

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 251 be amended to read as follows:

- 1 Page 2, line 41, after "7(c)" insert "**or 8**".
- 2 Page 4, line 9, delete "If" and insert "**Subject to section 8 of this**
- 3 **chapter, if**".
- 4 Page 4, line 13, delete "Eighty percent (80%)" and insert "**Fifty**
- 5 **percent (50%)**".
- 6 Page 4, line 20, delete "Twenty percent (20%)" and insert "**Fifty**
- 7 **percent (50%)**".
- 8 Page 4, between lines 32 and 33, begin a new paragraph and insert:
- 9 "**Sec. 8. (a) As used in this section, "base year" means the**
- 10 **calendar year ending December 31, 2010.**
- 11 **(b) As used in this section, "regional transmission**
- 12 **organization", with respect to an energy utility, refers to the**
- 13 **regional transmission organization approved by the Federal**
- 14 **Energy Regulatory Commission for the control area that includes**
- 15 **the energy utility's assigned service area (as defined in**
- 16 **IC 8-1-2.3-2).**
- 17 **(c) As used in this section, "wind energy" refers to electricity**
- 18 **that is produced from energy from the wind.**
- 19 **(d) As used in this section, "wind energy credit" means an**
- 20 **interest that:**
- 21 **(1) represents one (1) megawatt hour of wind energy that**
- 22 **satisfies the condition set forth in subsection (h)(2);**
- 23 **(2) is quantifiable and transferrable; and**
- 24 **(3) is possessed by not more than one (1) entity at a time.**

1 (e) As used in this section, "wind energy standard" refers to a
2 standard set forth in subsection (g) that an energy utility must
3 achieve during a specified wind energy standard period to recover
4 federally mandated costs under subsection (l).

5 (f) As used in this section, "wind energy standard period", or
6 "WES period", refers to a period set forth in subsection (g) during
7 which an energy utility must achieve a specified wind energy
8 standard to recover federally mandated costs under subsection (l).

9 (g) An energy utility that has been granted a certificate from the
10 commission under section 7(b) of this chapter and that seeks to
11 recover under subsection (l) federally mandated costs approved by
12 the commission for the compliance project for which the certificate
13 was granted must obtain wind energy to meet the energy
14 requirements of the energy utility's Indiana retail electric
15 customers according to the following wind energy standards:

16 (1) For the period beginning January 1, 2012, and ending
17 December 31, 2015, an average of at least three and one-half
18 percent (3.5%) of the total electricity obtained by the energy
19 utility to meet the energy requirements of its Indiana retail
20 electric customers during the base year.

21 (2) For the period beginning January 1, 2016, and ending
22 December 31, 2018, an average of at least five percent (5%) of
23 the total electricity obtained by the energy utility to meet the
24 energy requirements of its Indiana retail electric customers
25 during the base year.

26 (3) For the period beginning January 1, 2019, and ending
27 December 31, 2021, an average of at least seven percent (7%)
28 of the total electricity obtained by the energy utility to meet
29 the energy requirements of its Indiana retail electric
30 customers during the base year.

31 (4) For each calendar year that begins after December 31,
32 2021, at least seven percent (7%) of the total electricity
33 obtained by the energy utility to meet the energy
34 requirements of its Indiana retail electric customers during
35 the base year.

36 For purposes of this subsection, electricity is measured in
37 megawatt hours.

38 (h) In determining whether an energy utility has met a
39 particular wind energy standard set forth in subsection (g), the
40 commission shall consider only wind energy that:

41 (1) except as provided in subsection (k), is obtained by the
42 energy utility to meet the energy requirements of the energy
43 utility's Indiana retail electric customers during the WES
44 period under consideration; and

45 (2) is generated by a facility located in a control area that is
46 part of a regional transmission organization of which the
47 energy utility is a member.

1 (i) An energy utility is not required to obtain wind energy to
 2 meet a particular wind energy standard if the commission
 3 determines that the average cost of wind energy available to the
 4 energy utility during the WES period under consideration exceeds
 5 by more than ten percent (10%), on a per kilowatt hour basis, the
 6 average cost to the energy utility of electricity generated in Indiana
 7 from all available energy resources during the WES period under
 8 consideration. An energy utility shall not obtain wind energy to
 9 meet a particular wind energy standard for purposes of obtaining
 10 the cost recovery allowed under subsection (l) if the commission
 11 determines that the average cost of wind energy available to the
 12 energy utility during the WES period under consideration will
 13 result in an increase to the retail rates and charges of the energy
 14 utility above what could reasonably be expected if the energy
 15 utility did not obtain wind energy to meet the wind energy
 16 standard for the WES period under consideration.

17 (j) An energy utility may own or purchase one (1) or more wind
 18 energy credits to meet any of the wind energy standards set forth
 19 in subsection (g) as long as the wind energy represented by the
 20 wind energy credit meets the condition set forth in subsection
 21 (h)(2).

22 (k) An energy utility may apply:

23 (1) amounts of wind energy supplied by the energy utility to
 24 its Indiana retail electric customers during a particular WES
 25 period; or

26 (2) wind energy credits acquired by the energy utility during
 27 a particular WES period;

28 that exceed the requirements for the particular WES period to the
 29 immediately succeeding WES period.

30 (l) An energy utility that:

31 (1) has been granted a certificate from the commission under
 32 section 7(b) of this chapter;

33 (2) has received the cost recovery set forth in section 7(c) of
 34 this chapter for the federally mandated costs approved by the
 35 commission for the compliance project for which the
 36 certificate was granted; and

37 (3) meets a wind energy standard set forth in subsection (g)
 38 for a particular WES period;

39 may apply to the commission, in the manner and on a form
 40 prescribed by the commission, for an increase in the percentage of
 41 the approved federally mandated costs that are recovered through
 42 the periodic rate adjustment mechanism described in section
 43 7(c)(1) of this chapter from fifty percent (50%) to eighty percent
 44 (80%), and for a decrease in the percentage of the approved
 45 federally mandated costs that, under section 7(c)(2) of this chapter,
 46 must be deferred and recovered by the energy utility in the energy
 47 utility's next general rate case, from fifty percent (50%) to twenty

1 percent (20%). If the commission determines that the energy utility
2 has met the wind energy standard for the WES period under
3 consideration, the commission shall approve the cost recovery
4 described in this subsection, subject to subsection (i).

5 (m) Subject to the energy utility's continuing compliance with
6 the applicable wind energy standard for the WES period under
7 consideration, as determined by the commission, the periodic rate
8 adjustment mechanism granted under section 7(c)(1) of this
9 chapter continues in effect as modified under subsection (l) until
10 the earlier of the following:

11 (1) The energy utility has recovered the approved federally
12 mandated costs for which the periodic rate adjustment
13 mechanism was granted under section 7(c)(1) of this chapter.

14 (2) A time or upon an event specified in the commission's
15 order approving the modification of the periodic rate
16 adjustment mechanism under subsection (l).

17 (n) The commission may adopt rules under IC 4-22-2, including
18 emergency rules under IC 4-22-2-37.1, to implement this section.
19 An emergency rule adopted by the commission under
20 IC 4-22-2-37.1 expires on the date a rule that supersedes the
21 emergency rule is adopted by the commission under IC 4-22-2-24
22 through IC 4-22-2-36."

23 Page 13, line 3, delete "applicable conditions" and insert
24 "condition".

25 Page 18, line 16, delete "conditions" and insert "condition".
(Reference is to ESB 251 as printed April 15, 2011.)

Representative Grubb