

Citizens Action Coalition NEWS RELEASE

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Despite Ongoing Ethics Scandal, Indiana Senate Committee Embraces Unethical Agenda of Monopoly Utilities

Senate Bill 102, authored by Senators Beverly Gard (R-Greenfield) and Lindel Hume (D, Princeton), and co-authored by Sen. Jim Merritt (R-Indianapolis) gives electric utilities in Indiana a virtual blank check. It also, over time, would deregulate billions of dollars of utility revenue, leaving Indiana with multi-billion dollar, unregulated monopolies.

Executive Director of Citizens Action Coalition Grant Smith said, "The Indiana Senate for years has carried water for utility companies to the detriment of our economy and health. Indiana's monopoly utility industry and their high-dollar lobbyists have always had a highly corrupting influence over our administrative and legislative processes."

Kerwin Olson, Program Director at CAC, stated: "It is hard to believe in the wake of the scandal at the Indiana Utility Regulatory Commission that legislation of this nature is even being considered at the Statehouse."

SB 102 cleared the Senate Committee on Utilities and Technology on a 6-3 party-line vote on Thursday January 20, 2011. Voting yes on the bill were Sen. Merritt, Sen. Gard, Sen. Scott Schneider (R, Indianapolis), Sen. Jean Leising (R, Oldenburg), Sen. Carlin Yoder (R, Middlebury) and Sen. Jim Tones (R, Wadesville).

Sen. Jean Breaux (D, Indianapolis), Sen. Richard Young (D, Milltown), and Sen. Lonnie Randolph (D, East Chicago) all rejected the bill and voted no.

Although the legislation is restricted to utility recovery of potential federal mandates, CAC maintains that the legislation can be broadly interpreted. Smith said, "You can easily get into a scenario where virtually any utility cost could be construed to fall under a possible federal mandate. We've been hearing about the potential for a national carbon policy for years. Federal renewable energy standard legislation has been bandied about for years, passing the US Senate a number of times. The potential for more stringent EPA air pollution regulations is always a planning issue for utilities."

Mr. Olson added, "This bill amounts to nothing more than a massive tax increase on ratepayers, municipalities, and businesses with no end in sight. It is the proverbial blank check. The only reasonable course of action here is for the bill to be withdrawn."

The full text of the bill can be found here:

<http://www.in.gov/legislative/bills/2011/IN/IN0102.1.html>

Grant Smith, Executive Director for Citizens Action Coalition

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