Citizens Action Coalition * Environmental Law & Policy Center

NEWS RELEASE

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Groups Tell IURC to Reject NIPSCO's Monthly Fixed Charge Increase
Proposal Would Harm Poor Customers and Hinder Energy Efficiency

INDIANAPOLIS — Citizens Action Coalition (CAC) and Environmental Law & Policy Center (ELPC) filed testimony on Friday at the Indiana Utility Regulatory Commission (IURC) asking the IURC to reject NIPSCO's latest request to raise the monthly fixed customer charge of all NIPSCO residential customers from $11 to $20, an astonishing increase of nearly 82%.

The NIPSCO proposal "would provide guaranteed revenues to the Company unrelated to usage," said Karl Rábago, Executive Director of the Pace Energy & Climate Center, in testimony filed on behalf of the groups. "It would erect barriers to energy efficiency investments and impose increased burdens on low users of energy, who are often the poor, the elderly, students, and others on fixed incomes."

The proposal would result in residential customers being charged $240 each year that customers can not reduce by using less electricity.

Rabago, a former utility commissioner for the state of Texas, argues the proposal is not justified and should be rejected by the commission.

John Howat, Senior Policy Analyst at the National Consumer Law Center (NCLC), filed testimony on behalf of CAC and ELPC saying, "The Company's proposal would unjustly shift costs and cause disproportionate harm to low-volume, low-income residential ratepayers while undermining the viability of energy efficiency programming."

Howat recommends a comprehensive low-income assistance program be put into place. "We have seen that many lower-income households in Indiana lack sufficient income to make ends meet, yet must devote an inordinate proportion of these inadequate incomes to retain access to basic, necessary electric utility service."

Under Mr. Howat's proposal, the average residential customer would pay less than $1 per month for the proposed program.

The testimony filed on behalf of the Citizen Groups is available upon request.

NIPSCO's proposal to increase mandatory fees on customers comes the heels of proposals in other states including Michigan and Missouri which rejected similar proposals in 2015.

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