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Broken Coal Plant Leads to Rising CenterPoint Electric Bills
Details Kept Secret from the Public

Hoosier families served by CenterPoint Electric will pay more than $13/month on average beginning in February 2023.

Indianapolis – On November 16th, CenterPoint initiated its quarterly Fuel Adjustment Clause ("FAC") tracker before the Indiana Utility Regulatory Commission ("IURC"). The FAC tracker is an adjustable-rate mechanism which allows the utilities to adjust the price customers pay to reflect fluctuations in the cost of fuel used, like coal and fossil gas, and the costs of any purchased power used to supply electricity to ratepayers. The proceeding is docketed at the IURC as Cause No. 38708 FAC-137.

If approved by the IURC, the average CenterPoint residential customer electric bill will increase by $13.20 for the months of February, March, and April of 2023, according to CenterPoint’s filing.

A major reason for the looming utility bill increase is because CenterPoint’s Culley Unit 3 coal-fired power plant broke this summer, meaning CenterPoint has had to purchase expensive replacement power from the wholesale market. Culley Unit 3 broke down on June 24th of this year and has not operated since. CenterPoint stated in its filing, “The large deviation between the estimated average cost and actual average cost of fuel supplied for the reconciliation period was primarily driven by volatility in fuel costs coupled with a significant increase in purchased power from the MISO network due to the unexpected outage of Culley Unit 3…”

CenterPoint’s filing says that Culley Unit 3 will remain offline for the rest of the year as it attempts to fix the power plant. However, CenterPoint has kept most of the details pertaining to the broken power plant secret, including when it expects to fix the power plant, how much it estimates it will cost to fix it, and the entirety of the “root cause analysis” it had performed that details the incident and the factors that contributed to it.

“CenterPoint ratepayers already pay the highest electric bills in Indiana,” said Ben Inskeep, CAC Program Director. “Families in Southwest Indiana shouldn’t be on the hook for higher bills because CenterPoint broke its coal plant and is keeping the details secret from the public. The Commission should thoroughly investigate the reasons behind this outage, provide transparency to the public, and protect ratepayers from paying unfair costs related to CenterPoint’s unreliable, expensive coal plants.”

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Additional information on the filing is available at the IURC’s Online Services Portal by searching for Cause No. 38708 FAC 137.