

June 5, 2007

Ms. Susan L. Macey  
Indiana Utility Consumer Counselor  
100 N. Senate Avenue, Room N-501  
Indianapolis, IN 46204-2215

Dear Ms. Macey:

I am writing to convey my concern – and the concern of the Indiana residents (and Vectren Energy customers) I represent – about plans for a new coal-fired electric generating plant at Edwardsport, Indiana.

Many of my constituents already are facing financial hardship because of Vectren rate increases. The proposal by Vectren and Duke Energy can only exacerbate that hardship. In the last year, construction estimates for the plant have nearly doubled, and it is my understanding that current estimates do not include other factors such as carbon capture and sequestration that could increase the cost of the plant by 50 percent or more.

Before a Certificate of Need is granted, I respectfully request that you thoroughly investigate all of the ramifications of allowing this proposal to go forward. The citizens of Indiana are entitled to answers to the following questions:

- What financial impact will the construction of the plant have on our region's consumers? What has been the cost of such plants in other areas of the country?
- Is it true that much of the electricity generated at the new plant will be exported to other states? How much electricity is now being exported out of state at lower prices than those paid by Indiana taxpayers, while our citizens pay the additional health costs of living in a state that is already third in the nation in the production of electricity per capita?
- Isn't it past time to demand renewable energy options, as well as more efficient programs from Vectren and Duke Energy – programs that could eliminate the need for more coal plant construction in Indiana?

Finally, before a Certificate of Need is issued, I ask that you, as the advocate for Indiana utility consumers, insist upon a public hearing – giving the citizens of Southwestern Indiana a voice in a decision that will affect them the most.

As this case moves forward, I would welcome your thoughts and any other information you could share. Thank you for your time and consideration.

Sincerely,

Phil Hoy, Indiana State Representative, District 77