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CONSUMER AND ENVIRONMENTAL GROUPS SAY NO TO I&M FIXED CHARGE INCREASE!
Groups Urge Creation of Low-Income Assistance Programs

INDIANAPOLIS – Citizens Action Coalition of Indiana (CAC), Sierra Club, Indiana Coalition for Human Services (ICHS), and Indiana Community Action Association (INCAA) filed testimony yesterday in the I&M rate case pending before the Indiana Utility Regulatory Commission (IURC) asking the IURC to reject I&M’s request to increase the monthly fixed charge from \$7.30 to \$18.00. Additionally, the groups provide evidence that the low-income customers of I&M are experiencing difficulties in paying their bills, and urge the IURC to order I&M to create a low-income assistance program to help vulnerable Hoosiers who are struggling to make ends meet.

Jonathan F. Wallach, Vice President of Resource Insight, Inc., provided expert testimony on the issue of the monthly fixed charge. “The Company has not justified its proposal to increase the residential service charge,” Mr. Wallach stated in his testimony. “The proposed increase would dampen price signals to consumers for investing in energy efficiency or distributed renewable generation, and would lead to subsidization of high-usage residential customers’ costs by low usage customers, and thereby inequitably increase bills for the Company’s smallest residential customers. Consequently, the Commission should reject the Company’s proposal to increase the monthly service charge for residential customers.”

John Howat, Senior Policy Analyst at the National Consumer Law Center, filed expert testimony recommending the IURC develop a low-income rate to make monthly electric bills more affordable for vulnerable Hoosier households. “Recent trends in late payment fees and notices of disconnection for nonpayment among I&M’s low-income residential customers receiving billing assistance payments and I&M’s general residential customers not receiving such payments reveal burdensome payment difficulties among many low-income customers.”

“Reliable electricity service is a necessity of life. Without electricity, residents cannot participate effectively in present-day society or be secure from threats to health and safety. All I&M customers, including those with low incomes, should have access to reliable and secure sources of electricity. To help ensure energy security for low-income residents, what is needed is an electricity affordability program,” concluded Mr. Howat.

Testimony was also filed on behalf of the groups by Jessica Fraser, Director of the Indiana Institute for Working Families, and by Kerwin Olson, Executive Director of Citizens Action Coalition. Ms. Fraser provided data on the current struggles of Hoosier households in the counties which I&M serves. Mr. Olson spoke to the passionate testimony provided by over 100 Hoosiers at the three field hearings conducted in the case.

Copies of the testimony and related documents are available upon request.

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