INDIANA GAS COMPANY, INC.

d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.

A CENTERPOINT ENERGY COMPANY

(VECTREN NORTH)

IURC CAUSE NO. 45468

DIRECT TESTIMONY

OF

ANGIE M. BELL

DIRECTOR, REGULATORY AND RATES

ON

REVENUE REQUIREMENT

SPONSORING PETITIONER'S EXHIBIT NO. 2,

ATTACHMENTS AMB-1 THROUGH AMB-3

Glossary of Acronyms

AFUDC	Allowance for Funds Used During Construction
BS/CI Program	Bare Steel and Cast-Iron Main Replacement Program
CenterPoint	CenterPoint Energy, Inc.
CIP	Capital Investment Plan
Commission	Indiana Utility Regulatory Commission
Company	Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc.
Compliance Statute	Ind. Code Ch. 8-1-8.4
CSIA	Compliance and System Improvement Adjustment
CWIP	Construction Work In Progress
DSM	Demand Side Management
ECA	Environmental Cost Adjustment
EEFC	Energy Efficiency Funding Component
EIP	Enterprise Integration Program
FAC	Fuel Adjustment Clause
FERC	Federal Energy Regulatory Commission
GAAP	Generally Accepted Accounting Principles
GCA	Gas Cost Adjustment
GRCF	Gross Revenue Conversion Factor
HDD	Heating Degree Days
ITC	Investment Tax Credit
IURC	Indiana Utility Regulatory Commission
IURT	Indiana Utilities Receipts Tax
NOAA	National Oceanic and Atmospheric Administration
O&M	Operating and Maintenance
Petitioner	Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc.
PISCC	Post-In-Service Carrying Costs
SRC	Sales Reconciliation Component
TDSIC	Transmission, Distribution, and Storage System Improvement Charge
TDSIC Statute	Ind. Code Ch. 8-1-39
USF	Universal Service Fund
USoA	Uniform System of Accounts
Vectren	Vectren Corporation
Vectren North	Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc.
Vectren Ohio	Vectren Energy Delivery of Ohio, Inc.
Vectren South	Southern Indiana Gas and Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc.
VUHI	Vectren Utilities Holdings, Inc.

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DIRECT TESTIMONY OF ANGIE M. BELL

I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Angie M. Bell. My business address is 211 NW Riverside Drive, Evansville, Indiana, 47708.

Q. By whom are you employed?

A. I am employed by Vectren Corporation ("Vectren"), a wholly-owned subsidiary of CenterPoint Energy, Inc. ("CenterPoint").

Q. On whose behalf are you testifying in this proceeding?

A. I am testifying on behalf of Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc. ("Petitioner", "Vectren North" or "the Company"), which is a subsidiary of Vectren.

Q. What is your role with respect to Petitioner Vectren North?

A. I am Director, Regulatory and Rates for Vectren, and in that role I oversee regulatory and rate matters for Vectren North. I have the same role with two other utility subsidiaries of Vectren – Southern Indiana Gas and Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc. ("Vectren South") and Vectren Energy Delivery of Ohio, Inc. ("Vectren Ohio").

Q. Please describe your educational background.

A. I graduated from Coker College in 2002 with a Bachelor of Science Degree in Business

Administration – Accounting.

Q. Please describe your professional experience.

A. I began working for Vectren in July 2005 as a Senior Accounting Analyst and have held various accounting positions with increasing responsibility within Vectren since that time. Those positions include Lead Accounting Analyst, Senior and Lead Operational Analyst for Power Supply, Manager of Utility Accounting, Manager of Regulatory Analysis, and Manager of Regulatory Reporting. In April 2020, I was promoted to Director, Accounting. In November 2020, I was named Director, Regulatory and Rates. Prior to joining Vectren, I was employed by Progress Energy as a Business Financial Analyst at the Robinson Nuclear Plant and at Mar-Mac Protective Apparel, Inc. as Manager of Accounting and Inventory Control.

Q. What are your present duties and responsibilities as Director, Regulatory and Rates?

A. I am responsible for the regulatory and rate matters of the regulated utilities within VUHI in proceedings before the Indiana and Ohio utility regulatory commissions. I also have the responsibility for the implementation of regulatory initiatives of Vectren North (and other utility subsidiaries in Indiana and Ohio), as well as the preparation of accounting exhibits submitted in various regulatory proceedings.

Q. Have you ever testified before any state regulatory commission?

A. Yes. I have testified before the Indiana Utility Regulatory Commission ("IURC" or "Commission") on behalf of Vectren South in its Gas Cost Adjustment ("GCA") proceedings, Cause No. 37366; its Electric Transmission, Distribution, and Storage

System Improvement Charge ("TDSIC") proceedings, Cause No. 44910; its Electric Environmental Cost Adjustment ("ECA") proceeding, Cause No. 45052; its Fuel Adjustment Clause ("FAC") proceedings, Cause No. 38708; and its Electric Demand Side Management ("DSM") Plan proceeding, Cause No. 45387. I have also testified before the Commission on behalf of Vectren North in its GCA proceedings, Cause No. 37394. I have also provided testimony on behalf of Vectren South in its most recently filed general gas rate case proceeding under IURC Cause No. 45447.

Q. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to present: (i) the financial and accounting data in support of Vectren North's revenue requirement; (ii) an explanation of the Company's decision to use a forecasted 2021 test year for ratemaking purposes, along with the budgeting and forecasting process used for the test year; (iii) the proposed update process for Phase 2 rates; (iv) the pro forma adjustments to the test year; (v) the determination of rate base; and (vi) certain elements of the capital structure presented by Petitioner's Witness Robert B. McRae.

Q. Are you sponsoring any of the Revenue Requirement Schedules provided in <u>Petitioner's Exhibit No. 18</u> in this proceeding?

A. Yes. Within the financial schedules included in <u>Petitioner's Exhibit No. 18</u>, I am specifically sponsoring or co-sponsoring the revenue requirement and supporting calculations within **Schedules A** (Revenue Increase and Financial Summary), **Schedules B** (Rate Base), and **Schedules C** (Income Statement and Adjustments). Petitioner's Witnesses McRae will sponsor and support **Schedules D** (Capital Structure) and Russell A. Feingold and Katie J. Tieken will sponsor and support respective portions of the **Schedules E** (Revenue Proof and Bill Impacts) with the exception of **Schedule E-5.1** (Continued Decoupling with Update Proposed Margin) which I will sponsor. Throughout my testimony, I will refer to Petitioner's Exhibit No. 18 based on these Schedule references.

Q. Has Vectren North included these financial exhibits in their native format within the document submitted to the Commission in this proceeding?

A. Yes.

Q. Has Vectren North also included workpapers in their native format supporting these schedules within the documents submitted to the Commission?

A. Yes. The Revenue Requirement files, including the workpapers, are contained in a single Excel file which is marked as Petitioner's Exhibit No. 18. For simplicity, printed pages of selected individual worksheets from Petitioner's Exhibit No. 18 are included as Petitioner's Exhibit No. 19.

Q. Are you sponsoring any attachments in this proceeding?

A. Yes. I am sponsoring the following attachments in this proceeding:

- Petitioner's Exhibit No. 2, **Attachment AMB-1**: 2019 Balance Sheet
- Petitioner's Exhibit No. 2, **Attachment AMB-2**: 2019 Vectren North Annual Report, specifically the Income Statement on Pages 107-118 of 134 of PDF (Annual report Pages 63-74 of 89)
- Petitioner's Exhibit No. 2, **Attachment AMB-3**: 2019 Statement of Cash Flows

Q. Were these attachments prepared by you or under your supervision?

A. Yes, they were.

Q. Are the Company's books and records kept in accordance with the Federal Energy Regulatory Commission ("FERC") Uniform System of Accounts ("USoA") and generally accepted accounting principles ("GAAP")?

A. Yes. The Company's books and records are kept in accordance with the FERC Uniform System of Accounts as adopted by this Commission and GAAP.

II. <u>REVENUE REQUIREMENT</u>

Q. What is the revenue increase requested by Vectren North?

A. As reflected on Schedule A-1, the Company seeks a total revenue increase of $20,759,200 utilizing a projected test year for calendar year 2021 and rate base, capital structure balances and costs projected as of December 31, 2021. This is necessary to allow the Company to earn a fair and reasonable return on its investment at a recommended return on equity of 10.15 percent. The recommended return on equity as detailed in Schedule D-1 is supported in the testimony of Petitioner's Witness Ann E. Bulkley and is set forth in the capital structure (Schedule D-1) sponsored by Petitioner's Witness McRae.

Q. Why is Vectren North seeking rate relief in this proceeding?

A. Specifically, Ind. Code Ch. 8-1-39 ("TDSIC Statute") requires that the Company file a base rate case prior to the completion of a 7-year plan under the TDSIC Statute. In consolidated Cause Nos. 44429 and 44430, the Company sought and received approval from the Commission of a 7-year capital investment program under the TDSIC Statute and Ind. Code Ch. 8-1-8.4 ("Compliance Statute"), which started in 2014 and completes in 2020. The TDSIC Statute requires that the Company file a base rate case prior to the end of 2020.

Q. What is the rate of return for the test year, absent rate relief as proposed in this proceeding?

A. The Company is projecting a rate of return of 5.37 percent for calendar year 2021. This compares to the proposed rate of return of 6.32 percent.

III. TEST YEAR

Q. What is the historic base period and the forward-looking test year used in support of the Company's rate case?

A. The Company's historic base period is the twelve months ended December 31, 2019. This represents the most recent financial data available that was submitted to the Commission within its annual report for 2019. The Company's forward-looking test year is projected from the budget for the twelve months ending December 31, 2021.

Q. Please explain why Vectren North chose 2021 for the forward-looking test year.

A. This is a twelve-month period beginning not later than 24 months after the date the petition in this case has been filed. The year ending December 31, 2021, with appropriate adjustments, is an appropriate test year since it is representative of the ongoing operations and economic conditions impacting the Company during the initial twelve-month period that the new rates will be in effect.

The testimony of Petitioner's Witness Ryan D. Moore will support the 2021 budgeting process in further detail and supports the 2021 budgeted net operating income statement (including both revenues and operating expenses). Petitioner's Witness Steven A. Hoover will support the capital expenditures budget. I am sponsoring the forecasted and adjusted rate base (Schedule B) and the adjusted Net Operating Income statement at present and proposed rates (Schedule C), both of which are derived from these 2021 budgets.

Q. How did the Company develop its proposed revenue requirement?

A. Budgeted revenues and expenses were downloaded from Hyperion, which is the Company's internal budget system. Workpapers in support of the budget data are part of Petitioner's Exhibit No. 18. The budget data components were classified within the appropriate FERC USoA for presentation within the revenue requirement schedules. Petitioner's Witness Moore supports the unadjusted test year levels for all income statement components. Later on in my testimony, I will discuss and sponsor necessary adjustments to the budgeted amounts based on current information.

Q. Did the Company build its forecast by identifying individual changes or adjustments from the historic base period?

A. No. Vectren North built its forward-looking test period from the budget. Because the historic period includes time both before and after the closing on the merger with CenterPoint, includes many post-closing costs to achieve, and reflects little integration with CenterPoint, the historic period is not representative of ongoing operations. For information purposes, comparisons of the historic base period to the test period are set forth in the testimony of Ryan D. Moore. Comparisons are also made throughout Petitioner's MSFRs. Construction updates from amounts reflected as of the end of the historic base period through the beginning and end of the test period are set forth in the testimony of Steven A. Hoover.

Q. Since the initial filing is based on the 2021 budget information, does the Company intend to update once actual results are known?

A. Yes. The Company proposes that the rate should be set in two phases.

Q. Please describe Phase 1.

A. Upon the issuance of an Order in this Cause, the Company proposes to implement rates under Phase 1 based upon the actual rate base and capital structure as of June 30, 2021.

Q. Please describe Phase 2.

A. The Company proposes to update certain financial schedules that have an impact on the revenue requirement at the conclusion of the 2021 test year. For Phase 2, the Company proposes to (1) update to the actual rate base and capital structure as of the end of test year, and (2) update the full test year revenue requirement for actual results for calendar year 2021, with depreciation expense annualized based on December 31, 2021 plant in-service balances. To do this, Vectren North will perform a full comprehensive update to the revenue requirement and the related schedules based on actuals. This update would consist of the following components of the revenue requirement for actual results, subject to the caps on Rate Base, Operating and

Maintenance ("O&M") and Amortization expense as found by the Commission in its Order in this Cause for the calendar year 2021.

- Overall Financial Summary (A Schedules) – This would encapsulate the full revenue requirement update for actuals for Rate Base, Rate of Return, and Net Operating Income. In order to do so, the following items below are proposed to be updated:
    - Rate Base (B Schedules) – This would consist of updates for actuals for Plant-In-Service (Schedule B-2) and Reserve for Accumulated Depreciation (Schedule B-3) pertaining to additions, transfers, and retirements. Depreciation expense would be annualized based on the actual plant-in-service balances (Schedule B-3.2). The Other Rate Base Components (Schedule B-4) would be updated for actuals through the end of 2021. The Company proposes to cap the total net rate base as presented on Schedule B-1 to the level found by the Commission in its Order.

    - Income Statement (C Schedules) – This would consist of updates for actuals on the schedules as referenced in Petitioner's Exhibit No. 18 in support of Schedule C-1. These updates are inclusive of the underlying supporting workpapers. Revenue, O&M, amortization expense and income taxes would be adjusted to reflect actuals. As noted above, depreciation expense would be annualized based on the plant-in-service balances. In addition, the Company proposes to cap the total non-pass-through O&M (expenses recovered through base rates) and amortization expense, to the level found by the Commission in its

Order. The Company also proposes property taxes would remain at the amount found in the Order.

- Capital Structure (D Schedules) - This would involve updates for actuals for each class of capital as described on Schedule D-1.

- Revenue Proof and Bill Impacts (E Schedules) – This would involve updates based on actual results and full revenue requirement update, as described above.

Q. Is this two-phase approach traditionally used in Indiana general rate cases?

A. Traditionally, forecasted test year rate cases in Indiana have utilized a two-phase rate implementation process that involves the updating of rate base and capital structure for actual balances as of the end of the test year. However, the continued uncertainty surrounding the effects from the COVID-19 pandemic and resulting public health emergency, as further described by Petitioner's Witness Richard C. Leger, supports the Company's proposal that a two-phase rate implementation should include more than an update to these two components.

Q. Does the Company propose any limit to the information that will be updated in Phase 2?

A. In the update, the Company will cap the total net original cost rate base to the level found by the Commission in its Order, and the Company will also cap the total operating and maintenance ("O&M") expenses (excluding pass-through costs, or costs recovered within other rate recovery mechanisms) to the total level found in the Order. As such, the Company has contemplated if the total net original cost rate base and

O&M is lower than the amounts in the Order, then the lower amounts will be used for Phase 2 rates. Revenue and billing determinants will be adjusted based completely on actuals. The resulting revenue requirement calculation will become the basis for the Phase 2 rates.

Q. What process do you propose for this update?

A. Once Vectren North has finalized the 2021 year-end financials and prepared the updated revenue requirement schedules, the Company will file these updated schedules with the Commission, together with revised rate schedules to reflect the actual amounts, subject to the caps on rate base and O&M previously mentioned. The Company expects the update to be filed in March 2022. Consistent with other orders issued in future test year cases in Indiana, the Company would propose that those rates take effect immediately on an interim-subject-to-refund basis (with a true-up including carrying charges). The Company would propose that other parties to this proceeding be provided a period of sixty (60) days to review this submission and present any objections to the Commission.

IV. REVENUE REQUIREMENT SCHEDULES

Q. Please generally describe the structure of the revenue requirement schedules and workpapers included in Petitioner's Exhibit No. 18.

A. The Company has included within Petitioner's Exhibit No. 18 all of its revenue requirement schedules and associated workpapers in native format, with printed copies of the schedules referenced below in Petitioner's Exhibit No. 19. As previously explained, these calculations are organized by schedule to differentiate the components and more clearly explain each of the factors utilized to derive the proposed revenue requirement and revenue increase.

- A Schedules – Revenue Increase and Financial Summary, including the gross revenue conversion factor support.
- B Schedules – Rate Base, and all components with pro forma adjustments.
- C Schedules – Income Statement and all pro forma adjustments.
- D Schedules – Capital Structure and Weighted Average Cost of Capital.
- E Schedule – Revenue Proof and Bill Impacts, referred to as the "Revenue Model".

V. A SCHEDULES

Q. Please describe Schedule A-1.

A. Schedule A-1 is the overall financial summary including rate base, operating income, rate of return and the proposed revenue increase. As indicated on this summary schedule and as I explained previously, the projected rate of return on a pro forma basis for calendar year 2021 without any rate relief is 5.37 percent, which is below the level required to provide Vectren North with a fair and reasonable return as recommended by Petitioner's Witness Bulkley.

Q. Please explain the calculation of the revenue deficiency for the forward-looking test year of December 31, 2021.

A. The revenue deficiency is determined by multiplying the test year ending rate base of $1,610,799,000 by the proposed rate of return (equal to the weighted average cost of capital) of 6.32 percent to arrive at the required operating income of $101,802,497. The difference between the required operating income and the current operating income results in the operating income deficiency of $15,282,179. The operating income deficiency is multiplied by the Gross Revenue Conversion Factor ("GRCF") to arrive at the revenue deficiency of $20,759,200.

Q. Please describe the GRCF that is shown on Schedule A-2 proposed in this proceeding?

A. Schedule A-2 presents the calculated GRCF of 1.35839 which is used to determine the overall revenue increase on Schedule A-1. The GRCF uses the current statutory federal income tax rate of 21 percent, the statutory Indiana State Tax Rate of 4.90 percent effective July 1, 2021, and the Indiana Utilities Receipts Tax ("IURT") rate of 1.40 percent. The GRCF calculates the incremental gross revenue required to generate the incremental dollar of net operating income accounting for the effects of taxes, commission fees, and uncollectible accounts.

Q. How did the Company determine the uncollectible expense (or bad debt) rate used in the current proceeding?

A. The uncollectible expense rate of 0.420 percent as depicted in the GRCF was determined based on the ratio of the three-year (2017 – 2019) average of (1) bad debt charge offs, net of collections, to (2) total revenues.

VI. <u>B SCHEDULES</u>

Q. Please describe the components of Schedules B, Rate Base?

A. The purpose of the B Schedules is to present the projected rate base as of December 31, 2021. The rate base summary is shown on Schedule B-1, reflecting the total rate base projected of $1,610,799,000. This schedule includes various components from other B Schedules, as referenced on Schedule B-1. The supporting schedule references are: B-2, plant in service; B-3, reserve for accumulated depreciation; and B-4, other rate base components, which include acquisition adjustments previously approved by the IURC (Cause No.'s 38918 and 38302), utility materials & supplies, material storeroom expense, gas in underground storage, and regulatory assets related to post-in-service carrying costs ("PISCC") for approved capital expenditure programs.

Q. Please describe generally how rate base is calculated for this proceeding.

A. Vectren North began with the actual rate base as of December 31, 2019. As described in the testimony of Petitioner's Witnesses Hoover and Moore, the Company has budgeted and projected capital expenditures for calendar year 2020 and 2021 as part of its standard budgeting process. These expenditures, along with the estimated accumulated depreciation associated with these investments, have been included as net utility plant in-service in the Company's forecasted rate base to project forward a December 31, 2021 projected rate base balance. As I discuss in greater detail later in my testimony, for other rate base components included as working capital, the Company has either maintained the actual December 31, 2019 balances or projected forward the balances based on projected activity during the 2020 and 2021 periods.

Q. Please describe Schedule B-1.1.

A. Schedule B-1.1 presents a roll-forward of the rate base as determined in the Company's last rate case to the amounts projected in this proceeding, by FERC major class of plant. The schedule starts with the comparison of the last authorized rate base in Cause No. 43298, as of December 31, 2006, to the actual rate base as of December 31, 2019, noting the changes over this thirteen-year time period. Petitioner's Witness Hoover discusses in greater detail in his testimony the activity that comprises the material changes in gross plant since 2006.

From the actual December 31, 2019 balances, the 2020 projected activity is added in Column D to project the December 31, 2020 rate base balance. The 2020 capital investment plan ("CIP") is supported by Petitioner's Witness Hoover. The Company has taken these capital expenditures and determined the estimated activity that will be placed in-service during calendar year 2020, using the same information that supports the calculation of budgeted depreciation expense as discussed in greater detail by Petitioner's Witness Moore. The difference between the activity included in rate base in 2020 and the CIP dollars supported by Petitioner's Witness Hoover is the exclusion of any year-end 2020 construction work in progress ("CWIP") activity, which is not included in rate base in this proceeding.

The same process is followed for 2021 CIP activity. Activity for 2021 is divided for the calendar year to determine the amounts that would be in place before June 30, 2021 (Column F) and the amounts that would be in place after June 30, 2021 (Column H). This is needed to determine the estimated Phase 1 rate base amount, as of June 30, 2021, which is projected to be $1,519,864,693. The final column projects the rate base as of December 31, 2021, as used within the revenue requirement schedules to determine the requested increase in this proceeding.

Later in my testimony, I will discuss adjustments that have been included in the projected December 31, 2021 rate base. These adjustments have been captured as 2021 activity, with all but the information technology-related ("IT-related") investments included in the activity through June 30, 2021.

Q. Is all of the plant in service included in rate base used and useful in providing utility service?

A. The plant in service as of December 31, 2019 is rendering service to Vectren North's customers receiving service subject to the Commission's jurisdiction and is used and useful in that regard. The plant-in-service in the forward-looking test year is anticipated to be used and useful to render service to the Company's customers.

Q. Please describe Schedules B-2 and B-2.1?

A. Schedule B-2 presents the gross plant in service projected for December 31, 2021 by major FERC class of plant. Schedule B-2.1 is the supporting detail for this schedule, subdividing the class of plant by account and subaccount.

Q. Has Vectren North proposed adjustments to the projected rate base as of December 31, 2021?

A. On Schedules B-2 and B-2.1, specifically in the "Adjustments" column, gross plant in-service projected as of December 31, 2021 includes three primary adjustments. The adjustments have both gross plant and accumulated reserve impacts.

The first relates to information technology investments, discussed in greater detail in the testimony of Petitioner's Witness Jeffrey S. Myerson. The second relates to the pushdown of assets that previously resided at Vectren Utility Holdings, Inc. ("VUHI") and were charged to Vectren North and the other VUHI utility subsidiaries through a shared services charge. The third relates to the removal of investments associated with a specific industrial customer contract whereby these investments are paid for in full by the specific customer.

A. Information Technology Investment Adjustment

Q. Please describe the adjustment associated with the IT-related investments.

A. The gross asset addition to the projected rate base for IT-related investments represents the Vectren North allocated share of the investment necessary to replace end-of-life systems and to harmonize the Vectren systems with CenterPoint. The IT-related investment was captured and approved as part of the 2020 and 2021 budgets, but it was not allocated to the individual utilities at the completion of the budget process. The calculation of the allocations are shown on Worksheets WPB-2.1b1 and WPB-2.1c in Petitioner's Exhibit No. 18.

B. Pushdown of Assets

Q. Please describe the adjustment associated with the pushdown of the VUHI assets.

A. Assets that were utilized by all of the Vectren utilities – Vectren North, Vectren South, and Vectren Ohio – were previously centralized under VUHI to provide for administrative efficiencies and avoid unnecessary duplication of vital resources. These assets included information technology systems to support the financial, operational, and customer billing services of the utilities, along with the facilities and office buildings common to VUHI and Vectren employees. Within 2020, it was determined that the information technology assets at VUHI should be pushed down to the individual utilities primarily due to the adoption of the shared services model that is utilized by CenterPoint. As I will explain later, because of corresponding adjustments to net operating income, this adjustment has no effect on the total revenue requirement.

Q. Were these assets included for recovery in the rates and charges of Vectren North and the other Vectren utilities?

A. Yes. These assets have historically been charged via a shared services charge to each of the utilities annually as an operating expense, akin to a rental or lease expense. This shared services charge captured the depreciation associated with these investments, in addition to the calculated return on these investments at the authorized rate of return for each of the utilities. The calculation mirrored what would occur if the assets, or specifically the allocated portion of the assets, were included in the respective rate base of each of the utilities. This process has been in place since the formation of Vectren in 2000. This is how these costs were recovered for ratemaking purposes in Vectren North's last rate case.

Q. How were these assets allocated to Vectren North in particular?

A. The assets shared among the VUHI operating utilities are allocated to each utility based on defined allocations. Costs for these information technology assets are allocated to the utilities using the Company's approved allocation methodology. This allocation approach is captured in the existing affiliate agreements with VUHI for each of the utilities and matches how those assets were allocated and charged within the shared services charge historically.

Q. Why were not all of the VUHI assets allocated to each of the utilities?

A. The VUHI assets that are common to the utilities such as customer billing systems, financial systems (e.g., enterprise resource planning) other technology related infrastructure can be allocated or pushed down whereas as physical structures such as buildings and related fixed assets cannot be easily separated across utilities. Historically, CenterPoint has pushed down intangible assets, such as software, to the jurisdictions that benefit from the utility of those assets. However, in the case of a building it is not feasible or appropriate to be pushed down since the usage of the building can change over time.

Q. How does this amount, and the associated impacts on depreciation expense, along with the required return, compare to the amount captured in the 2021 budget for Vectren North's share of the shared services charge?

A. I will discuss the specific amounts as a component of Schedule C-3.16, but the impact to the revenue requirement associated with the VUHI assets is unchanged whether it was within the shared services charge as opposed to rate base. Ultimately the calculation of the shared services charge should follow exactly what would otherwise occur if the asset was placed within rate base.

C. Adjustment to Remove Assets Associated with Individual Customer

Q. Please describe the adjustment for the removal of assets associated with extension of service to an industrial customer.

A. The Company has removed gross plant-in-service representing extension of main to be able to serve a single industrial customer. As part of this agreement to serve this customer, the Company and customer agreed to enter into a contract whereby the full value of main extension would be paid by the customer over the life of the asset. As such, the asset should be removed from rate base to avoid costs being allocated to other customers. In addition, as discussed later in my testimony, the associated contractual (non-gas cost) revenues for this customer were also removed from the test year.

Q. Please describe Schedules B-3 and B-3.1.

A. Schedule B-3 is the accumulated depreciation and amortization balances by FERC account and subaccount, projected as of December 31, 2021. Schedule B-3.1 summarizes the corresponding adjustments for the test year, discussed earlier in my testimony, to the accumulated depreciation reserve by FERC account. Each of these adjustments to gross plant in-service also carried with it a corresponding adjustment to the accumulated reserve account. The net impact of each is summarized in the table below:

Table AMB-1: Net Plant Adjustments

Description	Gross Plant In-Service (Schedule B-2.1)	Accumulated Depreciation Reserve (Schedule B-3.1)	Net Adjustment to Rate Base
IT Investments	$ 35,684,738	$ (2,254,299)	$ 33,430,439
Pushdown of Assets	$ 165,671,295	$ (125,214,885)	$ 40,456,410
Large Customer	$ (40,252,633)	$ 6,748,888	$ (33,503,745)
Total	**$ 161,103,400**	**$ (120,720,296)**	**$ 40,383,104**

Q. Will the Company be proposing new depreciation rates in this proceeding?

A. Yes. The Company is proposing new depreciation rates effective upon an order in this proceeding. The "Depreciation Study", and the depreciation rates proposed, are supported by the testimony of Petitioner's Witness John J. Spanos. The Company included the annualized depreciation expense based on December 31, 2021 plant in-service balances in its revenue requirement schedules.

Q. Please describe Schedule B-3.2.

A. Schedule B-3.2 presents the calculation of the pro forma level of depreciation expense, by FERC account and subaccount, using the projected and adjusted December 31, 2021 gross plant in-service and current approved depreciation rates, as compared to those depreciation rates proposed by Petitioner's Witness Spanos. This schedule shows that the current approved depreciation rates would result in annual depreciation on projected gross plant in-service of $123.557 million, whereas the proposed depreciation rates applied to the same asset base would produce annual depreciation of $98.276 million.

Q. Please describe Schedule B-4.

A. Schedule B-4 presents the other rate base component items, projected as of December 31, 2021. Within this schedule, there are ten (10) specific items included in rate base as other rate base components.

The first two (2) components pertain to the acquisition adjustments for Westport Natural Gas Company and Terre Haute / Richmond Gas Corporation for Plant-In-Service and the related amortization that was approved in Cause Nos. 38918 and 38302 and presented in the last base rate case (Cause No. 43298). Further supporting details on the acquisition adjustments are presented within WPB 4.1.

The next six components are: (1) natural gas in underground storage as base gas; (2) materials and supplies; (3) storeroom expenses associated with the materials and supplies; (4) natural gas in underground storage as working gas, used to serve retail customers; (5) liquefied petroleum gas; and (6) prepaid gas. Each balance noted on Schedule B-4 reflects a thirteen-month average of the actual balances for Vectren North for the monthly periods ended December 31, 2019. The Company does not project these balances as part of its budgeting process, so the Company has maintained the actual, historical balances as the basis for inclusion in rate base in this proceeding.

The remaining two components are regulatory assets associated with the deferral of PISCC on two approved capital investment programs. In Cause No. 43298, the Company received approval to commence its bare steel and cast-iron main replacement program ("BS/CI Program"). This approval also allowed for deferred accounting treatment, which granted Vectren North the ability to defer depreciation and continue to accrue PISCC at the Company's Allowance for Funds Used During Construction ("AFUDC") rates until the investments are included for recovery in the Company's next base rate case. The Company has included only the PISCC balance in rate base, projected through December 31, 2021 at $22,271,846. The second regulatory asset relates to the Company's approved Compliance and System Improvement Adjustment ("CSIA") capital investment plan approved in consolidated Cause Nos. 44429 and 44430. The cumulative PISCC deferred balance has been included for recovery in the Company's CSIA filings in Cause No. 44430, amortized over the remaining life of the associated installed assets. This balance is projected as of December 31, 2021 at $30,557,602.

VII. <u>C SCHEDULES</u>

Q. Please describe the components of Schedules C, Income Statement and Adjustments.

A. The C Schedules present the calculation of Vectren North's operating income for the test year, adjusted to capture necessary and certain items that were not within the 2021 budget.

Q. Please describe Schedule C-1.

A. Schedule C-1 is the pro forma income statement showing adjusted revenues and expenses under existing customer rates and the impact of the proposed revenue increase. This schedule shows that under the current rates, the Company's pro forma rate of return projected for 2021 is 5.37 percent. The revenue increase calculated within Schedule E-4 is based on the rates submitted as part of Vectren North's proposed tariff supported by Petitioner's Witness Feingold. By adjusting the current adjusted operating income statement by the impact of the proposed rates, this schedule shows that the Company's rate of return will increase to 6.32 percent, which is the requested Rate of Return reflected on Schedule D-1 and discussed by Petitioner's Witnesses McRae and Bulkley.

Q. Please describe Schedule C-1.1.

A. Schedule C-1.1 presents a more detailed view of the pro forma income statement, through net operating income, for the twelve months ended December 31, 2021. Column A presents the unadjusted income statement, by FERC Account, for the 2021 budget as supported by Petitioner's Witness Moore. Column B summarizes the pro forma adjustments required to the test year. These pro forma adjustments are detailed within the various C-3 schedules I will discuss later in my testimony. These adjustments are numbered sequentially starting with Schedule C-3.1, by FERC Account, on the far side of Schedule C-1.1. Column C then represents the pro forma income statement at present rates. Column D captures the revenue increase, as noted on Schedule C-1, to arrive at the pro forma at proposed rates income statement presented in Column E.

Q. In your opinion, does Schedule C-1.1, Column E accurately reflect Vectren North's projected operating results during the test year, with appropriate adjustments?

A. Yes.

Q. Please describe Schedule C-2.

A. Schedule C-2 reflects the Company's operating income for the test year, the twelve months ended December 31, 2021, adjusted for several items as identified in Schedule C-3 (Summary of Adjustments to Operating Income). These adjustments will be discussed later in my testimony.

Q. Please describe Schedule C-2.1.

A. Schedule C-2.1 provides the detail of the revenue and expenses for the test year, by account in accordance with FERC USoA. The detail provided on this schedule represents the test year amounts and is unadjusted, as supported by Petitioner's Witness Moore.

Q. Please describe Schedule C-3.

A. The amounts as indicated on Schedule C-3 represent a summary of the adjustments which are detailed on Schedules C-3.1 through C-3.24. The adjustments are necessary to reflect the annual effect of expenses and revenues for ratemaking purposes and establish test year expense and revenue levels appropriate for ratemaking purposes.

Q. Please describe Schedules C-3.1 through C-3.9.

A. Schedules C-3.1 through C-3.9 are pro forma adjustments to the Company's test year gross revenues and represent a net decrease in test year revenues.

Q. Has Vectren North provided detailed calculations supporting the determination of the pro forma level of operating revenues within the documents submitted in

this proceeding?

A. Yes. The Company has included as workpapers documents that support these adjustments, and specifically support for the amount ultimately utilized on Schedule E-4.1 for the Revenue Proof which is supported by Petitioner's Witness Feingold. These workpapers, referred to below as the "Revenue Model" provide monthly detailed calculations of the test year and pro forma level of operating revenues by Rate Schedule.

Q. Please generally describe why adjustments to the 2021 budgeted operating revenues are necessary.

A. As discussed by Petitioner's Witness Moore, the 2021 budget was prepared in detail during the standard budget process to capture known estimates for the 2021 period. However, these estimates were prepared during 2019, and the Company is now equipped with new information that require adjustments within the budgeted information. In addition, the budget was prepared with estimated rates for various adjustment mechanisms (or riders) based on 2019 information. Adjustments are required to annualize these rider revenues to truly capture the going level at proposed rates.

