



March 26, 2021

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# ENGROSSED HOUSE BILL No. 1220

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DIGEST OF HB 1220 (Updated March 25, 2021 12:05 pm - DI 101)

**Citations Affected:** IC 2-5.

**Synopsis:** 21st century energy policy development task force. Reestablishes the 21st century energy policy development task force (task force), following its expiration on December 2, 2020. Provides that the task force consists of 17 members as follows: (1) Six members of the house of representatives, with four of those members appointed by the speaker, and two appointed by the minority leader. (2) Six members of the senate, with four of those members appointed by the president pro tempore, and two appointed by the minority leader. (3) The utility consumer counselor or the utility consumer counselor's designee. (4) The public finance director or the public finance director's designee. (5) Three members appointed by the governor, each of whom must have specified experience with respect to energy. Provides that: (1) one of the members appointed by the speaker; and (2) one of the members appointed by the president pro tempore; shall serve  
(Continued next page)

**Effective:** Upon passage.

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## Soliday, Manning

(SENATE SPONSORS — KOCH, MESSMER)

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January 14, 2021, read first time and referred to Committee on Utilities, Energy and Telecommunications.

January 28, 2021, amended, reported — Do Pass.

February 1, 2021, read second time, amended, ordered engrossed.

February 2, 2021, engrossed. Read third time, passed. Yeas 66, nays 28.

SENATE ACTION

February 18, 2021, read first time and referred to Committee on Utilities.

March 25, 2021, amended, reported favorably — Do Pass.

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EH 1220—LS 7096/DI 101



## Digest Continued

as co-chairs of the task force. Provides that an individual appointed to serve on the task force at any time before December 2, 2020, under the expired statute governing the task force may be appointed to serve on the task force after December 1, 2020, under these new provisions, at the discretion of the appointing authority. Provides that: (1) all meetings of the task force shall be open to the public in accordance with the state's open door law; and (2) all records of the task force are subject to the requirements of the state's public records law. Sets forth specific issues that the task force must study not later than November 1, 2022. Requires the task force to: (1) develop recommendations for the general assembly and the governor concerning these issues; (2) issue a report setting forth the recommendations developed; and (3) not later than November 1, 2022, submit the report to the executive director of the legislative services agency, the governor, the chair of the utility regulatory commission, and the utility consumer counselor. Provides that these provisions expire July 2, 2023.

**EH 1220—LS 7096/DI 101**



March 26, 2021

First Regular Session of the 122nd General Assembly (2021)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2020 Regular Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1220

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A BILL FOR AN ACT to amend the Indiana Code concerning utilities.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 2-5-45.1 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]:  
4 **Chapter 45.1. 21st Century Energy Policy Development Task**  
5 **Force**  
6 **Sec. 1. As used in this chapter, "task force" refers to the 21st**  
7 **century energy policy development task force established by**  
8 **section 2 of this chapter.**  
9 **Sec. 2. The 21st century energy policy development task force is**  
10 **established.**  
11 **Sec. 3. (a) The task force consists of the following seventeen (17)**  
12 **members:**  
13 **(1) Six (6) members of the senate, appointed as follows:**  
14 **(A) Four (4) members appointed by the president pro**  
15 **tempore, one (1) of whom shall serve as co-chair of the task**  
16 **force.**  
17 **(B) Two (2) members appointed by the minority leader.**

