operating earnings available to common shareholders (non-GAAP) of $141.9 million, or $0.38 per share, for the same period of 2018. For the twelve months ended December 31, 2019, NiSource's net operating earnings available to common shareholders (non-GAAP) were $494.7 million, or $1.32 per share, compared to $463.3 million, or $1.30 per share, for the same period of 2018.

Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures, including a write down of goodwill and franchise right intangibles related to Columbia Gas of Massachusetts. Schedule 2 of this press release provides total current estimates of costs and expenses related to the September 13, 2018 incident in the Greater Lawrence, Mass., area.

“Our performance in 2019 demonstrated the resiliency of the NiSource business plan," said NiSource President and CEO **Joe Hamrock**. "During a challenging year, our teams remained relentlessly focused on safety and customer satisfaction, starting with the accelerated implementation of SMS, as well as advancing our electric generation strategy in Indiana and executing on nearly $1.9 billion in capital infrastructure and safety investments in our gas and electric systems. We also delivered non-GAAP net operating earnings per share of $1.32, solidly within our guidance range for the year, while maintaining our current investment-grade credit ratings and executing on our regulatory plan."

Financing Plan, Long-term Growth Forecast Updated Following CMA Sale Announcement

As announced today, NiSource has entered into a definitive agreement to sell its Columbia Gas of Massachusetts assets to Eversource (NYSE: ES) for $1.1 billion in a transaction expected to close by the end of the third quarter 2020.

Due to the execution of this transaction, NiSource is withdrawing its 2020 net operating earnings per share (non-GAAP) guidance of $1.36 to $1.40. However, NiSource continues to expect to make capital investments of $1.8 to $1.9 billion in 2020. The transaction is expected to enable NiSource to eliminate its previously planned 2020 block equity issuance.

The strategy and long-term growth opportunity for the remaining operating companies is unchanged. As a result, following the completion of the transaction, the company expects to initiate 2021 net operating earnings per share guidance and establish a 5 to 7 percent long-term growth rate for both net operating earnings per share and dividend with 2021 as the base year. This new long-term guidance is expected to be extended beyond 2022 to include significant investments related to the company’s electric generation strategy.

NiSource remains committed to maintaining its current investment-grade credit ratings. The company has investment-grade ratings with Fitch Ratings (BBB), Moody's (Baa2) and Standard & Poor's (BBB+). As of December 31, 2019, NiSource had approximately $1.4 billion in net available liquidity, consisting of cash and available capacity under its credit facility and accounts receivable securitization programs.

NiSource reminds investors that it does not provide a GAAP equivalent of its earnings guidance due to the impact of unpredictable factors such as fluctuations in weather, asset sales and impairments, and other items included in GAAP results.

In addition to its financial performance, NiSource delivered a number of key milestones in 2019, including:

- Taking significant action to enhance system safety, including accelerating its SMS implementation and installing over-pressurization protection on low pressure systems across its seven-state service territory, including completing those upgrades in Massachusetts and Virginia.
- Advancing its electric generation strategy in Indiana. Achievements included reaching commercial agreements for four wind projects, completing a second RFP for replacement capacity and completing our Coal Combustion Residuals investments.
- Investing nearly $1.9 billion in its gas and electric utilities, including replacing 337 miles of priority pipe, 33 miles of underground electric cable and 1,959 electric poles.
- Executing on its regulatory initiatives, including approval of an electric base rate case in Indiana and gas base rate cases in Maryland and Virginia.
- Substantially completing the restoration in the Merrimack Valley, including the settlement of all the major customer claims related to the incident and completing service line verifications.
- Adding approximately 28,000 net new gas customers, driven by healthy new construction and conversion markets.

Safety Enhancements across Seven-State Footprint Remain Top Priority in 2020

NiSource made substantial progress in 2019 on safety enhancements across the company's footprint, including accelerated implementation of a SMS. SMS is a comprehensive approach to managing safety, emphasizing continual assessment and improvement as well as pro-actively identifying and mitigating potential risks. This work remains the company's top priority in 2020.

Among the safety milestones achieved in 2019 were:

- Implementation of the National Transportation Safety Board's (NTSB) urgent safety recommendations issued following the September 2018 event in Massachusetts.
- Implementing an Incident Command Structure (ICS) aligned with Federal Emergency Management Agency standards and providing ICS training to nearly all NiSource employees, enhancing the company's emergency preparedness and response capability.
- Appointing an independent Quality Review Board (QRB) to oversee our safety programs.
- Creating a Chief Safety Officer position, reporting to Hamrock, accountable for driving the company's long-term, multi-year outlook and road map to reduce risk.
- Integrating safety, compliance and risk management functions at each NiSource operating company and increasing staffing and capabilities.
- Introducing a Corrective Action Program (CAP) which offers a simple way for employees and contractors to report safety concerns and supports the company's systematic process to review, prioritize, and track progress to reduce risk.
- Training 86% of Gas Segment employees on SMS, with the rest targeted for 2020 completion.

"Safety is, and will remain, the foundation of everything we do across our business," Hamrock said. "Our vision is to lead in safety and exceed existing industry standards, anchored by three pillars -- a culture where everyone is empowered to identify and report risk, process safety that adds layers of protection, and enhanced asset risk analytics."

Columbia Gas of Massachusetts Update

As announced in November, the company has substantially completed verifications of approximately 5,000 former gas service lines that were abandoned as part of the fall 2018 recovery work in the Merrimack Valley, concluding verification work that began in September 2019. The completion of this verification work has confirmed that abandoned service lines are now compliant with state and federal requirements, as well as Columbia Gas procedures and protocols.

The company continues to cooperate with all investigations of the September 2018 Merrimack Valley event. Earlier today, the United States Attorney for the District of Massachusetts announced a settlement agreement with NiSource and Columbia Gas of Massachusetts which is intended to resolve the criminal investigation of the incident. This agreement is subject to court approval. The Massachusetts Department of Public Utilities (DPU) continues its review of the cause of the September 2018 event, the company's emergency response and restoration efforts, as well as a September 2019 gas leak in greater Lawrence, and the Massachusetts Attorney General’s Office is continuing its investigation focused primarily on the restoration work following the incident.

Fourth Quarter 2019 and Recent Business Highlights

Gas Distribution Operations

- The Maryland Public Service Commission approved **Columbia Gas of Maryland's** base rate case request on December 18, 2019 and new rates became effective in December 2019. The order supports continued replacement of aging pipelines and adoption of pipeline safety upgrades.
- **Columbia Gas of Kentucky** received an order on December 20, 2019 from the Kentucky Public Service Commission in its annual Accelerated Main Replacement Program (AMRP) rider adjustment case. The commission approved a modification to the AMRP to expand its scope to cover capital investments including safety enhancements to low-pressure systems

and other risk-based investments identified under the company's SMS program. As part of the order, the program was renamed the Safety Modification and Replacement Program, or SMRP.

- **Northern Indiana Public Service Company (NIPSCO)** on December 31, 2019 filed an application with the Indiana Utility Regulatory Commission (IURC) for a six-year extension of its long-term gas infrastructure modernization program. The proposal includes nearly $950 million in capital investments through 2025, to be recovered through semi-annual adjustments to the existing gas **Transmission, Distribution and Storage Improvement Charge (TDSIC)** tracker. The existing gas TDSIC program has been in place since 2014. An IURC order is expected in July 2020.

Electric Operations

- NIPSCO is reviewing the results of its latest request for proposal (RFP) to consider potential resources to meet the future electric needs of its customers. The RFP is consistent with NIPSCO's **2018 Integrated Resource Plan**, which outlines plans to retire nearly 80% of its remaining coal-fired generation by 2023, and retire all coal generation by 2028, to be replaced by lower-cost, reliable and cleaner options. The plan is expected to drive a 90% reduction in NiSource's greenhouse gas emissions by 2030, and to save NIPSCO electric customers more than $4 billion, long-term. NIPSCO is considering all sources in the RFP process, which closed on November 20, 2019, and is in early discussions with a number commercial bidders who responded to the RFP.
- On December 19, 2019, the Federal Energy Regulatory Commission (FERC) approved NIPSCO's Section 203 and Section 205 applications for **Rosewater**, one of three wind projects that the company announced in February 2019. The IURC had previously approved the joint venture and ownership agreement for Rosewater, as well as Power Purchase Agreement applications for the other two projects -- **Jordan Creek** and **Roaming Bison**. Construction is underway on both Rosewater and Jordan Creek, which are expected to be in service by the end of this year. NIPSCO has notified the IURC of its intention to not move forward with the Roaming Bison project due to local zoning restrictions. The IURC on February 19 approved NIPSCO's application for a fourth wind project, **Indiana Crossroads**, a joint venture with EDP Renewables North America LLC. Indiana Crossroads will have an aggregate nameplate capacity of 302 megawatts, and is expected to be in operation in the fourth quarter of 2021.
- On December 4, 2019, NIPSCO received an order from the IURC in its **electric base rate case**, with new rates effective in January 2020. The order approved a partial settlement agreement filed in April 2019 that addresses the revenue requirement, federal tax reform and changes to the company's depreciation schedules related to the early retirements of coal fired generation called for in the IRP. The order established a return on equity of 9.75% reflecting a reduced business risk profile and positions NIPSCO to successfully execute on its generation strategy which benefits its customers.
- NIPSCO continues to execute on its **seven-year electric infrastructure modernization program**, which includes enhancements to its electric transmission and distribution system designed to further improve system safety and reliability. The program, originally approved by the IURC in 2016, includes approximately $1.2 billion of electric infrastructure investments expected to be made through 2022. The company's latest tracker update request, covering $131.1 million in incremental capital investments made from December 2018 through June 2019, was approved by the IURC on December 18, 2019, with rates effective in January 2020.

Additional information for the quarter ended December 31, 2019, is available on the Investors section of www.nisource.com, including segment and financial information and our

presentation to be discussed at our fourth quarter 2019 earnings conference call scheduled for February 27, 2020 at 9:00 a.m. ET.

About NiSource
NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.5 million natural gas customers and 500,000 electric customers across seven states through its local Columbia Gas and NIPSCO brands. Based in Merrillville, Indiana, NiSource's approximately 8,100 employees are focused on safely delivering reliable and affordable energy to our customers and communities we serve. NiSource is a member of the Dow Jones Sustainability - North America Index, the Bloomberg Gender Equality Index and has been named by *Forbes* magazine among America's Best Large Employers since 2016. Additional information about NiSource, its investments in modern infrastructure and systems, its commitments and its local brands can be found at www.nisource.com. Follow us at www.facebook.com/nisource, www.linkedin.com/company/nisource or www.twitter.com/nisourceinc. NI-F

Forward-Looking Statements
This press release contains "forward-looking statements" within the meaning of federal securities laws. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. Examples of forward-looking statements in this press release include, but are not limited to, statements and expectations regarding NiSource's or any of its subsidiaries' plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially. Factors that could cause actual results to differ materially from the projections, forecasts, estimates, and expectations discussed in this press release include, among other things, NiSource's debt obligations; any changes in NiSource's credit rating or the credit rating of certain of NiSource's subsidiaries; NiSource's ability to execute its growth strategy; changes in general economic, capital and commodity market conditions; pension funding obligations; economic regulation and the impact of regulatory rate reviews; NiSource's ability to obtain expected financial or regulatory outcomes; NiSource's ability to adapt to, and manage costs related to, advances in technology; any changes in our assumptions regarding the financial implications of the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney's Office for the District of Massachusetts to settle the U.S. Attorney's Office investigation relating to the Greater Lawrence Incident; the pending sale of the Columbia Gas of Massachusetts business, including the terms and closing conditions under the asset purchase agreement; potential incidents and other operating risks associated with our business; our ability to obtain sufficient insurance coverage; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; any damage to NiSource's reputation, including in connection with the Greater Lawrence Incident; compliance with environmental laws and the costs of associated liabilities; fluctuations in demand from residential and commercial customers; economic conditions of certain industries; the success of NIPSCO's electric generation strategy; the price of energy commodities and related transportation costs; the reliability of customers and suppliers to fulfill their payment and contractual obligations; potential impairments of goodwill or definite-lived intangible assets; changes in taxation and accounting principles; the impact of an aging infrastructure; the impact of climate change; potential cyber-attacks; construction risks and natural gas costs and supply risks; extreme weather conditions; the attraction and retention of a qualified work force; the ability of NiSource's subsidiaries to generate cash; NiSource's ability to manage new initiatives and organizational changes; the performance of third-party suppliers and service providers; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; and other matters set forth in Item 1A, "Risk Factors" section of NiSource's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and in other filings with the Securities and Exchange

Commission. A credit rating is not a recommendation to buy, sell or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization. In addition, dividends are subject to board approval. All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. NiSource expressly disclaims any duty to update, supplement or amend any of its forward-looking statements contained in this press release, whether as a result of new information, subsequent events or otherwise, except as required by applicable law.

Regulation G Disclosure Statement

This press release includes financial results and guidance for NiSource with respect to net operating earnings available to common shareholders, which is a non-GAAP financial measure as defined by the SEC's Regulation G. The company includes this measure because management believes it permits investors to view the company's performance using the same tools that management uses and to better evaluate the company's ongoing business performance. With respect to such guidance, it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other items included in GAAP results. The company is not able to estimate the impact of such factors on GAAP earnings and, as such, is not providing earnings guidance on a GAAP basis.

Schedule 1 - Reconciliation of Consolidated Net Income (Loss) Available to Common Shareholders to Net Operating Earnings (Loss) Available to Common Shareholders (Non-GAAP) *(unaudited)*

	Three Months Ended December 31,		Twelve Months Ended December 31,	
(in millions, except per share amounts)	**2019**	2018	**2019**	2018
GAAP Net Income (Loss) Available to Common Shareholders	**$ (153.0)**	$ (19.8)	**$ 328.0**	$ (65.6)
Adjustments to Operating Income (Loss):				
Operating Revenues:				
Weather - compared to normal	**(11.8)**	(10.6)	**(24.8)**	(32.5)
Greater Lawrence Incident[1]	**—**	3.9	**—**	3.9
Operating Expenses:				
Plant retirement costs[2]	**—**	—	**—**	3.3
Greater Lawrence Incident[3]	**(54.2)**	379.0	**(233.6)**	830.6
Franchise rights impairment[4]	**209.7**	—	**209.7**	—
Goodwill impairment[5]	**204.8**	—	**204.8**	—
Loss on sale of fixed assets and impairments, net	**0.1**	0.8	**—**	1.2
Total adjustments to operating income (loss)	**348.6**	373.1	**156.1**	806.5
Other Income (Deductions):				
Greater Lawrence Incident - charitable contribution[3]	**—**	10.4	**—**	20.7
Interest rate swap settlement gain	**—**	(25.0)	**—**	(46.2)
Loss on early extinguishment of long-term debt	**—**	—	**—**	45.5
Income Taxes:				
Tax effect of above items[6]	**(90.5)**	(79.8)	**(38.2)**	(180.6)
Income taxes - discrete items[7]	**64.5**	(117.0)	**48.8**	(117.0)
Total adjustments to net income (loss)	**322.6**	161.7	**166.7**	528.9
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$ 169.6**	$ 141.9	**$ 494.7**	$ 463.3
Basic Average Common Shares Outstanding	**377.2**	369.4	**374.6**	356.5
GAAP Basic Earnings (Loss) Per Share	**$ (0.41)**	$ (0.05)	**$ 0.88**	$ (0.18)
Adjustments to basic earnings (loss) per share	**0.86**	0.43	**0.44**	1.48
Non-GAAP Basic Net Operating Earnings Per Share	**$ 0.45**	$ 0.38	**$ 1.32**	$ 1.30

[1] Represents revenues not billed to impacted customers as a result of the Greater Lawrence Incident.
[2] Represents costs incurred associated with the retirement of Units 7 and 8 at Bailly Generating Station.
[3] Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident, net of insurance recoveries recorded.
[4] Represents a non-cash impairment of the Columbia of Massachusetts franchise rights as a result of recent events connected with the Greater Lawrence Incident.
[5] Represents a non-cash impairment of goodwill attributable to Columbia of Massachusetts as a result of recent events connected with the Greater Lawrence Incident.
[6] Income tax effect is calculated using the statutory tax rate by legal entity.
[7] 2019 activity represents the non-deductible goodwill impairment (see footnote 5 above), non-deductible fines and penalties and adjustments to consolidated state deferred taxes related to the Greater Lawrence Incident. 2018 activity represents adjustments to the impact of the Tax Cuts and Jobs Act of 2017 due to regulatory actions in 2018.

Schedule 2 - Total Current Estimated Amounts of Costs and Expenses Related to the Greater Lawrence Incident

Cost or Expense	Total Current Estimated Amount[1] *($ in millions)*
Capital Cost[2]	$258
Incident Related Expenses	
Third-party claims and government fines, penalties and settlements[3]	$1,041 - $1,065
Other incident-related costs[4]	$450 - $460
Insurance Recoveries[5]	$800

[1]Total estimated amount includes costs or expenses from the incident through December 31, 2019 and estimated expected expenses in future periods in the aggregate. Amounts shown are estimates made by management based on currently available information. See the footnotes below for additional information. Actual results may differ materially from these estimates as more information becomes available.

[2]Since the Greater Lawrence Incident and through December 31, 2019, we have invested approximately $258 million of capital spend for the pipeline replacement. This work was completed in 2019. We maintain property insurance for gas pipelines and other applicable property. Columbia of Massachusetts has filed a proof of loss with its property insurer for the full cost of the pipeline replacement. In January 2020, we filed a lawsuit against the property insurer, seeking payment of our property claim. We are currently unable to predict the timing or amount of any insurance recovery under the property policy. The recovery of any capital investment not reimbursed through insurance will be addressed in a future regulatory proceeding. The outcome of such a proceeding is uncertain.

[3] Amount includes approximately $1,041 million of expenses recorded since the Greater Lawrence Incident for estimated third-party claims and fines, penalties and settlements associated with government investigations. With regards to third-party claims, these costs include, but are not limited to, personal injury and property damage claims, damage to infrastructure, business interruption claims, and mutual aid payments to other utilities assisting with the restoration effort. These costs do not include costs of certain third-party claims and fines, penalties or settlements with government investigations that we are not able to estimate. The process for estimating costs associated with third-party claims and fines, penalties and settlements associated with government investigations relating to the Greater Lawrence Incident requires management to exercise significant judgment based on a number of assumptions and subjective factors. As more information becomes known, including additional information regarding ongoing investigations, management's estimates and assumptions regarding the financial impact of the Greater Lawrence Incident may change.

[4] Amount shown includes other incident related expenses of approximately $420 million recorded since the Greater Lawrence Incident. Amount represents certain consulting costs, legal costs, vendor costs, claims center costs, labor and related expenses incurred in connection with the incident, and insurance-related loss surcharges.

[5] The aggregate amount of third-party liability insurance coverage available for losses arising from the Greater Lawrence Incident is $800 million. We have collected the entire $800 million as of December 31, 2019. Expenses related to the incident have exceeded the total amount of insurance available under our policies.

FORM 8-K

FEBRUARY 26, 2020

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

FORM 8-K

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

Date of Report (Date of earliest event reported): February 26, 2020

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware	001-16189	35-2108964
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, Indiana	46410
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 1.01. Entry into a Material Definitive Agreement.

On February 26, 2020, NiSource Inc. ("NiSource") and Bay State Gas Company d/b/a Columbia Gas of Massachusetts ("Columbia of Massachusetts") (together with NiSource, "Seller" or "we") entered into an asset purchase agreement (the "Asset Purchase Agreement") with Eversource Energy, a Massachusetts voluntary association ("Buyer"). Upon the terms and subject to the conditions set forth in the Asset Purchase Agreement, NiSource and Columbia of Massachusetts agreed to sell to Buyer, with certain additions and exceptions, the following: (1) substantially all of the assets of Columbia of Massachusetts, and (2) all of the assets held by any of Columbia of Massachusetts' affiliates that primarily relate to the business of storing, distributing or transporting natural gas to residential, commercial and industrial customers in Massachusetts, as conducted by Columbia of Massachusetts, and Buyer agreed to assume certain liabilities of Columbia of Massachusetts and its affiliates (all of the assets being sold to, and liabilities being assumed by, Buyer pursuant to the Asset Purchase Agreement, the "Massachusetts Business"). The liabilities assumed by Buyer under the Asset Purchase Agreement do not include, among others, any liabilities arising out of the series of fires and explosions that occurred on September 13, 2018 in Lawrence, Andover and North Andover, Massachusetts related to the delivery of natural gas by Columbia of Massachusetts (the "Greater Lawrence Incident") or liabilities of Columbia of Massachusetts or its affiliates pursuant to civil claims for injury of persons or damage to property to the extent such injury or damage occurs prior to the closing in connection with the Massachusetts Business. The Asset Purchase Agreement provides for a purchase price of $1,100,000,000 in cash, subject to adjustment based on Columbia of Massachusetts' net working capital as of the closing.

The Asset Purchase Agreement provides for various closing conditions, including (1) the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, (2) the receipt of the approval of the Massachusetts Department of Public Utilities (the "Massachusetts DPU"), and (3) the final resolution or termination of all pending actions, claims and proceedings against Seller and its affiliates under the jurisdiction of the Massachusetts DPU and all future actions, claims and proceedings against Seller and its affiliates relating to the Greater Lawrence Incident under the jurisdiction of the Massachusetts DPU. Buyer is not required to agree to any conditions, terms, obligations or restrictions to obtain required clearance and approvals if such conditions, terms, obligations or restrictions would reasonably be expected to constitute a "burdensome condition" as defined in the Asset Purchase Agreement.

If the sale of the Massachusetts Business is not completed by October 26, 2020 (subject to up to two automatic 45-day extensions under certain circumstances related to obtaining required regulatory approvals and resolution with the Massachusetts DPU), we or Buyer may choose not to proceed with the transaction.

In connection with the closing of the transactions contemplated by the Asset Purchase Agreement, Seller and Buyer will enter into a transition services agreement pursuant to which Seller will provide Buyer with certain transition services for a limited time period following the closing.

The above summary of the Asset Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the provisions of the Asset Purchase Agreement, a copy of which is filed as Exhibit 2.1 to this Current Report on Form 8-K and incorporated herein by reference.

The Asset Purchase Agreement and the above description of the Asset Purchase Agreement have been included to provide investors and securityholders with information regarding the terms of the Asset Purchase Agreement and are not intended to provide any other factual information about NiSource, Columbia of Massachusetts, Buyer or any of their respective subsidiaries, affiliates or businesses. The representations and warranties contained in the Asset Purchase Agreement were made only for purposes of that agreement and as of specific dates, were solely for the benefit of the parties to the Asset Purchase Agreement, may be subject to a contractual standard of materiality different from what might be viewed as material to stockholders and may be subject to limitations agreed upon by the parties, including being qualified by confidential disclosures made by the parties to each other. Investors and securityholders should not rely on the representations and warranties contained in the Asset Purchase Agreement as characterizations of the actual state of facts or condition of NiSource, Columbia of Massachusetts, Buyer or any of their respective subsidiaries, affiliates or businesses.

Item 7.01 Regulation FD Disclosure.

On February 26, 2020, NiSource issued a press release announcing the entry into the Asset Purchase Agreement. A copy of the press release, which is attached hereto as Exhibit 99.1, is hereby furnished pursuant to this Item 7.01.

The information in this Item 7.01 disclosure, including Exhibit 99.1, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities under that Section. In addition, the information in this Item 7.01 disclosure, including Exhibit 99.1, shall not be incorporated by reference into NiSource's filings under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
2.1	Asset Purchase Agreement, dated as of February 26, 2020, by and among NiSource Inc., Bay State Gas Company d/b/a Columbia Gas of Massachusetts and Eversource Energy*
99.1	Press Release dated February 26, 2020
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. NiSource agrees to furnish supplementally a copy of any omitted schedules or exhibits to the SEC upon request.

SIGNATURES

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

NISOURCE INC.

February 26, 2020

By: /s/ Anne-Marie W. D'Angelo
Anne-Marie W. D'Angelo
Senior Vice President, General Counsel and Corporate Secretary

EXHIBIT 2.1

ASSET PURCHASE AGREEMENT

BY AND AMONG

NISOURCE INC.,

BAY STATE GAS COMPANY

AND

EVERSOURCE ENERGY

Dated as of February 26, 2020

TABLE OF CONTENTS

Exhibits

ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT, dated as of February 26, 2020 (this "**Agreement**"), by and among NiSource Inc., a Delaware corporation ("**Seller Parent**"), Bay State Gas Company, a Massachusetts corporation and indirect wholly-owned subsidiary of Seller Parent (the "**Company**" and, together with Seller Parent, "**Seller**"), and Eversource Energy, a Massachusetts voluntary association ("**Buyer**").

PRELIMINARY STATEMENT:

WHEREAS, the Company is engaged in the Business (as defined below); and

WHEREAS, the Company desires to sell to Buyer, and Buyer desires to purchase from the Company, the Purchased Assets (as defined below), and Buyer desires to assume from the Company the Assumed Liabilities (as defined below), each on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, it is hereby agreed by and among Seller Parent, the Company and Buyer as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Definitions. In this Agreement, the following terms have the meanings specified or referred to in this Section 1.1.

"**Accounting Firm**" has the meaning specified in Section 4.5(b).

"**Accounting Firm Notice**" has the meaning specified in Section 4.5(b).

"**Action**" has the meaning specified in Section 5.13(b).

"**Affiliate**" means, with respect to any Person, any other Person which directly or indirectly Controls, is Controlled by or is under Common Control with such Person (but only for so long as such Control exists).

"**Agreed Accounting Principles**" means GAAP applied on a basis consistent with the accounting principles, methods, practices, reserves and accruals utilized in preparing the Company's balance sheet as of June 30, 2018.

"**Agreement**" has the meaning specified in the first paragraph of this Agreement.

"**Allocation Schedule**" has the meaning specified in Section 8.2(d).

"**Alternative Proposal**" has the meaning specified in Section 7.6.

"**Antitrust Laws**" has the meaning specified in Section 7.3(a).

"**Assumed Liabilities**" has the meaning specified in Section 2.1(c).

"**Base Purchase Price**" has the meaning specified in Section 3.1.

"**Benefit Plan**" means each "employee benefit plan" as defined in Section 3(3) of ERISA, whether or not subject to ERISA, and each other employee benefit plan, scheme, program, policy, contract and arrangement (including any bonus, commission, incentive compensation, deferred compensation, stock bonus, stock purchase, stock appreciation right, phantom equity restricted stock, stock option or other equity-based arrangement, and any retirement, pension, profit sharing, medical, dental, life, disability, welfare, fringe benefit, post-retirement, employment, termination, retention, bonus, change in control or severance plan, program, policy, arrangement, agreement or contract) whether or not reduced to writing, that is sponsored, maintained, contributed to, or required to be contributed to by Seller or any of its Affiliates covering or for the benefit of one or more Business Employees, Former Business Employees, or their beneficiaries or dependents.

"**Bill of Sale (Company)**" means the bill of sale substantially in the form of Exhibit D-1.

"**Bill of Sale (Company Affiliate)**" means the bill of sale substantially in the form of Exhibit D-3.

"**Bill of Sale (Seller Parent)**" means the bill of sale substantially in the form of Exhibit D-2.

"**Burdensome Condition**" has the meaning specified in Section 7.3(h).

"**Business**" means the business of storing, distributing or transporting natural gas to residential, commercial and industrial customers in Massachusetts, as conducted by the Company with certain support services from the Company's Affiliates.

"**Business Day**" means any day that is not a Saturday, Sunday or other day that banks generally in Boston, Massachusetts or New York, New York are closed.

"**Business Employee**" means (a) any employee of the Company other than the employees listed on Exhibit A-1, and (b) the individuals listed on Exhibit A-2.

"**Business Indebtedness**" means (a) all indebtedness for borrowed money of the Company, including any indebtedness evidenced by notes, bonds, debentures or similar instruments or debt securities, (b) obligations of the Company for the deferred purchase price of property or services (including all "earn-out" obligations or other deferred purchase price obligations), conditional sale obligations or title retention policies (excluding trade accounts payable), (c) all obligations owed by the Company pursuant to any letter of credit, banker's acceptances, letter of guarantee, performance or surety bond or similar instrument or interest rate, currency swap or other hedging agreement or transaction, (d) any of the foregoing obligations which is secured by an Encumbrance on the Purchased Assets, (e) all obligations of the Seller or its Affiliates in respect of accrued, but unpaid, severance with respect to Business Employees or Former Business Employees, (f) any unfunded nonqualified deferred retirement plan or deferred compensation liability of Seller or its Affiliates with respect to Business Employees or Former Business Employees, (g) any withdrawal liability of Seller or its Affiliates associated with any Seller Pension Plan, (h) the employer portion of any Taxes arising from the liabilities described in clauses (e) through (g) hereof, (i) all intercompany loans to the Company other than the Intercompany Loans, (j) the Company Notes, (k) all accrued and unpaid interest on, and applicable prepayment premiums, breakage costs, penalties or similar contractual charges arising as a result of the discharge at Closing of, any such foregoing obligations and all fees and expenses related thereto, and (l) any of the foregoing for which the Company is liable as an obligor, guarantor, surety or otherwise.

"**Business Records**" means all books, records, ledgers and files or other similar information (whether in paper, electronic or other form) of (a) the Company and (b) its Affiliates to the extent, in the case of clause (b), related to the Business, including (i) customer lists (including pricing information, credit information and historical sales information for each such customer), vendor lists, customer relationship databases, lists of prospects, and lists of other purchasers of goods and services from the Business, (ii) all market research, marketing and promotional plans and materials and sales and marketing information, (iii) advertising and publicity materials and brochures, (iv) records of operation, standard forms of documents, and manuals of operations or business procedures, and (v) financial statements and other financial records.

"**Buyer**" has the meaning specified in the first paragraph of this Agreement.

"**Buyer Ancillary Agreements**" means all agreements, instruments and documents being or to be executed and delivered by Buyer under this Agreement or in connection herewith.

"**Buyer Disclosure Letter**" means the disclosure letter dated as of the date of this Agreement delivered by Buyer to Seller.

"**Buyer Indemnitee**" has the meaning specified in Section 11.1(a).

"**Buyer OPEB Plan**" means an "employee welfare benefit plan" as defined in Section 3(1) of ERISA established or maintained by the Buyer or any of its Subsidiaries prior to the Closing for the purpose of providing post-employment health and welfare benefits.

"**Buyer Party**" means (a) Buyer, (b) Buyer's controlled Affiliates and (c) the officers, directors, employees and agents of Buyer or any of its controlled Affiliates.

"**Cap**" has the meaning specified in Section 11.1(a)(z).

"**Change In Law**" means the adoption, promulgation, modification, reinterpretation or change in the enforcement of any law, rule, regulation, ordinance or order or any other Requirement of Law of any Governmental Body that occurs subsequent to the date of this Agreement or the written or oral announcement by any Governmental Body of any proposed or contemplated change in any law, rule, regulation, ordinance or any other Requirement of Law of such Governmental Body that occurs subsequent to the date of this Agreement.

"**Claim**" has the meaning specified in Section 11.5(a).

"**Claim Notice**" has the meaning specified in Section 11.3.

"**Closing**" means the closing of the sale and transfer of the Purchased Assets from the Seller and its Affiliates to Buyer, together with the assumption of the Assumed Liabilities by Buyer.

"**Closing Date**" has the meaning specified in Section 4.1.

"**Closing Date Estimate**" has the meaning specified in Section 4.2(a).

"**Closing Statement**" has the meaning specified in Section 4.5(a).

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Company**" has the meaning specified in the first paragraph of this Agreement.

"**Company Ancillary Agreements**" means all agreements, instruments and documents being or to be executed and delivered by the Company under this Agreement or in connection herewith.

"**Company Indenture**" means the Indenture, dated as of April 1, 1991, between the Company and U.S. Bank National Association, as successor trustee, as amended and supplemented by the First Supplemental Indenture, dated as of January 6, 1999, and the Second Supplemental Indenture, dated as of October 3, 2011, and as it may be further amended and supplemented from time to time.

"**Company IP**" has the meaning specified in Section 5.10(a).

"**Company Notes Consent**" has the meaning specified in Section 8.8.

"**Company Notes**" means the Company's 6.26% Medium Term Notes due February 15, 2028 and the Company's 6.43% Medium Term Notes due December 15, 2025.

"Company Pension Plans" means the Pension Plans sponsored by the Company: the Bay State Gas Company Pension Plan and the Bay State Union Pension Plan.

"**Competition Law**" means any Requirements of Law that provide for merger control or are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization, lessening of competition or restraint of trade.

"**Confidentiality Agreement**" means that certain letter agreement dated November 20, 2019 between Buyer and Seller Parent.

"**Consents**" has the meaning specified in Section 2.2(a).

"**Consolidated Tax Group**" means any "affiliated group" (as defined in Section 1504(a) of the Code) that includes Seller, and any similar group of corporations that includes Seller and files state or local income Tax Returns on a combined, consolidated or unitary basis.

"**Contracts**" means all contracts, subcontracts, agreements, leases, subleases, licenses, commitments, sales and purchase orders, and other instruments, arrangements, understandings or obligations of any kind to which a Person is a party, by which a Person is bound or by which any of the assets or properties of a Person is bound.

"**Control**" means beneficial ownership of more than 50% of the equity or voting securities of any other Person. The terms "Controlled by," "under Common Control with" and "Controlling" have correlative meanings.

"**Copyrights**" means United States registered copyrights and pending applications to register the same.

"**Court Order**" means any judgment, order, award or decree of any foreign, federal, state, local or other court or tribunal and any award in any arbitration proceeding.

"**Current Litigation**" means litigation pending against the Company or its Affiliates with respect to the Business, or its or their respective directors or employees with respect to the Business, as of the Closing Date, including the matters listed in Section 1.1(a)(i) of the Seller Disclosure Letter.

"**Data Room**" has the meaning specified in Section 6.8.

"**Debt Breakage Cost Amount**" means fifty percent (50%) of the difference between (i) all amounts incurred or paid, or to be incurred or paid, by Seller or any of its Affiliates prior to or at the Closing in connection with fulfillment of Seller's obligations set forth in Section 8.7 (including the aggregate amount paid to all holders of the Company Notes to (w) Repay any Company Notes and (x) in connection with Seller's efforts to obtain the Company Notes Consent, and in the case of each of clause (w) and clause (x), any and all other fees, costs and expenses incurred or paid, or to be incurred or paid, in connection with the foregoing) and (ii) the sum of (y) the outstanding aggregate principal amount of the Company Notes Repaid at or prior to the Closing and (z) the aggregate amount of accrued and unpaid interest on such Repaid Company Notes at the time such Company Notes were Repaid.

"**Declaration of Trust**" means the Declaration of Trust of Buyer, dated as of January 15, 1927, as amended from time to time.

"**Deductible**" has the meaning specified in Section 11.1(a)(y).

"**Deeds**" means, collectively, the special quitclaim deeds for the transfer of all Owned Real Property, in recordable form, on a county-by-county basis, in the form of Exhibit G.

"**Delayed Asset**" has the meaning specified in Section 2.2(a).

"**Delayed Liability**" has the meaning specified in Section 2.2(a).

"**Delivery Date**" has the meaning specified in Section 4.5(a).

"**Dispute Notice**" has the meaning specified in Section 4.5(b).

"**Downward Adjustment Amount**" has the meaning specified in Section 4.5(c)(ii).

"**Easements**" has the meaning specified in Section 5.8(c).

"**Encumbrance**" means any lien, charge, security interest, encumbrance, mortgage, pledge, easement, encroachment, right of way, right of first refusal, conditional sale or other title retention agreement, title exception, defect in title or other restriction of a similar kind.

"**Environmental Law**" means all Requirements of Law relating to pollution or protection of the environment, including the use, handling, storage, disposal, discharge or Release of Hazardous Materials.

"**Environmental Permits**" means all Permits required pursuant to any Environmental Law.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended.

"**ERISA Affiliate**" means, with respect to any Person, any other Person that, at the relevant time, together with such first Person, would be treated as a single employer under Code Section 414(b), (c), (m) or (o).

"**Estimated Purchase Price**" has the meaning specified in Section 4.2(a).

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Excluded Assets**" has the meaning set forth in Section 2.1(b).

"**Excluded Liabilities**" has the meaning set forth in Section 2.1(d).

"**Expenses**" means any and all out-of-pocket expenses incurred in connection with defending or asserting any claim, action, suit or proceeding hereunder (including court filing fees, court costs, arbitration fees or costs, witness fees and reasonable fees and disbursements of legal counsel, expert witnesses, accountants and other professionals).

"**Final Purchase Price**" has the meaning specified in Section 4.5(c).

"**Financial Statements**" has the meaning specified in Section 5.4(a).

"Former Business Employee" means each former employee of the Company (other than a Transferring Employee) who (i) terminated employment prior to the Closing Date or in connection with the transaction pursuant to this Agreement and (ii) whose last employment with any controlled Affiliate of Seller Parent prior to such employee's termination of employment was with the Company.

"**Franchises**" has the meaning specified in Section 5.14(a)(v).

"**Fraud**" means, (a) with respect to Seller, a representation and warranty expressly made by Seller in Article V that was deliberately made while being to the Knowledge of Seller untrue at the time it was made and (b) with respect to Buyer, a representation and warranty expressly made by Buyer in Article VI that was deliberately made while being to the Knowledge of Buyer untrue at the time it was made.

"**Fundamental Representations**" means the representations and warranties of Seller contained in Section 5.1(a) (Organization), Section 5.1(c) (Power and Authority), Section 5.3(a) (Authority of Seller) and Section 5.22 (No Brokers).

"**GAAP**" means United States generally accepted accounting principles, consistently applied.

"**GLI Insurance Proceeds**" means any insurance proceeds or other recoveries under insurance policies of Seller or any of its Affiliates as a result of or in connection with the Greater Lawrence Incident.

"**GLI Proceeding**" means any Action relating to the Greater Lawrence Incident.

"**Governmental Body**" means any U.S. or foreign, federal, state, local or other government, political subdivision, governmental, regulatory or administrative authority, Tax authority, instrumentality, agency body or commission, self-regulatory organization, court, any tribunal or judicial or arbitral body, including any department of insurance.

"**Governmental Permits**" has the meaning specified in Section 5.7.

"**Greater Lawrence Incident**" means the events described in the MDPU Order on Scope dated December 23, 2019 (D.P.U. 19-141), including the fires and explosions that occurred on September 13, 2018 in Lawrence, Andover and North Andover, Massachusetts related to the delivery of natural gas by the Company and the subsequent shut-down of the Company's affected gas delivery system by September 14, 2018, the Company's restoration and recovery efforts undertaken in response thereto from and including September 14, 2018, and the gas leak that occurred on September 27, 2019 on a main that the Company installed during such efforts and the Company's restoration of outages resulting from such leak.

"**Hazardous Materials**" means (a) petroleum or petroleum products, radioactive materials, friable asbestos and polychlorinated biphenyls and (b) any material, substance or waste that is defined as "hazardous" or "toxic" under Environmental Law.

"**HSR Act**" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"**Indemnified Party**" has the meaning specified in Section 11.3.

"**Indemnitor**" has the meaning specified in Section 11.3.

"**Instrument of Assumption (Company)**" means the instrument of assumption substantially in the form of Exhibit E-1.

"**Instrument of Assumption (Company Affiliate)**" means the instrument of assumption substantially in the form of Exhibit E-2.

"**Intangible Franchise Rights**" means the assets of the type accounted for in the Financial Statements as "intangible franchise rights".

"**Intellectual Property**" means Copyrights, Patent Rights, Trademarks and Trade Secrets.

"**Intercompany Loans**" means (a) the Promissory Note, dated as of December 21, 2004, by the Company in favor of Seller Parent in the amount of $35,000,000, (b) the Promissory Note, dated as of December 16, 2011, by the Company in favor of Seller Parent in the amount of $11,000,000, (c) the Promissory Note, dated as of November 28, 2012, by the Company in favor of Seller Parent in the amount of $8,000,000, (d) the Promissory Note, dated as of March 18, 2013, by the Company in favor of Seller Parent in the amount of $50,000,000, (e) the Promissory Note, dated as of September 24, 2013, by the Company in favor of Seller Parent in the amount of $22,000,000, (f) the Promissory Note, dated as of November 20, 2014, by the Company in favor of Seller Parent in the amount of $28,400,000, (g) the Promissory Note, dated as of June 26, 2015, by the Company in favor of Seller Parent in the amount of $15,000,000, (h) the Promissory Note, dated as of December 30, 2015, by the Company in favor of Seller Parent in the amount of $15,000,000, (i) the Promissory Note, dated as of June 30, 2016, by the Company favor of Seller Parent in the amount of $58,000,000, (j) the Promissory Note, dated as of June 30, 2017, by the Company in favor of Seller Parent in the amount of $15,000,000, (k) the Promissory Note, dated as of September 29, 2017, by the Company in favor of Seller Parent in the amount of $7,000,000 and (l) the Promissory Note, dated as of December 29, 2017, by the Company in favor of Seller Parent in the amount of $45,000,000.

"**IRS**" means the Internal Revenue Service.

"**Key Employees**" has the meaning specified in Section 5.17(a).

"**Knowledge of Buyer**" means, as to a particular matter, the current actual knowledge of the people listed on Section 1.1 of the Buyer Disclosure Letter following reasonable inquiries of the direct reports of such people that such people reasonably expect to have actual knowledge of such fact or matter.

"**Knowledge of Seller**" means, as to a particular matter, the current actual knowledge of the people listed on Section 1.1(a)(ii) of the Seller Disclosure Letter following reasonable inquiries of the direct reports of such people that such people reasonably expect to have actual knowledge of such fact or matter.

"**Labor Union**" has the meaning specified in Section 5.14(a)(ii).

"**Leased Real Property**" has the meaning specified in Section 5.8(b).

"**Licensed Marks**" has the meaning specified in Section 8.1(a).

"**Losses**" means any and all out-of-pocket losses, liabilities, costs, settlement payments, awards, judgments, fines, penalties, damages, deficiencies, interest, Taxes, Expenses or other charges of any kind.

"**Material Adverse Effect**" means any effect, occurrence, change or event (i) that would prevent or materially and adversely impair the ability of Seller to consummate the transactions contemplated by this Agreement or (ii) that has had, or would reasonably be expected to have, individually or together with one or more other effects, occurrences, changes or events, a material adverse effect on the results of operations, financial condition, assets or liabilities of the Business taken as a whole, other than, for the purpose of clause (ii), any such effect resulting or arising from (except, in the case of clauses (a), (c), (f), (j) or (k) to the extent such matter has a disproportionate effect on the Business relative to other businesses operating in the industry in which the Business operates): (a) general economic or political conditions or any conditions generally affecting any segment of the industries in which the Business operates, (b) any failure by the Business to meet financial projections, forecasts or revenue or earning predictions for any period (it being understood that the underlying causes of the failure to meet such projections or forecasts may be taken into account in determining whether a Material Adverse Effect has occurred), (c) any Change In Law or in the accounting requirements or principles imposed on the Business or any interpretation of any of the foregoing, (d) the execution of this Agreement, the public announcement hereof, the pendency of this Agreement and the transactions contemplated hereby or the consummation of the transactions contemplated hereby (including any adverse effect resulting from any action by a Governmental Body taken in connection with the MDPU Approval), including adverse changes in the Business' relationship with its employees, customers, partners or suppliers, (e) the failure to obtain any consent from any Third Party in connection with the transactions contemplated hereby, (f) any change in currency exchange rates, interest rates or the financial or securities markets generally, (g) any action taken by (or at the written request of) Buyer or any of its Affiliates, (h) any asset or property of Seller or its Affiliates that is not being transferred pursuant to this Agreement, (i) any external communication by Buyer or any of its Affiliates regarding the plans or intentions of Buyer with respect to the Purchased Assets, Assumed Liabilities or the conduct of the Business following the Closing, (j) changes caused by acts of terrorism or war (whether or not declared) occurring after the date of this Agreement, (k) any "act of God," including natural disasters and earthquakes, and (l) any event relating to the Greater Lawrence Incident that occurred prior to the date of this Agreement.

"**Material Contract**" has the meaning specified in Section 5.14(a).

"**MDPU**" means the Massachusetts Department of Public Utilities.

"**MDPU Approval**" means the approval of the transactions contemplated hereby as required by the MDPU and any applicable rules and regulations promulgated by the MDPU.

"**MDPU Required Regulatory Approval**" has the meaning specified in Section 7.3(a).

"**MDPU Required Resolution**" means the final resolution or termination of all pending actions, claims and Proceedings against Seller and its Affiliates under the jurisdiction of the MDPU and all future actions, claims and Proceedings against Seller and its Affiliates relating to the Greater Lawrence Incident under the jurisdiction of the MDPU, each as determined by Seller Parent in its reasonable discretion.

"Merged Company Pension Plan" has the meaning specified in Section 8.3(f).

"**Net Working Capital**" means (a) the categories of current assets of the Company described in the line items designated as "included" on Exhibit B to the extent included in the Purchased Assets, minus (b) the categories of current liabilities of the Company described in the line items designated as "included" on Exhibit B to the extent included in the Assumed Liabilities, each determined as of 12:01 am (Eastern time) on the Closing Date in accordance with the Agreed Accounting Principles. Net Working Capital shall be based exclusively on the facts and circumstances as they exist as of immediately preceding the Closing and shall exclude the effects of Buyer consummating the Closing (including Buyer's financing of the Purchase Price); provided, however, that Net Working Capital shall exclude any costs or liabilities related to the redemption of Business Indebtedness but shall be increased by the Debt Breakage Cost Amount.

"**Non-Active Employees**" has the meaning specified in Section 8.3(a).

"**Ongoing Shared Contracts**" has the meaning specified in Section 2.2(e)(i).

"**Order**" means any order, decision, decree or directive of a Governmental Body.

"Other Seller Pension Plans" means the Seller Pension Plans other than the Company Pension Plans.

"**Owned Real Property**" has the meaning specified in Section 5.8(a).

"**Patent Rights**" means United States patents, patent applications, continuations, continuations-in-part, divisions and reissues.

"**Pension Plan**" means any "employee pension benefit plan" as defined in Section 3(2) of ERISA that is subject to Title IV of ERISA.

"**Permits**" means permits, licenses, approvals, certificates and other authorizations of any Governmental Body.

"**Permitted Encumbrances**" means (a) statutory liens for current Taxes and assessments that are (i) not yet due and payable or (ii) being contested in accordance with applicable Requirements of Law in good faith and for which appropriate reserves have been established in accordance with GAAP, to the extent required; (b) liens of landlords and liens of carriers, warehousemen, mechanics and materialmen and other like liens arising in the ordinary course of business for sums not yet due and payable and for which appropriate reserves have been established in accordance with GAAP, to the extent required, and which in the aggregate are not substantial in amount and do not materially interfere with the present use of the assets to which they apply; (c) Encumbrances evidenced by any security agreement, financing statement, purchase money agreement, conditional sales contract, capital lease or operating lease, or by any

license, coexistence agreement, undertaking, declaration, limitation of use or consent to use, in each case that is described in Section 5.14 of the Seller Disclosure Letter; (d) any matters that are disclosed on any survey or in any title insurance policies or any title insurance commitments that have been made available to Buyer or obtained by or on behalf of Buyer; (e) other Encumbrances or imperfections in title, easements, leases, licenses, restrictions, activity and use limitations that, in each case or in the aggregate, do not materially impair the existing use of the real property affected; (f) the terms and conditions of any Governmental Permit and any order of a Governmental Body applicable generally to utility companies operating in Massachusetts; (g) applicable zoning ordinances or land use and environmental Requirements of Law relating to the Real Property, provided that such restrictions do not materially interfere with the operation of that portion of the Business currently conducted on such Real Property; (h) all rights of any Person under any condemnation, eminent domain or other similar Proceedings which are pending or threatened in writing as of the date hereof, in each case which do not materially impair the existing use of the real property affected; (i) liens not created by the Company that affect the underlying fee interest of any leased or licensed real property or real property that is subject to an easement; (j) the terms of any Real Property Lease made available to the Buyer or Easement; (k) non-exclusive licenses to Intellectual Property or Software; (l) source code escrow agreements for Software; (m) Encumbrances pursuant to the Securities Act or any regulations thereunder or any securities Requirements of Law of any U.S. state or other jurisdiction and (n) Encumbrances identified in Section 1.1(b) of the Seller Disclosure Letter.

"**Person**" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a Governmental Body, or any department, agency or political subdivision thereof.

"**Post-Closing Usage Period**" has the meaning specified in Section 8.1(a).

"**Privileged Information**" has the meaning specified in Section 13.17(c).

"**Proceeding**" means any investigation, lawsuit or other legal or administrative proceeding before, or initiated or conducted by, any Governmental Body.

"**Purchase Price**" has the meaning specified in Section 3.1.

"**Purchased Assets**" has the meaning specified in Section 2.1(a).

"**Real Property**" has the meaning specified in Section 5.8(d).

"**Real Property Lease**" has the meaning specified in Section 5.8(b).

"**Reference Balance Sheet**" means the unaudited balance sheet of the Company at December 31, 2019.

"**Reference Balance Sheet Date**" means December 31, 2019.

"**Regulatory Assets**" means deferred charges and other rights of the Company to potentially recover amounts from customers through rates and charges in future periods (together with any interest or return thereon, as applicable).

"**Regulatory Entity**" has the meaning specified in Section 5.17(a).

"**Regulatory Liabilities**" means liabilities to refund or credit amounts to customers through rates and charges in future periods (together with any interest or return thereon, as applicable).

"**Regulatory Permits**" has the meaning specified in Section 5.17(a).

"**Regulatory Proceeding**" has the meaning specified in Section 5.17(a).

"**Release**" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment.

"**Remedial Action**" has the meaning specified in Section 7.3(e).

"**Repay**" or "**Repaid**" has the meaning specified in Section 8.8.

"**Requirements of Law**" means any foreign, federal, state and local laws, statutes, regulations, rules, codes, ordinances or legally binding Orders enacted, adopted, issued or promulgated by any Governmental Body.

"**Retained Names and Marks**" has the meaning specified in Section 8.1(a).

"**Review Period**" has the meaning specified in Section 4.5(b).

"**SEC**" means the United States Securities and Exchange Commission.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Seller**" has the meaning specified in the first paragraph of this Agreement.

"**Seller Ancillary Agreements**" means the Seller Parent Ancillary Agreements and the Company Ancillary Agreements.

"**Seller Disclosure Letter**" means the Seller Disclosure Letter dated as of the date of this Agreement delivered by Seller to Buyer.

"**Seller Guaranties**" has the meaning specified in Section 8.5.

"**Seller Indemnitee**" has the meaning specified in Section 11.2(a).

"**Seller Parent**" has the meaning specified in the first paragraph of this Agreement.

"**Seller Parent Ancillary Agreements**" means all agreements, instruments and documents being or to be executed and delivered by Seller Parent under this Agreement or in connection herewith.

"**Seller Party**" means (a) Seller Parent, (b) Seller Parent's controlled Affiliates (including the Company) and (c) the officers, directors and employees of Seller Parent or any of its controlled Affiliates (including the Company).

"Seller Pension Plans" means any Pension Plan sponsored by Seller or its Affiliates.

"**Shared Contract Obligations**" means those provisions and obligations under each Shared Contract to the extent they relate to the Business and are attributable to the period on and after the Closing under a Shared Contract.

"**Shared Contract Rights"** means those provisions and rights under each Shared Contract to the extent that they relate to the Business and are attributable to the period on and after the Closing under a Shared Contract.

"**Shared Contracts**" means all Contracts which have rights or obligations affecting both the Business, on the one hand, and other businesses of Seller Parent or any of its controlled Affiliates (other than the Company), on the other hand, and are not primarily related to the Business.

"**Sidley**" has the meaning specified in Section 13.17(a).

"**Software**" means computer software programs, whether in source code, object code or human readable form, and related documentation.

"**Straddle Period**" means any taxable year or period beginning on or before and ending after the Closing Date.

"**Target Working Capital**" means an amount equal to $30,263,516.

"**Tax**" (and, with correlative meaning, "**Taxes**") means (a) any and all federal, state, local or foreign income, gross receipts, real or personal property, intangible property, real or personal property, intangible property, escheat or unclaimed property obligation, sales, use, license, excise, franchise, employment, payroll, withholding, alternative or add-on minimum, ad valorem, value added, transfer or excise tax, estimated, or any other similar tax, custom, duty, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or penalty or additions thereto, in each case whether disputed or not, and (b) any liability for the payment of any amounts of the type described in clause (a) as a result of being a member of an affiliated, consolidated, combined or unitary group, as a result of any tax sharing or tax allocation agreement, arrangement or understanding, or as a result of being liable for another Person's taxes as a transferee or successor or otherwise pursuant to applicable Requirements of Law (excluding any liability arising under Section 2.1(c)(vi) with respect to any Transferred Contract the principal subject matter of which is not Tax).

"**Tax Return**" means any return, report or similar statement filed or required to be filed with respect to any Tax (including any attached schedules), including any information return, claim for refund, election, or declaration of estimated Tax, and including any amendments thereof.

"**Termination Date**" has the meaning specified in Section 12.1(e).

"**Third Party**" or "**Third-Party**" means any Person other than Seller Parent, the Company, Buyer or their respective Affiliates.

"**Trade Secrets**" means confidential ideas, trade secrets, know-how, concepts, methods, processes, formulae, reports, data, customer lists, mailing lists, business plans and other proprietary information that provides the owner with a competitive advantage and is subject of efforts by the owner that are reasonable under the circumstances to maintain its secrecy.

"**Trademarks**" means any and all trademarks, service marks, trade dress, logos, slogans and trade names, together with all adaptations, derivations and combinations thereof, and all goodwill associated with any of the foregoing throughout the world.

"**Transaction Expenses**" means, without duplication, all of the fees and expenses incurred by Seller incident to the negotiation and preparation of this Agreement and its performance and compliance with the agreements and conditions contained herein, including (i) the fees and expenses of Seller's bankers, counsel, accountants, advisors, agents and representatives and (ii) any success, transaction, retention, change of control, special or other bonuses, severance payments, or similar amounts payable by the Company to any current or former employee, independent contractor, officer or director, in each case payable upon or in connection with the consummation of the transactions contemplated by this Agreement as well as the employer portion of any Taxes arising from the foregoing.

"**Transitional Marks**" has the meaning specified in Section 8.1(a).

"**Transfer Taxes**" has the meaning specified in Section 8.2(b).

"**Transferred Contracts**" has the meaning specified in Section 2.1(a)(vii).

"**Transferred Tax Returns**" has the meaning specified in Section 2.1(a)(xi).

"Transferring Employee" has the meaning specified in Section 8.3(a).

"**Transition Services Agreement**" means the agreement substantially in the form of Exhibit C providing for certain transition services by NiSource Corporate Services Company to Buyer and its applicable Affiliates after the Closing.

"**Treasury Regulation**" means any regulation promulgated under the Code by the United States Department of Treasury.

"**U.S.**" means the United States of America.

"Union Employee" has the meaning specified in Section 8.3(a).

"**Upward Adjustment Amount**" has the meaning specified in Section 4.5(c)(i).

"**Wilmer Hale**" has the meaning specified in Section 13.17(a).

"**Working Capital Deficit**" has the meaning specified in Section 3.1.

"**Working Capital Excess**" has the meaning specified in Section 3.1.

