



Received: March 1, 2017
IURC 30-Day Filing No.: 50034
Indiana Utility Regulatory Commission

Vectren Corporation
One Vectren Square
Evansville, IN 47708

February 28, 2017

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

RE: Southern Indiana Gas and Electric Company (SIGECO) 30-Day Filing for Rate CSP

Dear Ms. Becerra:

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 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 proposed tariff sheet covering rates for purchase of energy and capacity as required by 170 IAC 4-4.1-8, 170 IAC 4-4.1-9, and 170 IAC 4-4.1-10, and the supporting data for the rates and rate filing as required by 170 IAC 4-4.1-4.

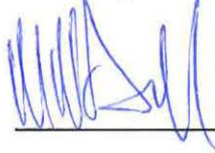
The Company's filing is an allowable filing under 170 IAC 1-6-3 because the proposal is a filing for which the Commission has already approved or accepted the procedure for the change.

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

Any questions concerning this submission should be directed to J. Cas Swiz by using the following contact information:

J. Cas Swiz
Director, Rates and Regulatory Analysis
One Vectren Square
211 N.W. Riverside Drive
Evansville, IN 47708
Tel.: 812.491.4033
Fax: 812.491.4138
Email: jcswiz@vectren.com

Sincerely,



Matt McDowell
Senior Regulatory Analyst

Enclosures
cc: William Fine
Indiana Office of Utility Consumer Counselor (w/ encl.)

VERIFICATION

The undersigned, J. Cas Swiz, 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.



J. Cas Swiz

RATE CSP
COGENERATION AND SMALL POWER PRODUCTION

(Continued)

Capacity Component

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

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

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

Where:

F = Capacity payment adjustment factor

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

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

T_p = 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	=	\$0.03321/kWh
Annual Off-Peak	=	\$0.02328/kWh

CAPACITY PAYMENT TO A QUALIFYING FACILITY

\$4.09 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

RATE CSP
COGENERATION AND SMALL POWER PRODUCTION

(Continued)

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T_p = 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	=	\$0.033 <u>1821</u> /kWh
Annual Off-Peak	=	\$0.02 <u>553328</u> /kWh

CAPACITY PAYMENT TO A QUALIFYING FACILITY

\$4.0967 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

SOUTHERN INDIANA GAS & ELECTRIC COMPANY

CALCULATION OF PRESENT VALUE OF CARRYING CHARGES YEAR 2017

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	=	7.96%
d	=	Sinking fund depreciation rate [(r) / ((1 + r)^n - 1)]	=	0.89%
n	=	Service life (years)	=	30
I	=	Insurance cost rate (\$916,599 ÷ \$2,723,334,231)	=	0.03%
P	=	Property tax rate (\$8,325,995 ÷ \$2,723,334,231)	=	0.31%
D	=	Book depreciation rate (30 year life - per EPRI "TAG")	=	3.33%
t	=	Income tax rate (composite) (35% Federal, 6.13pp5% State)	=	38.9813%
b	=	Debt interest cost rate	=	4.77%
L	=	Debt capital structure ratio	=	43.36%

Carrying Charge

T	=	2.61%
cc	=	11.80% (r + d + l + P + T)

SOUTHERN INDIANA GAS & ELECTRIC COMPANY

CALCULATION OF COGENERATION RATE
FOR PURCHASE OF CAPACITY
YEAR 2017

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 = $(cc) \frac{(1+r)^n - 1}{(r)(1+r)^n} = (cc) * 11.6365 = 1.3731$
- cc = 11.80% (See Carrying Charge calculation)
- V = \$722/ kW (See Burns & McDonnell Technical Assessment –Prototypes – Alternative Technology Options, (including gas pipeline work and excl. AFUDC) inflated to 2020.
- ip = 6.9% (Growth Rate in Handy Whitman Cost Index for Gas Turbogenerators)
- io = 2.5% (Growth Rate in Producer Price Index for Finished Goods)
- r = 7.96% (See Cost of New Capital)
- O = \$12.09 / kW (Estimated Operating Cost for 2020)
- L = 4.30% (2015 FERC Form 1 data)
(261,039 ÷ 6,070,275)
- t = 1
- n = 30 years (EPRI - TAG 1993)

