

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS  
FISCAL IMPACT STATEMENT**

**LS 6441**  
**BILL NUMBER: HB 1120**

**NOTE PREPARED: Dec 2, 2025**  
**BILL AMENDED:**

**SUBJECT:** Retirement of Electric Generation Resources.

**FIRST AUTHOR:** Rep. Ledbetter  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **X DEDICATED**  
                              **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill amends the statute concerning public utilities' annual electric resource planning reports to the Indiana Utility Regulatory Commission (IURC) to provide that for an annual report submitted after December 31, 2026, if: (1) after an investigation under the statute, the IURC does not issue an order to prohibit the retirement of a public utility's electric generation resource; (2) the public utility proceeds with plans to retire the electric generation resource before: (A) the date specified for the retirement in the public utility's most recently filed integrated resource plan; or (B) the end of the electric generation resource's economically useful life; and (3) the retirement is not required to comply with environmental laws, regulations, or court orders; the public utility may not recover a return on any asset retirement obligations related to the retirement in any future general rate case or other regulatory proceeding. It makes a conforming amendment to a provision concerning public utilities' depreciation rates and asset retirement obligations.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** This bill provides that public utilities may not recover a return on any asset retirement obligations for facilities retired before their economically useful life or before the date already specified in integrated resource plans. The workload of the IURC may increase in ensuring utilities don't receive a recovery on such facilities via their rates. The bill's requirements are within the agency's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

**Additional Information** - Three coal-fired units are scheduled for retirement in calendar year 2025. Two coal fired units are set for retirement in calendar year 2026.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** IURC

**Local Agencies Affected:**

**Information Sources:** 2025 IURC Annual Report

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