

Second Regular Session of the 121st General Assembly (2020)

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 2019 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1414

AN ACT to amend the Indiana Code concerning utilities.

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

SECTION 1. IC 8-1-8.5-11 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:** **Sec. 11. (a) As used in this section, "legacy generation resource" means an electric generating facility owned directly or indirectly by a corporation that was formed for the original purpose of providing power to the federal government for use in the nation's defense or in furtherance of national interests, including the Ohio Valley Electric Corporation.**

(b) As used in this section, "reliable capacity resource" means an electric generating unit:

- (1) that is located in Indiana;**
- (2) the capacity of which is valued by a regional transmission organization at a minimum of eighty percent (80%) of the unit's nameplate capacity; and**
- (3) that maintains an annual average onsite fuel inventory of at least thirty (30) days of average fuel consumption.**

(c) The general assembly finds that it is in the public interest to support the reliability, availability, fuel security, and diversity of electric generating capacity in Indiana for the purpose of providing reliable and stable electric service to customers of public utilities.

(d) A public utility that owns and operates a reliable capacity resource shall operate and maintain the unit using good utility



practices and in a manner reasonably intended to support the availability of the unit for dispatch and for providing reliable service to customers of the public utility.

(e) A public utility may not terminate a power agreement with a legacy generation resource in which the public utility has an ownership interest unless the public utility provides the commission with at least three (3) years advance notice of the termination. The commission shall determine the reasonable costs incurred by the public utility under the power agreement and allow the public utility to recover those costs in a fuel adjustment charge proceeding under IC 8-1-2-42. For purposes of this subsection, a public utility's reasonable costs related to a legacy generation resource means those costs, including deferred costs, allocated under a power agreement approved by the Federal Energy Regulatory Commission and relating to a legacy generation resource.

(f) A public utility may not retire, sell, or transfer a reliable capacity resource with a capacity exceeding eighty (80) megawatts before May 1, 2021, unless:

- (1) the public utility first provides written notice to the commission of the public utility's intent to do so; and
- (2) the commission conducts a public hearing, noticed in accordance with IC 5-14-1.5, to receive information concerning the reasonableness of the planned retirement, sale, or transfer.

A public utility may provide the written notice required under subdivision (1) at any time. Not later than one hundred twenty (120) days after the date of the commission's receipt of the public utility's written notice to the commission under this subsection, the commission shall conduct the hearing described in subdivision (2) and issue the commission's analysis and conclusions concerning the reasonableness of the planned retirement, sale, or transfer based on the information received. If the planned retirement, sale, or transfer was included in the public utility's preferred portfolio in the public utility's most recent integrated resource plan, the public utility may proceed with the planned retirement, sale, or transfer after the commission issues the commission's analysis and conclusions under this subsection. If the planned retirement, sale, or transfer was not included in the public utility's preferred portfolio in the public utility's most recent integrated resource plan, the public utility may not proceed with the planned retirement, sale, or transfer until at least six (6) months have



elapsed from the date of the commission's receipt of the public utility's written notice under this subsection.

(g) If a public utility that seeks to retire, sell, or transfer a reliable capacity resource under subsection (f) cites a federal mandate as the basis, in whole or in part, for the planned retirement, sale, or transfer of the unit, the commission may consider as part of the commission's analysis and conclusions under subsection (f) whether the cited federal mandate:

- (1) is in force;
- (2) has not expired or been revoked; and
- (3) is not merely anticipated to be enacted;

at the time of the public utility's notice under subsection (f).

(h) This section expires May 1, 2021.

SECTION 2. IC 8-1-8.5-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) As used in this section, "coal industry employment" means employment:

- (1) at a commercial coal mine in Indiana;
- (2) at a coal fired electric generating unit in Indiana; or
- (3) in an Indiana based manufacturing or transportation supply chain serving:
 - (A) a commercial coal mine in Indiana; or
 - (B) a coal fired electric generating unit in Indiana.

(b) As used in this section, "coal transition worker" means:

- (1) an individual who:
 - (A) has been laid off or terminated from the individual's coal industry employment; or
 - (B) has received a notice of termination or layoff from the individual's coal industry employment;

as a result of the permanent closure of, or a substantial layoff at, a commercial coal mine in Indiana or a coal fired electric generating unit in Indiana; or

- (2) an individual who:
 - (A) has:
 - (i) been laid off or terminated, for a reason other than cause; or
 - (ii) received a notice of termination or layoff, for a reason other than cause;

from the individual's coal industry employment; and
 (B) is unlikely to obtain employment in an industry described in subsection (a)(1) through (a)(3) because of market forces or other factors affecting the industry.



(c) In awarding high value workforce ready credit-bearing grants under IC 21-12-8, the commission for higher education, in conjunction with the department of workforce development, shall give priority to an applicant who is a coal transition worker if the applicant is otherwise eligible for a grant under IC 21-12-8-9.

SECTION 3. An emergency is declared for this act.



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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