

NISOURCE INC/DE  
 Form 424B5  
 November 30, 2018  
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**Filed Pursuant to Rule 424(b)(5)**

**File No. 333-214360**

**CALCULATION OF REGISTRATION FEE(1)**

<b>Title of Each Class of Securities Offered</b>	<b>Proposed Maximum Aggregate Offering Price</b>	<b>Amount of Registration Fee(2)</b>
Depository Shares (each representing 1/1000th interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock	\$500,000,000	\$60,600
6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock	(3)	(3)

- (1) This Calculation of Registration Fee table shall be deemed to update the Calculation of Registration Fee table in the Registration Statement on Form S-3 (File No. 333-214360) originally filed by NiSource Inc. on November 1, 2016, as amended, in accordance with Rules 456(b) and 457(r) under the Securities Act of 1933, as amended (the Securities Act ).
- (2) Calculated in accordance with Rule 457(r) under the Securities Act.
- (3) No separate consideration will be payable in respect of shares of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock issued in connection with this offering.

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**Prospectus Supplement**

**(To Prospectus dated November 28, 2018)**

**NiSource Inc.**

**20,000,000 Depositary Shares**

**Each representing 1/1,000<sup>th</sup> of a share of**

**6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock,**

**liquidation preference \$25,000 per share**

Each of the 20,000,000 depositary shares offered hereby represents a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, liquidation preference \$25,000 per share ( Series B Preferred Stock ), of NiSource Inc., deposited with Computershare Inc. and Computershare Trust Company, N.A., acting jointly, as depositary. The depositary shares are evidenced by depositary receipts. As a holder of depositary shares, you are entitled to all proportional rights and preferences of the Series B Preferred Stock (including dividend, voting, redemption and liquidation rights). You must exercise such rights through the depositary.

The shares of Series B Preferred Stock are perpetual and have no maturity date. We may, at our option, redeem the shares of Series B Preferred Stock (and thereby the depositary shares) (i) in whole or in part on March 15, 2024 (the First Call Date ) or on any fifth anniversary of the First Call Date (each, a Reset Date ) at a redemption price equal to \$25,000 per share (equivalent to \$25 per depositary share) or (ii) in whole but not in part at any time within 120 days following a Ratings Event, as described under Description of the Series B Preferred Stock Redemption, at a redemption price equal to \$25,500 per share (102% of the liquidation preference of \$25,000 per share, equivalent to \$25.50 per depositary share), in each case plus an amount equal to all accumulated and unpaid dividends thereon to, but not including, the date of redemption, whether or not declared. The Series B Preferred Stock will not have voting rights, except as set forth herein under Description of the Series B Preferred Stock Voting Rights.

Holders of Series B Preferred Stock will be entitled to receive dividend payments when, as and if declared by our board of directors or a duly authorized committee of the board. Dividends will be cumulative from the date of original issue and will be payable quarterly in arrears on the 15th day of March, June, September and December of each year, commencing on March 15, 2019. The initial dividend rate for the Series B Preferred Stock from and including the date of original issue to, but not including, the First Call Date will be 6.50% per annum of the \$25,000 liquidation preference per share (equal to \$1,625 per share and equivalent to \$1.625 per depositary share per annum). On and after the First Call Date, dividends on the Series B Preferred Stock will accumulate for each Reset Period (as defined herein) at a percentage of the \$25,000 liquidation preference equal to the Five-year U.S. Treasury Rate plus (i) in respect of each Reset Period commencing on or after the First Call Date but before March 15, 2044 (the Step-up Date ), a spread of 3.632% (the Initial Margin ), and (ii) in respect of each Reset Period commencing on or after the

Step-up Date, the Initial Margin plus 1.000%.

We intend to apply to list the depositary shares on the New York Stock Exchange under the symbol NI PrB. If approved for listing, we expect trading of the depositary shares on the New York Stock Exchange to commence within a 30-day period after the initial delivery of the depositary shares.

**Investing in the depositary shares involves risks. See Risk Factors beginning on page S-11.**

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement. Any representation to the contrary is a criminal offense.

**Price \$25 per depositary share**

	<b>Price to Public(1)</b>	<b>Underwriting Discounts and Commissions(2)</b>	<b>Proceeds to Us before expenses(1)</b>
Per Depositary Share	\$ 25.00	\$ 0.6415	\$ 24.3585
Total	\$ 500,000,000.00	\$ 12,830,451.59	\$ 487,169,548.41

(1) Plus accrued dividends, if any, from the date of original issuance, which is expected to be December 5, 2018.

(2) Reflects 9,845,049 depositary shares sold to retail investors, for which the underwriters will receive an underwriting discount of \$0.7875 per depositary share, and 10,154,951 depositary shares sold to institutional investors, for which the underwriters will receive an underwriting discount of \$0.50 per depositary share.

The underwriters expect to deliver the depositary shares in book-entry form only through The Depository Trust Company for the accounts of its participants, including Clearstream Banking, S.A., and Euroclear Bank S.A./N.V., on or about December 5, 2018.

