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## Section 1: 8-K (8-K - Q3 2018 - EARNINGS RELEASE)

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

**FORM 8-K**  
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **November 6, 2018**



### VECTREN CORPORATION

(Exact name of registrant as specified in its charter)

Commission File No.	Registrant, State of Incorporation, Address, and Telephone Number	I.R.S Employer Identification No.
1-15467	Vectren Corporation (An Indiana Corporation) One Vectren Square, Evansville, Indiana 47708 (812) 491-4000	35-2086905
1-16739	Vectren Utility Holdings, Inc. (An Indiana Corporation) One Vectren Square, Evansville, Indiana 47708 (812) 491-4000	35-2104850

Former name or address, if changed since last report:

N/A

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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 provided pursuant to Section 13(a) of the Exchange Act.

## Item 2.02. Results of Operations and Financial Condition

On November 6, 2018 Vectren Corporation (the Company) announced the Company's results of operations for the three and nine months ended September 30, 2018 and 2017. A copy of the press release is furnished as Exhibit 99.1 and the supporting information and schedules are furnished as Exhibit 99.2 to this Current Report on Form 8-K.

Vectren Corporation is the parent company of Vectren Utility Holdings, Inc. (Utility Holdings) and Vectren Enterprises, Inc. (Enterprises). Utility Holdings is the intermediate holding company of the Company's three operating public utilities, and Enterprises is the holding company for the Company's nonutility operations.

In this press release, the per share earnings contributions of the Utility Group, Nonutility Group, and Corporate and Other are presented and are non-GAAP measures. Such per share amounts are based on the earnings contribution of each group included in Vectren's consolidated results divided by Vectren's basic average shares outstanding during the period. The earnings per share of the groups do not represent a direct legal interest in the assets and liabilities allocated to the groups; instead they represent a direct equity interest in Vectren Corporation's assets and liabilities as a whole. These non-GAAP measures are used by management to evaluate the performance of individual businesses. In addition, other items giving rise to period over period variances, such as weather, may be presented on an after tax and per share basis. These amounts are calculated at a statutory tax rate divided by Vectren's basic average shares outstanding during the period. Accordingly, management believes these measures are useful to investors in understanding each business' contribution to consolidated earnings per share and in analyzing consolidated period to period changes and the potential for earnings per share contributions in future periods. Per share amounts of the Utility Group and the Nonutility Group are reconciled to the GAAP financial measure of basic EPS by combining the two. Any resulting differences are attributable to results from Corporate and Other operations. A reconciliation of GAAP to Non-GAAP measures is included in the press release. The non-GAAP financial measures disclosed by the Company should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and the financial results calculated in accordance with GAAP.

In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, the Company is hereby furnishing cautionary statements identifying important factors that could cause actual results of the Company and its subsidiaries, including Vectren Utility Holdings, Inc., to differ materially from those projected in forward-looking statements of the Company and its subsidiaries made by, or on behalf of, the Company and its subsidiaries. These cautionary statements are attached as Exhibit 99.3.

## Item 9.01. Exhibits.

(d) Exhibits

<b>Exhibit Number</b>	<b>Description</b>
99.1	Vectren Corporation Reports Third Quarter 2018 Results; Affirms 2018 Consolidated Guidance; Increases Dividend 59th Consecutive Year
99.2	Supporting Financial Statements and Schedules
99.3	Cautionary Statement for Purposes of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995

## SIGNATURES

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

VECTREN CORPORATION  
VECTREN UTILITY HOLDINGS, INC.

November 6, 2018

By: /s/ M. Susan Hardwick

M. Susan Hardwick

Executive Vice President and Chief Financial Officer

## INDEX TO EXHIBITS

The following Exhibits are furnished as part of this Report to the extent described in Item 2.02:

<b>Exhibit Number</b>	<b>Description</b>
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99.2	<a href="#">Supporting Financial Statements and Schedules</a>
99.3	<a href="#">Cautionary Statement for Purposes of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995</a>

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## Section 2: EX-99.1 (EXHIBIT 99.1 - Q3 2018 - PRESS RELEASE)

EXHIBIT 99.1



## News Release

**Vectren Corporation**  
One Vectren Square  
Evansville, IN 47708

**Investor Contact** Dave Parker, (812) 491-4135, d.parker@vectren.com  
**Media Contact** Natalie Hedde, (812) 491-5105, nhedde@vectren.com

**FOR IMMEDIATE RELEASE**

## **Vectren Corporation Reports Third Quarter 2018 Results Affirms 2018 Consolidated Guidance Increases Dividend 59th Consecutive Year**

Evansville, Ind. - Vectren Corporation (NYSE:VVC) today reported results for the three months ended September 30, 2018 of \$50.4 million, or \$0.61 per share, compared to earnings of \$61.9 million, or \$0.75 per share for the three months ended September 30, 2017. During the quarter, the company incurred \$11.1 million, \$8.8 million after tax, or \$0.10 per share, of expenses related to the merger with CenterPoint Energy announced earlier this year. Excluding fees related to the merger that the company believes are not indicative of ongoing operations, results for the three months ended September 30, 2018, were \$59.2 million, or \$0.71 per share.

For the nine months ended September 30, 2018, consolidated net income was \$136.1 million, or \$1.64 per share, compared to \$154.8 million or \$1.87 per share for the nine months ended September 30, 2017. During the year-to-date period, the company has incurred \$26.4 million, \$20.2 million after tax, or \$0.24 per share, of expenses related to the merger with CenterPoint Energy and a \$13.1 million after tax charge, or \$0.16 per share, related to its equity investment in certain storage assets jointly owned with Semptra Energy International (Semptra), resulting from Semptra's announcement of an impairment charge related to certain assets. Excluding these two items that the company believes are not indicative of ongoing operations, results for the nine months ended September 30, 2018, were \$169.4 million, or \$2.04 per share. Also reflected in the year-to-date 2018 results is income of \$4.9 million, or \$0.06 per share, related to Section 179D tax deductions.

