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Vectren Corporation
One Vectren Square
Evansville, IN 47708

March 8, 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.

In this filing, the Company is also proposing a change to the Applicability section of Rate CSP. The change reflects the Company's receipt of a waiver from the Federal Energy Regulatory Commission ("FERC") of a legal requirement for the Company to enter into new power purchase obligations or contracts to purchase electric energy and capacity from any qualifying cogeneration or small power production facilities (QF) with a net capacity greater than 20 MW on a service territory-wide basis for its interconnected system under the control of

Midwest Independent Transmission System Operator, Inc. (MISO). A copy of the waiver request and the FERC approval is attached hereto.

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

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

Sincerely,

Katie J. Tieken
Senior Rate Analyst

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

Received On: March 8, 2012
IURC 30-Day Filing No: 2986
Indiana Utility Regulatory Commission

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.

Scott E. Albertson

Received On: March 8, 2012
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Indiana Utility Regulatory Commission

RATE CSP
COGENERATION AND SMALL POWER PRODUCTION

APPLICABILITY

The schedule of purchase prices set forth herein shall apply to owners of cogeneration or small power producing "qualifying facilities" as defined in the Commission's order in Cause No. 37494 dated December 6, 1984, and as further defined by the FERC's order in Docket No. QM11-4-000 issued November 15, 2011 (effective retroactively to August 19, 2011) which limits the availability of this Rate CSP to qualifying facilities having a capacity of 20 MW or less. Prior to any purchase by Company, the qualifying facility must enter into a contractual agreement.

RATES FOR SALE OF ENERGY AND CAPACITY

If the qualifying facility desires to purchase electric service from Company, the electric requirements for the qualifying facility shall be separately metered and billed in accordance with the applicable Rate Schedule.

PURCHASE PRICES

Company will pay for energy and capacity received from the qualifying facility on a monthly basis as follows:

Energy Component:

Prices paid are based on Company's avoided cost of energy associated with a one (1) megawatt decrement of load. The energy payment is expressed on a cents-per-kWh basis in Table 1 of this schedule.

Payments for energy are adjusted to reflect line losses, expressed as a percentage for the previous year. It is expected that the projected energy payment will vary as Company's actual fuel costs change. Energy rates listed in Table 1 will be revised on or before February 28th in each subsequent year in accordance with the Commission Cause No. 37494.

In the case of contracts for purchases of 72,000 Kilowatt-hours or more per month from a qualifying facility, the following factors may be considered and an appropriate adjustment made to the agreed purchase price in each contract:

1. The extent to which scheduled outages of the qualifying facility can be usefully coordinated with scheduled outages of Company's generation facilities.

2. The relationship of the availability of energy from the qualifying facility to the ability of Company to avoid costs, particularly as is evidenced by Company's ability to dispatch the qualifying facility.

3. The availability of energy from a qualifying facility during Company's system daily or seasonal peak.

4. The usefulness of energy from a qualifying facility during Company system emergencies, including its ability to separate its load from its generation.

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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:

$$F = \frac{Ep}{(K)\ (Tp)}$$

Where:

F = Capacity payment adjustment factor

Ep = 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.

Tp = 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 [(1)]

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

CAPACITY PAYMENT TO A QUALIFYING FACILITY

$5.03 per kW Per Month

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

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RATE CSP
COGENERATION AND SMALL POWER PRODUCTION

APPLICABILITY

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RATES FOR SALE OF ENERGY AND CAPACITY

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Company will pay for energy and capacity received from the qualifying facility on a monthly basis as follows:

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3. The availability of energy from a qualifying facility during Company's system daily or seasonal peak.

4. The usefulness of energy from a qualifying facility during Company system emergencies, including its ability to separate its load from its generation.

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RATE CSP
COGENERATION AND SMALL POWER PRODUCTION
(Continued)

Capacity Component

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

$$F = \frac{Ep}{(K)\ (Tp)}$$

Where:

F = Capacity payment adjustment factor

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

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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 [1]

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

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CAPACITY PAYMENT TO A QUALIFYING FACILITY

$5.03 per kW Per Month

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[1] On-Peak hours = 6:00 A.M.– 10:00 P.M.weekdays
Off-Peak hours = All other hours, including weekends and designated holidays

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Request of Waiver

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Indiana Utility Regulatory Commission

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

SOUTHERN INDIANA GAS & ELECTRIC COMPANY	**DOCKET NO. QM11-___-000**

APPLICATION TO TERMINATE QF MANDATORY PURCHASE OBLIGATION OF SOUTHERN INDIANA GAS & ELECTRIC COMPANY

Pursuant to 18 C.F.R. § 292.310(a)(2010)[1] implementing section 210(m)(3) of the Public Utility Regulatory Policies Act of 1978, as amended ("PURPA"), 16 U.S.C. § 824a-3(m), Southern Indiana Gas & Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc. ("SIGECO"), hereby submits an application for relief ("Application"), on a service territory-wide basis, from the requirements of PURPA and 18 C.F.R. § 292.303(a) to enter into contracts or obligations to purchase energy and capacity made available by qualifying facilities ("QF") that have a net capacity greater than 20 megawatts ("MW"), effective August 19, 2011, the date of this application.

