

INDIANA GAS COMPANY, INC.
d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
A CENTERPOINT ENERGY COMPANY
(VECTREN NORTH)

IURC CAUSE NO. 44430-TDSIC-13

DIRECT TESTIMONY
OF
J. CAS SWIZ
DIRECTOR, REGULATORY AND RATES

ON

PROPOSED CSIA REVENUE REQUIREMENT THROUGH JUNE 30, 2020 AND PROPOSED
CSIA RATES AND CHARGES

SPONSORING PETITIONER'S EXHIBIT NO. 3,
ATTACHMENTS JCS-1 THROUGH JCS-6

DIRECT TESTIMONY OF J. CAS SWIZ

I. INTRODUCTION

Q. Please state your name and business address.

A. My name is J. Cas Swiz. My business address is One Vectren Square, Evansville, Indiana, 47708.

Q. By whom are you employed?

A. I am employed by CenterPoint Energy, Inc. ("CenterPoint"). Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc. ("Petitioner", "Vectren North" or "the Company") is a subsidiary of CenterPoint.

Q. What position do you hold with Petitioner Vectren North?

A. I am Director, Regulatory and Rates for CenterPoint, the immediate parent company of Vectren North. I hold the same position with two other utility subsidiaries of CenterPoint – 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 am a 2001 graduate of the University of Evansville with a Bachelor of Science degree in Accounting, and a 2005 graduate of the University of Southern Indiana with a Master of Business Administration.

Q. Please describe your professional experience.

A. From 2001 to 2003, I was employed by ExxonMobil Chemical as a Product and Inventory accountant. Since 2003, I have been employed with Vectren Corporation ("Vectren") and CenterPoint in various accounting capacities. In 2008, I was named Manager, Regulatory and Utility Accounting, and in November 2012, I was named Director, Regulatory Implementation and Analysis. In August 2015, I was named Director, Rates and Regulatory Analysis. I was named to my current position in February 2019.

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

A. I am responsible for the Indiana and Ohio regulatory and rate matters of the regulated utilities

1 within CenterPoint in proceedings before the Indiana and Ohio utility regulatory commissions.
2 I also have responsibility for the implementation of all regulatory initiatives of Vectren North
3 (and other utility subsidiaries in Indiana and Ohio), as well as the preparation of accounting
4 exhibits submitted in various regulatory proceedings.
5

6 **Q. Are you familiar with the books, records, and accounting procedures of Vectren North?**

7 A. Yes, I am.
8

9 **Q. Are Vectren North's books and records maintained in accordance with the Federal**
10 **Energy Regulatory Commission ("FERC") Uniform System of Accounts ("USOA") and**
11 **generally accepted accounting principles ("GAAP")?**

12 A. Yes.
13

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

15 A. Yes. I have testified before the Indiana Utility Regulatory Commission ("IURC" or
16 "Commission") on behalf of Vectren North and Vectren South in its Gas Transmission,
17 Distribution, and Storage System Improvement Charge ("TDSIC") proceedings, Cause No.
18 44430 (Vectren North) and Cause No. 44429 (Vectren South). I have also testified on behalf
19 of Vectren South in connection with its Electric TDSIC proceedings under Cause No. 44910.
20 In addition, I have testified on behalf of Vectren North and Vectren South in its Gas Cost
21 Adjustment ("GCA") proceedings, Cause No. 37394 (Vectren North) and Cause No. 37366
22 (Vectren South), and on behalf of Vectren South in its Fuel Adjustment Clause ("FAC")
23 proceedings, Cause No. 38708. I have also testified before the Public Utilities Commission
24 of Ohio on behalf of Vectren Ohio.
25

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

27 A. I will support Vectren North's request to implement a Compliance and System Improvement
28 Adjustment ("CSIA") as previously approved by the Commission on August 27, 2014 in Cause
29 No. 44429 ("44429 Order" or "Order"), which will include both a Compliance Component
30 ("Compliance Component") under Ind. Code Ch. 8-1-8.4 ("Compliance Statute") and a TDSIC
31 Component ("TDSIC Component") under Ind. Code Ch. 8-1-39 ("TDSIC Statute"). I will
32 explain and support the Compliance and TDSIC Components revenue requirement
33 calculations for costs incurred through June 30, 2020. I will support Vectren North's request

1 to (1) recover 80% of the calculated combined revenue requirements of the Compliance and
2 TDSIC Components, and (2) defer 20% of the calculated combined revenue requirements of
3 the Compliance and TDSIC Components for future recovery in Vectren North's next general
4 rate case.

5
6 I will discuss the impacts to the TDSIC proposed in this proceeding as a result of the
7 Stipulation and Settlement Agreement approved in Cause No. 45032-S21 ("Tax Reform
8 Order"). The Tax Reform Order, approved by the Commission on August 29, 2018, addressed
9 the impacts on Indiana utilities and customers resulting from the December 22, 2017 Tax Cuts
10 and Jobs Act of 2017 ("TCJA").

11
12 I will support the approved adjustment to the authorized return amount utilized in the GCA net
13 operating income ("NOI") earnings tests (Ind. Code § 8-1-2-42(g) and § 8-1-2-42.3) as a result
14 of the proposed CSIA, consistent with the 44429 Order.

15
16 Finally, I will support the updated CSIA rates and charges, and request approval of the costs
17 incurred through June 30, 2020 to be recovered in the CSIA, with such rates and charges to
18 be approved in this proceeding and implemented on January 1, 2021 and remaining in effect
19 until replaced in a subsequent TDSIC filing.

20
21 **Q. Are you sponsoring any exhibits in this proceeding?**

22 **A.** Yes. I am sponsoring the following exhibits in this proceeding:

- 23 • Petitioner's Exhibit No. 3, Attachment JCS-1: CSIA Total Annual Revenue Requirement,
24 Schedules 1-4.
- 25 • Petitioner's Exhibit No. 3, Attachment JCS-2: Compliance Component Annual Revenue
26 Requirement, Schedules 1-10.
- 27 • Petitioner's Exhibit No. 3, Attachment JCS-3: TDSIC Component Annual Revenue
28 Requirement, Schedules 1-9.
- 29 • Petitioner's Exhibit No. 3, Attachment JCS-4: CSIA Rate Derivation, Schedules 1-3.
- 30 • Petitioner's Exhibit No. 3, Attachment JCS-5: CSIA Tariff Sheet, Pages 1-2.
- 31 • Petitioner's Exhibit No. 3, Attachment JCS-6: CSIA Projected Year-Over-Year Revenue
32 Percentage Change, Schedules 1-2.

1
2 **Q. Were these exhibits prepared by you or under your supervision?**

3 A. Yes, they were.
4
5

6 **II. BACKGROUND**
7

8 **Q. Please describe the CSIA approved in Cause No. 44429.**

9 A. On November 25, 2013, Vectren North and Vectren South separately petitioned the
10 Commission in Cause No. 44430 and Cause No. 44429, respectively. The Commission
11 subsequently consolidated the two proceedings into Cause No. 44429. In that consolidated
12 proceeding, Vectren North and Vectren South requested the following relief:
13

14 (1) Approval and granting of a Certificate of Public Convenience and Necessity ("CPCN")
15 for Compliance Projects (and the associated costs) designed both to comply with federally
16 mandated requirements and to improve the safety, reliability, and integrity of Vectren North's
17 and Vectren South's transmission and distribution pipeline systems, with such costs to be
18 recovered in the Compliance Component of the CSIA;
19

20 (2) Approval of a Seven Year Plan undertaken for purposes of safety, reliability, system
21 modernization, or economic development, with such costs to be recovered via a TDSIC
22 Component of the CSIA;
23

24 (3) Approval of the Company's Seven Year TDSIC Plans (and any Compliance Projects,
25 in the event and to the extent that the Commission concludes that any such project does not
26 meet the requirements of the Compliance Statute), including a process for annual updates to
27 the TDSIC Plans and the Compliance Projects;
28

29 (4) Approval of a rate adjustment mechanism for timely recovery of 80% of the costs of
30 the Compliance Projects and the TDSIC Plans (collectively referred to herein as the "7 Year
31 Plan"), including financing costs incurred during construction;
32

33 (5) Authorization of the deferral of 20% of the costs of the 7 Year Plan, and interim

deferrals of such costs, until such costs are reflected in Vectren North's and Vectren South's retail rates; and

(6) Approval of other related ratemaking relief and tariff proposals.

The above requested relief was approved in the Commission's August 27, 2014 Order in Cause No. 44429.

III. RATEMAKING AND ACCOUNTING TREATMENT

Q. Please summarize the Commission's findings in the Order related to ratemaking and accounting and the applicable statutory authority.

A. Pursuant to the Order, Vectren North was authorized accounting authority starting January 1, 2014 for, and subsequent recovery of, costs specific to the proposed Federally Mandated Projects ("Compliance Projects") and 7-Year infrastructure plan ("TDSIC Plan", collectively "the Plan"). The Plan approved in the Order was modified in TDSIC-9 and approved by the Commission in the TDSIC-9 Order. The modified Plan is supported by the testimony of Vectren North witness Steven A. Hoover. The accounting authority approved includes the timely recovery within the CSIA of eighty percent (80%) of the revenue requirement associated with the Plan capital investments and Operations and Maintenance ("O&M") expenses, and deferral of the remaining twenty percent (20%) of the revenue requirement until Vectren North's next base rate case.

Q. Please explain the specific ratemaking and accounting treatment Vectren North is requesting in this case.

A. Vectren North is proposing the following ratemaking and accounting treatment in accordance with the Order:

1. Authorization of the eligible revenue requirement amounts as of June 30, 2020, inclusive of the Compliance and TDSIC Component amounts associated with:
 - a. capital investment in eligible projects, both completed and under construction
 - b. financing costs incurred on projects during construction
 - c. post-in-service carrying costs ("PISCC") on eligible complete projects

- 1 d. deferred Compliance Project-related O&M expenses, projected incremental
2 depreciation, and property tax expenses
3 2. Recovery, via the CSIA, of 80% of the eligible revenue requirement amounts as of
4 June 30, 2020
5 3. Deferral of 20% of the eligible revenue requirement amounts as of June 30, 2020 for
6 subsequent recovery in a base rate case
7
8

9 **IV. TAX REFORM ORDER**

10
11 **Q. Please describe the Tax Reform Order and how it impacts the CSIA mechanism.**

12 A. The Tax Reform Order represents an agreement between Vectren North, the OUCC, and the
13 Indiana Industrial Group (collectively, "the Settling Parties") on the treatment of cost savings
14 and other credits attributed to the TCJA. In Cause No. 45032, the Commission opened an
15 investigation into the impacts of the TCJA on Indiana utilities and customers, subsequently
16 dividing the investigation into two phases. Phase I was to address the immediate impact on
17 customer rates and charges associated with the reduction in the federal income tax rate from
18 35% to 21%. Consistent with the terms of the Tax Reform Order, Vectren North's revised
19 base rates and charges were approved effective June 1, 2018.¹
20

21 Phase II addressed all other issues, specifically (1) the treatment and subsequent credits to
22 customers of Excess Accumulated Deferred Income Tax ("EADIT") liability balances arising
23 from the revaluation of Accumulated Deferred Income Tax balances at the lower federal tax
24 rate ("EADIT Credit"), and (2) the treatment of the accrued regulatory liability established to
25 capture the difference in collections between the 35% effective Federal tax rate reflected in
26 base rates and charges and the revised 21% Federal tax rate effective January 1, 2018 ("Tax
27 Refund Credit"). The Tax Reform Order specifies that these components, the EADIT Credit
28 and the Tax Refund Credit, are to be included within Vectren North's CSIA proceedings.
29

30 The EADIT Credit will be included annually in Vectren North's fall (October 1) CSIA filing,

¹ Thirty Day Filing Pursuant to Cause No. 45032, identified by the Commission as #50170 (approved May 30, 2018).

1 allocated consistent with the allocations defined in the Tax Reform Order and noted later in
2 my testimony, and credited to customers over a 12-month period. This credit represents
3 amortization of the EADIT liability using the Average Rate Assumption Method ("ARAM") for
4 the normalized or protected² balance, and a straight-line 10-year amortization period for the
5 unprotected balance.

6
7 The Tax Refund Credit, representing the excess collections from January 1, 2018 through
8 May 31, 2018, was included in TDSIC-9 as a component of the over or under-recovery
9 variance, and credited to customers over a six-month time period.

10
11 **Q. Did Vectren North include the provisions of the Tax Reform Order in the CSIA?**

12 A. Yes, Vectren North reflected the provisions of the Tax Reform Order beginning in TDSIC-9.
13 As explained further below, Vectren North has included the EADIT Credit as a component of
14 the CSIA rates and charges on Schedule 1 of Attachment JCS-4, separately allocated on
15 Schedule 2 of Attachment JCS-4 using the Tax Reform Order allocation percentages. The
16 Tax Refund Credit for the period January 2018 through May 2018 was included in TDSIC-9,
17 approved and effective January 30, 2019.

18
19 **Q. Was the EADIT Credit revised in TDSIC-10?**

20 A. Yes. As noted within Attachment A to the Tax Reform Settlement, the total EADIT balance
21 and annual amortization amounts were subject to change pending finalization of Vectren
22 North's tax return, which was to be filed no later than October 15, 2018. The filed tax return
23 reflected changes to the EADIT balance driven by:

- 24 (1) The systematic calculation of ARAM within Vectren North's tax system, Power Tax, which
25 aligned the plant-related deferred taxes and associated EADIT liability to the asset-specific
26 life;
27 (2) The finalizing of 2017 tax results, including incorporation of guidance on the accounting
28 for TCJA impacts, issued by the Internal Revenue Service in August 2018; and
29 (3) The impacts of the change in the Federal income tax rate on Indiana State tax deferrals.

² Normalized or protected, as defined by Internal Revenue Service requirements, are those balances associated with property, plant, and equipment. ARAM results in the amortization over the remaining regulatory life of the assets, which is approximately 30-years for Vectren North.

Within TDSIC-10, Vectren North adjusted the EADIT Credit to match the annual amortization amounts from the finalized tax return. The annual amortization schedule presented in TDSIC-10 is unchanged, and Vectren North has used this annual amortization schedule to support the EADIT Credit in this filing ("TDSIC-13").

V. REVENUE REQUIREMENT

Q. Please generally explain how the Compliance and TDSIC Component revenue requirements were calculated in this filing.

A. Vectren North calculated a revenue requirement for the Compliance and TDSIC Components separately for costs incurred through June 30, 2020. Petitioner's Exhibit No. 3, Attachment JCS-2 provides schedules 1-10 for the Compliance Component and Petitioner's Exhibit No. 3, Attachment JCS-3 provides schedules 1-9 for the TDSIC Component, with both summarized on Petitioner's Exhibit No. 3, Attachment JCS-1 as the total CSIA revenue requirement. The revenue requirement for both the Compliance and TDSIC Components, shown on Schedule 1, includes the return on new capital investments, incremental property tax and depreciation expenses, as well as recovery of the regulatory assets recorded through the deferral of O&M expense, the interim deferral of depreciation expense, and PISCC. Vectren North then multiplied the total annual revenue requirement by 80% to achieve the recoverable portion of the revenue requirement on Schedule 3, line 17, for TDSIC-13. The total recoverable amounts are utilized to derive semi-annual CSIA rates based on annualized billing determinants, as described later in my testimony.

Q. Please describe Petitioner's Exhibit No. 3, Attachment JCS-1, Schedule 1.

A. Petitioner's Exhibit No. 3, Attachment JCS-1, Schedule 1 includes the combined CSIA revenue requirement. Schedule 1 includes the total, 20% deferred, and 80% recoverable revenue requirement for each of the Compliance and TDSIC Components, as calculated on Schedule 1 of Petitioner's Exhibit No. 3, Attachments JCS-2 and JCS-3, respectively. The components are added together to derive a CSIA revenue requirement subtotal. For TDSIC-13, the total revenue requirement, prior to the inclusion of past variances, is \$93,840,885 of which \$75,072,708 (80%) will be included for recovery in the CSIA, and \$18,768,177 (20%)

will be deferred for recovery in Vectren North's next base rate case.

The total on line 3, column C of Schedule 1 is used to derive CSIA rates and charges.

Q. Are there any variances in this TDSIC-13 filing?

A. Yes. The reconciliation period for TDSIC-13 is January through June 2020 (TDSIC-11). Petitioner's Exhibit No. 3, Attachment JCS-1, Schedule 2 reflects the calculation of variances for this period. The total over-recovery variance included for recovery in TDSIC-13 is \$(2,298,946).

Q. Please describe Petitioner's Exhibit No. 3, Attachment JCS-1, Schedule 2.

A. Page 1 of Schedule 2 calculates the over or under-recovery variance by comparing actual recoveries, exclusive of Indiana Utility Receipts Tax ("IURT"), to the approved recoveries from TDSIC-11 for the same time period. Actual recoveries represent billed CSIA revenues from the Company's customer billing system by month and by Rate Schedule for this period. For TDSIC-13, the reconciliation and approved recovery period is January through June 2020, as indicated in my testimony in TDSIC-11³. The over or under-recovery variance is determined by month and by Rate Schedule. The specific identification of the variance by Rate Schedule ensures that customers are paying for only the costs allocated to and approved for recovery from that Rate Schedule. Specifically, for Rate 210 (Residential Sales Service), which has a fixed CSIA charge per month as approved in the 44429 Order, the variance attributed to non-residential Rate Schedules due to fluctuations in sales should not be the responsibility of Residential customers.

As explained in greater detail later in my testimony, the specific variance by Rate Schedule will be included in the rate derivation for each Rate Schedule and recovered over the six-month period January through June 2021.