### **Summary and highlights of results**

- Utility Group earnings were \$33.0 million, or \$0.40 per share, for the three months ended September 30, 2018, compared to earnings of \$30.8 million, or \$0.37 per share for the three months ended September 30, 2017. For the year-to-date period, net income for the Utility Group was \$132.8 million, or \$1.60 per share, compared to earnings of \$122.2 million, or \$1.47 per share in 2017. Results for both the quarter and year-to-date periods reflect increases from the continued investment in infrastructure replacement programs in Indiana and Ohio and the favorable impact of weather in 2018 as compared to 2017.
- Nonutility Group earnings were \$26.3 million, or \$0.32 per share, compared to \$31.3 million, or \$0.38 per share, in the third quarter of 2017. For the year-to-date period, excluding the charge incurred related to the storage asset investment, Nonutility Group earnings were \$37.4 million, or \$0.45 per share, compared to \$33.0 million, or \$0.40 per share, in 2017. Also reflected in

the year-to-date 2018 results is income of \$4.9 million, or \$0.06 per share, related to Section 179D tax deductions. Decreases in the quarter, partially offset by the benefit from the lower corporate tax rate, reflect the impact of a large Infrastructure Services transmission construction project with substantial activity in the third quarter of 2017.

“We continue to be confident in our consolidated earnings expectation for the year,” said Carl Chapman, Vectren’s chairman, president and CEO. “Our Utility Group results reflect the ongoing investment in our gas infrastructure programs in both Indiana and Ohio that continue to drive growth for the business. Despite some declines in the period associated with our Infrastructure Services business, overall, our Nonutility Group expects strong demand to continue for both the Infrastructure Services and Energy Services businesses.”

“Also, last week we reported that our Board of Directors approved a quarterly dividend of \$0.48 per share, a 6.7 percent increase,” said Chapman. “This action continues our stretch of increases to an enviable 59 consecutive years. This announcement is certainly a reflection of our confidence in the long-term growth plan.”

### **Update on Merger with CenterPoint Energy**

As previously announced, the company reached an agreement for the merger of CenterPoint Energy and Vectren Corporation on Apr. 21, 2018. The consummation of the merger is subject to various conditions. The various approvals processes are moving forward, including the receipt of early termination of the waiting period under the Hart-Scott-Rodino Act, the Federal Communications Commission final approvals for the transfer of control of the company’s subsidiaries which hold radio licenses, and approval from the Federal Energy Regulatory Commission. Further, the company held a special shareholders meeting on Aug. 28, 2018, where the merger was approved. Finally, the Indiana Regulatory Commission (IURC) held a hearing on Oct. 17, 2018 on the company’s informational filing. Final briefs are to be filed by December 21, 2018, and an order is expected in early 2019. A similar informational filing was made in Ohio and, though a hearing before the Public Utilities Commission of Ohio (PUCO) is not anticipated, an order is expected in early 2019, as well. As of November 5, 2018, seven purported Company shareholders have filed lawsuits under the federal securities laws in the United States District Court for the Southern District of Indiana challenging the adequacy of the disclosures made in the company's proxy statement in connection with the merger. The company believes that these complaints are without merit. Subject to receipt of remaining approvals, the company continues to anticipate that the closing of the merger will occur no later than the first quarter of 2019.

In connection with the merger, the company recorded merger-related expenses of \$11.1 million and \$26.4 million, in the quarter and year-to-date periods ending September 30, 2018, respectively. Merger-related expenses included \$10.3 million and \$20.5 million, of transaction advisory and other costs for the quarter and year-to-date periods, respectively, and \$0.8 million and \$5.9 million, in the quarter and year-to-date periods, respectively, for the end-of-period measurement of share-based and deferred compensation obligations that resulted from increases in the company’s common stock trading price since the announcement of the merger.

### **2018 consolidated earnings guidance affirmed; segment guidance updated**

The company affirms its 2018 consolidated earnings guidance range of \$2.80 to \$2.90 per share. The 2018 consolidated earnings guidance expectation includes Utility Group earnings now within a range of \$2.25 to \$2.30 per share, increased from \$2.20 to \$2.25 per share, primarily from favorable weather year-to-date. The 2018 consolidated earnings guidance expectation includes the Nonutility Group/Corporate and Other earnings now within a range of \$0.55 to \$0.60 per share, down from \$0.60 to \$0.65 per share, due largely to the timing of large transmission project work. These guidance ranges exclude certain items that management believes are not indicative of on-going operations, including the charge recorded related to its equity investment in certain storage assets jointly owned with Sempra and any costs that will result from the merger of the company and CenterPoint Energy. The guidance ranges also exclude the favorable impact from Section 179D tax deductions as the tax provision providing for such deductions has expired.

Guidance ranges are based on assumptions, including the assumption of normal weather for the remainder of the year across all of the areas served by both our utility and nonutility operations, and other information currently available, but changes in these assumptions or other circumstances could materially impact earnings and result in 2018 earnings significantly above or below this guidance. These targeted ranges are subject to such factors discussed below under "Forward-Looking Statements".

## Utility Group discussion

The Utility Group consists of the company's regulated utility operations and other operations that provide information technology and other support services to those regulated operations. The company segregates its regulated utility operations between a Gas Utility Services operating segment and an Electric Utility Services operating segment. The Utility Group also earns a return on shared assets, such as customer billing systems and the customer contact center, used by the company's utility operations.

**Gas Utility Services:** provides natural gas distribution and transportation services to nearly two-thirds of Indiana and about 20 percent of Ohio, primarily in the west-central area

The Gas Utility Services operating segment had losses of \$(0.6) million, or \$(0.01) per share, during the third quarter of 2018, compared to earnings of \$1.0 million, or \$0.01 per share, in the third quarter of 2017. For the nine months ended September 30, 2018, Gas Utility Services earned \$60.7 million, or \$0.73 per share, compared to \$55.8 million, or \$0.67 per share, in 2017. The quarter and year-to-date results reflect increased returns on the growing Indiana and Ohio infrastructure replacement programs. While offset on an annual basis in 2018, the results in the quarter and year-to-date periods reflect the timing impacts from tax reform in the determination of the annual effective tax rate.

(millions)	Quarter End	Year-to-Date
2017 Gas Utility Earnings	\$ 1.0	\$ 55.8
Gas infrastructure replacement programs	2.3	8.4
Timing of tax reform	(4.6)	(3.4)
All other	0.7	(0.1)
	<u>(1.6)</u>	<u>4.9</u>
2018 Gas Utility Earnings	<u>\$ (0.6)</u>	<u>\$ 60.7</u>

**Electric Utility Services:** provides electric transmission and distribution services to southwestern Indiana and includes its power generating and wholesale power operations

The Electric Utility Services operating segment earned \$30.6 million, or \$0.37 per share, in the third quarter of 2018, compared to \$27.2 million, or \$0.33 per share, in the third quarter of 2017. For the nine months ended September 30, 2018, Electric Utility Services earned \$62.4 million, or \$0.75 per share, compared to \$56.8 million, or \$0.68 per share, in 2017. Electric results, which are not protected by weather normalizing mechanisms, reflect a \$2.0 million increase due to weather in the quarter, as annualized cooling degree days were 111% of normal, compared to normal weather in 2017. Year-to-date results reflect a \$7.5 million favorable variance year-over-year due to weather as annualized cooling degree days were 130% of normal, compared to 108% of normal in 2017, partially offset by an increase in power plant maintenance expenses. Results in the quarter and year-to-date period also reflect the timing impacts from tax reform in the determination of the annual effective tax rate that will be fully offset by year-end.

