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VECTREN CORP
Form U-3A-2/A
March 04, 2005

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

FORM U-3A-2/A

Amendment No. 1 to
Statement by Holding Company
Claiming Exemption Under Rule U-3A-2
From the Provisions of the
Public Utility Holding Company Act of 1935

To Be Filed Annually Prior to March 1

VECTREN CORPORATION
VECTREN UTILITY HOLDINGS, INC.

(Name of Company)

hereby file with the Securities and Exchange Commission, pursuant to Rule 2, this Amendment No. 1 to their statement originally filed February 28, 2005, claiming exemption as a holding company from the provisions of the Public Utility Holding Company Act of 1935. This amendment submits required consolidating financial statement exhibits as well as all information contained in the original filing.

ITEM 1. Name, State of organization, location, and nature of business of Claimant and every subsidiary thereof, other than any exempt wholesale generator (EWG) or foreign utility company in which Claimant directly or indirectly holds an interest.

Vectren Corporation (Vectren or Claimant), an Indiana corporation, is an energy and applied technology holding company headquartered in Evansville, Indiana. Vectren's wholly owned subsidiary, Vectren Utility Holdings, Inc. (VUHI), serves as the intermediate holding company for three operating public utilities: Indiana Gas Company, Inc. (Indiana Gas), Southern Indiana Gas and Electric Company (SIGECO), and the Ohio operations. VUHI also has other assets that provide information technology and other services to the three utilities. VUHI's consolidated operations are collectively referred to as the Utility Group.

Vectren is also involved in nonregulated activities in four primary business areas: Energy Marketing and Services, Coal Mining, Utility Infrastructure Services, and Broadband. Energy Marketing and Services markets natural gas and provides energy management services, including energy performance contracting

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services. Coal Mining mines and sells coal and generates IRS Code Section 29 tax credits relating to the production of coal-based synthetic fuels. Utility Infrastructure Services provides underground construction and repair, facilities locating, and meter reading services. Broadband has investments in broadband communication services such as analog and digital cable television, high-speed internet and data services, and advanced local and long distance phone services. In addition, there are other businesses that invest in energy-related opportunities, real estate, and leveraged leases, among other activities. These operations are collectively referred to as the Nonregulated Group. The Nonregulated Group supports Vectren's regulated utilities pursuant to service contracts by providing natural gas supply services, coal, utility infrastructure services, and other services.

Vectren is a "holding company," as such term is defined by the Public Utility Holding Company Act of 1935 (the Act). VUHI, an Indiana corporation, is a "subsidiary company" of Vectren and a "holding company" (as such terms are defined by the Act).

Utility Group

Indiana Gas, an Indiana and Ohio corporation, is a "subsidiary company" of VUHI and is also a "gas utility company" and a "public utility company" (as such terms are defined by the Act). Indiana Gas' activities and operations occur predominately within Indiana. Indiana Gas provides energy delivery services to approximately 555,000 natural gas customers located in central and southern Indiana. Indiana Gas also has activity outside of Indiana through its 47% undivided ownership interest in the assets of the Ohio operations (see below).

SIGECO, an Indiana corporation, is a "subsidiary company" of VUHI and is also an "electric utility company," a "gas utility company," and a "public utility company" (as such terms are defined by the Act). SIGECO's activities and operations occur predominately within Indiana. SIGECO provides energy delivery services to approximately 135,000 electric customers and approximately 110,000 gas customers located near Evansville in southwestern Indiana. SIGECO also owns and operates electric generation to serve its electric customers. Periodically, SIGECO's generation capacity is in excess of that needed to serve native load and Indiana firm wholesale customers. The Company markets this unutilized capacity to optimize the return on its owned generation assets. Substantially all of the earnings contribution from these activities is generated from contracts that are integrated with portfolio requirements around power supply and delivery and are short-term purchase and sale transactions that expose the Company to limited market risk. Some of these transactions result in activity outside of Indiana.

Both Indiana Gas and SIGECO do business as Vectren Energy Delivery of Indiana, Inc.

The Ohio operations, owned as a tenancy in common by Vectren Energy Delivery of Ohio, Inc. (VEDO), a wholly owned subsidiary (53% ownership), and Indiana Gas (47% ownership), provide energy delivery services to approximately 315,000 natural gas customers located near Dayton in west central Ohio. VEDO, an Ohio corporation, is a "subsidiary company" of VUHI (as such term is defined by the Act) and is the operator of the assets. VEDO is therefore a "gas utility company" and "public utility company," as such terms are defined in the Act. VEDO's operations occur predominately in Ohio; however, its income is not material to VUHI or Vectren. The Ohio operations generally do business as Vectren Energy Delivery of Ohio.

Nonregulated Group

Vectren Enterprises, Inc. is an intermediate holding company for the Company's nonregulated businesses: Vectren Energy Services, Inc., Vectren Utility

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Services, Inc., Vectren Communications, Inc., Vectren Broadband, Inc., Vectren Ventures, Inc., and Vectren Financial Group, Inc.

Vectren Energy Services, Inc. is an intermediate holding company for Vectren Energy Marketing and Services, Inc. and Vectren Energy Retail, Inc.

Vectren Energy Marketing and Services, Inc. holds a 100% interest in Energy Systems Group, Inc., a 61% ownership interest in ProLiance Energy, LLC, a 100% interest in Indiana Energy Services, Inc. (dormant) and Vectren Power Marketing, Inc. (dormant).

Energy Systems Group, Inc. holds a 100% ownership interest in Energy Systems Group, LLC (ESG). ESG provides energy-related performance contracting and facility upgrades through its design and installation of energy efficient equipment to industrial, commercial, and governmental customers.

ProLiance Energy, LLC is a 61% unconsolidated energy marketing affiliate that provides natural gas and related services to the Company's utility subsidiaries, Vectren Retail, LLC, and other unrelated parties. ProLiance's primary businesses include gas marketing, gas portfolio optimization, and other portfolio and energy management services. ProLiance's primary customers are utilities and other large end use customers. Governance and voting rights remain at 50% for each of ProLiance's members. Since governance of ProLiance remains equal between its members, Vectren continues to account for its investment in ProLiance using the equity method of accounting.

Vectren Energy Retail, Inc. holds a 99% interest in Vectren Retail, LLC (d.b.a. Vectren Source), which provides natural gas and other related products and services primarily in Ohio serving customers opting for choice among energy providers.

Vectren Utility Services, Inc. is an intermediate holding company for Vectren Environmental Services, Inc., Vectren Fuels, Inc., Reliant Services, LLC, and Utility Debt Collectors, Inc. (dormant).

Vectren Environmental Services, Inc. holds a 51% ownership interest in Air Quality Services, LLC, a company created to provide air quality monitoring and testing services to industrial companies and utilities.

Vectren Fuels, Inc. owns and operates coal mining properties, including a 100% ownership interest in Cypress Creek Mine, Inc. and a 99% ownership interest in SFI Coal Sales, LLC. SFI Coals Sales, LLC holds a 100% ownership interest in Prosperity Mine, LLC and Cypress Creek Mine, LLC.

Reliant Services, LLC (Reliant) is a 50% owned unconsolidated affiliate that provides underground facility locating, contract meter reading, and installation of telecommunications and electric facilities to the Company's utility subsidiaries and others. Reliant holds a 100% ownership interest in Miller Pipeline Corporation, which provides underground pipeline construction, replacement, and repair services to the Company's utility subsidiaries and others.

Vectren Communications, Inc. holds an investment in Vectren Communications Services, Inc. Vectren Communications Services, Inc. ceased operations in 2004.

Vectren Broadband, Inc. holds Vectren's 18.9% investment in SIGECOM Holdings, Inc. and a minority interest and convertible subordinated debt

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investment in Utilicom Networks, LLC (Utilicom). SIGECOM Holdings, Inc. holds a 74% interest in SIGECOM, LLC. SIGECOM, LLC provides broadband services to the greater Evansville, Indiana, area. Utilicom is a provider of bundled communication services through high capacity broadband networks, including cable television, high-speed Internet, and advanced local and long distance telephone services. Utilicom is the majority member of SIGECOM, LLC and plans to provide broadband services to the greater Indianapolis, Indiana, and Dayton, Ohio, markets.

Vectren Ventures, Inc. invests in energy-related companies and projects. Vectren Ventures, Inc. holds the remaining 1% interests in SFI Coal Sales, LLC and Vectren Retail, LLC. In addition, Vectren Ventures maintains a 36.7% ownership in Haddington Energy Partners, LP, a 42.1% ownership in Haddington Energy Partners II, LP, a 7% ownership in Monument Capital Partnership Fund I, LP, a 4.5% ownership in Cambridge Ventures, LP, and a 4% ownership in Gazelle TechVentures, Inc.

Haddington Energy Partners, LP, Haddington Energy Partners II, LP, and Monument Capital Partnership Fund I, LP are investment companies that invest in energy-related projects.

Cambridge Ventures, LP is an investment company that invests in small businesses.

Gazelle TechVentures, Inc. is a venture capital company focusing on venture capital activity in Indiana.

Vectren Financial Group, Inc. is an intermediate holding company for the following entities: Southern Indiana Properties, Inc. (SIPI), Vectren Synfuels, Inc., and Energy Realty, Inc.

SIPI holds a 100% ownership interest in SIPI Holding Company, Inc., SIP-GT I, Inc., and Southwest Lease Capital, Inc. These companies invest in and loan capital to other partnerships and corporations. These investments are primarily affordable housing projects or are venture capital funds. SIPI's companies also invest in real estate and leveraged lease transactions.

Vectren Synfuels, Inc. owns a limited partnership interest of 8.3% in Pace Carbon Synfuels Investors, LP, which produces and sells coal-based synthetic fuel that qualifies for IRS Code Section 29 investment tax credits.

Energy Realty, Inc. invests in partnerships and corporations that invest in real estate and affordable housing projects.

Corporate and Other Operations

Vectren's corporate and other activities provide general and administrative support to Vectren's other operating groups. The companies comprising Vectren's corporate and other group include Vectren Capital Corp. and Vectren Aero, LLC.