EH 1220—LS 7096/DI 101



- 1           **(2) Six (6) members of the house of representatives, appointed**  
 2 **as follows:**
- 3           **(A) Four (4) members appointed by the speaker, one (1) of**  
 4 **whom shall serve as co-chair of the task force.**
- 5           **(B) Two (2) members appointed by the minority leader.**
- 6           **(3) The utility consumer counselor appointed under**  
 7 **IC 8-1-1.1-3, or the utility consumer counselor's designee, to**  
 8 **represent the interests of utility ratepayers.**
- 9           **(4) The public finance director appointed under IC 5-1.2-3-6,**  
 10 **or the public finance director's designee, to provide expertise**  
 11 **with respect to finance and stranded utility costs.**
- 12           **(5) One (1) member who:**
- 13           **(A) is a resident of Indiana; and**  
 14           **(B) has broad experience in electric utility policy;**  
 15 **appointed by the governor.**
- 16           **(6) One (1) member who:**
- 17           **(A) is a resident of Indiana; and**  
 18           **(B) has expertise with respect to the generation,**  
 19 **transmission, and distribution of electricity;**  
 20 **appointed by the governor.**
- 21           **(7) One (1) member who:**
- 22           **(A) is a resident of Indiana; and**  
 23           **(B) has expertise in renewable energy technology and**  
 24 **deployment;**  
 25 **appointed by the governor.**
- 26           **(b) Initial appointments to the task force under this section shall**  
 27 **be made by the appropriate appointing authority not later than**  
 28 **July 1, 2021.**
- 29           **(c) An individual appointed to serve on the 21st century energy**  
 30 **policy development task force at any time before December 2,**  
 31 **2020, under IC 2-5-45-3 (before its expiration) may be appointed**  
 32 **to serve on the task force after December 1, 2020, under subsection**  
 33 **(a) at the discretion of the appointing authority.**
- 34           **Sec. 4. (a) Nine (9) members of the task force constitute a**  
 35 **quorum.**
- 36           **(b) The affirmative vote of at least a majority of the members at**  
 37 **a meeting at which a quorum is present is necessary for the task**  
 38 **force to take official action other than to meet and take testimony.**
- 39           **(c) The task force shall meet at the call of the co-chairs.**
- 40           **Sec. 5. All meetings of the task force shall be open to the public**  
 41 **in accordance with and subject to IC 5-14-1.5. All records of the**  
 42 **task force are subject to the requirements of IC 5-14-3.**



1           **Sec. 6. (a) Not later than November 1, 2022, the task force shall**  
 2 **study the following issues:**

- 3           **(1) The management of stranded utility assets, including:**  
 4               **(A) the use of securitization to recover stranded utility**  
 5               **costs associated with legacy generation units; and**  
 6               **(B) the establishment of an annual reporting requirement**  
 7               **that would require cooperatively owned power suppliers to**  
 8               **annually report to the Indiana utility regulatory**  
 9               **commission information concerning stranded costs,**  
 10              **including information concerning:**  
 11                   **(i) any differences between the costs for and the market**  
 12                   **value of a cooperatively owned power supplier's supply**  
 13                   **side portfolio;**  
 14                   **(ii) any reduced electric load experienced by a**  
 15                   **cooperatively owned power supplier; and**  
 16                   **(iii) any shifting of costs among member rural electric**  
 17                   **corporations of the cooperatively owned power supplier**  
 18                   **related to a cooperatively owned power supplier's**  
 19                   **reduced electric load or stranded costs.**  
 20              **As used in this clause, a "cooperatively owned power**  
 21              **supplier" means either a general district corporation**  
 22              **within the meaning of IC 8-1-13-23, or a corporation**  
 23              **organized under IC 23-17 whose membership includes one**  
 24              **(1) or more corporations organized under IC 8-1-13,**  
 25              **regardless of whether the cooperatively owned power**  
 26              **supplier or any of its members has withdrawn from the**  
 27              **jurisdiction of the Indiana utility regulatory commission.**  
 28              **(2) Methods to assure fairness to all customer classes in retail**  
 29              **electric rate structures, including alternative rate designs,**  
 30              **such as time-of-use pricing, real-time pricing, and critical**  
 31              **peak pricing.**  
 32              **(3) Appropriate regulation of the deployment of distributed**  
 33              **energy resources, consistent with Federal Energy Regulatory**  
 34              **Commission Order No. 2222 (172 FERC 61,247 (2020)).**  
 35              **(4) The impact on communities of utility plant or fuel source**  
 36              **site closures.**  
 37              **(5) The status of energy efficiency efforts in Indiana, and the**  
 38              **potential development of a statewide energy efficiency plan.**  
 39              **(6) Energy issues affecting:**  
 40                   **(A) low income communities; and**  
 41                   **(B) communities of color;**  
 42              **in relation to business and employment opportunities in those**



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communities.

