

# PROPOSED AMENDMENT

## SB 241 # 3

### DIGEST

Recovery of chemical and power costs by eligible utilities. Amends the bill's language authorizing an eligible water or wastewater utility (eligible utility) to recover certain chemical and power costs through the service enhancement improvement adjustment rider so as to base the authorized expense or credit over the 12 month period of the rider on a per unit cost of chemicals or power, as applicable, per gallon of water projected to be sold over the 12 month period. Requires an eligible utility for which the Indiana utility regulatory commission (IURC) has issued an order approving an adjustment rider for the recovery of chemical or power costs to file a petition for a change in its adjustment amount: (1) not later than 30 days after the end of each 12 month period after the date of the IURC's order approving the adjustment rider; and (2) until the IURC issues an order in the eligible utility's next general rate case.

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1       Page 5, line 2, delete "basis." and insert "**basis, as authorized in the**  
2       **commission's most recent base rate order for the eligible utility,**  
3       **and adjusted to reflect the change in volume from the volume level**  
4       **authorized in the commission's most recent base rate order. The**  
5       **authorized chemical costs in the commission's most recent base**  
6       **rate order shall be divided by the number of gallons projected to**  
7       **be sold in the commission's most recent base rate order to impute**  
8       **an original cost of chemicals per gallon of water sold per unit cost.**  
9       **This per unit cost shall be multiplied by the projected number of**  
10       **gallons of water to be sold by the eligible utility over the twelve (12)**  
11       **month period of the adjustment rider under section 12 of this**  
12       **chapter to impute an adjusted cost of chemicals from the most**  
13       **recent base rate case.".**

14       Page 6, line 13, delete "basis." and insert "**basis, as authorized in**  
15       **the commission's most recent base rate order for the eligible utility,**  
16       **and adjusted to reflect the change in volume from the volume level**  
17       **authorized in the commission's most recent base rate order. The**  
18       **authorized power costs in the commission's most recent base rate**  
19       **order shall be divided by the number of gallons projected to be sold**  
20       **in the commission's most recent base rate order to impute an**  
21       **original cost of power per gallon of water sold per unit cost. This**  
22       **per unit cost shall be multiplied by the projected number of gallons**

1       **of water to be sold by the eligible utility over the twelve (12) month**  
2       **period of the adjustment rider under section 12 of this chapter to**  
3       **impute an adjusted cost of power from the most recent base rate**  
4       **case.".**

5       Page 6, between lines 22 and 23, begin a new paragraph and insert:

6           "SECTION 4. IC 8-1-31.7-9.2 IS ADDED TO THE INDIANA  
7       CODE AS A NEW SECTION TO READ AS FOLLOWS  
8       [EFFECTIVE JULY 1, 2026]: Sec. 9.2. **(a) This section applies to an**  
9       **eligible utility for which the commission has issued an order under**  
10       **section 12 of this chapter to approve an adjustment rider for the**  
11       **recovery of costs described in section 7(2)(B) or 7(2)(C) of this**  
12       **chapter, as calculated under section 9.1 of this chapter.**

13       **(b) An eligible utility to which this section applies shall file a**  
14       **petition for a change in its adjustment amount:**

15           **(1) not later than thirty (30) days after the end of each twelve**  
16           **(12) month period after the date on which the commission**  
17           **issued the order under section 12 of this chapter approving**  
18           **the adjustment rider; and**

19           **(2) until the commission issues an order in the eligible utility's**  
20           **next general rate case.**

21       **(c) Upon filing a petition with the commission under subsection**  
22       **(b), an eligible utility shall serve a copy of the petition on the office**  
23       **of utility consumer counselor.**

24       **(d) The commission shall hold a hearing and issue an order on**  
25       **the petition not later than sixty (60) days after the date the petition**  
26       **is filed.".**

27       Page 8, after line 4, begin a new paragraph and insert:

28           "SECTION 6. IC 8-1-31.7-18, AS ADDED BY P.L.137-2020,  
29       SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
30       JULY 1, 2026]: Sec. 18. **Except as provided in section 9.2 of this**  
31       **chapter, an eligible utility may, but is not required to, file a petition for**  
32       **a change in its initial adjustment amount not more than one (1) time in**  
33       **every twelve (12) months. Section 12 of this chapter applies to a**  
34       **petition to change an adjustment rider.".**

35       Renumber all SECTIONS consecutively.

(Reference is to SB 241 as introduced.)