I. DESCRIPTION OF SIGECO

SIGECO is an Indiana public utility and a wholly owned subsidiary of Vectren Corporation, a registered holding company under the Public Utilities Holding Company Act of 2005. SIGECO has approximately 1350 MW of generation with approximately 1350 MW of load. The transmission system includes about 350 miles of 138 kV lines and about 525 miles of

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[1] The Commission issued a final rule in which it revised Part 292 of its regulations to implement the new PURPA provisions which were created by the Energy Policy Act of 2005 ("EPAct 2005"), as explained more fully herein. *New PURPA Section 210(m) Regulations Applicable to Small Power Production and Cogeneration Facilities*, Order No. 688, 71 Fed. Reg. 64,342 (Oct. 20, 2006) ("Order No. 688"), *order on reh'g*, Order No. 688-A, 119 FERC ¶ 61,305 (2007) ("Order No. 688-A"), 72 Fed. Reg. 35,871 (June 22, 2007), *aff'd sub nom*. *American Forest and Paper Assoc. v. FERC*, 550 F.3d 1179 (D.C. Cir. 2008).

69 kV lines. In addition, SIGECO has energized a portion of a new 345 kV transmission line. SIGECO's customer base is approximately 25% residential and 75% commercial, industrial and other customers. Its significant industrial customers include SABIC Innovative Plastics, Toyota Motor Manufacturing, Indiana, Inc. (TMMI) and Berry Plastics Corporation. SIGECO is a member of the Midwest Independent Transmission System Operator, Inc. ("Midwest ISO"), Reliability First Corporation, and the North American Electric Reliability Corporation.

II. COMMUNICATIONS AND CORRESPONDENCE

SIGECO requests that the following persons be added to the official service list in this proceeding:

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Vice President and General Counsel
Mary-James Young
Senior Compliance and Regulatory Counsel
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lrchipkin@ brudergentile.com

III. BACKGROUND

Electric utilities are generally required under PURPA and accompanying Commission regulations to purchase power from qualified cogeneration facilities and qualified small power producers ("QFs"). The Energy Policy Act of 2005,[2] enacted on August 8, 2005, added section 210(m) to PURPA which provides for, among other things, the termination of the requirement that an electric utility enter into a new contract or obligation to purchase energy from QFs if the Commission finds that QFs have non-discriminatory access to one of three categories of markets defined in PURPA section 210(m)(1)(A),(B) or (C), as listed below.[3] Order No. 688 implements the revised PURPA provisions and establishes procedures for electric utilities to follow in seeking to terminate their obligations to purchase energy from QFs.[4] Specifically, the Commission added section 292.309 to its regulations to set forth the findings that the Commission must make to terminate an electric utility's obligations to enter into new QF purchase contracts or obligations after August 8, 2005. Pursuant to section 292.309(a), if the Commission finds that QFs have non-discriminatory access to one of the three wholesale markets described below, which are the same markets listed in section 210(m) of PURPA, then the utility shall be relieved of its obligation to purchase power from such QFs. The three wholesale markets are the following:

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[2] Pub. L. No. 109-58, § 1253, 119 Stat. 594 (2005).

[3] Section 1253 of EPAct 2005 amended the Public Utility Regulatory Policies Act of 1978, 18 U.S.C. 824a-3 (2000) to add section 210(m).

[4] *New PURPA Section 210(m) Regulations Applicable to Small Power Production and Cogeneration Facilities*, Order No. 688, 71 Fed. Reg. 64,342 (Nov. 1, 2006), FERC Stats. & Regs. ¶ 31,233 (2006), *order on reh'g*, Order No. 688-A, 72 Fed. Reg. 35,871 (June 22, 2007), *aff'd sub nom. American Forest and Paper Assoc. v. FERC*, 550 F.3d 1179 (D.C. Cir. 2008).

(1)(i) Independently administered, auction-based day ahead and real time wholesale markets for the sale of electric energy; and (ii) Wholesale markets for long-term sales of capacity and electric energy; or

(2)(i) Transmission and interconnection services that are provided by a Commission-approved regional transmission entity and administered pursuant to an open access transmission tariff that affords non-discriminatory treatment to all customers; and (ii) Competitive wholesale markets that provide a meaningful opportunity to sell capacity, including long-term and short-term sales, and electric energy, including long-term, short-term and real-time sales, to buyers other than the utility to which the qualifying facility is interconnected. In determining whether a meaningful opportunity to sell exists, the Commission shall consider, among other factors, evidence of transactions within the relevant market; or

(3) Wholesale markets for the sale of capacity and electric energy that are, at a minimum, of comparable competitive quality as markets described in subparagraphs (a)(1) and (a)(2) of this section.

The Commission made the specific finding in Order No. 688, as reflected in new section 292.309(e) of its regulations, that the Midwest ISO, PJM Interconnection, L.L.C., ISO New England, Inc. and New York Independent System Operator ("RTO/ISOs") meet the criteria of a wholesale market as set forth in section 292.309(a)(1). It found that these RTO/ISOs are independently administered, auction-based day-ahead and real-time wholesale markets for the sale of electric energy and are wholesale markets for long-term sales of capacity and electric energy. Moreover, section 292.309(e) establishes a rebuttable presumption that QFs with a net capacity greater than 20 megawatts have non-discriminatory access to these RTO/ISOs through Commission-approved open-access transmission tariffs ("OATTs") and interconnection rules, and that electric utilities that are members of such RTO/ISOs should be relieved of the obligation to purchase electric energy from these QFs. Under Order No. 688, if the Commission finds that the requirements of PURPA section 210(m)(1) have been met by the applicant, "then the

mandatory purchase requirement for that electric utility ends as of the date of the PURPA petition."[5]

As set forth below, consistent with 18 C.F.R. §§ 292.309 and 292.310, SIGECO satisfies the requirements of PURPA section 210(m)(1) and the Commission's regulations and, therefore, it should be relieved of its obligation, on a service territory-wide basis, to enter into contracts or obligations to purchase energy and capacity made available by QFs that have a net capacity greater than 20 MW, effective August 19, 2011, the date of this application.

