

Citizens Action Coalition NEWS RELEASE

For Immediate Release
October 14, 2010

CAC Applauds Chairman Atterholt urges outside investigation

The Citizens Action coalition applauds new IURC Chairman James D. Atterholt on his decision to audit cases overseen by former Chief Administrative Law Judge Scott Storms, who is now on administrative leave with Duke Energy. The cases to be re-examined include the original proceeding in Cause No. 43114, or the case which granted Duke the approval to build the problem-plagued IGCC power plant, currently under construction in Knox County.

“We are cautiously optimistic that Chairman Atterholt will audit these decisions. However, we are concerned that when an agency investigates itself it may not be as aggressive and transparent as necessary and that the timeframe is too short,” states Grant Smith, Executive Director of CAC. “We believe the investigation should be conducted by an outside, independent agency to ensure a complete, objective, and independent conclusion is reached and that sufficient time be allowed to adequately collect and review the evidence.”

The Coalition is also concerned about the ability of the IURC to take on this additional work load. In the 2010 annual report submitted to the General Assembly, the Commission noted: ““However, as the number of items, dollar values, and utility decision points being reviewed has increased with no increase in oversight resources or time to review and process the matters at hand, effective regulation is challenged.”

The IURC’s Annual Report also stated, “Based on its current and anticipated caseload for the next two years, the Commission will see demands at a level never before experienced.”

In addition to auditing those orders and proceedings, Chairman Atterholt also has scheduled a technical conference to be held on November 3 in which Duke Energy will be required to present their evidence proving that Duke Energy still needs the overly expensive power plant to serve the needs of their customers. However, the Audit ordered by the IURC will not be available before that technical conference or subsequent testimony is due.

In the IURC press release, Chairman Atterholt stated "...the continuing need for the Edwardsport IGCC project is a foundational issue to Petitioner's requested relief in this proceeding."

Kerwin Olson, Program Director for CAC, added: "We have questioned the need of this plant from the beginning. We believe decisions reached by the Commission under the oversight of Judge Storms and recently fired Chairman David Lott Hardy, were subjective in nature and evidence presented was ignored by the Commission at that time. In addition, the Commission simply does not have the time and resources to conduct a thorough review and adequately review the other cases before it. Finally, the testimony and hearings in the current pending Edwardsport dockets should be continued until after a thorough and independent audit is conducted"

Grant Smith, Executive Director for Citizens Action Coalition

Kerwin Olson, Program Director for Citizens Action Coalition