Q. How were the approved recoveries calculated for the TDSIC-13 reconciliation period (January 2020 through June 2020)?

A. As reflected on page 2 of Schedule 2, the approved recoveries for January through June 2020

³ Cause No. 44430-TDSIC-11, Petitioner's Exhibit No. 4, Attachment JCS-4, Schedule 3, Page 1

1 represent the TDSIC-11 approved amounts as noted in TDSIC-11 Attachment JCS-4,
2 Schedule 3.

3
4 **Q. Please describe Petitioner's Exhibit No. 3, Attachment JCS-1, Schedule 4.**

5 A. Schedule 3 shows the cumulative revenue requirement calculation used for the CSIA,
6 summing the Compliance Component from Attachment JCS-2, Schedule 1 and the TDSIC
7 Component on Attachment JCS-3, Schedule 1. This schedule captures how the \$75,072,708
8 proposed for recovery in the CSIA will be prioritized, with the first dollar representing the full
9 return (line 8) and the remaining amounts covering a portion of the incremental expenses (line
10 14).

11
12 **Q. Why is the Company including Attachment JCS-1, Schedule 4 with its exhibits?**

13 A. As explained in the Company's TDSIC-1 rebuttal testimony, this schedule is being included to
14 explain the accounting that will result with the implementation of the CSIA rates and charges,
15 which is required to ensure the Company receives the return on its investments as granted by
16 the applicable Compliance and TDSIC Statutes in accordance with Financial Accounting
17 Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 980. This exhibit
18 will be a recurring schedule in each of the Company's future TDSIC filings.

19
20 **Q. Does the accounting prioritization presented on this schedule impact the amount
21 recoverable in the Company's CSIA or the amount deferred for future base rate
22 recovery?**

23 A. No. The amounts included for recovery in the CSIA are and will continue to represent an
24 amount equal to 80% of the total annual revenue requirement. The remaining amount equal
25 to 20% of the total annual revenue requirement is and will continue to be the amount deferred
26 for future base rate recovery. The manner of recovery set forth in the schedule is required by
27 accounting rules to recognize the full return on investment.

28
29 **Q. Please describe Schedule 1 (Revenue Requirement) of Petitioner's Exhibit No. 3,
30 Attachments JCS-2 and JCS-3.**

31 A. This schedule is the calculation of the proposed revenue requirement Vectren North seeks to
32 recover in this TDSIC-13 filing. The revenue requirement calculation is divided on this
33 schedule between the "Return on New Capital Investment", which calculates the pre-tax return

on total net new investment (lines 1 through 8), the "Incremental Expenses", which calculates the recoverable expenses, both projected and amortized from previously deferred balances (lines 9 through 14), and the netting of margins from former Snow and Ogden customers (line 15), as discussed later in my testimony. All items on this schedule are supported by the following schedules and are recoverable as eligible costs under the Order.

Q. Please describe Schedule 2 (New Capital Investment) of Petitioner's Exhibit No. 3, Attachments JCS-2 and JCS-3.

A. This schedule supports the Gross New Capital Investment (line 18), Accumulated Depreciation attributed to the new capital investment (line 42), and Construction Work in Progress ("CWIP") balances related to new capital investments as of June 30, 2020 (line 48). The cumulative amount is reflected on lines 1-4 on Attachments JCS-2 and JCS-3, Schedule 1, and is the basis for calculating the Annualized Return on New Capital Investment (line 8 of Schedule 1). Detail is provided to show these balances by FERC Class of Plant, to allow for linkage directly to approved depreciation rates.

Q. Has Vectren North prepared work paper schedules showing the work order details that support these summarized amounts?

A. Yes, TDSIC-13 includes work paper support by work order, which will agree to the summarized amounts listed on this schedule. A working model of the CSIA Revenue Requirement calculations, including work paper support, will be provided to the Indiana Office of Utility Consumer Counselor ("OUCC") and the Commission with each semi-annual filing.

Q. What is included in "new capital investment"?

A. New capital investment includes gross plant, both in service and CWIP, specific to investments under the Plan. The accumulated depreciation on these new capital investments, net of any cost of removal or salvage related to the disposal of assets retired and replaced as a result of these investments, is included as a reduction to the gross plant balance. All of these amounts represent actual balances as of June 30, 2020.

Q. Please explain the process that is used to segregate and record the capital costs of the Plan during and at completion of construction.

A. To ensure proper accumulation of construction costs related to the Plan investments, a unique

1 project number was assigned to the capital work order. All project construction costs were
2 recorded as incurred to the assigned project number and maintained in the Company's
3 Financial Information System ("FIS") Projects Accounting module. The project number is
4 required for the recording of all project construction costs into any of the FIS feeder systems.
5 Each of the feeder systems, which include payroll, accounts payable, and material inventory,
6 interface with the Projects Accounting module. Total incurred project construction costs are
7 accurately reported by the project number throughout the life cycle of the project. Each project
8 has been sub-categorized in the system as recoverable pursuant to the applicable
9 (Compliance or TDSIC) revenue requirement component, to both differentiate the treatment
10 between components of the CSIA, and to help exclude any capital investment made that did
11 not qualify for recovery under the approved mechanism.
12

13 **Q. Were the requirements of the FERC USOA followed in recording of project construction**
14 **costs?**

15 A. Yes. Costs incurred during the construction phase were reflected in FERC Account 107,
16 CWIP. When each project was completed, meaning the assets are now used and useful in
17 providing utility service, the costs were moved to FERC Account 106, Completed Construction
18 Not Classified ("CCNC"). At the point where the final project costs were captured and the
19 project manager formally defines the assets installed and removed, the costs were transferred
20 to FERC Account 101, Gas Plant In-Service. Any existing assets retired as a result of the
21 projects resulted in a reduction to FERC Account 101, with an offsetting entry to FERC
22 Account 108, Accumulated Provision for Depreciation of Gas Utility Plant.
23

24 **Q. What types of costs have been included as eligible utility plant?**

25 A. Eligible utility plant includes the construction costs of the projects, including engineering and
26 project management, permitting, contractor costs, site preparation, equipment and
27 installation, and other costs approved by the Commission.
28

29 **Q. What capitalized overheads have been included in the construction costs?**

30 A. An allocation for general oversight, management and administrative costs has been included,
31 consistent with Company policy. Costs associated with accounting, legal services, human
32 resource management, insurance and other similar costs are included as overhead costs that
33 are allocated to construction projects. Within the supporting work papers, the Company has

broken out the construction costs into categories to identify both direct and indirect costs.

Q. Has allowance for funds used during construction (“AFUDC”) been recorded on the project construction costs?

A. Yes, Vectren North has recorded AFUDC in accordance with GAAP requirements, under the formula specified by FERC accounting procedures. On those projects that have been completed, AFUDC ceased at the date the project was placed in-service. On those projects that are still in CWIP and included for recovery in TDSIC-13, AFUDC will cease on the effective date of CSIA rates in TDSIC-13.

Q. Please describe Schedule 3 (Post In-Service Carrying Costs (PISCC)) of Petitioner’s Exhibit No. 3, Attachments JCS-2 and JCS-3.

A. This schedule summarizes the calculation of the PISCC balance on investments placed in service but not yet captured for recovery under previous CSIA filings. This schedule supports Attachments JCS-2 and JCS-3, Schedule 1, line 5, and is utilized in the return on new capital investment calculation. In addition, Schedule 3 determines the recoverable amortization expense on the cumulative deferred PISCC balance, included on line 13 of Schedule 1. The rates utilized to calculate PISCC on eligible investments will be discussed below.

Q. Please describe Schedule 4 (Rate of Return) of Petitioner’s Exhibit No. 3, Attachment JCS-2 (Compliance Component).

A. Attachment JCS-2, Schedule 4 contains two pages. Page 1 calculates the Pre-Tax return used in the return on calculation on line 7 of Schedule 1 for the Compliance Component. Page 2 calculates the After-Tax return used in the PISCC calculation on eligible investments applicable to the Compliance Component from January 1, 2020 through June 30, 2020.

Page 1 calculates the Pre-Tax return used in the return on calculation on line 7 of Schedule 1 for the Compliance Component. As approved in the TDSIC-2 Order, the Compliance Component will utilize the WACC most recently approved by the Commission in TDSIC-12 (as of December 31, 2019). This after-tax rate, 6.52%, includes all components of the typical rate base cost of capital, including investor provided capital and cost-free capital. The equity component is grossed up for recovery of income taxes, both state and federal, at current statutory tax rates. Lines 6 through 12 of Schedule 4 show the detailed calculation of the pre-

1 tax equity rate.

2
3 Page 2 reflects the WACC based upon the June 30, 2019 capital structure as approved in
4 TDSIC-12 (Attachment JCS-3, Schedule 4, Page 2 of 2). This rate is used on Schedule 3 to
5 calculate the PISCC on eligible Compliance Component investments for January 2020
6 through June 2020.

7
8 **Q. Please explain what Rate of Return is used for the PISCC calculation on eligible**
9 **Compliance Component investments.**

10 A. The rate used for the Compliance Component PISCC calculation for the period January 1,
11 2020 through June 30, 2020 is the WACC rate (after-tax) approved in TDSIC-12 (6.52%).
12

13 **Q. Please describe Schedule 4 (Rate of Return) of Petitioner's Exhibit No. 3, Attachment**
14 **JCS-3 (TDSIC Component).**

15 A. Attachment JCS-3, Schedule 4 contains two pages. Page 1 calculates the Pre-Tax return
16 used in the return on calculation on line 7 of Schedule 1 for the TDSIC Component. Page 2
17 calculates the After-Tax return used in the PISCC calculation on eligible investments
18 applicable to the TDSIC Component from January 1, 2020 through June 30, 2020.
19

20 Page 1 reflects the current WACC based upon the actual June 30, 2020 capital structure,
21 inclusive of the items captured in the Company's base rate case capital structure: (1) long-
22 term debt, (2) common equity, (3) customer deposits, (4) cost free capital, including deferred
23 income taxes, and (5) investment tax credits. Consistent with the Order, the balances and
24 cost of debt are based on the actual amounts as of June 30, 2020, and the cost of equity has
25 been set at 10.20% as approved in Vectren North's most recent base rate proceeding, Cause
26 No. 43298. The equity component is grossed up for recovery of income taxes, both state and
27 federal, at current statutory tax rates. In addition, the June 30, 2020 weighted average cost of
28 capital will be utilized to calculate PISCC for July 2020 through December 2020.
29

30 Page 2 reflects the WACC based upon the actual December 31, 2019 capital structure as
31 approved in TDSIC-12 (Attachment JCS-3, Schedule 4, Page 1 of 2). This rate is used on
32 Schedule 3 to calculate the PISCC on eligible TDSIC Component investments for January
33 2020 through June 2020.

1
2 **Q. Has Vectren North adjusted the Compliance and TDSIC Components schedules to**
3 **reflect the lower Federal tax rate of 21% as a result of the TCJA?**

4 A. Yes. On Schedule 4, page 1 of 2, of Attachment JCS-2 and Attachment JCS-3, the pre-tax
5 return has been calculated using the 21% Federal statutory rate.
6

7 **Q. Please describe Schedule 5 (Annualized Depreciation Expense on New Capital**
8 **Investment) of Petitioner's Exhibit No. 3, Attachments JCS-2 and JCS-3.**

9 A. This schedule supports the annualized depreciation expense utilized on line 10 of Schedule
10 1. It is calculated by multiplying the gross new capital investment balance as of June 30, 2020
11 from Schedule 2, net of retirements, by the depreciation rate applicable to the respective
12 classes of plant. The weighted average depreciation rates applicable to the respective classes
13 of plant are based on actual costs incurred through June 30, 2020 multiplied by the individual
14 depreciation rate applicable to each FERC utility plant account. Supporting work papers for
15 the calculated weighted average depreciation rates will be provided in each filing to the OUCC.
16

17 **Q. Please describe Schedule 6 (Amortization of Deferred Depreciation) of Petitioner's**
18 **Exhibit No. 3, Attachments JCS-2 and JCS-3.**

19 A. This schedule calculates the annualized level of deferred depreciation amortization expense
20 included for recovery on line 12 of Schedule 1. It is calculated by multiplying the cumulative
21 deferred depreciation balance as of June 30, 2020 by the annual depreciation rate applicable
22 to the respective classes of plant. This rate is based on the remaining amortization life of
23 plant, in years, as of December 31, 2013. Vectren North will continue to utilize these same
24 annual depreciation rates in future filings. As approved in the Order, depreciation will be
25 deferred on any in service work order not yet included for recovery in a CSIA filing.
26

27 **Q. Please describe Schedule 7 (Deferred Revenue Requirement (20%)) of Petitioner's**
28 **Exhibit No. 3, Attachments JCS-2 and JCS-3.**

29 A. This schedule captures a summary of the amounts which have been deferred in accordance
30 with the Statutes. As previously discussed, 20% of the revenue requirement calculated on
31 Attachments JCS-2 and JCS-3, Schedule 1 will be deferred until such time as the costs can
32 be recovered as part of Vectren North's next general rate case. Line 18 of Schedule 1
33 calculates the 20% deferral for the current filing which is allocated by month on Attachment

JCS-4, Schedule 3. The total allocated to the semi-annual period which the current filing is recovered is multiplied by the respective component's revenue requirement ratio to total CSIA revenue requirement, to derive the current deferred revenue requirement. Vectren North will defer \$7,714,986 for the Compliance Component and \$2,207,396 for the TDSIC Component during the semi-annual period (January through June 2021), as reflected on line 13 of Schedule 7.

Q. What is the balance of the 20% Deferred Revenue Requirement recorded through June 30, 2020?

A. As noted on Schedule 7, lines 1 through 11, the total deferred revenue requirement through June 30, 2020 is \$41,130,941 for the Compliance Component and \$13,586,854 for the TDSIC Component, with an additional \$6,697,420 (line 12) for the Compliance Component and \$1,865,702 (line 12) for the TDSIC Component to be recorded for July through December 2020 (TDSIC-12 Rate Effective Period), and an additional \$7,714,986 (line 13) for the Compliance Component and \$2,207,396 (line 13) for the TDSIC Component to be recorded for January through June 2021 (TDSIC-13 Rate Effective Period).

Q. Please describe Schedule 8 (Amortization of Deferred Incremental O&M Expense) of Petitioner's Exhibit No. 3, Attachment JCS-2.

A. This schedule calculates the amortization of deferred O&M expense included for recovery in the Compliance Component revenue requirement. As approved in the Order, the deferred O&M expense balance represents the cumulative expenses incurred through June 30, 2020 but not yet recovered or approved to be recovered in the CSIA. The deferred balance, less amounts directly amortized for recovery in prior CSIA filings, will be amortized and recovered over twelve (12) months.

Line 1 reflects the balance of deferred incremental O&M expenses from prior TDSIC filings⁴. Line 2 supports the deferred incremental O&M expenses for the current TDSIC period of January through December 2020 (from Petitioner's Exhibit No. 2, Attachment SJV-2). Line 3

⁴ As approved in Cause No. 44429, any remaining over or under recovery variance from the Pipeline Safety Adjustment (once discontinued) would be recoverable in the Compliance Component of the CSIA (Cause No. 44430, Petitioner's Exhibit No. SEA-1). The total deferred balance includes this adjustment, effective with TDSIC-7.

reflects the calculated ending deferred balance as of June 30, 2020, before the inclusion of the expected recoveries from TDSIC-12. Line 4 reflects the expected recoveries minus the variance from TDSIC-12 for the period July through December 2020. This schedule, specifically the total on line 5, supports line 11 of the revenue requirement calculation on Schedule 1.

Q. Please describe Schedule 8 (2% TDSIC Annual Retail Revenue Cap Test) of Petitioner's Exhibit No. 3, Attachment JCS-3.

A. Schedule 8 compares the increase in the TDSIC Component revenue requirement to the prior 12-month retail revenues for Vectren North, to ensure that the amounts included for recovery in the CSIA adhere to the statutory requirements. As defined in the TDSIC Statute, "the commission may not approve a TDSIC that would result in an average aggregate increase in a public utility's total retail revenues of more than two percent (2%) in a twelve (12) month period." (Ind. Code § 8-1-39-14(a)). The increase in the TDSIC Component revenue requirement is calculated by taking the recoverable TDSIC Component revenue requirement (line 17 of Attachment JCS-3, Schedule 1) in the current CSIA, less the prior recoverable portion of the TDSIC Component revenue requirement in the prior CSIA. This amount is compared to 2% of the retail revenues from the prior 12-month period. "Retail revenues" used in this calculation are calculated consistent with Vectren North's Operating Revenues, inclusive of CSIA revenues, from the GCA NOI earnings test. The TDSIC Component revenue requirement reflected on Schedule 8 does not exceed 2% of retail revenues during the previous 12 months.

Q. Please describe Schedule 9 (NOI Adjusted for GCA Earnings Test) of Petitioner's Exhibit No. 3, Attachments JCS-2 and JCS-3.

A. In accordance with the Order, Vectren North will adjust its statutory NOI earnings test by increasing its authorized NOI by incremental earnings from approved CSIA filings. This calculates the after-tax return on investment that will be added to the authorized NOI by multiplying the net new capital investment from line 6 of Attachments JCS-2 and JCS-3, Schedule 1 by the after-tax WACC on line 5 of Schedule 4, Page 1. Effective with the approved rates in this Cause, Vectren North will adjust its authorized NOI by \$30,346,608 for the Compliance Component and \$10,874,492 for the TDSIC Component, as denoted on line 3 of Schedule 9 of Petitioner's Exhibit No. 3, Attachments JCS-2 and JCS-3, respectively.

1
2 **Q. Vectren North filed a petition on November 7, 2014 in Cause No. 44563 requesting a**
3 **CPCN to provide service to the area previously served by Snow & Ogden, and recovery**
4 **of the project costs within the CSIA mechanism. Please summarize the Commission's**
5 **order.**

6 A. The Commission issued an order dated December 30, 2014 granting Vectren North a
7 certificate to provide service to Snow & Ogden's customers ("Customers") and authorizing the
8 Company to recover the costs through its CSIA mechanism. The Commission also agreed
9 with netting margins earned from customers connected to the infrastructure. Vectren North
10 shall utilize the monthly order granted margin per customer⁵ from its Sales Reconciliation
11 Component ("SRC") of its Energy Efficiency Rider ("EER") to determine the amount of margin
12 earned from the Customers, and this amount should be used as the basis for the CSIA
13 deduction. Net margins should represent a deduction to the Compliance Component revenue
14 requirement, with 80% of the margins credited immediately to the CSIA and 20% of the
15 margins credited against the deferral to be recovered in Vectren North's next base rate case
16 (see Commission's Order in Cause No. 44563 at page 11).

17
18 **Q. Has Vectren North netted any margins with the Compliance Component revenue**
19 **requirement in this TDSIC-13 filing?**

20 A. Yes. As of June 30, 2020, there was an average of 30 (approximate) customers connected
21 as a result of this extension project, as reflected on Attachment JCS-2, Schedule 10, line 1.
22 This customer total remains unchanged from the TDSIC-10 filing. The total Customer Margin
23 Adjustment from Attachment JCS-2, Schedule 10, line 5, is \$9,782 and is shown on
24 Attachment JCS-2, Schedule 1, line 15 as a reduction to the Compliance Component revenue
25 requirement before calculating the 80% recovery and 20% deferral amounts.
26
27

28 **VI. RATE DESIGN AND DERIVATION OF CSIA RATES AND CHARGES**
29

⁵ Consistent with the terms of the Tax Reform Order, Vectren North's revised base rates and charges were approved effective June 1, 2018 following a Thirty Day Filing Pursuant to Cause No. 45032, identified by the Commission as #50170 (approved May 30, 2018).

1 **Q. Please describe the rate design applicable to the CSIA.**

2 A. As approved in the 44429 Order, customers receiving service under Rate 210 (Residential
3 Sales Service) pay a fixed CSIA charge each month. Customers receiving service under all
4 other Rate Schedules pay a volumetric (per therm) CSIA rate.
5

6 **Q. How are costs in the CSIA allocated to the Rate Schedules?**

7 A. As approved in the 44429 Order, Compliance Component costs are allocated based on the
8 margin allocation percentages from Vectren North's most recent base rate case in Cause No.
9 43298. As modified by the order in TDSIC-4 and pursuant to the TDSIC Statute, TDSIC
10 Component costs are allocated based on revenue allocation percentages from Vectren
11 North's most recent base rate case in Cause No. 43298.
12

13 **Q. Is Vectren North requesting a revision to the Allocation Percentages as approved in the**
14 **TDSIC-5 Order?**

15 A. No.
16

17 **Q. Is Vectren North still compliant with the TDSIC Statute, as related to a revenue-based**
18 **allocation of costs?**

19 A. Yes. The TDSIC Component continues to be allocated amongst the Rate Schedules using
20 the customer class revenue allocation factors from the Company's most recent base rate case
21 order (Cause No. 43298).
22

23 **Q. Please describe Petitioner's Exhibit No. 3, Attachment JCS-4, CSIA Rate Derivation**
24 **Schedules.**

25 A. This attachment contains the schedules which support the derivation of the Company's
26 proposed CSIA rates and charges.
27

28 Attachment JCS-4, Schedule 1, shows the allocation of the CSIA revenue requirement and
29 the derivation of CSIA charges by Rate Schedule. The schedule is divided into sections to
30 reflect the different approaches utilized to allocate the CSIA revenue requirement, the EADIT
31 Credit, and the CSIA variance and to derive the proposed CSIA charges by Rate Schedule.
32 Lines 1 through 6 show the derivation of the revenue requirement component of the CSIA
33 rate, using the allocation from Attachment JCS-4, Schedule 2. Lines 8 through 13 show the

1 derivation of the EADIT Credit component of the CSIA rate, using the allocation from
2 Attachment JCS-4, Schedule 2. For residential (Rate 210) customers, the allocated amounts
3 are divided by the projected number of customers in Rate 210, and then divided by 12, to
4 determine the monthly charge or credit applicable to residential customers. For all other rate
5 schedules (Rates 220/229, 225, 240, 245, 260/270), the allocated amounts are divided by
6 projected annual billing quantities for each Rate Schedule to determine the charge or credit
7 per therm applicable to those Rate Schedules. For convenience, a subtotal of the revenue
8 requirement and EADIT Credit by Rate Schedule is provided on lines 15 through 20.
9

10 Lines 22 through 27 of Schedule 1 show the derivation of the variance component of the CSIA
11 rate, using the specific variance amounts by Rate Schedule from page 1 of Attachment JCS-
12 1, Schedule 2. The variance component of the CSIA will be collected over a six-month period,
13 as the total variance represents the over or under recovery of authorized amounts over a six-
14 month period. For residential (Rate 210) customers, the variance is divided by the projected
15 number of customers in Rate 210 for the six-month period, and then divided by 6, to determine
16 the monthly charge or credit for the variance component applicable to residential customers.
17 For all other Rate Schedules (Rates 220/229, 225, 240, 245, and 260/270), the variance is
18 divided by projected billing quantities for the six-month period for each Rate Schedule to
19 determine the charge or credit per therm for the variance component applicable to those Rate
20 Schedules.
21

22 For all Rate Schedules, the total applicable CSIA rates and charges are summarized on lines
23 29 through 34 of Schedule 1 before being modified for recovery of IURT. The total CSIA for
24 each Rate Schedule inclusive of IURT is listed on lines 36 through 41 of Schedule 1.
25

26 Lines 1 through 3 of Attachment JCS-4, Schedule 2 list the revenue requirement without
27 variance by component and in total from Attachment JCS-1, Schedule 1. Line 4 shows the
28 applicable EADIT Credit⁶. The allocation percentages used to determine the revenue

⁶ Tax Reform Order in Cause No. 45032-S21 defines the annual amortization of the EADIT Credit for Vectren North. The annual amounts are grossed up using the revenue conversion factor from Cause No. 45032-S21 and evenly divided by month to determine the credit applicable to the TDSIC-13 and TDSIC-14 rate effective period.

1 requirement and EADIT Credit for each rate schedule are shown in columns C, E, and G⁷.
2 The rate schedule allocation percentages are multiplied by the respective amounts to
3 determine the allocated revenue requirement and EADIT Credit by rate schedule.

4
5 Attachment JCS-4, Schedule 3, shows the average of Vectren North's projected twelve-
6 month residential customer count, the projected volumes in therms for all other Rate
7 Schedules, the applicable rates, and projected recoveries by month, by Rate Schedule. The
8 proposed rates and charges in TDSIC-13 will be in effect from January through June 2021.
9 Starting in July 2021, the authorized recoveries on Schedule 3 exclude the variance
10 component of the CSIA, as the variance component of the CSIA will be collected from
11 January through June 2021.

12
13 **Q. Please describe Petitioner's Exhibit No. 3, Attachment JCS-5.**

14 A. Attachment JCS-5 is the proposed Vectren North Tariff Sheet, Sheet No. 40 – Appendix K,
15 containing the CSIA rates and charges proposed herein. Both redlined and clean versions of
16 Sheet No. 40 are included.

17
18 **Q. Please describe Petitioner's Exhibit No. 3, Attachment JCS-6, Projected Year-Over-Year
19 Revenue Percentage Change.**

20 A. Attachment JCS-6, Schedule 1 summarizes the estimated year-over-year impact the costs
21 associated with the Compliance Projects will have on customer rates, in total and by rate
22 schedule.

23
24 Attachment JCS-6, Schedule 2 summarizes the estimated year-over-year impact the costs
25 included in the TDSIC plan will have on customer rates as required by the TDSIC Statute, in
26 total and by Rate Schedule.

27

⁷ The allocation percentages shown in Column G reflect the Tax Reform Order allocation percentages. These allocation percentages are applied to the total EADIT Credit projected for January 2021 through December 2021 to determine the credit amounts to each Rate Schedule. In accordance with the Tax Reform Order, the calculation of the EADIT Credit rate (or charge) per unit follows the same methodology used to determine the CSIA revenue requirement.

1 In order to align the customer impacts to the plan investments, these impacts exclude the
2 EADIT Credits to be reflected in future CSIA rates and charges.
3
4


5 **VII. CONCLUSION**
6

7 **Q. Does this conclude your prepared direct testimony?**

8 **A.** Yes, it does.

VERIFICATION

The undersigned, J. Cas Swiz, affirms under the penalties of perjury that the answers in the foregoing Direct Testimony in Cause No. 44430-TDSIC-13 are true to the best of his knowledge, information and belief.



J. Cas Swiz

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
TOTAL ANNUAL REVENUE REQUIREMENT THROUGH JUNE 30, 2020

Line	Description	A = B + C Revenue Requirement Total	B Revenue Requirement 20% Deferred	C Revenue Requirement 80% Recoverable		Reference
1	Compliance Component - Revenue Requirement	\$ 72,964,447	\$ 14,592,890	\$ 58,371,557	(A)	Attachment JCS-2, Schedule 1, Line 17 & 18
2	TDSIC Component - Revenue Requirement	\$ 20,876,438	\$ 4,175,287	\$ 16,701,151	(B)	Attachment JCS-3, Schedule 1, Line 17 & 18 (C)
3	CSIA Revenue Requirement Subtotal	\$ 93,840,885	\$ 18,768,177	\$ 75,072,708		Line 1 + Line 2

Notes:

(A) To Attachment JCS-4, Schedule 2, Line 1

(B) To Attachment JCS-4, Schedule 2, Line 2

(C) Pending results from 2% TDSIC Annual Retail Revenue Cap Test from Attachment JCS-3, Schedule 8, amounts shown in Column B and C may vary.

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
ACTUAL VARIANCES BY RATE SCHEDULE THROUGH JUNE 30, 2020

Line	Description	A	B	C	D	E	F	G	H
		Rate Schedule						Total	Reference
	Actual Recoveries (Inclusive of IURT)	210	220/229	225	240	245	260/270		
1	Jan-20	\$ 3,047,410	\$ 2,182,886	\$ 20,983	\$ 22,167	\$ 142,428	\$ 234,779	\$ 5,650,653	(A)
2	Feb-20	\$ 2,806,066	\$ 1,609,493	\$ 20,480	\$ 25,164	\$ 139,069	\$ 210,496	\$ 4,810,768	(A)
3	Mar-20	\$ 2,673,133	\$ 720,689	\$ 16,382	\$ 27,913	\$ 103,899	\$ 204,268	\$ 3,746,285	(A)
4	Apr-20	\$ 2,680,669	\$ 440,189	\$ 10,670	\$ 25,732	\$ 76,848	\$ 155,594	\$ 3,389,703	(A)
5	May-20	\$ 2,679,294	\$ 264,904	\$ 6,998	\$ 11,539	\$ 60,675	\$ 157,329	\$ 3,180,739	(A)
6	Jun-20	\$ 2,682,838	\$ 143,468	\$ 3,867	\$ 8,029	\$ 52,236	\$ 152,937	\$ 3,043,373	(A)
7	Total Actual Recoveries Inclusive of IURT	\$ 16,569,410	\$ 5,361,630	\$ 79,380	\$ 120,544	\$ 575,155	\$ 1,115,403	\$ 23,821,522	Sum Lines 1-6
	Actual Recoveries (Exclusive of IURT)	210	220/229	225	240	245	260/270		
8	Jan-20	\$ 3,002,308	\$ 2,150,580	\$ 20,672	\$ 21,839	\$ 140,320	\$ 231,304	\$ 5,567,023	Line 1 x 0.9852
9	Feb-20	\$ 2,764,537	\$ 1,585,673	\$ 20,177	\$ 24,791	\$ 137,011	\$ 207,381	\$ 4,739,569	Line 2 x 0.9852
10	Mar-20	\$ 2,633,570	\$ 710,023	\$ 16,140	\$ 27,500	\$ 102,362	\$ 201,245	\$ 3,690,840	Line 3 x 0.9852
11	Apr-20	\$ 2,640,995	\$ 433,675	\$ 10,512	\$ 25,352	\$ 75,711	\$ 153,291	\$ 3,339,536	Line 4 x 0.9852
12	May-20	\$ 2,639,641	\$ 260,983	\$ 6,895	\$ 11,368	\$ 59,777	\$ 155,000	\$ 3,133,664	Line 5 x 0.9852
13	Jun-20	\$ 2,643,132	\$ 141,345	\$ 3,809	\$ 7,910	\$ 51,462	\$ 150,673	\$ 2,998,332	Line 6 x 0.9852
14	Total Actual Recoveries Exclusive of IURT	\$ 16,324,183	\$ 5,282,278	\$ 78,205	\$ 118,760	\$ 566,643	\$ 1,098,895	\$ 23,468,964	Sum Lines 8-13
	Approved Recoveries (Exclusive of IURT)	210	220/229	225	240	245	260/270		
15	Jan-20	\$ 2,640,529	\$ 1,113,860	\$ 16,719	\$ 48,915	\$ 192,558	\$ 254,505	\$ 4,267,086	(B)
16	Feb-20	\$ 2,643,634	\$ 851,473	\$ 20,341	\$ 50,362	\$ 140,806	\$ 213,085	\$ 3,919,700	(B)
17	Mar-20	\$ 2,640,923	\$ 617,171	\$ 17,371	\$ 31,549	\$ 146,465	\$ 233,075	\$ 3,686,554	(B)
18	Apr-20	\$ 2,636,455	\$ 305,350	\$ 11,711	\$ 31,387	\$ 116,652	\$ 208,069	\$ 3,309,624	(B)
19	May-20	\$ 2,624,513	\$ 137,104	\$ 6,659	\$ 18,775	\$ 73,553	\$ 185,750	\$ 3,046,353	(B)
20	Jun-20	\$ 2,607,230	\$ 71,762	\$ 3,917	\$ 11,771	\$ 66,798	\$ 179,222	\$ 2,940,700	(B)
21	Total Approved Recoveries Exclusive of IURT	\$ 15,793,283	\$ 3,096,721	\$ 76,717	\$ 192,759	\$ 736,832	\$ 1,273,705	\$ 21,170,017	Sum Lines 15-20
22	Total Variance (C)	\$ (530,900)	\$ (2,185,556)	\$ (1,487)	\$ 73,999	\$ 170,189	\$ 174,810	\$ (2,298,946)	Line 21 - Line 14
	Under/(Over) Recovery								

Notes:

- (A) Actual Recoveries represent billed CSIA revenues from the Company's customer billing system by month and by Rate Schedule.
(B) See Attachment JCS-1, Schedule 2, Page 2.
Based on prior CSIA approvals - adjusted for allocation changes made to TDSIC-10.
(C) To Attachment JCS-4, Schedule 1, Lines 22-27

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
ADJUSTMENTS TO APPROVED RECOVERIES BY RATE SCHEDULE THROUGH JUNE 30, 2020

Line	Description	A	B	C	D	E	F	G	H
		Rate Schedule						Total	Reference
	Approved Recoveries (Exclusive of IURT)	210	220/229	225	240	245	260/270		
1	Jan-20	\$ 2,640,529	\$ 1,113,860	\$ 16,719	\$ 48,915	\$ 192,558	\$ 254,505	\$ 4,267,086	(A)
2	Feb-20	\$ 2,643,634	\$ 851,473	\$ 20,341	\$ 50,362	\$ 140,806	\$ 213,085	\$ 3,919,700	(A)
3	Mar-20	\$ 2,640,923	\$ 617,171	\$ 17,371	\$ 31,549	\$ 146,465	\$ 233,075	\$ 3,686,554	(A)
4	Apr-20	\$ 2,636,455	\$ 305,350	\$ 11,711	\$ 31,387	\$ 116,652	\$ 208,069	\$ 3,309,624	(A)
5	May-20	\$ 2,624,513	\$ 137,104	\$ 6,659	\$ 18,775	\$ 73,553	\$ 185,750	\$ 3,046,353	(A)
6	Jun-20	\$ 2,607,230	\$ 71,762	\$ 3,917	\$ 11,771	\$ 66,798	\$ 179,222	\$ 2,940,700	(A)
7	Total Approved Recoveries (Exclusive of IURT)	\$ 15,793,283	\$ 3,096,721	\$ 76,717	\$ 192,759	\$ 736,832	\$ 1,273,705	\$ 21,170,017	Sum Lines 1-6

Notes:

(A) Based on prior CSIA approvals - TDSIC-11, Attachment JCS-4 (Revised), Schedule 3

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
REVISED EXCESS ACCUMULATED DEFERRED INCOME TAX ("EADIT") LIABILITY
As of December 31, 2017

Line	Component	Originating FERC Account		Vectren North - Gas
1	Unbilled Revenue	190	\$	-
2	Property Taxes	190	\$	775,615
3	Bad Debts	190	\$	252,573
4	Accrued Vacation	190	\$	-
5	Capitalized Gas Inventory in Lines	190	\$	-
6	Record Sec. 263A CAP Costs	190	\$	61,631
7	Refund Gas Costs Collected under GCA & FAC	283	\$	(3,491,812)
8	Coal Inventory	283	\$	-
9	Prepaid Insurance	283	\$	(150,243)
10	Construction Deposits	190	\$	385,791
11	FASB 106 Costs	190	\$	1,459,528
12	MGP Reserve Net of Insurance	190	\$	177,003
13	Reverse Exec Restr Stock Accr	190	\$	843,424
14	Deferred Comp/Long-term Incentive Plan	190	\$	1,834,490
15	Prepaid Ohio Excise Tax	190	\$	-
16	Amortization of Debt Expense	283	\$	(532,258)
17	Amortization of Premium on Reacquired Debt	283	\$	-
18	Amortization of Rate Case Expense	283	\$	-
19	Def Debits/Reg Assets	283	\$	(4,301,469)
20	Amortization of Hedging Costs/Losses	283	\$	(524,254)
21	Interest on prepaid OH Excise	283	\$	-
22	Pension Expense in Excess of Tax	283	\$	(3,551,642)
23	Cap Interest- CWIP	190	\$	(51,350)
24	AFUDC CWIP (non-protected)	282	\$	(1,599,238)
25	Depreciation Related (protected)	282	\$	(75,522,569)
26	Repairs (non-protected)	282	\$	(16,099,947)
27	Total		\$	(100,034,727)
28	FERC 190	190	\$	5,738,706
29	FERC 282	282	\$	(93,221,754)
30	FERC 283	283	\$	(12,551,679)
31	Total		\$	(100,034,727)
32	Protected	[Line 25]	\$	(75,522,569)
33	Unprotected	[Line 27 - Line 32]	\$	(24,512,158)
34	Total		\$	(100,034,727)

