



**FOR IMMEDIATE RELEASE**

Contact: Niki Dick  
(317) 575-3371  
niki@impa.com

**Indiana Municipal Power Agency urges legislators to consider  
least cost cap and trade climate change legislation**

CARMEL, IN, March 31 - A volatile economy and high fuel costs have already left utility customers in Indiana reeling, and the Indiana Municipal Power Agency is urging members of Indiana's Congressional delegation to protect consumers from further financial impacts of climate change legislation. IMPA, the wholesale power supplier to 52 cities and towns throughout the state is corresponding with the Indiana Congressional delegation urging their support of the appropriate least-cost public policy in the nation's pursuit of climate change legislation.

"IMPA and our members are equally concerned about climate change," commented Raj Rao, President of IMPA. "We share the goal of crafting legislation that will protect the earth from the effects of global warming. At the same time, however, we must protect Indiana's economy and all of our residential, commercial and industrial customers."

In his budget outline, President Obama is proposing a cap and trade policy that auctions, or sells, emission allowances to entities that emit carbon dioxide based on how much carbon they produce. While this plan would raise billions of dollars in revenue for the federal government, the money would likely be used to fund various government programs and not be returned to the consumers that have paid it. This approach will only serve to hurt consumers and further jeopardize Indiana's economy. Under this proposal, electricity rates will increase 30 to 40 percent, manufacturing and commercial jobs will

continue to erode, and Indiana and the Midwest will be burdened the most because of the region's reliance on coal-fired generation.

IMPA supports a cap and trade policy that focuses on a no-cost emission allocation system and not an auction process or a carbon tax, such as being proposed by President Obama in his budget outline. A no-cost emission allocation program would allow utilities to phase in the costs of reducing CO<sub>2</sub> emissions over time. It would help spur technological innovation, efficiency and conservation and would help prevent an immediate cost increase to consumers while protecting the economic viability of Indiana and the Midwest.

IMPA and its member utilities pledge to work with the nation's legislators in crafting a sensible, balanced climate change policy that will help the earth without hurting Indiana's utility consumers.

*The Indiana Municipal Power Agency is the not-for-profit wholesale power provider to 52 cities and towns across Indiana and one Ohio community who own and operate the municipal electric distribution systems in their communities. IMPA member communities deliver electric service to approximately 300,000 individuals throughout the state. For more information, visit [www.IMPA.com](http://www.IMPA.com).*

- ### -