

The Depository Trust Company
IMPORTANT

B#: 1398
DATE: February 02, 2001
TO: All Participants
CATEGORY: Dividends
FROM: Anthony Capizzi, Domestic Tax Services, Dividend Dept.
ATTENTION: Managing Partner/Officer, Cashier, Dividend Mgr. Tax Mgr.
SUBJECT: NISource INC.
CUSIP# 65473P600
2000 Tax Information

The attached correspondence containing tax information was received by the Depository Trust Company. If applicable please consult your tax advisor to assure proper treatment of this event.

Attachment

NiSOURCE INC.

STOCK APPRECIATION INCOME LINKED SECURITIES (SAILS)SM

CUSIP: 65473P 60 0

DATE OF NOTICE: JANUARY 13, 2001

Re: Computation of Amounts of Original Issue Discount for the SAILS

The exhibit attached to this notice shows the amounts of original issue discount accrued with respect to the SAILS for each day from the date of their issuance (November 1, 2000) to their final maturity date (November 1, 2004).

NiSOURCE INC.

OID-daily amts

NISource, Inc - Zero Coupon Debenture (SAIL5) Issued 11/02/00
Daily Portions of OID per Unit

Date	OID	Day #	Date	OID	Day #	Date	OID	Day #	Date	OID	Day #	Date	OID	Day #	Date	OID	Day #	Date	OID	Day #	Date	OID	Day #
2/26/01	0.018910434	117	8/26/01	0.079977022	117	2/26/02	0.020311722	117	8/26/02	0.085348782	117	2/26/03	0.021531351	117	8/26/03	0.090465838	117	2/26/04	0.022822287	117	8/26/04	0.095878526	117
2/27/01	0.019242196	118	8/27/01	0.080317482	118	2/27/02	0.020668068	118	8/27/02	0.08570973	118	2/27/03	0.021909094	118	8/27/03	0.090848393	118	2/27/04	0.023222678	118	8/27/04	0.096283921	118
2/28/01	0.019573958	119	8/28/01	0.080657942	119	2/28/02	0.021024414	119	8/28/02	0.086070678	119	2/28/03	0.022286837	119	8/28/03	0.091230948	119	2/28/04	0.023623069	119	8/28/04	0.096689316	119
3/1/01	0.01990572	120	8/29/01	0.080998402	120	3/1/02	0.02138076	120	8/29/02	0.086431626	120	3/1/03	0.02266458	120	8/29/03	0.091613503	120	3/1/04	0.02402346	120	8/29/04	0.097094711	120
3/2/01	0.020237482	121	8/30/01	0.081338862	121	3/2/02	0.021737106	121	8/30/02	0.086792574	121	3/2/03	0.023042323	121	8/30/03	0.091996058	121	3/2/04	0.024423851	121	8/30/04	0.097500106	121
3/3/01	0.020569244	122	8/31/01	0.081679322	122	3/3/02	0.022093452	122	8/31/02	0.087153522	122	3/3/03	0.023420066	122	8/31/03	0.092378613	122	3/3/04	0.024824242	122	8/31/04	0.097905501	122
3/4/01	0.020901006	123	9/1/01	0.082019782	123	3/4/02	0.022449798	123	9/1/02	0.08751447	123	3/4/03	0.023797809	123	9/1/03	0.092761168	123	3/4/04	0.025224633	123	9/1/04	0.098310896	123
3/5/01	0.021232768	124	9/2/01	0.082360242	124	3/5/02	0.022806144	124	9/2/02	0.087875418	124	3/5/03	0.024175552	124	9/2/03	0.093143723	124	3/5/04	0.025625024	124	9/2/04	0.098716291	124
3/6/01	0.02156453	125	9/3/01	0.082700702	125	3/6/02	0.02316249	125	9/3/02	0.088236366	125	3/6/03	0.024553295	125	9/3/03	0.093526278	125	3/6/04	0.026025415	125	9/3/04	0.099121686	125
3/7/01	0.021896292	126	9/4/01	0.083041162	126	3/7/02	0.023518836	126	9/4/02	0.088597314	126	3/7/03	0.024931038	126	9/4/03	0.093908833	126	3/7/04	0.026425806	126	9/4/04	0.099527081	126