***Joint Book-Running Managers***

**Wells Fargo Securities   BofA Merrill Lynch   Morgan Stanley   Barclays   Goldman Sachs & Co. LLC**  
***Co-Managers***

**BNY Mellon Capital Markets, LLC   KeyBanc Capital Markets   Loop Capital Markets   Huntington Capital Markets**  
**The date of this prospectus supplement is November 28, 2018.**

Table of Contents**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part, the prospectus supplement, describes the specific terms of the offering and certain other matters relating to NiSource Inc. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should read this entire prospectus supplement and the accompanying prospectus, including the documents incorporated by reference that are described under **Incorporation by Reference** in this prospectus supplement and **Where You Can Find More Information** in the accompanying prospectus.

You should rely only on the information contained in this prospectus supplement, the accompanying prospectus, any related free-writing prospectus issued by us, and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus supplement and the accompanying prospectus may only be used where it is legal to sell the securities offered hereby. The information in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein is only accurate as of the date of the respective documents in which the information appears. Our business, financial condition, results of operations and prospects may have changed since those dates.

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**SUMMARY**

*This summary highlights certain information contained in this document. This summary is not complete and does not contain all of the information that you should consider before purchasing the depositary shares. We urge you to read carefully this entire prospectus supplement and the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, including the historical financial statements and notes to those financial statements contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. You should read carefully the Risk Factors section of this prospectus supplement and the Risk Factors and Note regarding forward-looking statements sections in NiSource's Annual Report on Form 10-K for the year ended December 31, 2017 and NiSource's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2018, June 30, 2018 and September 30, 2018, each of which is incorporated by reference herein, for more information about important risks that you should consider before investing in the depositary shares.*

*References to NiSource refer to NiSource Inc. Unless the context requires otherwise, we, us or our refer collectively to NiSource and its subsidiaries.*

**NiSource Inc.**

*Overview.* NiSource is an energy holding company whose subsidiaries are fully regulated natural gas and electric utility companies serving approximately 3.9 million customers in seven states. We are one of the nation's largest natural gas distribution companies, as measured by number of customers. Our principal subsidiaries include NiSource Gas Distribution Group, Inc., a natural gas distribution company, and Northern Indiana Public Service Company LLC, or NIPSCO, a gas and electric company. NiSource derives substantially all of its revenues and earnings from the operating results of these rate-regulated businesses. Our primary business segments are:

Gas Distribution Operations; and

Electric Operations.

On July 1, 2015, we completed the spin-off of our former subsidiary Columbia Pipeline Group, Inc., which comprised all of our Columbia Pipeline Group Operations segment prior to that time.

*Business Strategy.* We focus our business strategy on our core, rate-regulated asset-based businesses with most of our operating income generated from the rate-regulated businesses. NiSource's utilities continue to move forward on core infrastructure and environmental investment programs supported by complementary regulatory and customer initiatives across all seven states in which we operate. Our goal is to develop strategies that benefit all stakeholders as we address changing customer conservation patterns, develop more contemporary pricing structures and embark on long-term investment programs. These strategies will help improve reliability and safety, enhance customer services and reduce emissions while generating sustainable returns.

*Gas Distribution Operations.* Our natural gas distribution operations serve approximately 3.5 million customers in seven states and operate approximately 60,000 miles of pipeline. Through our wholly-owned subsidiary NiSource Gas Distribution Group, Inc., we own six distribution subsidiaries that provide natural gas to approximately 2.6 million residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, Maryland and Massachusetts. We also distribute natural gas to approximately 830,000 customers in northern Indiana through our

wholly-owned subsidiary NIPSCO.

*Electric Operations.* We generate, transmit and distribute electricity through our subsidiary NIPSCO to approximately 469,000 customers in 20 counties in the northern part of Indiana and engage in wholesale

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and transmission transactions. NIPSCO owns and operates two coal-fired electric generating stations. The two operating facilities have a net capability of 2,094 megawatts. NIPSCO completed the retirement of the coal-fired generating units at its Bailly Generating Station on May 31, 2018. NIPSCO also owns and operates Sugar Creek, a combined cycle gas turbine plant with a net capability of 535 megawatts, three gas-fired generating units located at NIPSCO's coal-fired electric generating stations with a net capability of 196 megawatts and two hydroelectric generating plants with a net capability of 10 megawatts. These facilities provide for a total system operating net capability of 2,835 megawatts. NIPSCO's transmission system, with voltages from 69,000 to 345,000 volts, consists of 2,843 circuit miles. NIPSCO is interconnected with five neighboring electric utilities. During the year ended December 31, 2017, NIPSCO generated 65.2% and purchased 34.8% of its electric requirements.

Our executive offices are located at 801 East 86th Avenue, Merrillville, Indiana 46410, telephone: (877) 647-5990



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**The Offering**

Issuer	NiSource Inc.
Securities offered	20,000,000 depositary shares, each representing a 1/1,000 <sup>th</sup> ownership interest in a share of our 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, with a liquidation preference of \$25,000 per share (equivalent to \$25 per depositary share). Each holder of a depositary share will be entitled, through the depositary, in proportion to the applicable fraction of a share of Series B Preferred Stock represented by such depositary share, to all the rights and preferences of the Series B Preferred Stock represented thereby (including dividend, voting, redemption and liquidation rights), as provided in the deposit agreement (as hereinafter defined).
Price per share of Series B Preferred Stock	\$25,000 per share (equivalent to \$25 per depositary share).
Further issuances	We may from time to time elect to issue additional depositary shares representing shares of the Series B Preferred Stock, and all the additional depositary shares would be deemed to form a single series with the depositary shares representing the Series B Preferred Stock offered hereby.
Dividends	<p>Holders of shares of Series B Preferred Stock will be entitled to receive, when, as and if declared by our board of directors or a duly authorized committee of the board, out of legally available funds for such purpose, cumulative cash dividends from the original issue date (in the case of the initial dividend period only) or the immediately preceding dividend payment date, quarterly in arrears on the 15<sup>th</sup> day of March, June, September and December of each year (each, a dividend payment date ), commencing on March 15, 2019. Such dividends will be distributed to holders of depositary shares in the manner described under Description of the Depositary Shares Dividends and Other Distributions below.</p> <p>The initial dividend rate for the Series B Preferred Stock from and including the original issue date to, but not including, the First Call Date will be 6.50% per annum of the \$25,000 liquidation preference per share (equal to \$1,625 per share and equivalent to \$1.625 per depositary share per annum).</p>

On and after the First Call Date, dividends on the Series B Preferred Stock will accumulate for each Reset Period (as defined herein) at a percentage of the \$25,000 liquidation preference (equivalent to \$25 per depositary share) equal to the Five-year U.S. Treasury Rate plus:

in respect of each Reset Period commencing on or after the First Call Date but before the Step-up Date, March 15, 2044, the Initial Margin, and

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in respect of each Reset Period commencing on or after the Step-up Date, the Initial Margin plus 1.000%.

Five-year U.S. Treasury Rate means, as of any Reset Dividend Determination Date, as applicable, (i) an interest rate (expressed as a decimal and, in the case of U.S. Treasury bills, converted to a bond equivalent yield) determined to be the per annum rate equal to the weekly average yield to maturity for U.S. Treasury securities with a maturity of five years from the next Reset Date and trading in the public securities markets or (ii) if there is no such published U.S. Treasury security with a maturity of five years from the next Reset Date and trading in the public securities markets, then the rate will be determined by interpolation between the most recent weekly average yield to maturity for two series of U.S. Treasury securities trading in the public securities market, (A) one maturing as close as possible to, but earlier than, the Reset Date following the next succeeding Reset Dividend Determination Date, and (B) the other maturity as close as possible to, but later than, the Reset Date following the next succeeding Reset Dividend Determination Date, in each case as published in the most recent H.15 (519). If the Five-year U.S. Treasury Rate cannot be determined pursuant to the methods described in clauses (i) or (ii) above, then the Five-year U.S. Treasury Rate will be the same interest rate determined for the prior Reset Dividend Determination Date.

H.15 (519) means the weekly statistical release designated as such, or any successor publication, published by the Board of Governors of the United States Federal Reserve System, and most recent H.15 (519) means the H.15 (519) published closest in time but prior to the close of business on the second business day (as defined below) prior to the applicable Reset Date. H.15 (519) may be currently obtained at the following website: <https://www.federalreserve.gov/releases/h15/>. The contents of such website do not constitute part of this prospectus supplement.

Reset Date means the First Call Date and each date falling on the fifth anniversary thereafter.

Reset Dividend Determination Date means, in respect of any Reset Period, the day falling two business days prior to the beginning of the relevant Reset Period.

Reset Period means each period from and including the First Call Date to (but excluding) the next following Reset Date and thereafter from and

including each Reset Date to (but excluding) the next following Reset Date.

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We will give notice of the relevant Five-year U.S. Treasury Rate as soon as practicable to the Transfer Agent (as defined below) and the holders of the Series B Preferred Stock and, if required by the rules of the New York Stock Exchange or any securities exchange on which the depositary shares may be listed from time to time, to such securities exchange.

A dividend period is the period from and including a dividend payment date to but excluding the next dividend payment date or any earlier redemption date, except that the initial dividend period will commence on and include the original issue date of the Series B Preferred Stock and will end on and exclude the March 15, 2019 dividend payment date.

Restrictions on dividends

We will not declare or pay, or set aside for payment, full dividends on the Series B Preferred Stock or any Parity Securities (as defined below) for any dividend period unless (i) full cumulative dividends have been paid or provided for on the Series B Preferred Stock and any Parity Securities through the most recently completed dividend period for each such security and (ii) at the time of the declaration of dividends on the Series B Preferred Stock or the Parity Securities, as applicable, we expect to have sufficient funds to pay the next dividend on the Series B Preferred Stock and any Parity Securities in full (regardless of the relative timing of such dividends). To the extent dividends will not be paid in full on the Series B Preferred Stock, we will take appropriate action to ensure that all dividends declared and paid upon the Series B Preferred Stock and any Parity Securities will be reduced, declared and paid on a pro rata basis on their respective payment dates.