(millions)	Quarter End	Year-to-Date
2017 Electric Utility Earnings	\$ 27.2	\$ 56.8
Electrical infrastructure replacement programs	0.5	0.9
Weather impact on small customer usage	2.0	7.5
Power plant maintenance expense	(1.6)	(2.8)
Timing of tax reform	1.9	0.2
All other	0.6	(0.2)
	<u>3.4</u>	<u>5.6</u>
2018 Electric Utility Earnings	<u>\$ 30.6</u>	<u>\$ 62.4</u>

### ***Other Operations***

The Utility Group also earns a return on shared assets through currently approved rates as if portions of the assets were in the rate base of each utility. Such shared assets include customer billing systems and the customer contact center, as examples. In the third quarter of 2018, earnings from these operations were \$3.0 million, compared to \$2.6 million in the second quarter of 2017. For the nine months ended September 30, 2018, earnings from these operations were \$9.7 million, compared to \$9.6 million in 2017.

### **Nonutility Group discussion**

All amounts included in this section are after tax and net of corporate expenses allocated to the Nonutility Group.

In the third quarter of 2018, Nonutility Group results were earnings of \$26.3 million, compared to earnings of \$31.3 million in 2017. For the nine months ended September 30, 2018, excluding the charge recorded related to its equity investment in certain storage assets jointly owned with Sempra, the Nonutility Group reported earnings of \$37.4 million, compared to earnings of \$33.0 million in 2017. Also reflected in the year-to-date 2018 results is income of \$4.9 million, related to Section 179D tax deductions.

***Infrastructure Services: provides underground pipeline construction and repair services through wholly owned subsidiaries Miller Pipeline, LLC and Minnesota Limited, LLC.***

Results from Infrastructure Services' operations for the quarter ended September 30, 2018, were \$22.1 million, or \$0.27 per share, compared to \$26.6 million, or \$0.32 per share, in the third quarter of 2017. During the nine months ended September 30, 2018, results were \$26.0 million, or \$0.31 per share, compared to \$28.6 million, or \$0.35 per share in 2017. Total Infrastructure Services revenues in the third quarter of 2018 were \$307.2 million compared to revenues of \$339.9 million in the third quarter of 2017. Year-to-date, 2018 revenues totaled \$721.9 million, compared to \$764.7 million for the year-to-date period in 2017. On a comparative basis, the lower results in 2018 primarily reflect the impact of a large project with substantial activity in the third quarter of 2017. Infrastructure Services had an estimated backlog of blanket contracts of \$610 million and bid contracts of \$105 million, for a total backlog of \$715 million at September 30, 2018. This compares to an estimated total backlog at September 30, 2017 of \$755 million, which included \$40 million related to the large transmission project that was completed in the fourth quarter of 2017. Infrastructure Services is currently in contract negotiations on an approximate \$300 million transmission construction project. Upon closure, the project is expected to begin in late 2018 and be completed by the end of 2019.

The fundamental business model related to the long cycle of integrity, station, and maintenance work in the transmission sector and infrastructure replacement in the distribution sector remains unchanged as demand continues to be high due to the aging infrastructure and evolving safety and reliability regulations. While the focus remains on the recurring work in both sectors, opportunities for large transmission pipeline construction projects will continue to be pursued. Though the timing and recurrence of large transmission projects is less predictable and can therefore create earnings volatility on a year over year basis, the large projects provide strong revenues.

***Energy Services: provides energy performance contracting and sustainable infrastructure, such as renewables, distributed generation, and combined heat and power projects through its wholly owned subsidiary Energy Systems Group, LLC (ESG).***

Results from Energy Services' operations for the third quarter of 2018 were earnings of \$4.5 million, or \$0.05 per share, compared to earnings of \$4.9 million, or \$0.06 per share in 2017. Excluding the favorable impact of Section 179D tax deductions, which were \$4.9 million, or \$0.06 per share, Energy Services' earnings during the nine months ended September 30, 2018, were \$7.3 million, or \$0.09 per share, compared to \$4.9 million, or \$0.06 per share in 2017. Energy Services has year-to-date revenues of \$211.1 million in 2018, compared to revenues of \$193.2 million for the year-to-date period in 2017.

At September 30, 2018, the backlog of signed contracts is \$219 million, compared to \$180 million at December 31, 2017. The estimated sales funnel at September 30, 2018, totals nearly \$370 million. The company's long-term view of the performance contracting and sustainable infrastructure opportunities remains strong with an expected continued national focus on energy conservation and security, renewable energy, and sustainability and as customer focus on new, efficient, clean sources of energy grows. As it relates to the impact on results from Section 179D, on Feb. 9, 2018, a one year extension of Section 179D



was approved, making available deductions for the 2017 tax year. That impact was reflected in the first quarter of 2018, as noted above. Though not assured and not reflected in long-term growth rates, efforts continue to secure this benefit in the future.

### ***Investment in ProLiance Holdings, LLC***

The company has an investment in ProLiance Holdings, LLC (ProLiance). Much of the ProLiance business was sold on June 18, 2013 when ProLiance exited the natural gas marketing business through the disposition of certain of the net assets of its energy marketing business, ProLiance Energy, LLC. The company's remaining investment in ProLiance relates primarily to an investment in LA Storage, LLC (LA Storage). Consistent with its ownership percentage, the company is allocated 61 percent of ProLiance's profits and losses; however, governance and voting rights remain at 50 percent for each member; and therefore, the company accounts for its investment in ProLiance using the equity method of accounting.

ProLiance Transportation and Storage, LLC (PT&S), a subsidiary of ProLiance, and Sempra, through a joint venture, have a 100 percent interest in a development project for salt-cavern natural gas storage facilities known as LA Storage. PT&S is the minority member with a 25 percent interest, which it accounts for using the equity method. On June 27, 2018, Sempra announced a plan to divest of certain natural gas storage assets and recorded a resulting impairment charge related to the assets held for sale and other storage assets, such as LA Storage. As a result of Sempra's impairment of the LA Storage investment and the resulting charge recorded at ProLiance, the company recorded a \$17.7 million charge to equity in (losses) of unconsolidated affiliates as of June 30, 2018. The charge equates to \$13.1 million after tax, or \$0.16 per share. As of September 30, 2018 the company's remaining investment in ProLiance is \$5.1 million.

### **Use of Non-GAAP Performance Measures and Per Share Measures**

#### Results Excluding Reconciling Items

This earnings release contains non-GAAP financial measures that exclude reconciling items in 2018, involving merger-related costs and the equity investment impairment charge.

Management uses net income and earnings per share (EPS), excluding reconciling items activity, to evaluate its results. Management believes analyzing underlying and ongoing business trends is aided by the removal of these reconciling items and the rationale for using such non-GAAP measures is that the Company would not expect these items to be indicative of ongoing operations. Management believes this presentation provides the best representation of the overall results and certain components of the financial statements for ongoing operations.

A material limitation associated with the use of these measures is that measures excluding reconciling items does not include all activity recognized in accordance with GAAP. Management compensates for this limitation by prominently displaying a reconciliation of these non-GAAP performance measures to their closest GAAP performance measures. This display also provides financial statement users the option of analyzing results as management does or by analyzing GAAP results.

#### Contribution to Vectren's Basic EPS

Per share earnings contributions of the Utility Group, Nonutility Group, and Corporate and Other are presented and are non-GAAP measures. Such per share amounts are based on the earnings contribution of each group included in the Company's consolidated results divided by the Company's basic average shares outstanding during the period. The earnings per share of the groups do not represent a direct legal interest in the assets and liabilities allocated to the groups; instead they represent a direct equity interest in the Company's assets and liabilities as a whole. These non-GAAP measures are used by management to evaluate the performance of individual businesses. In addition, other items giving rise to period over period variances, such as weather, may be presented on an after tax and per share basis. These amounts are calculated at a statutory tax rate divided by the Company's basic average shares outstanding during the period. Accordingly, management believes these measures are useful to investors in understanding each business' contribution to consolidated earnings per share and in analyzing consolidated period to period changes and the potential for earnings per share contributions in future periods. Per share amounts of the Utility Group and the Nonutility Group are reconciled to the GAAP financial measure of basic EPS by combining the GAAP earnings per share of Utility Group, Nonutility Group, and Corporate and Other. The non-GAAP financial measures disclosed by the Company should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and the financial results calculated in accordance with GAAP.

The following tables reconcile GAAP net income and basic EPS to the non-GAAP measure in 2018.

<i>(In millions, except EPS)</i>	Three Months Ended September 30, 2018		
	GAAP Measure	Merger-Related Costs	Non-GAAP Measure
<u>Net Income and EPS by Segment</u>			
<u>Consolidated</u>			
Net Income	\$ 50.4	\$ 8.8	\$ 59.2
Basic EPS	\$ 0.61	\$ 0.10	\$ 0.71
<u>Corp &amp; Other</u>			
Net Income (Loss)	\$ (8.9)	\$ 8.8	\$ (0.1)
Basic EPS	\$ (0.11)	\$ 0.10	\$ (0.01)

<i>(In millions, except EPS)</i>	Nine Months Ended September 30, 2018			
	GAAP Measure	Merger-Related Costs	Equity Investment Impairment Charge	Non-GAAP Measure
<u>Net Income and EPS by Segment</u>				
<u>Consolidated</u>				
Net Income	\$ 136.1	\$ 20.2	\$ 13.1	\$ 169.4
Basic EPS	\$ 1.64	\$ 0.24	\$ 0.16	\$ 2.04
<u>Nonutility Group</u>				
Net Income	\$ 24.3	\$ —	\$ 13.1	\$ 37.4
Basic EPS	\$ 0.29	\$ —	\$ 0.16	\$ 0.45
<u>Corp &amp; Other</u>				
Net Income (Loss)	\$ (21.0)	\$ 20.2	\$ —	\$ (0.8)
Basic EPS	\$ (0.25)	\$ 0.24	\$ —	\$ (0.01)

Please SEE ATTACHED unaudited schedules for additional financial information

#### **Live Webcast on November 6, 2018; Financial slides posted on website on November 5, 2018**

Vectren's financial analyst call will be at 2:00 p.m. (EST), November 6, 2018, at which time management will discuss third quarter 2018 financial results. To participate in the call, analysts are asked to dial 1-844-825-9787 ten minutes prior to the start time and refer to the "Vectren Corporation 2018 Third Quarter Earnings Call." All interested parties may listen to the live audio-only webcast accompanied by a slide presentation, which will be available on Vectren's Investor Relations homepage, [investors.vectren.com](http://investors.vectren.com). A replay of the webcast will be made available at the same location approximately two hours following the conclusion of the analyst call.

#### **About Vectren**

Vectren Corporation (NYSE: VVC) is an energy holding company headquartered in Evansville, Ind. Vectren's energy delivery subsidiaries provide gas and/or electricity to more than 1 million customers in adjoining service territories that cover nearly two-thirds of Indiana and about 20 percent of Ohio, primarily in the west-central area. Vectren's nonutility subsidiaries and affiliates currently offer energy-related products and services to customers throughout the U.S. through Infrastructure Services and Energy Services. To learn more about Vectren, visit [www.vectren.com](http://www.vectren.com).

### **Forward-Looking Information**

A “safe harbor” for forward-looking statements is provided by the Private Securities Litigation Reform Act of 1995 (Reform Act of 1995). The Reform Act of 1995 was adopted to encourage such forward-looking statements without the threat of litigation, provided those statements are identified as forward-looking and are accompanied by meaningful cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the statement. Certain matters described in this release are forward-looking statements such as earnings guidance and outlook by segment. Such statements are based on management’s beliefs, as well as assumptions made by and information currently available to management. When used in this filing, the words “believe”, “anticipate”, “endeavor”, “estimate”, “expect”, “objective”, “projection”, “forecast”, “goal”, “likely”, and similar expressions are intended to identify forward-looking statements. In addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements, factors that could cause the company’s actual results to differ materially from those contemplated in any forward-looking statements include, among others, the following:

- Factors affecting utility operations such as unfavorable or unusual weather conditions; catastrophic weather-related damage; unusual maintenance or repairs; unanticipated changes to coal and natural gas costs; unanticipated changes to gas transportation and storage costs, or availability due to higher demand, shortages, transportation problems or other developments; environmental or pipeline incidents; transmission or distribution incidents; unanticipated changes to electric energy supply costs, or availability due to demand, shortages, transmission problems or other developments; or electric transmission or gas pipeline system constraints.
- New or proposed legislation, litigation and government regulation or other actions, such as changes in, rescission of or additions to tax laws or rates, pipeline safety regulation and environmental laws and regulations, including laws governing air emissions, carbon, waste water discharges and the handling and disposal of coal combustion residuals that could impact the continued operation, and/or cost recovery of generation plant costs and related assets. Compliance with respect to these regulations could substantially change the operation and nature of the company’s utility operations.
- Catastrophic events such as fires, earthquakes, explosions, floods, ice storms, tornadoes, terrorist acts, physical attacks, or other similar occurrences could adversely affect the company's facilities, operations, financial condition, results of operations, and reputation.
- Cyber attacks or similar occurrences could adversely affect the company's facilities, operations, corporate reputation, financial condition, and results of operations.
- Increased competition in the energy industry, including the effects of industry restructuring, unbundling, and other sources of energy.
- Approval and timely recovery of new capital investments related to the electric generation transition plan, including timely approval to build and own generation, ability to meet capacity requirements, ability to procure resources needed to build new generation at a reasonable cost, ability to appropriately estimate costs of new generation, the effects of construction delays and cost overruns, ability to fully recover the investments made in retiring portions of the current generation fleet, scarcity of resources and labor, and workforce retention, development and training.
- Regulatory factors such as uncertainty surrounding the composition of state regulatory commissions, adverse regulatory changes, unanticipated changes in rate-setting policies or procedures, recovery of investments and costs made under regulation, interpretation of regulatory-related legislation by the IURC and/or PUCO and appellate courts that review decisions issued by the agencies, and the frequency and timing of rate increases.
- Financial, regulatory or accounting principles or policies imposed by the Financial Accounting Standards Board; the Securities and Exchange Commission; the Federal Energy Regulatory Commission; state public utility commissions; state entities which regulate electric and natural gas transmission and distribution, natural gas gathering and processing, electric power supply; and similar entities with regulatory oversight.
- Economic conditions including the effects of inflation, commodity prices, and monetary fluctuations.
- Economic conditions, including increased potential for lower levels of economic activity; uncertainty regarding energy prices and the capital and commodity markets; volatile changes in the demand for natural gas, electricity, and other nonutility products and services; economic impacts of changes in business strategy on both gas and electric large customers; lower residential and commercial customer counts; variance from normal population growth and changes in customer mix; higher operating expenses; and reductions in the value of investments.
- Volatile natural gas and coal commodity prices and the potential impact on customer consumption, uncollectible accounts expense, unaccounted for gas and interest expense.

- Volatile oil prices and the potential impact on customer consumption and price of other fuel commodities.
- Direct or indirect effects on the company's business, financial condition, liquidity and results of operations resulting from changes in credit ratings, changes in interest rates, and/or changes in market perceptions of the utility industry and other energy-related industries.
- The performance of projects undertaken by the company's nonutility businesses and the success of efforts to realize value from, invest in and develop new opportunities, including but not limited to, the company's Infrastructure Services and Energy Services businesses.
- Factors affecting Infrastructure Services, including the level of success in bidding contracts; fluctuations in volume and mix of contracted work; mix of projects received under blanket contracts; unanticipated cost increases in completion of the contracted work; funding requirements associated with multiemployer pension and benefit plans; changes in legislation and regulations impacting the industries in which the customers served operate; the effects of weather; failure to properly estimate the cost to construct projects; the ability to attract and retain qualified employees in a fast growing market where skills are critical; cancellation and/or reductions in the scope of projects by customers; credit worthiness of customers; ability to obtain materials and equipment required to perform services; and changing market conditions, including changes in the market prices of oil and natural gas that would affect the demand for infrastructure construction.
- Factors affecting Energy Services, including unanticipated cost increases in completion of the contracted work; changes in legislation and regulations impacting the industries in which the customers served operate; changes in economic influences impacting customers served; failure to properly estimate the cost to construct projects; risks associated with projects owned or operated; failure to appropriately design, construct, or operate projects; the ability to attract and retain qualified employees; cancellation and/or reductions in the scope of projects by customers; changes in the timing of being awarded projects; credit worthiness of customers; lower energy prices negatively impacting the economics of performance contracting business; and changing market conditions.
- Employee or contractor workforce factors including changes in key executives, collective bargaining agreements with union employees, aging workforce issues, work stoppages, or pandemic illness.
- Risks associated with material business transactions such as acquisitions and divestitures, including, without limitation, legal and regulatory delays; the related time and costs of implementing such transactions; integrating operations as part of these transactions; and possible failures to achieve expected gains, revenue growth and/or expense savings from such transactions.
- Costs, fines, penalties and other effects of legal and administrative proceedings, settlements, investigations, claims, including, but not limited to, such matters involving compliance with federal and state laws and interpretations of these laws.

The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of changes in actual results, changes in assumptions, or other factors affecting such statements.

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### Section 3: EX-99.2 (EXHIBIT 99.2 - Q3 2018 - QFR)

#### EXHIBIT 99.2

VECTREN CORPORATION  
AND SUBSIDIARY COMPANIES  
CONSOLIDATED STATEMENTS OF INCOME  
(Unaudited - in millions, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2018	2017	2018	2017
<b>OPERATING REVENUES:</b>				
Gas utility	\$ 122.1	\$ 120.4	\$ 600.7	\$ 557.2
Electric utility	160.0	159.2	437.4	433.0

