

VECTREN UTILITY HOLDINGS INC  
Form 10-Q  
November 09, 2012

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 September 30, 2012  
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  
(State or other jurisdiction of incorporation or  
organization)

35-2104850  
(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

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

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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

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 Class	10 Number of Shares	October 31, 2012 Date
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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](http://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: Robert L. Goocher Treasurer and Vice President, Investor Relations <a href="mailto:rgoocher@vectren.com">rgoocher@vectren.com</a>
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Definitions

AFUDC: allowance for funds used during construction	MISO: Midwest Independent System Operator
EPA: United States Environmental Protection Agency	MMBTU: millions of British thermal units
FAC: Fuel Adjustment Clause	MW: megawatts
FASB: Financial Accounting Standards Board	MWh / GWh: megawatt hours / thousands of megawatt hours (gigawatt hours)
FERC: Federal Energy Regulatory Commission	OCC: Ohio Office of the Consumer Counselor
IDEM: Indiana Department of Environmental Management	OUCC: Indiana Office of the Utility Consumer Counselor
IURC: Indiana Utility Regulatory Commission	PUCO: Public Utilities Commission of Ohio
MCF / BCF: thousands / billions of cubic feet	Throughput: combined gas sales and gas transportation volumes
MDth / MMDth: thousands / millions of dekatherms	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)

	September 30, 2012	December 31, 2011
<b>ASSETS</b>		
Current Assets		
Cash & cash equivalents	\$5.0	\$6.0
Accounts receivable - less reserves of \$5.0 & \$5.9, respectively	54.2	95.5
Receivables due from other Vectren companies	—	0.2
Accrued unbilled revenues	29.3	90.8
Inventories	118.4	132.5
Recoverable fuel & natural gas costs	21.4	12.4
Prepayments & other current assets	51.6	69.3
Total current assets	279.9	406.7
Utility Plant		
Original cost	5,141.6	4,979.9
Less: accumulated depreciation & amortization	2,030.5	1,947.3
Net utility plant	3,111.1	3,032.6
Investments in unconsolidated affiliates	0.2	0.2
Other investments	32.7	31.8
Nonutility plant - net	142.8	156.6
Goodwill - net	205.0	205.0
Regulatory assets	125.7	100.0
Other assets	36.9	41.6
<b>TOTAL ASSETS</b>	<b>\$3,934.3</b>	<b>\$3,974.5</b>

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

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

	September 30, 2012	December 31, 2011
<b>LIABILITIES &amp; SHAREHOLDER'S EQUITY</b>		
Current Liabilities		
Accounts payable	\$94.0	\$112.9
Accounts payable to affiliated companies	15.4	36.8
Payables to other Vectren companies	20.7	30.1
Refundable fuel & natural gas costs	1.1	—
Accrued liabilities	103.9	121.0
Short-term borrowings	100.1	142.8
Current maturities of long-term debt	105.0	—
Total current liabilities	440.2	443.6
 Long-Term Debt - Net of Current Maturities	 1,103.4	 1,208.2
Deferred Income Taxes & Other Liabilities		
Deferred income taxes	572.0	537.5
Regulatory liabilities	359.1	345.2
Deferred credits & other liabilities	81.1	93.4
Total deferred credits & other liabilities	1,012.2	976.1
Commitments & Contingencies (Notes 8 - 11)		
Common Shareholder's Equity		
Common stock (no par value)	780.0	774.6
Retained earnings	598.5	572.0
Accumulated other comprehensive income	—	—
Total common shareholder's equity	1,378.5	1,346.6
<b>TOTAL LIABILITIES &amp; SHAREHOLDER'S EQUITY</b>	<b>\$3,934.3</b>	<b>\$3,974.5</b>

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

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

	Three Months Ended September 30, 2012	2011	Nine Months Ended September 30,
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