



Indiana Office of Utility Consumer Counselor

For Immediate Release

Sept. 10, 2025

News Media Contact:

Olivia Rivera, (317) 232-3394 or

orivera@oucc.in.gov

State Utility Consumer Advocate Recommends Denial of AES Indiana Rate Request

The Indiana Office of Utility Consumer Counselor (OUCC) is recommending denial of AES Indiana's pending rate request.

AES Indiana is requesting a \$192.9 Million base rate increase from the Indiana Utility Regulatory Commission (IURC). The OUCC's analysis shows that a \$21.2 Million **reduction** to current base rates is warranted instead, based on the case's evidence and applicable law.

Eleven OUCC witnesses filed testimony with the IURC Tuesday, following a three-month legal and technical review of the testimony and exhibits the utility filed in the pending rate case.

"AES Indiana has not demonstrated sufficient evidence for an increase in this rate case, which it filed less than 14 months after receiving Commission approval in its last rate case. My team is recommending additional reductions that would reduce the utility's current rates and help lessen the burden on ratepayers," said Indiana Utility Consumer Counselor Abby Gray. "We received thousands of consumer comments in this case, highlighting serious hardships many customers are facing, and I want to thank the individuals who took time to submit comments either in writing or at the IURC's public hearings."

The OUCC's testimony recommends:

- Reducing AES Indiana's monthly customer service charge for most residential customers from \$17.00 to \$11.25. The utility proposes raising the charge to \$20.00 in this case. OUCC recommendations would also reduce small commercial customer service charges.
- Reducing the utility's authorized return on equity to 8.5%. AES Indiana is seeking Commission approval to raise its currently authorized 9.9% amount to 10.7%. The OUCC's recommended reduction cites factors including affordability concerns and problems customers have encountered with the utility's billing system.
- Decreasing the utility's proposed depreciation expense and reducing numerous line items from the AES Indiana's proposed amounts for operating and maintenance expenses.
- Keeping vegetation management costs at their current levels based on the utility's performance.
- Elimination of more than 100 "phantom hires" in the company's budget. The utility's request seeks rate recovery for 105 vacant positions.

The OUCC has received more than 6,700 written consumer comments and included them in this week's filing with the Commission. In addition, the IURC held four public field hearings throughout Marion County in August, at which 89 AES customers spoke in opposition to the requested rate increase.

Rebuttal testimony from AES Indiana is due on Oct. 7, 2025, with an IURC evidentiary hearing scheduled to start on Nov. 3, 2025. The hearing's purpose is to allow attorneys from the OUCC, utility, and intervening parties to cross-examine technical witnesses.

A final Commission order is expected in spring 2026.

The OUCC is posting case updates online at www.in.gov/oucc/electric/key-cases-by-utility/ipl-rates/aes-2025-rate-case/. Case updates are also available through the agency's monthly electronic newsletter. Consumers can subscribe at www.in.gov/oucc/news.

(IURC Cause No. 46258)