



PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

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

- 1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 8-1-2-4.4 IS ADDED TO THE INDIANA CODE
4 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
5 UPON PASSAGE]: **Sec. 4.4. (a) A public utility that provides:**
6 **(1) electric;**
7 **(2) gas;**
8 **(3) water; or**
9 **(4) wastewater;**
10 **utility service to retail customers shall, not later than January 1,**
11 **2027, make available on the public utility's website an online**
12 **application that provides a retail customer of the public utility with**
13 **a forecast of the amount the customer will be billed for the public**
14 **utility's retail utility service in each of the immediately succeeding**
15 **twelve (12) calendar months. The forecast provided by an investor**
16 **owned utility must include a separate estimate of the amount the**
17 **customer would be billed in each of the immediately succeeding**
18 **twelve (12) calendar months under a levelized billing plan (as**
19 **defined in section 4.7 of this chapter).**
20 **(b) The forecast for a calendar month provided to a customer by**
21 **a public utility's online application under subsection (a):**

(1) must:

(A) be based on the higher of:

(i) the amount billed to the customer for the public utility's retail utility service; or

(ii) the customer's energy consumption in kilowatt hours; for that calendar month in each preceding year during which the customer received and was billed for the retail utility service; or

(B) if the customer has not been billed for the public utility's retail utility service for that calendar month in a preceding year, be based on the average amount billed to the public utility's retail customers for the retail utility service for that month in the immediately preceding calendar year;

(2) must account for any change in the public utility's retail rates that will take effect in or before that calendar month; and

(3) must provide a separate estimate that accounts for any prospective change in the public utility's retail rates:

(A) that is pending approval by the commission; and

(B) that, if approved by the commission, would take effect in or before that calendar month.

SECTION 2. IC 8-1-2-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.5. An investor owned public utility described in section 4.4 of this chapter shall notify a residential customer of the public utility:

(1) when the amount, in kilowatt hours, of the customer's energy consumption for a month equals fifty percent (50%) of the amount, in kilowatt hours, of the customer's total energy consumption for the immediately preceding month; and

(2) when the amount, in kilowatt hours, of the customer's energy consumption for a month equals one hundred percent (100%) of the amount, in kilowatt hours, of the customer's total energy consumption for the immediately preceding month.

A notice provided under this section must include the amount owed by the customer, at the time of the notice, for the customer's utility service for the month."

Page 4, between lines 16 and 17, begin a new paragraph and insert:

"SECTION 3. IC 8-1-2-42, AS AMENDED BY P.L.93-2024, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 42. (a) No change shall be made in any schedule, including schedules of joint rates, except upon ~~thirty (30)~~ **ninety (90)** days notice to the commission, and approval by the commission, and all such changes shall be plainly indicated upon

existing schedules or by filing new schedules in lieu thereof ~~thirty (30)~~
ninety (90) days prior to the time the same are to take effect. The
 commission may prescribe a shorter time within which a change may
 be made. A public, municipally owned, or cooperatively owned utility
 may not file a request for a general increase in its basic rates and
 charges within fifteen (15) months after the filing date of its most
 recent request for a general increase in its basic rates and charges,
 except that the commission may order a more timely increase if:

- (1) the requested increase relates to a different type of utility
 service;
- (2) the commission finds that the utility's financial integrity or
 service reliability is threatened; or
- (3) the increase is based on:
 - (A) a rate structure previously approved by the commission; or
 - (B) orders of federal courts or federal regulatory agencies
 having jurisdiction over the utility.

The phrase "general increase in basic rates and charges" does not
 include changes in rates related solely to the cost of fuel or to the cost
 of purchased gas or purchased electricity or adjustments in accordance
 with tracking provisions approved by the commission. In addition to
 other tracking provisions the commission finds appropriate, the
 commission may approve periodic tracking mechanisms for water
 utilities and wastewater utilities to permit recovery of changes in
 property taxes. The commission may also approve periodic tracking
 mechanisms calculated to recover from customers located within the
 geographic boundaries of local units of government the incremental
 costs of operation and maintenance of water utilities and wastewater
 utilities resulting from policies or ordinances that are adopted by those
 local units and that the commission determines to be unusual but not
 necessarily unreasonable under section 101 of this chapter. The
 commission shall adopt rules under IC 4-22-2 to define what is
 unreasonable with respect to road cut permits and other specifications
 or policies established by a local unit that imposes costs on water or
 wastewater utilities.