(7) The potential use of "green zones", or "energy investment districts", that:

- (A) are established in:
  - (i) low income communities; or
  - (ii) communities of color;
 that have experienced inequitable environmental and economic hardships; and
- (B) provide financial and technical assistance to develop local renewable energy resources by doing the following:
  - (i) Identifying impacted communities for targeted investments in local renewable energy resources and projects.
  - (ii) Prioritizing the identified communities for public investment, at both the state and local level, in renewable energy resources and projects, including related job creation programs and economic development initiatives.
  - (iii) Advancing local projects that install renewable energy resources and projects in the census tracts most burdened by inequitable environmental and economic hardships, while prioritizing both the creation of local jobs with sustainable wages and the transformation of neighborhoods in a manner that ensures sustainable development that does not result in the displacement of longtime residents or businesses.
  - (iv) Providing resources and assistance to impacted communities, such as by directing a portion of any proceeds from the securitization of stranded utility assets toward the funding of local renewable energy resources and projects.
  - (v) Establishing community governance and democratic decision making processes to ensure that investments made in local renewable energy resources and projects, along with the use of revenue generated by those resources and projects, are shaped by community input, leadership, and planning.

In studying the issues set forth in this subdivision, the task force may consider the experience of other jurisdictions that have established green zones or energy investment districts.

(8) Methods for the state to encourage electricity storage technology research.

(9) The impact of large scale electric vehicle deployment on



1 electric grid capacity and reliability.  
 2 (10) Electric vehicle charging station ownership and  
 3 responsibility.  
 4 (11) Demand response and pricing systems that incentivize  
 5 temporal shifting of electric load.  
 6 (b) The task force may, at the discretion of the co-chairs,  
 7 examine any of the issues set forth in IC 2-5-45-6 (before its  
 8 expiration), to the extent necessary to:  
 9 (1) study the issues set forth in subsection (a); or  
 10 (2) develop the recommendations and issue the report  
 11 required by section 7 of this chapter.  
 12 **Sec. 7. The task force shall:**  
 13 (1) develop recommendations for the general assembly and  
 14 the governor concerning the issues set forth in section 6(a) of  
 15 this chapter;  
 16 (2) issue a report setting forth the recommendations  
 17 developed under subdivision (1); and  
 18 (3) not later than November 1, 2022, submit the report to the  
 19 following:  
 20 (A) The executive director of the legislative services agency  
 21 for distribution to the members of the general assembly.  
 22 The report submitted to the executive director of the  
 23 legislative services agency under this clause must be in an  
 24 electronic format under IC 5-14-6.  
 25 (B) The governor.  
 26 (C) The chair of the Indiana utility regulatory commission.  
 27 (D) The utility consumer counselor.  
 28 **Sec. 8. The legislative services agency shall provide staff support**  
 29 **to the task force.**  
 30 **Sec. 9. This chapter expires July 2, 2023.**  
 31 **SECTION 2. An emergency is declared for this act.**



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Utilities, Energy and Telecommunications, to which was referred House Bill 1220, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 39, delete "including the" and insert "**including:**

**(A) the use of securitization to recover stranded utility costs associated with legacy generation units; and**

**(B) the establishment of an annual reporting requirement that would require cooperatively owned power suppliers to annually report to the Indiana utility regulatory commission information concerning stranded costs, including information concerning:**

**(i) any differences between the costs for and the market value of a cooperatively owned power supplier's supply side portfolio;**

**(ii) any reduced electric load experienced by a cooperatively owned power supplier; and**

**(iii) any shifting of costs among member rural electric corporations of the cooperatively owned power supplier related to a cooperatively owned power supplier's reduced electric load or stranded costs.**

As used in this clause, a "cooperatively owned power supplier" means either a general district corporation within the meaning of IC 8-1-13-23, or a corporation organized under IC 23-17 whose membership includes one (1) or more corporations organized under IC 8-1-13, regardless of whether the cooperatively owned power supplier or any of its members has withdrawn from the jurisdiction of the Indiana utility regulatory commission."

