

VECTREN UTILITY HOLDINGS INC
Form 10-Q
May 09, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2018
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 1-16739

VECTREN UTILITY HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

INDIANA 35-2104850
(State or other jurisdiction of incorporation or organization) (IRS Employer Identification No.)

One Vectren Square, Evansville, IN 47708
(Address of principal executive offices)
(Zip Code)

(812) 491-4000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

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Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
 Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
 Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock- Without Par Value	10	April 30, 2018
Class	Number of Shares	Date

Access to Information

Vectren Corporation makes available all SEC filings and recent annual reports, including those of its wholly owned subsidiaries, free of charge through its website at www.vectren.com as soon as reasonably practicable after electronically filing or furnishing the reports to the SEC, or by request, directed to Investor Relations at the mailing address, phone number, or email address that follows:

Mailing Address: One Vectren Square
Evansville, Indiana 47708
Phone Number: (812) 491-4000
Investor Relations Contact: David E. Parker Director, Investor Relations vvcir@vectren.com

Definitions

The Administration: Executive Office of the President of the United States
AFUDC: allowance for funds used during construction
ASC: Accounting Standards Codification
ASU: Accounting Standards Update
BTU / MMBTU: British thermal units / millions of BTU
DOT: Department of Transportation
EPA: Environmental Protection Agency
FAC: Fuel Adjustment Clause
IRP: Integrated Resource Plan
IURC: Indiana Utility Regulatory Commission
kV: Kilovolt
MCF / BCF: thousands / billions of cubic feet
MDth / MMDth: thousands / millions of dekatherms
MISO: Midcontinent Independent System Operator
MW: megawatts
MWh / GWh: megawatt hours / thousands of megawatt hours (gigawatt hours)

FASB: Financial Accounting Standards Board

FERC: Federal Energy Regulatory Commission

GAAP: Generally Accepted Accounting Principles

GCA: Gas Cost Adjustment

IDEM: Indiana Department of Environmental
Management

OUCC: Indiana Office of the Utility Consumer Counselor

PHMSA: Pipeline and Hazardous Materials Safety
Administration

PUCO: Public Utilities Commission of Ohio

XBRL: eXtensible Business Reporting Language

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

VECTREN UTILITY HOLDINGS, INC. AND SUBSIDIARY COMPANIES
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (Unaudited – In millions)

	March 31, December 31,	
	2018	2017
ASSETS		
Current Assets		
Cash & cash equivalents	\$ 14.5	\$ 9.8
Accounts receivable - less reserves of \$5.2 & \$3.9, respectively	116.6	109.5
Accrued unbilled revenues	86.7	123.7
Inventories	96.8	117.5
Recoverable fuel & natural gas costs	11.1	19.2
Prepayments & other current assets	13.3	32.7
Total current assets	339.0	412.4
Utility Plant		
Original cost	7,105.8	7,015.4
Less: accumulated depreciation & amortization	2,770.3	2,738.7
Net utility plant	4,335.5	4,276.7
Investments in unconsolidated affiliates	0.2	0.2
Other investments	26.5	26.7
Nonutility plant - net	203.2	198.6
Goodwill	205.0	205.0
Regulatory assets	315.9	314.0
Other assets	65.9	64.2
TOTAL ASSETS	\$ 5,491.2	\$ 5,497.8

The accompanying notes are an integral part of these condensed consolidated financial statements.

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VECTREN UTILITY HOLDINGS, INC. AND SUBSIDIARY COMPANIES
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (Unaudited – In millions)

	March 31, December 31,	
	2018	2017
LIABILITIES & SHAREHOLDER'S EQUITY		
Current Liabilities		
Accounts payable	\$ 144.5	\$ 221.8
Payables to other Vectren companies	28.5	33.3
Accrued liabilities	178.3	154.0
Short-term borrowings	180.4	179.5
Current maturities of long-term debt	100.0	100.0
Total current liabilities	631.7	688.6
Long-Term Debt - Net of Current Maturities	1,479.3	1,479.5
Deferred Credits & Other Liabilities		
Deferred income taxes	458.5	457.5
Regulatory liabilities	954.9	937.2
Deferred credits & other liabilities	200.1	212.2
Total deferred credits & other liabilities	1,613.5	1,606.9
Commitments & Contingencies (Notes 9 - 12)		
Common Shareholder's Equity		
Common stock (no par value)	879.0	877.5
Retained earnings	887.7	845.3
Total common shareholder's equity	1,766.7	1,722.8
TOTAL LIABILITIES & SHAREHOLDER'S EQUITY	\$ 5,491.2	\$ 5,497.8

The accompanying notes are an integral part of these condensed consolidated financial statements.