Nonutility	382.9	411.6	929.8	956.1
Total operating revenues	665.0	691.2	1,967.9	1,946.3
<b>OPERATING EXPENSES:</b>				
Cost of gas sold	24.5	23.9	211.4	174.0
Cost of fuel & purchased power	47.5	44.1	137.7	128.8
Cost of nonutility revenues	121.4	136.2	299.8	318.4
Other operating	296.2	296.7	809.3	794.2
Merger-related	11.1	—	26.4	—
Depreciation & amortization	73.9	69.5	217.7	205.7
Taxes other than income taxes	14.1	13.5	49.6	42.5
Total operating expenses	588.7	583.9	1,751.9	1,663.6
<b>OPERATING INCOME</b>	<b>76.3</b>	<b>107.3</b>	<b>216.0</b>	<b>282.7</b>
<b>OTHER INCOME:</b>				
Equity in (losses) of unconsolidated affiliates	(0.3)	(0.2)	(18.3)	(1.0)
Other income - net	9.6	9.1	28.7	24.1
Total other income	9.3	8.9	10.4	23.1
<b>INTEREST EXPENSE</b>	<b>24.6</b>	<b>22.2</b>	<b>72.1</b>	<b>64.9</b>
<b>INCOME BEFORE INCOME TAXES</b>	<b>61.0</b>	<b>94.0</b>	<b>154.3</b>	<b>240.9</b>
<b>INCOME TAXES</b>	<b>10.6</b>	<b>32.1</b>	<b>18.2</b>	<b>86.1</b>
<b>NET INCOME</b>	<b>\$ 50.4</b>	<b>\$ 61.9</b>	<b>\$ 136.1</b>	<b>\$ 154.8</b>
<b>WEIGHTED AVERAGE AND DILUTED COMMON SHARES</b>				
OUTSTANDING	83.1	83.0	83.1	83.0
<b>BASIC AND DILUTED EARNINGS PER SHARE OF COMMON STOCK</b>	<b>\$ 0.61</b>	<b>\$ 0.75</b>	<b>\$ 1.64</b>	<b>\$ 1.87</b>

VECTREN UTILITY HOLDINGS  
AND SUBSIDIARY COMPANIES  
CONSOLIDATED STATEMENTS OF INCOME  
(Unaudited - in millions)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2018	2017	2018	2017
<b>OPERATING REVENUES:</b>				
Gas utility	\$ 122.1	\$ 120.4	\$ 600.7	\$ 557.2
Electric utility	160.0	159.2	437.4	433.0
Other	0.1	0.1	0.2	0.2
Total operating revenues	<u>282.2</u>	<u>279.7</u>	<u>1,038.3</u>	<u>990.4</u>
<b>OPERATING EXPENSES:</b>				
Cost of gas sold	24.5	23.9	211.4	174.0
Cost of fuel & purchased power	47.5	44.1	137.7	128.8
Other operating	83.5	82.0	265.6	250.4
Depreciation & amortization	63.4	59.0	186.3	174.3
Taxes other than income taxes	13.5	12.6	47.5	40.1
Total operating expenses	<u>232.4</u>	<u>221.6</u>	<u>848.5</u>	<u>767.6</u>
<b>OPERATING INCOME</b>	49.8	58.1	189.8	222.8
<b>OTHER INCOME - NET</b>	9.2	8.1	27.9	21.4
<b>INTEREST EXPENSE</b>	<u>20.3</u>	<u>18.3</u>	<u>60.3</u>	<u>53.5</u>
<b>INCOME BEFORE INCOME TAXES</b>	38.7	47.9	157.4	190.7
<b>INCOME TAXES</b>	<u>5.7</u>	<u>17.1</u>	<u>24.6</u>	<u>68.5</u>
<b>NET INCOME</b>	<u>\$ 33.0</u>	<u>\$ 30.8</u>	<u>\$ 132.8</u>	<u>\$ 122.2</u>

VECTREN CORPORATION  
AND SUBSIDIARY COMPANIES  
CONSOLIDATED BALANCE SHEETS  
(Unaudited - in millions)

	September 30, 2018	December 31, 2017
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash & cash equivalents	\$ 28.8	\$ 16.6
Accounts receivable - less reserves of \$4.1 & \$5.1, respectively	230.5	262.9
Accrued unbilled revenues	156.2	207.1
Inventories	119.4	126.6
Recoverable fuel & natural gas costs	7.8	19.2
Prepayments & other current assets	53.9	47.0
<b>Total current assets</b>	<b>596.6</b>	<b>679.4</b>
<b>Utility Plant</b>		
Original cost	7,394.5	7,015.4
Less: accumulated depreciation & amortization	2,850.9	2,738.7
<b>Net utility plant</b>	<b>4,543.6</b>	<b>4,276.7</b>
Investments in unconsolidated affiliates	1.5	19.7
Other utility & corporate investments	48.6	43.7
Other nonutility investments	9.6	9.6
<b>Nonutility plant - net</b>	<b>483.0</b>	<b>464.1</b>
Goodwill	293.5	293.5
Regulatory assets	469.5	416.8
Other assets	34.6	35.8
<b>TOTAL ASSETS</b>	<b>\$ 6,480.5</b>	<b>\$ 6,239.3</b>
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 232.1	\$ 366.2
Accrued liabilities	246.1	222.3
Short-term borrowings	325.3	249.5
Current maturities of long-term debt	60.0	100.0
<b>Total current liabilities</b>	<b>863.5</b>	<b>938.0</b>
<b>Long-term Debt - Net of Current Maturities</b>	<b>1,978.9</b>	<b>1,738.7</b>
<b>Deferred Credits &amp; Other Liabilities</b>		
Deferred income taxes	518.4	491.3
Regulatory liabilities	938.8	937.2
Deferred credits & other liabilities	306.1	284.8

Total deferred credits & other liabilities	1,763.3	1,713.3
<b>Common Shareholders' Equity</b>		
Common stock (no par value) – issued & outstanding 83.1 & 83.0, respectively	739.5	736.9
Retained earnings	1,136.6	1,113.7
Accumulated other comprehensive (loss)	(1.3)	(1.3)
Total common shareholders' equity	1,874.8	1,849.3
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>\$ 6,480.5</b>	<b>\$ 6,239.3</b>



VECTREN CORPORATION  
AND SUBSIDIARY COMPANIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Millions - Unaudited)

	Nine Months Ended September 30,	
	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 136.1	\$ 154.8
Adjustments to reconcile net income to cash from operating activities:		
Depreciation & amortization	217.7	205.7
Deferred income taxes & investment tax credits	12.6	76.6
Provision for uncollectible accounts	5.3	4.0
Expense portion of pension & postretirement benefit cost	3.3	4.4
Other non-cash items - net	18.3	4.1
Changes in working capital accounts:		
Accounts receivable & accrued unbilled revenues	78.0	3.6
Inventories	7.2	(1.1)
Recoverable/refundable fuel & natural gas costs	11.4	—
Prepayments & other current assets	(6.7)	(3.1)
Accounts payable	(144.0)	(54.3)
Accrued liabilities	24.7	4.9
Unconsolidated affiliate dividends	—	0.1
Employer contributions to pension & postretirement plans	(6.9)	(3.5)
Changes in noncurrent assets	(29.0)	(28.0)
Changes in noncurrent liabilities	(13.5)	(7.7)
Net cash from operating activities	<u>314.5</u>	<u>360.5</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from:		
Long-term debt, net of issuance costs	299.3	99.2
Dividend reinvestment plan & other common stock issuances	1.7	4.6
Requirements for:		
Dividends on common stock	(112.1)	(104.5)
Retirement of long-term debt	(100.0)	—
Net change in short-term borrowings	75.8	31.5
Net cash from financing activities	<u>164.7</u>	<u>30.8</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of assets and other collections	5.7	4.8
Requirements for:		
Capital expenditures, excluding AFUDC equity	(472.7)	(453.5)
Other costs	—	(3.4)
Changes in restricted cash	—	0.9
Net cash from investing activities	<u>(467.0)</u>	<u>(451.2)</u>