3/8/01	0.022228054	127	9/5/01	0.083381622	127	3/8/02	0.023875182	127	9/5/02	0.088958262	127	3/8/03	0.025308781	127	9/5/03	0.094291388	127	3/8/04	0.026826197	127	9/5/04	0.099932476	127
3/9/01	0.022559816	128	9/6/01	0.083722082	128	3/9/02	0.024231528	128	9/6/02	0.08931921	128	3/9/03	0.025686524	128	9/6/03	0.094673943	128	3/9/04	0.027226588	128	9/6/04	0.100337871	128
3/10/01	0.022891578	129	9/7/01	0.084062542	129	3/10/02	0.024587874	129	9/7/02	0.089680158	129	3/10/03	0.026064267	129	9/7/03	0.095056498	129	3/10/04	0.027626979	129	9/7/04	0.100743266	129
3/11/01	0.02322334	130	9/8/01	0.084403002	130	3/11/02	0.02494422	130	9/8/02	0.090041106	130	3/11/03	0.02644201	130	9/8/03	0.095439053	130	3/11/04	0.02802737	130	9/8/04	0.101148661	130
3/12/01	0.023555102	131	9/9/01	0.084743462	131	3/12/02	0.025300566	131	9/9/02	0.090402054	131	3/12/03	0.026819753	131	9/9/03	0.095821608	131	3/12/04	0.028427761	131	9/9/04	0.101554056	131
3/13/01	0.023886864	132	9/10/01	0.085083922	132	3/13/02	0.025656912	132	9/10/02	0.090763002	132	3/13/03	0.027197496	132	9/10/03	0.096204163	132	3/13/04	0.028828152	132	9/10/04	0.101959451	132
3/14/01	0.024218626	133	9/11/01	0.085424382	133	3/14/02	0.026013258	133	9/11/02	0.091123995	133	3/14/03	0.027575239	133	9/11/03	0.096586718	133	3/14/04	0.029228543	133	9/11/04	0.102364846	133
3/15/01	0.024550388	134	9/12/01	0.085764842	134	3/15/02	0.026369604	134	9/12/02	0.091484898	134	3/15/03	0.028039282	134	9/12/03	0.096969273	134	3/15/04	0.029628934	134	9/12/04	0.102770241	134
3/16/01	0.02488215	135	9/13/01	0.086105302	135	3/16/02	0.02672595	135	9/13/02	0.091845846	135	3/16/03	0.028530725	135	9/13/03	0.097351828	135	3/16/04	0.030029325	135	9/13/04	0.103175636	135
3/17/01	0.025213912	136	9/14/01	0.086445762	136	3/17/02	0.027082296	136	9/14/02	0.092206794	136	3/17/03	0.029078468	136	9/14/03	0.097734383	136	3/17/04	0.030429716	136	9/14/04	0.103581031	136
3/18/01	0.025545674	137	9/15/01	0.086786222	137	3/18/02	0.027438642	137	9/15/02	0.092567742	137	3/18/03	0.029568211	137	9/15/03	0.098116938	137	3/18/04	0.030830107	137	9/15/04	0.103986426	137
3/19/01	0.025877436	138	9/16/01	0.087126682	138	3/19/02	0.027794988	138	9/16/02	0.092928669	138	3/19/03	0.030046394	138	9/16/03	0.098499493	138	3/19/04	0.031230498	138	9/16/04	0.104391821	138
3/20/01	0.026209198	139	9/17/01	0.087467142	139	3/20/02	0.028151334	139	9/17/02	0.093289638	139	3/20/03	0.030541697	139	9/17/03	0.098882048	139	3/20/04	0.031630889	139	9/17/04	0.104797216	139
3/21/01	0.02654096	140	9/18/01	0.087807602	140	3/21/02	0.02850768	140	9/18/02	0.093650586	140	3/21/03	0.031021944	140	9/18/03	0.099264603	140	3/21/04	0.03203128	140	9/18/04	0.105202611	140
3/22/01	0.026872722	141	9/19/01	0.088148062	141	3/22/02	0.028864026	141	9/19/02	0.094011534	141	3/22/03	0.0315057183	141	9/19/03	0.099647158	141	3/22/04	0.032431671	141	9/19/04	0.105608006	141
3/23/01	0.027204484	142	9/20/01	0.088488522	142	3/23/02	0.029220372	142	9/20/02	0.094372482	142	3/23/03	0.032009718	142	9/20/03	0.100029713	142	3/23/04	0.032832062	142	9/20/04	0.106013401	142
