

**Citizens Action Coalition**

**NEWS RELEASE**

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**BILL WOULD LEAD TO SKYROCKETING ELECTRIC BILLS  
SB251 being heard on Thursday February 10 at 9AM in the Senate Chambers**

Today, the Citizens Action Coalition called for the immediate withdrawal of Senate Bill 251. The legislation, according to the CAC, would, for all practical purposes, eliminate ratepayer protections under the law and provide monopoly electric utilities the means for unlimited profits on the backs of their captive ratepayers and the Indiana economy.

Grant Smith, CAC's Executive Director, said, "Utility companies have tried for years to pass similar provisions. Those bills were ultimately rejected due to their negative impact on homeowners and businesses; the bulk of the Indiana economy. Senators Gard, Merritt, Hershman and Boots must think that excessively high, unaffordable utility bills are good for the economy. They have adopted in SB 251 the monopoly utility agenda hook, line, and sinker. There is absolutely no balancing act here."

According to CAC, SB 251 deregulates the revenue of state franchised monopoly utility companies over time, allows electric utilities to by-pass least cost provisions in the law, short-circuits regulatory oversight, and provides for automatic rate increases. .

Kerwin Olson, Program Director for CAC, said, "Ultimately, SB251 will lead to prohibitively expensive and confiscatory electric rates in the state. It represents the proverbial blank check to Indiana's monopoly electric utility companies. It is unbelievable that the bill has been filed at all, given the ongoing ethics scandal."

The bill also would force the public to pay for exorbitantly expensive and highly speculative nuclear power plants and coal gasification facilities that Wall Street refuses to finance. Ratepayers would be on the hook for these risky investments even if the power plants never produce a single kilowatt hour of electricity.

Olson continued, "As we have stated many times over the last four years, the only way utility companies can build coal and nuclear plants is by shifting all design, construction, and operating risks to the ratepayer. Ratepayers would be mandated to assume all of the risk, while monopoly utility companies walk away with all the profit. This bill not only defies free market economics, it is morally indefensible. "

Smith concluded, "Given the experience with enormous cost overruns at Duke's Edwardsport plant, for which the bill provides further incentives, whoever supports this legislation should have their head examined. It not only will kill jobs, it will kill the economy.