

DNP SELECT INCOME FUND INC
Form N-Q
March 24, 2015
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-4915

DNP Select Income Fund Inc.

(Exact name of registrant as specified in charter)

200 South Wacker Drive, Suite 500, Chicago, Illinois 60606

(Address of principal executive offices)

(Zip code)

Alan M. Meder	Lawrence R. Hamilton, Esq.
DNP Select Income Fund Inc.	Mayer Brown LLP
200 South Wacker Drive, Suite 500	71 South Wacker Drive
Chicago, Illinois 60606	Chicago, Illinois 60606

(Name and address of agents for service)

Registrant's telephone number, including area code: (312) 368-5510

Date of fiscal year end: October 31

Date of reporting period: January 31, 2015

Item 1. Schedule of Investments.

See the Statement of Net Assets below.

DNP SELECT INCOME FUND INC.
STATEMENT OF NET ASSETS
JANUARY 31, 2015
(Unaudited)

Shares	Description	Value (Note 1)
COMMON STOCKS & MLP INTERESTS—113.4%		
ELECTRIC, GAS AND WATER—72.8%		
1,500,000	Alliant Energy Corp.(a)	\$102,915,000
1,800,000	Ameren Corp.	81,504,000
400,000	American Electric Power Company, Inc.	25,124,000
1,000,000	American Water Works Co.	56,140,000
3,071,300	CenterPoint Energy Inc.(a)	70,916,317
1,200,000	Cleco Corp.	65,232,000
2,500,000	CMS Energy Corp.(a)	94,325,000
1,100,000	Dominion Resources, Inc.(a)(b)	84,579,000
1,000,000	DTE Energy Co.(a)(b)	89,660,000
1,000,000	Duke Energy Corp.	87,140,000
2,500,000	Great Plains Energy Inc.(a)(b)	73,925,000
1,000,000	NextEra Energy, Inc.(a)(b)	109,240,000
2,000,000	NiSource Inc.	86,520,000
2,000,000	Northeast Utilities Inc.(a)(b)	111,160,000
800,000	Northwest Natural Gas Co.	39,928,000
2,300,000	OGE Energy Corp.	80,914,000
1,000,000	Piedmont Natural Gas Co.	39,890,000
2,000,000	Portland General Electric Co.	79,400,000
2,000,000	PPL Corp.(a)(b)	71,000,000
1,800,000	Public Service Enterprise Group Inc.(a)(b)	76,824,000
1,900,000	Questar Corp.(a)(b)	49,305,000
900,000	Sempra Energy(a)(b)	100,728,000
1,800,000	Southern Co.(a)(b)	91,296,000
1,500,000	Vectren Corp.(a)(b)	71,880,000
2,000,000	Westar Energy, Inc.(a)(b)	85,440,000
1,000,000	WGL Holdings Inc.	56,500,000
2,400,000	Xcel Energy Inc.(a)(b)	90,072,000
		2,071,557,317

The accompanying notes are an integral part of this financial statement.

DNP SELECT INCOME FUND INC.
STATEMENT OF NET ASSETS—(Continued)
JANUARY 31, 2015
(Unaudited)

Shares	Description	Value (Note 1)
	OIL & GAS STORAGE, TRANSPORTATION AND PRODUCTION—27.6%	
306,800	Access Midstream Partners LP	\$15,876,900
305,000	Antero Midstream Partners LP	7,152,250
407,000	DCP Midstream Partners LP	15,274,710
229,800	Dominion Midstream Partners, LP	8,008,530
684,000	Enbridge Energy Partners LP	26,922,240
1,600,000	Enbridge Inc. (Canada)(a)(b)	77,488,000
596,000	Energy Transfer Equity LP	35,414,320
350,000	Energy Transfer Partners LP	21,490,000
700,000	EnLink Midstream Partners LP	20,076,000
766,000	Enterprise Products Partners LP	26,381,040
231,000	EQT Midstream Partners LP	19,600,350
380,000	GasLog Partners LP (Marshall Islands)	9,500,000
407,000	Genesis Energy LP	17,635,310
1,600,526	Kinder Morgan Inc.(a)	65,701,592
400,090	Magellan Midstream Partners LP	31,014,977
396,500	MarkWest Energy Partners LP	23,365,745
160,000	NuStar Energy LP	9,772,800
407,000	ONEOK Partners LP	16,825,380
475,610	Plains All American Pipeline LP	23,585,500
400,000	Plains GP Holdings LP-CL A	10,432,000
300,000	Seadrill Partners LLC (Marshall Islands)	4,125,000
165,625	Shell Midstream Partners LP	6,628,313
1,915,000	Spectra Energy Corp.(a)(b)	64,037,600
150,000	Summit Midstream Partners LP	5,692,500
324,000	Sunoco Logistics Partners LP	13,517,280
400,000	Tallgrass Energy Partners LP	19,664,000
50,000	Targa Resources Corp.	4,341,500
476,000	Targa Resources Partners LP	21,443,800
402,229	Tesoro Logistics LP	22,126,617
1,000,000	TransCanada Corp. (Canada)(a)	44,480,000
162,440	Valero Energy Partners LP	8,113,878
366,460	Westlake Chemical Partners LP	9,289,761
294,000	Western Gas Partners LP	20,747,580
1,050,000	The Williams Companies, Inc.(a)	46,053,000
333,000	Williams Partners LP	14,122,530
		785,901,003
	TELECOMMUNICATIONS—13.0%	
1,708,260	AT&T Inc.(a)(b)	56,235,919

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939,200	BCE Inc. (Canada)(a)	43,156,240
1,600,000	CenturyLink Inc.(a)(b)	59,472,000
3,518,491	Frontier Communications Corp.(a)(b)	23,626,667
1,000,000	Orange SA (France)	17,626,395
1,094,800	Telus Corp. (Canada)	37,637,393
1,560,089	Verizon Communications Inc.(a)(b)	71,311,668
782,200	Vodafone Group Plc ADR (United Kingdom)	27,478,686
4,000,000	Windstream Holdings, Inc.	31,800,000
		368,344,968
	Total Common Stocks & MLP Interests (Cost \$2,337,735,344)	3,225,803,288

PREFERRED STOCKS—1.7%

	UTILITY—0.1%	
50,000	Exelon Corp. 6 1/2%, due 6/01/17	2,618,000
		2,618,000
	NON-UTILITY—1.6%	
100,000	Public Storage 6 7/8% Series O Perpetual	2,588,000
600,000	Realty Income Corp. 6 5/8% Series F Perpetual	16,050,000
400,000	Regency Centers Corp. 6 5/8% Series 6 Perpetual	10,408,000
234,900	Vornado Realty Trust 6 5/8% Series G Perpetual	6,048,675
350,000	Vornado Realty Trust 6 5/8% Series I Perpetual	8,977,500
		44,072,175
	Total Preferred Stocks (Cost \$43,761,811)	46,690,175

The accompanying notes are an integral part of this financial statement.

DNP SELECT INCOME FUND INC.
STATEMENT OF NET ASSETS—(Continued)
JANUARY 31, 2015
(Unaudited)

Par Value	Description	Value (Note 1)
BONDS—19.1%		
ELECTRIC, GAS AND WATER—9.9%		
\$ 22,000,000	Arizona Public Service Co. 6 7/8%, due 8/01/36(a)(b)	\$31,240,088
10,450,000	Atmos Energy Corp. 8 1/2%, due 3/15/19(a)(b)	13,177,889
11,000,000	Cleveland Electric Illuminating Co. 8 7/8%, due 11/15/18(a)(b)	13,756,259
6,750,000	Commonwealth Edison Company 6.95%, due 7/15/18	7,872,727
15,305,000	Consolidated Edison Co. of New York 7 1/8%, due 12/01/18(a)(b)	18,417,211
9,354,000	Dominion Resources, Inc. 6.40%, due 6/15/18(a)(b)	10,831,109
10,000,000	DPL Capital Trust II 8 1/8%, due 9/01/31	10,945,540
20,000,000	Entergy Texas Inc. 7 1/8%, due 2/01/19(a)(b)	24,070,220
14,376,000	Exelon Generation Co. LLC 6.20%, due 10/01/17(a)(b)	16,052,055
11,315,000	NextEra Energy Capital Holdings, Inc. 7 7/8%, due 12/15/15(a)(b)	12,004,480
10,000,000	Georgia Power Co. 5.70%, due 6/01/17(a)(b)	11,065,080
10,618,000	Indiana Michigan Power Co. 7.00%, due 3/15/19(a)(b)	12,744,414
5,000,000	Metropolitan Edison Co. 7.70%, due 1/15/19	6,069,910
12,000,000	National Fuel Gas Co. 8 3/4%, due 5/01/19(a)(b)	15,051,936
10,000,000	National Grid plc (United Kingdom) 6.30%, due 8/01/16	10,769,550

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DNP SELECT INCOME FUND INC.
STATEMENT OF NET ASSETS—(Continued)
JANUARY 31, 2015
(Unaudited)

Par Value	Description	Value (Note 1)
\$3,350,000	Nevada Power Co. 7 1/8%, due 3/15/19	\$4,063,657
10,345,000	Oncor Electric Delivery Co. LLC 7.00%, due 9/01/22	13,553,595
5,000,000	PPL Energy Supply LLC 6 1/2%, due 5/01/18	5,319,375
14,000,000	Progress Energy Inc. 7.05%, due 3/15/19(a)(b)	16,866,696
5,130,000	Public Service New Mexico 7 1/2%, due 8/01/18	6,017,028
15,169,000	Sempra Energy 6 1/2%, due 6/01/16(a)(b)	16,306,083
5,000,000	Sempra Energy 6.15%, due 6/15/18	5,739,650
		281,934,552
	OIL & GAS STORAGE, TRANSPORTATION AND PRODUCTION—4.7%	
6,488,000	Energy Transfer Partners 7.60%, due 2/01/24	8,200,177
8,850,000	Energy Transfer Partners 8 1/4%, due 11/15/29	12,574,646
5,000,000	Enterprise Products Operating LLC 6 1/2%, due 1/31/19	5,824,785
12,826,000	EQT Corp. 8 1/8%, due 6/01/19(a)(b)	15,527,117
8,030,000	Kinder Morgan, Inc. 6.85%, due 2/15/20	9,371,098
14,445,000	Magellan Midstream Partners, LP 6.40%, due 7/15/18(a)(b)	16,437,457
11,000,000	ONEOK, Inc. 6.00%, due 6/15/35(a)	10,720,996
9,000,000	ONEOK Partners, LP 8 5/8%, due 3/01/19	10,768,797
12,940,000	Spectra Energy Capital, LLC 6.20%, due 4/15/18	14,505,132
2,615,000	Spectra Energy Capital, LLC 6 3/4%, due 7/15/18	2,982,347
9,140,000	TransCanada PipeLines Ltd. (Canada) 7 1/8%, due 1/15/19	10,811,368
14,380,000	Williams Partners, LP 7 1/4%, due 2/01/17(a)(b)	15,848,299
		133,572,219

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	TELECOMMUNICATIONS—4.1%	
10,000,000	BellSouth Capital Funding Corp. 7 7/8%, due 2/15/30(a)(b)	13,894,000
15,000,000	CenturyLink Inc. 6 7/8%, due 1/15/28	15,595,503
5,900,000	Comcast Corp. 7.05%, due 3/15/33	8,610,643
15,000,000	Koninklijke KPN NV (Netherlands) 8 3/8%, due 10/01/30(a)(b)	22,167,435
10,311,000	Rogers Wireless Inc. (Canada) 7 1/2%, due 3/15/15(a)(b)	10,393,024
10,000,000	TCI Communications Inc. 8 3/4%, due 8/01/15(a)(b)	10,405,780
5,000,000	TCI Communications Inc. 7 1/8%, due 2/15/28	7,114,280
15,500,000	Verizon Global Funding Corp. 7 3/4%, due 12/01/30(a)	22,370,034
5,000,000	Vodafone Group Plc (United Kingdom) 7 7/8%, due 2/15/30	7,270,320 117,821,019
	NON-UTILITY—0.4%	
8,000,000	Dayton Hudson Corp. 9 7/8%, due 7/01/20	11,023,824 11,023,824
	Total Bonds (Cost \$510,612,533)	544,351,614
	TOTAL INVESTMENTS—134.2% (Cost \$2,892,109,688)	3,816,845,077
	Borrowings—(24.6%)	(700,000,000)
	Other assets less liabilities—(9.6%)	(272,564,131)
	NET ASSETS APPLICABLE TO COMMON STOCK—100.0%	\$2,844,280,946

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DNP SELECT INCOME FUND INC.
STATEMENT OF NET ASSETS—(Continued)
JANUARY 31, 2015
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(a) All or a portion of this security has been pledged as collateral for borrowings and made available for loan.

(b) All or a portion of this security has been loaned.

The percentage shown for each investment category is the total value of that category as a percentage of the net assets applicable to common stock of the Fund.

Note 1.
Investment
Valuation

The Fund's investments are carried at fair value which is defined as the price that the Fund would receive upon selling an investment in a

timely transaction to an independent buyer in the principal or most advantageous market of the investment. The three-tier hierarchy of inputs established to classify fair value measurements for disclosure purposes is summarized in the three broad levels listed below.

Level 1 -
quoted prices
in active
markets for
identical
securities

Level 2 - other
significant
observable inputs
(including quoted
prices for similar
securities, interest
rates, prepayment
speeds, credit
risks, etc.)

Level 3 -
significant
unobservable
inputs (including
the Fund's own
assumptions in
determining fair
value of
investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated

with investing in these securities. For more information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to the Fund's most recent financial statements contained in its annual report. The following is a summary of the inputs used to value each of the Fund's investments at January 31, 2015:

	Level 1	Level 2
Common stocks & MLP interests	\$3,225,803,288	-
Preferred stocks	46,690,175	-
Bonds	-	\$544,351,614
Total	\$3,272,493,463	\$544,351,614

There were no Level 3 priced securities held and there were no transfers between Level 1 and Level 2 related to securities held at January

31, 2015.

DNP SELECT INCOME FUND INC.
STATEMENT OF NET ASSETS—(Continued)
JANUARY 31, 2015
(Unaudited)

Note
 2.
 Federal
 Tax
 Cost

At October
 31, 2014, the
 Fund's most
 recent fiscal
 tax year end,
 the federal tax
 cost of
 investments
 and aggregate
 gross
 unrealized
 appreciation
 (depreciation)
 were as
 follows:

	Unrealized	Unrealized	Net Unrealized
Federal Tax Cost	Appreciation	Depreciation	Appreciation
	\$2,866,087,593	\$981,028,616	(\$61,246,204)
			\$919,782,412

The difference between the book basis and tax basis of unrealized appreciation (depreciation) and cost of investments is primarily attributable to MLP earnings and basis adjustments, the tax deferral of wash sale losses, the accretion of market discount and amortization of premiums and alternative tax treatment of certain securities.

Other information regarding the Fund is available on the Fund's website at www.dnpselectincome.com or the Securities and Exchange Commission's website at www.sec.gov.

Item 2. Controls and Procedures.

The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the (a) "1940 Act")) are effective, based on an evaluation of those controls and procedures made as of a date within 90 days of the filing date of this report as required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934.

There has been no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) (b) under the 1940 Act) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits.

Exhibit 99.CERT Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) DNP SELECT INCOME FUND INC.

By (Signature and Title) /s/ Nathan I. Partain
Nathan I. Partain
President and Chief Executive Officer
(Principal Executive Officer)

Date March 24, 2015

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title) /s/ Nathan I. Partain
Nathan I. Partain
President and Chief Executive Officer
(Principal Executive Officer)

Date March 24, 2015

By (Signature and Title) /s/ Alan M. Meder
Alan M. Meder
Treasurer and Assistant Secretary
(Principal Financial and Accounting Officer)

Date March 24, 2015