Vectren Capital Corp., and its direct subsidiary, IEI Capital Corp, are financing vehicles for Vectren's nonregulated and corporate operations.

Vectren Aero, LLC provides transportation services to the Company's employees.

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ITEM 2. A brief description of the properties of Claimant and each of its subsidiary public utility companies used for the generation, transmission, and distribution of electric energy for sale, or for the production, transmission, and distribution of natural or manufactured gas, indicating the location of principal generating plants, transmission lines, producing fields, gas manufacturing plants, electric and gas distribution facilities, including all such properties which are outside the state in which Claimant and its subsidiaries are organized and all transmission or pipelines which deliver or receive electric energy or gas at the borders of such state.

Vectren and VUHI

At the date of the filing of this Statement, Vectren and VUHI have no significant real properties. Both companies are solely holding companies, owning all of the issued and outstanding shares of common stock of their subsidiary companies.

Gas Utility Operations

Indiana Gas

Specific to its Indiana operations, Indiana Gas owns and operates four active gas storage fields located in Indiana covering 58,130 acres of land with an estimated ready delivery from storage capability of 5.6 BCF of gas with maximum peak day delivery capabilities of 144,500 MCF per day. Indiana Gas also owns and operates three liquefied petroleum (propane) air-gas manufacturing plants located in Indiana with the ability to store 1.5 million gallons of propane and manufacture for delivery 33,000 MCF of manufactured gas per day. In addition to its company owned storage and propane capabilities, Indiana Gas has contracted for 17.8 BCF of storage with a maximum peak day delivery capability of 299,717 MMBTU per day. Indiana Gas' gas delivery system includes 12,150 miles of distribution and transmission mains, all of which are in Indiana except for pipeline facilities extending from points in northern Kentucky to points in southern Indiana so that gas may be transported to Indiana and sold or transported by Indiana Gas to ultimate customers in Indiana.

SIGECO

SIGECO owns and operates three underground gas storage fields located in Indiana covering 6,070 acres of land with an estimated ready delivery from storage capability of 6.3 BCF of gas with maximum peak day delivery capabilities of 108,000 MCF per day. In addition to its company owned storage delivery capabilities, SIGECO has contracted for 0.5 BCF of storage with a maximum peak day delivery capability of 19,166 MMBTU per day. SIGECO's gas delivery system includes 3,074 miles of distribution and transmission mains, all of which are located in Indiana.

Ohio Operations

The Ohio operations own and operate three liquefied petroleum (propane) air-gas manufacturing plants and a cavern for propane storage, all of which are located in Ohio. The plants and cavern can store 7.5 million gallons of propane, and the plants can manufacture for delivery 51,047 MCF of manufactured gas per day. In addition to its propane delivery capabilities, the Ohio operations have contracted for 13.4 BCF of storage with a maximum peak day delivery capability of 287,684 MMBTU per day. The Ohio operations' gas delivery system includes 5,301 miles of distribution and transmission mains, all of which are located in Ohio.

Natural Gas Purchases

Indiana Gas, SIGECO, and the Ohio operations purchase all natural gas from ProLiance Energy LLC, a 61% owned, nonregulated gas marketing affiliate of Vectren. Gas is transported to their systems by interstate pipeline suppliers under Federal Energy Regulatory Commission approved rate schedules.

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SIGECO's Electric Utility Operations

SIGECO's installed generating capacity as of December 31, 2004, was rated at 1,351 MW. SIGECO's coal-fired generating facilities are: the Brown Station with 500 MW of capacity, located in Posey County approximately eight miles east of Mt. Vernon, Indiana; the Culley Station with 406 MW of capacity, and Warrick Unit 4 with 150 MW of capacity. Both the Culley and Warrick Stations are located in Warrick County near Yankeetown, Indiana. SIGECO's gas-fired turbine peaking units are: the 80 MW Brown 3 Gas Turbine located at the Brown Station; two Broadway Avenue Gas Turbines located in Evansville, Indiana with a combined capacity of 115 MW (Broadway Avenue Unit 1, 50 MW and Broadway Avenue Unit 2, 65 MW); two Northeast Gas Turbines located northeast of Evansville in Vanderburgh County, Indiana with a combined capacity of 20 MW; and an 80 MW turbine also located at the Brown station (Brown Unit 4) placed into service in 2002. The Brown Unit 3 and Broadway Avenue Unit 2 turbines are also equipped to burn oil. Total capacity of SIGECO's six gas turbines is 295 MW, and they are generally used only for reserve, peaking, or emergency purposes due to the higher per unit cost of generation.

SIGECO's transmission system consists of 830 circuit miles of 138,000 and 69,000 volt lines. The transmission system also includes 28 substations with an installed capacity of 4,635.9 megavolt amperes (Mva). The electric distribution system includes 3,223 pole miles of lower voltage overhead lines and 302 trench miles of conduit containing 1,688 miles of underground distribution cable. The distribution system also includes 92 distribution substations with an installed capacity of 1,901.7 Mva and 51,630 distribution transformers with an installed capacity of 2,388.8 Mva.

