

ODONNELL MICHAEL W  
Form 4  
January 06, 2009

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
ODONNELL MICHAEL W

(Last) (First) (Middle)  
801 E 86TH AVENUE  
(Street)

MERRILLVILLE, IN 46410-6272

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
NISOURCE INC/DE [NI]

3. Date of Earliest Transaction (Month/Day/Year)  
01/02/2009

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Executive Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
			Code	V Amount (D) Price			
Common Stock	01/02/2009	01/02/2009	S	13,988 (3) D \$ 11.12	190,059	D	
Common Stock					7,209.7125 (2)	I	401(k) Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Non Qualified Stock Options	\$ 25.94					01/01/2002	01/01/2011	Common Stock	25,472
Non Qualified Stock Options	\$ 21.005					01/25/2003	01/25/2012	Common Stock	30,822
Non Qualified Stock Options	\$ 19.84					01/01/2004	01/01/2013	Common Stock	73,009
Non Qualified Stock Options	\$ 21.86					01/01/2005	01/01/2014	Common Stock	69,135
Non Qualified Stock Options	\$ 22.62					01/03/2006	01/03/2015	Common Stock	169,714
Phantom Stock	\$ 0					<u>(1)</u>	<u>(1)</u>	Common Stock	142,490.189

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ODONNELL MICHAEL W 801 E 86TH AVENUE MERRILLVILLE, IN 46410-6272			Executive Vice President	

## Signatures

Gary W. Pottorff, attorney-in-fact for Michael W.  
O'Donnell

01/06/2009

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The phantom stock units represent dividend equivalents and are to be settled upon the reporting person's retirement or other termination of service.
- (2) Includes shares acquired through the NiSource Inc. 401(k) Plan through 12/31/2008
- (3) Upon vesting of restricted stock, shares were withheld by the Company to cover tax withholding obligations.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.  
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