We will not declare or pay, or set aside for payment, dividends on any Junior Securities (as defined below) (other than a dividend payable solely in Junior Securities) unless full cumulative dividends have been or contemporaneously are being paid on all outstanding shares of Series B Preferred Stock and any Parity Securities through the most recently completed respective dividend periods. To the extent a dividend period applicable to a class of Junior Securities or Parity Securities is shorter than the dividend period applicable to the Series B Preferred Stock, we may declare and pay regular dividends with respect to such Junior Securities or Parity Securities so long as, at the time of declaration of such dividend, we expect to have sufficient funds to pay the full dividend in respect of the Series B Preferred Stock on the next successive dividend payment date.

As used in this prospectus supplement, Junior Securities means our common stock and each other class or series of equity securities established after the original issue date of the

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Series B Preferred Stock that is not expressly made senior to or on a parity with the Series B Preferred Stock as to the payment of dividends and amounts payable on a liquidation event.

As used in this prospectus supplement, Parity Securities means our 5.650% Series A Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, liquidation preference \$1,000 per share ( Series A Preferred Stock ) and any class or series of equity securities established after the original issue date of the Series B Preferred Stock that is not expressly made senior or subordinated to the Series B Preferred Stock as to the payment of dividends and amounts payable on a liquidation event. Parity Securities may include classes of equity securities that have different dividend rates, mechanics, periods (e.g., semi-annual rather than quarterly), payment dates and record dates than the Series B Preferred Stock.

Subject to the foregoing, dividends (payable in cash, stock or otherwise) may be determined by the board of directors (or a duly authorized committee of the board) and may be declared and paid on our common stock and any capital stock ranking, as to dividends, equally with or junior to the Series B Preferred Stock from time to time out of any funds legally available for such payment, and the shares of the Series B Preferred Stock shall not be entitled to participate in any such dividend.

Dividend payment dates

The 15th day of March, June, September and December of each year, commencing on March 15, 2019. If any scheduled dividend payment date is not a business day, then the payment will be made on the next succeeding business day, and no additional dividends will accumulate as a result of that postponement. Business day means Monday through Friday of each week, except that a legal holiday recognized as such by the government of the United States of America or the State of New York shall not be regarded as a business day.

Ranking

The Series B Preferred Stock will represent perpetual equity interests in NiSource and, unlike our indebtedness, will not give rise to a claim for payment of a principal amount at a particular date. The Series B Preferred Stock will rank:

senior to any Junior Securities (including our common stock);

on a parity with any Parity Securities (including the Series A Preferred Stock);

junior to each other class or series of capital stock established after the original issue date of the Series B Preferred Stock that is expressly made senior to the Series B Preferred Stock as to the payment of dividends and amounts payable on a liquidation event (the Senior Securities ); and

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junior to all of our existing and future indebtedness and other liabilities with respect to assets available to satisfy claims against us.

**Redemption**

The Series B Preferred Stock is perpetual and has no maturity date. We may, at our option, redeem the shares of the Series B Preferred Stock (and thereby depositary shares) (i) in whole or in part on the First Call Date or on any subsequent Reset Date at a redemption price equal to \$25,000 per share (equivalent to \$25 per depositary share), or (ii) in whole but not in part at any time within 120 days following a Ratings Event (as defined below) at a redemption price equal to \$25,500 per share (102% of the liquidation preference of \$25,000 per share, equivalent to \$25.50 per depositary share), plus in each case an amount equal to all accumulated and unpaid dividends thereon to, but not including, the date fixed for redemption, whether or not declared. If we redeem the Series B Preferred Stock held by the depositary in whole or in part, the depositary will redeem a proportionate number of depositary shares.

Neither the holders of Series B Preferred Stock nor the holders of depositary shares will have the right to require the redemption or repurchase of the Series B Preferred Stock.

Any such redemption would be effected only out of funds legally available for such purposes and will be subject to compliance with the provisions of our outstanding indebtedness.

**Ratings Event** means a change by any nationally recognized statistical rating organization (within the meaning of Section 3(a)(62) of the Securities Exchange Act of 1934, as amended (the Exchange Act)), that publishes a rating for us (a rating agency) to its equity credit criteria for securities such as the Series B Preferred Stock, as such criteria are in effect as of the original issue date of the Series B Preferred Stock (the current criteria), which change results in (i) any shortening of the length of time for which the current criteria are scheduled to be in effect with respect to the Series B Preferred Stock, or (ii) a lower equity credit being given to the Series B Preferred Stock than the equity credit that would have been assigned to the Series B Preferred Stock by such rating agency pursuant to its current criteria.

**Intention regarding redemption or repurchase**

In the event we redeem or purchase any shares of the Series B Preferred Stock, we intend (without thereby assuming a legal obligation), subject to standard exceptions, to do so only to the extent the aggregate redemption or purchase price is equal to or less than the net proceeds, if

any, we receive from new

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issuances during the period commencing on the 360th calendar day prior to the date of such redemption or purchase of securities which are assigned by S&P Global Ratings ( S&P ) at the time of sale or issuance an aggregate equity credit that is equal to or greater than the equity credit assigned to the shares of the Series B Preferred Stock to be redeemed or repurchased.