Y_i = 2020 (In service date of turbine)
Y_c = 2017 (Current Year)

Rate:

C = Unadjusted Capacity Payment = **\$4.21** per kW per month for year 2020

Ca = Adjusted Capacity Payment = **\$4.09** per kW per month for year 2017

SOUTHERN INDIANA GAS & ELECTRIC COMPANY

**ESTIMATED CAPACITY CAPITAL COST
YEAR 2017**

Basis of Cost

Based on SIGECO generic 220 MW simple cycle turbine.

Capacity Cost

Cost per kW (2020 \$) =\$722/kW

SOUTHERN INDIANA GAS & ELECTRIC COMPANY

**CALCULATIONS OF COGENERATION RATE
FOR PURCHASE OF ENERGY
YEAR 2017**

Basis of Calculation:

The system's energy cost was derived utilizing a simple average of two separate LMP forecasts provided by the 2016 IRP Model.

Energy Rate:

Values from dispatch model:

Annual On-Peak avoided cost ⁽¹⁾ = \$0.03249 /kWh
Annual Off-Peak avoided cost = \$0.02278 /kWh

Adjustment for losses ⁽²⁾

$\frac{1}{(1 - (0.043003/2))}$ = 1.02197

Adjusted Energy Rates

Annual On-Peak avoided cost = \$0.03321 /kWh
Annual Off-Peak avoided cost = \$0.02328 /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 2015 FERC Form 1, page 401a.

SOUTHERN INDIANA GAS & ELECTRIC COMPANY

**CALCULATION OF COST OF NEW CAPITAL
YEAR 2017**

<u>Item</u>	<u>Capital Structure</u> ⁽¹⁾	<u>Cost Rate</u> ⁽¹⁾	<u>Composite Rate</u>
Debt	43.36%	4.77%	2.07%
Preferred Stock	0.00%	0.00%	0.00%
Common Equity	<u>56.64%</u>	10.40%	<u>5.89%</u>
	100.00%		7.96%

Notes: ⁽¹⁾ Capital structure and cost rates as of December 31, 2016. Common equity cost rate from Order in Cause No. 43839, page 32.

Southern Indiana Gas & Electric Company

**Weighted
Cost of Capital
Year 2017**

Item	Capital Structure	Cost Rate	Composite Cost	
Debt	43.36%	4.77%	2.07%	Balance 12-31-16
Preferred Stock	0.00%	0.00%	0.00%	Balance 12-31-16
Common Equity	<u>56.64%</u>	10.40%	<u>5.89%</u>	Rate Per Order in Cause No. 43839
	100.00%		7.96%	

Inputs:

r	=	Cost of capital	7.96%
d	=	Sinking fund depreciation rate [[r] / ((1+r)^n - 1)]	0.89%
n	=	Service life (years)	30
l	=	Insurance cost rate (\$916599/\$2723334231)	0.03% 2015 FERC 1 page 323, line 185 / page 200, line 13
P	=	Property tax rate (\$8325995/\$2723334231)	0.31% 2015 FERC 1 page 263, line 9 / page 200, line 13
D	=	Book depreciation rate (30 year life - per EPRI "TAG")	3.33%
t	=	Income tax rate (composite)	38.9813%
b	=	Debt interest cost rate	4.77%
L	=	Debt capital structure ratio	43.36%

Carrying Charge

T	=	2.61%	
cc	=	11.80%	(r + d + l + P + T)

