

NEALE GARY L  
Form 4  
August 18, 2005

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
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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 \*  
NEALE GARY L

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

3. Date of Earliest Transaction (Month/Day/Year)  
08/17/2005

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Chairman and CEO

MERRILLVILLE, IN 46410-6272  
  
(City) (State) (Zip)

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

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 |   | 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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|---------------------|---|---|------------|---|--|---|
|                                 |                                      |  | Code                | V | Amount  | (A) or (D) |   |  |   |
| Common Stock                    | 08/17/2005                           | 08/17/2005   | M                   |   | 40,000  | A          | \$ 1,170,827.0294<br>(1) (2) (3)  | D  |   |
| Common Stock                    | 08/17/2005                           | 08/17/2005   | S                   |   | 32,848  | D          | \$ 1,137,979.0294<br>(1) (2) (3)  | D  |   |
| Common Stock                    | 08/17/2005                           | 08/17/2005   | S                   |   | 150   | D          | \$ 1,137,829.0294<br>(1) (2) (3)  | D  |   |
| Common Stock                    |                                      |  |                     |   |   |            | 12,666.2312 (4)<br>(5)  | I  | 401(k) Plan   |

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

**Persons who respond to the collection of information contained in this form are not**

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 of Underlying Securities (Number of Shares)      |
| Non Qualified Stock Options                | \$ 18.44   |                                      |  |                                |   | 01/31/2001 01/31/2010                                    | Common Stock 125,000  |
| Non Qualified Stock Options                | \$ 18.91   |                                      |  |                                |   | 11/01/2000 08/27/2006                                    | Common Stock 50,000   |
| Non Qualified Stock Options                | \$ 19.84   |                                      |  |                                |   | 01/01/2004 01/01/2013                                    | Common Stock 373,157  |
| Non Qualified Stock Options                | \$ 20.64   |                                      |  |                                |   | 11/01/2000 08/26/2007                                    | Common Stock 50,000   |
| Non Qualified Stock Options                | \$ 21.005  |                                      |  |                                |   | 01/25/2003 01/25/2012                                    | Common Stock 194,064  |
| Non Qualified Stock Options                | \$ 21.86   |                                      |  |                                |   | 01/01/2005 01/01/2014                                    | Common Stock 353,352  |
| Non Qualified Stock Options                | \$ 22.22   |                                      |  |                                |   | 08/22/2001 08/22/2010                                    | Common Stock 125,000  |
| Non Qualified Stock                        | \$ 22.62   |                                      |  |                                |   | 01/03/2006 01/03/2015                                    | Common Stock 600,000  |

|                             |          |            |            |   |        |            |            |              |         |  |
|-----------------------------|----------|------------|------------|---|--------|------------|------------|--------------|---------|--|
| Options                     |          |            |            |   |        |            |            |              |         |  |
| Non Qualified Stock Options | \$ 24.59 |            |            |   |        | 11/01/2000 | 08/24/2009 | Common Stock | 50,000  |  |
| Non Qualified Stock Options | \$ 25.94 |            |            |   |        | 01/01/2002 | 01/01/2011 | Common Stock | 160,377 |  |
| Non Qualified Stock Options | \$ 29.22 |            |            |   |        | 11/01/2000 | 08/25/2008 | Common Stock | 50,000  |  |
| Non Qualified Stock Options | \$ 16.22 | 08/17/2005 | 08/17/2005 | M | 40,000 | 08/22/1995 | 08/22/2005 | Common Stock | 40,000  |  |

## Reporting Owners

| Reporting Owner Name / Address                                   | Relationships |           |                  |       |
|--|---------------|-----------|------------------|-------|
|  | Director      | 10% Owner | Officer          | Other |
| NEALE GARY L<br>801 E 86TH AVENUE<br>MERRILLVILLE, IN 46410-6272 | X             |           | Chairman and CEO |       |

## Signatures

Gary W. Pottorff, Power of Attorney for Gary L. Neale  
 08/18/2005  
 \*\*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).
- (4) Includes 193.8805 shares acquired on March 31, 2005 through the NiSource 401(k) Plan.
- (1) Includes 67.3945 shares acquired on June 30, 2005 through the NiSource Employee Stock Purchase Plan
- (2) Includes 73.1315 shares acquired on March 31, 2005 through the NiSource Employee Stock Purchase Plan.
- (3) Includes 73.1636 shares acquired on December 31, 2004 through the NiSource Employee Stock Purchase Plan
- (5) Includes 208.7278 shares acquired on June 30, 2005 through the NiSource 401(k) Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.