

VECTREN UTILITY HOLDINGS INC  
Form 10-Q  
May 11, 2007

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**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, 2007**

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,  
Indiana, 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



Table of Contents

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

Large accelerated filer                      Accelerated filer                      Non-accelerated filer

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.

<b><u>Common Stock- Without Par Value</u></b>	<b><u>10</u></b>	<b><u>April 30, 2007</u></b>
Class	Number of Shares	Date

**Table of Contents**

Item Number		Page Number
<b>PART I. FINANCIAL INFORMATION</b>		
1	Financial Statements (Unaudited) Vectren Utility Holdings, Inc. and Subsidiary Companies Consolidated Condensed Balance Sheets	4-5
	Consolidated Condensed Statements of Income	6
	Consolidated Condensed Statements of Cash Flows	7
	Notes to Unaudited Consolidated Condensed Financial Statements	8
2	Management’s Discussion and Analysis of Results of Operations and Financial Condition	20
3	Quantitative and Qualitative Disclosures About Market Risk	31
4	Controls and Procedures	31
<b>PART II. OTHER INFORMATION</b>		
1	Legal Proceedings	31
1A	Risk Factors	31
6	Exhibits	31
	Signatures	33

**Access to Information**

Vectren Corporation makes available all SEC filings and recent annual reports free of charge, including those of its wholly owned subsidiaries, through its website at [www.vectren.com](http://www.vectren.com), or by request, directed to Investor Relations at the mailing address, phone number, or email address that follows:

Mailing Address:	Phone Number:	Investor Relations Contact:
One Vectren Square	(812) 491-4000	Steven M. Schein
Evansville, Indiana 47708		Vice President, Investor Relations



Table of Contents

**Definitions**

AFUDC: allowance for funds used during construction	MW: megawatts
APB: Accounting Principles Board	MWh / GWh: megawatt hours / thousands of megawatt hours (gigawatt hours)
EITF: Emerging Issues Task Force	NOx: nitrogen oxide
FASB: Financial Accounting Standards Board	OCC: Ohio Office of the Consumer Counselor
FERC: Federal Energy Regulatory Commission	OUCC: Indiana Office of the Utility Consumer Counselor
IDEM: Indiana Department of Environmental Management	PUCO: Public Utilities Commission of Ohio
IURC: Indiana Utility Regulatory Commission	SFAS: Statement of Financial Accounting Standards
MCF / BCF: thousands / billions of cubic feet	USEPA: United States Environmental Protection Agency
MDth / MMDth: thousands / millions of dekatherms	Throughput: combined gas sales and gas transportation volumes
MMBTU: millions of British thermal units	

Table of Contents**PART I. FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS**

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

	March 31, 2007	December 31, 2006
<b><u>ASSETS</u></b>		
Current Assets		
Cash & cash equivalents	\$ 12.2	\$ 28.5
Accounts receivable - less reserves of \$3.2 & \$2.5, respectively	198.5	134.8
Receivables due from other Vectren companies	0.3	0.3
Accrued unbilled revenues	81.0	121.4
Inventories	67.9	141.9
Recoverable fuel & natural gas costs	2.2	1.8
Prepayments & other current assets	30.9	103.2
<b>Total current assets</b>	<b>393.0</b>	<b>531.9</b>
Utility Plant		
Original cost	3,854.4	3,820.2
Less: accumulated depreciation & amortization	1,451.1	1,434.7
<b>Net utility plant</b>	<b>2,403.3</b>	<b>2,385.5</b>
Investments in unconsolidated affiliates	0.2	0.2
Other investments	21.6	21.4
Non-utility property - net	166.9	163.1
Goodwill - net	205.0	205.0
Regulatory assets	111.7	116.8
Other assets	17.3	16.9
<b>TOTAL ASSETS</b>	<b>\$ 3,319.0</b>	<b>\$ 3,440.8</b>

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



Table of Contents

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

	March 31, 2007	December 31, 2006
<b><u>LIABILITIES &amp; SHAREHOLDER'S EQUITY</u></b>		
Current Liabilities		
Accounts payable	\$ 67.1	\$ 136.2
Accounts payable to affiliated companies	45.2	68.2
Payables to other Vectren companies	23.7	25.3
Refundable fuel & natural gas costs	41.2	35.3
Accrued liabilities	185.3	115.8
Short-term borrowings	148.8	270.1
Current maturities of long-term debt	6.5	6.5
Long-term debt subject to tender	20.0	20.0
<b>Total current liabilities</b>	<b>537.8</b>	<b>677.4</b>
Long-Term Debt - Net of Current Maturities & Debt Subject to Tender		
	1,025.4	1,025.3
Deferred Income Taxes & Other Liabilities		
Deferred income taxes	258.1	282.2
Regulatory liabilities	294.6	291.1
Deferred credits & other liabilities	115.8	108.1
<b>Total deferred credits &amp; other liabilities</b>	<b>668.5</b>	<b>681.4</b>
Commitments & Contingencies (Notes 8 - 10)		
Common Shareholder's Equity		
Common stock (no par value)	632.9	632.9
Retained earnings		