3/24/01	0.027536246	143	9/21/01	0.088828982	143	3/24/02	0.029576718	143	9/21/02	0.094733443	143	3/24/03	0.032515269	143	9/21/03	0.100412268	143	3/24/04	0.033232453	143	9/21/04	0.106418796	143
3/25/01	0.027868008	144	9/22/01	0.089169442	144	3/25/02	0.029933064	144	9/22/02	0.095094378	144	3/25/03	0.033037042	144	9/22/03	0.100794823	144	3/25/04	0.033632844	144	9/22/04	0.106824191	144
3/26/01	0.02819977	145	9/23/01	0.089509902	145	3/26/02	0.03028941	145	9/23/02	0.095455326	145	3/26/03	0.0335108155	145	9/23/03	0.101177378	145	3/26/04	0.034033235	145	9/23/04	0.107229586	145
3/27/01	0.028531532	146	9/24/01	0.089850362	146	3/27/02	0.030645756	146	9/24/02	0.095816274	146	3/27/03	0.034008598	146	9/24/03	0.101559933	146	3/27/04	0.034433626	146	9/24/04	0.107634981	146
3/28/01	0.028863294	147	9/25/01	0.090190822	147	3/28/02	0.031002102	147	9/25/02	0.096177222	147	3/28/03	0.034492488	147	9/25/03	0.101942488	147	3/28/04	0.034834017	147	9/25/04	0.108040376	147
3/29/01	0.029195056	148	9/26/01	0.090531282	148	3/29/02	0.031358448	148	9/26/02	0.096538117	148	3/29/03	0.034931384	148	9/26/03	0.102325043	148	3/29/04	0.035234408	148	9/26/04	0.108445771	148
3/30/01	0.029526818	149	9/27/01	0.090871742	149	3/30/02	0.031714794	149	9/27/02	0.096899118	149	3/30/03	0.0353619127	149	9/27/03	0.102707598	149	3/30/04	0.035634799	149	9/27/04	0.108851166	149
3/31/01	0.02985858	150	9/28/01	0.091212202	150	3/31/02	0.03207114	150	9/28/02	0.097260066	150	3/31/03	0.0357939687	150	9/28/03	0.103090153	150	3/31/04	0.03603519	150	9/28/04	0.109256561	150
4/1/01	0.030190342	151	9/29/01	0.091552662	151	4/1/02	0.032427486	151	9/29/02	0.097621014	151	4/1/03	0.0362374613	151	9/29/03	0.103472708	151	4/1/04	0.036435581	151	9/29/04	0.109661956	151
4/2/01	0.030522104	152	9/30/01	0.091893122	152	4/2/02	0.032783832	152	9/30/02	0.097981962	152	4/2/03	0.036752356	152	9/30/03	0.103855263	152	4/2/04	0.036835972	152	9/30/04	0.110067351	152
4/3/01	0.030853866	153	10/1/01	0.092233582	153	4/3/02	0.033140178	153	10/1/02	0.09834291	153	4/3/03	0.037130099	153	10/1/03	0.104237818	153	4/3/04	0.037236363	153	10/1/04	0.110472746	153
4/4/01	0.031185628	154	10/2/01	0.092574042	154	4/4/02	0.033496524	154	10/2/02	0.098703858	154	4/4/03	0.0375507842	154	10/2/03	0.104620373	154	4/4/04	0.037636754	154	10/2/04	0.110878141	154
4/5/01	0.03151739	155	10/3/01	0.092914502	155	4/5/02	0.03385287	155	10/3/02	0.099064806	155	4/5/03	0.037968585	155	10/3/03	0.105002928	155	4/5/04	0.038037145	155	10/3/04	0.111283536	155
4/6/01	0.031849152	156	10/4/01	0.093254962	156	4/6/02	0.034209216	156	10/4/02	0.099425754	156	4/6/03	0.038383328	156	10/4/03	0.105385483	156	4/6/04	0.038437536	156	10/4/04	0.111688931	156
4/7/01	0.032180914	157	10/5/01	0.093595422	157	4/7/02	0.034565562	157	10/5/02	0.099786702	157	4/7/03	0.0387641071	157	10/5/03	0.105768038	157	4/7/04	0.0388837927	157	10/5/04	0.112094326	157
4/8/01	0.032512676	158	10/6/01	0.093935882	158	4/8/02	0.034921908	158	10/6/02	0.10014765	158	4/8/03	0.039150814										