IV. APPLICATION FOR TERMINATION OF THE QF MANDATORY PURCHASE REQUIREMENT

Section 292.310 of the Commission's regulations sets forth the procedures to be followed by utilities requesting termination of the mandatory purchase obligation under section 292.303(a). Section 292.310(a) states that an applicant may file an application for relief from the mandatory purchase obligation on a service territory-wide basis. SIGECO seeks relief from the mandatory purchase obligation for the SIGECO's entire combined service territory. Section 292.310(a) further states that the application must set forth the factual basis upon which relief is requested and describe why the conditions set forth in sections 292.309(a)(1), (2), or (3) have been met. This requirement is also enumerated in section 292.310(d)(1) and (2). SIGECO has set forth the factual basis for its request for relief in Part IV.A of this Application.

The Commission's regulations provide that, after sufficient notice to potentially affected

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[5] Order No. 688 at P 228. The Commission has consistently granted applications by electric utilities in the Midwest ISO to terminate the QF mandatory purchase obligations concerning QFs that have a net capacity greater than 20 MW under PURPA and 18 C.F.R. § 292.303(a) and in those cases the Midwest ISO electric utilities have relied on the rebuttable presumption contained in 18 C.F.R. § 292.309(e) with respect to the Midwest ISO market. *See Northern States Power Company*, 136 FERC ¶ 61,093 at P 14 (August 10, 2011); *Duke Energy Shared Svcs., Inc.*, 119 FERC ¶61,146 at P 10 (2007), *Alliant Energy Corp. Svcs., Inc.*, 123 FERC ¶ 61,155 at P 10 (2008); *Montana-Dakota Utilities Co.*, 126 FERC ¶ 61,121 at P 6 (2009); *The Detroit Edison Co.*, 131 FERC ¶ 61,039 at P 15 (2010).

QFs, the Commission shall make a final determination within ninety (90) days of the application regarding whether the conditions set forth in section 292.309(a) have been met. The requirements for sufficient notice to potentially affected QFs are described in section 292.310(b) and (c). SIGECO has complied with these requirements, as set forth in Part IV.B of this Application and in Attachment A to this Application.

Finally, section 292.310(d) enumerates eight pieces of information that must be filed with the application. SIGECO sets forth the required information in Part IV below. Pursuant to section 292.310(d)(7), SIGECO submits as Attachment B written verification of the accuracy and authenticity of the information provided in this Application.

A. SIGECO'S APPLICATION MEETS THE REQUIREMENTS OF SECTION 292.309(A)(1)

Section 292.310 requires an electric utility seeking relief from the mandatory purchase requirements of QF power to explain how they meet the conditions of section 292.309(a)(1)(2) or (3). SIGECO meets the requirements for relief under section 292.309(a)(1) as explained below.

SIGECO seeks a finding under the provisions of section 292.309(a)(1) that the QFs in its service territory have non-discriminatory access to (i) Independently administered, auction-based day ahead and real time wholesale markets for the sale of electric energy; and (ii) Wholesale markets for long-term sales of capacity and electric energy.

The combined service territory of SIGECO is located entirely within the footprint of the Midwest ISO. Section 292.309(e) provides that the RTO/ISOs, including the Midwest ISO, qualify as wholesale markets described in section 292.310(d)(2). Moreover, it establishes a rebuttable presumption that QFs with capacity greater than 20 megawatts have non-

discriminatory access to the RTO/ISOs through a Commission-approved OATT and interconnection rules and that electric utilities that are members of these RTO/ISOs should be allowed to terminate their obligations to enter into new QF power purchase contracts. As previously stated herein, SIGECO is a member of the Midwest ISO. Therefore, pursuant to section 292.309(a)(1) and (e), SIGECO should be relieved, on a service territory-wide basis, of any new obligations to purchase power from QFs that have net capacity greater than 20 MW.

B. § 292.310(b) and (c) – Notice to Potentially Affected QFs

Section 292.310(b) of the Commission's regulations states that to provide sufficient notice, a utility seeking to terminate its mandatory purchase obligation must identify with names and addresses all potentially affected QFs. Section 292.310(c) further requires the electric utility to submit with its application the following information for each potentially affected QF:

- the docket number assigned if the QF filed for self-certification or an application for Commission certification of QF status;
- the net capacity of the QF;
- the location of the QF depicted by state and county, and the name and location of the substation where the QF is interconnected;
- the interconnection status of each potentially affected QF including whether the QF is interconnected as an energy or a network resource; and
- the expiration date of the energy and/or capacity agreement between the applicant utility and each potentially affected QF.

The regulations state that all potentially affected QFs shall include:

(1) Those qualifying facilities that have existing power purchase contracts with the applicant;

(2) Other qualifying facilities that sell their output to the applicant or that have pending self certification or Commission certification with the Commission for qualifying facility status whereby the applicant will be the purchaser of the qualifying facility's output;

(3) Any developer of generating facilities with whom the applicant has agreed to enter into power purchase contracts, as of the date of the application filed pursuant to this section, or are in discussion, as of the date of the application filed pursuant to this section, with regard to power purchase contacts;

(4) The developers of facilities that have pending state avoided cost proceedings, as of the date of the application filed pursuant to this section; and

(5) Any other qualifying facilities that the applicant reasonably believes to be affected by its application filed pursuant to 18 C.F.R. § 292.310(a).