Section 1.2. Interpretation. In this Agreement (including the annexes, exhibits and schedules to this Agreement):

(a) words denoting the singular include the plural and vice versa, and words denoting any gender include all genders;

(b) "including" means "including without limitation;"

(c) when calculating the period of time within which or following which any act is to be done or step taken, the date that is the reference day in calculating such period shall be excluded and, if the last day of such period is not a Business Day, the period shall end on the next day that is a Business Day;

(d) all dollar amounts are expressed in United States dollars, and all amounts payable hereunder shall be paid in United States dollars;

(e) money shall be tendered by wire transfer of immediately available federal funds to the account designated in writing by the party that is to receive such money;

(f) unless the context otherwise requires, references herein to articles, sections, annexes, exhibits and schedules mean the articles and sections of, and the annexes, exhibits and schedules attached to, this Agreement;

(g) the words "hereof," "hereby," "herein," "hereunder" and similar terms in this Agreement refer to this Agreement as a whole, including the exhibits and schedules to this Agreement, and not only to a particular section in which such words appear;

(h) the phrase "to the extent" shall mean the extent or degree to which a subject or thing extends, and not simply be construed to mean the word "if";

(i) a document shall be "made available" or delivered to Buyer if such document is deposited in the Data Room and Buyer is provided access thereto, or was otherwise provided to Buyer on the date hereof, on or prior to 5:30 p.m. Eastern Time on the date hereof; and

(j) the term "or" shall not be deemed to be exclusive.

ARTICLE II
PURCHASE AND SALE

Section 2.1. Purchase and Sale.

(a) Purchased Assets. Except as expressly identified as an Excluded Asset in Section 2.1(b), upon the terms and subject to the conditions of this Agreement, on the Closing Date, (x) the Company shall sell, transfer, assign, convey and deliver to Buyer, and Buyer shall purchase and accept from the Company, free and clear of all Encumbrances (except for Permitted Encumbrances), all of the Company's right, title and interest, in, to and under all assets, properties and rights held by the Company as of the Closing, of every type and description, tangible and intangible, (y) Seller Parent shall sell, transfer, assign, convey and deliver to Buyer, and Buyer shall purchase and accept from Seller Parent, free and clear of all Encumbrances (except for Permitted Encumbrances), all of Seller Parent's right, title and interest, in, to and under the notes receivable held by Seller Parent in respect of the Intercompany Loans, (z) Seller Parent shall and shall cause the Company's Affiliates to transfer, assign, convey and deliver to Buyer, and Buyer shall accept from Seller Parent and such Affiliates, free and clear of all Encumbrances (except for Permitted Encumbrances), all of Seller Parent's and such Affiliates' right, title and interest, in, to and under (I) all assets, properties and rights held by Seller Parent or such Affiliates as of the Closing wherever located and whether or not reflected in the Business Records, that primarily relate to the Business and (II) the Business Records held by Seller Parent or such Affiliates as of the Closing to the extent related to the Business (the assets described in clauses (x), (y) and (z) collectively, the "**Purchased Assets**"), including all of the Company's, Seller Parent's and their Affiliates' right, title and interest, in, to and under the following:

(i) all Owned Real Property listed in Section 5.8(a) of the Seller Disclosure Letter, together with all structures, facilities, fixtures, systems, improvements and items of property located thereon, or attached or appurtenant thereto;

(ii) all Real Property Leases for the Leased Real Property listed in Section 5.8(b) of the Seller Disclosure Letter, including any leasehold improvements thereto;

(iii) all Easements;

(iv) all machinery, equipment (including information technology, communications equipment and computers), vehicles, furniture, tools, tooling, dies, stores, parts, supplies, prototypes and other tangible and electronic embodiments of Intellectual Property and Software and personal property owned by (I) the Company or (II) its Affiliates that, in the case of clause (II), primarily relate to the Business;

(v) all Company IP owned by (I) the Company or (II) its Affiliates that, in the case of clause (II), primarily related to the Business (which, for the avoidance of doubt, includes all Software included in the Company IP owned by (I) the Company or (II) its Affiliates that, in the case of clause (II), primarily relates to the Business);

(vi) all of the Company's prepaid expenses, accounts receivable, trade accounts and notes receivable, including payments with respect thereto actually received by the Company after the Closing, and all other assets of the Company reflected in Net Working Capital (as finally determined);

(vii) subject to Section 2.2, (A) all Contracts to which the Company is a party and (B) all Contracts to which any of the Company's Affiliates is a party that primarily relate to the Business (other than any Contracts that constitute Excluded Assets, the "**Transferred Contracts**"), including all Contracts pursuant to which (I) the Company licenses Software or Intellectual Property or (II) any of the Company's Affiliates licenses Software or Intellectual Property that, in the case of clause (II), primarily relates to the Business, and those Contracts set forth in Section 5.14 of the Seller Disclosure Letter, in each case, unless earlier terminated, cancelled or expired in accordance with the terms hereof and thereof;

(viii) all Permits, including all Governmental Permits, all Environmental Permits and all franchises, powers and rights of the Business as a gas company under Massachusetts General Laws Chapter 164, in each case (A) of the Company or primarily related to the Business and (B) to the extent transferable;

(ix) all of (I) the Company's or (II) its Affiliates' rights, claims or causes of action against Third Parties, in the case of clause (II) primarily related to the Business; provided, that such rights, claims and causes of action will be assigned without warranty or recourse;

(x) all warranties, indemnities and guarantees given to (I) the Company or (II) its Affiliates to the extent, in the case of clause (II), primarily related to the Business and all benefits arising therefrom, including those made or given by manufacturers, contractors, architects, engineers, consultants, vendors, suppliers and other Third Parties;

(xi) all property Tax Returns and state utility Tax Returns of the Company or any other Tax Returns and Tax records relating exclusively to the Purchased Assets or the Business for taxable periods beginning after January 1, 2015 (the "**Transferred Tax Returns**");

(xii) all gas and other materials included in the inventory of the Company; and

(xiii) all of the Regulatory Assets.

(b) Excluded Assets. Notwithstanding anything to the contrary contained in Section 2.1(a), the following assets shall not be included among the Purchased Assets and are excluded from the sale, assignment, transfer and delivery provided in Section 2.1 (collectively, the "**Excluded Assets**"):

(i) all cash, bank accounts, bank deposits, certificates of deposit, commercial paper, treasury bills and notes, marketable securities and other cash equivalents and all other items of the types included as cash and cash equivalents on the Financial Statements;

(ii) other than the notes receivable held by Seller Parent in respect of the Intercompany Loans, all intercompany receivables, including resulting from any loans owed to the Company or its Affiliates by any of their respective Affiliates;

(iii) the Retained Names and Marks;

(iv) all internet domains (or subdomains) of which any of the Retained Names and Marks forms a part (but not, for the avoidance of doubt, any materials that appear on any such internet domain (or subdomain) that otherwise is a Purchased Asset);

(v) all Business Records to the extent (I) relating to any Excluded Asset or Excluded Liability, (II) the provision of which would violate any applicable Requirements of Law, (III) containing any valuation related to the transactions contemplated hereby or (IV) containing material related to the transactions contemplated by this Agreement or the Excluded Liabilities protected by attorney-client privilege or other legal privilege;

(vi) all Privileged Information;

(vii) all Intangible Franchise Rights;

(viii) all rights, claims, causes of action and defenses of the Company or any of its Affiliates, in each case, to the extent related to any Excluded Asset or Excluded Liability;

(ix) all contracts of insurance, all right, title and interest in, to or under any insurance proceeds (including GLI Insurance Proceeds) and rights to make any claim, or receive any proceeds or other recoveries, under any insurance policy of Seller or any Affiliate thereof, including with respect to the Greater Lawrence Incident;

(x) all Tax refunds, Tax credits or similar benefits of the Company or its Affiliates, including any accumulated deferred income tax balances;

(xi) all Tax Returns or other Tax records of Seller or its Affiliates other than the Transferred Tax Returns;

(xii) all Tax sharing agreements, arrangements or understandings entered into between the Company and its Affiliates;

(xiii) any collective bargaining agreement or other Contract with any Labor Union;

(xiv) Seller's (or any of its Affiliates') rights under this Agreement or any certificate delivered or other document delivered in connection herewith, and any of the transactions contemplated hereby and thereby;

(xv) subject to Section 2.2, the Shared Contracts and the Contracts set forth on Section 2.1(b)(xv) of the Seller Disclosure Letter;

(xvi) all equity securities, corporate minute books and stock transfer books and the corporate seal (or equivalents) of the Company and its Affiliates;

(xvii) all Business Records to the extent not related to the Business;

(xviii) personnel records of any Business Employees and Former Business Employees other than Transferring Employees;

(xix) except as set forth in Section 8.3, all employee benefit plans, programs, arrangements and agreements sponsored or maintained by Seller or its Affiliates, including the Benefit Plans, and all trusts and other assets or rights related thereto;

(xx) all consumer appliance warranties made in favor of the Company or any of its Affiliates in connection with the Greater Lawrence Incident; and

(xxi) all assets, properties and rights of the Company's Affiliates of whatever kind and nature (other than Business Records) that do not primarily relate to the Business.

(c) Assumed Liabilities. On the Closing Date, Buyer shall assume and agree to pay, perform and discharge all obligations and liabilities of the Company (and, where specifically indicated below, the Affiliates of the Company) of every kind or nature in accordance with their respective terms, in each case, except for the Excluded Liabilities, including the following (collectively, the "**Assumed Liabilities**"):

(i) all current liabilities of the Company to the extent reflected in Net Working Capital (as finally determined);

(ii) all liabilities of the Company under leases (whether or not required to be capitalized under GAAP);

(iii) all obligations of the Company under any Order applicable to the Business, the Purchased Assets or the Assumed Liabilities, except to the extent such obligations relate to Excluded Liabilities;

(iv) the Intercompany Loans;

(v) the Regulatory Liabilities;

(vi) all liabilities of the Company or its Affiliates under the Transferred Contracts (but, in the case of current liabilities, only to the extent reflected in Net Working Capital (as finally determined));

(vii) all liabilities of the Company and its Affiliates relating to the Transferring Employees as provided and to the extent set forth in Section 8.3 or arising following the Closing; and

(viii) except to the extent such Taxes result from the breach of a representation or warranty set forth in Section 5.6 or a covenant or agreement set forth in this Agreement relating to Taxes or Tax Returns, any (A) Taxes imposed directly on the Purchased Assets with respect to Buyer's operation of the Business following the Closing that are allocated to the Buyer pursuant to Section 8.2(a) and (B) Taxes for which Buyer is responsible pursuant to Section 8.2(b).

(d) Excluded Liabilities. Notwithstanding anything to the contrary contained in Section 2.1(c), Buyer shall not assume, or be obligated to pay, perform or otherwise discharge, and the Assumed Liabilities shall not include, the following liabilities, obligations or commitments of the Company or its Affiliates (collectively, the "**Excluded Liabilities**"):

(i) any liability not related to the Business;

(ii) any liability to the extent related to any Excluded Asset;

(iii) any current liability to the extent not reflected in Net Working Capital (as finally determined);

(iv) any liability of the Company's Affiliates, including indebtedness for borrowed money, not specifically listed in Section 2.1(c);

(v) other than the Intercompany Loans, all Business Indebtedness and intercompany payables of Seller and its Affiliates;

(vi) all contracts of insurance of Seller and its Affiliates;

(vii) any liability arising out of or related to Current Litigation;

(viii) any Transaction Expenses;

(ix) any liability arising out of or related to the Greater Lawrence Incident and any further emergency events prior to Closing related to the restoration and reconstruction with respect to the Greater Lawrence Incident, including any Losses arising out of or related to any litigation, demand, cause of action, claim, suit, investigation, proceeding, indemnification agreements or rights related to the Greater Lawrence Incident, including any GLI Proceeding;

(x) any monetary obligations to the extent arising out of or related to the non-compliance with Environmental Permits and Environmental Laws described in Section 5.16 of the Seller Disclosure Letter to the extent such non-compliance occurs prior to the Closing, including, to the extent related to such non-compliance prior to the Closing, the cost of investigating, defending or remediating such non-compliance, and any fines, monetary penalties, charges and costs, and interest thereon, except to the extent (and only to the extent) such obligation is actually and materially increased by any action of Buyer following Closing;

(xi) the Company Notes, the Company Indenture and any liability thereunder or with respect thereto or the redemption thereof;

(xii) any liabilities for (A) Taxes of Seller or any Affiliate thereof, (B) Taxes imposed directly on the Purchased Assets for any Tax period (or portion thereof as allocated to Seller pursuant to Section 8.2(a)), ending on or prior to the Closing Date, (C) any Tax imposed as a result of Seller or any Affiliate thereof being a member of Consolidated Tax Group, (D) Taxes imposed as a result of any Tax sharing or Tax allocation agreement, arrangement or understanding, or as a result of Seller or any Affiliate thereof being liable for another Person's Taxes as a transferee or successor, by Contract or otherwise pursuant to applicable Requirements of Law (excluding any liability arising under Section 2.1(c)(vi) with respect to any Transferred Contract the principal subject matter of which is not Tax) and (E) any Taxes for which Seller is responsible pursuant to Section 8.2(b);

(xiii) all liabilities of the Seller and its Affiliates to, with respect to, or arising under or in connection with (i) without limiting subclause (ii) hereunder or subsection (xvii), salaries, wages, bonuses, vacation or severance pay, expense reimbursement or other compensation, payments or benefits of (x) Transferring Employees earned, accrued or arising prior to the Closing Date or (y) any other current or former employees or other service providers of the Company or any of its Affiliates, including any Business Employees who are not Transferring Employees, regardless of when earned, accrued or arising and, in the case of each of (x) and (y), the employer portion of any Taxes with respect thereto, (ii) except as set forth in Section 8.3(f), Benefit Plans or any other employee benefit plan, policy, agreement or arrangement maintained or contributed to by Seller, the Company or any of their Affiliates, (iii) except as set forth in Section 8.3(f), Title IV of ERISA, (iv) any "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA or (v) the WARN Act, except as provided in Section 8.3(g);

(xiv) all liabilities arising out of or related to any claim made by a Business Employee or Former Business Employee related to any activities or events that took place prior to the Closing;

(xv) all liabilities of the Company, Seller Parent and its Affiliates pursuant to civil claims for injury of persons or damage to property to the extent such injury or damage occurs prior to the Closing;

(xvi) any liability under any collective bargaining agreement or other Contract with any Labor Union;

(xvii) other than as provided in Section 8.3(f), the sponsorship of, or, any liability under, any Benefit Plan other than as reflected in Net Working Capital (as finally determined) and any other benefit or compensation plan, policy, arrangement or contract sponsored, maintained, contributed to or required to be contributed to by Seller or its Affiliates or ERISA Affiliates; or

(xviii) all liabilities of the Company with respect to Intangible Franchise Rights.

Section 2.2. Efforts to Obtain Consents; Failure to Obtain Consents; Shared Contracts.

(a) Prior to the Closing, each of Seller and Buyer will, in cooperation with the other, use its and cause its Affiliates to use their reasonable best efforts to obtain all consents, approvals and authorizations (each, a "**Consent**") from any Third Parties who are not Governmental Bodies necessary or advisable in connection with the transactions contemplated hereby and by the other documents and instruments to be entered into in connection herewith, including all Consents required in connection with the transfer or assignment of the Transferred Contracts to Buyer; provided, that (i) such reasonable best efforts shall not require the payment of any consideration (monetary or otherwise) to, or the concession or provision of any right to, or the amendment or modification in any manner materially adverse to Seller, Buyer or the Business of any Contract with, any such Third Party and (ii) Seller shall not agree to any modification of any Purchased Assets in the course of obtaining any Consent where such modification would reasonably be expected to materially adversely affect Buyer or the Business. Each of Seller and Buyer shall provide the other with any information reasonably requested by the other regarding such efforts to obtain Consents. To the extent any required Consent has not been obtained on or prior to the Closing Date, the related Purchased Assets (a "**Delayed Asset**") shall not be transferred hereunder to Buyer or pursuant to Section 7.5 and any related liability that constitutes an Assumed Liability (a "**Delayed Liability**") shall not be assumed hereunder by Buyer (other than this Section 2.2) unless and until such Consent has been obtained.

(b) If there are any Delayed Assets, for a period of 12 months following the Closing Date, Seller will use its reasonable best efforts to provide Buyer with the benefits intended to be assigned in respect of such Delayed Asset and, to the extent that Buyer is provided with such benefits, Buyer shall assume, pay when due and perform any corresponding Delayed Liabilities as and when obligated (subject to the right of Buyer to contest any such obligation in good faith). For a period of 12 months following the Closing Date, Seller shall take such action as Buyer may reasonably request so as (i) to provide Buyer with the benefits of each Delayed Asset (including enforcing any rights reasonably necessary for Buyer to receive the full benefits of such Delayed Asset) and (ii) to effect collection of money or other consideration due and payable under the Delayed Asset. To the extent Buyer has assumed, paid when due and performed any corresponding Delayed Liability as and when obligated, for a period of 12 months following the Closing Date, Seller shall promptly pay over to Buyer all money or other consideration received by it in respect of each Delayed Asset. With respect to each Delayed Asset, as of and from the Closing Date, Seller hereby authorizes Buyer, to the extent permitted by applicable Requirements of Law and the terms of the Delayed Asset, to perform all the obligations and receive all the benefits of Seller under the Delayed Asset.

(c) For a period of 12 months following the Closing Date, unless such term is extended by mutual agreement of Seller Parent and Buyer, Seller and Buyer shall use reasonable best efforts to cooperate to obtain all Consents required to transfer the Delayed Assets to Buyer as promptly as reasonably practicable, provided, that such reasonable best efforts shall not require the payment of any consideration (monetary or otherwise) to, or the concession or provision of any right to, or the amendment or modification in any manner materially adverse to Buyer or Seller of any Contract with, any Third Party. At such time and on each occasion after the Closing Date that a Consent shall be obtained with respect to any Delayed Asset, such Delayed Asset shall forthwith be transferred and assigned to Buyer by Seller and all Delayed Liabilities related to such Delayed Asset shall be simultaneously assumed by Buyer. Prior to any such transfer of Delayed Assets, Seller shall use reasonable best efforts to preserve and maintain such Delayed Assets in all material respects consistent with past practice; provided that such reasonable best efforts shall not require the payment of any consideration (monetary or otherwise).

(d) Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to transfer or assign, directly or indirectly, any asset or any claim or right or any benefit arising under or resulting from such asset or claim or right if an attempted direct or indirect transfer or assignment thereof, without the Consent of a Third Party, would constitute a breach, default, violation or other contravention of the rights of such Third Party, would be ineffective with respect to any party to an agreement concerning such asset, claim or right or would violate any Requirements of Law. If any transfer or assignment by Seller to Buyer of any interest in, or any acquisition or assumption by Buyer of any liability, obligation or commitment under, any asset, claim or right requires the Consent of a Third Party, then such transfer, assignment, acquisition or assumption shall be made subject to such Consent being obtained. Buyer agrees that, provided that Seller has complied with its obligations in this Section 2.2, and except as otherwise set forth in this Agreement, Seller shall not have any liability to Buyer as a result of the failure, in and of itself, to obtain any such Consent that may be required in connection with the transactions contemplated by this Agreement.

(e) Shared Contracts.

(i) Notwithstanding anything to the contrary in this Agreement, the Purchased Assets shall include Shared Contract Rights, and the Assumed Liabilities shall include Shared Contract Obligations, in each case only to the extent provided in this Section 2.2(e)(i). Except as provided in the foregoing sentence, all provisions of, and rights and obligations which arise under, Shared Contracts shall be Excluded Assets and Excluded Liabilities. Prior to Closing, Seller shall, in cooperation with Buyer, use its reasonable best efforts to identify Shared Contracts containing Shared Contract Rights and Shared Contract Obligations that, in each case, are required to be provided or performed after the Closing Date (such Shared Contracts, the "**Ongoing Shared Contracts**"). Each of Seller and Buyer will, in cooperation with the other, use its reasonable best efforts both before and after the Closing to effect the assignment of the Shared Contract Rights and the Shared Contract Obligations to Buyer under the Ongoing Shared Contracts by, among other things, amending the Ongoing Shared Contracts to separately assign the Shared Contract Rights and the Shared Contract Obligations to Buyer and, if necessary or deemed desirable by Seller and Buyer, to execute new contracts with respect thereto; provided, that such reasonable best efforts shall not require the payment of any consideration (monetary or otherwise) to, or the

concession or provision of any right to, or the amendment or modification in any manner materially adverse to Buyer or Seller of any Ongoing Shared Contract with, any Third Party and provided further that in no event shall Seller or any of its Affiliates have any obligation to any Third Party or to Buyer with respect to any Shared Contract Rights or Shared Contract Obligations following the assignment thereof to Buyer for any obligation that is an Assumed Liability. Unless otherwise agreed by Buyer, such amendments and new contracts shall be on pricing terms equal to the terms applicable to the Business under the associated Ongoing Shared Contract and shall otherwise be on terms and conditions (except for any *de minimis* changes) no less favorable to Buyer than the terms and conditions applicable to the Business under the associated Ongoing Shared Contract. If any Shared Contract Rights are not assigned to Buyer prior to or on the Closing Date, unless the parties otherwise agree in writing, during the remaining term of the applicable Ongoing Shared Contract, not to exceed 12 months, the parties shall use their respective reasonable best efforts to allow Buyer to the extent permitted by applicable Requirements of Law and to the extent reasonably within the contractual or other ability or control of the Company or its Affiliate, as the case may be, to receive such Shared Contract Rights, subject to the Shared Contract Obligations; provided, however, that Buyer shall reimburse the Company or its applicable Affiliate for any reasonable and documented out-of-pocket expenses incurred in connection with any such arrangement.

ARTICLE III
PURCHASE PRICE

Section 3.1. Purchase Price. The aggregate purchase price for the Purchased Assets (the "**Purchase Price**") shall be equal to the sum of: $1,100,000,000 (One Billion One Hundred Million) dollars (the "**Base Purchase Price**"), plus the amount (if any) by which Net Working Capital exceeds the Target Working Capital (the "**Working Capital Excess**") or minus the amount (if any) by which the Target Working Capital exceeds the Net Working Capital (the "**Working Capital Deficit**"). Buyer shall pay the Purchase Price in accordance with Section 4.2 to an account or accounts designated by Seller Parent or as otherwise directed by Seller Parent in the wire instructions delivered by Seller Parent in accordance with Section 4.2(a).

ARTICLE IV
CLOSING

Section 4.1. Closing Date. The Closing shall be consummated on a date and at a time agreed upon by Buyer and Seller Parent, but in no event later than 11:00 a.m. Chicago time on the third (3rd) Business Day after the date on which the conditions set forth in ARTICLE IX and ARTICLE X have been satisfied or waived, at the offices of Sidley Austin LLP, One South Dearborn Street, Chicago, Illinois, or at such other time and place as shall be agreed upon by Buyer and Seller Parent. The date on which the Closing is actually held is referred to herein as the "**Closing Date**."

Section 4.2. Payment on the Closing Date.

(a) Not less than three (3) Business Days prior to the Closing Date, Seller Parent shall deliver to Buyer a written statement (the "**Closing Date Estimate**") setting forth (i) Seller Parent's good faith estimate of the amounts of (A) Net Working Capital and (B) the

Working Capital Excess (if any) or the Working Capital Deficit (if any), together with a calculation of the Purchase Price taking into account such estimates (the "**Estimated Purchase Price**"), based upon the most recent reasonably ascertainable financial information of the Company, and (ii) wire transfer instructions in respect of the payments to be made in accordance with this Section 4.2. Seller Parent shall provide Buyer with a reasonable opportunity to review and comment upon the Closing Date Estimate, and Seller Parent shall consider in good faith any such comments of Buyer.

(b) Any estimated Working Capital Deficit or estimated Working Capital Excess, as applicable, included in the Closing Date Estimate shall be determined from the books and records of the Business and calculated in a manner consistent with the illustrative calculation of Net Working Capital set forth in Exhibit B, using the same accounting methods, policies, practices, procedures, employing consistent classifications, judgments and estimation methodologies set forth in the Agreed Accounting Principles, including in respect of format and reflecting the same line items and same categorical adjustments as are reflected in Exhibit B, and, if reasonably requested by Buyer, Seller Parent shall provide Buyer with documentation and data as may be reasonably appropriate to support the calculations set forth therein.

(c) Subject to fulfillment or waiver (where permissible) of the conditions set forth in ARTICLE IX, at the Closing, Buyer shall pay, or cause to be paid, by wire transfer of immediately available funds to the bank account or accounts specified by Seller Parent in accordance with Section 4.2(a), (i) to Seller Parent an amount equal to the outstanding principal and accrued and unpaid interest under the Intercompany Loans as of the Closing Date and (ii) to the Company an amount equal to the Estimated Purchase Price, less the amount paid to Seller Parent pursuant to the foregoing clause (i).

Section 4.3. Buyer's Additional Closing Date Deliveries. Subject to fulfillment or waiver (where permissible) of the conditions set forth in ARTICLE IX and ARTICLE X, at the Closing, Buyer shall deliver to Seller Parent all of the following:

(a) a certificate of the secretary or an assistant secretary of Buyer, dated the Closing Date, in form and substance reasonably satisfactory to Seller Parent, as to (i) no amendments to the Declaration of Trust since a specified date; (ii) the resolutions of the board of trustees of Buyer authorizing the execution and performance of this Agreement, any Buyer Ancillary Agreement and the transactions contemplated hereby and thereby; and (iii) incumbency and signatures of the officers of Buyer executing this Agreement and any Buyer Ancillary Agreement;

(b) the certificate contemplated by Section 10.5, duly executed by a duly authorized officer of Buyer;

(c) the Transition Services Agreement, duly executed on behalf of Buyer;

(d) the Instrument of Assumption (Company), duly executed on behalf of Buyer;

(e) the Instrument of Assumption (Company Affiliate), duly executed on behalf of Buyer;

(f) the Bill of Sale (Company), duly executed on behalf of Buyer;

(g) the Bill of Sale (Company Affiliate), duly executed on behalf of Buyer;

(h) the Bill of Sale (Seller Parent), duly executed on behalf of Buyer; and

(i) the Intellectual Property Assignment Instrument, duly executed on behalf of Buyer, in substantially the form attached hereto as Exhibit F.

Section 4.4. Seller's Closing Date Deliveries. Subject to fulfillment or waiver (where permissible) of the conditions set forth in ARTICLE IX and ARTICLE X, at the Closing, Seller shall deliver to Buyer all of the following:

(a) a certificate of the secretary or an assistant secretary of Seller Parent, dated the Closing Date, in form and substance reasonably satisfactory to Buyer, as to (i) no amendments to the certificate of incorporation of Seller Parent since a specified date; (ii) the bylaws of Seller Parent; (iii) the resolutions of the board of directors of the Seller Parent authorizing the execution and performance of this Agreement, any Seller Parent Ancillary Agreement and the transactions contemplated hereby and thereby; and (iv) incumbency and signatures of the officers of Seller Parent executing this Agreement and any Seller Parent Ancillary Agreement;

(b) a certificate of the secretary or an assistant secretary of the Company, dated the Closing Date, in form and substance reasonably satisfactory to Buyer, as to (i) no amendments to the certificate of incorporation of the Company since a specified date; (ii) the bylaws of the Company; (iii) the resolutions of (A) the board of directors of the Company and (B) the sole stockholder of the Company, authorizing the execution and performance of this Agreement, any Company Ancillary Agreement and the transactions contemplated hereby and thereby; and (iv) incumbency and signatures of the officers of the Company executing this Agreement and any Company Ancillary Agreement;

(c) the certificate contemplated by Section 9.6, duly executed by a duly authorized officer of Seller Parent;

(d) the Transition Services Agreement, duly executed on behalf of NiSource Corporate Services Company;

(e) the Bill of Sale (Company), duly executed on behalf of the Company;

(f) the Bill of Sale (Company Affiliate), duly executed on behalf of the Company Affiliate party thereto;

(g) the Bill of Sale (Seller Parent), duly executed on behalf of Seller Parent;

(h) the Intellectual Property Assignment Instrument, duly executed on behalf of the Company, in substantially the form attached hereto as Exhibit F;

(i) an affidavit from the Company (or any other transferor of Purchased Assets) certifying that the Company (or such other transferor) is not a foreign person for purposes of Section 897 and 1445 of the Code, meeting the requirements of Treasury Regulation 1.1445-2(b)(2), and in a form reasonably acceptable to Buyer; and

(j) the Deeds, duly executed on behalf of the Company.

Section 4.5. Adjustment to the Preliminary Purchase Price.

(a) On or before sixty (60) days following the Closing Date (which may be extended by an additional fifteen (15) days upon Buyer's written notice to Seller Parent no later than sixty (60) days following the Closing Date, if Buyer determines it to be reasonably necessary under the circumstances), Buyer shall cause to be prepared and delivered to Seller Parent a written statement (the "**Closing Statement**" and the date on which the Closing Statement is delivered to Seller Parent, the "**Delivery Date**") setting forth Buyer's proposed final calculations of the amount of Net Working Capital, the Purchase Price and the adjustments (if any) to reconcile the Estimated Purchase Price to the final calculation of the Purchase Price. The Closing Statement and the determinations and calculations contained therein shall be determined from the books and records of the Business in a manner consistent with the Agreed Accounting Principles and in accordance with the definitions set forth in this Agreement. The Net Working Capital shall be prepared in a manner consistent with Exhibit B (including in respect of format and reflecting the same line items and same categorical adjustments as are reflected in Exhibit B). Any and all effects on the Business, the Purchased Assets or the Assumed Liabilities of any distributions, financing or refinancing arrangements entered into by Buyer on or after the Closing Date or any other transaction entered into by Buyer on or after the Closing Date shall be entirely disregarded. It shall be assumed that the Business shall be continued as a going concern and there shall not be taken into account any of the plans, transactions or changes that Buyer intends to initiate or make or cause to be initiated or made on or after the Closing Date with respect to the Business, the Purchased Assets or the Assumed Liabilities, or any facts or circumstances that are unique or particular to Buyer or any assets or liabilities of Buyer, or any obligation for the payment of the Purchase Price hereunder.

(b) Seller Parent shall have sixty (60) days (the "**Review Period**") after the Delivery Date to review the Closing Statement. During the Review Period, Buyer shall cooperate with Seller Parent's review of the Closing Statement, and Seller Parent and its duly authorized advisors and representatives shall, upon reasonable notice, have reasonable access during regular business hours, to the personnel with knowledge of the relevant subject matters, properties, work papers, books and records of the Business pertaining to or used in connection with the preparation of the Closing Statement for the limited purpose of Seller Parent's confirmation of the Closing Statement. If Seller Parent disputes any items in the Closing Statement, Seller Parent shall, within the Review Period, deliver written notice to Buyer specifying in reasonable detail each disputed item in the Closing Statement, Seller Parent's calculation of the amount(s) of the disputed items, and attaching reasonably detailed supporting information and Seller Parent's proposed modifications to the Closing Statement, Purchase Price and components thereof (such notice, the "**Dispute Notice**"). Only disputes with respect to the Closing Statement (as permitted hereby) are to be addressed in the Dispute Notice, and all other disputes hereunder shall be subject to Section 13.2. Buyer and Seller Parent shall use

commercially reasonable efforts for a period of fifteen (15) days (or such longer period as they may mutually agree) to reach an agreement as to any matters properly identified in a timely delivered Dispute Notice as being in dispute. If Seller Parent fails to deliver a Dispute Notice within the Review Period, if any item is not mentioned in dispute in such Dispute Notice or if Buyer agrees to accept any item set forth in the Dispute Notice, then such item is determined to be accepted for purposes of the final determination of the Purchase Price, and any items remaining in dispute after expiration of the fifteen (15) day period following delivery of the Dispute Notice are to be finally and conclusively determined by Ernst & Young LLP or such other independent nationally recognized certified public accounting firm that is mutually selected by the parties (the "**Accounting Firm**") (it being understood that in making such determination, the Accounting Firm shall be functioning as an accounting expert and not as an arbitrator). Each of Seller Parent and Buyer shall execute and deliver a customary engagement letter as may be reasonably requested by the Accounting Firm. Seller Parent and Buyer shall instruct the Accounting Firm to promptly, but no later than thirty (30) days after the deadline set forth in the Accounting Firm Notice (as the same may be amended by the mutual written agreement of the Accounting Firm, Buyer and Seller Parent), determine (based solely on the written presentations of Buyer and Seller Parent timely delivered to the Accounting Firm in accordance with this Section 4.5(b) and not by independent review) only those items remaining in dispute in the Closing Statement (and not with respect to any other matter related to this Agreement, including the interpretation thereof) and to render a written report as to the remaining disputed matters and the resulting calculation of the Purchase Price based on the Accounting Firm's final determination in respect of such items in dispute, which report, absent manifest error, shall thereupon be conclusive and binding upon the parties hereto for all purposes hereunder. Buyer and Seller Parent shall instruct the Accounting Firm that, within five (5) Business Days following its acceptance of its appointment as the Accounting Firm, it shall deliver to Buyer and Seller Parent a written notice (the "**Accounting Firm Notice**") setting forth (i) the deadline for Buyer's and Seller Parent's submission of the written presentations referenced in the immediately preceding sentence (which deadline shall in all events be (A) the same for Buyer and Seller Parent and (B) no sooner than thirty (30) days following the date of delivery of the Accounting Firm Notice (unless otherwise mutually agreed in writing among the Accounting Firm, Buyer and Seller Parent) and no later than sixty (60) days following the date of the Accounting Firm Notice) and (ii) the format in which Buyer and Seller Parent are to submit their written presentations (which format shall be reasonably acceptable to Buyer and Seller Parent). A copy of all materials submitted to the Accounting Firm pursuant to the immediately preceding sentence shall be provided by Seller Parent or Buyer, as applicable, no later than the deadline set forth in the Accounting Firm Notice (as the same may be amended by the mutual written consent of the Accounting Firm, Buyer and Seller Parent), and a copy of such materials shall be provided to the other party hereto concurrently with the submission thereof to the Accounting Firm. In resolving any disputed item, the Accounting Firm shall be bound by the provisions of this Section 4.5 and may not assign a value to any item greater than the greatest value for such item claimed by Buyer or Seller Parent, or less than the smallest value for such item claimed by Buyer or Seller Parent. Subject to the following sentence, each party shall bear its own costs and expenses in connection with the resolution of such disputed items set forth in a Dispute Notice by the Accounting Firm. The fees and expenses of the Accounting Firm shall be borne by Seller Parent and Buyer, in inverse relation to their success with respect to any disputes submitted to the Accounting Firm for resolution. If, before the Accounting Firm renders its determination

with respect to the disputed items in accordance with this Section 4.5(b), (x) Seller Parent notifies Buyer and the Accounting Firm of its agreement with any items in the Closing Statement or (y) Buyer notifies Seller Parent and the Accounting Firm of its agreement with any items in the Dispute Notice, then in each case such items as so agreed shall be conclusive and binding on all parties hereto for all purposes hereunder immediately upon such notice.

(c) After the Purchase Price has been finally determined in accordance with Section 4.5(b) (as so determined, the "**Final Purchase Price**"), the following payments shall be made:

(i) If the Final Purchase Price exceeds the Estimated Purchase Price (such excess, the "**Upward Adjustment Amount**"), then promptly (but in any event within five (5) Business Days after the determination of the Final Purchase Price), Buyer shall pay the Upward Adjustment Amount pursuant to instructions furnished by Seller Parent.

(ii) If the Estimated Purchase Price exceeds the Final Purchase Price (such excess, the "**Downward Adjustment Amount**"), then promptly (but in any event within five (5) Business Days after the determination of the Final Purchase Price), Seller Parent shall pay the Downward Adjustment Amount pursuant to instructions furnished by Buyer.

(d) Any payment required to be made pursuant to this Section 4.5 shall be made together with interest thereon from the Closing Date to (and including) the date of payment at the rate of interest per annum equal to 30 day LIBOR in effect on the Closing Date as reported in *The Wall Street Journal*.

(e) All payments made pursuant to this Section 4.5 shall be treated by the parties hereto as adjustments to the Purchase Price for income Tax purposes, to the extent permitted by applicable Requirements of Law.

Section 4.6. Withholding. Buyer, Seller and any other applicable withholding agent will be entitled to deduct and withhold from any amounts payable pursuant to or as contemplated by this Agreement any withholding Taxes or other amounts required under the Code or any applicable Requirements of Law to be deducted and withheld; provided, however that Buyer shall consult in good faith with Seller prior to withholding any amounts payable to Seller hereunder. To the extent that any such amounts are so deducted or withheld, such amounts will be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction and withholding was made, and such amounts shall be promptly paid over to the appropriate taxing authority.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF SELLER

As an inducement to Buyer to enter into this Agreement and to consummate the transactions contemplated hereby, Seller represents and warrants to Buyer as of the date hereof and except as set forth in the Seller Disclosure Letter, as follows:

Section 5.1. Organization and Qualification; Power and Authority.

(a) Each of Seller Parent and the Company is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization;

(b) the Company and each of its Affiliates that owns, leases or operates Purchased Assets is duly qualified or licensed to conduct business and in good standing under the laws of each jurisdiction in which the ownership of the Purchased Assets owned, leased or operated by it or the operation of the Business or location or character of the Purchased Assets owned, leased or operated by it requires such qualification or license, except for failures that would not, individually or in the aggregate, be material to the Business, taken as a whole. The Company does not own, lease or operate any Purchased Assets in any jurisdiction other than its jurisdiction of incorporation and the jurisdictions set forth on Section 5.1(b) of the Seller Disclosure Letter;

(c) the Company and each of its Affiliates that owns, leases or operates Purchased Assets has all requisite corporate power and authority to own, lease and operate the Purchased Assets owned, leased or operated by it, and to carry on the Business as it was conducted immediately prior to the date of this Agreement; and

(d) Seller has made available to Buyer an accurate and complete copy of the charter and bylaws of the Company as in effect as of the date of this Agreement. The Company has no subsidiaries. Except marketable securities held on a short-term basis, the Company does not directly or indirectly own any equity, debt or similar interest in, or any interest convertible into or exchangeable or exercisable for, at any time, any equity or similar interest in, or control, directly or indirectly, any other Person, and the Company is not directly or indirectly, a party to, member of or partner in any partnership, joint venture or similar business entity.

Section 5.2. Capital Structure. All of the outstanding shares or other equity interests of the Company are owned, indirectly, by Seller Parent.

Section 5.3. Authority of Seller; Conflicts.

(a) Each of Seller Parent and the Company has all requisite corporate power and authority to enter into this Agreement and each Seller Ancillary Agreement to which it will be a party and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and each of the Seller Ancillary Agreements by Seller Parent or the Company, as applicable, and the consummation by Seller Parent and the Company of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of Seller Parent and the Company. This Agreement has been duly executed and delivered by each of Seller Parent and the Company and (assuming the valid authorization, execution and delivery of this Agreement by Buyer and the validity and binding effect of this Agreement on Buyer) constitutes the valid and binding obligation of each of Seller Parent and the Company enforceable against it in accordance with its terms, and each of the Seller Ancillary Agreements, upon execution and delivery by Seller Parent or the Company, as applicable, will be (assuming the valid authorization, execution and delivery by Buyer, where Buyer is a party, and any other party or parties thereto) a legal, valid and binding obligation of Seller Parent or the Company, as applicable, enforceable in accordance with its terms, subject, in the case of this Agreement and each of the Seller Ancillary Agreements, to bankruptcy, insolvency, reorganization, moratorium and similar laws of general application relating to or affecting creditors' rights and to general equity principles.

(b) Except as set forth in Section 5.3 of the Seller Disclosure Letter, the execution and delivery of this Agreement or any of the Seller Ancillary Agreements by Seller, the consummation of any of the transactions contemplated hereby or thereby by Seller or compliance with or fulfillment of the terms, conditions and provisions hereof or thereof by Seller will not:

(i) assuming the receipt of all necessary consents and approvals, the filing of all necessary documents and the expiration or termination of any applicable waiting period as described in Section 5.3(b)(ii), and except as may result solely from any facts or circumstances relating to Buyer, result in a violation or breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation or a loss of rights under, or result in the creation or imposition of any Encumbrance upon any of the Purchased Assets, under (1) the certificate of incorporation or bylaws of Seller Parent or the Company, (2) any Material Contract, (3) any note, mortgage or financial obligation to which Seller Parent or the Company is a party or by which Seller Parent or the Company is bound, (4) any Court Order to which Seller Parent or the Company is a party or by which Seller Parent or the Company is bound in respect of the Business or (5) any Requirements of Law affecting Seller Parent or the Company, other than, in the case of clauses (2), (3), (4) and (5) above, any such breaches, defaults, rights, loss of rights or Encumbrances that would not, individually or in the aggregate, reasonably be expected to be material to the Business, taken as a whole, or would not prevent the consummation of any of the transactions contemplated hereby, or

(ii) require the approval, consent, authorization or act of, or the making by Seller Parent or the Company of any declaration, filing or registration with, any Governmental Body, except (1) in connection, or in compliance, with the provisions of the HSR Act or similar Competition Laws in foreign jurisdictions, (2) the MDPU Approval, (3) the filing with the SEC of such reports under the Exchange Act as may be required in connection with this Agreement and the transactions contemplated hereby, (4) such filings as may be required in connection with the Taxes described in Section 8.2(a) and (5) such approvals, consents, authorizations, declarations, filings or registrations the failure of which to be obtained or made would not, individually or in the aggregate, reasonably be expected to be material to the Business, taken as a whole, or would not prevent the consummation of any of the transactions contemplated hereby.

Section 5.4. Financial Information.

(a) Section 5.4(a) of the Seller Disclosure Letter sets forth (i) the unaudited balance sheet of the Company at December 31, 2019 and December 31, 2018 and the related unaudited statements of income and cash flows of the Company for the years then ended (collectively, the "**Financial Statements**") and (ii) the unaudited comparative balance sheet of the Company as at December 31, 2018 and the related unaudited statements of income and cash flows of the Company for the year then ended included in the annual report filed with the MDPU on March 31, 2019. Except as set forth therein and except that the Financial Statements do not include notes, the Financial Statements (x) fairly present in all material respects the financial

condition and results of operations and cash flows of the Company as of the respective dates, and for the periods referred to in, the Financial Statements, (y) have been prepared in all material respects on a consistent basis with Seller Parent's consolidated financial statements and (z) have been prepared in all material respects in accordance with GAAP, applied on a consistent basis during the periods involved. The accounting principles, methods, practices, reserves and accruals utilized in preparing the Financial Statements are consistent in all material respects with the accounting principles, methods, practices, reserve and accruals utilized in the Agreed Accounting Principles.

(b) Except (i) as set forth in the Financial Statements, (ii) for liabilities incurred in the ordinary course of business consistent with past practice since the date of the Reference Balance Sheet, (iii) for liabilities set forth in Section 5.4 of the Seller Disclosure Letter, (iv) for liabilities related to or arising from the Greater Lawrence Incident and (v) for liabilities that would not reasonably be expected to be material to the Company, there are no liabilities, whether absolute or contingent, of the Company that would be required under GAAP to be reflected on the face of the Reference Balance Sheet.

Section 5.5. Operations Since Reference Balance Sheet Date. Since the Reference Balance Sheet Date, there have been no changes in the assets, results of operations or financial condition of the Company which have had a Material Adverse Effect. Except as set forth in Section 5.5 of the Seller Disclosure Letter, since the Reference Balance Sheet Date through the date of this Agreement, (a) (i) there has not been any damage to, destruction of or loss of any material portion of the Purchased Assets, whether or not covered by insurance, (ii) the Company has operated the Business in the ordinary course other than to the extent arising out of or relating to the Greater Lawrence Incident, and (iii) the Company has not taken any action that if taken after the date of this Agreement would constitute a violation of Section 7.4(b) and (b) without limiting the foregoing, the Company has not accelerated, terminated, modified, canceled or waived any material right under any Material Contract and, to the Knowledge of Seller, no other party to any Material Contract has threatened to take any such action.

Section 5.6. Taxes. Except as set forth in Section 5.6 of the Seller Disclosure Letter, (i) all income and other material Tax Returns required to have been filed by the Company or with respect to the Business or the Purchased Assets have been timely filed in accordance with all applicable Requirements of Law (taking into account extensions properly obtained); (ii) all income and other material Taxes owed by the Company or with respect to the Business or the Purchased Assets (whether or not shown to be due on the Tax Returns referred to in clause (i)) have been timely paid in full; (iii) all Tax Returns described in clause (i) are true and correct in all material respects; (iv) there are no Encumbrances, other than for current Taxes not yet due and payable, for Taxes upon any Purchased Asset; (v) no extension of time within which to file any Tax Return of the Company or with respect to the Purchased Assets or the Business is in effect, and no waiver of any statute of limitations relating to Taxes payable by the Company or with respect to the Business or the Purchased Assets has been granted; (vi) there is no audit or administrative or judicial proceeding pending, being conducted, or claimed with respect to Tax Returns of, or Taxes payable by the Company or with respect to the Business or the Purchased Assets with respect to income Taxes or a material amount of non-income Taxes; (vii) there is no notice of proposed adjustment, deficiency, underpayment of Taxes or any other such notice from a Governmental Body which has not been satisfied by payment or been withdrawn that has been

received by the Company or any of its Affiliates or by any Seller with respect to the Purchased Assets or the Business; (viii) no claim has been made by any Governmental Body in a jurisdiction where Tax Returns are not filed with respect to the Purchased Assets or the Business that Taxes are required to be paid in or Tax Returns are required to be filed in that jurisdiction by the Company or with respect to the Purchased Assets or the Business; (ix) all material Taxes which were required by law to be withheld, deducted, or collected for payment in connection with amounts paid or owing to or allocable to any employee, independent contractor, creditor, stockholder, or other Person by the Company or with respect to the Purchased Assets or the Business, have been duly withheld, deducted and collected and have been paid to the appropriate Governmental Body or set aside or reserved on the Business Records, and all reporting and recordkeeping requirements related thereto have been complied with; (x) no closing agreements, private letter rulings, Tax holidays, technical advice memoranda or similar agreements or rulings with respect to Taxes or Tax Returns related to the Purchased Assets or the Business have been entered into, issued by, or requested from any Governmental Body; and (xi) no Purchased Asset (including Transferred Contracts) will result in Buyer or any of its Affiliates having any liability or obligation to pay, reimburse, or indemnify any Person for Taxes of any other Person (other than in connection with commercial agreements entered into in the ordinary course of business the primary purpose of which does not relate to Taxes).

Section 5.7. Governmental Permits. The Company owns, holds or possesses all licenses, franchises, permits, privileges, immunities, approvals and other authorizations from the MDPU and each other Governmental Body exercising regulatory jurisdiction over the Company that are necessary to entitle it to own or lease, operate and use its respective properties and assets and to carry on and conduct the Business substantially as conducted immediately prior to the date of this Agreement (collectively, the "**Governmental Permits**"), except for such Governmental Permits as to which the failure to so own, hold or possess would not, individually or in the aggregate, reasonably be expected to be material to the Business, taken as a whole. Except as set forth in Section 5.7 of the Seller Disclosure Letter and except as would not, individually or in the aggregate, reasonably be expected to be material to the Business, taken as a whole, the Company is in compliance in all material respects with all material terms and conditions of the Governmental Permits owned, held or possessed by it. Nothing in this Section 5.7 constitutes a representation or warranty with respect to Environmental Permits, any and all representations or warranties with respect to which are set forth in Section 5.16.

Section 5.8. Real Property.

(a) The addresses of all real property owned by the Company (collectively, the "**Owned Real Property**") are set forth on Section 5.8(a) of the Seller Disclosure Letter. The Company holds good and marketable fee simple title to the Owned Real Property free and clear of all Encumbrances, except for Permitted Encumbrances. There are no outstanding options or rights of first refusal which have been granted by the Company to third parties to purchase or lease any Owned Real Property other than such options or rights that would not, individually or in the aggregate, reasonably be expected to be material to the Business, taken as a whole. No Affiliate of the Company owns real property primarily related to the Business.

(b) Each Contract for the lease or sublease (each, a "**Real Property Lease**") of real property under which the Company is a lessee or sublessee is set forth in Section 5.8(b) of the

Seller Disclosure Letter (collectively, the "**Leased Real Property**") and each Real Property Lease is in full force and effect, other than those Real Property Leases the failure of which to be in full force and effect would not, individually or in the aggregate, reasonably be expected to be material to the Business, taken as a whole. Except as would not, individually or in the aggregate, reasonably be expected to be material to the Business, taken as a whole, (i) the Company is in peaceable possession of each Leased Real Property subject to the terms of the applicable Real Property Lease, (ii) the Company is not in breach or default under, or, to the Knowledge of Seller, alleged to be, in breach or default under any of the Real Property Leases, and, to the Knowledge of Seller, no circumstances or state of facts presently exists which, with the giving of notice or passage of time, or both, would constitute a breach or default under any Real Property Lease, (iii) there are no written or oral subleases, concessions or other contracts granting to any Person other than the Company the right to use or occupy any Leased Real Property, (iv) to the Knowledge of Seller, except as set forth in Section 5.8(b) of the Seller Disclosure Letter, there are no outstanding options or rights of first refusal to purchase all or a portion of such Leased Real Property, (v) to the Knowledge of Seller, all buildings, structures, fixtures, building systems and equipment, and all components which are part of the Leased Real Property are in good condition and structurally sound in all material respects, and all mechanical and other systems located therein, are in good operating condition in all material respects, subject to normal wear, and are sufficient for the operation of the Business as presently conducted in all material respects, (vi) no portion of any facility, building, improvement or other structure located on any of the Leased Real Property has suffered any material damage by fire or other casualty within the past five (5) years which has not been substantially repaired or restored, (vii) the Company or its Affiliate holds good and valid leasehold interests in the Leased Real Property free and clear of all Encumbrances, except for Permitted Encumbrances and (viii) Seller has made available to Buyer prior to the date hereof true and complete copies of each Real Property Lease. The Company and its Affiliates have the right to use all of the Leased Real Property for the conduct of the Business. No Affiliate of the Company is party to any lease or sublease of real property primarily related to the Business.

(c) The Company owns or possesses all of the easements and rights of way with respect to real property necessary to conduct the Business as conducted as of the date of this Agreement (the "**Easements**"), subject to Permitted Encumbrances, except to the extent that the failure to own or possess such Easements would not, individually or in the aggregate, reasonably be expected to be material to the Business, taken as a whole.

(d) The Owned Real Property and the Leased Real Property are referred to collectively herein as the "**Real Property**". With respect to the Real Property, neither the Company nor any of its Affiliates has received any written notice of, and to the Knowledge of Seller, there does not exist: (i) any pending or threatened condemnation or similar proceedings, or any sale or other disposition of any Real Property or any part thereof in lieu of condemnation; or (ii) any pending non-compliance with any applicable building and zoning codes or deed restrictions that, in the case of clause (i) or (ii), individually or in the aggregate, would reasonably be expected to be material to the Business, taken as a whole.

Section 5.9. Personal Property Leases. Section 5.9 of the Seller Disclosure Letter contains, as of the date of this Agreement, (a) a list of each lease or other agreement or right relating to the Business under which the Company is lessee of, or holds or operates, any machinery, equipment, vehicle or other tangible personal property owned by a Third Party and

(b) a list of each lease or other agreement or right relating to the Business that primarily relates to the Business under which any of the Company's Affiliates is lessee of, or holds or operates, any machinery, equipment, vehicle or other tangible personal property owned by a Third Party, in the case of clauses (a) and (b), except those which are terminable without penalty on ninety (90) days' or less notice or which provide for annual rental payments of less than $1,000,000.

Section 5.10. Intellectual Property.

(a) Except as disclosed in Section 5.10(a) of the Seller Disclosure Letter or as would not, individually or in the aggregate, reasonably be expected to be material to the Business, taken as a whole, (i) the Company owns or has the right to use in the manner currently used all Intellectual Property and Software that is used in and material to the conduct of the Business as currently conducted ("**Company IP**"), free and clear of any Encumbrance other than Permitted Encumbrances and (ii) to the Knowledge of Seller, as of the date of this Agreement, no Third Party is infringing upon, misappropriating, or otherwise violating the Company IP owned by the Company.

(b) Except as disclosed in Section 5.10(b) of the Seller Disclosure Letter or, as would not, individually or in the aggregate, reasonably be expected to be material to the Business, taken as a whole, to the Knowledge of Seller, the conduct of the Business (including the use by the Company of the Company IP) as currently conducted does not infringe upon, misappropriate, or otherwise violate any Intellectual Property or Software of any Third Party.

Section 5.11. Title to Purchased Assets. On the Closing Date, the Company or its Affiliates will have good and valid title to, or a valid leasehold interest in or valid right to use the tangible Purchased Assets, free and clear of all Encumbrances, except for Permitted Encumbrances, and Seller Parent will have good and valid title to the Intercompany Loans, free and clear of all Encumbrances, except for Permitted Encumbrances. Except for the Intercompany Loans held by Seller Parent and the Delayed Assets and the Delayed Liabilities held by Affiliates of the Company, as of the Closing, no Affiliate of the Company will have any right, title or interest in any Purchased Assets or any Assumed Liabilities.

Section 5.12. Sufficiency of Assets. Except (i) as set forth in Section 5.12 of the Seller Disclosure Letter, (ii) the assets used to provide the services to Buyer and its Affiliates under the Transition Services Agreement and (iii) the Excluded Assets, the Purchased Assets, collectively, constitute all of the material assets that are (a) owned or leased in connection the operation of the Business or used in connection with the operation of the Business, and (b) necessary and sufficient to operate the Business in all material respects as conducted as of the date hereof by the Company with certain support services from the Company's Affiliates, assuming receipt of the relevant consents, approvals and authorizations relating to the matters set forth in Section 5.3 of the Seller Disclosure Letter. To the Knowledge of Seller, except as would not reasonably be expected to have a material adverse effect on the Business, taken as a whole, the Purchased Assets are in good working condition and repair (ordinary wear and tear excepted). The Company does not conduct, and has not during the five (5) years prior to the date hereof conducted, any business other than the Business. Nothing in this Section 5.12 constitutes a representation or warranty with respect to non-infringement of any Intellectual Property or Software.

Section 5.13. No Violation or Litigation. Except as set forth in Section 5.13 of the Seller Disclosure Letter:

(a) The Company and its Affiliates are, and for the past two (2) years have been, in compliance in all material respects with all applicable Requirements of Law and Court Orders in respect of the Business, other than matters relating to Taxes or compliance with Environmental Laws, Environmental Permits or regulation as a utility, all representations with respect to which are the subject of Section 5.6, Section 5.16 and Section 5.18, respectively;

(b) (i) as of the date hereof, and during the two (2)-year period prior to the date of this Agreement, other than to the extent arising out of or relating to the Greater Lawrence Incident, there is no action, proceeding, suit, litigation, arbitration, mediation or other alternative dispute resolution proceeding (each, an "**Action**") pending, or, to the Knowledge of Seller, threatened, against the Business or the Company or the directors, officers or employees of the Company (in their capacities as such), which (A) alleges damages in excess of $4,000,000, (B) has been brought by or on behalf of a Governmental Body and would reasonably be expected to be material to the Company or the Business or (C) seeks injunctive relief or non-monetary damages and would reasonably be expected to be material to the Company or the Business; and (ii) as of the date hereof, other than to the extent arising out of or relating to the Greater Lawrence Incident, Seller has not received written notice of any pending audit, inquiry, examination or investigation by a Governmental Body that would reasonably be expected to be material to the Company or the Business, nor, to the Knowledge of Seller, has any such audit, inquiry, examination or investigation been threatened in writing. Except as set forth in Section 5.13 of the Seller Disclosure Letter, the Company is not subject to any outstanding order issued by any Governmental Body of competent jurisdiction that is material to the Company (other than orders generally applicable to the industry in which the Company operates); and

(c) as of the date hereof, there is no action, suit or proceeding pending or, to the Knowledge of Seller, threatened that questions the legality of the transactions contemplated by this Agreement or any of the Seller Ancillary Agreements.

