



Vectren Corporation  
One Vectren Square  
Evansville, IN 47708

April 9, 2012

Brenda A. Howe  
Secretary to the Commission  
Indiana Utility Regulatory Commission  
PNC Center  
101 W. Washington Street, Suite 1500 East  
Indianapolis, IN 46204

RE: SIGECO 30-Day Filing for Rate CSP

Dear Ms. Howe:

This filing is being made on behalf of Southern Indiana Gas and Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc. ("Company") under the Commission's final Thirty-Day Administrative Filing Procedures and Guidelines ("Guidelines") in compliance with Commission's Rules and Regulations with respect to Cogeneration and Alternative Energy Production Facilities. Enclosed is the tariff sheet covering rates for purchase of energy and capacity as required by 170 IAC 4-4.1-8, 170 IAC 4-4.1-9, and 170 IAC 4-4.1-10, and the supporting data for the rates and rate filing as required by 170 IAC 4-4.1-4.

The Company's filing is an allowable filing under 170 IAC 1-6-3 because the proposal is a filing for which the Commission has already approved or accepted the procedure for the change.


Proof of Publication of the legal notice for this filing from the *Evansville Courier & Press*, a newspaper of general circulation in Vanderburgh County that has a circulation encompassing the highest number of the Company's customers affected by the filing is included. The Company also affirms that the notice has been posted on its website. The Company does not have a local customer service office in which to post the notice.

Any questions concerning this submission should be directed to Scott E. Albertson by using the following contact information:

Scott E. Albertson  
Director of Regulatory Affairs  
One Vectren Square  
211 N.W. Riverside Drive  
Evansville, IN 47708  
Tel.: 812.491.4682  
Fax: 812.491.4138  
Email: [Scott.Albertson@vectren.com](mailto:Scott.Albertson@vectren.com)

Please let me know if the Commission Staff has any questions or concerns about this submission.

Sincerely,

A handwritten signature in dark ink, appearing to read "Katie J. Tieken", written over a horizontal line.

Katie J. Tieken  
Senior Rate Analyst

Enclosures  
cc: A. David Stippler  
Indiana Office of Utility Consumer Counselor (w/ encl.)

**VERIFICATION**

The undersigned, Scott E. Albertson, being duly sworn, under penalty of perjury affirms that the affected customers of the Southern Indiana Gas and Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc. Rate CSP filing have been notified by publication in the *Evansville Courier & Press*, as required by 170 IAC 1-6-6. A copy of said legal notice of publication is enclosed.



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Scott E. Albertson

Southern Indiana Gas and Electric Company D/B/A  
Vectren Energy Delivery of Indiana, Inc. (Vectren South)  
Tariff for Electric Service  
I.U.R.C. No. E-13

Sheet No. 79  
First Revised Page 2 of 4  
Cancels Original Page 2 of 4

**RATE CSP**  
**COGENERATION AND SMALL POWER PRODUCTION**

(Continued)

**Capacity Component**

There shall be demand credit paid to qualifying facilities who can enter into a contract with Company to provide firm capacity for specified term. Capacity payments are expressed on a dollars per Kilowatt per month basis in Table 1 of this schedule.

The monthly capacity payment shall be adjusted by the following factor:

$$F = \frac{E_p}{(K)(T_p)}$$

Where:

F = Capacity payment adjustment factor

E<sub>p</sub> = Kilowatt-hours delivered to Company by the qualifying facility during the peak period defined as the hours of 6:00 A.M. to 10:00 P.M. during weekdays, excluding holidays.

K = Kilowatts of capacity the qualifying facility contracts to provide.

T<sub>p</sub> = Number of hours in the peak period.

Company and a qualifying facility may negotiate a rate for energy or capacity which differs from the filed Rate CSP.

**Table 1**

**ENERGY PAYMENT TO A QUALIFYING FACILITY**<sup>(1)</sup>

Annual On-Peak	=	\$0.04077/kWh
Annual Off-Peak	=	\$0.03603/kWh

**CAPACITY PAYMENT TO A QUALIFYING FACILITY**

\$5.03 per kW Per Month

<sup>(1)</sup> On-Peak hours = 6:00 A.M.– 10:00 P.M. weekdays  
Off-Peak hours = All other hours, including weekends and designated holidays

**RATE CSP**  
**COGENERATION AND SMALL POWER PRODUCTION**

(Continued)

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**ENERGY PAYMENT TO A QUALIFYING FACILITY <sup>(1)</sup>**

Annual On-Peak = \$0.04077/kWh  
Annual Off-Peak = \$0.03603/kWh

Deleted: 04569

Deleted: 03596

**CAPACITY PAYMENT TO A QUALIFYING FACILITY**

\$5.03 per kW Per Month

Deleted: 5.32

<sup>(1)</sup> On-Peak hours = 6:00 A.M.– 10:00 P.M. weekdays  
Off-Peak hours = All other hours, including weekends and designated holidays

Effective: Deleted: May 3, 2011

## SOUTHERN INDIANA GAS & ELECTRIC COMPANY

### CALCULATION OF PRESENT VALUE OF CARRYING CHARGES YEAR 2012

#### **Formulas:**

Carrying Charge = cc,  
 $cc = r + d + I + P + T$ , where  
T = Income Tax, and  
 $T = (t/l - t) (r + d - D) (r - bL) / r$

