

## Spokesman: IURC decision was wrong

**Too late:** Regulators say company could have eased shock over gas prices

By Dave Evensen  
Staff writer

An Indiana Gas spokesman says the Indiana Utility Regulatory Commission's decision to order the company to lower its January and February natural gas rates was based on inaccurate assumptions.

In January, the IURC ordered Indiana Gas to set its rates at 3 to 4 percent less than rates charged to customers in December. The decision came after the Office of Utility Consumer Counselor alleged that Indiana Gas did not do everything in its power to buy natural gas at the lowest price.

Natural gas bills have been soaring for Hoosiers this winter. Indiana Gas spokesman Mike Roeder told the *Palladium-Item* editorial board this week that current high prices are caused by both a short supply and a cold winter.

Regulators said the company could have lessened the blow if they had secured gas when prices were lower.

In the IURC's post-hearing filing, the commission said although "gas was available at reasonable prices from November 1999 through May 10, 2000,

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Indiana Gas chose not to fix the price of any gas during those months to be delivered for the 2000-2001 heating season."

But Mike Roeder, spokesman for Indiana Gas, said it's his company's "pledge" to seek the lowest gas prices available.

He said natural gas prices were cheaper in July 2000 than they have been since, but he said the company thought the prices would fall instead of rise.

"Experts were saying in a typical year it's going to trend back down," Roeder said. "It didn't happen, and in August we got a little nervous... Looking backward, anyone can tell us when we should buy gas. Looking forward, no one can tell us."

The OUCC said in a press release that it thinks consumers will benefit from the order and that utilities need to follow legal obligations.

"Indiana Gas unfairly shifted all of the price risk from itself to its customers," OUCC said.

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