



May 11, 2018

Ms. Mary M. Becerra
Secretary to the Commission
Indiana Utility Regulatory Commission
PNC Center
101 W. Washington Street – Suite 1500 East
Indianapolis, IN 46204

RE: Thirty Day Filing for Vectren North Pursuant to Cause No. 45032 – REVISED 50170

Dear Ms. Becerra:

This revised filing is being made on behalf of Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc. (“Vectren North” or “the Company”) under the Commission’s Thirty-Day Administrative Filing Procedures and Guidelines (“Guidelines”), in accordance with the Indiana Utility Regulatory Commission’s (the “Commission”) February 16, 2018 Order in Cause No. 45032 (“Tax Reform Order”), to request approval of the following modifications to the Vectren North Tariff for Gas Service to adjust base rates for the reduction in the Federal Income Tax Rate:

1. Rate 210 – Residential Sales Service (Sheet No. 10, Page 1)
2. Rate 220 – General Sales Service (Sheet No. 12, Page 1)
3. Rate 225 – School/Government Transportation Service (Sheet No. 13, Page 1)
4. Rate 240 – Interruptible Sales Service (Sheet No. 15, Page 1)
5. Rate 245 – Large General Transportation Service (Sheet No. 16, Page 1)
6. Rate 260 – Large Volume Transportation Service (Sheet No. 17, Page 1)

Vectren North has summarized its proposal with the Attachment to this request. In addition, Vectren North has included support for its calculations as exhibits, summarized as follows:

- Attachment 1 – summary of Vectren’s proposal related to Vectren North and Southern Indiana Gas and Electric Company d/b/a Vectren Energy Delivery of Indiana (Vectren South-Electric and Vectren South-Gas).
- Exhibit A – proposed adjusted base rates and charges, reflecting the reduction in the federal income tax rate.
- Exhibit B – calculation of the required reduction to revenue as a result of the reduction in the federal income tax rate. Information per Cause No. 43298, Vectren North’s most recent gas base rate case.
- Exhibit C – calculation of the required rate reduction as a result of the change in the federal income tax rate. Information per Cause No. 43298.
- Exhibit D – Redline of current Vectren North Gas Tariff.
- Exhibit E – Clean version of proposed Vectren North Gas Tariff.

This filing is an allowable request under the Guidelines because it is a filing required to be submitted by the Commission in the Tax Reform Order. See 170 IAC 1-6-3(8).

Vectren North affirms that a notice regarding the filing in the form attached hereto was published on March 29, 2018 in the *Indianapolis Star*, a newspaper of general circulation in the Indianapolis metro area, where the largest number of Vectren North's customers is located. Vectren North also affirms that the notice has been posted on its website. Vectren North does not have a local customer service office in which to post the notice.

Any questions concerning this submission should be directed to J. Cas Swiz, whose contact information is as follows:

J. Cas Swiz
Director, Rates & Regulatory Analysis
One Vectren Square
Evansville, IN 47708
Tel: 812-491-4033
Email: jcs wiz@vectren.com

The proposed tariff sheets will reflect an effective date consistent with the Commission's approval thereof.

Upon approval of the enclosed tariff sheets, please return one (1) file marked and approved copy of the tariff sheets to me for our files.

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

Sincerely,



J. Cas Swiz

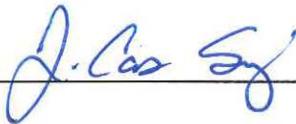
Enclosures

CC:

William Fine, Office of Utility Consumer Counselor
Todd Richardson, Lewis & Kappes, P.C.
Robert Heidorn
Jason Stephenson
Scott Albertson

VERIFICATION

I, J. Cas Swiz, Director, Rates & Regulatory Analysis for Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc. (Vectren North), affirm under penalties of perjury that, in addition to the attached schedules, the foregoing representations concerning the notice attached hereto are true and correct to the best of my knowledge, information, and belief. The attached notice was published in a newspaper of general circulation encompassing the highest number of the utility's customers affected by the enclosed filing. The attached notice was also published on the Vectren.com website.



J. Cas Swiz

Date: 5/11/18

Vectren Utilities' Thirty Day Filing To Reflect Rate Modifications Due To The Tax Act

Respondents Southern Indiana Gas and Electric, Inc. d/b/a Vectren Energy Delivery of Indiana ("Vectren South"), consisting of separate gas and electric utilities, and Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana ("Vectren North") (the three utilities together, the "Vectren Utilities"), in response to the February 16, 2018 order in Cause No. 45032 initiated by the Indiana Utility Regulatory Commission (the "Commission") to investigate the impacts on existing utility rates from the Tax Cuts and Jobs Act of 2017 (the "Tax Act"), hereby state as follows:

Introduction

The Commission has initiated this investigation for the purpose of determining customer rate impacts arising from the Tax Act and to establish an expedient process to reflect such impacts in customer rates. At the same time, the Commission has acknowledged the potential differences between specific utility rates and circumstances, as well as the presence of more complicated tax issues, some of which may require use of a subdocket proceeding with evidence, or use of a second phase proceeding to allow submission of evidence and additional time to fully consider such issues.

As a first step, the Commission has required all Respondents to file tariffs reflecting the impact of the Tax Act on base rates as a result of the reduction in the federal income tax rate from 35% to 21%. Such tariffs are to be presented, at least initially, in a Thirty-Day Administrative filing submitted on March 25 (or the next business day being the 26th).¹

The Vectren Utilities' Filing

The Vectren Utilities have reviewed the impacts of the Tax Act on both base rates and on excess accumulated deferred income taxes ("Excess Deferred Taxes") and are prepared to resolve all tax issues within these proceedings. The Vectren Utilities' Thirty Day filing, made separately for each individual utility, proposes rate changes to accomplish the flow back of tax benefits to customers in a reasonable manner that can commence in the near term. In addition, the Vectren Utilities propose a subdocket proceeding to establish a reasonable method for providing the benefits related to Excess Deferred Taxes over an appropriate period.

Beginning January 1, 2018, the Vectren Utilities have accrued the impact of the Tax Act on base rates. The flow back of this accrued amount will be addressed within the subdocket proceeding.

A. Base Rate Reduction.

The Vectren Utilities have followed the principle that all customers should benefit from the reduction of the federal tax rate as provided for in the Tax Act. Consistent with the Cost of Service study completed and approved for Vectren South-Electric within its last base rate case, the reduction in federal income tax expense has been allocated to each individual Rate Schedule using the percentage of taxable income within the Cost of Service Study. Schedules supporting this calculation are included within the thirty-day filing.

¹ Utility Rates are set based on evidence and after opportunity for a hearing. To assure due process, consistency and fairness, this ratemaking requirement should apply in all rate change contexts. However, in this limited circumstance given the universal tax decrease and shared interest in providing benefits to customers, the Vectren Utilities are amenable to proceeding using the expedited framework provided by the Commission, as further discussed herein.