Southern Indiana Gas & Electric Company

Calculation of Cogeneration Rate For Purchase of Capacity Year 2017

C	= Unadjusted monthly capacity payment per-kilowatt of contracted capacity year of completion of unit.	4.21	Unadjusted Capacity Rate
Ca	= $C * ((1 + Ip)/(1 + r))^{(Yi - Yc)}$	4.09	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)* 11.6365 =	1.3731
cc		11.80%	
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.	722	2016 IRP inflated to 2020 level
n	= Expected life of the avoidable or deferrable unit.	30	
ip	= Annual escalation rate associated with the avoidable or deferrable unit.	6.9%	From Handy Whitman
io	= Annual escalation rate associated with the operation and maintenance expenses, less fuel and fuel-related expenses, of the avoidable or deferrable unit.	2.5%	From Producer Price Index
r	= Purchasing utility's after tax cost of capital.	7.96%	
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	12.09	2016 IRP inflated to 2020 level
L	= Line losses, expressed as a percentage, for the previous year. (261039/6070275)	4.30%	2015 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	2020	
Yc	= Current Year	2017	

	Escalated Capital Cost
Capability, MW (nominal)	219.8

Fixed O&M, \$/kW-yr 7.08
 \$/yr 1,556,184

Variable O&M, \$/MWh \$ 3.82

MW (Technical Assessment)	219.8
hours in a year	8760
Capacity Factor (Assumption)	0.08
MWH (MW*Yearly Hours* CF)	154,035.84
Maintenance Cost per Start (TA)	\$ 15,000.00
Starts (Assumption)	30
(Maintenance Cost per start*Starts)	\$ 450,000.00
\$/MWH	\$ 2.92
\$/MWH (Tech. Assessment Variable O&M)	\$ 0.90
Total Variable O&M (\$/MWH)	\$ 3.82

Total O&M, \$/kW	10.90
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Capital Cost Estimate (2015 \$)

\$/kW	650
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[1] Source: Generation Technology Assessment SCGT F- Class (September 2015)

Total O & M \$/kW 2016 \$ 11.13
 2017 \$ 11.36
 2018 \$ 11.60
 2019 \$ 11.84
 2020 \$ 12.09 =O

capital cost estimate 2016 664
 2017 678
 2018 692
 2019 707
 2020 722 =V

<p>1.021 Inflation Factor of 1.021 per EIA Annual Energy Outlook 2016 Early Release, Table A20</p>

**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)
2004	1	428		1	6.05912
2005	2	420	(0.01869)	2	6.04025
2006	3	435	0.03571	3	6.07535
2007	4	511	0.17471	4	6.23637
2008	5	581	0.13699	5	6.36475
2009	6	619	0.06540	6	6.42811
2010	7	680	0.09855	7	6.52209
2011	8	683	0.00441	8	6.52649
2012	9	757	0.10835	9	6.62936
2013	10	797	0.05284	10	6.68085
2014	11	810	0.01631	11	6.69703
2015	12	847	0.04568	12	6.74170
2016	13	871	0.02834	13	6.76964

Log-Linear Growth

0.06713

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

0.06943

6.9%

**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)
2004	1	143.3		1	4.96494
2005	2	155.7	0.08653	2	5.04793
2006	3	160.4	0.02987	3	5.07736
2007	4	166.6	0.03887	4	5.11550
2008	5	177.2	0.06343	5	5.17700
2009	6	172.5	(0.02606)	6	5.15059
2010	7	179.8	0.04197	7	5.19171
2011	8	190.7	0.06077	8	5.25070
2012	9	194.3	0.01892	9	5.26945
2013	10	196.7	0.01222	10	5.28159
2014	11	200.4	0.01911	11	5.30052
2015	12	193.9	(0.03280)	12	5.26717
2016	13	191.9	(0.01014)	13	5.25697

Log-Linear Growth

0.02486

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

0.02517

2.5%

Based on 2016 IRP Model Inputs
 All values shown in nominal dollars

2017 CSP

		Data	
month		Average of onpk	Average of offpk
Mar-17	\$	30.53	\$ 22.98
Apr-17	\$	30.74	\$ 21.04
May-17	\$	32.31	\$ 20.02
Jun-17	\$	34.65	\$ 19.62
Jul-17	\$	36.36	\$ 23.39
Aug-17	\$	35.34	\$ 22.94
Sep-17	\$	32.67	\$ 21.70
Oct-17	\$	29.67	\$ 20.42
Nov-17	\$	29.21	\$ 23.32
Dec-17	\$	31.03	\$ 24.61
Jan-18	\$	34.00	\$ 26.88
Feb-18	\$	33.41	\$ 26.46
12 month average	\$	32.49	\$ 22.78

ferc 1 line losses 4.30%
 Adjusted for losses 1.02197

	On peak	Off-Peak
	\$/MWh	\$/MWh
Adjusted Energy Rates	33.20726	23.28132

\$ per kWh	\$ 0.03321	\$ 0.02328
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**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)	2,548,060,816	2,227,533,010
4	Property Under Capital Leases		
5	Plant Purchased or Sold		
6	Completed Construction not Classified	552,381,053	466,855,705
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	3,100,441,869	2,694,388,715
9	Leased to Others		
10	Held for Future Use	1,391,263	1,391,263
11	Construction Work in Progress	31,918,626	27,554,253
12	Acquisition Adjustments		
13	Total Utility Plant (8 thru 12)	3,133,751,758	2,723,334,231
14	Accum Prov for Depr, Amort, & Depl	1,409,256,836	1,253,912,010
15	Net Utility Plant (13 less 14)	1,724,494,922	1,469,422,221
16	Detail of Accum Prov for Depr, Amort & Depl		
17	In Service:		
18	Depreciation	1,409,256,836	1,253,912,010
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)	1,409,256,836	1,253,912,010
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)	1,409,256,836	1,253,912,010

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 (i) 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
-30,401		7,743,913			1,270,045	2
						3
42,802					337,356	4
		4,497,610			-401,483	5
-941					7,755	6
						7
6,263					5,973	8
9,807,810		8,325,995			1,142,119	9
						10
9,825,533		20,567,518			2,361,765	11
						12
						13
-1,623		22,197				14
436,704		477,372				15
					41,381	16
435,081		499,569			41,381	17
						18
						19
1,957					14,770	20
5,111,278		23,907,809			-6,497,827	21
		-36,636			-6,079	22
-237		37,578			6,117	23
5,112,998		23,908,751			-6,483,019	24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
						41
15,373,612		44,975,838			-4,079,873	41

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	107,553	80,714
169	(909) Informational and Instructional Expenses	15,073	38,304
170	(910) Miscellaneous Customer Service and Informational Expenses	200,123	472,950
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	322,749	591,968
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision	12,685	11,851
175	(912) Demonstrating and Selling Expenses	8,277,068	12,210,395
176	(913) Advertising Expenses		17
177	(916) Miscellaneous Sales Expenses	3,913	5,113
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	8,293,666	12,227,376
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	13,774,963	15,933,065
182	(921) Office Supplies and Expenses	4,967,264	5,086,009
183	(Less) (922) Administrative Expenses Transferred-Credit	2,396,160	1,769,532
184	(923) Outside Services Employed	12,966,825	12,443,765
185	(924) Property Insurance	916,599	949,574
186	(925) Injuries and Damages	1,431,286	1,512,346
187	(926) Employee Pensions and Benefits	12,950	16,981
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	1,102,376	1,245,526
190	(929) (Less) Duplicate Charges-Cr.		
191	(930.1) General Advertising Expenses		
192	(930.2) Miscellaneous General Expenses	3,700,629	4,206,235
193	(931) Rents	28,089	45,875
194	TOTAL Operation (Enter Total of lines 181 thru 193)	36,504,821	39,669,844
195	Maintenance		
196	(935) Maintenance of General Plant	231,473	206,183
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	36,736,294	39,876,027
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	342,919,667	369,793,391

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)	5,458,157
3	Steam	4,825,473	23	Requirements Sales for Resale (See instruction 4, page 311.)	3,158
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	334,603
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	13,318
7	Other	56,289	27	Total Energy Losses	261,039
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	6,070,275
9	Net Generation (Enter Total of lines 3 through 8)	4,881,762			
10	Purchases	1,094,924			
11	Power Exchanges:				
12	Received	5,165,575			
13	Delivered	5,071,986			
14	Net Exchanges (Line 12 minus line 13)	93,589			
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)	6,070,275			