Section 5.14. Contracts.

(a) Except as set forth in Section 5.14 of the Seller Disclosure Letter (the "**Material Contracts**"), as of the date of this Agreement, the Company is not a party to or bound by any of the following written agreements or contracts and no Affiliate of the Company is a party to or bound by any of the following written agreements or contracts that primarily relate to the Business:

(i) agreements with respect to employment, or restricting the employment, of any current or former employee of the Company with an annual salary in excess of $150,000, other than standard employee at-will offer letters, confidentiality agreements and invention assignment agreements;

(ii) collective bargaining agreements or any other Contracts with a labor union, works council, trade union or other employee representative body (each, a "**Labor Union**");

(iii) agreements for the payment of severance benefits, retention bonuses, sale or transaction bonuses, change of control payments or similar payments to any Business Employee;

(iv) any natural gas supply, gathering, distribution, transportation or storage Contract with any Third Party which involved the payment by Seller or any of its Affiliates or on behalf of the Business of more than $5,000,000 in the fiscal year ended December 31, 2019;

(v) agreements, ordinances, or other grant of any municipal franchise relating to the Business (the "**Franchises**");

(vi) any Contract with any Third Party whose arrangements with the Business account for the sale by Seller or any of its Affiliates of any services or products of the Business which involved the payment to the Business of more than $1,000,000 in the fiscal year ended December 31, 2019;

(vii) any material hedging or other material derivative Contract, including with respect to the purchase or sale of natural gas;

(viii) any contract requiring the Company to make any community investment of more than $1,000,000;

(ix) any Real Property Lease that individually involves expenditures in excess of $1,000,000 in any one (1) year;

(x) any Contract providing for the extension of credit by the Company, other than (i) the extension of credit to customers in the ordinary course of business consistent with past practice and (ii) normal employee advances and other customary extensions of credit in the ordinary course that are not material in amount;

(xi) any loan agreements, promissory notes, indentures, bonds or other instruments involving indebtedness for borrowed money from Third Party lending sources (excluding intercompany indebtedness and trade accounts) or any guaranties of any such indebtedness;

(xii) any Contract under which any Third Party has granted a license to use Intellectual Property or Software which is primarily related to and material to the conduct of the Business as currently conducted (other than non-exclusive licenses for the use of third-party Intellectual Property or Software in connection with the sale of products or rendering of services);

(xiii) any Contract under which Seller or any of its Affiliates has granted a Third Party a license to use any Intellectual Property or Software which is primarily related to and material to the conduct of the Business as currently conducted (other than customer agreements and other non-exclusive licenses granted in the ordinary course of business);

(xiv) any partnership, joint venture or other similar equity investment agreement that is material to the Business;

(xv) any Contract with any customer that is not served under tariff rates; or

(xvi) any covenant not to compete in a Contract described in the preceding clauses (i) through (xiv) of this Section 5.14(a).

(b) Except as set forth in Section 5.14(b) of the Seller Disclosure Letter, each Material Contract is valid and binding on the Company or its Affiliate party thereto and enforceable in accordance with its terms against the Company or such Affiliate, and to the Knowledge of Seller, each other party thereto, in each case subject to bankruptcy, insolvency, reorganization, moratorium and similar laws of general application relating to or affecting creditors' rights and to general equity principles. Each Material Contract is in full force and effect and will be in full force and effect in accordance with its terms upon consummation of the transactions contemplated hereby, other than those Material Contracts that expire by their terms on or prior to the Closing and those Material Contracts the failure of which to be in full force and effect would not reasonably be expected to be material to the Business, taken as a whole. Except as set forth on Section 5.14(b) of the Seller Disclosure Letter, Seller, and, to the Knowledge of Seller, each of the other parties thereto, has performed all obligations required to be performed by it under each Material Contract except where any such non-performance has not been or would not, individually or in the aggregate, reasonably be expected to be material to the Business, taken as a whole. Except as set forth on Section 5.14(b) of the Seller Disclosure Letter, Seller has not received any written notice of termination with respect to, and to the Knowledge of Seller, no party has any intention to terminate, any Material Contract or exercise any option not to renew thereunder. Neither the Company nor its Affiliate party thereto is in breach or default under, or, to the Knowledge of Seller, alleged to be, in breach or default under any of the Material Contracts, and, to the Knowledge of Seller, no circumstances or state of facts presently exists which, with the giving of notice or passage of time, or both, would constitute a breach or default under any Material Contract.

Section 5.15. Benefit Plans.

(a) Section 5.15(a) of the Seller Disclosure Letter lists each material Benefit Plan.

(b) With respect to each material Benefit Plan, Seller has made available to Buyer (A) a copy of the plan document and all amendments thereto (or, if a Benefit Plan is not reduced to writing, a written summary of such plan's key terms) and (B) if applicable, a copy of the most recent IRS determination letter or opinion letter received, (C) if applicable, each trust agreement, insurance contract, account, or other documents that establish the funding of a vehicle for such Benefit Plan, (D) the most recent summary plan description and any summaries of material modifications, (E) if applicable, the Form 5500 annual report for the most recently completed year, including all schedules and attachments, (F) copies of all estimates of potential withdrawal liability or funded status with respect to any Benefit Plan that is subject to Title IV of ERISA from each of the last three (3) years; and (G) any written notices, letters, or other material correspondence within the last three (3) years from any Governmental Body.

(c) Except as set forth in Section 5.15(c) of the Seller Disclosure Letter, neither the Company nor any of its ERISA Affiliates sponsors, maintains, contributes to, or is required to contribute to or, within the preceding six (6) years has sponsored, maintained, contributed to, or been required to contribute to, or has incurred, or is reasonably expected to

incur, any liability or obligation with respect to (i) a "multiemployer plan" as defined in Section 3(37) of the Code, (ii) a plan that is or was subject to Title IV of ERISA or Section 412 of the Code, (iii) a "defined benefit plan" as defined in Section 3(35) of ERISA, or (iv) a "multiple employer plan" subject to Section 413(c) of the Code; and no such liability or obligation is reasonably expected to result in a liability or obligation of Buyer. No prohibited transaction (within the meaning of Code Section 4975 and Section 406 of ERISA has occurred with respect to any Benefit Plan that would reasonably be expected to subject Buyer to a Tax or penalty imposed by either Section 4975 of the Code or Section 502(i) of ERISA in an amount which would reasonably be expected to be material to the Company. All liability of the Company and its ERISA Affiliates under Title IV of ERISA that has been incurred with respect to any Benefit Plan described in this Section 5.15(c) in the last six (6) years has been satisfied in all material respects and each of the Company and its ERISA Affiliates has met in all applicable minimum funding requirements under Section 302 of ERISA and Section 412 of the Code with respect to such Benefit Plans.

(d) Each Benefit Plan, including any associated trust or fund, has been established, and at all relevant times, has been maintained, funded, administered, and operated in compliance in all material respects with its terms and with the applicable requirements of the Code, ERISA and the regulations issued thereunder and any other Requirements of Law.

(e) Each Benefit Plan which is intended to be "qualified" within the meaning of Section 401(a) of the Code has received a favorable determination, or is entitled to rely on an opinion letter, from the IRS as to its qualification under the Code, and to the Knowledge of Seller, no event has occurred since the date of such determination or opinion letter that would reasonably be expected to materially adversely affect the qualified tax-exempt status of any such Benefit Plan and any related trust or result in material liability to the Business.

(f) There are no material actions, suits or proceedings (other than routine claims for benefits) pending or, to the Knowledge of Seller, threatened in connection with any Benefit Plan that would reasonably be expected to result in a material liability to the Business. No Benefit Plan is, or within the last six (6) years has been, the subject of an examination or audit by a Governmental Body, is the subject of an application or filing under, or is a participant in, a government-sponsored amnesty, voluntary compliance, and self-correction of similar program, in each case, that would reasonably be expected to result in material liability to the Business.

(g) Except as would not reasonably be expected to be material to the Business, taken as a whole, all contributions and premiums required to be made under the terms of any Benefit Plan to any funds, insurance contracts or trusts established thereunder or in connection therewith have been properly accrued in accordance with GAAP and have been made by the due date thereof (including any valid extension thereof) in accordance with the terms of such Benefit Plans, the terms of any collective bargaining agreement (to the extent applicable) and applicable statutes, laws and regulations, including ERISA, the Patient Protection and Affordability Act, and the Code.

(h) Except as set forth in Section 5.15(h) of the Seller Disclosure Letter, or as required by this Agreement, the execution, delivery and performance of this Agreement by Seller

and the consummation of the transactions contemplated by this Agreement will not (alone or in combination with any other event) (i) entitle any Business Employee to any payment (including severance or unemployment pay), (ii) result in any payment becoming due, accelerate the time of payment or vesting of benefits, or increase the amount of compensation due to any Business Employee, or (iii) result in the forgiveness of any indebtedness of any Business Employee.

(i) No Benefit Plan, agreement, contract, arrangement, or plan would reasonably be expected to result, separately or in the aggregate, either alone or together with any other event, in the payment of any "excess parachute payment" within the meaning of Section 280G of the Code or in the imposition of an excise Tax under Section 4999 of the Code (or any corresponding provisions of state, local or foreign Tax law). The Company has no obligation to gross up, compensate, reimburse, indemnify or "make-whole" any Business Employee for any penalty or Tax, including those described in or payable by reason of Sections 280G, 409A or 4999 of the Code.

Section 5.16. Environmental Compliance. Except as set forth in Section 5.16 of the Seller Disclosure Letter, and other than those matters which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the Business, taken as a whole: (i) the Company and the Business are, and for the previous two (2) years have been, in compliance with all applicable Environmental Laws and hold and are in compliance with all Environmental Permits required for ownership of the Owned Real Property or the operation of the Business; (ii) during the past two (2) years, the Company has not been subject to any Order, or received any written notice, and there are no Proceedings pending, or to the Knowledge of Seller, threatened against the Company, in each case, alleging noncompliance with or liability under any Environmental Law or Environmental Permit; (iii) to the Knowledge of Seller, during the past two (2) years, there has been no Release by the Company of any Hazardous Material at the Real Property in a quantity or under conditions that would reasonably be expected to give rise to any liability or remedial obligation on the part of the Company under Environmental Laws; and (iv) during the past two (2) years, the Company has not received written notice that it is or may be liable under Environmental Laws relating to the off-site disposal of Hazardous Materials generated by the operation of the Business.

The representations and warranties set forth in this Section 5.16 are Seller's sole and exclusive representations relating to Environmental Laws, Environmental Permits and Hazardous Materials.

Section 5.17. Employee Relations.

(a) Seller has made available to Buyer a true and complete listing, as of a date no earlier than five (5) Business Days prior to the date hereof, of each Business Employee whose annual base salary exceeds $150,000 ("**Key Employees**"), along with their annual base salary as of the date hereof and date of hire.

(b) Except as set forth on Section 5.17(b) of the Seller Disclosure Letter, as of the date of this Agreement the Company is not a party to any collective bargaining or other agreement with any Labor Union representing Business Employees. Except as set forth in Section 5.17(b) of the Seller Disclosure Letter, as of the date of this Agreement: (i) no Labor

Union not a party to a collective bargaining agreement disclosed in accordance with the preceding sentence represents Business Employees and, to the Knowledge of Seller, no Labor Union is attempting, or in the last two (2) years has attempted, to organize such Business Employees; (ii) there is, and for the past two (2) years there has been, no pending or, to the Knowledge of Seller, threatened labor strike, picketing, slowdown, work stoppage, or lockout or material unfair labor practice complaint or grievance affecting the Company; (iii) no notice, consent or consultation obligations with respect to any Business Employee or Labor Union will be a condition precedent to, or triggered by, the execution of this Agreement or the consummation of the transactions contemplated hereby except pursuant to applicable Requirements of Law; and (iv) there is, and for the last two (2) years there has been, no material Action or material Proceeding pending, or to the Knowledge of Seller, threatened against the Business with respect to labor and employment matters.

(c) To the Knowledge of Seller, no current executive or Key Employee has given notice of termination of employment or otherwise disclosed to Seller plans to terminate employment with the Company within the twelve (12) month period following the date hereof. No executive or Key Employee of the Company is employed under a non-immigrant work visa or other work authorization that is limited in duration. The Company maintains, and has maintained for each of the past two (2) years, a valid Form I-9 for each Business Employee and Former Business Employee.

(d) With respect to the Business, the Company and each of its Affiliates is, and for the past two (2) years has been, in compliance in all material respects with all applicable Requirements of Law respecting employment and employment practices and terms and conditions of employment, including any provision relating to: wages (including minimum wage and overtime pay), hours of work, withholdings and deductions; classification and payment of employees, independent contractors, and consultants; nondiscrimination, non-harassment and non-retaliation in employment; occupational health and safety; worker's compensation; plant closings and mass layoffs; and immigration. No executive or Key Employee of the Company has been the subject of any allegation of sexual harassment, sexual assault, sexual discrimination, or other material allegation of misconduct against another person during his or her tenure with the Company.

Section 5.18. Regulation as a Utility. Except as set forth in Section 5.18 of the Seller Disclosure Letter and except as would not be material to the Business, taken as a whole, all information filed by the Company with or provided by the Company to the MDPU and each Governmental Body exercising regulatory jurisdiction over the Company as a public utility (each, a "**Regulatory Entity**") since January 1, 2018, including filings in connection with a prior or pending investigation, inquiry or proceeding before a Regulatory Entity (a "**Regulatory Proceeding**"), was in all material respects true, correct and complete and complied in all material respects with Requirements of Law, judgments or orders as of the date of such filing. All charges that have been made for utility service and all related fees have in all material respects been charged in accordance with the terms and conditions of valid and effective tariffs. The Company holds all franchises, licenses, certificates, determinations, permits, tariffs, and other authorizations, consents, orders and approvals (collectively, "**Regulatory Permits**") from each Regulatory Entity necessary for the conduct of the Business as conducted immediately prior to the date of this Agreement, except for any such Regulatory Permit the failure of which to hold

would not reasonably be expected to be material to the Business, taken as a whole. All such Regulatory Permits are in full force and effect and, except as set forth in Section 5.18 of the Seller Disclosure Letter, the Company is in compliance in all material respects with the terms and conditions of such Regulatory Permits. The Company has all Franchises and other rights required under applicable Requirements of Law to provide natural gas distribution service to retail distribution customers located within its service territories in Massachusetts. Except as set forth in Section 5.18 of the Seller Disclosure Letter, the Company is in compliance with all Requirements of Law, judgments or orders applicable to the Company as a public utility or gas utility, except as would not be expected to have a material adverse effect on the Business, taken as a whole. Except as set forth in Section 5.18 of the Seller Disclosure Letter or with respect to the Greater Lawrence Incident, (i) neither the Company nor any of its Affiliates has received any written communication from January 1, 2018 through the date of this Agreement from any Regulatory Entity alleging that the Company or the Business is not in compliance in any material respect with any applicable Regulatory Permit or Requirements of Law and (ii) to the Knowledge of Seller, there are no material ongoing Regulatory Proceedings, inquiries, investigations, proceedings or appeals pending for the amendment, termination or revocation of any Regulatory Permit.

Section 5.19. Customers; Suppliers.

(a) Section 5.19(a) of the Seller Disclosure Letter lists the top ten customers of the Business, as measured by the revenue received by the Company, for each of the years 2019, 2018 and 2017, and the Company's revenue received from each such customer for those years. As of the date hereof, no such top ten customer has canceled or otherwise terminated, and neither Seller nor any of its Affiliates has received written notice from any such top ten customer from 2019 that it intends to terminate or materially decrease or limit its purchases from the Business in 2020 or thereafter.

(b) Section 5.19(b) of the Seller Disclosure Letter lists the top ten suppliers of the Business (other than interstate pipeline transporters), for each of the years 2019, 2018 and 2017, and the amount of the Company's purchases from each such supplier for those years. As of the date hereof, neither Seller nor any of its Affiliates has received written notice from any such top ten supplier from 2019 that it intends to materially limit or decrease or terminate its sales to the Company in 2020 or thereafter.

(c) Section 5.19(c) of the Seller Disclosure Letter lists the top ten interstate pipeline transporters of the Business, for each of the years 2019, 2018 and 2017, and the amount of the Company's purchases from each such transporter for those years. As of the date hereof, neither Seller nor any of its Affiliates has received written notice from any such top ten transporter from 2019 that it intends to materially limit or decrease or terminate its provision of interstate pipeline transportation to the Company in 2020 or thereafter.

Section 5.20. Insurance. Section 5.20 of the Seller Disclosure Letter contains a list of the types of insurance policies and other forms of insurance owned or held by the Company or its Affiliates relating to the Business, or which name the Company as an insured, as of the date of this Agreement (other than any insurance policies relating to any Benefit Plan). Neither the Company nor any of its Affiliates is in material default under any such insurance

policies. Except as set forth on Section 5.20 of the Seller Disclosure Letter or with respect to the Greater Lawrence Incident, during the past two (2) years, (a) the Company has not made any claim under any such policy respect to which an insurer has denied or disputed with respect to coverage and (b) no insurer has threatened in writing to cancel any such policy. Such insurance policies and other forms of insurance are of the type and in the amounts customarily carried by Persons conducting a business similar to the Business.

Section 5.21. Transactions with Affiliates. Section 5.21 of the Seller Disclosure Letter sets forth all loans, leases, Contracts or arrangements between the Company, on the one hand, and any director, officer or employee of the Company, any immediate family member of such Person or any trust, partnership or corporation in which any such Person, to the Knowledge of Seller, has a material economic interest (including in the Business, the Purchased Assets or the Assumed Liabilities), on the other hand, except for amounts due as salaries and bonuses in the ordinary course or under benefit plans (or otherwise under the ordinary course of employment) and reimbursement of ordinary course expenses. Except as set forth on Section 5.21 of the Seller Disclosure Letter, the Company is not indebted to any Affiliate or any director, officer or employee of the Company (or any immediate family member of such Person or any trust, partnership or corporation in which, to the Knowledge of Seller, any such Person has a material economic interest, or any other Affiliate of a Seller), except for amounts due as normal salaries and bonuses or under benefit plans (or otherwise under the normal course of employment) and in reimbursement of ordinary course expenses, and no such Person is indebted to the Company. Except as set forth in Section 5.21 of the Seller Disclosure Letter, no Affiliate of the Company has agreed to, or assumed, any obligation or duty to guaranty or otherwise assume or incur any obligation or liability of the Company. For purposes of this Section 5.21, "immediate family member" shall mean, with respect to a Person, any other Person related to such Person by blood, adoption, legal custody, marriage, civil union or domestic partnership (including a spouse, domestic partner, parent, grandparent, child, grandchild, brother, sister, uncle, aunt, cousin, niece, nephew, mother-in-law, father-in-law, brother-in-law, sister- in-law, daughter-in-law, son-in-law, adopted child, half-sibling, step family member, and lineal descendant or ancestor).

Section 5.22. No Brokers. No broker, investment banker or other Person, other than Lazard Frères & Co. LLC, the fees and expenses of which will be paid by Seller Parent, is entitled to any broker's, finder's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Seller.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES OF BUYER

As an inducement to Seller to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer hereby represents and warrants to Seller as of the date hereof as follows:

Section 6.1. Organization; Qualification. Buyer is a voluntary association duly organized, validly existing and in good standing under the laws of Massachusetts and has all requisite power and authority under the Declaration of Trust and Chapter 182 of Part I, Title XXII of the Massachusetts General Laws to own or lease and operate its assets and to carry on its

businesses in the manner that they were conducted immediately prior to the date of this Agreement. Buyer is duly qualified as a foreign corporation or other organization to do business and, to the extent legally applicable, is in good standing in each jurisdiction where the character of its owned, operated or leased properties or the nature of its activities makes such qualification necessary, except for jurisdictions where the failure to be so qualified or in good standing would not impair the ability of Buyer to perform its obligations hereunder or prevent or materially delay the consummation of any of the transactions contemplated hereby.

Section 6.2. Authority; Conflicts.

(a) Buyer has all requisite power and authority under the Declaration of Trust and Chapter 182 of Part I, Title XXII of the Massachusetts General Laws to execute, deliver and perform this Agreement and each of the Buyer Ancillary Agreements. The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements by Buyer have been duly authorized and approved by all requisite action under the Declaration of Trust and Chapter 182 of Part I, Title XXII of the Massachusetts General Laws and do not require any further authorization or consent of Buyer or its equityholders. This Agreement has been duly authorized, executed and delivered by Buyer and (assuming the valid authorization, execution and delivery of this Agreement by each of Seller Parent and the Company) is the legal, valid and binding agreement of Buyer enforceable in accordance with its terms, and each of the Buyer Ancillary Agreements has been duly authorized by Buyer, and upon execution and delivery by Buyer will be (assuming the valid authorization, execution and delivery by Seller Parent or the Company, as applicable, where Seller Parent or the Company, as applicable, is a party) a legal, valid and binding obligation of Buyer, enforceable in accordance with its terms, subject, in the case of this Agreement and each of the Buyer Ancillary Agreements, to bankruptcy, insolvency, reorganization, moratorium and similar laws of general application relating to or affecting creditors' rights and to general equity principles.

(b) The execution and delivery of this Agreement or any of the Buyer Ancillary Agreements by Buyer, the consummation of any of the transactions contemplated hereby or thereby by Buyer and compliance with or fulfillment of the terms, conditions and provisions hereof or thereof by Buyer will not:

(i) assuming the receipt of all necessary consents and approvals, the filing of all necessary documents and the expiration or termination of any applicable waiting period as described in Section 6.2(b)(ii), result in a breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation or a loss of rights under (1) the Declaration of Trust, (2) any note, instrument, contract, agreement, mortgage, lease, franchise or financial obligation to which Buyer is a party or any of its properties is subject or by which they are bound, (3) any Court Order to which Buyer is a party or by which it is bound or (4) any Requirements of Law affecting Buyer, other than, in the case of clauses (2), (3) and (4) above, any such breaches, defaults, rights or loss of rights that, individually or in the aggregate, would not materially impair the ability of Buyer to perform its obligations hereunder or prevent or materially delay the consummation of any of the transactions contemplated hereby; or

(ii) require the approval, consent, authorization or act of, or the making by Buyer of any declaration, filing or registration with, any Governmental Body, except (1) in connection, or in compliance, with the provisions of the HSR Act or similar Competition Laws in foreign jurisdictions, (2) the MDPU Approval, (3) such consents, approvals, filings and notices as may be required under any Requirements of Law applicable to the Business, (4) such filings as may be required in connection with the Taxes described in Section 2.1(c)(viii) and (5) such approvals, consents, authorizations, declarations, filings or registrations the failure of which to be obtained or made would not, individually or in the aggregate, materially impair the ability of Buyer to perform its obligations hereunder or prevent or delay the consummation of any of the transactions contemplated hereby.

Section 6.3. No Violation, Litigation or Regulatory Action.

(a) Except as set forth in Section 6.3 of the Buyer Disclosure Letter:

(i) as of the date hereof, there are no actions, suits or proceedings pending (with respect to which Buyer has been served or otherwise notified) or, to the Knowledge of Buyer, threatened against Buyer or any of its Affiliates which would, individually or in the aggregate, materially impair the ability of Buyer to perform its obligations hereunder or prevent or delay the consummation of any of the transactions contemplated hereby; and

(ii) as of the date hereof, there is no action, suit or proceeding pending or, to the Knowledge of Buyer, threatened that questions the legality of the transactions contemplated by this Agreement or any of the Buyer Ancillary Agreements.

(b) To the Knowledge of Buyer, there exist no facts or circumstances that would reasonably be expected to, individually or in the aggregate, materially impair the ability of Buyer to perform its obligations hereunder or prevent or delay the consummation of any of the transactions contemplated by, or to perform its obligations under, this Agreement and the Buyer Ancillary Agreements.

Section 6.4. Information. Buyer acknowledges that it has been furnished with such documents, materials and information as Buyer deems necessary or appropriate for evaluating the purchase of the Purchased Assets and assumption of the Assumed Liabilities. Buyer confirms that it has (a) conducted to its satisfaction an independent investigation and verification of the financial condition, results of operations, assets, liabilities, properties and projected operations of the Business and the merits and risks of this purchase, and (b) relied solely on the results of its own independent investigation and verification and the representations and warranties of the Seller expressly and specifically set forth in this Agreement, including the Seller Disclosure Letter, in making its determination to proceed with the transactions contemplated by this Agreement. Buyer further acknowledges that it has had the opportunity to ask questions of, and receive answers from, the directors and officers of Seller and its Affiliates with respect to the Purchased Assets, the Assumed Liabilities and the Business and Persons acting on and Seller's behalf with respect to the Purchased Assets, the Assumed Liabilities and the Business concerning the terms and conditions of the purchase of the Purchased Assets and assumption of the Assumed Liabilities.

Section 6.5. Financing. Buyer will have at the Closing sufficient immediately available funds and the financial ability to make all of the payments contemplated to be made by Buyer under this Agreement and Buyer will have at the Closing the resources and capabilities (financial and otherwise) to perform its obligations under this Agreement. Buyer has not incurred any obligation, commitment, restriction or liability of any kind, and is not contemplating or aware of any obligation, commitment, restriction or liability of any kind, in either case which would impair or adversely affect such resources, funds or capabilities.

Section 6.6. Certain Arrangements. Except as set forth in this Agreement, as of the date hereof, there are no contracts, agreements, arrangements or understandings between Buyer or any of its Affiliates, on the one hand, and any Business Employee or Former Business Employee, on the other hand, relating to the employment of or compensation to be paid to such employee of the Business following the Closing. Except as set forth in this Agreement, as of the date hereof, there are no contracts, agreements, arrangements or understandings between Buyer or any of its Affiliates, on the one hand, and any Business Employee or Former Business Employee, on the other hand, in any way relating to the transactions contemplated by this Agreement or the approval hereof.

Section 6.7. No Brokers. No broker, investment banker or other Person, other than Goldman Sachs & Co. LLC, the fees and expenses of which will be paid by Buyer, is entitled to any broker's, finder's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Buyer.

Section 6.8. Disclosures. Buyer acknowledges that it has been provided with reasonable access and time to review the materials, documents and reports included in the Company's virtual data room that has been used for due diligence in connection with the transactions contemplated by this Agreement (the "**Data Room**"). Buyer understands and agrees that Seller shall have no liability, obligation or responsibility in connection with, or arising out of, and Buyer is not relying on, any information disclosed in, or ascertainable from, the materials, documents and reports included in the Data Room; provided that nothing in this Section 6.8 shall limit the representations or warranties set forth in ARTICLE V.

ARTICLE VII
ACTION PRIOR TO THE CLOSING DATE

The respective parties hereto covenant and agree to take the following actions between the date hereof and the Closing Date:

Section 7.1. Access to Information. Subject to Buyer's obligations under the Confidentiality Agreement, Seller shall afford to the officers, employees and authorized representatives of Buyer (including independent public accountants and attorneys) reasonable access during normal business hours, upon reasonable advance notice, to the offices, properties, business and financial records (including computer files, retrieval programs and similar documentation) of the Business to the extent Buyer shall reasonably deem necessary in order to operate the Business after the Closing; provided, however, that Seller shall not be required to violate any Requirements of Law, Court Order or obligation of confidentiality or privacy to

which Seller is subject, or to waive any privilege which any of them may possess in discharging its obligations pursuant to this Section 7.1. Seller shall not be required to furnish or otherwise make available to Buyer competitively sensitive information relating to areas of the Business in which Buyer or its Affiliates compete against any of them, or any employee personnel file or medical information; provided, however, that if such information is reasonably requested by Buyer, the parties shall use commercially reasonable efforts to make arrangements to provide such information in a manner that preserves the confidential and competitively sensitive nature of such information. Neither Buyer nor any of its officers, employees, agents or representatives shall have access to any personnel of other businesses of Seller or its Affiliates (other than the officers, employees, agents and representatives of the Company), and Buyer shall not conduct any environmental testing or sampling of the Real Property or any other real property occupied by the Company, in each case, without Seller Parent's prior written consent, which may be withheld in Seller Parent's sole discretion. Buyer agrees that: (x) such investigation shall be conducted in such a manner as not to interfere unreasonably with the operations of Seller; (y) all requests by Buyer for access or availability pursuant to this Section 7.1 shall be submitted or directed exclusively to an individual to be designated by Seller Parent; and (z) Seller shall not be required to provide any books and records or reports based thereon that it does not maintain or prepare in the ordinary course of business.

Section 7.2. Notifications. Buyer shall notify Seller Parent, and Seller Parent shall promptly notify Buyer, if it becomes aware of (i) any action, suit or proceeding that shall be instituted or threatened against such party to restrain, prohibit or otherwise challenge the legality of any transaction contemplated by this Agreement or (ii) any Action instituted after the date hereof against it, any of its controlled Affiliates or any of its or its controlled Affiliates' officers, directors, employees or agents in connection with the Greater Lawrence Incident. Each party hereto shall promptly notify the other if it becomes aware of any action, suit or proceeding that may be threatened, brought, asserted or commenced against Seller or its Affiliates or Buyer or its Affiliates, as the case may be, that would have been listed in Section 5.13 of the Seller Disclosure Letter or Section 6.3 of the Buyer Disclosure Letter, as the case may be, if such action, suit or proceeding had arisen prior to the date hereof.

Section 7.3. Reasonable Best Efforts.

(a) Subject to the terms and conditions of this Agreement, each of Buyer and Seller shall, and shall cause their respective Affiliates to, use its reasonable best efforts to (i) cause the transactions contemplated hereby to be consummated as soon as practicable, (ii) make promptly any required submissions and filings (including to obtain the MDPU Required Regulatory Approval) to Governmental Bodies or under applicable Antitrust Laws with respect to the transactions contemplated hereby, (iii) obtain the transfer effective as of the Closing to Buyer of all Permits that are Purchased Assets that are transferrable and the reissuance effective as of the Closing to Buyer of all Permits that are Purchased Assets that are not transferrable (provided, that, in the case of this clause (iii), such reasonable best efforts shall not require Seller or any of its Affiliates to pay any consideration (monetary or otherwise) or make any offer, acceptance or agreement or commitment to any undertaking, term, condition, liability, obligation, commitment, sanction or other measure), (iv) cooperate with the other parties and promptly furnish information required in connection with such submissions and filings to such Governmental Bodies or under such Antitrust Laws, (v) keep the other parties reasonably

informed with respect to the status of any such submissions and filings to such Governmental Bodies or under Antitrust Laws, including with respect to: (A) the receipt of any non-action, action, clearance, consent, approval or waiver, (B) the expiration of any waiting period, (C) the commencement or proposed or threatened commencement of any investigation, litigation or administrative or judicial action or proceeding under Antitrust Laws or other applicable Requirements of Law with respect to the transactions contemplated hereby and (D) the nature and status of any objections raised or proposed or threatened to be raised under Antitrust Laws or other applicable Requirements of Law with respect to the transactions contemplated by this Agreement, (vi) obtain all actions or non-actions, approvals, consents, waivers, registrations, permits, authorizations and other confirmations from any Governmental Body necessary to consummate the transactions contemplated hereby as soon as practicable, and (vii) obtain from the Massachusetts Attorney General's Office an agreement, settlement, compromise or consent (A) to terminate with prejudice all pending Actions, claims or proceedings against Seller and its Affiliates under the jurisdiction of the Massachusetts Attorney General's Office and (B) undertaking not to commence any new Action or claim against Seller or its Affiliates relating to the Greater Lawrence Incident (provided, that, in the case of this clause (vii), such reasonable best efforts shall not require Seller, Buyer or any of their respective Affiliates to pay any consideration (monetary or otherwise) or make any offer, acceptance or agreement or commitment to any undertaking, term, condition, liability, obligation, commitment, sanction or other measure). For purposes hereof, "**Antitrust Laws**" means the Sherman Act, the Clayton Act, the HSR Act, the Federal Trade Commission Act and all other applicable Requirements of Law issued by a Governmental Body that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition; and "**MDPU Required Regulatory Approval**" means the MDPU Approval, including recognition that the applicable rate base for the Business for ratemaking purposes following the Closing shall be the rate base as of the Closing and that Buyer shall have the burden of showing prudence for any adjustments made to rate base after the Closing, but not before the Closing.

(b) In furtherance and not in limitation of the foregoing each party hereto agrees to (i) make an appropriate filing of a Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated by this Agreement as soon as reasonably practicable after the date hereof (and in any event within thirty (30) calendar days after the date hereof, unless the parties otherwise agree to a different date), (ii) supply as soon as practicable any additional information and documentary material that may be requested pursuant to the HSR Act and (iii) use its reasonable best efforts to take, or cause to be taken, all other actions consistent with this Section 7.3 necessary to cause the expiration or termination of the applicable waiting periods under the HSR Act (including any extensions thereof) as soon as practicable.

(c) Each party hereto agrees to jointly (i) make or cause its controlled Affiliates to make, the appropriate filings as soon as practicable (and in any event not later than sixty (60) days following the date hereof) with the MDPU relating to the transactions contemplated hereby, (ii) supply as soon as practical any additional information and documentary material that may be required or requested by the MDPU and (iii) subject to the other terms and conditions of this Section 7.3, use its reasonable best efforts to take or cause its controlled Affiliates to take, all other actions consistent with this Section 7.3 as necessary to obtain any approvals, consents, waivers, permits, authorizations or other actions or non-actions from the MDPU necessary to close the transactions contemplated hereby as soon as practicable.

(d) Buyer and Seller shall, subject to applicable Requirements of Law relating to the exchange of information: (i) promptly notify the other of (and if in writing, furnish the other with copies of) any communication to such Person or its controlled Affiliates from a Governmental Body regarding the filings and submissions described in Section 7.3(a), and permit the other to review and discuss in advance (and to consider in good faith any comments made by the other in relation to) any proposed written response to any communication from a Governmental Body regarding the filings and submissions described in Section 7.3(a), (ii) keep the other reasonably informed of any developments, meetings or discussions with any Governmental Body in respect of any filings, investigation or inquiry concerning the filings and submissions described in Section 7.3(a) and (iii) not independently participate (or permit its controlled Affiliates to participate) in any meeting or discussions with any Governmental Body in respect of any filings, investigation or inquiry concerning the filings and submissions described in Section 7.3(a) without giving the other prior notice of such meeting or discussions and, unless prohibited by such Governmental Body, the opportunity to attend or participate; provided, however, that the parties shall be permitted to redact any correspondence, filing, submission or communication to the extent such correspondence, filing, submission or communication contains competitively or commercially sensitive information and provided further that neither Seller nor Buyer or any of their respective Affiliates shall be required to violate any Requirements of Law, Court Order or obligation of confidentiality or privacy, to which Seller, Buyer or any such Affiliate is subject, or to waive any privilege which any of them may possess in discharging its obligations pursuant to this Section 7.3 (provided, that each party shall use all reasonable efforts, such as the entry into a joint defense agreement, to permit the discharge of such obligations without the loss of such privilege).

(e) In furtherance and not in limitation of the foregoing, but subject to the other terms and conditions of this Section 7.3, Buyer agrees to take, or cause its Affiliates to take, promptly any and all steps necessary to avoid, eliminate or resolve each and every impediment and obtain all clearances, consents, approvals and waivers under Antitrust Laws or other applicable Requirements of Law that may be required by any Governmental Body, so as to enable the parties to close the transactions contemplated by this Agreement as soon as practicable, including (x) offering, settling, accepting, and agreeing, committing to agree or consenting to, any undertaking, term, condition, liability, obligation, commitment, sanction or other measure and (y) committing to and effecting, by consent decree, hold separate orders, trust or otherwise, (i) the sale, license, holding separate or other disposition of assets or businesses of Buyer or any of its subsidiaries, (ii) terminating, relinquishing, modifying, or waiving existing relationships, ventures, contractual rights, obligations or other arrangements of Buyer or its subsidiaries and (iii) creating any relationships, ventures, contractual rights, obligations or other arrangements of Buyer or its subsidiaries (each action described in clause (x) and (y), a "**Remedial Action**"); provided, however, that any Remedial Action may, at the discretion of Buyer, be conditioned upon consummation of the transactions contemplated by this Agreement.

(f) In furtherance and not in limitation of the foregoing, but subject to the other terms and conditions of this Section 7.3, in the event that any litigation or other administrative, judicial, arbitral or other proceeding is commenced or threatened or is reasonably

foreseeable challenging any of the transactions contemplated by this Agreement and such litigation, action or proceeding seeks, or would reasonably be expected to seek, to prevent, materially impede or materially delay the consummation of the transactions contemplated hereby, Buyer shall use reasonable best efforts to take, or cause its Affiliates to take, any and all action, including a Remedial Action, to avoid or resolve any such litigation, action or proceeding as promptly as practicable. In addition, each of Buyer and Seller and their respective controlled Affiliates shall cooperate with the other and use its reasonable best efforts to contest, defend and resist any such litigation, action or proceeding and to have vacated, lifted, reversed or overturned any ruling, decree, judgment, injunction or other Order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents, delays, interferes with or restricts consummation of the transactions contemplated hereby as promptly as practicable.

(g) From the date hereof until the earlier of the Closing Date and the date this Agreement is terminated pursuant to ARTICLE XII, Buyer shall not, nor shall it permit its subsidiaries to, acquire or dispose of or agree to acquire or dispose of any rights, assets, business, Person or division thereof (through acquisition, license, joint venture, collaboration or otherwise), if such acquisition or disposition would reasonably be expected to materially increase the risk of not obtaining any applicable clearance, consent, approval or waiver under Antitrust Laws or other applicable Requirements of Law with respect to the transactions contemplated hereby, or would reasonably be expected to materially prevent or prohibit or impede, interfere with or delay obtaining any applicable clearance, consent, approval or waiver under Antitrust Laws or other applicable Requirements of Law with respect to the transactions contemplated hereby.

(h) Notwithstanding the obligations set forth in this Agreement, Buyer and its Affiliates shall not be required to, and, without the prior written consent of Buyer (which consent may be withheld at Buyer's sole discretion), Seller shall not, in connection with obtaining any consent or approval of any Governmental Body in connection with this Agreement or the transactions contemplated hereby, offer, settle, accept, or agree, commit to agree or consent to, any undertaking, term, condition, liability, obligation, commitment, sanction or other measure (including any Remedial Action), that constitutes a Burdensome Condition. For purposes of this Agreement, "**Burdensome Condition**" shall mean any undertakings, terms, conditions, liabilities, obligations, commitments, sanctions or other measures (including any Remedial Action) that, individually or in the aggregate, would have or would be reasonably likely to have, a material adverse effect on the financial condition, results of operations, assets or liabilities of the Business, taken as a whole.

(i) Buyer shall promptly notify Seller Parent and Seller Parent shall promptly notify Buyer of any notice or other communication from any Governmental Body alleging that such Governmental Body's consent is or may be required in connection with or as a condition to the consummation of the transactions contemplated by this Agreement.

(j) Notwithstanding anything to the contrary contained in this Section 7.3, neither Seller nor any of its Affiliates shall under any circumstance be required in connection with this Agreement to offer or accept, or agree, commit to agree or consent to, any undertaking, term, condition, liability, obligation, commitment, sanction or other measure (other than undertakings, terms, conditions, liabilities, obligations, commitments, sanctions or other

measures (including monetary payments) that the board of directors of Seller Parent reasonably determines in good faith is reasonable after taking into account any other undertakings, terms, conditions, liabilities, obligations, commitments, sanctions or other measures (including monetary payments) made or to be made by the Company or any of its Affiliates in connection with this Agreement).

(k) Buyer and Seller acknowledge and agree that Section 11.6 and not this Section 7.3 shall govern with respect to any communications, developments, meetings, discussions or other matters with any Governmental Body relating to the Greater Lawrence Incident.

Section 7.4. Operations Prior to the Closing Date.

(a) Except as (i) set forth in Section 7.4(a) of the Seller Disclosure Letter, (ii) contemplated by this Agreement, (iii) with the written approval of Buyer (which Buyer agrees shall not be unreasonably withheld, conditioned or delayed), (iv) as may be required to comply with any applicable Requirements of Law or (v) as may be required or reasonably deemed to be advisable in connection with the Greater Lawrence Incident (provided, that, in the case of this clause (v), (1) the prior written approval of Buyer (which shall not be unreasonably withheld, conditioned or delayed) shall be required if such action or omission materially and adversely affects the Business, taken as a whole, and (2) such efforts or actions of Seller shall, in all material respects, be in compliance with all orders of the MDPU), the Company shall (and Seller Parent shall cause the Company to) use its commercially reasonable efforts (x) to operate and carry on the Business in the ordinary course substantially in the same manner as conducted prior to the date hereof and (y) to preserve the Business and goodwill of the suppliers, contractors, licensors, employees, customers, distributors and others having business relations with the Business.

(b) Notwithstanding Section 7.4(a), except (A) as set forth in Section 7.4(b) of the Seller Disclosure Letter, (B) as contemplated by this Agreement, (C) with the written approval of Buyer (which Buyer agrees shall not be unreasonably withheld, conditioned or delayed), (D) as may be required or reasonably deemed to be advisable to comply with any applicable Requirements of Law or (E) as may be required in connection with the Greater Lawrence Incident; provided, that, in the case of this clause (E), (1) the prior written approval of Buyer (which shall not be unreasonably withheld or delayed) shall be required if such action or omission materially and adversely affects the Business, taken as a whole, and (2) such efforts or actions of Seller shall, in all material respects, be in compliance with all orders of the MDPU:

(i) Seller shall not make any material change in the Business;

(ii) the Company shall not declare, set aside, make or pay any dividend or other distribution other than dividends or distributions of cash or cash equivalents;

(iii) the Company shall not create, incur or assume, or agree to create, incur or assume, any indebtedness for borrowed money (other than money borrowed or advances from any of the Company's Affiliates in the ordinary course of business and that will be settled or repaid in full, or canceled or terminated, at or prior to Closing);

(iv) Seller shall not (A) increase the compensation, bonus, or pension, welfare, severance or other material fringe benefits payable to, or make any new equity or equity-based awards to, any Business Employee or Former Business Employee (except for increases in pension or welfare benefits under broad-based plans (other than the Company Pension Plans) made in the ordinary course of business consistent with past practice with respect to which Seller shall be solely obligated); (B) pay or grant any severance, termination or change-of-control benefit to any Business Employee or Former Business Employee; (C) adopt, amend, modify or terminate any Benefit Plan, including any plan, policy, agreement or arrangement that would be a Benefit Plan had it been in effect as of the date hereof, or increase benefits provided pursuant to any Benefit Plan or amend the terms of any outstanding equity-based awards (except for adoption, amendment, modification, termination of or benefit increases with respect to broad-based plans in the ordinary course of business consistent with past practice with respect to which Seller shall be solely obligated); (D) take any action to accelerate the vesting, payment or funding of compensation or benefits with respect to any Business Employee or Former Business Employee under any Benefit Plan; (E) change the manner in which contributions to Benefit Plans are made or the basis on which such contributions are determined, except as may be required by GAAP; or (F) make or forgive any loans to any Business Employee or Former Business Employee; in each of (A) – (F), other than (x) as required by any such plan or existing contractual commitments as of the date hereof or Requirements of Law or (y) (1) other than Key Employees, any increase in base salary for individuals of less than four percent (4%) of the affected individual's current base salary, (2) with respect to Key Employees, increases in base salary of less than $25,000 or (3) any increase in base salary in the ordinary course of business as a result of the promotion of any individual (which shall, for manager-level employees and above, require the consent of Buyer (not to be unreasonably withheld, conditioned or delayed);

(v) the Company shall not acquire, or agree to acquire, in any manner, including by merging or consolidating with, or by purchasing a substantial portion of the stock or assets of, any business or any corporation, partnership, association or other business organization or division thereof other than purchases of assets in the ordinary course of business;

(vi) Seller shall not permit or take any action to cause any of the Purchased Assets to become subject to an Encumbrance (other than a Permitted Encumbrance);

(vii) Seller shall not sell, lease, license, transfer or otherwise dispose of any Purchased Assets (other than cash or cash equivalents or in the ordinary course of business);

(viii) Seller shall not modify, amend, waive, extend or renew or terminate any Material Contract, or enter into any contract that would be classified as a Material Contract if in effect on the date hereof (except for entering into Material Contracts that may be terminated without penalty by the Company or its Affiliate party thereto with 90 days' notice or less);

(ix) the Company shall not write-down or write-up the value of any Purchased Asset, or other than in the ordinary course of business, write-off any accounts receivable or notes receivable;

(x) the Company shall not accelerate or delay the payment of accounts payable, accelerate or delay the collection of any notes or accounts receivable or otherwise fail to pay accounts payable and other business obligations or to collect accounts receivable, in each case other than in the ordinary course of business consistent with past practice;

(xi) the Company shall not adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of the Company;

(xii) the Company shall not cancel, surrender, allow to expire or fail to renew, any material Permits;

(xiii) Seller shall not, with respect to the Company or the Business, materially change an existing line of business or enter into a new line of business;

(xiv) Seller shall not make, change or revoke any material Tax election, elect or change any material method of accounting for Tax purposes, amend any material Tax Return, settle any action in respect of Taxes, or enter into any Contract in respect of Taxes with any Governmental Body, in each case, to the extent the same would be binding on Buyer with respect to the Purchased Assets or the Business following the Closing; or

(xv) Seller shall not authorize, commit or agree to do any of the foregoing applicable to it.

(c) Notwithstanding the foregoing, the Company and its Affiliates may cancel intercompany loans (other than the Intercompany Loans).

Section 7.5. Collection of Receivables. From and after the Closing, Buyer shall have the right and authority to collect for its own account all accounts receivables that are included in the Purchased Assets and to endorse with the name of the Company any checks or drafts received with respect to any accounts receivables. The Company shall promptly deliver to Buyer any cash or other property received by it with respect to such accounts receivables, including any amounts any Third Party has paid as interest thereon.

Section 7.6. Exclusive Dealing. During the period from the date of this Agreement through the earlier of the Closing or the termination of this Agreement in accordance with its terms, Seller shall not, nor shall it authorize its representatives to, directly or indirectly, (a) initiate or solicit or knowingly encourage or knowingly facilitate any inquiries, offers or proposals from any third party regarding the acquisition of any equity interest in the Company or 50% or more of the Company's assets (an "**Alternative Proposal**"), (b) furnish any information with respect to the Company to any Third Party that has made or has informed the Company of its intention to make an Alternative Proposal, (c) participate in or continue any discussions or negotiations with any Third Party regarding an Alternative Proposal or (d) enter into any agreement providing for or otherwise consummate an Alternative Proposal; provided, however, that nothing in the foregoing shall prohibit any discussions or communications with any Governmental Body. During the period from the date of this Agreement through the earlier of the Closing or the termination of this Agreement in accordance with its terms, if the Company receives a bona fide inquiry, offer or proposal from any Third Party with respect to such Third Party making a possible Alternative Proposal (other than any Alternative Proposal involving the acquisition of any direct interest in Seller Parent), the Company shall within 24 hours notify Buyer of such inquiry, offer or proposal. Any such notice to Buyer shall indicate the identity of

the Person making such proposal, offer or inquiry and the material terms and conditions thereof. Seller shall not release any Person from, or waive any provision of, any confidentiality or standstill agreement with respect to an Alternative Proposal without the prior written consent of Buyer.

ARTICLE VIII
ADDITIONAL AGREEMENTS

Section 8.1. Use of Names.

(a) Other than the Trademarks included in the Purchased Assets, Seller is not conveying ownership rights to Buyer or its Affiliates in or to any of the Trademarks of Seller or any Affiliate of Seller (collectively, the "**Retained Names and Marks**"). As soon as reasonably practicable following the Closing, but no later than the date that is one (1) year after the Closing Date (the "**Post-Closing Usage Period**"), Buyer and its Affiliates shall not use in any manner any of the Retained Names and Marks other than the following Trademarks: (i) "NiSource", (ii) "Bay State Gas", (iii) "Columbia" or (iv) "Columbia Gas of Massachusetts" (collectively, the "**Transitional Marks**").

(b) Subject to the terms and conditions set forth herein, Seller Parent hereby grants to Buyer, solely for use in the Business, a non-exclusive, non-transferable, non-sublicensable, royalty-free license to use, during the Post-Closing Usage Period, the Transitional Marks, without any modifications thereto, that are used by the Company in the conduct of the Business as currently conducted or presently proposed by the Company to be conducted (collectively, the "**Licensed Marks**"). Buyer shall: (i) use the Licensed Marks in substantially the same manner as they are used by the Company in the conduct of the Business as currently conducted or presently proposed by the Company to be conducted; (ii) adhere to a level of quality standards and specifications for the use of the Licensed Marks and the protection of goodwill associated therewith that is at least consistent with that which are adhered to by the Company as of the Closing Date; (iii) comply with all applicable Requirements of Law in connection with the use of the Licensed Marks (including the goods or services in connection with which they are used and the sale, offering for sale, marketing, promotion, advertising and distribution of such goods and services); and (iv) not use any of the Licensed Marks in any manner which is reasonably likely to, or does, damage, tarnish, dilute, denigrate, bring in to disrepute or disparage Seller, its Affiliates, the Licensed Marks.

(c) Seller reserves all rights in and to the Licensed Marks, except those expressly granted to Buyer herein. Buyer acknowledges that the Licensed Marks, and all rights therein and the goodwill pertaining thereto, are owned exclusively by Seller or its Affiliates and agrees that all goodwill generated by the use of the Licensed Marks during the Post-Closing Usage Period shall inure to the sole benefit of Seller and its Affiliates for all purposes. Buyer shall not, and shall cause its Affiliates not to, in any jurisdiction: (i) register or seek to register, directly or indirectly, any of the Licensed Marks or any Trademark confusingly similar to any of the Licensed Marks; (ii) challenge the ownership, use, registrability, validity or enforceability of any of the Licensed Marks, or Seller's or any of its Affiliates' rights thereto; or (iii) contest the fact that Buyer's rights with respect to the Licensed Marks are solely those granted by this Agreement, which rights terminate upon expiration of the Post-Closing Usage Period.

(d) Except as expressly authorized under Section 8.1(b), Buyer and its Affiliates shall not use, without the prior written consent of Seller Parent, any of the Licensed Marks or any Trademark confusingly similar to any of the Licensed Marks in any (i) advertising or promotional materials or (ii) stationery, business cards, business forms and other similar items included in the Purchased Assets that contain anywhere thereon any of the Licensed Marks. Notwithstanding the foregoing, Buyer and its Affiliates may continue to use the Licensed Marks (A) in connection with making factual and accurate reference in a non-prominent manner that they were formerly affiliated with Seller and its Affiliates, (B) in a manner that would constitute "fair use" under applicable Requirements of Law if any unaffiliated third party made such use or would otherwise be legally permissible for any unaffiliated third party without the consent of the owner thereof, (C) in limited quantities on existing materials for archival or historical purposes, (D) for making references in internal historical, corporate, and tax records and databases, (E) in vestigial references contained in existing computer code and (F) as required by law for record-keeping purposes.

Section 8.2. Tax Matters.

(a) Straddle Period. Any Taxes imposed directly on the Purchased Assets with respect to any Straddle Period (other than Transfer Taxes) will be apportioned and prorated between Seller and Buyer as of the Closing Date with Buyer bearing the expense of Buyer's proportionate share of such Taxes which shall be equal to the product obtained by multiplying (i) a fraction, the numerator being the amount of the Taxes and the denominator being the total number of days in the Straddle Period times (ii) the number of days in the Straddle Period following the Closing Date, and Seller bearing the remaining portion of such Taxes. When any such Taxes become due and owing, the appropriate prorated amounts shall be calculated by Buyer and Seller shall promptly (but not later than ten (10) days after notice of payment due and delivery of reasonable supporting documentation with respect to such amounts) make any payment required so that the correct prorated amount is paid by Seller. Notwithstanding the foregoing, nothing in this Section 8.2(a) shall limit a Buyer's recovery under this Agreement pursuant to Article XI.

(b) Transfer Taxes; Bulk Sales. Notwithstanding anything herein to the contrary, any and all real property transfer or gains Taxes, sales Taxes, use Taxes, stamp Taxes, stock transfer Taxes or other similar Taxes imposed on the transactions contemplated by this Agreement (collectively, "**Transfer Taxes**"), and all Taxes or payments under "bulk sales" or "bulk transfer" or similar laws imposed on the actual transfer from Seller to Buyer of the Purchased Assets pursuant to this Agreement (and not, for the avoidance of doubt, with respect to any Taxes imposed on Seller, with respect to the Purchased Assets or the Business for taxable periods (or portions thereof, as determined in accordance with Section 8.2(a)) on or prior to the Closing Date (including as a transferee or successor or in connection with Massachusetts General Law, Chapter 62C, Section 51), shall be borne fifty percent (50%) by Seller and fifty percent (50%) by Buyer.

(c) Assistance and Cooperation. After the Closing Date, each of Seller and Buyer shall (and cause their respective Affiliates to):

(i) assist the other party in preparing any Tax Returns which such other party is responsible for preparing and filing;

(ii) cooperate fully in preparing for any audits of, or disputes with taxing authorities regarding, any Tax Returns that are required to be filed by or with respect to Seller or the Business;

(iii) make available to the other and to any taxing authority as reasonably requested all information, records and documents relating to Taxes imposed with respect to the Purchased Assets or the Business;

(iv) timely sign and deliver such certificates or forms as may be necessary or appropriate to establish an exemption from (or otherwise reduce), or file Tax Returns or other reports with respect to, Taxes described in Section 8.2(b) (relating to sales, transfer and similar Taxes);

provided, that notwithstanding the foregoing or anything to the contrary in this Agreement, none of the parties nor any of their Affiliates shall be required to provide or make available any Tax Returns or Tax information with respect to their respective Consolidated Tax Groups.

(d) Allocation. Following the Closing, Buyer shall prepare an allocation of the purchase price (as determined for Tax purposes) among the Purchased Assets in accordance with applicable Requirements of Law, including Section 1060 of the Code or any similar provision of state or local law (the "**Allocation Schedule**"). Such allocation and any adjustments thereto shall be allocated in accordance with the principles set forth on Schedule 8.2. Buyer shall deliver a draft of such Allocation Schedule to Seller Parent within one-hundred twenty (120) days after the Closing Date for Seller Parent's review and approval. Seller Parent and Buyer shall work in good faith to resolve any disagreements relating to the Allocation Schedule. The Allocation Schedule, to the extent agreed upon between Seller Parent and Buyer (but not with respect to any disagreement relating thereto which cannot be resolved in connection with Seller Parent's and Buyer's good faith efforts, and for the avoidance of doubt, the parties shall be permitted to take inconsistent positions with respect to any such disputed items as set forth hereunder) shall be final and binding on the parties and the parties shall file their respective Tax Returns (including IRS Form 8594) in accordance with the Allocation Schedule as mutually agreed upon by Buyer and Seller pursuant to this Section 8.2(d).

