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**IURC MUST CONSIDER AFFORDABILITY IN INDIANA MICHIGAN RATE CASE**  
***PROTECT CONSUMERS & REJECT HIGHER PROFITS AND HIGHER RATES***

INDIANAPOLIS – Citizens Action Coalition (“CAC”) filed the testimony of Ben Inskeep, CAC Program Director, on Wednesday asking the Indiana Utility Regulatory Commission (“IURC”) to completely reject Indiana Michigan Power Company’s (“I&M”) requested rate increase, which would result in a nearly \$15 monthly bill increase for residential customers with 1,000 kWh of usage. Mr. Inskeep urged the Commission to take several measures to protect consumers facing an acute unaffordability crisis, which include lowering the residential monthly fixed charge, and rejecting I&M’s request to substantially increase their authorized return on equity, or profit margin, included in monthly electric bills. The case is docketed before the IURC as [Cause No. 45933](#).

“I&M has failed to adequately address the requirement in House Enrolled Act 1007 (2023) with respect to affordability, and it has not offered any relief or programs in this rate case to meaningfully help residential customers with their unaffordable electric bills,” stated Mr. Inskeep. “Customers of I&M have faced decades of rate increase after rate increase. I&M’s proposal to raise the monthly residential bill for a customer using 1,000 kWhs per month to \$176.99 by January 2025 would create additional hardships for struggling Hoosier households and should be soundly rejected by regulators.”

Mr. Inskeep recommended that the Commission:

- Reject I&M's request to substantially increase its return on equity, or profit margin, included in monthly bills.
- Reject I&M’s request to force ratepayers to pay for unreasonable requests, such as membership dues to trade and utility associations, like the Edison Electric Institute and the Chamber of Commerce.
- Reject or reduce I&M’s request to force ratepayers to pay for the experts and lawyers in this rate case who are advocating for rate increases.
- Emphasize residential affordability when assessing how to allocate costs between customer classes (i.e., commercial, industrial, residential).
- Approve CAC’s proposed Residential Economic Development Rider, which would provide direct bill assistance to some of I&M’s most vulnerable populations and provide complementary economic development benefits to I&M’s existing non-residential Economic Development Rider.
- Reduce or eliminate late payment fees, which reduce electric bill affordability for customers dealing with economic hardship.
- Lower the monthly fixed charge for residential customers.
- Eliminate the declining block rate structure for residential customers and replace it with a flat per-kWh variable charge.

- Direct I&M to conduct a cost-of-service study to establish a multi-family rate class that reflects the lower costs required to serve multi-family customers.
- Direct I&M to report monthly data on customer adoption of distributed generation technologies under its EDG tariff and Cogeneration and/or Small Power Production Service tariffs.
- Take any other actions necessary to protect residential ratepayers and ensure affordability is appropriately considered and addressed.

Mr. Inskeep's testimony also included an analysis of utility disconnections for nonpayment, finding that I&M has more disconnections than any other utility in the state, except for AES Indiana. He also found that, between 2019 and 2022, I&M's number of disconnections for nonpayment increased by 33.5%. Mr. Inskeep concluded, "It is clear that new and substantial measures to reduce and prevent customer disconnections are warranted and should be directed by the IURC in this proceeding to reverse these alarming trends."

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