



# SENATE MOTION

MR. PRESIDENT:

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

- 1 Page 15, between lines 13 and 14, begin a new paragraph and insert:  
2 "SECTION 10. IC 8-1-40-3 IS REPEALED [EFFECTIVE UPON  
3 PASSAGE]. Sec. 3: (a) As used in this chapter, "distributed generation"  
4 means electricity produced by a generator or other device that is:  
5 (1) located on the customer's premises;  
6 (2) owned by the customer;  
7 (3) sized at a nameplate capacity of the lesser of:  
8 (A) not more than one (1) megawatt; or  
9 (B) the customer's average annual consumption of electricity  
10 on the premises; and  
11 (4) interconnected and operated in parallel with the electricity  
12 supplier's facilities in accordance with the commission's approved  
13 interconnection standards.  
14 (b) The term does not include electricity produced by the following:  
15 (1) An electric generator used exclusively for emergency  
16 purposes;  
17 (2) A net metering facility (as defined in 170 IAC 4-4.2-1(k))  
18 operating under a net metering tariff.  
19 SECTION 11. IC 8-1-40-5 IS REPEALED [EFFECTIVE UPON  
20 PASSAGE]. Sec. 5: As used in this chapter, "excess distributed  
21 generation" means the difference between:  
22 (1) the electricity that is supplied by an electricity supplier to a  
23 customer that produces distributed generation; and  
24 (2) the electricity that is supplied back to the electricity supplier  
25 by the customer.  
26 SECTION 12. IC 8-1-40-5.5 IS ADDED TO THE INDIANA CODE  
27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE

1 UPON PASSAGE]: **Sec. 5.5. As used in this chapter, "install", with**  
 2 **respect to a net metering facility of a customer, means to set up so**  
 3 **that the net metering facility can be safely energized,**  
 4 **notwithstanding any metering or inspection requirements that the**  
 5 **customer's electricity supplier has not yet performed.**

6 SECTION 13. IC 8-1-40-6 IS REPEALED [EFFECTIVE UPON  
 7 PASSAGE]. ~~Sec. 6. As used in this chapter, "marginal price of~~  
 8 ~~electricity" means the hourly market price for electricity as determined~~  
 9 ~~by a regional transmission organization of which the electricity supplier~~  
 10 ~~serving a customer is a member.~~

11 SECTION 14. IC 8-1-40-6.5 IS ADDED TO THE INDIANA CODE  
 12 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE  
 13 UPON PASSAGE]: **Sec. 6.5. As used in this chapter, "net metering**  
 14 **facility" has the meaning set forth in 170 IAC 4-4.2-1(k).**

15 SECTION 15. IC 8-1-40-7, AS ADDED BY P.L.264-2017,  
 16 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17 UPON PASSAGE]: ~~Sec. 7. As used in this chapter, "net metering~~  
 18 ~~tariff" means a tariff that~~

19 ~~(1) an electricity supplier offers for net metering under 170~~  
 20 ~~IAC 4-4.2. and~~

21 ~~(2) is in effect on January 1, 2017.~~

22 SECTION 16. IC 8-1-40-9 IS REPEALED [EFFECTIVE UPON  
 23 PASSAGE]. ~~Sec. 9. As used in this chapter, "regional transmission~~  
 24 ~~organization" has the meaning set forth in IC 8-1-37-9.~~

25 SECTION 17. IC 8-1-40-10, AS ADDED BY P.L.264-2017,  
 26 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 27 UPON PASSAGE]: ~~Sec. 10. Subject to sections section 13 and 14 of~~  
 28 ~~this chapter, a net metering tariff of an electricity supplier must be~~  
 29 ~~offered and remain available to the electricity supplier's customers at~~  
 30 ~~least until the earlier of the following:~~

31 ~~(1) January 1 of the first calendar year after the calendar year in~~  
 32 ~~which the aggregate amount of net metering facility nameplate~~  
 33 ~~capacity under the electricity supplier's net metering tariff equals~~  
 34 ~~at least one and one-half percent (1.5%) of the most recent~~  
 35 ~~summer peak load of the electricity supplier.~~