Net change in cash & cash equivalents	12.2	(59.9)
Cash & cash equivalents at beginning of period	16.6	68.6
Cash & cash equivalents at end of period	<u>\$ 28.8</u>	<u>\$ 8.7</u>

VECTREN CORPORATION  
AND SUBSIDIARY COMPANIES  
HIGHLIGHTS

(Unaudited - in millions, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2018	2017	2018	2017
<b>EARNINGS:</b>				
Utility Group				
Gas Utility Services	\$ (0.6)	\$ 1.0	\$ 60.7	\$ 55.8
Electric Utility Services	30.6	27.2	62.4	56.8
Other Operations	3.0	2.6	9.7	9.6
Total Utility Group	33.0	30.8	132.8	122.2
Nonutility Group				
Infrastructure Services	22.1	26.6	26.0	28.6
Energy Services	4.5	4.9	12.2	4.9
Other Businesses, excluding Equity Investment Impairment Charge - ProLiance	(0.3)	(0.2)	(0.8)	(0.5)
Nonutility Group, excluding reconciling items	26.3	31.3	37.4	33.0
Corporate and Other, excluding Merger-Related Costs	(0.1)	(0.2)	(0.8)	(0.4)
Vectren Consolidated, excluding reconciling items	\$ 59.2	\$ 61.9	\$ 169.4	\$ 154.8
Reconciling Items:				
Other Businesses - Equity Investment Impairment Charge - ProLiance	—	—	(13.1)	—
Corporate and Other - Merger-Related Costs	(8.8)	—	(20.2)	—
Vectren Consolidated	\$ 50.4	\$ 61.9	\$ 136.1	\$ 154.8
<b>EARNINGS PER SHARE:</b>				
Utility Group	\$ 0.40	\$ 0.37	\$ 1.60	\$ 1.47
Nonutility Group, excluding reconciling items	0.32	0.38	0.45	0.40
Corporate and Other, excluding reconciling items	(0.01)	—	(0.01)	—
EPS, excluding reconciling items	\$ 0.71	\$ 0.75	\$ 2.04	\$ 1.87
Reconciling Items:				
Other Businesses - Equity Investment Impairment Charge - ProLiance	—	—	(0.16)	—
Corporate and Other - Merger-Related Costs	(0.10)	—	(0.24)	—

Reported EPS

\$ 0.61

\$ 0.75

\$ 1.64

\$ 1.87

VECTREN CORPORATION  
AND SUBSIDIARY COMPANIES  
SELECTED GAS DISTRIBUTION  
OPERATING STATISTICS  
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2018	2017	2018	2017
<b>GAS UTILITY (Millions):</b>				
Residential Margin	\$ 60.2	\$ 59.6	\$ 228.8	\$ 231.4
Commercial Margin	12.6	12.8	61.4	61.7
Industrial Margin	14.8	15.9	52.6	53.1
Other Margin	1.4	1.5	6.8	6.4
Regulatory Expense Recovery Mechanisms	8.6	6.7	39.7	30.6
Total Gas Utility Margin	97.6	96.5	389.3	383.2
Cost of Gas Sold	24.5	23.9	211.4	174.0
Total Gas Utility Revenue	\$ 122.1	\$ 120.4	\$ 600.7	\$ 557.2
<b>GAS SOLD &amp; TRANSPORTED (MMDth):</b>				
Residential	3.3	3.6	52.0	40.4
Commercial	2.6	2.4	24.6	18.9
Industrial	31.1	25.4	109.8	87.2
	37.0	31.4	186.4	146.5
<b>AVERAGE GAS CUSTOMERS</b>				
Residential	933,310	925,396	942,200	933,852
Commercial	85,168	84,686	85,983	85,451
Industrial	1,754	1,743	1,753	1,742
	1,020,232	1,011,825	1,029,936	1,021,045
<b>WEATHER AS A PERCENT OF NORMAL (ANNUALIZED):</b>				
Heating Degree Days (Ohio)			102%	89%
Heating Degree Days (Indiana)			99%	80%

VECTREN CORPORATION  
AND SUBSIDIARY COMPANIES  
SELECTED ELECTRIC  
OPERATING STATISTICS  
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2018	2017	2018	2017
<b>ELECTRIC UTILITY (Millions):</b>				
Residential Margin	\$ 46.2	\$ 46.7	\$ 117.4	\$ 116.2
Commercial Margin	27.4	29.7	75.2	80.8
Industrial Margin	25.0	26.4	69.6	73.2
Other Margin	0.7	0.9	1.9	2.8
Regulatory Expense Recovery Mechanisms	4.9	3.3	13.4	8.1
Wholesale and Transmission	8.3	8.1	22.2	23.1
<b>Total Electric Utility Margin</b>	<b>112.5</b>	<b>115.1</b>	<b>299.7</b>	<b>304.2</b>
Cost of Fuel & Purchased Power	47.5	44.1	137.7	128.8
<b>Total Electric Utility Revenue</b>	<b>\$ 160.0</b>	<b>\$ 159.2</b>	<b>\$ 437.4</b>	<b>\$ 433.0</b>
<b>ELECTRICITY SOLD (GWh):</b>				
Residential	451.1	429.0	1,176.0	1,066.3
Commercial	358.6	367.5	972.3	976.5
Industrial	613.6	587.8	1,668.6	1,600.7
Other Sales - Street Lighting	5.1	5.1	16.0	16.0
Total Retail	1,428.4	1,389.4	3,832.9	3,659.5
Wholesale	121.9	56.7	468.6	295.9
	<b>1,550.3</b>	<b>1,446.1</b>	<b>4,301.5</b>	<b>3,955.4</b>
<b>AVERAGE ELECTRIC CUSTOMERS</b>				
Residential	127,459	126,467	127,296	126,338
Commercial	18,705	18,679	18,672	18,639
Industrial	115	111	115	112
Other	40	40	40	40
	<b>146,319</b>	<b>145,297</b>	<b>146,123</b>	<b>145,129</b>
<b>WEATHER AS A PERCENT OF NORMAL (ANNUALIZED):</b>				
Cooling Degree Days (Indiana)	111%	100%	130%	108%
Heating Degree Days (Indiana)			99%	80%