Q. Please describe Schedule C-3.1.

A. Schedule C-3.1 reflects the change to operating revenues of $(26,400) to adjust monthly service charge revenues for the projected customer count by Rate Schedule. This adjustment is required (1) to remove one (1) large customer under Rate Schedule 270 that has a special contract in place, and (2) to remove a duplicate service charge budgeted in error. The special contract customer, which I discussed within the rate base adjustment, is only paying for the asset investment needed to provide service to this customer. As such, this customer is removed from the appropriate billing determinants and all associated revenue is removed from the rate case to align with the removal of the investment for which they are responsible.

Q. Please describe Schedule C-3.2.

A. Schedule C-3.2 represents a change in the amount of operating revenues by $(4,368,220) for weather-sensitive Rate Schedules (Residential 210, General Sales Service 220, and School/Government Transportation Service 225) to adjust volumes for Normal Weather. The Company developed its budget based on the normal heating degree days ("HDD") as defined in the Company's last base rate case, which used the National Oceanic and Atmospheric Administration ("NOAA") 30-year Normal for Indianapolis and Louisville for 1971 through 2000. This adjustment on Schedule C-3.2 updates the normal HDD to a more current level, reflecting the NOAA 30-year Normal for Indianapolis and Louisville for 1981 through 2010. This adjustment reduces the budgeted volumes for the small customer rate schedules, resulting in a reduction to operating revenues of $(4,368,220).

Petitioner's Witness Tieken proposes to utilize these new normal heating degree days within the Vectren North Gas Tariff reflected within Appendix B, Sheet No. 31.

Q. Please describe Schedule C-3.3.

A. Schedule C-3.3 represents a decrease of $(5,414,208) to base revenues for large volume customers. As noted within the discussion on Schedule C-3.1, the Company has removed activity associated with 1 customer who has a special contract in place governing their rates and charges. As described earlier, this removal aligns with the removal in rate base of the asset investment needed to serve this single customer.

Q. Please describe Schedule C-3.4.

A. Schedule C-3.4 primarily represents the change in operating revenues of $(18,963,236) for annualized CSIA revenue. This rider, currently authorized under consolidated Cause Nos. 44429 and 44430, allows for the collection of eighty percent of the revenue requirement associated with approved CSIA investments. The remaining twenty percent is deferred for recovery within the Company's next base rate case. The 2021 budget includes the recognition of this deferral authority, and includes the deferred amount projected; however, this amount should be removed from the test year operating revenues as present rates and charges do not include recovery of this balance.

In addition, since the test year spans between two CSIA recovery periods, an adjustment is made to reflect the projected revenue requirement at the end of the 7 year plan. The calculation of the total adjustment begins by annualizing the forecasted operating expense associated with the latter CSIA recovery period. Then the reduction to operating revenues for the 20% which would be deferred is made.

For further detail on the recovery of the CSIA deferral, please see the explanation provided later in my testimony on Schedule C-3.18.

Q. Please describe Schedule C-3.5.

A. Schedule C-3.5 represents an increase of $4,368,212 in operating revenues for annualized Sales Reconciliation Component ("SRC") collections within the Energy Efficiency Rider ("EER"). The SRC, or "decoupling", collects the impacts of changes in usage for the small customer rate schedules. As noted within the explanation on Schedule C-3.2, budgeted volumes were adjusted to reflect an adjusted normal HDD factor, which impacted the amount of base operating revenues for the small customer rate schedules (Rates 210, 220, and 225). The SRC adjustment on Schedule C-3.5 reflects the fact that the SRC mechanism would recover this volumetric adjustment as part of the Company's annual decoupling filing. This adjustment results in an increase to operating revenues of $4,368,212. The Company is proposing to continue the SRC in its present form, as explained by Petitioner's Witness Tieken.

Q. Please describe Schedule C-3.6.

A. Schedule C-3.6 represents the change of $(243,894) in operating revenues for the annualized Energy Efficiency Funding Component ("EEFC") within the EER. This adjustment is required to synchronize the EEFC revenues with the billing determinant adjustments made in the prior revenue adjustment Schedules. As this rider reflects full collection of an operating expense amount, an associated adjustment was required to operating expenses of $(353,613) to ensure that revenues were matched with recoverable expense. In total, this adjustment has no impact on net operating income.

Q. Please describe Schedule C-3.7.

A. Schedule C-3.7 reflects an adjustment to remove the Company's Universal Service Fund ("USF") revenues for the test year by rate schedule, resulting in no change to operating revenues or operating income in total. The USF collects from customers discounts provided to low-income customers during the winter heating season. As discussed by Petitioner's Witness Teresa J. Cullum, Vectren North is proposing to continue this mechanism, with minor modifications. This mechanism ensures that any discounts provided are fully recovered from other customers, which means that the budgeted level of operating expense is unchanged as a result of the USF. For ease of calculation of the revenue proof and to reflect that the USF will remain in place subsequent to the rate case, the Company has removed these amounts by rate schedule.

Q. Please describe Schedule C-3.8.

A. Schedule C-3.8 is a required adjustment to annualize the company gas cost adjustment ("GCA") revenues and match these GCA revenues with recoverable gas costs. The GCA rate was adjusted to reflect current estimates for calendar year 2021. This rate was then multiplied by the adjusted billing determinants for the GCA-eligible rate schedules (Rate 210, Rate 220, and Rate 240) to determine the adjustment to operating revenues of $(1,289,518). In addition, there is a corresponding decrease to recoverable gas costs of $15,565.

Q. Please describe Schedule C-3.9.

A. Schedule C-3.9 represents the change in operating revenues associated with late payment fees. The Company budgets late payment fees based on an average percentage of the total operating revenues for the calendar year. This percentage – 0.59% within the 2021 budget – is applied to the adjusted operating revenues as a result of Schedules C-3.1 through C-3.8 to determine the pro forma level of late fees for the test year. The resulting adjustment increases operating revenues by $65,186.

Q. Please describe Schedules C-3.10 through C-3.16.

A. Schedules C-3.10 through C-3.16 reflect necessary adjustments to operating and maintenance ("O&M") expenses for the 2021 budget test year.

Q. Please describe Schedule C-3.10.

A. Schedule C-3.10 represents the increase in operating expenses of $1,051,993 associated with IT-related investments. This one-time expense associated with roll-out and implementation of the IT-related technology in 2021 is amortized over a five (5) year period.

Q. Please describe Schedule C-3.11.

A. Schedule C-3.11 represents the increase in operating expenses of $633,847 associated with the proposed five (5) year amortization of COVID-19 deferred expenses. Pursuant to the Commission's June 29, 2020 Order in Cause No. 45380 following the mandated moratorium on utility disconnections, Vectren North established a regulatory asset to track COVID-19 related impacts. In combination with the temporary disconnection moratorium, the Commission's orders with respect to extended payment plans, deferrals and other arrangements have resulted in an increase in uncollectible accounts. Since the Commission's authorization to do so in its June 29, 2020 Order in Cause No. 45380, the Company has deferred bad debt expense associated with COVID-19 in a regulatory asset. Based on the Company's experience during the Great Recession of 2009, incremental bad debt based on an assumed 30% increase in write-offs is deferred. The Company historically experiences peak write-offs to occur between July and September but due to the moratorium it is anticipated to shift to December 2020 through March 2021. In light of this, the Company will conduct a true-up at the conclusion of the first quarter of 2021, after dunning has run full cycle to ensure that the full impact has been captured. The difference between those periods as a percentage of revenues and the dollars associated with those periods will be considered the actual COVID-19 impact with a true-up to the regulatory asset occurring at that time.

Q. Please describe Schedule C-3.12.

A. Schedule C-3.12 represents an adjustment of $330,000 to increase test year expenses for the estimated incremental rate case costs associated with this proceeding. Line 1 reflects the total estimated cost of the current proceeding, $1,650,000. Line 2 reflects the amortization period of five (5) years. Line 3 reflects the annual pro forma amortization.

Q. Please describe Schedule C-3.13.

A. Schedule C-3.13 reflects the pro forma level of IURC Fees and is determined by applying a rate of 0.127 percent (Line 2) to the adjusted test year operating revenues of $613,891,535 (Line 1). The pro forma decrease of $(38,115) on Line 5 was calculated as the difference between the pro forma level of IURC assessment fee (Line 3) and the unadjusted test year assessment fee amount (Line 4).

Q. Please describe Schedule C-3.14.

A. Schedule C-3.14 represents an increase of test year expenses of $2,230,586 pertaining to non-recurring miscellaneous budget adjustments. The adjustment was made to correct FERC Account 887 (Maintenance of Mains) for right-of-way maintenance in the amount of $1,200,000 since this pertains to costs associated with

Vectren North that was incorrectly budgeted to Vectren South. Additionally, an adjustment to FERC Account 925 (Injuries and Damages) was required for liability insurance in the amount of $1,030,586 as a result of higher insurance premiums when compared to the budget.

Q. Please describe Schedule C-3.15.

A. Schedule C-3.15 reflects an adjustment to test year expenses by $(1,539,163) to annualize the level of uncollectible accounts expense to the latest known level. This is calculated by taking the pro forma adjusted operating revenues on Line 1 multiplied by the bad debt write-off percentage of 0.420 percent as described earlier in my testimony to arrive at the amount of $2,578,344. The amount of $3,040,669 on Line 2 represents the unadjusted test year uncollectible expense, which is removed from the amount on Line 1 to arrive at the adjustment to uncollectible accounts expense of $(462,325) shown on Line 3. As the gas cost portion of the bad debt expense is fully recovered within the GCA, Schedule C-3.8 already reflected an adjustment to revenues for the collection of a portion of this incremental amount. The net adjustment amount of $(1,539,163) reflects the impact to uncollectible expense for non-gas cost revenues, and does not include the incremental bad debt due to the impact of COVID-19, as discussed above.

Q. Please describe Schedule C3.16.

A. Schedule C3.16 reflects a pro forma decrease of $(11,461,154) in VUHI shared services charges for the test year. As I discussed earlier within my testimony, the VUHI shared services charge represents the centralization of the assets that serve multiple Vectren utility jurisdictions, and the subsequent charging via a lease or rental charge as operating expense to the utilities. The shared services charge includes depreciation expense, property taxes, and a fair and reasonable return on net plant. The adjusted test year amount of $5,869,722 is based on the allocated share of projected plant at December 31, 2021, multiplied by the pre-tax rate of return proposed in this proceeding, with the return on the assets adding to the annual depreciation and property tax expense to determine the total shared services charge.

Q. Please explain how the pushdown of the VUHI technology assets has impacted the pro forma shared services charge amount.

A. As previously explained, adjustments have been made to utility plant-in-service to reflect the pushdown of intangible plant as reflected in the B Schedules.

Q. Does the adjustment to rate base for the pushdown of the VUHI technology assets offset the reduction in the shared services charge?

A. Yes. The net rate base adjustment of $40,456,410 multiplied by the pre-tax rate of return in this proceeding would produce an annual return on these assets of $3,184,970. The additional annual depreciation expense for these assets is $7,826,162, making the total shared services charge associated with this portion of the VUHI shared assets $11,011,132, which is offset by the reduction in shared service charge captured within Schedule C-3.16.

Q. Please describe Schedules C-3.17 through C-3.20.

A. Schedules C-3.17 through C-3.20 are pro forma adjustments to the Company's test year Depreciation and Amortization expense.

Q. Please describe Schedule C-3.17.

A. Schedule C-3.17 in the amount of $(11,146,841) reflects an adjustment to annualize depreciation expense based on plant in service as of December 31, 2021 at the proposed depreciation rates discussed above. This is calculated by taking the annualized depreciation expense of $97,252,191 based on proposed depreciation rates as shown on Schedule B-3.2 less the adjustments for CSIA annualized depreciation expense of $798,481 (Schedule C-3.4) and the test year depreciation expense of $107,600,550 (Schedule C-2.1).

Q. Please describe Schedule C-3.18.

A. Schedule C-3.18 reflects the annual amortization expense associated with the regulatory asset representing the statutory deferral of 20 percent of the CSIA revenue requirement. Vectren North initiated the CSIA in 2014 under consolidated Cause Nos. 44429 and 44430 which approved a seven (7) year capital investment plan that will conclude in 2020. This plan includes a Compliance Component (governed by the Compliance Statute) and a TDSIC Component (governed by the TDSIC Statute). Both statutes require that the utility recover 80 percent of its revenue requirement via its approved recovery mechanism, with the remaining amount deferred until the next (now current) base rate case. The projected December 31, 2021 regulatory asset balance is $85,005,452, with a proposed seven (7) year amortization period. This results in an increase in amortization expense of $12,143,636 annually.

Q. How does Vectren North propose to handle the remaining balance if a base rate case is filed prior to the end of the 7-year amortization period?

A. In the event there is a remaining deferred balance at the time of the next base rate proceeding, the Company would propose for the remaining balance to be included as amortization expense and included for recovery in that proceeding.

Q. Please describe Schedule C-3.19.

A. Schedule C-3.19 reflects the annual amortization expense associated with the CSIA deferrals related to PISCC and deferred depreciation. The approved investment plan within the CSIA allows for the deferral of depreciation and PISCC until such point as the asset is included for recovery in the CSIA rates and charges. This balance is then amortized over the remaining life of the assets generating the deferral. The adjustment reflects an increase of CSIA program expense to the test year in the amount of $1,274,897. The projected December 31, 2021 regulatory asset balance for CSIA PISCC and depreciation deferrals is $46,355,147, with the amortization period representing the average remaining asset life of thirty-five (35) years.

Q. Please describe Schedule C-3.20.

A. Schedule C-3.20 reflects the annual amortization expense associated with the BS/CI Program deferrals related to PISCC and deferred depreciation. In Cause No. 43298, the Commission authorized the deferral of depreciation and PISCC (calculated at the Company's AFUDC rate) on replacement investments for a period of four (4) years after the in-service date. The adjustment reflects an increase in amortization expense of $1,116,427, representing the annual amortization of the projected December 31, 2021 regulatory asset balance for BS/CI Program deferrals of $35,725,648 the average remaining asset life of thirty-two (32) years.

Q. Please describe Schedule C-3.21.

A. Schedule C-3.21 reflects the annualized property tax expense on the projected tax basis balance of assets as of December 31, 2021. The pro forma property tax expense calculation is presented in workpapers supporting Schedule C-3.21 and is calculated in line with the Company's annual property tax return. The resulting calculation yields pro forma property tax expense of $12,953,109, and a total pro forma adjustment of $480,531 to property tax expense.

Q. Please generally describe the purpose of Schedules C-3.22, C-3.23, and C-3.24.

A. These schedules represent changes to revenue and income taxes to synchronize with the pro forma adjusted test year financial results. I will note that all of these adjustments are before the determination of the revenue increase amount. The associated taxes related to the revenue increase are captured in the GRCF calculation in Schedule A-2 and reflected on Schedules C-1 and C-1.1.

Q. Please describe Schedule C-3.22.

A. Schedule C-3.22 is the calculation of the Indiana Utility Receipts Tax ("IURT") applicable to the pro forma operating revenues for the test year. The IURT is calculated by applying the 1.40 percent statutory rate to the pro forma adjusted operating revenues, before inclusion of the proposed revenue increase. The total pro forma level of IURT expense calculated is $8,558,371. The adjustment is then determined by subtracting the unadjusted test year amount of IURT of $8,912,000 with the final amount further reduced to account for the amount of IURT captured in the associated revenue adjustments reflected on Schedules C-3.1 through C-3.9. Schedule C-3.22 reflects a pro forma adjustment of $(218,331).

Q. Please describe Schedules C-3.23 and C-3.24.

A. Schedules C-3.23 and C-3.24 are calculations of the Indiana state and federal income taxes for the pro forma adjusted test year. Indiana state income taxes are calculated in detail on Schedule C-4, sponsored by Petitioner's Witness Brenda L. Musser. The statutory rate utilized for the Indiana income taxes is 4.90 percent, reflecting the rate expected to be effective July 1, 2021. Schedule C-4 captures the impact of the change in the state income tax rate during the test year from the level utilized to determine income tax expense in the unadjusted budget. Federal income taxes are calculated in detail on Schedule C-5, also sponsored by Petitioner's Witness Musser. The current statutory rate utilized for the federal income taxes is 21 percent, which is unchanged from the rate utilized for the test year. The pro forma level of state and federal income tax expense is compared to the test year unadjusted tax expense to determine the required adjustment. As all of the adjustments to revenue and operating expenses also include state and federal income tax impacts, the net adjustment shown on Schedules C-3.23 and C-3.24 excludes all adjustments already reflected to the test year income tax expense.

VIII. D SCHEDULES

Q. Please describe Schedule D-1.

A. Schedule D-1 reflects the calculation of the overall rate of return summary which is based on the forecasted capital structure at December 31, 2021. This is sponsored by Petitioner's Witness McRae, who also discusses how the forecasted balances for long-term debt and common equity were determined for December 31, 2021.

Q. Has Vectren North adjusted the capital structure components from how it is presented in its semi-annual CSIA proceedings in Cause No. 44430?

A. Yes. The Company has included prepaid pension asset as a component of the capital structure which is an offset to zero cost capital. This methodology is consistent with previous rulings made by the Commission in Cause No. 45029 and Cause No. 44688. Petitioner's Witness McRae discusses in further detail Vectren North's proposal to include the prepaid pension asset in the capital structure within this proceeding.

Q. Are there components of Vectren North's capital structure that have not been projected to December 31, 2021?

A. Yes. On Schedule D-5, Customer Advances for Construction and Customer Deposits are held constant as of December 31, 2019, with no projected assumptions or estimates to include for the projected test year for 2021. This is consistent with how the Company currently budgets, with these items not discretely forecasted for changes on the projected balance sheet.

Q. How did the Company forecast the test year balance of Investment Tax Credits ("ITC")?

A. The Company used the year-end balance as of December 31, 2019 as a starting point then projected activity associated with amortizations of the balance through December 31, 2021 to arrive at the projected level of ITC included in the capital structure.

IX. E SCHEDULES

Q. Please describe Schedule E-5.1.

A. As discussed earlier in testimony, the SRC, or "decoupling", collects the impacts of changes in usage for the small customer rate schedules. Schedule E-5.1 presents Vectren North's proposed order granted margin calculation for its Residential (Rate 210) and General Service (Rates 220 and 225) customers, for use in the Company's existing annual decoupling calculation as part of its SRC, as described in further detail by Petitioner's Witness Tieken. Schedule E-5.1 uses the pro forma billing determinants for each Rate Schedule, as reflected on Schedules E-4 and E-4.1 in Petitioner's Exhibit No. 18. These billing determinants, by month (Columns A and B) are multiplied by the proposed rates in this proceeding to determine the order granted margin amount (Column D). The order granted margin is divided by the total customers per month to determine the order granted margin per customer factor (Column F) which is used to derive the decoupling adjustment required monthly for the SRC.

Q. Outside of these monthly factors, will the calculation of the decoupling amount of the SRC change as a result of this rate case?

A. No, the calculation as currently presented within the SRC will be unchanged.

X. CONCLUSION

Q. Does this conclude your prepared direct testimony?

A. Yes, it does.

Cause No. 45468

VERIFICATION

I, Angie M. Bell, affirm under the penalties of perjury that the forgoing representations of fact in my Direct Testimony are true to the best of my knowledge, information and belief.

Angie M. Bell

Angie M. Bell

Dated: December 18, 2020

INDIANA GAS COMPANY, INC.
BALANCE SHEETS
(*In millions*)

	December 31, 2019
Utility Plant	
Original cost	$2,795.8
Less: accumulated depreciation & amortization	1,093.3
Net utility plant	**1,702.50**
Current Assets	
Cash & cash equivalents	4.9
Accounts receivable - less reserves of $2.9 & $1.8, respectively	39.0
Accrued unbilled revenues	39.8
Inventories	24.9
Recoverable fuel & natural gas costs	1.0
Prepayments & other current assets	22.6
Total current assets	**132.2**
Other investments	5.5
Regulatory assets	128.1
Other assets	20.1
TOTAL ASSETS	**$1,988.4**
Common stock (no par value)	$399.5
Retained earnings	295.8
Total common shareholder's equity	**695.3**
Long-term debt payable to third parties	96.0
Long-term debt payable to Vectren Utility Holdings - net of current maturities	368.9
Total long-term debt	**464.9**
Commitments & Contingencies (Notes 6, 8-10)	
Current Liabilities	
Accounts payable	54.2
Payables to other Vectren companies	18.2
Accrued liabilities	59.6
Short-term borrowings payable to Utility Holdings	39.6
Current maturities of long-term debt payable to Utility Holdings	10.0
Total current liabilities	**181.6**
Deferred Credits & Other Liabilities	
Deferred income taxes	142.5
Regulatory liabilities	428.2
Deferred credits & other liabilities	75.9
Total deferred credits & other liabilities	**646.6**
TOTAL LIABILITIES & SHAREHOLDER'S EQUITY	**$1,988.4**

Cause No. 45468

CLASS A-B

PRIVATE GAS UTILITY

ANNUAL REPORT

State Form 56473 (R / 2-19)

Indiana Gas Company, Inc.

NAME OF UTILITY

One Vectren Square

STREET ADDRESS

Evansville, IN 47708

CITY, STATE AND ZIP CODE

INDIANA UTILITY REGULATORY COMMISSION

FOR THE YEAR ENDED December 31, 2019

OFFICER TO WHOM CORRESPONDENCE CONCERNING THIS REPORT SHOULD BE ADDRESSED:

NAME: Kristie L. Colvin TITLE: Executive Vice President and Chief Financial Officer TELE. NO. (713) 207-5350

ADDRESS: 1111 Louisiana Street, Houston, TX, 77002

E-MAIL ADDRESS: kristie.colvin@centerpointenergy.com

REPORT MUST BE FILED NOT LATER THAN APRIL 30, 2020

Cause No. 45468

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Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

YEAR OF REPORT
December 31, 2019

INSTRUCTIONS

1 Complete all Schedules prior to completing the Balance Sheet and Income Statement. The necessary numbers will carryover from the Schedules to the Balance Sheet and Income Statement.

2 Complete and notarize the Certification page.

3 If the utility serves more than 5,000 customers, complete the appropriate PR Form located on the Commission's website.

ELECTRONIC FILING

1 Prepare this report in conformity with the 1976 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA) for Class A and B Gas utilities.

2 Complete each question fully and accurately, even if it has been answered in a previous annual report.

3 There should appear in the report entries or notations sufficient to show that no question or item has been overlooked. The word "none" may be used wherever applicable.

4 Where dates are called for, the month and day should be stated as well as the year.

5 Monetary items (except averages) throughout the report should be shown rounded to the nearest dollar.

6 If there is not enough room on any schedule, an additional page or pages may be added, provided the format of the added schedule matches the format of the insufficient schedule. Such schedules should reference the appropriate schedules, state the name of the utility, and state the year of the report.

Cause No. 45468

GENERAL RULES FOR REPORTING

1. Reports must be submitted electronically using the Commission's Electronic Filing System at: https://iurc.portal.in.gov/

2. 8-1-2-16. Closing accounts - Date - The accounts shall be closed annually on the thirty-first day of December, and a balance sheet of that date promptly taken there from. On or before the thirtieth day of April following, such balance sheet, together with such other information as the commission shall prescribe, verified by an officer of the public utility, shall be filed with the commission.

3. 8-1-2-52. Information to be furnished - Every public utility shall furnish to the commission all information required by it to carry into effect the provisions of this chapter and shall make specific answers to all questions submitted by the commission.

4. 8-1-2-108. Penalty for failure to file reports or give information - Annual reports of municipally owned utilities - (a) An officer, agent or employee of any public utility, or a public utility (as defined in this chapter) who: (1) fails to fill out and return any blanks as required by this chapter; (2) fails to answer any question therein propounded; (3) knowingly gives a false answer to any such question or evades the answer to any such question where the fact inquired of is within his knowledge; (4) fails, upon proper demand, to exhibit to the commission, any commissioner, any administrative law judge or any person authorized to examine the same, any book, paper, account, record or memoranda of the public utility which is in his possession or under his control; (5) fails to keep his system of accounting, or any part thereof, which is required by the commission; or (6) refuses to do any act or thing in connection with the system of accounting when so directed by the commission or its authorized representative; commits a Class B infraction.

   (b) A municipally owned and operated utility, under the jurisdiction of the commission for approval of rates and charges, shall file with the commission an annual report of the operation of said plant on forms to be furnished by the commission, which forms are to be substantially the same as for reports filed annually with the commission by public utilities. Such annual reports shall remain in the office of said commission as a public record. Whenever in this chapter public utilities are required to make reports to the commission or are otherwise subject to the commission, municipally owned utilities are exempted from making such reports and are not under the jurisdiction of the commission except as otherwise provided.

5. 8-1-2-112. Separate violations - Every day during which any public utility or any officer, agent, or employee thereof shall fail to observe and comply with any order or direction of the commission, or to perform any duty enjoined by this chapter, shall constitute a separate and distinct violation of such order or direction of this chapter, as the case may be.

6. 8-1.5-3-14. Annual Report; exemption; examination of accounts - (a) A municipally owned utility under the jurisdiction of the commission for approval of rates and charges and of the issuance of stocks, bonds, notes, or other evidence of indebtedness shall file with the commission an annual report of the operation of the plant on forms prescribed by the commission. The annual reports shall be kept in the office of the commission as a public record. A municipally owned utility that has withdrawn from commission jurisdiction under I.C. 8-1-2-100 (before its repeal on January 1, 1983) or section 9 or 9.1 of this chapter is not required to file the annual report by this section. (b) The state board of accounts shall examine all accounts of every municipally owned utility at regular intervals. In the examination, inquiry shall be made as to: (1) the financial condition and resources of the utility; (2) whether the laws of the state have been complied with; and (3) the methods and accuracy of the accounts and reports of the utilities examined. The examination shall be made without notice and its cost shall be paid out of the funds of the utility.

Cause No. 45468

PERIODIC REVIEW
INVESTOR OWNED UTILITY (NATURAL GAS)
State Form 56430 (R / 2-19)
INDIANA UTILITY REGULATORY COMMISSION

UTILITY NAME: **Indiana Gas Company** **PER CALENDAR YEAR:** **2019**

Line No.		Total Company		Jurisdictional
	Actuals			
1	Utility Plant in Service	$ 2,742,159,597		$ 2,742,159,597
2	Less: Accumulated depreciation	$ 1,412,988,023		$ 1,412,988,023
3	Net Utility Plant in Service	$ 1,329,171,575		$ 1,329,171,575
4	Less: Contributions in Aid of Construction *(if applicable)*	$ -	*N/A*	$ -
5	Add: Materials and Supplies (3)	$ 36,582,254		$ 36,582,254
5a	Add: Regulatory Asset - PIS AFUDC (BS/CI & CSIA)	$ 46,562,166		$ 46,562,166
6	Working Capital (4) *(if allowed in last rate case)*	$ -	*N/A*	$ -
7	Total Rate Base	$ 1,412,315,995		$ 1,412,315,995
8	Net Operating Income	$ 67,431,102		$ 67,431,102
9	Rate of Return *(Line 8 divided by Line 7)*	4.77%		4.77%
10	Operating Revenues	$ 589,610,717		$ 589,610,717
	Authorized			
11	Authorized Net Operating Income (1)			$ 95,378,179
12	Authorized Rate Base (2)			$ 1,326,317,712
13	Authorized Rate of Return *(Line 11 divided by Line 12)*			7.19%
	Variances			
14	Net Operating Income Variance - Over/(Under Earned)			$ (27,947,077)
15	Rate of Return Variance - Over/(Under Earned)			-33.61%
	Capital Structure			
	Description			**Amount**
16	* Common Equity			$ 728,182,040
17	Long-Term Debt (5)			$ 474,873,243
18	Customer Advances *(if applicable)*			$ 4,814,981
19	Customer Deposits			$ 26,810,625
20	** Deferred Income Taxes			$ 258,025,412
20a	SFAS 106			$ 7,392,937
21	Pre-1971 Investment Tax Credits		*N/A*	$ -
22	Post-1970 Investment Tax Credits			$ 8,972
23	Prepaid Pension *(if applicable)*		*N/A*	$ -
24	Other *(if applicable)*		*N/A*	$ -
25	**Total**			$ 1,500,108,210

* Includes PIS AFUDC - Equity (FERC Presentation)

** Matches SEC presentation - mirrors ratemaking approach

NOTE: All rate base and rate of return calculations were determined based on the requirements of FORM PR as Indiana Gas Company understands them.

Cause No. 45468

PERIODIC REVIEW *(continued)*
INVESTOR OWNED UTILITY (NATURAL GAS)
State Form 56430 (R / 2-19)

UTILITY NAME: **Indiana Gas Company** **PER CALENDAR YEAR:** **2019**

(1) Net Operating Income

List the NOI granted in the last rate case and all subsequent tracker proceeding with the Cause Numbers.

NOI granted in last rate case - Cause No. 43298	$ 61,827,974
NOI granted from Cause No. 44430 - TDSIC 10 ***	$ 33,550,205
NOI granted from Cause No. XXXXX	
NOI granted from Cause No. XXXXX	
Total NOI Authorized	**$ 95,378,179**

Pursuant to GAO 2017-3

(2) Authorized Rate Base

List the rate base granted in the last rate case and all subsequent tracker proceeding with the Cause Numbers.

Rate base granted in last rate case - Cause No. 43298	$ 792,666,334
Rate base granted in Cause No. 44430 - TDSIC 10	$ 533,651,378
Rate base granted in Cause No. XXXXX	
Rate base granted in Cause No. XXXXX	
Total Authorized Rate Base	**$ 1,326,317,712**

Pursuant to GAO 2017-3

(3) Materials & Supplies **$ 36,582,254**

If a dual utility, breakdown amount assigned to each separate operation.

(4) Working Capital ****

(Use method below or method approved in last rate case.)

Current Operation & Maintenance Expenses			N/A
Less:	Fuel or Power Purchased		N/A
	Gas Transmission Line Purchases *(if applicable)*		N/A
		Total Working Capital Expenses	N/A
Divide by:		45 day factor	divide by 8
	Total Static Amount		N/A
Less:	Cash on hand		N/A
	Working Funds		N/A
	Temporary Cash Investments		N/A
		Working Capital	**N/A**

(5) Long-Term Debt

Show weighted cost of debt at year end and the calculation to arrive at such. SEE ATTACHED

Description	Amount	%	Rate	Weighted Average
Long Term Debt				
Long Term Debt				
Long Term Debt				
Long Term Debt				
Total	-			**0.00%**

Last Rate Case

Cause Number:	43298
Date of Order:	2/13/2008

Other Information

Total Customers as of year-end 2019	615,854

This information is requested pursuant to I.C. 8-1-2-42.5

*** Authorized NOI as adjusted for Compliance Projects ($23,882,324) and TDSIC Projects ($9,667,881) approved in Cause No. 44430 - TDSIC 10.

**** Not applicable as working capital was not allowed in the last rate order.

NOTE: All rate base and rate of return calculations were determined based on the requirements of FORM PR as Indiana Gas Company understands them.

Cause No. 45468

Vectren North
Calculation of Weighted Cost of Debt (Rate Case Method)
December 31, 2019

	Long-Term Notes		Date of Issue	Maturity Date	Principal Amount Outstanding	Total Discount and Expense Net of Premium	Net Proceeds	Effective Cost Rate	Annual Interest Expense
1	6.53% Series E		06/27/95	06/27/25	10,000,000	588,119	9,411,881	7.18%	653,000
2	6.42% Series E		07/07/97	07/07/27	5,000,000	200,000	4,800,000	6.86%	321,000
3	6.68% Series E		07/07/97	07/07/27	1,000,000	0	1,000,000	6.68%	66,800
4	6.34% Series F		12/09/97	12/10/27	20,000,000	651,007	19,348,993	6.69%	1,268,000
5	6.36% Series F		05/04/98	05/01/28	10,000,000	325,503	9,674,497	6.71%	636,000
6	6.55% Series F		06/30/98	06/30/28	20,000,000	651,007	19,348,993	6.91%	1,310,000
7	7.08% Series G		10/05/99	10/05/29	30,000,000	2,506,640	27,493,360	8.06%	2,124,000
8				**Third Party Long-Term Debt Subtotal**	**$ 96,000,000**				**$ 6,378,800**
9									
10	Variable Rate, Term Loan	(1)	07/30/18	07/30/20	9,996,871	0	9,996,871	2.87%	256,871
11	3.72% Series		12/05/13	12/05/23	99,386,727	0	99,386,727	3.80%	3,781,278
12	3.20% Series		06/05/13	06/05/28	8,952,105	0	8,952,105	3.87%	346,587
13	3.26% Series		08/28/17	08/28/32	24,862,171	0	24,862,171	3.32%	824,189
14	6.10% Series		11/21/05	12/01/35	50,568,961	3,456,722	47,112,239	6.52%	3,031,035
15	3.90% Series		12/15/15	12/15/35	8,290,114	0	8,290,114	3.95%	327,159
16	4.25% Series		06/05/13	06/05/43	15,914,853	0	15,914,853	4.60%	732,077
17	4.36% Series		12/15/15	12/15/45	15,751,041	0	15,751,041	4.40%	693,075
18	4.36% Series		12/15/15	12/15/45	39,792,104	0	39,792,104	4.40%	1,750,927
19	3.93% Series		11/29/17	11/29/47	69,607,078	0	69,607,078	3.97%	2,764,097
20	3.42% Series		09/10/19	09/10/49	20,000,000	0	20,000,000	3.42%	684,000
21	4.51% Series		12/15/15	12/15/55	15,751,217	0	15,751,217	4.55%	716,136
22				**VUHI Long-Term Debt Subtotal**	**$ 378,873,243**				**$ 15,907,431**
23									
24									
25				**Total Vectren North Long-Term Debt**	**$ 474,873,243**			**4.873%**	**22,286,231**

(1) Variable rate - currently priced at one-month LIBOR, plus a credit spread of 70 basis points; coupon rate shown at 12/31/19 was 2.45%

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

YEAR OF REPORT
December 31, 2019

ANALYSIS OF GAS SALES DATA

Please list below the gas sales data (in Dth or Mcf) for the past two (2) years.

