



PREVAILED

Roll Call No. _____

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Ayes _____

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Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1002 be amended to read as follows:

- 1 Page 13, between lines 28 and 29, begin a new paragraph and insert:
- 2 "SECTION 7. IC 8-1-40.4 IS ADDED TO THE INDIANA CODE
- 3 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2026]:
- 5 **Chapter 40.4. Community Energy Facilities**
- 6 **Sec. 1. As used in this chapter, "community energy facility"**
- 7 **means a facility:**
- 8 **(1) that generates or stores electricity by means of:**
- 9 **(A) a photovoltaic device;**
- 10 **(B) a wind power device; or**
- 11 **(C) a battery energy storage system that is capable of**
- 12 **injecting electricity into the electric distribution grid;**
- 13 **(2) that is located on a single parcel of land;**
- 14 **(3) that is interconnected to the electric distribution grid;**
- 15 **(4) that does not have nameplate capacity greater than five (5)**
- 16 **megawatts;**
- 17 **(5) with respect to which at least three (3) customers in an**
- 18 **electricity supplier's assigned service area under IC 8-1-2.3 in**
- 19 **which the facility is located have entered into a subscription;**
- 20 **(6) with respect to which at least sixty percent (60%) of the**
- 21 **generating or storage capacity is allocated to subscriptions of**
- 22 **twenty-five (25) kilowatts or less; and**

(7) that is designed to offset the energy use of a specified set of subscribers, with no single subscriber subscribing to more than twenty percent (20%) of the facility's output.

Sec. 2. (a) As used in this chapter, "community energy facility organization" means an organization whose purpose is to beneficially own and operate a community energy facility for the subscribers to the community energy facility.

(b) The term includes an organization that is a for-profit, nonprofit, cooperative, or governmental entity.

Sec. 3. (a) As used in this chapter, "electricity supplier" means a public utility (as defined in IC 8-1-2-1) that furnishes retail electric service to customers in Indiana.

(b) The term does not include a utility that is:

- (1) a municipally owned utility (as defined in IC 8-1-2-1(h));
- (2) a corporation organized under IC 8-1-13; or
- (3) a corporation organized under IC 23-17 that is an electric cooperative and that has at least one (1) member that is a corporation organized under IC 8-1-13.

Sec. 4. As used in this chapter, "low or moderate income household" means a household having an income of not more than eighty percent (80%) of the area median income based on United States Department of Housing and Urban Development guidelines.

Sec. 5. As used in this chapter, "nameplate capacity", with respect to a community energy facility, has the meaning set forth in 170 IAC 4-4.3-1.

Sec. 6. As used in this chapter, "subscribing customer" means a person that:

- (1) is a retail customer of an electricity supplier; and
- (2) enters into a subscription with a community energy facility organization.

Sec. 7. As used in this chapter, "subscription" means a contract:

- (1) that is entered into between:
 - (A) a retail customer of an electricity supplier; and
 - (B) a community energy facility organization; and
- (2) under which the retail customer of the electricity supplier subscribes to receive electricity from a community energy facility owned and operated by the community energy facility organization.

Sec. 8. Not later than June 30, 2027, an electricity supplier shall:

- (1) allow interconnection with the electricity supplier's facilities by community energy facilities; and
- (2) provide bill credits under section 9 of this chapter to subscribing customers of the electricity supplier.

Sec. 9. (a) A community energy facility organization that operates a community energy facility that is interconnected with the facilities of an electricity supplier shall, not later than fifteen (15) days after the last day included in each monthly billing cycle

for the electricity supplier's subscribing customers, transmit to the electricity supplier a report providing the following information:

(1) An updated list of subscribers to the community energy facility as of the last day of the applicable monthly billing cycle.

(2) The proportional output of the community energy facility attributable to the subscription of each subscriber identified under subdivision (1), calculated as follows:

(A) If the subscriber subscribed to receive a specified amount of electricity from the community energy facility during the applicable billing cycle, the subscriber's subscription amount is the amount of electricity the subscriber subscribed to receive from the community energy facility during the billing cycle.

(B) If the subscriber subscribed to receive a specified proportion of the community energy facility's electricity output in the applicable billing cycle, the subscriber's subscription amount equals:

(i) the proportion of the community energy facility's electricity output that the subscriber subscribed to receive in the billing cycle; multiplied by

(ii) the total electricity output of the community energy facility in the billing cycle.

(b) An electricity supplier shall provide to a subscribing customer a credit on the subscribing customer's electricity bill for a billing cycle that is equal to:

(1) the total subscription amount reported for the subscribing customer by the community energy facility organization under subsection (a)(2) for the immediately preceding billing cycle; multiplied by

(2) the community energy credit rate established by the commission in rules adopted by the commission under section 13 of this chapter.

If the amount of a bill credit provided to a subscribing customer for a billing cycle exceeds the amount of the subscribing customer's bill for that billing cycle, the electricity supplier shall carry over the amount of the excess credit to subsequent billing cycles until the full amount of the excess credit has been credited to the subscribing customer.

(c) An electricity supplier shall, not later than fifteen (15) days after the first day included in each monthly billing cycle for the electricity supplier's subscribing customers, transmit to a community energy facility organization that operates a community energy facility that is interconnected with the facilities of the electricity supplier a report that includes the following information:

(1) The proportional output of the community energy facility

attributable to the subscription of each subscriber to the community energy facility during the immediately preceding billing cycle.