SIGECO has provided the information set forth above for each potentially affected QF in Attachment A to this Application, consistent with 18 C.F.R. § 292.310(b) and (c). As discussed in this Application, SIGECO seeks relief from the mandatory purchase obligation under PURPA only with respect to QFs that have a net capacity greater than 20 MW. However, SIGECO is including possible QF entities that may have a net capacity of 20 MW or less in Attachments A because the Commission's regulations do not identify a limit on the net capacity of "potentially affected" QFs. As explained in Attachment A, for some of the listed possible QF entities, SIGECO is not able to provide all of the information required by 18 C.F.R. § 292.310(c) because these entities are in too early a stage of development and this information is not available. The Commission recognized in Order No. 732 that such information may not be available because a potentially affected QF may not have filed for QF self-certification (and therefore, did not receive a docket number), or because the potentially-affected QF's plans are not sufficiently definite for the QF to know the information required by 18 C.F.R. § 292.310(c).[6]

SIGECO has engaged in extensive efforts to gather the information required by the Commission's regulations. Attachment A includes a number of entities that *could become* QFs,

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[6] *Revisions to Forms, Procedures, and Criteria for Certification of Qualifying Facility Status for a Small Power Production or Cogeneration Facility*, Order No. 732, 75 Fed. Reg. 15,950 at n.36 (Mar. 30, 2010).

but do not appear to be QFs today based on Commission records. To the extent docket information or other information is missing from Attachment A, SIGECO seeks a waiver of the requirement to provide that information, as SIGECO has gone to considerable lengths to collect such information. SIGECO also seeks a blanket waiver from the Commission's requirements to the extent that it has failed to identify any potentially affected QF as SIGECO has exercised due diligence in compiling the lists in Attachment A.

SIGECO will provide a copy of the Application to all potentially affected QFs listed in Attachment A and the state commissions listed in Attachment C. The Application will be provided via email to potentially affected QFs for which SIGECO has a valid email address. For entities for which no valid email address is available, SIGECO shall send the Application by U.S. mail.

C. § 292.310(D)(3) – TRANSMISSION STUDIES AND RELATED INFORMATION

As discussed more fully below, section 292.310(d)(3) of the Commission's regulations requires the applicant to submit certain Transmission Studies and related information. In Order No. 688-A, the Commission confirmed that utility applicants may provide hyperlinks to relevant studies on the internet rather than submitting copies of documents attached to the applications.[7] SIGECO submits the following information to satisfy § 292.310(d)(3):

1. Long-Term Transmission Planning

The Commission's regulations require applicants to provide information about their long-term transmission planning, whether conducted by the applicant, the RTO, ISO or other relevant entity. *See* 18 C.F.R. § 292.310(d)(3)(i). SIGECO is a transmission-owning member of the

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[7] Order No. 688-A at P 112.

Midwest ISO. As such, planning activities for SIGECO are carried out through the Midwest ISO's planning process. The Midwest ISO's planning pages, including a link to the Midwest ISO's Transmission Expansion Plan 2010 ("MTEP10"), are available at: https://www.midwestiso.org/Planning/Pages/Planning.aspx. The entire MTEP10 report is available online at: https://www.midwestiso.org/Library/Repository/Study/MTEP/MTEP10/MTEP10%20Report.pdf. The Midwest ISO's Transmission Expansion Plan 2011 ("MTEP11") is presently under review and is expected to be approved in December of 2011 and published in February of 2012 per the published Midwest ISO 2011 study schedule. A draft of the report is available at: https://www.midwestiso.org/Library/Repository/Study/MTEP/MTEP11/MTEP_2011_Draft_Report_for_PAC_Review.pdf.

2. Transmission Constraints

The Commission's regulations require applicants to provide information about known and anticipated transmission constraints, as well as any proposed mitigation, including transmission construction plans. *See* 18 C.F.R. § 292.310(d)(3)(ii). As part of the Midwest ISO's FERC-approved Order No. 890 transmission planning process, the Midwest ISO and its stakeholders utilize a comprehensive planning approach, which includes performing various studies to identify transmission issues, such as transmission constraints, and evaluating projects in the context of addressing these issues. MTEP10 discusses Midwest ISO transmission constraints (*see* MTEP10, Section 8 and Appendix G) and proposed mitigation plans, including construction (*see* MTEP10, Section 8 and Appendix A [projects that have been or are expected to be approved by the Midwest ISO Board of Directors]). In MTEP11, Section 6.5 will provide study results for generator deliverability analysis (these results are pending at this time).

3. Congestion

The Commission's regulations also require applicants to provide information regarding the levels of congestion, if available. *See* 18 C.F.R. § 292.310(d)(3)(iii). As part of the Midwest ISO's FERC-approved Order No. 890 transmission planning process, the Midwest ISO performs several congestion-based studies, which include in-depth analyses of the most-congested flowgates in the footprint and give careful consideration to identify transmission investments that would be required to address chronic congestion. MTEP10 Section 8 and Appendix G include information related to the Midwest ISO's congestion based studies. The MTEP11 Section 5.3.1 will provide additional congestion study results.

4. System Impact Studies

The Commission's regulations require applicants to provide information concerning relevant system impact studies for the generation interconnections, already completed. *See* 18 CFR § 292.310(d)(3)(iv). The Midwest ISO is the transmission provider for SIGECO. As such, the Midwest ISO performs system impact studies for generator interconnections. Information regarding the Midwest ISO's generator interconnection process can be found at: https://www.midwestiso.org/Planning/GeneratorInterconnection/Pages/GeneratorInterconnection.aspx.