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
REVISED EXCESS ACCUMULATED DEFERRED INCOME TAX ("EADIT") LIABILITY AMORTIZATION
As of December 31, 2017

Line	Amortization Period Year	ARAM Defined Protected	10-Years Unprotected	Total Excess Deferred Credit
1	2018	\$ (5,625,518)	\$ (2,451,216)	\$ (8,076,734)
2	2019	\$ (5,621,088)	\$ (2,451,216)	\$ (8,072,303)
3	2020	\$ (5,623,781)	\$ (2,451,216)	\$ (8,074,997)
4	2021	\$ (5,963,443)	\$ (2,451,216)	\$ (8,414,659)
5	2022	\$ (6,253,060)	\$ (2,451,216)	\$ (8,704,276)
6	2023	\$ (6,617,484)	\$ (2,451,216)	\$ (9,068,700)
7	2024	\$ (6,520,890)	\$ (2,451,216)	\$ (8,972,106)
8	2025	\$ (6,422,567)	\$ (2,451,216)	\$ (8,873,783)
9	2026	\$ (6,580,118)	\$ (2,451,216)	\$ (9,031,334)
10	2027	\$ (5,579,833)	\$ (2,451,216)	\$ (8,031,049)
11	2028	\$ (988,903)	\$ -	\$ (988,903)
12	2029	\$ (243,748)	\$ -	\$ (243,748)
13	2030	\$ (301,321)	\$ -	\$ (301,321)
14	2031	\$ (431,196)	\$ -	\$ (431,196)
15	2032	\$ (666,045)	\$ -	\$ (666,045)
16	2033	\$ (823,498)	\$ -	\$ (823,498)
17	2034	\$ (846,347)	\$ -	\$ (846,347)
18	2035	\$ (870,613)	\$ -	\$ (870,613)
19	2036	\$ (898,387)	\$ -	\$ (898,387)
20	2037	\$ (918,837)	\$ -	\$ (918,837)
21	2038	\$ (924,170)	\$ -	\$ (924,170)
22	2039	\$ (916,987)	\$ -	\$ (916,987)
23	2040	\$ (912,998)	\$ -	\$ (912,998)
24	2041	\$ (922,383)	\$ -	\$ (922,383)
25	2042	\$ (943,832)	\$ -	\$ (943,832)
26	2043	\$ (943,792)	\$ -	\$ (943,792)
27	2044	\$ (953,773)	\$ -	\$ (953,773)
28	2045	\$ (956,199)	\$ -	\$ (956,199)
29	2046	\$ (251,758)	\$ -	\$ (251,758)
30	2047	\$ -	\$ -	\$ -
31	2048	\$ -	\$ -	\$ -
32	2049	\$ -	\$ -	\$ -
33	2050	\$ -	\$ -	\$ -
34	2051	\$ -	\$ -	\$ -
35	2052	\$ -	\$ -	\$ -
36	2053	\$ -	\$ -	\$ -
37	2054	\$ -	\$ -	\$ -
38	2055	\$ -	\$ -	\$ -
39	Total	\$ (75,522,569)	\$ (24,512,158)	\$ (100,034,727)

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
COMBINED COMPLIANCE AND TDSIC COMPONENT
ANNUAL REVENUE REQUIREMENT THROUGH JUNE 30, 2020

Line	Description	Compliance Component	TDSIC Component	Total Amount	
	<u>Return on New Capital Investment:</u>				
1	Gross New Capital Investment - As of End of Period	\$ 450,645,584	\$ 162,619,567	\$ 613,265,151	
2	Accumulated Depreciation - As of End of Period	\$ (25,592,189)	\$ (9,495,257)	\$ (35,087,446)	
3	Net New Capital Investment - As of End of Period	\$ 425,053,395	\$ 153,124,310	\$ 578,177,705	
4	New Capital Investment CWIP - As of End of Period	\$ 21,569,755	\$ 3,154,331	\$ 24,724,086	
5	PISCC Deferred Balance - As of End of Period	\$ 18,815,623	\$ 7,002,018	\$ 25,817,642	
6	Total New Capital Investment - As of End of Period	\$ 465,438,773	\$ 163,280,659	\$ 628,719,433	
7	Pre-Tax Rate of Return	8.17%	8.37%		
8	Annualized Return on New Capital Investment	\$ 38,026,348	\$ 13,666,591	\$ 51,692,939	(B)
	<u>Incremental Expenses:</u>				
9	Property Tax Expense - Annualized	\$ 3,296,416	\$ 1,178,431	\$ 4,474,847	
10	Depreciation Expense - Annualized	\$ 15,278,147	\$ 5,611,226	\$ 20,889,373	
11	Amortization Expense - Deferred Incremental O&M Expense	\$ 15,331,202	\$ -	\$ 15,331,202	
12	Amortization Expense - Deferred Depreciation	\$ 355,276	\$ 147,571	\$ 502,847	
13	Amortization Expense - Deferred PISCC	\$ 686,840	\$ 272,619	\$ 959,459	
14	Total Incremental Expenses	\$ 34,947,881	\$ 7,209,847	\$ 42,157,728	
	<u>Margin Netting:</u>				
15	Reduction of Margins from New Snow & Ogden Customers	\$ (9,782)	\$ -	\$ (9,782)	
16	Annual Revenue Requirement - Compliance and TDSIC Components	\$ 72,964,447	\$ 20,876,438	\$ 93,840,885	
17	Recoverable Compliance and TDSIC Components within CSIA (80%)	\$ 58,371,557	\$ 16,701,151	\$ 75,072,708	(A)
18	To Be Deferred (20%)	\$ 14,592,890	\$ 4,175,287	\$ 18,768,177	
	<u>Notes:</u>				
(A)	For accounting purposes only, the collection of 80% of the revenue requirement will cover in order of priority the full return on the investments [Line 8 - \$51,692,939], including the full equity and debt return, and then eligible operating expenses [Line 17 less Line 8 - \$23,379,769]. The collection priority will not impact the total amount authorized by the Commission for immediate recovery in the CSIA [Line 17 - \$75,072,708], nor the amount deferred and authorized for future recovery in a base rate proceeding [Line 18 - \$18,768,177].				
(B)	Equity Return - Compliance Component	\$ 30,718,959			
	Equity Return - TDSIC Component	\$ 11,184,725			
	Total Equity Return - Pre-Tax	\$ 41,903,684			
	Debt Return - Compliance Component	\$ 7,307,389			
	Debt Return - TDSIC Component	\$ 2,481,866			
	Total Debt Return	\$ 9,789,255			

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
COMPLIANCE COMPONENT
ANNUAL REVENUE REQUIREMENT THROUGH JUNE 30, 2020

Line	Description	Total Amount	Reference	
	<u>Return on New Capital Investment:</u>			
1	Gross New Capital Investment - As of End of Period	\$ 450,645,584	Schedule 2, Line 18, Col. G	
2	Accumulated Depreciation - As of End of Period	\$ (25,592,189)	Schedule 2, Line 42, Col. G	
3	Net New Capital Investment - As of End of Period	\$ 425,053,395	Line 1 + Line 2	
4	New Capital Investment CWIP - As of End of Period	\$ 21,569,755	Schedule 2, Line 48, Col. G	
5	PISCC Deferred Balance - As of End of Period	\$ 18,815,623	Schedule 3, Line 28, Col. G	
6	Total New Capital Investment - As of End of Period	\$ 465,438,773	Line 3 + Line 4 + Line 5	
7	Pre-Tax Rate of Return	8.17%	Schedule 4, Page 1, Line 17	
8	Annualized Return on New Capital Investment	\$ 38,026,348	Line 6 x Line 7	
	<u>Incremental Expenses:</u>			
9	Property Tax Expense - Annualized	\$ 3,296,416	(Line 1 x 0.72%) + (Line 4 x 0.24%)	(A)
10	Depreciation Expense - Annualized	\$ 15,278,147	Schedule 5, Line 17	
11	Amortization Expense - Deferred Incremental O&M Expense	\$ 15,331,202	Schedule 8, Line 5	
12	Amortization Expense - Deferred Depreciation	\$ 355,276	Schedule 6, Line 18	
13	Amortization Expense - Deferred PISCC	\$ 686,840	Schedule 3, Line 34	
14	Total Incremental Expenses	\$ 34,947,881	Sum Lines 9-13	
	<u>Margin Netting:</u>			
15	Reduction of Margins from New Snow & Ogden Customers - As of End of Period	\$ (9,782)	Schedule 10, Line 5, Col. H	(C)
16	Annual Revenue Requirement - Compliance Component	\$ 72,964,447	Line 8 + Line 14 + Line 15	
17	Recoverable Compliance Component of CSIA (80%)	\$ 58,371,557	Line 16 x 80%	(B)
18	To Be Deferred (20%)	\$ 14,592,890	Line 16 x 20%	(B)

Notes:

- (A)** The annualized level of property taxes is calculated using an estimated Vectren North rate of 2.40% multiplied by the tax basis of the: (1) plant, estimated to be 30% of the gross new capital investment amount, and (2) CWIP, estimated to be 10% of the new capital investment CWIP amount.
- (B)** To Attachment JCS-1, Schedule 1, Line 1
- (C)** Commission's Order in Cause No. 44563, page 11, Net margins should represent a deduction to the Compliance Component revenue requirement, with 80% of the margins credited immediately to the CSIA and 20% of the margins credited against the deferral to be recovered in Vectren North's next base rate case.

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
COMPLIANCE COMPONENT
NEW CAPITAL INVESTMENT

Line		A	B	C	D	E	F	G
		Balance at 12/31/2019	1/31/2020	2/29/2020	3/31/2020	4/30/2020	5/31/2020	Balance at 6/30/2020
Gross New Capital Investment								
Gross Assets								
1	Transmission	\$ 140,165,975	\$ 139,904,640	\$ 140,151,639	\$ 141,727,081	\$ 140,675,077	\$ 140,691,786	\$ 141,452,740
2	Distribution	\$ 297,220,169	\$ 299,454,751	\$ 301,929,747	\$ 306,535,625	\$ 308,903,969	\$ 309,526,952	\$ 316,505,292
3	Distribution - IEDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Underground Storage	\$ 2,536,773	\$ 2,167,537	\$ 2,226,101	\$ 2,639,703	\$ 2,691,458	\$ 2,691,458	\$ 3,461,425
5	General	\$ 312,178	\$ 312,178	\$ 312,178	\$ 312,178	\$ 312,178	\$ 312,178	\$ 312,178
6	Total Gross Assets	\$ 440,235,096	\$ 441,839,107	\$ 444,619,666	\$ 451,214,587	\$ 452,582,682	\$ 453,222,373	\$ 461,731,635
Retirements								
7	Transmission	\$ (769,244)	\$ (769,244)	\$ (769,244)	\$ (769,244)	\$ (769,244)	\$ (769,244)	\$ (769,244)
8	Distribution	\$ (9,599,788)	\$ (9,616,890)	\$ (9,664,397)	\$ (9,902,655)	\$ (9,948,258)	\$ (9,948,258)	\$ (10,232,755)
9	Distribution - IEDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Underground Storage	\$ (81,051)	\$ (81,051)	\$ (81,051)	\$ (81,051)	\$ (81,051)	\$ (81,051)	\$ (84,051)
11	General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Total Retirements	\$ (10,450,083)	\$ (10,467,185)	\$ (10,514,692)	\$ (10,752,950)	\$ (10,798,553)	\$ (10,798,553)	\$ (11,086,050)
Gross New Capital Investment								
13	Transmission	\$ 139,396,732	\$ 139,135,397	\$ 139,382,395	\$ 140,957,837	\$ 139,905,833	\$ 139,922,542	\$ 140,683,496
14	Distribution	\$ 287,620,381	\$ 289,837,860	\$ 292,265,350	\$ 296,632,970	\$ 298,955,711	\$ 299,578,694	\$ 306,272,537
15	Distribution - IEDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	Underground Storage	\$ 2,455,722	\$ 2,086,486	\$ 2,145,050	\$ 2,558,652	\$ 2,610,407	\$ 2,610,407	\$ 3,377,374
17	General	\$ 312,178	\$ 312,178	\$ 312,178	\$ 312,178	\$ 312,178	\$ 312,178	\$ 312,178
18	Total Gross New Capital Investment	\$ 429,785,013	\$ 431,371,921	\$ 434,104,974	\$ 440,461,637	\$ 441,784,130	\$ 442,423,821	\$ 450,645,584
	= (Gross Assets + Retirements)							To Schedule 1, Line 1

Line		Balance at 12/31/2019	1/31/2020	2/29/2020	3/31/2020	4/30/2020	5/31/2020	Balance at 6/30/2020
Accumulated Depreciation Balance								
Depreciation Expense								
19	Transmission	\$ 9,625,510	\$ 9,957,429	\$ 10,289,388	\$ 10,623,768	\$ 10,959,002	\$ 11,292,847	\$ 11,627,547
20	Distribution	\$ 29,262,158	\$ 30,168,360	\$ 31,081,276	\$ 32,005,172	\$ 32,939,513	\$ 33,877,845	\$ 34,828,174
21	Distribution - IEDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Underground Storage	\$ 54,159	\$ 61,007	\$ 67,401	\$ 74,484	\$ 82,246	\$ 90,083	\$ 99,043
23	General	\$ 35,971	\$ 37,053	\$ 38,135	\$ 39,217	\$ 40,299	\$ 41,381	\$ 42,463
24	Total Depreciation Expense	\$ 38,977,798	\$ 40,223,849	\$ 41,476,201	\$ 42,742,642	\$ 44,021,060	\$ 45,302,156	\$ 46,597,228
Retirements								
25	Transmission	\$ (769,244)	\$ (769,244)	\$ (769,244)	\$ (769,244)	\$ (769,244)	\$ (769,244)	\$ (769,244)
26	Distribution	\$ (9,599,788)	\$ (9,616,890)	\$ (9,664,397)	\$ (9,902,655)	\$ (9,948,258)	\$ (9,948,258)	\$ (10,232,755)
27	Distribution - IEDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Underground Storage	\$ (81,051)	\$ (81,051)	\$ (81,051)	\$ (81,051)	\$ (81,051)	\$ (81,051)	\$ (84,051)
29	General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30	Total Retirements	\$ (10,450,083)	\$ (10,467,185)	\$ (10,514,692)	\$ (10,752,950)	\$ (10,798,553)	\$ (10,798,553)	\$ (11,086,050)
Cost of Removal								
31	Transmission	\$ 3,967,219	\$ 3,947,290	\$ 3,997,540	\$ 4,035,767	\$ 4,047,928	\$ 4,058,464	\$ 4,102,482
32	Distribution	\$ 5,149,149	\$ 5,219,692	\$ 5,295,042	\$ 5,431,804	\$ 5,528,665	\$ 5,657,052	\$ 5,741,882
33	Distribution - IEDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
34	Underground Storage	\$ 66,822	\$ 66,824	\$ 66,824	\$ 66,825	\$ 69,130	\$ 74,008	\$ 74,625
35	General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
36	Total Cost of Removal	\$ 9,183,190	\$ 9,233,805	\$ 9,359,406	\$ 9,534,396	\$ 9,645,723	\$ 9,789,523	\$ 9,918,989
Total Accumulated Depreciation Balance								
37	Transmission	\$ (4,889,047)	\$ (5,240,896)	\$ (5,522,605)	\$ (5,818,757)	\$ (6,141,830)	\$ (6,465,139)	\$ (6,755,821)
38	Distribution	\$ (14,513,221)	\$ (15,331,778)	\$ (16,121,837)	\$ (16,670,713)	\$ (17,462,590)	\$ (18,272,536)	\$ (18,853,537)
39	Distribution - IEDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40	Underground Storage	\$ 93,713	\$ 86,868	\$ 80,473	\$ 73,392	\$ 67,935	\$ 64,976	\$ 59,633
41	General	\$ (35,971)	\$ (37,053)	\$ (38,135)	\$ (39,217)	\$ (40,299)	\$ (41,381)	\$ (42,463)
42	Total Accumulated Depreciation Balance	\$ (19,344,526)	\$ (20,522,859)	\$ (21,602,103)	\$ (22,455,296)	\$ (23,576,784)	\$ (24,714,080)	\$ (25,592,189)
	= - Depreciation Expense - Retirements + Cost of Removal							To Schedule 1, Line 2

Line		Balance at 6/30/2020
CWIP Balance		
43	Transmission	\$ 10,746,173
44	Distribution	\$ 10,258,885
45	Distribution - IEDC	\$ -
46	Underground Storage	\$ 564,697
47	General	\$ -
48	Total CWIP Balance	\$ 21,569,755
		To Schedule 1, Line 4

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
COMPLIANCE COMPONENT
POST IN-SERVICE CARRYING COSTS (PISCC)