(2) The bill credit provided to each subscribing customer under subsection (b) with respect to the immediately preceding billing cycle.

(3) The community energy credit rate established by the commission in rules adopted by the commission under section 13 of this chapter.

(d) An electricity supplier shall provide bill credits under this section to a subscribing customer for as long as the customer subscribes to the community energy facility. If a customer's subscription to a community energy facility is terminated before the full amount of any bill credit under this section has been credited to the customer, the electricity supplier shall:

(1) credit the excess amount to the customer in any subsequent bill issued to the customer if the customer continues to receive retail electric service from the electricity supplier; or

(2) if the customer will no longer receive retail electric service from the electricity supplier, refund the excess credit amount to the customer after any outstanding amounts owed by the customer to the electricity supplier have been satisfied.

Sec. 10. An electricity supplier may not change any applicable terms of service that would otherwise apply to a subscribing customer solely on the basis of the subscribing customer's subscription to a community energy facility.

Sec. 11. All environmental attributes of a community energy facility, including any renewable energy certificates, to the extent applicable, are the property of the community energy facility organization.

Sec. 12. A community energy facility is eligible for any incentive programs offered to such facilities under applicable state or federal law.

Sec. 13. (a) Not later than June 30, 2027, the commission shall adopt rules under IC 4-22-2 to implement this chapter.

(b) The rules adopted by the commission under this section must:

(1) be consistent with the provision of electric utility service with the attributes set forth in IC 8-1-2-0.6;

(2) establish the community energy credit rate to be used for purposes of section 9 of this chapter, which:

(A) may not be lower than the rate credited to participating customers by an electricity supplier for excess distributed generation under IC 8-1-40-17; and

(B) must be established at a level that:

(i) allows for all classes of retail electric customers to

- 1 realize tangible economic benefits from subscribing to
- 2 community energy facilities; and
- 3 (ii) creates a viable financial market for community
- 4 energy development;
- 5 (3) establish uniform fees, standards, and processes for
- 6 interconnection that:
 - 7 (A) are nondiscriminatory and not unreasonably
 - 8 burdensome for community energy facility organizations;
 - 9 and
 - 10 (B) allow an electricity supplier to recover reasonable costs
 - 11 of interconnecting the electricity supplier's facilities with
 - 12 a community energy facility;
- 13 (4) provide for recovery by an electricity supplier of
- 14 reasonable administrative costs associated with the electricity
- 15 supplier's provision of bill credits to the electricity supplier's
- 16 subscribing customers under section 9 of this chapter;
- 17 (5) include mechanisms designed to enable low or moderate
- 18 income households to realize tangible economic benefits from
- 19 subscribing to community energy facilities;
- 20 (6) provide for:
 - 21 (A) transferability of a subscription; and
 - 22 (B) portability of a subscription such that the bill credit of
 - 23 a subscribing customer under section 9 of this chapter is
 - 24 not affected by the subscribing customer's relocation to
 - 25 another service location within the assigned service area
 - 26 under IC 8-1-2.3 of the electricity supplier;
- 27 (7) address whether, and the conditions under which, multiple
- 28 community energy facilities may be co-located on a single
- 29 parcel;
- 30 (8) require a community energy facility organization to
- 31 submit an annual report to the commission, at a time and in
- 32 the manner prescribed by the commission, that:
 - 33 (A) identifies the owner, manager, and operator of the
 - 34 community energy facility organization;
 - 35 (B) provides statistical results regarding the community
 - 36 energy facility organization; and
 - 37 (C) describes the community energy facility organization's
 - 38 future plans for each community energy facility operated
 - 39 by the community energy facility organization in Indiana;
 - 40 and
- 41 (9) establish consumer protection standards with regard to
- 42 subscriptions to community energy facilities.
- 43 (c) In addition to rules adopted under subsection (b), the
- 44 commission may adopt any other rules the commission considers
- 45 appropriate or necessary for the administration of this chapter,
- 46 including rules regarding the following:
 - 47 (1) The maximum proportion that the total nameplate

1 capacity of all community energy facilities statewide may bear
 2 to statewide peak electricity demand, expressed as a
 3 percentage of the statewide peak electricity demand.

4 (2) A minimum or maximum proportion of the total
 5 nameplate capacity of a community energy facility that may
 6 be allocated to a specified customer class of an electricity
 7 supplier.

8 (d) Notwithstanding IC 8-1-40-21, in adopting rules under this
 9 section, the commission may amend the commission's rules and
 10 standards set forth in 170 IAC 4-4.3 (concerning interconnection).

11 Sec. 14. Notwithstanding any other law:

12 (1) a community energy facility organization is not a public
 13 utility subject to IC 8-1-2 solely by reason of the community
 14 energy facility organization's ownership or operation of a
 15 community energy facility; and

16 (2) a customer subscriber is not a public utility subject to
 17 IC 8-1-2 solely by reason of the customer subscriber's
 18 subscription to a community energy facility.

19 Sec. 15. An electricity supplier may not:

20 (1) own a community energy facility; or

21 (2) offer incentive programs to a community energy facility."

22 Renumber all SECTIONS consecutively.

(Reference is to HB 1002 as printed January 22, 2026.)

Representative Hamilton