(b) No schedule of rates, tolls, and charges of a public, municipally
 owned, or cooperatively owned utility which includes or authorizes any
 changes in charges based upon costs is effective without the approval
 of the commission. Before the commission approves any changes in the
 schedule of rates, tolls, and charges of an electric utility, which
 generates and sells electricity, based upon the cost of fuel to generate
 electricity or upon the cost of fuel included in the cost of purchased
 electricity, the utility consumer counselor shall examine the books and
 records of the public, municipally owned, or cooperatively owned
 generating utility to determine the cost of fuel upon which the proposed
 charges are based. In addition, before such a fuel cost charge becomes
 effective, the commission shall hold a summary hearing on the sole

1 issue of the fuel charge. The utility consumer counselor shall conduct
 2 the utility consumer counselor's review and make a report to the
 3 commission within twenty (20) days after the utility's request for the
 4 fuel cost charge is filed. The commission shall hold the summary
 5 hearing and issue its order within twenty (20) days after it receives the
 6 utility consumer counselor's report. The provisions of this section and
 7 sections 39, 43, 54, 55, 56, 59, 60, and 61 of this chapter concerning
 8 the filing, printing, and changing of rate schedules and the time
 9 required for giving notice of hearing and requiring publication of notice
 10 do not apply to such a fuel cost charge or such a summary hearing.

11 (c) Regardless of the pendency of any request for a fuel cost charge
 12 by any electric utility, the books and records pertaining to the cost of
 13 fuel of all public, municipally owned, or cooperatively owned utilities
 14 that generate electricity shall be examined by the utility consumer
 15 counselor not less often than quarterly, and the books and records of all
 16 electric nongenerating public, municipally owned, or cooperatively
 17 owned utilities shall be examined by the utility consumer counselor not
 18 less often than annually. The utility consumer counselor shall provide
 19 the commission with a report as to the examination of said books and
 20 records within a reasonable time following said examination. The
 21 utility consumer counselor may, if appropriate, request of the
 22 commission a reduction or elimination of the fuel cost charge. Upon
 23 such request, the commission shall hold a hearing forthwith in the
 24 manner provided in sections 58, 59, and 60 of this chapter.

25 (d) An electric generating utility may apply for a change in its fuel
 26 charge not more often than each three (3) months. When such
 27 application is filed the petitioning utility shall show to the commission
 28 its cost of fuel to generate electricity and the cost of fuel included in the
 29 cost of purchased electricity, for the period between its last order from
 30 the commission approving fuel costs in its basic rates and the latest
 31 month for which actual fuel costs are available. The petitioning utility
 32 shall also estimate its average fuel costs for the three (3) calendar
 33 months subsequent to the expiration of the twenty (20) day period
 34 allowed the commission in subsection (b). The commission shall
 35 conduct a formal hearing solely on the fuel cost charge requested in the
 36 petition subject to the notice requirements of IC 8-1-1-8 and shall grant
 37 the electric utility the requested fuel cost charge if it finds that:

- 38 (1) the electric utility has made every reasonable effort to acquire
 39 fuel and generate or purchase power or both so as to provide
 40 electricity to its retail customers at the lowest fuel cost reasonably
 41 possible;
- 42 (2) the actual increases in fuel cost through the latest month for
 43 which actual fuel costs are available since the last order of the
 44 commission approving basic rates and charges of the electric
 45 utility have not been offset by actual decreases in other operating
 46 expenses;

