

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Utilities and Technology, to which was referred Senate Bill No. 313, 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:

- 1 Delete everything after the enacting clause and insert the following:
2 SECTION 1. IC 8-1-1-16 IS ADDED TO THE INDIANA CODE
3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]: **Sec. 16. (a) As used in this section, "electric
5 utility" refers to an investor owned electric utility (as defined in
6 170 IAC 4-4.2-1(g)).**
7 **(b) Subject to subsections (d) and (e) and not later than July 1,
8 2011, the commission shall adopt rules to amend the net metering
9 rules adopted by the commission and codified at 170 IAC 4-4.2.
10 The commission shall adopt the rules required by this subsection
11 in the same manner as emergency rules are adopted under
12 IC 4-22-2-37.1. The rules adopted by the commission under this
13 subsection must do the following:**
14 **(1) Require an electric utility to offer net metering to all
15 customer classes.**
16 **(2) For net metering customers (other than residential
17 customers that own and operate, and schools used for any
18 grade from kindergarten through grade 12 that own and
19 operate, a generating facility that has a nameplate capacity
20 less than or equal to ten (10) kilowatts (kW)):**
21 **(A) Allow a net metering customer to interconnect a**

1 facility that generates electricity from a renewable energy
2 resource (as defined in IC 8-1-8.8-10).

3 (B) Establish a maximum nameplate capacity for each net
4 metering customer class for purposes of interconnecting a
5 generating facility to an electric utility's distribution
6 facility.

7 (C) For billing purposes, provide that the kilowatt hours
8 generated by a net metering customer and delivered to an
9 electric utility may not exceed the kilowatt hours supplied
10 by the electric utility to the net metering customer during
11 a billing period.

12 (D) Require a net metering customer to pay all costs and
13 fees associated with interconnecting the customer's net
14 metering facility.

15 (3) Allow an electric utility to establish in its proposed tariff
16 net metering standards that exceed the standards set forth in
17 the rules adopted under this subsection.

18 In adopting rules under this subsection, the commission shall
19 consider the impact of interconnecting a net metering facility to an
20 electric utility's distribution facility on the safe and reliable
21 operation of the electric utility's electric grid system and on the
22 safety of the electric utility's employees, agents, and contractors.

23 (c) Emergency rules adopted under subsection (b) may not
24 apply to net metering agreements entered into before the effective
25 date of this section.

26 (d) Rules adopted under subsection (b) expire on:

27 (1) the date the rules are adopted by the commission under
28 IC 4-22-2-24 through IC 4-22-2-36; or

29 (2) January 1, 2013;

30 whichever is earlier.

31 (e) Not later than January 15, 2011, the commission shall:

32 (1) evaluate the net metering rules adopted by the commission
33 and codified at 170 IAC 4-4.2 for compliance with the
34 requirements set forth in subsections (b) and (c); and

35 (2) notify the publisher of the Indiana Administrative Code
36 and Indiana Register of any rules codified at 170 IAC 4-4.2
37 that do not comply with the requirements set forth in
38 subsection (b) or (c).

1 **The publisher shall remove the rules that do not comply with this**
 2 **subsection from the Indiana Administrative Code.**

3 **(f) Not later than November 1, 2011, the commission shall report**
 4 **to the regulatory flexibility committee established by IC 8-1-2.6-4**
 5 **on the commission's progress under subsection (d)(1) in finally**
 6 **adopting, under IC 4-22-2-24 through IC 4-22-2-36, the emergency**
 7 **rules initially adopted by the commission under subsection (b).**

8 **(g) This section expires July 1, 2013.**

9 SECTION 2. IC 8-1-2.6-4, AS AMENDED BY P.L.62-2009,
 10 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2010]: Sec. 4. (a) A regulatory flexibility committee is
 12 established to monitor competition in the telecommunications industry.