	CURRENT YEAR (d)	PREVIOUS YEAR (e)
Total Sales By Class		
Dth:		
Residential	45,900,834	46,696,597
Commercial	20,232,965	20,016,999
Industrial	259,517	221,541
Other		
Total	66,393,316	66,935,137
Total Transportation By Class		
Total **number** of Transportation customers [(A)]	2,741	2,555
Dth:		
Residential		
Commercial	2,114,859	2,076,339
Industrial	105,797,399	92,203,532
Other		
Total	107,912,258	94,279,871
Total Throughput By Class		
Dth or Mcf:		
Residential	45,900,834	46,696,597
Commercial	22,347,824	22,093,338
Industrial	106,056,916	92,425,073
Other		
Total	174,305,574	161,215,008

[(A)] - Transportation customer counts are based on year-end count and not year-to-date averages.

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

YEAR OF REPORT
December 31, 2019

FORM JA-1

"Consultant" for the purpose of this form means a person in a status other than that of employee, paid to render service, advice, or information, and/or to lobby or represent the payer before any agency or branch of government. "Consultant" does not mean, in this context, any person or firm to whom payment has been made and which has been reported under the first part of this form, dealing with legal counsel. If a person has received payment both as a "consultant" and as an employee, reporting herein shall include both types of payment and the totals of each. There is no minimum for the "Total Paid" under which reporting need not be made. This information is requested pursuant to IC 8-1-2-26.

Payments to Counsel

Names	Legal Matter(s) for which paid	Total Amount Paid
See Form JA-1		

Payments to Consultants

Names	Description of Services	Total Amount Paid
See Form JA-1		

Contributions to Office seekers and/or Political Committees

Names of Payees	With Whom Registered (Federal or State)	Total Amount Paid
NONE		

Cause No. 45468

INDIANA GAS COMPANY
VECTREN NORTH
FORM JA1
FOR YEAR ENDING DECEMBER 31, 2019

1. PAYMENTS TO COUNSEL:

NAME	LEGAL MATTER(S) FOR WHICH PAID	TOTAL PAID
BARNES & THORNBURG	General Legal Matters	$ 158,858
KRIEG DEVAULT LLP	General Legal Matters	117,352
ICE MILLER	General Legal Matters	101,587
ROBERT GLENNON & ASSOCIATES PC	General Legal Matters	41,237
BRICKER AND ECKLER LLP	General Legal Matters	19,620
YASMIN L. STUMP LAW GROUP, PC	General Legal Matters	15,573
REED SMITH LLP	General Legal Matters	8,929
SNELL & WILMER	General Legal Matters	8,005
LITTLER MENDELSON P.C.	General Legal Matters	5,548
ZIEMER, STAYMAN, WEITZEL &	General Legal Matters	4,933
COUNSEL > $10,000		$ 454,227
COUNSEL <= $10,000		$ 36,815
TOTAL COUNSEL		$ 491,042

2. PAYMENTS TO CONSULTANTS:

NAME	DESCRIPTION OF SERVICES	TOTAL PAID
ORACLE	Information Technology Support	$ 1,194,441
MILESTONE UTILITY SERVICES INC	Information Technology Support	949,795
BEHAIM IT SOLUTIONS	Information Technology Support	506,507
DELOITTE & TOUCHE LLP	Accounting Services	462,281
TOPTECH1 INC	Information Technology Support	408,523
KELLER SCHROEDER & ASSOCIATES	Information Technology Support	254,177
TRACE3 LLC	Information Technology Support	231,550
SECURITAS SECURITY SVCS USA INC	Security Services	228,277
CONVERGENCE SOLUTIONS LLC	Information Technology Support	203,331
CDW DIRECT LLC	Information Technology Support	198,980
BRIDGE ENERGY GROUP INC	Information Technology Support	181,716
BEHAIM	Information Technology Support	169,815
VM WARE	Information Technology Support	162,079
POWERPLAN INC	Information Technology Support	133,918
AVAYA	Information Technology Support	119,730
CLICK SOFTWARE	Information Technology Support	115,611
TEK SYSTEMS INC	Information Technology Support	103,626
WELLS FARGO FINANCIAL SERVICES LLC	Information Technology Support	101,823
CONVERGENCE	Information Technology Support	101,822
MICROSOFT	Information Technology Support	100,348
CISCO SYSTEMS CAPITAL CORP	Information Technology Support	91,440
SAP INDUSTRIES INC	Information Technology Support	88,453
COGNIZANT TECHNOLOGY SOLUTIONS	Information Technology Support	85,220
PRIME POLICY GROUP	Professional Services	71,732
ACCENTURE LLP	Information Technology Support	66,852
ITRON	Information Technology Support	66,222
DATA CLAIRVOYANCE GROUP INC	Information Technology Support	57,818
PROGRESSIVE HEALTH OF INDIANA LLC	Health Wellness Consulting	51,848
CONVERGE ONE	Information Technology Support	51,208
POWER ADVOCATE INC	Information Technology Support	49,500
RAPID7	Information Technology Support	48,104
HR SOLUTIONS INC	Information Technology Support	46,861
MERIDIAN INTEGRATION LLC	Information Technology Support	43,656
PRIME AE GROUP INC	Information Technology Support	43,049
RISKONNECT	Information Technology Support	36,086
FTI CONSULTING INC	Economic Consulting Services	36,086
RISKONNECT INC	Information Technology Support	35,781
HOKANSON COMPANIES INC	Facilities Management	35,623
TREND MICRO INC	Information Technology Support	34,353
MOODY'S INVESTORS SERVICE	Consulting Services	34,142
JORDAN LAWRENCE	Information Technology Support	33,150
NICE SYSTEMS TECHNOLOGIES INC	Information Technology Support	31,877
ITRON INC	Information Technology Support	31,265
HEIDORN, ROBERT	Consulting Services	30,995
DATA LINK COMMUNICATIONS OF INDIANA INC	Information Technology Support	30,425
CONSULTANTS > $30,000		$ 7,160,096
CONSULTANTS <= $30,000		$ 867,774
TOTAL CONSULTANTS		$ 8,027,870

3. CONTRIBUTION TO OFFICE SEEKERS and/or POLITICAL COMMITTEES:

NAMES OF PAYEES	WITH WHOM REGISTERED (FEDERAL or STATE)	TOTAL PAID
None		

Cause No. 45468

UTILITY NAME: Indiana Gas Company, Inc.

UTILITY ADDRESS: One Vectren Square
Evansville, IN 47708

YEAR OF REPORT
December 31, 2019

QUESTIONS RELATING TO COMPLIANCE WITH REQUIREMENTS OF LAWS CONCERNING DAMAGE TO UNDERGROUND FACILITIES

Indiana Code 8-1-26 et seq. (commonly referred to as a "Call Before You Dig" law) provides, among other things, that operators of underground facilities become a member of the association and provide the Indiana Underground Plant Protection Service (or its successor organization) with each township and county in which the operator has underground facilities.

1. **Have you complied with the recording aspects of this law?**

   Yes, we comply with Indiana code 8-1-26

2) **Do you have training programs for your <u>employees</u> to inform and educate them about how to comply with the recording and all other aspects of this law?**

   Yes, we have a team of damage prevention coordinators that continually educate the internal staff at meetings to cover safe digging practices.

   If so, please briefly describe the training program.

   The damage prevention team presents at monthly operations staff meetings about safe digging. They share our monthly scorecard which displays damage prevention metrics. The manager of damage prevention also sends out monthly scorecard updates to raise awareness to certain trends.

3) **Do you have training programs for <u>contractors</u> that you may hire to inform and educate them about how to comply with all aspects of this law?**

   Yes

   If so, please briefly describe the training program.

   The damage prevention team attends meetings with contractors on how to conduct safe digging practices. All contractors are invited annually to our paradigm excavator breakfasts that also cover safe digging.

4) **Do you have training programs for excavators to inform and educate them about how to comply with all aspects of this law?**

   Yes

   If so, please briefly describe the training program.

   The damage prevention team attends meetings with contractors on how to conduct safe digging practices. All contractors are invited annually to our paradigm excavator breakfasts that also cover safe digging.

5) **What are you doing to provide the most accurate information to excavators to comply with IC 8-1-26-18(f) and prevent possible civil penalties?**

   Vectren utilizes contract line locators with oversight from our internal damage prevention group. Our contract line locators receive all design locate requests and execute within the state defined timeframe.

EXECUTIVE SECTION

Cause No. 45468

ORGANIZATION OF COMPANY AND OFFICERS

Report of: Indiana Gas Company, Inc.

Located at: One Vectren Square

For the year ended: December 31, 2019

Date of Incorporation *(mm/dd/yy)* : July 16, 1945

Location of office where accounts and records are kept: Same as above

Report any change in name during year, giving date on which effective: N/A

List companies owned, controlled, or operated, and form and extent of such ownership, control or operation

OFFICERS

Show all changes during year, and date of any change.

Title	Name and principal business address
	See Page 6-B

OFFICERS

Title	Name of Officer	Principal Business Address (City and State)
Executive Vice President, Natural Gas Distribution	Scott E. Doyle	One Vectren Square Evansville, IN 47708
Vice President General Counsel	Jason P. Stephenson	One Vectren Square Evansville, IN 47708
Chief Business Officer	Lynnae K. Wilson	One Vectren Square Evansville, IN 47708

Cause No. 45468

PERSONNEL DATA

Please fill in the following information:

1.	Number of full-time employees	79
2.	Number of part-time employees	4
3.	Number of union employees	239

Please complete the following information. Column A is the number of employees in that salary range. Column B is the total gross dollar amount paid to those employees in that pay category. Column C is the total dollar cost for fringe benefits for employees in that salary range.

Salary Range			Number of Employees Column A	Salary Column B	Cost of Benefits Column C
500000+					
450,001	--	500,000			
400,001	--	450,000			
350,001	--	400,000			
300,001	--	350,000			
250,001	--	300,000			
200,001	--	250,000			
190,001	--	200,000			
180,001	--	190,000			
170,001	--	180,000			
160,001	--	170,000			
150,001	--	160,000	1	$ 150,376	$ 41,203
140,001	--	150,000	1	$ 146,929	$ 40,259
130,001	--	140,000	1	$ 133,502	$ 36,580
120,001	--	130,000	1	$ 122,291	$ 33,508
110,001	--	120,000	3	$ 335,865	$ 92,027
100,001	--	110,000	2	$ 212,631	$ 58,261
90,001	--	100,000	6	$ 566,381	$ 155,188
80,001	--	90,000	25	$ 2,134,304	$ 584,799
70,001	--	80,000	131	$ 9,442,936	$ 2,587,364
60,001	--	70,000	107	$ 7,097,573	$ 1,944,735
50,001	--	60,000	21	$ 1,161,093	$ 318,139
40,001	--	50,000	16	$ 746,195	$ 204,457
30,001	--	40,000	18	$ 651,658	$ 178,554
20,001	--	30,000	10	$ 254,504	$ 69,734
10,001	--	20,000	11	$ 155,776	$ 42,683
0	--	10,000	9	$ 52,866	$ 14,485
			363	$ 23,364,880	$ 6,401,976

This information is requested pursuant to I.C. 8-1-2-48.

Indiana Gas Company, Inc.
UTILITY NAME

YEAR OF REPORT
December 31, 2019

DIRECTORS
(For private utilities only)

Name of Director (a)	Principal Business Address (b)	Term Began *(mm/dd/yy)* (c)	Term Expires *(mm/dd/yy)* (d)	Meetings Attended During Year (e)
	See Page 8-A			

STOCKHOLDERS, VOTING POWERS AND CONTROL

As of what date was list of stockholders prepared *(mm/dd/yy)*? 12/31/2019

Total votes cast at last annual meeting: By proxy

In person 805.001

Give below pertinent provisions concerning voting rights of each class and series of capital stock:

Number of stockholders on said date:	Common:	1
	Preferred:	0
	Total:	1

The holders of Common Shares have the right to cast one vote for each duly authorized, issued and outstanding Common Share held by them upon each question or matter in respect of which, under the Act, such holders are entitled to vote.

If control of utility is vested in a holding company organization, submit data here showing the chain of ownership or control to the top holding company or organization.

100% direct ownership by Vectren Utility Holdings, Inc. (VUHI).
100% direct ownership of VUHI by Centerpoint Energy Inc (CNP), an investor owned company which is publicly traded on the New York Stock Exchange.

A change of VVC occurred on 02/01/2019 when, as discussed in the Notes to the IURC Report, VVC merged with CenterPoint Energy.

Cause No. 45468

DIRECTORS

Name of Director	Principal Business Address	Term Began	Term Expires (1)	Meetings Attended During Year (2)
Scott E. Doyle Executive Vice President, Natural Gas Distribution	One Vectren Square Evansville, Indiana 47708	2-01-19	*	N/A
Jason P. Stephenson Vice President General Counsel	One Vectren Square Evansville, Indiana 47708	2-01-19	*	N/A
Lynnae K. Wilson Chief Business Officer	One Vectren Square Evansville, Indiana 47708	2-01-19	*	N/A

(1) Or until next election of Directors and until successor is duly elected and qualified
(2) All actions taken in 2019 were by unanimous written consent

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

YEAR OF REPORT
December 31, 2019

STOCKHOLDERS, VOTING POWERS AND CONTROL *(continued)*

Report below the names and addresses of the twenty largest stockholders of common stock at the closing of the stock book or compilation of lists of stockholders nearest to the end of the year. If any stock is held by nominee, give known particulars as to beneficiary.

Name and Address (a)	Number of Shares Common Stock (b)
Vectren Utility Holdings, Inc	805.001
One Vectren Square	
Evansville, IN 47708	
Total	805

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

YEAR OF REPORT
December 31, 2019

IMPORTANT CHANGES DURING THE YEAR

Hereunder, give particulars concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry must be answered. However, if the word "none" states the fact it may be used in answering any inquiry, or if information is given elsewhere in the report which answers any inquiry, reference to such other schedule will be sufficient. Attach or insert an additional page if necessary.

1. Acquisition of other companies, reorganization, merger or consolidation with other companies: give names of companies involved, particulars concerning the transactions; and reference to Commission authorization.
2. Purchase or sale of operating units or systems such as generating plants, transmission lines, etc., specifying items, parties, dates, and also reference to Commission authorization.
3. Important leaseholds acquired, given, assigned or surrendered, giving effective dates, lengths of terms, names of parties, rents, Commission authorization, if any, and other conditions.
4. Important extensions of systems, giving location, new territory covered by distribution system, and dates of beginning operations.
5. Estimated increase or decrease in annual revenues due to important rate changes, giving basis of estimate.
6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue, and giving Commission authorization, if any.
7. Changes in articles or incorporation of amendments to charter.
8. Estimated annual effect and nature of any important wage scale changes during the year.
9. Status of any materially important legal proceedings pending at end of year, and the results of any such proceedings disposed of during the year.
10. Additional matters of fact (not elsewhere provided for) which the respondent may desire to include in its report.

1. See page 15 Company Profile - Note 1 Organization and Nature of Operations
2. None
3. None
4. None
5. See Page 15 Company Profile - Note 9 Regulatory Matters
6. See Page 15 Company Profile - Note 6 Transactions with Other Vectren Companies & Affiliates
7. None
8. None
9. See page 15 Company Profile - Note 10 Environmental and Sustainability Matters
10. None

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

YEAR OF REPORT
December 31, 2019

DIRECTORY OF PERSONNEL WHO CONTACT THE STATE REGULATORY COMMISSION

NAME OF COMPANY REPRESENTATIVE (1) (2)	TITLE OR POSITION	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH THE COMMISSION
Scott E. Doyle	Executive Vice President, Natural Gas Distribution	N/A	Operational
Jason M. Ryan	Senior Vice President & General Counsel	N/A	Legal
P. Jason Stephenson	Vice President General Counsel	N/A	Legal
Michael F. Roeder	Vice President Government Affairs	N/A	Legislative
Angila M. Retherford	Vice President, Environmental Affairs & Corporate Sustainability	N/A	Environmental
Stephen W. Bezecny	Vice President, Rates & Regulatory Portfolio Management	N/A	Regulatory/Rates
Richard Leger	Vice President, Regional Operations Indiana & Ohio	N/A	Operational
Lynnae K. Wilson	Chief Business Officer, Indiana Electric	N/A	Operational
David M. Bowler	Director, Accounting	N/A	Accounting
Angie M. Bell	Manager, Regulatory Reporting	N/A	Regulatory/Rates
Greg Burke	Senior Analyst, Regulatory Reporting	N/A	Regulatory/Rates
Matthew A. McDowell	Senior Analyst, Regulatory Reporting	N/A	Regulatory/Rates
Matthew S. Mason	Senior Analyst, Regulatory Reporting	N/A	Regulatory/Rates
Scott A. Killion	Senior Analyst, Regulatory Reporting	N/A	Regulatory/Rates
Natalie Hedde	Director, Communications	N/A	Public Relations
Alyssia S. Oshodi	Senior Specialist, Communications	N/A	Public Relations
Reese A. Hamilton	Director, Customer Service	N/A	Customer Service
Ashley Babcock	Director, Damage Prevention and Public Awareness	N/A	Operational
Rina Harris	Director, Energy Efficiency	N/A	Energy Efficiency/Economic Development
Steven A. Hoover	Director, Engineering Gas Indiana & Ohio	N/A	Operational
Adam Gilles	Director, Regional Operations	N/A	Operational
Sarah J. Vyvoda	Manager, Gas Engineering TIMP & SIMP	N/A	Operational
J. Cas Swiz	Director, Regulatory & Rates	N/A	Regulatory/Rates
Katherine J. Tieken	Manager, Regulatory & Rates	N/A	Regulatory/Rates
Joseph E. Rosebrock	Lead Analyst, Regulatory & Rates	N/A	Regulatory/Rates
Brian K. Ankenbrand	Senior Analyst, Regulatory & Rates	N/A	Regulatory/Rates
J. Waylon Ramming	Senior Analyst, Regulatory & Rates	N/A	Regulatory/Rates
Stephanie L. Willis	Senior Analyst, Regulatory & Rates	N/A	Regulatory/Rates
Vickie L. McClatchy	Analyst, Regulatory & Rates	N/A	Regulatory/Rates
Mary E. Smith	Specialist, Legal	N/A	Regulatory/Rates
Michelle D. Quinn	Regulatory Manager	N/A	Regulatory/Rates
Heather Watts	Director, Regulatory Legal	N/A	Legal
Justin Hage	Associate Counsel, Regulatory Legal	N/A	Legal
Robert E. Heidorn	Regulatory Legal Consultant	N/A	Legal
Laurie K. Thornton	Director, State Government Affairs	N/A	Legislative
Robert Goodge	Manager, Receivables Management, Customer, Credit and Collections	N/A	Customer Service
Teresa J. Cullum	Supervisor, Remittance Services	N/A	Customer Service
Jennifer K. Cordray	Lead Analyst, Customer Relations	N/A	Customer Service

(1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
(2) Provide individual telephone numbers if the person is not normally reached at the company.
(3) Name of company employed by if not on general payroll.

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

YEAR OF REPORT
December 31, 2019

COMPENSATION OF OFFICERS

For each officer listed on page 17, list the time spent on utility as an officer compared to time spent on total business activities and the compensation received as an officer from the utility.

NAME	TITLE	% OF TIME SPENT AS OFFICER OF UTILITY	TOTAL COMPENSATION
Scott E. Doyle	Executive Vice President, Natural Gas Distribution	See Note Below	$ 1,547,180
Jason P. Stephenson	Vice President General Counsel	See Note Below	$ 1,334,172
Lynnae K. Wilson	Chief Business Officer	See Note Below	$ 1,144,761

Note: Total compensation represents CenterPoint Energy salary, bonuses, stock and option awards, incentive compensation, change in pension/deferred compensation earnings, and all other compensation. On average, we estimate that all officers spend 30% of time on IGC matters.

COMPENSATION OF DIRECTORS

For each director listed on page 8-A, list the number of director meetings attended by each director and the compensation received as a director from the utility.

NAME	TITLE	NUMBER OF DIRECTORS MEETINGS ATTENDED	COMPENSATION
All directors are employees of CenterPoint			$
Energy and all actions were under-			$
taken via unanimous written consent.			$
			$
			$
			$
			$
			$
			$
			$
			$
			$
			$

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

YEAR OF REPORT
December 31, 2019

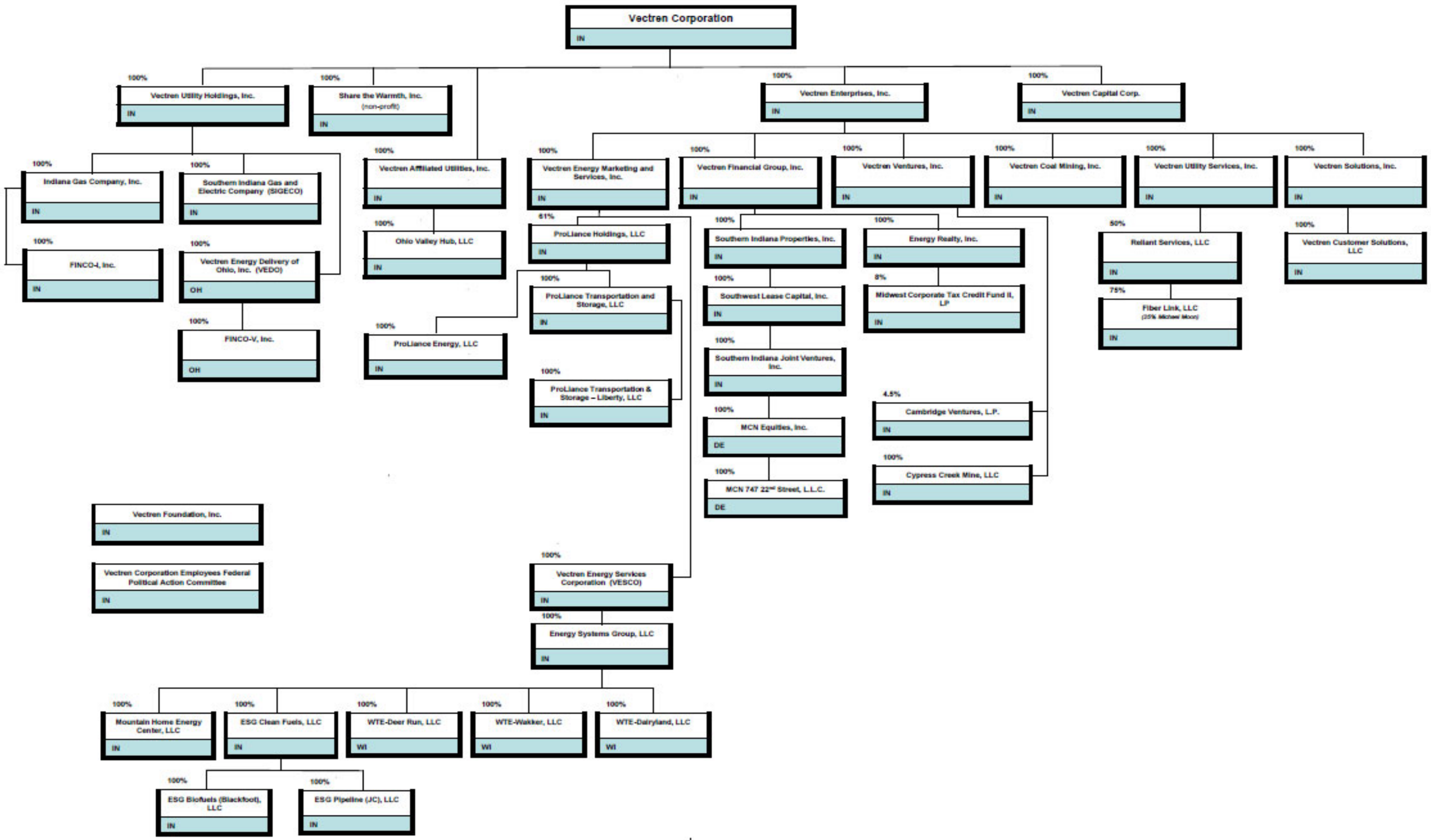
PARENT / AFFILIATE ORGANIZATION CHART

Current as of *(mm/dd/yy)* : 12/31/2019

See attached Organization Chart 13-A

Cause No. 45468

13-A



Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

YEAR OF REPORT
December 31, 2019

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or other business arrangements entered into during the calendar year (other than compensation related to position with Utility) between the Utility and any officer or director listed on page 17. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.*

NAME OF OFFICER DIRECTOR OR AFFILIATE	IDENTIFICATION OF SERVICE OR PRODUCT	AMOUNT	NAME AND ADDRESS OF AFFILIATED ENTITY
Officers and Directors of Indiana Gas are officers and directors of other affliates - See Page 16			

*Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Utility and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or people.

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

YEAR OF REPORT
December 31, 2019

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

A. Brief company history
B. Public services rendered
C. Major goals and objectives
D. Report any change in name during the year, giving date on which effective.
E. List companies owned, controlled, or operated, and form and extent of such ownership, control, or operation.
D. Major operating divisions and functions
E. Current and projected growth patterns
F. Detail of major transactions having a material effect on operations

See Page 15 Attachment

Basis of Accounting

The FERC financial statements were prepared in accordance with the accounting requirements as set forth in the FERC's applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than the United States of America's generally accepted accounting principles ("GAAP"). The principle difference from GAAP is the classification of certain balance sheet and income accounts. The more significant differences are:

1) Reclassification of certain regulatory liabilities to accumulated depreciation related to the treatment of certain non-legal obligations under ASC 410-20,
2) Reclassification of certain deferred income taxes to conform with FERC accounting guidance,
3) Reclassification of current maturities of long-term debt to debt
4) Reclassification of debt issuance costs to an asset to follow FERC accounting guidelines,
5) Net income along with certain balance sheet accounts differ from GAAP due to regulatory treatment of AFUDC equity under ASC 980-340, related to environmental compliance and gas infrastructure replacement programs,
6) The separate classification of income tax expense for operating and non-operating activities instead of a single income tax expense,
7) The classification of certain other assets and liabilities as current instead of noncurrent, and
8) The classification of certain other assets and liabilities as noncurrent instead of current.

The following notes to the financial statements are taken directly from the information furnished to the Securities and Exchange Commission on Form 8K of CenterPoint Energy for the year ended December 31, 2019 and have been prepared in conformity with accounting principles generally accepted in the United States of America. Management has evaluated the impacts of events occurring after December 31, 2019 up to March 19, 2020.

VECTREN UTILITY HOLDINGS, INC. AND SUBSIDIARY COMPANIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Organization and Nature of Operations

Vectren Utility Holdings, Inc. (the Company, Utility Holdings or VUHI), an Indiana corporation, was formed on March 31, 2000, to serve as the intermediate holding company for Vectren Corporation's (Vectren or the Company's parent) three operating public utilities: Indiana Gas Company, Inc. (Indiana Gas or Vectren Energy Delivery of Indiana - North), Southern Indiana Gas and Electric Company (SIGECO or Vectren Energy Delivery of Indiana - South), and Vectren Energy Delivery of Ohio, Inc. (VEDO). Herein, 'the Company' may also refer to Indiana Gas Company, Inc., Southern Indiana Gas and Electric Company, Inc. and/or Vectren Energy Delivery of Ohio, Inc. The Company also has other assets that provide information technology and other services to the three utilities. Vectren, a wholly owned subsidiary of CenterPoint Energy, Inc. (CenterPoint) and an Indiana corporation, is an energy holding company headquartered in Evansville, Indiana, and was organized on June 10, 1999. Both Vectren and the Company are holding companies as defined by the Energy Policy Act of 2005 (Energy Act).

At December 31, 2019, Indiana Gas provided energy delivery services to 615,854 natural gas customers located in central and southern Indiana.

<u>Merger with CenterPoint Energy, Inc.</u>
On February 1, 2019, pursuant to the Merger Agreement, Vectren consummated the previously announced Merger with CenterPoint and was acquired for approximately $6 billion in cash.

Pursuant to the Merger Agreement and immediately subsequent to the close of the Merger, Vectren cash settled all outstanding share-based awards issued prior to the Merger Date by Vectren to its employees. As a result, VUHI recorded an incremental cost of $26 million in *Other operating expenses* on its *Consolidated Statements of Income* during the year ended December 31, 2019 for its share of allocated costs.

Subsequent to the closing of the Merger, VUHI recognized severance totaling $41 million to employees terminated in 2019, inclusive of change of control severance payments to executives of Vectren under existing agreements, and which is included in *Other operating expenses* on its *Consolidated Statements of Income* during the year ended December 31, 2019.

In connection with the Merger, VUHI made offers to prepay certain outstanding guaranteed senior notes as required pursuant to certain note purchase agreements previously entered into by VUHI. See Note 7 for further details.

2. Summary of Significant Accounting Policies

In applying its accounting policies, the Company makes judgments, assumptions, and estimates that affect the amounts reported in these consolidated financial statements and related footnotes. Examples of transactions for which estimation techniques are used include valuing deferred tax obligations, unbilled revenue, uncollectible accounts, regulatory assets and liabilities, asset retirement obligations, and derivatives and other financial instruments. Estimates also impact the depreciation of utility and nonutility plant and the testing of goodwill and other assets for impairment. Recorded estimates are revised when better information becomes available or when actual amounts can be determined. Actual results could differ from current estimates.

<u>Principles of Consolidation</u>
The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, after appropriate elimination of intercompany transactions.

<u>Subsequent Events Review</u>
Management performs a review of subsequent events for any events occurring after the balance sheet date but prior to the date the financial statements are issued. The Company's management has performed a review of subsequent events through March 12, 2020, the date the financial statements were issued.

<u>Cash & Cash Equivalents</u>
Highly liquid investments with an original maturity of three months or less at the date of purchase are considered cash equivalents. Cash and cash equivalents are stated at cost plus accrued interest to approximate fair value.

<u>Accounts Receivables and Allowance for Uncollectible Accounts</u>
Accounts receivable are recorded at the invoiced amount and do not bear interest. The Company maintains allowances for uncollectible accounts for estimated losses resulting from the inability of its customers to make required payments. The Company estimates the allowance for uncollectible accounts based on a variety of factors including the length of time receivables are past due, the financial health of its customers, unusual macroeconomic conditions, and historical experience. If the financial condition of its customers deteriorates or other circumstances occur that result in an impairment of customers' ability to make payments, the Company records additional allowances as needed.

<u>Inventories</u>
In most circumstances, the Company's inventory components are recorded using an average cost method; however, natural gas in storage at the Company's Indiana utilities is recorded using the Last In – First Out (LIFO) method. Inventory related to the Company's regulated operations is valued at historical cost consistent with ratemaking treatment. Materials and supplies are recorded as inventory when purchased and subsequently charged to expense or capitalized to plant when installed.

<u>Property, Plant & Equipment</u>
Both the Company's *Utility Plant* and *Nonutility Plant* are stated at historical cost, inclusive of financing costs and direct and indirect construction costs, less accumulated depreciation and when necessary, impairment charges. The cost of renewals and betterments that extend the useful life are capitalized. Maintenance and repairs, including the cost of removal of minor items of property and planned major maintenance projects, are charged to expense as incurred.

Utility Plant & Related Depreciation
The IURC allows the Company to capitalize financing costs associated with *Utility Plant* based on a computed interest cost and a designated cost of equity funds. These financing costs are commonly referred to as AFUDC and are capitalized for ratemaking purposes and for financial reporting purposes instead of amounts that would otherwise be capitalized when acquiring nonutility plant. The Company reports both the debt and equity components of AFUDC in *Other – net* in the *Consolidated Statements of Income*.

When property that represents a retirement unit is replaced or removed, the remaining historical value of such property is charged to *Utility Plant*, with an offsetting charge to *Accumulated depreciation*, resulting in no gain or loss. Costs to dismantle and remove retired property are recovered through the depreciation rates as determined by the IURC.

The Company's portion of jointly owned *Utility Plant*, along with that plant's related operating expenses, is presented in these financial statements in proportion to the ownership percentage.

Nonutility Plant & Related Depreciation
The depreciation of *Nonutility Plant* is charged against income over its estimated useful life, using the straight-line method of depreciation. When nonutility property is retired, or otherwise disposed of, the asset and accumulated depreciation are removed, and the resulting gain or loss is reflected in income, typically impacting operating expenses.

Impairment Reviews
Property, plant and equipment along with other long-lived assets are reviewed as facts and circumstances indicate the carrying amount may be impaired. This impairment review involves the comparison of an asset's (or group of assets') carrying value to the estimated undiscounted future cash flows the asset (or asset group) is expected to generate over a remaining life. If this evaluation were to conclude the carrying value is impaired, an impairment charge would be recorded based on the difference between the carrying amount and its fair value (less costs to sell for assets to be disposed of by sale) as a charge to operations or discontinued operations.

<u>Goodwill</u>
Goodwill recorded on the *Consolidated Balance Sheets* results from business acquisitions and is based on a fair value allocation of the businesses' purchase price at the time of acquisition. Goodwill is charged to expense only when it is impaired. The Company tests its goodwill for impairment at an operating segment level because the components within the segments are similar. These tests are performed at least annually. Impairment reviews consist of a comparison of fair value to the carrying amount. If the fair value is less than the carrying amount, an impairment loss is recognized in operations. No goodwill impairments have been recorded during the periods presented.

<u>Regulation</u>
Retail public utility operations affecting Indiana customers are subject to regulation by the IURC. The Company's accounting policies give recognition to the ratemaking and accounting practices authorized by this agency.