36 ~~(2) July 1, 2022. or exceeds the aggregate amount of net~~  
 37 ~~metering facility nameplate capacity made available, as~~  
 38 ~~specified by the electricity supplier under section 12(b) of this~~  
 39 ~~chapter, for participation by customers under the electricity~~  
 40 ~~supplier's net metering tariff. However, an electricity supplier~~  
 41 ~~may, at the electricity supplier's sole discretion, continue to~~  
 42 ~~make the electricity supplier's net metering tariff available to~~  
 43 ~~customers after the electricity supplier's limit on net metering~~  
 44 ~~facility nameplate capacity has been met or exceeded.~~

45 ~~Before July 1, 2022, if an electricity supplier reasonably anticipates, at~~  
 46 ~~any point in a calendar year, that the aggregate amount of net metering~~

1 facility nameplate capacity under the electricity supplier's net metering  
 2 tariff will equal at least one and one-half percent (1.5%) of the most  
 3 recent summer peak load of the electricity supplier; the electricity  
 4 supplier shall, in accordance with section 16 of this chapter, petition  
 5 the commission for approval of a rate for the procurement of excess  
 6 distributed generation.

7 SECTION 18. IC 8-1-40-11, AS ADDED BY P.L.264-2017,  
 8 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 UPON PASSAGE]: Sec. 11. ~~(a)~~ Except as provided in ~~sections section~~  
 10 ~~12 and 21(b)~~ of this chapter: ~~before July 1, 2047:~~

- 11 (1) an electricity supplier may not seek to change the terms and
- 12 conditions of the electricity supplier's net metering tariff; and
- 13 (2) the commission may not approve changes to an electricity
- 14 supplier's net metering tariff.

15 ~~(b) Except as provided in sections 13 and 14 of this chapter; after~~  
 16 ~~June 30, 2022:~~

- 17 ~~(1) an electricity supplier may not make a net metering tariff~~
- 18 ~~available to customers; and~~
- 19 ~~(2) the terms and conditions of a net metering tariff offered by an~~
- 20 ~~electricity supplier before July 1, 2022, expire and are~~
- 21 ~~unenforceable.~~

22 SECTION 19. IC 8-1-40-12, AS AMENDED BY P.L.93-2024,  
 23 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 UPON PASSAGE]: Sec. 12. **(a)** Before January 1, 2018, the  
 25 commission shall amend 170 IAC 4-4.2-4, and an electricity supplier  
 26 shall amend the electricity supplier's net metering tariff, to do the  
 27 following:

- 28 (1) Increase the allowed limit on the aggregate amount of net
- 29 metering facility nameplate capacity under the net metering tariff
- 30 to one and one-half percent (1.5%) of the most recent summer
- 31 peak load of the electricity supplier.
- 32 (2) Modify the required reservation of capacity under the limit
- 33 described in subdivision (1) to require the reservation of:
- 34 (A) forty percent (40%) of the capacity for participation by
- 35 residential customers; and
- 36 (B) fifteen percent (15%) of the capacity for participation by
- 37 customers that install a net metering facility that uses a
- 38 renewable energy resource described in IC 8-1-37-4(a)(5).

39 **(b) Before July 1, 2026, an electricity supplier shall petition the**  
 40 **commission for approval of an amended or a new net metering**  
 41 **tariff that is subject to the following:**

- 42 **(1) If the electricity supplier establishes a limit on the**
- 43 **aggregate amount of net metering facility nameplate capacity**
- 44 **made available for participation by customers under the net**
- 45 **metering tariff, the minimum aggregate amount of net**
- 46 **metering facility nameplate capacity made available must be**

1 at least five percent (5%) of the most recent summer peak  
2 load of the electricity supplier.

3 (2) Any limit on the aggregate amount of net metering facility  
4 nameplate capacity made available for participation by  
5 customers under subdivision (1) is subject to the reservation  
6 of at least thirty percent (30%) of the capacity for  
7 participation by residential customers. An electricity supplier  
8 is not required to reserve any part of the available net  
9 metering facility nameplate capacity for participation by  
10 customers that install a net metering facility that uses a  
11 renewable energy resource described in IC 8-1-37-4(a)(5).

