

November 22, 2010

Mr. Carl L. Chapman
President
Vectren Corporation
P.O. Box 209
Evansville, IN 47702-0209

CPF 2-2007-1014

Dear Mr. Chapman:

On May 1-4, and May 15-18, 2006, a team of representatives from the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), the Ohio Public Utility Commission, and the Indiana Utility Regulatory Commission, pursuant to Chapter 601 of 49 United States Code, conducted an inspection of Vectren Corporation's (Vectren's) gas integrity management program (IMP) in Evansville, Indiana.

As a result of the inspections, PHMSA issued a Final Order on July 15, 2010. The Final Order included a civil penalty of \$51,000 and a Compliance Order (CO), which required Vectren to take certain actions to protect the public and the environment.

The PHMSA Southern Region has confirmed Vectren's payment of the civil penalty and has reviewed your October 11, 2010, written response to the CO. We find that you have met the requirements specified in the CO. No further action is necessary with regards to the Final Order and this case is now closed.

Please be advised that nothing herein states or implies that the above described integrity management program meets the requirements of the federal pipeline safety regulations or that the program is approved. The pipeline system and IMP remain subject to inspection by PHMSA.

Sincerely,

Wayne T. Lemoi
Director, Office of Pipeline Safety
PHMSA Southern Region