SIGECO owns utility property outside of Indiana approximating eight miles of 138,000 volt electric transmission line which is located in Kentucky and which interconnects with Louisville Gas and Electric Company's transmission system at Cloverport, Kentucky.

Item 3. The following information for the last calendar year with respect to Claimant and each of its subsidiary public utility companies:

- A. Number of dekatherms in thousands (MDth) of gas distributed at retail and number of megawatt hours (MWh) of electric energy sold at retail or wholesale:

Gas distributed:

| | MDth of Gas | Dollar Revenues From Sales (in millions) |
|-----------------|-------------|--|
| | ----- | ----- |
| a. Indiana Gas: | | |
| Retail Indiana | 114,654 | \$ 686.1 |
| Retail Ohio | 26,057 | 155.0 |
| Wholesale | - | - |
| | ----- | ----- |
| Totals | 140,711 | \$ 841.1 |
| | ----- | ----- |

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| | | |
|----------------------|---------|------------|
| b. SIGECO: | | |
| Retail Indiana | 30,249 | \$ 110.4 |
| Wholesale | - | - |
| | ----- | ----- |
| Totals | 30,249 | \$ 110.4 |
| | ----- | ----- |
| c. VEDO: | | |
| Retail Ohio | 29,383 | \$ 174.7 |
| Wholesale | - | - |
| | ----- | ----- |
| Totals | 29,383 | \$ 174.7 |
| | ----- | ----- |
| d. VUHI and Vectren: | | |
| Retail Indiana | 144,903 | 796.5 |
| Retail Ohio | 55,440 | 329.7 |
| Wholesale | - | - |
| | ----- | ----- |
| Totals | 200,343 | \$ 1,126.2 |
| | ----- | ----- |

Electric energy sold:

| | MWh of Electric Energy | Dollar Revenues From Sales (in millions) |
|-------------------------------|---------------------------|--|
| | ----- | ----- |
| a. SIGECO, VUHI, and Vectren: | | |
| Retail Indiana | 5,560,235 | \$ 323.9 |
| Municipalities Indiana | 625,925 | 23.6 |
| Wholesale | 3,526,005 | 155.1 |
| | ----- | ----- |
| Totals | 9,712,165 | \$ 502.6 |
| | ----- | ----- |

B. Number of MDth of gas and MWh of electric energy distributed at retail outside the state in which each such company is organized:

1. Gas distributed at retail outside the state:

| | MDth of Gas | Dollar Revenues From Sales (in millions) |
|----------------------|-------------|--|
| | ----- | ----- |
| a. Indiana Gas: | | |
| Ohio | 26,057 | \$ 155.0 |
| b. SIGECO: | None | None |
| c. VEDO: | | |
| Ohio | 29,383 | \$ 174.7 |
| d. VUHI and Vectren: | | |
| Ohio | 55,440 | \$ 329.7 |

C. Number of MDth of gas sold and MWh of electric energy sold at wholesale outside the state in which each such company is organized, or at the state line:

1. Gas sold outside at wholesale the state

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| | MDth of Gas ----- | Dollar Revenues From Sales (in millions) ----- |
|----------------------|----------------------|---|
| a. Indiana Gas: | None | None |
| b. SIGECO: | None | None |
| c. VEDO: | None | None |
| e. VUHI and Vectren: | None | None |

2. Electric energy sold at wholesale outside the state*

| | MWh of Electric Energy ----- | Dollar Revenues From Sales (in millions) ----- |
|----------------------------------|------------------------------------|---|
| a. SIGECO, VUHI, and Vectren: | | |
| PJM Hub | 613,048 | \$ 32.3 |
| All others | 41,131 | 0.8 |
| | ----- | ----- |
| Totals | 654,179 | \$ 33.1 |
| | ----- | ----- |

* These wholesale sales are aggregated by delivery points contemplated by underlying contracts and include the impact of contracts settled both physically and financially. Contracts with a delivery point at the PJM Hub are substantially all financially settled. As a result, since they are not physically settled, title does not pass outside of Indiana.

D. Number of MDth of gas and MWh of electric energy purchased outside the state in which each such company is organized or at the state line:

1. Gas purchased outside the state:

| | MDth of Gas ----- | Dollar Cost of Purchases (in millions) ----- |
|----------------------|----------------------|---|
| a. Indiana Gas: | | |
| Ohio | 15,357 | \$ 104.0 |
| b. SIGECO: | None | None |
| c. VEDO: | | |
| Ohio | 17,317 | \$ 117.2 |
| d. VUHI and Vectren: | | |
| Ohio | 32,674 | \$ 221.2 |

2. Electric energy purchased outside the state*:

| | MWh of Electric Energy ----- | Dollar Cost of Purchases (in millions) ----- |
|-------------------------------------|------------------------------------|---|
| a. SIGECO, VUHI, and Vectren: | | |
| PJM Hub | 692,515 | \$ 34.6 |
| Ohio Valley Electric Corporation | 236,655 | 5.8 |
| All others | 73,815 | 3.2 |

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| | | |
|--------|-----------|---------|
| Totals | 1,002,985 | \$ 43.6 |
|--------|-----------|---------|

- * These wholesale purchases are aggregated by delivery points contemplated by underlying contracts and include the impact of contracts settled both physically and financially. Contracts with a delivery point at the PJM Hub are substantially all financially settled. As a result, since they are not physically settled, title does not pass outside of Indiana.