12 An electricity supplier's petition under this subsection may not  
13 include any other substantive changes to the terms and conditions  
14 of the electricity supplier's existing net metering tariff being  
15 amended or replaced. Not later than thirty (30) days after receipt  
16 of a petition under this subsection, the commission shall review the  
17 petition and, if the petition complies with this chapter, shall  
18 approve the electricity supplier's new or amended net metering  
19 tariff. If the commission determines that the petition does not  
20 comply with this chapter, the commission shall notify the electricity  
21 supplier of the defect and shall require the electricity supplier to  
22 remedy the defect not later than a date set forth by the commission  
23 in its notice to the electricity supplier under this subsection.

24 (c) Before July 1, 2026, the commission shall amend 170  
25 IAC 4-4.2 to do the following:

26 (1) Amend 170 IAC 4-4.2-4(a) to provide that a net metering  
27 tariff of an electricity supplier must be offered and remain  
28 available to the electricity supplier's customers, regardless of  
29 the date on which a customer installs a net metering facility  
30 on the customer's premises, at least until January 1 of the first  
31 calendar year after the calendar year in which the aggregate  
32 amount of net metering facility nameplate capacity under the  
33 electricity supplier's net metering tariff equals at least five  
34 percent (5%) of the most recent summer peak load of the  
35 electricity supplier.

36 (2) Amend 170 IAC 4-4.2-4(b) to:

37 (A) establish as a minimum limit on the aggregate amount  
38 of net metering facility nameplate capacity that an  
39 electricity supplier may establish under the electricity  
40 supplier's net metering tariff an amount equal to at least  
41 five percent (5%) of the most recent summer peak load of  
42 the electricity supplier; and

43 (B) provide that any net metering facility nameplate  
44 capacity limitation established by an electricity supplier  
45 under clause (A) is subject to a reservation of at least thirty  
46 percent (30%) of the capacity limit for participation by  
47 residential customers.

1 SECTION 20. IC 8-1-40-13, AS ADDED BY P.L.264-2017,  
 2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 UPON PASSAGE]: Sec. 13. (a) This section applies to a customer that  
 4 installs a net metering facility (as defined in ~~170 IAC 4-4.2-1(k)~~) on the  
 5 customer's premises

6 (1) after December 31, 2017; and

7 (2) before the date on which the net metering tariff of the  
 8 customer's electricity supplier terminates **may terminate its net  
 9 metering tariff** under section ~~10(1) or 10(2)~~ **10** of this chapter.

10 (b) A customer that is participating in an electricity supplier's net  
 11 metering tariff on the date on which the electricity ~~supplier's net  
 12 metering tariff~~ **supplier terminates its net metering tariff, as allowed**  
 13 under section ~~10(1) or 10(2)~~ **10** of this chapter, shall continue to be  
 14 served under the terms and conditions of the net metering tariff until

15 (1) the customer removes from the customer's premises or  
 16 replaces the net metering facility. (as defined in ~~170  
 17 IAC 4-4.2-1(k)~~); or

18 (2) July 1, 2032;

19 **whichever occurs earlier.**

20 (c) A successor in interest to a customer's premises on which a net  
 21 metering facility: (as defined in ~~170 IAC 4-4.2-1(k)~~) that

22 **(1) is located; and**

23 **(2) was installed during the period described in subsection (a) is  
 24 located before the date on which the customer's electricity  
 25 supplier terminates its net metering tariff, as allowed under  
 26 section 10 of this chapter;**

27 may, if the successor in interest chooses, be served under the terms and  
 28 conditions of the net metering tariff of the electricity supplier that  
 29 provides retail electric service at the premises until

30 (1) the net metering facility (as defined in ~~170 IAC 4-4.2-1(k)~~) is  
 31 removed from the premises or is replaced. or

32 (2) July 1, 2032;

33 **whichever occurs earlier.**

34 **(d) The amount of nameplate capacity of a net metering facility  
 35 installed on a customer's premises on the date on which the  
 36 customer's electricity supplier terminates its net metering tariff, as  
 37 allowed under section 10 of this chapter, is the amount of the  
 38 customer's net metering facility nameplate capacity considered to  
 39 be participating in the net metering tariff of the customer's  
 40 electricity supplier as of the date on which the net metering tariff  
 41 of the customer's electricity supplier is terminated. Any repairs,  
 42 updates, or upgrades to portions of the net metering facility that:**