Refundable or Recoverable Gas Costs
All metered gas rates in Indiana contain a gas cost adjustment clause that allows the Company to charge for changes in the cost of purchased gas. The Company records any under-or-over- recovery resulting from gas adjustment clauses each month in revenues. A corresponding asset or liability is recorded until the under-or-over-recovery is billed or refunded to utility customers. The cost of gas sold is charged to operating expense as delivered to customers.

Regulatory Assets & Liabilities
Regulatory assets represent certain incurred costs, which will result in probable future cash recoveries from customers through the ratemaking process. Regulatory liabilities represent probable expenditures by the Company for removal costs or future reductions in revenues associated with amounts to be credited to customers through the ratemaking process. The Company continually assesses the recoverability of costs recognized as regulatory assets and liabilities and the ability to recognize new regulatory assets and liabilities associated with its regulated utility operations. Given the current regulatory environment in its jurisdictions, the Company believes such accounting is appropriate.

The Company collects an estimated cost of removal of its utility plant through depreciation rates established in regulatory proceedings. The Company records amounts collected in advance of expenditure as a *Regulatory liability* because the liability does not meet the threshold of an asset retirement obligation.

Asset Retirement Obligations
A portion of removal costs related to interim retirements of gas utility pipeline, certain asbestos-related issues, and reclamation activities meet the definition of an asset retirement obligation (ARO). The Company records the fair value of a liability for a legal ARO in the period in which it is incurred. When the liability is initially recorded, the Company capitalizes a cost by increasing the carrying amount of the related long-lived asset. The liability is accreted, and the capitalized cost is depreciated over the useful life of the related asset. Upon settlement of the liability, the Company settles the obligation for its recorded amount or incurs a gain or loss. To the extent regulation is involved, regulatory assets and liabilities result when accretion and amortization is adjusted to match rates established by regulators and any gain or loss is subject to deferral.

Energy Contracts & Derivatives
The Company will periodically execute derivative contracts in the normal course of operations while buying and selling commodities to be used in operations, optimizing its generation assets, and managing risk. A derivative is recognized on the balance sheet as an asset or liability measured at its fair market value and the change in the derivative's fair market value depends on the intended use of the derivative and resulting designation.

When an energy contract that is a derivative is designated and documented as a normal purchase or normal sale (NPNS), it is exempt from mark-to-market accounting. Such energy contracts include certain natural gas purchases.

When the Company engages in energy contracts and financial contracts that are derivatives and are not subject to the NPNS or other exclusions, such contracts are recorded at market value as current or noncurrent assets or liabilities depending on their value and when the contracts are expected to be settled. Contracts and any associated collateral with counter-parties subject to master netting arrangements are presented net in the *Consolidated Balance Sheets*. The offset resulting from carrying the derivative at fair value on the balance sheet is charged to earnings unless it qualifies as a hedge or is subject to regulatory accounting treatment. The offset to contracts affected by regulatory accounting treatment, which include most of the Company's executed energy and financial contracts, are marked to market as a regulatory asset or liability. Market value for derivative contracts is determined using quoted market prices from independent sources or from internal models. As of and for the periods presented, derivative activity, other than NPNS, is not material to these financial statements.

Income Taxes
On February 1, 2019, Vectren became a wholly-owned subsidiary of CenterPoint and included in CenterPoint's consolidated federal income tax return. Vectren and certain subsidiaries are also included in various unitary or consolidated state income tax returns with CenterPoint. In other state jurisdictions, Vectren and certain subsidiaries continue to file separate state tax returns. The Company calculates the provision for income taxes and income tax liabilities for each jurisdiction using a separate return method.

The Company uses the asset and liability method of accounting for deferred income taxes. Deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. A valuation allowance is established against deferred tax assets for which management believes realization is not considered to be more likely than not. The Company recognizes interest and penalties as a component of *income tax expense (benefit)*, as applicable, in their respective *Consolidated Statements of Income*.

On December 22, 2017, President Trump signed into law comprehensive tax reform legislation informally called the Tax Cuts and Jobs Acts, or TCJA, which resulted in significant changes to federal tax laws effective January 1, 2018. See Note 6 for further discussion of the impacts of tax reform implementation.

To the extent certain excess deferred income taxes of the Company's rate-regulated subsidiaries may be recoverable or payable through future rates, regulatory assets and liabilities have been recorded, respectively. Investment tax credits are deferred and amortized to income over the approximate lives of the related property.

Revenue Policy

Revenue is recognized when obligations under the terms of a contract with the customer are satisfied. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods or providing services. The satisfaction of performance obligation occurs when the transfer of goods and services occur, which may be at a point in time or over time, resulting in revenue being recognized over the course of the underlying contract or at a single point in time based upon the delivery of services to customers.

Utility Receipts Taxes

A portion of utility receipts taxes are included in rates charged to customers. Accordingly, the Company records these taxes received as a component of operating revenues, which totaled $30.3 million in 2019, $31.1 million in 2018, and $29.1 million in 2017. Expense associated with excise and utility receipts taxes are recorded as a component of *Taxes other than income taxes*.

Operating Segments

The Company's chief operating decision maker is the Chief Executive Officer of CenterPoint, the Parent Company of Vectren. Beginning on February 1, 2019, upon close of the Merger, the measure of profitability used by management for all operations became operating income. Prior period segment results have been recast to reflect management's profitability measure effective during 2019. Operating income is the measure of profitability used by management for all operations. The Company's operations consist of regulated operations and other operations that provide information technology and other support services to those regulated operations. The Company segregates its regulated operations between a Gas Utility Services operating segment and an Electric Utility Services operating segment.

Fair Value Measurements

Certain assets and liabilities are valued and disclosed at fair value. Nonfinancial assets and liabilities include the initial measurement of an asset retirement obligation or the use of fair value in goodwill, intangible assets, and long-lived assets impairment tests. FASB guidance provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.
Level 2	Inputs to the valuation methodology include · quoted prices for similar assets or liabilities in active markets; · quoted prices for identical or similar assets or liabilities in inactive markets; · inputs other than quoted prices that are observable for the asset or liability; · inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

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3. Revenue

On January 1, 2018, the Company adopted ASC 606 and all the related amendments ("new revenue standard") applying the modified retrospective method for those contracts that were not completed as of the date of adoption. Substantially all the Company's revenues are within the scope of the new revenue standard, although the ongoing application is expected to continue to be immaterial to the financial position, results of operations and cash flows. The adoption of the new revenue standard resulted in no cumulative adjustment to retained earnings.

The Company determines that disaggregating revenue into certain categories achieves the disclosure objective to depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. These material revenue generating categories, as disclosed in Note 12, include: Gas Utility Services and Electric Utility Services.

The Company provides commodity service to customers at rates, charges, and terms and conditions included in tariffs approved by regulators. The Company's utilities bill customers monthly and have the right to consideration from customers in an amount that corresponds directly with the performance obligation satisfied to date. The performance obligation is satisfied and revenue is recognized upon the delivery of services to customers. The Company records revenues for services and goods delivered but not billed at the end of an accounting period in *Accrued unbilled revenues*, derived from estimated unbilled consumption and tariff rates. The Company's revenues are also adjusted for the effects of regulation including tracked operating expenses, infrastructure replacement mechanisms, decoupling mechanisms, and lost margin recovery. Decoupling and lost margin recovery mechanisms are considered alternative revenue programs, which are excluded from the scope of the new revenue standard. Revenues from alternative revenue programs are not material to any reporting period. Customers are billed monthly and payment terms, set by the regulator, require payment within a month of billing. The Company's revenues are not subject to significant returns, refunds, or warranty obligations.

In the following table, the Company's revenue is disaggregated by customer class.

(In millions)	Year Ended December 31, 2019	2018
Gas Utility Services		
Residential	$ 578.9	$ 575.2
Commercial	194.3	196.6
Industrial	82.0	78.3
Other	7.2	7.7
Total Gas Utility Services	**$ 862.4**	**$ 857.8**
Electric Utility Services		
Residential	$ 210.4	$ 210.2
Commercial	148.1	149.3
Industrial	159.9	162.1
Other	51.8	60.9
Total Electric Utility Services	**$ 570.2**	**$ 582.5**

Contract Balances

The Company does not have any material contract balances (right to consideration for services already provided or obligations to provide services in the future for consideration already received) as of January 1, 2019 or December 31, 2019. Substantially all the Company's accounts receivable results from contracts with customers.

Remaining Performance Obligations

In accordance with the optional exemptions available under the new revenue standard, the Company has not disclosed the value of unsatisfied performance obligations from contracts for which revenue is recognized at the amount to which the Company has the right to invoice for goods provided and services performed. Substantially all the Company's contracts with customers are eligible for this exemption.

4. Utility & Nonutility Plant

The original cost of *Utility Plant*, together with depreciation rates expressed as a percentage of original cost, follows:

(In millions)	At and For the Year Ended December 31, 2019 Original Cost	2019 Depreciation Rates as a Percent of Original Cost	2018 Original Cost	2018 Depreciation Rates as a Percent of Original Cost
Gas utility plant	$ 4,636.3	3.4%	$ 4,315.3	3.4%
Electric utility plant	3,077.3	3.3%	2,945.8	3.3%
Common utility plant	70.8	3.5%	67.6	3.2%
Construction work in progress	155.9	—	112.6	—
Asset retirement obligations	125.4	—	87.1	—
Total original cost	**$ 8,065.7**		**$ 7,528.4**	

Nonutility Plant, net of accumulated depreciation and amortization follows:

(In millions)	At December 31, 2019	2018
Computer hardware & software	$ 145.1	$ 161.7
Land & buildings	31.9	33.3
All other	4.7	6.8
Nonutility plant - net	**$ 181.7**	**$ 201.8**

Nonutility plant is presented net of accumulated depreciation and amortization of $323.9 million and $297.7 million as of December 31, 2019 and 2018, respectively. Depreciable lives range from 6 to15 years for computer hardware & software and 30 to 40 years for buildings. For the years ended December 31, 2019 and 2018, the Company capitalized interest totaling $2.7 million and $1.2 million, respectively.

Cause No. 45468

5. Regulatory Assets & Liabilities

Regulatory Assets

Regulatory assets consist of the following:

	At December 31,	
(In millions)	2019	2018
Future amounts recoverable from ratepayers related to:		
Net deferred income taxes	$ 7.0	$ 6.6
Asset retirement obligations & other	59.1	34.4
	66.1	41.0
Amounts deferred for future recovery related to:		
Indiana cost recovery riders	97.5	97.5
Ohio cost recovery riders	59.3	107.9
	156.8	205.4
Amounts currently recovered in customer rates related to:		
Indiana authorized trackers	99.4	67.2
Ohio authorized trackers	7.9	33.0
Ohio authorized cost deferrals	95.8	—
Loss on reacquired debt & hedging costs	40.7	21.4
Deferred coal costs and other	—	7.0
	243.8	128.6
Total regulatory assets	**$ 466.7**	**$ 375.0**

Of the $243.8 million currently being recovered in customer rates, $95.8 million related to Ohio deferrals is earning a return. The weighted average recovery period of regulatory assets currently being recovered in base rates, not earning a return, which totals $40.2 million, is 14 years. The remainder of the regulatory assets are being recovered timely through periodic recovery mechanisms. The Company has rate orders for all deferred costs not yet in rates and therefore believes future recovery is probable.

Regulatory Liabilities

At December 31, 2019 and 2018, the Company had regulatory liabilities of $966.3 million and $941.2 million, respectively, of which $548.1 million and $502.1 million related to cost of removal obligations and $416.9 million and $437.7 million related to regulatory liability associated with TCJA, at December 31, 2019 and 2018, respectively. The deferred tax related regulatory liability is primarily the revaluation of deferred taxes at the reduced federal corporate tax rate that was enacted on December 22, 2017. These regulatory liabilities are being refunded to customers over time following regulatory commission approval.

6. Transactions with Other Vectren Companies and Affiliates

Vectren Infrastructure Services Corporation (VISCO)

VISCO, a wholly owned subsidiary of the Company's parent, provides underground pipeline construction and repair services. VISCO's customers include the Company's utilities and fees incurred by the Company totaled $149.7 million in 2019, $140.8 million in 2018, and $157.1 million in 2017. Amounts owed to VISCO at December 31, 2019 and 2018 are included in *Payables to other Vectren companies.*

Support Services & Purchases

The Company's parent provides corporate and general and administrative services to the Company and allocates certain costs to the Company. These costs are allocated using various allocators, including number of employees, number of customers and/or the level of payroll, revenue contribution and capital expenditures. Allocations are at cost. The Company received corporate allocations totaling $91.8 million, $52.7 million, and $64.1 million for the years ended December 31, 2019, 2018 and 2017, respectively. The allocated costs in 2019 include $21.7 million of severance and $25.9 million of stock-based compensation as a result of the Merger with CenterPoint.

Retirement Plans & Other Postretirement Benefits

At December 31, 2019, the Company's parent maintains three closed qualified defined benefit pension plans (Vectren Corporation Non-Bargaining Retirement Plan, The Indiana Gas Company, Inc. Bargaining Unit Retirement Plan, Pension Plan for Hourly Employees of Southern Indiana Gas and Electric Company), a nonqualified supplemental executive retirement plan (SERP), and a postretirement benefit plan. The defined benefit pension plans and postretirement benefit plan, which cover the Company's eligible full-time regular employees, are primarily noncontributory. The postretirement benefit plan includes health care and life insurance benefits which are a combination of self-insured and fully insured programs. The Company's current and former employees comprise the vast majority of the participants and retirees covered by these plans.

The Company's parent satisfies the future funding requirements for funded plans and the payment of benefits for unfunded plans from general corporate assets and, as necessary, relies on the Company to support the funding of these obligations. However, the Company has no contractual funding obligation to the plans. The Company did not make a contribution in 2019 and contributed $3.5 million in 2018 to the Company's parent for the deferred benefit and pension plans. The Company contributed $17.1 million in 2019 and $4.9 million in 2018 to the Company's parent for SERP and post retirement benefit plans. The combined funded status of Vectren's defined benefit pension plans was approximately 90 percent and 89 percent at December 31, 2019 and 2018, respectively.

The Company's parent allocates retirement plan and other postretirement benefit plan periodic cost calculated pursuant to US GAAP to its subsidiaries, which is also how the Company's rate regulated utilities recover retirement plan periodic costs through base rates. Periodic costs are charged to the Company following a labor cost allocation methodology and results in retirement costs being allocated to both operating expense and capital projects. For the years ended December 31, 2019, 2018, and 2017, costs totaling $16.2 million, $8.2 million and $8.2 million, respectively, were charged to the Company.

Any difference between the Company's funding requirements to the Company's parent and allocated periodic costs is recognized by the Company as an intercompany asset or liability. The allocation methodology to determine the intercompany funding requirements from the subsidiaries to Vectren is consistent with FASB guidance related to "multiemployer" benefit accounting. Neither plan assets nor plan obligations as calculated pursuant to GAAP by the Company's parent are allocated to individual subsidiaries.

As of December 31, 2019 and 2018, the Company has $54.7 million, and $56.8 million, respectively, included in *Other assets* representing defined benefit funding by the Company to the Company's parent that is yet to be reflected in costs. As of December 31, 2019 and 2018, the Company has $39.3 million and $42.3 million, respectively, included in *Deferred credits & other liabilities* representing costs related to other postretirement benefits charged to the Company that is yet to be funded to the Company's parent. The Company's labor allocation methodology is used to compute the Company's funding of the defined benefit retirement and other postretirement plans to the Company's parent, which is consistent with the regulatory ratemaking processes of the Company's subsidiaries.

Share-Based Incentive Plans & Deferred Compensation Plans

The Company does not have share-based compensation plans separate from the Company's parent. The Company recognizes its allocated portion of costs related to share-based incentive plans and deferred compensation plans in accordance with FASB guidance and to the extent these awards are expected to be settled in cash that liability is pushed down to the Company. As of December 31, 2019 and 2018, $4.4 million and $63.4 million, respectively, is included in *Accrued liabilities and Deferred credits & other liabilities* and represents obligations that are yet to be funded to the Company's parent. Subsequent to the February 1, 2019 completion of the Merger, and pursuant to the Merger Agreement, all the share-based awards of the Company's parent have been settled and a majority of its deferred compensation liabilities have been settled.

Income Taxes

The Company does not file federal or state income tax returns separate from those filed by its parent, Vectren Corporation. As of February 2, 2019, the Company's parent is included in CenterPoint's consolidated U.S. federal income tax return. Vectren and/or certain of its subsidiaries file income tax returns in various states. Pursuant to a tax sharing agreement and for financial reporting purposes, Vectren subsidiaries record income taxes on a separate company basis. The Company's allocated share of tax effects resulting from it being a part of this consolidated tax group are recorded at the parent company level. Current taxes payable/receivable are settled with the Company's parent in cash quarterly and after filing the consolidated federal and state income tax returns.

Deferred income taxes are provided for temporary differences between the tax basis (adjusted for related unrecognized tax benefits, if any) of an asset or liability and its reported amount in the financial statements. Deferred tax assets and liabilities are computed based on the currently-enacted statutory income tax rates that are expected to be applicable when the temporary differences are scheduled to reverse. The Company’s rate-regulated utilities recognize regulatory liabilities for deferred taxes provided in excess of the current statutory tax rate and regulatory assets for deferred taxes provided at rates less than the current statutory tax rate. Such tax-related regulatory assets and liabilities are reported at the revenue requirement level and amortized to income as the related temporary differences reverse, generally over the lives of the related properties. A valuation allowance is recorded to reduce the carrying amounts of deferred tax assets unless it is more likely than not that the deferred tax assets will be realized.

Tax benefits associated with income tax positions taken, or expected to be taken, in a tax return are recorded only when the more-likely-than-not recognition threshold is satisfied and measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon settlement. The Company reports interest and penalties associated with unrecognized tax benefits within *Income taxes* in the *Consolidated Statements of Income* and reports tax liabilities related to unrecognized tax benefits as part of *Deferred credits & other liabilities*.

Investment tax credits (ITCs) are deferred and amortized to income over the approximate lives of the related property. Production tax credits (PTCs) are recognized as energy is generated and sold based on a per kilowatt hour rate prescribed in applicable federal and state statutes.

The Company currently recovers corporate income tax expense in approved rates charged to customers. The IURC issued an order which initiated proceedings to investigate the impact of the Tax Cuts and Jobs Act (TCJA) on utility companies and customers. In addition, the Commission ordered the Company to establish regulatory liabilities to record all estimated impacts of tax reform starting January 1, 2018. As of December 31, 2019, the Company has $397.5 million in liabilities associated with excess deferred income taxes, and $19.4 million in liabilities associated with the impacts of tax reform on base rates, included in *Regulatory Liabilities.*

The IURC approved an initial reduction to the Company’s current rates and charges, effective June 1, 2018, to capture the immediate impact of the lower corporate federal income tax rate. The refund of excess deferred taxes and regulatory liabilities commenced in January.

The components of income tax expense and amortization of investment tax credits follow:

	Year Ended December 31,		
(In millions)	2019	2018	2017
Current:			
Federal	$ 2.5	$ 25.4	$ 10.0
State	(3.9)	3.8	4.8
Total current taxes	**(1.4)**	**29.2**	**14.8**
Deferred:			
Federal	8.6	(1.2)	43.9
State	2.6	1.3	2.4
Total deferred taxes	**11.2**	**0.1**	**46.3**
Net investment tax credit deferred / (amortized)	(1.3)	3.4	(0.4)
Total income tax expense	**$ 8.5**	**$ 32.7**	**$ 60.7**

A reconciliation of the federal statutory rate to the effective income tax rate follows:

	Year Ended December 31,		
	2019	2018	2017
Statutory rate	21.0%	21.0%	35.0%
Federal tax law change impacts	(11.4)	(8.0)	(9.8)
State and local taxes-net of federal benefit	2.9	2.8	2.8
All other - net	(7.0)	(1.2)	(2.3)
Effective tax rate	**5.5%**	**14.6%**	**25.7%**

Significant components of the net deferred tax liability follow:

	At December 31,	
(In millions)	2019	2018
Noncurrent deferred tax assets:		
U.S. federal charitable contributions carryforwards	3.3	4.5
Regulatory liabilities settled through future rates	98.0	104.6
Total deferred tax assets	$ 101.3	$ 109.1
Noncurrent deferred tax liabilities:		
Depreciation & cost recovery timing differences	$ 567.1	$ 548.7
Regulatory assets recoverable through future rates	8.4	8.1
Employee benefit obligations	3.8	(5.8)
Deferred fuel costs	17.5	14.5
Other – net	35.1	32.6
Total deferred tax liabilities	$ 631.9	$ 598.1
Net noncurrent deferred tax liability	$ 530.6	$ 489.0

At December 31, 2019 and 2018, investment tax credits totaling $3.4 million and $4.6 million, respectively, are included in *Deferred credits & other liabilities*. At December 31, 2019, the Company has no alternative minimum tax carryforwards.

Uncertain Tax Positions

Unrecognized tax benefits for all periods presented were not material to the Company. The net liability on the *Consolidated Balance Sheet* for unrecognized tax benefits inclusive of interest and penalties totaled $0.8 million and $1.7 million, respectively, at December 31, 2019 and 2018.

The Company's parent and certain of its subsidiaries file income tax returns in the U.S. federal jurisdiction and various states. The Internal Revenue Service (IRS) has concluded examinations of Vectren's U.S. federal income tax return for tax year December 31, 2016 with no adjustments. The State of Indiana, Vectren's primary state tax jurisdiction, has concluded examinations of Vectren's consolidated state income tax returns for tax years through 2017 with no adjustments. The statutes of limitations for assessment of federal income tax and Indiana income tax have expired with respect to tax years through 2016 except to the extent of refunds claimed on amended tax returns. The statutes of limitations for assessment of the 2013 tax year related to the amended federal tax return will expire in 2020. The statutes of limitations for assessment of the 2012 tax year related to the amended Indiana income tax return expired in 2019. The statutes of limitations for assessment of the 2013 and 2014 tax years related to the amended Indiana income tax returns will expire in 2020.

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7. Borrowing Arrangements

Long-Term Debt

Long-term senior unsecured obligations and first mortgage bonds outstanding by subsidiary follow:

	At December 31,	
(In millions)	2019	2018
Utility Holdings		
Fixed Rate Affiliate Debt		
2028, 3.20%	$ 45.0	—
2032, 3.26%	100.0	—
2023, 3.72%	93.0	—
2035, 3.90%	25.0	—
2047, 3.93%	100.0	—
2043, 4.25%	70.0	—
2045, 4.36%	95.0	—
2055, 4.51%	40.0	—
2049, 3.42%	125.0	—
Fixed Rate Senior Unsecured Notes		
2020, 6.28%	100.0	100.0
2021, 4.67%	55.0	55.0
2023, 3.72%	57.0	150.0
2026, 5.02%	60.0	60.0
2028, 3.20%	—	45.0
2032, 3.26%	—	100.0
2035, 6.10%	75.0	75.0
2035, 3.90%	—	25.0
2041, 5.99%	35.0	35.0
2042, 5.00%	100.0	100.0
2043, 4.25%	10.0	80.0
2045, 4.36%	40.0	135.0
2047, 3.93%	—	100.0
2055, 4.51%	—	40.0
Variable Rate Term Loans		
2020, current adjustable rate, 2.5125%	300.0	300.0
Commercial Paper backed by long-term facility	268.2	—
Total Utility Holdings	**1,793.2**	**1,400.0**

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	At December 31,	
(In millions)	2019	2018
SIGECO		
First Mortgage Bonds		
2022, 2013 Series C, current adjustable rate 2.190%, tax-exempt	4.6	4.6
2024, 2013 Series D, current adjustable rate 2.190%, tax-exempt	22.5	22.5
2025, 2014 Series B, current adjustable rate 2.190%, tax-exempt	41.3	41.3
2029, 1999 Series, 6.72%	80.0	80.0
2037, 2013 Series E, current adjustable rate 2.190%, tax-exempt	22.0	22.0
2038, 2013 Series A, current adjustable rate 2.190%, tax-exempt	22.2	22.2
2043, 2013 Series B, current adjustable rate 2.190%, tax-exempt	39.6	39.6
2044, 2014 Series A, 4.00%, tax-exempt	22.3	22.3
2055, 2015 Series Mt. Vernon, 2.375%, tax-exempt	23.0	23.0
2055, 2015 Series Warrick County, 2.375%, tax-exempt	15.2	15.2
Total SIGECO	**292.7**	**292.7**
Indiana Gas		
Fixed Rate Senior Unsecured Notes		
2025, Series E, 6.53%	10.0	10.0
2027, Series E, 6.42%	5.0	5.0
2027, Series E, 6.68%	1.0	1.0
2027, Series F, 6.34%	20.0	20.0
2028, Series F, 6.36%	10.0	10.0
2028, Series F, 6.55%	20.0	20.0
2029, Series G, 7.08%	30.0	30.0
Total Indiana Gas	**96.0**	**96.0**
Total long-term debt payable to CenterPoint Energy, Inc.	**693.0**	**—**
Total long-term debt payable to third parties	**1,488.9**	**1,788.7**
Total long-term debt outstanding	**2,181.9**	**1,788.7**
Current maturities of long-term debt	(400.0)	—
Debt issuance costs	—	(8.4)
Unamortized debt premium & discount - net	—	(0.5)
Total long-term debt-net	**$ 1,781.9**	**$ 1,779.8**

Utility Holdings Borrowing Arrangements

In connection with the Merger, the Company made offers to prepay certain outstanding guaranteed senior notes as required pursuant to certain note purchase agreements. In turn, the Company borrowed $568 million to make the prepayment at the same interest rate and term as the notes being prepaid. The CenterPoint notes are not guaranteed by the Company's subsidiaries.

On September 10, 2019, the Company issued a 3.42% promissory note due September 15, 2049 to CenterPoint. Total gross and net proceeds to the Company were $125 million, which were used to repay borrowings under the Company's $400 million commercial paper program.

Credit Facilities: The Company had the following revolving credit facilities as of December 31, 2019:

Execution Date	Company	Size of Facility	Draw Rate of LIBOR plus [1]	Financial Covenant Limit on Debt for Borrowed Money to Capital Ratio	Debt for Borrowed Money to Capital Ratio as of December 31, 2019 [2]	Termination Date
		(in millions)				
July 14, 2017	Utility Holdings [3]	$ 400	1.125%	65%	51.6%	July 14, 2022

[1] Based on credit ratings as of December 31, 2019.

[2] As defined in the revolving credit facility agreement.

[3] This credit facility was issued by VUHI, is guaranteed by SIGECO, Indiana Gas and VEDO and includes a $10 million swing line sublimit and a $20 million letter of credit sublimit. This credit facility backstops, VUHI's commercial paper program.

Pursuant to the Company's short-term credit facility the Merger represented an event of default. However, the banking partner in the facility waived the event of default.

Term Loans

On July 30, 2018, the Company closed a two-year term loan with two banking partners. The term loan agreement provided for a $250 million draw at closing and the remaining $50 million was drawn on December 14, 2018. Proceeds from the term loan were utilized to pay a $100 million, August 1, 2018, debt maturity and for general utility purposes. The term loan's interest rate is currently priced at one-month LIBOR, plus a credit spread depending on the Company's credit rating. In addition, the term loan contains a provision that should the Company or any of its subsidiaries execute certain capital market transactions, and subject to certain other conditions, the outstanding balance is subject to mandatory prepayment. The term loan is jointly and severally guaranteed by the Company's wholly-owned operating companies, SIGECO, Indiana Gas, and VEDO.

Debt Guarantees

The Company's outstanding long-term and commercial paper borrowing arrangements are jointly and severally guaranteed by SIGECO, Indiana Gas, and VEDO. The Company's third-party long-term debt outstanding at December 31, 2019, was $832 million.

Covenants

Both long-term and short-term borrowing arrangements contain customary default provisions; restrictions on liens, sale-leaseback transactions, mergers or consolidations, and sales of assets; and restrictions on leverage, among other restrictions. Multiple debt agreements contain a covenant that the ratio of consolidated total debt to consolidated total capitalization will not exceed 65 percent. As of December 31, 2019, the Company was in compliance with all debt covenants.

8. Commitments & Contingencies

Commitments

The Company has firm commitments to purchase natural gas as well as certain transportation and storage rights and certain contracts are firm commitments under five and twenty year arrangements. Costs arising from these commitments, while significant, are pass-through costs, generally collected dollar-for- dollar from retail customers through regulator-approved cost recovery mechanisms.

Letters of Credit

The Company, from time to time, through its subsidiaries, issues letters of credit that support consolidated operations. At December 31, 2019, letters of credit outstanding total $5.0 million.

Legal and Regulatory Proceedings

The Company is party to various legal proceedings, audits, and reviews by taxing authorities and other government agencies arising in the normal course of business. In the opinion of management, there are no legal proceedings or other regulatory reviews or audits pending against the Company that are likely to have a material adverse effect on its financial position, results of operations or cash flows.

9. Regulatory Matters

Tax Reform

The IURC issue an order which initiated proceedings to investigate the impact of the TCJA on utility companies and customers in Indiana. In addition, the IURC ordered each utility to establish regulatory liabilities to record all estimated impacts of tax reform starting January 1, 2018 until the date when rates are adjusted to capture these impacts. In response to the Company's filing for proposed changes to its rates and charges to consider the impact of the lower federal income tax rates, the IURC approved an initial reduction to current rates and charges, effective June 1, 2018, to capture the immediate impact of the lower corporate federal income tax rate. The refund of excess deferred taxes and regulatory liabilities commenced in January 2019.

Rate Change Applications

The Company is routinely involved in rate change applications before state regulatory authorities. Those applications include general rate cases, where the entire cost of service of the utility is assessed and reset. In addition, the Company is periodically involved in proceedings to adjust its capital tracking mechanism (CSIA), its decoupling mechanism (SRC), and its energy efficiency cost tracker (EEFC).

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The table below reflects significant applications pending or completed during 2019 and to date in 2020 for the Company.

Mechanism	Annual Increase (Decrease) (1) (in millions)	Filing Date	Effective Date	Approval Date	Additional Information
			Indiana North - Gas (IURC)		
CSIA	3	October 2018	January 2019	January 2019	Requested an increase of $54 million to rate base, which reflects a $3 million annual increase in current revenues. 80% of revenue requirement is included in requested rate increase and 20% is deferred until next rate case. The mechanism also includes refunds associated with the TCJA, resulting in a change of $(11) million, and a change in the total (over)/under-recovery variance of $(19) million annually.
CSIA	12	April 2019	July 2019	July 2019	Requested an increase of $58 million to rate base, which reflects a $12 million annual increase in current revenues. 80% of revenue requirement is included in requested rate increase and 20% is deferred until next rate case. The mechanism also includes refunds associated with the TCJA, resulting in no change to the previous credit provided, and a change in the total (over)/under-recovery variance of $14 million annually.
CSIA	4	October 2019	January 2020	January 2020	Requested an increase of $29 million to rate base, which reflects a $4 million annual increase in current revenues. 80% of revenue requirement is included in requested rate increase and 20% is deferred until next rate case. The mechanism also includes refunds associated with the TCJA, resulting in no change to the previous credit provided, and a change in the total (over)/under-recovery variance of $(7) million annually.

(1) Represents proposed increases (decreases) when effective date and/or approval date is not yet determined. Approved rates could differ materially from proposed rates.

Subsequent Event - COVID-19 Impacts

On March 11, 2020, the World Health Organization declared the current COVID-19 outbreak to be a global pandemic, and on March 13, 2020, the United States declared a national emergency. In response to these declarations and the rapid spread of COVID-19, federal, state and local governments have imposed varying degrees of restrictions on business and social activities to contain COVID-19, including quarantine and "stay-at-home" orders in the Registrants' service territories. The Registrants have experienced some resulting disruptions to their business operations, as these restrictions have significantly impacted many sectors of the economy, with businesses curtailing or ceasing normal operations. The ultimate impacts will depend on future developments, including, among others, the ultimate geographic spread of the virus, the consequences of governmental and other measures designed to prevent the spread of the virus, the development of effective treatments, the duration of the outbreak, actions taken by governmental authorities, customers, suppliers and other thirds parties, workforce availability, and the timing and extent to which normal economic and operating conditions resume. While the Company continues to assess the COVID-19 situation and cannot estimate with any degree of certainty the full impact of the COVID-19 outbreak on its liquidity, financial condition and future results of operations, the Company expects the COVID-19 situation to adversely impact future periods.

10. Environmental and Sustainability Matters

Manufactured Gas Plants

Vectren and its predecessors operated manufactured gas plants in the past. The Company has accrued estimated costs for investigation, remediation, and ground water monitoring that it expects to incur to fulfill its respective obligations using assumptions based on actual costs incurred, the timing of expected future payments and inflation factors, among others. While the Company has recorded all costs which it presently is obligated to incur in connection with activities at these sites, it is possible that future events may require remedial activities which are not presently foreseen, and those costs may not be subject to potentially responsible parties (PRP) or insurance recovery.

In the Indiana Gas service territory, the existence, location, and certain general characteristics of 26 gas manufacturing and storage sites have been identified for which the Company may have some remedial responsibility. A remedial investigation/ feasibility study (RI/FS) was completed at one of the sites under an agreed upon order between Indiana Gas and the IDEM, and a Record of Decision was issued by the IDEM in January 2000. The remaining sites have been submitted to the IDEM's Voluntary Remediation Program (VRP). The Company has identified its involvement in five manufactured gas plant sites in SIGECO's service territory, all of which are currently enrolled in the IDEM's VRP. The Company is currently conducting some level of remedial activities, including groundwater monitoring at certain sites.

The Company has accrued the estimated costs for further investigation, remediation, groundwater monitoring, and related costs for the sites. As of December 31, 2019 and December 31, 2018, approximately $4.5 million and $2.6 million, respectively of accrued, but not yet spent, costs are included in Other Liabilities related to the Indiana Gas and SIGECO sites.