13 (b) The committee is composed of the members of a house standing
 14 committee selected by the speaker of the house of representatives and
 15 a senate standing committee selected by the president pro tempore of
 16 the senate. In selecting standing committees under this subsection, the
 17 speaker and president pro tempore shall determine which standing
 18 committee of the house of representatives and the senate, respectively,
 19 has subject matter jurisdiction that most closely relates to the
 20 electricity, gas, energy policy, and telecommunications jurisdiction of
 21 the regulatory flexibility committee. The chairpersons of the standing
 22 committees selected under this subsection shall co-chair the regulatory
 23 flexibility committee.

24 (c) The commission shall, by July 1 of each year, prepare for
 25 presentation to the regulatory flexibility committee a report that
 26 includes the following:

27 (1) An analysis of the effects of competition and technological
 28 change on universal service and on pricing of all
 29 telecommunications services offered in Indiana.

30 (2) An analysis of the status of competition and technological
 31 change in the provision of video service (as defined in
 32 IC 8-1-34-14) to Indiana customers, as determined by the
 33 commission in carrying out its duties under IC 8-1-34. The
 34 commission's analysis under this subdivision must include a
 35 description of:

36 (A) the number of multichannel video programming
 37 distributors offering video service to Indiana customers;

38 (B) the technologies used to provide video service to Indiana

- 1 customers; and
- 2 (C) the effects of competition on the pricing and availability of
- 3 video service in Indiana.
- 4 (3) Beginning with the report due July 1, 2007, and in each report
- 5 due in an odd-numbered year after July 1, 2007:
- 6 (A) an identification of all telecommunications rules and
- 7 policies that are eliminated by the commission under section
- 8 4.1 of this chapter during the two (2) most recent state fiscal
- 9 years; and
- 10 (B) an explanation why the telecommunications rules and
- 11 policies identified under clause (A) are no longer in the public
- 12 interest or necessary to protect consumers.
- 13 (4) Beginning with the report due July 1, 2010, best practices
- 14 concerning vertical location of underground facilities for purposes
- 15 of IC 8-1-26. A report under this subdivision must address the
- 16 viability and economic feasibility of technologies used to
- 17 vertically locate underground facilities.
- 18 **(5) Beginning with the report due July 1, 2016, and in each**
- 19 **report due every five (5) years thereafter, an analysis of the**
- 20 **impact of changes and advances in technology on the net**
- 21 **metering rules adopted by the commission and codified at 170**
- 22 **IAC 4-4.2.**
- 23 (d) In addition to reviewing the commission report prepared under
- 24 subsection (c), the regulatory flexibility committee shall also issue a
- 25 report and recommendations to the legislative council by November 1
- 26 of each year that is based on a review of the following issues:
- 27 (1) The effects of competition and technological change in the
- 28 telecommunications industry and impact of competition on
- 29 available subsidies used to maintain universal service.
- 30 (2) The status of modernization of the publicly available
- 31 telecommunications infrastructure in Indiana and the incentives
- 32 required to further enhance this infrastructure.
- 33 (3) The effects on economic development and educational
- 34 opportunities of the modernization described in subdivision (2).
- 35 (4) The current methods of regulating providers, at both the
- 36 federal and state levels, and the effectiveness of the methods.
- 37 (5) The economic and social effectiveness of current
- 38 telecommunications service pricing.

1 (6) All other telecommunications issues the committee deems
2 appropriate.

3 The report and recommendations issued under this subsection to the
4 legislative council must be in an electronic format under IC 5-14-6.

5 (e) The regulatory flexibility committee shall meet on the call of the
6 co-chairpersons to study telecommunications issues described in
7 subsection (d). The committee shall, with the approval of the
8 commission, retain the independent consultants the committee
9 considers appropriate to assist the committee in the review and study.
10 The expenses for the consultants shall be paid by the commission.

11 **SECTION 3. An emergency is declared for this act.**

 (Reference is to SB 313 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 8, Nays 3.

Merritt

Chairperson