

FOR IMMEDIATE RELEASE: October 2, 2024

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CAC Opposes Citizens Water Grab to Subsidize LEAP Boondoggle

Proposal would divert up to \$700 million in federal and state funding earmarked for improving drinking water quality to provide LEAP up to 25 million gallons per day

INDIANAPOLIS – Citizens Action Coalition (“CAC”) filed comments earlier this week opposing a proposal by Citizens Water to provide up to 25 million gallons of water per day to Lebanon Utilities through a wholesale agreement funded by up to \$700 million from the Indiana Drinking Water State Revolving Fund.

This proposal is rooted in the state’s desire to attract new industry to its so-called “Limitless Exploration / Advanced Pace” (LEAP) “Innovation” District despite having no additional water availability at the site. After a proposal to build a long pipeline to Lebanon for up to 100 million gallons per day was put on hold while a water study was conducted, project boosters have scrambled to find alternative sources of water.

“This proposal boils down to diverting public funds meant to help provide clean drinking water for *people* so a few companies looking to build factories in a relative water desert can financially benefit,” CAC’s comments stated. “The state and federal government should use this funding instead to improve water quality for residents and improve utility affordability for existing customers. It is grossly inappropriate to use these funds for an economic development project that is rapidly turning into a financial boondoggle.”

CAC’s comments highlighted the paltry detail and complete lack of transparency that Citizens Water has provided on its proposal despite its potentially large financial and environmental impacts. For example, Citizens has provided very little information on where it would obtain the additional 25 million gallons of water per day and has not shared any analysis or evaluation that demonstrates how diverting enormous amounts of water to benefit economic development in Boone County would be sustainable or consistent with prudent stewardship of Indianapolis’ drinking water resources.

Citizens Water held only one public hearing on its proposal but scheduled it for 8 a.m. on a weekday. No new information was provided by Citizens Water at the hearing despite a claim that “Citizens would present the recommended plan” at the hearing. In fact, the only information provided to the public at the hearing was a verbatim reading of the slim, high-level handout Citizens Water distributed to attendees. Citizens did not answer questions and arbitrarily limited public comments to 2 minutes each despite very few attendees at the inconveniently timed hearing, and despite the notice for the hearing stating, “Members of the public will have **the opportunity to ask questions** and provide comments at the hearing. **Participation is welcomed and encouraged.**”

In addition, no public discussion has been held or information presented regarding any plans to deal with the significant quantities of effluents and toxic materials expected to be produced at the proposed LEAP district.

CAC’s comments are available upon request.