Line	Description	Reference	A	B	C	D	E	F	G
1	PISCC Rate - Monthly	Schedule 4, Page 2, Line 5 / 12		0.54%	0.54%	0.54%	0.54%	0.54%	0.54%
2	Debt - PISCC Rate - Monthly	Schedule 4, Page 2, Lines 1,3-4 / 12		0.13%	0.13%	0.13%	0.13%	0.13%	0.13%
3	Equity - PISCC Rate - Monthly	Schedule 4, Page 2, Line 2 / 12		0.41%	0.41%	0.41%	0.41%	0.41%	0.41%
4	Transmission Amortization Rate - Monthly (A)	Schedule 6, Line 8 / 12		0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
5	Distribution Amortization Rate - Monthly (A)	Schedule 6, Line 9 / 12		0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
6	Distribution - IEDC Amortization Rate - Monthly (A)	Schedule 6, Line 10 / 12		0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
7	Underground Storage Amortization Rate - Monthly (A)	Schedule 6, Line 11 / 12		0.32%	0.32%	0.32%	0.32%	0.32%	0.32%
8	General Amortization Rate - Monthly (A)	Schedule 6, Line 12 / 12		0.33%	0.33%	0.33%	0.33%	0.33%	0.33%
PISCC Cumulative Deferred Balance - DEBT			Balance at 12/31/2019	1/31/2020	2/29/2020	3/31/2020	4/30/2020	5/31/2020	Balance at 6/30/2020
9	Transmission	(B)	\$ 1,653,982	\$ 1,670,214	\$ 1,686,436	\$ 1,703,858	\$ 1,721,625	\$ 1,738,710	\$ 1,756,307
10	Distribution	(B)	\$ 3,862,001	\$ 3,902,619	\$ 3,946,338	\$ 3,994,718	\$ 4,047,690	\$ 4,102,631	\$ 4,162,576
11	Distribution - IEDC	(B)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Underground Storage	(B)	\$ 15,223	\$ 16,481	\$ 17,534	\$ 18,897	\$ 20,567	\$ 22,271	\$ 24,482
13	General	(B)	\$ 4,743	\$ 4,719	\$ 4,694	\$ 4,670	\$ 4,646	\$ 4,621	\$ 4,597
14	PISCC Deferred Balance		\$ 5,535,950	\$ 5,594,033	\$ 5,655,002	\$ 5,722,144	\$ 5,794,528	\$ 5,868,234	\$ 5,947,962
PISCC Cumulative Deferred Balance - EQUITY			Balance at 12/31/2019	1/31/2020	2/29/2020	3/31/2020	4/30/2020	5/31/2020	Balance at 6/30/2020
15	Transmission	(B)	\$ 3,978,334	\$ 4,029,084	\$ 4,079,805	\$ 4,134,277	\$ 4,189,826	\$ 4,243,244	\$ 4,298,263
16	Distribution	(B)	\$ 9,024,155	\$ 9,151,152	\$ 9,287,842	\$ 9,439,107	\$ 9,604,727	\$ 9,776,505	\$ 9,963,928
17	Distribution - IEDC	(B)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Underground Storage	(B)	\$ 40,521	\$ 44,453	\$ 47,744	\$ 52,008	\$ 57,229	\$ 62,557	\$ 69,470
19	General	(B)	\$ 11,690	\$ 11,614	\$ 11,537	\$ 11,461	\$ 11,384	\$ 11,308	\$ 11,232
20	PISCC Deferred Balance		\$ 13,054,701	\$ 13,236,302	\$ 13,426,928	\$ 13,636,852	\$ 13,863,167	\$ 14,093,614	\$ 14,342,893
PISCC Cumulative Deferred Balance - DEBT + EQUITY			Balance at 12/31/2019	1/31/2020	2/29/2020	3/31/2020	4/30/2020	5/31/2020	Balance at 6/30/2020
21	Transmission	Line 9 + Line 15	\$ 5,632,316	\$ 5,699,298	\$ 5,766,241	\$ 5,838,135	\$ 5,911,451	\$ 5,981,954	\$ 6,054,570
22	Distribution	Line 10 + Line 16	\$ 12,886,157	\$ 13,053,771	\$ 13,234,180	\$ 13,433,825	\$ 13,652,417	\$ 13,879,136	\$ 14,126,504
23	Distribution - IEDC	Line 11 + Line 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Underground Storage	Line 12 + Line 18	\$ 55,745	\$ 60,933	\$ 65,278	\$ 70,905	\$ 77,796	\$ 84,828	\$ 93,952
25	General	Line 13 + Line 19	\$ 16,433	\$ 16,332	\$ 16,232	\$ 16,131	\$ 16,030	\$ 15,929	\$ 15,828
26	PISCC Deferred Balance	Sum Lines 21-25	\$ 18,590,651	\$ 18,830,335	\$ 19,081,930	\$ 19,358,996	\$ 19,657,694	\$ 19,961,847	\$ 20,290,855
27	Less: Amortization of PISCC	(C)	\$ (1,182,516)	\$ (1,231,302)	\$ (1,280,088)	\$ (1,328,874)	\$ (1,377,660)	\$ (1,426,446)	\$ (1,475,232)
28	Total PISCC Deferred Balance	Line 26 + Line 27	\$ 17,408,135	\$ 17,599,033	\$ 17,801,843	\$ 18,030,122	\$ 18,280,035	\$ 18,535,402	\$ 18,815,623
To Schedule 1, Line 5									
Annualized Amortization Expense									
29	Transmission	Line 4 x Line 21 x 12							\$ 178,076
30	Distribution	Line 5 x Line 22 x 12							\$ 504,518
31	Distribution - IEDC	Line 6 x Line 23 x 12							\$ -
32	Underground Storage	Line 7 x Line 24 x 12							\$ 3,614
33	General	Line 8 x Line 25 x 12							\$ 633
34	Total Amortization Expense	Sum Lines 29-33							\$ 686,840
To Schedule 1, Line 13									

(A) Based on Amortization Life of Plant as of December 31, 2013. Annual depreciation rate is 1 divided by Number of Years, as shown on Attachment JCS-2, Schedule 6.

(B) Calculated as the PISCC rates (lines 2 & 3) multiplied by the monthly PISCC eligible balances. PISCC eligible balances are based on the gross plant placed in service not yet captured for recovery in the CSIA.

(C) Amortization of approximately \$48,786 per month beginning in January 2020 is based on annualized amortization expense of \$585,432 from TDSIC-11, Attachment JCS-2 (Revised), Schedule 3, Line 34.

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
COMPLIANCE COMPONENT
PRE-TAX RATE OF RETURN AND AFTER TAX PISCC RATE AT DECEMBER 31, 2019

Line	After-Tax (A)	A Amount (\$000's)	B Weighting	C Cost	D = B x C WACC
1	Debt	\$ 474,873	31.66%	4.87%	1.54%
2	Equity	\$ 728,182	48.54%	10.20%	4.95%
3	Cost Free Capital	\$ 270,233	18.01%	0.00%	0.00%
4	Other	\$ 26,820	1.79%	1.50%	0.03%
5	Total	\$ 1,500,108			6.52%

(B)
To Schedule 9, Line 2

Pre-Tax Equity Component Calculation

6	After-Tax Cost of Equity per Line 2	4.95%		Line 2, Col. D
7	One		100.00%	
8	Less: Current State Tax Rate		5.075%	(C)
9	Federal Taxable		94.93%	Line 7 - Line 8
10	One Less Federal Income Tax		79.00%	1 - 21%
11	Effective Gross-Up Factor		74.99%	Line 9 x Line 10
12	Pre-Tax Equity	6.60%		Line 6 / Line 11

Forecast - Adjusted ROR (fixed ROE)

13	Pre-Tax			
14	Debt		1.54%	from Line 1
15	Equity		6.60%	from Line 12
16	Cost Free Capital		0.00%	from Line 3
17	Other		0.03%	from Line 4
17	Total Pre-Tax Rate of Return		8.17%	Sum Lines 13-16

To Schedule 1, Line 7

(A) All data in Lines 1 through 5 are per Order in most recent TDSIC Case, Cause No. 44430-TDSIC-12

(B) Proof

	Equity	Debt and Other	Total	
18	Total New Capital Investment	\$ 465,438,773	\$ 465,438,773	from Schedule 1, Line 6
19	Pre-Tax Return	6.60%	1.57%	from Lines 13-16
20	Return	\$ 30,722,748	\$ 7,307,389	Line 18 x Line 19
21	State Tax	\$ 1,559,179		5.075% x Line 20
22	Federal Taxable Return	\$ 29,163,569	\$ 7,307,389	Line 20 - Line 21
23	Federal Tax	\$ 6,124,349		Line 22 x 21%
24	After Tax Return \$	\$ 23,039,219	\$ 7,307,389	Line 20 - Lines 21 and 23
25	After-Tax Rate of Return		6.52%	Line 24 / Line 18
			equals Line 5	

(C) Represents a blended State Tax Rate: - January 1, 2021 - December 31, 2021 @ 5.075%
- Based on 5.250% @ January 1, 2021 and 4.900% @ July 1, 2021

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
COMPLIANCE COMPONENT
AFTER TAX PISCC RATE AT JUNE 30, 2019

Line	After-Tax (A)	A Amount (\$000's)	B Weighting	C Cost	D = B x C WACC
1	Debt	\$ 454,873	31.19%	4.94%	1.54%
2	Equity	\$ 706,064	48.42%	10.20%	4.94%
3	Cost Free Capital	\$ 271,638	18.63%	0.00%	0.00%
4	Other	\$ 25,652	1.76%	2.50%	0.04%
5	Total	\$ 1,458,228			6.52%

(A) All data in Lines 1 through 5 represent the actual balances as of June 30, 2019 (as presented in TDSIC-12 filing on JCS-R3, Sch 4, Pg 2).

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
COMPLIANCE COMPONENT
ANNUALIZED DEPRECIATION EXPENSE ON NEW CAPITAL INVESTMENT

Line	Description	Balance at 6/30/2020	Reference
<u>Depreciable In-Service Balance</u>			
1	Transmission	\$ 140,683,496	Schedule 2, Line 13, Col. G
2	Distribution	\$ 306,272,537	Schedule 2, Line 14, Col. G
3	Distribution - IEDC	\$ -	Schedule 2, Line 15, Col. G
4	Underground Storage	\$ 3,377,374	Schedule 2, Line 16, Col. G
5	General	\$ 312,178	Schedule 2, Line 17, Col. G
6	Total	\$ 450,645,584	Sum Lines 1-5
<u>Monthly Depreciation Rates</u>			
7	Transmission	0.24%	(A)
8	Distribution	0.30%	(A)
9	Distribution - IEDC	0.00%	(B)
10	Underground Storage	0.29%	(A)
11	General	0.35%	(A)
<u>Annualized Depreciation Expense</u>			
12	Transmission	\$ 4,005,295	Line 1 x Line 7 x 12
13	Distribution	\$ 11,141,816	Line 2 x Line 8 x 12
14	Distribution - IEDC	\$ -	Line 3 x Line 9 x 12
15	Underground Storage	\$ 118,052	Line 4 x Line 10 x 12
16	General	\$ 12,986	Line 5 x Line 11 x 12
17	Total Annualized Depreciation Expense	\$ 15,278,147	Sum Lines 12-16
To Schedule 1, Line 10			

- (A) Current average of authorized depreciation rates. Supporting work papers will show a detailed calculation of depreciation rates by class of plant.
- (B) Reflects no plant additions through current period for class of plant.

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
COMPLIANCE COMPONENT
AMORTIZATION OF DEFERRED DEPRECIATION

Line	Description	A Balance at 12/31/2019	B 1/31/2020	C 2/29/2020	D 3/31/2020	E 4/30/2020	F 5/31/2020	G Balance at 6/30/2020
Deferred Depreciation Balance (A)								
1	Transmission	\$ 2,493,158	\$ 2,522,224	\$ 2,551,330	\$ 2,582,857	\$ 2,615,238	\$ 2,646,229	\$ 2,678,077
2	Distribution	\$ 7,032,636	\$ 7,119,431	\$ 7,212,825	\$ 7,316,730	\$ 7,430,592	\$ 7,548,352	\$ 7,677,649
3	Distribution - IEDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Underground Storage	\$ 30,026	\$ 32,563	\$ 34,646	\$ 37,418	\$ 40,868	\$ 44,394	\$ 49,038
5	General	\$ 10,534	\$ 10,534	\$ 10,534	\$ 10,534	\$ 10,534	\$ 10,534	\$ 10,534
6	Less: Amortization of Deferrals (B)	\$ (582,586)	\$ (607,752)	\$ (632,917)	\$ (658,083)	\$ (683,248)	\$ (708,413)	\$ (733,579)
7	Total Deferred Depreciation Balance	\$ 8,983,767	\$ 9,076,999	\$ 9,176,417	\$ 9,289,455	\$ 9,413,984	\$ 9,541,095	\$ 9,681,718
Depreciation Rates (C)								
8	Transmission							2.94%
9	Distribution							3.57%
10	Distribution - IEDC							3.57%
11	Underground Storage							3.85%
12	General							4.00%
Deferred Depreciation Amortization Expense								
13	Transmission					Line 1 x Line 8	\$	78,767
14	Distribution					Line 2 x Line 9	\$	274,202
15	Distribution - IEDC					Line 3 x Line 10	\$	-
16	Underground Storage					Line 4 x Line 11	\$	1,886
17	General					Line 5 x Line 12	\$	421
18	Deferred Depreciation Amortization Expense					Sum Lines 13-17	\$	355,276

To Schedule 1, Line 12

- (A) Calculated by taking the gross new plant investment, less retirements, placed in-service but not yet included in CSIA recovery.
- (B) Amortization of approximately \$25,165 per month beginning in January 2020 is based on annualized amortization expense of \$301,984 from TDSIC-11, Attachment JCS-2 (Revised), Schedule 6, Line 18.
- (C) Based on Amortization Life of Plant as of December 31, 2013. Annual depreciation rate is 1 divided by Number of Years.
- Transmission - 34 years
 - Distribution - 28 years
 - Distribution - IEDC - 28 years
 - Underground Storage - 26 years
 - General - 25 years

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
COMPLIANCE COMPONENT
DEFERRED REVENUE REQUIREMENT (20%)

Line	Description	Amount	Reference
1	TDSIC-1, Compliance Component - through 06/30/2014	\$ 593,517	TDSIC-1, JCS-2, Sch 7, Line 1
2	TDSIC-2, Compliance Component - through 12/31/2014	\$ 1,207,722	TDSIC-2, JCS-2, Sch 7, Line 2
3	TDSIC-3, Compliance Component - through 06/30/2015	\$ 1,794,369	TDSIC-3, JCS-2, Sch 7, Line 3
4	TDSIC-4, Compliance Component - through 12/31/2015	\$ 2,440,171	TDSIC-4, JCS-2, Sch 7, Line 4
5	TDSIC-5, Compliance Component - through 06/30/2016	\$ 3,067,362	TDSIC-5, JCS-2, Sch 7, Line 5
6	TDSIC-6, Compliance Component - through 12/31/2016	\$ 3,386,735	TDSIC-6, JCS-2, Sch 7, Line 6
7	TDSIC-7, Compliance Component - through 06/30/2017	\$ 4,144,544	TDSIC-7, JCS-2, Sch 7, Line 7 (B)
8	TDSIC-8, Compliance Component - through 12/31/2017	\$ 5,079,749	TDSIC-8, JCS-2 (Revised), Sch 7, Line 8
9	TDSIC-9, Compliance Component - through 06/30/2018	\$ 5,891,954	TDSIC-9, JCS-2, Sch 7, Line 9
10	TDSIC-10, Compliance Component - through 12/31/2018	\$ 6,236,696	TDSIC-10 JCS-R2, Sch 7, Line 10 (C)
11	TDSIC-11, Compliance Component - through 06/30/2019	\$ 7,288,122	TDSIC-11 JCS-2 (Revised), Sch 7, Line 11
12	TDSIC-12, Compliance Component - through 12/31/2019	\$ 6,697,420	TDSIC-12 JCS-R2, Sch 7, Line 12
13	TDSIC-13, Compliance Component - through 06/30/2020	\$ 7,714,986	(A)
14	Total Deferred Revenue Requirement	\$ 55,543,347	

Notes:

- (A)** Attachment JCS-4, Schedule 3, Line 20, Sum of Jan-Jun 2021 x Allocation of Compliance Component Revenue Requirement from Attachment JCS-1, Schedule 1
- (B)** Adjusted to reflect the lower pre-tax rate of return using a 21% Federal Tax Rate - no other changes made to authorized amounts.
- (C)** TDSIC-10 deferred revenues have been adjusted to reflect the corrected allocation previously described in Witness Swiz's TDSIC-11 testimony (Page 18).

