

TITLE 170 INDIANA UTILITY REGULATORY COMMISSION

Interim Rulemaking Request and Justification

This request is being made by Indiana Utility Regulatory Commission (“IURC”) Chairman Andy Zay and General Counsel Beth Helene for an interim rulemaking under IC 4-22-2-37.2(b)(1) and (2) and IC 4-22-2.3-7, pursuant to the IURC’s statutory authority under IC 8-1-2-121 as amended by HEA 1002 (P.L.36-2026), IC 8-1-46-27 as added by HEA 1002 (P.L.36-2026), and Sections 12 and 13 of HEA 1002 (P.L.36-2026),

a) Proposed Rule

A copy of the Proposed Rule is attached.

b) Regulatory Analysis

A copy of the Regulatory Analysis is attached.

c) Statement Justifying the Need for an Interim rule

(1) Source of the New Law and (2) the Effective Date.

This Proposed Rule and the Request for Interim Rulemaking are in response to House Enrolled Act 1002 (P.L. 36-2026) (“HEA 1002”), which was signed into law on February 26, 2026, and was effective upon passage.

(3) How the New State Law and Change to State Law Makes It Necessary for IURC to Conduct This Rulemaking

HEA 1002 requires the IURC to complete a revision of its disconnection moratorium rule, 170 IAC 4-1-16.6, by May 1, 2026, and of its service restoration performance reporting rule, 170 IAC 4-1-23, by January 1, 2027. See Sections 12 and 13 of HEA 1002. While the IURC has authority under IC 4-22-2-37.1 to do provisional rulemaking using its emergency authority under IC 8-1-2-113, HEA 1002 also amended IC 8-1-2-113 such that the IURC emergency authority does not apply to this circumstance in which there is no emergency declaration by the Governor. As a result, the IURC is requesting to use interim rulemaking to adopt this rule as quickly as possible.

IC 4-22-2-37.2(b)(1) New State Law

Section 10 of HEA 1002 added a new chapter, IC 8-1-46, regarding performance-based ratemaking (“PBR”), including additional reporting requirements in IC 8-1-46-18 on customer affordability performance and in IC 8-1-46-19 on service restoration performance, for the non-municipal, rate-regulated electric utilities, which are the five largest investor-owned electric utilities. 170 IAC 4-1-23 was originally adopted by the IURC in 1976 to require electric utilities to advise the IURC when the utilities had

service outages and to track certain reliability indices. Section 13 of HEA 1002 requires the IURC to update 170 IAC 4-1-23 to be consistent with IC 8-1-46 via a rulemaking to be completed by January 1, 2027.

IC 4-22-2-37.2(b)(2) Change in State Law

IC 8-1-2-121 was enacted in 1983 and prohibits electric and gas utilities in Indiana from disconnecting residential customers who are eligible for and have applied for assistance under a heating assistance program administered under IC 4-4-33. This prohibition or “winter disconnection moratorium” is in place from December 1 to March 15 each year. Section 5 of HEA 1002 amended IC 8-1-2-121 and added a “summer disconnection moratorium” for investor-owned and rural electric membership cooperative (i.e., non-municipal) electric utilities based on heat index degree days of 95 degrees or more. Section 12 of HEA 1002 requires the IURC to amend its disconnection moratorium rules in 170 IAC 4 by May 1, 2026.

Considering 95+ heat index days in Indiana can occur as early as May, though more likely from late June through August, the May 1, 2026, deadline to amend the corresponding IURC rule is understandable. While the IURC will not be able to meet the May 1st deadline, an interim rulemaking would make the required amendment as soon as possible in the summer heat index season.

IURC Interim Rule Authority

The IURC proposes to use the authority under IC 4-22-2-37.2 in connection with the rulemaking authority provided in Sections 12 and 13 of HEA 1002.

(4) How the Proposed Rule Satisfies the Circumstances Making the Interim Rulemaking Necessary

The Proposed Rule supersedes and amends 170 IAC 4-1-16.6 to add the summer disconnection moratorium from the recently amended IC 8-1-2-121, supersedes and amends 170 IAC 5-1-16.6 to make similar changes, and supersedes and amends 170 IAC 4-1-23 to make it consistent with the recently added IC 8-1-46. The Interim Rulemaking of this Proposed Rule is necessary to make, or come as close as possible to making, the deadlines in Sections 12 and 13 of HEA 1002.