11. Fair Value Measurements

The carrying values and estimated fair values using primarily Level 2 assumptions of the Company's other financial instruments follow:

	At December 31,			
	2019		2018	
(In millions)	Carrying Amount	Est. Fair Value	Carrying Amount	Est. Fair Value
Long-term debt payable to third parties	$ 1,220.7	$ 1,329.9	$ 1,779.8	$ 1,848.7
Long-term debt payable to CenterPoint Energy, Inc.	693.0	717.0	—	—
Commercial Paper (1)	268.2	268.2	166.6	166.6
Cash & cash equivalents	10.9	10.9	22.5	22.5
Natural gas purchase instrument liabilities (2)	22.2	22.2	12.1	12.1
Interest rate swap liabilities (3)	9.8	9.8	0.1	0.1

(1) Presented in "Long-term debt" on the *Consolidated Balance Sheets* in 2019.

(2) Presented in "Accrued liabilities" and "Deferred credits & other liabilities" on the *Consolidated Balance Sheets*.

(3) Presented in "Deferred credits & other liabilities" on the *Consolidated Balance Sheets*.

Certain methods and assumptions must be used to estimate the fair value of financial instruments. The fair value of the Company's long-term debt was estimated based on the quoted market prices for the same or similar issues or on the current rates offered to the Company for instruments with similar characteristics. Because of the maturity dates and variable interest rates of short-term borrowings and cash & cash equivalents, those carrying amounts approximate fair value. Because of the inherent difficulty of estimating interest rate and other market risks, the methods used to estimate fair value may not always be indicative of actual realizable value, and different methodologies could produce different fair value estimates at the reporting date.

Under current regulatory treatment, call premiums on reacquisition of utility-related long-term debt are generally recovered in customer rates over the life of the refunding issue. Accordingly, any reacquisition of this debt would not be expected to have a material effect on the Company's results of operations.

The Company’s Indiana gas utilities entered into four five-year forward purchase arrangements to hedge the variable price of natural gas for a portion of the Company’s gas supply. These arrangements, approved by the IURC, replaced normal purchase or normal sale long-term physical fixed-price purchases. The Company values these contracts using a pricing model that incorporates market-based information, and are classified within Level 2 of the fair value hierarchy. Gains and losses on these derivative contracts are deferred as regulatory liabilities or assets and are refunded to or collected from customers through the Company’s respective gas cost recovery mechanisms.

12. Segment Reporting

The Company’s operations consist of Gas Utility Services, Electric Utility Services and Other Operations. The Gas Utility Services segment provides natural gas distribution and transportation services to nearly two-thirds of Indiana and to west-central Ohio. The Electric Utility Services segment provides electric distribution services primarily to southwestern Indiana, and includes the Company’s power generating and wholesale power operations. Other Operations segment provides information technology and other support services to the other two segments. Together, Gas Utility Services and Electric Utility Services supply natural gas and/or electricity to over one million customers. Beginning on February 1, 2019, upon close of the merger, the Company's measure of profitability used by management for all operations became operating income.

Information related to the Company’s business segments is summarized below:

	Year Ended December 31,		
(In millions)	2019	2018	2017
Revenues			
Gas Utility Services	$ 862.4	$ 857.8	$ 812.7
Electric Utility Services	570.2	582.5	569.6
Other Operations	0.4	0.3	0.3
Total revenues	**$ 1,433.0**	**$ 1,440.6**	**$ 1,382.6**
Profitability Measure - Operating Income			
Gas Utility Services	$ 112.8	$ 134.5	$ 161.9
Electric Utility Services	91.8	117.5	137.5
Other Operations	17.2	16.7	(19.8)
Total operating income	**$ 221.8**	**$ 268.7**	**$ 279.6**
Depreciation & Amortization			
Gas Utility Services	$ 142.8	$ 130.1	$ 118.9
Electric Utility Services	99.7	91.8	89.5
Other Operations	26.5	28.2	26.1
Total depreciation & amortization	**$ 269.0**	**$ 250.1**	**$ 234.5**
Capital Expenditures			
Gas Utility Services	$ 348.2	$ 377.2	$ 391.4
Electric Utility Services	204.1	163.6	105.3
Other Operations	6.5	42.8	60.1
Non-cash costs & changes in accruals	25.6	(12.7)	(2.6)
Total capital expenditures	**$ 584.4**	**$ 570.9**	**$ 554.2**

	At December 31,		
(In millions)	2019	2018	2017
Assets			
Gas Utility Services	$ 4,053.9	$ 3,794.2	$ 3,457.8
Electric Utility Services	2,053.0	1,950.0	1,820.3
Other Operations, net of eliminations	196.1	129.8	219.7
Total assets	**$ 6,303.0**	**$ 5,874.0**	**$ 5,497.8**

13. Additional Balance Sheet & Operational Information

Inventories consist of the following:

	At December 31,	
(In millions)	2019	2018
Gas in storage – at LIFO cost	$ 39.5	$ 36.0
Materials & supplies	37.9	38.0
Coal & oil for electric generation - at average cost	33.4	16.6
Other	1.4	1.4
Total inventories	**$ 112.2**	**$ 92.0**

Based on the average cost of gas purchased during December 2019, the cost of replacing inventories carried at LIFO cost was less than carrying value at December 31, 2019 by $8.0 million. Based on the average cost of gas purchased during December2018, the cost of replacing inventories carried at LIFO cost was greater than the carrying value at December 31, 2018 by $2.0 million.

Prepayments & other current assets in the Consolidated Balance Sheets consist of the following:

	At December 31,	
(In millions)	2019	2018
Prepaid gas delivery service	$ 19.4	$ 23.2
Prepaid taxes	2.5	4.0
Other prepayments & current assets	5.0	7.2
Total prepayments & other current assets	**$ 26.9**	**$ 34.4**

Other investments in the Consolidated Balance Sheets consist of the following:

	At December 31,	
(In millions)	2019	2018
Cash surrender value of life insurance policies	$ 15.4	$ 25.6
Other	0.4	0.9
Total other investments	**$ 15.8**	**$ 26.5**

Accrued liabilities in the Consolidated Balance Sheets consist of the following:

	At December 31,	
(In millions)	2019	2018
Refunds to customers & customer deposits	$ 44.3	$ 83.9
Accrued taxes	47.4	44.7
Accrued interest	13.8	15.7
Accrued salaries & other	36.6	36.4
Total accrued liabilities	**$ 142.1**	**$ 180.7**

Asset retirement obligations included in *Deferred credits and other liabilities* in the Consolidated Balance Sheets roll forward as follows:

(In millions)	2019	2018
Asset retirement obligation, January 1	$ 115.9	$ 106.9
Accretion	5.7	4.5
Changes in estimates, net of cash payments	38.3	4.5
Asset retirement obligation, December 31	**$ 159.9**	**$ 115.9**

Other – net in the Consolidated Statements of Income consists of the following:

	Year Ended December 31,		
(In millions)	2019	2018	2017
AFUDC - borrowed funds	$ 26.3	$ 29.7	$ 24.8
AFUDC - equity funds	4.1	3.4	2.6
Nonutility plant capitalized interest	0.2	1.2	1.2
Pension Settlement Charges	(10.6)	(1.6)	(2.1)
Other income	1.7	3.3	4.1
Total other – net	**$ 21.7**	**$ 36.0**	**$ 30.6**

Supplemental Cash Flow Information:

	Year Ended December 31,		
(In millions)	2019	2018	2017
Cash paid (received) for:			
Interest	$ 85.2	$ 83.7	$ 71.2
Income taxes	(1.9)	44.4	(6.1)

As of December 31, 2019 and 2018, the Company has accruals related to utility and nonutility plant purchases totaling approximately $17.3 million and $35.9 million, respectively.

14. Subsidiary Guarantor & Consolidating Information

The Company's three operating utility companies, SIGECO, Indiana Gas, and VEDO, are guarantors of the Company's $1.2 billion in unsecured senior notes outstanding at December 31, 2019, including the Company's $400 million credit facility. The guarantees are full and unconditional and joint and several, and the Company has no subsidiaries other than the subsidiary guarantors. However, it does have operations other than those of the subsidiary guarantors. Pursuant to Item 3-10 of Regulation S-X, disclosure of the results of operations and balance sheets of the subsidiary guarantors, which are wholly owned, separate from the parent company's operations is required. Following are consolidating financial statements including information on the combined operations of the subsidiary guarantors separate from the other operations of the parent company. Pursuant to a tax sharing agreement, consolidating tax effects, which are calculated on a separate return basis, are reflected at the parent level.

Consolidating Statement of Income for the year ended December 31, 2019 (in millions):

	Subsidiary Guarantors	Parent Company	Reclassifications & Eliminations	Consolidated
OPERATING REVENUES				
Gas utility	$ 862.4	$ —	$ —	$ 862.4
Electric utility	570.2	—	—	570.2
Other	—	4.3	(3.9)	0.4
Total operating revenues	**1,432.6**	**4.3**	**(3.9)**	**1,433.0**
OPERATING EXPENSES				
Cost of gas sold	279.8	—	—	279.8
Cost of fuel & purchased power	165.9	—	—	165.9
Other operating	474.0	(43.0)	(2.2)	428.8
Depreciation & amortization	242.5	26.4	0.1	269.0
Taxes other than income taxes	65.8	1.9	—	67.7
Total operating expenses	1,228.0	(14.7)	(2.1)	1,211.2
OPERATING INCOME	**204.6**	**19.0**	**(1.8)**	**221.8**
OTHER INCOME (EXPENSE)				
Equity in earnings of consolidated companies	—	130.6	(130.6)	—
Other – net	20.6	59.8	(58.7)	21.7
Total other income (expense)	20.6	190.4	(189.3)	21.7
Interest expense	79.5	68.0	(60.5)	87.0
INCOME BEFORE INCOME TAXES	**145.7**	**141.4**	**(130.6)**	**156.5**
Income taxes	15.1	(6.6)	—	8.5
NET INCOME	**$ 130.6**	**$ 148.0**	**$ (130.6)**	**$ 148.0**

Consolidating Statement of Income for the year ended December 31, 2018 (in millions):

	Subsidiary Guarantors	Parent Company	Reclassifications & Eliminations	Consolidated
OPERATING REVENUES				
Gas utility	$ 857.8	$ —	$ —	$ 857.8
Electric utility	582.5	—	—	582.5
Other	—	47.1	(46.8)	0.3
Total operating revenues	**1,440.3**	**47.1**	**(46.8)**	**1,440.6**
OPERATING EXPENSES				
Cost of gas sold	316.7	—	—	316.7
Cost of fuel & purchased power	186.2	—	—	186.2
Other operating	400.9	—	(45.9)	355.0
Depreciation & amortization	222.4	27.6	0.1	250.1
Taxes other than income taxes	62.0	1.8	0.1	63.9
Total operating expenses	1,188.2	29.4	(45.7)	1,171.9
OPERATING INCOME	**252.1**	**17.7**	**(1.1)**	**268.7**
OTHER INCOME (EXPENSE)				
Equity in earnings of consolidated companies	—	175.5	(175.5)	—
Other – net	34.8	57.5	(56.3)	36.0
Total other income (expense)	34.8	233.0	(231.8)	36.0
Interest expense	76.0	62.8	(57.4)	81.4
INCOME BEFORE INCOME TAXES	**210.9**	**187.9**	**(175.5)**	**223.3**
Income taxes	35.4	(2.7)	—	32.7
NET INCOME	**$ 175.5**	**$ 190.6**	**$ (175.5)**	**$ 190.6**

Consolidating Statement of Income for the year ended December 31, 2017 (in millions):

	Subsidiary Guarantors	Parent Company	Reclassifications & Eliminations	Consolidated
OPERATING REVENUES				
Gas utility	$ 812.7	$ —	$ —	$ 812.7
Electric utility	569.6	—	—	569.6
Other	—	45.6	(45.3)	0.3
Total operating revenues	**1,382.3**	**45.6**	**(45.3)**	**1,382.6**
OPERATING EXPENSES				
Cost of gas sold	271.5	—	—	271.5
Cost of fuel & purchased power	171.8	—	—	171.8
Other operating	377.5	35.7	(43.9)	369.3
Depreciation & amortization	208.4	26.0	0.1	234.5
Taxes other than income taxes	53.8	2.0	0.1	55.9
Total operating expenses	1,083.0	63.7	(43.7)	1,103.0
OPERATING INCOME	**299.3**	**(18.1)**	**(1.6)**	**279.6**
OTHER INCOME (EXPENSE)				
Equity in earnings of consolidated companies	—	190.7	(190.7)	—
Other – net	27.1	50.3	(47.9)	29.5
Total other income (expense)	27.1	241.0	(238.6)	29.5
Interest expense	68.8	53.3	(49.5)	72.6
INCOME BEFORE INCOME TAXES	**257.6**	**169.6**	**(190.7)**	**236.5**
Income taxes	66.9	(6.2)	—	60.7
NET INCOME	**$ 190.7**	**$ 175.8**	**$ (190.7)**	**$ 175.8**

Consolidating Balance Sheet as of December 31, 2019 (in millions):

ASSETS	Subsidiary Guarantors	Parent Company	Eliminations	Consolidated
Current Assets				
Cash & cash equivalents	$ 10.7	$ 0.2	$ —	$ 10.9
Accounts receivable - less reserves	103.3	0.1	—	103.4
Intercompany receivables	2.0	468.5	(470.5)	—
Accrued unbilled revenues	87.2	—	—	87.2
Inventories	112.2	—	—	112.2
Recoverable fuel & natural gas costs	2.4	—	—	2.4
Prepayments & other current assets	29.0	(2.1)	—	26.9
Total current assets	**346.8**	**466.7**	**(470.5)**	**343.0**
Utility Plant				
Original cost	8,065.7	—	—	8,065.7
Less: accumulated depreciation & amortization	3,052.4	—	—	3,052.4
Net utility plant	**5,013.3**	**—**	**—**	**5,013.3**
Investments in consolidated subsidiaries	—	2,132.5	(2,132.5)	—
Notes receivable from consolidated subsidiaries	—	1,080.6	(1,080.6)	—
Investments in unconsolidated affiliates	0.2	—	—	0.2
Other investments	15.4	0.4	—	15.8
Nonutility plant - net	1.5	180.2	—	181.7
Goodwill - net	205.0	—	—	205.0
Regulatory assets	448.8	17.9	—	466.7
Other assets	76.0	1.3	—	77.3
TOTAL ASSETS	**$ 6,107.0**	**$ 3,879.6**	**$ (3,683.6)**	**$ 6,303.0**

LIABILITIES & SHAREHOLDER'S EQUITY	Subsidiary Guarantors	Parent Company	Eliminations	Consolidated
Current Liabilities				
Accounts payable	$ 151.7	$ 2.9	$ —	$ 154.6
Intercompany payables	15.7	—	(15.7)	—
Payable to CenterPoint Energy, Inc.	0.3	3.7	—	4.0
Payables to other Vectren companies	33.0	—	—	33.0
Accrued liabilities	132.3	9.8	—	142.1
Intercompany short-term borrowings	228.4	2.0	(230.4)	—
Current maturities of long-term debt	—	400.0	—	400.0
Current maturities of long-term debt due to VUHI	224.4	—	(224.4)	—
Total current liabilities	**785.8**	**418.4**	**(470.5)**	**733.7**
Long-Term Debt				
Long-term debt - net of current maturities & debt subject to tender	388.7	700.2	—	1,088.9
Long-term debt payable to CenterPoint Energy, Inc.	—	693.0	—	693.0
Long-term debt due to VUHI	1,080.6	—	(1,080.6)	—
Total long-term debt - net	1,469.3	1,393.2	(1,080.6)	1,781.9
Deferred Income Taxes & Other Liabilities				
Deferred income taxes	506.5	24.1	—	530.6
Regulatory liabilities	965.3	1.0	—	966.3
Deferred credits & other liabilities	247.6	1.0	—	248.6
Total deferred credits & other liabilities	1,719.4	26.1	—	1,745.5
Common Shareholder's Equity				
Common stock (no par value)	1,097.2	1,033.4	(1,097.2)	1,033.4
Retained earnings	1,035.3	1,008.5	(1,035.3)	1,008.5
Total common shareholder's equity	**2,132.5**	**2,041.9**	**(2,132.5)**	**2,041.9**
TOTAL LIABILITIES & SHAREHOLDER'S EQUITY	**$ 6,107.0**	**$ 3,879.6**	**$ (3,683.6)**	**$ 6,303.0**

Cause No. 45468

Consolidating Balance Sheet as of December 31, 2018 (in millions):

ASSETS	Subsidiary Guarantors	Parent Company	Eliminations	Consolidated
Current Assets				
Cash & cash equivalents	$ 13.0	$ 9.5	$ —	$ 22.5
Accounts receivable - less reserves	112.7	0.2	—	112.9
Intercompany receivables	98.8	143.6	(242.4)	—
Accrued unbilled revenues	99.3	—	—	99.3
Inventories	92.0	—	—	92.0
Recoverable fuel & natural gas costs	6.9	—	—	6.9
Prepayments & other current assets	32.2	3.9	(1.7)	34.4
Total current assets	**454.9**	**157.2**	**(244.1)**	**368.0**
Utility Plant				
Original cost	7,528.4	—	—	7,528.4
Less: accumulated depreciation & amortization	2,891.7	—	—	2,891.7
Net utility plant	**4,636.7**	**—**	**—**	**4,636.7**
Investments in consolidated subsidiaries	—	2,001.8	(2,001.8)	—
Notes receivable from consolidated subsidiaries	—	1,220.0	(1,220.0)	—
Investments in unconsolidated affiliates	0.2	—	—	0.2
Other investments	26.1	0.4	—	26.5
Nonutility plant - net	1.6	200.2	—	201.8
Goodwill - net	205.0	—	—	205.0
Regulatory assets	360.4	14.6	—	375.0
Other assets	59.3	1.5	—	60.8
TOTAL ASSETS	**$ 5,744.2**	**$ 3,595.7**	**$ (3,465.9)**	**$ 5,874.0**

LIABILITIES & SHAREHOLDER'S EQUITY	Subsidiary Guarantors	Parent Company	Eliminations	Consolidated
Current Liabilities				
Accounts payable	$ 170.2	$ 4.3	$ —	$ 174.5
Intercompany payables	12.0	—	(12.0)	—
Payables to other Vectren companies	27.6	—	—	27.6
Accrued liabilities	168.8	13.6	(1.7)	180.7
Short-term borrowings	—	166.6	—	166.6
Intercompany short-term borrowings	131.6	98.8	(230.4)	—
Total current liabilities	**510.2**	**283.3**	**(244.1)**	**549.4**
Long-Term Debt				
Long-term debt - net of current maturities & debt subject to tender	384.3	1,395.5	—	1,779.8
Long-term debt due to VUHI	1,220.0	—	(1,220.0)	—
Total long-term debt - net	1,604.3	1,395.5	(1,220.0)	1,779.8
Deferred Income Taxes & Other Liabilities				
Deferred income taxes	462.8	26.2	—	489.0
Regulatory liabilities	940.1	1.1	—	941.2
Deferred credits & other liabilities	225.0	2.4	—	227.4
Total deferred credits & other liabilities	1,627.9	29.7	—	1,657.6
Common Shareholder's Equity				
Common stock (no par value)	1,097.2	979.2	(1,097.2)	979.2
Retained earnings	904.6	908.0	(904.6)	908.0
Total common shareholder's equity	**2,001.8**	**1,887.2**	**(2,001.8)**	**1,887.2**
TOTAL LIABILITIES & SHAREHOLDER'S EQUITY	**$ 5,744.2**	**$ 3,595.7**	**$ (3,465.9)**	**$ 5,874.0**

Consolidating Statement of Cash Flows for the year ended December 31, 2019 (in millions):

	Subsidiary Guarantors	Parent Company	Eliminations	Consolidated
NET CASH FROM OPERATING ACTIVITIES	**$ 280.0**	**$ 43.4**	**$ —**	**$ 323.4**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from:				
Long-term debt from CenterPoint Energy, Inc.	653.0	693.0	(653.0)	693.0
Additional capital contribution from parent	—	54.2	—	54.2
Requirements for:				
Dividends to parent	—	(47.5)	—	(47.5)
Retirement of long-term debt	(568.0)	(568.0)	568.0	(568.0)
Net change in intercompany short-term borrowings	96.8	(96.8)	—	—
Net change in short-term borrowings	—	101.6	—	101.6
Net cash from financing activities	**181.8**	**136.5**	**(85.0)**	**233.3**
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from:				
Sale of Company-owned life insurance	20.2	—	—	20.2
Sale of investments	34.4	—	—	34.4
Requirements for:				
Capital expenditures, excluding AFUDC equity	(577.0)	(7.4)	—	(584.4)
Purchase of investments	(38.5)	—	—	(38.5)
Net change in long-term intercompany notes receivable	—	139.3	(139.3)	—
Net change in short-term intercompany notes receivable	96.8	(321.1)	224.3	—
Net cash from investing activities	**(464.1)**	**(189.2)**	**85.0**	**(568.3)**
Net change in cash & cash equivalents	(2.3)	(9.3)	—	(11.6)
Cash & cash equivalents at beginning of period	13.0	9.5	—	22.5
Cash & cash equivalents at end of period	$ 10.7	$ 0.2	$ —	$ 10.9

Consolidating Statement of Cash Flows for the year ended December 31, 2018 (in millions):

	Subsidiary Guarantors	Parent Company	Eliminations	Consolidated
NET CASH FROM OPERATING ACTIVITIES	**$ 384.9**	**$ 38.5**	**$ —**	**$ 423.4**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from:				
Long-term debt, net of issuance costs	248.7	299.3	(248.7)	299.3
Additional capital contribution from parent	206.5	101.7	(206.5)	101.7
Requirements for:				
Dividends to parent	(121.2)	(127.9)	121.2	(127.9)
Retirement of long-term debt	(99.0)	(100.0)	99.0	(100.0)
Net change in intercompany short-term borrowings	11.5	98.7	(110.2)	—
Net change in short-term borrowings	—	(12.9)	—	(12.9)
Net cash from financing activities	**246.5**	**258.9**	**(345.2)**	**160.2**
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from:				
Consolidated subsidiary distributions	—	121.2	(121.2)	—
Requirements for:				
Capital expenditures, excluding AFUDC equity	(527.9)	(43.0)	—	(570.9)
Consolidated subsidiary investments	—	(206.5)	206.5	—
Net change in long-term intercompany notes receivable	—	(149.7)	149.7	—
Net change in short-term intercompany notes receivable	(98.7)	(11.5)	110.2	—
Net cash from investing activities	**(626.6)**	**(289.5)**	**345.2**	**(570.9)**
Net change in cash & cash equivalents	4.8	7.9	—	12.7
Cash & cash equivalents at beginning of period	8.2	1.6	—	9.8
Cash & cash equivalents at end of period	$ 13.0	$ 9.5	$ —	$ 22.5

Consolidating Statement of Cash Flows for the year ended December 31, 2017 (in millions):

	Subsidiary Guarantors	Parent Company	Eliminations	Consolidated
NET CASH FROM OPERATING ACTIVITIES	**$ 398.5**	**$ 48.3**	**$ —**	**$ 446.8**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from:				
Long-term debt, net of issuance costs	123.9	198.9	(124.3)	198.5
Additional capital contribution from parent	46.3	46.3	(46.3)	46.3
Requirements for:				
Dividends to parent	(73.1)	(123.3)	73.1	(123.3)
Net change in intercompany short-term borrowings	(22.1)	(17.5)	39.6	—
Net change in short-term borrowings	—	(14.9)	—	(14.9)
Net cash from financing activities	**75.0**	**89.5**	**(57.9)**	**106.6**
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from:				
Consolidated subsidiary distributions	—	73.1	(73.1)	—
Other investing activities	2.7	—	—	2.7
Requirements for:				
Capital expenditures, excluding AFUDC equity	(491.6)	(62.6)	—	(554.2)
Consolidated subsidiary investments	—	(46.3)	46.3	—
Purchase of investments	(1.5)	—	—	(1.5)
Net change in long-term intercompany notes receivable	—	(124.3)	124.3	—
Net change in short-term intercompany notes receivable	17.5	22.1	(39.6)	—
Net cash from investing activities	**(472.9)**	**(138.0)**	**57.9**	**(553.0)**
Net change in cash & cash equivalents	0.6	(0.2)	—	0.4
Cash & cash equivalents at beginning of period	7.6	1.8	—	9.4
Cash & cash equivalents at end of period	$ 8.2	$ 1.6	$ —	$ 9.8

15. Impact of Recently Issued Accounting Guidance

The following table provides an overview of recently adopted or issued accounting pronouncements applicable to the Company, unless otherwise noted:

Recently Adopted Accounting Standards

ASU Number and Name	Description	Date of Adoption	Financial Statement Impact upon Adoption
ASU 2016-02- Leases (Topic 842) and related amendments	ASU 2016-02 provides a comprehensive new lease model that requires lessees to recognize assets and liabilities for most leases and would change certain aspects of lessor accounting. Transition method: modified retrospective	January 1, 2019	The Company adopted the standard and recognized a right-of-use asset and lease liability on their statement of financial position with no material impact on their results of operations and cash flows. See Note 16 for more information.

Issued, Not Yet Effective Accounting Standards

ASU Number and Name	Description	Effective Date	Financial Statement Impact upon Adoption
ASU 2016-13- Financial Instruments- Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments	This standard, including standards amending this standard, requires a new model called CECL to estimate credit losses for (1) financial assets subject to credit losses and measured at amortized cost and (2) certain off-balance sheet credit exposures. Upon initial recognition of the exposure, the CECL model requires an entity to estimate the credit losses expected over the life of an exposure based on historical information, current information and reasonable and supportable forecasts, including estimates of prepayments. Transition method: modified retrospective	January 1, 2020 Early adoption is permitted	The adoption of this standard will result in an immaterial adjustment to the carrying value of the Company's accounts receivable, net. The adoption of this standard will not have a material impact on the Company's financial position, results of operations or cash flows.
ASU 2018-15- Intangibles-Goodwill and Other- Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract	This standard aligns accounting for implementation costs incurred in a cloud computing arrangement that is accounted for as a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The update also prescribes the balance sheet, income statement, and cash flow classification of the capitalized implementation costs and related amortization expense and requires additional quantitative and qualitative disclosures. Transition method: retrospective or prospective	January 1, 2020 Early adoption is permitted	The adoption of this standard will require the Company to capitalize certain costs to implement cloud computing arrangements that are accounted for as service contracts within Prepaid expenses and other current assets on the Company's consolidated balance sheets and record the amortization of such assets within Operation and maintenance expenses on the Company's statements of consolidated income. The adoption of this standard will not have a material impact on the Company's financial position, results of operations, cash flows or disclosures.

Management believed that other recently adopted standards and recently issued standards that are not yet effective will not have a material impact on the Company's financial position, results of operations or cash flows upon adoption.

16. Lease

The Company adopted ASC 842, Leases, and all related amendments on January 1, 2019 using the modified retrospective transition method and elected not to recast comparative periods in the year of adoption as permitted by the standard. There was no adjustment to retained earnings as a result of transition. As a result, disclosures for periods prior to adoption will be presented in accordance with accounting standards in effect for those periods. The Company also elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed them to carry forward the historical lease classification. Additionally, the Company's elected the practical expedient related to land easements, which allows the carry forward of the accounting treatment for land easements on existing agreements. The total Right of Use (ROU) assets obtained in exchange for new operating lease liabilities upon adoption were $3.6 million.

An arrangement is determined to be a lease at inception based on whether the Company has the right to control the use of an identified asset. ROU assets represent the Company's right to use the underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term, including payments at commencement that depend on an index or rate. Most leases in which the Company are the lessee do not have a readily determinable implicit rate, so an incremental borrowing rate, based on the information available at the lease commencement dates, utilized to determine the present value of lease payments. When a secured borrowing rate is not readily available, unsecured borrowing rates are adjusted for the effects of collateral to determine the incremental borrowing rate. Lease expense and lease income are recognized on a straight-line basis over the lease term for operating leases.

The Company has lease agreements with lease and non-lease components and have elected the practical expedient to combine lease and non-lease components for certain classes of leases, such as office buildings. For classes of leases in which lease and non-lease components are not combined, consideration is allocated between components based on the stand-alone prices.

The Company's lease agreements do not contain any material residual value guarantees, material restrictions or material covenants. There are no material lease transactions with related parties. Because risk is minimal, the Company does not take any significant actions to manage risk associated with the residual value of their leased assets.

The Company's lease agreements are primarily equipment and real property leases, including land and office facility leases. The Company's lease terms may include options to extend or terminate a lease when it is reasonably certain that those options will be exercised. The Company has elected an accounting policy that exempts leases with terms of one year or less from the recognition requirements of ASC 842.

The components of lease cost, included in Operations and maintenance expense on the Company's *Consolidated Statement of Income*, are as follows:

(In millions)		Year Ended December 31, 2019
Operating lease cost	$	0.9
Short-term lease cost		1.3
Total lease cost	$	2.2

Supplemental balance sheet information related to lease is as follows:

(In millions, except lease term and discount rate)		December 31, 2019
Assets:		
Operating ROU assets (1)	$	2.8
Total leased assets	$	2.8
Liabilities:		
Current operating lease liability (2)	$	0.8
Non-current operating lease liability (3)		2.0
Total lease liabilities	$	2.8
Weighted-average remaining lease term (in years) - operating leases		6.1
Weighted-average discount rate - operating leases		3.57%

(1) Reported within Other assets in the Consolidated Balance Sheet
(2) Reported within Current other liabilities in the Consolidated Balance Sheet
(3) Reported within Other liabilities in the Consolidated Balance Sheet

As of December 31, 2019, maturities of operating lease liabilities were as follows:

(In millions)		
2020	$	0.8
2021		0.7
2022		0.7
2023		0.5
2024		0.1
2025 and beyond		0.3
Total lease payments	$	3.1
Less: Interest		0.3
Present value of lease liabilities	$	2.8

The following table sets forth information concerning the Company's obligations under non-cancelable long-term operating leases as of December 31, 2018:

(In millions)		
2019	$	0.9
2020		0.7
2021		0.7
2022		0.6
2023		0.5
2024 and beyond		0.6
Total	$	4.0

Other information related to leases is as follows:

(In millions)		Year Ended December 31, 2019
Operating cash flows from operating leases included in the measurement of lease liabilities	$	0.8
ROU assets obtained in exchange for new operating lease liabilities (1)		3.6

(1) Includes the transition impact of adoption of ASU 2016-02 Leases as of January 1, 2019.

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

YEAR OF REPORT
December 31, 2019

BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of $500 in any one year, entered into between the Utility and a business or financial organization, firm, or partnership named on page 21 identifying the parties, amounts, dates and product, asset, or service involved.

Part I. Specific Instructions: Services and Products Received or Provided

1. Enter in this part all transactions involving services and products received or provided.
2. Below are some types of transactions to include:
   - management, legal and accounting services
   - computer services
   - engineering and construction services
   - repairing and servicing of equipment
   - material and supplies furnished
   - leasing of structures, land and equipment
   - all rental transactions
   - sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY	DESCRIPTION OF SERVICE AND/OR NAME OF PRODUCT	CONTRACT OR AGREEMENT EFFECTIVE DATES *(mm/dd/yy)*	ANNUAL CHARGES *(Purchased or Sold)*	ANNUAL CHARGES AMOUNT
Miller Pipeline Corp, LLC	Pipeline Construction & Maintenance	05/07/07	Purchased	$ 53,792,919
Vectren Corporation	General and Administrative Services	04/01/01	Purchased	$ 19,126,012
Vectren Utility Holdings, Inc.	Technological Support	04/01/01	Purchased	$ 22,597,648
Vectren Utility Holdings, Inc.	General and Administrative Services	04/01/01	Purchased	$ 20,501,140
Minnesota Limited, LLC	Pipeline Construction & Maintenance	03/31/11	Purchased	$ 8,233,235

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

YEAR OF REPORT
December 31, 2019

BUSINESS TRANSACTIONS WITH RELATED PARTIES*(continued)*

Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.
2. Below are examples of some types of transactions to include:
   - purchase, sale or transfer of equipment
   - purchase, sale or transfer of land and structures
   - purchase, sale or transfer of securities
   - noncash transfers of assets
   - noncash dividends other than stock dividends
   - write-off of bad debts or loans

3. The columnar instructions follow:

(a) Enter name of related party or company.
(b) Describe briefly the type of assets purchased, sold or transferred.
(c) Enter the total received or paid. Indicate purchase with "P" and sale with "S."
(d) Enter the net book cost for each item reported.
(e) Enter the net profit or loss for each item (column (c) - column(d)).
(f) Enter the fair value for each item reported. In space below or in a supplemental schedule, describe the basis used.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
See Page 15 - Company Profile for additional related party information					
				-	
				-	
				-	
				-	
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				-	
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				-	
				-	
				-	

FINANCIAL SECTION

Utility Plant in Service

(ACCOUNT 101)

Include in column (e) entries reclassifying property from one account or utility service to another, etc. Corrections of entries of the current or immediately preceding year should be recorded in column (c) or column (d) accordingly as they are corrections or additions or retirements.

ACCT NO.	Title (a)	Balance first of year (b)	Additions during year (c)	Retirements during year (d)	Adjustments dr. or (cr.) (e)	Balance end of year (f)
	INTANGIBLE PLANT					
301	Organization	34,216				34,216
302	Franchise and Consents	2,266				2,266
303	Miscellaneous Intangible Plant	874,074				874,074
	Total Intangible Plant	910,556	-	-	-	910,556
	PRODUCTION PLANT					
	Manufactured Gas Production Plant:					-
304	Land and Land Rights	212,543	37,138			249,681
305	Structures and Improvements	1,306,806	285,206			1,592,012
306	Boiler Plant Equipment					-
307	Other Power Equipment					-
308	Coke Ovens					-
309	Producer Gas Equipment					-
310	Water Gas Generating Equipment					-
311	Liquefied Petroleum Gas Equipment	9,765,125	408,579			10,173,704
312	Oil Gas Generating Equipment					-
313	Generating Equipment					-
314	Coal, Coke, and Ash Handling Equipment					-
315	Catalytic Cracking Equipment					-
316	Other Reforming Equipment					-
317	Purification Equipment					-
318	Residual Refining equipment					-
319	Gas Mixing Equipment					-
320	Other Equipment					-
	Total Manf. Gas Production Plant	11,284,474	730,923	-	-	12,015,397

Continued on next page.