Item 4. The following information for the reporting period with respect to Claimant and each interest it holds directly or indirectly in a EWG or a foreign utility company.

Not applicable to Claimant or any of Claimant's subsidiaries.

Exhibit A

A consolidating statement of income and surplus of Vectren and subsidiary companies for the year ended December 31, 2004, together with a consolidating balance sheet of Vectren and subsidiary companies, as of December 31, 2004, are attached as Exhibit A.

Exhibit B

An organizational chart showing the relationship of each EWG or foreign utility company to associate companies in the holding company system.

Not applicable to Claimant or any of Claimant's subsidiaries.

SIGNATURES

The above-named Claimant has caused this statement to be duly executed on its behalf by its authorized officer on this 28th day of February 2004.

VECTREN CORPORATION
VECTREN UTILITY HOLDINGS, INC.
(Name of Claimant)

By /s/ Ronald E. Christian

Ronald E. Christian
Executive Vice President, Chief Administrative
Officer, General Counsel, and Corporate Secretary
of
Vectren Corporation
Executive Vice President, Chief Administrative
Office, and Corporate Secretary of

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Vectren Utility Holdings, Inc.

Name, title and address of officer to whom notices and correspondence concerning this statement should be addressed:

Ronald E. Christian
Executive Vice President, Chief Administrative Officer,
General Counsel, and Corporate Secretary of
Vectren Corporation
Post Office Box 209
Evansville, Indiana 47702-0209

Exhibit A
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Vectren Corporation and Subsidiary Companies
Consolidating Statement of Income
For the Year Ended December 31, 2004
(In millions)

| | VUHI Consol. | Nonreg. Oper. | Vectren Capital | Vectren Corp. | Adjust. & Elim. | Vectren Consol. |
|---|-----------------|------------------|--------------------|------------------|--------------------|--------------------|
| OPERATING REVENUES | | | | | | |
| Gas utility | \$ 1,126.2 | \$ - | \$ - | \$ - | \$ - | \$ 1,126. |
| Electric utility | 371.3 | - | - | - | - | 371. |
| Energy services & other | 0.5 | 272.1 | - | - | (80.3) | 192. |
| Total operating revenues | 1,498.0 | 272.1 | - | - | (80.3) | 1,689. |
| OPERATING EXPENSES | | | | | | |
| Cost of gas sold | 778.5 | - | - | - | - | 778. |
| Fuel for electric generation | 96.1 | - | - | - | - | 96. |
| Purchased electric energy | 20.7 | - | - | - | - | 20. |
| Cost of energy services & other | - | 222.5 | - | - | (79.0) | 143. |
| Other operating | 218.5 | 31.1 | - | 0.7 | (1.5) | 248. |
| Depreciation & amortization | 127.8 | 12.0 | - | 0.3 | - | 140. |
| Taxes other than income taxes | 58.2 | 1.1 | - | 0.1 | - | 59. |
| Total operating expenses | 1,299.8 | 266.7 | - | 1.1 | (80.5) | 1,487. |
| OPERATING INCOME | 198.2 | 5.4 | - | (1.1) | 0.2 | 202. |
| OTHER INCOME | | | | | | |
| Equity in earnings of consolidated affiliates | - | - | - | 109.5 | (109.5) | |
| Equity in earnings of unconsolidated affiliates | 0.2 | 20.4 | - | - | - | 20. |
| Other - net | 5.2 | (1.6) | 11.2 | (1.0) | (12.4) | 1. |
| Total other income | 5.4 | 18.8 | 11.2 | 108.5 | (121.9) | 22. |
| Interest expense | 67.4 | 11.3 | 11.2 | - | (12.2) | 77. |
| INCOME BEFORE INCOME TAXES | 136.2 | 12.9 | - | 107.4 | (109.5) | 147. |

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| | | | | | | |
|--|----------------|----------------|-------------|----------------|-------------------|----------------|
| Income taxes | 53.1 | (13.6) | - | (0.5) | - | 39. |
| Minority interest in & preferred dividend requirements of subsidiaries | - | 0.1 | - | - | - | 0. |
| NET INCOME | \$ 83.1 | \$ 26.4 | \$ - | \$107.9 | \$ (109.5) | \$ 107. |
| Retained Earnings Beginning of Year | \$ 390.0 | \$ 30.6 | \$ (0.1) | \$562.4 | | \$ 562. |
| Net Income | 83.1 | 26.4 | - | 107.9 | | 107. |
| Dividends Paid | (80.6) | (8.7) | - | (87.3) | | (87. |
| Retained Earnings End of Year | \$ 392.5 | \$ 48.3 | \$ (0.1) | \$583.0 | | \$ 583. |