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VECTREN UTILITY HOLDINGS, INC. AND SUBSIDIARY COMPANIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Unaudited – In millions)

	Three Months Ended March 31,	
	2018	2017
OPERATING REVENUES		
Gas utility	\$329.3	\$292.8
Electric utility	134.0	132.1
Other	0.1	0.1
Total operating revenues	463.4	425.0
OPERATING EXPENSES		
Cost of gas sold	145.2	112.9
Cost of fuel & purchased power	42.2	41.2
Other operating	94.8	85.6
Depreciation & amortization	61.0	57.4
Taxes other than income taxes	19.2	14.4
Total operating expenses	362.4	311.5
OPERATING INCOME	101.0	113.5
Other income - net	8.8	7.0
Interest expense	19.9	17.6
INCOME BEFORE INCOME TAXES	89.9	102.9
Income taxes	15.6	37.0
NET INCOME	\$74.3	\$65.9

The accompanying notes are an integral part of these condensed consolidated financial statements.

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VECTREN UTILITY HOLDINGS, INC. AND SUBSIDIARY COMPANIES
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
 (Unaudited – In millions)

	Three Months Ended March 31,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$74.3	\$65.9
Adjustments to reconcile net income to cash from operating activities:		
Depreciation & amortization	61.0	57.4
Deferred income taxes & investment tax credits	(2.3)	25.1
Expense portion of pension & postretirement benefit cost	(1.1)	0.9
Provision for uncollectible accounts	2.4	2.0
Other non-cash items - net	2.6	(0.1)
Changes in working capital accounts:		
Accounts receivable & accrued unbilled revenues	27.5	41.0
Inventories	20.7	13.1
Recoverable/refundable fuel & natural gas costs	8.1	2.8
Prepayments & other current assets	19.0	16.6
Accounts payable, including to Vectren companies & affiliated companies	(78.8)	(56.7)
Accrued liabilities	24.3	26.4
Cash to fund pension plans	(4.8)	—
Changes in noncurrent assets	3.0	(5.5)
Changes in noncurrent liabilities	1.9	(1.9)
Net cash from operating activities	157.8	187.0
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Additional capital contribution	1.6	41.5
Long-term debt - net of issuance costs	(1.1)	—
Requirements for dividends to parent	(32.0)	(30.5)
Net change in short-term borrowings	0.9	(93.0)
Net cash from financing activities	(30.6)	(82.0)
CASH FLOWS FROM INVESTING ACTIVITIES		
Requirements for:		
Capital expenditures, excluding AFUDC equity	(122.5)	(108.5)
Changes in restricted cash	—	0.9
Net cash from investing activities	(122.5)	(107.6)
Net change in cash & cash equivalents	4.7	(2.6)
Cash & cash equivalents at beginning of period	9.8	9.4
Cash & cash equivalents at end of period	\$14.5	\$6.8

The accompanying notes are an integral part of these condensed consolidated financial statements.

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VECTREN UTILITY HOLDINGS, INC. AND SUBSIDIARY COMPANIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. Organization and Nature of Operations

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

Indiana Gas provides energy delivery services to approximately 603,000 natural gas customers located in central and southern Indiana. SIGECO provides energy delivery services to approximately 146,000 electric customers and approximately 112,000 gas customers located near Evansville in southwestern Indiana. SIGECO also owns and operates electric generation assets to serve its electric customers and optimizes those assets in the wholesale power market. Indiana Gas and SIGECO generally do business as Vectren Energy Delivery of Indiana. VEDO provides energy delivery services to approximately 323,000 natural gas customers located near Dayton in west-central Ohio.

Merger with CenterPoint Energy, Inc.

On April 21, 2018, Vectren entered into an Agreement and Plan of Merger (the "Merger Agreement"), with CenterPoint Energy, Inc., a Texas corporation ("CenterPoint"), and Pacer Merger Sub, Inc., an Indiana corporation and wholly owned subsidiary of CenterPoint ("Merger Sub"). Pursuant to the Merger Agreement, and subject to the terms and conditions of the agreement, Merger Sub will merge with and into Vectren (the "Merger"), with Vectren continuing as the surviving corporation and becoming a wholly owned subsidiary of CenterPoint.

Subject to the terms and conditions in the Merger Agreement, upon closing, each share of common stock of Vectren shall be converted into the right to receive \$72.00 in cash without interest.

Vectren, CenterPoint and Merger Sub each have made various representations, warranties and covenants in the Merger Agreement. Among other things, Vectren has agreed, subject to certain exceptions, to conduct its businesses in the ordinary course, consistent with past practice, from the date of the Merger Agreement until closing, and not to take certain actions prior to the closing of the Merger without the approval of CenterPoint. Vectren has made certain additional customary covenants, including, subject to certain exceptions: (1) to cause a meeting of the Company's parent's shareholders to be held to consider approval of the Merger Agreement, (2) not to solicit proposals relating to alternative business combination transactions and not to participate in discussions concerning, or furnish information in connection with, alternative business combination transactions and (3) not to withdraw its recommendation to the Company's parent shareholders regarding the Merger. In addition, subject to the terms of the Merger Agreement, Vectren, CenterPoint and Merger Sub are required to use reasonable best efforts to obtain all required regulatory approvals, which will include clearance under federal antitrust laws and certain approvals by federal regulatory bodies, including FERC, subject to certain exceptions, including that such efforts not result in a "Burdensome Condition" (as defined in the Merger Agreement). While approval of the Merger Agreement is not required by the Indiana Utility Regulatory Commission ("IURC") or the Public Utilities Commission of Ohio ("PUCO"),

informational filings will be made with each commission.

Consummation of the Merger is subject to various conditions, including: (1) approval of the shareholders of Vectren, (2) expiration or termination of the applicable Hart-Scott-Rodino Act waiting period, (3) receipt of all required regulatory and statutory approvals without the imposition of a "Burdensome Condition," (4) absence of any law or order prohibiting the consummation of the Merger and (5) other customary closing conditions, including (a) subject to materiality qualifiers, the accuracy of each party's representations and warranties, (b) each party's compliance in all material respects with its

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obligations and covenants under the Merger Agreement and (c) the absence of a material adverse effect with respect to Vectren and its subsidiaries.

The Merger Agreement contains certain termination rights for both Vectren and CenterPoint, including if the Merger is not consummated by April 21, 2019 (subject to extension for an additional six months if all of the conditions to closing, other than the conditions related to obtaining regulatory approvals, have been satisfied). The Merger Agreement also provides for certain termination rights for each Vectren and CenterPoint, and provides that, upon termination of the Merger Agreement under certain specified circumstances, CenterPoint would be required to pay a termination fee of \$210 million to Vectren, and under other specified circumstances Vectren would be required to pay CenterPoint a termination fee of \$150 million.

2. Basis of Presentation

The interim condensed consolidated financial statements included in this report have been prepared by the Company, without audit, as provided in the rules and regulations of the Securities and Exchange Commission and include a review of subsequent events through the date the financial statements were issued. Certain information and note disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been omitted as provided in such rules and regulations. The information in this report reflects all adjustments which are, in the opinion of management, necessary to fairly state the interim periods presented, inclusive of adjustments that are normal and recurring in nature. These interim condensed consolidated financial statements and related notes should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended December 31, 2017, filed with the Securities and Exchange Commission on March 8, 2018, on Form 10-K. Because of the seasonal nature of the Company's utility operations, the results shown on a quarterly basis are not necessarily indicative of annual results.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

3. Revenue

In May 2014, the FASB issued new accounting guidance, ASC 606, Revenue from Contracts with Customers, to clarify the principles for recognizing revenue and to develop a common revenue standard for GAAP. The amendments in this guidance state an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This new guidance requires enhanced disclosures to help users of financial statements better understand the nature, amount, timing, and uncertainty of revenue that is recognized.

