



February 9, 2023

HOUSE BILL No. 1420

DIGEST OF HB 1420 (Updated February 7, 2023 3:06 pm - DI 101)

Citations Affected: IC 8-1.

Synopsis: Electric transmission facilities. Amends the chapter in the Indiana Code concerning electric transmission facilities as follows: (1) Specifies that the term "electric transmission facility" does not include a line installed solely for the purpose of connecting an electric generation facility to facilities owned by a public utility. (2) Repeals the definition of "local reliability electric transmission facility" and makes conforming changes. (3) Amends the provisions concerning an incumbent electric transmission owner's right of first refusal to construct, own, operate, and maintain certain electric transmission facilities, or upgrades to certain electric transmission facilities, as follows: (A) Specifies that the right of first refusal applies with respect to: (i) the construction; or (ii) upgrades; of electric transmission facilities if the construction or upgrades have been approved through a regional transmission organization planning process. (B) Requires an incumbent electric transmission owner that exercises its right to construct an electric transmission facility to solicit and evaluate bids for the construction. (C) Provides that in conducting the bill's prescribed bidding process, the incumbent electric transmission owner shall select the bid or combination of bids that fare most favorably in the evaluation of certain factors set forth in the bill. (D) Provides that the Indiana utility regulatory commission (IURC) has jurisdiction to resolve any dispute that arises under the bill's prescribed bidding
(Continued next page)

Effective: July 1, 2023.

Soliday, Jeter, Frye R

January 17, 2023, read first time and referred to Committee on Utilities, Energy and Telecommunications.
February 9, 2023, amended, reported — Do Pass.

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Digest Continued

process and that is raised by an affected bidder. (E) Provides that if an electric transmission line has been approved for construction: (i) each incumbent electric transmission owner that has a right to construct, own, operate, and maintain the electric transmission line shall give written notice to the IURC, not later than 90 days after the construction is approved, regarding the incumbent electric transmission owner's intent to construct, own, operate, and maintain the approved electric transmission line; and (ii) if an incumbent electric transmission owner gives notice of intent not to construct the approved electric transmission line, another entity may construct the approved electric transmission line.



February 9, 2023

First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

HOUSE BILL No. 1420

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 8-1-38-1, AS ADDED BY P.L.174-2013,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2023]: Sec. 1. (a) As used in this chapter, "electric
4 transmission facility" means a high voltage transmission line with a
5 rating of at least one hundred (100) kilovolts and related transmission
6 facilities and controls.

7 (b) **The term does not include a line installed solely for the**
8 **purpose of connecting an electric generation facility to facilities**
9 **owned by a public utility.**

10 SECTION 2. IC 8-1-38-3 IS REPEALED [EFFECTIVE JULY 1,
11 2023]. Sec. 3: (a) As used in this chapter, "local reliability electric
12 transmission facility" means an electric transmission facility located in
13 whole or in part in Indiana that is required by a regional transmission
14 organization to satisfy the reliability standards of the North American
15 Electric Reliability Corporation, a regional reliability organization, or
16 a successor corporation or organization. If the electricity transmission
17 facility is located in the territory of the PJM Interconnection regional

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1 transmission organization territory; or its successor organization; its
 2 rating must be:

3 (1) at least one hundred (100) kilovolts; and

4 (2) not more than three hundred (300) kilovolts.

5 (b) The term does not include an electric transmission facility to the
 6 extent the facility is required by a regional transmission organization
 7 primarily to address nonreliability drivers.

8 SECTION 3. IC 8-1-38-9, AS ADDED BY P.L.174-2013,
 9 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2023]: Sec. 9. (a) An incumbent electric transmission owner
 11 has the right to construct, own, operate, and maintain the following:

12 (1) ~~A local reliability~~ **An electric transmission facility that has**
 13 **been approved for construction through a regional**
 14 **transmission organization planning process and that** connects
 15 to an electric transmission facility owned by the incumbent
 16 electric transmission owner.

17 (2) Upgrades to an existing electric transmission facility owned
 18 by the incumbent electric transmission owner **if the upgrades**
 19 **have been approved for construction through a regional**
 20 **transmission organization planning process.**

21 (b) The right to construct, own, operate, and maintain ~~a local~~
 22 ~~reliability~~ **an electric transmission** facility that connects to electric
 23 transmission facilities owned by two (2) or more incumbent electric
 24 transmission owners belongs individually and proportionately to each
 25 incumbent electric transmission owner, unless the incumbent electric
 26 transmission owners otherwise agree in writing.

27 (c) **An incumbent electric transmission owner that exercises its**
 28 **right under subsection (a)(1) to construct an electric transmission**
 29 **facility designated by a regional transmission organization for**
 30 **construction must solicit bids for the construction of the proposed**
 31 **electric transmission facility that comply with the technical,**
 32 **commercial, and other specifications required by the incumbent**
 33 **electric transmission owner. The incumbent electric transmission**
 34 **owner shall consider the following in evaluating bids received:**

35 (1) **The extent to which the bids comply with or exceed the**
 36 **technical, commercial, and other specifications defined by the**
 37 **incumbent electric transmission owner.**

38 (2) **The lowest reasonable cost for the project.**

39 (3) **Ensuring the timely execution of the project in a reliable**
 40 **manner.**

41 **The incumbent electric transmission owner shall select the bid or**
 42 **combination of bids that fare most favorably in the evaluation of**



1 the factors set forth in subdivisions (1) through (3). The
2 commission has jurisdiction to resolve any dispute that arises
3 under the bidding process required by this subsection and that is
4 raised by an affected bidder.

5 (d) If an electric transmission line has been approved for
6 construction through a regional transmission organization
7 planning process, as described in subsection (a)(1), each incumbent
8 electric transmission owner that has a right under subsection (b)
9 to construct, own, operate, and maintain the electric transmission
10 line to be constructed shall give written notice to the commission,
11 not later than ninety (90) days after the date of approval of the
12 construction, regarding the incumbent electric transmission
13 owner's intent to construct, own, operate, and maintain the
14 approved electric transmission line. If an incumbent electric
15 transmission owner gives notice of the incumbent electric
16 transmission owner's intent not to construct the approved electric
17 transmission line, another entity may construct the approved
18 electric transmission line.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Utilities, Energy and Telecommunications, to which was referred House Bill 1420, 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 12, after "that" insert **"has been approved for construction through a regional transmission organization planning process and that"**.

Page 2, line 16, delete "." and insert **"if the upgrades have been approved for construction through a regional transmission organization planning process."**

Page 2, after line 36, begin a new line blocked left and insert:
"The incumbent electric transmission owner shall select the bid or combination of bids that fare most favorably in the evaluation of the factors set forth in subdivisions (1) through (3). The commission has jurisdiction to resolve any dispute that arises under the bidding process required by this subsection and that is raised by an affected bidder.

(d) If an electric transmission line has been approved for construction through a regional transmission organization planning process, as described in subsection (a)(1), each incumbent electric transmission owner that has a right under subsection (b) to construct, own, operate, and maintain the electric transmission line to be constructed shall give written notice to the commission, not later than ninety (90) days after the date of approval of the construction, regarding the incumbent electric transmission owner's intent to construct, own, operate, and maintain the approved electric transmission line. If an incumbent electric transmission owner gives notice of the incumbent electric transmission owner's intent not to construct the approved electric transmission line, another entity may construct the approved electric transmission line."

and when so amended that said bill do pass.

(Reference is to HB 1420 as introduced.)

SOLIDAY

Committee Vote: yeas 9, nays 4.

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