43 **(1) are made after the date on which the net metering tariff of  
 44 the customer's electricity supplier is terminated under section  
 45 10 of this chapter; and**

46 **(2) do not increase the nameplate capacity of the net metering**

1           **facility;**  
 2           **are not considered a replacement of the net metering facility for**  
 3           **purposes of subsections (b) and (c).**

4           SECTION 21. IC 8-1-40-14 IS REPEALED [EFFECTIVE UPON  
 5           PASSAGE]. Sec. 14: (a) This section applies to a customer that installs  
 6           a net metering facility (as defined in 170 IAC 4-4.2-1(k)) on the  
 7           customer's premises before January 1, 2018:

8           (b) A customer that is participating in an electricity supplier's net  
 9           metering tariff on December 31, 2017, shall continue to be served  
 10          under the terms and conditions of the net metering tariff until:

11          (1) the customer removes from the customer's premises or  
 12          replaces the net metering facility (as defined in 170  
 13          IAC 4-4.2-1(k)); or

14          (2) July 1, 2047;

15          whichever occurs earlier:

16          (c) A successor in interest to a customer's premises on which is  
 17          located a net metering facility (as defined in 170 IAC 4-4.2-1(k)) that  
 18          was installed before January 1, 2018, may, if the successor in interest  
 19          chooses, be served under the terms and conditions of the net metering  
 20          tariff of the electricity supplier that provides retail electric service at  
 21          the premises until:

22          (1) the net metering facility (as defined in 170 IAC 4-4.2-1(k)) is  
 23          removed from the premises or is replaced; or

24          (2) July 1, 2047;

25          whichever occurs earlier:

26          SECTION 22. IC 8-1-40-15 IS REPEALED [EFFECTIVE UPON  
 27          PASSAGE]. Sec. 15: An electricity supplier shall procure the excess  
 28          distributed generation produced by a customer at a rate approved by the  
 29          commission under section 17 of this chapter. Amounts credited to a  
 30          customer by an electricity supplier for excess distributed generation  
 31          shall be recognized in the electricity supplier's fuel adjustment  
 32          proceedings under IC 8-1-2-42.

33          SECTION 23. IC 8-1-40-16 IS REPEALED [EFFECTIVE UPON  
 34          PASSAGE]. Sec. 16: Not later than March 1, 2021, an electricity  
 35          supplier shall file with the commission a petition requesting a rate for  
 36          the procurement of excess distributed generation by the electricity  
 37          supplier. After an electricity supplier's initial rate for excess distributed  
 38          generation is approved by the commission under section 17 of this  
 39          chapter, the electricity supplier shall submit on an annual basis, not  
 40          later than March 1 of each year, an updated rate for excess distributed  
 41          generation in accordance with the methodology set forth in section 17  
 42          of this chapter.

43          SECTION 24. IC 8-1-40-17 IS REPEALED [EFFECTIVE UPON  
 44          PASSAGE]. Sec. 17: The commission shall review a petition filed  
 45          under section 16 of this chapter by an electricity supplier and, after  
 46          notice and a public hearing, shall approve a rate to be credited to

1 participating customers by the electricity supplier for excess distributed  
 2 generation if the commission finds that the rate requested by the  
 3 electricity supplier was accurately calculated and equals the product of:

- 4 (1) the average marginal price of electricity paid by the electricity  
 5 supplier during the most recent calendar year; multiplied by
- 6 (2) one and twenty-five hundredths (1.25);

7 SECTION 25. IC 8-1-40-18 IS REPEALED [EFFECTIVE UPON  
 8 PASSAGE]. Sec. 18: An electricity supplier shall compensate a  
 9 customer from whom the electricity supplier procures excess  
 10 distributed generation (at the rate approved by the commission under  
 11 section 17 of this chapter) through a credit on the customer's monthly  
 12 bill. Any excess credit shall be carried forward and applied against  
 13 future charges to the customer for as long as the customer receives  
 14 retail electric service from the electricity supplier at the premises.

