



April 24, 2023

Governor Eric Holcomb
200 W. Washington Street, Rm. 206
Indianapolis, IN, 46204

Re: Indiana consumers oppose HB 1420: Transmission rate costs have increased an average of 63 percent in five years

Dear Governor Holcomb,

I am writing to you on behalf of member organizations and companies with thousands of facilities in Indiana to urge you to veto House Bill 1420. Indiana had the fourth highest increase in electricity prices from 2012-22 in the country¹, and over the last five years, transmission prices have increased by more than 63 percent.² HB 1420 would take a bad electricity affordability problem and make it worse. HB 1420 would prevent the competitive bidding of new MISO/Indiana transmission lines. The result, incumbent monopoly utilities would face no incentive to contain costs or innovate their services to provide affordable electricity to Hoosiers. This is quintessentially crony capitalism. ROFR bills like HB 1420, are anti-competitive, anti-market, anti-consumer, and inflationary.

This bill confirms a fundamental truth of conservative economic policy, free market competition leads to lower costs and a higher quality product. Electricity transmission competition has been shown to lower costs by as much as 40% and leads to innovation ensuring that customers get more reliable electricity services.³ Supporters of the bill have used misleading claims from the utility funded Concentric Energy Advisors Report to attack competition. These arguments cannot withstand conservative common sense, we know that competition drives down costs.

Furthermore, the Iowa Supreme Court recently stated in its judgment blocking a ROFR like HB1420, "Common sense tells us that competitive bidding will lower the cost of upgrading [the] electric grid and that eliminating competition will enable the incumbent to command higher prices for both construction and maintenance."⁴

¹ Sourced from [U.S. Energy Information Administration Electric Power Monthly](#)

² MISO Network Integration Transmission Service Charges: <https://www.misoenergy.org/markets-and-operations/settlements/ts-pricing/#t=10&p=0&s=&sd=>

³ Brattle Group: Cost Savings Offered by Competition in Electric Transmission, https://www.brattle.com/wp-content/uploads/2021/05/16726_cost_savings_offered_by_competition_in_electric_transmission.pdf

⁴ [LS Power and Southwest Transmission vs Iowa](#)

The judgement of the court has been reaffirmed by completed transmission projects, independent studies, and a [joint submission](#) of the Department of Justice and Federal Trade Commission to the Federal Energy Regulatory Commission. The joint submission not only pointed to specific examples of competitive bids lowering costs and leading to better outcomes for consumers, but also to numerous court judgements holding that ROFRs are anti-competitive.⁵

We urge you to veto HB 1420. Stand up for consumers and oppose the monopoly power of the incumbent electricity utility.

Thank you for protecting consumers in the State of Indiana from higher electricity costs.

Sincerely,

Paul N. Cicio

Paul N. Cicio
Chairman, Electricity Transmission Competition Coalition

Membership of ETCC

<https://electricitytransmissioncompetitioncoalition.org/who-we-are/>

⁵ [Comment of United States Department of Justice and Federal Trade Commission](#), DOJ and FTC