#### **Inputs:**

r	=	Cost of Capital	=	8.35%
d	=	Sinking fund depreciation rate [ $(r) / ((1 + r)^n - 1)$ ]	=	0.83%
n	=	Service life (years)	=	30
I	=	Insurance cost rate (\$1,171,950 ÷ \$2,305,637,123)	=	0.05%
P	=	Property tax rate (\$8,690,735 ÷ \$2,305,637,123)	=	0.38%
D	=	Book depreciation rate (30 year life - per EPRI "TAG")	=	3.33%
t	=	Income tax rate (composite) (35% Federal, 8.25% State)	=	40.3625%
b	=	Debt interest cost rate	=	5.95%
L	=	Debt capital structure ratio	=	46.17%

#### **Carrying Charge**

T	=	2.66%
cc	=	$8.35\% + 0.83\% + 0.05\% + 0.38\% + 2.66\% = \mathbf{12.27\%}$

## SOUTHERN INDIANA GAS & ELECTRIC COMPANY

### CALCULATION OF COGENERATION RATE FOR PURCHASE OF CAPACITY YEAR 2012

**Formula per 170 IAC 4-4.1-9:**

$$C = \frac{1}{12} \left[ DV \left[ \frac{1 - \frac{1+ip}{1+r}}{1 - \left( \frac{1+ip}{1+r} \right)^n} \right] (1+ip)^{t-1} + O \left( \frac{1+io}{1+r} \right) (1+io)^{t-1} \right] \div \left( 1 - \frac{L}{2} \right)$$

$$Ca = C \left( \left( (1+ip) \div (1+r) \right)^{(Yi-Yc)} \right)$$

**Inputs:**

D	=	$(cc) \frac{(1+r)^n - 1}{(r)(1+r)^n} = (cc) * 11.0531 = 1.3562$
cc	=	12.27% (See Carrying Charge calculation)
V	=	\$794/ kW (See Capacity Capital Cost \$736 (excl AFUDC) in 2011 inflated to 2015)
ip	=	5.0% (Growth Rate in Handy Whitman Cost Index for Gas Turbogenerators)
io	=	3.0% (Growth Rate in Producer Price Index for Finished Goods)
r	=	8.35% (See Cost of New Capital)
O	=	\$10.76 / kW (Estimated Operating Cost for 2015)
L	=	4.74% (2010 FERC Form 1 data) (309,480 ÷ 6,527,716)
t	=	1

n = 30 years (EPRI - TAG 1993)  
Yi = 2015 (In service date of turbine)  
Yc = 2012 (Current Year)

**Rate:**

C = Unadjusted Capacity Payment = **\$5.53** per kW per month for year 2015

Ca = Adjusted Capacity Payment = **\$5.03** per kW per month for year 2012



**SOUTHERN INDIANA GAS & ELECTRIC COMPANY**

**ESTIMATED CAPACITY CAPITAL COST  
YEAR 2012**

**Basis of Cost**

Based on SIGECO generic 200 MW simple cycle turbine.

**Capacity Cost**

Cost per kW (2015 \$)

=\$794/kW

## SOUTHERN INDIANA GAS & ELECTRIC COMPANY

### CALCULATIONS OF COGENERATION RATE FOR PURCHASE OF ENERGY YEAR 2012

#### **Basis of Calculation:**

The system's energy cost was derived utilizing a production cost simulation model for the estimated 2012 system loads. NewEnergy Strategist dispatches the system on a monthly basis using load duration curves derived from a typical historical year of hourly loads. The avoided values, which reflect a small load change, are used in this calculation.

#### **Energy Rate:**

##### Values from dispatch model:

Annual On-Peak avoided cost <sup>(1)</sup>	=	\$0.03980 /kWh
Annual Off-Peak avoided cost	=	\$0.03517 /kWh

##### Adjustment for losses <sup>(2)</sup>

$$\frac{1}{(1 - (0.0474/2))} = 1.02428$$

##### Adjusted Energy Rates

Annual On-Peak avoided cost	=	\$0.04077 /kWh
Annual Off-Peak avoided cost	=	\$0.03603 /kWh

#### Notes:

- <sup>(1)</sup> On-Peak hours = 6 am – 10 pm, weekdays  
Off-Peak hours = All other hours, including weekends and designated holidays
- <sup>(2)</sup> Energy losses from 2010 FERC Form 1, page 401a.

## SOUTHERN INDIANA GAS & ELECTRIC COMPANY

### CALCULATION OF COST OF NEW CAPITAL YEAR 2012

<u>Item</u>	<u>Capital Structure</u> <sup>(1)</sup>	<u>Cost Rate</u> <sup>(1)</sup>	<u>Composite Rate</u>
Debt	46.17%	5.95%	2.75%
Preferred Stock	0.00%	0.00%	0.00%
Common Equity	<u>53.83%</u>	10.40%	<u>5.60%</u>
	100.00%		8.35%

Notes: <sup>(1)</sup> Capital structure and cost rates as of December 31, 2011. Common equity cost rate from Order in Cause No. 43839, page 32.

