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IURC Must Reject Expensive & Risky Duke Gas Plant Duke's Proposal Prioritizes Profits Above Affordability Retire Coal Units & Replace With "No Regrets" Clean Energy Resource Strategy

INDIANAPOLIS – On Thursday May 8th, the Citizens Action Coalition (“CAC”) and Vote Solar, with the assistance of Earthjustice, filed the direct testimony of Ben Inskeep, CAC Program Director, in [Cause No. 46193](#) currently pending before the Indiana Utility Regulatory Commission (“IURC”). In that proceeding, Duke Energy is seeking IURC permission to retire the two existing coal-fired units at the Cayuga Generation Station and replace those units with two new natural gas fired units at an estimated construction cost of at least \$3.3 billion.

CAC and Vote Solar recommend that the IURC approve the retirement of the Cayuga coal units, reject the proposed natural gas units, and, instead, instruct Duke Energy to pursue a more balanced and less risky portfolio of replacement resources, including a “no regrets” resource strategy that significantly expands distributed energy resources, such as demand response, energy efficiency, and distributed generation.

Duke Energy is claiming that the monthly bill impact from their proposal would be \$1.87. However, that figure merely represents the initial hike on customer bills in 2026. The analysis from Mr. Inskeep estimates that the monthly impact on customer bills will exceed \$10 by 2028 and grow to \$29 per month by the time both units are operating in 2031, if the IURC approves Duke's request as filed.

Mr. Inskeep also calculated that Duke Energy will earn \$550 million in profit from the gas plants over that same period, while raking in a total of nearly \$3 billion in total profit on the proposed gas units alone by 2066. This is on top of the \$3.3 billion to construct the plants. Egregiously, Duke also proposed continuing to charge ratepayers for the costs of operating the Cayuga coal plant *after* it retires and Duke is no longer incurring those costs, providing a windfall to the utility. “This proposal from Duke Energy raises major affordability concerns for ratepayers, while offering an enormous opportunity for Duke to increase profits,” said Mr. Inskeep.

Additionally, Duke's plan effectively trades one dirty fossil fuel for another by moving them from a portfolio dominated by coal to one that will be 80% reliant on natural gas by 2035, exposing their customers to the extreme risk presented by natural gas price volatility. Mr. Inskeep wrote, "Natural gas exhibits an extraordinarily high degree of price volatility. Prices can swing suddenly based on macroeconomic and geopolitical factors, among others, outside of Duke's control."

"Duke Energy, Indiana's largest electric utility, has not seriously attempted to add a meaningful portfolio of renewable generation. Notably, this is in sharp contrast with every other investor-owned electric utility in Indiana, all of which have added substantial renewable additions and have more on the way this decade," stated Mr. Inskeep. "Duke's substantial delay in pursuing renewable energy projects has come to the detriment of its ratepayers, particularly given recent cost escalations in generating resources."

"Duke has not done the work to seriously evaluate distributed energy resources as a meaningful alternative to building new gas plants," said Will Kenworthy, Midwest Senior Regulatory Director at Vote Solar. "Customers are already investing in solar and storage—and they're ready to invest more in ways that lower total costs to for all ratepayers if given the opportunity."

"The IURC should unequivocally reject these proposed gas units. The ask by Duke Energy is completely inconsistent with Indiana energy policy regarding affordability and flies in the face of the many promises made during the election cycle regarding citing the cost of energy for consumers," added Kerwin Olson, CAC Executive Director.

Evidentiary hearings before the IURC will commence at 9:30 a.m. on June 19, 2025, and will continue as necessary on June 20, 2025, in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana.

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