Dr. Bradley Borum, Director of Research, Policy, and Planning  
Mr. M. Bob Pauley, Chief Technical Advisor of Research, Policy, and Planning  
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Electronically delivered  

RE: John Blair/Valley Watch Comments on 2016 Vectren IRP

Dear Director Borum, Chief Technical Advisor Pauley, and Assistant General Counsel Comeau,

This is one set of comments from Valley Watch on Vectren’s recently filed IRP. Other members will also be filing comments as well as Valley Watch being a party to some “joint” comments. Also, please accept comments filed by the Sierra Club and CAC as those of Valley Watch as well.

1. Vectren should be required to stand by their proposal to retire the following units as outlined in their December, 2106 IRP filing. Those units include AB Brown Units 1 and 2 as well as FB Culley 2.
2. Vectren should increase their renewable energy portfolio to at least the degree they stated in the IRP.
3. Vectren should be required to keep with their stated promise that regardless of whatever changes of rules regulating emissions by the Federal Government, they will abide by their proposals in the IRP.

These requirements are sorely needed in light of the fact that there has been a change of Administrations at both the State and Federal Governments as well as the fact that the time between IRPs has changed according to IURC rules.

Valley Watch remains quite concerned that Vectren, in their zeal for greater profit for their stockholders and management, already have the highest residential and General Service electric rates in Indiana and amongst the highest in the entire USA. Vectren’s continuation of the three
referenced units would only exacerbate that difficult situation since their own data indicates that it cost them more to run the plants than to retire them.

It should be noted that Vectren’s claims in their IRP public meetings that they are concerned about their high rates should not be taken seriously since they just filed a $514 million increase for infrastructure improvements that can only be classified as “luxury” items that are not required for their continuing operation and only marginally for increased reliability of their electric service.

In that regard, please consider this: Including Vectren’s $90 million plus Mercury and Ari Toxics Rule expenditure and its $600 million plus gas infrastructure upgrades, the $514 million proposal for electric upgrades, and Vectren’s supposed commitment in this IRP to some relatively high expenditure on a new natural gas plant, Their rates, especially for residential electricity, will likely result in the highest electric rates in the entire USA. How will this beneficial to anyone but Vectren management and stockholders who will rejoice in these outlandish rates which will end up forcing some of their customers into bankruptcy.

Sincerely,

John Blair, president