

Citizens Action Coalition

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Is Governor Daniels Serving Up yet another Coal-Fired Boondoggle for Hoosier Ratepayers?

The Indiana Finance Authority (IFA) is meeting Thursday December 16 at 9:00 AM on the 9th floor of One North Capitol, directly across the street from the Indiana Statehouse. The IFA is set to discuss a resolution (Indiana Finance Authority Resolution G34-2010) with respect to a coal gasification plant to be constructed in Rockport, IN that will produce substitute natural gas.

CAC has been unable to obtain a copy of the resolution to this point. Despite being a publicly noticed meeting of a taxpayer funded State agency, the resolution being discussed has not yet been made available to the public.

The IFA has been in lengthy, secret contract negotiations with Leucadia Corporation to lock the citizens of Indiana into a 30 year, no look back contract that will force Indiana ratepayers to assume all of the risk and cost of the project and require Hoosier taxpayers to act as an insurance policy in case of default.

Kerwin Olson, Program Director of CAC said: "The developers need this contract with the IFA in order to secure federal loan guarantees. That is, ratepayers and taxpayers have to become guarantors of a highly speculative venture before the private sector will even think about financing this plant."

Grant Smith, Executive Director of CAC, stated: "It is shocking to CAC that with all the problems surrounding Duke Energy's scandal plagued IGCC project that the Administration may be considering once again, putting Hoosier ratepayers on the chopping block for another project that Wall St wouldn't otherwise touch with a 10 ft. pole."

"Since the resolution has not been made available to CAC or the public, we cannot comment on what the intent of the resolution is. However, CAC has been opposed to this project from the beginning as legislation passed to enable this fiasco allows essential consumer protections to be eliminated; which considering what is going on at the IURC today, should frighten Hoosier ratepayers," concluded Mr. Olson.

Grant Smith, Executive Director for Citizens Action Coalition:

Kerwin Olson, Program Director for Citizens Action Coalition: