

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

APPLICATION OF SOUTHERN INDIANA)
GAS AND ELECTRIC COMPANY D/B/A)
VECTREN ENERGY DELIVERY OF)
INDIANA, INC. ("VECTREN SOUTH") FOR)
APPROVAL OF A CHANGE IN ITS FUEL) CAUSE NO. 38708-FAC102-S1
COST ADJUSTMENT FOR ELECTRIC)
SERVICE IN ACCORDANCE WITH THE)
ORDER OF THE COMMISSION IN CAUSE)
NO. 37712 EFFECTIVE JUNE 18, 1986 AND)
SENATE BILL NO. 529 EFFECTIVE APRIL)
11, 1979)

APPLICANT'S MOTION TO MODIFY PROCEDURAL SCHEDULE

Applicant Southern Indiana Gas and Electric Company, Inc., d/b/a Vectren Energy Delivery of Indiana, Inc. ("Vectren South") hereby requests that the Indiana Utility Regulatory Commission ("Commission") conduct a preliminary hearing to establish a new procedural schedule in this sub-docket proceeding, including a date for submission of new Direct Testimony, and in support hereof states as follows:

1. In 2013, after reviewing Vectren South's prospective coal procurement plan as part of an FAC proceeding, the Commission ordered that commencing in 2014,

Vectren South's annual informational filing of its coal procurement plan should be submitted in a sub-docket proceeding to allow the opportunity for review of the plan to occur free from time constraints associated with a quarterly FAC proceeding. As a result, on April 23, 2014, the Commission initiated this sub-docket proceeding.

2. On June 10, 2014, consistent with a procedural schedule set in this proceeding, Vectren South submitted its Direct Testimony describing the then current state of its planned coal procurement activities. In that testimony, Vectren South discussed the possibility that the company would enter into negotiations with a supplier for long term market priced contracts that would secure coal suitable to support EPA related compliance requirements for its generation units. Vectren South currently has a request for approval of its compliance project pending before the Commission and intends to commence installment of pollution controls equipment this fall.

3. On July 1, 2014, Vectren Corporation publicly announced that it had sold its coal mine subsidiary, Vectren Fuels, to Sunrise Coal, LLC. Commensurate with that sale, Vectren South has entered into new supply contracts with Vectren Fuels, which will be owned by Sunrise Coal if the sale is successfully closed later this year.

4. At the time of the filing of Direct Testimony on June 10, 2014, Vectren South did not know whether it would successfully negotiate the long term supply contracts mentioned above. Now that these new contracts have been finalized, Vectren South proposes to file replacement Direct Testimony (superseding the prior filing) describing these contracts, and thereby using this sub-docket proceeding as a means of providing an opportunity for review of the contracts.

5. In order to provide for this review, Vectren South proposes that the existing procedural schedule be vacated, that the previously filed Direct Testimony be withdrawn, and that a preliminary hearing be set to establish a new procedural schedule, including a date for the filing of the company's Direct Testimony describing the new supply contracts.

6. Vectren South has discussed this motion with the OUCC, and the OUCC supports the motion.

WHEREFORE, Applicant requests that the Commission conduct a preliminary hearing in this proceeding in order to modify the existing procedural schedule and thereby allow for review of certain new coal supply contracts recently entered into by the Applicant.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Robert E. Heidorn", written over a horizontal line.

Robert E. Heidorn
P. Jason Stephenson
Joshua A. Claybourn
Counsel for Applicant

Robert E. Heidorn, Atty. No. 14264-49
P. Jason Stephenson, Atty. No. 21839-49
Joshua A. Claybourn, Atty. No. 26305-49
Vectren Corporation
One Vectren Square
211 N.W. Riverside Drive
Evansville, IN 47708
812-491-4203 (telephone)
812-491-4238 (fax)
rheidorn@vectren.com

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing document was served upon the following via electronic mail, this July 2, 2014:

Lorraine Hitz-Bradley
Office of Utility Consumer Counselor,
PNC Center
115 W. Washington St.
Suite 1500 South
Indianapolis, Indiana 46204



Robert E. Heidorn,
Counsel for Applicant