**Southern Indiana Gas & Electric Company**

**Weighted  
Cost of Capital  
Year 2012**

Item	Capital Structure	Cost Rate	Composite Cost	
Debt	46.17%	5.95%	2.75%	Balance 12-31-11
Preferred Stock	0.00%	0.00%	0.00%	Balance 12-31-11
Common Equity	<u>53.83%</u>	10.40%	<u>5.60%</u>	Rate Per Order in Cause No. 43839
	100.00%		8.35%	

r	=	Cost of capital	8.35%
d	=	Sinking fund depreciation rate [[r] / ((1+r)^n - 1)]	0.83%
n	=	Service life (years)	30
I	=	Insurance cost rate (\$1171950/\$2305637123)	0.05% FERC 1 page 323, line 185 / page 200, line 13
P	=	Property tax rate (\$8690735/\$2305637123)	0.38% FERC 1 page 263, line 8 / page 200, line 13
D	=	Book depreciation rate (30 year life - per EPRI "TAG")	3.33%
t	=	Income tax rate (composite) (35% Federal, 8.25% State)	40.3625%
b	=	Debt interest cost rate	5.95%
L	=	Debt capital structure ratio	46.17%

**Carrying Charge**

T	=	2.66%
cc	=	12.27%

**Southern Indiana Gas & Electric Company**

**Calculation of Cogeneration Rate  
For Purchase of Capacity  
Year 2012**

C	=	Unadjusted monthly capacity payment per-kilowatt of contracted capacity year of completion of unit.	5.53	Unadjusted Capacity Rate
Ca	=	$C * (((1 + Ip)/(1 + r))^{(Yi-Yc)})$	<b>5.03</b>	Adjusted Capacity Rate
D	=	Present value of carrying charges for one dollar of investment over n years with carrying charges assumed to be paid at end of each year. $(1+r)^{(n-1)}/r(1+r)^n$	(cc)* 11.0531 =	1.3562
cc			12.27%	
V	=	Investment amount in year of completion, including allowance for funds used during construction, of the avoidable or deferrable unit, stated on a per-kilowatt basis and including rated share of common costs.	794	2011 inflated to 2015 level
n	=	Expected life of the avoidable or deferrable unit.	30	
i <sub>p</sub>	=	Annual escalation rate associated with the avoidable or deferrable unit.	5.0%	From Handy Whitman
i <sub>o</sub>	=	Annual escalation rate associated with the operation and maintenance expenses, less fuel and fuel-related expenses, of the avoidable or deferrable unit.	3.0%	From Producer Price Index
r	=	Purchasing utility's after tax cost of capital.	8.35%	
O	=	Expected total fixed and variable yearly operating and maintenance expenses, less fuel and fuel-related expenses, in expected first year of avoidable or deferrable unit's operation stated on a per-kilowatt basis	10.76	
L	=	Line losses, expressed as a percentage, for the previous year. (309480/6527716)	4.74%	FERC 1 Page 401a, line 27/ line 28
t	=	Contract term in years, with t = 1 to t.	1	
Yi	=	In service date of the avoidable or deferrable unit	2015	
Yc	=	Current Year	2012	

**Southern Indiana Gas & Electric Company**  
**Compound Growth Rate of**  
**Handy-Whitman Cost Index for Gas Turbogenerators**

Year	Year Index	Handy-Whitman Index	Annual Growth Rate	y = Year Index	x = LN (H-W Index)
1999	1	399		1	5.98896
2000	2	410	0.02757	2	6.01616
2001	3	402	(0.01951)	3	5.99645
2002	4	418	0.03980	4	6.03548
2003	5	437	0.04545	5	6.07993
2004	6	428	(0.02059)	6	6.05912
2005	7	420	(0.01869)	7	6.04025
2006	8	435	0.03571	8	6.07535
2007	9	511	0.17471	9	6.23637
2008	10	581	0.13699	10	6.36475
2009	11	619	0.06540	11	6.42811
2010	12	680	0.09855	12	6.52209
2011	13	683	0.00441	13	6.52649

Log-Linear Growth

0.04834

Compound Growth Rate (Exponential of Log-Linear Growth)  
Stated as percentage

0.04953
5.0%

**Southern Indiana Gas & Electric Company**  
**Compound Growth Rate of**  
**Producer Price Index**

Year	Year Index	Producer Price Finished Goods Index	Annual Growth Rate	y = Year Index	x = LN (H-W Index)
1999	1	133.0		1	4.89035
2000	2	138.0	0.03759	2	4.92725
2001	3	140.7	0.01957	3	4.94663
2002	4	138.9	(0.01279)	4	4.93375
2003	5	143.3	0.03168	5	4.96494
2004	6	148.5	0.03629	6	5.00058
2005	7	155.7	0.04848	7	5.04793
2006	8	160.4	0.03019	8	5.07767
2007	9	166.6	0.03865	9	5.11560
2008	10	177.1	0.06303	10	5.17671
2009	11	172.5	(0.02597)	11	5.15040
2010	12	179.8	0.04232	12	5.19185
2011	13	190.6	0.06007	13	5.25018

Log-Linear Growth

0.02969

Compound Growth Rate (Exponential of Log-Linear Growth)  
Stated as percentage

0.03014
3.0%

	Escalated Capital Cost
<b>Capability, MW (nominal)</b>	<b>200</b>
<b>Fixed O&amp;M, \$/kW-yr</b>	6.37
\$/yr	1,274,000
<b>Variable O&amp;M, \$/MWh</b>	1.38
Capacity Factor	3%
\$/yr	72,533
<b>Major Maintenance</b>	
\$/start	14,350
\$/run hour	610
estimated starts	30
estimated average run time	6
estimated run hours	180
\$/yr	540,300

<b>Total O&amp;M, \$/kW</b>	<b>9.43</b>
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2008 B&M