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**Section 4: EX-99.3 (EXHIBIT 99.3 - Q3 2018 - FLS)**

### Forward-Looking Information

A “safe harbor” for forward-looking statements is provided by the Private Securities Litigation Reform Act of 1995 (Reform Act of 1995). The Reform Act of 1995 was adopted to encourage such forward-looking statements without the threat of litigation, provided those statements are identified as forward-looking and are accompanied by meaningful cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the statement. Certain matters described in this release are forward-looking statements such as earnings guidance and outlook by segment. Such statements are based on management’s beliefs, as well as assumptions made by and information currently available to management. When used in this filing, the words “believe”, “anticipate”, “endeavor”, “estimate”, “expect”, “objective”, “projection”, “forecast”, “goal”, “likely”, and similar expressions are intended to identify forward-looking statements. In addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements, factors that could cause the company’s actual results to differ materially from those contemplated in any forward-looking statements include, among others, the following:

- Factors affecting utility operations such as unfavorable or unusual weather conditions; catastrophic weather-related damage; unusual maintenance or repairs; unanticipated changes to coal and natural gas costs; unanticipated changes to gas transportation and storage costs, or availability due to higher demand, shortages, transportation problems or other developments; environmental or pipeline incidents; transmission or distribution incidents; unanticipated changes to electric energy supply costs, or availability due to demand, shortages, transmission problems or other developments; or electric transmission or gas pipeline system constraints.
- New or proposed legislation, litigation and government regulation or other actions, such as changes in, rescission of or additions to tax laws or rates, pipeline safety regulation and environmental laws and regulations, including laws governing air emissions, carbon, waste water discharges and the handling and disposal of coal combustion residuals that could impact the continued operation, and/or cost recovery of generation plant costs and related assets. Compliance with respect to these regulations could substantially change the operation and nature of the company’s utility operations.
- Catastrophic events such as fires, earthquakes, explosions, floods, ice storms, tornadoes, terrorist acts, physical attacks, or other similar occurrences could adversely affect the company's facilities, operations, financial condition, results of operations, and reputation.
- Cyber attacks or similar occurrences could adversely affect the company's facilities, operations, corporate reputation, financial condition, and results of operations.
- Increased competition in the energy industry, including the effects of industry restructuring, unbundling, and other sources of energy.
- Approval and timely recovery of new capital investments related to the electric generation transition plan, including timely approval to build and own generation, ability to meet capacity requirements, ability to procure resources needed to build new generation at a reasonable cost, ability to appropriately estimate costs of new generation, the effects of construction delays and cost overruns, ability to fully recover the investments made in retiring portions of the current generation fleet, scarcity of resources and labor, and workforce retention, development and training.
- Regulatory factors such as uncertainty surrounding the composition of state regulatory commissions, adverse regulatory changes, unanticipated changes in rate-setting policies or procedures, recovery of investments and costs made under regulation, interpretation of regulatory-related legislation by the IURC and/or PUCO and appellate courts that review decisions issued by the agencies, and the frequency and timing of rate increases.
- Financial, regulatory or accounting principles or policies imposed by the Financial Accounting Standards Board; the Securities and Exchange Commission; the Federal Energy Regulatory Commission; state public utility commissions; state entities which regulate electric and natural gas transmission and distribution, natural gas gathering and processing, electric power supply; and similar entities with regulatory oversight.
- Economic conditions including the effects of inflation, commodity prices, and monetary fluctuations.
- Economic conditions, including increased potential for lower levels of economic activity; uncertainty regarding energy prices and the capital and commodity markets; volatile changes in the demand for natural gas, electricity, and other nonutility products and services; economic impacts of changes in business strategy on both gas and electric large customers; lower residential and commercial customer counts; variance from normal population growth and changes in customer mix; higher operating expenses; and reductions in the value of investments.
- Volatile natural gas and coal commodity prices and the potential impact on customer consumption, uncollectible accounts expense, unaccounted for gas and interest expense.

- *Volatile oil prices and the potential impact on customer consumption and price of other fuel commodities.*
- *Direct or indirect effects on the company's business, financial condition, liquidity and results of operations resulting from changes in credit ratings, changes in interest rates, and/or changes in market perceptions of the utility industry and other energy-related industries.*
- *The performance of projects undertaken by the company's nonutility businesses and the success of efforts to realize value from, invest in and develop new opportunities, including but not limited to, the company's Infrastructure Services and Energy Services businesses.*
- *Factors affecting Infrastructure Services, including the level of success in bidding contracts; fluctuations in volume and mix of contracted work; mix of projects received under blanket contracts; unanticipated cost increases in completion of the contracted work; funding requirements associated with multiemployer pension and benefit plans; changes in legislation and regulations impacting the industries in which the customers served operate; the effects of weather; failure to properly estimate the cost to construct projects; the ability to attract and retain qualified employees in a fast growing market where skills are critical; cancellation and/or reductions in the scope of projects by customers; credit worthiness of customers; ability to obtain materials and equipment required to perform services; and changing market conditions, including changes in the market prices of oil and natural gas that would affect the demand for infrastructure construction.*
- *Factors affecting Energy Services, including unanticipated cost increases in completion of the contracted work; changes in legislation and regulations impacting the industries in which the customers served operate; changes in economic influences impacting customers served; failure to properly estimate the cost to construct projects; risks associated with projects owned or operated; failure to appropriately design, construct, or operate projects; the ability to attract and retain qualified employees; cancellation and/or reductions in the scope of projects by customers; changes in the timing of being awarded projects; credit worthiness of customers; lower energy prices negatively impacting the economics of performance contracting business; and changing market conditions.*
- *Employee or contractor workforce factors including changes in key executives, collective bargaining agreements with union employees, aging workforce issues, work stoppages, or pandemic illness.*
- *Risks associated with material business transactions such as acquisitions and divestitures, including, without limitation, legal and regulatory delays; the related time and costs of implementing such transactions; integrating operations as part of these transactions; and possible failures to achieve expected gains, revenue growth and/or expense savings from such transactions.*
- *Costs, fines, penalties and other effects of legal and administrative proceedings, settlements, investigations, claims, including, but not limited to, such matters involving compliance with federal and state laws and interpretations of these laws.*

*The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of changes in actual results, changes in assumptions, or other factors affecting such statements.*

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