Liquidation preference

In the event of any liquidation, dissolution or winding up of our affairs, whether voluntary or involuntary, holders of the Series B Preferred Stock will generally, subject to the discussion under Description of the Series B Preferred Stock Liquidation Rights, be entitled to receive, out of our available assets and prior to holders of Junior Securities (and on a parity with any Parity Securities) a liquidation preference of \$25,000 per share (equivalent to \$25 per depositary share). The rights of the holders of Series B Preferred Stock to receive the liquidation preference will be subject to the proportional rights of holders of Parity Securities. A consolidation or merger of us with or into any other entity, individually or in a series of transactions, will not be deemed to be a liquidation, dissolution or winding up of our affairs.

Voting rights

Holders of the Series B Preferred Stock generally will not have voting rights.

Unless we have received the affirmative vote or consent of the holders of at least two-thirds of the outstanding shares of Series B Preferred Stock, voting as a single class, no amendment to our amended and restated certificate of incorporation ( certificate of incorporation ) may be adopted that would have a material adverse effect on the existing preferences, rights, powers, duties or obligations of the Series B Preferred Stock. For purposes of this voting requirement, any amendment to our certificate of incorporation (i) relating to the issuance of additional shares of preferred stock (subject to the voting rights regarding the issuance of Parity Securities or Senior Securities discussed below) and (ii) in connection with a merger or another transaction in which either (x) we are the surviving entity and the Series B Preferred Stock remains outstanding or (y) the Series B Preferred Stock is exchanged for a series of preferred stock of the surviving entity, in either case with the terms thereof materially unchanged in any respect adverse to the holders of Series B Preferred Stock, will be deemed not to materially adversely affect the powers, preferences, duties or special rights of the holders of Series B Preferred Stock.

In addition, unless we have received the affirmative vote or consent of the holders of at least two-thirds of the outstanding shares of Series B



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with holders of the Series A Preferred Stock and any other Parity Securities established after the original issue date of the Series B Preferred Stock and upon which like voting rights have been conferred and are exercisable, we may not (i) create or issue any Parity Securities (including any additional shares of Series B Preferred Stock or Series A Preferred Stock, but excluding any payments-in-kind on the Series B Preferred Stock or the Series A Preferred Stock) if the cumulative dividends payable on the outstanding shares of Series B Preferred Stock (or Parity Securities, if applicable) are in arrears or (ii) create or issue any Senior Securities.

Holders of depositary shares must act through the depositary to exercise any voting rights, as described under Description of the Depositary Shares Voting the Series B Preferred Stock, below.

Conversion, exchange and preemptive rights None.

**Maturity** The Series B Preferred Stock is perpetual and has no maturity date, and we are not required to redeem or repurchase the Series B Preferred Stock. Accordingly, the Series B Preferred Stock will remain outstanding indefinitely, unless and until we decide to redeem it.

**Listing** We intend to apply for listing of the depositary shares on the New York Stock Exchange under the symbol NI PrB. If approved for listing, we expect trading of the depositary shares on the New York Stock Exchange to commence within a 30-day period after the initial delivery of the depositary shares.

**Use of proceeds** We expect to receive net proceeds of approximately \$485.9 million from the sale of the depositary shares offered hereby, after deducting the underwriting discount and estimated offering expenses. We intend to use the net proceeds of this offering to finance capital expenditures and for general corporate purposes. See Use of Proceeds below.

**Tax consequences** See Certain United States Federal Income Tax Considerations.

**Form** The depositary shares will be issued and maintained in book-entry form registered in the name of the nominee of The Depository Trust Company ( DTC ), except under limited circumstances, as described under the caption Book-Entry Issuance in this prospectus supplement.

Settlement

Delivery of the depositary shares will be made against payment therefor through the book-entry facilities of DTC on or about

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December 5, 2018. Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to a trade expressly agree otherwise.

Accordingly, purchasers who wish to trade depositary shares on the date of pricing or the next succeeding two business days will be required, by virtue of the fact that the depositary shares initially will settle in T+5, to specify alternative settlement arrangements to prevent a failed settlement. Purchasers of depositary shares who wish to trade the shares on the date of pricing or the next succeeding two business days should consult their own advisors.

**Risk factors**

Investing in the depositary shares involves risks. Please read Risk Factors starting on page S-11 of this prospectus supplement and in the documents incorporated by reference, as well as the other cautionary statements throughout this prospectus supplement, for a discussion of factors you should carefully consider before deciding to invest in the depositary shares.

**Conflicts of Interest**

Certain of the underwriters or their affiliates may hold a portion of the commercial paper that we expect to repay using the net proceeds of this offering until such proceeds are used for their intended purposes. In such event, it is possible that one or more of the underwriters or their affiliates could receive at least 5% of the net proceeds of this offering, and in that case such underwriter would be deemed to have a conflict of interest under Rule 5121 (Public Offerings of Securities with Conflicts of Interest) of the Financial Industry Regulatory Authority, Inc. or FINRA. In the event of any such conflict of interest, such underwriter would be required to conduct the distribution of the depositary shares in accordance with FINRA Rule 5121. See Underwriting (Conflicts of Interest) Conflicts of Interest in this prospectus supplement.