<b>Capital Cost Estimate (2011 \$)</b>	
<b>\$/kW</b>	<b>736</b>

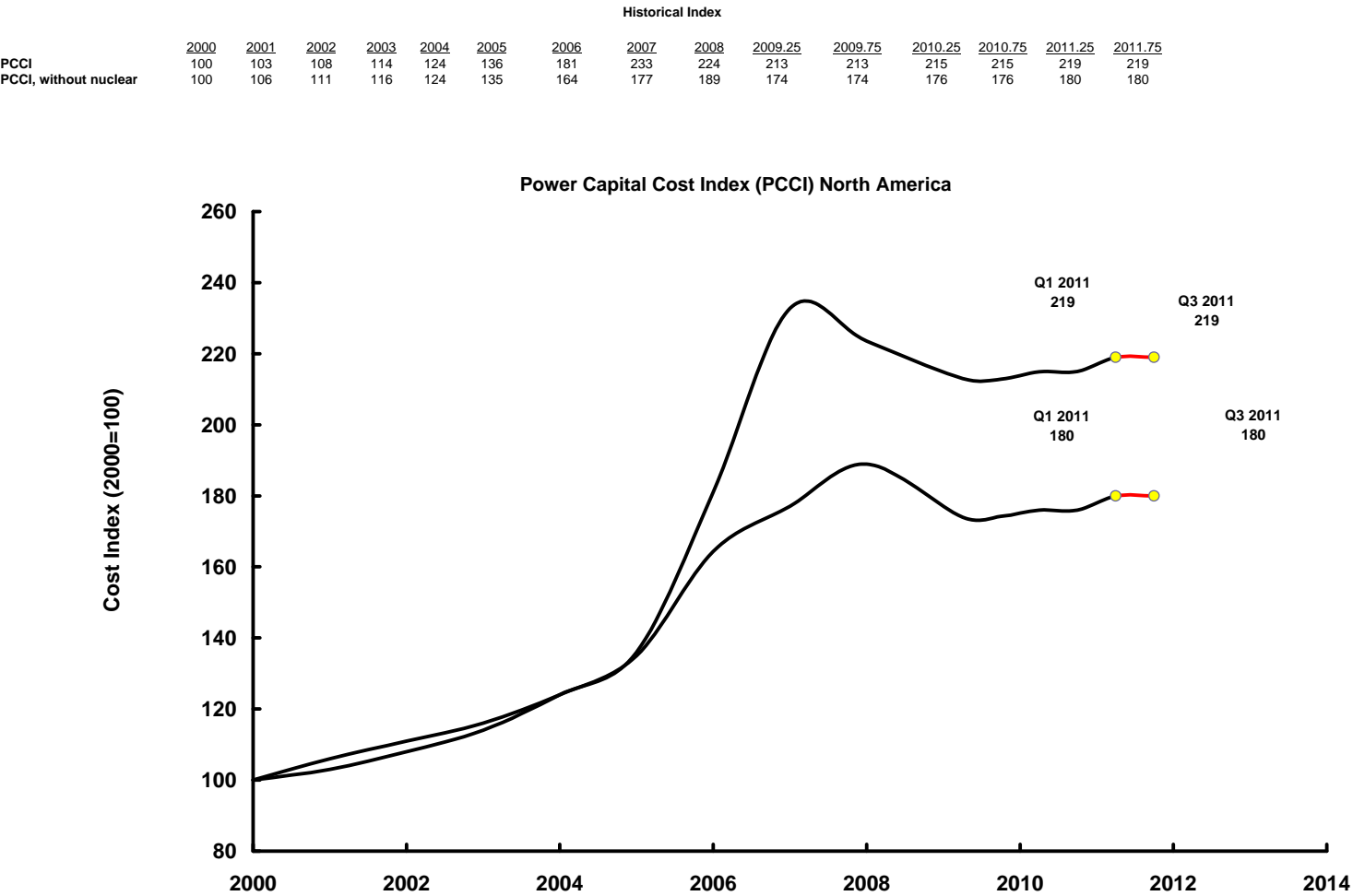
Total O & M \$/kW 2009	\$	9.61
2010	\$	9.79
2011	\$	9.98
2012	\$	10.17
2013	\$	10.36
2014	\$	10.56
2015	\$	10.76 =O

1.019 inflation factor  
Factor of 1.019 for inflation per EIA  
Annual Energy Outlook 2012 Early Release, Table A20

capital cost estimate	2012	750
	2013	764
	2014	779
	2015	794 =V

Figure 1

Upstream Capital Cost Index





Name of Respondent 20110421-8024 FERC PDF (Unofficial) Southern Indiana Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2011	Year/Period of Report End of 2010/Q4
<b>ELECTRIC ENERGY ACCOUNT</b>					
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.					
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	5,616,867
3	Steam	5,066,804	23	Requirements Sales for Resale (See instruction 4, page 311.)	59,399
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	528,165
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	13,805
7	Other	69,194	27	Total Energy Losses	309,480
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	6,527,716
9	Net Generation (Enter Total of lines 3 through 8)	5,135,998			
10	Purchases	1,286,968			
11	Power Exchanges:				
12	Received	2,361,147			
13	Delivered	2,256,397			
14	Net Exchanges (Line 12 minus line 13)	104,750			
15	Transmission For Other (Wheeling)				
16	Received				
17	Delivered				
18	Net Transmission for Other (Line 16 minus line 17)				
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	6,527,716			

losses 4.74% % of requirements

		Data	
month		Average of onpk	Average of offpk
	Mar-12	35.54	34.21
	Apr-12	37.10	35.18
	May-12	37.18	34.91
	Jun-12	49.25	34.93
	Jul-12	38.22	34.44
	Aug-12	41.22	34.69
	Sep-12	41.18	34.88
	Oct-12	36.85	34.72
	Nov-12	37.42	39.19
	Dec-12	38.66	35.23
	Jan-13	43.07	34.98
	Feb-13	42.38	34.75
12 month average		39.80	35.17

ferc 1 line losses	4.74%
Adjusted for losses	1.02428

	<b>On peak</b>	<b>Off-Peak</b>
	<b>\$/MWh</b>	<b>\$/MWh</b>
<b>Adjusted Energy Rates</b>	<b>40.76930</b>	<b>36.02504</b>

