

State commission tells Indiana Gas to lower its rates

Associated Press

INDIANAPOLIS — Indiana Gas customers could see their heating bills dip slightly in the next two months due to an order issued Thursday by the Indiana Utility Regulatory Commission.

The commission ruled that Indiana Gas must set its rates for January and February at 3 to 4 percent less than the rates charged to customers in December, said Mary Beth Fisher, IURC spokeswoman.

The order means Indiana Gas customers could see a decrease of \$2 to \$10 in this month's heating bills, Fisher said.

Typically, the commission allows companies to pass along to customers any increases in the wholesale gas price, which this year has risen sharply due to higher demand.

In December, the IURC issued an interim order that had increased rates by 6 to 8 percent to allow the company to offset costs.

But the consumer counselor's office had argued that Indiana Gas officials did not do everything in their power to buy gas at the lowest price. In documents filed with the commission, the state agency said Indiana Gas put off purchases when prices were lower and shifted all price risk to customers.

"We alleged the companies did not make every effort to find the best deal, if you will," said Anthony Swinger, spokesman for the Office of Utility Consumer Counselor.

In light of those arguments, the

On the Internet

■ Indiana Utility Regulatory Commission natural gas page: www.state.in.us/iurc/energy/indexgas.html

■ Indiana Gas: www.indianagas.com/

■ Office of Utility Consumer Counselor's Web site: www.state.in.us/oucc/

IURC ruled Thursday that Indiana Gas would not be allowed to recoup nearly \$3.8 million.

"By not allowing Indiana Gas to pass the entire amount on to the consumer, the commission's order sends the message that utilities need to do the right thing," Swinger said.

Indiana Gas spokesman Michael Roeder disagreed and said he was disappointed in the decision.

"This is a national issue that continues to affect the entire country," Roeder told Indianapolis television station WISH. "And to be singled out as one company, not only in Indiana but across the country, who has continued to buy gas in what we think is a prudent manner ... we feel we've done the right thing and continue to do the right thing."

The IURC also had raised concerns about the procurement practices of Citizens Gas Co. The IURC also is planning to set rates for Citizens Gas for January and February.

2001-01-05 State Commission tells IGC to lower its rates



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Wed, Nov 16,
2022