5. Available Transfer Capability and OASIS

Finally, the Commission's regulations require applicants to provide information pertinent to showing whether applicant has available transfer capability ("ATC"), as well as a link to the applicant's OASIS from which a QF may obtain applicant's ATC information. *See* 18 CFR § 292.310(d)(3)(v)-(vi). The Midwest ISO is the transmission provider for SIGECO.

Information about available transmission capability can be found at the Midwest ISO's OASIS and is available at: http://oasis.midwestiso.org/OASIS/MISO.

D. §292.310(d)(4) – Process for QFs to Arrange Transmission Service

Section 292.310(d)(4) of the Commission's regulations requires the applicant to describe the process, procedures, and practices that QFs interconnected to the applicant's system must follow to arrange for transmission service to transfer power to purchasers other than SIGECO. A QF interconnected to the SIGECO System that is seeking to transfer power to purchasers other than SIGECO must follow the Midwest ISO's procedures for interconnecting and requesting transmission service. The Midwest ISO's generation interconnection page is available at: https://www.midwestiso.org/Planning/GeneratorInterconnection/Pages/GeneratorInterconnection.aspx. A QF seeking to transfer power directly to SIGECO over SIGECO's electric distribution system must follow SIGECO's procedures for interconnecting generators to SIGECO's electric distribution system. SIGECO's procedures are outlined in the Vectren VEC-006 Control Document, Energy Delivery Interconnection Guidelines for Customer-Owned Generation. A copy of this document is available at: https://www.vectrenenergy.com/web/eenablement/order/services_for_business/business_i.jsp.

E. § 292.310(d)(5) – Interconnection Agreements

Section 292.310(d)(5) of the Commission's regulations further requires that, if QFs will be required to execute new interconnection agreements or to renegotiate existing agreements so that they can effectuate wholesale sales to third-party purchasers, the applicant must explain the procedures for obtaining such new agreements; detail any applicable charges; and explain any differences in these two factors for QFs as compared to other generators or applicant-owned generation.

Any generator seeking to effectuate wholesale sales to third-party purchasers (including generators owned by SIGECO) must follow the Midwest ISO's procedures for interconnecting and requesting transmission service. The Midwest ISO's generation interconnection page is available at:

https://www.midwestiso.org/Planning/GeneratorInterconnection/Pages/GeneratorInterconnection.aspx.

If the generator is to be interconnected with SIGECO's electric distribution system, the Indiana Administrative Code, Title 170, Rule 4.3. Customer-Generator Interconnection Standards must be followed. This document is available at:

http://www.in.gov/legislative/iac/T01700/A00040.PDF.

Application and generator interconnection agreement forms for SIGECO's electric distribution system are available at:

https://www.vectrenenergy.com/web/eenablement/order/services_for_business/business_i.jsp.

F. § 292.310(d)(6) – § 292.309(a)(2) or (3) Information

SIGECO seeks to rely on the rebuttable presumption contained in section 292.309(e) to satisfy the conditions in section 292.309(a)(1). As such, section 292.310(d)(6) of the Commission's regulations, which requires information to be submitted by applicants seeking a finding pursuant to section 292.309(a)(2) or (3), is not applicable.

G. § 292.310(d)(7) – Signature of Authorized Individual

Section 292.310(d)(7) of the Commission's regulations requires applicants to provide the signature of an authorized individual evidencing the accuracy and authenticity of information provided by the applicant.

SIGECO has provided the required signature and verification in Attachment B to this Application.

H. § 292.310(d)(8) – Persons to Whom Communications Should be Addressed

Section 292.310(d)(8) of the Commission's regulations requires applicants to provide the names of persons to whom communications regarding the filed information may be addressed, including the individuals' names, titles, telephone numbers, and mailing addresses.

SIGECO has provided this information in Part B of this Application.

V. CONCLUSION AND REQUEST FOR RELIEF

WHEREFORE, for the foregoing reasons, SIGECO respectfully requests that the Commission grant this application for relief from the mandatory obligation to purchase electric energy and capacity from QFs with a net capacity greater than 20 MW, effective August 19, 2011, the date of this application.

Respectfully submitted,

BRUDER, GENTILE & MARCOUX, L.L.P.

/s/ *Antonia A. Frost*

Antonia A. Frost
Laura R. Chipkin

1701 Pennsylvania Avenue, N.W.
Suite 900
Washington, D.C. 20006-5807
Telephone: 202/296-1500
Facsimile: 202/296-0627

Counsel for Southern Indiana Gas & Electric Company

August 19, 2011

Received On: March 8, 2012
IURC 30-Day Filing No: 2986
Indiana Utility Regulatory Commission

ATTACHMENT A

LIST OF POTENTIALLY AFFECTED QFS
18 C.F.R. § 292.310(C)