<b>\$ per kWh</b>	<b>\$</b>	<b>0.04077</b>	<b>\$</b>	<b>0.03603</b>
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L i n e	CONSTRUCTION AND EQUIPMENT	F E R C	COST INDEX NUMBERS											
			2006		2007		2008		2009		2010		2011	
			Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1
1	Total Plant-All Steam Generation		481	495	518	529	561	580	585	564	579	587	599	616
2	Total Plant-All Steam & Nuclear Gen.		480	494	517	527	559	578	583	561	577	585	597	614
3	Total Plant-All Steam & Hydro Gen.		479	493	516	527	559	578	583	561	577	585	597	613
4														
5	<b>Steam Production Plant</b>													
6	Total Steam Production Plant		495	503	520	531	547	576	570	554	566	577	586	602
7	Structures & Improvements-Indoor	311	451	458	474	482	501	530	532	518	528	535	547	561
8	Structures & Improvements-Semi-Outdoor	311	438	445	457	483	501	513	514	490	495	498	509	512
9	Boiler Plant Equipment-Coal Fired	312	514	521	534	543	557	585	591	577	589	597	607	625
10	Boiler Plant Equipment-Gas Fired	312	-	-	-	-	-	-	-	-	-	-	-	-
11	Boiler Plant Piping Installed		460	465	477	475	491	530	545	529	538	550	564	578
12	Turbogenerator Units	314	471	483	499	501	513	559	514	489	502	525	525	547
13	Accessory Electrical Equipment	315	596	616	661	682	719	744	774	793	812	828	855	883
14	Misc. Power Plant Equipment	316	531	538	540	544	555	593	595	587	597	603	620	632
15														
16	<b>Nuclear Production Plant</b>													
17	Total Nuclear Production Plant		462	471	486	489	502	530	521	510	521	532	539	557
18	Structures & Improvements	321	420	427	438	433	447	462	462	455	461	466	471	478
19	Reactor Plant Equipment	322	455	463	476	480	489	518	512	502	513	521	530	549
20														
21	<b>Hydro Production Plant</b>													
22	Total Hydraulic Production Plant		410	417	432	442	454	471	469	461	467	475	483	488
23	Structures & Improvements	331	451	458	474	482	501	530	532	518	528	535	547	561
24	Reservoirs, Dams & Waterways	332	399	404	417	428	439	446	447	441	445	449	462	464
25	Water Wheels, Turbines & Generators	333	406	416	436	444	455	493	481	469	478	496	491	499
26														
27	<b>Other Production Plant</b>													
28	Total Other Production Plant		445	456	516	529	582	603	620	655	675	688	681	702
29	Fuel Holders, Producers & Accessories	342	469	478	494	497	512	548	554	537	541	540	554	563
30	Gas Turbogenerators	344	435	447	511	524	581	602	619	659	680	693	683	704
31														
32	<b>Transmission Plant</b>													
33	Total Transmission Plant		512	528	553	568	603	631	640	591	617	619	631	650
34	Station Equipment	353	517	533	567	583	604	627	640	641	658	665	682	699
35	Towers & Fixtures	354	454	457	468	494	513	515	523	500	506	506	524	525
36	Poles & Fixtures	355	502	515	526	529	561	570	583	587	596	574	581	584
37	Overhead Conductors & Devices	356	605	643	678	695	753	828	831	580	669	677	662	725
38	Underground Conduit	357	454	458	477	472	494	527	536	519	520	526	540	544
39	Underground Conductors & Devices	358	590	594	605	610	790	828	829	840	836	828	893	897
40														
41	<b>Distribution Plant</b>													
42	Total Distribution Plant		446	466	499	507	563	562	581	567	583	591	606	621
43	Station Equipment	362	492	503	537	555	573	595	606	608	629	637	653	662
44	Poles, Towers & Fixtures	364	470	480	496	497	511	525	537	538	547	545	548	552
45	Overhead Conductors & Devices	365	555	579	609	624	670	715	725	612	666	679	690	732
46	Underground Conduit	366	449	451	471	468	487	495	509	507	501	504	517	518
47	Underground Conductors & Devices	367	423	428	507	514	554	586	647	639	593	600	638	652
48	Line Transformers	368	320	361	408	416	602	506	532	555	581	606	620	638
49	Pad Mounted Transformers	368	562	653	689	820	642	759	728	665	668	646	650	706
50	Services-Overhead	369	428	428	451	452	475	485	491	457	477	484	510	528
51	Services-Underground	369	335	372	356	352	349	350	325	327	328	350	390	408
52	Meters Installed	370	310	316	319	326	330	332	334	334	346	347	340	338
53	Street Lighting-Overhead	373	526	594	617	627	641	672	738	751	771	719	732	755
54	Mast Arms & Luminaires Installed	373	524	555	574	585	576	587	709	705	714	728	733	748
55	Street Lighting-Underground	373	535	615	640	651	671	708	766	784	809	735	751	777
56														

ref2012.d121011b 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019

Report Annual Energy Outlook 2012 Early Release  
Scenario ref2012 Reference case  
Datekey d121011b  
Release Date January 2012