Producer Price Index-Commodities
Original Data Value

Series Id: WPUFD49207

Not Seasonally Adjusted

Group: Final demand

Item: Finished goods

Base Date: 198200

Years: 2006 to 2016

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
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	177.2
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	176.9	179.1	179.5	179.9	179.0	179.5	180.0	180.0	181.2	181.6	182.6	179.8
2011	184.5	186.7	189.3	191.6	192.7	191.6	192.4	191.8	192.8	191.9	191.9	191.2	190.7
2012	192.1	193.0	194.5	195.0	193.8	192.9	193.3	195.5	196.9	196.4	194.5	193.8	194.3
2013	194.9	196.4	196.7	196.0	196.9	197.3	197.3	197.9	197.3	196.9	196.1	196.5	196.7
2014	198.1	198.9	200.3	202.1	201.8	202.9	203.0	202.5	201.7	200.4	198.2	195.4	200.4
2015	192.2	192.6	193.6	193.1	196.0	197.7	197.4	196.3	193.4	192.4	191.6	190.1	193.9
2016	189.9	188.8	189.2	190.3	191.7	193.8	193.5	192.6	193.2	193.5	192.6	193.7	191.9

Macroeconomic Indicators, Reference case
(billion 2005 chain-weighted dollars, unless otherwise noted)

UPDATED 2016 Early Release data

Indicators	2015	2016	2017	2018	2019	2020	2021	2022	2023	Growth Rate (2015-2040)
Real Gross Domestic Product	16,349	16,841	17,335	17,740	18,155	18,555	18,928	19,337	19,811	2.2%
Components of Real Gross Domestic Product										
Real Consumption	11,221	11,577	11,961	12,283	12,606	12,861	13,106	13,368	13,665	2.3%
Real Investment	2,842	2,996	3,201	3,315	3,400	3,513	3,593	3,699	3,837	2.8%
Real Government Spending	2,860	2,919	2,935	2,946	2,956	2,967	2,968	2,983	3,007	0.9%
Real Exports	2,119	2,193	2,291	2,382	2,489	2,615	2,757	2,906	3,068	4.3%
Real Imports	2,662	2,815	3,030	3,165	3,274	3,374	3,465	3,582	3,723	3.8%
Energy Intensity (thousand Btu per 2009 dollar of GDP)										
Delivered Energy	4.38	4.30	4.22	4.17	4.10	4.03	3.96	3.88	3.81	-1.7%
Total Energy	5.92	5.79	5.69	5.60	5.52	5.42	5.33	5.22	5.12	-1.8%
Price Indices (Inflated at 1.021)										
GDP Chain-type Price Index (2009=1.000)	1.12136	1.14206	1.16608	1.18903	1.21278	1.23875	1.26811	1.2966		
Consumer Price Index (1982-84=1.00)	1.098	1.119	1.142	1.165	1.188	1.213	1.242	1.270	1.295	2.1%
Wholesale Price Index (1982=1.00)										
All Commodities	1.91	1.89	1.95	2.01	2.08	2.14	2.19	2.24	2.29	2.0%
Fuel and Power	1.60	1.49	1.64	1.78	1.96	2.10	2.18	2.26	2.36	3.7%
Metals and Metal Products	2.01	1.97	2.03	2.08	2.11	2.15	2.20	2.24	2.29	1.7%
Industrial Commodities excluding Energy	1.94	1.96	2.01	2.05	2.09	2.13	2.18	2.22	2.26	1.8%
Interest Rates (percent, nominal)										
Federal Funds Rate	0.13	0.89	1.88	2.79	3.33	3.32	3.22	3.03	3.02	--
10-Year Treasury Note	2.14	2.57	2.72	3.27	3.86	3.83	3.77	3.64	3.60	--
AA Utility Bond Rate	4.01	4.53	4.74	5.30	5.87	5.87	5.74	5.49	5.35	--
Value of Shipments (billion 2009 dollars)										
Non-Industrial and Service Sectors	24,085	24,839	25,313	25,740	26,292	26,750	27,093	27,441	27,978	1.8%
Total Industrial	7,229	7,506	7,783	7,977	8,174	8,351	8,513	8,645	8,841	1.9%
Agriculture, Mining, and Construction	1,931	2,056	2,205	2,320	2,404	2,493	2,529	2,550	2,585	1.7%
Manufacturing	5,299	5,450	5,578	5,657	5,770	5,858	5,984	6,095	6,256	1.9%
Energy-Intensive	1,704	1,728	1,759	1,800	1,853	1,892	1,927	1,954	1,986	1.4%
Non-Energy-Intensive	3,594	3,722	3,819	3,857	3,917	3,967	4,057	4,141	4,271	2.1%
Total Shipments	31,314	32,345	33,096	33,717	34,466	35,101	35,606	36,086	36,819	1.8%
Population and Employment (millions)										
Population, with Armed Forces Overseas	321.9	324.5	327.1	329.8	332.4	335.0	337.6	340.2	342.8	0.7%
Population, aged 16 and over	256.6	259.3	261.9	264.3	266.8	269.3	271.7	274.1	276.6	0.8%
Population, aged 65 and over	48.1	49.7	51.3	53.0	54.8	56.7	58.6	60.5	62.4	2.2%
Employment, Nonfarm	141.8	144.1	146.4	147.6	148.9	150.3	151.1	152.0	153.2	0.7%
Employment, Manufacturing	12.5	12.7	12.9	13.0	13.1	13.1	13.2	13.3	13.3	-0.1%
Key Labor Indicators										
Labor Force (millions)	157.3	159.7	161.9	163.8	165.4	166.6	167.7	168.7	169.6	0.7%
Nonfarm Labor Productivity (2009=1.00)	1.06	1.08	1.09	1.11	1.13	1.15	1.16	1.19	1.21	1.7%
Unemployment Rate (percent)	5.31	4.99	4.89	4.92	4.77	4.72	4.84	5.03	5.08	--
Key Indicators for Energy Demand										
Real Disposable Personal Income	12,225	12,649	13,069	13,486	13,868	14,197	14,493	14,808	15,143	2.3%
Housing Starts (millions)	1.18	1.36	1.54	1.64	1.70	1.74	1.73	1.72	1.72	1.3%
Commercial Floorspace (billion square feet)	83.8	84.7	85.6	86.6	87.7	88.7	89.8	90.8	91.9	1.1%
Unit Sales of Light-Duty Vehicles (millions)	17.36	17.87	18.27	18.07	17.80	17.11	16.95	16.91	17.14	0.4%

GDP = Gross domestic product.

Btu = British thermal unit.

-- = Not applicable.

Sources: 2014 and 2015: IHS Economics, Industry and Employment models, November 2015.

Projections: U.S. Energy Information Administration, AEO2016 National Energy Modeling System run ref2016.d032416a.



Affidavit

PROOF OF PUBLICATION OF LEGAL ADVERTISEMENT

Account Number: EXV22 / 108836

LEGAL NOTICE

Notice is hereby given that on or about February 28, 2017, Southern Indiana Gas and Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc. ("Vectren South") 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. The capacity component of Rate CSP will also impact the capacity charge for firm back-up 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 Rider IP-2 (Interruptible Power Service Rider), as applicable.

Vectren South anticipates approval of the filing by June 1, 2017, 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 Con-
sumer Counselor
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Scott E. Albertson
Vice President, Regulatory
Affairs & Gas Supply
VECTREN UTILITY HOLDINGS,
INC.
(Courier & Press February 18,
2017)hspaxlp

**STATE OF INDIANA
VANDERBURGH COUNTY**

I Mary Stephansen 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: 1491269

y EC-Evansville Courier & Press 02/18/17 Sat

RE
giv
VE
AC

Mary Stephansen
Signed

2-20-17
Date

Subscribed and sworn to before me this date:

2-20-17
Date

Julia Andrea Kastle Notary Public

Notary is Resident of **Vanderburgh County**

My Commission expires: 10-11-2020