In Vectren North's last base rate case proceeding, Cause No. 43298, a Stipulation and Settlement Agreement entered into by Vectren North and other intervening parties specifically required that the agreed upon increase in non-tracker revenue be allocated on an "across-the-board basis."² As such, Vectren North does not have an approved Cost of Service Study that can be used to determine the taxable income allocation. The schedules presented for Vectren North reflect an across-the-board allocation of the reduction in federal income tax expense, to be consistent with the Order in Cause No. 43298.

In Vectren South-Gas's last base rate case proceeding, Cause No. 43112, a Stipulation and Settlement Agreement entered into by Vectren South-Gas and other intervening parties specifically required that the agreed upon increase in non-tracker revenue be allocated on an "approximate across-the-board, gross margin basis."³ As such, Vectren South-Gas does not have an approved Cost of Service Study that can be used to determine the taxable income allocation. The schedules presented for Vectren South-Gas reflect an across-the-board allocation of the reduction in federal income tax expense, to be consistent with the Order in Cause No. 43112.

Each of the Vectren Utilities, at the time of the last base rate case, served one or more large customers per the terms of Commission approved special contracts. Within each respective Cost of Service Study, these customers were excluded from the allocation of costs, with the total special contract revenues credited against the overall cost of service-defined revenue requirement for each rate schedule. This treatment was also utilized in Vectren North and Vectren South-Gas's approved Stipulation and Settlement Agreement. As a result of the special contract arrangement and treatment within the Cost of Service Study, these customers would not receive a change in their respective contract rates; however, as part of the negotiated contract rate, it is understood that these customers paid a respective share of the Vectren Utilities' federal income tax expense.

The Vectren Utilities propose that the reductions in the rates and charges as a result of the Tax Act should also apply to these special contract customers. As such, the allocated reductions assigned to each Rate Schedule are offset by the amount of the Tax Act reductions attributed to the special contract customers, allocated based on the rate case margin (revenue less gas or fuel costs) from the last base rate case. The Vectren Utilities have calculated these special contract reductions by maintaining the currently approved contract discount off of the applicable tariff rate. In this manner all customers benefit from the Tax Act; absent such an equitable approach the contract customers would essentially lose some or all of the benefit of their negotiated rate reduction. There is no reasonable basis to exclude them from this refund.

Finally, each of the Vectren Utilities has rates and charges designed in various ways to recover the cost of service from each Rate Schedule. Income Taxes are not specifically identified as a component assigned to any particular charge. The Vectren Utilities have designed the reductions to the rates and charges as a result of the Tax Act to mirror how current base rates recover the revenue requirement. For example, a Rate Schedule that would have 25% of its revenue requirement recovered in an energy or throughput charge and 75% recovered in a demand charge would have its allocated share of the Tax Act reductions reflected in rates in this same 25% / 75% ratio.

² Order in Cause No. 43298 (February 13, 2008), page 9, Paragraph A.

³ Order in Cause No. 43112 (August 1, 2007), page 16, Paragraph A.

The Vectren Utilities note that these assumptions and impacts reflect changes to revenue requirements approved in each of the respective rate cases, some as far back as August 2007. Many factors have changed in the operation of the Vectren Utilities since these rates were approved. The approach utilized to reflect the reductions to currently approved rates is based upon the information in place at the time of the original Orders, and Vectren expects that adjustments to these assumptions will be necessary within each utility's next base rate case proceeding.

B. Other Non-Base Rate Mechanisms.

In addition to the base rates and charges, each of the Vectren Utilities has currently approved adjustment mechanisms which are also impacted by the Tax Act. As an example, for Vectren South-Gas and Vectren North, the currently approved Compliance and System Improvement Adjustment ("CSIA") includes a pre-tax rate of return which is based on a 35% federal income tax rate. The Vectren Utilities propose to address these changes in each individual mechanism filing, ensuring that any future projected recoverable costs impacted by the Tax Act are adjusted and any variances attributed to the Tax Act effective January 1, 2018 be included for reconciliation in each individual mechanism. For those that are not affected, the Vectren Utilities commit to state definitively in the next mechanism filing that it has evaluated the impacts of the Tax Act on the mechanism and determined that no adjustments are required.

Conclusion

The Vectren Utilities have proposed reasonable approaches to the flow through of Tax Act benefits to customers, using an expedited approach. The Vectren Utilities have worked with the various parties to address issues regarding the treatment of Excess Deferred Taxes and the accrued liability starting January 1, 2018, and will address this proposal as part of its subdocket proceeding.

LEGAL NOTICE

Notice is hereby given that on March 26, 2018, Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc. (“Vectren North”) will file, in accordance with the Indiana Utility Regulatory Commission’s (the “Commission”) February 16, 2018 Order in Cause No. 45032, a request for approval to modify Vectren North Tariff for Gas Service to (1) adjust base rates for the reduction in the Federal Income Tax Rate, and (2) include in applicable Adjustments Appendix L – Excess Deferred Tax Adjustment (“EDTA”). Customers served under the following Rate Schedules will be subject to adjustments to approved rates: Rate 210 – Residential Sales Service, Rate 220 – General Sales Service, Rate 225 – School/Government Transportation Service, Rate 240 – Interruptible Sales Service, Rate 245 – Large General Transportation Service, and Rate 260 – Large Volume Transportation Service.

Vectren North anticipates approval of the filing in May 2018, 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:

Mary M. Becerra
Secretary to the Commission
Indiana Utility Regulatory Commission
PNC Center
101 W. Washington Street, Suite 1500 East
Indianapolis, Indiana 46204

William Fine
Indiana Utility Consumer Counselor
Indiana Office of Utility Consumer Counselor
PNC Center
115 W. Washington St., Suite 1500 South
Indianapolis, Indiana 46204

Scott E. Albertson
Vice President, Regulatory Affairs and Gas Supply
VECTREN UTILITY HOLDINGS, INC.

PUBLISHER'S CLAIM + TEARSHEET + INVOICE

Newspaper: The Indianapolis Star
Address: 130 S. Meridian
City, State, ZIP: Indianapolis, IN 46225
County: Marion
Customer: Regulatory Affairs

Order/invoice number: Tax Act Changes Vectren North
Publication date(s): 3/29/2018
Total amount of claim: \$65.73
Admin Fee: \$6.58
Total Charge: \$72.31

PREPAID

LEGAL NOTICE
Notice is hereby given that on or about March 30, 2018 and pursuant to the Order issued by the Indiana Utility Regulatory Commission in Cause Nos. 42943 and 43046 dated December 1, 2006, Cause No. 44019 dated August 18, 2011 and Cause No. 44598 dated September 9, 2015, Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc. ("Vectren North") will file a request for approval of an update to its Energy Efficiency Rider, including the Energy Efficiency Funding Component and the Sales Reconciliation Component, in Appendix I of Vectren North's Tariff for Gas Service. The Energy Efficiency Rider is applicable to residential and commercial customers in Vectren North's service area receiving service under rate schedules 210, 220 and 225. Vectren North anticipates approval of the filing by May 2, 2018 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:

Many M. Becerra
Secretary to the Commission
Indiana Utility Regulatory Commission
PNC Center
101 W. Washington Street, Suite 1500 East
Indianapolis, Indiana 46204

William Fine
Indiana Utility Consumer Counselor
Indiana Office of Utility Consumer Counselor
PNC Center
115 W. Washington St., Suite 1500 South
Indianapolis, Indiana 46204

Scott E. Albertson
Vice President, Regulatory Affairs and Gas Supply
VECTREN UTILITY HOLDINGS, INC.