## 20. Macroeconomic Indicators

(billion 2005 chain-weighted dollars, unless otherwise noted)

Indicators	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-2035
<b>Real Gross Domestic Product</b>	<b>12703</b>	<b>13088</b>	<b>13291</b>	<b>13572</b>	<b>13916</b>	<b>14398</b>	<b>14870</b>	<b>15343</b>	<b>15768</b>	<b>16162</b>	<b>16566</b>	<b>2.6%</b>
<b>Components of Real Gross Domestic Product</b>												
Real Consumption	9037	9221	9401	9578	9775	9989	10216	10461	10684	10893	11110	2.3%
Real Investment	1454	1715	1781	1866	2019	2273	2449	2593	2701	2767	2849	4.2%
Real Government Spending	2540	2557	2494	2430	2382	2361	2358	2363	2376	2389	2399	0.4%
Real Exports	1494	1663	1797	1937	2095	2261	2434	2617	2802	2992	3191	6.0%
Real Imports	1853	2085	2189	2239	2339	2446	2531	2621	2712	2787	2878	4.1%
<b>Energy Intensity</b> (thousand Btu per 2005 dollar of GDP)												
Delivered Energy	5.42	5.45	5.36	5.19	5.07	4.95	4.82	4.72	4.62	4.52	4.43	-2.1%
Total Energy	7.45	7.50	7.40	7.13	6.95	6.75	6.57	6.42	6.31	6.19	6.07	-2.1%
<b>Price Indices (Inflated at 1.019)</b>				<b>1.16465</b>	<b>1.17658</b>	<b>1.19663</b>	<b>1.2191</b>	<b>1.24316</b>	<b>1.26706</b>	<b>1.29154</b>	<b>1.31724</b>	
<b>Price Indices</b>												
GDP Chain-type Price Index (2005=1.000)	1.097	1.110	1.132	1.143	1.155	1.174	1.196	1.220	1.243	1.267	1.293	1.9%
<b>Consumer Price Index (1982-84=1.00)</b>												
All-urban	2.15	2.18	2.25	2.28	2.31	2.36	2.41	2.47	2.52	2.58	2.64	2.2%
Energy Commodities and Services	1.93	2.12	2.42	2.39	2.37	2.46	2.57	2.65	2.73	2.79	2.87	2.8%
<b>Wholesale Price Index (1982=1.00)</b>												
All Commodities	1.73	1.85	2.00	1.98	2.00	2.04	2.09	2.13	2.16	2.20	2.23	1.7%
Fuel and Power	1.59	1.86	2.13	2.07	2.09	2.15	2.25	2.30	2.37	2.44	2.51	3.1%
Metals and Metal Products	1.87	2.08	2.23	2.13	2.21	2.33	2.42	2.48	2.52	2.54	2.56	0.9%
Industrial Commodities excluding Energy	1.76	1.83	1.92	1.92	1.95	2.00	2.04	2.08	2.11	2.13	2.15	1.1%
<b>Interest Rates (percent, nominal)</b>												
Federal Funds Rate	0.16	0.18	0.11	0.07	0.09	1.53	3.65	4.26	4.34	4.44	4.59	--
10-Year Treasury Note	3.26	3.21	2.90	2.66	2.79	3.65	4.77	5.02	5.08	5.14	5.25	--
AA Utility Bond Rate	5.75	5.24	4.93	4.71	4.84	5.73	6.80	6.90	6.96	7.06	7.23	--
<b>Value of Shipments (billion 2005 dollars)</b>												
Service Sectors	19996	20602	21076	21075	21374	21948	22544	23189	23779	24301	24841	1.9%
Total Industrial	5667	5838	6016	6031	6248	6562	6836	7068	7242	7378	7497	1.6%
Agriculture, Mining, and Construction	1615	1578	1557	1552	1618	1760	1888	1981	2039	2074	2099	1.8%
Manufacturing	4052	4260	4459	4478	4631	4801	4948	5088	5203	5303	5398	1.6%
Energy-Intensive	1508	1594	1624	1594	1622	1652	1682	1718	1752	1778	1804	1.0%
Non-Energy-Intensive	2544	2665	2835	2884	3009	3149	3265	3369	3451	3525	3594	1.9%
Total	25664	26440	27092	27106	27622	28509	29379	30257	31021	31678	32338	1.9%
<b>Population and Employment (millions)</b>												
Population, with Armed Forces Overseas	307.8	310.8	313.8	316.9	319.9	323.0	326.2	329.3	332.5	335.6	338.8	0.9%
Population, aged 16 and over	241.8	244.3	246.8	249.3	251.7	254.1	256.5	259.0	261.6	264.2	266.8	1.0%
Population, over age 65	39.7	40.4	41.4	42.8	44.2	45.6	47.1	48.5	50.0	51.6	53.3	2.6%
Employment, Nonfarm	130.7	129.8	131.5	132.7	134.7	137.4	140.1	142.7	144.8	146.2	147.4	1.0%
Employment, Manufacturing	11.8	11.5	11.8	11.9	11.9	12.1	12.4	12.4	12.4	12.4	12.4	-0.9%
<b>Key Labor Indicators</b>												
Labor Force (millions)	154.2	153.9	153.4	153.8	155.0	156.4	157.9	159.3	160.7	161.8	162.8	0.7%
Nonfarm Labor Productivity (2005=1.00)	1.06	1.10	1.11	1.11	1.12	1.14	1.16	1.18	1.20	1.22	1.24	1.9%
Unemployment Rate (percent)	9.28	9.63	9.10	9.05	8.60	7.83	7.11	6.54	6.17	5.97	5.81	--
<b>Key Indicators for Energy Demand</b>												
Real Disposable Personal Income	9883	10062	10221	10430	10558	10843	11157	11484	11772	12073	12391	2.4%
Housing Starts (millions)	0.60	0.63	0.66	0.75	1.05	1.46	1.76	1.94	2.01	2.00	1.98	4.5%
Commercial Floorspace (billion square feet)	80.3	81.1	81.7	82.3	82.8	83.4	84.1	85.0	86.0	87.0	88.1	1.0%
Unit Sales of Light-Duty Vehicles (millions)	10.40	11.55	12.49	13.65	15.36	16.02	16.35	16.68	16.65	16.43	16.50	1.9%

GDP = Gross domestic product.

Btu = British thermal unit.

-- = Not applicable.

Sources: 2009 and 2010: IHS Global Insight, Global Insight Industry and Employment models, August 2011. Projections: U.S. Energy Information Administration, AEO2012 National Energy Modeling System run ref2012.d121011b.

Bureau of Labor Statistics

**Producer Price Index-Commodities**  
**Original Data Value**

**Series Id:** WPUSOP3000  
**Not Seasonally Adjusted**  
**Group:** Stage of processing  
**Item:** Finished goods  
**Base Date:** 198200  
**Years:** 2000 to 2011

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2000	134.7	136.0	136.8	136.7	137.3	138.6	138.6	138.2	139.4	140.1	140.0	139.7	138.0
2001	141.2	141.4	140.9	141.8	142.7	142.2	140.5	140.9	141.6	139.7	138.3	137.4	140.7
2002	137.4	137.7	138.7	138.8	138.6	139.0	138.8	138.8	139.1	140.7	139.7	139.0	138.9
2003	140.8	142.3	144.2	142.1	142.0	143.0	143.0	143.7	144.0	145.5	144.5	144.5	143.3
2004	145.4	145.3	146.3	147.3	148.9	148.7	148.5	148.5	148.7	152.0	151.7	150.6	148.5
2005	151.4	152.1	153.6	154.4	154.3	154.2	155.5	156.3	158.9	160.9	158.3	158.7	155.7
2006	159.9	158.0	159.1	160.7	161.2	161.8	161.7	162.3	160.3	158.9	159.8	160.5	160.4
2007	160.1	161.8	164.1	165.9	167.5	167.2	168.5	166.1	167.4	168.6	171.4	170.4	166.6
2008	172.0	172.3	175.1	176.5	179.8	182.4	185.1	182.2	182.2	177.4	172.0	168.8	177.1
2009	170.4	169.9	169.1	170.3	171.1	174.3	172.4	174.2	173.2	173.8	175.7	176.0	172.5
2010	178.0	177.0	179.1	179.5	179.8	179.0	179.5	179.9	180.0	181.2	181.6	182.6	179.8
2011	184.4	186.6	189.1	191.4	192.5	191.4	192.2	191.7	192.6	191.9	192.0	191.3	190.6

<http://data.bls.gov/cgi-bin/surveymost?r6>

Indiana Utility Regulatory Commission	SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION
---------------------------------------	---

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)
1	Utility Plant		
2	In Service		
3	Plant in Service (Classified)	2,302,274,484	2,040,783,825
4	Property Under Capital Leases		
5	Plant Purchased or Sold		
6	Completed Construction not Classified	248,371,174	213,469,182
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	2,550,645,658	2,254,253,007
9	Leased to Others		
10	Held for Future Use	1,576,455	1,576,455
11	Construction Work in Progress	56,994,882	49,807,661
12	Acquisition Adjustments		
13	Total Utility Plant (8 thru 12)	2,609,216,995	2,305,637,123
14	Accum Prov for Depr, Amort, & Depl	1,089,701,165	967,124,742
15	Net Utility Plant (13 less 14)	1,519,515,830	1,338,512,381
16	Detail of Accum Prov for Depr, Amort & Depl		
17	In Service:		
18	Depreciation	1,089,701,165	967,124,742
19	Amort & Depl of Producing Nat Gas Land/Land Right		
20	Amort of Underground Storage Land/Land Rights		
21	Amort of Other Utility Plant		
22	Total In Service (18 thru 21)	1,089,701,165	967,124,742
23	Leased to Others		
24	Depreciation		
25	Amortization and Depletion		
26	Total Leased to Others (24 & 25)		
27	Held for Future Use		
28	Depreciation		
29	Amortization		
30	Total Held for Future Use (28 & 29)		
31	Abandonment of Leases (Natural Gas)		
32	Amort of Plant Acquisition Adj		
33	Total Accum Prov (equals 14) (22,26,30,31,32)	1,089,701,165	967,124,742

Name of Respondent Received On: April 9, 2012 IURC 30-DAY Filing No.: 2994		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2011		Year/Period of Report End of 2010/Q4	
Indiana Utility Regulatory Commission		TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)					

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).

6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.

7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.

