

## Vectren has highest rates in the State and they want more!

Vectren South recently filed for a rate increase for the installment of \$32 million in dense pack technology to improve efficiency to two units at their A.B. Brown Generating Station, which should lead to lower coal consumption at those two units. They state the estimated bill impact for a residential customer will be \$1.08 per month.

**FACT:** Vectren does not know the actual cost of the project and refers to the \$32 million in their testimony as *the estimated cost*. They state in their testimony: ***"It must be emphasized that the actual impacts will depend upon the actual construction costs... as the Project proceeds."***

**FACT:** Vectren wants a guarantee they can recover all costs associated with the project and a rate of return (profit).

**FACT:** Vectren suggests that ratepayers will "see little to no rate impact" and promise that ratepayers will actually save money as a result of this project. The fact is the only guarantee that ratepayers get is that bills will increase to pay for the project. Promised savings are contingent upon the cost of coal, so if the price of coal goes up, which is likely, bills go up, regardless of this project.



**FACT:** Vectren's request for timely cost recovery of the project was denied by the Indiana Utility Regulatory Commission (IURC) in their last rate case. Instead, the IURC ordered Vectren to file for cost recovery AFTER the projects were completed and "report on the actual improvements achieved by the projects." The projects are not yet completed.

**FACT:** Thanks to legislation (**which Vectren aggressively lobbied on behalf of**) passed during the last session of the Indiana General Assembly, SB 251, Vectren can now ask the IURC to give them immediate cost recovery with additional profit for the project. Without SB 251, Vectren would not be able to make this request for a rate increase.

**FACT:** Rep. Gail Riecken, Rep. Suzanne Crouch, Rep. Kreg Battles, and Sen. Richard D. Young stood up for ratepayers, said NO to Vectren, and voted NO on SB 251.

**FACT:** Sen. Vaneta Becker, Sen. Jim Tomes, Sen. Lindel Hume, Rep. Wendy McNamara, Rep. Ron Bacon, Rep. Sue Ellsperman, and Rep. Mark Messmer all stood with Vectren, voting AGAINST your interests, and voting YES on SB 251!

**FACT:** Vectren South has the highest electricity rates in the state.

**FACT:** 2011 third quarter Vectren utility earnings and non-utility earnings **increased** a combined \$7.8 million and 2011 third quarter consolidated net income **increased** \$18.9 million, **or 115%**, compared with the third quarter of 2010.

**Vectren does not deserve another rate increase and ratepayers simply cannot afford anymore!**

**ENOUGH IS ENOUGH!**  
**Vectren should not be given a blank check!**

# Take Action!!!

**Speak out!**

**Make your voice heard at the Vectren Field Hearing!**

The Centre  
715 Locust Street  
Evansville, IN 47708

**Monday  
November 28, 2011**

**5:30 pm** - Office of Utility Consumer Counselor  
(OUCC) informational meeting on the  
regulatory process and field hearing  
procedures

**6:00pm** - **Field Hearing**

**Write the Office of the Utility Consumer Counselor and tell them:**

- 1) To oppose Vectren's request for a rate increase; and
- 2) To oppose Vectren's request for a new tracker.

**Indiana Office of Utility  
Consumer Counselor**

Attn: David Stippler  
115 W. Washington Street  
Suite 1500 South  
Indianapolis, IN 46204  
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(888) 441-2494 phone

**Be sure to include Cause # 44067 in your comments and ask the OUCC to include your comments in the record.**