Section 8.3. Employees and Employee Benefits.

(a) Offers of Employment. Buyer will offer employment to all Business Employees who are (i) actively employed in good standing by Seller (or any of its Affiliates) as of the Closing, effective as of the Closing and (ii) employed in good standing by Seller (or any of its Affiliates) and are on Company-approved leave of absence or disability leave as of the Closing (the "**Non-Active Employees**"), effective as of the earlier of (i) the date such Business Employee is scheduled to return to work and (ii) six (6) months following the Closing Date or, if later, the expiration of such Business Employee's statutory return right under applicable Requirements of Law (including statutory return rights following the expiration of military leave). For those Business Employees employed at Closing pursuant to a collective bargaining

agreement or any other Contract with a Labor Union (each, a "**Union Employee**"), such offers will be on terms and conditions established by Buyer, which will include wages and benefits that are substantially comparable in the aggregate to those applicable to Buyer's employees currently employed pursuant to the collective bargaining agreement between NSTAR Electric Company & NSTAR Gas Company d/b/a Eversource Energy and Utility Workers Union of America, A.F.L.-C.I.O., Local 369, dated June 2, 2018 to June 1, 2021 or the collective bargaining agreement between NSTAR Gas Company d/b/a Eversource Energy and The United Steelworkers, AFL-CIO-CLC, Local 12004, dated March 31, 2020 to March 31, 2024. For those Business Employees who are not Union Employees, Buyer will offer employment to each such Business Employee on terms and conditions of employment, including wages and benefits, that are substantially comparable in the aggregate to similarly situated employees of Buyer and its Affiliates. Any such individual to whom Buyer so offers employment and who accepts such employment and actually provides services to Buyer commencing as of the Closing Date or, with respect to a Non-Active Employee, within six (6) months following the Closing Date (or, if later, the expiration of such Business Employee's statutory return right under applicable Requirements of Law (including statutory return rights following the expiration of military leave)) is referred to herein as a "**Transferring Employee.**" Buyer will have no liability with respect to any Non-Active Employee who does not return to active service within six (6) months following the Closing Date (or, if later, the expiration of such Business Employee's statutory return right under applicable Requirements of Law (including statutory return rights following the expiration of military leave)), or who does not accept such employment or provide service to Buyer.

(b) Post-Retirement Welfare Plans. Following Closing, each Transferring Employee shall be able to participate in the Buyer OPEB Plans in accordance with the terms of such plans and on terms that are no less favorable than those benefits to which other similarly situated employees of Buyer are entitled under the Buyer OPEB Plans.

(c) Credit for Service for Paid Time Off, Buyer OPEB Plans and Severance. To the extent that service is relevant for purposes of (i) eligibility for and the calculation of paid time off (including vacation and sick days) or severance benefits under any employee benefit plan, program or arrangement established or maintained by Buyer or any of its Affiliates for the benefit of the Transferring Employees following the Closing Date or (ii) eligibility for and level of benefits under the Buyer OPEB Plans, such plan, program or arrangement shall credit such Transferring Employees for service earned on and prior to the Closing Date with the Company, Seller, any of their Affiliates or any of their predecessors in addition to service earned with Buyer or any of Buyer's Affiliates following the Closing Date.

(d) Converted Restricted Cash Awards. Section 8.3(d) of the Seller Disclosure Letter sets forth a schedule of Converted Restricted Cash Awards (as defined in Section 8.3(d) of the Seller Disclosure Letter).

(e) Bonuses. Seller shall, or shall cause its Affiliates to, pay to each Transferring Employee the bonus amounts such Transferring Employee earns for the 2020 calendar year under the bonus programs (including applicable collective bargaining agreements) maintained by Seller or its Affiliates for such Transferring Employee pursuant to the terms of such bonus programs and based on the actual achievement of the underlying performance goals, but only to the extent such amounts have not been paid prior to the Closing Date, and pro-rated

for the number of days during 2020 that the Transferring Employee was employed by Seller and its Affiliates. Any bonus paid pursuant to this Section 8.3(e) shall be paid at the same time 2020 bonuses are paid to employees of Seller and its Affiliates (but in any event no later than March 15, 2021).

(f) Defined Benefit Pension Plan Transfers. In advance of Closing, Seller Parent and the Company (i) may, in their discretion and after receiving written consent from Buyer (which shall not be unreasonably withheld, conditioned or delayed), take all actions necessary to merge the Company Pension Plans into a single Pension Plan (the **"Merged Company Pension Plan"**), (ii) shall take all actions necessary to, with respect to all active employees with an accrued pension benefit in the Merged Company Pension Plan who will not be a Transferring Employee but whose employment will remain with Seller Parent or an Affiliate of Seller Parent after Closing and with respect to all former employees who are not Former Business Employees, transfer all liabilities for all such accrued pension benefits in the Merged Company Pension Plan to one or more of the Other Seller Pension Plans, and (iii) shall take all actions necessary to, with respect to all Transferring Employees with an accrued pension benefit in one or more of the Other Seller Pension Plans, transfer all liabilities for all such accrued pension benefits in the Other Seller Pension Plans to the Merged Company Pension Plan. Following the foregoing and as soon as practicable thereafter to effectuate the dual pension transfers in the previous sentence, Seller Parent and the Company shall take all actions necessary to transfer assets from the subtrust for the Merged Company Pension Plan to the subtrust for the Other Seller Pension Plans and transfer assets from the subtrust for the Other Seller Pension Plans to the subtrust for the Merged Company Pension Plan in accordance with Section 414(l) of the Code and Section 4044 of ERISA. The amount of such transfers shall be adjusted as necessary to reflect any administrative or investment expenses paid from one of the applicable trusts with respect to transferred pension obligations. As of Closing, Buyer shall assume sponsorship and all responsibility for the Merged Company Pension Plan. Buyer, the Company and Seller Parent shall take such actions as are necessary and reasonable to cause the transfer of sponsorship of the Merged Company Pension Plan to the Buyer as of the Closing and to effect the transfer of the related assets and benefit liabilities of the Merged Company Pension Plan and its trust, including (i) transferring all assets attributable to the Merged Company Pension Plan in the master trust for the Seller Pension Plans to a newly-created trust or an existing trust established by the Buyer for the Merged Company Pension Plan, (ii) making all filings related to such action with respect to the Merged Company Pension Plan required under the Code or ERISA, (iii) implementing all appropriate communications with participants in the applicable Pension Plans, (iv) transferring appropriate records, (v) providing any notices required under any collective bargaining agreement or the governing documents relating to the applicable Pension Plans, and (vi) taking all such other actions as may be necessary and appropriate to implement the provisions of this Section 8.3(f) in a timely manner. Transferring Employees shall be eligible to continue to participate in the Merged Company Pension Plan following the Closing in accordance with the terms of such plan. After the Closing, neither Seller Parent nor any of its Affiliates shall retain any such liabilities related to the Merged Company Pension Plan other than liabilities associated with the administration of the Company Pension Plans or the Merged Company Pension Plan prior to the Closing Date, or the associated merger of the Company Pension Plans into the Merged Company Pension Plan prior to the Closing Date.

(g) WARN. Buyer shall be responsible for all liabilities or obligations under the WARN Act and similar Requirements of Law resulting from Buyer's or its Affiliates' actions following the Closing with respect to any and all Transferring Employees, provided, that Seller and its Affiliates shall be responsible for and shall indemnify and hold harmless the Buyer in respect of any liabilities or obligations under the WARN Act and similar Requirements of Law to the extent arising on account of the aggregation of such actions by Buyer or its Affiliates with terminations of employment by the Seller and its Affiliates within 90 days prior to the Closing.

(h) No Third-Party Beneficiaries. The provisions of this Section 8.3 are for the sole benefit of the parties to this Agreement, and nothing in this Section 8.3, expressed or implied, is intended or shall be construed to confer upon or give to any Person (including, for the avoidance of doubt, any Transferring Employee or other current or former employee of Seller or any of its Affiliates), other than the parties hereto and their respective permitted successors and assigns, any legal or equitable or other rights or remedies (including any third-party beneficiary rights). Nothing in this Section 8.3 shall (i) constitute or be deemed to constitute the establishment, adoption or amendment of any Benefit Plan or any other benefit or compensation plan, program, policy, Contract, agreement or other arrangement, or (ii) limit the ability of Buyer or any of its Affiliates from amending, modifying or terminating any benefit or compensation plan, program, policy, agreement, arrangement or Contract at any time assumed, established, sponsored or maintained by any of them or terminating the employment of any Transferring Employee.

Section 8.4. Insurance; Risk of Loss.

(a) Seller will use commercially reasonable efforts to keep insurance policies (other than any insurance plan maintained in connection with a Benefit Plan) currently maintained in respect of the Business or current or former employees of the Business, as the case may be, or suitable replacements therefor, in full force and effect through the Closing. From and after the Closing, Buyer shall be solely responsible for all insurance coverage solely with respect to the Purchased Assets, Assumed Liabilities and Transferring Employees (other than any insurance plan maintained in connection with a Benefit Plan) and related risk of loss to the extent such loss occurs after the Closing.

(b) Buyer acknowledges and agrees that Seller shall retain all right, title and interest in and to any GLI Insurance Proceeds and neither Buyer nor any other Buyer Party shall have any right to make any claim, or receive any proceeds or other recoveries, under any insurance policy of Seller with respect to the Greater Lawrence Incident. Buyer shall not take, and shall cause its Affiliates not to take, any action, including any interference with any insurance company subrogation rights, that could reasonably be expected to impede Seller's ability to obtain any GLI Insurance Proceeds. Buyer shall promptly pay to Seller Parent any GLI Insurance Proceeds received by Buyer or any of its Affiliates and shall have no right of offset, set-off or deduction with respect thereto. Notwithstanding the foregoing, nothing in this Section 8.4(b) shall limit Buyer's rights or remedies in respect of an Excluded Liability.

Section 8.5. Release of Guaranties. Buyer shall use reasonable best efforts to cause Seller and its Affiliates to be fully and irrevocably released, as of the Closing Date or as promptly as practicable after the Closing Date, in respect of all obligations under any guaranties,

letters of credit, letters of comfort, bid bonds or performance or surety bonds or cash or other collateral obtained or given by Seller or its Affiliates relating to the Business listed in Section 8.5 of the Seller Disclosure Letter (collectively the "**Seller Guaranties**"). Buyer shall indemnify Seller against any and all losses, liabilities, damages, charges, penalties, fees, costs and expenses arising from any Seller Guarantee following Closing if such a substitution and release is not obtained in accordance with the preceding sentence, except to the extent such substitution and release is not obtained as a result of any action or inaction of Seller. Without limiting the foregoing, after the Closing Date, Buyer will not, and will not permit any of its Affiliates, successors or assigns to, (a) renew, extend, amend or supplement any Contract or otherwise extend the term of or increase any obligation that is covered by or the subject of a Seller Guarantee, (b) transfer to a Third Party any such Contract or other obligation or (c) obtain a release from all obligations under such Contract or other obligation contemplated by clause (a) or (b), without providing Seller with evidence reasonably satisfactory to it that the Seller Guaranty has been irrevocably released. Any cash or other collateral posted by Seller or its Affiliates in respect of any Seller Guaranty shall be delivered to Seller promptly following such release.

Section 8.6. Fees and Expenses. Whether or not the transactions contemplated hereby are consummated, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including the fees and disbursements of counsel, financial advisors and accountants, shall be paid by the party incurring such costs and expenses.

Section 8.7. Non-Solicitation of Employees. For a period of two (2) years after the Closing Date, Seller shall not, and shall cause its controlled Affiliates not to, without the prior written approval of Buyer, directly or indirectly, solicit, encourage, entice or induce any Transferring Employee to terminate his or her employment with Buyer; provided, however, that Seller shall not be prohibited from placing general advertisements or conducting general employment solicitations (including via a search firm inquiry) that are not targeted at any such individuals, or subsequently hiring or engaging such individuals that respond to such general solicitation.

Section 8.8. Repayment of Company Notes. Prior to the Closing Date, Seller shall use reasonable best efforts to (a) redeem, repurchase, acquire or otherwise repay (collectively, "**Repay**" or "**Repaid,**" as the context requires) all of the outstanding Company Notes and (b) obtain the requisite consent from the holders of the Company Notes such that the Closing would not cause or result in a default or event of default under the Company Indenture (the "**Company Notes Consent**"); in the case of each of clause (a) and clause (b), in such manner and by such methods as Seller in its reasonable judgment shall determine. On or prior to Closing, Seller shall provide to Buyer written notice of (i) the aggregate principal amount of each series of Company Notes that Seller or any of its Affiliates has Repaid or is irrevocably committed to Repay prior to, or at the time of, the Closing (assuming the Closing occurs), (ii) the aggregate amount of all fees, costs and expenses incurred or paid, or to be incurred or paid, prior to or at the time of Closing in connection with Seller's efforts to obtain the Company Notes Consent and (iii) a calculation of the Debt Breakage Cost Amount.

ARTICLE IX
CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER

The obligations of Buyer under this Agreement shall, at the option of Buyer, be subject to the satisfaction or (to the extent permissible under applicable Requirements of Law) waiver, on or prior to the Closing Date, of the following conditions:

Section 9.1. Regulatory Approvals. (a) The waiting period under the HSR Act shall have expired or been terminated and (b) the MDPU Required Regulatory Approval shall have been obtained.

Section 9.2. No Order. No court or other Governmental Body having jurisdiction over Buyer or Seller shall have issued any order, decree or ruling which is then in effect and has the effect of restraining or prohibiting the consummation of the Closing.

Section 9.3. Representations and Warranties. Each of the Fundamental Representations shall be true and correct in all respects, except, in each case, for *de minimis* inaccuracies, on the Closing Date as though made on the Closing Date (or on the date when made in the case of any representation or warranty that is made as of a specific date). The representations and warranties of Seller set forth in the first sentence of Section 5.5 shall be true and correct in all respects on the Closing Date as though made on the Closing Date. All of the other representations and warranties of Seller set forth in ARTICLE V, when read without any exception or qualification for materiality or Material Adverse Effect, shall be true and correct on the Closing Date as though made on the Closing Date (or on the date when made in the case of any representation or warranty that is made as of a specific date), except for failures of representations and warranties to be true and correct which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 9.4. Collective Bargaining Agreements. Buyer shall be reasonably satisfied in good faith that it will not be required under any Requirements of Law to maintain terms and conditions of employment established under any collective bargaining agreement or other Contract with any Labor Union to which the Company is a party.

Section 9.5. Performance of Obligations. Seller shall have performed in all material respects all of its covenants and agreements required by this Agreement to be performed by Seller at or prior to the Closing.

Section 9.6. Closing Certificate. There shall have been delivered to Buyer a certificate dated the Closing Date, signed on behalf of Seller Parent by a duly authorized officer of Seller Parent, confirming the satisfaction of the conditions set forth in Section 9.3 and Section 9.5.

Section 9.7. No Material Adverse Effect. Since the date of this Agreement, there shall not have occurred a Material Adverse Effect.

Section 9.8. Third Party Consents. Seller shall have delivered, or caused to be delivered, to Buyer, all of the consents of Third Parties to assign the Contracts that are set forth in Section 9.8 of the Seller Disclosure Letter, in form and substance reasonably satisfactory to Buyer.

Notwithstanding the failure of any one or more of the foregoing conditions, Buyer may proceed with the Closing without satisfaction, in whole or in part, of any one or more of such conditions and without written waiver.

ARTICLE X
CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLER

The obligations of Seller under this Agreement shall, at the option of Seller, be subject to the satisfaction or (to the extent permissible under applicable Requirements of Law) waiver, on or prior to the Closing Date, of the following conditions:

Section 10.1. Regulatory Approvals. (a) The waiting period under the HSR Act shall have expired or been terminated, and (b) the MDPU Approval shall have been obtained, which approval shall include the MDPU Required Resolution.

Section 10.2. No Order. No court or other Governmental Body having jurisdiction over Buyer or Seller shall have issued any order, decree or ruling which is then in effect and has the effect of restraining or prohibiting the consummation of the Closing.

Section 10.3. Representations and Warranties. Each of the representations and warranties of Buyer set forth in Section 6.1 and Section 6.2(a) shall be true and correct in all respects, except, in each case, for *de minimis* inaccuracies, on the Closing Date as though made on the Closing Date (or on the date when made in the case of any representation or warranty which specifically relates to an earlier date). All of the other representations and warranties of Buyer set forth in ARTICLE VI, when read without any exception or qualification for materiality, shall be true and correct in all material respects on the Closing Date as though made on the Closing Date (or on the date when made in the case of any representation or warranty which specifically relates to an earlier date), except for failures of representations and warranties to be true and correct which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on Buyer's ability to consummate the transactions contemplated hereby.

Section 10.4. Performance of Obligations. Buyer shall have performed in all material respects all of its covenants and agreements required by this Agreement to be performed by Buyer at or prior to the Closing.

Section 10.5. Closing Certificate. There shall have been delivered to Seller Parent a certificate dated the Closing Date, signed on behalf of Buyer by a duly authorized officer of Buyer, confirming the satisfaction of the conditions set forth in Section 10.3 and Section 10.4.

Section 10.6. Collective Bargaining Agreements. Each Labor Union with respect to which the Company is party to a collective bargaining agreement governing the employment of Business Employees shall have confirmed, or Seller Parent shall otherwise be reasonably satisfied in good faith, that the Company will have no liability under such collective

bargaining agreements arising from the consummation of the transactions contemplated by this Agreement or, following the consummation of the transactions contemplated by this Agreement, with respect to the period on or after the Closing.

Notwithstanding the failure of any one or more of the foregoing conditions, Seller may proceed with the Closing without satisfaction, in whole or in part, of any one or more of such conditions and without written waiver.

ARTICLE XI
INDEMNIFICATION

Section 11.1. Indemnification by Seller.

(a) From and after the Closing, Seller agrees to, jointly and severally, indemnify and hold harmless Buyer and its officers, directors, employees, Affiliates, agents and representatives, and each of the heirs, executors, successors and assigns of any of the foregoing (each a "**Buyer Indemnitee**") from and against any and all Losses incurred by any Buyer Indemnitee resulting from or arising out of, directly or indirectly:

(i) any breach of any warranty or the inaccuracy of any representation of Seller contained in this Agreement or the certificate delivered pursuant to Section 9.6; provided, that, qualifications as to materiality, Material Adverse Effect or other qualifiers of similar import contained in such representations and warranties shall not be given effect for determining whether a breach of such representations and warranties has occurred or for purposes of calculating any Losses;

(ii) any breach by Seller of, or failure by Seller to perform, any of its covenants or obligations contained in this Agreement that are required to be performed at or prior to the Closing;

(iii) any breach by Seller of, or failure by Seller to perform, any of its covenants and obligations contained in this Agreement that are required to be performed after the Closing;

(iv) any Excluded Liabilities; and

(v) Fraud by Seller;

provided, however, that Seller shall be required to indemnify and hold harmless under Section 11.1(a)(i) with respect to Losses incurred by any Buyer Indemnitee only to the extent that:

(x) other than with respect to Fundamental Representations, the amount of Loss suffered by the Buyer Indemnitees pursuant to Section 11.1(a)(i) related to each individual claim exceeds $200,000 (it being understood that such $200,000 shall be a per claim deductible for which Seller shall bear no indemnification responsibility);

(y) other than with respect to Fundamental Representations, the aggregate amount of such Losses suffered by the Buyer Indemnitees pursuant to

Section 11.1(a)(i) (other than Losses excluded by clause (x) above) exceeds $5,500,000 (the "**Deductible**"), in which case the Buyer Indemnitees shall be entitled to recover the aggregate amount of such Losses in excess of the Deductible; and

(z) other than with respect to Fundamental Representations, the aggregate amount required to be paid by Seller pursuant to Section 11.1(a)(i) shall not exceed $88,000,000 (the "**Cap**"),

provided, further, that the aggregate amount required to be paid by Seller pursuant to Section 11.1(a)(i) and Section 11.1(a)(v) shall not exceed the Purchase Price.

(b) The indemnification provided for in Section 11.1(a)(i) and Section 11.2(a)(ii) shall terminate twelve (12) months after the Closing Date (and no claims shall be made by the Buyer Indemnitees under Section 11.1(a)(i) or Section 11.1(a)(ii) thereafter), except that the indemnification by Seller shall continue as to Fundamental Representations until 60 days after the expiration of the relevant statutory period of limitations applicable to the underlying claim, giving effect to any waiver, mitigation or extension thereof; the indemnification provided for in Section 11.1(a)(iii) and Section 11.1(a)(v) shall terminate upon the expiration of the relevant statute of limitations applicable to the underlying claim and the indemnification provided for in Section 11.1(a)(iv) shall survive indefinitely; provided, in each case, that any Losses of which any Buyer Indemnitee has validly given a Claim Notice to Seller in accordance with the requirements of Section 11.3 on or prior to the date such indemnification would otherwise terminate in accordance with this Section 11.1, as to which the obligation of Seller shall continue solely with respect to the specific matters in such Claim Notice until the liability of Seller shall have been determined pursuant to this ARTICLE XI, and Seller shall have reimbursed the Buyer Indemnitee for the full amount of such Losses that are payable with respect to such Claim Notice in accordance with this ARTICLE XI.

Section 11.2. Indemnification by Buyer.

(a) From and after the Closing, Buyer agrees to indemnify and hold harmless Seller and its officers, directors, employees, Affiliates, agents and representatives, and each of the heirs, executors, successors and assigns of any of the foregoing (each a "**Seller Indemnitee**") from and against any and all Losses incurred by any Seller Indemnitee resulting from or arising out of:

(i) any breach of any warranty or the inaccuracy of any representation of Buyer contained in this Agreement or the certificate delivered pursuant to Section 10.5;

(ii) any breach by Buyer of, or failure by Buyer to perform, any of its covenants or obligations contained in this Agreement that are required to be performed at or prior to the Closing;

(iii) any breach by Buyer of, or failure by Buyer to perform, any of its covenants and obligations contained in this Agreement that are required to be performed after the Closing;

(iv) any Assumed Liability (provided, that, this clause (iv) shall not limit any recovery of any Buyer Indemnitee under Section 11.1(a));

(v) any liability in respect of the ownership or operation of the Business and the Purchased Assets following the Closing (provided, that, this clause (v) shall not limit any recovery of any Buyer Indemnitee under Section 11.1(a)); and

(vi) Fraud by Buyer,

provided, however, that the aggregate amount required to be paid by Buyer pursuant to Section 11.2(a)(i) other than with respect to representations and warranties contained in the first sentence of Section 6.1, Section 6.2(a) and Section 6.7, shall not exceed the Cap;

provided, further, that the aggregate amount required to be paid by Buyer pursuant to Section 11.2(a)(i) and Section 11.2(a)(vi) shall not exceed the Purchase Price.

(b) The indemnification provided for in Section 11.2(a)(i) and Section 11.2(a)(ii) shall terminate twelve (12) months after the Closing Date (and no claims shall be made by the Seller Indemnitees under Section 11.2(a)(i) or Section 11.2(a)(ii) thereafter), except that the indemnification by Buyer shall continue as to the representations and warranties contained in the first sentence of Section 6.1, Section 6.2(a) and Section 6.7 until 60 days after the expiration of the relevant statutory period of limitations applicable to the underlying claim, giving effect to any waiver, mitigation or extension thereof; the indemnification provided for in Section 11.2(a)(iii) and Section 11.2(a)(vi) shall terminate upon the expiration of the relevant statute of limitations applicable to the underlying claim and the indemnification provided for in Section 11.1(a)(iv) and Section 11.1(a)(v) shall survive indefinitely; provided, in each case, that any Losses of which any Seller Indemnitee has validly given a Claim Notice to Buyer in accordance with the requirements of Section 11.3 on or prior to the date such indemnification would otherwise terminate in accordance with this Section 11.2, as to which the obligation of Buyer shall continue solely with respect to the specific matters in such Claim Notice until the liability of Buyer shall have been determined pursuant to this ARTICLE XI, and Buyer shall have reimbursed the Seller Indemnitee for the full amount of such Losses that are payable with respect to such Claim Notice in accordance with this ARTICLE XI.

Section 11.3. Notice of Claims. A Buyer Indemnitee or a Seller Indemnitee seeking indemnification hereunder (the "**Indemnified Party**") shall give promptly to the party obligated to provide indemnification to such Indemnified Party (the "**Indemnitor**") a notice (a "**Claim Notice**") describing in reasonable detail the facts giving rise to the claim for indemnification hereunder and shall include in such Claim Notice (if then known) the amount or the method of computation of the amount of such claim, and a reference to the provision of this Agreement or any other agreement, document or instrument executed hereunder or in connection herewith upon which such claim is based; provided, however, that a Claim Notice in respect of any action at law or suit in equity by or against a Third Party as to which indemnification will be sought shall be given promptly after the action or suit is commenced; provided, further, that failure to give such notification shall not affect the indemnification provided hereunder, except to the extent (and only to the extent) the Indemnitor shall have been actually and materially prejudiced as a result of such failure.

Section 11.4. Determination of Amount.

(a) After the giving of any Claim Notice pursuant to Section 11.3, the amount of indemnification to which an Indemnified Party shall be entitled under this ARTICLE XI shall be determined: (i) by the written agreement between the Indemnified Party and the Indemnitor; (ii) by a final judgment or decree of any court of competent jurisdiction; or (iii) by any other means to which the Indemnified Party and the Indemnitor shall agree. The judgment or decree of a court shall be deemed final when the time for appeal, if any, shall have expired and no appeal shall have been taken or when all appeals taken shall have been finally determined. The Indemnified Party shall have the burden of proof in establishing the amount of Losses and Expenses suffered by it.

(b) Buyer and Seller agree to report each indemnification payment made in respect of a Loss as an adjustment to the Purchase Price for federal income Tax purposes.

Section 11.5. Third-Party Claims.

(a) Any party seeking indemnification provided for under this Agreement in respect of, arising out of or involving any filed, served, or threatened legal complaint, subpoena, civil investigative demand, regulatory or administrative proceeding, or request to toll the statute of limitations with respect to any of the foregoing (a "**Claim**") made by any Third Party against the Indemnified Party shall notify the Indemnitor in writing, and in reasonable detail, of the Third-Party Claim within ten (10) Business Days after receipt by such Indemnified Party of written notice of the Third-Party Claim. Thereafter, the Indemnified Party shall deliver to the Indemnitor, within five (5) Business Days after the Indemnified Party's receipt thereof, copies of all notices and documents (including court papers) received by the Indemnified Party relating to the Third-Party Claim. Notwithstanding the foregoing, should a party be physically served with a complaint with regard to a Third-Party Claim, the Indemnified Party shall notify the Indemnitor with a copy of the complaint within five (5) Business Days after receipt thereof and shall deliver to the Indemnitor within seven (7) Business Days after the receipt of such complaint copies of notices and documents (including court papers) received by the Indemnified Party relating to the Third-Party Claim. The failure to give notice as provided in this Section 11.5(a) shall not relieve the Indemnitor of its obligations hereunder except to the extent (and only to the extent) it shall have been actually and materially prejudiced by such failure.

(b) Any notice of a Claim by reason of any of the representations, warranties or covenants contained in this Agreement shall contain a reference to the provision of this Agreement or any other agreement, document or instrument executed hereunder or in connection herewith upon which such Claim is based, the facts giving rise to an alleged basis for the Claim and, if and to the extent then known, an estimate of the amount of the liability asserted against the Indemnitor by reason of the Claim. In the event of the initiation of any legal proceeding against the Indemnified Party by a Third Party, the Indemnitor shall have the right within thirty (30) days of receipt of such notice, at its option and at its own expense, to be represented by counsel of its choice and to control, defend against, negotiate, settle (subject to this Section 11.5(b)) or otherwise deal with any such proceeding, which relates to any loss, liability or damage indemnified against hereunder; provided, however, that if the Indemnitor does not agree that it will indemnify the Indemnified Party from and against the entirety of any and all Losses the Indemnified Party may suffer from such proceeding, the Indemnified Party may participate in any such proceeding with counsel of its choice, and the Indemnifying Party shall reimburse the Indemnified Party for the

reasonable, out-of-pocket attorneys' fees of a single law firm participating in any such proceeding. Notwithstanding the foregoing, in connection with any Claim as to which the Indemnified Party shall reasonably conclude (i) that there is a material conflict of interest between the Indemnified Party and the Indemnitor in the conduct of the defense of such Claim, (ii) there are specific defenses available to the Indemnified Party that are different from or additional to those available to the Indemnitor and that could be materially adverse to the Indemnitor, (iii) upon petition by the Indemnified Party, a court, arbitration board or administrative agency of competent jurisdiction rules that the Indemnitor failed or is failing to diligently prosecute or defend such Claim, (iv) the Claim would reasonably be likely to result in criminal penalties or material equitable relief or significant reputational harm against the Indemnified Party, and/or (v) if the Indemnified Party reasonably concludes that the Indemnitor will not be financially capable of indemnifying the Claim in its entirety, then the Indemnified Party shall have the right to conduct and control, through counsel of its choosing, the defense of such Claim and the Losses incurred by the Indemnified Party in connection with such defense or settlement (including reasonable attorneys' fees and expenses of one firm of outside counsel) shall be included in the Losses for which the Indemnified Party shall receive indemnification hereunder. The parties hereto agree to use commercially reasonable efforts to cooperate with each other in connection with the defense, negotiation or settlement of any such legal proceeding or Claim and, upon reasonable request of the other party, to make available to the other party relevant witnesses, pertinent records, materials and information in such party's possession or under such party's control relating thereto as is reasonably required by the other party and to the extent that such information does not affect any privilege of either party. To the extent the Indemnitor elects not to defend such Claim within thirty (30) days after the receipt of notice of such Claim from the Indemnified Party by delivering notice to the Indemnitor, the Indemnified Party may retain counsel at the expense of the Indemnitor, and control the defense of such proceeding; provided, however, that the Indemnitor shall be obligated pursuant to this Section 11.5(b) to pay for only one firm of counsel for all Indemnified Parties. Neither the Indemnitor nor the Indemnified Party shall settle any such proceeding which settlement obligates the other party to pay money, to perform obligations or to admit liability without the consent of the other, such consent not to be unreasonably withheld, conditioned or delayed. If the Indemnified Party shall refuse to consent to the settlement of any Third-Party Claim, so long as only money damages are involved and there is no admission of liability or wrongdoing with respect to the Indemnified Party, the liability of the Indemnitor in respect of such Third-Party Claim shall not exceed the amount for which the Third-Party Claim could have been settled plus the amount of the expenses incurred by the Indemnified Party prior to the time of and in connection with the proposed settlement to which it is entitled to indemnification. Within thirty (30) days after any final judgment or award shall have been rendered by a court, arbitration board or administrative agency of competent jurisdiction and the time in which to appeal therefrom has expired, or a settlement shall have been consummated, or the Indemnified Party and the Indemnitor shall arrive at a mutually binding agreement with respect to each separate matter alleged to be indemnified by the Indemnitor hereunder, the Indemnitor shall pay all of the sums so owing to the Indemnified Party by wire transfer, certified check or bank cashier's check.

(c) This Section 11.5 (other than Section 11.5(a)) shall not apply with respect to any Third-Party Claims for or in respect of Taxes or Tax Returns.

Section 11.6. GLI Proceedings.

(a) From and after the date hereof, Buyer shall cooperate and cause its controlled Affiliates to cooperate and use commercially reasonable efforts to direct its and their representatives to cooperate, with Seller in connection with any GLI Proceeding or any other Action relating to the Greater Lawrence Incident, including by making available to Seller employees of Buyer and its Affiliates.

(b) For the avoidance of doubt, Buyer shall not, and shall cause the Buyer Parties not to, communicate with any Governmental Body or representative thereof with respect to any GLI Proceeding without Seller Parent's prior written consent unless (i) required by applicable Requirements of Law, (ii) specifically requested by a Governmental Body or (iii) Buyer has reasonable cause to believe it may be the target of a GLI Proceeding before a Governmental Body, in which case, to the extent legally permissible, Buyer shall keep Seller Parent informed of all such communications (unless such Governmental Body specifically requests that such communications not be shared with Seller), and, to the extent practicable, in advance of such communications or if not practicable to inform Seller Parent in advance of such communications, as promptly as practicable thereafter; provided, that, Buyer shall not be required to keep Seller Parent informed of any such communications if (x) Buyer has reasonable cause to believe informing Seller Parent of such communications would cause Buyer material prejudice in connection such Governmental Body's investigation or (y) Buyer is controlling the defense of such GLI Proceeding.

(c) From and after the date hereof, subject to applicable Requirements of Law, (i) Buyer shall keep Seller Parent informed in all material respects and on a current basis of any material communication received by any Buyer Party from or given by any Buyer Party to, any Governmental Body with respect to any GLI Proceeding (unless such Governmental Body specifically requests that such communications not be shared with Seller) and (ii) Seller Parent shall have the right to review in advance, and Buyer will consult Seller Parent on, any filing made with, written materials submitted to or testimony provided by any Buyer Party to or before any Governmental Body in connection with any GLI Proceeding; provided, that, Buyer shall not be required to keep Seller Parent informed of any such communications and Seller Parent shall not have the right to review any such filings if (x) Buyer has reasonable cause to believe informing Seller Parent of such communications or providing such filings would cause Buyer material prejudice in connection such Governmental Body's investigation or (y) Buyer is controlling the defense of such GLI Proceeding.

(d) Following the Closing, Buyer shall comply with (i) all orders, directives or rules issued by, or under the direction of, any Governmental Body of competent jurisdiction with respect to the Greater Lawrence Incident, including any such order, directive or rule relating to repairs or recovery efforts arising out of or resulting from the Greater Lawrence Incident and (ii) all document preservation obligations related to the Greater Lawrence Incident in existence as of the date hereof; provided, that, Buyer shall have the right to challenge the legality of any such orders, directive, rules or obligations directed to Buyer.

(e) No Seller Party or Buyer Party shall be required to violate any Requirements of Law, Court Order or obligation of confidentiality or privacy to which such Seller Party or Buyer Party is subject or to waive any privilege which any of them may possess in discharging its obligations pursuant to this Section 11.6 (provided, that Seller and Buyer shall use all reasonable efforts, such as the entry into a joint defense agreement, to permit the discharge of such obligations without the loss of such privilege).

(f) Notwithstanding anything to the contrary contained in this Agreement, Buyer shall not take, and shall cause its Affiliates and direct all other Buyer Parties not to take, any position that could reasonably be expected to be detrimental to Seller's conduct of any GLI Proceeding; provided, that Buyer shall not be restricted in its defense of any claim asserted against it in connection with the Greater Lawrence Incident, including any subpoena.

(g) Buyer shall cause its Affiliates and direct all other Buyer Parties to comply with the provisions of this Section 11.6 to the full extent applicable to Buyer, and Seller Parent shall cause its Affiliates and direct all other Seller Parties to comply with the provisions of this Section 11.6 to the full extent applicable to Seller Parent.

Section 11.7. Limitations.

(a) In calculating any Loss, such amounts shall be calculated net of any Third-Party insurance proceeds which have been recovered (after deducting therefrom any amount expended in pursuing or defending any claim) by the Indemnified Party under any insurance policy in connection with the facts giving rise to the right of indemnification and net of any net Tax benefits actually realized by the Indemnified Party (factoring in any Tax costs expected to be realized in connection with lost amortization or depreciation deductions expected in connection thereof) in the year of the Loss or other expenses payable with respect thereto. An Indemnified Party shall use commercially reasonable efforts to make such recoveries. In any case where an Indemnified Party recovers from any Third Party any amount in respect of a matter with respect to which an Indemnitor has indemnified it pursuant to this ARTICLE XI, such Indemnified Party shall promptly pay over to the Indemnitor the amount so recovered (after deducting therefrom the full amount of the expenses incurred by it in procuring such recovery or Taxes imposed on such recovery or on the payment over of such recovery), but not in excess of the sum of (i) any amount previously so paid by the Indemnitor to or on behalf of the Indemnified Party in respect of such matter and (ii) any amount expended by the Indemnitor in pursuing or defending any claim arising out of such matter.

(b) The right to indemnification and payment of Losses based on any inaccuracy in or breach of any representation, warranty or agreement will not be affected by any investigation conducted, or any knowledge acquired (or capable of being acquired) at any time, whether before or after the execution and delivery of this Agreement or the Closing Date, with respect to the facts as a result of which such representation, warranty or agreement was inaccurate or breached. The waiver of any condition based on the accuracy of any representation or warranty, or on the performance of or compliance with any covenant or obligation, will not affect the right to indemnification, payment of Losses or other remedy based on such representations, covenants and obligations.

(c) IN NO EVENT SHALL ANY PARTY BE LIABLE FOR ANY EXEMPLARY OR PUNITIVE DAMAGES, LOSS OF REVENUES OR PROFITS OR DIMINUTION OF VALUE OR ANY DAMAGES BASED ON ANY TYPE OF MULTIPLE, WHETHER ARISING UNDER ANY LEGAL OR EQUITABLE THEORY OR ARISING

UNDER OR IN CONNECTION WITH THIS AGREEMENT, ALL OF WHICH ARE HEREBY EXCLUDED BY AGREEMENT OF THE PARTIES REGARDLESS OF WHETHER OR NOT ANY PARTY TO THIS AGREEMENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; PROVIDED THAT THE FOREGOING SHALL NOT (I) APPLY TO THE EXTENT SUCH DAMAGES ARE AWARDED IN CONNECTION WITH A THIRD-PARTY CLAIM OR (II) LIMIT ANY REASONABLY FORESEEABLE CONSEQUENTIAL DAMAGES SOUGHT BY AN INDEMNIFIED PARTY AS A RESULT OF ANY LOSS (SUBJECT TO THE OTHER LIMITATIONS CONTAINS IN THIS ARTICLE XI).

(d) Seller shall not be required to indemnify and hold harmless Buyer pursuant to Section 11.1(a) to the extent the matter in question was expressly taken into account in the amount of Net Working Capital as finally determined pursuant to Section 4.5(b).

(e) Except for remedies that cannot be waived as a matter of law and injunctive and provisional relief (including specific performance), if the Closing occurs, this ARTICLE XI shall be the sole and exclusive remedy for breaches of this Agreement (including any covenant, obligation, representation or warranty contained in this Agreement or in any certificate delivered pursuant to this Agreement) or otherwise in respect of the transactions contemplated hereby. The parties may not avoid the limitations on liability, recovery and recourse set forth in this ARTICLE XI by seeking damages for breach of contract, tort or pursuant to any other theory or liability. Any liability for indemnification under this Agreement shall be determined without duplication of recovery by reason of the state of facts giving rise to such liability constituting a breach of more than one representation, warranty, covenant or agreement.

Section 11.8. Mitigation. From and after the Closing Date, each of the parties agrees to take commercially reasonable steps to mitigate their respective Losses upon and after becoming aware of any event or condition which would reasonably be expected to give rise to any Losses that are indemnifiable hereunder. This Section 11.8 shall not apply to any claims for or in respect of Taxes or Tax Returns.

ARTICLE XII
TERMINATION

Section 12.1. Termination. Anything contained in this Agreement to the contrary notwithstanding, this Agreement may be terminated at any time prior to the Closing:

(a) by the mutual written consent of Buyer and Seller Parent;

(b) by Buyer if Seller shall have breached or failed to perform any of its representations, warranties, covenants or agreements contained in this Agreement, which breach would give rise to the failure of a condition set forth in ARTICLE IX, which breach cannot be or has not been cured by the earlier of (i) thirty (30) days after the date of receipt of written notice of breach from Buyer to Seller Parent and (ii) the Termination Date; provided, however, that Buyer shall not have the right to terminate this Agreement pursuant to this Section 12.1(b), if Buyer is then in material breach of this Agreement;

(c) by Seller Parent if Buyer shall have breached or failed to perform any of its representations, warranties, covenants or agreements contained in this Agreement, which breach would give rise to the failure of a condition set forth in ARTICLE X, which breach cannot be or has not been cured by the earlier of (i) thirty (30) days after the date of receipt of written notice of breach from Seller Parent to Buyer and (ii) the Termination Date; provided, however, that Seller Parent shall not have the right to terminate this Agreement pursuant to this Section 12.1(c) if Seller is then in material breach of this Agreement;

(d) by Buyer or Seller Parent if any court or other Governmental Body having jurisdiction over Buyer or Seller shall have issued a final and non-appealable order, decree or ruling permanently restraining, enjoining or otherwise prohibiting the consummation of the Closing; or

(e) by Buyer or Seller Parent if the Closing shall not have occurred on or before October 26, 2020 (the "**Termination Date**") (or such later date as may be agreed to in writing to Buyer and Seller Parent); provided, however, that the right to terminate this Agreement pursuant to this Section 12.1(e) shall not be available to any party whose failure to fulfill any of its obligations contained in this Agreement has been the cause of, or resulted in, the failure of the Closing to have occurred on or prior to the aforesaid dates; provided further that, if on the Termination Date the conditions set forth in Section 9.1 or Section 10.1 are the only conditions (other than those conditions that by their nature are to be satisfied at the Closing) that shall not have been satisfied or waived, then the Termination Date shall be automatically extended up to a total of two (2) times, each time by a period of forty-five (45) calendar days.

Section 12.2. Notice of Termination. Any party desiring to terminate this Agreement pursuant to Section 12.1 shall give written notice of such termination to the other party to this Agreement.

Section 12.3. Effect of Termination. If this Agreement is terminated pursuant to this ARTICLE XII, all further obligations of the parties under this Agreement shall terminate (other than this Section 12.3 (Effect of Termination), Section 8.5 (Fees and Expenses), and ARTICLE XIII (Miscellaneous), which provisions shall each survive such termination); provided, however, that nothing in this Section 12.3 shall relieve any party from any liability for a willful breach of this Agreement.

ARTICLE XIII
MISCELLANEOUS

Section 13.1. Confidential Nature of Information. Each party hereto agrees that all documents, materials and other information which it shall have obtained regarding the other parties during the course of the negotiations leading to the consummation of the transactions contemplated hereby (whether obtained before or after the date of this Agreement), the investigation provided for herein and the preparation of this Agreement and other related documents shall be subject to the Confidentiality Agreement.

Section 13.2. Governing Law; Submission to Jurisdiction. All issues and questions concerning the construction, validity, interpretation and enforceability of this

Agreement and the exhibits and schedules hereto and any claim or legal proceeding relating to or arising out of the transactions contemplated by this Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. Subject to Section 4.5, any action or proceeding seeking to enforce any provision of, or based on any right arising out of or otherwise relating to, this Agreement or the transactions contemplated thereby may be brought against any of the parties only in the courts of Delaware, and each of the parties hereto consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein.

Section 13.3. Waiver of Jury Trial. Each party hereby expressly waives any right to trial by jury in any dispute, whether sounding in contract, tort or otherwise, between the parties hereto arising out of or related to the transactions contemplated by this Agreement or any of the Seller Ancillary Agreements or Buyer Ancillary Agreements, or any other instrument or document executed or delivered in connection herewith or therewith. Any party hereto may file an original counterpart or a copy of this Agreement with any court as written evidence of the consent of the parties to the waiver of their right to trial by jury.

Section 13.4. Public Announcements.

(a) The initial press release issued by Seller Parent and Buyer concerning this Agreement and the transactions contemplated hereby shall be in a form agreed to by Seller Parent and Buyer, and thereafter until the Closing Date, Seller Parent and Buyer shall consult with each other before issuing, and provide each other with a reasonable opportunity to review and comment upon, any press release or otherwise making any public statements with respect to the transactions contemplated by this Agreement, except (i) to the extent required to comply with applicable Requirements of Law, court process or the New York Stock Exchange, in which case the party issuing such press release or other public statement shall, to the extent practicable and legally permitted, provide the other party with an opportunity to review and comment and (ii) any press release or other public statement that is consistent in all material respects with previous press releases, public disclosures or public statements made by a party hereto in accordance with this Agreement, in each case under this clause (ii) to the extent such disclosure is still accurate.

(b) Subject to Section 11.6, Buyer shall not, and shall not permit any Buyer Parties to, make any press release or similar public announcement or public communication (or, from the date hereof until the first anniversary of the Closing Date, (x) broad-based internal announcements and broad-based communications to employees of Buyer, the Company or their respective Affiliates and (y) announcements or communications to customers of Buyer, the Company or their respective Affiliates) relating to any GLI Proceeding or any matter that is the subject of a GLI Proceeding unless specifically approved in writing in advance by Seller Parent, which approval may be withheld, conditioned or delayed in Seller Parent's sole discretion (except that a Buyer Party may make such disclosure (and only such disclosure) as required to comply with applicable Requirements of Law, judicial or regulatory process or the New York Stock Exchange; provided, however, that in such event, Buyer shall cause its Affiliates and direct all other Buyer Parties required to make the disclosure to first (i) notify Seller Parent as

promptly as practicable in advance of such disclosure, (ii) provide Seller Parent a reasonable opportunity to review and comment on such disclosure and (iii) consider in good faith any reasonable comments provided by Seller Parent prior to dissemination or publication), in each case, to the extent practicable and legally permitted.

Section 13.5. Notices. All notices or other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given (a) when delivered if delivered personally or when sent if sent by electronic mail (provided that telephonic confirmation of electronic mail transmission is obtained, as applicable), (b) upon receipt if sent by registered or certified mail (postage prepaid, return receipt requested) or (c) on the next Business Day if transmitted by nationally recognized overnight courier service, in each case as follows:

If to Buyer, to:

Eversource Energy
Prudential Tower
800 Boylston Street
Boston, MA 02199
Attention: Philip J. Lembo
Email: [***]

with a copy (which shall not constitute notice) to:

Ropes & Gray LLP
Prudential Tower
800 Boylston Street
Boston, MA 02199
Attention: Marko Zatylny and Thomas Fraser
Email: marko.zatylny@ropesgray.com; thomas.fraser@ropesgray.com

If to Seller, to:

NiSource Inc.
290 W. Nationwide Blvd.
Columbus, OH 43215
Attention: Donald Brown
Email: [***]

with a copy (which shall not constitute notice) to:

Sidley Austin LLP
One South Dearborn Street
Chicago, Illinois 60603
Attention: Imad I. Qasim and Beth E. Berg
Email: iqasim@sidley.com; bberg@sidley.com

or to such other address as such party may indicate by a notice delivered to the other party hereto.

Section 13.6. Successors and Assigns; Parties in Interest. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party to this Agreement may assign its rights or delegate its obligations under this Agreement without the express prior written consent of the other parties to this Agreement. Notwithstanding the foregoing, to the extent expressly permitted by the MDPU Approval, at or prior to the Closing upon five days' notice to Seller, Buyer may assign its rights and interest (a) to acquire the Purchased Assets and assume the Assumed Liabilities under this Agreement to a wholly-owned direct or indirect subsidiary of Buyer without Seller's written consent, and (b) to acquire the Purchased Assets described in clause (y) of Section 2.1(a) to another wholly-owned direct or indirect subsidiary of Buyer without Seller's written consent; provided that Buyer shall cause any such assignee to remain a wholly-owned direct or indirect subsidiary of Buyer through Closing; and provided further that no such assignment shall relieve Buyer of any of its obligations or liabilities hereunder. Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person other than the parties and their respective successors and permitted assigns any legal or equitable right, benefit or remedy of any nature under or by reason of this Agreement. If, after the Closing, the Company liquidates or distributes or transfers all or substantially all of its Company's assets, then Seller Parent shall assume the Company's obligations under this Agreement.

Section 13.7. Access to Records and Employees after Closing.

(a) Seller and its Affiliates shall have the right to retain copies of all books and records of the Business transferred to Buyer hereunder that relate to periods ending on or prior to the Closing Date. For a period of six years after the Closing Date, Seller and its representatives shall have reasonable access to all of the books and records of the Business transferred to Buyer hereunder to the extent that such access may reasonably be required by Seller in connection with matters relating to or affected by the operations of the Business prior to the Closing Date. Such access shall be afforded by Buyer upon receipt of reasonable advance notice and during normal business hours. Seller shall be solely responsible for any costs or expenses incurred by it pursuant to this Section 13.7(a). Subject to Section 11.6(f), if Buyer shall desire to dispose of any of such books and records prior to the expiration of such six-year period, Buyer shall, prior to such disposition, give Seller a reasonable opportunity, at Seller's expense, to segregate and remove such books and records as Seller may select.

(b) For a period of six (6) years after the Closing Date, Buyer and its representatives shall have reasonable access to all of the books and records to the extent related to the Business which Seller or any of its Affiliates may retain after the Closing Date. Such access shall be afforded by Seller and its Affiliates upon receipt of reasonable advance notice and during normal business hours. Buyer shall be solely responsible for any costs and expenses incurred by it pursuant to this Section 13.7(b). If Seller or any of its Affiliates shall desire to dispose of any of such books and records prior to the expiration of such six-year period, Seller shall, prior to such disposition, give Buyer a reasonable opportunity, at Buyer's expense, to segregate and remove such books and records as Buyer may select.

(c) Notwithstanding the foregoing provisions of this Section 13.7, neither Seller, Buyer or any of their respective Affiliates shall be required to violate any Requirements of Law, Court Order or obligation of confidentiality or privacy to which Seller, Buyer or any of their respective Affiliates is subject or to waive any privilege which any of them may possess in discharging its obligations pursuant to this Section 13.7 (provided, that each party shall use commercially reasonable efforts, such as the entry into a joint defense agreement, to permit the discharge of such obligations without the loss of such privilege).

Section 13.8. Entire Agreement; Amendments. This Agreement, the Seller Disclosure Letter, the Buyer Disclosure Letter, the Seller Ancillary Agreements, the Buyer Ancillary Agreements, the annexes, exhibits and schedules referred to herein, the documents delivered pursuant hereto and the Confidentiality Agreement contain the entire understanding of the parties hereto with regard to the subject matter contained herein or therein, and supersede all other prior representations, warranties, agreements, understandings or letters of intent between or among any of the parties hereto. This Agreement shall not be amended, modified or supplemented except by a written instrument signed by an authorized representative of each of the parties hereto.

Section 13.9. Interpretation. Articles, titles and headings to sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. The annexes, schedules and exhibits referred to herein shall be construed with and as an integral part of this Agreement to the same extent as if they were set forth verbatim herein. Any disclosure with respect to a Section of this Agreement, including any Section of the Seller Disclosure Letter, shall be deemed to be disclosed for other Sections of this Agreement, including any Section of the Seller Disclosure Letter, to which the relevance of such item is reasonably apparent on the face of such disclosure. Neither the specification of any dollar amount in any representation or warranty contained in this Agreement nor the inclusion of any specific item in any schedule hereto or in the Seller Disclosure Letter is intended to imply that such amount, or higher or lower amounts, or the item so included or other items, are or are not material, and no party shall use the fact of the setting forth of any such amount or the inclusion of any such item in any dispute or controversy between the parties as to whether any obligation, item or matter not described herein or included in any schedule or the Seller Disclosure Letter is or is not material for purposes of this Agreement. Unless this Agreement specifically provides otherwise, neither the specification of any item or matter in any representation or warranty contained in this Agreement nor the inclusion of any specific item in any schedule hereto or in the Seller Disclosure Letter is intended to imply that such item or matter, or other items or matters, are or are not in the ordinary course of business, and no party shall use the fact of the setting forth or the inclusion of any such item or matter in any dispute or controversy between the parties as to whether any obligation, item or matter not described herein or included in any schedule hereto or in the Seller Disclosure Letter is or is not in the ordinary course of business for purposes of this Agreement.

Section 13.10. Waivers. Any term or provision of this Agreement may be waived, or the time for its performance may be extended, by the party or parties entitled to the benefit thereof. Any such waiver shall be validly and sufficiently authorized for the purposes of this Agreement if, as to any party, it is authorized in writing by an authorized representative of such party. The failure of any party hereto to enforce at any time any provision of this

Agreement shall not be construed to be a waiver of such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of any party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

Section 13.11. Partial Invalidity. Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable Requirements of Law, but in case any one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such provision shall be ineffective to the extent, but only to the extent, of such invalidity, illegality or unenforceability without invalidating the remainder of such invalid, illegal or unenforceable provision or provisions or any other provisions hereof, unless such a construction would be unreasonable; provided, that in no event shall Buyer be required to assume an Excluded Liability.

Section 13.12. Execution in Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement, and shall become binding when one or more counterparts have been signed by each of the parties hereto and delivered to the other parties hereto.

Section 13.13. Further Assurances.

(a) Upon the terms and subject to the conditions herein, each of the parties hereto agrees to use reasonable best efforts to take or cause to be taken all action, to do or cause to be done, and to assist and cooperate with the other party in doing, all things necessary, proper or advisable under applicable Requirements of Law to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated by this Agreement, including: (i) the satisfaction of the conditions precedent to the obligations of any of the parties hereto; (ii) the defending of any lawsuits or other legal proceedings, whether judicial or administrative, challenging this Agreement or the performance of the obligations hereunder; and (iii) the execution and delivery of such instruments, and the taking of such other actions, as the other party hereto may reasonably require in order to carry out the intent of this Agreement.

(b) Subject to Section 2.2, if any Purchased Asset or Assumed Liability remains vested in or in the possession of the Company or any of its Affiliates following the Closing, the Company shall (or Seller Parent shall cause its applicable Affiliate to) transfer such Purchased Asset or Assumed Liability as soon as reasonably practicable to Buyer or its designee, and Buyer (or its designee) shall accept such Purchased Assets or assume such Assumed Liability, as the case may be, in each case, for no additional consideration. If any Excluded Asset or Excluded Liability is vested in or in the possession of Buyer or any of its Affiliates following Closing, Buyer shall (or Buyer shall cause its applicable Affiliate to) transfer such Excluded Asset or Excluded Liability as soon as reasonably practicable to the Company or its designee, and the Company (or its designee) shall accept such Excluded Assets or assume such Excluded Liability, as the case may be, in each case for no consideration.

(c) If, within twelve (12) months after the Closing Date, Buyer provides written notice to Seller Parent identifying, or Seller Parent otherwise identifies, any specific

asset, property or right that (i) was owned by the Company or one of its Affiliates on the Closing Date, (ii) at the time that such notice is received, or identification is made by Seller Parent, continues to be owned by the Company or one of its Affiliates, (iii) did not constitute a Purchased Asset and (iv) because such asset did not constitute a Purchased Asset, the first sentence of Section 5.12 was not accurate, then Seller Parent shall (or shall cause its applicable Affiliate to) use reasonable best efforts to transfer such asset as soon as reasonably practicable to Buyer or its designee, and pending such transfer, make such asset, property or right available to Buyer, for no consideration. The remedies provided to Buyer under this Section 13.13(c) shall not limit in any manner, or constitute a waiver by Buyer of, any obligations, rights or remedies that may be available to Buyer as a result of any breach by Seller of Section 5.12.

(d) From time to time following the Closing, as and when requested by a party, the other party shall, and shall cause its Affiliates to, execute such documents and take such further actions as may be reasonably required to carry out the provisions hereof and consummate and evidence the transactions contemplated hereby, including executing and delivering or causing to be executed and delivered to such party such documents as such party or its counsel may reasonably request as necessary for such purpose.

Section 13.14. No Buyer Shareholder Liability. The Declaration of Trust provides that no shareholder of Buyer shall be held to any liability whatsoever for the payment of any sum of money, or for damages or otherwise, under any contract, obligation or undertaking made, entered into or issued by the trustees of Buyer or by any officer, agent or representative elected or appointed by the trustees of Buyer and no such contract, obligation, or undertaking shall be enforceable against the trustees of Buyer or any of them in their or his individual capacities or capacity and any such contracts, obligations and undertakings shall be enforceable only against the trustees of Buyer as such, and every person, firm, association, trust and corporation having any claim or demand arising out of any such contract, obligation or undertaking shall look only to the trust estate for the payment or satisfaction thereof.

Section 13.15. Disclaimer of Warranties. EXCEPT AS TO THOSE MATTERS EXPRESSLY COVERED BY THE REPRESENTATIONS AND WARRANTIES IN THIS AGREEMENT, (A) SELLER IS SELLING THE PURCHASED ASSETS ON AN "AS IS, WHERE IS" BASIS AND SELLER DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS AND GUARANTEES WHETHER EXPRESS OR IMPLIED, AND (B) SELLER MAKES NO REPRESENTATION OR WARRANTY AS TO FITNESS, NONINFRINGEMENT, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. SELLER MAKES NO IMPLIED WARRANTIES WHATSOEVER. Buyer acknowledges and agrees that, it is not entitled to rely upon, and expressly disclaims any reliance on, any representations or warranties, other statements of fact or opinion, or other information provided by Seller or its representatives to Buyer, whether in any "data room" (virtual or otherwise), management presentation or otherwise, other than the representations and warranties expressly set forth in this Agreement.

Section 13.16. Specific Performance. The parties hereto agree that irreparable damage may occur in the event that any of the terms or provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that, notwithstanding anything to the contrary contained in this Agreement, the parties

shall be entitled, in addition to any other remedy to which any party may be entitled at law or in equity, to an injunction or injunctions or other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the U.S. or any state having jurisdiction, in each case without the requirement of posting a bond or proving actual damages (which requirements the other parties hereby waive). If on the Termination Date, there is a pending action that has been brought by a party hereto before a court of competent jurisdiction seeking the remedies provided for in this Section 13.16, then, without further action, the Termination Date shall be automatically extended until the date that is five (5) Business Days after the dismissal, settlement or entry of a final and non-appealable order with respect to such action.

Section 13.17. Legal Representation.

(a) Buyer acknowledges that each of Sidley Austin LLP ("**Sidley**") and Wilmer Cutler Pickering Hale and Dorr LLP ("**Wilmer Hale**") represents Seller.

(b) In any dispute or proceeding arising after the Closing under or in connection with this Agreement or any other agreement contemplated hereby, the parties agree that Seller shall have the right, at its election, to retain the firm of Sidley or Wilmer Hale to represent it and its Affiliates in such matter, and Buyer (on behalf of itself, its Affiliates, directors, officers, employees and representatives and their respective successors and assigns) hereby agrees to waive and consent to any such representation in any such matter.

(c) Each of the parties agrees that, as to all communications between Sidley and Wilmer Hale on the one hand, and Seller, on the other hand, the attorney-client privilege, attorney work product protection, the expectation of client confidence and all other rights to any evidentiary privilege or protection ("**Privileged Information**") belong to Seller and shall not pass to or be claimed by Buyer or any of its Affiliates following the Closing.

(d) If the transactions contemplated by this Agreement and the other agreements contemplated hereby are consummated: (i) Buyer shall have no right of access to or control over any of Sidley's or Wilmer Hale's records related to such transactions; and (ii) because it would be impracticable to remove from the records (including emails and other electronic files) of the Business all Privileged Information, Buyer agrees, and agrees to cause its Affiliates to agree, not to use, examine or rely upon such Privileged Information that may remain in the records of the Business, and the parties agree that no attorney-client privilege, attorney work product or other applicable evidentiary privilege or protection is waived or intended to be waived by allowing such material to remain in the files of the Business.

(e) Effective as of the Closing, Buyer hereby waives and agrees not to assert, and Buyer agrees to cause its Affiliates and direct each of the other Buyer Parties to waive and not to assert, any conflict of interest arising out of or relating to any representation after the Closing of any Seller Party in any matter involving the Greater Lawrence Incident, by Sidley, Wilmer Hale or any other legal counsel representing any Seller Party prior to the Closing in connection with any pending or potential GLI Proceeding.

Section 13.18. Non-Recourse. No past, present or future director, officer, employee, incorporator, member, partner, stockholder, Affiliate, agent, attorney or representative of Seller or its Affiliates shall have any liability for any obligations or liabilities of Seller under this Agreement or the Seller Ancillary Agreements of or for any claim based on, in respect of, or by reason of, the transactions contemplated hereby and thereby.

[*Remainder of page intentionally left blank; signature page follows*.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

EVERSOURCE ENERGY

By: /s/ Philip J. Lembo
Name: Philip J. Lembo
Title: Executive Vice President and Chief Financial Officer

NISOURCE INC.

By: /s/ Joseph Hamrock
Name: Joseph Hamrock
Title: President and Chief Executive Officer

BAY STATE GAS COMPANY

By: /s/ Donald E. Brown
Name: Donald E. Brown
Title: Executive Vice President and Chief Financial Officer

Exhibit 99.1

NEWS

FOR IMMEDIATE RELEASE

NiSource®

WWW.NISOURCE.COM

February 26, 2020

FOR ADDITIONAL INFORMATION

Media

Ken Stammen
Corporate Media Relations
(614) 460-5544
kstammen@nisource.com

Investors

Nick Drew
Director, Investor Relations
(614) 460-4638
ndrew@nisource

Sara Macioch
Manager, Investor Relations
(614) 460-4789
smacioch@nisource.com

NiSource Announces Sale of Columbia Gas of Massachusetts to Eversource

MERRILLVILLE, Ind. – NiSource (NYSE: NI) today announced that it has entered into a definitive agreement under which Eversource Energy (NYSE: ES) will acquire Columbia Gas of Massachusetts' business.

Eversource is New England's largest energy delivery company serving approximately 4 million electricity, natural gas and water customers in Connecticut, Massachusetts and New Hampshire. With Columbia Gas, Eversource will serve 626,000 natural gas customers in Massachusetts alone across more than 60 communities.

With Eversource's resources and facilities located in close proximity to Columbia Gas's customer homes and businesses, NiSource believes Eversource will work collaboratively with stakeholders to incorporate best industry practices and bring additional benefits to customers.

"We believe this transaction will create the right next chapter for the customers and communities that Columbia Gas of Massachusetts serves throughout the state, and provide Columbia Gas employees an opportunity to join a strong organization with deep roots in the region," said Joe Hamrock, President and CEO of NiSource. "Eversource is one of the most respected energy companies in the country with a strong operational track record in the New England area, and we believe they are focused on investing in Columbia Gas of Massachusetts to further improve system operations, including to enhance safety, pipeline integrity and reliability programs. We look forward to working closely with Eversource to ensure a smooth transition.

"Across our network, safety is at the core of everything we do and we have made substantial progress further enhancing this focus, including accelerating the implementation of our Safety Management System. These efforts will continue to be our number one priority."

"Eversource is the right partner for Columbia Gas," said Mark Kempic, President and Chief Operating Officer of Columbia Gas of Massachusetts. "While we have taken significant restoration and safety steps over the past 17 months, we acknowledge that events have led many to lose trust in Columbia Gas. We believe that Eversource's proven track record of investing in its infrastructure, employees and operations to enhance system reliability, combined with its deep familiarity with the region and our operations, will enable Columbia Gas of Massachusetts to be a part of a strong local gas distribution company."

Until the close of the transaction, which is expected to occur by the end of the third quarter 2020, NiSource will continue to remain focused on driving customer safety and service at Columbia Gas, as well as continuing to make ongoing enhancements in all areas of operations going forward.

Transaction Details

Under the terms of the agreement, Eversource will acquire, with certain additions and exceptions, (1) substantially all of the assets of Columbia Gas of Massachusetts, a wholly-owned subsidiary of NiSource, and (2) all of the assets held by any of Columbia Gas of Massachusetts' affiliates that primarily relate to the business of storing, distributing or transporting natural gas to residential, commercial and industrial customers in Massachusetts, as conducted by Columbia Gas of Massachusetts (the "*Business*"), and Eversource agreed to assume certain liabilities of Columbia Gas of Massachusetts and its affiliates. The liabilities assumed by Eversource do not include, among others, any liabilities for any fines imposed on Columbia Gas of Massachusetts arising out of any criminal proceeding relating to the Greater Lawrence Incident (as defined in the purchase agreement) or liabilities of Columbia Gas of Massachusetts or its affiliates pursuant to civil claims for injury of persons or damage to property to the extent such injury or damage occurs prior to the closing in connection with the Business.

The agreement provides for a purchase price of $1.1 billion in cash, subject to adjustment based on Columbia Gas of Massachusetts' net working capital as of the closing. The purchase price represents a loss compared to the book value of Columbia Gas of Massachusetts.

The transaction is subject to various closing conditions, including the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the receipt of the approval of the Massachusetts Department of Public Utilities.

Financial Update

Due to the execution of this transaction, NiSource is withdrawing its 2020 net operating earnings per share (non-GAAP) guidance of $1.36 to $1.40. However, NiSource continues to expect to make capital investments of $1.8 to $1.9 billion in 2020. The transaction is expected to enable NiSource to eliminate its previously planned 2020 block equity issuance.

The long-term growth opportunity for the remaining operating companies is unchanged. As a result, following the completion of the transaction, the company expects to initiate 2021 net operating earnings per share guidance and establish a 5 to 7 percent long-term growth rate for both net operating earnings per share and dividend with 2021 as the base year. This expected new long-term guidance is also expected to be extended beyond 2022 to include significant investments related to the company's electric generation strategy.

NiSource continues to remain committed to its current investment-grade credit ratings. The company has investment-grade ratings with Fitch Ratings (BBB), Moody's (Baa2) and Standard & Poor's (BBB+).

Advisors

Lazard is serving as financial advisor and Sidley Austin LLP and WilmerHale are serving as legal counsel to NiSource.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.5 million natural gas customers and 500,000 electric customers across seven states through its local Columbia Gas and NIPSCO brands. Based in Merrillville, Indiana, NiSource's approximately 8,100 employees are focused on safely delivering reliable and affordable energy to our customers and communities we serve. NiSource is a member of the Dow Jones Sustainability - North America Index, the Bloomberg Gender Equality Index and has been named by

Forbes magazine among America's Best Large Employers since 2016. Additional information about NiSource, its investments in modern infrastructure and systems, its commitments and its local brands can be found at www.nisource.com. Follow us at www.facebook.com/nisource, www.linkedin.com/company/nisource or www.twitter.com/nisourceinc. NI-F

About Columbia Gas of Massachusetts

Columbia Gas of Massachusetts delivers clean, affordable and efficient natural gas to over 320,000 natural gas customers in southeastern Massachusetts, the greater Springfield area and the Merrimack Valley. Headquartered in Westborough, Massachusetts, the company is the largest gas-only provider in the state. More information about Columbia Gas of Massachusetts is available at ColumbiaGasMA.com.

Contacts

Media

Ken Stammen
Corporate Media Relations
(614) 460-5544
kstammen@nisource.com

or

Sard Verbinnen & Co
Chris Kittredge / Frances Jeter
NiSource-SVC@SARDVERB.com

Investors

Nick Drew
Director, Investor Relations
(614) 460-4638
ndrew@nisource.com

Sara Macioch
Manager, Investor Relations
(614) 460-4789
smacioch@nisource.com

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of federal securities laws. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. Examples of forward-looking statements in this press release include, but are not limited to, statements and expectations regarding the anticipated effects and benefits of the proposed transaction, Eversource's plans for the Columbia Gas of Massachusetts business following the closing of the proposed transaction, the anticipated timing of the closing of the proposed transaction, NiSource's efforts to enhance safety and service before and after the closing of the proposed transaction, the impact of the proposed transaction on NiSource's plans to issue equity in 2020, NiSource's net operating earnings per share and dividend following the closing of the proposed transaction and any and all underlying assumptions and other statements that are other than statements of historical fact. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially. Factors that could cause actual results to differ materially from the projections, forecasts, estimates, plans,

expectations and strategy discussed in this press release include, among other things, the risk that the sale of Columbia Gas of Massachusetts business may not be completed in a timely manner or at all due to the failure to satisfy the conditions precedent to the consummation of the transaction or otherwise; unanticipated difficulties or expenditures relating to the proposed sale transaction; disruptions of current plans and operations caused by the announcement and pendency of the proposed sale transaction; NiSource's debt obligations; any changes in NiSource's credit rating; NiSource's ability to execute its growth strategy; changes in general economic, capital and commodity market conditions; pension funding obligations; economic regulation and the impact of regulatory rate reviews; NiSource's ability to obtain expected financial or regulatory outcomes; NiSource's ability to adapt to, and manage costs related to, advances in technology; any changes in our assumptions regarding the financial implications of the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney's Office for the District of Massachusetts to settle the U.S. Attorney's Office investigation relating to the Greater Lawrence Incident; the pending sale of the Columbia Gas of Massachusetts business, including the terms and closing conditions under the asset purchase agreement; potential incidents and other operating risks associated with our business; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against all significant losses; the outcome of legal and regulatory proceedings, investigations, inquiries, claims and litigation; any damage to NiSource's reputation, including in connection with the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs, compliance with environmental laws and the costs of associated liabilities; fluctuations in demand from residential and commercial customers; economic conditions of certain industries; the success of NIPSCO's electric generation strategy; the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the reliability of customers and suppliers to fulfill their payment and contractual obligations; potential impairments of goodwill or definite-lived intangible assets; changes in taxation and accounting principles; the impact of an aging infrastructure; the impact of climate change; potential cyberattacks; construction risks and natural gas costs and supply risks; extreme weather conditions; the attraction and retention of a qualified work force; the ability of NiSource's subsidiaries to generate cash; NiSource's ability to manage new initiatives and organizational changes; the performance of third-party suppliers and service providers; the transition to a replacement for the LIBOR benchmark interest rate; and other matters set forth in Item 1A, "Risk Factors" section of NiSource's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, and in other filings with the Securities and Exchange Commission. A credit rating is not a recommendation to buy, sell or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization. In addition, dividends are subject to board approval. All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. NiSource expressly disclaims any duty to update, supplement or amend any of its forward-looking statements contained in this press release, whether as a result of new information, subsequent events or otherwise, except as required by applicable law.

# # #

FORM 8-K

FEBRUARY 26, 2020

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

FORM 8-K

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

Date of Report (Date of earliest event reported): February 26, 2020

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware	001-16189	35-2108964
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. Employer Identification No.)

801 East 86th Avenue Merrillville, Indiana	46410
(Address of Principal Executive Offices)	(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 1.01. Entry into a Material Definitive Agreement.

As previously disclosed by NiSource Inc. (the "Company"), the U.S. Department of Justice (the "DOJ"), under the supervision of the U.S. Attorney's Office for the District of Massachusetts ("U.S. Attorney's Office") commenced a criminal investigation of the Company and Bay State Gas Company d/b/a Columbia Gas of Massachusetts ("Columbia of Massachusetts"), a wholly-owned subsidiary of the Company, in connection with the series of fires and explosions that occurred on September 13, 2018 in Lawrence, Andover and North Andover, Massachusetts related to the delivery of natural gas by Columbia of Massachusetts (the "Greater Lawrence Incident").

On February 26, 2020, the Company and Columbia of Massachusetts entered into agreements with the U.S. Attorney's Office to resolve the U.S. Attorney's Office investigation relating to the Greater Lawrence Incident. Columbia of Massachusetts agreed to plead guilty in the United States District Court for the District of Massachusetts (the "Court") to violating the Natural Gas Pipeline Safety Act (the "Plea Agreement") and the Company entered into a deferred prosecution agreement ("DPA").

Under the Plea Agreement, which must be approved by the Court, Columbia of Massachusetts will be subject to the following terms, among others: (i) a criminal fine in the amount of $53,030,116 paid within 30 days of sentencing; (ii) a three-year probationary period that will early terminate upon a sale of Columbia of Massachusetts or a sale of its gas distribution business to a qualified third-party buyer consistent with certain requirements; (iii) compliance with each of the National Transportation Safety Board ("NTSB") recommendations stemming from the Greater Lawrence Incident; and (iv) employment of an in-house monitor during the term of the probationary period.

Under the DPA, the U.S. Attorney's Office agreed to defer prosecution of the Company in connection with the Greater Lawrence Incident for a three-year period (which three-year period may be extended for twelve (12) months upon the U.S. Attorney's Office determination of a breach of the DPA) subject to certain obligations of the Company, including, but not limited to, the following: (i) the Company will use reasonable best efforts to sell Columbia of Massachusetts or Columbia of Massachusetts' gas distribution business to a qualified third-party buyer consistent with certain requirements, and, upon the completion of any such sale, the Company will cease and desist any and all gas pipeline and distribution activities in the District of Massachusetts; (ii) the Company will forfeit and pay, within 30 days of the later of the sale becoming final or the date on which post-closing adjustments to the purchase price are finally determined in accordance with the agreement to sell Columbia of Massachusetts or its gas distribution business, a fine equal to the total amount of any profit or gain from any sale of Columbia of Massachusetts or its gas distribution business, with the amount of profit or gain determined as provided in the DPA; and (iii) the Company agrees as to each of the Company's subsidiaries involved in the distribution of gas through pipeline facilities in Massachusetts, Indiana, Ohio, Pennsylvania, Maryland, Kentucky and Virginia to implement and adhere to each of the recommendations from the NTSB stemming from the Greater Lawrence Incident. Pursuant to the DPA, if the Company complies with all of its obligations under the DPA, including, but not limited to those identified above, the U.S. Attorney's Office will not file any criminal charges against the Company related to the Greater Lawrence Incident. If Columbia of Massachusetts' guilty plea is not accepted by the Court or is withdrawn for any reason, or if Columbia of Massachusetts should fail to perform an obligation under the Plea Agreement prior to the sale of Columbia of Massachusetts or its gas distribution business, the U.S. Attorney's Office may, at its sole option, render the DPA null and void.

The foregoing summaries of the DPA and Plea Agreement are qualified in their entirety by reference to, and should be read in conjunction with, the complete text of the agreements, which are filed as Exhibits 10.1 and 10.2 to this Current Report on Form 8-K and incorporated by reference into this Item 1.01.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
10.1	NiSource Inc. Deferred Prosecution Agreement dated February 26, 2020
10.2	Bay State Gas Company d/b/a Columbia Gas of Massachusetts Plea Agreement dated February 26, 2020
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

NISOURCE INC.

February 26, 2020

By: /s/ Anne-Marie W. D'Angelo
Anne-Marie W. D'Angelo
Senior Vice President, General Counsel and Corporate Secretary

Exhibit 10.1

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA	)	
v.	)	Criminal No.
NiSOURCE, Inc.	)	
Defendant.	)	

DEFERRED PROSECUTION AGREEMENT

1. Andrew E. Lelling, United States Attorney for the District of Massachusetts (by Assistant U.S. Attorneys Neil J. Gallagher, Jr. and Evan Gotlob) (the "Government"); and defendant NiSource, Inc. ("NiSource") (by counsel Alejandro N. Mayorkas, Esq., WilmerHale, LLP and NiSource Chief Executive Officer Joseph Hamrock) hereby enter into the following Deferred Prosecution Agreement ("Agreement").

2. It is the intention of the parties that this Agreement will cover any and all of NiSource's federal criminal liability in the District of Massachusetts arising from the conduct of its wholly-owned subsidiary, Bay State Gas Company, d/b/a Columbia Gas of Massachusetts ("CMA"), or any of NiSource's conduct that is related to the conduct alleged in the criminal information filed against CMA ("the CMA Criminal Information"), attached to this Agreement as **Exhibit A**, and covered by the plea agreement dated February 24, 2020 between the Government and CMA ("the CMA Plea Agreement," attached to this Agreement as **Exhibit B**), or that is in any other way related to the Merrimack Valley Over-Pressurization Event on September 13, 2018 (hereinafter, "the Event"), including CMA's and NiSource's restoration work in the Merrimack Valley following the Event that is currently known to the Government.

3. This Agreement is effective for a period beginning on the date on which this Agreement is signed ("Effective Date") and ending thirty-six (36) months from the Effective Date (the "Term").

4. The Government enters into this Agreement based upon the individual facts and circumstances of this case, including:

a. NiSource's agreement to use reasonable best efforts to sell CMA or CMA's gas distribution business, to a qualified third-party buyer consistent with the requirements of M.G.L. c. 164, § 96 and Interlocutory Order on Standard of Review, D.P.U. 10-170 and upon the completion of any such sale, to cease and desist any and all gas pipeline and distribution activities in the District of Massachusetts;

b. In the event that CMA or its gas distribution business is sold within CMA's three (3) year term of probation, NiSource's agreement to forfeit and pay a monetary penalty equal to the total amount of any profit or gain from the sale of CMA or CMA's gas distribution business;

c. NiSource's prior voluntary payments of restitution to the victims of the Event including, but not limited to, payments to the individuals, businesses and municipalities affected;

d. NiSource's agreement to seek to resolve all pending civil claims, including NiSource's agreement to seek to settle the claims filed by the Massachusetts Department of Public Utilities ("MA DPU");

e. NiSource's acknowledgement that, based on the allegations in the CMA Criminal Information, the Government has sufficient basis to allege that NiSource is responsible for CMA's conduct as alleged in the CMA Criminal Information; and

f. NiSource's commitment to fulfill all of the terms of this Agreement.

5. The Government agrees that so long as NiSource adheres to and complies with the provisions of this Agreement, the Government will not file criminal charges against NiSource, either for NiSource's conduct or CMA's conduct, related to the allegations in the CMA Criminal Information, the Event, or CMA's and NiSource's restoration work in the Merrimack Valley following the Event that is currently known to the Government. In the event

of a breach of this Agreement, the Government reserves the right to prosecute NiSource for the conduct related to the allegations in the CMA Criminal Information, the Event, or CMA's and NiSource's restoration work in the Merrimack Valley following the Event that is currently known to the Government or any other conduct the Government in its sole discretion deems appropriate.

6. In consideration of the Government's agreement described above in paragraph 5, NiSource waives its right to a speedy trial pursuant to the Sixth Amendment to the United States Constitution and Rule 48(b) of the Federal Rules of Criminal Procedure. NiSource also expressly waives and will not plead, argue, or otherwise raise any statute of limitations or other similar defenses to any criminal charges brought by the Government related to the allegations in the CMA Criminal Information, the Event, or CMA and NiSource's restoration work in the Merrimack Valley following the Event, except to the extent to which such a defense would have been available had charges been brought on or before the date on which this Agreement is executed.

NISOURCE'S OBLIGATIONS

7. NiSource acknowledges that, based on the allegations in the CMA Criminal Information, the Government has sufficient basis to allege that NiSource is responsible for CMA's conduct alleged in the CMA Criminal Information. NiSource will not, through any person authorized to speak on its behalf, make any public statement, in litigation or otherwise, contradicting in whole or in part NiSource's acknowledgement set forth above.

8. NiSource agrees that it will use reasonable best efforts to sell CMA or CMA's gas distribution business to a qualified third-party buyer consistent with the requirements of M.G.L. c. 164, § 96 and Interlocutory Order on Standard of Review, D.P.U. 10-170, and, upon the completion of any such sale, NiSource will cease and desist any and all gas pipeline and distribution activities in the District of Massachusetts.

9. In the event of a sale of CMA or CMA's gas distribution business following the execution of a definitive purchase and sale agreement within the three (3) year period of probation under the terms of the CMA Plea Agreement, within thirty (30) days of the later of the sale becoming final or the date on which post-closing adjustments to the purchase price are finally determined in accordance with the agreement to sell CMA or its gas distribution business, NiSource will forfeit and pay a monetary penalty equal to the total amount of any profit or gain from the sale of CMA or its gas distribution business.

10. Upon request of the Government, NiSource will also promptly provide any and all records regarding the sale including but not limited to audited financial statements and income tax returns of NiSource, to the extent required to verify the accuracy of any profit, gain or loss amount that resulted from the sale of CMA or CMA's gas distribution business.

11. NiSource also agrees, as to each of its subsidiaries involved in the distribution of gas through pipeline facilities in Massachusetts, Indiana, Ohio, Pennsylvania, Maryland, Kentucky and Virginia to implement and adhere to each of the recommendations from the National Transportation Safety Board ("NTSB") related to NTSB Accident ID PLD18MR003 regarding the Event.

GOVERNMENT'S OBLIGATIONS AND RIGHTS

12. If NiSource fully complies with all of its obligations under this Agreement, the Government will not file any criminal charges against NiSource related in any way to the allegations in the CMA Criminal Information, the Event, or CMA's and NiSource's restoration work in the Merrimack Valley following the Event currently known to the Government.

13. If, however, during the Term of this Agreement, NiSource (1) commits any felony under U.S. federal law including, but not limited to, any felony violation of the Pipeline Safety Act; (2) gives deliberately false, incomplete, or misleading testimony or information to the Government or to the Court; or (3) otherwise fails to perform or fulfill each of NiSource's obligations under this Agreement, NiSource will thereafter be subject to prosecution for any federal criminal violation of which the Government has knowledge, including, but not limited to, federal criminal violations related to the conduct alleged in the CMA Criminal Information, the Event, or CMA's and NiSource's restoration work in the Merrimack Valley following the Event.

14. The Government, in its sole discretion, will determine whether NiSource has breached the Agreement and whether, as a result, the Government will pursue prosecution of NiSource and any such prosecution may be premised on information provided by NiSource.

15. NiSource also agrees that, in the event that the Government determines, in its sole discretion, that NiSource has violated any provision of this Agreement, an extension of the Term of the Agreement may be imposed by the Government, in its sole discretion, for up to a total additional time period of twelve (12) months. Any extension of the Agreement extends all terms of this Agreement throughout the extension period.

16. In the event the Government determines that NiSource has breached this Agreement, the Government agrees to provide NiSource with written notice of such breach prior to instituting any prosecution resulting from such breach. Within thirty (30) days of receipt of such notice, or within any longer period of time the Government agrees to in writing, NiSource may respond to the Government in writing to present its position regarding whether a breach has in fact occurred; whether any breach was material; whether any breach was knowingly or willfully committed; and any other facts and circumstances that NiSource submits are relevant to the Government's determination of breach. The Government agrees to consider NiSource's written submission in determining whether a breach occurred and, if so, whether to institute a prosecution of NiSource.

17. In the event the Government institutes a prosecution due to its determination that NiSource has breached this Agreement: (a) all statements made by or on behalf of NiSource or CMA to the Government or to the Court and any testimony given by or on behalf of NiSource before a grand jury, a court, or any tribunal, or at any legislative hearings, whether before or after this Agreement, will be admissible in any criminal proceedings brought by the Government against NiSource; and (b) NiSource will not assert any claim under Rule 11(f) of the Federal Rules of Criminal Procedure; Rule 410 of the Federal Rules of Evidence; or any other federal rule that any such statements or testimony made by or on behalf of NiSource or CMA before or after this Agreement, are inadmissible.

18. NiSource acknowledges that the Government has made no representations, assurances, or promises concerning what sentence may be imposed by the Court if NiSource breaches this Agreement, the Government pursues criminal charges, and this matter proceeds to judgment. NiSource further acknowledges that any such sentence is solely within the discretion of the Court and that nothing in this Agreement binds or restricts the Court in the exercise of its discretion.

19. NiSource also agrees that in the event that CMA's guilty plea is not accepted by the Court or is withdrawn for any reason, or if CMA should fail to perform an obligation under the CMA Plea Agreement prior to the sale of CMA or its gas distribution business, the Government may, at its sole option, render this Agreement null and void.

20. This Agreement is between NiSource and the United States Attorney's Office for the District of Massachusetts. This Agreement does not bind any other federal, state, or local prosecuting authorities. Furthermore, this Agreement does not prohibit the United States, any agency thereof, or any third party from initiating or prosecuting any civil or administrative proceedings directly or indirectly involving NiSource, including, but not limited to, proceedings by the Internal Revenue Service relating to potential civil tax liability.

21. Any notice, certification, resolution, or report to the Government under this Agreement will be given by personal delivery, overnight delivery by a recognized delivery service, or registered or certified mail, addressed to:

Chief, Public Corruption and Special Prosecutions Unit
U.S. Attorney's Office for the District of Massachusetts
John Joseph Moakley Federal Courthouse
One Courthouse Way, Suite 9200
Boston, MA 02210

22. Any notice to NiSource under this Agreement will be given by personal delivery, overnight delivery by a recognized delivery service, or registered or certified mail, addressed to:

Alejandro N. Mayorkas, Esq.
WilmerHale LLP
1875 Pennsylvania Avenue NW
Washington, DC 20006

Carrie J. Hightman
Chief Legal Officer
801 East 86th Avenue
Merrillville, IN 46410

23. Notice will be effective upon actual receipt by the Government or NiSource.

24. The Government's acceptance of delivery of any notice, certification, resolution, or report referenced in this Agreement, or the absence of any response thereto, is not, and will not be construed as, evidence of compliance with this Agreement or any other applicable laws, policies, or procedures.

25. This Agreement, to become effective, must be signed by all of the parties listed below. No promises, agreements, terms, or conditions other than those set forth in this Agreement will be effective unless memorialized in writing and signed by all parties or confirmed on the record before the Court.

FOR THE UNITED STATES

ANDREW E. LELLING
UNITED STATES ATTORNEY

By: /s/ Neil J. Gallagher, Jr.
Neil J. Gallagher, Jr.
Evan Gotlob
Assistant United States Attorneys

FOR NISOURCE, INC.

By: /s/ Joseph Hamrock
Joseph Hamrock
Chief Executive Officer
NiSource, Inc.

By: /s/ Carrie J. Hightman
Carrie J. Hightman
Executive Vice President and Chief Legal Officer
NiSource, Inc.

By: /s/ Alejandro N. Mayorkas, Esq.
Alejandro N. Mayorkas, Esq.
WilmerHale, LLP
Counsel for NiSource, Inc.

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA	)	Criminal No.
	)	
v.	)	Violation:
	)	
BAY STATE GAS COMPANY, doing business as ("d/b/a") Columbia Gas of Massachusetts,	)	Count One: Failure to Prepare and Follow a Procedure for the Starting Up and Shutting Down of a Pipeline Designed to Assure Operation within the Maximum Allowable Operating Pressure (49 U.S.C. §§ 60123(a),60118(a); 49 C.F.R. §§ 192.605(a), 192.605(b)(5))
Defendant	)	

INFORMATION

At all times relevant to this Information:

General Allegations

1. Bay State Gas Company, d/b/a Columbia Gas of Massachusetts ("CMA"), was a Massachusetts corporation that supplied natural gas to approximately 325,000 customers in Massachusetts in and around Springfield, Brockton, and three Merrimack Valley communities in Lawrence, Andover, and North Andover. CMA was a wholly-owned subsidiary of NiSource, Inc. ("NiSource"), a publically traded company based in Merrillville, Indiana.

2. CMA engaged in the transportation of natural gas, was an operator of a gas pipeline system as well as a gas distributor operator ("Operator"), and was subject to the jurisdiction of the U.S. Department of Transportation ("US DOT") as well as state and local regulations.

CMA's Low-Pressure Gas Distribution System in South Lawrence

3. CMA owned and operated a network of gas pipeline systems for the transportation and delivery of natural gas that included a series of approximately 25 different low-pressure ("LP") gas distribution systems in Massachusetts. Among these systems, CMA owned and operated a LP gas distribution system in the area of South Lawrence ("the South Lawrence LP System").

4. The South Lawrence LP System used fourteen (14) regulator stations ("Reg. Stations") to supply natural gas to main distribution lines ("mains") and control downstream pressure. The Reg. Stations were belowground and contained "regulators" that monitored and controlled downstream gas pressure.

5. Natural gas came into the South Lawrence LP System at high pressure, about 77 pounds per square inch gauge ("psig"). The regulators decreased pressure to approximately 0.5 psig or 14 inches of water column ("w/c"), a more refined pressure measurement. The Reg. Stations supplied mains with gas through an outlet pipe. Mains, in turn, supplied gas to individual houses and businesses through service lines at roughly the same pressure, 0.5 psig or 14 inches w/c.

6. The fourteen (14) Reg. Stations that were part of the South Lawrence LP System controlled and regulated pressure in an automated manner. Based on the pressure the regulator sensed downstream, the regulator valve opened or closed to control downstream pressure at a pre-set limit called a "set-point" to ensure that the pressure in the system did not exceed the Maximum Allowable Operating Pressure ("MAOP") and become unsafe. Although it varied, the MAOP for the South Lawrence LP System was generally 14 inches w/c.

7. Each regulator was equipped with a "regulator control line" also called a "control line," "sensing line," or "static line" ("control line"). A control line was generally a ¾ inch steel pipe that connected the regulator to the main downstream. Without a control line connected from the regulator to the downstream gas main, the regulators in the South Lawrence LP System could not properly function.

8. Each Reg. Station in the South Lawrence LP System had at least two regulators, a "worker regulator" and a "monitor regulator," each with a control line that sensed downstream pressure and connected back to the regulator, thereby enabling the regulator to regulate system pressure. The worker regulator was the primary regulator that maintained system pressure. The monitor regulator was the redundant backup in case the worker regulator was damaged or malfunctioned. If both control lines malfunctioned or failed to read any downstream pressure, the worker regulator would automatically and continually increase the pressure resulting in an "over-pressurization" of the LP system.

Background of the Pipeline Safety Act

9. Congress first established minimum safety standards for the transportation of natural gas and other gases by pipeline in the Natural Gas Pipeline Safety Act of 1968 ("NGPSA") and directed the Secretary of the US DOT to issue regulations to protect against risks to life and property posed by pipeline transportation and pipeline facilities.

10. In 1970, in accordance with NGPSA, the Secretary of the US DOT issued regulations codified in Part 192 of Title 49 of the Federal Code of Regulations, Subparts A through M ("Part 192").

11. In 1979, Congress amended the NGPSA to add criminal penalties for knowing and willful violations of any Part 192 regulation as part of the Hazardous Liquid Pipeline Safety Act of 1979 ("HLPSA").

12. In 1994, Congress enacted the Pipeline Safety Act ("PSA"), 49 U.S.C. § 60101 *et seq.* The PSA combined and re-codified, without substantive changes, the two then existing pipeline safety statutes, NGPSA and HLPSA. The purpose of the PSA was to "provide adequate protection against risks to life and property posed by pipeline transportation and pipeline facilities." 49 U.S.C. § 60102(a)(1).

13. In 2004, Congress amended the PSA by enacting the Norman Y. Mineta Research and Special Programs Improvement Act of 2004 to create the Pipeline and Hazardous Materials Safety Administration ("PHMSA"), an agency within the US DOT.

14. In 2006, Congress enacted the the Pipeline Inspection, Protection, Enforcement and Safety Act ("PIPES") which directed PHMSA to "prescribe minimum standards for integrity management programs for distribution pipelines." 49 U.S.C. § 60109(e).

15. On December 4, 2009, PHMSA promulgated the regulations codified in Subpart P of Part 192, entitled "Gas Distribution Pipeline Integrity Management (IM)." Subpart P requires an Operator to "develop and implement" an IM Program by no later than August 2, 2011. 49 C.F.R. § 192.1005.

Regulations Regarding Pipeline Operations and Over-Pressurization

16. Subpart L of Part 192 prescribes the minimum requirements for safe pipeline operations and states that "no person may operate a segment of pipeline unless it is operated in accordance with this subpart." 49 C.F.R. § 192.603(a).

17. Part 192 defines the Maximum Allowable Operating Pressure ("MAOP") as "the maximum pressure at which a pipeline or segment of a pipeline may be operated[.]" 49 C.F.R. § 192.3. It also defines a "low-pressure distribution system" as a "distribution system in which the gas pressure in the main is substantially the same as the pressure provided to the customer." 49 C.F.R. § 192.3. Subpart L further mandates that "[n]o person may operate a low-pressure distribution system at a pressure high enough to make unsafe the operation of any connected and properly adjusted low-pressure gas burning equipment" (referring to gas appliances). 49 C.F.R. § 192.623(a).

18. Under Part 192, "[e]ach operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities," otherwise known as an operation and maintenance manual ("O&M Manual"). Among other requirements, § 192.605(b)(5) requires that the O&M Manual include a procedure for "starting up and shutting down any part of a pipeline in a manner designed to assure operation within the MAOP limits prescribed by this part" in order "to provide safety during maintenance and operations."

19. Subpart L also requires an operator to "keep records necessary to administer the procedures under § 192.605." 49 C.F.R. § 192.603. Among the records required to be kept, and made available to operating personnel include, "construction records, maps and operating history." 49 C.F.R. § 192.605(b)(3).

The September 13, 2018 Over-Pressurization Event

20. On or about September 13, 2018, beginning at approximately 4:00 p.m., a series of fires and explosions resulted from an over-pressurization of the South Lawrence LP System ("the Event"). By approximately 4:07 p.m., the actual operating pressure of the South Lawrence LP System increased to more than 35 inches of w/c and ultimately increased until the actual operating pressure was approximately 13 times greater than the MAOP.

21. The over-pressurization of the South Lawrence LP System caused multiple fires and explosions including inside house-hold appliances and residences. The resulting fires and explosions caused substantial damage to approximately 131 residential and commercial structures in the communities of Lawrence, Andover, and North Andover, including the total destruction of three houses in Lawrence, injured 22 people, killed one individual in Lawrence and severely disabled another.

Operational Notice 15-05

22. By at least September 2015, CMA's employees in the Lawrence Division from Field Engineering, Construction, and Measurement and Regulation ("M&R"), as well as Senior Field Engineering Management in CMA were aware of the particular dangers associated with belowground control lines. In particular, these employees and CMA knew that a faulty, damaged, or unaccounted for control line on a Reg. Station in a LP system could lead to a dangerous over-pressurization of the system resulting in fires and explosions in a populated area.

23. On or about September 2, 2015, NiSource and CMA internally disseminated Operational Notice ("ON") 15-05, entitled *"Below Grade Regulator Control Lines: Caution When Excavating Near Regulator Stations or Regulator Buildings."* The impetus for ON 15-05 was a "near miss" experience involving another NiSource company outside of Massachusetts where a construction crew, excavating to repair a gas leak near a Reg. Station, came close to hitting a control line and was unaware of its purpose and importance.

24. The stated objective of ON 15-05 was two-fold: *"1. Bring awareness to Company and Contractor employees regarding the existence and importance of regulator control lines . . . that help to provide critical sensing information for the accurate monitoring and control of outlet pressure into the Company's piping systems . . ."* and *"2. Set forth required actions for future Company excavations."*

25. ON 15-05 described what Reg. Station control lines did, and said control lines:

> . . . sense the outlet pressure of the regulator. Based on the pressure sensed through the control line, the regulator valve will open or close to control the downstream pressure at the set point of the regulator.

26. ON 15-05 further warned that a broken or disrupted control line could lead to a *"catastrophic event:"*

> If a control line breaks, the regulator will sense a pressure loss, causing the valve to open further, resulting in an over pressurization of the downstream piping system, which may lead to a catastrophic event. The same result occurs if the flow through the control line is otherwise disrupted (e.g., control line valve shut off, control line isolated from the regulator it is controlling).

27. Finally, the *"Required Action"* from ON 15-05 to the Company's employees was that:

> any Company excavations within the footprint of a [Reg. Station] and/or within 25 feet of a station building or fence shall only proceed with M&R standing by throughout the excavation . . .

28. While over-pressurization that could result in a "catastrophic event" was a known risk, CMA never prepared or implemented any written procedure to ensure that belowground control lines were accounted for, and, if necessary, removed or relocated. Instead, CMA relied upon an informal practice of encouraging verbal communication among members of Field Engineering, Construction and M&R when excavation took place within the footprint of a Reg. Station.

CMA's Gas System Enhancement Program ("GSEP")

29. An Act Relative to Gas Leaks, Massachusetts General Law, Chapter 164, Section 145), effective October 1, 2014 ("Section 145"), provided Massachusetts gas utility companies with a financial incentive to replace or improve aging or leaking gas infrastructure. Under Section 145, a gas distribution company was permitted to submit a Gas System Enhancement Program ("GSEP") plan to the Massachusetts Department of Public Utilities ("MA DPU"). Among other requirements, the overall GSEP plan had to include a timeline for the removal of all leak-prone infrastructure within 20 years.

30. If accepted by the MA DPU, Section 145 permitted a gas distribution company "to begin recovery of the estimated costs of [pipe replacement] projects included in the plan on May 1 of the year following the initial filing and collect any revenue requirement, including property taxes and return associated with the plan." More broadly, Section 145 permitted a gas company to more quickly recover its capital costs associated with its yearly forecasted pipeline replacement through the rates the MA DPU permitted the Company to charge its customers.

31. On or about October 31, 2014, CMA submitted its first annual GSEP plan and thereafter in 2015, 2016 and 2017. In the 2014 GSEP plan, CMA proposed to replace 44 miles of leak-prone mains and recover approximately $2.6 million in related costs. In its later GSEP plans submitted to the MA DPU, CMA sought to recover approximately $9 million in costs for 2016, approximately $16.8 million in 2017 and approximately $26.8 million in 2018.

32. In total, between 2015 and 2018, as part of the GSEP program, CMA earned a total of approximately $49.3 million in accelerated capital cost recovery and, after costs, realized a total profit of approximately $26.5 million.

The South Union Street Project

33. In or about August 2016, CMA began construction on a GSEP pipe replacement project in the South Lawrence LP System called the "South Union Street Project" ("the South Union Project"). The Field Engineering Department in Lawrence selected the South Union Project in part due to a pending City of Lawrence water-main project that would encroach upon the two aging cast-iron ("CI") mains on South Union Street.

34. The South Union Project sought to replace two CI mains from the intersection of Market Street to Winthrop Avenue on South Union Street, measuring approximately 6 inches and 8 inches in diameter, with one plastic main. Once installed, the new plastic main would be "tied-in" and connected to the pipes on the side streets that supplied gas to customers through service lines. As typical in pipe replacement projects, upon completion of the project, the two CI mains on South Union Street would be completely disconnected from the LP system and abandoned in the ground.

35. The scope of the South Union Street project included the replacement of the CI mains near a belowground Reg. Station located at the intersection of Winthrop Avenue and South Union Street (the "Winthrop Reg. Station"), one of the fourteen (14) different regulator stations that monitored and controlled downstream pressure in the South Lawrence LP System.

36. From in or about September 2015 and continuing up until the time of the Event, two control lines connected the Winthrop Reg. Station to the two CI mains on South Union Street.

A. The Control Lines at the Winthrop Avenue Reg. Station

37. In or about early September 2015, two CMA M&R technicians conducting an annual inspection of the Winthrop Reg. Station discovered that one of the control lines on the Winthrop Reg. Station failed to read any downstream pressure. Under CMA's O&M Manual, each belowground Reg. Station was required to have at least two functional control lines (one for the "worker" regulator, one for the "monitor" regulator) that connected the Reg. Station to the mains to monitor and regulate downstream pressure.

38. Further investigation by the M&R technicians revealed that the control line reading zero pressure had been erroneously left on the CI main on Winthrop Avenue sometime in 2015, near the intersection of South Union Street, during an earlier pipe replacement project known as the "Parker Street Project." Having only one functional control line was a violation of CMA's O&M procedures and created a significant risk of an over-pressurization event had the second control line also failed.

39. Following the discovery of the control line erroneously left on the abandoned pipe, on or about September 21, 2015, a CMA Construction Leader ("Construction Leader-1") coordinated the installation of a new control line for the Winthrop Reg. Station. Instead of connecting to the abandoned main on Winthrop Avenue, the new control line connected the Winthrop Reg. Station to the 8-inch CI main on South Union Street approximately 39 feet from the Winthrop Reg. Station, a distance further than the 25 feet parameter in ON 15-05.

40. Following the installation of the new control line, a CMA inspector created a hand-drawn "as-built" drawing to document the location of the new control line. Although not foreseen as part of the construction in the Parker Street Project, records of the installation of the new control line from the Winthrop Reg. Station became part of CMA's records relating to the Parker Street Project. As a result of the installation, a darkened asphalt trench with spray-painted markings remained visible on the street from the Winthrop Reg. Station across South Union Street to the location of the CI mains up through the day of the Event.

41. Less than a year later, on or about May 13, 2016, a third party construction crew conducted an additional pressure test of the same newly installed control line from the Winthrop Reg. Station. As part of the process, the construction crew, with a CMA inspector onsite, excavated and removed a portion of the new control line and re-attached the control line again to the 8-inch South Union CI main.

B. CMA's Records of Control Lines in Lawrence

42. Prior to the Event, CMA did not maintain consistent and reliable records of control lines. Instead of mapping control lines into their main computerized mapping system, Geographic Information System ("GIS"), records of control lines were primarily located in a patchwork of multiple locations, including records of completed construction projects known as the "Work Done Files" and "Capital Close-Out" Files; a paper notebook of the location of critical valves known as the "Critical Valve Book" ("CVB"); and in a binder of documents that M&R personnel kept in their CMA trucks.

43. As employees from CMA Engineering, Construction and M&R in Lawrence knew, the records regarding the location of control lines were often outdated, incomplete and thus unreliable. Records of the locations of the control lines for the Winthrop Reg. Station were first located in the CVB, a binder that contained hard copies of maps that depicted the location of "critical valves," valves designated by both state and federal code as critical. The Lawrence Engineering Department kept and maintained the CVB, but did not regularly or consistently update information about the location of control lines. For example, for the Winthrop Regulator Station, the CVB had the location of the control lines as they existed in approximately May 2010, but when the new control line was installed in or about September 2015, the CVB was never updated to reflect the change.

44. A second location for records of control lines was the Work-Done and Capital Close-Out Files. Following the completion of a construction job, CMA Construction inspectors completed hand-drawn "as-built" drawings to record the location of pipes and new infrastructure. In the case of the Winthrop Reg. Station, while the Work-Done and Capital Close-Out File for the Parker Street Project included the "as-built" drawing for the September 2015 installation of the new control line, the drawing did not depict the location of the second control line from the Winthrop Reg. Station to the CI main on South Union Street.

45. A third location for records of control lines were the binders of documents and hand-drawn diagrams often referred to as "bibles" that M&R personnel kept in their trucks that were not maintained in a centralized location. With regards to the Winthrop Reg. Station, the M&R book contained two diagrams with information about the location of the control lines in approximately 2000 and 2010, but did not reflect the location of the newly installed control line from September 2015.

46. While GIS, CMA's most readily available and centralized record of their pipeline system, depicted the location of the Reg. Stations and the outlet pipes, it generally did not include any information about the control lines. Furthermore, despite concerns that CMA engineers raised about control lines not being consistently mapped in GIS, CMA deliberately chose to not include consistent and reliable information about the location of control lines in GIS and instead relied upon the patchwork of records described above that were often outdated and unreliable.

47. For example, on or about April 24, 2017, a NiSource engineer in Gas Systems Planning ("GSP") working with CMA Field Engineers scheduled a telephonic meeting entitled "*Feasibility discussion of mapping reg station control lines in GIS"* with the Leader of GIS Capital Closeout and a Leader of Field Engineering ("FE Leader"). During the meeting, GSP Engineer expressed concerns that control lines were not included in GIS and was adversely affecting the accuracy of gas pressure models for Field Engineers.

48. Despite this concern, CMA deliberately chose not to change its practice and failed to include the location of control lines into GIS because of the substantial cost involved in proactively locating and mapping control lines. Instead, the primary use and utility of GIS continued to be the accounting of the replacement and abandonment of CI pipe for capital recapture in the GSEP program, a financial benefit for CMA.

C. The Responsibility for Control Lines

49. Without any clear direction and implementation of a procedure to address the dangers associated with control lines, and despite the known risk, employees in CMA's Lawrence Division in Engineering, M&R and Construction frequently ignored and shifted the responsibility for locating and accounting for control lines to other Departments. For example, while employees in the Field Engineering Department in Lawrence considered the control lines to be an M&R responsibility (because they were associated with Reg. Stations), M&R personnel considered control lines to be an Engineering responsibility because the control line pipes extended outside the boundaries of the Reg. Station.

D. Early Planning Stages of the South Union Project

50. In and around 2015, CMA Field Engineering in Lawrence was understaffed and consisted only of two Field Engineers: a more junior Field Engineer ("Field Engineer-1") whom CMA hired in approximately July 2015 with no prior professional engineering experience and a more senior Field Engineer ("Field Engineer-2"). Because of Field Engineer-2's workload, in or about late 2015, Field Engineer-2 gave the South Union Project to Field Engineer-1. In terms of size, complexity and budget, the South Union Project, at a projected cost of over $1.4 million, was the largest project on which Field Engineer-1 had ever worked to date.

51. In or about February 2016, Field Engineer-1 finalized an initial Proposed Drawing ("Pro-Drawing") for the South Union Project that included maps derived from GIS that depicted the location of the existing gas main to be abandoned and the proposed location of the new plastic main. The Pro-Drawing also depicted the location of the Winthrop Reg. Station and outlet pipes, but because CMA did not include information about control lines in GIS, the Pro-Drawing also did not include any information about control lines.

52. While Field Engineer-1 and others members of Field Engineering knew the precise danger associated with control lines, throughout the duration of the project from approximately late 2015 and continuing until the day of the Event, Field Engineer-1 never took any action to locate the control lines associated with the Winthrop Reg. Station. Moreover, despite the high probability of a catastrophic over-pressurization of a LP system that would result if a Reg. Station's control lines were left connected to a main that was then replaced and abandoned, CMA and CMA's Field Engineering Department never implemented any formal written procedure to ensure the necessary relocation of control lines.

53. Instead, CMA followed an informal practice of encouraging verbal communication and collaboration among members of Field Engineering, Construction and M&R involved in a particular project including through a process called "Constructability Reviews."

54. For example, on or about March 1, 2016, Construction Leader-1 and Field Engineer-1 engaged in the first of three "Constructability Reviews" on the South Union Project, a discussion between Field Engineering and Construction that followed a two-page checklist entitled *"Constructability/Safety Review."* The two-page checklist, from a CMA template, was required documentation for a pipe replacement project, but made no reference to control lines and did not require a formal discussion with M&R.

55. Despite the fact that Construction Leader-1 knew that in September 2015, a new control line had been installed from the Winthrop Reg. Station to the CI main on South Union Street that was now planned for abandonment in the South Union Project, Construction Leader-1 never discussed with or identified to Field Engineer-1 the need to relocate the control line on the South Union Street CI main. Instead, Construction Leader-1 encouraged Field Engineer-1 to discuss with then-Leader of M&R ("M&R Leader-1") the type and size of the valve needed for a new outlet pipe that would connect the Winthrop Reg. Station to the new plastic main on South Union Street.

56. While Field Engineer-1 generally discussed the South Union Project with M&R Leader-1, Field Engineer-1 did not have a meaningful conversation about the control lines or the necessity to relocate the control lines at the end of the project with M&R Leader-1. Instead, Field Engineer-1 assumed that nothing further was needed from Engineering even though Field Engineer-1 knew that nothing had been done to plan for, or actually relocate, the control lines before the final abandonment of the CI mains on South Union Street. In doing so, CMA recklessly disregarded a known and certain risk of a catastrophic over-pressurization.

E. Approval of the South Union Street Project

57. In or about March 2016, Field Engineer-1 submitted the South Union Project for approval first to the Leader of FE and then to the Manager of Field Engineering for CMA ("FE Manager"). Among the materials that Field Engineer-1 submitted through the company's Work Management System were a scope map of the project, specific tie-in and abandonment procedures for the various stages of the project, and a Project Budget Request ("PBR") that indicated that the total cost of the project was approximately $1.4 million, but which would ultimately result in the retirement of approximately 7,500 feet of CI main pipe for the GSEP Program.

58. The PBR also made clear that the project involved the ultimate abandonment of a substantial portion of CI mains but not their entirety "*due to the regulator station at the intersection of S. Union Street and Winthrop Ave and that the LP system in this area depends on the stretch of LP mains on S. Union St."* The documents that Field Engineer-1 submitted through WMS Docs to senior Engineering Management did not include any procedure for the relocation of the control lines before the final abandonment of the CI mains.

59. Even though Field Engineering was ultimately responsible for the design and procedures for the execution of the South Union Project, and Engineering Management knew that the South Union Project was Field Engineer-1's largest and most difficult project to-date, members of Field Engineering Management never addressed the need to relocate, or account for, the control lines on the Winthrop Reg. Station to prevent an over-pressurization event. Instead, Field Engineering Management focused its' project review on cost and budget issues. Both the FE Leader and FE Manager approved the project for release to the construction phase without any discussion about control lines or concerns about over-pressurization.

Construction of the South Union Project in 2016

60. In or about July 2016, construction of the South Union Project began with a third-party contractor construction crew and one of three CMA inspectors onsite. From in or about August 2016 through the remainder of 2017, a third-party contractor ("CMA Inspector-1") served as the project's primary inspector. On at least two different occasions in 2016, the construction crew, with a CMA inspector onsite conducted work in and around the Winthrop Reg. Station.

61. First, on or about August 9, 2016, the construction crew excavated in the area of the Winthrop Reg. Station in order to install the new plastic main directly under the two control lines that connected the Winthrop Reg. Station to the CI main's on South Union Street. Even though a CMA inspector was onsite during the work, CMA did not document or record the location of the control lines.

62. Second, on or about October 17, 2016, the construction crew installed an outlet pipe from the Winthrop Reg. Station to the newly installed plastic main. The same day, in an email at approximately 9:09 p.m., Construction Leader-1 informed M&R Leader-1 that construction was *"working on the low pressure outlet [at the Winthrop Reg. Station] . . . and eventually moving the static lines to the new outlet piping."*

63. On or about October 27, 2016, CMA was required to discontinue construction on the South Union Project due to a citywide moratorium from the City of Lawrence on all gas, water and sewer construction projects in Lawrence. Thereafter, from in or about 2017 until in or about early 2018, the City of Lawrence discontinued authorizing permits for all but a limited number of public utility construction projects due to a concern about a lack of coordination and communication about ongoing construction projects.

64. While originally planned for completion by the end of 2016, due to the citywide moratorium, in late 2016 the project was placed on hold. By in or about October 2016, the construction crew installed and "energized" the new plastic main on South Union Street by feeding the main with gas from the Winthrop Reg. Station. The construction crew, however, was unable to begin any of the "tie-in" and abandonment procedures to "tie-in" or connect the side-streets to the new plastic main and thus was also unable to abandon the CI mains on South Union Street.

65. By December 2016, CMA Inspector 1's notes on the tie-in procedures to Field Engineering made clear that the regulator at the Winthrop Reg. Station was still connected to the old CI-mains on South Union Street and were "*NOT CUT-OFF AS OF 12-9-16,"* meaning that gas from the Winthrop Reg. Station was still feeding the two CI mains on South Union Street.

66. Around the same time, Construction Leader-1 and CMA Inspector-1 had discussions about the need to eventually move the control lines, but neither took any material action to ensure that the controls lines were moved at the appropriate time to prevent a catastrophic over-pressurization event. Moreover, by the completion of the project in 2018, Construction Leader-1 was working in a new position and CMA Inspector-1 was working on different construction projects.

