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IPL Petersburg environmental compliance case: Consumer comments invited

The Indiana Office of Utility Consumer Counselor (OUCC) encourages Indianapolis Power & Light (IPL) customers to comment on the utility's environmental compliance proposal for its Petersburg Generating Station, including recovery of the costs through rates. Consumers may:

- 1. Speak at the Indiana Utility Regulatory Commission's (IURC's) Monday, September 26, 2016 public field hearing, and/or
- 2. Send written comments to the OUCC by the close of business on Tuesday, September 27, 2016.

The IURC's September 26 public field hearing will be held at 6:00 p.m. in the Crispus Attucks Medical Magnet High School Auditorium (1140 Dr. Martin Luther King Jr. St.). An OUCC informational meeting on field hearing procedures and the regulatory process will start at 5:30 p.m.

- Consumers will be able to speak directly to the Commission, under oath and on the record.
- Consumers will also be able to submit written comments for the case record.
- Comments will carry equal weight whether they are oral or written.
- Commissioners are not allowed to answer questions during the field hearing. However, OUCC staff will be available before, during and after the hearing to address questions about the process.

IPL provides electric service to approximately 480,000 customers in Marion County and portions of nine surrounding counties. In Cause No. 44794, IPL is seeking IURC approval of new construction projects at its Petersburg Generating Station in Pike County, and the recovery of construction and financing costs through rates as allowed under Indiana law.

At nearly 1,700 megawatts, Petersburg is the largest generation facility in IPL's fleet. The utility's pending proposal includes multiple projects on each of the station's four coal-fired units, aimed at reducing sulfur dioxide (SO2) emissions in order to comply with the US Environmental Protection Agency's (EPA's) National Ambient Air Quality Standards (NAAQS) rule. The proposal also includes installation of a new system for coal ash disposal that would allow the plant to comply with the EPA's Coal Combustion Residuals (CCR) rule by the required federal deadline.

Proposed construction costs for the NAAQS and CCR projects total approximately \$97 million, not including financing. IPL proposes to recover the costs through rates at varying levels from 2017 through 2021. The utility's testimony shows the proposal adding 20 cents to a monthly residential bill for 1,000 kilowatt hours (kWh) in 2017. This amount would rise to \$1.40 per month in 2021.

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The OUCC, the state agency representing consumer interests in cases before the Indiana Utility Regulatory Commission (IURC), is scheduled to file testimony on Friday, September 30, 2016. In the meantime, the OUCC's technical staff and attorneys continue to review the proposal to determine whether it represents the most cost-effective means for the utility to comply with federal environmental rules while meeting the power reliability needs of all of its customers.

A number of additional parties have formally intervened in this case and are also scheduled to file testimony on September 30, 2016. They include the Citizens Action Coalition of Indiana, the Sierra Club Hoosier Chapter, the Hoosier Environmental Council, and several of IPL's industrial customers (including Allison Transmission, Inc., Rolls Royce Corporation, and Vertellus Agriculture & Nutrition Specialties, LLC).

Consumers who are unable to attend the field hearing but wish to submit written comments may do so via the OUCC's Website at www.in.gov/oucc/2361.htm, or by mail, email, or fax:

- Mail: Consumer Services Staff
 Indiana Office of Utility Consumer Counselor
 115 W. Washington St., Suite 1500 South
 Indianapolis, IN 46204
- email: <u>uccinfo@oucc.IN.gov</u>
- Fax: (317) 232-5923

The OUCC needs to receive all written consumer comments no later than September 27, 2016 so that it can: 1) Consider them in preparing its testimony and 2) File them with the Commission to be included in the case's formal evidentiary record.

Comments should include the consumer's name, mailing address, and a reference to "IURC Cause No. 44794." Consumers with questions about submitting written comments may call the OUCC toll-free at 1-888-441-2494.

Case updates will be posted on the OUCC's website at www.in.gov/oucc/2833.htm.

(IURC Cause No. 44794)

The Indiana Office of Utility Consumer Counselor (OUCC) represents Indiana consumer interests before state and federal bodies that regulate utilities. As a state agency, the OUCC's mission is to represent all Indiana consumers to ensure quality, reliable utility services at the most reasonable prices possible through dedicated advocacy, consumer education, and creative problem solving.

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