(S - 3/29/18 - 0002824153) hspaxlp

I hereby certify publication of this notice on the above date(s)

Stephen A. Key
Signature

Executive director and general counsel,
Hoosier State Press Association
Title

3/29/2018
Date

**Vectren North
Federal Tax Reform Adjustments
Cause No. 45032**

Exhibit A – Vectren North Base Rate Changes (2 pages)

Exhibit B – Vectren North Revenue Requirement from Cause No. 43298 (2 pages)

Exhibit C – Vectren North Base Rate Cost Allocations from Cause No. 43298 (2 pages)

Exhibit D – Vectren North Tariff – Redline (6 pages)

Exhibit E – Vectren North Tariff – Clean (6 pages)

**Vectren North
Federal Tax Reform Rate Adjustments
Base Rates**

**Total Revenue Reduction
Base Rates**

\$ (11,969,652) Exhibit B, Line 1

Line No.	Rate Schedule	Current Base Rates	Adjustment	Proposed Base Rates	Proof	
					Rate Case Billing Determinants	Impact of Credit
1	Residential Sales Service - Rate 210					
2	Customer Facilities Charge	\$ 11.25	\$ -	\$ 11.25		
3	Distribution Charge - First 45 Therms	Note 1 \$ 0.2644	\$ (0.0224)	\$ 0.2420	199,874,621	\$ (4,479,476)
4	Distribution Charge - Over 45 Therms	Note 1 \$ 0.1853	\$ (0.0157)	\$ 0.1696	240,544,415	\$ (3,778,147)
						\$ (8,257,623)
5	General Sales Service - Rate 220					
6	Customer Facilities Charge - Group 1	\$ 17.00	\$ -	\$ 17.00		
7	Customer Facilities Charge - Group 2	\$ 46.00	\$ -	\$ 46.00		
8	Customer Facilities Charge - Group 3	\$ 93.00	\$ -	\$ 93.00		
9	Distribution Charge - First 500 Therms	Note 1 \$ 0.1740	\$ (0.0131)	\$ 0.1609	88,550,942	\$ (1,156,418)
10	Distribution Charge - Over 500 Therms	Note 1 \$ 0.1538	\$ (0.0115)	\$ 0.1423	99,741,747	\$ (1,151,346)
						\$ (2,307,763)
11	School/Government Transportation Service - Rate 225					
12	Customer Facilities Charge - Group 1	\$ 17.00	\$ -	\$ 17.00		
13	Customer Facilities Charge - Group 2	\$ 46.00	\$ -	\$ 46.00		
14	Customer Facilities Charge - Group 3	\$ 93.00	\$ -	\$ 93.00		
15	Distribution Charge - First 500 Therms	Note 1 \$ 0.1740	\$ (0.0131)	\$ 0.1609	1,684,880	\$ (22,003)
16	Distribution Charge - Over 500 Therms	Note 1 \$ 0.1538	\$ (0.0115)	\$ 0.1423	5,037,167	\$ (58,145)
						\$ (80,149)
17	Interruptible Sales Service - Rate 240					
18	Customer Facilities Charge	\$ 175.00	\$ -	\$ 175.00		
19	Distribution Charge - First 2,500 Therms	Note 1 \$ 0.1499	\$ (0.0097)	\$ 0.1402	1,534,463	\$ (14,877)
20	Distribution Charge - Over 2,500 Therms	Note 1 \$ 0.0617	\$ (0.0040)	\$ 0.0577	7,565,438	\$ (30,191)
						\$ (45,068)
21	General Transportation Service - Rate 245					
22	Customer Facilities Charge	\$ 200.00	\$ -	\$ 200.00		
23	Distribution Charge - First 2,500 Therms	Note 1 \$ 0.1710	\$ (0.0101)	\$ 0.1609	14,461,065	\$ (146,346)
24	Distribution Charge - Over 2,500 Therms	Note 1 \$ 0.0775	\$ (0.0046)	\$ 0.0729	58,553,030	\$ (268,556)
						\$ (414,902)
25	Large Volume Transportation Service - Rate 260					
26	Customer Facilities Charge	\$ 1,100.00	\$ -	\$ 1,100.00		
27	Distribution Charge - First 50,000 therms	Note 1 \$ 0.0560	\$ (0.0034)	\$ 0.0526	87,343,444	\$ (298,146)
28	Distribution Charge - Next 200,000 therms	Note 1 \$ 0.0440	\$ (0.0027)	\$ 0.0413	108,122,502	\$ (289,988)
29	Distribution Charge - Over 250,000 therms	Note 1 \$ 0.0293	\$ (0.0018)	\$ 0.0275	13,206,770	\$ (23,587)
						\$ (611,721)

Note 1: See Page 2 for details of individual rate reduction calculations

**Vectren North
Federal Tax Reform Rate Adjustments
Base Rates**

	Throughput (Therms)	Existing Rates	Amounts	Percents	Reduction	Rate Reduction
30 Residential Sales Service - Rate 210						
31 Distribution Charge - First 45 Therms	199,874,621	\$ 0.2644	\$ 52,846,850	54%	\$ (4,479,476)	\$ (0.0224)
32 Distribution Charge - Over 45 Therms	240,544,415	\$ 0.1853	\$ 44,572,880	46%	\$ (3,778,147)	\$ (0.0157)
33					\$ (8,257,623)	
34 General Service - Rate 220/225						
35 Distribution Charge - First 500 Therms	90,235,822	\$ 0.1740	\$ 15,701,033	49%	\$ (1,178,421)	\$ (0.0131)
36 Distribution Charge - Over 500 Therms	104,778,914	\$ 0.1538	\$ 16,114,997	51%	\$ (1,209,491)	\$ (0.0115)
37					\$ (2,387,912)	
38 Interruptible Sales Service - Rate 240						
39 Distribution Charge - First 2,500 Therms	1,534,463	\$ 0.1499	\$ 230,016	33%	\$ (14,877)	\$ (0.0097)
40 Distribution Charge - Over 2,500 Therms	7,565,438	\$ 0.0617	\$ 466,788	67%	\$ (30,191)	\$ (0.0040)
41					\$ (45,068)	
42 General Transportation Service - Rate 245						
43 Distribution Charge - First 2,500 Therms	14,461,065	\$ 0.1710	\$ 2,472,842	35%	\$ (146,346)	\$ (0.0101)
44 Distribution Charge - Over 2,500 Therms	58,553,030	\$ 0.0775	\$ 4,537,860	65%	\$ (268,556)	\$ (0.0046)
45					\$ (414,902)	
46 Large Volume Transportation Service - Rate 260						
47 Distribution Charge - First 50,000 therms	87,343,444	\$ 0.0560	\$ 4,891,233	49%	\$ (298,146)	\$ (0.0034)
48 Distribution Charge - Next 200,000 therms	108,122,502	\$ 0.0440	\$ 4,757,390	47%	\$ (289,988)	\$ (0.0027)
49 Distribution Charge - Over 250,000 therms	13,206,770	\$ 0.0293	\$ 386,958	4%	\$ (23,587)	\$ (0.0018)
50					\$ (611,721)	