Transfer Agent, Registrar, Paying Agent and Depositary Computershare Inc. and Computershare Trust Company, N.A., acting jointly

**Calculation Agent**

We will use our commercially reasonable efforts to appoint a calculation agent for the Series B Preferred Stock at least 90 days prior to the First Call Date.

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**RISK FACTORS**

*Investing in the depositary shares involves risk. Please see the Risk Factors and Note regarding forward-looking statements sections in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2018, June 30, 2018 and September 30, 2018, each of which is incorporated by reference in this prospectus supplement. Before making an investment decision, you should carefully consider these risks as well as other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. In addition, the risks described below could result in a decrease in the value of the depositary shares and your investment therein.*

**You are making an investment decision with regard to the depositary shares as well as the Series B Preferred Stock.**

We are issuing fractional interests in shares of Series B Preferred Stock in the form of depositary shares. Accordingly, the depositary will rely on the payments it receives on the Series B Preferred Stock to fund all payments on the depositary shares. You should carefully review the information in this prospectus supplement and in the accompanying prospectus regarding both of these securities.

**The Series B Preferred Stock may be subordinate to other preferred stock we may issue in the future.**

The Series B Preferred Stock will be junior as to payment of dividends to any class or series of our preferred stock that may be issued in the future that is expressly stated to be senior as to payment of dividends to the Series B Preferred Stock. If at any time we have failed to pay, on the applicable payment date, accumulated dividends on any of those shares that rank in priority with respect to dividends, we may not pay any dividends on the Series B Preferred Stock or redeem or otherwise repurchase any shares of Series B Preferred Stock until we have paid or set aside for payment the full amount of the unpaid dividends on the shares that rank in priority with respect to dividends that must, under the terms of such shares, be paid before we may pay dividends on, or redeem or repurchase, the Series B Preferred Stock. In addition, in the event of any liquidation, dissolution or winding up of NiSource, holders of the Series B Preferred Stock will not be entitled to receive the liquidation preference of their shares until we have paid or set aside an amount sufficient to pay in full the liquidation preference of any class or series of our capital stock ranking senior as to rights upon liquidation, dissolution or winding up.

**The depositary shares may not have an active trading market. In addition, the lack of a fixed redemption date for the Series B Preferred Stock will increase your reliance on the secondary market for liquidity purposes.**

The Series B Preferred Stock and the depositary shares are new issues with no established trading market. Although we intend to apply for the listing of the depositary shares on the New York Stock Exchange, there is no guarantee that we will be able to list the depositary shares. Even if the depositary shares are listed, there may be little or no secondary market for the depositary shares. Even if a secondary market for the depositary shares develops, it may not provide significant liquidity and transaction costs in any secondary market could be high. As a result, the difference between bid and asked prices in any secondary market could be substantial. We do not expect that there will be any separate public trading market for the shares of the Series B Preferred Stock except as represented by the depositary shares.

In addition, since the Series B Preferred Stock has no stated maturity date, and we have no obligation to redeem the shares at any time, investors seeking liquidity will be limited to selling their depositary shares in the secondary market absent redemption by us. The condition of the financial markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future, which could have an adverse effect on the market price of the depositary



shares. Accordingly, you may be required to bear the financial risk of an investment in the depositary shares for an indefinite period of time.

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**We may redeem the Series B Preferred Stock at any time (including before March 15, 2024) within 120 days following a Ratings Event.**

We may redeem the Series B Preferred Stock, in whole, but not in part, at any time within 120 days following the occurrence of a ratings event, at a cash redemption price per share equal to \$25,500 per share (102% of the liquidation preference of \$25,000 per share, equivalent to \$25.50 per depositary share), together with an amount equal to all accumulated and unpaid dividends thereon to, but not including, the redemption date, whether or not declared.

Ratings Event means a change by any nationally recognized statistical rating organization (within the meaning of Section 3(a)(62) of the Exchange Act) that publishes a rating for us (a rating agency) to its equity credit criteria for securities such as the Series B Preferred Stock, as such criteria are in effect as of the original issue date of the Series B Preferred Stock (the current criteria), which change results in (i) any shortening of the length of time for which the current criteria are scheduled to be in effect with respect to the Series B Preferred Stock, or (ii) a lower equity credit being given to the Series B Preferred Stock than the equity credit that would have been assigned to the Series B Preferred Stock by such rating agency pursuant to its current criteria.

**If we are not paying full dividends on any outstanding Parity Securities, we will not be able to pay full dividends on the Series B Preferred Stock.**

When dividends are not paid in full on the shares of Series B Preferred Stock and any Parity Securities, such as our Series A Preferred Stock, for a dividend period, all dividends declared with respect to shares of Series B Preferred Stock and all Parity Securities for such dividend period shall be declared *pro rata* so that the respective amounts of such dividends bear the same ratio to each other as all accumulated but unpaid dividends per share on the shares of Series B Preferred Stock for such dividend period and all Parity Securities for such dividend period bear to each other. Therefore, if we are not paying full dividends on any outstanding Parity Securities, we will not be able to pay full dividends on the Series B Preferred Stock.

**The depositary shares represent perpetual equity interests in NiSource, and investors should not expect us to redeem the Series B Preferred Stock on the date the Series B Preferred Stock becomes redeemable by us or on any subsequent Reset Date.**

The depositary shares represent perpetual equity interests in NiSource, have no maturity date or mandatory redemption date and are not redeemable at the option of holders under any circumstances. As a result, unlike our indebtedness, the Series B Preferred Stock will not give rise to a claim for payment of a principal amount at a particular date. Instead, the Series B Preferred Stock (and thereby the depositary shares) may be redeemed by us at our option, in whole or in part, on the First Call Date or on any subsequent Reset Date or, in whole but not in part, at any time within 120 days following the occurrence of a Ratings Event. Any decision we may make at any time to redeem the Series B Preferred Stock will depend upon, among other things, our evaluation of our capital position and general market conditions at that time. In addition, the instruments governing our outstanding indebtedness may limit our ability to redeem the Series B Preferred Stock.

As a result, holders of the depositary shares may be required to bear the financial risks of an investment in the depositary shares for an indefinite period of time. Moreover, holders of the depositary shares will not have any rights of conversion or exchange for other equity interests in us. The Series B Preferred Stock will rank junior to all our current and future indebtedness. The Series B Preferred Stock will also rank junior to any other Senior Securities we may issue in the future with respect to assets available to satisfy claims against us.



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**NiSource is a holding company. NiSource's only internal source of cash is from distributions from its subsidiaries, and NiSource's ability to pay dividends on the Series B Preferred Stock depends upon the results of operations of its subsidiaries.**

NiSource, the issuer of the Series B Preferred Stock, is a holding company and, accordingly, conducts substantially all of its operations through its operating subsidiaries. As a result, our cash flow and our ability to declare and pay dividends, including the payment of dividends on shares of Series B Preferred Stock, depend upon the earnings of our subsidiaries and on the distribution of earnings, loans or other payments by such subsidiaries to NiSource.

NiSource's subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due on the Series B Preferred Stock or to provide NiSource with funds for NiSource's payment obligations, whether by dividends, distributions, loans or other payments. In addition, any payment of dividends, distributions, loans or advances by NiSource's subsidiaries to NiSource could be subject to statutory or contractual restrictions. Payments to NiSource by its subsidiaries will also be contingent upon such subsidiaries' earnings and business considerations. As of September 30, 2018, NiSource's subsidiaries had approximately \$597.3 million of indebtedness.

NiSource's right to receive any assets of any of NiSource's subsidiaries upon their liquidation or reorganization, and therefore the rights of the holders of the Series B Preferred Stock to participate in those assets, will be structurally subordinated to the claims of that subsidiary's creditors. If any of NiSource's subsidiaries were to issue preferred stock in the future, the Series B Preferred Stock would similarly be structurally subordinated to the rights of the preferred stockholders of such subsidiaries.

**The Series B Preferred Stock is equity and therefore is subordinated to our existing and future indebtedness.**

The Series B Preferred Stock is subordinated to all of our existing and future indebtedness (including without limitation indebtedness outstanding under our credit facilities, our senior notes and our commercial paper) we may issue in the future with respect to assets available to satisfy claims against us. As of September 30, 2018, our outstanding indebtedness, on a consolidated basis, was approximately \$8.8 billion and we had the ability to borrow an additional \$2.6 billion under our credit facilities and commercial paper program, collectively, subject to certain limitations. The terms of the Series B Preferred Stock do not limit our ability to incur additional indebtedness.

The payment of principal and interest on our debt reduces the cash available for payment of dividends on our capital stock, including the Series B Preferred Stock.

**Our ability to issue additional shares of Series B Preferred Stock and Parity Securities in the future could adversely affect the rights of holders of the Series B Preferred Stock.**

Subject to certain rights of holders of the Series B Preferred Stock, we are allowed to issue additional shares of Series B Preferred Stock or Parity Securities without any vote of the holders of the Series B Preferred Stock, except where the cumulative dividends on the Series B Preferred Stock or any Parity Securities are in arrears. The issuance of any Parity Securities (including additional shares of Series B Preferred Stock) would have the effect of reducing the amount of funds available to the holders of the shares of Series B Preferred Stock upon our liquidation, dissolution or winding up if we do not have sufficient funds to pay all liquidation preferences of the Series B Preferred Stock and Parity Securities in full. It also would reduce amounts available to pay dividends on the shares of Series B Preferred Stock if we do not have sufficient funds to pay dividends on all outstanding Series B Preferred Stock and Parity Securities. See Description of the Series B Preferred Stock Dividends. In addition, future issuances and sales of Parity Securities (including additional shares of Series B Preferred Stock), or the perception that such issuances and sales could occur, may cause prevailing market prices for the



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depository shares to decline and may adversely affect our ability to raise additional capital in the financial markets at times and prices favorable to us.

**As a holder of depository shares you will have extremely limited voting rights.**

Your voting rights as a holder of depository shares will be extremely limited. The holders of the Series B Preferred Stock will be entitled to certain limited protective voting rights described in this prospectus supplement under

Description of the Series B Preferred Stock Voting Rights. Additionally, with respect to certain of the matters on which the holders of Series B Preferred Stock will be entitled to vote, holders of Series B Preferred Stock will vote as a separate class along with the holders of Series A Preferred Stock and all other series of our Parity Securities that we may issue following this offering upon which like voting rights have been conferred and are exercisable. As a result, the voting rights of holders of Series B Preferred Stock may be significantly diluted, and the holders of such other series of Parity Securities may be able to control or significantly influence the outcome of any vote on such matters.

