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For immediate release:

Press Contact:
Lindsay Shipps
(317) 735-7662

CAC CALLS ON INDIANA ATTORNEY GENERAL TO INVESTIGATE INCREASED COSTS ASSOCIATED WITH PRAIRIE STATE ENERGY CAMPUS

INDIANAPOLIS – Citizens Action Coalition is calling on Indiana Attorney General Greg Zoeller to investigate any potential misrepresentation that led to communities extending their contracts to purchase power from the Indiana Municipal Power Agency (IMPA), a utility aiding in the financing of the Prairie State Energy Campus (PSEC) in Southern Illinois. This power plant provides over-priced electricity to more than fifty municipalities across Indiana, including Anderson, Crawfordsville, Richmond, Scottsburg and Washington.

The call for this investigation arises from concerns surrounding Peabody Energy, the developer of PSEC that recently disclosed it is the subject of subpoena requests from the United States Securities and Exchange Commission (SEC) for issues relating to the development of the plant. While the scope of the SEC's investigation is unclear, CAC believes there is more to learn about Peabody's role in the substantial construction cost overruns, operational problems, and lack of transparency at PSEC in Marissa, Illinois, that has attracted the attention of these federal regulators.

The financial impact of PSEC is already placing small communities in other states under severe financial distress. The City Manager for Marceline, Missouri, labeled PSEC as a "toxic asset," stating that the city does not have the resources to continue its participation in the investment as it is currently structured. The City of Batavia, Illinois, conducted an independent analysis that indicated higher rates than the open market through at least 2024. Three city council members from affected communities in Ohio called on the Ohio Attorney General to begin an investigation. These are just a few of the many communities throughout nine states that anticipate compounded losses as a direct result of PSEC.

Unfortunately, Indiana is not immune. IMPA secured over \$800 million dollars of municipal bond financing for PSEC that currently burdens communities with the obligation of paying hundreds of thousands of dollars for this over-priced electricity that is well above what is currently available on the wholesale power market. This power purchased from PSEC threatens the financial well-being of Hoosier communities contractually obligated to buy the overpriced power for 10-15 years, which could possibly threaten other bonding arrangements throughout the State.

"It is critical that Attorney General Zoeller investigate the unjust cost of power stemming from contracts financing the Prairie State Energy Campus," Kerwin Olson, Executive Director of CAC, said. "Hoosiers cannot afford this project, plain and simple."

Citizens Action Coalition, Indiana's oldest and largest consumer rights organization, is a 501(c)4 with more than 40,000 members statewide. CAC advocates on behalf of Hoosiers 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.

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For more about Citizens Action Coalition:

<http://www.citact.org>