Exhibit A
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Vectren Corporation and Subsidiary Companies
Consolidating Statement of Income, Continued
For the Year Ended December 31, 2004
(In millions)

| | SIGECO | Indiana Gas | VEDO Consol. | VUHI, Inc. | Adjust. & Elim. | VUHI Consol. |
|---|--------------|--------------|--------------|-------------|-----------------|---------------|
| OPERATING REVENUES | | | | | | |
| Gas utility | \$ 110.4 | \$ 686.1 | \$ 329.7 | \$ - | \$ - | \$ 1,126. |
| Electric utility | 371.3 | - | - | - | - | 371. |
| Energy services & other | - | - | - | 32.9 | (32.4) | 0. |
| Total operating revenues | 481.7 | 686.1 | 329.7 | 32.9 | (32.4) | 1,498. |
| OPERATING EXPENSES | | | | | | |
| Cost of gas sold | 78.3 | 474.5 | 225.7 | - | - | 778. |
| Fuel for electric generation | 96.1 | - | - | - | - | 96. |
| Purchased electric energy | 20.7 | - | - | - | - | 20. |
| Cost of energy services & other | - | - | - | - | - | - |
| Other operating | 112.1 | 89.8 | 47.9 | 1.1 | (32.4) | 218. |
| Depreciation & amortization | 58.5 | 45.0 | 6.6 | 17.5 | 0.2 | 127. |
| Taxes other than income taxes | 13.3 | 18.5 | 25.7 | 0.6 | 0.1 | 58. |
| Total operating expenses | 379.0 | 627.8 | 305.9 | 19.2 | (32.1) | 1,299. |
| OPERATING INCOME | 102.7 | 58.3 | 23.8 | 13.7 | (0.3) | 198. |
| OTHER INCOME | | | | | | |
| Equity in earnings of consolidated affiliates | - | 7.2 | - | 76.0 | (83.2) | |
| Equity in earnings of unconsolidated affiliates | - | - | - | 0.2 | - | 0. |
| Other - net | 3.1 | (0.8) | 0.1 | 35.4 | (32.6) | 5. |

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| | | | | | | |
|--|----------|---------|-----------|---------|-----------|---------|
| Total other income | 3.1 | 6.4 | 0.1 | 111.6 | (115.8) | 5. |
| Interest expense | 25.3 | 29.4 | 8.2 | 37.5 | (33.0) | 67. |
| INCOME BEFORE INCOME TAXES | 80.5 | 35.3 | 15.7 | 87.8 | (83.1) | 136. |
| Income taxes | 31.9 | 10.9 | 5.5 | 4.7 | 0.1 | 53. |
| Minority interest in & preferred dividend requirements of subsidiaries | - | - | 7.2 | - | (7.2) | |
| NET INCOME | \$ 48.6 | \$ 24.4 | \$ 3.0 | \$ 83.1 | \$ (76.0) | \$ 83. |
| Retained Earnings Beginning of Year | \$ 266.9 | \$ 88.7 | \$ (10.7) | \$390.0 | | \$ 390. |
| Net Income | 48.6 | 24.4 | 3.0 | 83.1 | | 83. |
| Dividends Paid | (49.6) | (26.5) | (4.5) | (80.6) | | (80.) |
| Retained Earnings End of Year | \$ 265.9 | \$ 86.6 | \$ (12.2) | \$392.5 | | \$ 392. |

Exhibit A
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Vectren Corporation and Subsidiary Companies
Consolidating Balance Sheet
As of December 31, 2004
(In millions)

| ASSETS | VUHI Consol. | Nonreg. Oper. | Vectren Capital | Vectren Corp. | Adjust. & Elim. | Vectren Consol. |
|---|-----------------|------------------|--------------------|------------------|--------------------|--------------------|
| Current Assets | | | | | | |
| Cash & cash equivalents | \$ 5.7 | \$ 1.9 | \$ 1.6 | \$ 0.4 | \$ - | \$ 9. |
| Accounts receivable-less reserves | 147.5 | 26.0 | - | - | - | 173. |
| Receivables from other Vectren companies | 4.0 | 22.5 | 179.8 | 36.9 | (243.2) | |
| Accrued unbilled revenues | 161.2 | 15.5 | - | - | (0.1) | 176. |
| Inventories | 53.0 | 14.6 | - | - | - | 67. |
| Recoverable fuel & natural gas costs | 17.7 | - | - | - | - | 17. |
| Prepayments & other current assets | 138.2 | 5.1 | - | 3.4 | (5.4) | 141. |
| Total current assets | 527.3 | 85.6 | 181.4 | 40.7 | (248.7) | 586. |
| Utility Plant | | | | | | |
| Original cost | 3,465.2 | - | - | - | - | 3,465. |
| Less: accumulated depreciation & amortization | 1,309.0 | - | - | - | - | 1,309. |
| Net utility plant | 2,156.2 | - | - | - | - | 2,156. |