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

Utility Plant in Service *(continued)*
(ACCOUNT 101)

Include in column (e) entries reclassifying property from one account or utility service to another, etc. Corrections of entries of the current or immediately preceding year

ACCT NO.	Title (a)	Balance first of year (b)	Additions during year	Retirements during year	Adjustments dr. or (cr.)	Balance end of year (f)
	NATURAL GAS PRODUCTION PLANT					
	Natural Gas Production and Gathering Plant:					-
325.1	Producing Lands					-
325.2	Producing Leaseholds					-
325.3	Gas Rights					-
325.4	Rights of Way					-
325.5	Other Land and Land Rights					-
326	Gas Well Structures					-
327	Field Compressor Station Structures					-
328	Field Measuring and Regulating Station Structures					-
329	Other Structures					-
330	Producing Gas Wells -- Well Construction					-
331	Producing Gas Wells -- Well Equipment					-
332	Field Lines					-
333	Field Compressor Station Equipment					-
334	Field Measuring and Regulating Station Equipment					-
335	Drilling and Cleaning Equipment					-
336	Purification Equipment					-
337	Other Equipment					-
338	Unsuccessful Exploration and Development Costs					-
	Total Natural Gas Production and Gathering Plant	-	-	-	-	-

Continued on next page.

Indiana Gas Company, Inc.
UTILITY NAME
Cause No. 45468

For The Year Ended
December 31, 2019

Utility Plant in Service *(continued)*

(ACCOUNT 101)

Include in column (e) entries reclassifying property from one account or utility service to another, etc. Corrections of entries of the current or immediately preceding year should be recorded in column (c) or column (d) accordingly as they are corrections

ACCT NO.	Title (a)	Balance first of year (b)	Additions during year (c)	Retirements during year (d)	Adjustments dr. or (cr.) (e)	Balance end of year (f)
	PRODUCTS EXTRACTION PLANT					
340	Land and Land Rights					-
341	Structures and Improvements					-
342	Extraction and Refining Equipment					-
343	Pipe Lines					-
344	Extracted Products Storage Equipment					-
345	Compressor Equipment					-
346	Gas Measuring and Regulating Equipment					-
347	Other Equipment					-
	Total Products Extraction Plant	-	-	-	-	-
	Total Natural Gas Production Plant	-	-	-	-	-
	Total Production Plant	**11,284,474**	**730,923**	**-**	**-**	**12,015,397**
	NATURAL GAS STORAGE PLANT **UNDERGROUND STORAGE PLANT**					
350.1	Land	177,981				177,981
350.2	Rights of way	337,372				337,372
351	Structures and Improvements	1,767,674	316,295	(3,755)		2,087,724
352	Wells	10,750,725	1,253,269	57,351		11,946,643
352.1	Storage Leaseholds and Rights	635,505	30,504			666,009
352.2	Reservoirs	1,785,030				1,785,030
352.3	Nonrecoverable Natural Gas	2,310,274				2,310,274
353	Lines	4,495,113	6,361			4,501,474
354	Measuring and Regulating Equipment	3,996,531	826,355			4,822,886
355	Compressor Station Equipment	1,287,478	1,032,230	2,073		2,317,635
356	Purification Equipment	11,201,520	1,140,855			12,342,375
357	Other Equipment					-
	Total Underground Storage Plant	38,745,203	4,605,869	55,669	-	43,295,403

Continued on next page.

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

Utility Plant in Service (continued)
(ACCOUNT 101)

Include in column (e) entries reclassifying property from one account or utility service to another, etc. Corrections of entries of the current or immediately preceding

ACCT NO.	Title (a)	Balance first of year (b)	Additions during year (c)	Retirements during year (d)	Adjustments dr. or (cr.) (e)	Balance end of year (f)
	STORAGE PLANT *(CONTINUED)*					
	Other Storage Plant:					-
360	Land and Land Rights					-
361	Structures and Improvements					-
362	Gas Holders					-
363	Purification Equipment					-
363.1	Liquefaction Equipment					-
363.2	Vaporizing Equipment					-
363.3	Compressor Equipment					-
363.4	Measuring and Regulating Equipment					-
363.5	Other Equipment					-
	Total Other Storage Plant	-	-	-	-	-
	Total Storage Plant	38,745,203	4,605,869	55,669	-	43,295,403
	TRANSMISSION PLANT					
365.1	Land and Land Rights	327,586	1,985,015			2,312,601
365.2	Rights of Way	8,684,274	535,590			9,219,864
366	Structures and Improvements	141,328	89,988			231,316
367	Mains	113,626,871	85,619,568	(23,746)		199,270,185
368	Compressor Station Equipment					-
369	Measuring and Regulating Equipment	16,182,428	25,602,293	2,668		41,782,053
370	Communication Equipment	34,450	28,333			62,783
371	Other Equipment					-
	Total Transmission Plant	138,996,937	113,860,787	(21,078)	-	252,878,802

Continued on next page.

Indiana Gas Company, Inc.
UTILITY NAME

Cause No. 45468

For The Year Ended
December 31, 2019

Utility Plant in Service (continued)

(ACCOUNT 101)

Include in column (e) entries reclassifying property from one account or utility service to another, etc. Corrections of entries of the current or immediately preceding

ACCT NO.	Title (a)	Balance first of year (b)	Additions during year (c)	Retirements during year (d)	Adjustments dr. or (cr.) (e)	Balance end of year (f)
	DISTRIBUTION PLANT					
374	Land and Land Rights	13,216,254	3,123,551	345		16,339,460
375	Structures and Improvements	2,606,389	36,328	(8,331)		2,651,048
376	Mains	809,170,579	184,183,357	928,457		992,425,479
377	Compressor Station Equipment	1,555,713				1,555,713
378	Measuring and Regulating Station Equipment - General	28,874,752	4,349,644	(18,034)		33,242,430
379	Measuring and Regulating Station Equipment - City Gate Check Stations	10,709,725	16,632	16,113		10,710,244
380	Services	695,945,500	90,483,838	1,580,761		784,848,577
381	Meters	113,834,594	5,022,021	644,203		118,212,412
382	Meter Installations	77,005,141	5,840,162	37,724		82,807,579
383	House Regulators	24,469,484	830,385	23,044		25,276,825
384	House Regulator Installations	23,433	5,749			29,182
385	Industrial Measuring and Regulating Station Equipment	39,941,562	178,890	195		40,120,257
386	Other Property on Customers' Premises					-
387	Other Equipment	340,818				340,818
388	Asset Retirement Obligations	24,318,983	6,480,383	-	-	30,799,366
	Total Distribution Plant	1,842,012,927	300,550,940	3,204,477	-	2,139,359,390

Continued on next page.

Page 22, Total Distribution Plant, column f
For formula rate purposes, asset retirement obligation amounts must be excluded from gross plant unless authorized by FERC

Per Total Distribution Plant, column f	2,139,104,308
Less Acct No. 388, colum c Asset Retirement Obligations	(30,799,367)
Total	2,108,304,941

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

Utility Plant in Service (continued)
(ACCOUNT 101)

Include in column (e) entries reclassifying property from one account or utility service to another, etc. Corrections of entries of the current or immediately preceding year

ACCT NO.	Title (a)	Balance first of year (b)	Additions during year (c)	Retirements during year (d)	Adjustments dr. or (cr.) (e)	Balance end of year (f)
	GENERAL PLANT					
389	Land and Land Rights	1,888,795	629,807			2,518,602
390	Structures and Improvements	36,100,100	7,436,195	1,271,617		42,264,678
391	Office Furniture and Equipment	3,536,296	1,106,288	427		4,642,157
392	Transportation Equipment	24,413,975	2,014,239	2,823,398	33,851	23,638,667
393	Stores Equipment	1,951,797				1,951,797
394	Tools, Shop, and Garage Equipment	10,727,572	880,315			11,607,887
395	Laboratory Equipment	2,956,600				2,956,600
396	Power Operated Equipment	8,306,190	155,972	1,220,386		7,241,776
397	Communication Equipment	7,813,211	269,567			8,082,778
398	Miscellaneous Equipment	679,370	38,320	4,124		713,566
399	Other Tangible Property					-
	Total General Plant	98,373,906	12,530,703	5,319,952	33,851	105,618,508
	Total Utility Plant in Service	**2,130,324,003**	**432,279,222**	**8,559,020**	**33,851**	**2,554,078,056**

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Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
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CONSTRUCTION OVERHEAD

Report hereunder the total overhead and the total direct cost of construction for the year classified by utility departments and functional groups of plant accounts (production, transmission, etc.) under each utility department.

Utility department and functional group of plant (a)	Direct Construction Costs (b)	Construction Overheads	
		Amount (c)	Percent (d)
Gas Utility	132,671,312	22,682,985	17%
			0%
			0%
			0%
			0%
			0%
			0%
Total	132,671,312	22,682,985	17%

Report hereunder the kinds of construction for the year according to titles used by the utility. Taxes during construction and interest during construction should be shown as separated items.

Class of overhead (a)	Amount charged to Construction (f)	Percent of total Construction in Column (b). (g)
Engineering & Supervision	16,858,504	12.71%
Administrative & General	5,024,015	3.79%
Interest during Construction	800,466	0.60%
		0.00%
		0.00%
		0.00%
		0.00%
		0.00%
		0.00%
Total	22,682,985	17.10%

Report hereunder the detail by prescribed expense accounts of amounts of general and administrative expenses transferred to Construction through Account 922. Show total of expense account in column (i) and the amount capitalized in column (j).

Prescribed primary expense account (h)	Total for Company (i)	Transferred to Construction (j)
Administrative & General	1,888,000	1,888,000
Total	1,888,000	1,888,000

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Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

SUMMARY OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION

ACCT NO.	ITEM (a)		AMOUNT (b)
	ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION		
	In Service:		
108	Depreciation	$	(1,382,688,889)
111.1	Amortization and Depletion of Producing Natural Gas Land and Land Rights		-
111.2	Amortization of Underground Storage Land and Land Rights		-
111.3	Amortization of Other Utility Plant		-
	Total - In Service	$	(1,382,688,889)
	Leased To Others:		-
109	Depreciation		-
112	Amortization and Depletion		-
	Total - Leased To Others	$	-
	Held For Future Use:		
110	Depreciation		-
113.2	Amortization		
	Total - Held For Future Use	$	-
113.1	Abandonment of Leases		-
115	Amortization of Acquisition Adjustments		(19,738,769)
	Total Accumulated Provisions	$	(1,402,427,658)

ACCUMULATED PROVISIONS FOR DEPRECIATION OF UTILITY PLANT

ACCT. NO. (a)	ITEM (b)	UTILITY PLANT IN SERVICE (Account 108) (c)	UTILITY PLANT LEASED TO OTHERS (Account 109) (d)
	Balance beginning of year	$ (1,298,183,591)	$ -
	Depreciation provisions for year, charged to:		
403	Depreciation	(95,287,841)	-
413	Income From Utility Plant Leased To Others	-	-
	Transportation Expenses - clearing	(2,509,945)	-
	Other Accounts *(specify)* : Depreciation Pension		-
	Other Accounts *(specify)* : Deferred Depreciation - CSIA	(2,406,073)	-
	Other Accounts *(specify)* : Amortization of Deferred Depr - CSIA	585,663	-
	Other Accounts *(specify)* : RICH/TH Acq	498,513	-
	Total Depreciation Provisions For Year	$ (99,119,683)	$ -
	Net Charges For Plant Retired:		
	Book Cost of Plant Retired	8,555,968	-
	Cost of Removal	4,416,883	-
	Salvage (credit)- Pension related cost		-
	Net Charges For Plant Retired	12,972,851	-
	Other Debit or Credit Items *(describe)* : ARO Activity	1,675,384	-
	Other Debit or Credit Items *(describe)* : Transfer	(33,851)	-
	Balance End of Year	$ (1,382,688,890)	$ -
	Reconciliation With Total Retirements		
101,104	From Accounts 101 and 104	109,616	-
	Retirements:		
	Charged to Depreciation Reserve *(as above)*	-	-
	Charged to Other Accounts *(specify)* :	-	-
		-	-
		-	-

Page 25, Total In-Service, Column b	(1,382,688,889)
For formula rate purposes, asset retirement obligation amounts must be excluded from gross plant unless authorized by FERC(amount represents LTD)	(12,189,332)
Total	(1,394,878,221)

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
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OTHER ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

(ACCOUNTS 110, 111.1, 111.2, 111.3, 112, 113.1, 113.2, 115)

Report complete information for each applicable depreciation and amortization reserve account for the year, including balance beginning of year, explanation of all changes during the year and balance end of year. Balances reported at end of year must agree with applicable lines on Page F-1(a).

PARTICULARS (a)	BALANCE END OF YEAR (b)
	-
Account 115	-
Balance beginning of year	19,184,865
Amortization, current year written off	553,904
Balance end of year	19,738,769
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS - CR.

(ACCOUNT 144)

ITEM (a)	UTILITY CUSTOMERS (b)	MDSE. JOBBING AND CONTRACT WORK (c)	OFFICERS AND EMPLOYEES (d)	OTHER *(SPECIFY)* (e)	OTHER *(SPECIFY)* (f)	TOTAL (g)
Balance beginning of year	(1,833,591)					(1,833,591)
Provisions for uncollectibles for year	(2,977,082)					(2,977,082)
Accounts written off	3,239,267					3,239,267
Collection of accounts written off	(1,371,311)					(1,371,311)
Adjustments: *(explain)*	-					-
	-					-
	-					-
	-					-
	-					-
	-					-
	-					-
	-					-
	-					-
	-					-
	-					-
	-					-
	-					-
	(2,942,717)					(2,942,717)

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
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NONUTILITY PROPERTY
(ACCOUNT 121)

List separately each item of property with a book cost of $10,000 or more. Other items may be grouped by classes of property.

Description (a)	Balance first of year (b)	Charges during year (c)	Credits during year (d)	Balance end of year (e)
	-	-	-	-
	-			-
	-			-
	-			-
	-			-
	-			-
	-			-
	-			-
	-			-
	-			-
Total	-			-

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY
(ACCOUNT 122)

PARTICULARS (a)	Amount (b)
Balance beginning of year	-
Accruals for year, charged to:	-
Income from Nonutility Operations	-
Nonoperating Rental Income	-
Other Accounts *(specify)* :	-
	-
	-
	-
	-
	-
Total Accruals for the year	-
Net Charges for plant retired:	
Book cost of plant retired	-
Cost of removal	-
Salvage (credit)	-
Total Net Charges	-
Other debit or credit items *(describe)* :	
	-
	-
	-
	-
	-
	-
Balance end of year	-

Indiana Gas Company, Inc.
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INVESTMENTS
(ACCOUNTS 123, 123.1, 124, and 136)

Report, with separate subheadings for each account, the securities owned by the utility; include interest or dividend rate and par value per share in description of any securities owned. Designate any securities pledged and explain purpose of pledge in footnote.

Description of Investment (a)	Date Acquired *(mm/dd/yy)* (b)	Date of Maturity *(mm/dd/yy)* (c)	Book Cost Beginning of Year (d)	Principal Amount of Number of Shares (e)	Book Cost End of Year (f)	Revenues for Year (g)	Gain or Loss From Investments Disposed of (h)
					-		
NONE					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		

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Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
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SPECIAL FUNDS
(ACCOUNTS 125, 126, 128)

Report, with separate subheadings for each account, and indicate nature of assets included in each fund at the end of year. List any securities included in fund accounts; minor investments, included in account 124, may be grouped by classes.

Name of Fund (a)	Balance first of year (b)	Additions Principal (c)	Additions Income (d)	Deductions (g)	Balance end of Year (h)
Nationwide Life Ins, Security Life of Denver, Mass Mutual, Northwestern	9,372,632	(3,860,277)	-	-	5,512,355
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
Total	9,372,632	(3,860,277)	-	-	5,512,355

NOTES RECEIVABLE
(ACCOUNT 141)

Give particulars of any notes discounted or pledged. Minor items may be grouped by classes showing number of such items.

Name of maker and purpose for which received (a)	Date of issue *(mm/dd/yy)* (b)	Date of Maturity *(mm/dd/yy)* (c)	Interest Rate (d)	Balance End of Year (e)
NONE				
Total				0

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Indiana Gas Company, Inc.
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ACCOUNTS RECEIVABLE
(ACCOUNTS 142 and 143)

Report, with separate subheadings for each account, and indicate nature of assets included in each fund at the end of year. List any securities included in fund accounts; minor investments, included in account 124, may be grouped by classes.

Particulars (a)	Balance end of Year (b)
Customer Accounts Receivable:	
Utility Service	38,114,661
Merchandising, jobbing and contract work	1,985,974
Total Account 142	40,100,635
Other Accounts Receivable (143):	
Projects Clearing	214,417
Prepaid Income Tax	3,384,929
Energy Assistance Program A/R	1,647,317
	-
	-
	-
	-
Total Account 143	5,246,663
Total Account 142 & 143	45,347,298

RECEIVABLES FROM ASSOCIATED COMPANIES
(ACCOUNTS 145 and 146)

Provide separate headings and totals for each account; give particulars of any notes pledged or discounted. Show in column (a) date of issue, maturity date and interest rate for any notes receivable.

Name of Company (a)	Balance End of Year (b)
Vectren Corp	2,861
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
Total	2,861

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Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
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MATERIALS AND SUPPLIES
(ACCOUNTS 151-156,163)

For each category of materials and supplies, identify the amount of materials and supplies assignable to each utility department.

Account and Utility Department (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Increase or Decrease (d)
Fuel Stock (151)	1,391,441	1,390,379	(1,062)
	-	-	-
	-	-	-
Total Account 151	1,391,441	1,390,379	(1,062)
Fuel Stock Expense (152)			-
			-
			-
Total Account 152	-	-	-
Residuals and Extracted Products (153)			-
			-
			-
Total Account 153	-	-	-
Plant Materials and Operating Supplies (154 & 157)	2,851,971	3,182,960	330,989
			-
			-
Total Account 154	2,851,971	3,182,960	330,989
Merchandise (155)			-
			-
			-
Total Account 155	-	-	-
Other Materials and Supplies (156)			-
			-
			-
Total Account 156	-	-	-
Stores Expense (163)	357,678	280,182	(77,496)
			-
Total Account 163	357,678	280,182	(77,496)
Total All Accounts	4,601,090	4,853,521	252,431

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Indiana Gas Company, Inc.
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For The Year Ended
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PRODUCTION FUEL AND OIL STOCKS

(ACCOUNT 151)

Show quantities in tons of 2,000 lbs., gallons, etc. whichever unit of quantity is applicable. Each size of coal and kind of coal or oil should be shown separately. Do not include nuclear materials.

Particulars (a)	Total Cost (b)	Kinds of fuel and oil Quantity (c)	Cost (d)	Quantity (e)	Cost (f)	Quantity (g)	Cost (h)	Quantity (I)	Cost (j)
On hand beginning of year	1,391,441	1,501,587	1,391,441	-	-	-			
Received during year	277,880	348,600	277,880						
Total	1,669,321	1,850,187	1,669,321	-	-	-	-	-	-
Used during year	278,942	331,804	278,942						
Sold or Transferred	-								
Total disposed of	278,942	331,804	278,942	-	-	-	-	-	-
Balance, end of year	1,390,379	1,518,383	1,390,379	-	-	-	-	-	-

Particulars (k)	Total Cost (l)	Kinds of fuel and oil Quantity (m)	Cost (n)	Quantity (o)	Cost (p)	Quantity (q)	Cost (r)	Quantity (s)	Cost (t)
On hand beginning of year	-								
Received during year	-								
Total	-	-	-	-	-	-	-	-	-
Used during year	-								
Sold or Transferred	-								
Total disposed of		-	-	-	-	-	-	-	-
Balance, end of year	-	-	-	-	-	-	-	-	-

* Footnote - Inventory and activity above relate to propane. In addition, the quantity in column C is in gallons.

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Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

PREPAYMENTS
(ACCOUNT 165)

Particulars (a)	Balance end of year (b)
Prepaid Gas Delivery	19,379,271
	-
	-
	-
	-
	-
	.
	-
	-
Total	19,379,271

MISCELLANEOUS CURRENT AND ACCRUED ASSETS
(ACCOUNT 174)

Minor items may be grouped by classes, showing number of such items.

Description of assets (a)	Balance end of year (b)
NONE	-
	-
	-
	-
	-
	-
	-
	-
	-
Total	-

EXTRAORDINARY PROPERTY LOSSES
(ACCOUNT 182)

Itemize under description the date loss incurred and the period over which loss is being amortized, and disclose to Commission authorization for such amortization.

Description of property loss or damage (a)	Total amount of loss (b)	Previously written off (c)	Written off During Year: Account charged (d)	Written off During Year: Amount (e)	Balance end of year (f)
NONE					-
					-
					-
					-
					-
					-
					-
					-
					-
Total					-

Indiana Gas Company, Inc.
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Cause No. 45468

For The Year Ended
December 31, 2019

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND UNAMORTIZED PREMIUM ON DEBT

(ACCOUNTS 181 & 251)

Report below the particulars called for with respect to the unamortized debt, discount and expense or net premium applicable to each class and series of long term debt. Show separately any unamortized debt discount and expense or call premiums applicable to refunded issues, including separate sub total therefore. Show in column (a) the method of amortization for each amount of debt discount and expense or premium. In column (b) show principal amount of debt on which the total discount and expense or premium in column (c) was incurred. Explain any charges or credits in column (g) and (h) other than amortization to accounts 428 and 429.

Debt to which related (a)	Principal amount of debt to which discount and expense or net premiums relate (b)	Total discount and expense or net premiums (c)	Amortization Period From (d)	Amortization Period To (e)	Balance first of year (f)	Charges during year (g)	Credits during year (h)	Balance end of Year (I)
	-	-			-	-	-	-
See Page 34-A	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
	-	-			-	-	-	-
Total	-	-			-	-	-	-

Cause No. 45468

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND UNAMORTIZED PREMIUM ON DEBT (Acct. 181 and 251)

Report below the particulars called for with respect to the unamortized debt discount and expense or net premium applicable to each class and series of long-term debt. Show separately any unamortized debt discount and expense or call premiums applicable to refunded issues, including separate sub-total therefore. Show in column (a) the method of amortization for each amount of debt discount and expense or premium. In column (b) show principal amount of debt on which the total discount and expense or premium in column (c) was incurred. Explain charges or credits in column (g) and (h) other than amortization to accounts 428 and 429.

Debt to which related (a)	Prin. amt. of debt to which disc. and exp. or net premiums relate (b)	Total discount and expense or net premiums (c)	Amortization Period From (d)	To (e)	Balance first of Year (f)	Charges during year (g)	Credits during year (h)	Balance end of year (i)
Unamortized 5.99% 30 yr, Dated October 2006, Due December 1, 2035 (VUHI)	50,568,961	2,029,910 1,014,878	12/28/00	12/01/35	1,820,009		107,587	1,712,422
Total	50,568,961	3,044,788			1,820,009	-	107,587	1,712,422

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

PRELIMINARY NATURAL GAS SURVEY AND INVESTIGATION CHARGES
(ACCOUNT 183.1)

Items of less than $ 5,000 may be grouped by classes.

Description and purpose of project (a)	Balance first of year (b)	Charges during year (c)	Credits During Year: Account number charged (d)	Credits During Year: Amount (e)	Balance end of year (f)
NONE					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
Total	-	-		-	-

CLEARING ACCOUNTS
(ACCOUNT 184)

Show all clearing accounts maintained during year, even though no balance remains in account at end of year.

Name of account (a)	Balance end of year (b)
NONE	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
Total	-

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

MISCELLANEOUS DEFERRED DEBITS
(ACCOUNT 186)

Show period of amortization for any items being amortized. Minor items may be grouped by classes, showing number items.
Exclude items charged to and cleared from the account during the year.

Description of miscellaneous deferred debits (a)	Balance first of year (b)	Charges during year (c)	Credits During Year		Balance end of year (f)
			Account charged (d)	Amount (e)	
LT Prepayments for Vectren Pension	20,892,764	-	228.3	747,545	20,145,219
Gas Rate Case Deffered Debits		3,717	228.3	-	3,717
					-
					-
					-
					-
					-
					-
					-
					-
					-
Total	20,892,764	3,717		747,545	20,148,936

DISCOUNT OF CAPITAL STOCK
(ACCOUNT 213)
CAPITAL STOCK EXPENSE
(ACCOUNT 214)

Show separate totals for each account.

Classes and series of stock (a)	Balance end of year (b)
Account 213:	
NONE	
	-
Account 214:	
NONE	
	-

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

CAPITAL STOCK
(ACCOUNTS 201 AND 204)
(for private utilities only)

Class and Series of Stock (a)	Number of shares authorized by charter * (b)	Par or stated value per share (c)	Call price at end of year (d)	Outstanding For Balance Sheet ** Shares (e)	Outstanding For Balance Sheet ** Amount (f)	Held by Respondent: As Reacquired Stock (Account 217) Shares (g)	Held by Respondent: As Reacquired Stock (Account 217) Cost (h)	Held by Respondent: In Sinking and Other Funds Shares (I)	Held by Respondent: In Sinking and Other Funds Amount (j)
Common Stock				805.001	334,535,510				
Preferred Stock					-				
					-				
					-				
					-				
					-				
					-				
					-				
					-				
					-				
					-				
					-				
					-				
					-				
					-				
					-				
					-				
					-				

* If different than shares authorized by I.U.R.C. Give explanation on differences.
** Total amount outstanding without reduction for amounts held by respondents.

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

STOCK SUBSCRIBED, STOCK LIABILITY FOR CONVERSION, PREMIUM ON CAPITAL STOCK AND INSTALLMENTS RECEIVED ON CAPITAL STOCK

(ACCOUNTS 202, 203, 205, 206, 207 and 212)

(for private utilities only)

Explain any balances in above accounts at end of year and give details of any changes during year.

Name of Account and description of item (a)	Number of Shares (b)	Amount (c)
Account 202, 205:		
NONE		
		-
Account 203, 206:		
NONE		
		-
Account 207:		
NONE		
		-
Account 212:		
NONE		
		-

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OTHER PAID IN CAPITAL

(ACCOUNTS 208, 209, 210, 211)

(for private utilities only)

For each paid in capital account, explain fully all changes in any account for the year, Show balance at beginning of year, credits and debits during year and balance at the end of the year. State the nature of each transaction and describe how it arose.

Item (a)	Amount (b)
Equity Contribution from Parent Company	65,000,000
Total	65,000,000

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

LONG TERM DEBT

(ACCOUNTS 221, 222, 223, and 224)

Report by each balance sheet account (221, 222, 223, and 224) particulars concerning Long Term Debt. Give particulars concerning any Long Term Debt authorized by I.U.R.C. but not yet issued.

Class and Series of Obligation (a)	Nominal Date of Issue *(mm/dd/yy)* (b)	Date of Maturity *(mm/dd/yy)* (c)	Outstanding per Balance Sheet (d)	Interest for Year Rate (e)	Interest for Year Amount (f)	Held By Respondent Reacquired Bonds (Acct. 222) (g)	Held By Respondent Sinking and Other Funds (h)	Redemption Price per $100 End of Year (I)
7.08% Series G	10/05/99	10/05/29	30,000,000	7.080%	2,124,000			
6.53% Series E	06/27/95	06/27/25	10,000,000	6.530%	653,000			
6.42% Series E	07/07/97	07/07/27	5,000,000	6.420%	321,000			
6.68% Series E	07/07/97	07/07/27	1,000,000	6.680%	66,800			
6.34% Series F	12/09/97	12/10/27	20,000,000	6.340%	1,268,000			
6.36% Series F	05/04/98	05/01/28	10,000,000	6.360%	636,000			
6.55% Series F	06/30/98	06/30/28	20,000,000	6.550%	1,310,000			
Total Account 221			96,000,000		6,378,800			
2035, 5.99%	03/31/06	12/01/35	50,568,961	5.990%	3,031,035			
2043, 4.60%	07/01/13	06/05/43	15,914,853	4.600%	732,077			
2028, 3.87%	07/01/13	06/05/28	8,952,105	3.872%	346,587			
2023, 3.80%	01/01/13	12/05/23	99,386,728	3.805%	3,781,277			
2035, 3.90%	12/15/15	12/15/35	8,290,114	3.900%	327,159			
2045, 4.36%	12/15/15	12/15/45	55,543,145	4.360%	2,444,003			
2055, 4.51%	12/15/15	12/15/55	15,751,217	4.510%	716,136			
2032, 3.26%	08/28/17	08/28/32	24,862,171	3.260%	824,189			
2047, 3.93%	11/29/17	11/29/47	69,607,078	3.930%	2,764,097			
2020, 3.20%	07/30/18	07/30/20	9,996,871	3.200%	299,089			
2049, 3.420%	09/10/19	09/10/49	20,000,000	3.420%	57,000			
Total Account 223			378,873,243		15,322,649			
			-		-			
Grand Total			474,873,243		21,701,449			

Cause No. 45468
Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

NOTES PAYABLE

(ACCOUNT 231)

Give particulars of collateral pledged, if any. Minor amounts of notes may be grouped.

Payee (a)	Purpose for Which Issued (b)	Date of Note *(mm/dd/yy)* (c)	Date of Maturity *(mm/dd/yy)* (d)	Interest Rate (e)	Balance End of Year (f)
NONE					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
Total					-

PAYABLES TO ASSOCIATED COMPANIES

(ACCOUNTS 233 and 234)

Include in column (a) description of any notes payable, including date of issue. Provide separated totals for each account.

Name of Company (a)	Amount End of Year (b)	Interest for Year Rate (c)	Interest for Year Amount (d)
Accounts 233	-		-
Notes Payable to Vectren Utility Holdings, Inc.	39,605,905		316,469
	-		-
Account 234	-		-
Vectren Corporation	10,940,658		-
Miller Pipeline	5,780,748		-
Minnesota Limited	115,734		-
Accrued Interest Payable	66,351		-
Accrued Interest Payable to Vectren Utility Holdings, Inc.	1,324,625		-
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
			-
Total	57,834,021		316,469

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

TAXES ACCRUED
(ACCOUNT 236)

Explain items recorded in column (e). Any amounts included for other than current taxes should be explained by footnote.

Kind of Tax (a)	Balance First of Year (b)	Amount Accrued During Year (c)	Payments During Year (d)	Other Items Dr. or (Cr.) (e)	Balance End of Year (f)
Indiana:					
Sales & Use Tax	31,274	41,568	(995,229)	949,714	27,327
Real Estate & Personal Property (105)	9,829,612	10,400,896	(9,871,245)	1,090	10,360,353
Indiana Income Tax (103)	-	638,313	(1,720,370)	1,082,057	-
Excise	(25)	-	(25)	25	(25)
Utility Receipts Tax	79,932	8,064,725	(7,595,000)	-	549,657
IN Inc Tax - ASC 450	4,737	-	-	(4,737)	-
Kentucky:					
Property & Franchise Tax (402)	697,587	332,448	(390,205)	-	639,830
Income (401)	(10,994)	(189)	(911)	(2,644)	(14,738)
Tennessee:					
Franchise & Excise Tax	(6,108)	3,490	-	(5)	(2,623)
Federal:					
Income (201)	-	3,699,089	(5,675,142)	1,976,053	-
FIT - ASC 450	22,152	-	-	(22,152)	-
Excise	-	-	-	-	-
Total	10,648,167	23,180,340	(26,248,127)	3,979,401	11,559,781

Cause No. 45468
Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

INTEREST ACCRUED
(ACCOUNT 237)

Class of debt (a)	Balance end of year (b)
Interest Accrued on Customer Deposits	1,470,582
6.53% Series E	190,459
6.42% Series E	93,625
6.68% Series E	19,670
6.34% Series F	369,834
6.36% Series F	185,500
6.55% Series F	382,084
7.08% Series G	619,500
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
Total	3,331,254

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
(ACCOUNT 242)

Minor items may be grouped by class.

Description (a)	Balance end of year (b)
Accrued Payroll/Vacation	1,375,828
Incurred but not reported Health Claim Reserve	1,023,077
Accrued Employee Benefits	167,666
Unclaimed Checks & Other	14,210
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
Total	2,580,781

Cause No. 45468
Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OPERATING PROVISIONS
(ACCOUNTS 228.1, 228.2, 228.3, and 228.4)

Show name of provision and account number, balance beginning of year, credits, debits (in parenthesis) and balance at end of year. Each credit and debit amount should be entries of the same general nature should be combined. For account 228.4 Accumulated Provision for Operating Provision, report separately each reserve and explain briefly its purpose.

Item (a)	Contra Account Debited or Credited (b)	Amount (c)
Account 228.3		
Deferred Compensation Benefits for Executives & Directors		
Beginning Balance		14,754,927
Net Allocations During 2019		(13,177,095)
Ending Balance 12/31/2019		1,577,832
Accrued Post-Retirement Benefits		
Beginning Balance		15,556,433
Net Allocations During 2019		(1,086,560)
Ending Balance 12/31/2019		14,469,873
Total		$ 16,047,705

Indiana Gas Company, Inc.
UTILITY NAME
Cause No. 45468

For The Year Ended
December 31, 2019

PURCHASED GAS

1. Report below the specified information for each operating area constituting a separate gas system.
2. Indicate whether MCF or DTH is used.