(3) the fuel adjustment charge applied for will not result in the electric utility earning a return in excess of the return authorized by the commission in the last proceeding in which the basic rates and charges of the electric utility were approved. However, subject to section 42.3 of this chapter, if the fuel charge applied for will result in the electric utility earning a return in excess of the return authorized by the commission, in the last proceeding in which basic rates and charges of the electric utility were approved, the fuel charge applied for will be reduced to the point where no such excess of return will be earned; and

(4) the utility's estimate of its prospective average fuel costs for each such three (3) calendar months are reasonable after taking into consideration:

(A) the actual fuel costs experienced by the utility during the latest three (3) calendar months for which actual fuel costs are available; and

(B) the estimated fuel costs for the same latest three (3) calendar months for which actual fuel costs are available.

(e) Should the commission at any time determine that an emergency exists that could result in an abnormal change in fuel costs, it may, in order to protect the public from the adverse effects of such change suspend the provisions of subsection (d) as to the utility or utilities affected by such an emergency and initiate such procedures as may be necessary to protect both the public and the utility from harm. The commission shall lift the suspension when it is satisfied the emergency no longer exists.

(f) Any change in the fuel cost charge granted by the commission under the provisions of this section shall be reflected in the rates charged by the utility in the same manner as any other changes in rates granted by the commission in a case approving the basic rates and charges of the utility. However, the utility may file the change as a separate amendment to its rate schedules with a reasonable reference in the amendment that such charge is applicable to all of its filed rate schedules.

(g) No schedule of rates, tolls, and charges of a public, municipally owned, or cooperatively owned gas utility that includes or authorizes any changes in charges based upon gas costs is effective without the approval of the commission except those rates, tolls, and charges contained in schedules that contain specific provisions for changes in gas costs or the cost of gas that have previously been approved by the commission. Gas costs or cost of gas may include the gas utility's costs for gas purchased by it from pipeline suppliers, costs incurred for leased gas storage and related transportation, costs for supplemental and substitute gas supplies, costs incurred for exploration and development of its own sources of gas supplies and other expenses relating to gas costs as shall be approved by the commission. Changes

1 in a gas utility's rates, tolls, and charges based upon changes in its gas
2 costs shall be made in accordance with the following:

3 (1) Before the commission approves any changes in the schedule
4 of rates, tolls, and charges of a gas utility based upon the cost of
5 the gas, the utility consumer counselor may examine the books
6 and records of the public, municipally owned, or cooperatively
7 owned gas utility to determine the cost of gas upon which the
8 proposed changes are based. In addition, before such an
9 adjustment to the gas cost charge becomes effective, the
10 commission shall hold a summary hearing on the sole issue of the
11 gas cost adjustment. The utility consumer counselor shall conduct
12 the utility consumer counselor's review and make a report to the
13 commission within thirty (30) days after the utility's request for
14 the gas cost adjustment is filed. The commission shall hold the
15 summary hearing and issue its order within thirty (30) days after
16 it receives the utility consumer counselor's report. The provisions
17 of this section and sections 39, 43, 54, 55, 56, 59, 60, and 61 of
18 this chapter concerning the filing, printing, and changing of rate
19 schedules and the time required for giving notice of hearing and
20 requiring publication of notice do not apply to such a gas cost
21 adjustment or such a summary hearing.

22 (2) Regardless of the pendency of any request for a gas cost
23 adjustment by any gas utility, the books and records pertaining to
24 cost of gas of all public, municipally owned, or cooperatively
25 owned gas utilities shall be examined by the utility consumer
26 counselor not less often than annually. The utility consumer
27 counselor shall provide the commission with a report as to the
28 examination of said books and records within a reasonable time
29 following said examination. The utility consumer counselor may,
30 if appropriate, request of the commission a reduction or
31 elimination of the gas cost adjustment. Upon such request, the
32 commission shall hold a hearing forthwith in the manner provided
33 in sections 58, 59, and 60 of this chapter.