OID-daily amts

NISource, Inc - Zero Coupon Debenture (SAILS) Issued 11/02/00
Daily Portions of OID per Unit

Date	OID	Day #	Date	OID	Day #	Date	OID	Day #	Date	OID	Day #	Date	OID	Day #	Date	OID	Day #	Date	OID	Day #			
4/25/01	0.03815263	175	10/23/01	0.099723702	175	4/25/02	0.04097979	175	10/23/02	0.106283766	175	4/25/03	0.043440445	175	10/23/03	0.112654028	175	4/25/04	0.046044965	175	10/23/04	0.119391436	175
4/26/01	0.038484392	176	10/24/01	0.100064162	176	4/26/02	0.041336136	176	10/24/02	0.106644714	176	4/26/03	0.043818188	176	10/24/03	0.113036583	176	4/26/04	0.046445356	176	10/24/04	0.119796831	176
4/27/01	0.038816154	177	10/25/01	0.100404622	177	4/27/02	0.041692482	177	10/25/02	0.107005662	177	4/27/03	0.044195931	177	10/25/03	0.113419138	177	4/27/04	0.046845747	177	10/25/04	0.120202226	177
4/28/01	0.039147916	178	10/26/01	0.100745082	178	4/28/02	0.042048828	178	10/26/02	0.10736661	178	4/28/03	0.044573674	178	10/26/03	0.113801693	178	4/28/04	0.047246138	178	10/26/04	0.120607621	178
4/29/01	0.039479678	179	10/27/01	0.101085542	179	4/29/02	0.042405174	179	10/27/02	0.107727558	179	4/29/03	0.044951417	179	10/27/03	0.114184248	179	4/29/04	0.047646529	179	10/27/04	0.121013016	179
4/30/01	0.03981144	180	10/28/01	0.101426002	180	4/30/02	0.04276152	180	10/28/02	0.108088506	180	4/30/03	0.04532916	180	10/28/03	0.114566803	180	4/30/04	0.04804692	180	10/28/04	0.121418411	180
5/1/01	0.040143202	181	10/29/01	0.101766462	181	5/1/02	0.043117866	181	10/29/02	0.108449454	181	5/1/03	0.045706903	181	10/29/03	0.114949358	181	5/1/04	0.048447311	181	10/29/04	0.121823806	181
			10/30/01	0.102106922	182				10/30/02	0.108810402	182				10/30/03	0.115331913	182				10/30/04	0.122229201	182
			10/31/01	0.102447382	183				10/31/02	0.10917135	183				10/31/03	0.115714468	183				10/31/04	0.122634596	183
			11/1/01	0.102787842	184				11/1/02	0.109532298	184				11/1/03	0.116097023	184				11/1/04	0.123039991	184