

**Citizens Action Coalition/Sierra Club Hoosier Chapter  
Valley Watch/Save the Valley  
NEWS RELEASE**

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## **IURC rushing to judgment on Duke Energy's Edwardsport IGCC while startup problems promise more costs to ratepayers**

The Indiana Utility Regulatory Commission (IURC) continues to do a grave disservice to the captive ratepayers of Duke Energy Indiana. After denying a motion by the coalition of consumer and environmental groups to stay the current proceeding (Cause No. 43114 IGCC-8) regarding the scandal-ridden and problem-plagued Edwardsport IGCC powerplant until after testimony and evidence was filed in the settlement portion of the proceeding (Cause No. 43114 IGCC 4S-1), the IURC gave the groups just 72 hours to file testimony in the case.

The motion for stay was denied by the IURC on Monday June 18<sup>th</sup>, despite the IURC stating that they "find a measure of merit in the CAC's argument." As a result of the misguided decision, the groups were forced by the IURC to file testimony by Thursday June 21<sup>st</sup>, leaving a litany of important and critical issues unexplored by the groups' expert witnesses.

"We find it inexcusable and totally unjustifiable that the IURC is not allowing the necessary time to review very complex accounting, ratemaking and tax treatment issues with respect to a project that is now \$1.5 billion over budget and a year and a half behind the original schedule for completion," stated Kerwin Olson, Executive Director of CAC. "The costs associated with this fiasco will be borne by captive ratepayers who are already struggling to make ends meet in today's economy and can ill afford further financial burdens."

Duke Energy recently announced that the IGCC project was facing serious problems during the start-up and testing phases and that the Company is at loggerheads with GE, the company contracted by Duke to construct and install the gasifiers at the powerplant. The project, originally slated to cost \$1.985 billion and be operational by October 2011, is now expected to cost in excess of \$3.3 billion and will likely not deliver any electricity to captive ratepayers until February or March of 2013.

Steve Francis, Chair of the Sierra Club Hoosier Chapter added; ""As the Edwardsport IGCC plant continues to experience growing costs and delay, the IURC through this ruling is on a speedy track to make a judgment without

allowing due process and time for all the concerns to be addressed. This is an unfortunate direction given the complexity and difficulties experienced over the last four years".

Testimony regarding the recently proposed settlement between Duke Energy and the Indiana Office of Utility Consumer Counselor is due to be filed Friday, June 29<sup>th</sup>, with evidentiary hearings beginning on July 16<sup>th</sup>.

Copies of testimony and other documents available upon request.

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