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
COMPLIANCE COMPONENT
AMORTIZATION OF DEFERRED INCREMENTAL O&M EXPENSE

Line	Description	Amount	Reference
1	Balance - at end of previous reconciliation period [12/31/2019]	\$ 17,659,166	TDSIC-12, JCS-R2, Sch 8, Line 5 (A)
2	Deferral - current reconciliation period [Jan-Jun 2020]	\$ 5,882,720	Petitioner's Exhibit No. 2, Attachment SJV-2
3	Balance - at end of current reconciliation period [06/30/2020]	\$ 23,541,886	Sum Lines 1-3
4	Less: Expected Recoveries	\$ (8,210,684)	(B)
5	Balance - to be recovered in current effective period	\$ 15,331,202	Sum Lines 4-5
To Schedule 1, Line 11			

Notes:

- (A) Includes remaining North PSA balance at 04/10/17 as shown in TDSIC-7
(B) Expected recoveries attributable to O&M from TDSIC-12

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
COMPLIANCE COMPONENT
NOI ADJUSTED FOR GCA EARNINGS TEST

Line	Description	Total Amount	Reference
1	Total New Statutory Investment - As of End of Period	\$ 465,438,773	From Schedule 1, Line 6
2	After-Tax Rate of Return	6.52%	From Schedule 4, Page 1, Line 5
3	NOI Adjustment for GCA Earnings Test - TDSIC-13, Compliance Component	\$ 30,346,608	Line 1 x Line 2

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
COMPLIANCE COMPONENT
NET MARGINS GAINED FROM NEW CUSTOMERS (SNOW & OGDEN)

Line	Description	A	B	C	D	E	F	G	H
		Balance at 12/31/2019	1/31/2020	2/29/2020	3/31/2020	4/30/2020	5/31/2020	6/30/2020	Total Thru 6/30/2020
	Net Margins from Snow & Ogden Customers								
1	Snow & Ogden Average Customers (A)		30.000	30.000	30.000	29.000	30.000	30.000	
2	Rate 210 - Order Granted Margin Per Customer (B)		\$ 44.42	\$ 38.68	\$ 32.65	\$ 25.02	\$ 17.55	\$ 14.90	
3	Customer Margin Adjustment	\$ 45,119	\$ 1,333	\$ 1,160	\$ 980	\$ 726	\$ 527	\$ 447	\$ 50,290
4	Less: Expected Recoveries (C)								\$ 40,508
5	Balance - at end of current reconciliation period [06/30/2020]								\$ 9,782
									To Schedule 1, Line 15

Notes:

- (A) As customers are added at various points during the calendar month, the applicable billing period for a customer is prorated by day during the first billing month, resulting in a 'partial customer'. That customer in subsequent periods is considered one full customer.
- (B) Revised base rates and charges were approved effective June 1, 2018 following a Thirty Day Filing pursuant to Cause No. 45032, identified by the Commission as #50171 (approved May 30, 2018).
- (C) Expected recoveries through June 30, 2020

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
TDSIC COMPONENT
ANNUAL REVENUE REQUIREMENT THROUGH JUNE 30, 2020

Line	Description	Total Amount	Reference	
	<u>Return on New Capital Investment:</u>			
1	Gross New Capital Investment - As of End of Period	\$ 162,619,567	Schedule 2, Line 18, Col. G	
2	Accumulated Depreciation - As of End of Period	\$ (9,495,257)	Schedule 2, Line 42, Col. G	
3	Net New Capital Investment - As of End of Period	\$ 153,124,310	Line 1 + Line 2	
4	New Capital Investment CWIP - As of End of Period	\$ 3,154,331	Schedule 2, Line 48, Col. G	
5	PISCC Deferred Balance - As of End of Period	\$ 7,002,018	Schedule 3, Line 33, Col. G	
6	Total New Capital Investment - As of End of Period	\$ 163,280,659	Line 3 + Line 4 + Line 5	
7	Pre-Tax Rate of Return	8.37%	Schedule 4, Page 1, Line 17	
8	Annualized Return on New Capital Investment	\$ 13,666,591	Line 6 x Line 7	
	<u>Incremental Expenses</u>			
9	Property Tax Expense - Annualized	\$ 1,178,431	(Line 1 x 0.72%) + (Line 4 x 0.24%)	(A)
10	Depreciation Expense - Annualized	\$ 5,611,226	Schedule 5, Line 17	
11	Amortization Expense - Deferred Incremental O&M Expense	\$ -	N/A for TDSIC Component	
12	Amortization Expense - Deferred Depreciation	\$ 147,571	Schedule 6, Line 18	
13	Amortization Expense - Deferred PISCC	\$ 272,619	Schedule 3, Line 39	
14	Total Incremental Expenses	\$ 7,209,847	Sum Lines 9-13	
	<u>Margin Netting:</u>			
15	Reduction of Margins from New Snow & Ogden Customers - As of End of Period	\$ -	N/A for TDSIC Component	
16	Annual Revenue Requirement - TDSIC Component	\$ 20,876,438	Line 8 + Line 14	
17	Recoverable TDSIC Component of CSIA (80%)	\$ 16,701,151	Line 16 x 80%	(B)
18	To Be Deferred (20%)	\$ 4,175,287	Line 16 x 20%	(B)

Notes:

- (A) The annualized level of property taxes is calculated using an estimated Vectren North rate of 2.40% multiplied by the tax basis of the: (1) plant, estimated to be 30% of the gross new capital investment amount, and (2) CWIP, estimated to be 10% of the new capital investment CWIP amount.
- (B) To Attachment JCS-1, Schedule 1, Line 2

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
TDSIC COMPONENT
NEW CAPITAL INVESTMENT

Line		A	B	C	D	E	F	G
	Gross New Capital Investment Balance	Balance at 12/31/2019	1/31/2020	2/29/2020	3/31/2020	4/30/2020	5/31/2020	Balance at 6/30/2020
	Gross Assets							
1	Transmission	\$ 20,154,555	\$ 20,652,869	\$ 20,700,109	\$ 20,730,035	\$ 20,730,035	\$ 20,730,035	\$ 22,590,249
2	Distribution	\$ 137,670,593	\$ 137,755,885	\$ 137,759,421	\$ 139,502,673	\$ 139,651,285	\$ 139,878,849	\$ 140,290,967
3	Distribution - IEDC	\$ 1,896,580	\$ 1,896,580	\$ 1,896,580	\$ 1,896,580	\$ 1,896,580	\$ 1,896,580	\$ 1,896,580
4	Underground Storage	\$ 1,157,144	\$ 1,157,144	\$ 1,157,144	\$ 1,157,144	\$ 1,157,144	\$ 1,157,144	\$ 1,532,989
5	General	\$ 569,724	\$ 569,724	\$ 569,724	\$ 569,724	\$ 569,724	\$ 569,724	\$ 569,724
6	Total Gross Assets	\$ 161,448,596	\$ 162,032,202	\$ 162,082,977	\$ 163,856,156	\$ 164,004,768	\$ 164,232,332	\$ 166,880,509
	Retirements							
7	Transmission	\$ (647)	\$ (647)	\$ (647)	\$ (647)	\$ (647)	\$ (647)	\$ (647)
8	Distribution	\$ (4,128,519)	\$ (4,128,519)	\$ (4,128,519)	\$ (4,146,949)	\$ (4,146,949)	\$ (4,146,949)	\$ (4,146,949)
9	Distribution - IEDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Underground Storage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	General	\$ (113,346)	\$ (113,346)	\$ (113,346)	\$ (113,346)	\$ (113,346)	\$ (113,346)	\$ (113,346)
12	Total Retirements	\$ (4,242,512)	\$ (4,242,512)	\$ (4,242,512)	\$ (4,260,942)	\$ (4,260,942)	\$ (4,260,942)	\$ (4,260,942)
	Gross New Capital Investment Balance							
13	Transmission	\$ 20,153,908	\$ 20,652,222	\$ 20,699,462	\$ 20,729,388	\$ 20,729,388	\$ 20,729,388	\$ 22,589,602
14	Distribution	\$ 133,542,074	\$ 133,627,366	\$ 133,630,902	\$ 135,355,724	\$ 135,504,336	\$ 135,731,899	\$ 136,144,018
15	Distribution - IEDC	\$ 1,896,580	\$ 1,896,580	\$ 1,896,580	\$ 1,896,580	\$ 1,896,580	\$ 1,896,580	\$ 1,896,580
16	Underground Storage	\$ 1,157,144	\$ 1,157,144	\$ 1,157,144	\$ 1,157,144	\$ 1,157,144	\$ 1,157,144	\$ 1,532,989
17	General	\$ 456,377	\$ 456,377	\$ 456,377	\$ 456,377	\$ 456,377	\$ 456,377	\$ 456,377
18	Total Gross New Capital Investment	\$ 157,206,084	\$ 157,789,690	\$ 157,840,466	\$ 159,595,214	\$ 159,743,825	\$ 159,971,389	\$ 162,619,567
	= (Gross Assets + Retirements)							To Schedule 1, Line 1

Line		Balance at 12/31/2019	1/31/2020	2/29/2020	3/31/2020	4/30/2020	5/31/2020	Balance at 6/30/2020
	Accumulated Depreciation Balance							
	Depreciation Expense							
19	Transmission	\$ 1,345,042	\$ 1,395,349	\$ 1,446,347	\$ 1,497,444	\$ 1,548,583	\$ 1,599,722	\$ 1,653,140
20	Distribution	\$ 17,978,857	\$ 18,388,125	\$ 18,797,499	\$ 19,209,043	\$ 19,622,937	\$ 20,037,286	\$ 20,452,394
21	Distribution - IEDC	\$ 157,700	\$ 162,258	\$ 166,816	\$ 171,374	\$ 175,933	\$ 180,491	\$ 185,049
22	Underground Storage	\$ 38,809	\$ 43,169	\$ 47,530	\$ 51,890	\$ 56,250	\$ 60,611	\$ 65,525
23	General	\$ 79,634	\$ 81,497	\$ 83,360	\$ 85,223	\$ 87,086	\$ 88,950	\$ 90,813
24	Total Depreciation Expense	\$ 19,600,042	\$ 20,070,399	\$ 20,541,551	\$ 21,014,975	\$ 21,490,790	\$ 21,967,059	\$ 22,446,921
	Retirements							
25	Transmission	\$ (647)	\$ (647)	\$ (647)	\$ (647)	\$ (647)	\$ (647)	\$ (647)
26	Distribution	\$ (4,128,519)	\$ (4,128,519)	\$ (4,128,519)	\$ (4,146,949)	\$ (4,146,949)	\$ (4,146,949)	\$ (4,146,949)
27	Distribution - IEDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Underground Storage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29	General	\$ (113,346)	\$ (113,346)	\$ (113,346)	\$ (113,346)	\$ (113,346)	\$ (113,346)	\$ (113,346)
30	Total Retirements	\$ (4,242,512)	\$ (4,242,512)	\$ (4,242,512)	\$ (4,260,942)	\$ (4,260,942)	\$ (4,260,942)	\$ (4,260,942)
	Cost of Removal							
31	Transmission	\$ 75,155	\$ 74,408	\$ 74,575	\$ 74,687	\$ 74,687	\$ 74,687	\$ 74,687
32	Distribution	\$ 8,594,289	\$ 8,594,292	\$ 8,595,030	\$ 8,596,085	\$ 8,597,768	\$ 8,597,119	\$ 8,599,523
33	Distribution - IEDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
34	Underground Storage	\$ 11,027	\$ 11,027	\$ 11,027	\$ 11,027	\$ 11,027	\$ 11,027	\$ 11,027
35	General	\$ 5,485	\$ 5,485	\$ 5,485	\$ 5,485	\$ 5,485	\$ 5,485	\$ 5,485
36	Total Cost of Removal	\$ 8,685,956	\$ 8,685,212	\$ 8,686,117	\$ 8,687,284	\$ 8,688,968	\$ 8,688,318	\$ 8,690,722
	Total Accumulated Depreciation Expense							
37	Transmission	\$ (1,269,241)	\$ (1,320,295)	\$ (1,371,125)	\$ (1,422,111)	\$ (1,473,249)	\$ (1,524,388)	\$ (1,577,806)
38	Distribution	\$ (5,256,049)	\$ (5,665,314)	\$ (6,073,950)	\$ (6,466,009)	\$ (6,878,219)	\$ (7,293,217)	\$ (7,705,922)
39	Distribution - IEDC	\$ (157,700)	\$ (162,258)	\$ (166,816)	\$ (171,374)	\$ (175,933)	\$ (180,491)	\$ (185,049)
40	Underground Storage	\$ (27,782)	\$ (32,142)	\$ (36,503)	\$ (40,863)	\$ (45,223)	\$ (49,584)	\$ (54,498)
41	General	\$ 39,197	\$ 37,334	\$ 35,471	\$ 33,608	\$ 31,745	\$ 29,881	\$ 28,018
42	Total Accumulated Depreciation Expense	\$ (6,671,574)	\$ (7,142,675)	\$ (7,612,923)	\$ (8,066,749)	\$ (8,540,880)	\$ (9,017,798)	\$ (9,495,257)
	= - Depreciation Expense - Retirements + Cost of Removal							To Schedule 1, Line 2

Line		Balance at 6/30/2020
	CWIP Balance	
43	Transmission	\$ 278
44	Distribution	\$ 2,911,283
45	Distribution - IEDC	\$ -
46	Underground Storage	\$ 242,771
47	General	\$ -
48	Total CWIP Balance	\$ 3,154,331
	To Schedule 1, Line 4	

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
TDSIC COMPONENT
POST IN-SERVICE CARRYING COSTS (PISCC)

Line	Description	Reference	A	B	C	D	E	F	G
1	PISCC Rate - Monthly	Schedule 4, Page 2, Line 5 / 12		0.54%	0.54%	0.54%	0.54%	0.54%	0.54%
2	PISCC Rate - Monthly - DEBT	Schedule 4, Page 2, Lines 1,3-4 / 12		0.13%	0.13%	0.13%	0.13%	0.13%	0.13%
3	PISCC Rate - Monthly - EQUITY	Schedule 4, Page 2, Line 2 / 12		0.41%	0.41%	0.41%	0.41%	0.41%	0.41%
4	Transmission Amortization Rate - Monthly (A)	Schedule 6, Line 8 / 12		0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
5	Distribution Amortization Rate - Monthly (A)	Schedule 6, Line 9 / 12		0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
6	Distribution - IEDC Amortization Rate - Monthly (A)	Schedule 6, Line 10 / 12		0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
7	Underground Storage Amortization Rate - Monthly (A)	Schedule 6, Line 11 / 12		0.32%	0.32%	0.32%	0.32%	0.32%	0.32%
8	General Amortization Rate - Monthly (A)	Schedule 6, Line 12 / 12		0.33%	0.33%	0.33%	0.33%	0.33%	0.33%
			Balance at 12/31/2019	1/31/2020	2/29/2020	3/31/2020	4/30/2020	5/31/2020	Balance at 6/30/2020
9	PISCC Cumulative Deferred Balance - DEBT								
	Transmission	(B)	\$ 240,997	\$ 245,744	\$ 250,848	\$ 256,002	\$ 261,176	\$ 266,349	\$ 272,740
10	Distribution	(B)	\$ 1,937,142	\$ 1,940,549	\$ 1,944,014	\$ 1,948,622	\$ 1,954,467	\$ 1,960,559	\$ 1,967,069
11	Distribution - IEDC	(B)	\$ 26,617	\$ 26,617	\$ 26,617	\$ 26,617	\$ 26,617	\$ 26,617	\$ 26,617
12	Underground Storage	(B)	\$ 10,892	\$ 10,763	\$ 10,634	\$ 10,505	\$ 10,375	\$ 10,246	\$ 10,363
13	General	(B)	\$ 8,672	\$ 8,820	\$ 8,968	\$ 9,116	\$ 9,264	\$ 9,412	\$ 9,560
14	PISCC Deferred Balance	(B)	\$ 2,224,320	\$ 2,232,493	\$ 2,241,080	\$ 2,250,861	\$ 2,261,899	\$ 2,273,183	\$ 2,286,348
			Balance at 12/31/2019	1/31/2020	2/29/2020	3/31/2020	4/30/2020	5/31/2020	Balance at 6/30/2020
15	PISCC Cumulative Deferred Balance - EQUITY								
	Transmission	(B)	\$ 604,948	\$ 619,914	\$ 636,006	\$ 652,257	\$ 668,569	\$ 684,881	\$ 705,031
16	Distribution	(B)	\$ 4,592,858	\$ 4,603,600	\$ 4,614,525	\$ 4,629,053	\$ 4,647,482	\$ 4,666,688	\$ 4,687,213
17	Distribution - IEDC	(B)	\$ 66,601	\$ 66,601	\$ 66,601	\$ 66,601	\$ 66,601	\$ 66,601	\$ 66,601
18	Underground Storage	(B)	\$ 33,275	\$ 32,868	\$ 32,460	\$ 32,053	\$ 31,645	\$ 31,238	\$ 31,606
19	General	(B)	\$ 19,252	\$ 19,718	\$ 20,184	\$ 20,651	\$ 21,117	\$ 21,583	\$ 22,050
20	PISCC Deferred Balance	(B)	\$ 5,316,933	\$ 5,342,700	\$ 5,369,776	\$ 5,400,613	\$ 5,435,415	\$ 5,470,992	\$ 5,512,500
			12/31/2019	1/31/2020	2/29/2020	3/31/2020	4/30/2020	5/31/2020	Balance at 6/30/2020
21	PISCC Cumulative Deferred Balance - DEBT + EQUITY								
	Transmission	Line 9 + Line 15	\$ 845,945	\$ 865,658	\$ 886,853	\$ 908,258	\$ 929,745	\$ 951,231	\$ 977,771
22	Distribution	Line 10 + Line 16	\$ 6,530,000	\$ 6,544,149	\$ 6,558,539	\$ 6,577,674	\$ 6,601,950	\$ 6,627,247	\$ 6,654,282
23	Distribution - IEDC	Line 11 + Line 17	\$ 93,217	\$ 93,217	\$ 93,217	\$ 93,217	\$ 93,217	\$ 93,217	\$ 93,217
24	Underground Storage	Line 12 + Line 18	\$ 44,168	\$ 43,631	\$ 43,094	\$ 42,558	\$ 42,021	\$ 41,484	\$ 41,968
25	General	Line 13 + Line 19	\$ 27,924	\$ 28,538	\$ 29,152	\$ 29,767	\$ 30,381	\$ 30,995	\$ 31,609
26	PISCC Deferred Balance	Sum Lines 21-25	\$ 7,541,253	\$ 7,575,193	\$ 7,610,856	\$ 7,651,474	\$ 7,697,313	\$ 7,744,175	\$ 7,798,848
27	Amortization of PISCC - Transmission		\$ (205,919)	\$ (212,064)	\$ (218,208)	\$ (224,353)	\$ (230,498)	\$ (236,643)	\$ (242,787)
28	Amortization of PISCC - Distribution		\$ (467,563)	\$ (481,976)	\$ (496,389)	\$ (510,803)	\$ (525,216)	\$ (539,629)	\$ (554,042)
29	Amortization of PISCC - Distribution - IEDC		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30	Amortization of PISCC - Underground Storage		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
31	Amortization of PISCC - General		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32	Less: Amortization of PISCC	(C)	\$ (673,482)	\$ (694,040)	\$ (714,598)	\$ (735,156)	\$ (755,714)	\$ (776,272)	\$ (796,830)
33	Total PISCC Deferred Balance	Line 26 + Line 32	\$ 6,867,771	\$ 6,881,153	\$ 6,896,258	\$ 6,916,319	\$ 6,941,600	\$ 6,967,903	\$ 7,002,018
To Schedule 1, Line 5									
Annualized Amortization Expense									
34	Transmission	Line 4 x Line 21 x 12							\$ 28,758
35	Distribution	Line 5 x Line 22 x 12							\$ 237,653
36	Distribution - IEDC	Line 6 x Line 23 x 12							\$ 3,329
37	Underground Storage	Line 7 x Line 24 x 12							\$ 1,614
38	General	Line 8 x Line 25 x 12							\$ 1,264
39	Total Amortization Expense	Sum Lines 29-33							\$ 272,618

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
TDSIC COMPONENT
PRE-TAX RATE OF RETURN AT JUNE 30, 2020

Line	After-Tax (A)	A Amount (\$000's)	B Weighting	C Cost	D = B x C WACC
1	Debt	\$ 474,876	30.75%	4.84%	1.49%
2	Equity	\$ 777,931	50.37%	10.20%	5.14%
3	Cost Free Capital	\$ 265,532	17.19%	0.00%	0.00%
4	Other	\$ 26,100	1.69%	1.50%	0.03%
5	Total	\$ 1,544,440			6.66%

(B) To Schedule 9, Line 2

Pre-Tax Equity Component Calculation

6	After-Tax Cost of Equity per Line 2	5.14%	Line 2, Col. D
7	One	100.00%	
8	Less: Current State Tax Rate	5.075%	(C)
9	Federal Taxable	94.93%	Line 7 - Line 8
10	One Less Federal Income Tax	79.00%	1 - 21%
11	Effective Gross-Up Factor	74.99%	Line 9 x Line 10
12	Pre-Tax Equity	6.85%	Line 6 / Line 11

Forecast - Adjusted ROR (fixed ROE)

13	Debt	1.49%	from Line 1
14	Equity	6.85%	from Line 12
15	Cost Free Capital	0.00%	from Line 3
16	Other	0.03%	from Line 4
17	Total Pre-Tax Rate of Return	8.37%	Sum Lines 13-16

To Schedule 1, Line 7

(A) All data in Lines 1 through 5 represent the actual balances as of June 30, 2020.