67. As a result, though it was originally planned to be one of three "carry-over projects" that was at first scheduled for 2017, the continued construction of the South Union Project was ultimately delayed until approximately May 2018.

The Project Cost Review of the South Union Project in 2017

68. On or about January 16, 2017, Field Engineer-1 submitted an updated PBR for the "carry-over" South Union Project to Field Engineering Management. In contrast to the first PBR submitted for the South Union Project on March 9, 2016, the updated PBR had an estimated total additional cost of more than $1.1 million with a projected completion date of the fall of 2017, though no construction took place in 2017.

69. As a result of the increased costs related to the South Union Project, the FE Manager scheduled a "Project Cost Review" to take a closer look at the South Union Project *"due to its' size and the financial impact to the budget."*

70. The Project Cost Review for the South Union Project took place on or about February 17, 2017 and included a presentation from Field Engineer-1 and Construction Leader-1 to the FE Manager. The presentation was focused on cost and included a slide entitled *"Work Completed in 2016 (what did we get for our money)."* The presentation also addressed the construction involving the Winthrop Reg. Station and made clear was still feeding both old CI mains as well as the new plastic main on South Union Street. The presentation also included a timeline of events that emphasized the fact that *"City of Lawrence shut down all work"* on October 17, 2016 as the primary reason for the *"extended contracting costs."*

71. While over three consecutive years in 2016, 2017 and 2018 both the FE Manager and FE Leader participated in the approval of the South Union Project and a more detailed Project Cost Review in February 2017, no one from Field Engineering involved in the project ever specifically addressed the need to account for the control lines on the Winthrop Reg. Station to prevent a known risk of catastrophic over-pressurization. Instead, CMA and Field Engineering's evaluation of risk focused on the actual occurrence of prior events affecting pipeline integrity and the fact that, despite a 2015 "near-miss" involving control lines within NiSource, CMA had never previously had a serious over-pressurization event involving control lines.

Field-Engineering's Focus on GSEP Goals and Company Earnings

72. While CMA Field Engineering was ultimately responsible for the design and written procedures relating to pipeline replacement projects, the focus of the FE Manager's position was the management and administration of CMA's Capital Expenditure and GSEP Program, and promoting the achievement of the company's financial objectives. Following the initiation of the GSEP Program in or about 2015, CMA dictated yearly mileage goals under the GSEP program that increased annually. The FE Manager made clear to CMA employees that meeting GSEP mileage goals was directly connected to company earnings.

73. For example, on or about January 6, 2017, following the completion of the first full year of GSEP in 2016, the FE Manager emailed Engineering, Construction and Senior Management in CMA to tout the booking of approximately $67.3 million in capital expenditures as a *"huge milestone"* and stated that their meeting *"the GSEP targets is contributing to the earnings of CMA."*

74. In addition, during monthly Capital Program Management Meetings, the FE Manager frequently encouraged CMA employees from Construction and Engineering to timely execute and close-out capital GSEP projects and connected the completion of these projects to company earnings. In April 2016, the FE Manager's presentation included a graphic linking the terms "Concept," "Execute," and "Close Out" to promote the timely completion of projects. By April 2018, the FE Manager added the term "Earnings" to flow directly from the "Close Out" or completion of GSEP projects to emphasize the point that company earnings derived directly from completed GSEP projects.

75. In addition to touting success, the FE Manager also frequently expressed dissatisfaction directly to subordinates and direct reports about the failure to meet GSEP goals for the retirement of "priority pipe." For example, on or about November 16, 2017, the FE Manager emailed that *"failing to meet a goal of retiring 234,000 ft will be severely frowned upon. (think Game of Thrones . . . :-)."*

76. On or about March 12, 2018, after CMA had reported the retirement of only 43 miles of pipe, the FE Manager emailed that, *"We better have retired more than 43 miles of priority pipe! More like 53 miles."*

77. On or about September 7, 2018, following an email from the leader of the Capital Closeout that CMA was approximately 14 miles behind its goal for the retirement of priority pipe, the FE Manager emailed a group of subordinates, *"For CMA we are 14 miles behind. My question to the group, is anyone concerned that we will not meet our target for the year? If so, what can we do to mitigate the risk?"* referring to the risk of failing to meet the GSEP goal rather than any particular risk of pipeline integrity or safety.

The M&R Department in Lawrence

78. Between approximately 1988 and January 2018, CMA's M&R Department in Lawrence was primarily responsible for maintaining the Reg. Stations and ensuring compliance with state and federal regulations as well as the company's internal Gas Standards that were based on state and federal regulations, primarily Part 192. During the same period of time, among other responsibilities, M&R was also responsible for maintaining and staffing a Liquefied Natural Gas ("LNG") and Liquid Propane Gas ("LPG") Plant in the Lawrence area that provided additional supplies of gas for winter.

79. In or about 2017, CMA Senior Management proposed a structural change to the Lawrence M&R Department, already in place in the Brockton and Springfield M&R Departments, that would divide the responsibility for M&R and the LNG/LPG Plant into two separate departments. By no later than mid-2017, M&R Leader-1 complained to CMA's Vice President and Operations Center Manager ("OCM-1") that the change would be a bad decision, resulting in a lack of resources to manage not only the LNG/LPG Plant, but the area Reg. Stations.

80. Specifically, because the six total qualified employees in M&R could not shift responsibility between Plants and M&R as needed, only two M&R personnel would be left to manage all the Reg. Stations in Lawrence, Andover and North Andover. Around the same time, CMA Senior Management also knew that CMA needed more use of its LNG/LPG Plant, particularly in winter, due to the recent defeat of a proposed transmission pipeline in Northern Massachusetts, requiring four M&R Technicians to work 12-hours shifts to operate the Plant around-the-clock with a minimum staff of two employees per shift. According to an October 2017 email regarding M&R Leader-1's concern, *"That leaves no time to respond to regulator station issues or the like."*

81. Pursuant to a request from CMA's Vice President, M&R Leader-1 was required to put together "a business case" for more resources in M&R. As a result, on or about October 16, 2017, M&R Leader-1 made a presentation to CMA's Vice President, OCM-1 and the Finance Director about the need for more resources in M&R and the Plant. During the meeting, M&R Leader-1 described the need for more resources as "urgent" and warned that there were potential consequences for not adding the resources, including the fact that M&R could not adequately respond if there were multiple Reg. Station concerns. While the CMA Vice President ultimately agreed to provide the additional resources that M&R Leader-1 requested, CMA did not secure more resources for M&R until after the Event, and still divided M&R and the Plant into separate divisions.

82. Specifically, between in or about December 2017 and April 2018, CMA senior management shifted the responsibility for Lawrence M&R and Reg. Stations from M&R Leader-1 to the leader of M&R for Brockton and Springfield ("M&R Leader-2") while M&R Leader-1 retained responsibility for the Plant. By in or about May 2018, M&R Leader-1, the sole CMA employee with the most knowledge of all Lawrence Reg. Stations, abruptly retired from CMA.

83. Around the same time, in April 2018, CMA shifted managerial responsibilities in Lawrence in order to focus on the "rate case" before the MA DPU to increase the rates CMA could charge to CMA's customers, based in part on the GSEP Program. According to a January 29, 2019 email from the Vice President of CMA, *"After the filing [of the rate case in April 2018], the next six to eight months are focused on the case management and the litigation process – creating a significant burden on resources."*

84. In order to shift CMA's focus to the upcoming rate case, in late January 2018, CMA temporarily gave the Lawrence Manager of Systems Operations ("OCM-2") the additional responsibility of serving as the Lawrence OCM, with oversight over M&R in Lawrence even though OCM-2 had no prior experience with M&R as well as no understanding of ON 15-05 and the importance of control lines.

The Continuation of the South Union Project in 2018

85. On or about January 19, 2018, for the third consecutive year, Field Engineer-1 submitted a PBR for the South Union Project to Senior Field Engineering Management. After several revisions to the budget and cost documents that the FE Manager directed, by on or about March 20, 2018, both the FE Leader and FE Manager again approved the continuation of the South Union Project for construction and completion in 2018.

86. The managerial review of the project was again focused on cost and budget in part because the project was delayed, over-budget, and needed to be completed in order to allow for a City of Lawrence water project to commence in the same area. Immediately following the approval, in an email on or about March 20, 2016, Field Engineer-1 informed Construction that, "*This is one of the projects that needs to start as soon as the city allows us"* in order to complete the project in 2018. Furthermore, unlike the previous two years, no Constructability Review took place between Field Engineering and M&R. Instead, the South Union Project proceeded to the final construction phase without any formal or informal collaboration or planning among Field Engineering, Construction, and M&R.

87. The final stages of the South Union Project involved step-by-step "tie-in" and abandonment procedures whereby the construction crew would "tie-in" or connect the new plastic main to the side-streets and cut-off portions of the CI mains on South Union Street. As CMA collectively contemplated and planned, the project would be completed upon the final "tie-in" and abandonment procedure. At that time, the CI mains on South Union Street would be abandoned and completely disconnected from the flow of gas.

88. Nevertheless, despite the fact that CMA knew that the control lines were still attached to the CI mains and that the complete abandonment of the CI mains would cause the Winthrop Reg. Station control lines to read decreasing pressure, prompting the regulators to automatically and continually supply more gas to the South Lawrence LP System to the point of a dangerous over-pressurization, CMA did not prepare and follow, nor even contemplate, a formal written procedure for the removal of the control lines CMA knew was needed to prevent an over-pressurization and assure operation within the MAOP.

89. Furthermore, while CMA had encouraged an informal practice of verbal communications and collaboration among Field Engineering, CMA and Senior Management knew that by 2018, with the exception of Field Engineer-1, each of the prior significant participants in the South Union Project – including Construction Leader-1, M&R Leader-1, CMA Inspector-1, and the 2016 construction crew – were no longer involved in the project. Yet, CMA did nothing to manage the change in personnel or to pass on the information about the project they collectively shared.

90. For example, in early 2018, Construction Leader-1 took a new position with CMA in the Lawrence Operations Department. Construction Leader-1 was directly involved in the installation of the new control line in 2015, and knew that CMA would have to eventually move the control lines on the Winthrop Reg. Station, but failed to inform the new Construction Leader or the new CMA Inspector ("CMA Inspector-2') about the need to relocate the control lines to prevent an over-pressurization.

91. The renewed construction of the South Union Project began with a new construction crew and CMA Inspector-2 on or about May 22, 2018. On or about June 12, 2018, the construction crew began work near the Winthrop Reg. Station. During the construction, CMA Inspector-2 contacted Field Engineer-2 and Field Engineer-1 when it was discovered that the construction crew could not excavate in a particular area because the street had been newly paved.

92. As a result, Field Engineer-2 and Field Engineer-1 viewed the construction site, and directed the construction crew to alter the procedure to "cut-and-cap" portions of the old CI mains on South Union Street, thus removing portions of the CI mains from the street. At the time of the construction, CMA Inspector-2 noted the darkened asphalt trench—depicting the location of the control line installed in September 2015—but wrongly assumed the trench was the location of the outlet pipe. At the same time, while present at the construction site, neither Field Engineer-2 or Field Engineer-1 ever took any steps to investigate or determine the location of the control lines or contact M&R even though the construction site was in close proximity to the Winthrop Reg. Station.

93. On or about September 13, 2018, at approximately 4:00 p.m., the construction crew completed the final "tie-in" and abandonment procedure following the procedures CMA provided to the crew at the intersection of Salem Street and South Union Street. While not anticipated by the construction crew, the final "tie-in" and abandonment procedure resulted in the complete abandonment of the CI mains on South Union Street. Upon the complete abandonment and isolation of the CI mains on South Union Street, the Winthrop Reg. Station—that CMA knew was still connected to the CI mains on South Union Street—sensed a sharp decline in pressure, causing the Winthrop Reg. Station to automatically and continually feed more pressure into the South Lawrence LP System causing the catastrophic over-pressurization event described above in paragraphs 20 and 21.

COUNT ONE

Failure to Prepare and Follow a Procedure for the Starting Up and Shutting Down of a Pipeline Designed to Assure Operation within the Maximum Allowable Operating Pressure
(49 U.S.C. §§ 60123(a), 49 U.S.C. § 60118(a);
49 C.F.R. §§ 192.605(a), 192.605(b)(5))

The United States Attorney charges:

94. The United States Attorney re-alleges and incorporates by reference paragraphs 1-93 of this Information.

95. From in or about 2015 through on or about September 13, 2018, in in the District of Massachusetts, the defendant,

BAY STATE GAS COMPANY,
d/b/a Columbia Gas of Massachusetts,

by and through the actions of its employees, and through a pattern of flagrant organizational indifference, knowingly and willfully violated a minimum safety standard for the starting up and shutting of any part of a distribution pipeline, as set forth in Title 49, Code of Federal Regulations, Section 192.605(b)(5). Specifically, BAY STATE GAS COMPANY, d/b/a Columbia Gas of Massachusetts, knowingly and willfully failed to prepare and follow procedures to remove and relocate regulator control lines on the South Union Project to assure operation of the South Lawrence LP System within the Maximum Allowable Operating Pressure and safety during maintenance and operations.

All in violation of Title 49, United State Code, Section 60123(a).

ANDREW E. LELLING
United States Attorney

By /s/ Neil J. Gallagher, Jr.
Neil J. Gallagher, Jr.
Evan Gotlob
Assistant U.S. Attorneys

Dated: February 26, 2020

U.S. Department of Justice

Andrew E. Lelling
United States Attorney
District of Massachusetts

Main Reception: (617) 748-3100

John Joseph Moakley United States Courthouse
1 Courthouse Way
Suite 9200
Boston, Massachusetts 02210

February 25, 2020

Alejandro N. Mayorkas, Esq.
WilmerHale, LLP
1875 Pennsylvania Avenue NW
Washington, DC 20006

Re: United States v. Bay State Gas Company, d/b/a Columbia Gas of Massachusetts
Criminal No.

Dear Counsel:

The United States Attorney for the District of Massachusetts ("the U.S. Attorney") and your client, Bay State Gas Company, doing business as ("d/b/a") Columbia Gas of Massachusetts ("Defendant"), agree as follows with respect to the above-referenced case:

1. Change of Plea

At the earliest practicable date, Defendant will waive Indictment and plead guilty to Count One of the Information, attached to this agreement as **Exhibit A**, charging the Knowing and Willful Failure to Prepare and Follow a Procedure for the Starting Up and Shutting Down of a Pipeline Designed to Assure Operation within the Maximum Allowable Operating Pressure, in violation of 49 U.S.C. § 60123(a), 49 U.S.C. § 60118(a), and 49 C.F.R. §§ 192.605(a) and 192.605(b)(5). Defendant admits that it committed the crime specified in Count One and is in fact guilty.

2. Penalties

Defendant faces the following maximum penalties:

a. A fine of not more than the greater of twice the gross gain or twice the gross loss, whichever is greater, pursuant to 18 U.S.C. § 3571(d);

b. A term of probation of not less than one (1) year nor more than three (3) years, pursuant to 18 U.S.C. § 3561(c)(1);

c. Restitution to any victim of the offense; and

d. A mandatory special assessment of $400, pursuant to 18 U.S.C. § 3013(c)(2)(B).

3. Fed. R. Crim. P. 11(c)(1)(C) Plea

This Plea Agreement is made pursuant to Fed. R. Crim. P. 11(c)(1)(C), and Defendant's guilty plea will be tendered pursuant to that provision. In accordance with Rule 11(c)(1)(C), if the District Court ("Court") accepts this Plea Agreement, the Court must include the agreed disposition in the judgment. If the Court rejects any aspect of this Plea Agreement, the U.S. Attorney or Defendant may deem the Plea Agreement null and void. Defendant understands and acknowledges that it may not withdraw its plea of guilty unless the Court rejects this Plea Agreement under Fed. R. Crim. P. 11(c)(5).

4. Sentencing Guidelines

The parties agree jointly to take the following positions at sentencing under the United States Sentencing Guidelines ("USSG" or "Guidelines") and other applicable law.

a) No guideline under the USSG has been promulgated for the violation to which Defendant is pleading guilty, specifically, a violation of 49 U.S.C. §§ 60123(a), and 60118(a) and 49 C.F.R. §§ 192.605(a) and 192.605(b)(5). *See* USSG §§ 2X5.1;

b) Pursuant to USSG § 2X5.1, the most analogous guideline for the facts and circumstances of this case is USSG § 2Q1.2 as it pertains to the Mishandling of Hazardous or Toxic Substances.

c) Pursuant to USSG § 2Q1.2(a), Defendant's base offense level is 8;

d) Defendant's offense level is increased by 6 levels, because pursuant to USSG § 2Q1.2(b)(1)(A) the offense resulted in, by analogy, an ongoing and continuous discharge of natural gas;

e) Defendant's offense level is increased by 9 levels, because pursuant to USSG § 2Q1.2(b)(2) the offense resulted in a substantial likelihood of death and serious bodily injury;

f) In accordance with USSG § 3E1.1, based on Defendant's prompt acceptance of responsibility for the offense of conviction in this case, the adjusted offense level is reduced by three, resulting in a total adjusted offense level 20.

g) Since USSG § 2Q1.2 is not covered by USSG § 8C2.1, the applicable fine is determined by USSG § 8C2.10, which provides that the Court "should determine an appropriate fine by applying the provisions of 18 U.S.C. §§ 3553 and 3572."

The U.S. Attorney's agreement that the disposition set forth below is appropriate in this case is based, in part, on Defendant's prompt acceptance of responsibility for the offense of conviction in this case, Defendant's voluntary payments of restitution to the victims of the offense, and Defendant's parent company, NiSource, Inc.'s ("NiSource"), agreement to use reasonable best efforts to sell Defendant or Defendant's gas distribution business to a qualified third-party buyer consistent with the requirements of M.G.L. c. 164, § 96 and Interlocutory Order on Standard of Review, D.P.U. 10-170, upon the completion of which: (1) NiSource will cease and desist any and all gas pipeline and gas distribution activities in the District of Massachusetts; and (2) NiSource will pay a fine equal to the amount of any profit or gain NiSource realized from any such sale.

The U.S. Attorney may, at his sole option, be released from his commitments under this Plea Agreement, including, but not limited to, his agreement that Paragraph 5 constitutes the appropriate disposition of this case, if at any time between Defendant's execution of this Plea Agreement and sentencing, Defendant:

(a) Fails to admit a complete factual basis for the plea;

(b) Fails to truthfully admit Defendant's conduct in the offense of conviction;

(c) Falsely denies, or frivolously contests, relevant conduct for which Defendant is accountable under USSG § 1B1.3;

(d) Fails to provide truthful information about Defendant's financial status and/or Defendant's payments to victims of the offense of conviction;

(e) Gives false or misleading testimony in any proceeding relating to the criminal conduct charged in this case and any relevant conduct for which Defendant is accountable under USSG § 1B1.3;

(f) Engages in acts that form a basis for finding that Defendant has obstructed or impeded the administration of justice under USSG § 3C1.1;

(g) Commits a crime; or

(i) Attempts to withdraw Defendant's guilty plea.

Nothing in this Plea Agreement affects the U.S. Attorney's obligation to provide the Court and the U.S. Probation Office with accurate and complete information regarding this case.

5. Agreed Disposition

Under Fed. R. Crim. P. 11(c)(1)(C), the United States and Defendant agree that the following is a reasonable and appropriate disposition of this case, taking into consideration all of the factors set forth in 18 U.S.C. §§ 3553(a) and 3572:

a. A criminal fine in the amount of $53,030,116 paid within thirty (30) days of sentencing, which amount represents twice the amount of pecuniary gain of $26,515,058 that Defendant received from its Gas System Enhancement Plan ("GSEP") in Massachusetts from 2015 through and including 2018.

b. A period of probation of three (3) years that will immediately terminate prior to the three (3) year term upon a certification to the Court of the completion of the sale of Defendant or Defendant's gas distribution business to a qualified third-party buyer consistent with the requirements of M.G.L. c. 164, § 96 and Interlocutory Order on Standard of Review, D.P.U. 10-170, and formal acceptance of the sale by the Massachusetts Department of Public Utilities ("MA DPU").

c. In addition to the mandatory conditions of probation pursuant to USSG § 8D1.3 and 18 U.S.C. § 3563(a), which includes the full payment of the fine set forth in paragraph 5(a), the period of probation shall also include the following additional conditions:

i. Defendant will implement and adhere to each of the recommendations from the National Transportation Safety Board ("NTSB") related to NTSB Accident ID PLD18MR003 regarding the Merrimack Valley Over-Pressurization Event on or about September 13, 2018 (the "Event");

ii. Defendant will agree to employ at Defendant's expense an in-house monitor to oversee Defendant's compliance with the recommendations of the NTSB and applicable laws and regulations. This monitor will report monthly in writing to a government committee composed of a representative from the U.S. Attorney, the MA DPU and the Massachusetts Attorney General's Office ("MA AGO");

iii. In the event that Defendant enters into a definitive purchase and sale agreement for the sale of Defendant or its gas distribution business within the three (3) year term of probation, Defendant will do the following:

A. Within three (3) business days of the execution of a definitive purchase and sale agreement with a purchaser of Defendant or Defendant's gas distribution business, Defendant will submit to the U.S. Attorney and the Court a filing, which if appropriate may be filed under seal, that completely and accurately details the terms of the purchase and sale agreement including the proposed purchase price;

B. Within seven (7) business days of the execution of a definitive purchase and sale agreement with a purchaser of Defendant or Defendant's gas distribution business, Defendant will provide the U.S. Attorney and the Court, in the form of a declaration under 28 U.S.C. § 1746 that may be filed under seal if appropriate, a true and accurate detailed accounting following both Generally Accepted Accounting Principles ("GAAP") and federal income tax obligations, of the total amount of any potential gain, profit or loss that will result from the proposed sale reflected in the filing described above in paragraph 5(c)(iii)(A) and in accordance with the formula set forth in **Exhibit B**;

C. Upon request from the U.S. Attorney, Defendant will promptly provide to the U.S. Attorney true and accurate records including income tax returns, to the extent required to verify the accuracy of any potential profit, gain or loss that will result from the sale of Defendant or Defendant's gas distribution business reflected in the filing described above in paragraph 5(c)(iii)(A). Defendant understands and agrees that the U.S. Attorney may provide these records to an outside consultant/expert he retains to verify the accuracy of the information, provided that such consultant/expert is subject to the terms of a confidentiality agreement; and

D. No later than three (3) business days before the completion of any sale of Defendant or its gas distribution business, Defendant will provide the U.S. Attorney and the Court, in a filing that may submitted under seal if appropriate, any updated information about the terms of sale, and Defendant's calculation of any gain, profit or loss from the sale of Defendant or Defendant's gas distribution business in accordance with the formula set forth in **Exhibit B**. Defendant understands and agrees that Defendant must completely and accurately report to both the Court and the U.S. Attorney the total amount of any profit, gain or loss from the sale of Defendant or its gas distribution business.

d. Defendant understands and agrees that the U.S. Attorney reserves the right to verify and challenge the accuracy of Defendant's calculation of any potential profit, gain or loss from the sale of Defendant or its gas distribution business prior to the final sale and that Defendant's failure to accurately report the information described above in paragraph 5(c)(iii) may constitute a violation of this Plea Agreement and/or a violation of a condition of Defendant's probation. *See* USSG § 8D1.4(b)(3).

e. Notwithstanding the agreed upon disposition described above, pursuant to USSG § 8F1.1, Defendant understands and agrees that upon a finding by the Court that Defendant violated a condition of probation, including the failure to provide true and accurate information regarding any profit or gain from a sale of Defendant or its gas distribution business as described above in paragraph 5(c)(iii), the Court may extend the term of probation up to the time of the final sale of Defendant or its gas distribution business, impose more restrictive conditions of probation, or prior to the final sale of Defendant or its gas distribution business, revoke probation and resentence Defendant.

f. The U.S. Attorney agrees that no consequence of any breach of this Plea Agreement or of any violation of a condition Defendant's probation will be imposed upon a bona fide purchaser for value of Defendant or Defendant's gas distribution business.

6. No Further Prosecution of Defendant and No Prosecution of its Ultimate Parent Company, NiSource, Inc.

Under Fed. R. Crim. P. 11(c)(1)(A), the United States agrees that, other than the charges in the Information attached as **Exhibit A**, and pursuant to the Deferred Prosecution Agreement (the "DPA") attached as **Exhibit C**, the U.S. Attorney shall not prosecute Defendant or NiSource for any conduct related to the allegations in the attached Information, the Event, or Defendant's restoration work in the Merrimack Valley following the Event based on the facts and circumstances now known to the U.S. Attorney.

This provision is expressly contingent on: (i) the Court's acceptance of the guilty plea of Defendant to the attached Information; (ii) Defendant's agreement not to withdraw or otherwise challenge this Plea Agreement; (iii) Defendant's performance of all of its obligations as set forth in this Plea Agreement prior to the sale of Defendant or its gas distribution business; and (iv) NiSource's compliance with the DPA attached as **Exhibit C**. If Defendant's guilty plea is withdrawn for any reason, or if Defendant should fail to perform an obligation under this Plea Agreement prior to the sale of Defendant or its gas distribution business, the U.S. Attorney, at his sole option, may render this Plea Agreement and the DPA attached as **Exhibit C** null and void.

While based on the information currently available to him, the U.S. Attorney does not intend to criminally prosecute any individual for violations of the Natural Gas Pipeline Safety Act, 49 U.S.C. § 60101 *et seq.* for the conduct related to the allegations in the attached Information, the Event, or Defendant's and NiSource's restoration work in the Merrimack Valley, the U.S. Attorney nonetheless reserves the right to prosecute any individual, including but not limited to present and former officers, directors, employees, and other agents of Defendant or NiSource.

7. Waiver of Right to Appeal and to Bring Future Challenge

(a) Defendant has conferred with its attorney and understands that it has the right to challenge its conviction in the United States Court of Appeals for the First Circuit ("direct appeal"). Defendant also understands that, in some circumstances, Defendant may be able to challenge its conviction in a future proceeding (collateral or otherwise), such as pursuant to a motion under 28 U.S.C. § 2255 or 28 U.S.C. § 2241. Defendant waives any right to challenge Defendant's conviction on direct appeal or in any future proceeding (collateral or otherwise).

(b) Defendant has conferred with its attorney and understands that defendants ordinarily have a right to challenge in a direct appeal their sentences (including any orders relating to the terms and conditions of supervised release, fines, forfeiture, and restitution) and may sometimes challenge their sentences (including any orders relating to the terms and conditions of supervised release, fines, forfeiture, and restitution) in a future proceeding (collateral or otherwise). The rights that are ordinarily available to a defendant are limited when a defendant enters into a Rule 11(c)(1)(C) agreement. In this case, Defendant waives any rights Defendant may have to challenge the agreed-upon sentence (including any agreement relating to the terms and conditions of supervised release, fines, forfeiture, and restitution) on direct appeal and in a future proceeding (collateral or otherwise), such as pursuant to 28 U.S.C. § 2255 and 28 U.S.C. § 2241. Defendant also waives any right Defendant may have under 18 U.S.C. § 3582(c)(2) to ask the Court to modify the sentence, even if the USSG are later amended in a way that appears favorable to Defendant. Likewise, Defendant agrees not to seek to be resentenced with the benefit of any change to Defendant's Criminal History Category that existed at the time of Defendant's original sentencing. Defendant also agrees not to challenge the sentence in an appeal or future proceeding (collateral or otherwise) even if the Court rejects one or more positions advocated by any party at sentencing. In sum, Defendant understands and agrees that in entering into this Plea Agreement, the parties intend that Defendant will receive the benefits of the Plea Agreement and that the sentence will be final.

(c) The U.S. Attorney agrees that he will not appeal the imposition by the Court of the sentence agreed to by the parties as set out in Paragraph 5, even if the Court rejects one or more positions advocated by either party at sentencing.

(d) Regardless of the previous subparagraphs, Defendant reserves the right to claim that: (i) Defendant's lawyer rendered ineffective assistance of counsel under *Strickland v. Washington*; or (ii) the prosecutor in this case engaged in misconduct that entitles Defendant to relief from Defendant's conviction or sentence.

8. Forfeiture

Defendant hereby waives and releases any claims Defendant may have to any property seized by the United States, or seized by any state or local law enforcement agency and turned over to the United States, during the investigation and prosecution of this case, and consents to the forfeiture of all such assets.

9. Civil Liability

By entering into this Plea Agreement, the U.S. Attorney does not compromise any civil liability, including but not limited to any tax liability, Defendant may have incurred or may incur as a result of Defendant's conduct and plea of guilty to the charges specified in Paragraph 1 of this Plea Agreement.

10. Withdrawal of Plea by Defendant or Rejection of Plea by Court

Should Defendant move to withdraw its guilty plea at any time, this Plea Agreement and the DPA attached as **Exhibit C** shall be null and void at the option of the U.S. Attorney. In addition, should the Court reject the parties' agreed-upon disposition of the case or any other aspect of this Plea Agreement, this Plea Agreement and the DPA attached as **Exhibit C** shall be null and void at the option of either the U.S. Attorney or Defendant. In this event, Defendant agrees to waive any defenses based upon the statute of limitations, the constitutional protection against pre-indictment delay, and the Speedy Trial Act with respect to any and all charges that could have been timely brought or pursued as of the date of this Plea Agreement.

11. Breach of Plea Agreement

If the U.S. Attorney determines that Defendant has failed to comply with any provision of this Plea Agreement, has engaged in any of the activities set forth in Paragraph 4(a)-(i) or has committed any crime following Defendant's execution of this Plea Agreement, the U.S. Attorney may, at his sole option, be released from his commitments under this Plea Agreement and the DPA in their entirety by notifying Defendant, through counsel or otherwise, in writing. The U.S. Attorney may also pursue all remedies available to him under the law, regardless whether he elects to be released from his commitments under this Plea Agreement and/or the DPA. Further, the U.S. Attorney may pursue any and all charges which otherwise may have been brought against Defendant and/or have been, or are to be, dismissed pursuant to this Plea Agreement and/or the DPA. Defendant recognizes that its breach of any obligation under this Plea Agreement shall not give rise to grounds for withdrawal of Defendant's guilty plea, but will give the U.S. Attorney the right to use against Defendant before any grand jury, at any trial or hearing, or for sentencing purposes, any statements made by Defendant and any information, materials, documents or objects provided by Defendant to the government, without any limitation, regardless of any prior agreements or understandings, written or oral, to the contrary. In this regard, Defendant hereby waives any defense to any charges the U.S. Attorney brings that Defendant might otherwise have based upon any statute of limitations, the constitutional protection against pre-indictment delay, or the Speedy Trial Act.

12. Who is Bound by Plea Agreement

This Agreement is only between Defendant and the U.S. Attorney for the District of Massachusetts. It does not bind the Attorney General of the United States or any other federal, state, or local prosecuting authorities.

13. Corporate Authorization

Defendant shall provide to the U.S. Attorney and the Court a certified copy of a resolution of the Board of Directors of Defendant, affirming that the Board of Directors has authority to enter into the Plea Agreement and has (1) reviewed the Information in this case and the proposed Plea Agreement; (2) consulted with legal counsel in connection with the matter; (3) voted to enter into the proposed Plea Agreement; (4) voted to authorize Defendant to plead guilty to the charges specified in the Plea Agreement; and (5) voted to authorize Joseph Hamrock, Chief Executive Officer of NiSource, Inc., to execute the Plea Agreement and all other documents necessary to carry out the provisions of the Plea Agreement.

14. Modifications to Plea Agreement

This Agreement can be modified or supplemented only in a written memorandum signed by both parties, or through proceedings in open court.

If this letter accurately reflects the agreement between the U.S. Attorney and Defendant, please have Defendant sign the Acknowledgment of Plea Agreement below. Please also sign below as Witness. Return the original of this letter to Assistant U.S. Attorney Neil Gallagher.

Sincerely,

ANDREW E. LELLING
United States Attorney

By: /s/ Fred M. Wyshak, Jr.
Fred M. Wyshak, Jr.
Chief, Public Corruption and
Special Prosecutions Unit

/s/ Neil J. Gallagher, Jr.
Neil J. Gallagher, Jr.
Evan Gotlob
Assistant U.S. Attorneys

Corporate Acknowledgment of Plea Agreement

The Board of Directors has authorized me to execute this Plea Agreement on behalf of Bay State Gas Company, doing business as ("d/b/a") Columbia Gas of Massachusetts ("CMA"). The Board has read this letter of Agreement in its entirety and has discussed it fully with CMA's attorney. The Board acknowledges that this letter fully sets forth CMA's agreement with the U.S. Attorney. The Board further states that no additional promises or representations have been made to the Board by any officials of the United States in connection with this matter.

/s/ Joseph Hamrock

Joseph Hamrock
Chief Executive Officer
NiSource, Inc.

/s/ Kimberly Cuccia

Kimberly Cuccia
General Counsel
Bay State Gas, d/b/a Columbia Gas of Massachusetts

I certify that Defendant's Board of Directors has authority to enter into this Plea Agreement and has (1) reviewed the Information in this case and the proposed Plea Agreement; (2) consulted with legal counsel in connection with the matter; (3) voted to enter into the proposed Plea Agreement; (4) voted to authorize Defendant to plead guilty to the charges specified in the Plea Agreement; and (5) voted to authorize Joseph Hamrock, Chief Executive Officer of NiSource, Inc. and Kimberly Cuccia, General Counsel for Bay State Gas, d/b/a Columbia Gas of Massachusetts, to execute the Plea Agreement and all other documents necessary to carry out the provisions of the Plea Agreement.

/s/ Alejandro N. Mayorkas, Esq.

Alejandro N. Mayorkas, Esq.
WilmerHale, LLP
Attorney for Bay State Gas Company, doing business as ("d/b/a") Columbia Gas of Massachusetts

EXHIBIT C
(Calculation of Profit, Gain or Loss)

For purposes of this Agreement, any such profit or gain shall mean the amount, if any, by which the net purchase price (after related costs and expenses) received by NiSource from the sale of CMA or its gas distribution business (hereinafter "A"), as the case may be, exceeds the total of:

(i) the book value of CMA (including any liabilities assumed by the purchaser) or the business so purchased (excluding the book value of any CMA assets not included in the sale) ("hereinafter "B");

(ii) the charges for impairment of goodwill and other intangible assets related to CMA (hereinafter "C"); plus

(iii) the aggregate amount of the liabilities of CMA not included in the sale (hereinafter "D"),

in each case specified in (i)-(iii) above, as reflected on the financial statements of NiSource as of December 31, 2019.

Stated another way, in sum:

A (net purchase price)
– B (book value of assets) + C (impairment of good will/intangible assets) + D (aggregate amount of liabilities)
= gain or loss

The U.S. Attorney reserves the right to challenge the veracity, accuracy and proper application under GAAP of each of the above described assets and liabilities in parts B, C and D of the calculation.

Exhibit 10.2

U.S. Department of Justice
Andrew E. Lelling
United States Attorney
District of Massachusetts

Main Reception: (617) 748-3100

John Joseph Moakley United States Courthouse
1 Courthouse Way
Suite 9200
Boston, Massachusetts 02210

February 25, 2020

Alejandro N. Mayorkas, Esq.
WilmerHale, LLP
1875 Pennsylvania Avenue NW
Washington, DC 20006

Re: United States v. Bay State Gas Company, d/b/a Columbia Gas of Massachusetts
Criminal No.

Dear Counsel:

The United States Attorney for the District of Massachusetts ("the U.S. Attorney") and your client, Bay State Gas Company, doing business as ("d/b/a") Columbia Gas of Massachusetts ("Defendant"), agree as follows with respect to the above-referenced case:

1. Change of Plea

At the earliest practicable date, Defendant will waive Indictment and plead guilty to Count One of the Information, attached to this agreement as **Exhibit A**, charging the Knowing and Willful Failure to Prepare and Follow a Procedure for the Starting Up and Shutting Down of a Pipeline Designed to Assure Operation within the Maximum Allowable Operating Pressure, in violation of 49 U.S.C. § 60123(a), 49 U.S.C. § 60118(a), and 49 C.F.R. §§ 192.605(a) and 192.605(b)(5). Defendant admits that it committed the crime specified in Count One and is in fact guilty.

2. Penalties

Defendant faces the following maximum penalties:

a. A fine of not more than the greater of twice the gross gain or twice the gross loss, whichever is greater, pursuant to 18 U.S.C. § 3571(d);

b. A term of probation of not less than one (1) year nor more than three (3) years, pursuant to 18 U.S.C. § 3561(c)(1);

c. Restitution to any victim of the offense; and

d. A mandatory special assessment of $400, pursuant to 18 U.S.C. § 3013(c)(2)(B).

3. Fed. R. Crim. P. 11(c)(1)(C) Plea

This Plea Agreement is made pursuant to Fed. R. Crim. P. 11(c)(1)(C), and Defendant's guilty plea will be tendered pursuant to that provision. In accordance with Rule 11(c)(1)(C), if the District Court ("Court") accepts this Plea Agreement, the Court must include the agreed disposition in the judgment. If the Court rejects any aspect of this Plea Agreement, the U.S. Attorney or Defendant may deem the Plea Agreement null and void. Defendant understands and acknowledges that it may not withdraw its plea of guilty unless the Court rejects this Plea Agreement under Fed. R. Crim. P. 11(c)(5).

4. Sentencing Guidelines

The parties agree jointly to take the following positions at sentencing under the United States Sentencing Guidelines ("USSG" or "Guidelines") and other applicable law.

a) No guideline under the USSG has been promulgated for the violation to which Defendant is pleading guilty, specifically, a violation of 49 U.S.C. §§ 60123(a), and 60118(a) and 49 C.F.R. §§ 192.605(a) and 192.605(b)(5). *See* USSG §§ 2X5.1;

b) Pursuant to USSG § 2X5.1, the most analogous guideline for the facts and circumstances of this case is USSG § 2Q1.2 as it pertains to the Mishandling of Hazardous or Toxic Substances.

c) Pursuant to USSG § 2Q1.2(a), Defendant's base offense level is 8;

d) Defendant's offense level is increased by 6 levels, because pursuant to USSG § 2Q1.2(b)(1)(A) the offense resulted in, by analogy, an ongoing and continuous discharge of natural gas;

e) Defendant's offense level is increased by 9 levels, because pursuant to USSG § 2Q1.2(b)(2) the offense resulted in a substantial likelihood of death and serious bodily injury;

f) In accordance with USSG § 3E1.1, based on Defendant's prompt acceptance of responsibility for the offense of conviction in this case, the adjusted offense level is reduced by three, resulting in a total adjusted offense level 20.

g) Since USSG § 2Q1.2 is not covered by USSG § 8C2.1, the applicable fine is determined by USSG § 8C2.10, which provides that the Court "should determine an appropriate fine by applying the provisions of 18 U.S.C. §§ 3553 and 3572."

The U.S. Attorney's agreement that the disposition set forth below is appropriate in this case is based, in part, on Defendant's prompt acceptance of responsibility for the offense of conviction in this case, Defendant's voluntary payments of restitution to the victims of the offense, and Defendant's parent company, NiSource, Inc.'s ("NiSource"), agreement to use reasonable best efforts to sell Defendant or Defendant's gas distribution business to a qualified third-party buyer consistent with the requirements of M.G.L. c. 164, § 96 and Interlocutory Order on Standard of Review, D.P.U. 10-170, upon the completion of which: (1) NiSource will cease and desist any and all gas pipeline and gas distribution activities in the District of Massachusetts; and (2) NiSource will pay a fine equal to the amount of any profit or gain NiSource realized from any such sale.

The U.S. Attorney may, at his sole option, be released from his commitments under this Plea Agreement, including, but not limited to, his agreement that Paragraph 5 constitutes the appropriate disposition of this case, if at any time between Defendant's execution of this Plea Agreement and sentencing, Defendant:

(a) Fails to admit a complete factual basis for the plea;

(b) Fails to truthfully admit Defendant's conduct in the offense of conviction;

(c) Falsely denies, or frivolously contests, relevant conduct for which Defendant is accountable under USSG § 1B1.3;

(d) Fails to provide truthful information about Defendant's financial status and/or Defendant's payments to victims of the offense of conviction;

(e) Gives false or misleading testimony in any proceeding relating to the criminal conduct charged in this case and any relevant conduct for which Defendant is accountable under USSG § 1B1.3;

(f) Engages in acts that form a basis for finding that Defendant has obstructed or impeded the administration of justice under USSG § 3C1.1;

(g) Commits a crime; or

(i) Attempts to withdraw Defendant's guilty plea.

Nothing in this Plea Agreement affects the U.S. Attorney's obligation to provide the Court and the U.S. Probation Office with accurate and complete information regarding this case.

5. Agreed Disposition

Under Fed. R. Crim. P. 11(c)(1)(C), the United States and Defendant agree that the following is a reasonable and appropriate disposition of this case, taking into consideration all of the factors set forth in 18 U.S.C. §§ 3553(a) and 3572:

a. A criminal fine in the amount of $53,030,116 paid within thirty (30) days of sentencing, which amount represents twice the amount of pecuniary gain of $26,515,058 that Defendant received from its Gas System Enhancement Plan ("GSEP") in Massachusetts from 2015 through and including 2018.

b. A period of probation of three (3) years that will immediately terminate prior to the three (3) year term upon a certification to the Court of the completion of the sale of Defendant or Defendant's gas distribution business to a qualified third-party buyer consistent with the requirements of M.G.L. c. 164, § 96 and Interlocutory Order on Standard of Review, D.P.U. 10-170, and formal acceptance of the sale by the Massachusetts Department of Public Utilities ("MA DPU").

c. In addition to the mandatory conditions of probation pursuant to USSG § 8D1.3 and 18 U.S.C. § 3563(a), which includes the full payment of the fine set forth in paragraph 5(a), the period of probation shall also include the following additional conditions:

i. Defendant will implement and adhere to each of the recommendations from the National Transportation Safety Board ("NTSB") related to NTSB Accident ID PLD18MR003 regarding the Merrimack Valley Over-Pressurization Event on or about September 13, 2018 (the "Event");

ii. Defendant will agree to employ at Defendant's expense an in-house monitor to oversee Defendant's compliance with the recommendations of the NTSB and applicable laws and regulations. This monitor will report monthly in writing to a government committee composed of a representative from the U.S. Attorney, the MA DPU and the Massachusetts Attorney General's Office ("MA AGO");

iii. In the event that Defendant enters into a definitive purchase and sale agreement for the sale of Defendant or its gas distribution business within the three (3) year term of probation, Defendant will do the following:

A. Within three (3) business days of the execution of a definitive purchase and sale agreement with a purchaser of Defendant or Defendant's gas distribution business, Defendant will submit to the U.S. Attorney and the Court a filing, which if appropriate may be filed under seal, that completely and accurately details the terms of the purchase and sale agreement including the proposed purchase price;

B. Within seven (7) business days of the execution of a definitive purchase and sale agreement with a purchaser of Defendant or Defendant's gas distribution business, Defendant will provide the U.S. Attorney and the Court, in the form of a declaration under 28 U.S.C. § 1746 that may be filed under seal if appropriate, a true and accurate detailed accounting following both Generally Accepted Accounting Principles ("GAAP") and federal income tax obligations, of the total amount of any potential gain, profit or loss that will result from the proposed sale reflected in the filing described above in paragraph 5(c)(iii)(A) and in accordance with the formula set forth in **Exhibit B**;

C. Upon request from the U.S. Attorney, Defendant will promptly provide to the U.S. Attorney true and accurate records including income tax returns, to the extent required to verify the accuracy of any potential profit, gain or loss that will result from the sale of Defendant or Defendant's gas distribution business reflected in the filing described above in paragraph 5(c)(iii)(A). Defendant understands and agrees that the U.S. Attorney may provide these records to an outside consultant/expert he retains to verify the accuracy of the information, provided that such consultant/expert is subject to the terms of a confidentiality agreement; and

D. No later than three (3) business days before the completion of any sale of Defendant or its gas distribution business, Defendant will provide the U.S. Attorney and the Court, in a filing that may submitted under seal if appropriate, any updated information about the terms of sale, and Defendant's calculation of any gain, profit or loss from the sale of Defendant or Defendant's gas distribution business in accordance with the formula set forth in **Exhibit B**. Defendant understands and agrees that Defendant must completely and accurately report to both the Court and the U.S. Attorney the total amount of any profit, gain or loss from the sale of Defendant or its gas distribution business.

d. Defendant understands and agrees that the U.S. Attorney reserves the right to verify and challenge the accuracy of Defendant's calculation of any potential profit, gain or loss from the sale of Defendant or its gas distribution business prior to the final sale and that Defendant's failure to accurately report the information described above in paragraph 5(c)(iii) may constitute a violation of this Plea Agreement and/or a violation of a condition of Defendant's probation. *See* USSG § 8D1.4(b)(3).

e. Notwithstanding the agreed upon disposition described above, pursuant to USSG § 8F1.1, Defendant understands and agrees that upon a finding by the Court that Defendant violated a condition of probation, including the failure to provide true and accurate information regarding any profit or gain from a sale of Defendant or its gas distribution business as described above in paragraph 5(c)(iii), the Court may extend the term of probation up to the time of the final sale of Defendant or its gas distribution business, impose more restrictive conditions of probation, or prior to the final sale of Defendant or its gas distribution business, revoke probation and resentence Defendant.

f. The U.S. Attorney agrees that no consequence of any breach of this Plea Agreement or of any violation of a condition Defendant's probation will be imposed upon a bona fide purchaser for value of Defendant or Defendant's gas distribution business.

6. No Further Prosecution of Defendant and No Prosecution of its Ultimate Parent Company, NiSource, Inc.

Under Fed. R. Crim. P. 11(c)(1)(A), the United States agrees that, other than the charges in the Information attached as **Exhibit A**, and pursuant to the Deferred Prosecution Agreement (the "DPA") attached as **Exhibit C**, the U.S. Attorney shall not prosecute Defendant or NiSource for any conduct related to the allegations in the attached Information, the Event, or Defendant's restoration work in the Merrimack Valley following the Event based on the facts and circumstances now known to the U.S. Attorney.

This provision is expressly contingent on: (i) the Court's acceptance of the guilty plea of Defendant to the attached Information; (ii) Defendant's agreement not to withdraw or otherwise challenge this Plea Agreement; (iii) Defendant's performance of all of its obligations as set forth in this Plea Agreement prior to the sale of Defendant or its gas distribution business; and (iv) NiSource's compliance with the DPA attached as **Exhibit C**. If Defendant's guilty plea is withdrawn for any reason, or if Defendant should fail to perform an obligation under this Plea Agreement prior to the sale of Defendant or its gas distribution business, the U.S. Attorney, at his sole option, may render this Plea Agreement and the DPA attached as **Exhibit C** null and void.

While based on the information currently available to him, the U.S. Attorney does not intend to criminally prosecute any individual for violations of the Natural Gas Pipeline Safety Act, 49 U.S.C. § 60101 *et seq.* for the conduct related to the allegations in the attached Information, the Event, or Defendant's and NiSource's restoration work in the Merrimack Valley, the U.S. Attorney nonetheless reserves the right to prosecute any individual, including but not limited to present and former officers, directors, employees, and other agents of Defendant or NiSource.

7. Waiver of Right to Appeal and to Bring Future Challenge

(a) Defendant has conferred with its attorney and understands that it has the right to challenge its conviction in the United States Court of Appeals for the First Circuit ("direct appeal"). Defendant also understands that, in some circumstances, Defendant may be able to challenge its conviction in a future proceeding (collateral or otherwise), such as pursuant to a motion under 28 U.S.C. § 2255 or 28 U.S.C. § 2241. Defendant waives any right to challenge Defendant's conviction on direct appeal or in any future proceeding (collateral or otherwise).

(b) Defendant has conferred with its attorney and understands that defendants ordinarily have a right to challenge in a direct appeal their sentences (including any orders relating to the terms and conditions of supervised release, fines, forfeiture, and restitution) and may sometimes challenge their sentences (including any orders relating to the terms and conditions of supervised release, fines, forfeiture, and restitution) in a future proceeding (collateral or otherwise). The rights that are ordinarily available to a defendant are limited when a defendant enters into a Rule 11(c)(1)(C) agreement. In this case, Defendant waives any rights Defendant may have to challenge the agreed-upon sentence (including any agreement relating to the terms and conditions of supervised release, fines, forfeiture, and restitution) on direct appeal and in a future proceeding (collateral or otherwise), such as pursuant to 28 U.S.C. § 2255 and 28 U.S.C. § 2241. Defendant also waives any right Defendant may have under 18 U.S.C. § 3582(c)(2) to ask the Court to modify the sentence, even if the USSG are later amended in a way that appears favorable to Defendant. Likewise, Defendant agrees not to seek to be resentenced with the benefit of any change to Defendant's Criminal History Category that existed at the time of Defendant's original sentencing. Defendant also agrees not to challenge the sentence in an appeal or future proceeding (collateral or otherwise) even if the Court rejects one or more positions advocated by any party at sentencing. In sum, Defendant understands and agrees that in entering into this Plea Agreement, the parties intend that Defendant will receive the benefits of the Plea Agreement and that the sentence will be final.

(c) The U.S. Attorney agrees that he will not appeal the imposition by the Court of the sentence agreed to by the parties as set out in Paragraph 5, even if the Court rejects one or more positions advocated by either party at sentencing.

(d) Regardless of the previous subparagraphs, Defendant reserves the right to claim that: (i) Defendant's lawyer rendered ineffective assistance of counsel under *Strickland v. Washington*; or (ii) the prosecutor in this case engaged in misconduct that entitles Defendant to relief from Defendant's conviction or sentence.

8. Forfeiture

Defendant hereby waives and releases any claims Defendant may have to any property seized by the United States, or seized by any state or local law enforcement agency and turned over to the United States, during the investigation and prosecution of this case, and consents to the forfeiture of all such assets.

9. Civil Liability

By entering into this Plea Agreement, the U.S. Attorney does not compromise any civil liability, including but not limited to any tax liability, Defendant may have incurred or may incur as a result of Defendant's conduct and plea of guilty to the charges specified in Paragraph 1 of this Plea Agreement.

10. Withdrawal of Plea by Defendant or Rejection of Plea by Court

Should Defendant move to withdraw its guilty plea at any time, this Plea Agreement and the DPA attached as **Exhibit C** shall be null and void at the option of the U.S. Attorney. In addition, should the Court reject the parties' agreed-upon disposition of the case or any other aspect of this Plea Agreement, this Plea Agreement and the DPA attached as **Exhibit C** shall be null and void at the option of either the U.S. Attorney or Defendant. In this event, Defendant agrees to waive any defenses based upon the statute of limitations, the constitutional protection against pre-indictment delay, and the Speedy Trial Act with respect to any and all charges that could have been timely brought or pursued as of the date of this Plea Agreement.

11. Breach of Plea Agreement

If the U.S. Attorney determines that Defendant has failed to comply with any provision of this Plea Agreement, has engaged in any of the activities set forth in Paragraph 4(a)-(i) or has committed any crime following Defendant's execution of this Plea Agreement, the U.S. Attorney may, at his sole option, be released from his commitments under this Plea Agreement and the DPA in their entirety by notifying Defendant, through counsel or otherwise, in writing. The U.S. Attorney may also pursue all remedies available to him under the law, regardless whether he elects to be released from his commitments under this Plea Agreement and/or the DPA. Further, the U.S. Attorney may pursue any and all charges which otherwise may have been brought against Defendant and/or have been, or are to be, dismissed pursuant to this Plea Agreement and/or the DPA. Defendant recognizes that its breach of any obligation under this Plea Agreement shall not give rise to grounds for withdrawal of Defendant's guilty plea, but will give the U.S. Attorney the right to use against Defendant before any grand jury, at any trial or hearing, or for sentencing purposes, any statements made by Defendant and any information, materials, documents or objects provided by Defendant to the government, without any limitation, regardless of any prior agreements or understandings, written or oral, to the contrary. In this regard, Defendant hereby waives any defense to any charges the U.S. Attorney brings that Defendant might otherwise have based upon any statute of limitations, the constitutional protection against pre-indictment delay, or the Speedy Trial Act.

12. Who is Bound by Plea Agreement

This Agreement is only between Defendant and the U.S. Attorney for the District of Massachusetts. It does not bind the Attorney General of the United States or any other federal, state, or local prosecuting authorities.

13. Corporate Authorization

Defendant shall provide to the U.S. Attorney and the Court a certified copy of a resolution of the Board of Directors of Defendant, affirming that the Board of Directors has authority to enter into the Plea Agreement and has (1) reviewed the Information in this case and the proposed Plea Agreement; (2) consulted with legal counsel in connection with the matter; (3) voted to enter into the proposed Plea Agreement; (4) voted to authorize Defendant to plead guilty to the charges specified in the Plea Agreement; and (5) voted to authorize Joseph Hamrock, Chief Executive Officer of NiSource, Inc., to execute the Plea Agreement and all other documents necessary to carry out the provisions of the Plea Agreement.

14. Modifications to Plea Agreement

This Agreement can be modified or supplemented only in a written memorandum signed by both parties, or through proceedings in open court.

If this letter accurately reflects the agreement between the U.S. Attorney and Defendant, please have Defendant sign the Acknowledgment of Plea Agreement below. Please also sign below as Witness. Return the original of this letter to Assistant U.S. Attorney Neil Gallagher.

Sincerely,

ANDREW E. LELLING
United States Attorney

By: /s/ Fred M. Wyshak, Jr.
Fred M. Wyshak, Jr.
Chief, Public Corruption and
Special Prosecutions Unit

/s/ Neil J. Gallagher, Jr.
Neil J. Gallagher, Jr.
Evan Gotlob
Assistant U.S. Attorneys

Corporate Acknowledgment of Plea Agreement

The Board of Directors has authorized me to execute this Plea Agreement on behalf of Bay State Gas Company, doing business as ("d/b/a") Columbia Gas of Massachusetts ("CMA"). The Board has read this letter of Agreement in its entirety and has discussed it fully with CMA's attorney. The Board acknowledges that this letter fully sets forth CMA's agreement with the U.S. Attorney. The Board further states that no additional promises or representations have been made to the Board by any officials of the United States in connection with this matter.

/s/ Joseph Hamrock
Joseph Hamrock
Chief Executive Officer
NiSource, Inc.

/s/ Kimberly Cuccia
Kimberly Cuccia
General Counsel
Bay State Gas, d/b/a Columbia Gas of Massachusetts

I certify that Defendant's Board of Directors has authority to enter into this Plea Agreement and has (1) reviewed the Information in this case and the proposed Plea Agreement; (2) consulted with legal counsel in connection with the matter; (3) voted to enter into the proposed Plea Agreement; (4) voted to authorize Defendant to plead guilty to the charges specified in the Plea Agreement; and (5) voted to authorize Joseph Hamrock, Chief Executive Officer of NiSource, Inc. and Kimberly Cuccia, General Counsel for Bay State Gas, d/b/a Columbia Gas of Massachusetts, to execute the Plea Agreement and all other documents necessary to carry out the provisions of the Plea Agreement.

/s/ Alejandro N. Mayorkas, Esq.