		DTH Purchased	DTH Max. Day	DTH Billing Demand	Demand Charge	Commodity Charge	Other Charges	Total Cost
System:…………	Jan	10,586,840			5,667,632	32,860,998		$ 38,528,630
Vendor:…………..	Feb	7,852,709			5,150,043	21,570,681		$ 26,720,724
	Mar	7,240,691			5,666,223	22,297,028		$ 27,963,251
	Apr	4,849,005			4,041,768	12,192,205		$ 16,233,973
Point of Receipt:…	May	4,154,094			3,428,086	9,955,998		$ 13,384,084
	Jun	3,453,834			3,396,424	8,002,860		$ 11,399,284
Kind of gas:……..	Jul	3,423,360			3,421,965	7,675,881		$ 11,097,846
	Aug	3,087,899			3,421,680	6,523,570		$ 9,945,250
Pressure Base:... 14.65 psia	Sep	3,460,022			3,395,988	7,898,681		$ 11,294,669
	Oct	4,784,932			4,295,000	10,092,264		$ 14,387,264
Average Cost per DTH:… $3.3707	Nov	8,420,631			5,175,268	21,198,784		$ 26,374,052
Average BTU:… 1.0459	Dec	7,492,050			6,582,754	18,010,484		$ 24,593,238
		68,806,067	-	-	53,642,831	178,279,434	-	$ 231,922,265
System:…………	Jan							$ -
Vendor:…………..	Feb							$ -
	Mar							$ -
	Apr							$ -
Point of Receipt:…	May							$ -
	Jun							$ -
Kind of gas:……..	Jul							$ -
	Aug							$ -
Pressure Base:….	Sep							$ -
	Oct							$ -
Average Cost per MCF/DTH:……….	Nov							$ -
Average BTU:…….	Dec							$ -
	Total	68,806,067	-	-	$ 53,642,831	$ 178,279,434	$ -	$ 231,922,265

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

PURCHASED GAS
(CONTINUED)

1. Report below the specified information for each operating area constituting a separate gas system.
2. Indicate whether MCF or DTH is used.

		DTH Purchased	DTH Max. Day	DTH Billing Demand	Demand Charge	Commodity Charge	Other Charges	Total Cost
System:…………	Jan							$ -
Vendor:…………..	Feb							$ -
	Mar							$ -
	Apr							$ -
Point of Receipt:…	May							$ -
	Jun							$ -
Kind of gas:……...	Jul							$ -
	Aug							$ -
Pressure Base:….	Sep							$ -
	Oct							$ -
Average Cost per MCF/DTH:……..	Nov							$ -
Average BTU:…….	Dec							$ -
								$ -
System:…………	Jan							$ -
Vendor:…………..	Feb							$ -
	Mar							$ -
	Apr							$ -
Point of Receipt:…	May							$ -
	Jun							$ -
Kind of gas:……...	Jul							$ -
	Aug							$ -
Pressure Base:….	Sep							$ -
	Oct							$ -
Average Cost per MCF/DTH:……….	Nov							$ -
Average BTU:…….	Dec							$ -
	Total	-	-	-	$ -	$ -	$ -	$ -

Indiana Gas Company, Inc.
UTILITY NAME

Cause No. 45468

For The Year Ended
December 31, 2019

GAS HOLDERS

1. Report below the specified information for each division constituting a separate gas system. Show separate subtotals for each division.
2. The number of holders of each capacity should be shown by types.
3. Show in column (f) the amount of gas at atmospheric pressure that the holder will deliver when filled to its maximum operating pressure.
4. Show in column (g) the design pressure, and in column (h) the pressure at which the company operates the holder.

		Telescopic and piston holders		Pressure holders			
Division (a)	Location (b)	Number (c)	Capacity in MCF/DTH (d)	Number (e)	Capacity at atmospheric pressure (f)	Design pressure (g)	Operated pressure (h)
NONE							

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended December 31, 2019

UNDERGROUND GAS STORAGE STATISTICS

1. Report below the specified information for each underground gas storage project.
2. Indicate whether MCF or DTH is used.

Particulars	Total Storage Project		Wolcott		Unionville		Hindustan		Sellersburg		White River	
System												
Location												
Acres of Land and Land Rights		61,230		30,691		19,079		7,680		680		3,100
Capacity in MCF (Maximum Design Capacity)		25,549,235		7,624,240		13,258,633		3,018,948		186,480		1,460,934
Daily Deliverability in MCF (Maximum Design)		165,000		50,000		90,000		8,000		7,000		10,000
Number of Compressor Stations		3		-		1		-		1		1
Horsepower Installed		3,965				3,100				400		465
Approximate Depth Below Ground Level or Reservoir Bed				916		820		835		1,415		1,375
	Size	Number	Size	Number	Size	Number	Size	Number	Size	Number	Size	Number
Injection and Withdrawing Wells	5"	114	5"	36	5"	46	5"	10	5"	12	5"	10
	Size	Number	Size	Number	Size	Number	Size	Number	Size	Number	Size	Number
Pipe Lines	1"	102	1"	-	1"	62	1"	40	1"	-	1"	-
	2"	6,229	2"	53	2"	40	2"	-	2"	-	2"	6,136
	3"	-	3"	-	3"	-	3"	-	3"	-	3"	-
	4"	29,548	4"	310	4"	23,370	4"	127	4"	5,032	4"	709
	6"	79,718	6"	30,981	6"	28,197	6"	8,722	6"	71	6"	11,747
	8"	54,080	8"	2,955	8"	34,673	8"	11,164	8"	5,284	8"	4
	10"	2,333	10"	2,333	10"	-	10"	-	10"	-	10"	-
	12"	6,586	12"	-	12"	6,556	12"	30	12"	-	12"	-
	16"	22,307	16"	12,987	16"	9,320	16"	-	16"	-	16"	-
	18"	11	18"	11	18"	-	18"	-	18"	-	18"	-
	DTH	COST	DTH	COST	DTH	COST	DTH	COST	DTH	COST	DTH	COST
Gas in Under Ground Storage												
First of Year:	-											
Current	5,021,188	16,224,877	960,026		3,060,459		580,991		13,602		406,110	
Noncurrent	6,031,915	9,393,638	2,061,387		3,141,941		520,633		307,954		-	
Delivered to Storage During Year	5,609,063	18,832,590	1,176,308		3,827,997		554,957		49,801		-	
Withdrawn from Storage During Year	4,901,728	15,040,252	976,686		3,112,313		330,950		267,154		214,625	
Remaining at end of Year	11,760,438	29,410,853	3,221,035		6,918,084		1,325,631		104,203		191,485	
Current (Acct 164.)	5,931,214	20,017,215	1,159,648		3,755,893		785,446		61,098		169,129	
Noncurrent (Acct. 117)	5,829,224	9,393,638	2,061,387		3,162,191		540,185		43,105		22,356	
	MCF		MCF		MCF		MCF		MCF		MCF	
Max MCF Delivered to storage in any 1 day during 2019	53,970		15,195		31,379		4,802		2,594		-	
Max MCF Withdrawn from storage in any 1 day during 2019	118,363		45,381		66,183		5,659		1,140		-	

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

SALES OF GAS BY COMMUNITIES

1. Report below sales of gas to residential, commercial, and industrial consumers of 2,500 population or more. For sales in communities of less than 2,500 population, report in total by classes of service. Do not include in this schedule main line sales to industrial consumers. These should be reported in the schedule, Main Line Industrial Sales of Gas.
2. Indicate whether MCF or DTH is used.

			Total Residential Commercial and Industrial			Residential
Name of Community (a)	Population (b)	BTU Content *(Average)* (c)	Operating Revenues (d)	DTH (n)	Average Number of Customers (o)	Operating Revenues (g)
Information is not collected in format requested						
Totals	-	-	-	-	-	-

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

SALES OF GAS BY COMMUNITIES

1. Report below sales of gas to residential, commercial, and industrial consumers of 2,500 population or more. For sales in communities of less than 2,500 population, report in total by classes of service. Do not include in this schedule main line sales to industrial consumers. These should be reported in the schedule, Main Line Industrial Sales of Gas.
2. Indicate whether MCF or DTH is used.

Residential *(Continued)*		Commercial			Industrial		
DTH (h)	Average Number of Customers (i)	Operating Revenues (j)	DTH (k)	Average Number of Customers (l)	Operating Revenues (m)	DTH (n)	Average Number of Customers (o)
Information is not collected in format requested							
-	-	-	-	-	-	-	-

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

MAIN LINE INDUSTRIAL SALES OF GAS

1. Report below particulars concerning sales of gas to industrial customers served other than from local distribution systems operated by the respondent.
2. Report separately sales to each main line industrial consumer to which sales of $5,000 or more were made during the year. Other sales should be reported in total.
3. Designate type of sale in column (c), i .e., firm, interruptible, or off peak. Off peak sales for the purpose of this schedule are seasonal and other sales which do not occur during times of heavy winter time demands on the system.
4. Pressure base of measurement, to be reported in column (e), should show absolute pressure and temperature, for example, 14.73 lbs. 60° F. If more than one pressure base is applicable the prevalent one should be shown in the column heading and the other indicated by footnote reference.
5. Indicate whether MCF or DTH is used.

Name of Customer (a)	Point of Delivery (b)	Type of Sale *See Instructions (3)* (c)	Approx. BTU per Cubic Foot (d)	MCF/DTH of Gas Sold Pressure Base (e)	Total Revenue for Year (f)	Revenue Per MCF/DTH (g)
NONE						

Continued on next page.

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

MAIN LINE INDUSTRIAL SALES OF GAS *(continued)*

1. Report below particulars concerning sales of gas to industrial customers served other than from local distribution systems operated by the respondent.
2. Report separately sales to each main line industrial consumer to which sales of $5,000 or more were made during the year. Other sales should be reported in total.
3. Designate type of sale in column (c), i .e., firm, interruptible, or off peak. Off peak sales for the purpose of this schedule are seasonal and other sales which do not occur during times of heavy winter time demands on the system.
4. Pressure base of measurement, to be reported in column (e), should show absolute pressure and temperature, for example, 14.73 lbs. 60° F. If more than one pressure base is applicable the prevalent one should be shown in the column heading and the other indicated by footnote or reference.
5. Indicate whether MCF or DTH is used.

Name of Customer (a)	Point of Delivery (b)	Type of Sale *See Instructions (3)* (c)	Approx. BTU per Cubic Foot (d)	MCF/DTH of Gas Sold Pressure Base (e)	Total Revenue for Year (f)	Revenue Per MCF/DTH (g)
NONE						

Cause No. 45468
Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

INCOME FROM UTILITY PLANT LEASED TO OTHERS
(ACCOUNT 413)

Show hereunder particulars concerning revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, taxes other than income taxes, and net income form lease of utility plant constituting a distinct operating unit or system. Report data on each lease arrangement. Use insert sheets if necessary. Also, report particulars concerning each lease arrangement, naming lessee (designating associated companies), date and period of lease, plant involved, and terms of lease rental.

Item (a)	Amount (b)
None	
Total	$ -

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

INCOME FROM MERCHANDISING, JOBBING AND CONTRACT WORK
(ACCOUNTS 415 and 416)

Item (a)	Amount (b)
Revenues:	
Merchandise sales, less discounts, allowances and returns	**None**
Contract Work	-
Commissions	-
Other *(List according to major classes.)*	
	-
	-
	-
	-
	-
Total Revenues	-
Cost and Expenses:	
Cost of sales *(List according to major classes or cost.)*	
Contract work	-
Merchandise	-
	-
	-
	-
	-
	-
	-
	-
Sales expenses	-
Customer account expense	-
Administrative and general expense	-
Depreciation	-
Taxes - Federal income	-
Other Federal	-
State and Other	-
	-
Total Costs and Expenses	-
Net Profit or Loss	**-**

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OTHER MISCELLANEOUS INCOME ACCOUNTS

(ACCOUNTS 417, 418, 419, 420, 421, and 422)

For each account, report hereunder the revenue and related expense classified as to operation, maintenance, depreciation, rents, amortization, taxes other than income taxes, income taxes and net income from, the operation. For leased property, give name of lessee and brief description of property, effective date and expiration date of lease. Minor items may be grouped by classes.

Item (a)	Amount (b)
Account 418	
Non Operating Rental Income	79,837
Less: Taxes Applicable Thereto:	
Account 408.2	-
Account 409.2	-
	79,837
Account 419	
Interest Income - Financing Program	283,155
Allowance for Other Funds Used During Construction	4,022,873
	4,306,028
Less: Taxes Applicable Thereto:	
Account 408.2	-
Account 409.2	-
	4,306,028
Account 420 and 432	
Allowance for Borrowed Funds Used During Construction	1,451,710
	-
	1,451,710
Account 417 and 421	
Income from Nonutility Operations (417)	2,297
Other Miscellaneous Income (Expenses) (421)	1,017,024
	1,019,321
Less: Taxes Applicable Thereto:	
Account 408.2	-
Account 409.2	-
	1,019,321

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OTHER INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS
(ACCOUNTS 425, 426, 427, 430, and 431)

For interest charges accounts hereunder, report the amount and interest rate for each class of debt on which other interest charges were incurred for the year. For miscellaneous amortization, explain fully and show the contra account to which the amount was credited. For other income deductions, report the nature and amount of such deductions; minor amounts may be grouped by classes.

Item (a)	Amount (b)
Account 425	
Amortization of Acquisition Adjustments	**55,390**
Account 426	
426.1 Donations	655,559
426.2 Life Insurance	(640,931)
426.3 Penalties	376,286
426.4 Expenditures for Certain Civic, Political & Related Activities	270,873
426.5 Other Deductions	876
	662,663
Account 427	
Interest on Other Long Term Debt	**6,378,800**
Account 431	
Interest on Notes Payable	-
Interest on Commercial Paper	-
Interest on Customer Deposits	689,121
Other Interest Expense	-
	689,121

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

DISTRIBUTION OF SALARIES AND WAGES

Amounts originally charged to clearing accounts, should be distributed to final classification in column (c). Estimates may be used in such distribution provided that a reasonable approximation of final classification is obtained.

Particulars (a)	Direct payroll distributions (b)	Allocation of amounts charged clearing accounts (c)	Total (d)
Gas - Operation	24,919,172	15,914,104	40,833,276
- Maintenance	3,111,681	1,768,772	4,880,453
- Mfg Gas Production Ops	39,230	22,597	61,827
Total Gas	28,070,083	17,705,473	45,775,556
Total Merchandise and Jobbing			-
Total Utility plant construction	13,475,307	7,564,096	21,039,403
Total Utility plant retirements	1,146,690	660,489	1,807,179
Total all other accounts	2,458,472	736,668	3,195,140
Clearing accounts			
Total Salaries and Wages	45,150,552	26,666,726	71,817,278

OFFICERS AND EXECUTIVES SALARIES

Report below the name, title and salary is $50,000 or more. An "executive officer " of respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function, and any other person who performs similar policymaking functions.

Name (a)	Official Title (b)	Total Compensation (c)
Scott E. Doyle	Executive Vice President, Natural Gas Distribution	$ 1,547,180
Jason P. Stephenson	Vice President General Counsel	$ 1,334,172
Lynnae K. Wilson	Chief Business Officer	$ 1,144,761
Total		4,026,113

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

ITEMIZED EXPENSES PER UNIT

Furnish information as provided by Section 29 of the Public Service Commission Act. Carry unit cost four places beyond the decimal point. Unit Gas 1000 cubic foot (cu. ft.) sold.

	Amount
GAS UTILITY	
Total gas to account for during year, cu. ft.	175,441,873
Total gas sold during year, cu. ft.	174,305,574
Total gas used by company during year, cu. ft.	313,289
Total gas unaccounted for during year, cu. ft.	823,010
Percent unaccounted for….xx%..…….	0.47%

Items upon which units costs are calculated *Make no changes. Give all information.*	Amounts	Unit Cents	Cost Mills
Depreciation	94,700,538	0.5433	0.543302
Salaries	45,775,556	0.2626	0.262617
Wages	-	-	-
Legal expense	562,784	0.0032	0.003229
Taxes	25,074,376	0.1439	0.143853
Rentals	55,162	0.0003	0.000316
Materials used on repairs	12,056,751	0.0692	0.069170
Fuel	241,631,228	1.3863	1.386251
Miscellaneous	102,323,220	0.5870	0.587034
Total Operating Expenses	522,179,615	2.9958	2.995771
Total Operating Revenues	589,610,717	3.3826	3.382627
Total Operating Expenses	522,179,615	2.9958	2.995771
Net Operating Revenue	67,431,102	0.3869	0.386856
Non operating revenue	6,856,896	0.0393	0.039338
Gross Income or Deficit	74,287,998	0.4262	0.426194
Interest	22,814,624	0.1309	0.130889
Other deductions	751,389	0.0043	0.0043
Net Income or Deficit	50,721,985	0.2910	0.290995
Dividends			
Surplus or deficit for current year	50,721,985	0.2910	0.290995

Cause No. 45468
Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

SALES FOR RESALE
(ACCOUNT 483)

1. If a contract covers several points of delivery and small amounts of gas are delivered at each point, such sales may be grouped.
2. Use additional insert sheets where necessary.

Description (a)	Total (b)	Point of Delivery (c)	Point of Delivery (d)	Point of Delivery (e)
Name of Purchaser	-	**NONE**		
Associated or non Associated company	-			
Point of metering	-			
B.T.U. per cubic feet	-			
Maximum pressure	-			
Standard specific gravity	-			
Total MCF.	-			
Total revenues from sales	-			
Total revenues per MCF.	-			
Monthly Sales--MCF.	-			
January	-			
February	-			
March	-			
April	-			
May	-			
June	-			
July	-			
August	-			
September	-			
October	-			
November	-			
December	-			
Total	-	-	-	-

TAXES
(ACCOUNT 406 - 409)

Explain any amounts applicable to other than the current year, giving amounts and the year or years to which applicable.

Description of tax (a)	Accts 408 - 409 (b)
Account 408.1	-
Real Estate and Personal Property Tax	10,733,344
Indiana Utility Receipts Tax	8,071,100
State Sales Tax	41,568
Indiana Utility Receipts Tax - (prior period)	(6,375)
Subtotal	18,839,637
Account 409.1	
Federal Income Tax	11,365,777
Federal Income Tax (prior period)	(7,692,654)
State Income Tax	2,150,543
State Income Tax (prior period)	(1,516,299)
Subtotal	4,307,367
Total	23,147,004

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

INTERDEPARTMENTAL SALES

(ACCOUNT 484)

Give full particulars in interdepartmental sales of gas, including name of other department, MCF. sold, total revenues and basis charge.

Particulars (a)	Total (b)
NONE	

Indiana Gas Company, Inc.
UTILITY NAME
Cause No. 45468

For The Year Ended
December 31, 2019

OTHER GAS REVENUES

(ACCOUNTS 448, 489, 490, 491)

Show separable totals for each account and explain major items of each account, grouping minor items by class.

Particulars (a)	488 (b)	489 (c)	490 (d)	491 (e)
Miscellaneous Service Revenues:				
Reconnect Charges	1,242,619			
Other Miscellaneous Charges	21,054			
Revenues from Transportation of Gas to Others:				
Commercial		4,883,525		
Industrial		46,142,581		
Total	1,263,673	51,026,106	-	-

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OTHER OPERATING REVENUES

(ACCOUNT 492, 493, 494, 495)

Show separate totals for each account and explain major items of each account, grouping minor items by class.

Particulars (a)	492 (b)	493 (c)	494 (d)	495 (e)
Other Revenues				
NSF Charges				270,150
Other Miscellaneous Charges				42,544
Total	-	-	-	312,694

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OPERATING REVENUES

ACCT. NO.	ACCOUNT (a)	AMOUNT (b)
	1.) SALES OF GAS	
480	Residential Sales	401,617,951
481	Commercial and Industrial Sales	141,853,824
482	Other Sales to Public Authorities	-
483	Sales for Resale	-
484	Interdepartmental Sales	-
480-484	Unbilled Sales	(7,056,989)
	Total Sales of Gas	536,414,786
	2.) OTHER OPERATING REVENUES	
487	Collection Charges	3,366,557
488	Miscellaneous Service Revenues	1,263,673
489	Revenues from Transportation of Gas of Others	51,026,106
490	Sales of Products Extracted from Natural Gas	-
491	Revenues from Natural Gas Processed by Others	-
492	Incidental Gasoline and Oil Sales	-
493	Rent from Gas Property	-
494	Interdepartmental Rents	-
495	Other Gas Revenues	312,694
496	GCA/USF Variance	(2,773,099)
	Total Other Operating Revenues	53,195,931
	Total Operating Revenues	589,610,717

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OPERATING EXPENSES

ACCT. NO.	ACCOUNT (a)	AMOUNT (b)
	PRODUCTION EXPENSE	
700-742	Manufactured Gas Production	243,352
750-791	Natural Gas Production	-
795-798	Exploration and Development	-
800-813	Other Gas Supply	241,387,876
	Total Production Expense	241,631,228
	NATURAL GAS STORAGE EXPENSE	
814-837	Underground Storage	3,877,994
840-848	Other Storage	-
	Total Natural Gas Storage Expense	3,877,994
850-867	Transmission Expense	9,056,620
870-894	Distribution Expense	43,828,521
901-905	Customer Accounts Expense	14,287,845
909-912	Customer Service Expense	296,763
915-918	Sales Promotion Expense	7,302,398
920-932	Administrative and General Expense	81,049,075
	Total	401,330,444
403	Depreciation	94,700,538
404.1	Amortization and Depletion of Producing Natural Gas Land & Land Rights	-
404.2	Amortization of Underground Storage Land and Land Rights	-
404.3	Amortization of Other Limited Term Utility Plant	-
405	Amortization of Other Utility Plant	-
406	Amortization Utility Plant Acquisition Adjustments	-
407.1	Amortization of Property Losses	-
407.2	Amortization of Conversion Expenses	-
407.4	Amortization	1,074,257
408.1	Taxes Other Than Income Taxes, Utility Operating Income	18,839,637
409.1	Income Taxes, Utility Operating Income	4,307,367
410.1	Provision for Deferred Income Taxes, Utility Operating Income	1,934,008
411.1	Income Taxes, Deferred in Prior Years Credit, Utility Operating Income	-
411.4	Investment Tax Credit Adjustment	(6,636)
412.1	Investment Tax Credits, Utility Operations, Deferred to Future Periods	-
412.2	Investment Tax Credits, Utility Operations, Restored to Operating Income	-
	Total Operating Expenses	522,179,615
	Operating Income	67,431,102
	OTHER OPERATING INCOME	
413	Income from Utility Plant Leased to Others	-
414	Gains [Losses] from Disposition of Utility Property	-
	Total Operating Income	67,431,102

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OPERATION AND MAINTENANCE EXPENSES

ACCT. NO.	ACCOUNT	AMOUNT
	1. PRODUCTION EXPENSE	
	A. MANUFACTURED GAS PRODUCTION EXPENSES	
	A. 1. Steam Production	
	Operation:	
700	Operation Supervision and Engineering	-
701	Operation Labor	-
702	Boiler Fuel	-
703	Miscellaneous Steam Expenses	-
704	Steam Transferred - Cr.	-
	Total Operation	-
	Maintenance:	
705	Maintenance Supervision and Engineering	-
706	Maintenance of Structures and Improvements	-
707	Maintenance of Boiler Plant Equipment	-
708	Maintenance of Other Steam Production Plant	-
	Total Maintenance	-
	Total Steam Production	-
	A. 2. Manufactured Gas Production	
	Operation:	
710	Operation Supervision and Engineering Production Labor and Expense	-
711	Steam Expenses	-
712	Other Power Expenses	4,358
713	Coke Oven Expenses	-
714	Producer Gas Expenses	-
715	Water Gas Generating Expenses	-
716	Oil Gas Generating Expenses	-
717	Liquefied Petroleum Gas Expenses	33,651
718	Other Process Production Expenses	-
	Gas Fuels:	
719	Fuel Under Coke Ovens	-
720	Producer Gas Fuel	-
721	Water Gas Generator Fuel	-
722	Fuel for Oil Gas	-
723	Fuel for Liquefied Petroleum Gas Process	-
724	Other Gas Fuels	-
	Gas Raw Materials:	
725	Coal Carbonized in Coke Oven	-
726	Oil for Water Gas	-
727	Oil for Oil Gas	-
728	Liquefied Petroleum Gas	-

Continued on next page.

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OPERATION AND MAINTENANCE EXPENSES *(continued)*

ACCT. NO.	ACCOUNT	AMOUNT
729	Raw Materials for Other Gas Process	-
730	Residuals Expense	-
731	Residuals Produced Credit	-
732	Purification Expenses	-
733	Gas Mixing Expenses	-
734	Duplicate Charges Credit	-
735	Miscellaneous Production Expenses	47,234
736	Rents	-
	Total Operation	85,243
	Maintenance:	
740	Maintenance Supervision and Engineering	-
741	Maintenance of Structures and Improvements	29,277
742	Maintenance of Production Equipment	128,832
	Total Maintenance	158,109
	Total Manufactured Gas Production	243,352
	Total Manufactured Gas Production Expenses	243,352
	B. NATURAL GAS PRODUCTION EXPENSES	
	B.1. Natural gas Production and Gathering	
	Operation:	
750	Operation Supervision and Engineering	-
751	Production Maps and Records	-
752	Gas Wells Expenses	-
753	Field Lines Expenses	-
754	Field Compressor Station Expense	-
755	Field Compressor Station Fuel and Power	-
756	Field Measuring and Regulating Station Expenses	-
757	Purification Expenses	-
758	Gas Well Royalties	-
759	Other Expenses	-
760	Rents	-
	Total Operation	-
	Maintenance:	
761	Maintenance Supervision and Engineering	-
762	Maintenance of Structures and Improvements	-
763	Maintenance of Producing Gas Wells	-
764	Maintenance of Field Lines	-
765	Maintenance of Field Compressor Station Equipment	-
766	Maintenance of Field Measuring and Regulating Station Equipment	-
767	Maintenance of Purification Equipment	-

Continued on next page.

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OPERATION AND MAINTENANCE EXPENSES *(continued)*

ACCT. NO.	ACCOUNT	AMOUNT
768	Maintenance of Drilling and Cleaning Equipment	-
769	Maintenance of Other Equipment	-
	Total Maintenance	-
	Total Natural Gas Production and Gathering	-
	B.2. Products Extraction	
	Operation:	
770	Operation Supervision and Engineering	-
771	Operation Labor	-
772	Gas Shrinkage	-
773	Fuel	-
774	Power	-
775	Materials	-
776	Operation Supplies and Expenses	-
777	Gas Processed by Others	-
778	Royalties on Products Extracted	-
779	Marketing Expenses	-
780	Products Purchased for Resale	-
781	Variation in Products Inventory	-
782	Extracted Products Used by the Utility - Credit	-
783	Rents	-
	Total Operation	-
	Maintenance:	
784	Maintenance Supervision and Engineering	-
785	Maintenance of Structures and Improvements	-
786	Maintenance of Extraction and Refining Equipment	-
787	Maintenance of Pipe Lines	-
788	Maintenance of Extracted Products Storage Equipment	-
789	Maintenance of Compressor Equipment	-
790	Maintenance of Gas Measuring and Regulating Station Equipment	-
791	Maintenance of Other Equipment	-
	Total Maintenance	-
	Total Products Extraction	-
	C. EXPLORATION AND DEVELOPMENT EXPENSES	
795	Delay Rentals	-
796	Nonproductive Well Drilling	-
797	Abandoned Leases	-
798	Other Exploration	
	Total Exploration and Development Expenses	-
	D. OTHER GAS SUPPLY EXPENSES	
800	Natural Gas Well Head Purchases	-
801	Natural Gas Field Line Purchases	-
802	Natural Gas Gasoline Plant Outlet Purchases	-

Continued on next page.

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OPERATION AND MAINTENANCE EXPENSES *(continued)*

ACCT. NO.	ACCOUNT	AMOUNT
803	Natural Gas Transmission Line Purchases	235,719,106
804	Natural Gas City Gate Purchases	-
805	Other Gas Purchases	301,993
806	Exchange Gas	-
807	Purchase Gas Expenses	9,159,114
808	Gas Withdrawn From Storage - Debit	(3,792,337)
809	Gas Delivered to Storage - Credit	-
810	Gas Used Compressor Station Fuel - Credit	-
811	Gas Used in Products Extraction - Credit	-
812	Gas Used for Other Utility Operations - Credit	-
813	Other Gas Supply Expenses	-
	Total Other Gas Supply Expenses	241,387,876
	Total Production Expenses	241,631,228
	2. NATURAL GAS STORAGE EXPENSES **A. UNDERGROUND STORAGE EXPENSES**	
	Operation:	
814	Operation Supervision and Engineering	1,248,418
815	Maps and Records	7,182
816	Wells Expenses	571,240
817	Lines Expenses	79,313
818	Compressor Station Expenses	105,485
819	Compressor Station Fuel and Power	-
820	Measuring and Regulating Station Expenses	16,735
821	Purification Expenses	242,456
822	Exploration and Development	-
823	Gas Losses	-
824	Other Expenses	-
825	Storage Well Royalties	-
826	Rents	143,805
	Total Operation	2,414,634
	Maintenance:	
830	Maintenance Supervision and Engineering	-
831	Maintenance of Structures and Improvements	62,522
832	Maintenance of Reservoirs and Wells	61,271
833	Maintenance of Lines	147,108
834	Maintenance of Compressor Station Equipment	553,822
835	Maintenance of Gas Measuring and Regulating Station Equipment	4,326
836	Maintenance of Purification Equipment	634,311
837	Maintenance of Other Equipment	-
	Total Maintenance	1,463,360
	Total Underground Storage Expense	3,877,994

Continued on next page.

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OPERATION AND MAINTENANCE EXPENSES *(continued)*

ACCT. NO.	ACCOUNT	AMOUNT
	B. OTHER STORAGE EXPENSES	
	Operation:	
840	Operation Supervision and Engineering	-
841	Operation Labor and Expenses	-
842	Rents	-
842.1	Fuel	-
842.2	Power	-
842.3	Gas Losses	-
	Total Operation	-
	Maintenance:	
843	Maintenance Supervision and Engineering	-
844	Maintenance of Structures and Improvements	-
845	Maintenance of Gas Holders	-
846	Maintenance of Purification Equipment	-
847	Maintenance of Liquefaction Equipment	-
848	Maintenance of Vaporizing Equipment	-
848.1	Maintenance of Compressor Station Equipment	-
848.2	Maintenance of Gas Measuring and Regulating Station Equipment	-
848.3	Maintenance of Other Equipment	-
	Total Maintenance	-
	Total Other Storage Expense	-
	Total Natural Gas Storage Expenses	3,877,994
	3. TRANSMISSION EXPENSES	
	Operation:	
850	Operation Supervision and Engineering	3,121,379
851	System Control and Load Dispatching	93,283
852	Communications System Expenses	-
853	Compressor Station Labor and Expense	4,842
854	Gas for Compressor Station Fuel	-
855	Other Fuel and Power for Compressor Stations	-
856	Mains Expenses	3,707,104
857	Measuring and Regulating Station Expenses	531,020
858	Transmission and Compression of Gas by Others	-
859	Other Expenses	3,529
860	Rents	106,073
	Total Operation	7,567,230

Continued on next page.

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OPERATION AND MAINTENANCE EXPENSES *(continued)*

ACCT. NO.	ACCOUNT	AMOUNT
	Maintenance:	
861	Maintenance Supervision and Engineering	-
862	Maintenance of Structures and Improvements	2,742
863	Maintenance of Mains	1,350,143
864	Maintenance of Compressor Station Equipment	-
865	Maintenance of Measuring and Regulating Station Equipment	124,735
866	Maintenance of Communication Equipment	-
867	Maintenance of Other Equipment	11,770
	Total Maintenance	1,489,390
	Total Transmission Expenses	9,056,620
	4. DISTRIBUTION EXPENSES	
	Operation:	
870	Operation Supervision and Engineering	7,197,700
871	Distribution Load Dispatching	-
872	Compressor Station Labor and Expenses	-
873	Compressor Station Fuel and Power	-
874	Mains and Services Expenses	12,719,379
875	Measuring and Regulating Station Expenses - General	903,439
876	Measuring and Regulating Station Expenses - Industrial	-
877	Measuring and Regulating Station Expenses - City Gate Check Stations	-
878	Meter and House Regulator Expenses	4,846,024
879	Customer Installation Expenses	3,464,060
880	Other Expenses	6,214,063
881	Rents	48,497
	Total Operation	35,393,162
	Maintenance:	
885	Maintenance Supervision and Engineering	935,623
886	Maintenance of Structures and Improvements	566,878
887	Maintenance of Mains	4,488,385
888	Maintenance of Compressor Station Equipment	10,179
889	Maintenance of Measuring and Regulating Station Equipment - Industrial	372,259
890	Maintenance of Measuring and Regulating Station Equipment - City Gate Check Stations	-
891	Maintenance of Measuring and Regulating Station Equipment - Industrial	-
892	Maintenance of Services	1,299,748
893	Maintenance of Meters and House Regulators	216,524
894	Maintenance of Other Equipment	545,763
	Total Maintenance	8,435,359
	Total Distribution Expenses	43,828,521

Continued on next page.