**A change in the rating of the Series B Preferred Stock could adversely affect the market price of the depository shares.**

Rating agencies revise their ratings from time to time and could lower or withdraw any rating issued with respect to the Series B Preferred Stock. Any real or anticipated downgrade or withdrawal of any ratings of the Series B Preferred Stock could have an adverse effect on the market price or liquidity of the Series B Preferred Stock.

Ratings reflect only the views of the issuing rating agency or agencies and are not recommendations to purchase, sell or hold any particular security, including the Series B Preferred Stock or the depository shares. In addition, ratings do not reflect market prices or suitability of a security for a particular investor, and any future rating of the Series B Preferred Stock may not reflect all risks related to us and our business or the structure or market value of the Series B Preferred Stock or the depository shares.

**The Series B Preferred Stock is not convertible into our common stock at any time and does not have any protection in the event of a change of control.**

The Series B Preferred Stock is not convertible into our common stock at any time. In addition, the terms of the Series B Preferred Stock will not contain any provisions that protect the holders of the Series B Preferred Stock in the event that we experience a change of control. Holders of Series B Preferred Stock will have no voting rights with respect to a merger or another transaction in which either (i) we are the surviving entity and the Series B Preferred Stock remains outstanding or (ii) the Series B Preferred Stock is exchanged for a series of preferred stock of the surviving entity, in either case with the terms thereof materially unchanged in any respect adverse to the holders of Series B Preferred Stock. Additionally, a consolidation or merger of us with or into any other entity, individually or in a series of transactions, will not be deemed to be a liquidation, dissolution or winding up of our affairs.

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**INCORPORATION BY REFERENCE**

The SEC allows us to incorporate by reference information into this prospectus supplement and the accompanying prospectus. This means that we can disclose important information to you by referring you to another document that NiSource has filed separately with the SEC. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus. Information that NiSource files with the SEC after the date of this prospectus supplement will automatically modify and supersede the information included or incorporated by reference in this prospectus supplement and the accompanying prospectus to the extent that the subsequently filed information modifies or supersedes the existing information. We incorporate by reference:

our Annual Report on Form 10-K for the fiscal year ended December 31, 2017;

our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2018, June 30, 2018 and September 30, 2018;

our Current Reports on Form 8-K filed on January 26, 2018, March 29, 2018, April 19, 2018, May 2, 2018 (reporting Items 1.01, 7.01 and 9.01 but only incorporating by reference the information filed, and not furnished, therein), May 7, 2018, May 9, 2018, June 12, 2018, September 5, 2018 (as amended by our Current Report on Form 8-K/A filed on October 24, 2018), September 27, 2018 and November 1, 2018 (reporting Items 1.01, 8.01 and 9.01);

our definitive proxy statement dated April 6, 2018; and

any future filings we make with the SEC under Section 13(a), 13(c), 14, or 15(d) of the Exchange Act after the date of this prospectus supplement and before we sell all of the securities offered by this prospectus supplement.

You may request a copy of any of these filings at no cost by writing to or calling us at the following address and telephone number: Corporate Secretary, NiSource Inc., 801 East 86th Avenue, Merrillville, Indiana 46410, telephone: (877) 647-5990.

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**USE OF PROCEEDS**

The net proceeds to us from the sale of the depositary shares, after deducting the underwriting discount and estimated offering expenses, will be approximately \$485.9 million. We intend to use the net proceeds from this offering to finance capital expenditures and for general corporate purposes. Pending the intended use of such proceeds, we expect to apply a portion of the net proceeds to repay our outstanding commercial paper. At November 26, 2018, we had approximately \$1,155 million of commercial paper outstanding with a weighted average interest rate of approximately 2.788% per annum.

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The following table shows our capitalization, short-term indebtedness and cash and cash equivalents at September 30, 2018 on an actual basis and as adjusted to give effect to the issuance of the Series B Preferred Stock and the sale of the depositary shares and the application of the proceeds as described under Use of Proceeds. This table should be read in conjunction with our unaudited condensed consolidated financial statements and related notes for the nine months ended September 30, 2018 incorporated by reference in this prospectus supplement. See Incorporation by Reference in this prospectus supplement.

	<b>September 30, 2018</b>	
	<b>(in millions)</b>	
	<b>Actual</b>	<b>As Adjusted</b>
Cash and cash equivalents	\$ 41.8	\$ 41.8
Short-term borrowings (including current portion of long-term debt)	\$ 1,659.6	\$ 1,173.7
Long-term debt (excluding amounts due within one year)	\$ 7,094.5	\$ 7,094.5
Preferred stockholders' equity (including Series B Preferred Stock, liquidation preference \$25,000 per share, offered hereby)	393.9	879.8
Common stockholders' equity	4,679.8	4,679.8
Total capitalization	\$ 12,168.2	\$ 12,654.1