Alejandro N. Mayorkas, Esq.
WilmerHale, LLP
Attorney for Bay State Gas Company, doing business as ("d/b/a") Columbia Gas of Massachusetts

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA	)	Criminal No.
	)	
v.	)	Violation:
	)	
BAY STATE GAS COMPANY, doing business as ("d/b/a") Columbia Gas of Massachusetts,	)	Count One: Failure to Prepare and Follow a Procedure for the Starting Up and Shutting Down of a Pipeline Designed to Assure Operation within the Maximum Allowable Operating Pressure (49 U.S.C. §§ 60123(a),60118(a); 49 C.F.R. §§ 192.605(a), 192.605(b)(5))
Defendant	)	

INFORMATION

At all times relevant to this Information:

General Allegations

1. Bay State Gas Company, d/b/a Columbia Gas of Massachusetts ("CMA"), was a Massachusetts corporation that supplied natural gas to approximately 325,000 customers in Massachusetts in and around Springfield, Brockton, and three Merrimack Valley communities in Lawrence, Andover, and North Andover. CMA was a wholly-owned subsidiary of NiSource, Inc. ("NiSource"), a publically traded company based in Merrillville, Indiana.

2. CMA engaged in the transportation of natural gas, was an operator of a gas pipeline system as well as a gas distributor operator ("Operator"), and was subject to the jurisdiction of the U.S. Department of Transportation ("US DOT") as well as state and local regulations.

CMA's Low-Pressure Gas Distribution System in South Lawrence

3. CMA owned and operated a network of gas pipeline systems for the transportation and delivery of natural gas that included a series of approximately 25 different low-pressure ("LP") gas distribution systems in Massachusetts. Among these systems, CMA owned and operated a LP gas distribution system in the area of South Lawrence ("the South Lawrence LP System").

4. The South Lawrence LP System used fourteen (14) regulator stations ("Reg. Stations") to supply natural gas to main distribution lines ("mains") and control downstream pressure. The Reg. Stations were belowground and contained "regulators" that monitored and controlled downstream gas pressure.

5. Natural gas came into the South Lawrence LP System at high pressure, about 77 pounds per square inch gauge ("psig"). The regulators decreased pressure to approximately 0.5 psig or 14 inches of water column ("w/c"), a more refined pressure measurement. The Reg. Stations supplied mains with gas through an outlet pipe. Mains, in turn, supplied gas to individual houses and businesses through service lines at roughly the same pressure, 0.5 psig or 14 inches w/c.

6. The fourteen (14) Reg. Stations that were part of the South Lawrence LP System controlled and regulated pressure in an automated manner. Based on the pressure the regulator sensed downstream, the regulator valve opened or closed to control downstream pressure at a pre-set limit called a "set-point" to ensure that the pressure in the system did not exceed the Maximum Allowable Operating Pressure ("MAOP") and become unsafe. Although it varied, the MAOP for the South Lawrence LP System was generally 14 inches w/c.

7. Each regulator was equipped with a "regulator control line" also called a "control line," "sensing line," or "static line" ("control line"). A control line was generally a ¾ inch steel pipe that connected the regulator to the main downstream. Without a control line connected from the regulator to the downstream gas main, the regulators in the South Lawrence LP System could not properly function.

8. Each Reg. Station in the South Lawrence LP System had at least two regulators, a "worker regulator" and a "monitor regulator," each with a control line that sensed downstream pressure and connected back to the regulator, thereby enabling the regulator to regulate system pressure. The worker regulator was the primary regulator that maintained system pressure. The monitor regulator was the redundant backup in case the worker regulator was damaged or malfunctioned. If both control lines malfunctioned or failed to read any downstream pressure, the worker regulator would automatically and continually increase the pressure resulting in an "over-pressurization" of the LP system.

Background of the Pipeline Safety Act

9. Congress first established minimum safety standards for the transportation of natural gas and other gases by pipeline in the Natural Gas Pipeline Safety Act of 1968 ("NGPSA") and directed the Secretary of the US DOT to issue regulations to protect against risks to life and property posed by pipeline transportation and pipeline facilities.

10. In 1970, in accordance with NGPSA, the Secretary of the US DOT issued regulations codified in Part 192 of Title 49 of the Federal Code of Regulations, Subparts A through M ("Part 192").

11. In 1979, Congress amended the NGPSA to add criminal penalties for knowing and willful violations of any Part 192 regulation as part of the Hazardous Liquid Pipeline Safety Act of 1979 ("HLPSA").

12. In 1994, Congress enacted the Pipeline Safety Act ("PSA"), 49 U.S.C. § 60101 *et seq.* The PSA combined and re-codified, without substantive changes, the two then existing pipeline safety statutes, NGPSA and HLPSA. The purpose of the PSA was to "provide adequate protection against risks to life and property posed by pipeline transportation and pipeline facilities." 49 U.S.C. § 60102(a)(1).

13. In 2004, Congress amended the PSA by enacting the Norman Y. Mineta Research and Special Programs Improvement Act of 2004 to create the Pipeline and Hazardous Materials Safety Administration ("PHMSA"), an agency within the US DOT.

14. In 2006, Congress enacted the the Pipeline Inspection, Protection, Enforcement and Safety Act ("PIPES") which directed PHMSA to "prescribe minimum standards for integrity management programs for distribution pipelines." 49 U.S.C. § 60109(e).

15. On December 4, 2009, PHMSA promulgated the regulations codified in Subpart P of Part 192, entitled "Gas Distribution Pipeline Integrity Management (IM)." Subpart P requires an Operator to "develop and implement" an IM Program by no later than August 2, 2011. 49 C.F.R. § 192.1005.

Regulations Regarding Pipeline Operations and Over-Pressurization

16. Subpart L of Part 192 prescribes the minimum requirements for safe pipeline operations and states that "no person may operate a segment of pipeline unless it is operated in accordance with this subpart." 49 C.F.R. § 192.603(a).

17. Part 192 defines the Maximum Allowable Operating Pressure ("MAOP") as "the maximum pressure at which a pipeline or segment of a pipeline may be operated[.]" 49 C.F.R. § 192.3. It also defines a "low-pressure distribution system" as a "distribution system in which the gas pressure in the main is substantially the same as the pressure provided to the customer." 49 C.F.R. § 192.3. Subpart L further mandates that "[n]o person may operate a low-pressure distribution system at a pressure high enough to make unsafe the operation of any connected and properly adjusted low-pressure gas burning equipment" (referring to gas appliances). 49 C.F.R. § 192.623(a).

18. Under Part 192, "[e]ach operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities," otherwise known as an operation and maintenance manual ("O&M Manual"). Among other requirements, § 192.605(b)(5) requires that the O&M Manual include a procedure for "starting up and shutting down any part of a pipeline in a manner designed to assure operation within the MAOP limits prescribed by this part" in order "to provide safety during maintenance and operations."

19. Subpart L also requires an operator to "keep records necessary to administer the procedures under § 192.605." 49 C.F.R. § 192.603. Among the records required to be kept, and made available to operating personnel include, "construction records, maps and operating history." 49 C.F.R. § 192.605(b)(3).

The September 13, 2018 Over-Pressurization Event

20. On or about September 13, 2018, beginning at approximately 4:00 p.m., a series of fires and explosions resulted from an over-pressurization of the South Lawrence LP System ("the Event"). By approximately 4:07 p.m., the actual operating pressure of the South Lawrence LP System increased to more than 35 inches of w/c and ultimately increased until the actual operating pressure was approximately 13 times greater than the MAOP.

21. The over-pressurization of the South Lawrence LP System caused multiple fires and explosions including inside house-hold appliances and residences. The resulting fires and explosions caused substantial damage to approximately 131 residential and commercial structures in the communities of Lawrence, Andover, and North Andover, including the total destruction of three houses in Lawrence, injured 22 people, killed one individual in Lawrence and severely disabled another.

Operational Notice 15-05

22. By at least September 2015, CMA's employees in the Lawrence Division from Field Engineering, Construction, and Measurement and Regulation ("M&R"), as well as Senior Field Engineering Management in CMA were aware of the particular dangers associated with belowground control lines. In particular, these employees and CMA knew that a faulty, damaged, or unaccounted for control line on a Reg. Station in a LP system could lead to a dangerous over-pressurization of the system resulting in fires and explosions in a populated area.

23. On or about September 2, 2015, NiSource and CMA internally disseminated Operational Notice ("ON") 15-05, entitled *"Below Grade Regulator Control Lines: Caution When Excavating Near Regulator Stations or Regulator Buildings."* The impetus for ON 15-05 was a "near miss" experience involving another NiSource company outside of Massachusetts where a construction crew, excavating to repair a gas leak near a Reg. Station, came close to hitting a control line and was unaware of its purpose and importance.

24. The stated objective of ON 15-05 was two-fold: *"1. Bring awareness to Company and Contractor employees regarding the existence and importance of regulator control lines . . . that help to provide critical sensing information for the accurate monitoring and control of outlet pressure into the Company's piping systems . . ."* and *"2. Set forth required actions for future Company excavations."*

25. ON 15-05 described what Reg. Station control lines did, and said control lines:

> . . . sense the outlet pressure of the regulator. Based on the pressure sensed through the control line, the regulator valve will open or close to control the downstream pressure at the set point of the regulator.

26. ON 15-05 further warned that a broken or disrupted control line could lead to a *"catastrophic event:"*

> If a control line breaks, the regulator will sense a pressure loss, causing the valve to open further, resulting in an over pressurization of the downstream piping system, which may lead to a catastrophic event. The same result occurs if the flow through the control line is otherwise disrupted (e.g., control line valve shut off, control line isolated from the regulator it is controlling).

27. Finally, the *"Required Action"* from ON 15-05 to the Company's employees was that:

> any Company excavations within the footprint of a [Reg. Station] and/or within 25 feet of a station building or fence shall only proceed with M&R standing by throughout the excavation . . .

28. While over-pressurization that could result in a "catastrophic event" was a known risk, CMA never prepared or implemented any written procedure to ensure that belowground control lines were accounted for, and, if necessary, removed or relocated. Instead, CMA relied upon an informal practice of encouraging verbal communication among members of Field Engineering, Construction and M&R when excavation took place within the footprint of a Reg. Station.

CMA's Gas System Enhancement Program ("GSEP")

29. An Act Relative to Gas Leaks, Massachusetts General Law, Chapter 164, Section 145), effective October 1, 2014 ("Section 145"), provided Massachusetts gas utility companies with a financial incentive to replace or improve aging or leaking gas infrastructure. Under Section 145, a gas distribution company was permitted to submit a Gas System Enhancement Program ("GSEP") plan to the Massachusetts Department of Public Utilities ("MA DPU"). Among other requirements, the overall GSEP plan had to include a timeline for the removal of all leak-prone infrastructure within 20 years.

30. If accepted by the MA DPU, Section 145 permitted a gas distribution company "to begin recovery of the estimated costs of [pipe replacement] projects included in the plan on May 1 of the year following the initial filing and collect any revenue requirement, including property taxes and return associated with the plan." More broadly, Section 145 permitted a gas company to more quickly recover its capital costs associated with its yearly forecasted pipeline replacement through the rates the MA DPU permitted the Company to charge its customers.

31. On or about October 31, 2014, CMA submitted its first annual GSEP plan and thereafter in 2015, 2016 and 2017. In the 2014 GSEP plan, CMA proposed to replace 44 miles of leak-prone mains and recover approximately $2.6 million in related costs. In its later GSEP plans submitted to the MA DPU, CMA sought to recover approximately $9 million in costs for 2016, approximately $16.8 million in 2017 and approximately $26.8 million in 2018.

32. In total, between 2015 and 2018, as part of the GSEP program, CMA earned a total of approximately $49.3 million in accelerated capital cost recovery and, after costs, realized a total profit of approximately $26.5 million.

The South Union Street Project

33. In or about August 2016, CMA began construction on a GSEP pipe replacement project in the South Lawrence LP System called the "South Union Street Project" ("the South Union Project"). The Field Engineering Department in Lawrence selected the South Union Project in part due to a pending City of Lawrence water-main project that would encroach upon the two aging cast-iron ("CI") mains on South Union Street.

34. The South Union Project sought to replace two CI mains from the intersection of Market Street to Winthrop Avenue on South Union Street, measuring approximately 6 inches and 8 inches in diameter, with one plastic main. Once installed, the new plastic main would be "tied-in" and connected to the pipes on the side streets that supplied gas to customers through service lines. As typical in pipe replacement projects, upon completion of the project, the two CI mains on South Union Street would be completely disconnected from the LP system and abandoned in the ground.

35. The scope of the South Union Street project included the replacement of the CI mains near a belowground Reg. Station located at the intersection of Winthrop Avenue and South Union Street (the "Winthrop Reg. Station"), one of the fourteen (14) different regulator stations that monitored and controlled downstream pressure in the South Lawrence LP System.

36. From in or about September 2015 and continuing up until the time of the Event, two control lines connected the Winthrop Reg. Station to the two CI mains on South Union Street.

A. The Control Lines at the Winthrop Avenue Reg. Station

37. In or about early September 2015, two CMA M&R technicians conducting an annual inspection of the Winthrop Reg. Station discovered that one of the control lines on the Winthrop Reg. Station failed to read any downstream pressure. Under CMA's O&M Manual, each belowground Reg. Station was required to have at least two functional control lines (one for the "worker" regulator, one for the "monitor" regulator) that connected the Reg. Station to the mains to monitor and regulate downstream pressure.

38. Further investigation by the M&R technicians revealed that the control line reading zero pressure had been erroneously left on the CI main on Winthrop Avenue sometime in 2015, near the intersection of South Union Street, during an earlier pipe replacement project known as the "Parker Street Project." Having only one functional control line was a violation of CMA's O&M procedures and created a significant risk of an over-pressurization event had the second control line also failed.

39. Following the discovery of the control line erroneously left on the abandoned pipe, on or about September 21, 2015, a CMA Construction Leader ("Construction Leader-1") coordinated the installation of a new control line for the Winthrop Reg. Station. Instead of connecting to the abandoned main on Winthrop Avenue, the new control line connected the Winthrop Reg. Station to the 8-inch CI main on South Union Street approximately 39 feet from the Winthrop Reg. Station, a distance further than the 25 feet parameter in ON 15-05.

40. Following the installation of the new control line, a CMA inspector created a hand-drawn "as-built" drawing to document the location of the new control line. Although not foreseen as part of the construction in the Parker Street Project, records of the installation of the new control line from the Winthrop Reg. Station became part of CMA's records relating to the Parker Street Project. As a result of the installation, a darkened asphalt trench with spray-painted markings remained visible on the street from the Winthrop Reg. Station across South Union Street to the location of the CI mains up through the day of the Event.

41. Less than a year later, on or about May 13, 2016, a third party construction crew conducted an additional pressure test of the same newly installed control line from the Winthrop Reg. Station. As part of the process, the construction crew, with a CMA inspector onsite, excavated and removed a portion of the new control line and re-attached the control line again to the 8-inch South Union CI main.

B. CMA's Records of Control Lines in Lawrence

42. Prior to the Event, CMA did not maintain consistent and reliable records of control lines. Instead of mapping control lines into their main computerized mapping system, Geographic Information System ("GIS"), records of control lines were primarily located in a patchwork of multiple locations, including records of completed construction projects known as the "Work Done Files" and "Capital Close-Out" Files; a paper notebook of the location of critical valves known as the "Critical Valve Book" ("CVB"); and in a binder of documents that M&R personnel kept in their CMA trucks.

43. As employees from CMA Engineering, Construction and M&R in Lawrence knew, the records regarding the location of control lines were often outdated, incomplete and thus unreliable. Records of the locations of the control lines for the Winthrop Reg. Station were first located in the CVB, a binder that contained hard copies of maps that depicted the location of "critical valves," valves designated by both state and federal code as critical. The Lawrence Engineering Department kept and maintained the CVB, but did not regularly or consistently update information about the location of control lines. For example, for the Winthrop Regulator Station, the CVB had the location of the control lines as they existed in approximately May 2010, but when the new control line was installed in or about September 2015, the CVB was never updated to reflect the change.

44. A second location for records of control lines was the Work-Done and Capital Close-Out Files. Following the completion of a construction job, CMA Construction inspectors completed hand-drawn "as-built" drawings to record the location of pipes and new infrastructure. In the case of the Winthrop Reg. Station, while the Work-Done and Capital Close-Out File for the Parker Street Project included the "as-built" drawing for the September 2015 installation of the new control line, the drawing did not depict the location of the second control line from the Winthrop Reg. Station to the CI main on South Union Street.

45. A third location for records of control lines were the binders of documents and hand-drawn diagrams often referred to as "bibles" that M&R personnel kept in their trucks that were not maintained in a centralized location. With regards to the Winthrop Reg. Station, the M&R book contained two diagrams with information about the location of the control lines in approximately 2000 and 2010, but did not reflect the location of the newly installed control line from September 2015.

46. While GIS, CMA's most readily available and centralized record of their pipeline system, depicted the location of the Reg. Stations and the outlet pipes, it generally did not include any information about the control lines. Furthermore, despite concerns that CMA engineers raised about control lines not being consistently mapped in GIS, CMA deliberately chose to not include consistent and reliable information about the location of control lines in GIS and instead relied upon the patchwork of records described above that were often outdated and unreliable.

47. For example, on or about April 24, 2017, a NiSource engineer in Gas Systems Planning ("GSP") working with CMA Field Engineers scheduled a telephonic meeting entitled "*Feasibility discussion of mapping reg station control lines in GIS"* with the Leader of GIS Capital Closeout and a Leader of Field Engineering ("FE Leader"). During the meeting, GSP Engineer expressed concerns that control lines were not included in GIS and was adversely affecting the accuracy of gas pressure models for Field Engineers.

48. Despite this concern, CMA deliberately chose not to change its practice and failed to include the location of control lines into GIS because of the substantial cost involved in proactively locating and mapping control lines. Instead, the primary use and utility of GIS continued to be the accounting of the replacement and abandonment of CI pipe for capital recapture in the GSEP program, a financial benefit for CMA.

C. The Responsibility for Control Lines

49. Without any clear direction and implementation of a procedure to address the dangers associated with control lines, and despite the known risk, employees in CMA's Lawrence Division in Engineering, M&R and Construction frequently ignored and shifted the responsibility for locating and accounting for control lines to other Departments. For example, while employees in the Field Engineering Department in Lawrence considered the control lines to be an M&R responsibility (because they were associated with Reg. Stations), M&R personnel considered control lines to be an Engineering responsibility because the control line pipes extended outside the boundaries of the Reg. Station.

D. Early Planning Stages of the South Union Project

50. In and around 2015, CMA Field Engineering in Lawrence was understaffed and consisted only of two Field Engineers: a more junior Field Engineer ("Field Engineer-1") whom CMA hired in approximately July 2015 with no prior professional engineering experience and a more senior Field Engineer ("Field Engineer-2"). Because of Field Engineer-2's workload, in or about late 2015, Field Engineer-2 gave the South Union Project to Field Engineer-1. In terms of size, complexity and budget, the South Union Project, at a projected cost of over $1.4 million, was the largest project on which Field Engineer-1 had ever worked to date.

51. In or about February 2016, Field Engineer-1 finalized an initial Proposed Drawing ("Pro-Drawing") for the South Union Project that included maps derived from GIS that depicted the location of the existing gas main to be abandoned and the proposed location of the new plastic main. The Pro-Drawing also depicted the location of the Winthrop Reg. Station and outlet pipes, but because CMA did not include information about control lines in GIS, the Pro-Drawing also did not include any information about control lines.

52. While Field Engineer-1 and others members of Field Engineering knew the precise danger associated with control lines, throughout the duration of the project from approximately late 2015 and continuing until the day of the Event, Field Engineer-1 never took any action to locate the control lines associated with the Winthrop Reg. Station. Moreover, despite the high probability of a catastrophic over-pressurization of a LP system that would result if a Reg. Station's control lines were left connected to a main that was then replaced and abandoned, CMA and CMA's Field Engineering Department never implemented any formal written procedure to ensure the necessary relocation of control lines.

53. Instead, CMA followed an informal practice of encouraging verbal communication and collaboration among members of Field Engineering, Construction and M&R involved in a particular project including through a process called "Constructability Reviews."

54. For example, on or about March 1, 2016, Construction Leader-1 and Field Engineer-1 engaged in the first of three "Constructability Reviews" on the South Union Project, a discussion between Field Engineering and Construction that followed a two-page checklist entitled *"Constructability/Safety Review."* The two-page checklist, from a CMA template, was required documentation for a pipe replacement project, but made no reference to control lines and did not require a formal discussion with M&R.

55. Despite the fact that Construction Leader-1 knew that in September 2015, a new control line had been installed from the Winthrop Reg. Station to the CI main on South Union Street that was now planned for abandonment in the South Union Project, Construction Leader-1 never discussed with or identified to Field Engineer-1 the need to relocate the control line on the South Union Street CI main. Instead, Construction Leader-1 encouraged Field Engineer-1 to discuss with then-Leader of M&R ("M&R Leader-1") the type and size of the valve needed for a new outlet pipe that would connect the Winthrop Reg. Station to the new plastic main on South Union Street.

56. While Field Engineer-1 generally discussed the South Union Project with M&R Leader-1, Field Engineer-1 did not have a meaningful conversation about the control lines or the necessity to relocate the control lines at the end of the project with M&R Leader-1. Instead, Field Engineer-1 assumed that nothing further was needed from Engineering even though Field Engineer-1 knew that nothing had been done to plan for, or actually relocate, the control lines before the final abandonment of the CI mains on South Union Street. In doing so, CMA recklessly disregarded a known and certain risk of a catastrophic over-pressurization.

E. Approval of the South Union Street Project

57. In or about March 2016, Field Engineer-1 submitted the South Union Project for approval first to the Leader of FE and then to the Manager of Field Engineering for CMA ("FE Manager"). Among the materials that Field Engineer-1 submitted through the company's Work Management System were a scope map of the project, specific tie-in and abandonment procedures for the various stages of the project, and a Project Budget Request ("PBR") that indicated that the total cost of the project was approximately $1.4 million, but which would ultimately result in the retirement of approximately 7,500 feet of CI main pipe for the GSEP Program.

58. The PBR also made clear that the project involved the ultimate abandonment of a substantial portion of CI mains but not their entirety "*due to the regulator station at the intersection of S. Union Street and Winthrop Ave and that the LP system in this area depends on the stretch of LP mains on S. Union St."* The documents that Field Engineer-1 submitted through WMS Docs to senior Engineering Management did not include any procedure for the relocation of the control lines before the final abandonment of the CI mains.

59. Even though Field Engineering was ultimately responsible for the design and procedures for the execution of the South Union Project, and Engineering Management knew that the South Union Project was Field Engineer-1's largest and most difficult project to-date, members of Field Engineering Management never addressed the need to relocate, or account for, the control lines on the Winthrop Reg. Station to prevent an over-pressurization event. Instead, Field Engineering Management focused its' project review on cost and budget issues. Both the FE Leader and FE Manager approved the project for release to the construction phase without any discussion about control lines or concerns about over-pressurization.

Construction of the South Union Project in 2016

60. In or about July 2016, construction of the South Union Project began with a third-party contractor construction crew and one of three CMA inspectors onsite. From in or about August 2016 through the remainder of 2017, a third-party contractor ("CMA Inspector-1") served as the project's primary inspector. On at least two different occasions in 2016, the construction crew, with a CMA inspector onsite conducted work in and around the Winthrop Reg. Station.

61. First, on or about August 9, 2016, the construction crew excavated in the area of the Winthrop Reg. Station in order to install the new plastic main directly under the two control lines that connected the Winthrop Reg. Station to the CI main's on South Union Street. Even though a CMA inspector was onsite during the work, CMA did not document or record the location of the control lines.

62. Second, on or about October 17, 2016, the construction crew installed an outlet pipe from the Winthrop Reg. Station to the newly installed plastic main. The same day, in an email at approximately 9:09 p.m., Construction Leader-1 informed M&R Leader-1 that construction was *"working on the low pressure outlet [at the Winthrop Reg. Station] . . . and eventually moving the static lines to the new outlet piping."*

63. On or about October 27, 2016, CMA was required to discontinue construction on the South Union Project due to a citywide moratorium from the City of Lawrence on all gas, water and sewer construction projects in Lawrence. Thereafter, from in or about 2017 until in or about early 2018, the City of Lawrence discontinued authorizing permits for all but a limited number of public utility construction projects due to a concern about a lack of coordination and communication about ongoing construction projects.

64. While originally planned for completion by the end of 2016, due to the citywide moratorium, in late 2016 the project was placed on hold. By in or about October 2016, the construction crew installed and "energized" the new plastic main on South Union Street by feeding the main with gas from the Winthrop Reg. Station. The construction crew, however, was unable to begin any of the "tie-in" and abandonment procedures to "tie-in" or connect the side-streets to the new plastic main and thus was also unable to abandon the CI mains on South Union Street.

65. By December 2016, CMA Inspector 1's notes on the tie-in procedures to Field Engineering made clear that the regulator at the Winthrop Reg. Station was still connected to the old CI-mains on South Union Street and were "*NOT CUT-OFF AS OF 12-9-16,"* meaning that gas from the Winthrop Reg. Station was still feeding the two CI mains on South Union Street.

66. Around the same time, Construction Leader-1 and CMA Inspector-1 had discussions about the need to eventually move the control lines, but neither took any material action to ensure that the controls lines were moved at the appropriate time to prevent a catastrophic over-pressurization event. Moreover, by the completion of the project in 2018, Construction Leader-1 was working in a new position and CMA Inspector-1 was working on different construction projects.

67. As a result, though it was originally planned to be one of three "carry-over projects" that was at first scheduled for 2017, the continued construction of the South Union Project was ultimately delayed until approximately May 2018.

The Project Cost Review of the South Union Project in 2017

68. On or about January 16, 2017, Field Engineer-1 submitted an updated PBR for the "carry-over" South Union Project to Field Engineering Management. In contrast to the first PBR submitted for the South Union Project on March 9, 2016, the updated PBR had an estimated total additional cost of more than $1.1 million with a projected completion date of the fall of 2017, though no construction took place in 2017.

69. As a result of the increased costs related to the South Union Project, the FE Manager scheduled a "Project Cost Review" to take a closer look at the South Union Project *"due to its' size and the financial impact to the budget."*

70. The Project Cost Review for the South Union Project took place on or about February 17, 2017 and included a presentation from Field Engineer-1 and Construction Leader-1 to the FE Manager. The presentation was focused on cost and included a slide entitled *"Work Completed in 2016 (what did we get for our money)."* The presentation also addressed the construction involving the Winthrop Reg. Station and made clear was still feeding both old CI mains as well as the new plastic main on South Union Street. The presentation also included a timeline of events that emphasized the fact that *"City of Lawrence shut down all work"* on October 17, 2016 as the primary reason for the *"extended contracting costs."*

71. While over three consecutive years in 2016, 2017 and 2018 both the FE Manager and FE Leader participated in the approval of the South Union Project and a more detailed Project Cost Review in February 2017, no one from Field Engineering involved in the project ever specifically addressed the need to account for the control lines on the Winthrop Reg. Station to prevent a known risk of catastrophic over-pressurization. Instead, CMA and Field Engineering's evaluation of risk focused on the actual occurrence of prior events affecting pipeline integrity and the fact that, despite a 2015 "near-miss" involving control lines within NiSource, CMA had never previously had a serious over-pressurization event involving control lines.

Field-Engineering's Focus on GSEP Goals and Company Earnings

72. While CMA Field Engineering was ultimately responsible for the design and written procedures relating to pipeline replacement projects, the focus of the FE Manager's position was the management and administration of CMA's Capital Expenditure and GSEP Program, and promoting the achievement of the company's financial objectives. Following the initiation of the GSEP Program in or about 2015, CMA dictated yearly mileage goals under the GSEP program that increased annually. The FE Manager made clear to CMA employees that meeting GSEP mileage goals was directly connected to company earnings.

73. For example, on or about January 6, 2017, following the completion of the first full year of GSEP in 2016, the FE Manager emailed Engineering, Construction and Senior Management in CMA to tout the booking of approximately $67.3 million in capital expenditures as a *"huge milestone"* and stated that their meeting *"the GSEP targets is contributing to the earnings of CMA."*

74. In addition, during monthly Capital Program Management Meetings, the FE Manager frequently encouraged CMA employees from Construction and Engineering to timely execute and close-out capital GSEP projects and connected the completion of these projects to company earnings. In April 2016, the FE Manager's presentation included a graphic linking the terms "Concept," "Execute," and "Close Out" to promote the timely completion of projects. By April 2018, the FE Manager added the term "Earnings" to flow directly from the "Close Out" or completion of GSEP projects to emphasize the point that company earnings derived directly from completed GSEP projects.

75. In addition to touting success, the FE Manager also frequently expressed dissatisfaction directly to subordinates and direct reports about the failure to meet GSEP goals for the retirement of "priority pipe." For example, on or about November 16, 2017, the FE Manager emailed that *"failing to meet a goal of retiring 234,000 ft will be severely frowned upon. (think Game of Thrones . . . :-)."*

76. On or about March 12, 2018, after CMA had reported the retirement of only 43 miles of pipe, the FE Manager emailed that, *"We better have retired more than 43 miles of priority pipe! More like 53 miles."*

77. On or about September 7, 2018, following an email from the leader of the Capital Closeout that CMA was approximately 14 miles behind its goal for the retirement of priority pipe, the FE Manager emailed a group of subordinates, *"For CMA we are 14 miles behind. My question to the group, is anyone concerned that we will not meet our target for the year? If so, what can we do to mitigate the risk?"* referring to the risk of failing to meet the GSEP goal rather than any particular risk of pipeline integrity or safety.

The M&R Department in Lawrence

78. Between approximately 1988 and January 2018, CMA's M&R Department in Lawrence was primarily responsible for maintaining the Reg. Stations and ensuring compliance with state and federal regulations as well as the company's internal Gas Standards that were based on state and federal regulations, primarily Part 192. During the same period of time, among other responsibilities, M&R was also responsible for maintaining and staffing a Liquefied Natural Gas ("LNG") and Liquid Propane Gas ("LPG") Plant in the Lawrence area that provided additional supplies of gas for winter.

79. In or about 2017, CMA Senior Management proposed a structural change to the Lawrence M&R Department, already in place in the Brockton and Springfield M&R Departments, that would divide the responsibility for M&R and the LNG/LPG Plant into two separate departments. By no later than mid-2017, M&R Leader-1 complained to CMA's Vice President and Operations Center Manager ("OCM-1") that the change would be a bad decision, resulting in a lack of resources to manage not only the LNG/LPG Plant, but the area Reg. Stations.

80. Specifically, because the six total qualified employees in M&R could not shift responsibility between Plants and M&R as needed, only two M&R personnel would be left to manage all the Reg. Stations in Lawrence, Andover and North Andover. Around the same time, CMA Senior Management also knew that CMA needed more use of its LNG/LPG Plant, particularly in winter, due to the recent defeat of a proposed transmission pipeline in Northern Massachusetts, requiring four M&R Technicians to work 12-hours shifts to operate the Plant around-the-clock with a minimum staff of two employees per shift. According to an October 2017 email regarding M&R Leader-1's concern, *"That leaves no time to respond to regulator station issues or the like."*

81. Pursuant to a request from CMA's Vice President, M&R Leader-1 was required to put together "a business case" for more resources in M&R. As a result, on or about October 16, 2017, M&R Leader-1 made a presentation to CMA's Vice President, OCM-1 and the Finance Director about the need for more resources in M&R and the Plant. During the meeting, M&R Leader-1 described the need for more resources as "urgent" and warned that there were potential consequences for not adding the resources, including the fact that M&R could not adequately respond if there were multiple Reg. Station concerns. While the CMA Vice President ultimately agreed to provide the additional resources that M&R Leader-1 requested, CMA did not secure more resources for M&R until after the Event, and still divided M&R and the Plant into separate divisions.

82. Specifically, between in or about December 2017 and April 2018, CMA senior management shifted the responsibility for Lawrence M&R and Reg. Stations from M&R Leader-1 to the leader of M&R for Brockton and Springfield ("M&R Leader-2") while M&R Leader-1 retained responsibility for the Plant. By in or about May 2018, M&R Leader-1, the sole CMA employee with the most knowledge of all Lawrence Reg. Stations, abruptly retired from CMA.

83. Around the same time, in April 2018, CMA shifted managerial responsibilities in Lawrence in order to focus on the "rate case" before the MA DPU to increase the rates CMA could charge to CMA's customers, based in part on the GSEP Program. According to a January 29, 2019 email from the Vice President of CMA, *"After the filing [of the rate case in April 2018], the next six to eight months are focused on the case management and the litigation process – creating a significant burden on resources."*

84. In order to shift CMA's focus to the upcoming rate case, in late January 2018, CMA temporarily gave the Lawrence Manager of Systems Operations ("OCM-2") the additional responsibility of serving as the Lawrence OCM, with oversight over M&R in Lawrence even though OCM-2 had no prior experience with M&R as well as no understanding of ON 15-05 and the importance of control lines.

The Continuation of the South Union Project in 2018

85. On or about January 19, 2018, for the third consecutive year, Field Engineer-1 submitted a PBR for the South Union Project to Senior Field Engineering Management. After several revisions to the budget and cost documents that the FE Manager directed, by on or about March 20, 2018, both the FE Leader and FE Manager again approved the continuation of the South Union Project for construction and completion in 2018.

86. The managerial review of the project was again focused on cost and budget in part because the project was delayed, over-budget, and needed to be completed in order to allow for a City of Lawrence water project to commence in the same area. Immediately following the approval, in an email on or about March 20, 2016, Field Engineer-1 informed Construction that, "*This is one of the projects that needs to start as soon as the city allows us"* in order to complete the project in 2018. Furthermore, unlike the previous two years, no Constructability Review took place between Field Engineering and M&R. Instead, the South Union Project proceeded to the final construction phase without any formal or informal collaboration or planning among Field Engineering, Construction, and M&R.

87. The final stages of the South Union Project involved step-by-step "tie-in" and abandonment procedures whereby the construction crew would "tie-in" or connect the new plastic main to the side-streets and cut-off portions of the CI mains on South Union Street. As CMA collectively contemplated and planned, the project would be completed upon the final "tie-in" and abandonment procedure. At that time, the CI mains on South Union Street would be abandoned and completely disconnected from the flow of gas.

88. Nevertheless, despite the fact that CMA knew that the control lines were still attached to the CI mains and that the complete abandonment of the CI mains would cause the Winthrop Reg. Station control lines to read decreasing pressure, prompting the regulators to automatically and continually supply more gas to the South Lawrence LP System to the point of a dangerous over-pressurization, CMA did not prepare and follow, nor even contemplate, a formal written procedure for the removal of the control lines CMA knew was needed to prevent an over-pressurization and assure operation within the MAOP.

89. Furthermore, while CMA had encouraged an informal practice of verbal communications and collaboration among Field Engineering, CMA and Senior Management knew that by 2018, with the exception of Field Engineer-1, each of the prior significant participants in the South Union Project – including Construction Leader-1, M&R Leader-1, CMA Inspector-1, and the 2016 construction crew – were no longer involved in the project. Yet, CMA did nothing to manage the change in personnel or to pass on the information about the project they collectively shared.

90. For example, in early 2018, Construction Leader-1 took a new position with CMA in the Lawrence Operations Department. Construction Leader-1 was directly involved in the installation of the new control line in 2015, and knew that CMA would have to eventually move the control lines on the Winthrop Reg. Station, but failed to inform the new Construction Leader or the new CMA Inspector ("CMA Inspector-2') about the need to relocate the control lines to prevent an over-pressurization.

91. The renewed construction of the South Union Project began with a new construction crew and CMA Inspector-2 on or about May 22, 2018. On or about June 12, 2018, the construction crew began work near the Winthrop Reg. Station. During the construction, CMA Inspector-2 contacted Field Engineer-2 and Field Engineer-1 when it was discovered that the construction crew could not excavate in a particular area because the street had been newly paved.

92. As a result, Field Engineer-2 and Field Engineer-1 viewed the construction site, and directed the construction crew to alter the procedure to "cut-and-cap" portions of the old CI mains on South Union Street, thus removing portions of the CI mains from the street. At the time of the construction, CMA Inspector-2 noted the darkened asphalt trench—depicting the location of the control line installed in September 2015—but wrongly assumed the trench was the location of the outlet pipe. At the same time, while present at the construction site, neither Field Engineer-2 or Field Engineer-1 ever took any steps to investigate or determine the location of the control lines or contact M&R even though the construction site was in close proximity to the Winthrop Reg. Station.

93. On or about September 13, 2018, at approximately 4:00 p.m., the construction crew completed the final "tie-in" and abandonment procedure following the procedures CMA provided to the crew at the intersection of Salem Street and South Union Street. While not anticipated by the construction crew, the final "tie-in" and abandonment procedure resulted in the complete abandonment of the CI mains on South Union Street. Upon the complete abandonment and isolation of the CI mains on South Union Street, the Winthrop Reg. Station—that CMA knew was still connected to the CI mains on South Union Street—sensed a sharp decline in pressure, causing the Winthrop Reg. Station to automatically and continually feed more pressure into the South Lawrence LP System causing the catastrophic over-pressurization event described above in paragraphs 20 and 21.

COUNT ONE

Failure to Prepare and Follow a Procedure for the Starting Up and Shutting Down of a Pipeline Designed to Assure Operation within the Maximum Allowable Operating Pressure
(49 U.S.C. §§ 60123(a), 49 U.S.C. § 60118(a);
49 C.F.R. §§ 192.605(a), 192.605(b)(5))

The United States Attorney charges:

94. The United States Attorney re-alleges and incorporates by reference paragraphs 1-93 of this Information.

95. From in or about 2015 through on or about September 13, 2018, in in the District of Massachusetts, the defendant,

BAY STATE GAS COMPANY,
d/b/a Columbia Gas of Massachusetts,

by and through the actions of its employees, and through a pattern of flagrant organizational indifference, knowingly and willfully violated a minimum safety standard for the starting up and shutting of any part of a distribution pipeline, as set forth in Title 49, Code of Federal Regulations, Section 192.605(b)(5). Specifically, BAY STATE GAS COMPANY, d/b/a Columbia Gas of Massachusetts, knowingly and willfully failed to prepare and follow procedures to remove and relocate regulator control lines on the South Union Project to assure operation of the South Lawrence LP System within the Maximum Allowable Operating Pressure and safety during maintenance and operations.

All in violation of Title 49, United State Code, Section 60123(a).

ANDREW E. LELLING
United States Attorney

By: /s/ Neil J. Gallagher, Jr.
Neil J. Gallagher, Jr.
Evan Gotlob
Assistant U.S. Attorneys

Dated: February 26, 2020

EXHIBIT B
(Calculation of Profit, Gain or Loss)

For purposes of this Agreement, any such profit or gain shall mean the amount, if any, by which the net purchase price (after related costs and expenses) received by NiSource from the sale of CMA or its gas distribution business (hereinafter "A"), as the case may be, exceeds the total of:

(i) the book value of CMA (including any liabilities assumed by the purchaser) or the business so purchased (excluding the book value of any CMA assets not included in the sale) ("hereinafter "B");

(ii) the charges for impairment of goodwill and other intangible assets related to CMA (hereinafter "C"); plus

(iii) the aggregate amount of the liabilities of CMA not included in the sale (hereinafter "D"),

in each case specified in (i)-(iii) above, as reflected on the financial statements of NiSource as of December 31, 2019.

Stated another way, in sum:

A (net purchase price)

– B (book value of assets) + C (impairment of good will/intangible assets) + D (aggregate amount of liabilities)

= gain or loss

The U.S. Attorney reserves the right to challenge the veracity, accuracy and proper application under GAAP of each of the above described assets and liabilities in parts B, C and D of the calculation.

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA	)	
v.	)	Criminal No.
NiSOURCE, Inc.	)	
Defendant.	)	

DEFERRED PROSECUTION AGREEMENT

1. Andrew E. Lelling, United States Attorney for the District of Massachusetts (by Assistant U.S. Attorneys Neil J. Gallagher, Jr. and Evan Gotlob) (the "Government"); and defendant NiSource, Inc. ("NiSource") (by counsel Alejandro N. Mayorkas, Esq., WilmerHale, LLP and NiSource Chief Executive Officer Joseph Hamrock) hereby enter into the following Deferred Prosecution Agreement ("Agreement").

2. It is the intention of the parties that this Agreement will cover any and all of NiSource's federal criminal liability in the District of Massachusetts arising from the conduct of its wholly-owned subsidiary, Bay State Gas Company, d/b/a Columbia Gas of Massachusetts ("CMA"), or any of NiSource's conduct that is related to the conduct alleged in the criminal information filed against CMA ("the CMA Criminal Information"), attached to this Agreement as **Exhibit A**, and covered by the plea agreement dated February 24, 2020 between the Government and CMA ("the CMA Plea Agreement," attached to this Agreement as **Exhibit B**), or that is in any other way related to the Merrimack Valley Over-Pressurization Event on September 13, 2018 (hereinafter, "the Event"), including CMA's and NiSource's restoration work in the Merrimack Valley following the Event that is currently known to the Government.

3. This Agreement is effective for a period beginning on the date on which this Agreement is signed ("Effective Date") and ending thirty-six (36) months from the Effective Date (the "Term").

4. The Government enters into this Agreement based upon the individual facts and circumstances of this case, including:

a. NiSource's agreement to use reasonable best efforts to sell CMA or CMA's gas distribution business, to a qualified third-party buyer consistent with the requirements of M.G.L. c. 164, § 96 and Interlocutory Order on Standard of Review, D.P.U. 10-170 and upon the completion of any such sale, to cease and desist any and all gas pipeline and distribution activities in the District of Massachusetts;

b. In the event that CMA or its gas distribution business is sold within CMA's three (3) year term of probation, NiSource's agreement to forfeit and pay a monetary penalty equal to the total amount of any profit or gain from the sale of CMA or CMA's gas distribution business;

c. NiSource's prior voluntary payments of restitution to the victims of the Event including, but not limited to, payments to the individuals, businesses and municipalities affected;

d. NiSource's agreement to seek to resolve all pending civil claims, including NiSource's agreement to seek to settle the claims filed by the Massachusetts Department of Public Utilities ("MA DPU");

e. NiSource's acknowledgement that, based on the allegations in the CMA Criminal Information, the Government has sufficient basis to allege that NiSource is responsible for CMA's conduct as alleged in the CMA Criminal Information; and

f. NiSource's commitment to fulfill all of the terms of this Agreement.

5. The Government agrees that so long as NiSource adheres to and complies with the provisions of this Agreement, the Government will not file criminal charges against NiSource, either for NiSource's conduct or CMA's conduct, related to the allegations in the CMA Criminal Information, the Event, or CMA's and NiSource's restoration work in the Merrimack Valley following the Event that is currently known to the Government. In the event of a breach of this Agreement, the Government reserves the right to prosecute NiSource for the conduct related to the allegations in the CMA Criminal Information, the Event, or CMA's and NiSource's restoration work in the Merrimack Valley following the Event that is currently known to the Government or any other conduct the Government in its sole discretion deems appropriate.

6. In consideration of the Government's agreement described above in paragraph 5, NiSource waives its right to a speedy trial pursuant to the Sixth Amendment to the United States Constitution and Rule 48(b) of the Federal Rules of Criminal Procedure. NiSource also expressly waives and will not plead, argue, or otherwise raise any statute of limitations or other similar defenses to any criminal charges brought by the Government related to the allegations in the CMA Criminal Information, the Event, or CMA and NiSource's restoration work in the Merrimack Valley following the Event, except to the extent to which such a defense would have been available had charges been brought on or before the date on which this Agreement is executed.

NISOURCE'S OBLIGATIONS

7. NiSource acknowledges that, based on the allegations in the CMA Criminal Information, the Government has sufficient basis to allege that NiSource is responsible for CMA's conduct alleged in the CMA Criminal Information. NiSource will not, through any person authorized to speak on its behalf, make any public statement, in litigation or otherwise, contradicting in whole or in part NiSource's acknowledgement set forth above.

8. NiSource agrees that it will use reasonable best efforts to sell CMA or CMA's gas distribution business to a qualified third-party buyer consistent with the requirements of M.G.L. c. 164, § 96 and Interlocutory Order on Standard of Review, D.P.U. 10-170, and, upon the completion of any such sale, NiSource will cease and desist any and all gas pipeline and distribution activities in the District of Massachusetts.

9. In the event of a sale of CMA or CMA's gas distribution business following the execution of a definitive purchase and sale agreement within the three (3) year period of probation under the terms of the CMA Plea Agreement, within thirty (30) days of the later of the sale becoming final or the date on which post-closing adjustments to the purchase price are finally determined in accordance with the agreement to sell CMA or its gas distribution business, NiSource will forfeit and pay a monetary penalty equal to the total amount of any profit or gain from the sale of CMA or its gas distribution business.

10. Upon request of the Government, NiSource will also promptly provide any and all records regarding the sale including but not limited to audited financial statements and income tax returns of NiSource, to the extent required to verify the accuracy of any profit, gain or loss amount that resulted from the sale of CMA or CMA's gas distribution business.

11. NiSource also agrees, as to each of its subsidiaries involved in the distribution of gas through pipeline facilities in Massachusetts, Indiana, Ohio, Pennsylvania, Maryland, Kentucky and Virginia to implement and adhere to each of the recommendations from the National Transportation Safety Board ("NTSB") related to NTSB Accident ID PLD18MR003 regarding the Event.

GOVERNMENT'S OBLIGATIONS AND RIGHTS

12. If NiSource fully complies with all of its obligations under this Agreement, the Government will not file any criminal charges against NiSource related in any way to the allegations in the CMA Criminal Information, the Event, or CMA's and NiSource's restoration work in the Merrimack Valley following the Event currently known to the Government.

13. If, however, during the Term of this Agreement, NiSource (1) commits any felony under U.S. federal law including, but not limited to, any felony violation of the Pipeline Safety Act; (2) gives deliberately false, incomplete, or misleading testimony or information to the Government or to the Court; or (3) otherwise fails to perform or fulfill each of NiSource's obligations under this Agreement, NiSource will thereafter be subject to prosecution for any federal criminal violation of which the Government has knowledge, including, but not limited to, federal criminal violations related to the conduct alleged in the CMA Criminal Information, the Event, or CMA's and NiSource's restoration work in the Merrimack Valley following the Event.

14. The Government, in its sole discretion, will determine whether NiSource has breached the Agreement and whether, as a result, the Government will pursue prosecution of NiSource and any such prosecution may be premised on information provided by NiSource.

15. NiSource also agrees that, in the event that the Government determines, in its sole discretion, that NiSource has violated any provision of this Agreement, an extension of the Term of the Agreement may be imposed by the Government, in its sole discretion, for up to a total additional time period of twelve (12) months. Any extension of the Agreement extends all terms of this Agreement throughout the extension period.

16. In the event the Government determines that NiSource has breached this Agreement, the Government agrees to provide NiSource with written notice of such breach prior to instituting any prosecution resulting from such breach. Within thirty (30) days of receipt of such notice, or within any longer period of time the Government agrees to in writing, NiSource may respond to the Government in writing to present its position regarding whether a breach has in fact occurred; whether any breach was material; whether any breach was knowingly or willfully committed; and any other facts and circumstances that NiSource submits are relevant to the Government's determination of breach. The Government agrees to consider NiSource's written submission in determining whether a breach occurred and, if so, whether to institute a prosecution of NiSource.

17. In the event the Government institutes a prosecution due to its determination that NiSource has breached this Agreement: (a) all statements made by or on behalf of NiSource or CMA to the Government or to the Court and any testimony given by or on behalf of NiSource before a grand jury, a court, or any tribunal, or at any legislative hearings, whether before or after this Agreement, will be admissible in any criminal proceedings brought by the Government against NiSource; and (b) NiSource will not assert any claim under Rule 11(f) of the Federal Rules of Criminal Procedure; Rule 410 of the Federal Rules of Evidence; or any other federal rule that any such statements or testimony made by or on behalf of NiSource or CMA before or after this Agreement, are inadmissible.

18. NiSource acknowledges that the Government has made no representations, assurances, or promises concerning what sentence may be imposed by the Court if NiSource breaches this Agreement, the Government pursues criminal charges, and this matter proceeds to judgment. NiSource further acknowledges that any such sentence is solely within the discretion of the Court and that nothing in this Agreement binds or restricts the Court in the exercise of its discretion.

19. NiSource also agrees that in the event that CMA's guilty plea is not accepted by the Court or is withdrawn for any reason, or if CMA should fail to perform an obligation under the CMA Plea Agreement prior to the sale of CMA or its gas distribution business, the Government may, at its sole option, render this Agreement null and void.

20. This Agreement is between NiSource and the United States Attorney's Office for the District of Massachusetts. This Agreement does not bind any other federal, state, or local prosecuting authorities. Furthermore, this Agreement does not prohibit the United States, any agency thereof, or any third party from initiating or prosecuting any civil or administrative proceedings directly or indirectly involving NiSource, including, but not limited to, proceedings by the Internal Revenue Service relating to potential civil tax liability.

21. Any notice, certification, resolution, or report to the Government under this Agreement will be given by personal delivery, overnight delivery by a recognized delivery service, or registered or certified mail, addressed to:

Chief, Public Corruption and Special Prosecutions Unit
U.S. Attorney's Office for the District of Massachusetts
John Joseph Moakley Federal Courthouse
One Courthouse Way, Suite 9200
Boston, MA 02210

22. Any notice to NiSource under this Agreement will be given by personal delivery, overnight delivery by a recognized delivery service, or registered or certified mail, addressed to:

Alejandro N. Mayorkas, Esq.
WilmerHale LLP
1875 Pennsylvania Avenue NW
Washington, DC 20006

Carrie J. Hightman
Chief Legal Officer
801 East 86th Avenue
Merrillville, IN 46410

23. Notice will be effective upon actual receipt by the Government or NiSource.

24. The Government's acceptance of delivery of any notice, certification, resolution, or report referenced in this Agreement, or the absence of any response thereto, is not, and will not be construed as, evidence of compliance with this Agreement or any other applicable laws, policies, or procedures.

25. This Agreement, to become effective, must be signed by all of the parties listed below. No promises, agreements, terms, or conditions other than those set forth in this Agreement will be effective unless memorialized in writing and signed by all parties or confirmed on the record before the Court.

FOR THE UNITED STATES

ANDREW E. LELLING
UNITED STATES ATTORNEY

By: /s/ Neil J. Gallagher, Jr.
Neil J. Gallagher, Jr.
Evan Gotlob
Assistant United States Attorneys

FOR NISOURCE, INC.

By: /s/ Joseph Hamrock
Joseph Hamrock
Chief Executive Officer
NiSource, Inc.

By: /s/ Carrie J. Hightman
Carrie J. Hightman
Executive Vice President and Chief Legal Officer
NiSource, Inc.

By: /s/ Alejandro N. Mayorkas, Esq.
Alejandro N. Mayorkas, Esq.
WilmerHale, LLP
Counsel for NiSource, Inc.

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA	)	Criminal No.
v.	)	Violation:
BAY STATE GAS COMPANY, doing business as ("d/b/a") Columbia Gas of Massachusetts,	)	Count One: Failure to Prepare and Follow a Procedure for the Starting Up and Shutting Down of a Pipeline Designed to Assure Operation within the Maximum Allowable Operating Pressure (49 U.S.C. §§ 60123(a),60118(a); 49 C.F.R. §§ 192.605(a), 192.605(b)(5))
Defendant	)	

INFORMATION

At all times relevant to this Information:

General Allegations

1. Bay State Gas Company, d/b/a Columbia Gas of Massachusetts ("CMA"), was a Massachusetts corporation that supplied natural gas to approximately 325,000 customers in Massachusetts in and around Springfield, Brockton, and three Merrimack Valley communities in Lawrence, Andover, and North Andover. CMA was a wholly-owned subsidiary of NiSource, Inc. ("NiSource"), a publically traded company based in Merrillville, Indiana.

2. CMA engaged in the transportation of natural gas, was an operator of a gas pipeline system as well as a gas distributor operator ("Operator"), and was subject to the jurisdiction of the U.S. Department of Transportation ("US DOT") as well as state and local regulations.

CMA's Low-Pressure Gas Distribution System in South Lawrence

3. CMA owned and operated a network of gas pipeline systems for the transportation and delivery of natural gas that included a series of approximately 25 different low-pressure ("LP") gas distribution systems in Massachusetts. Among these systems, CMA owned and operated a LP gas distribution system in the area of South Lawrence ("the South Lawrence LP System").

4. The South Lawrence LP System used fourteen (14) regulator stations ("Reg. Stations") to supply natural gas to main distribution lines ("mains") and control downstream pressure. The Reg. Stations were belowground and contained "regulators" that monitored and controlled downstream gas pressure.

5. Natural gas came into the South Lawrence LP System at high pressure, about 77 pounds per square inch gauge ("psig"). The regulators decreased pressure to approximately 0.5 psig or 14 inches of water column ("w/c"), a more refined pressure measurement. The Reg. Stations supplied mains with gas through an outlet pipe. Mains, in turn, supplied gas to individual houses and businesses through service lines at roughly the same pressure, 0.5 psig or 14 inches w/c.

6. The fourteen (14) Reg. Stations that were part of the South Lawrence LP System controlled and regulated pressure in an automated manner. Based on the pressure the regulator sensed downstream, the regulator valve opened or closed to control downstream pressure at a pre-set limit called a "set-point" to ensure that the pressure in the system did not exceed the Maximum Allowable Operating Pressure ("MAOP") and become unsafe. Although it varied, the MAOP for the South Lawrence LP System was generally 14 inches w/c.

7. Each regulator was equipped with a "regulator control line" also called a "control line," "sensing line," or "static line" ("control line"). A control line was generally a ¾ inch steel pipe that connected the regulator to the main downstream. Without a control line connected from the regulator to the downstream gas main, the regulators in the South Lawrence LP System could not properly function.

8. Each Reg. Station in the South Lawrence LP System had at least two regulators, a "worker regulator" and a "monitor regulator," each with a control line that sensed downstream pressure and connected back to the regulator, thereby enabling the regulator to regulate system pressure. The worker regulator was the primary regulator that maintained system pressure. The monitor regulator was the redundant backup in case the worker regulator was damaged or malfunctioned. If both control lines malfunctioned or failed to read any downstream pressure, the worker regulator would automatically and continually increase the pressure resulting in an "over-pressurization" of the LP system.

Background of the Pipeline Safety Act

9. Congress first established minimum safety standards for the transportation of natural gas and other gases by pipeline in the Natural Gas Pipeline Safety Act of 1968 ("NGPSA") and directed the Secretary of the US DOT to issue regulations to protect against risks to life and property posed by pipeline transportation and pipeline facilities.

10. In 1970, in accordance with NGPSA, the Secretary of the US DOT issued regulations codified in Part 192 of Title 49 of the Federal Code of Regulations, Subparts A through M ("Part 192").

11. In 1979, Congress amended the NGPSA to add criminal penalties for knowing and willful violations of any Part 192 regulation as part of the Hazardous Liquid Pipeline Safety Act of 1979 ("HLPSA").

12. In 1994, Congress enacted the Pipeline Safety Act ("PSA"), 49 U.S.C. § 60101 *et seq.* The PSA combined and re-codified, without substantive changes, the two then existing pipeline safety statutes, NGPSA and HLPSA. The purpose of the PSA was to "provide adequate protection against risks to life and property posed by pipeline transportation and pipeline facilities." 49 U.S.C. § 60102(a)(1).

13. In 2004, Congress amended the PSA by enacting the Norman Y. Mineta Research and Special Programs Improvement Act of 2004 to create the Pipeline and Hazardous Materials Safety Administration ("PHMSA"), an agency within the US DOT.