**Vectren North
Cause No. 43298
Federal Tax Reform - Base Rate Adjustment**

	Cause No. 43298 Rate Case Original	Adjusted Rate Case Proposed Rates	Tax Rate Adjustments	Rate Case Revised		
1	Revenue	\$ 841,416,888	\$ 841,416,888	\$ (11,969,652)	\$ 829,447,236	1
2	Cost of Sales	\$ 578,652,382	\$ 578,652,382		\$ 578,652,382	2
3	Total O&M Expense	\$ 101,765,753	\$ 101,765,753	\$ (120,893)	\$ 101,644,860	3
4	Depreciation and Amortization	\$ 50,496,658	\$ 50,496,658		\$ 50,496,658	4
5	Revenue Taxes	\$ 11,673,804	\$ 11,673,804	\$ (166,067)	\$ 11,507,737	5
6	Property Taxes	\$ 10,117,719	\$ 10,117,719		\$ 10,117,719	6
7	Interest Expense	\$ 22,036,124	\$ 22,036,124		\$ 22,036,124	7
8	Total Income Taxes	\$ 26,882,598	\$ 18,448,916	\$ (3,249,009)	\$ 15,199,907	8
9	Net Income - Booked	\$ 39,791,850	\$ 48,225,532	\$ (8,433,682)	\$ 39,791,850	9
10	Net Operating Income	\$ 61,827,974	\$ 70,261,656	\$ (8,433,682)	\$ 61,827,974	10
11	NOI Excess above Authorized		\$ (8,433,682)			11
12	Revenue Conversion Factor	57.97%	70.46%			12
13	Required Reduction to Revenue		\$ (11,969,652)			13
14	State Tax Calculation:					14
15	Revenue	\$ 841,416,888	\$ 841,416,888		\$ 829,447,236	15
16	Cost of Sales	\$ 578,652,382	\$ 578,652,382		\$ 578,652,382	16
17	Total O&M Expense	\$ 101,765,753	\$ 101,765,753		\$ 101,644,860	17
18	Depreciation and Amortization	\$ 50,496,658	\$ 50,496,658		\$ 50,496,658	18
19	Property Taxes	\$ 10,117,719	\$ 10,117,719		\$ 10,117,719	19
20	Interest Expense	\$ 22,036,124	\$ 22,036,124		\$ 22,036,124	20
21	Pre-Deductions	\$ 78,348,252	\$ 78,348,252		\$ 66,499,494	21
22	Permanent Differences	\$ 571,846	\$ 571,846		\$ 571,846	22
23	State Taxable Income	\$ 78,920,098	\$ 78,920,098		\$ 67,071,340	23
24	State Tax Rate	8.50%	8.50%		8.50%	24
25	Calculated State Taxes	\$ 6,708,208	\$ 6,708,208		\$ 5,701,064	25
26	Permanent Credit	\$ 223,630	\$ 223,630		\$ 223,630	26
27	State Taxes in Base Rates	\$ 6,931,838	\$ 6,931,838		\$ 5,924,694	27
28	State Taxable Income	\$ 78,920,098	\$ 78,920,098		\$ 67,071,340	28
29	Calculation Exclusion	\$ -	\$ -		\$ -	29
30	Kentucky Taxable Income	\$ 78,920,098	\$ 78,920,098		\$ 67,071,340	30
31	Kentucky State Tax Rate	0.000000%	0.000000%		0.000000%	31
32	Kentucky State Tax	\$ -	\$ -		\$ -	32
33	Federal Income Tax Calculation:					33
34	Revenue	\$ 841,416,888	\$ 841,416,888		\$ 829,447,236	34
35	Cost of Sales	\$ 578,652,382	\$ 578,652,382		\$ 578,652,382	35
36	Total O&M Expense	\$ 101,765,753	\$ 101,765,753		\$ 101,644,860	36
37	Depreciation and Amortization	\$ 50,496,658	\$ 50,496,658		\$ 50,496,658	37
38	Property Taxes	\$ 10,117,719	\$ 10,117,719		\$ 10,117,719	38
39	Interest Expense	\$ 22,036,124	\$ 22,036,124		\$ 22,036,124	39
40	Revenue Taxes	\$ 11,673,804	\$ 11,673,804		\$ 11,507,737	40
41	State Income Taxes	\$ 6,708,208	\$ 6,708,208		\$ 5,701,064	41
42	Pre-Deductions	\$ 59,966,240	\$ 59,966,240		\$ 49,290,693	42
43	Permanent Differences	\$ 274,346	\$ 274,346		\$ 274,346	43
44	Federal Taxable Income	\$ 60,240,586	\$ 60,240,586		\$ 49,565,039	44
45	Federal Tax Rate	35.00%	21.00%		21.00%	45
46	Calculated Federal Taxes	\$ 21,084,205	\$ 12,650,523		\$ 10,408,658	46
47	Permanent Credit	\$ (1,133,445)	\$ (1,133,445)		\$ (1,133,445)	47
48	Federal Taxes in Base Rates	\$ 19,950,760	\$ 11,517,078		\$ 9,275,213	48
49	Total Income Taxes	\$ 26,882,598	\$ 18,448,916		\$ 15,199,907	49
50	Per Rate Case	\$ 26,882,598				50
51	Difference	\$ 0				51

**Vectren North
Cause No. 43298
Federal Tax Reform - Base Rate Adjustment**

1	Revenue Conversion Factor:				52
2	One	1.000000	1.000000	1.000000	53
3	Less: IURC Fee	0.001100	0.001100	0.001100	54
4	Less: Bad Debt	0.009000	0.009000	0.009000	55
5	One Less IURC Fee and IURT	<u>0.989900</u>	<u>0.989900</u>	<u>0.989900</u>	56
6	One	1.000000	1.000000	1.000000	57
7	Less: Bad Debt	0.009000	0.009000	0.009000	58
8	Taxable Adjusted IURT	<u>0.991000</u>	<u>0.991000</u>	<u>0.991000</u>	59
9	IURT Rate	0.014000	0.014000	0.014000	60
10	Adjusted IURT	<u>0.013874</u>	<u>0.013874</u>	<u>0.013874</u>	61
11	One	1.000000	1.000000	1.000000	62
12	Less: Bad Debt	0.009000	0.009000	0.009000	63
13	Less: IURC Fee	0.001100	0.001100	0.001100	64
14	Taxable Adjusted Gross Income Tax	<u>0.989900</u>	<u>0.989900</u>	<u>0.989900</u>	65
15	Adjusted Gross Income Tax Rate	0.085000	0.085000	0.085000	66
16	Adjusted Gross Income Tax	<u>0.084142</u>	<u>0.084142</u>	<u>0.084142</u>	67
17	One	1.000000	1.000000	1.000000	68
18	Less: Federal Income Tax Rate	0.350000	0.210000	0.210000	69
19	One Less Federal Income Tax Rate	<u>0.650000</u>	<u>0.790000</u>	<u>0.790000</u>	70
20	Effective Incremental Revenue/NOI Conversion Factor	<u>57.97%</u>	<u>70.46%</u>	<u>70.46%</u>	71