On January 1, 2018, the Company adopted the new accounting standard and all the related amendments ("new revenue standard") to all contracts not complete at the date of initial application using the modified retrospective method, which resulted in no cumulative adjustment to retained earnings. The Company expects ongoing application to continue to be immaterial to financial condition and net income. The comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods.

Substantially all the Company's revenues are within the scope of the new revenue standard.

Revenue Policy

Revenue is recognized when obligations under the terms of a contract with the customer are satisfied. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods or providing services. The satisfaction of performance obligation occurs when the transfer of goods and services occur, which may be at a point in time or over time; resulting in revenue being recognized over the course of the underlying contract or at a single point in time based upon the delivery of services to customers. The Company determines that disaggregating revenue into customer class, as discussed further below, achieves the disclosure objective to depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

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

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

(In millions)	Three Months Ended March 31, 2018
Gas Utility Services	
Residential	\$ 219.7
Commercial	82.6
Industrial	23.8
Other	3.2
Total Gas Utility Services	\$ 329.3
Electric Utility Services	
Residential	\$ 49.7
Commercial	34.5
Industrial	37.3
Other	12.5
Total Electric Utility Services	\$ 134.0

Contract Balances

The Company does not have any material contract balances (right to consideration for services already provided or obligations to provide services in the future for consideration already received) as of January 1, 2018 or March 31, 2018. Substantially all of the Company's accounts receivable results from contracts with customers.

Remaining Performance Obligations

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

4. Subsidiary Guarantor and Consolidating Information

The Company's three operating utility companies, SIGECO, Indiana Gas, and VEDO, are guarantors of the Company's \$400 million in short-term credit facilities, of which \$180 million was outstanding at March 31, 2018, and the Company's \$1.195 billion in unsecured senior notes outstanding at March 31, 2018. The guarantees are full and unconditional and joint and several, and the Company has no subsidiaries other than the subsidiary guarantors. However, it does have operations other than those of the subsidiary guarantors. Pursuant to Item 3-10 of Regulation S-X, disclosure of the results of operations and balance sheets of the subsidiary guarantors, which are wholly owned, separate from the parent company's operations is required. Following are condensed consolidating financial statements including information on the combined operations of the subsidiary guarantors

separate from the other operations of the parent company. Pursuant to a tax sharing agreement, consolidating tax effects, which are calculated on a separate return basis, are reflected at the parent level.

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

ASSETS	Subsidiary Guarantors	Parent Company	Eliminations & Reclassifications	Consolidated
Current Assets				
Cash & cash equivalents	\$ 8.8	\$ 5.7	\$ —	\$ 14.5
Accounts receivable - less reserves	116.3	0.3	—	116.6
Intercompany receivables	82.6	276.3	(358.9)	—
Accrued unbilled revenues	86.7	—	—	86.7
Inventories	96.8	—	—	96.8
Recoverable fuel & natural gas costs	11.1	—	—	11.1
Prepayments & other current assets	10.7	7.1	(4.5)	13.3
Total current assets	413.0	289.4	(363.4)	339.0
Utility Plant				
Original cost	7,105.4	0.4	—	7,105.8
Less: accumulated depreciation & amortization	2,770.3	—	—	2,770.3
Net utility plant	4,335.1	0.4	—	4,335.5
Investments in consolidated subsidiaries	—	1,784.0	(1,784.0)	—
Notes receivable from consolidated subsidiaries	—	970.7	(970.7)	—
Investments in unconsolidated affiliates	0.2	—	—	0.2
Other investments	26.1	0.4	—	26.5
Nonutility plant - net	1.6	201.6	—	203.2
Goodwill - net	205.0	—	—	205.0
Regulatory assets	300.7	15.2	—	315.9
Other assets	64.1	1.8	—	65.9
TOTAL ASSETS	\$ 5,345.8	\$ 3,263.5	\$ (3,118.1)	\$ 5,491.2
LIABILITIES & SHAREHOLDER'S EQUITY				
	Subsidiary Guarantors	Parent Company	Eliminations & Reclassifications	Consolidated
Current Liabilities				
Accounts payable	\$ 137.9	\$ 6.6	\$ —	\$ 144.5
Intercompany payables	25.1	0.1	(25.2)	—
Payables to other Vectren companies	28.5	—	—	28.5
Accrued liabilities	161.0	21.8	(4.5)	178.3
Short-term borrowings	—	180.4	—	180.4
Intercompany short-term borrowings	152.2	82.5	(234.7)	—
Current maturities of long-term debt	—	100.0	—	100.0
Current maturities of long-term debt due to VUHI	99.0	—	(99.0)	—
Total current liabilities	603.7	391.4	(363.4)	631.7
Long-Term Debt				
Long-term debt	384.1	1,095.2	—	1,479.3
Long-term debt due to VUHI	970.7	—	(970.7)	—
Total long-term debt - net	1,354.8	1,095.2	(970.7)	1,479.3
Deferred Credits & Other Liabilities				
Deferred income taxes	450.9	7.6	—	458.5
Regulatory liabilities	953.8	1.1	—	954.9
Deferred credits & other liabilities	198.6	1.5	—	200.1
Total deferred credits & other liabilities	1,603.3	10.2	—	1,613.5