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| | | | | | | |
|---|-------------------|----------------|----------------|------------------|--------------------|-----------------|
| Investments in consolidated affiliates | - | - | - | 1,123.3 | (1,123.3) | |
| Investments in unconsolidated affiliates | 0.2 | 179.8 | - | - | - | 180. |
| Other investments | 19.6 | 95.0 | - | 0.5 | - | 115. |
| Notes receivable from other Vectren companies | - | 0.2 | 75.0 | - | (75.2) | |
| Non-utility property-net | 149.6 | 78.7 | - | 0.9 | - | 229. |
| Goodwill-net | 205.0 | 2.1 | - | - | - | 207. |
| Regulatory assets | 82.5 | - | - | - | - | 82. |
| Other assets | 7.3 | 6.5 | 1.1 | 19.8 | (4.2) | 30. |
| TOTAL ASSETS | \$ 3,147.7 | \$447.9 | \$257.5 | \$1,185.2 | \$(1,451.4) | \$3,586. |

Exhibit A
Page 4 of 6

Vectren Corporation and Subsidiary Companies
Consolidating Balance Sheet
As of December 31, 2004
(In millions)

| ASSETS | SIGECO | Indiana Gas | VEDO Consol. | VUHI Inc | Adjust. & Elim. | VUHI Consol. |
|---|----------------|--------------|--------------|--------------|------------------|---------------|
| Current Assets | | | | | | |
| Cash & cash equivalents | \$ 1.8 | \$ 1.6 | \$ 1.3 | \$ 1.0 | \$ - | \$ 5. |
| Accounts receivable-less reserves | 55.1 | 58.6 | 33.7 | 0.1 | - | 147. |
| Receivables from other Vectren companies | 1.5 | 0.2 | - | 327.0 | (324.7) | 4. |
| Accrued unbilled revenues | 36.4 | 86.3 | 38.5 | - | - | 161. |
| Inventories | 36.6 | 14.1 | 2.3 | - | - | 53. |
| Recoverable fuel & natural gas costs | - | 13.7 | 4.0 | - | - | 17. |
| Prepayments & other current assets | 7.4 | 66.4 | 62.6 | 4.2 | (2.4) | 138. |
| Total current assets | 138.8 | 240.9 | 142.4 | 332.3 | (327.1) | 527. |
| Utility Plant | | | | | | |
| Original cost | 1,804.8 | 1,251.5 | 408.9 | - | - | 3,465. |
| Less: accumulated depreciation & amortization | 761.3 | 424.1 | 123.6 | - | - | 1,309. |
| Net utility plant | 1,043.5 | 827.4 | 285.3 | - | - | 2,156. |
| Investments in consolidated affiliates | - | 220.8 | - | 951.5 | (1,172.3) | |
| Investments in unconsolidated affiliates | 0.2 | - | - | - | - | 0. |
| Other investments | 9.5 | 3.1 | 0.9 | 6.1 | - | 19. |

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| | | | | | | |
|---|------------|-----------|---------|-----------|--------------|----------|
| Notes receivable from other Vectren companies | - | - | - | 443.1 | (443.1) | |
| Non-utility property-net | 3.6 | 0.2 | 1.5 | 144.3 | - | 149. |
| Goodwill-net | 5.6 | - | 199.4 | - | - | 205. |
| Regulatory assets | 50.2 | 19.9 | 6.7 | 5.7 | - | 82. |
| Other assets | 0.1 | 3.1 | 0.6 | 3.5 | - | 7. |
| ----- | | | | | | |
| TOTAL ASSETS | \$ 1,251.5 | \$1,315.4 | \$636.8 | \$1,886.5 | \$ (1,942.5) | \$3,147. |
| ===== | | | | | | |

Exhibit A
Page 5 of 6

Vectren Corporation and Subsidiary Companies
Consolidating Balance Sheet, Continued
As of December 31, 2004
(In millions)

| | VUHI Consol. | Nonreg. Oper. | Vectren Capital | Vectren Corp. | Adjust. & Elim. | Vectren Consol. |
|---|-----------------|------------------|--------------------|------------------|--------------------|--------------------|
| ----- | | | | | | |
| LIABILITIES & SHAREHOLDERS' EQUITY | | | | | | |
| Current Liabilities | | | | | | |
| Accounts payable | \$ 97.3 | \$ 25.0 | \$ - | \$ 1.5 | \$ - | \$ 123. |
| Accounts payable to affiliated companies | 98.8 | 10.5 | - | - | - | 109. |
| Payables to other Vectren companies | 15.8 | 5.3 | 0.1 | 3.9 | (25.1) | |
| Accrued liabilities | 116.3 | (0.3) | 0.8 | 20.6 | (5.3) | 132. |
| Short-term borrowings | 308.3 | 0.1 | 104.0 | - | - | 412. |
| Short-term borrowings to other Vectren companies | 0.1 | 178.2 | 39.6 | 0.3 | (218.2) | |
| Current maturities of long-term debt | - | 0.5 | 38.0 | - | - | 38. |
| Long-term debt subject to tender | 10.0 | - | - | - | - | 10. |
| ----- | | | | | | |
| Total current liabilities | 646.6 | 219.3 | 182.5 | 26.3 | (248.6) | 826. |
| ----- | | | | | | |
| Long-term Debt-Net of Current Maturities & Debt Subject to Tender | 941.0 | 1.2 | 74.4 | - | - | 1,016. |
| Long-term Debt-Net of Current Maturities to Other Vectren Companies | 0.2 | 75.0 | - | - | (75.2) | |
| Deferred Income Taxes & Other Liabilities | | | | | | |
| Deferred income taxes | 240.8 | 7.0 | - | (13.8) | - | 234. |
| Regulatory liabilities | 251.7 | - | - | - | - | 251. |
| Deferred credits & other liabilities | 81.9 | 7.1 | 0.6 | 77.9 | (4.3) | 163. |
| ----- | | | | | | |