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

OPERATION AND MAINTENANCE EXPENSES *(continued)*

ACCT. NO.	ACCOUNT	AMOUNT
	5. CUSTOMERS ACCOUNTS EXPENSE	
901	Supervision	715,467
902	Meter Reading Expenses	1,806,127
903	Customer Records and Collection Expenses	8,081,394
904	Uncollectible Accounts	2,977,082
905	Miscellaneous Customer Accounts Expense	707,775
	Total Customer Accounts Expenses	14,287,845
	6. CUSTOMER SERVICE EXPENSES	
908	Customer Assistance Expenses	188,265
909	Informational & Instructional Advertising	19,889
910	Customer Service & Informational	88,609
911	Informational Advertising Expenses	-
912	Miscellaneous Customer Service Expenses	-
	Total Customer Service Expenses	296,763
	7. SALES PROMOTION EXPENSES	
911	Supervision	93,256
912	Demonstrating and Selling Expenses	400,702
913	Promotional Advertising Expenses	6,787,618
916	Miscellaneous Promotion Expenses	20,822
	Total Sales Promotion Expenses	7,302,398
	8. ADMINISTRATIVE AND GENERAL EXPENSES	
	Operation:	
920	Administrative and General Salaries	43,197,896
921	Office and Supplies Expenses	5,562,897
922	Administrative Expenses Transferred - Credit	(1,888,000)
923	Outside Services Employed	24,509,203
924	Property Insurance	793,138
925	Injuries and Damages	1,590,566
926	Employee Pensions and Benefits	4,037,724
927	Franchise Requirements	-
928	Regulatory Commission Expenses	991,924
929	Duplicate Charges - Credit	-
930.1	Intuitional or Goodwill Advertising Expenses	-
930.2	Miscellaneous General Expense	1,688,034
931	Rents	55,162
	Total Operation	80,538,544
	Maintenance:	
932	Maintenance of General Plant	510,531
	Total Maintenance	510,531
	Total Administrative and General Expenses	81,049,075
	Total Operation and Maintenance	401,330,444

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

INCOME STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	UTILITY OPERATING INCOME			
400	Operating Revenues	63	$ 589,610,717	$ 602,685,048
	Operating Expenses:			
401	Operation Expense	65-71	389,273,695	$ 391,988,329
402	Maintenance Expense	65-71	12,056,749	$ 11,584,683
403	Depreciation Expense	64	94,700,538	87,867,875
404,405	Amortization of Limited-Term and Other Utility Plant	64	-	
406	Amortization of Utility Plant Acquisition Adjustment	64	-	498,513
407	Amortization of Property Losses	64	1,074,257	831,069
408.1	Taxes Other Than Income Taxes, Utility Op. Inc.	64	18,839,637	18,369,611
409.1	Income Taxes, Utility Operating Income	64	4,307,367	28,785,729
410.1	Provision for Deferred Income Taxes Utility Operating Income	64	1,934,008	(18,603,430)
411.1	Income Taxes Deferred in Prior Years-Cr, Utility Operating Income	64	-	
411.4	Investment Tax Credits, Utility Operations, Deferred to Future Periods	64	(6,636)	(13,287)
412.2	Investment Tax Credits, Utility Operations, Restored to Operating Income	64	-	
	Total Utility Operating Expenses		$ 522,179,615	$ 521,309,092
	Utility Operating Income		$ 67,431,102	$ 81,375,956
	Other Operating Income:			
413	Income From Utility Plant Leased to Others	64	-	
414	Gains (Losses) From Disposition of Utility Property	64	-	
	Total Utility Operating Income		$ 67,431,102	$ 81,375,956

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

INCOME STATEMENT *(continued)*

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	OTHER INCOME AND DEDUCTIONS			
	Other Income:			
415	Revenues From Merch., Jobbing, and Contract Work	54	$ -	17,000
416	Costs and Expenses of Merchandising, Jobbing and Contract Work	54	-	
417	Income From Nonutility Operations	55	2,297	5,556
418	Nonoperating Rental Income	55	79,837	80,179
419	Interest and Dividend Income	55	4,306,028	4,861,762
420	Allowance for Funds Used During Construction	55	1,451,710	1,532,295
421	Miscellaneous Nonoperating Income	55	1,017,024	1,200,867
422	Gains (Losses) From Disposition of Property		-	
	Total Other Income		$ 6,856,896	7,697,659
	Other Income Deductions:			
425	Miscellaneous Amortization	56	55,390	55,390
426	Miscellaneous Income Deductions	56	662,663	(55,550)
	Total Other Income Deductions		$ 718,053	(160)
	Total Other Income and Deductions		$ 6,138,843	7,697,819
	TAXES APPLICABLE TO OTHER INCOME			
408.2	Taxes Other Than Income, Other Income & Deduction		-	
409.2	Income Taxes, Other Income and Deductions		33,336	44,832
410.2	Provision for Deferred Income Taxes, Other Income and Deductions		-	
411.2	Income Taxes Deferred in Prior Years-Cr., Other Income and Deductions		-	
412.3	Investment Tax Credits Restored to Nonoperating Income, Utility Operations		-	
412.4	Investment Tax Credits - Nonutility Operations, Net		-	
	Total Taxes on Other Income and Deductions		$ 33,336	44,832
	Net Other Income and Deductions		$ 6,105,507	7,652,987

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

INCOME STATEMENT *(continued)*

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	INTEREST EXPENSE			
427	Interest on Long Term Debt	56	$ 6,378,800	$ 6,378,800
428	Amortization of Debt Discount and Expense		107,587	121,809
428.1	Amortization of Loss on Reacquired Debt		-	43,868
429	Amortization of Premium on Debt - Credit		-	-
430	Interest on Debt to Associated Companies		15,639,116	16,145,224
431	Other Interest Expense		689,121	386,534
	Total Interest Expense		$ 22,814,624	$ 23,076,235
	Income Before Extraordinary Items	72-73	$ 50,721,985	$ 65,952,707
	EXTRAORDINARY ITEMS			
433	Extraordinary Income		-	-
434	Extraordinary Deductions		-	-
409.3	Income Taxes, Extraordinary Items		-	-
	Total Extraordinary Items		$ -	$ -
	NET INCOME		$ 50,721,985	$ 65,952,707

RETAINED EARNINGS STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
216	Unappropriated Retained Earnings (at beginning of period)	75	$ 277,924,546	$ 265,481,839
435	Balance Transfer from Income	75	$ 50,721,985	65,952,707
436	Appropriations of Retained Earnings	75	-	
437	Dividends Declared- Preferred Stock	75	-	
438	Dividends Declared- Common Stock	75	-	53,510,000
439	Adjustments to Retained Earnings			
216	Unappropriated Retained Earnings (at end of period)		$ 328,646,531	$ 277,924,546

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

UNAPPROPRIATED RETAINED EARNINGS

(ACCOUNTS 433-438)

Report all credits and debits during the year as to the retained earnings account in which included Accts. 433-438 and the contra primary account affected. Minor items may be grouped by classes. Dividends should be shown for each class and series of capital stock; show amounts of dividends per share.

(for private utilities only)

Item (a)	Contra Primary Account Affected (b)	Amount (c)
UNAPPROPRIATED RETAINED EARNINGS (Acct. 216)		
Balance - beginning of year		277,924,546
Charges - *(Identify by prescribed retained earnings accounts.)*		
Net Income	435	50,721,985
	436	-
	437	-
Dividends	438	-
Balances - end of year		328,646,531

APPROPRIATED RETAINED EARNINGS

(ACCOUNT 215)

(For private utilities only)

Show balance and state purpose of each appropriated retained earnings amount at end of year, showing all entries to this account for the year.

	-
None	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
	-
Balance - end of year	-

BALANCE SHEET

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	UTILITY PLANT			
101	Utility Plant in Service	23	$ 2,554,078,056	$ 2,130,324,004
102	Utility Plant Purchased or Sold		-	$ -
103	Utility Plant in Process of Reclassification		-	$ -
104	Utility Plant Leased to Others		-	$ -
105	Property Held for Future Use		443,706	$ 443,706
105.1	Production Property Held for Future Use		-	$ -
106	Completed Construction Not Classified		185,893,820	$ 442,116,265
107	Construction Work in Progress		20,425,264	$ 34,589,986
114	Utility Plant Acquisition Adjustments		25,831,712	$ 25,831,712
	Total Utility Plant		$ 2,786,672,558	$ 2,633,305,673
108-113,115	Accumulated Prov. for Depreciation Amort. and Deple. of Utility Plant	25	1,402,318,042	$ 1,317,368,456
	Net Plant.		$ 1,384,354,516	$ 1,315,937,217
116	Other Utility Plant Adjustments		-	-
117	Gas Stored Underground-Noncurrent		9,393,638	$ 9,393,638
	Total		$ 1,393,748,154	$ 1,325,330,855
	OTHER PROPERTY AND INVESTMENTS			
121	Nonutility Property	27	-	$ -
122	Less: Accumulated Depreciation and Amortization of Nonutility Property	27		
123	Investment in Associated Companies	28	-	-
123.1	Investment in Subsidiary Companies		-	$ -
124	Other Investments		-	-
128	Special Funds	29	5,512,355	9,372,632
	Total Other Property and Investments		$ 5,512,355	$ 9,372,632
	CURRENT AND ACCRUED ASSETS			
131	Cash		4,909,067	$ 7,337,878
132-134	Special Deposits		-	-
135	Working Funds		-	-
136	Temporary Cash Investments		-	-
141	Notes Receivable	29	-	-
142,143	Accounts Receivable	30	45,347,298	45,518,234
144	Accumulated Provision for Uncollectible Accounts - Cr.	26	2,942,717	1,833,591
145	Receivables from Associated Companies	30	2,861	3,336
150	Materials and Supplies Inventory	31	-	-
151	Fuel Stock	31	1,390,379	1,391,441
154	Plant Materials & Operating Supplies	31	3,182,960	2,851,971
163	Store Expense Undistributed	31	280,182	357,678
164	Gas Stored Underground - Current		20,017,215	16,224,877
164.2	Liquefied Natural Gas Stored		-	-
165	Prepayments	33	19,379,271	23,176,112
167	Advance Payments for Gas Development and Production		-	-
168	Other Advance Payments for gas		-	-
171	Interest and Dividends Receivable		-	-
172	Rents Receivable		-	-
173	Accrued Utility Revenue		39,846,763	46,822,926
174	Miscellaneous Current and Accrued Assets	33	-	
	Total		$ 131,413,279	$ 141,850,862
	DEFERRED DEBITS			
181	Unamortized Debt Discount and Expense	34	1,712,422	$ 1,820,009
182	Extraordinary Property Losses	33	-	-
182.3	Other Regulatory Assets		167,601,199	149,398,520
183.1,183.2	Preliminary Survey and Investigation Charges	35		-
184	Clearing Accounts	35	-	-
185	Temporary Facilities		-	-
186	Miscellaneous Deferred Debits		19,999,042	20,892,764
187	Research and Development Expenditures		-	-
189	Unamortized Loss on Reacquired Debt			
190	Accum Deferred Income Taxes		37,232,198	48,505,453
191	Unrecovered Purchased Gas		1,009,271	4,508,387
	Total Deferred Debits		$ 227,554,132	$ 225,125,133
	TOTAL ASSETS AND OTHER DEBITS		$ 1,758,227,920	$ 1,701,679,482

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

BALANCE SHEET *(continued)*

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	EQUITY CAPITAL			
201	Common Stock Issued	37	$ 334,535,510	$ 334,535,510
204	Preferred Stock Issued	37	$ -	-
202,205	Capital Stock Subscribed	38	$ -	-
203,206	Capital Stock Liability for Conversion	38	$ -	-
207	Premium on Capital Stock	38	$ -	-
208,211	Other Paid in Capital	39	$ 65,000,000	65,000,000
212	Installments Received on Capital Stock		$ -	-
213	Discount on Capital Stock	36	$ -	-
214	Capital Stock Expense	36	$ -	-
215	Appropriated Retained Earnings	75	$ -	-
216	Unappropriated Retained Earnings	75	$ 328,646,531	277,924,546
216.1	Unappropriated Undistributed Subsidiary Earnings		$ -	-
217	Reacquired Capital Stock		$ -	-
	Total		$ 728,182,041	$ 677,460,056
	LONG TERM DEBT			
221	Bonds		$ 96,000,000	96,000,000
222	Reacquired Bonds		$ -	-
223	Advances from Associated Companies		$ 378,873,243	358,873,243
224	Other Long Term Debt	40	$ -	-
	Total		$ 474,873,243	$ 454,873,243
	CURRENT AND ACCRUED LIABILITIES			
227	Capital Lease Obligations		$ 64,055	-
230	Asset Retirement Obligation		$ 42,990,339	34,834,571
231	Notes Payable	41	$ -	-
232	Accounts Payable		$ 55,728,514	65,281,573
233,234	Payables to Associated Companies	41	$ 57,834,021	32,078,239
235	Customer Deposits		$ 27,503,028	27,148,236
236	Taxes Accrued	42	$ 11,559,781	10,648,167
237	Interest Accrued	43	$ 3,331,254	2,918,136
238	Dividends Declared		$ -	-
239	Matured Long Term Debt		$ -	-
240	Matured Interest		$ -	-
241	Tax Collections Payable		$ 4,389,338	5,119,468
242	Miscellaneous Current and Accrued Liabilities	43	$ 2,580,781	24,412,768
243	Obligations Under Capital Lease		$ 43,921	
244	Derivative Instrument Liability		$ 18,798,300	10,400,640
	Total		$ 224,823,332	$ 212,841,798
	DEFERRED CREDITS			
251	Unamortized Premium on Debt		$ -	-
252	Customer Advances for Construction		$ 4,814,981	4,137,644
253	Other Deferred Credits		$ 1,743,137	5,909,966
254	Other Regulatory Liabilities		$ 119,066,227	132,268,097
255	Accumulated Deferred Investment Tax Credits		$ 8,972	15,608
	Total Deferred Credits		$ 125,633,317	$ 142,331,315
	OPERATING RESERVES			
228.1	Property Insurance Reserve		$ -	-
228.2	Injuries and Damages Reserve		$ 141,340	-
228.3	Pensions and Benefits Reserve		$ 16,047,704	30,311,359
228.4	Miscellaneous Operating Reserves		$ -	
	Total		$ 16,189,044	$ 30,311,359
	ACCUMULATED DEFERRED INCOME TAXES			
281	Accum. Deferred Income Taxes - Accelerated Amort		$ -	-
282	Accum. Deferred Income Taxes - Liberal. Depreciation		$ 153,727,594	149,568,313
283	Accum. Deferred Income Taxes - Other		$ 34,799,349	34,293,398
	Total Accumulated Deferred Income Taxes		$ 188,526,943	$ 183,861,711
	Total Liabilities and Other Credits		$ 1,758,227,920	$ 1,701,679,482

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

NOTES TO THE BALANCE SHEET OR INCOME STATEMENT

The space below is provided for important notes regarding the balance sheet or income statement.

NONE

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

GAS OPERATING REVENUES AND STATISTICS

1. Report revenues and statistics for the year covered by the report in column (b). In column (c) report the year next preceding.
*2. Indicate decreases by the use of the (*).*

Classification (a)	This Year (b)	Last Year (c)	Increase or Decrease * Amount (d)	Percent (e)
OPERATING REVENUES				
Class of Service:				
Residential Sales Service	396,324,130	408,113,043	(11,788,913)	-2.89%
General Sales Service	143,491,142	148,371,087	(4,879,945)	-3.29%
Interruptible Sales Service	1,483,039	1,411,301	71,738	5.08%
Large General Transportation Service	13,174,712	12,239,167	935,545	7.64%
Large Volume Transportation Service	23,101,812	20,771,177	2,330,635	11.22%
Long-Term Contract Service	9,866,057	10,760,706	(894,649)	-8.31%
Other Operating Revenue	2,169,825	1,018,567	1,151,258	113.03%
			-	
			-	
Total	589,610,717	602,685,048	(13,074,331)	-2.169%
SALES IN DTH				
Class of Service:			-	
Residential Sales Service	45,900,834	46,696,597	(795,763)	-1.70%
General Sales Service	22,347,824	22,093,338	254,486	1.15%
Interruptible Sales Service	259,517	221,541	37,976	17.14%
Large General Transportation Service	10,830,740	10,760,252	70,488	0.66%
Large Volume Transportation Service	42,666,901	41,477,547	1,189,354	2.87%
Long-Term Contract Service	52,299,758	39,965,733	12,334,025	30.86%
			-	
			-	
			-	
Total	174,305,574	161,215,008	13,090,566	8.120%
CUSTOMERS SERVED				
End of Year:				
Class of Service:				
Residential Sales Service	561,985	554,577	7,408	1.34%
General Sales Service	52,895	52,528	367	0.70%
Interruptible Sales Service	40	41	(1)	-2.44%
Large General Transportation Service	726	722	4	0.55%
Large Volume Transportation Service	198	192	6	3.13%
Long-Term Contract Service	10	11	(1)	-9.09%
			-	
			-	
			-	
TOTAL	615,854	608,071	7,783	1.280%

Cause No. 45468
Indiana Gas Company, Inc.
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For The Year Ended
December 31, 2019

FIVE YEAR HISTORY - RATIO PER CUSTOMER

Report the ratio per customer for the last five (5) years for each of the listed items.

Particulars (a)	Current Year 2019 (b)	Previous Four (4) Years 2018 (c)	2017 (d)	2016 (e)	2015 (f)
REVENUE PER CUSTOMER					
Residential	705.22	735.90	705.65	630.06	715.02
Residential Heating					
Commercial	2,712.75	2,824.61	2,672.24	2,342.60	2,715.48
Commercial Heating					
Industrial: Firm	37,075.00	34,414.63	44,883.72	26,295.45	25,403.85
Industrial: Interruptible					
Other Sales to Public Authorities					
Sales for Resale					
Interdepartmental					
Total	880.27	918.88	879.68	781.25	892.54
DTH PER CUSTOMER					
Residential					
Residential Heating	81.68	84.20	71.90	72.00	78.40
Commercial					
Commercial Heating	422.50	420.60	356.00	356.00	379.90
Industrial: Firm					
Industrial: Interruptible	6,500.00	5,414.60	7,651.20	4,909.10	4,692.30
Other Sales to Public Authorities					
Sales for Resale					
Interdepartmental					
Total	111.41	113.70	97.10	97.10	105.20
UTILITY PLANT IN SERVICE PER CUSTOMER					
Total Intangible Plant	1.48	1.50	1.69	1.70	1.72
Total Manufactured Gas Prod. Plant	19.51	18.56	18.64	18.74	18.98
Total Natural Gas Production Plant					
Total Underground Storage Plant	67.23	63.72	63.27	59.36	60.17
Total Transmission Plant	410.61	228.59	144.55	146.50	148.08
Total Distribution and General Plant	3,423.38	2,989.28	2,616.76	2,574.03	2,522.59
Total	4,093.71	3,301.64	2,844.91	2,800.33	2,751.54
TOTAL NUMBER OF CUSTOMERS					
O & M EXPENSE PER CUSTOMER					
Total Manufactured Gas Production	0.40	0.34	0.49	0.49	0.42
Total Natural Gas Prod. and Gathering					
Total Products Extraction					
Total Exploration and Development					
Total Other Gas Supply					
Total Underground Storage	6.30	5.25	2.80	3.30	2.87
Total Other Storage					
Total Transmission	14.71	17.25	15.02	16.87	17.62
Total Distribution	71.17	66.52	62.90	56.83	62.08
Total Customer Accounts	23.20	28.24	28.50	34.23	36.69
Total Customer Service	0.48	0.66	0.67	0.83	0.88
Total Sales Promotion	11.86	13.02	9.04	7.66	8.51
Administrative and General	131.60	87.71	92.67	80.87	75.76
Total	259.71	218.98	212.09	201.08	204.83

Cause No. 45468

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended December 31, 2019

RESIDENTIAL STOCK ACCOUNTS

1. Quantities entered on this table should be comparable to the dollar amounts entered on the same line.

2. The dollar amounts entered opposite Residual Produced-Cr. (Production Expense) should agree with the total credited to production expense (Account 730).

3. Residuals used in production should include amounts charged directly to production expense accounts and amount charged to fuel stock accounts.

4. Indicate whether MCF. or DTH. is used.

Items (a)	M.C.F./D.T.H Quantities (b)	Dollar amounts (c)
COKE AND COKE BREEZE		
On hand first of year *(state unit of measurement)* NONE		
Produced (cr. Production expense)		
Stock expense		
Adjustments - Debits		
Adjustments - Credits		
Net coke and breeze produced	-	-
Coke purchased		
Coke breeze purchased		
Total to account for	-	-
Coke sold		
Coke breeze sold		
Coke used in gas production		
Other coke used by company		
Total disposed of	-	-
On hand end of year NONE	-	-
TAR		
On hand first of year *(state unit of measurement)* NONE		
Produced (cr. Production expense)		
Stock expense		
Adjustments - Debits		
Adjustments - Credits		
Total to account for	-	-
Tar sold		
Tar used is gas production		
Total disposed of	-	-
On hand end of year NONE	-	-
RESIDUAL		
On hand first of year *(state unit of measurement)* NONE		
Produced (cr. Production expense)		
Stock expense		
Adjustments - Debits		
Adjustments - Credits		
Total to account for	-	-
Sold		
Used in gas production		
Total disposed of	-	-
On hand end of year NONE	-	-
RESIDUAL		
On hand first of year *(state unit of measurement)* NONE		
Produced (cr. Production expense)		
Stock expense		
Adjustments - Debits		
Adjustments - Credits		
Total to account for	-	-
Sold		
Used in gas production		
Total disposed of	-	-
On hand end of year NONE	-	-

Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

SUMMARY OF GAS ACCOUNT

Report below the specified information for each operating area constituting a separate gas system. Indicate whether MCF or DTH is used. Indicate BTU content of gas purchased.

Particulars (a)	Total All Systems DTH (b)	xxxxxxxxx Systems DTH (c)	xxxxxxxxx Systems DTH (d)
Gas produced (gross)	-		
Retort coal gas	-		
Coke oven gas	-		
Water gas	-		
Liquefied petroleum gas	30,730		
Other kind of gas *(specify kind)*	-		
Total gas produced	30,730	-	-
Gas purchased *(specify kind)* natural gas with avg BTU factor of 1.0459	68,806,067		
Gas withdrawn from prepaid storage service	8,136,200		
Gas withdrawn from underground storage	4,462,056		
Total gas produced, purchased and withdrawn from storage	81,435,053	-	-
Gas usage not billed due to NONR guidelines	(1,169)		
Losses on Underground Storage Injections	(101,840)		
Gas delivered by end users	108,118,360		
Total gas to account for	189,450,404	-	-
Gas delivered to prepaid storage service	8,421,386		
Gas delivered to underground storage	5,587,145		
Gas delivered to mains	175,441,873	-	-
Gas sold	66,393,316		
Gas transportation service	107,912,258		
Gas used by company			
Production			
Storage compressor and other field uses	64,146		
Transmission	187,980		
Other	61,163		
Total gas used by company	313,289	-	-
Total gas sold and used	174,618,863	-	-
Gas unaccounted for	823,010	-	-

SYSTEM LOAD STATISTICS

Report below the data specified for each operating area constituting a separate gas system.
Indicate whether MCF/DTH is used.

Particulars (a)	Contract Limitations By Supplier (b)	Total All Systems DTH (c)	xxxxxxxxx Systems DTH (d)	xxxxxxxxx Systems DTH (e)
Maximum send -out in any one day		1,186,987		
Date of such maximum		01/30/2019		
Maximum send -out in any consecutive 3 days		3,208,333		
Dates of such maximum		1/29/19-1/31/19		
Maximum daily production capacity		-		
Retort coal gas		-		
Coke oven gas		-		
Water gas		-		
Liquefied petroleum gas		28,191		
Other manufactured gas		-		
Total manufactured - gas production Capacity		28,191	-	-
Total underground storage field daily delivery				
Maximum daily purchase capacity		443,448		
Total max. daily prod. and purchase capacity		471,639	-	-
Maximum holder capacity				
Monthly send out:				
January		25,276,430		
February		20,593,009		
March		20,227,442		
April		11,986,074		
May		10,086,228		
June		8,802,241		
July		8,899,521		
August		9,222,101		
September		8,710,296		
October		11,999,195		
November		19,058,612		
December		20,580,724		
Total Send Out		175,441,873	-	-

Indiana Gas Company, Inc.
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SUMMARY OF GAS ACCOUNT *(continued)*

Report below the specified information for each operating area constituting a separate gas system. Indicate whether MCF or DTH is used. Indicate BTU content of gas purchased.

xxxxxxxxx Systems DTH (e)	xxxxxxxxx Systems DTH (f)	xxxxxxxxx Systems DTH (g)	xxxxxxxxx Systems DTH (h)	xxxxxxxxx Systems DTH (i)	xxxxxxxxx Systems DTH (j)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

SYSTEM LOAD STATISTICS

Report below the data specified for each operating area constituting a separate gas system.

xxxxxxxxx Systems DTH (f)	xxxxxxxxx Systems DTH (g)	xxxxxxxxx Systems DTH (h)	xxxxxxxxx Systems DTH (i)	xxxxxxxxx Systems DTH (j)	xxxxxxxxx Systems DTH (k)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

Indiana Gas Company, Inc.
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PRODUCTION STATISTICS

1. If any plant is equipped with combination of coal gas, or other type of production equipment, each should be reported as a separate plant.
2. Indicate whether MCF. or DTH. is used.

Particulars (a)	Total all Plants (b)	Plant (c)	Plant (d)
A. STEAM PRODUCTION BOILER PLANT	**NONE**		
Pounds of steam produced during year	-		
Tons of coal used for boiler fuel	-		
Average cost per ton at works	-		
Tons of coke used for boiler fuel	-		
Average cost per ton at works	-		
Gallons of tar used for boiler fuel	-		
Average cost per ton at works	-		
xxxxxx(units) of other fuel used	-		
Type used	-		
Average cost per xxxxxx(unit) at works	-		
Cost of fuel per pound of steam produced	-		
B. COAL AND COKE OVEN GAS	**NONE**		
MCF/DTH of coal or coke oven gas produced during year	-		
Type of gas produced	-		
MCF/DTH average daily production while in operation	-		
Number of days in operation	-		
Maximum MCF produced in any one day	-		
Date of such maximum production	-		
Average BTU content per cubic foot of gas produced	-		
Tons of coal carbonized	-		
Kind of coal used	-		
Average cost per ton at works	-		
Cubic Foot of gas produced per pound of coal carbon	-		
Average charge per retort or oven- Pounds	-		
Average period of carbonization- Hours	-		
Type of bench fuel used	-		
Tons of bench or producer fuel used- Coal	-		
Average cost per ton at works	-		
Average pounds of bench or producer fuel used per ton of coal carbonized	-		
MCF/DTH of gas used for bench fuel	-		
Type of gas	-		
BTU per cubic foot	-		
Tons of residual coke produced	-		
Tons of residual coke breeze produced	-		
Pounds of coke and coke breeze per ton of coal carbonized	-		
Gallons of residual tar produced	-		
xxxxxxxxx (units) of xxxxxxxxx resid. Produced	-		
xxxxxxxxx (units) of xxxxxxxxx resid. Produced	-		
Cost of coal carbonized per MCF/DTH produced	-		
Cost of bench or producer fuel per MCF/DTH produced	-		
Net residual credit per MCF/DTH produced	-	-	-

PRODUCTION STATISTICS *(continued)*

1. If any plant is equipped with combination of coal gas, or other type of production equipment, each should be reported as a separate plant.
2. Indicate whether MCF. or DTH. is used.

Plant (e)	Plant (f)	Plant (g)	Plant (h)	Plant (i)	Plant (j)
NONE					
NONE					
-	-	-	-	-	-

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Indiana Gas Company, Inc.
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PRODUCTION STATISTICS *(continued)*

Particulars (a)	Total all Plants (b)	Plant (c)	Plant (d)
C. WATER GAS			
MCF/DTH of water produced during year	-		
Number of days in operation	-		
Number of days in operation	-		
Maximum MCF produced in any one day	-		
Date of such maximum production	-		
Average BTU content per cubic foot of gas produced	-		
Gallons of carburetor oil used	-		
Average cost per gallon at works	-		
Gallons of carburetor oil per MCF/DTH produced	-		
Tons of generator fuel used- Coke	-		
Average cost per ton at works	-		
Pounds of generator fuel per MCF/DTH produced	-		
Number of runs during year	-		
Gallons of residual tar produced	-		
Tons of generator fuel claims	-		
Cost of carburetor oil per MCF/DTH produced	-		
Cost of generator fuel per MCF/DTH produced	-		
Cost of steam per MCF/DTH produced	-		
D. LIQUEFIED PETROLEUM GAS		Jeffersonville LP	Terre Haute LP
MCF/DTH liquefied petroleum gas produced	30,159	14,416	9,439
Gallons of liquefied petroleum used	329,612	157,549	103,162
Kind and specifications of liquefied petroleum used		Propane	Propane
Average cost per gallon in storage tanks	0.915697	0.843627	0.988024
Gallons of liquefied petroleum per MCF/DTH of gas produced	10.93	10.93	10.93
Proportions of air mixed with pure gas	44%	44%	44%
Average BTU/DTH content per gallon of liquefied petroleum	91,500	91,500	91,500
Average BTU/DTH content per cubic foot of gas produced	1,411	1,411	1,411
E. OTHER GAS			
Type of gas	-		
MCF/DTH produced	-		
Average BTU content per cubic foot produced	-		
Specify appropriate statistical data:	-		

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Indiana Gas Company, Inc.
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For The Year Ended
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PRODUCTION STATISTICS *(continued)*

Plant (e)	Plant (f)	Plant (g)	Plant (h)	Plant (i)
Lebanon				
6,304				
68,901				
Propane				
0.889149				
10.93				
44%				
91,500				
1,411				

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UTILITY NAME

For The Year Ended
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GAS METERS

1. Number of meters should include only those carried in Utility Plant Account 381.
2. Report meters of capacity equivalent to No. 5B or smaller in column (b), larger in columns (c) to (e).

Item	Smaller	Larger Than 5B			Total
(a)	(b)	(c)	(d)	(e)	(f)
Number at Beginning of Year	598,286	1,376	23,934		623,596
Acquired During Year	23,904	1	2,901		26,806
Total	622,190	1,377	26,835	-	650,402
Retired During Year	17,768		755		18,523
Other Credits (Sales, etc.)					-
Number at End of Year	604,422	1,377	26,080	-	631,879
In Stock	48,620	111	2,098		50,829
Locked Meters on Customers' Premises					-
Regular Meters in Customers Use	555,752	1,266	23,980		580,998
Prepayment Meters in Customers' Use					-
Meters in Company Use, Included in Acct 381	50	-	2		52
Total End of Year	604,422	1,377	26,080	-	631,879

GAS MAINS

Report below the total feet of transmission and distribution mains by sizes, as of end of year or latest available date.

		Feet of Main			
Size	Transmission	Distribution			Total
(a)	(b)	(c)	(d)	(e)	(f)
Main 2" & Under	3,459	42,378,365	400	625,163	43,007,387
Main > 2 to 4 inches	18,036	13,339,936	969	(47,597)	13,311,344
Main > 4 to 6 inches	55,842	7,689,028	632	18,966	7,764,468
Main > 6 to 8 inches	117,016	4,363,223	20,183	14,858	4,515,280
Main > 8 to 10 inches	91,237	1,367,097	1,904	(2,647)	1,457,591
Main > 10 to 12 inches	65,379	1,244,318	8,723	3,064	1,321,484
Main > 12 to 14 inches	10,745	334			11,079
Main > 14 to 16 inches	204,063	684,035	1,476	1,510	891,084
Main > 16 to 18 inches		20,612			20,612
Main > 18 to 20 inches	157,469	253,971	40		411,480
Main > 20 to 22 inches					-
Main > 22 to 24 inches		104			104
Main > 24 to 26 inches					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
Total	723,246	71,341,023	34,327	613,317	72,711,913

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Indiana Gas Company, Inc.
UTILITY NAME

For The Year Ended
December 31, 2019

NOTES TO ANNUAL REPORT

Use this page for explanations of significant changes and occurrences.

See Page 15 Attachment

Cause No. 45468

Annual Report to the Indiana Utility Regulatory Commission

VERIFICATION

Kristie L. Colvin
(Name of Officer)

of Interim Executive Vice President and Chief Financial Officer
(Exact legal title or name of respondent)

states that he/she has examined the foregoing report; and verifies that to the best of his/her knowledge, information, and belief, all statements of fact contained in the report are true and the report is a correct statement of the business affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1, 2019 to and including December 31, 2019.

(Signature of Officer)

5/22/2020
Date *(mm/dd/yy)*

INDIANA GAS COMPANY, INC.
STATEMENTS OF CASH FLOWS
(*In millions*)

	Year Ended December 31, 2019
CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	$47.5
Adjustments to reconcile net income to cash from operating activities	
Depreciation & amortization	95.2
Deferred income taxes & investment tax credits	12.2
Provision for uncollectible accounts	3.0
Expense portion of pension & postretirement benefit cost	6.4
Other non-cash items - net	3.2
Changes in working capital accounts:	
Accounts receivable & accrued unbilled revenue	8.4
Inventories	(4.1)
Recoverable/refundable fuel & natural gas costs	3.5
Prepayments & other current assets	0.9
Accounts payable	5.0
Accrued Liabilities	(21.0)
Changes in noncurrent assets	(9.5)
Changes in noncurrent liabilities	(32.2)
Net cash from operating activities	**118.6**
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from:	
Long-term debt from CenterPoint	20.0
Long-term debt, net of issuance costs	0.0
Capital contributions from parent	(0.0)
Requirements for:	
Dividends to parent	0.0
Retirement of long-term debt	0.0
Net change in commercial paper and short-term borrowings to third parties	20.2
Net cash from financing activities	**40.2**
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from:	
Sale of Company-owned Life Insurance	7.2
Sale of investments	12.3
Requirements for:	
Capital expenditures, excluding AFUDC equity	(166.8)
Net change in short-term intercompany notes receivable	0.0
Purchase of investments	(13.8)
Net cash from investing activities	**(161.1)**
Net change in cash & cash equivalents	(2.4)
Cash & cash equivalents at beginning of period	7.3
Cash & cash equivalents at end of period	**$4.9**