(B)	Proof	Equity	Debt and Other	Total	
18	Total New Capital Investment	\$ 163,280,659	\$ 163,280,659		from Schedule 1, Line 6
19	Pre-Tax Return	6.85%	1.52%		from Lines 13-16
20	Return	\$ 11,191,548	\$ 2,481,866		Line 18 x Line 19
21	State Tax	\$ 567,971			5.075% x Line 20
22	Federal Taxable Return	\$ 10,623,577	\$ 2,481,866		Line 20 - Line 21
23	Federal Tax	\$ 2,230,951			Line 22 x 21%
24	After Tax Return \$	\$ 8,392,626	\$ 2,481,866	\$ 10,874,492	Line 20 - Lines 21 and 23

25	After Tax Return %	6.66%	Line 24 / Line 18
		equals Line 5	

(C) Represents a blended State Tax Rate:
- January 1, 2021 - December 31, 2021 @ 5.075%
- Based on 5.250% @ January 1, 2021 and 4.900% @ July 1, 2021

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
TDSIC COMPONENT
AFTER TAX PISCC RATE AT DECEMBER 31, 2019

Line	After-Tax (A)	A Amount (\$000's)	B Weighting	C Cost	D = B x C WACC
1	Debt	\$ 474,873	31.66%	4.87%	1.54%
2	Equity	\$ 728,182	48.54%	10.20%	4.95%
3	Cost Free Capital	\$ 270,233	18.01%	0.00%	0.00%
4	Other	\$ 26,820	1.79%	1.50%	0.03%
5	Total	\$ 1,500,108			6.52%

(A)

All data in Lines 1 through 5 represent the actual balances as of December 31, 2019 (as presented in TDSIC-12 filing on JCS-R3, Sch 4, Pg 1).

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
TDSIC COMPONENT
ANNUALIZED DEPRECIATION EXPENSE - ON NEW CAPITAL INVESTMENT

Line	Description	Balance at 6/30/2020	Reference
<u>Depreciable In-Service Balance</u>			
1	Transmission	\$ 22,589,602	Schedule 2, Line 13, Col. G
2	Distribution	\$ 136,144,018	Schedule 2, Line 14, Col. G
3	Distribution - IEDC	\$ 1,896,580	Schedule 2, Line 15, Col. G
4	Underground Storage	\$ 1,532,989	Schedule 2, Line 16, Col. G
5	General	\$ 456,377	Schedule 2, Line 17, Col. G
6	Total	\$ 162,619,567	Sum Lines 1-5
<u>Monthly Depreciation Rates</u>			
7	Transmission	0.25%	(A)
8	Distribution	0.29%	(A)
9	Distribution - IEDC	0.24%	(A)
10	Underground Storage	0.36%	(A)
11	General	0.33%	(A)
<u>Annualized Depreciation Expense</u>			
12	Transmission	\$ 668,351	Line 1 x Line 7 x 12
13	Distribution	\$ 4,804,432	Line 2 x Line 8 x 12
14	Distribution - IEDC	\$ 54,699	Line 3 x Line 9 x 12
15	Underground Storage	\$ 65,629	Line 4 x Line 10 x 12
16	General	\$ 18,116	Line 5 x Line 11 x 12
17	Total Annualized Depreciation Expense	\$ 5,611,226	Sum Lines 12-16
To Schedule 1, Line 10			

- (A) Current average of authorized depreciation rates. Supporting work papers will show a detailed calculation of depreciation rates by class of plant.
- (B) Reflects no plant additions through current period for class of plant.

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
TDSIC COMPONENT
AMORTIZATION OF DEFERRED DEPRECIATION

Line	Description	A Balance at 12/31/2019	B 1/31/2020	C 2/29/2020	D 3/31/2020	E 4/30/2020	F 5/31/2020	G Balance at 6/30/2020
	Deferred Depreciation Balance (A)							
1	Transmission	\$ 383,137	\$ 392,198	\$ 401,950	\$ 411,802	\$ 421,695	\$ 431,589	\$ 443,761
2	Distribution	\$ 3,627,256	\$ 3,632,268	\$ 3,637,385	\$ 3,644,652	\$ 3,654,246	\$ 3,664,295	\$ 3,675,104
3	Distribution - IEDC	\$ 43,547	\$ 43,472	\$ 43,397	\$ 43,323	\$ 43,248	\$ 43,174	\$ 43,099
4	Underground Storage	\$ 30,355	\$ 30,065	\$ 29,775	\$ 29,485	\$ 29,195	\$ 28,905	\$ 29,169
5	General	\$ 12,988	\$ 13,341	\$ 13,694	\$ 14,047	\$ 14,401	\$ 14,754	\$ 15,107
6	Less: Amortization of Deferrals (B)	\$ (372,135)	\$ (383,459)	\$ (394,784)	\$ (406,108)	\$ (417,432)	\$ (428,756)	\$ (440,080)
7	Total Deferred Depreciation Balance	\$ 3,725,147	\$ 3,727,885	\$ 3,731,418	\$ 3,737,202	\$ 3,745,354	\$ 3,753,960	\$ 3,766,160
	Depreciation Rates (C)							
8	Transmission							2.94%
9	Distribution							3.57%
10	Distribution - IEDC							3.57%
11	Underground Storage							3.85%
12	General							4.00%
	Deferred Depreciation Amortization Expense							
13	Transmission					Line 1 x Line 8	\$	13,052
14	Distribution					Line 2 x Line 9	\$	131,254
15	Distribution - IEDC					Line 3 x Line 10	\$	1,539
16	Underground Storage					Line 4 x Line 11	\$	1,122
17	General					Line 5 x Line 12	\$	604
18	Deferred Depreciation Amortization Expense					Sum Lines 13-17	\$	147,571

To Schedule 1, Line 12

(A) Calculated by taking the gross new plant investment, less retirements, placed in-service but not yet included in CSIA recovery.

(B) Amortization of approximately \$11,324 per month beginning in January 2020 is based on annualized amortization expense of \$135,890 from TDSIC-11, Attachment JCS-3 (Revised), Schedule 6, Line 18.

(C) Based on Amortization Life of Plant as of December 31, 2013. Annual depreciation rate is 1 divided by Number of Years.

Transmission - 34 years

Distribution - 28 years

Distribution - IEDC - 28 years

Underground Storage - 26 years

General - 25 years

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
TDSIC COMPONENT
DEFERRED REVENUE REQUIREMENT (20%)

Line	Description	Amount (A)	Reference
1	TDSIC-1, TDSIC Component - through 06/30/2014	\$ 154,886	TDSIC-1, JCS-3, Sch 7, Line 1
2	TDSIC-2, TDSIC Component - through 12/31/2014	\$ 142,189	TDSIC-2, JCS-3, Sch 7, Line 2
3	TDSIC-3, TDSIC Component - through 06/30/2015	\$ 593,033	TDSIC-3, JCS-3, Sch 7, Line 3
4	TDSIC-4, TDSIC Component - through 12/31/2015	\$ 866,375	TDSIC-4, JCS-3, Sch 7, Line 4
5	TDSIC-5, TDSIC Component - through 06/30/2016	\$ 1,430,201	TDSIC-5, JCS-3, Sch 7, Line 5
6	TDSIC-6, TDSIC Component - through 12/31/2016	\$ 1,508,103	TDSIC-6, JCS-3, Sch 7, Line 6
7	TDSIC-7, TDSIC Component - through 06/30/2017	\$ 1,695,222	TDSIC-7, JCS-3, Sch 7, Line 7 (C)
8	TDSIC-8, TDSIC Component - through 12/31/2017	\$ 1,577,588	TDSIC-8, JCS-3 (Revised), Sch 7, Line 8
9	TDSIC-9, TDSIC Component - through 06/30/2018	\$ 1,816,862	TDSIC-9, JCS-3, Sch 7, Line 9
10	TDSIC-10, TDSIC Component - through 12/31/2018	\$ 1,724,791	TDSIC-10 JCS-R3, Sch 7, Line 10 (D)
11	TDSIC-11, TDSIC Component - through 06/30/2019	\$ 2,077,604	TDSIC-11 JCS-3 (Revised), Sch 7, Line 11
12	TDSIC-12, TDSIC Component - through 12/31/2019	\$ 1,865,702	TDSIC-12 JCS-R3, Sch 7, Line 12
13	TDSIC-13, TDSIC Component - through 06/30/2020	\$ 2,207,396	(B)
14	Total Deferred Revenue Requirement	\$ 17,659,952	

Notes:

- (A) Pending results from 2% TDSIC Annual Retail Revenue Cap Test from Attachment JCS-3, Schedule 8, additional information may be provided for TDSIC Deferred in Excess of 2% Cap.
- (B) Attachment JCS-4, Schedule 3, Line 20, Sum of Jan-Jun 2021 x Allocation of TDSIC Component Revenue Requirement from Attachment JCS-1, Schedule 1
- (C) Adjusted to reflect the lower pre-tax rate of return using a 21% Federal Tax Rate - no other changes made to authorized amounts.
- (D) TDSIC-10 deferred revenues have been adjusted to reflect the corrected allocation previously described in Witness Swiz's TDSIC-11 testimony (Page 18).

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
TDSIC COMPONENT
2% TDSIC ANNUAL RETAIL REVENUE CAP TEST

Line	Description	Total Amount	Reference
1	Current TDSIC Recoverable Portion (A)	\$ 16,701,151	Schedule 1, Line 17
2	Less Current IEDC Recoverable Portion	\$ (179,424)	Schedule 8, Page 2, Line 17
3	Prior TDSIC Recoverable Portion (A)	\$ 16,050,670	TDSIC-12, JCS-R3, Schedule 1, Line 17
4	Less Prior IEDC Recoverable Portion	\$ (178,478)	TDSIC-12, JCS-R3, Schedule 8, Page 2, Line 17
5	Increase in TDSIC Recoverable Portion	\$ 649,535	Line 1 + Line 2 - Line 3 - Line 4
6	Total Retail Revenues (A)	\$ 559,092,444	12 Months Ended As of End of Period
7	TDSIC Cap	2%	[Ind. Code § 8-1-39-14(a)]
8	TDSIC Cap - 2% of Retail Revenues	\$ 11,181,849	Line 6 x Line 7
9	Does Increase in TDSIC Exceed 2% Cap?	No	If Line 5 > Line 8, Yes; If not, No
If Yes:			
10	TDSIC Cap - 2% of Retail Revenues	\$ -	If Yes - Line 8; If No, \$0
11	Plus: Prior TDSIC Recoverable Portion	\$ -	If Yes - Line 3; If No, \$0
12	Total TDSIC Recoverable in CSIA	\$ -	Line 10 + Line 11
13	Current TDSIC Recoverable Portion	\$ -	If Yes - Line 1; If No, \$0
14	TDSIC Deferred in Excess of 2% Cap	\$ -	Line 13 - Line 12
If No:			
15	Current TDSIC Recoverable Portion - CSIA	\$ 16,701,151	If No, Line 1; If Yes, \$0

Note:

(A) TDSIC Recoverable portion is calculated by subtracting the recoverable component from Distribution IEDC (targeted economic development projects) from the total recoverable component. Retail revenues are also adjusted to exclude revenues associated with targeted economic development projects.

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
TDSIC COMPONENT
TARGETED ECONOMIC DEVELOPMENT REVENUE REQUIREMENT THROUGH JUNE 30, 2020

Line	Description	Distribution - IEDC	Reference
	<u>Return on New Capital Investment:</u>		
1	Gross New Capital Investment - As of End of Period	\$ 1,896,580	Schedule 2, Line 15, Col. G
2	Accumulated Depreciation - As of End of Period	\$ (185,049)	Schedule 2, Line 39, Col. G
3	Net New Capital Investment - As of End of Period	\$ 1,711,531	Line 1 + Line 2
4	New Capital Investment CWIP - As of End of Period	\$ -	Schedule 2, Line 45, Col. G
5	PISCC Deferred Balance - As of End of Period	\$ 93,217	Schedule 3, Line 23 + Line 29, Col. G
6	Total New Capital Investment - As of End of Period	\$ 1,804,749	Line 3 + Line 4 + Line 5
7	Pre-Tax Rate of Return	8.37%	Schedule 4, Page 1, Line 17
8	Annualized Return on New Capital Investment	\$ 151,057	Line 6 x Line 7
	<u>Incremental Expenses</u>		
9	Property Tax Expense - Annualized	\$ 13,655	(Line 1 x 0.72%) + (Line 4 x 0.24%) (A)
10	Depreciation Expense - Annualized	\$ 54,699	Schedule 5, Line 14
11	Amortization Expense - Deferred Incremental O&M Expense	\$ -	N/A for TDSIC Component
12	Amortization Expense - Deferred Depreciation	\$ 1,539	Schedule 6, Line 15, Col. G
13	Amortization Expense - Deferred PISCC	\$ 3,329	Schedule 3, Line 36, Col. G
14	Total Incremental Expenses	\$ 73,223	Sum Lines 9-13
	<u>Margin Netting:</u>		
15	Reduction of Margins from New Snow & Ogden Customers - As of End of Period	\$ -	N/A for TDSIC Component
16	Annual Revenue Requirement - TDSIC Component	\$ 224,280	Line 8 + Line 14
17	Recoverable TDSIC Component of CSIA (80%)	\$ 179,424	Line 16 x 80% (B)
18	To Be Deferred (20%)	\$ 44,856	Line 16 x 20%

Notes:

- (A) The annualized level of property taxes is calculated using an estimated Vectren North rate of 2.40% multiplied by the tax basis of the: (1) plant, estimated to be 30% of the gross new capital investment amount, and (2) CWIP, estimated to be 10% of the new capital investment CWIP amount.
- (B) To Attachment JCS-3, Schedule 8, Page 1, Line 2

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
TDSIC COMPONENT
NOI ADJUSTED FOR GCA EARNINGS TEST

Line	Description	Total Amount	Reference
1	Total New Capital Investment - As of End of Period	\$ 163,280,659	From Schedule 1, Line 6
2	After-Tax Rate of Return	6.66%	From Schedule 4, Page 1, Line 5
3	NOI Adjustment for GCA Earnings Test - TDSIC-13, TDSIC Component	\$ 10,874,492	Line 1 x Line 2

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
RATE DERIVATION
FOR THE PERIOD OF JANUARY 1, 2021 THROUGH JUNE 30, 2021