15 SECTION 26. IC 8-1-40-19 IS REPEALED [EFFECTIVE UPON  
 16 PASSAGE]. Sec. 19: (a) To ensure that customers that produce  
 17 distributed generation are properly charged for the costs of the  
 18 electricity delivery system through which an electricity supplier:

- 19 (1) provides retail electric service to those customers; and
- 20 (2) procures excess distributed generation from those customers;

21 the electricity supplier may request approval by the commission of the  
 22 recovery of energy delivery costs attributable to serving customers that  
 23 produce distributed generation:

24 (b) The commission may approve a request for cost recovery  
 25 submitted by an electricity supplier under subsection (a) if the  
 26 commission finds that the request:

- 27 (1) is reasonable; and
- 28 (2) does not result in a double recovery of energy delivery costs  
 29 from customers that produce distributed generation.

30 SECTION 27. IC 8-1-40-20 IS REPEALED [EFFECTIVE UPON  
 31 PASSAGE]. Sec. 20: (a) An electricity supplier shall provide and  
 32 maintain the metering equipment necessary to carry out the  
 33 procurement of excess distributed generation from customers in  
 34 accordance with this chapter.

35 (b) The commission shall recognize in the electricity supplier's basic  
 36 rates and charges an electricity supplier's reasonable costs for the  
 37 metering equipment required under subsection (a).

38 SECTION 28. IC 8-1-40-21, AS AMENDED BY P.L.93-2024,  
 39 SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 UPON PASSAGE]: Sec. 21. (a) Subject to subsection (b) and sections  
 41 10 and 11 of this chapter, after June 30, 2017, The commission's rules  
 42 and standards set forth in:

- 43 (1) 170 IAC 4-4.2 (concerning net metering); and
- 44 (2) 170 IAC 4-4.3 (concerning interconnection);

45 remain in effect and apply to net metering under an electricity  
 46 supplier's net metering tariff. and to distributed generation under this

1 chapter:

2 (b) After June 30, 2017, the commission may adopt changes under  
3 IC 4-22-2 to the rules and standards described in subsection (a) only as  
4 necessary to:

- 5 (1) update fees or charges;  
6 (2) adopt revisions necessitated by new technologies; or  
7 (3) ~~reflect changes in safety, performance, or reliability standards.~~

8 SECTION 29. IC 8-1-40-22, AS ADDED BY P.L.264-2017,  
9 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
10 UPON PASSAGE]: Sec. 22. A **net metering** customer ~~that produces~~  
11 ~~distributed generation (as defined in 170 IAC 4-4.2-1(j))~~ shall comply  
12 with applicable safety, performance, and reliability standards  
13 established by the following:

- 14 (1) The commission.  
15 (2) An electricity supplier, subject to approval by the commission.  
16 (3) The National Electric Code.  
17 (4) The National Electrical Safety Code.  
18 (5) The Institute of Electrical and Electronics Engineers.  
19 (6) Underwriters Laboratories.  
20 (7) The Federal Energy Regulatory Commission.  
21 (8) Local regulatory authorities.

22 SECTION 30. IC 8-1-40-23, AS AMENDED BY P.L.93-2024,  
23 SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
24 UPON PASSAGE]: Sec. 23. (a) A **net metering** customer ~~that~~  
25 ~~produces distributed generation (as defined in 170 IAC 4-4.2-1(j))~~ has  
26 the following rights regarding the installation and ownership of  
27 ~~distributed generation equipment:~~ **a net metering facility:**

- 28 (1) The right to know that the attorney general is authorized to  
29 enforce this section, including by receiving complaints  
30 concerning the installation and ownership of ~~distributed~~  
31 ~~generation equipment:~~ **a net metering facility.**  
32 (2) The right to know the expected amount of electricity that will  
33 be produced by the ~~distributed generation equipment~~ **net**  
34 **metering facility** that the customer is purchasing.  
35 (3) The right to know all costs associated with installing  
36 ~~distributed generation equipment;~~ **a net metering facility,**  
37 including any taxes for which the customer is liable.  
38 (4) The right to know the value of all federal, state, or local tax  
39 credits or other incentives or rebates that the customer may  
40 receive.  
41 (5) The right to know the rate at which the customer will be  
42 credited for electricity produced by the customer's ~~distributed~~  
43 ~~generation equipment~~ **net metering facility** and delivered to a  
44 ~~public utility (as defined in IC 8-1-2-1):~~ **an electricity supplier.**  
45 (6) The right to know if a provider of ~~distributed generation~~  
46 ~~equipment~~ **a net metering facility** insures the ~~distributed~~