9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
12,559		7,865,858			1,483,268	2
						3
45,419					1,022,836	4
3,558,148		6,455,186			237,022	5
						6
					11,297	7
9,657,940		8,690,735			1,022,968	8
						9
13,274,066		23,011,779			3,777,391	10
						11
						12
15		1,490				13
-11,123		14,000			-4,002	14
						15
-11,108		15,490			-4,002	16
						17
						18
795					2,161	19
	-35,942,644	-3,882,825			-2,375,725	20
		59,237			6,581	21
795	-35,942,644	-3,823,588			-2,366,983	22
						23
						24
						25
						26
						27
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						38
						39
						40
13,263,753	-35,942,644	19,203,681			1,406,406	41

Indiana Utility Regulatory Commission		ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)	
If the amount for previous year is not derived from previously reported figures, explain in footnote.			
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision		
168	(908) Customer Assistance Expenses	84,758	97,095
169	(909) Informational and Instructional Expenses	36,514	309,562
170	(910) Miscellaneous Customer Service and Informational Expenses	493,164	468,343
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	614,436	875,000
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision	17,958	20,333
175	(912) Demonstrating and Selling Expenses	2,259,722	1,337,654
176	(913) Advertising Expenses	212	
177	(916) Miscellaneous Sales Expenses	7,702	6,211
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	2,285,594	1,364,198
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	12,391,754	11,162,340
182	(921) Office Supplies and Expenses	6,051,270	5,580,146
183	(Less) (922) Administrative Expenses Transferred-Credit	1,725,360	1,716,670
184	(923) Outside Services Employed	15,250,202	15,760,907
185	(924) Property Insurance	1,171,950	1,097,217
186	(925) Injuries and Damages	2,019,751	1,713,588
187	(926) Employee Pensions and Benefits	113,199	1,059,284
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	845,970	1,012,145
190	(929) (Less) Duplicate Charges-Cr.		
191	(930.1) General Advertising Expenses		
192	(930.2) Miscellaneous General Expenses	2,141,164	2,068,734
193	(931) Rents	22,580	33,379
194	TOTAL Operation (Enter Total of lines 181 thru 193)	38,282,480	37,771,070
195	Maintenance		
196	(935) Maintenance of General Plant	422,788	462,266
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	38,705,268	38,233,336
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	374,793,153	329,683,590



Name of Respondent 20110512-8045-EEEC PDF (Unofficial) 04/18/2011 Received On: April 9, 2012 Southern Indiana Gas and Electric Company IURC 30-DAY Filing No.: 2994		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2011		Year/Period of Report End of 2010/Q4	
Indiana Utility Regulatory Commission		ELECTRIC ENERGY ACCOUNT					
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.							
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)		
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY			
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	5,616,867		
3	Steam	5,066,804	23	Requirements Sales for Resale (See instruction 4, page 311.)	59,399		
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	528,165		
5	Hydro-Conventional		25	Energy Furnished Without Charge			
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	13,805		
7	Other	69,194	27	Total Energy Losses	309,480		
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	6,527,716		
9	Net Generation (Enter Total of lines 3 through 8)	5,135,998					
10	Purchases	1,286,968					
11	Power Exchanges:						
12	Received	2,361,147					
13	Delivered	2,256,397					
14	Net Exchanges (Line 12 minus line 13)	104,750					
15	Transmission For Other (Wheeling)						
16	Received						
17	Delivered						
18	Net Transmission for Other (Line 16 minus line 17)						
19	Transmission By Others Losses						
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	6,527,716					



Vanderburgh County

**Affidavit**

**PROOF OF PUBLICATION OF LEGAL ADVERTISEMENT**

Account Number: EXV22 / 108836

**LEGAL NOTICE**

Notice is hereby given that on or about March 1, 2012, Southern Indiana Gas and Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc. will file a request with the Indiana Utility Regulatory Commission for approval to update its Rate CSP - Cogeneration and Small Power Production, to establish prices for the purchase of energy and capacity from owners of a qualifying facility, as defined by the Commission, as well as modify the applicability provisions of this Rate. The capacity component of Rate CSP will also impact the capacity charge for firm backup power under Rate BAMP (Backup, Auxiliary and Maintenance Power Services), as well as capacity credits to be paid to customers under Rider IC (Interruptible Contract Rider), Rider IO (Interruptible Option Rider), and Riders IP and IP-2 (Interruptible Power Service Riders), as applicable.

Vectren South anticipates approval of the filing by June 1, 2012, but no sooner than 30 days after receipt of the filing by the Commission. Objections to the filing should be made in writing addressed to:

Brenda A. Howe Secretary to the Commission Indiana Utility Regulatory Commission PNC Center 101 W. Washington Street, Suite 1500 East Indianapolis, Indiana 46204	A. David Stippler Indiana Utility Consumer Counselor Indiana Office of Utility Consumer Counselor PNC Center 115 W. Washington St., Suite 1500 South Indianapolis, Indiana 46204
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Jerrold L. Ulrey  
Vice President, Regulatory Affairs and Fuels  
VECTREN UTILITY HOLDINGS, INC.

**STATE OF INDIANA  
VANDERBURGH COUNTY**

I Melissa R. Miller who being sworn,  
is employee of the **Evansville Courier Company**, publisher of **The Evansville Courier** a daily newspaper published in the city of Evansville, in said county and state and that the legal advertisement, of which the attached is a true copy, was printed in its issues of:

Ad ID: 34409  
EC-Evansville Courier & Press 02/29/12 Wed

[Signature]  
Signed

3-1-12  
Date

Subscribed and sworn to before me this date:

Date 3-1-12

[Signature]

Notary Public

Notary is Resident of **Vanderburgh County**

My Commission expires:

October 18, 2017  
~~February 26, 2016~~ mmm

0 lines @ 1 time(s) = \$834.75