	Rate Schedule	Amount	Projected Customer Count	Projected Billing Quantities (therms)	(Per Month)	(Per therm)	Reference
CSIA Allocated Revenue Requirement (A)							
1	210	\$ 51,879,408	567,845 (E)		\$ 7.61		
2	220/229	\$ 15,754,071		203,624,327 (E)		\$ 0.0774	
3	225	\$ 380,291		20,149,474 (E)		\$ 0.0189	
4	240	\$ 402,184		2,697,763 (E)		\$ 0.1491	
5	245	\$ 2,195,845		141,118,956 (E)		\$ 0.0156	
6	260/270	\$ 4,460,909		682,961,220 (E)		\$ 0.0065	
7	Total	<u>\$ 75,072,708</u>					
CSIA Allocated EADIT Credit (B)							
8	210	\$ (8,253,567)	567,845 (E)		\$ (1.21)		
9	220/229	\$ (2,315,680)		203,624,327 (E)		\$ (0.0114)	
10	225	\$ (71,656)		20,149,474 (E)		\$ (0.0036)	
11	240	\$ (45,382)		2,697,763 (E)		\$ (0.0168)	
12	245	\$ (414,410)		141,118,956 (E)		\$ (0.0029)	
13	260/270	\$ (841,957)		682,961,220 (E)		\$ (0.0012)	
14	Total	<u>\$ (11,942,652)</u>					
Subtotal – Annual Allocated Revenue Requirement and EADIT Credit							
15	210	\$ 43,625,841			\$ 6.40		Line 1 + 8
16	220/229	\$ 13,438,391				\$ 0.0660	Line 2 + 9
17	225	\$ 308,635				\$ 0.0153	Line 3 + 10
18	240	\$ 356,802				\$ 0.1323	Line 4 + 11
19	245	\$ 1,781,435				\$ 0.0126	Line 5 + 12
20	260/270	\$ 3,618,952				\$ 0.0053	Line 6 + 13
21	Total	<u>\$ 63,130,056</u>					
CSIA Allocated Variances Under/(Over) Recovery (C)							
22	210	\$ (530,900)	569,661 (F)		\$ (0.16)		
23	220/229	\$ (2,185,556)		125,671,499 (F)		\$ (0.0174)	
24	225	\$ (1,487)		13,460,465 (F)		\$ (0.0001)	
25	240	\$ 73,999		1,579,389 (F)		\$ 0.0469	
26	245	\$ 170,189		77,601,740 (F)		\$ 0.0022	
27	260/270	\$ 174,810		343,990,690 (F)		\$ 0.0005	
28	Total	<u>\$ (2,298,946)</u>					
Total Excluding IURT							
29	210	\$ 43,094,940			\$ 6.25		Line 15 + 22
30	220/229	\$ 11,252,835				\$ 0.0486	Line 16 + 23
31	225	\$ 307,148				\$ 0.0152	Line 17 + 24
32	240	\$ 430,801				\$ 0.1791	Line 18 + 25
33	245	\$ 1,951,624				\$ 0.0148	Line 19 + 26
34	260/270	\$ 3,793,762				\$ 0.0058	Line 20 + 27
35	Total	<u>\$ 60,831,109</u>					
Total Including IURT (D)							
36	210				\$ 6.34		Line 29 / 0.9853
37	220/229					\$ 0.0493	Line 30 / 0.9853
38	225					\$ 0.0154	Line 31 / 0.9853
39	240					\$ 0.1818	Line 32 / 0.9853
40	245					\$ 0.0150	Line 33 / 0.9853
41	260/270					\$ 0.0059	Line 34 / 0.9853

Notes:

- (A) From JCS-4, Schedule 2, Column D + Column F
(B) From JCS-4, Schedule 2, Column H
(C) From JCS-1, Schedule 2, Page 1, Line 22 – amount to be recovered from or passed back to customers over 6-months.
(D) IURT gross up factor of 0.9853 effective January 1, 2021
(E) Based on 2021 budgeted annual customer count and volumes
(F) Based on 2020 budgeted semi-annual customer count and volumes

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
ALLOCATION OF REVENUE REQUIREMENT EXCLUDING VARIANCES

<u>Line</u>	<u>Revenue Requirement</u>
1 Compliance Component - Annual Revenue Requirement	\$ 58,371,557 (A)
2 TDSIC Component - Annual Revenue Requirement	\$ 16,701,151 (B)
3 CSIA Costs to be Recovered	\$ 75,072,708 (C)
4 EADIT Credit Component	\$ (11,942,652) (D)

			A	B	C	D	E	F	G	H
					Compliance Allocation Percentage	Compliance Allocated Revenue Requirement (Line 1 x Column C)	TDSIC Allocation Percentage	TDSIC Allocated Revenue Requirement (Line 2 x Column E)	EADIT Credit Allocation Percentage	EADIT Credit Allocated Amount (Line 4 x Column G)
Line	Rate Schedule	Description								
5	210	Residential Sales Service			69.11%	\$ 40,340,583	69.09%	\$ 11,538,825	69.11%	\$ (8,253,567)
6	220/229	General Sales Service			19.39%	\$ 11,318,245	26.56%	\$ 4,435,826	19.39%	\$ (2,315,680)
7	225	School/Government Transportation Service			0.60%	\$ 350,229	0.18%	\$ 30,062	0.60%	\$ (71,656)
8	240	Interruptible Sales Service			0.38%	\$ 221,812	1.08%	\$ 180,372	0.38%	\$ (45,382)
9	245	Large General Transportation Service			3.47%	\$ 2,025,493	1.02%	\$ 170,352	3.47%	\$ (414,410)
10	260/270	Large Volume Transportation Service & Long-term Contract Service			7.05%	\$ 4,115,195	2.07%	\$ 345,714	7.05%	\$ (841,957)
						\$ 58,371,557		\$ 16,701,151		\$ (11,942,652)

Notes:

(A) From JCS-1, Schedule 1, Page 1 of 1, Line 1, Col. C

(B) From JCS-1, Schedule 1, Page 1 of 1, Line 2, Col. C

(C) Line 1 + Line 2

(D) From WP JCS-1-2.2 EADIT Credit

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
VECTREN NORTH
COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT (CSIA)
PROJECTED RECOVERIES BY MONTH

Line	Rate Schedule		Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Annual Total	
Projections (A)																
1	210 - Residential Sales Service	Count	571,460	572,132	571,546	570,579	567,994	564,254	561,627	560,683	561,225	564,793	572,009	575,833	567,845	12 Mos Avg
2	220/229 - General Sales Service	Therms	44,818,803	34,764,194	25,143,956	12,541,762	5,487,885	2,914,899	2,713,712	2,808,790	3,524,393	9,234,944	22,325,145	37,345,846	203,624,327	
3	225 - School/Government Transportation Service	Therms	3,228,187	3,350,583	2,966,392	1,939,931	1,272,367	703,005	521,538	476,300	596,164	649,168	1,619,751	2,826,088	20,149,474	
4	240 - Interruptible Sales Service	Therms	400,792	412,645	258,497	257,174	153,838	96,443	79,168	62,435	88,875	284,301	274,148	329,447	2,697,763	
5	245 - Large General Transportation Service	Therms	19,917,429	14,690,068	15,334,413	12,315,829	8,014,205	7,329,796	7,097,914	7,472,549	7,791,175	10,786,929	15,010,671	15,357,978	141,118,956	
6	260/270 - Large Volume Transportation Service & Long-term Contract Service	Therms	68,325,153	57,860,523	62,625,293	55,990,933	50,422,813	48,765,973	51,696,513	52,306,403	51,475,043	57,225,973	62,823,843	63,442,753	682,961,220	
Applicable Rates (B)																
7	210 - Residential Sales Service	Count	\$ 6.25	\$ 6.25	\$ 6.25	\$ 6.25	\$ 6.25	\$ 6.25	\$ 6.40	\$ 6.40	\$ 6.40	\$ 6.40	\$ 6.40	\$ 6.40		
8	220/229 - General Sales Service	Therms	\$ 0.0486	\$ 0.0486	\$ 0.0486	\$ 0.0486	\$ 0.0486	\$ 0.0486	\$ 0.0660	\$ 0.0660	\$ 0.0660	\$ 0.0660	\$ 0.0660	\$ 0.0660		
9	225 - School/Government Transportation Service	Therms	\$ 0.0152	\$ 0.0152	\$ 0.0152	\$ 0.0152	\$ 0.0152	\$ 0.0152	\$ 0.0153	\$ 0.0153	\$ 0.0153	\$ 0.0153	\$ 0.0153	\$ 0.0153		
10	240 - Interruptible Sales Service	Therms	\$ 0.1791	\$ 0.1791	\$ 0.1791	\$ 0.1791	\$ 0.1791	\$ 0.1791	\$ 0.1323	\$ 0.1323	\$ 0.1323	\$ 0.1323	\$ 0.1323	\$ 0.1323		
11	245 - Large General Transportation Service	Therms	\$ 0.0148	\$ 0.0148	\$ 0.0148	\$ 0.0148	\$ 0.0148	\$ 0.0148	\$ 0.0126	\$ 0.0126	\$ 0.0126	\$ 0.0126	\$ 0.0126	\$ 0.0126		
12	260/270 - Large Volume Transportation Service & Long-term Contract Service	Therms	\$ 0.0058	\$ 0.0058	\$ 0.0058	\$ 0.0058	\$ 0.0058	\$ 0.0058	\$ 0.0053	\$ 0.0053	\$ 0.0053	\$ 0.0053	\$ 0.0053	\$ 0.0053		
Projected Recoveries																
13	210 - Residential Sales Service	Line 1 x Line 7	\$ 3,569,874	\$ 3,574,072	\$ 3,570,407	\$ 3,564,366	\$ 3,548,221	\$ 3,524,856	\$ 3,595,677	\$ 3,589,637	\$ 3,593,108	\$ 3,615,947	\$ 3,662,148	\$ 3,686,628	\$ 43,094,940	
14	220/229 - General Sales Service	Line 2 x Line 8	\$ 2,178,417	\$ 1,689,713	\$ 1,222,121	\$ 609,592	\$ 266,738	\$ 141,679	\$ 179,094	\$ 185,369	\$ 232,596	\$ 609,469	\$ 1,473,370	\$ 2,464,676	\$ 11,252,835	
15	225 - School/Government Transportation Service	Line 3 x Line 9	\$ 49,090	\$ 50,952	\$ 45,109	\$ 29,500	\$ 19,349	\$ 10,690	\$ 7,989	\$ 7,296	\$ 9,132	\$ 9,943	\$ 24,810	\$ 43,288	\$ 307,148	
16	240 - Interruptible Sales Service	Line 4 x Line 10	\$ 71,786	\$ 73,909	\$ 46,300	\$ 46,063	\$ 27,554	\$ 17,274	\$ 10,471	\$ 8,258	\$ 11,754	\$ 37,601	\$ 36,258	\$ 43,572	\$ 430,801	
17	245 - Large General Transportation Service	Line 5 x Line 11	\$ 295,111	\$ 217,659	\$ 227,206	\$ 182,481	\$ 118,744	\$ 108,604	\$ 89,602	\$ 94,331	\$ 98,353	\$ 136,170	\$ 189,489	\$ 193,874	\$ 1,951,624	
18	260/270 - Large Volume Transportation Service & Long-term Contract Service	Line 6 x Line 12	\$ 396,771	\$ 336,002	\$ 363,671	\$ 325,145	\$ 292,810	\$ 283,189	\$ 273,935	\$ 277,167	\$ 272,762	\$ 303,235	\$ 332,898	\$ 336,178	\$ 3,793,762	
19	Total Recoveries including variances during first six months		\$ 6,561,049	\$ 5,942,306	\$ 5,474,814	\$ 4,757,146	\$ 4,273,417	\$ 4,086,292	\$ 4,156,767	\$ 4,162,057	\$ 4,217,705	\$ 4,712,366	\$ 5,718,974	\$ 6,768,216	\$ 60,831,109	
20	20% Deferred (based on Revenue Requirement piece only)		\$ 2,173,812	\$ 1,944,210	\$ 1,759,747	\$ 1,486,686	\$ 1,312,503	\$ 1,245,423	\$ 1,238,914	\$ 1,240,574	\$ 1,256,880	\$ 1,402,701	\$ 1,699,401	\$ 2,007,325	\$ 18,768,177	

Notes:

- (A) Based on 2021 budgeted annual customer count and volumes
(B) First six months Per JCS-4, Sch 1, Lines 29 - 34. Second six months Per JCS-4, Sch 1, Lines 15 - 20. All rates exclude IURT.

APPENDIX K

COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT

APPLICABILITY

The Compliance and System Improvement Adjustment ("CSIA") shall be applicable to all Customers on the Rate Schedules set forth in the CSIA Charges section below.

DESCRIPTION

The CSIA shall include, as approved by the Commission:

- (1) In Cause No. 44429, recovery of costs incurred pursuant to Federally Mandated Projects ("Compliance") as provided for in Ind. Code Ch. 8-1-8.4;
- (2) In Cause No. 44429, recovery of costs associated with Company's TDSIC Plan ("TDSIC") as provided for in Ind. Code Ch. 8-1-39 for the purposes of safety, reliability, system modernization, or economic development; and
- (3) In Cause No. 45032-S21, credits associated with the amortization of Excess Accumulated Deferred Income Tax ("EADIT Credits") liability resulting from the Tax Cuts and Jobs Act of 2017.

Reconciliation

Company's actual CSIA costs and EADIT Credits shall be reconciled semi-annually with actual CSIA recoveries, with any differences being reflected as a charge or credit in a subsequent CSIA.

Allocation Percentages

CSIA costs and EADIT Credits shall be allocated to the Rate Schedules based on percentages approved in Cause No. 44430 TDSIC-5 and Cause No. 45032-S21.

<u>Rate Schedule</u>	<u>Compliance Allocation Percentage</u>	<u>TDSIC Allocation Percentage</u>	<u>EADIT Credit Allocation Percentage</u>
210	69.11%	69.09%	69.11%
220/229	19.39%	26.56%	19.39%
225	0.60%	0.18%	0.60%
240	0.38%	1.08%	0.38%
245	3.47%	1.02%	3.47%
260/270	7.05%	2.07%	7.05%

CSIA CHARGES

The CSIA shall be applied to each customer or therm of metered gas usage as applicable. The current CSIAs by Rate Schedule are set forth below:

<u>Rate Schedule</u>	<u>\$ per Month</u>	<u>\$ per Therm</u>
210	\$6.34	
220/229		\$0.0493
225		\$0.0154
240		\$0.1818
245		\$0.0150
260/270		\$0.0059

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

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~~Thirteenth~~ Revised Page 1 of 1
Cancels ~~Twelfth~~ Revised Page 1 of 1

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APPENDIX K

COMPLIANCE AND SYSTEM IMPROVEMENT ADJUSTMENT

APPLICABILITY

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Reconciliation

Company's actual CSIA costs and EADIT Credits shall be reconciled semi-annually with actual CSIA recoveries, with any differences being reflected as a charge or credit in a subsequent CSIA.

Allocation Percentages

CSIA costs and EADIT Credits shall be allocated to the Rate Schedules based on percentages approved in Cause No. 44430 TDSIC-5 and Cause No. 45032-S21.

<u>Rate Schedule</u>	<u>Compliance Allocation Percentage</u>	<u>TDSIC Allocation Percentage</u>	<u>EADIT Credit Allocation Percentage</u>
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220/229	19.39%	26.56%	19.39%
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CSIA CHARGES

The CSIA shall be applied to each customer or term of metered gas usage as applicable. The current CSIA's by Rate Schedule are set forth below:

<u>Rate Schedule</u>	<u>\$ per Month</u>	<u>\$ per Therm</u>
210	\$6.34	
220/229		\$0.0493
225		\$0.0154
240		\$0.1818
245		\$0.0150
260/270		\$0.0059

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INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
Vectren North
Compliance and System Improvement Adjustment
Projected Year-Over-Year Revenue Percentage Change
Compliance Projects

Year	Investment (1)	Expenses (2)	Total Revenue Change (3)	Revenue Change by Rate Schedule (4)					
				210	220/229	225	240	245	260/270
2014	\$ 56,218,873	\$ 7,264,772							
2015	\$ 70,030,740	\$ 9,759,277	0.69%	0.70%	0.54%	0.68%	0.58%	1.38%	1.51%
2016	\$ 64,045,655	\$ 11,504,307	1.38%	1.41%	1.08%	1.36%	1.16%	2.76%	3.01%
2017	\$ 95,493,095	\$ 20,076,388	1.40%	1.43%	1.10%	1.38%	1.18%	2.76%	3.01%
2018	\$ 107,880,342	\$ 19,864,479	1.57%	1.59%	1.23%	1.54%	1.32%	3.04%	3.31%
2019	\$ 65,186,175	\$ 16,879,824	1.55%	1.57%	1.22%	1.53%	1.31%	2.97%	3.21%
2020	\$ 80,691,799	\$ 13,792,078	1.46%	1.48%	1.15%	1.43%	1.24%	2.75%	2.97%

Notes:

- (1) Investment as shown in TDSIC-13, Petitioner's Exhibit No. 1, Attachment SAH-3
(2) Expenses as shown in TDSIC-13, Petitioner's Exhibit No. 2, Attachment SJV-3
(3) Based on Total Revenues for the twelve months ended 06/30/2014
(4) Based on Rate Schedule Revenues for the twelve months ended 06/30/2014

INDIANA GAS COMPANY, INC. d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
Vectren North
Compliance and System Improvement Adjustment
Projected Year-Over-Year Revenue Percentage Change
TDSIC Plan

Year	Investment (1)	Total Revenue Change (2)	Revenue Change by Rate Schedule (3)					
			210	220/229	225	240	245	260/270
2014	\$ 32,916,169							
2015	\$ 40,029,771	0.18%	0.18%	0.19%	0.05%	0.43%	0.11%	0.12%
2016	\$ 50,803,952	0.55%	0.56%	0.59%	0.16%	1.32%	0.33%	0.36%
2017	\$ 20,492,255	0.90%	0.91%	0.96%	0.27%	2.13%	0.53%	0.58%
2018	\$ 15,336,328	0.53%	0.54%	0.57%	0.16%	1.24%	0.32%	0.34%
2019	\$ 13,021,433	-0.09%	-0.09%	-0.10%	-0.03%	-0.21%	-0.05%	-0.06%
2020	\$ 11,381,641	0.28%	0.28%	0.30%	0.08%	0.65%	0.17%	0.18%

Notes:

- (1) Investment as shown in TDSIC-13, Petitioner's Exhibit No. 1, Attachment SAH-9
(2) Based on Total Revenues for the twelve months ended 06/30/2014
(3) Based on Rate Schedule Revenues for the twelve months ended 06/30/2014