

News Release

Citizens Action Coalition

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Public Hearings Set on \$3 billion, Scandal-Ridden Coal Plant

Next week marks the second opportunity for the public to provide comment on Duke Energy's problem-plagued Edwardsport coal gasification plant. The Indiana Utility Regulatory Commission (IURC) will hold field hearings Feb. 28 at Columbus North High School and March 1 at the Kokomo Event Center. Both field hearings will begin at 5:30 PM.

Grant Smith, Executive Director of Citizens Action Coalition, said, "With the massive cost overruns, scandal, and potential that undue influence has driven this project, it is imperative that Duke customers attend and voice their concerns at the field hearings."

August of 2007 in Bloomington, Indiana was the last time that Duke customers were able to voice their concerns – a lot has transpired since then.

In 2007, the estimated cost of the plant was still \$1.985 billion, and Duke estimated that customers would likely see a 16% increase in their electric bills. Now, the estimates have soared to nearly \$3 billion, and according to recent Duke testimony submitted to the IURC, they may need more to complete the project. The original 2006 estimate was \$1.2 billion.

Smith said, "Customers should not be required to pay for Duke's inability to properly manage the costs of the Edwardsport project. Despite their negligence, Duke is asking that ratepayers involuntarily finance the completion of what amounts to an experimental power plant."

Since the 2007 public hearing, scandal has rocked the foundation of the Edwardsport project. In September of 2010, Scott Storms, the chief administrative law judge for the IURC, negotiated employment and eventually took a job with Duke Energy at the same time he was presiding over the Edwardsport case and other Duke related matters.

David Lott Hardy was also a casualty of the scandal. As the former chairman of the IURC, he was fired by Governor Daniels as a result of knowing a conflict of interest existed, yet he took no action. Duke, through its own investigation, subsequently fired Scott Storms and Michael W. Reed. Reed was at the time president of Duke Energy Indiana, and paved the way for Scott Storms to eventually take the job with Duke. Reed was former executive director at the IURC.

Comments can also be submitted in writing. More information can be found here:
http://www.in.gov/portal/news_events/67201.htm