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Common Shareholder's Equity				
Common stock (no par value)	892.3	879.0	(892.3) 879.0
Retained earnings	891.7	887.7	(891.7) 887.7
Total common shareholder's equity	1,784.0	1,766.7	(1,784.0) 1,766.7
TOTAL LIABILITIES & SHAREHOLDER'S EQUITY	\$ 5,345.8	\$ 3,263.5	\$ (3,118.1) \$ 5,491.2

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Condensed Consolidating Balance Sheet as of December 31, 2017 (in millions):

ASSETS	Subsidiary Guarantors	Parent Company	Eliminations & Reclassifications	Consolidated
Current Assets				
Cash & cash equivalents	\$ 8.2	\$ 1.6	\$ —	\$ 9.8
Accounts receivable - less reserves	109.2	0.3	—	109.5
Intercompany receivables	—	227.5	(227.5)	—
Accrued unbilled revenues	123.7	—	—	123.7
Inventories	117.5	—	—	117.5
Recoverable fuel & natural gas costs	19.2	—	—	19.2
Prepayments & other current assets	28.9	12.6	(8.8)	32.7
Total current assets	406.7	242.0	(236.3)	412.4
Utility Plant				
Original cost	7,015.4	—	—	7,015.4
Less: accumulated depreciation & amortization	2,738.7	—	—	2,738.7
Net utility plant	4,276.7	—	—	4,276.7
Investments in consolidated subsidiaries	—	1,741.0	(1,741.0)	—
Notes receivable from consolidated subsidiaries	—	970.7	(970.7)	—
Investments in unconsolidated affiliates	0.2	—	—	0.2
Other investments	26.3	0.4	—	26.7
Nonutility plant - net	1.6	197.0	—	198.6
Goodwill - net	205.0	—	—	205.0
Regulatory assets	298.7	15.3	—	314.0
Other assets	62.5	1.8	(0.1)	64.2
TOTAL ASSETS	\$ 5,277.7	\$ 3,168.2	\$ (2,948.1)	\$ 5,497.8
LIABILITIES & SHAREHOLDER'S EQUITY				
	Subsidiary Guarantors	Parent Company	Eliminations & Reclassifications	Consolidated
Current Liabilities				
Accounts payable	\$ 179.4	\$ 42.4	\$ —	\$ 221.8
Intercompany payables	8.3	—	(8.3)	—
Payables to other Vectren companies	25.2	8.1	—	33.3
Accrued liabilities	147.7	15.1	(8.8)	154.0
Short-term borrowings	—	179.5	—	179.5
Intercompany short-term borrowings	120.2	—	(120.2)	—
Current maturities of long-term debt	—	100.0	—	100.0
Current maturities of long-term debt due to VUHI	99.0	—	(99.0)	—
Total current liabilities	579.8	345.1	(236.3)	688.6
Long-Term Debt				
Long-term debt - net of current maturities & debt subject to tender	384.5	1,095.0	—	1,479.5
Long-term debt due to VUHI	970.7	—	(970.7)	—
Total long-term debt - net	1,355.2	1,095.0	(970.7)	1,479.5
Deferred Credits & Other Liabilities				
Deferred income taxes	455.3	2.2	—	457.5
Regulatory liabilities	936.1	1.1	—	937.2
Deferred credits & other liabilities	210.3	2.0	(0.1)	212.2