34 (3) A gas utility may apply for a change in its gas cost charge not
35 more often than each three (3) months. When such application is
36 filed, the petitioning utility shall show to the commission its cost
37 of gas for the period between its last order from the commission
38 approving gas costs in its basic rates and the latest month for
39 which actual gas costs are available. The petitioning utility shall
40 also estimate its average gas costs for a recovery period of not less
41 than the three (3) calendar months subsequent to the expiration of
42 the thirty (30) day period allowed the commission in subdivision
43 (1). The commission shall conduct a summary hearing solely on
44 the gas cost adjustment requested in the petition subject to the
45 notice requirements of IC 8-1-1-8 and may grant the gas utility the
46 requested gas cost charge if it finds that:

- 1 (A) the gas utility has made every reasonable effort to acquire
 2 long term gas supplies so as to provide gas to its retail
 3 customers at the lowest gas cost reasonably possible;
 4 (B) the pipeline supplier or suppliers of the gas utility has
 5 requested or has filed for a change in the costs of gas pursuant
 6 to the jurisdiction and procedures of a duly constituted
 7 regulatory authority;
 8 (C) the gas cost adjustment applied for will not result, in the
 9 case of a public utility, in its earning a return in excess of the
 10 return authorized by the commission in the last proceeding in
 11 which the basic rates and charges of the public utility were
 12 approved; however, subject to section 42.3 of this chapter, if
 13 the gas cost adjustment applied for will result in the public
 14 utility earning a return in excess of the return authorized by the
 15 commission in the last proceeding in which basic rates and
 16 charges of the gas utility were approved, the gas cost
 17 adjustment applied for will be reduced to the point where no
 18 such excess of return will be earned; and
 19 (D) the utility's estimate of its prospective average gas costs
 20 for each such future recovery period is reasonable and gives
 21 effect to:
 22 (i) the actual gas costs experienced by the utility during the
 23 latest recovery period for which actual gas costs are
 24 available; and
 25 (ii) the actual gas costs recovered by the adjustment of the
 26 same recovery period.
 27 (4) Should the commission at any time determine that an
 28 emergency exists that could result in an abnormal change in gas
 29 costs, it may, in order to protect the public or the utility from the
 30 adverse effects of such change suspend the provisions of
 31 subdivision (3) as to the utility or utilities affected by such an
 32 emergency and initiate such procedures as may be necessary to
 33 protect both the public and the utility from harm. The commission
 34 shall lift the suspension when it is satisfied the emergency no
 35 longer exists.
 36 (5) Any change in the gas cost charge granted by the commission
 37 under the provisions of this section shall be reflected in the rates
 38 charged by the utility in the same manner as any other changes in
 39 rates granted by the commission in a case approving the basic
 40 rates and charges of the utility. However, the utility may file the
 41 change as a separate amendment to its rate schedules with a
 42 reasonable reference in the amendment that such charge is
 43 applicable to all of its filed rate schedules."
 44 Page 6, between lines 35 and 36, begin a new paragraph and insert:
 45 "SECTION 4. IC 8-1-2-42.8 IS ADDED TO THE INDIANA CODE
 46 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE

UPON PASSAGE]: Sec. 42.8. (a) This section applies to a public utility described in section 4.4 of this chapter.

(b) If a change in a public utility's rates and charges authorized by the commission, including:

(1) a change in the utility's rates and charges related solely to the cost of fuel or to the cost of purchased gas or purchased electricity; or

(2) an adjustment to the utility's retail rates and charges made in accordance with a tracking provision approved by the commission;

will result in an increase in the rates charged for retail utility service by the public utility to the public utility's retail customers, the public utility may not implement the change in the public utility's rates and charges earlier than ninety (90) days after the date on which the utility mails notice of the increase to the retail customers of the utility whose rates will be affected.

(c) A notice of a rate increase mailed to a customer under subsection (b) must include instructions as to how the customer can access and use the public utility's online application under section 4.4 of this chapter to obtain an estimate of the amount that will be billed to the customer in the first twelve (12) months during which the rate increase is in effect."

Renumber all SECTIONS consecutively.

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

Representative Burton