Facility Name	FERC Docket Number	Net Capacity (MW)	County	State	Substation for Interconnection	Energy or Network Resource	Expiration Date of Energy/Capacity Agreement	Address (including contact name)
Laubscher Meadows Landfill	N/A	0.19	Vanderburgh	IN	Mohr Road	ER	N/A	Browning Ferris Industries, Inc. (BFI) 757 North Eldridge at Memorial Drive Houston, Texas 77079 Browning-Ferris Industries, Inc. 16800 Greenspoint Park Dr. Houston, TX 77060-2304
Cannelton Hydroelectric Cofferdam	N/A	84	Hancock	KY	None - project is not in service	NR	N/A	American Municipal Power, Inc. Attn: Assistant Vice President Generation Services 1111 Schrock Road, Suite 100 Columbus, OH 43229 pmeier@amp-ohio.org
Newburgh Hydro, LLC	N/A	56.7	Warrick	IN	None - project is not in service	N/A	N/A	Attn: Mr. Brent L. Smith, COO, Symbiotics, LLC, P.O. Box 535, Rigby, ID 83442, (208) 745–0834 bsmith@nwpwrservices.com
Union Hydro, LLC	N/A	66.7	Union	KY	None - project is not in service	N/A	N/A	Attn: Mr. Brent L. Smith, COO, Symbiotics, LLC, P.O. Box 535, Rigby, ID 83442, (208) 745–0834 bsmith@nwpwrservices.com
SABIC	N/A	80 or 160	Posey	IN	None - project is not in service	N/A	N/A	Attn: General Counsel Sabic Innovative Plastics Mt Vernon, LLC 1 Lexan Ln Mount Vernon, IN 47620 timothy.m.allen@sabic-ip.com Tim Allen - Mt Vernon Site Investment Engineering Leader
Countrymark	N/A	5	Posey	IN	None - project is not in service	N/A	N/A	Attn: General Counsel Country Mark Refinery 1200 Refinery Rd Mount Vernon, IN 47620-9265 donelson@countrymark.com (Les Donaldson - Plant Services Manager)
Warrick Generating Station	N/A	555	Warrick	IN	Culley 138	Unable to determine	N/A	R. DeWayne Todd Power Generation Manager Alcoa Warrick Operations 4700 Darlington Road Newburgh, IN 47629 Dewayne.Todd@alcoa.com
Jasper Municipal Electric Utility / Twisted Oak	N/A	75	Dubois	IN	None - project is not in service	N/A	N/A	Jerry Schitter Jasper Municipal Electric Utility 800 McCrillus Street PO Box 750 Jasper, IN 47547-0750 (812) 482-6881 jschitter@ci.jasper.in.us Jay Catasein Twisted Oak Corporation Atlanta, GA 30350 Office 770 640-9194 Cell 404 307-4406 Jay.Catasein@TwistOak.com
Abengoa Bioenergy	N/A	80	Posey	IN	None - project is not in service	N/A	N/A	General Counsel Abengoa Bioenergy 1400 Elbridge Payne Road Suite 212 Chesterfield, MO 63017 Darrell Sanford Abengoa – Plant Manager 9000 West Franklin Road Mount Vernon, IN 47620 Darrell.sanford@bioenergy.abengoa.com

Received On: March 8, 2012
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ATTACHMENT B

SIGNATURE AND VERIFICATION OF AUTHORIZED INDIVIDUAL

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

SOUTHERN INDIANA GAS & ELECTRIC COMPANY	DOCKET NO. QM11-___-000

I, Jerrold L. Ulrey, being duly sworn, attest that I am the Vice President of Regulatory Affairs & Fuels for Southern Indiana Gas & Electric Company, an Indiana corporation, and I have the authority to execute this document on behalf of Southern Indiana Gas & Electric Company. I have read the foregoing Application to Terminate Mandatory Purchase Obligation of Southern Indiana Gas & Electric Company, and I affirm that the facts, representations and statements set forth therein are true and accurate to the best of my knowledge, information and belief.

Jerrold L. Ulrey

Subscribed and sworn to me, this 19th day of August 2011.

Notary Public

My Commission expires: 12-17-2016

SHARON R. KATTERJOHN
Notary Public, State of Indiana
County of Warrick
My Commission Expires Dec. 17, 2016

ATTACHMENT C

LIST OF STATE COMMISSIONS

STATE COMMISSIONS

Ms. Brenda Howe
Executive Secretary
Indiana Utility Regulatory Commission
PNC Center
West Washington Street
Suite 1500 East
Indianapolis, IN 46204
Email: bhowe@urc.in.gov

Beth Krogel Roads
Indiana Utility Regulatory Commission
PNC Center
West Washington Street
Suite 1500 East
Indianapolis, IN 46204
Email: bkroads@urc.in.gov

Robert G. Mork
Indiana Office of Utility Consumer Counselor
115 W. Washington Street
Suite 1500
Indianapolis, IN 46204
Email: rmork@oucc.in.gov

CERTIFICATE OF SERVICE

I hereby certify that I have served this day copies of the foregoing on the official service list compiled by the Office of the Secretary in accordance with Rule 2010 of the Commission Rules of Practice and Procedure.

Dated at Washington, D.C. this 19th day of August, 2011.

/s/
Laura R. Chipkin

Bruder, Gentile & Marcoux, L.L.P.
1701 Pennsylvania Avenue, N.W.
Suite 900
Washington, D.C. 20006-5807
Telephone: 202/296-1500
Facsimile: 202/296-0627
E-Mail: lrchipkin@brudergentile.com

Counsel for
Southern Indiana Gas & Electric Company

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Approval of Waiver Request

137 FERC ¶ 62,134
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
Southern Indiana Gas & Electric Company
Docket No. QM11-4-000

November 15, 2011

Bruder, Gentile & Marcoux, L.L.P.
Antonia A. Frost, Esquire
1701 Pennsylvania Avenue, N.W.
Suite 900
Washington, DC 20006-5807

Reference: Termination of Mandatory Purchase Obligation

Dear Ms. Frost:

On August 19, 2011, you submitted, on behalf of Southern Indiana Gas & Electric Company (SIGECO), an application pursuant to section 210(m) of the Public Utility Regulatory Policies Act of 1978 (PURPA)[1] and section 292.310 of the Commission's regulations[2] to terminate the requirement under section 292.303(a) of the Commission's regulations[3] to enter into new power purchase obligations or contracts to purchase electric energy and capacity from any qualifying cogeneration or small power production facilities (QF) with a net capacity greater than 20 MW on a service territory-wide basis for its interconnected system under the control of Midwest Independent Transmission System Operator, Inc. (MISO). SIGECO's application to terminate the mandatory purchase obligation is granted effective August 19, 2011.