1 ~~generation equipment net metering facility~~ against damage or  
2 loss and, if applicable, any circumstances under which the  
3 provider does not insure against or otherwise cover damage to or  
4 loss of the ~~distributed generation equipment. net metering~~  
5 ~~facility.~~

6 (7) The right to know the responsibilities of a provider of  
7 ~~distributed generation equipment a net metering facility~~ with  
8 respect to installing or removing ~~distributed generation~~  
9 ~~equipment. the net metering facility.~~

10 (b) The attorney general, in consultation with the commission, shall  
11 adopt rules under IC 4-22-2 that the attorney general considers  
12 necessary to implement and enforce this section, including a rule  
13 requiring written disclosure of the rights set forth in subsection (a) by  
14 a provider of ~~distributed generation equipment a net metering facility~~  
15 to a customer.

16 SECTION 31. IC 8-1-40.1-5, AS ADDED BY P.L.71-2022,  
17 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
18 UPON PASSAGE]: Sec. 5. ~~Notwithstanding IC 8-1-40-21,~~ In adopting  
19 rules under this chapter, the commission may amend the commission's  
20 rules and standards set forth in:

- 21 (1) 170 IAC 4-4.2 (concerning net metering); and
  - 22 (2) 170 IAC 4-4.3 (concerning interconnection);
- 23 only as necessary to implement Federal Energy Regulatory  
24 Commission Order No. 2222 concerning distributed energy resources  
25 and distributed energy resource aggregators.

26 SECTION 32. IC 8-1-40.5-8, AS ADDED BY P.L.80-2021,  
27 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
28 UPON PASSAGE]: Sec. 8. As used in this chapter, "securitization  
29 charges" means nonbypassable amounts that are:

- 30 (1) approved by the commission under a financing order to allow  
31 for the full recovery of qualified costs by an electric utility;
- 32 (2) collected from all retail customers and customer classes of the  
33 electric utility, including any customer that:
  - 34 (A) is participating in:
    - 35 (i) a net metering program under 170 IAC 4-4.2; ~~or~~
    - 36 ~~(ii) a distributed generation program under IC 8-1-40; or~~
    - 37 ~~(iii) (ii) a feed-in-tariff program;~~
  - 38 offered by the electric utility; or
  - 39 (B) supplies at least part of the customer's own electricity  
40 demand;
- 41 (3) charged for the use or availability of electric services; and
- 42 (4) collected by the electric utility, its successors, an assignee, or  
43 any other collection agent as provided for in the financing order.

44 SECTION 33. IC 8-1-40.5-12, AS AMENDED BY P.L.9-2022,  
45 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
46 UPON PASSAGE]: Sec. 12. (a) The interest of an assignee in

1 securitization property and in securitization charges is not subject to  
 2 setoff, counterclaim, surcharge, or defense by the electric utility or any  
 3 other person, or in connection with the bankruptcy of the electric utility  
 4 or any other person. A financing order remains in effect and unabated  
 5 notwithstanding the bankruptcy of the electric utility, its successors, or  
 6 assignees.

7 (b) A financing order must include terms ensuring that the  
 8 securitization charges authorized under the order are nonbypassable  
 9 charges that are payable by all customers and customer classes of the  
 10 electric utility, including any customer that:

11 (1) is participating in:

12 (A) a net metering program under 170 IAC 4-4.2; **or**

13 ~~(B) a distributed generation program under IC 8-1-40; or~~

14 ~~(C) (B) a feed-in-tariff program;~~

15 offered by the electric utility; or

16 (2) supplies at least part of the customer's own electricity demand.

