

Settlement to provide rebates to gas customers

INDIANAPOLIS (AP) — Vectren Corp., the parent company of Indiana Gas Co. and Southern Indiana Gas and Electric Co., has agreed to provide \$5.25 million in benefits to its customers.

The Indiana Office of Utility Consumer Counselor and the Citizens Action Coalition announced the settlement agreement with Vectren on Thursday.

If approved by the Indiana Utility Regulatory Commission, it would provide an immediate one-month bill reduction for all Indiana Gas customers. Indiana Gas serves Hamilton County.

Vectren also agreed to contribute money to Indiana's Low Income Heating Assistance Program.

The contributions would be made in addition to Vectren's existing low-income assistance commitments, which exceed \$940,000 for the two gas utilities. If not completely used this year, the contributions and matching funds would be carried over to the 2001-2002 heating season.

Under the agreement:

- \$3.3 million in rate reductions would be made for all

Indiana Gas customers. The one-month credit of \$4 to \$6 would be provided in the next available month following approval of the agreement.

- Vectren will contribute \$1 million to benefit low-income consumers in Indiana Gas territory.

- Vectren will contribute \$700,000 to help low-income consumers in SIGECO territory.

- Vectren will spend

\$250,000 in matching funds for its Share the Warmth program.

The agreement resolves pending appeals surrounding a January IURC decision that disallowed \$3.8 million of Indiana Gas' proposed gas cost increase for January and February.

If the settlement receives IURC approval, all appeals will be dropped and rate reductions would take place immediately.



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