

January 28, 1998

HOUSE BILL No. 1190

DIGEST OF HB 1190 (Updated January 26, 1998 9:03 pm - DI 93)

Citations Affected: IC 8-1; noncode.

Synopsis: Utility regulation. Removes the prohibition on rural electric membership corporations furnishing telecommunications service that is not incidental to the furnishing of other utility services. Requires the regulatory flexibility committee, with the assistance of the Indiana utility regulatory commission, to conduct a comprehensive study on the need for, feasibility of, and best manner of restructuring the electric industry to allow for competition in the provision of electric services. Specifies certain issues that must be included in the study. Allows the regulatory flexibility committee to consult with the office of the utility consumer counselor and other independent consultants. Requires the commission to report its findings to the legislative council by November 1, 1998.

Effective: July 1, 1998.

Bottorff, Frizzell

January 8, 1998, read first time and referred to Committee on Commerce and Economic Development.
January 27, 1998, amended, reported — Do Pass.

HB 1190—LS 6970/DI 93



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January 28, 1998

Second Regular Session 110th General Assembly (1998)

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 1997 General Assembly.

HOUSE BILL No. 1190

A BILL FOR AN ACT concerning utilities and transportation and to make an appropriation.

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

- 1 SECTION 1. IC 8-1-13-9, AS AMENDED BY P.L.109-1995,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 1998]: Sec. 9. (a) The corporate purpose of each corporation
4 formed under this chapter shall be to render services to or for the
5 benefit of its members and no person shall become or remain a member
6 of any local district corporation, defined in section 23 of this chapter,
7 unless such person shall use energy supplied by such corporation and
8 shall have complied with the terms and conditions in respect to
9 membership contained in the bylaws of such corporation.
10 ~~(b) Corporations may not furnish telecommunications service that~~
11 ~~is not incidental to the furnishing of other utility services.~~
12 ~~(c)~~ (b) A corporation may not begin water service in any area unless
13 both of the following apply:
14 (1) The corporation has filed a petition with the commission
15 seeking authority to begin water service.
16 (2) The commission has found after a hearing that public
17 convenience and necessity require the proposed service.

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1 In connection with the petition, the commission may adopt conditions
2 and restrictions on the area and consumers to be served that the
3 commission finds consistent with the public interest. The commission
4 may revoke, modify, or amend a finding of public convenience and
5 necessity upon a showing of good cause after a hearing.

6 SECTION 2. [EFFECTIVE UPON PASSAGE] (a) **The regulatory**
7 **flexibility committee established by IC 8-1-2.6-4, with the**
8 **assistance of the Indiana utility regulatory commission, shall**
9 **conduct a comprehensive study on the need for, feasibility of, and**
10 **best manner of restructuring the electric industry to allow for**
11 **competition in the provision of electric services.**

12 (b) **The committee must include in its study a review of the**
13 **possible economic and socioeconomic impact of restructuring the**
14 **electric industry on the following:**

15 (1) **Persons who would be affected by the restructuring of the**
16 **electric industry, including the following:**

17 (A) **Electricity providers, including rural and municipal**
18 **providers of electricity.**

19 (B) **Residential and commercial consumers of electricity,**
20 **including residential and commercial consumers of**
21 **electricity produced, transmitted, or distributed by rural**
22 **and municipal providers of electricity.**

23 (C) **Utility workers**

24 (2) **Indiana's coal industry.**

25 (3) **Indiana's property tax system.**

26 (c) **The regulatory flexibility committee shall present its findings**
27 **in a written report to the legislative council not later than**
28 **November 1, 1998.**

29 (d) **The regulatory flexibility committee shall meet on the call of**
30 **the co-chairs. The committee may consult with the office of the**
31 **utility consumer counselor or other independent consultants the**
32 **committee considers appropriate to assist the committee in**
33 **performing its duties under this SECTION.**

34 (e) **There is appropriated from the public utility fund**
35 **established by IC 8-1-6-1 to the legislative council an amount**
36 **sufficient to pay for the use of consultants by the regulatory**
37 **flexibility committee under this SECTION beginning on the date**
38 **this act takes effect and ending on November 2, 1998.**

39 (f) **The legislative services agency shall provide support staff to**
40 **the regulatory flexibility committee.**

41 (g) **Each member of the regulatory flexibility committee is**
42 **entitled to receive the same per diem, mileage, and travel**



1 **allowances paid to individuals who serve as legislative members of**
2 **interim study committees established by the legislative council.**
3 **(h) This SECTION expires December 31, 1998.**
4 **SECTION 3. An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce and Economic Development, to which was referred House Bill 1190, 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:

Delete the title and insert the following:

A BILL FOR AN ACT concerning utilities and transportation and to make an appropriation.

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to House Bill 1190 as introduced.)

BOTTORFF, Chair

Committee Vote: yeas 8, nays 6.

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