5) Additional Changes in Proposed Rulemaking

The Proposed rule makes changes in addition to those required by HEA 1002. Those additional changes are listed in detail below and are being made to consolidate definitions, reduce unnecessary language that could cause confusion, and make consistent changes to the similar natural gas rule. For instance, the IURC’s disconnection moratorium rules, 170 IAC 4-1-16.6 for electric utilities and 170 IAC 5-1-16.6 for natural gas utilities, are sections in the Standards of Service rule for these

industries. Both of these sections are preceded by sections, 170 IAC 4-1-16.5 and 170 IAC 5-1-16.5, that appear to provide definitions for the disconnection moratorium rules, but only state that in the title of each section. Also, the definitions in the 16.5 sections are already largely included in the definition sections, 170 IAC 4-1-1 and 170 IAC 5-1-1, for each of these rules. The only exception is that 16.5 applies only for residential customers. The Proposed Rule adds references to 16.6 to 170 IAC 4-1-1 and 170 IAC 5-1-1 to the list of those sections in each rule that only apply for residential customers, and then suspends 170 IAC 4-1-16.5 and 170 IAC 5-1-16.5 for eventual repeal.

Citation	Description	Rationale for Including
170 IAC 4-1-1	Supersedes and adds “16.6” to the list of rules in 170 IAC 4-1 that only apply for residential customers, supersedes and adds that the “customer” definition does not apply to 170 IAC 4-1-23; adds definitions for “disconnection moratorium” and “heat index moratorium days”	Consolidates so that definitions applicable to 170 IAC 4-1-16.6 are included with the definitions in 170 IAC 4-1-1; provides clarification that the “customer” definition for 170 IAC 4-1-23 is different than what is in 170 IAC 4-1-1
170 IAC 4-1-16.5	Suspends this section for eventual repeal, as it is no longer needed with the amendment to 170 IAC 4-1-1	Reduces possible confusion of having separate definitions related to 170 IAC 4-1-16.6
170 IAC 4-1-16.6	Supersedes and amends subsection (a) to provide the timeframes in which an electric utility must comply with the disconnection moratorium to include December 1 through March 15 and, for non-municipal utilities, “on any day for which a local weather forecast office of the National Weather Service has forecast, not earlier than forty-eight (48) hours in advance, a heat index of at least ninety-five (95) degrees Fahrenheit for a county or part of a county within an electric utility's assigned service area under IC 8-1-2.3, for customers who receive residential electric service from the electric utility at a location to which the forecasted heat index applies.” Supersedes and adds “During the disconnection moratorium timeframes listed in (a) above” to the beginning of subsection (b). Supersedes and adds subsection (c), which includes the language found in IC 8-1-2-121(d) with some changes to clarify how the tolling of the 14-	Makes this rule section consistent with the newly amended statute and provides clarity regarding how a disconnection notice period is tolled during heat index moratorium days.

	day disconnection notice period would work in connection with any heat index moratorium days.	
170 IAC 4-1-23	Suspends for eventual deletion the definition of “REMC”; supersedes and amends subsection (b) to delete the provision for REMCs that is no longer applicable and other formatting language.	The definition of “electricity supplier” in IC 8-1-46-6(b)(2) specifically excludes rural electric membership corporations (REMCs) established under IC 8-1-13, and all REMCs have withdrawn from most IURC jurisdiction, including this outage reporting requirement. As a result, REMCs should not be included in the updated reporting requirement.
170 IAC 5-1-1	Supersedes and adds “16.6” to the list of rules in 170 IAC 5-1-1 that only apply for residential customers	Consolidates so definitions applicable to 170 IAC 5-1-16.6 are included with the definitions in 170 IAC 5-1-1
170 IAC 5-1-16.5	Suspends this section for eventual repeal, as it is no longer needed with the amendment to 170 IAC 5-1-1	Reduces possible confusion of having separate definitions related to 170 IAC 5-1-16.6
170 IAC 5-1-16.6	Supersedes and amends 170 IAC 5-1-16.6 to that it is consistent with the changes being made to 170 IAC 4-1-16.6 that are applicable to gas utilities.	Provides consistent disconnection moratorium language as applicable between electric and gas utilities.

6) Anticipated Completion of Regular Rulemaking

It is anticipated and planned that the completion of the regular rulemaking will occur in August 2027.

d) Does Proposed Rule Include a New or Increased Fee, Fine, or Civil Penalty?

No, the Proposed Rule does not include a new or increased fee, fine, or civil penalty.

e) Any Comments Received from Regulated Entities or Interested Parties

Due to the tight timelines in Sections 12 and 13 of HEA 1002, there was not sufficient time to request comments from the utilities and other interested parties. The IURC will request comments and input from external stakeholders prior to initiating the subsequently required regular rulemaking that is planned to occur in 2027.

f) Contact Information

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