Vectren North
Cause No. 43298
Federal Tax Reform - Base Rate Adjustment

Revenue Reduction - Tax Reform	\$	(11,969,652) [A]	Total	Residential Rate 210	General Service Rate 220/225	Interruptible Sales Service Rate 240	Large General Transportation Service Rate 245	Large Volume Transportation Service Rate 260	
1 Total Margin			\$ 235,234,235	\$ 165,779,468	\$ 47,939,561	\$ 904,785	\$ 8,329,554	\$ 12,280,867	1
2			100.0000%	70.4742%	20.3795%	0.3846%	3.5410%	5.2207%	2
3 Fixed Cost Recovery - Throughput			100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	3
4 Total Throughput (Therms)			926,220,383	440,419,036	195,014,736	9,099,901	73,014,095	208,672,615	4
5 **Allocate Tax Reform Credit**									5
6 Total Margin			\$ 235,234,235						6
7 Tax Reform Credit			\$ (11,969,652)						7
8 Tax Reduction Percentage			-5.09%						8
9 Tax Reform Credit Allocation			\$ (11,969,652)	\$ (8,435,517)	\$ (2,439,355)	\$ (46,039)	\$ (423,841)	\$ (624,899)	9
10 Tax Reform Credit - Throughput			\$ (11,969,652)	\$ (8,435,517)	\$ (2,439,355)	\$ (46,039)	\$ (423,841)	\$ (624,899)	10
11 Tax Reform Credit - Throughput			\$	\$ (0.01915)	\$ (0.01251)	\$ (0.00506)	\$ (0.00580)	\$ (0.00299)	11
12 **Allocate Special Contract Impact**									12
13 Special Contract Change			Total Tax Reform - Special Contract	\$ 252,425					13
14 Special Contract Change			\$	70.4742%	20.3795%	0.3846%	3.5410%	5.2207%	14
15 Total Margin Allocation			\$ 252,425	\$ 177,894	\$ 51,443	\$ 971	\$ 8,938	\$ 13,178	15
16 Special Contract Change			\$	\$ 177,894	\$ 51,443	\$ 971	\$ 8,938	\$ 13,178	16
17 Special Contract Change - Throughput			\$	\$ 0.00040	\$ 0.00026	\$ 0.00011	\$ 0.00012	\$ 0.00006	17
18 Special Contract Change - Throughput			\$	\$	\$	\$	\$	\$	18
19 Net Rate Charge - Energy Charge			[Note 1]	\$ (0.01875)	\$ (0.01224)	\$ (0.00495)	\$ (0.00568)	\$ (0.00293)	19
20 Proof			Throughput Charge	\$ (11,717,227)	\$ (2,387,912)	\$ (45,068)	\$ (414,902)	\$ (611,721)	20
21			Special Contract	\$ (252,425)					21
22			Total	\$ (11,969,652)					22
23			Variance	\$ -					23

Note 1 - Rates calculated represent the average rate for each rate schedule. For those that have multiple step rates, specific credits are determined by rate schedule in Exhibit A.

Vectren North
 Cost of Service Study Workpapers
 Cause No. 43298

Workpapers to Exhibit C

	Residential Sales (Rate 210)	General Sales (Rate 220)	School Transportation (Rate 225)	Interruptible Sales (Rate 240)	Large General Transportation (Rate 245)	Large Volume Transportation (Rate 260)
[1] Total Throughput (Therms)	440,419,036	188,292,689	6,722,047	9,099,901	73,014,095	208,672,615
	926,220,383					
[2] Margin without Gas Costs	\$ 235,234,235	\$ 46,498,094	\$ 1,441,467	\$ 904,785	\$ 8,329,554	\$ 12,280,867
[3] Miscellaneous Revenues	\$ 14,050,390					
[4] Gas Cost Related IURT	\$ 8,934,985					
[5] PSA Revenues	\$ 896,964					
[6] EEFC Revenues	\$ 3,647,933					
[7] Total Margin without Gas Costs	\$ 262,764,507					

Source: IURC Cause No. 43298 - Tariff Sheet Compliance Filing - 2/2/2011.

Indiana Gas Company, Inc. D/B/A _____ Sheet No. 10
Vectren Energy Delivery of Indiana, Inc. (Vectren North) _____ ~~Third~~ Revised Page 1 of 1
Tariff for Gas Service _____ Cancels ~~Second~~ Revised Page 1 of 1
I.U.R.C. No. G-19

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RATE 210 **RESIDENTIAL SALES SERVICE**

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities and gas supplies, which determinations shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable only to Residential Customers.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Sales Service. Transportation Service is not provided under this Rate Schedule. Gas Service provided hereunder shall be metered and billed separately from Gas Service provided under any other Rate Schedule.

RATES AND CHARGES

The monthly Rates and Charges for Sales Service hereunder shall be:

Customer Facilities Charge -
\$11.25 per meter

Distribution Charge -
First 45 therms @ \$0.2~~420~~ per therm
Over 45 therms @ \$0.1~~696~~ per therm

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Appendices:

The following Appendices shall be applied monthly, if applicable:

- Appendix A – Gas Cost Adjustment
- Appendix B – Normal Temperature Adjustment
- Appendix G – Universal Service Fund Rider
- Appendix H – Pipeline Safety Adjustment
- Appendix I – Energy Efficiency Rider
- Appendix K – Compliance and System Improvement Adjustment

Minimum Monthly Charge -

The Minimum Monthly Charge shall be the Customer Facilities Charge.

Other Charges -

The Other Charges set forth in Appendix C shall be charged to Customer, if applicable.

TERMS AND CONDITIONS

Gas Service under this Rate Schedule shall be subject to Company's General Terms and Conditions and the Commission's Regulations.