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| | | | | | | |
|--|------------|---------|---------|-----------|--------------|----------|
| Total deferred credits & other liabilities | 574.4 | 14.1 | 0.6 | 64.1 | (4.3) | 648. |
| Minority Interest in Subsidiary | - | 0.4 | - | - | - | 0. |
| Cumulative, Redeemable Preferred Stock of a Subsidiary | 0.1 | - | - | - | - | 0. |
| Common Shareholders' Equity | | | | | | |
| Common stock | 592.9 | 87.1 | 0.1 | 526.8 | (680.1) | 526. |
| Retained earnings | 392.5 | 48.3 | (0.1) | 583.0 | (440.7) | 583. |
| Accumulated other comprehensive income | - | 2.5 | - | (15.0) | (2.5) | (15.) |
| Total common shareholders' equity | 985.4 | 137.9 | - | 1,094.8 | (1,123.3) | 1,094. |
| TOTAL LIABILITIES & SHAREHOLDERS' EQUITY | \$ 3,147.7 | \$447.9 | \$257.5 | \$1,185.2 | \$ (1,451.4) | \$3,586. |

Exhibit A
Page 6 of 6

Vectren Corporation and Subsidiary Companies
Consolidating Balance Sheet, Continued
As of December 31, 2004
(In millions)

| | SIGECO | Indiana Gas | VEDO Consol. | VUHI, Inc. | Adjust. & Elim. | VUHI Consol. |
|--|---------|-------------|--------------|------------|-----------------|--------------|
| LIABILITIES & SHAREHOLDERS' EQUITY | | | | | | |
| Current Liabilities | | | | | | |
| Accounts payable | \$ 37.2 | \$ 32.1 | \$ 18.6 | \$ 9.4 | \$ - | \$ 97. |
| Accounts payable to affiliated companies | 11.3 | 62.5 | 24.8 | 0.2 | - | 98. |
| Payables to other Vectren companies | 10.0 | 7.0 | 9.0 | 0.6 | (10.8) | 15. |
| Accrued liabilities | 37.8 | 48.1 | 21.2 | 11.6 | (2.4) | 116. |
| Short-term borrowings | 0.3 | - | - | 308.0 | - | 308. |
| Short-term borrowings to other Vectren companies | 170.2 | 109.2 | 34.5 | - | (313.8) | 0. |
| Current maturities of long-term debt | - | - | - | - | - | - |
| Long-term debt subject to tender | - | 10.0 | - | - | - | 10. |
| Total current liabilities | 266.8 | 268.9 | 108.1 | 329.8 | (327.0) | 646. |
| Long-term Debt-Net of Current Maturities & Debt Subject to | | | | | | |

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| | | | | | | |
|---|-----------|-----------|---------|-----------|-------------|----------|
| Tender | 225.7 | 167.4 | - | 547.9 | - | 941. |
| Long-term Debt-Net of Current Maturities to Other Vectren Companies | 148.7 | 184.4 | 110.2 | - | (443.1) | 0. |
| Deferred Income Taxes & Other Liabilities | | | | | | |
| Deferred income taxes | 121.9 | 75.6 | 29.3 | 14.0 | - | 240. |
| Regulatory liabilities | 51.5 | 132.8 | 61.9 | 5.5 | - | 251. |
| Deferred credits & other liabilities | 42.6 | 31.7 | 3.7 | 3.9 | - | 81. |
| Total deferred credits & other liabilities | 216.0 | 240.1 | 94.9 | 23.4 | - | 574. |
| Minority Interest in Subsidiary | - | - | 220.8 | - | (220.8) | |
| Cumulative, Redeemable Preferred Stock of a Subsidiary | 0.1 | - | - | - | - | 0. |
| Common Shareholders' Equity | | | | | | |
| Common stock | 128.3 | 368.0 | 115.0 | 592.9 | (611.3) | 592. |
| Retained earnings | 265.9 | 86.6 | (12.2) | 392.5 | (340.3) | 392. |
| Accumulated other comprehensive income | - | - | - | - | - | |
| Total common shareholders' equity | 394.2 | 454.6 | 102.8 | 985.4 | (951.6) | 985. |
| TOTAL LIABILITIES & SHAREHOLDERS' EQUITY | \$1,251.5 | \$1,315.4 | \$636.8 | \$1,886.5 | \$(1,942.5) | \$3,147. |