You state that the SIGECO provides nondiscriminatory access through membership in the Midwest Independent Transmission System Operator, Inc. (MISO) to any QF greater than 20 MW, thereby satisfying the condition in section 292.309(a) of the

[1] 16 U.S.C. § 824a-3(m) (2006).

[2] 18 C.F.R. § 292.310 (2011).

[3] 18 C.F.R. § 292.303(a) (2011).

Commission's regulations. Specifically, you indicate that the SIGECO relies on the rebuttable presumption contained in section 292.309(e) of the regulations for markets administered by MISO.[4] Additionally, it does not appear that SIGECO is seeking to terminate any existing QF obligations or contracts or to obtain relief from any contract or obligation to purchase electric energy or capacity from any QF with which SIGECO has existing obligations or contracts.

Notice of the application was published in the *Federal Register*, 76 Fed. Reg. 53,674 (2011). Interventions and protests were due on or before September 16, 2011. None was filed. Notice of the application was also mailed by the Commission on August 22, 2011 to each of the potentially-affected QFs identified in the application.

Authority to act on this matter is delegated to the Director, Division of Electric Power Regulation – Central, pursuant to 18 C.F.R. § 375.307(a)(5)(i). This order constitutes final agency action. Requests for rehearing by the Commission may be filed within thirty (30) days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Penny S. Murrell, Director
Division of Electric Power
Regulation – Central

[4] 18 C.F.R. §§ 292.309(a), 309(e) (2011); *accord New PURPA Section 210(m) Regulations Applicable to Small Power Production and Cogeneration Facilities*, Order No. 688, FERC Stats. & Regs. ¶ 31,233 (2006), *order on reh'g*, Order No. 688-A, FERC Stats. & Regs. ¶ 31,250 (2007), *aff'd sub nom. American Forest and Paper Association v. FERC*, 550 F.3d 1179 (D.C. Cir. 2008).

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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% = **12.27%**

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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

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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

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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

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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 [(1)]	=	$0.03980 /kWh
Annual Off-Peak avoided cost	=	$0.03517 /kWh

Adjustment for losses [(2)]

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

Adjusted Energy Rates

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

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

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SOUTHERN INDIANA GAS & ELECTRIC COMPANY

CALCULATION OF COST OF NEW CAPITAL
YEAR 2012

Item	Capital Structure [1]	Cost Rate [1]	Composite Rate
Debt	46.17%	5.95%	2.75%
Preferred Stock	0.00%	0.00%	0.00%
Common Equity	53.83%	10.40%	5.60%
	100.00%		8.35%

Notes: [1] Capital structure and cost rates as of December 31, 2011. Common equity cost rate from Order in Cause No. 43839, page 32.

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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	53.83%	10.40%	5.60%	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%**

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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	=	$C * (((1 + Ip)/(1 + r))^{(Yi-Yc)})$	**5.03**	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_p	=	Annual escalation rate associated with the avoidable or deferrable unit.	5.0%	From Handy Whitman
i_o	=	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	

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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)				0.04953
	Stated as percentage				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)				0.03014
	Stated as percentage				3.0%

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	Escalated Capital Cost
Capability, MW (nominal)	**200**
Fixed O&M, $/kW-yr	6.37
$/yr	1,274,000
Variable O&M, $/MWh	1.38
Capacity Factor	3%
$/yr	72,533
Major Maintenance	
$/start	14,350
$/run hour	610
estimated starts	30
estimated average run time	6
estimated run hours	180
$/yr	540,300
Total O&M, $/kW	**9.43**

2008 B&M

Capital Cost Estimate (2011 $)

$/kW	**736**

1.019 inflation factor

Total O & M $/kW	2009	$	9.61	Factor of 1.019 for inflation per EIA
	2010	$	9.79	Annual Energy Outlook 2012 Early Release, Table A20
	2011	$	9.98	
	2012	$	10.17	
	2013	$	10.36	
	2014	$	10.56	
	2015	$	10.76	=O