Page 2, delete lines 40 through 41.

and when so amended that said bill do pass.

(Reference is to HB 1220 as introduced.)

SOLIDAY

Committee Vote: yeas 9, nays 4.

EH 1220—LS 7096/DI 101





## HOUSE MOTION

Mr. Speaker: I move that House Bill 1220 be amended to read as follows:

Page 3, delete lines 33 through 36, begin a new line block indented and insert:

**"(6) Energy issues affecting:**

**(A) low income communities; and**

**(B) communities of color;**

**in relation to business and employment opportunities in those communities.**

**(7) The potential use of "green zones", or "energy investment districts", that:**

**(A) are established in:**

**(i) low income communities; or**

**(ii) communities of color;**

**that have experienced inequitable environmental and economic hardships; and**

**(B) provide financial and technical assistance to develop local renewable energy resources by doing the following:**

**(i) Identifying impacted communities for targeted investments in local renewable energy resources and projects.**

**(ii) Prioritizing the identified communities for public investment, at both the state and local level, in renewable energy resources and projects, including related job creation programs and economic development initiatives.**

**(iii) Advancing local projects that install renewable energy resources and projects in the census tracts most burdened by inequitable environmental and economic hardships, while prioritizing both the creation of local jobs with sustainable wages and the transformation of neighborhoods in a manner that ensures sustainable development that does not result in the displacement of longtime residents or businesses.**

**(iv) Providing resources and assistance to impacted communities, such as by directing a portion of any proceeds from the securitization of stranded utility assets toward the funding of local renewable energy resources and projects.**

**(v) Establishing community governance and democratic decision making processes to ensure that investments made in local renewable energy resources and projects,**



**along with the use of revenue generated by those resources and projects, are shaped by community input, leadership, and planning.**

**In studying the issues set forth in this subdivision, the task force may consider the experience of other jurisdictions that have established green zones or energy investment districts."**

Page 3, line 37, delete "(7)" and insert "**(8)**".

Page 3, line 39, delete "(8)" and insert "**(9)**".

Page 3, line 41, delete "(9)" and insert "**(10)**".

Page 4, line 1, delete "(10)" and insert "**(11)**".

(Reference is to HB 1220 as printed January 28, 2021.)

PRYOR

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COMMITTEE REPORT

Madam President: The Senate Committee on Utilities, to which was referred House Bill No. 1220, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 11, delete "fifteen (15)" and insert "**seventeen (17)**".

Page 2, between lines 5 and 6, begin a new line block indented and insert:

**"(3) The utility consumer counselor appointed under IC 8-1-1.1-3, or the utility consumer counselor's designee, to represent the interests of utility ratepayers.**

**(4) The public finance director appointed under IC 5-1.2-3-6, or the public finance director's designee, to provide expertise with respect to finance and stranded utility costs."**

Page 2, line 6, delete "(3)" and insert "**(5)**".

Page 2, line 10, delete "(4)" and insert "**(6)**".

Page 2, line 15, delete "(5)" and insert "**(7)**".

Page 2, line 28, delete "Eight (8)" and insert "**Nine (9)**".

and when so amended that said bill do pass.

(Reference is to HB 1220 as reprinted February 2, 2021.)

KOCH, Chairperson

Committee Vote: Yeas 11, Nays 0.

**EH 1220—LS 7096/DI 101**