17 (c) A financing order must include a mechanism requiring that  
 18 securitization charges be reviewed and adjusted by the commission at  
 19 least annually. Each year, not earlier than forty-five (45) days before  
 20 the anniversary date of the issuance of securitization bonds under the  
 21 financing order, and not later than the anniversary date of the issuance  
 22 of the securitization bonds, the electric utility shall submit to the  
 23 commission an application to do the following:

24 (1) Correct any overcollections or undercollections of  
 25 securitization charges during the twelve (12) months preceding  
 26 the date of the filing of the electric utility's application under this  
 27 section. For the first annual review under this section, the electric  
 28 utility shall correct for any overcollections or undercollections of  
 29 securitization charges during those months:

30 (A) that precede the date of the filing of the electric utility's  
 31 application under this section; and

32 (B) in which securitization charges were collected.

33 (2) Ensure, through proposed securitization charges, as set forth  
 34 by the electric utility in the application, the expected recovery of  
 35 amounts sufficient to timely provide all payments of debt service  
 36 and other required amounts and charges in connection with the  
 37 securitization bonds.

38 The commission shall review the application, including the electric  
 39 utility's proposed securitization charges. The review of the filing must  
 40 be limited to determining whether the application contains any  
 41 mathematical or clerical errors in the application of the formula-based  
 42 mechanism relating to the appropriate amount of any overcollection or  
 43 undercollection of the securitization charges and the amount of an  
 44 adjustment. If the proposed securitization charges have been  
 45 appropriately calculated, the commission shall issue an order approving  
 46 the application and the proposed securitization charges not later than

1 forty-five (45) days after the filing of the application. The commission  
 2 shall approve any revisions to securitization charges under this  
 3 subsection without conducting an evidentiary hearing. At any time  
 4 during a calendar year, an electric utility may, on its own initiative, file  
 5 an application with the commission under this section as the electric  
 6 utility may determine to be necessary to meet the requirements set forth  
 7 in subdivisions (1) and (2). The commission shall review any  
 8 application filed by an electric utility outside of the annual review  
 9 schedule, including the electric utility's proposed securitization  
 10 charges, and if the proposed securitization charges have been  
 11 appropriately calculated issue an order approving the application and  
 12 the proposed securitization charges not later than forty-five (45) days  
 13 after the filing of the application.

14 (d) A financing order must provide that:

15 (1) any difference between:

16 (A) qualified costs approved by the commission in the  
 17 financing order; and

18 (B) the electric utility's qualified costs at the time an electric  
 19 generation facility is retired;

20 shall be accounted for by the electric utility as a regulatory asset  
 21 or liability;

22 (2) an electric utility that ultimately incurs costs of removal and  
 23 restoration greater than the amount estimated at the time an  
 24 electric generation facility is retired may seek recovery of such  
 25 incremental costs through rates; and

26 (3) the commission may approve recovery of incremental costs  
 27 under subdivision (2) if the commission finds the costs just and  
 28 reasonable."

29 Page 22, line 13, delete "IC 8-1-2-42.7(c)," and insert "**IC**  
 30 **8-1-2-42.7(c)**,".

31 Page 35, between lines 1 and 2, begin a new paragraph and insert:

32 "**SECTION 38. [EFFECTIVE UPON PASSAGE] (a) The**  
 33 **definitions in IC 8-1-40, as amended by this act, apply throughout**  
 34 **this SECTION.**

35 **(b) An electricity supplier shall, not later than July 1, 2026, file**  
 36 **a petition with the commission for approval of an amended or a**  
 37 **new net metering tariff as required by IC 8-1-40-12, as amended by**  
 38 **this act. Upon the commission's approval of the electricity**  
 39 **supplier's new or amended net metering tariff:**

40 **(1) the electricity supplier's:**

41 **(A) rate under IC 8-1-40-17, before its repeal by this act;**  
 42 **and**

43 **(B) excess distributed generation tariff;**  
 44 **are no longer in effect; and**

45 **(2) the electricity supplier's new or amended net metering**  
 46 **tariff, as approved by the commission, is in effect and**

1           **available to the electricity supplier's customers, subject to**  
2           **IC 8-1-40-10, as amended by this act, as directed by the**  
3           **commission in its order approving the new or amended net**  
4           **metering tariff.**

5           **(c) This SECTION expires January 1, 2029."**

6           Renumber all SECTIONS consecutively.

(Reference is to EHB 1002 as printed February 13, 2026.)

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Senator POL JR.