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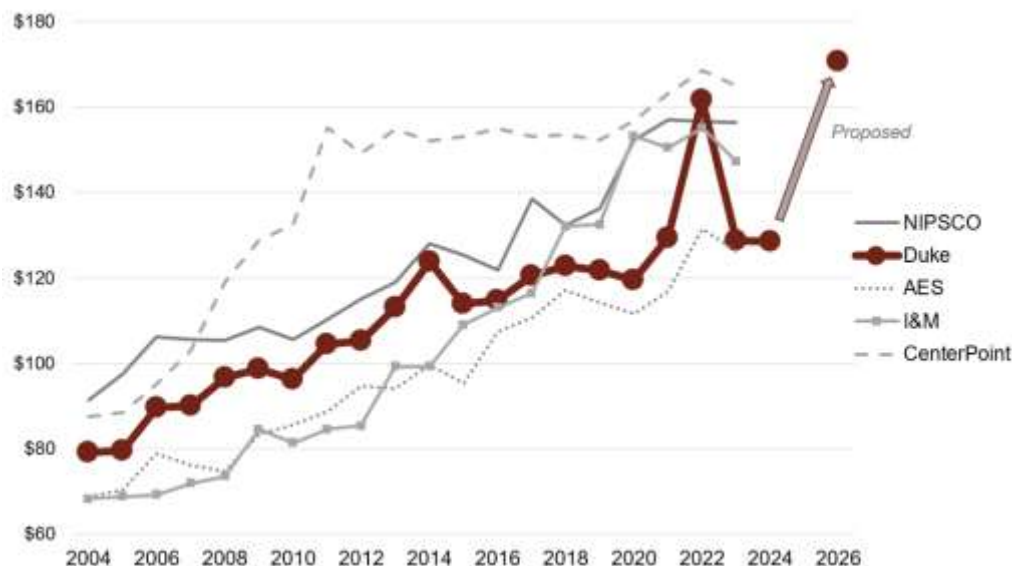
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CAC to IURC: Affordability Must Be Considered in Duke Rate Case **Expensive Coal Plants, Ash Cleanup and Higher Duke Profits Leading to Soaring Bills**

INDIANAPOLIS – Yesterday, Citizens Action Coalition (“CAC”), working with outside counsel Earthjustice, filed testimony in the pending electric rate case of Duke Energy Indiana, making numerous recommendations to the Indiana Utility Regulatory Commission (“IURC”) intended to mitigate the impact of this obscene proposal on captive ratepayers. If Duke’s request is approved as filed, a residential customer using 1,000 kWh per month would see their bill increase from \$128.60 as of April 2024, to \$170.67 by March 2026, or an increase of \$42.07 (32.7%), excluding sales tax, as illustrated below. Additionally, Duke Energy is seeking a significant increase in their Return on Equity (“ROE”), or profit, from the currently approved 9.70% to an astronomical 10.5%, which would be the highest ROE for any investor-owned electric utility in the state. The case is docketed before the IURC as Cause No. 46038.

Monthly Residential Electric Bill for 1,000 kWh, Excluding Sales Tax



“Duke’s proposal would impose extreme rate shock and unfairly burden its residential customer base, which has experienced significant and worsening affordability challenges,” declared Ben Inskeep, CAC Program Director. “This rate case is inconsistent with the policy of the State of Indiana and the General Assembly’s repeated emphasis that electric utility bill affordability is a priority. Disappointingly, while Duke proposes a destabilizing rate increase that places a disproportionate burden on residential customers, it has not offered material improvements to its programs that would meaningfully help residential customers with their unaffordable electric bills. I urge the IURC to do everything in its power to ensure affordability is incorporated into its decision.”

Mr. Inskeep's testimony recommended that the IURC:

- **Reduce Duke's authorized Return on Equity (ROE), or profit**
- **Reduce or eliminate punitive charges and fees such as** deposits, late fees, reconnection charges, and payment transaction charges.
- **Prohibit Duke from charging customers for costs related to** Gulfstream jets and a private helicopter for executive travel, utility association membership dues that primarily benefit shareholders, filing and litigating this rate case, unidentified economic development projects, corporate restructuring, studying carbon capture and storage (CCS) at the Edwardsport IGCC boondoggle, certain proposals regarding coal ash, and alleged lost revenues resulting from implementation of voluntary Time-Of-Use ("TOU") rates.
- **Deny Duke's proposal to raise the monthly fixed charge.**
- **Deny Duke's request to continue using declining block rates** and instead, order Duke to replace those rates with a flat per-kWh rate.
- **Require that Duke establish a Residential Affordable Power Rider** to provide immediate direct bill-assistance to low-income and vulnerable households.
- **Impose a temporary moratorium on disconnections** to allow time for Duke and interested stakeholders to establish and implement affordability and health/safety measures.
- **Direct Duke to develop a new Distributed Generation ("DG") Tariff** to address existing barriers that consumers face in installing and benefiting from rooftop solar and other DG technologies.

Testimony on behalf of CAC was also filed by Dr. Indra Frank, Coal Ash Advisor for the Hoosier Environmental Council. Dr. Frank's testimony speaks to the coal ash closure plans filed by Duke Energy in this case. "Duke has engaged in risky and imprudent coal ash disposal practices decades after the risks were known, and their current and future closure proposals perpetuate practices of leaving coal ash in unlined structures in flood-prone areas and in many cases with perpetual contact with groundwater," stated Dr. Frank.

"The IURC should require Duke to perform a comprehensive evaluation of current and future costs for each of its coal ash disposal sites, so that the IURC can evaluate the cleanup methods that will best serve Duke's customers in the long run," recommended Dr. Frank. "The IURC should not force consumers to pay for cleaning up coal ash that Duke disposed of in an unsafe and imprudent manner."

Devi Glick, Senior Principal at Synapse Energy Economics, also filed testimony on behalf of CAC which analyzes Duke's electric generation portfolio, including issues related to fuel procurement, coal inventory, and power plant dispatch strategy. Additionally, testimony on behalf of CAC was filed by Dr. Richard McCann, Partner with M.Cubed. Dr. McCann addresses Duke's class cost of service study, revenue apportionment, and rate design proposals, including the proposed monthly fixed charge and Duke's continued use of declining block rates.

Evidentiary hearings in the case before the IURC are scheduled to commence on August 29th in Indianapolis with a final order expected from the IURC in the first quarter of 2025.

The testimony filed by CAC is available upon request and is [available here](#).