Effective: ▼

Deleted: September 9, 2014

Indiana Gas Company, Inc. D/B/A _____ Sheet No. 12
Vectren Energy Delivery of Indiana, Inc. (Vectren North) _____ ~~Third~~ Revised Page 1 of 2
Tariff for Gas Service _____ Cancels ~~Second~~ Revised Page 1 of 2
I.U.R.C. No. G-19

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RATE 220 **GENERAL SALES SERVICE**

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities and gas supplies, which determinations shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Non-Residential Customer, electing service hereunder, whose Annual Usage is less than 500,000 therms and whose Maximum Daily Usage is less than 15,000 therms.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Sales Service. Transportation Service is not provided under this Rate Schedule. Gas Service provided hereunder shall be metered and billed separately from Gas Service provided under any other Rate Schedule.

RATES AND CHARGES

The monthly Rates and Charges for Sales Service hereunder shall be:

Customer Facilities Charge -

Group 1: \$17.00
Group 2: \$46.00
Group 3: \$93.00

Distribution Charge -

First 500 therms @ \$0.1609 per therm
Over 500 therms @ \$0.1423 per therm

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Appendices:

The following Appendices shall be applied monthly, if applicable:

- Appendix A – Gas Cost Adjustment
- Appendix B – Normal Temperature Adjustment
- Appendix G – Universal Service Fund Rider
- Appendix H – Pipeline Safety Adjustment
- Appendix I – Energy Efficiency Rider
- Appendix K – Compliance and System Improvement Adjustment

Minimum Monthly Charge –

The Minimum Monthly Charge shall be the Customer Facilities Charge.

Other Charges –

The Other Charges set forth in Appendix C shall be charged to Customer, if applicable.

CONTRACT

For Customers with Annual Usage greater than 250,000 therms, Customer shall enter into a written contract which specifies the hourly and daily maximum gas requirements of Customer and any other terms reasonably required by Company. The contract shall have an initial term of not less than one year and shall automatically extend for succeeding annual terms thereafter, subject to cancellation

Effective: _____

Deleted: September 9, 2014

Indiana Gas Company, Inc. D/B/A
Vectren Energy Delivery of Indiana, Inc. (Vectren North)
Tariff for Gas Service
I.U.R.C. No. G-19

Sheet No. 13
~~Fourth~~, Revised Page 1 of 3
Cancels ~~Third~~, Revised Page 1 of 3

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RATE 225 **SCHOOL/GOVERNMENT TRANSPORTATION SERVICE**

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities, which determination shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Non-Residential Customer

- 1) whose Annual Usage is less than 50,000 therms and
- 2) for which payment of rates and charges to Company is the responsibility of an Educational Institution or Government Entity, which elects service hereunder.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Transportation Service. Gas Service provided hereunder shall be metered and billed separately from Gas Service provided under any other Rate Schedule.

RATES AND CHARGES

The monthly Rates and Charges for Gas Service hereunder shall be:

Customer Facilities Charge –

- Group 1: \$17.00
- Group 2: \$46.00
- Group 3: \$93.00

Distribution Charge -

- First 500 therms @ \$0.1609 per therm
- Over 500 therms @ \$0.1423 per therm

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Appendices:

The following Appendices shall be applied monthly, if applicable:

- Appendix A – Gas Cost Adjustment
- Appendix B – Normal Temperature Adjustment
- Appendix G – Universal Service Fund Rider
- Appendix H – Pipeline Safety Adjustment
- Appendix I – Energy Efficiency Rider
- Appendix K – Compliance and System Improvement Adjustment

Related Charges –

Customer shall reimburse Company for all charges incurred on Customer's behalf in connection with transportation of gas for Customer's account, including any pipeline penalty charges or cashout provisions assessed to Company.

Effective: ▼

Deleted: September 9, 2014

Indiana Gas Company, Inc. D/B/A _____ Sheet No. 15
Vectren Energy Delivery of Indiana, Inc. (Vectren North) _____ ~~Third~~ Revised Page 1 of 2
Tariff for Gas Service _____ Cancels ~~Second~~ Revised Page 1 of 2
I.U.R.C. No. G-19

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RATE 240 **INTERRUPTIBLE SALES SERVICE**

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities and gas supplies, which determinations shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Non-Residential Customer that:

1. has an Annual Usage of less than 500,000 therms, and
2. has a Maximum Daily Usage of less than 15,000 therms, and
3. complies with the Alternate Fuel Capability Requirement of this Rate Schedule, and
4. enters into a written contract with Company to receive Gas Service under this Rate Schedule.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Interruptible Sales Service. Transportation Service is not provided under this Rate Schedule. Gas Service provided hereunder shall be metered and billed separately from Gas Service provided under any other Rate Schedule.

RATES AND CHARGES

The monthly Rates and Charges for Sales Service hereunder shall be:

Customer Facilities Charge -

\$175.00 per customer

Distribution Charge -

First 2500 therms @ \$0.14~~02~~, per therm
Over 2500 therms @ \$0.0~~577~~, per therm

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Appendices:

The following Appendices shall be applied monthly:

- Appendix A – Gas Cost Adjustment
- Appendix G – Universal Service Fund Rider
- Appendix H – Pipeline Safety Adjustment
- Appendix K – Compliance and System Improvement Adjustment

Minimum Monthly Charge -

The Minimum Monthly Charge shall be Customer Facilities Charge.

Other Charges -

The Other Charges set forth in Appendix C shall be charged to Customer, if applicable.

CONTRACT

Customer shall enter into a written contract which specifies the hourly and daily maximum gas requirements of Customer and any other terms reasonably required by Company. The contract shall have an initial term of not less than one year and shall automatically extend for succeeding annual terms thereafter, subject to cancellation by either party after written notice submitted not less than ninety days prior to the end of the initial term or any succeeding annual term. However, in no event shall the contract expire during the Winter Season, unless such mid-winter termination date is mutually agreed upon. The contract shall specify the Alternate Fuel to be used by Customer during Curtailment periods.

Deleted: : September 9, 2014

Effective: _____

Indiana Gas Company, Inc. D/B/A _____ Sheet No. 16
Vectren Energy Delivery of Indiana, Inc. (Vectren North) Third Revised Page 1 of 2
Tariff for Gas Service _____ Cancels Second Revised Page 1 of 2
I.U.R.C. No. G-19

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RATE 245

LARGE GENERAL TRANSPORTATION SERVICE

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities, which determination shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Non-Residential Customer that:

1. has an Annual Usage of greater than or equal to 50,000 therms and less than 500,000 therms,
2. has a Maximum Daily Usage of less than 15,000 therms,
3. complies with the Measurement Requirement section of this Rate Schedule, and
4. enters into a written contract with Company to receive Gas Service under this Rate Schedule.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Transportation Service. Interim Supply Service as described below may also be provided under this Rate Schedule, at Company's sole discretion. Gas Service provided hereunder shall be metered and billed separately from Gas Service provided under any other Rate Schedule.

RATES AND CHARGES

The monthly Rates and Charges for Gas Service hereunder shall be:

Customer Facilities Charge –
\$200.00 per customer

Distribution Charge –
Applicable to all therms delivered to Customer during the billing month.
First 2500 therms @ \$0.1~~609~~ per therm
Over 2500 therms @ \$0.07~~29~~ per therm

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Appendices:

The following Appendices shall be applied monthly:

- Appendix A – Gas Cost Adjustment
- Appendix G – Universal Service Fund Rider
- Appendix H – Pipeline Safety Adjustment
- Appendix K – Compliance and System Improvement Adjustment

Related Charges –

Customer shall reimburse Company for all charges incurred on Customer's behalf in connection with transportation of gas for Customer's account, including any pipeline penalty charges or cashout provisions assessed to Company.

Nomination and Balancing Provisions Charges –

The various Charges and Cashouts set forth in Appendix E shall be charged to Customer, if applicable.

Minimum Monthly Charge –

The Minimum Monthly Charge shall be the Customer Facilities Charge.

Other Charges –

The Other Charges set forth in Appendix C shall be charged to Customer, if applicable.

Effective: ▼

Deleted: September 9, 2014

Indiana Gas Company, Inc. D/B/A _____ Sheet No. 17
Vectren Energy Delivery of Indiana, Inc. (Vectren North) _____ ~~Third~~, Revised Page 1 of 2
Tariff for Gas Service _____ Cancels ~~Second~~, Revised Page 1 of 2
I.U.R.C. No. G-19

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RATE 260 **LARGE VOLUME TRANSPORTATION SERVICE**

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities, which determinations shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Non-Residential Customer that:

1. has an Annual Usage of 500,000 therms or greater, or has a Maximum Daily Usage of 15,000 therms or greater, or uses No. 6 fuel oil as an Alternate Fuel, and
2. complies with the Measurement Requirement section of this Rate Schedule, and
3. has entered into a written contract with Company to receive Gas Service under this Rate Schedule.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Transportation Service. Interim Supply Service as described below may also be provided under this Rate Schedule, at Company's sole discretion. Gas Service provided hereunder shall be metered and billed separately from Gas Service provided under any other Rate Schedule.

RATES AND CHARGES

The monthly Rates and Charges for Gas Service hereunder shall be:

Customer Facilities Charge -

\$1,100.00 per customer

Distribution Charge -

Applicable to all therms delivered to Customer during the Billing Month.

First 50,000 therms @ \$0.05~~26~~ per therm

Next 250,000 therms @ \$0.04~~13~~ per therm

Over 300,000 therms @ \$0.02~~75~~ per therm

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Appendices:

The following Appendices shall be applied monthly:

- Appendix A – Gas Cost Adjustment
- Appendix G – Universal Service Fund Rider
- Appendix H – Pipeline Safety Adjustment
- Appendix K – Compliance and System Improvement Adjustment

Related Charges –

Customer shall reimburse Company for all charges incurred on Customer's behalf in connection with transportation of gas for Customer's account, including any gas costs, pipeline penalty charges or Cashout provisions assessed to Company.

Nomination and Balancing Provisions Charges –

The various Charges and Cashouts set forth in Appendix E shall be charged to Customer, if applicable.

Minimum Monthly Charge –

The Minimum Monthly Charge shall be the Customer Facilities Charge.

Other Charges –

The Other Charges set forth in Appendix C shall be charged to Customer, if applicable.

Effective: ▼

Deleted: September 9,
2014

Indiana Gas Company, Inc. D/B/A
Vectren Energy Delivery of Indiana, Inc. (Vectren North)
Tariff for Gas Service
I.U.R.C. No. G-19

Sheet No. 10
Third Revised Page 1 of 1
Cancels Second Revised Page 1 of 1

RATE 210 **RESIDENTIAL SALES SERVICE**

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities and gas supplies, which determinations shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable only to Residential Customers.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Sales Service. Transportation Service is not provided under this Rate Schedule. Gas Service provided hereunder shall be metered and billed separately from Gas Service provided under any other Rate Schedule.

RATES AND CHARGES

The monthly Rates and Charges for Sales Service hereunder shall be:

Customer Facilities Charge -

\$11.25 per meter

Distribution Charge -

First 45 therms @ \$0.2420 per therm

Over 45 therms @ \$0.1696 per therm

Appendices:

The following Appendices shall be applied monthly, if applicable:

- Appendix A – Gas Cost Adjustment
- Appendix B – Normal Temperature Adjustment
- Appendix G – Universal Service Fund Rider
- Appendix H – Pipeline Safety Adjustment
- Appendix I – Energy Efficiency Rider
- Appendix K – Compliance and System Improvement Adjustment

Minimum Monthly Charge -

The Minimum Monthly Charge shall be the Customer Facilities Charge.

Other Charges -

The Other Charges set forth in Appendix C shall be charged to Customer, if applicable.

TERMS AND CONDITIONS

Gas Service under this Rate Schedule shall be subject to Company's General Terms and Conditions and the Commission's Regulations.

Effective:

Indiana Gas Company, Inc. D/B/A
Vectren Energy Delivery of Indiana, Inc. (Vectren North)
Tariff for Gas Service
I.U.R.C. No. G-19

Sheet No. 12
Third Revised Page 1 of 2
Cancels Second Revised Page 1 of 2

RATE 220 **GENERAL SALES SERVICE**

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities and gas supplies, which determinations shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Non-Residential Customer, electing service hereunder, whose Annual Usage is less than 500,000 therms and whose Maximum Daily Usage is less than 15,000 therms.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Sales Service. Transportation Service is not provided under this Rate Schedule. Gas Service provided hereunder shall be metered and billed separately from Gas Service provided under any other Rate Schedule.

RATES AND CHARGES

The monthly Rates and Charges for Sales Service hereunder shall be:

Customer Facilities Charge -

Group 1: \$17.00
Group 2: \$46.00
Group 3: \$93.00

Distribution Charge -

First 500 therms @ \$0.1609 per therm
Over 500 therms @ \$0.1423 per therm

Appendices:

The following Appendices shall be applied monthly, if applicable:

- Appendix A – Gas Cost Adjustment
- Appendix B – Normal Temperature Adjustment
- Appendix G – Universal Service Fund Rider
- Appendix H – Pipeline Safety Adjustment
- Appendix I – Energy Efficiency Rider
- Appendix K – Compliance and System Improvement Adjustment

Minimum Monthly Charge –

The Minimum Monthly Charge shall be the Customer Facilities Charge.

Other Charges –

The Other Charges set forth in Appendix C shall be charged to Customer, if applicable.

CONTRACT

For Customers with Annual Usage greater than 250,000 therms, Customer shall enter into a written contract which specifies the hourly and daily maximum gas requirements of Customer and any other terms reasonably required by Company. The contract shall have an initial term of not less than one year and shall automatically extend for succeeding annual terms thereafter, subject to cancellation

Effective:

RATE 225

SCHOOL/GOVERNMENT TRANSPORTATION SERVICE

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities, which determination shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Non-Residential Customer

- 1) whose Annual Usage is less than 50,000 therms and
- 2) for which payment of rates and charges to Company is the responsibility of an Educational Institution or Government Entity, which elects service hereunder.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Transportation Service. Gas Service provided hereunder shall be metered and billed separately from Gas Service provided under any other Rate Schedule.

RATES AND CHARGES

The monthly Rates and Charges for Gas Service hereunder shall be:

Customer Facilities Charge –

- Group 1: \$17.00
- Group 2: \$46.00
- Group 3: \$93.00

Distribution Charge -

- First 500 therms @ \$0.1609 per therm
- Over 500 therms @ \$0.1423 per therm

Appendices:

The following Appendices shall be applied monthly, if applicable:

- Appendix A – Gas Cost Adjustment
- Appendix B – Normal Temperature Adjustment
- Appendix G – Universal Service Fund Rider
- Appendix H – Pipeline Safety Adjustment
- Appendix I – Energy Efficiency Rider
- Appendix K – Compliance and System Improvement Adjustment

Related Charges –

Customer shall reimburse Company for all charges incurred on Customer's behalf in connection with transportation of gas for Customer's account, including any pipeline penalty charges or cashout provisions assessed to Company.

Effective:

RATE 240

INTERRUPTIBLE SALES SERVICE

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities and gas supplies, which determinations shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Non-Residential Customer that:

1. has an Annual Usage of less than 500,000 therms, and
2. has a Maximum Daily Usage of less than 15,000 therms, and
3. complies with the Alternate Fuel Capability Requirement of this Rate Schedule, and
4. enters into a written contract with Company to receive Gas Service under this Rate Schedule.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Interruptible Sales Service. Transportation Service is not provided under this Rate Schedule. Gas Service provided hereunder shall be metered and billed separately from Gas Service provided under any other Rate Schedule.

RATES AND CHARGES

The monthly Rates and Charges for Sales Service hereunder shall be:

Customer Facilities Charge -

\$175.00 per customer

Distribution Charge -

First 2500 therms @ \$0.1402 per therm

Over 2500 therms @ \$0.0577 per therm

Appendices:

The following Appendices shall be applied monthly:

- Appendix A – Gas Cost Adjustment
- Appendix G – Universal Service Fund Rider
- Appendix H – Pipeline Safety Adjustment
- Appendix K – Compliance and System Improvement Adjustment

Minimum Monthly Charge -

The Minimum Monthly Charge shall be Customer Facilities Charge.

Other Charges -

The Other Charges set forth in Appendix C shall be charged to Customer, if applicable.

CONTRACT

Customer shall enter into a written contract which specifies the hourly and daily maximum gas requirements of Customer and any other terms reasonably required by Company. The contract shall have an initial term of not less than one year and shall automatically extend for succeeding annual terms thereafter, subject to cancellation by either party after written notice submitted not less than ninety days prior to the end of the initial term or any succeeding annual term. However, in no event shall the contract expire during the Winter Season, unless such mid-winter termination date is mutually agreed upon. The contract shall specify the Alternate Fuel to be used by Customer during Curtailment periods.

Effective:

RATE 245

LARGE GENERAL TRANSPORTATION SERVICE

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities, which determination shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Non-Residential Customer that:

1. has an Annual Usage of greater than or equal to 50,000 therms and less than 500,000 therms,
2. has a Maximum Daily Usage of less than 15,000 therms,
3. complies with the Measurement Requirement section of this Rate Schedule, and
4. enters into a written contract with Company to receive Gas Service under this Rate Schedule.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Transportation Service. Interim Supply Service as described below may also be provided under this Rate Schedule, at Company's sole discretion. Gas Service provided hereunder shall be metered and billed separately from Gas Service provided under any other Rate Schedule.

RATES AND CHARGES

The monthly Rates and Charges for Gas Service hereunder shall be:

Customer Facilities Charge –

\$200.00 per customer

Distribution Charge –

Applicable to all therms delivered to Customer during the billing month.

First 2500 therms @ \$0.1609 per therm

Over 2500 therms @ \$0.0729 per therm

Appendices:

The following Appendices shall be applied monthly:

- Appendix A – Gas Cost Adjustment
- Appendix G – Universal Service Fund Rider
- Appendix H – Pipeline Safety Adjustment
- Appendix K – Compliance and System Improvement Adjustment

Related Charges –

Customer shall reimburse Company for all charges incurred on Customer's behalf in connection with transportation of gas for Customer's account, including any pipeline penalty charges or cashout provisions assessed to Company.

Nomination and Balancing Provisions Charges –

The various Charges and Cashouts set forth in Appendix E shall be charged to Customer, if applicable.

Minimum Monthly Charge –

The Minimum Monthly Charge shall be the Customer Facilities Charge.

Other Charges –

The Other Charges set forth in Appendix C shall be charged to Customer, if applicable.

Effective:

Indiana Gas Company, Inc. D/B/A
Vectren Energy Delivery of Indiana, Inc. (Vectren North)
Tariff for Gas Service
I.U.R.C. No. G-19

Sheet No. 17
Third Revised Page 1 of 2
Cancels Second Revised Page 1 of 2

RATE 260 **LARGE VOLUME TRANSPORTATION SERVICE**

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities, which determinations shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Non-Residential Customer that:

1. has an Annual Usage of 500,000 therms or greater, or has a Maximum Daily Usage of 15,000 therms or greater, or uses No. 6 fuel oil as an Alternate Fuel, and
2. complies with the Measurement Requirement section of this Rate Schedule, and
3. has entered into a written contract with Company to receive Gas Service under this Rate Schedule.

CHARACTER OF SERVICE

This Rate Schedule applies to the provision of Transportation Service. Interim Supply Service as described below may also be provided under this Rate Schedule, at Company's sole discretion. Gas Service provided hereunder shall be metered and billed separately from Gas Service provided under any other Rate Schedule.

RATES AND CHARGES

The monthly Rates and Charges for Gas Service hereunder shall be:

Customer Facilities Charge -

\$1,100.00 per customer

Distribution Charge -

Applicable to all therms delivered to Customer during the Billing Month.

First 50,000 therms @ \$0.0526 per therm

Next 250,000 therms @ \$0.0413 per therm

Over 300,000 therms @ \$0.0275 per therm

Appendices:

The following Appendices shall be applied monthly:

- Appendix A – Gas Cost Adjustment
- Appendix G – Universal Service Fund Rider
- Appendix H – Pipeline Safety Adjustment
- Appendix K – Compliance and System Improvement Adjustment

Related Charges –

Customer shall reimburse Company for all charges incurred on Customer's behalf in connection with transportation of gas for Customer's account, including any gas costs, pipeline penalty charges or Cashout provisions assessed to Company.

Nomination and Balancing Provisions Charges –

The various Charges and Cashouts set forth in Appendix E shall be charged to Customer, if applicable.

Minimum Monthly Charge –

The Minimum Monthly Charge shall be the Customer Facilities Charge.

Other Charges –

The Other Charges set forth in Appendix C shall be charged to Customer, if applicable.

Effective: