Indiana Utility Regulatory Commission



Update on Indiana's Energy Sector William McCarty Chairman Indiana Utility Regulatory Commission

November 22, 2004

Transmission Sector



- AEP becomes a member of PJM October 1, 2004.
- MISO continues to prepare for a March 1, 2005 date to begin operating Day-Ahead and Hour-Ahead Markets.
- Indiana's MISO members petition for cost recovery – Cause No. 42685

Generation Sector



- Coal gasification technology may be used in the construction of new capacity in Indiana
- Innovative financing may be used to fund the construction of coal gasification generation.
- Coal gasification technology offers beneficial environment efficiencies
- AEP and Cinergy (PSI) are considering building coal gasification generation facilities.

IURC Activities

- Final rules on utility outage reporting and reliability statistics, and net metering.
- Development of a standard interconnection rule.
- Investigation into Demand-Side Management efforts

Governmental Changes



- President Bush was re-elected in November which may pave the way for new Federal energy legislation.
- Indiana elected a new Governor, Mitch Daniels, which may result in changes in both government structure and policy.