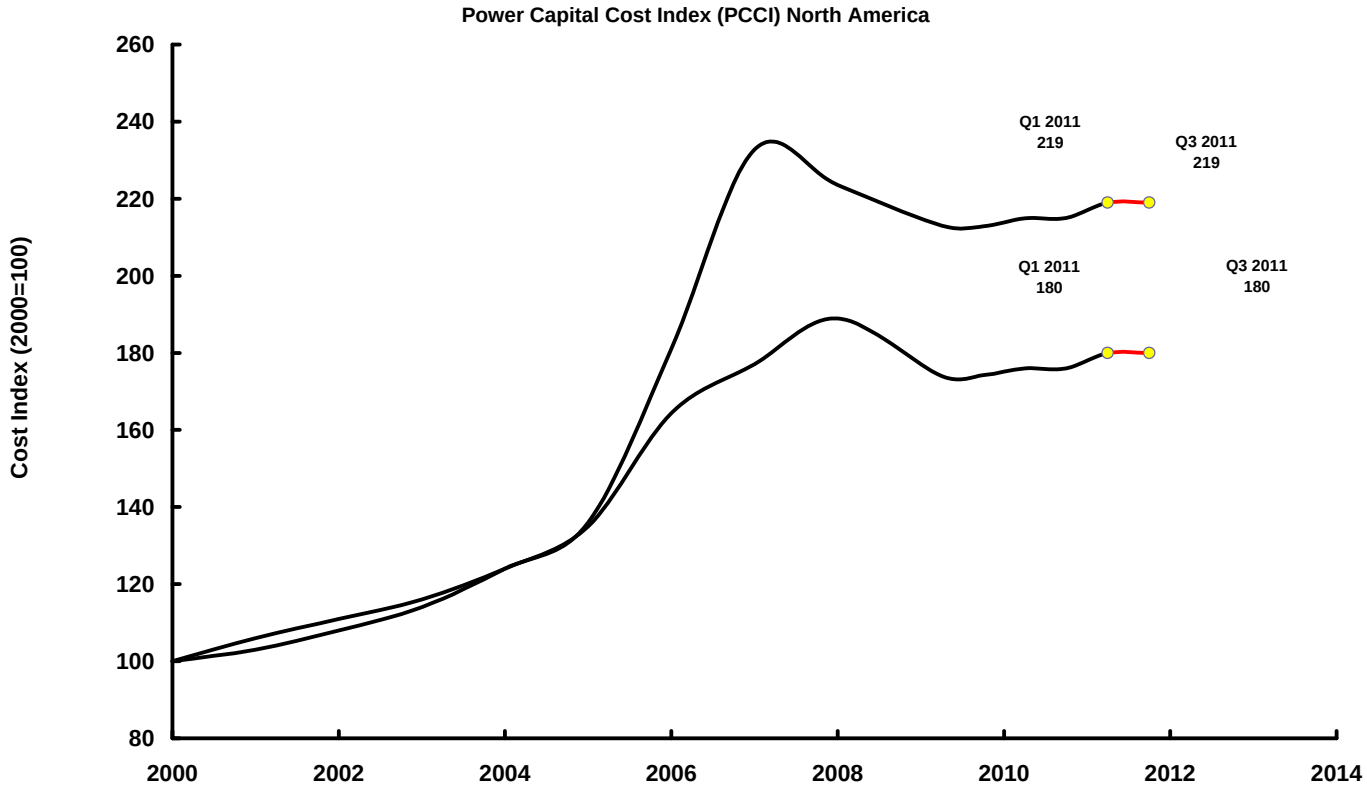
capital cost estimate	2012	750	
	2013	764	
	2014	779	
	2015	794	=V

Figure 1

Upstream Capital Cost Index

Historical Index

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009.25	2009.75	2010.25	2010.75	2011.25	2011.75
PCCI	100	103	108	114	124	136	181	233	224	213	213	215	215	219	219
PCCI, without nuclear	100	106	111	116	124	135	164	177	189	174	174	176	176	180	180



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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Southern Indiana Gas and Electric Company	(1) [X] An Original (2) [ ] A Resubmission	04/18/2011	End of 2010/Q4

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			

losses 4.74% % of requirements

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	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

	On peak $/MWh	Off-Peak $/MWh
Adjusted Energy Rates	**40.76930**	**36.02504**
$ per kWh	**$ 0.04077**	**$ 0.03603**

Received On: March 8, 2012
IURC 30-Day Filing No: 2986
Indiana Utility Regulatory Commission

Line	CONSTRUCTION AND EQUIPMENT	FERC	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	**Steam Production Plant**													
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	**Nuclear Production Plant**													
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	**Hydro Production Plant**													
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	**Other Production Plant**													
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	**Transmission Plant**													
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	**Distribution Plant**													
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

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
Real Gross Domestic Product	**12703**	**13088**	**13291**	**13572**	**13916**	**14398**	**14870**	**15343**	**15768**	**16162**	**16566**	**2.6%**
Components of Real Gross Domestic Product												
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%
Energy Intensity												
(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%
Price Indices (Inflated at 1.019)				**1.16465**	**1.17658**	**1.19663**	**1.2191**	**1.24316**	**1.26706**	**1.29154**	**1.31724**	
Price Indices												
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%
Consumer Price Index (1982-84=1.00)												
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%
Wholesale Price Index (1982=1.00)												
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%
Interest Rates (percent, nominal)												
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	- -
Value of Shipments (billion 2005 dollars)												
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%
Population and Employment (millions)												
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%
Key Labor Indicators												
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	- -
Key Indicators for Energy Demand												
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.

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

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Southern Indiana Gas and Electric Company	(1) [X] An Original (2) [ ] A Resubmission	04/18/2011	End of 2010/Q4

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	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Northern Indiana Public Service Company	(1) [X] An Original (2) [ ] A Resubmission	04/18/2011	End of 2010/Q4

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
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
13,263,753	-35,942,644	19,203,681			1,406,406	41

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Southern Indiana Gas and Electric Company	(1) [X] An Original (2) [ ] A Resubmission	04/18/2011	End of 2010/Q4

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	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Southern Indiana Gas and Electric Company	(1) [X] An Original (2) [ ] A Resubmission	04/18/2011	End of 2010/Q4

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

Evansville COURIER&PRESS
The Gleaner THE ADVOCATE Union County
PRODUCTS OF C&P MEDIA

Affidavit of Publication

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

Jerrold L. Ulrey
Vice President, Regulatory Affairs and Fuels
VECTREN UTILITY HOLDINGS, INC.

STATE OF INDIANA
VANDERBURGH COUNTY

I Melissa R. Milsap 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

Signed

3-1-12
Date

Subscribed and sworn to before me this date:

Date 3-1-12

Notary Public

Notary is Resident of **Vanderburgh County**

My Commission expires: October 18, 2017 ~~February 26, 2016~~ mrm

0 lines @ 1 time(s) = $834.75