

CITIZEN POWER

The latest news from Indiana's oldest consumer advocacy organization



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IPL TDSIC

LATEST NEWS

By Kerwin Olson

It's an exceptionally busy time at CAC. We'll focus on Indiana's monopoly investor-owned electric utilities because as usual, they just can't seem to help themselves as they flood the Indiana Utility Regulatory Commission (IURC) with filing after filing. All five of Indiana's investor-owned electric utilities are before the IURC seeking significant rate hikes on their customers.

Duke, I&M, and NIPSCO all currently have pending base rate cases before the IURC. IPL has recently filed a request for \$1.2 billion to pay for upgrades to their electric grid. Last but not least, Vectren is currently before the IURC seeking \$164 million to pay for the closure of the coal ash pond at their Brown coal-fired power plant. CAC has intervened in all of these cases. We will do all that we can to protect consumers and the public interest.

DUKE ENERGY RATE CASE

Duke Energy Indiana is currently before the IURC seeking a massive rate hike on residential customers of over 20 percent or \$24 per month. This request to significantly increase monthly bills comes at the same time that the Company is realizing enormous profits and record-high stock prices.

Testimony in Duke's rate case is currently scheduled to be filed on October 30th, with evidentiary hearings at the Indiana Utility Regulatory Commission (IURC) scheduled to begin in January 2020. Duke is claiming that two factors are primarily driving the need to increase rates.

First, the Company is opining that they need to increase rates because they have added over 100,000 new customers since their last rate case, which was over 15 years ago.

What they fail to mention is that with these new customers comes new revenues. These new customers have been paying a monthly bill to Duke Energy from the day their electric service was turned on, and many were likely saddled with the additional burden of a security deposit.

Duke Energy has been collecting the money necessary to serve these customers for years.

Second, the Company is suggesting that they need to increase rates because they are moving away from coal and diversifying their energy portfolio to include more clean energy resources. This is greenwashing of the highest order. Nothing could be further from the truth.

The Company has made no commitments to retire any of their coal-fired power plants, and they've made no commitments to serious investments in clean energy, like wind and solar. Don't be fooled. Virtually none of this proposed rate increase is going towards clean and renewable energy, as the Company would like you to believe.

This rate increase represents nothing more than greed on the part of Duke Energy. There is no moral justification for struggling Hoosier households to face higher monthly electric bills simply to feed the coffers of a financially healthy monopoly.

HAVE YOUR SAY!

Indiana Office of Utility Consumer Counselor

Attn: Bill Fine

115 W. Washington St., Suite 1500S

Indianapolis, IN 46204

uccinfo@oucc.in.gov

(888) 441-2494 phone

Tell the Utility Consumer Counselor to stop Duke Energy from charging you more for using less by:

- Rejecting Duke's request to raise your rates
- Rejecting Duke's request to force you to pay for the Edwardsport power plant until 2045
- Rejecting Duke's request to continue using declining block rates and charging you more for using less energy

Tell the OUCC to fight for residential customers to ensure that monthly bills are affordable, just, and reasonable.

INDIANA MICHIGAN POWER

CAC filed testimony in the I&M (a subsidiary of American Electric Power) rate case on August 20th. Among other items, CAC argued for the need to ensure affordable monthly bills for low- and fixed-income households, and recommended that the Indiana Utility Regulatory Commission (IURC) reject I&M's request to increase the monthly fixed charge.

The evidentiary hearings before the IURC are scheduled to begin in the second week of October. Additionally, I&M has recently filed for approval of their next 3-year Energy Efficiency plan for the years 2020-2022.

I&M is proposing to drastically cut the amount of energy savings moving forward in future years, and they are proposing to eliminate core efficiency programs like Schools Energy Education, Residential Lighting Rebates, and Home Weatherproofing.

I&M is proposing to achieve less than one-half of the expected 2019 energy savings in each of the next 3 years.

To illustrate this, I&M is forecasting to achieve 148 GWHs of energy savings in 2019 alone from their currently approved plan. Despite this, the company has filed for approval of a meager 202 GWHs in total for the next 3 years, or 70 GWHs in 2020, 68 GWHs in 2021, and 64 GWH in 2022.

CAC will vigorously advocate before the IURC that I&M not be allowed to gut their program offerings and slash their energy savings goals, as energy efficiency remains the cheapest energy resource available to serve customers.

SUPPORT CAC

We can't do what we do without support from donors like you!

Since 1974, our members' support has kept Citizens Action Coalition working for fair utility rates and affordable healthcare in the State of Indiana.

Your contributions have allowed us to continue our work at the State House every year, making sure that your legislators hear how these issues affect consumers throughout the state.

Without all of us coming together and speaking out, the people's voices will be drowned out by big money and the pursuit of egregious profits over the needs of Indiana consumers. Your contribution allows us to continue our work representing your interests. The beauty of our work is that it only takes a little bit from a lot of people to keep us working on your behalf.

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NIPSCO RATE CASE

In April 2019, a partial settlement was reached in the case amongst most of the parties, including CAC, which if approved by the Indiana Utility Regulatory Commission (IURC), will cut NIPSCO's requested rate increase in half, and reduce the monthly fixed customer charge to \$10.50, down from the current level of \$11.00.

However, a second settlement was also reached between NIPSCO and the large industrial customers. CAC and most of the other parties to the case are opposing this second settlement as if approved by the IURC, the settlement promises to shift an extraordinary amount of costs away from industrial customers, and onto commercial and residential customers.

It is inconceivable to CAC that the State of Indiana would raise rates on Hoosier households and small businesses in order to allow large, and profitable, industrial customers to be absolved of their responsibility to pay their fair share of costs, which were incurred in large part, to serve their electric needs. This case is fully briefed and we are waiting on a final order from the IURC, which is expected to be issued in late 2019.

VECTREN COAL ASH

As the result of ongoing testing of groundwater at the site of Vectren's Brown coal-fired power plant, the Company is now required to close the ash pond located at the plant. The testing displayed that the groundwater is contaminated with lithium and molybdenum. Thanks to our State Legislators at the Indiana General Assembly, Vectren can ask the IURC to force customers to pay for cleaning up their mess. If approved, Vectren's request will increase customers' bills by over \$4.00 per month by 2022.

IPL TDISC

If approved by the IURC, IPL's request will add around \$10 per month to the average IPL residential bill over the next 7 years. IPL is claiming that they need the bill hike to pay for replacements and upgrades to their aging and neglected electric grid. IPL's filing is the first to be made under the blank check given to monopoly utilities by our Indiana State Legislators through the controversial HEA1470, passed during the 2019 session of the Indiana General Assembly and signed into law by Governor Holcomb. Testimony is scheduled to be filed on October 7th, with evidentiary hearings scheduled for mid-November.

ABOUT CITIZENS ACTION COALITION

CAC is a 501(c)(4) not-for-profit organization that has advocated for four decades on behalf of Hoosiers on issues regarding energy policy, utility reform, health care, pollution prevention, and family farms. In order to achieve the objective to protect consumers in Indiana, CAC's activities include performing research, carrying out public education campaigns, organizing citizens, creating public awareness, lobbying legislators, intervening in utility cases before the Indiana Utility Regulatory Commission, and litigating when necessary.

CONTACT US

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