14. In 2006, Congress enacted the the Pipeline Inspection, Protection, Enforcement and Safety Act ("PIPES") which directed PHMSA to "prescribe minimum standards for integrity management programs for distribution pipelines." 49 U.S.C. § 60109(e).

15. On December 4, 2009, PHMSA promulgated the regulations codified in Subpart P of Part 192, entitled "Gas Distribution Pipeline Integrity Management (IM)." Subpart P requires an Operator to "develop and implement" an IM Program by no later than August 2, 2011. 49 C.F.R. § 192.1005.

Regulations Regarding Pipeline Operations and Over-Pressurization

16. Subpart L of Part 192 prescribes the minimum requirements for safe pipeline operations and states that "no person may operate a segment of pipeline unless it is operated in accordance with this subpart." 49 C.F.R. § 192.603(a).

17. Part 192 defines the Maximum Allowable Operating Pressure ("MAOP") as "the maximum pressure at which a pipeline or segment of a pipeline may be operated[.]" 49 C.F.R. § 192.3. It also defines a "low-pressure distribution system" as a "distribution system in which the gas pressure in the main is substantially the same as the pressure provided to the customer." 49 C.F.R. § 192.3. Subpart L further mandates that "[n]o person may operate a low-pressure distribution system at a pressure high enough to make unsafe the operation of any connected and properly adjusted low-pressure gas burning equipment" (referring to gas appliances). 49 C.F.R. § 192.623(a).

18. Under Part 192, "[e]ach operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities," otherwise known as an operation and maintenance manual ("O&M Manual"). Among other requirements, § 192.605(b)(5) requires that the O&M Manual include a procedure for "starting up and shutting down any part of a pipeline in a manner designed to assure operation within the MAOP limits prescribed by this part" in order "to provide safety during maintenance and operations."

19. Subpart L also requires an operator to "keep records necessary to administer the procedures under § 192.605." 49 C.F.R. § 192.603. Among the records required to be kept, and made available to operating personnel include, "construction records, maps and operating history." 49 C.F.R. § 192.605(b)(3).

The September 13, 2018 Over-Pressurization Event

20. On or about September 13, 2018, beginning at approximately 4:00 p.m., a series of fires and explosions resulted from an over-pressurization of the South Lawrence LP System ("the Event"). By approximately 4:07 p.m., the actual operating pressure of the South Lawrence LP System increased to more than 35 inches of w/c and ultimately increased until the actual operating pressure was approximately 13 times greater than the MAOP.

21. The over-pressurization of the South Lawrence LP System caused multiple fires and explosions including inside house-hold appliances and residences. The resulting fires and explosions caused substantial damage to approximately 131 residential and commercial structures in the communities of Lawrence, Andover, and North Andover, including the total destruction of three houses in Lawrence, injured 22 people, killed one individual in Lawrence and severely disabled another.

Operational Notice 15-05

22. By at least September 2015, CMA's employees in the Lawrence Division from Field Engineering, Construction, and Measurement and Regulation ("M&R"), as well as Senior Field Engineering Management in CMA were aware of the particular dangers associated with belowground control lines. In particular, these employees and CMA knew that a faulty, damaged, or unaccounted for control line on a Reg. Station in a LP system could lead to a dangerous over-pressurization of the system resulting in fires and explosions in a populated area.

23. On or about September 2, 2015, NiSource and CMA internally disseminated Operational Notice ("ON") 15-05, entitled *"Below Grade Regulator Control Lines: Caution When Excavating Near Regulator Stations or Regulator Buildings."* The impetus for ON 15-05 was a "near miss" experience involving another NiSource company outside of Massachusetts where a construction crew, excavating to repair a gas leak near a Reg. Station, came close to hitting a control line and was unaware of its purpose and importance.

24. The stated objective of ON 15-05 was two-fold: *"1. Bring awareness to Company and Contractor employees regarding the existence and importance of regulator control lines . . . that help to provide critical sensing information for the accurate monitoring and control of outlet pressure into the Company's piping systems . . ."* and *"2. Set forth required actions for future Company excavations."*

25. ON 15-05 described what Reg. Station control lines did, and said control lines:

> . . . sense the outlet pressure of the regulator. Based on the pressure sensed through the control line, the regulator valve will open or close to control the downstream pressure at the set point of the regulator.

26. ON 15-05 further warned that a broken or disrupted control line could lead to a *"catastrophic event:"*

> If a control line breaks, the regulator will sense a pressure loss, causing the valve to open further, resulting in an over pressurization of the downstream piping system, which may lead to a catastrophic event. The same result occurs if the flow through the control line is otherwise disrupted (e.g., control line valve shut off, control line isolated from the regulator it is controlling).

27. Finally, the *"Required Action"* from ON 15-05 to the Company's employees was that:

> any Company excavations within the footprint of a [Reg. Station] and/or within 25 feet of a station building or fence shall only proceed with M&R standing by throughout the excavation . . .

28. While over-pressurization that could result in a "catastrophic event" was a known risk, CMA never prepared or implemented any written procedure to ensure that belowground control lines were accounted for, and, if necessary, removed or relocated. Instead, CMA relied upon an informal practice of encouraging verbal communication among members of Field Engineering, Construction and M&R when excavation took place within the footprint of a Reg. Station.

CMA's Gas System Enhancement Program ("GSEP")

29. An Act Relative to Gas Leaks, Massachusetts General Law, Chapter 164, Section 145), effective October 1, 2014 ("Section 145"), provided Massachusetts gas utility companies with a financial incentive to replace or improve aging or leaking gas infrastructure. Under Section 145, a gas distribution company was permitted to submit a Gas System Enhancement Program ("GSEP") plan to the Massachusetts Department of Public Utilities ("MA DPU"). Among other requirements, the overall GSEP plan had to include a timeline for the removal of all leak-prone infrastructure within 20 years.

30. If accepted by the MA DPU, Section 145 permitted a gas distribution company "to begin recovery of the estimated costs of [pipe replacement] projects included in the plan on May 1 of the year following the initial filing and collect any revenue requirement, including property taxes and return associated with the plan." More broadly, Section 145 permitted a gas company to more quickly recover its capital costs associated with its yearly forecasted pipeline replacement through the rates the MA DPU permitted the Company to charge its customers.

31. On or about October 31, 2014, CMA submitted its first annual GSEP plan and thereafter in 2015, 2016 and 2017. In the 2014 GSEP plan, CMA proposed to replace 44 miles of leak-prone mains and recover approximately $2.6 million in related costs. In its later GSEP plans submitted to the MA DPU, CMA sought to recover approximately $9 million in costs for 2016, approximately $16.8 million in 2017 and approximately $26.8 million in 2018.

32. In total, between 2015 and 2018, as part of the GSEP program, CMA earned a total of approximately $49.3 million in accelerated capital cost recovery and, after costs, realized a total profit of approximately $26.5 million.

The South Union Street Project

33. In or about August 2016, CMA began construction on a GSEP pipe replacement project in the South Lawrence LP System called the "South Union Street Project" ("the South Union Project"). The Field Engineering Department in Lawrence selected the South Union Project in part due to a pending City of Lawrence water-main project that would encroach upon the two aging cast-iron ("CI") mains on South Union Street.

34. The South Union Project sought to replace two CI mains from the intersection of Market Street to Winthrop Avenue on South Union Street, measuring approximately 6 inches and 8 inches in diameter, with one plastic main. Once installed, the new plastic main would be "tied-in" and connected to the pipes on the side streets that supplied gas to customers through service lines. As typical in pipe replacement projects, upon completion of the project, the two CI mains on South Union Street would be completely disconnected from the LP system and abandoned in the ground.

35. The scope of the South Union Street project included the replacement of the CI mains near a belowground Reg. Station located at the intersection of Winthrop Avenue and South Union Street (the "Winthrop Reg. Station"), one of the fourteen (14) different regulator stations that monitored and controlled downstream pressure in the South Lawrence LP System.

36. From in or about September 2015 and continuing up until the time of the Event, two control lines connected the Winthrop Reg. Station to the two CI mains on South Union Street.

A. The Control Lines at the Winthrop Avenue Reg. Station

37. In or about early September 2015, two CMA M&R technicians conducting an annual inspection of the Winthrop Reg. Station discovered that one of the control lines on the Winthrop Reg. Station failed to read any downstream pressure. Under CMA's O&M Manual, each belowground Reg. Station was required to have at least two functional control lines (one for the "worker" regulator, one for the "monitor" regulator) that connected the Reg. Station to the mains to monitor and regulate downstream pressure.

38. Further investigation by the M&R technicians revealed that the control line reading zero pressure had been erroneously left on the CI main on Winthrop Avenue sometime in 2015, near the intersection of South Union Street, during an earlier pipe replacement project known as the "Parker Street Project." Having only one functional control line was a violation of CMA's O&M procedures and created a significant risk of an over-pressurization event had the second control line also failed.

39. Following the discovery of the control line erroneously left on the abandoned pipe, on or about September 21, 2015, a CMA Construction Leader ("Construction Leader-1") coordinated the installation of a new control line for the Winthrop Reg. Station. Instead of connecting to the abandoned main on Winthrop Avenue, the new control line connected the Winthrop Reg. Station to the 8-inch CI main on South Union Street approximately 39 feet from the Winthrop Reg. Station, a distance further than the 25 feet parameter in ON 15-05.

40. Following the installation of the new control line, a CMA inspector created a hand-drawn "as-built" drawing to document the location of the new control line. Although not foreseen as part of the construction in the Parker Street Project, records of the installation of the new control line from the Winthrop Reg. Station became part of CMA's records relating to the Parker Street Project. As a result of the installation, a darkened asphalt trench with spray-painted markings remained visible on the street from the Winthrop Reg. Station across South Union Street to the location of the CI mains up through the day of the Event.

41. Less than a year later, on or about May 13, 2016, a third party construction crew conducted an additional pressure test of the same newly installed control line from the Winthrop Reg. Station. As part of the process, the construction crew, with a CMA inspector onsite, excavated and removed a portion of the new control line and re-attached the control line again to the 8-inch South Union CI main.

B. CMA's Records of Control Lines in Lawrence

42. Prior to the Event, CMA did not maintain consistent and reliable records of control lines. Instead of mapping control lines into their main computerized mapping system, Geographic Information System ("GIS"), records of control lines were primarily located in a patchwork of multiple locations, including records of completed construction projects known as the "Work Done Files" and "Capital Close-Out" Files; a paper notebook of the location of critical valves known as the "Critical Valve Book" ("CVB"); and in a binder of documents that M&R personnel kept in their CMA trucks.

43. As employees from CMA Engineering, Construction and M&R in Lawrence knew, the records regarding the location of control lines were often outdated, incomplete and thus unreliable. Records of the locations of the control lines for the Winthrop Reg. Station were first located in the CVB, a binder that contained hard copies of maps that depicted the location of "critical valves," valves designated by both state and federal code as critical. The Lawrence

Engineering Department kept and maintained the CVB, but did not regularly or consistently update information about the location of control lines. For example, for the Winthrop Regulator Station, the CVB had the location of the control lines as they existed in approximately May 2010, but when the new control line was installed in or about September 2015, the CVB was never updated to reflect the change.

44. A second location for records of control lines was the Work-Done and Capital Close-Out Files. Following the completion of a construction job, CMA Construction inspectors completed hand-drawn "as-built" drawings to record the location of pipes and new infrastructure. In the case of the Winthrop Reg. Station, while the Work-Done and Capital Close-Out File for the Parker Street Project included the "as-built" drawing for the September 2015 installation of the new control line, the drawing did not depict the location of the second control line from the Winthrop Reg. Station to the CI main on South Union Street.

45. A third location for records of control lines were the binders of documents and hand-drawn diagrams often referred to as "bibles" that M&R personnel kept in their trucks that were not maintained in a centralized location. With regards to the Winthrop Reg. Station, the M&R book contained two diagrams with information about the location of the control lines in approximately 2000 and 2010, but did not reflect the location of the newly installed control line from September 2015.

46. While GIS, CMA's most readily available and centralized record of their pipeline system, depicted the location of the Reg. Stations and the outlet pipes, it generally did not include any information about the control lines. Furthermore, despite concerns that CMA engineers raised about control lines not being consistently mapped in GIS, CMA deliberately chose to not include consistent and reliable information about the location of control lines in GIS and instead relied upon the patchwork of records described above that were often outdated and unreliable.

47. For example, on or about April 24, 2017, a NiSource engineer in Gas Systems Planning ("GSP") working with CMA Field Engineers scheduled a telephonic meeting entitled "*Feasibility discussion of mapping reg station control lines in GIS"* with the Leader of GIS Capital Closeout and a Leader of Field Engineering ("FE Leader"). During the meeting, GSP Engineer expressed concerns that control lines were not included in GIS and was adversely affecting the accuracy of gas pressure models for Field Engineers.

48. Despite this concern, CMA deliberately chose not to change its practice and failed to include the location of control lines into GIS because of the substantial cost involved in proactively locating and mapping control lines. Instead, the primary use and utility of GIS continued to be the accounting of the replacement and abandonment of CI pipe for capital recapture in the GSEP program, a financial benefit for CMA.

C. The Responsibility for Control Lines

49. Without any clear direction and implementation of a procedure to address the dangers associated with control lines, and despite the known risk, employees in CMA's Lawrence Division in Engineering, M&R and Construction frequently ignored and shifted the responsibility for locating and accounting for control lines to other Departments. For example, while employees in the Field Engineering Department in Lawrence considered the control lines to be an M&R responsibility (because they were associated with Reg. Stations), M&R personnel considered control lines to be an Engineering responsibility because the control line pipes extended outside the boundaries of the Reg. Station.

D. Early Planning Stages of the South Union Project

50. In and around 2015, CMA Field Engineering in Lawrence was understaffed and consisted only of two Field Engineers: a more junior Field Engineer ("Field Engineer-1") whom CMA hired in approximately July 2015 with no prior professional engineering experience and a more senior Field Engineer ("Field Engineer-2"). Because of Field Engineer-2's workload, in or about late 2015, Field Engineer-2 gave the South Union Project to Field Engineer-1. In terms of size, complexity and budget, the South Union Project, at a projected cost of over $1.4 million, was the largest project on which Field Engineer-1 had ever worked to date.

51. In or about February 2016, Field Engineer-1 finalized an initial Proposed Drawing ("Pro-Drawing") for the South Union Project that included maps derived from GIS that depicted the location of the existing gas main to be abandoned and the proposed location of the new plastic main. The Pro-Drawing also depicted the location of the Winthrop Reg. Station and outlet pipes, but because CMA did not include information about control lines in GIS, the Pro-Drawing also did not include any information about control lines.

52. While Field Engineer-1 and others members of Field Engineering knew the precise danger associated with control lines, throughout the duration of the project from approximately late 2015 and continuing until the day of the Event, Field Engineer-1 never took any action to locate the control lines associated with the Winthrop Reg. Station. Moreover, despite the high probability of a catastrophic over-pressurization of a LP system that would result if a Reg. Station's control lines were left connected to a main that was then replaced and abandoned, CMA and CMA's Field Engineering Department never implemented any formal written procedure to ensure the necessary relocation of control lines.

53. Instead, CMA followed an informal practice of encouraging verbal communication and collaboration among members of Field Engineering, Construction and M&R involved in a particular project including through a process called "Constructability Reviews."

54. For example, on or about March 1, 2016, Construction Leader-1 and Field Engineer-1 engaged in the first of three "Constructability Reviews" on the South Union Project, a discussion between Field Engineering and Construction that followed a two-page checklist entitled *"Constructability/Safety Review."* The two-page checklist, from a CMA template, was required documentation for a pipe replacement project, but made no reference to control lines and did not require a formal discussion with M&R.

55. Despite the fact that Construction Leader-1 knew that in September 2015, a new control line had been installed from the Winthrop Reg. Station to the CI main on South Union Street that was now planned for abandonment in the South Union Project, Construction Leader-1 never discussed with or identified to Field Engineer-1 the need to relocate the control line on the South Union Street CI main. Instead, Construction Leader-1 encouraged Field Engineer-1 to discuss with then-Leader of M&R ("M&R Leader-1") the type and size of the valve needed for a new outlet pipe that would connect the Winthrop Reg. Station to the new plastic main on South Union Street.

56. While Field Engineer-1 generally discussed the South Union Project with M&R Leader-1, Field Engineer-1 did not have a meaningful conversation about the control lines or the necessity to relocate the control lines at the end of the project with M&R Leader-1. Instead, Field Engineer-1 assumed that nothing further was needed from Engineering even though Field Engineer-1 knew that nothing had been done to plan for, or actually relocate, the control lines before the final abandonment of the CI mains on South Union Street. In doing so, CMA recklessly disregarded a known and certain risk of a catastrophic over-pressurization.

E. Approval of the South Union Street Project

57. In or about March 2016, Field Engineer-1 submitted the South Union Project for approval first to the Leader of FE and then to the Manager of Field Engineering for CMA ("FE Manager"). Among the materials that Field Engineer-1 submitted through the company's Work Management System were a scope map of the project, specific tie-in and abandonment procedures for the various stages of the project, and a Project Budget Request ("PBR") that indicated that the total cost of the project was approximately $1.4 million, but which would ultimately result in the retirement of approximately 7,500 feet of CI main pipe for the GSEP Program.

58. The PBR also made clear that the project involved the ultimate abandonment of a substantial portion of CI mains but not their entirety "*due to the regulator station at the intersection of S. Union Street and Winthrop Ave and that the LP system in this area depends on the stretch of LP mains on S. Union St."* The documents that Field Engineer-1 submitted through WMS Docs to senior Engineering Management did not include any procedure for the relocation of the control lines before the final abandonment of the CI mains.

59. Even though Field Engineering was ultimately responsible for the design and procedures for the execution of the South Union Project, and Engineering Management knew that the South Union Project was Field Engineer-1's largest and most difficult project to-date, members of Field Engineering Management never addressed the need to relocate, or account for, the control lines on the Winthrop Reg. Station to prevent an over-pressurization event. Instead, Field Engineering Management focused its' project review on cost and budget issues. Both the FE Leader and FE Manager approved the project for release to the construction phase without any discussion about control lines or concerns about over-pressurization.

Construction of the South Union Project in 2016

60. In or about July 2016, construction of the South Union Project began with a third-party contractor construction crew and one of three CMA inspectors onsite. From in or about August 2016 through the remainder of 2017, a third-party contractor ("CMA Inspector-1") served as the project's primary inspector. On at least two different occasions in 2016, the construction crew, with a CMA inspector onsite conducted work in and around the Winthrop Reg. Station.

61. First, on or about August 9, 2016, the construction crew excavated in the area of the Winthrop Reg. Station in order to install the new plastic main directly under the two control lines that connected the Winthrop Reg. Station to the CI main's on South Union Street. Even though a CMA inspector was onsite during the work, CMA did not document or record the location of the control lines.

62. Second, on or about October 17, 2016, the construction crew installed an outlet pipe from the Winthrop Reg. Station to the newly installed plastic main. The same day, in an email at approximately 9:09 p.m., Construction Leader-1 informed M&R Leader-1 that construction was *"working on the low pressure outlet [at the Winthrop Reg. Station] . . . and eventually moving the static lines to the new outlet piping."*

63. On or about October 27, 2016, CMA was required to discontinue construction on the South Union Project due to a citywide moratorium from the City of Lawrence on all gas, water and sewer construction projects in Lawrence. Thereafter, from in or about 2017 until in or about early 2018, the City of Lawrence discontinued authorizing permits for all but a limited number of public utility construction projects due to a concern about a lack of coordination and communication about ongoing construction projects.

64. While originally planned for completion by the end of 2016, due to the citywide moratorium, in late 2016 the project was placed on hold. By in or about October 2016, the construction crew installed and "energized" the new plastic main on South Union Street by feeding the main with gas from the Winthrop Reg. Station. The construction crew, however, was unable to begin any of the "tie-in" and abandonment procedures to "tie-in" or connect the side-streets to the new plastic main and thus was also unable to abandon the CI mains on South Union Street.

65. By December 2016, CMA Inspector 1's notes on the tie-in procedures to Field Engineering made clear that the regulator at the Winthrop Reg. Station was still connected to the old CI-mains on South Union Street and were "*NOT CUT-OFF AS OF 12-9-16,"* meaning that gas from the Winthrop Reg. Station was still feeding the two CI mains on South Union Street.

66. Around the same time, Construction Leader-1 and CMA Inspector-1 had discussions about the need to eventually move the control lines, but neither took any material action to ensure that the controls lines were moved at the appropriate time to prevent a catastrophic over-pressurization event. Moreover, by the completion of the project in 2018, Construction Leader-1 was working in a new position and CMA Inspector-1 was working on different construction projects.

67. As a result, though it was originally planned to be one of three "carry-over projects" that was at first scheduled for 2017, the continued construction of the South Union Project was ultimately delayed until approximately May 2018.

The Project Cost Review of the South Union Project in 2017

68. On or about January 16, 2017, Field Engineer-1 submitted an updated PBR for the "carry-over" South Union Project to Field Engineering Management. In contrast to the first PBR submitted for the South Union Project on March 9, 2016, the updated PBR had an estimated total additional cost of more than $1.1 million with a projected completion date of the fall of 2017, though no construction took place in 2017.

69. As a result of the increased costs related to the South Union Project, the FE Manager scheduled a "Project Cost Review" to take a closer look at the South Union Project *"due to its' size and the financial impact to the budget."*

70. The Project Cost Review for the South Union Project took place on or about February 17, 2017 and included a presentation from Field Engineer-1 and Construction Leader-1 to the FE Manager. The presentation was focused on cost and included a slide entitled *"Work Completed in 2016 (what did we get for our money)."* The presentation also addressed the construction involving the Winthrop Reg. Station and made clear was still feeding both old CI mains as well as the new plastic main on South Union Street. The presentation also included a timeline of events that emphasized the fact that *"City of Lawrence shut down all work"* on October 17, 2016 as the primary reason for the *"extended contracting costs."*

71. While over three consecutive years in 2016, 2017 and 2018 both the FE Manager and FE Leader participated in the approval of the South Union Project and a more detailed Project Cost Review in February 2017, no one from Field Engineering involved in the project ever specifically addressed the need to account for the control lines on the Winthrop Reg. Station to prevent a known risk of catastrophic over-pressurization. Instead, CMA and Field Engineering's evaluation of risk focused on the actual occurrence of prior events affecting pipeline integrity and the fact that, despite a 2015 "near-miss" involving control lines within NiSource, CMA had never previously had a serious over-pressurization event involving control lines.

Field-Engineering's Focus on GSEP Goals and Company Earnings

72. While CMA Field Engineering was ultimately responsible for the design and written procedures relating to pipeline replacement projects, the focus of the FE Manager's position was the management and administration of CMA's Capital Expenditure and GSEP Program, and promoting the achievement of the company's financial objectives. Following the initiation of the GSEP Program in or about 2015, CMA dictated yearly mileage goals under the GSEP program that increased annually. The FE Manager made clear to CMA employees that meeting GSEP mileage goals was directly connected to company earnings.

73. For example, on or about January 6, 2017, following the completion of the first full year of GSEP in 2016, the FE Manager emailed Engineering, Construction and Senior Management in CMA to tout the booking of approximately $67.3 million in capital expenditures as a *"huge milestone"* and stated that their meeting *"the GSEP targets is contributing to the earnings of CMA."*

74. In addition, during monthly Capital Program Management Meetings, the FE Manager frequently encouraged CMA employees from Construction and Engineering to timely execute and close-out capital GSEP projects and connected the completion of these projects to company earnings. In April 2016, the FE Manager's presentation included a graphic linking the terms "Concept," "Execute," and "Close Out" to promote the timely completion of projects. By April 2018, the FE Manager added the term "Earnings" to flow directly from the "Close Out" or completion of GSEP projects to emphasize the point that company earnings derived directly from completed GSEP projects.

75. In addition to touting success, the FE Manager also frequently expressed dissatisfaction directly to subordinates and direct reports about the failure to meet GSEP goals for the retirement of "priority pipe." For example, on or about November 16, 2017, the FE Manager emailed that *"failing to meet a goal of retiring 234,000 ft will be severely frowned upon. (think Game of Thrones . . . :-)."*

76. On or about March 12, 2018, after CMA had reported the retirement of only 43 miles of pipe, the FE Manager emailed that, *"We better have retired more than 43 miles of priority pipe! More like 53 miles."*

77. On or about September 7, 2018, following an email from the leader of the Capital Closeout that CMA was approximately 14 miles behind its goal for the retirement of priority pipe, the FE Manager emailed a group of subordinates, "For CMA we are 14 miles behind. My question to the group, is anyone concerned that we will not meet our target for the year? If so, what can we do to mitigate the risk?" referring to the risk of failing to meet the GSEP goal rather than any particular risk of pipeline integrity or safety.

The M&R Department in Lawrence

78. Between approximately 1988 and January 2018, CMA's M&R Department in Lawrence was primarily responsible for maintaining the Reg. Stations and ensuring compliance with state and federal regulations as well as the company's internal Gas Standards that were based on state and federal regulations, primarily Part 192. During the same period of time, among other responsibilities, M&R was also responsible for maintaining and staffing a Liquefied Natural Gas ("LNG") and Liquid Propane Gas ("LPG") Plant in the Lawrence area that provided additional supplies of gas for winter.

79. In or about 2017, CMA Senior Management proposed a structural change to the Lawrence M&R Department, already in place in the Brockton and Springfield M&R Departments, that would divide the responsibility for M&R and the LNG/LPG Plant into two separate departments. By no later than mid-2017, M&R Leader-1 complained to CMA's Vice President and Operations Center Manager ("OCM-1") that the change would be a bad decision, resulting in a lack of resources to manage not only the LNG/LPG Plant, but the area Reg. Stations.

80. Specifically, because the six total qualified employees in M&R could not shift responsibility between Plants and M&R as needed, only two M&R personnel would be left to manage all the Reg. Stations in Lawrence, Andover and North Andover. Around the same time, CMA Senior Management also knew that CMA needed more use of its LNG/LPG Plant, particularly in winter, due to the recent defeat of a proposed transmission pipeline in Northern Massachusetts, requiring four M&R Technicians to work 12-hours shifts to operate the Plant around-the-clock with a minimum staff of two employees per shift. According to an October 2017 email regarding M&R Leader-1's concern, *"That leaves no time to respond to regulator station issues or the like."*

81. Pursuant to a request from CMA's Vice President, M&R Leader-1 was required to put together "a business case" for more resources in M&R. As a result, on or about October 16, 2017, M&R Leader-1 made a presentation to CMA's Vice President, OCM-1 and the Finance Director about the need for more resources in M&R and the Plant. During the meeting, M&R Leader-1 described the need for more resources as "urgent" and warned that there were potential consequences for not adding the resources, including the fact that M&R could not adequately respond if there were multiple Reg. Station concerns. While the CMA Vice President ultimately agreed to provide the additional resources that M&R Leader-1 requested, CMA did not secure more resources for M&R until after the Event, and still divided M&R and the Plant into separate divisions.

82. Specifically, between in or about December 2017 and April 2018, CMA senior management shifted the responsibility for Lawrence M&R and Reg. Stations from M&R Leader-1 to the leader of M&R for Brockton and Springfield ("M&R Leader-2") while M&R Leader-1 retained responsibility for the Plant. By in or about May 2018, M&R Leader-1, the sole CMA employee with the most knowledge of all Lawrence Reg. Stations, abruptly retired from CMA.

83. Around the same time, in April 2018, CMA shifted managerial responsibilities in Lawrence in order to focus on the "rate case" before the MA DPU to increase the rates CMA could charge to CMA's customers, based in part on the GSEP Program. According to a January 29, 2019 email from the Vice President of CMA, *"After the filing [of the rate case in April 2018], the next six to eight months are focused on the case management and the litigation process – creating a significant burden on resources."*

84. In order to shift CMA's focus to the upcoming rate case, in late January 2018, CMA temporarily gave the Lawrence Manager of Systems Operations ("OCM-2") the additional responsibility of serving as the Lawrence OCM, with oversight over M&R in Lawrence even though OCM-2 had no prior experience with M&R as well as no understanding of ON 15-05 and the importance of control lines.

The Continuation of the South Union Project in 2018

85. On or about January 19, 2018, for the third consecutive year, Field Engineer-1 submitted a PBR for the South Union Project to Senior Field Engineering Management. After several revisions to the budget and cost documents that the FE Manager directed, by on or about March 20, 2018, both the FE Leader and FE Manager again approved the continuation of the South Union Project for construction and completion in 2018.

86. The managerial review of the project was again focused on cost and budget in part because the project was delayed, over-budget, and needed to be completed in order to allow for a City of Lawrence water project to commence in the same area. Immediately following the approval, in an email on or about March 20, 2016, Field Engineer-1 informed Construction that, "*This is one of the projects that needs to start as soon as the city allows us"* in order to complete the project in 2018. Furthermore, unlike the previous two years, no Constructability Review took place between Field Engineering and M&R. Instead, the South Union Project proceeded to the final construction phase without any formal or informal collaboration or planning among Field Engineering, Construction, and M&R.

87. The final stages of the South Union Project involved step-by-step "tie-in" and abandonment procedures whereby the construction crew would "tie-in" or connect the new plastic main to the side-streets and cut-off portions of the CI mains on South Union Street. As CMA collectively contemplated and planned, the project would be completed upon the final "tie-in" and abandonment procedure. At that time, the CI mains on South Union Street would be abandoned and completely disconnected from the flow of gas.

88. Nevertheless, despite the fact that CMA knew that the control lines were still attached to the CI mains and that the complete abandonment of the CI mains would cause the Winthrop Reg. Station control lines to read decreasing pressure, prompting the regulators to automatically and continually supply more gas to the South Lawrence LP System to the point of a dangerous over-pressurization, CMA did not prepare and follow, nor even contemplate, a formal written procedure for the removal of the control lines CMA knew was needed to prevent an over-pressurization and assure operation within the MAOP.

89. Furthermore, while CMA had encouraged an informal practice of verbal communications and collaboration among Field Engineering, CMA and Senior Management knew that by 2018, with the exception of Field Engineer-1, each of the prior significant participants in the South Union Project – including Construction Leader-1, M&R Leader-1, CMA Inspector-1, and the 2016 construction crew – were no longer involved in the project. Yet, CMA did nothing to manage the change in personnel or to pass on the information about the project they collectively shared.

90. For example, in early 2018, Construction Leader-1 took a new position with CMA in the Lawrence Operations Department. Construction Leader-1 was directly involved in the installation of the new control line in 2015, and knew that CMA would have to eventually move the control lines on the Winthrop Reg. Station, but failed to inform the new Construction Leader or the new CMA Inspector ("CMA Inspector-2') about the need to relocate the control lines to prevent an over-pressurization.

91. The renewed construction of the South Union Project began with a new construction crew and CMA Inspector-2 on or about May 22, 2018. On or about June 12, 2018, the construction crew began work near the Winthrop Reg. Station. During the construction, CMA Inspector-2 contacted Field Engineer-2 and Field Engineer-1 when it was discovered that the construction crew could not excavate in a particular area because the street had been newly paved.

92. As a result, Field Engineer-2 and Field Engineer-1 viewed the construction site, and directed the construction crew to alter the procedure to "cut-and-cap" portions of the old CI mains on South Union Street, thus removing portions of the CI mains from the street. At the time of the construction, CMA Inspector-2 noted the darkened asphalt trench—depicting the location of the control line installed in September 2015—but wrongly assumed the trench was the location of the outlet pipe. At the same time, while present at the construction site, neither Field Engineer-2 or Field Engineer-1 ever took any steps to investigate or determine the location of the control lines or contact M&R even though the construction site was in close proximity to the Winthrop Reg. Station.

93. On or about September 13, 2018, at approximately 4:00 p.m., the construction crew completed the final "tie-in" and abandonment procedure following the procedures CMA provided to the crew at the intersection of Salem Street and South Union Street. While not anticipated by the construction crew, the final "tie-in" and abandonment procedure resulted in the complete abandonment of the CI mains on South Union Street. Upon the complete abandonment and isolation of the CI mains on South Union Street, the Winthrop Reg. Station - that CMA knew was still connected to the CI mains on South Union Street - sensed a sharp decline in pressure, causing the Winthrop Reg. Station to automatically and continually feed more pressure into the South Lawrence LP System causing the catastrophic over-pressurization event described above in paragraphs 20 and 21.

COUNT ONE

Failure to Prepare and Follow a Procedure for the Starting Up and Shutting Down of a Pipeline
Designed to Assure Operation within the Maximum Allowable Operating Pressure
(49 U.S.C. §§ 60123(a), 49 U.S.C. § 60118(a);
49 C.F.R. §§ 192.605(a), 192.605(b)(5))

The United States Attorney charges:

94. The United States Attorney re-alleges and incorporates by reference paragraphs 1-93 of this Information.

95. From in or about 2015 through on or about September 13, 2018, in in the District of Massachusetts, the defendant,

BAY STATE GAS COMPANY,
d/b/a Columbia Gas of Massachusetts,

by and through the actions of its employees, and through a pattern of flagrant organizational indifference, knowingly and willfully violated a minimum safety standard for the starting up and shutting of any part of a distribution pipeline, as set forth in Title 49, Code of Federal Regulations, Section 192.605(b)(5). Specifically, BAY STATE GAS COMPANY, d/b/a Columbia Gas of Massachusetts, knowingly and willfully failed to prepare and follow procedures to remove and relocate regulator control lines on the South Union Project to assure operation of the South Lawrence LP System within the Maximum Allowable Operating Pressure and safety during maintenance and operations.

All in violation of Title 49, United State Code, Section 60123(a).

ANDREW E. LELLING
United States Attorney

By: /s/ Neil J. Gallagher, Jr.
Neil J. Gallagher, Jr.
Evan Gotlob
Assistant U.S. Attorneys

Dated: February 26, 2020

U.S. Department of Justice

Andrew E. Lelling
United States Attorney
District of Massachusetts

Main Reception: (617) 748-3100

John Joseph Moakley United States Courthouse
1 Courthouse Way
Suite 9200
Boston, Massachusetts 02210

February 25, 2020

Alejandro N. Mayorkas, Esq.
WilmerHale, LLP
1875 Pennsylvania Avenue NW
Washington, DC 20006

Re: United States v. Bay State Gas Company, d/b/a Columbia Gas of Massachusetts
Criminal No.

Dear Counsel:

The United States Attorney for the District of Massachusetts ("the U.S. Attorney") and your client, Bay State Gas Company, doing business as ("d/b/a") Columbia Gas of Massachusetts ("Defendant"), agree as follows with respect to the above-referenced case:

1. Change of Plea

At the earliest practicable date, Defendant will waive Indictment and plead guilty to Count One of the Information, attached to this agreement as **Exhibit A**, charging the Knowing and Willful Failure to Prepare and Follow a Procedure for the Starting Up and Shutting Down of a Pipeline Designed to Assure Operation within the Maximum Allowable Operating Pressure, in violation of 49 U.S.C. § 60123(a), 49 U.S.C. § 60118(a), and 49 C.F.R. §§ 192.605(a) and 192.605(b)(5). Defendant admits that it committed the crime specified in Count One and is in fact guilty.

2. Penalties

Defendant faces the following maximum penalties:

a. A fine of not more than the greater of twice the gross gain or twice the gross loss, whichever is greater, pursuant to 18 U.S.C. § 3571(d);

b. A term of probation of not less than one (1) year nor more than three (3) years, pursuant to 18 U.S.C. § 3561(c)(1);

c. Restitution to any victim of the offense; and

d. A mandatory special assessment of $400, pursuant to 18 U.S.C. § 3013(c)(2)(B).

3. Fed. R. Crim. P. 11(c)(1)(C) Plea

This Plea Agreement is made pursuant to Fed. R. Crim. P. 11(c)(1)(C), and Defendant's guilty plea will be tendered pursuant to that provision. In accordance with Rule 11(c)(1)(C), if the District Court ("Court") accepts this Plea Agreement, the Court must include the agreed disposition in the judgment. If the Court rejects any aspect of this Plea Agreement, the U.S. Attorney or Defendant may deem the Plea Agreement null and void. Defendant understands and acknowledges that it may not withdraw its plea of guilty unless the Court rejects this Plea Agreement under Fed. R. Crim. P. 11(c)(5).

4. Sentencing Guidelines

The parties agree jointly to take the following positions at sentencing under the United States Sentencing Guidelines ("USSG" or "Guidelines") and other applicable law.

a) No guideline under the USSG has been promulgated for the violation to which Defendant is pleading guilty, specifically, a violation of 49 U.S.C. §§ 60123(a), and 60118(a) and 49 C.F.R. §§ 192.605(a) and 192.605(b)(5). *See* USSG §§ 2X5.1;

b) Pursuant to USSG § 2X5.1, the most analogous guideline for the facts and circumstances of this case is USSG § 2Q1.2 as it pertains to the Mishandling of Hazardous or Toxic Substances.

c) Pursuant to USSG § 2Q1.2(a), Defendant's base offense level is 8;

d) Defendant's offense level is increased by 6 levels, because pursuant to USSG § 2Q1.2(b)(1)(A) the offense resulted in, by analogy, an ongoing and continuous discharge of natural gas;

e) Defendant's offense level is increased by 9 levels, because pursuant to USSG § 2Q1.2(b)(2) the offense resulted in a substantial likelihood of death and serious bodily injury;

f) In accordance with USSG § 3E1.1, based on Defendant's prompt acceptance of responsibility for the offense of conviction in this case, the adjusted offense level is reduced by three, resulting in a total adjusted offense level 20.

g) Since USSG § 2Q1.2 is not covered by USSG § 8C2.1, the applicable fine is determined by USSG § 8C2.10, which provides that the Court "should determine an appropriate fine by applying the provisions of 18 U.S.C. §§ 3553 and 3572."

The U.S. Attorney's agreement that the disposition set forth below is appropriate in this case is based, in part, on Defendant's prompt acceptance of responsibility for the offense of conviction in this case, Defendant's voluntary payments of restitution to the victims of the offense, and Defendant's parent company, NiSource, Inc.'s ("NiSource"), agreement to use reasonable best efforts to sell Defendant or Defendant's gas distribution business to a qualified third-party buyer consistent with the requirements of M.G.L. c. 164, § 96 and Interlocutory Order on Standard of Review, D.P.U. 10-170, upon the completion of which: (1) NiSource will cease and desist any and all gas pipeline and gas distribution activities in the District of Massachusetts; and (2) NiSource will pay a fine equal to the amount of any profit or gain NiSource realized from any such sale.

The U.S. Attorney may, at his sole option, be released from his commitments under this Plea Agreement, including, but not limited to, his agreement that Paragraph 5 constitutes the appropriate disposition of this case, if at any time between Defendant's execution of this Plea Agreement and sentencing, Defendant:

(a) Fails to admit a complete factual basis for the plea;

(b) Fails to truthfully admit Defendant's conduct in the offense of conviction;

(c) Falsely denies, or frivolously contests, relevant conduct for which Defendant is accountable under USSG § 1B1.3;

(d) Fails to provide truthful information about Defendant's financial status and/or Defendant's payments to victims of the offense of conviction;

(e) Gives false or misleading testimony in any proceeding relating to the criminal conduct charged in this case and any relevant conduct for which Defendant is accountable under USSG § 1B1.3;

(f) Engages in acts that form a basis for finding that Defendant has obstructed or impeded the administration of justice under USSG § 3C1.1;

(g) Commits a crime; or

(i) Attempts to withdraw Defendant's guilty plea.

Nothing in this Plea Agreement affects the U.S. Attorney's obligation to provide the Court and the U.S. Probation Office with accurate and complete information regarding this case.

5. Agreed Disposition

Under Fed. R. Crim. P. 11(c)(1)(C), the United States and Defendant agree that the following is a reasonable and appropriate disposition of this case, taking into consideration all of the factors set forth in 18 U.S.C. §§ 3553(a) and 3572:

a. A criminal fine in the amount of $53,030,116 paid within thirty (30) days of sentencing, which amount represents twice the amount of pecuniary gain of $26,515,058 that Defendant received from its Gas System Enhancement Plan ("GSEP") in Massachusetts from 2015 through and including 2018.

b. A period of probation of three (3) years that will immediately terminate prior to the three (3) year term upon a certification to the Court of the completion of the sale of Defendant or Defendant's gas distribution business to a qualified third-party buyer consistent with the requirements of M.G.L. c. 164, § 96 and Interlocutory Order on Standard of Review, D.P.U. 10-170, and formal acceptance of the sale by the Massachusetts Department of Public Utilities ("MA DPU").

c. In addition to the mandatory conditions of probation pursuant to USSG § 8D1.3 and 18 U.S.C. § 3563(a), which includes the full payment of the fine set forth in paragraph 5(a), the period of probation shall also include the following additional conditions:

i. Defendant will implement and adhere to each of the recommendations from the National Transportation Safety Board ("NTSB") related to NTSB Accident ID PLD18MR003 regarding the Merrimack Valley Over-Pressurization Event on or about September 13, 2018 (the "Event");

ii. Defendant will agree to employ at Defendant's expense an in-house monitor to oversee Defendant's compliance with the recommendations of the NTSB and applicable laws and regulations. This monitor will report monthly in writing to a government committee composed of a representative from the U.S. Attorney, the MA DPU and the Massachusetts Attorney General's Office ("MA AGO");

iii. In the event that Defendant enters into a definitive purchase and sale agreement for the sale of Defendant or its gas distribution business within the three (3) year term of probation, Defendant will do the following:

A. Within three (3) business days of the execution of a definitive purchase and sale agreement with a purchaser of Defendant or Defendant's gas distribution business, Defendant will submit to the U.S. Attorney and the Court a filing, which if appropriate may be filed under seal, that completely and accurately details the terms of the purchase and sale agreement including the proposed purchase price;

B. Within seven (7) business days of the execution of a definitive purchase and sale agreement with a purchaser of Defendant or Defendant's gas distribution business, Defendant will provide the U.S. Attorney and the Court, in the form of a declaration under 28 U.S.C. § 1746 that may be filed under seal if appropriate, a true and accurate detailed accounting following both Generally Accepted Accounting Principles ("GAAP") and federal income tax obligations, of the total amount of any potential gain, profit or loss that will result from the proposed sale reflected in the filing described above in paragraph 5(c)(iii)(A) and in accordance with the formula set forth in **Exhibit B**;

C. Upon request from the U.S. Attorney, Defendant will promptly provide to the U.S. Attorney true and accurate records including income tax returns, to the extent required to verify the accuracy of any potential profit, gain or loss that will result from the sale of Defendant or Defendant's gas distribution business reflected in the filing described above in paragraph 5(c)(iii)(A). Defendant understands and agrees that the U.S. Attorney may provide these records to an outside consultant/expert he retains to verify the accuracy of the information, provided that such consultant/expert is subject to the terms of a confidentiality agreement; and

D. No later than three (3) business days before the completion of any sale of Defendant or its gas distribution business, Defendant will provide the U.S. Attorney and the Court, in a filing that may submitted under seal if appropriate, any updated information about the terms of sale, and Defendant's calculation of any gain, profit or loss from the sale of Defendant or Defendant's gas distribution business in accordance with the formula set forth in **Exhibit B**. Defendant understands and agrees that Defendant must completely and accurately report to both the Court and the U.S. Attorney the total amount of any profit, gain or loss from the sale of Defendant or its gas distribution business.

d. Defendant understands and agrees that the U.S. Attorney reserves the right to verify and challenge the accuracy of Defendant's calculation of any potential profit, gain or loss from the sale of Defendant or its gas distribution business prior to the final sale and that Defendant's failure to accurately report the information described above in paragraph 5(c)(iii) may constitute a violation of this Plea Agreement and/or a violation of a condition of Defendant's probation. *See* USSG § 8D1.4(b)(3).

e. Notwithstanding the agreed upon disposition described above, pursuant to USSG § 8F1.1, Defendant understands and agrees that upon a finding by the Court that Defendant violated a condition of probation, including the failure to provide true and accurate information regarding any profit or gain from a sale of Defendant or its gas distribution business as described above in paragraph 5(c)(iii), the Court may extend the term of probation up to the time of the final sale of Defendant or its gas distribution business, impose more restrictive conditions of probation, or prior to the final sale of Defendant or its gas distribution business, revoke probation and resentence Defendant.

f. The U.S. Attorney agrees that no consequence of any breach of this Plea Agreement or of any violation of a condition Defendant's probation will be imposed upon a bona fide purchaser for value of Defendant or Defendant's gas distribution business.

6. No Further Prosecution of Defendant and No Prosecution of its Ultimate Parent Company, NiSource, Inc.

Under Fed. R. Crim. P. 11(c)(1)(A), the United States agrees that, other than the charges in the Information attached as **Exhibit A**, and pursuant to the Deferred Prosecution Agreement (the "DPA") attached as **Exhibit C**, the U.S. Attorney shall not prosecute Defendant or NiSource for any conduct related to the allegations in the attached Information, the Event, or Defendant's restoration work in the Merrimack Valley following the Event based on the facts and circumstances now known to the U.S. Attorney.

This provision is expressly contingent on: (i) the Court's acceptance of the guilty plea of Defendant to the attached Information; (ii) Defendant's agreement not to withdraw or otherwise challenge this Plea Agreement; (iii) Defendant's performance of all of its obligations as set forth in this Plea Agreement prior to the sale of Defendant or its gas distribution business; and (iv) NiSource's compliance with the DPA attached as **Exhibit C**. If Defendant's guilty plea is withdrawn for any reason, or if Defendant should fail to perform an obligation under this Plea Agreement prior to the sale of Defendant or its gas distribution business, the U.S. Attorney, at his sole option, may render this Plea Agreement and the DPA attached as **Exhibit C** null and void.

While based on the information currently available to him, the U.S. Attorney does not intend to criminally prosecute any individual for violations of the Natural Gas Pipeline Safety Act, 49 U.S.C. § 60101 *et seq.* for the conduct related to the allegations in the attached Information, the Event, or Defendant's and NiSource's restoration work in the Merrimack Valley, the U.S. Attorney nonetheless reserves the right to prosecute any individual, including but not limited to present and former officers, directors, employees, and other agents of Defendant or NiSource.

7. Waiver of Right to Appeal and to Bring Future Challenge

(a) Defendant has conferred with its attorney and understands that it has the right to challenge its conviction in the United States Court of Appeals for the First Circuit ("direct appeal"). Defendant also understands that, in some circumstances, Defendant may be able to challenge its conviction in a future proceeding (collateral or otherwise), such as pursuant to a motion under 28 U.S.C. § 2255 or 28 U.S.C. § 2241. Defendant waives any right to challenge Defendant's conviction on direct appeal or in any future proceeding (collateral or otherwise).

(b) Defendant has conferred with its attorney and understands that defendants ordinarily have a right to challenge in a direct appeal their sentences (including any orders relating to the terms and conditions of supervised release, fines, forfeiture, and restitution) and may sometimes challenge their sentences (including any orders relating to the terms and conditions of supervised release, fines, forfeiture, and restitution) in a future proceeding (collateral or otherwise). The rights that are ordinarily available to a defendant are limited when a defendant enters into a Rule 11(c)(1)(C) agreement. In this case, Defendant waives any rights Defendant may have to challenge the agreed-upon sentence (including any agreement relating to the terms and conditions of supervised release, fines, forfeiture, and restitution) on direct appeal and in a future proceeding (collateral or otherwise), such as pursuant to 28 U.S.C. § 2255 and 28 U.S.C. § 2241. Defendant also waives any right Defendant may have under 18 U.S.C. § 3582(c)(2) to ask the Court to modify the sentence, even if the USSG are later amended in a way that appears favorable to Defendant. Likewise, Defendant agrees not to seek to be resentenced with the benefit of any change to Defendant's Criminal History Category that existed at the time of Defendant's original sentencing. Defendant also agrees not to challenge the sentence in an appeal or future proceeding (collateral or otherwise) even if the Court rejects one or more positions advocated by any party at sentencing. In sum, Defendant understands and agrees that in entering into this Plea Agreement, the parties intend that Defendant will receive the benefits of the Plea Agreement and that the sentence will be final.

(c) The U.S. Attorney agrees that he will not appeal the imposition by the Court of the sentence agreed to by the parties as set out in Paragraph 5, even if the Court rejects one or more positions advocated by either party at sentencing.

(d) Regardless of the previous subparagraphs, Defendant reserves the right to claim that: (i) Defendant's lawyer rendered ineffective assistance of counsel under *Strickland v. Washington*; or (ii) the prosecutor in this case engaged in misconduct that entitles Defendant to relief from Defendant's conviction or sentence.

8. Forfeiture

Defendant hereby waives and releases any claims Defendant may have to any property seized by the United States, or seized by any state or local law enforcement agency and turned over to the United States, during the investigation and prosecution of this case, and consents to the forfeiture of all such assets.

9. Civil Liability

By entering into this Plea Agreement, the U.S. Attorney does not compromise any civil liability, including but not limited to any tax liability, Defendant may have incurred or may incur as a result of Defendant's conduct and plea of guilty to the charges specified in Paragraph 1 of this Plea Agreement.

10. Withdrawal of Plea by Defendant or Rejection of Plea by Court

Should Defendant move to withdraw its guilty plea at any time, this Plea Agreement and the DPA attached as **Exhibit C** shall be null and void at the option of the U.S. Attorney. In addition, should the Court reject the parties' agreed-upon disposition of the case or any other aspect of this Plea Agreement, this Plea Agreement and the DPA attached as **Exhibit C** shall be null and void at the option of either the U.S. Attorney or Defendant. In this event, Defendant agrees to waive any defenses based upon the statute of limitations, the constitutional protection against pre-indictment delay, and the Speedy Trial Act with respect to any and all charges that could have been timely brought or pursued as of the date of this Plea Agreement.

11. Breach of Plea Agreement

If the U.S. Attorney determines that Defendant has failed to comply with any provision of this Plea Agreement, has engaged in any of the activities set forth in Paragraph 4(a)-(i) or has committed any crime following Defendant's execution of this Plea Agreement, the U.S. Attorney may, at his sole option, be released from his commitments under this Plea Agreement and the DPA in their entirety by notifying Defendant, through counsel or otherwise, in writing. The U.S. Attorney may also pursue all remedies available to him under the law, regardless whether he elects to be released from his commitments under this Plea Agreement and/or the DPA. Further, the U.S. Attorney may pursue any and all charges which otherwise may have been brought against Defendant and/or have been, or are to be, dismissed pursuant to this Plea Agreement and/or the DPA. Defendant recognizes that its breach of any obligation under this Plea Agreement shall not give rise to grounds for withdrawal of Defendant's guilty plea, but will give the U.S. Attorney the right to use against Defendant before any grand jury, at any trial or hearing, or for sentencing purposes, any statements made by Defendant and any information, materials, documents or objects provided by Defendant to the government, without any limitation, regardless of any prior agreements or understandings, written or oral, to the contrary. In this regard, Defendant hereby waives any defense to any charges the U.S. Attorney brings that Defendant might otherwise have based upon any statute of limitations, the constitutional protection against pre-indictment delay, or the Speedy Trial Act.

12. Who is Bound by Plea Agreement

This Agreement is only between Defendant and the U.S. Attorney for the District of Massachusetts. It does not bind the Attorney General of the United States or any other federal, state, or local prosecuting authorities.

13. Corporate Authorization

Defendant shall provide to the U.S. Attorney and the Court a certified copy of a resolution of the Board of Directors of Defendant, affirming that the Board of Directors has authority to enter into the Plea Agreement and has (1) reviewed the Information in this case and the proposed Plea Agreement; (2) consulted with legal counsel in connection with the matter; (3) voted to enter into the proposed Plea Agreement; (4) voted to authorize Defendant to plead guilty to the charges specified in the Plea Agreement; and (5) voted to authorize Joseph Hamrock, Chief Executive Officer of NiSource, Inc., to execute the Plea Agreement and all other documents necessary to carry out the provisions of the Plea Agreement.

14. Modifications to Plea Agreement

This Agreement can be modified or supplemented only in a written memorandum signed by both parties, or through proceedings in open court.

If this letter accurately reflects the agreement between the U.S. Attorney and Defendant, please have Defendant sign the Acknowledgment of Plea Agreement below. Please also sign below as Witness. Return the original of this letter to Assistant U.S. Attorney Neil Gallagher.

Sincerely,

ANDREW E. LELLING
United States Attorney

By: /s/ Fred M. Wyshak, Jr.
Fred M. Wyshak, Jr.
Chief, Public Corruption and
Special Prosecutions Unit

/s/ Neil J. Gallagher, Jr.
Neil J. Gallagher, Jr.
Evan Gotlob
Assistant U.S. Attorneys

Corporate Acknowledgment of Plea Agreement

The Board of Directors has authorized me to execute this Plea Agreement on behalf of Bay State Gas Company, doing business as ("d/b/a") Columbia Gas of Massachusetts ("CMA"). The Board has read this letter of Agreement in its entirety and has discussed it fully with CMA's attorney. The Board acknowledges that this letter fully sets forth CMA's agreement with the U.S. Attorney. The Board further states that no additional promises or representations have been made to the Board by any officials of the United States in connection with this matter.

/s/ Joseph Hamrock

Joseph Hamrock
Chief Executive Officer
NiSource, Inc.

/s/ Kimberly Cuccia

Kimberly Cuccia
General Counsel
Bay State Gas, d/b/a Columbia Gas of Massachusetts

I certify that Defendant's Board of Directors has authority to enter into this Plea Agreement and has (1) reviewed the Information in this case and the proposed Plea Agreement; (2) consulted with legal counsel in connection with the matter; (3) voted to enter into the proposed Plea Agreement; (4) voted to authorize Defendant to plead guilty to the charges specified in the Plea Agreement; and (5) voted to authorize Joseph Hamrock, Chief Executive Officer of NiSource, Inc. and Kimberly Cuccia, General Counsel for Bay State Gas, d/b/a Columbia Gas of Massachusetts, to execute the Plea Agreement and all other documents necessary to carry out the provisions of the Plea Agreement.

/s/ Alejandro N. Mayorkas, Esq.

Alejandro N. Mayorkas, Esq.
WilmerHale, LLP
Attorney for Bay State Gas Company, doing business as ("d/b/a") Columbia Gas of Massachusetts

EXHIBIT C
(Calculation of Profit, Gain or Loss)

For purposes of this Agreement, any such profit or gain shall mean the amount, if any, by which the net purchase price (after related costs and expenses) received by NiSource from the sale of CMA or its gas distribution business (hereinafter "A"), as the case may be, exceeds the total of:

(i) the book value of CMA (including any liabilities assumed by the purchaser) or the business so purchased (excluding the book value of any CMA assets not included in the sale) ("hereinafter "B");

(ii) the charges for impairment of goodwill and other intangible assets related to CMA (hereinafter "C"); plus

(iii) the aggregate amount of the liabilities of CMA not included in the sale (hereinafter "D"),

in each case specified in (i)-(iii) above, as reflected on the financial statements of NiSource as of December 31, 2019.

Stated another way, in sum:

A (net purchase price)
– B (book value of assets) + C (impairment of good will/intangible assets) + D (aggregate amount of liabilities)
= gain or loss

The U.S. Attorney reserves the right to challenge the veracity, accuracy and proper application under GAAP of each of the above described assets and liabilities in parts B, C and D of the calculation.