HELP HOOSIERS NOW: 2027 RATEPAYER RELIEF PLAN



LEGISLATIVE POLICIES THAT PUT PEOPLE BEFORE PROFITS

CITIZENSACTIONCOALITION
turning on citizen power

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PLAN OVERVIEW

Hoosiers continue to pay some of the highest energy bills in the Midwest. Nearly nine out of 10 Indiana residents have said they are concerned about rising utility costs, with 57% reporting they are very concerned. Families, seniors, renters, small business owners—everyone is feeling the pain.

Meanwhile, many of Indiana's monopoly utilities continue to ask for rate increases while, in some cases, providing substandard service.

During the 2026 legislative session, Indiana lawmakers and Gov. Braun took meaningful steps toward protecting vulnerable Hoosiers from soaring utility costs. House Enrolled Act 1002 codified extreme heat shutoff protections for income-qualified households and mandated that the regulated electric utilities offer assistance programs to income-qualified households, providing an important safety net. But there's still much more work to be done to hold utilities accountable and ensure Hoosiers can afford their bills while keeping the lights on in the coming years.

This package provides legislators with policies they can take action on in the upcoming legislative session. Each policy has a clear consumer benefit and will provide much-needed relief at a time when inflation, economic concerns, and resilience are top of mind across our state and nation.

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WHAT YOU'LL FIND IN THE PLAN

- **Statewide Permitting Reform:** Replaces Indiana's patchwork of county-by-county rules with a transparent, predictable process to give developers and local communities certainty for energy projects that will bring economic and tax benefits to local communities across the state, while supporting cleaner and lower-cost power generation, such as solar, wind, and storage, benefitting Hoosier ratepayers.

- **Hyperscale Data Center Transparency, Accountability, and Subsidy Elimination:** Currently, Indiana has the most lucrative tax exemption package for hyperscale data centers without asking for much of anything in return. Policies would increase process transparency for local communities. Require data centers to pay for all incremental costs, plus their full embedded cost of service to protect Hoosiers from paying for costs caused by AI data centers. Repeal the property and sales tax exemptions for AI data centers.

- **Ban Rate Recovery and the Use of Ratepayer Funds for Lobbying, Politics, Public Relations, Ratecase Proceedings, and Extravagant Expenses:** Prohibits utilities from passing the costs of lobbying, political activities, public relations, litigation, and extravagant expenses on to customers through their utility bills, and requires utilities to file annual reports of these expenses for public review.

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- **Plug-in Solar:** Supports the deployment of plug-in solar technologies—portable solar panel systems that plug directly into home outlets—to simplify consumer access to cost-saving technology, lower barriers to clean generation, and offer immediate savings.

- **Repeal or Amend Cost Trackers:** Currently, cost trackers, like Construction Work in Progress (CWIP) and Transmission, Distribution, Storage, and System Improvement Charge (TDSIC), allow utilities to shift costs onto residential bills and automatically adjust and raise bills outside of formal rate cases, because the Indiana Utility Regulatory Commission (IURC) must approve these plans under law. Policies would aim to eliminate or scale back the use of cost trackers, providing more stable monthly bills and forcing more rigorous regulatory reviews. As we shift to the process from Representative Shonkwiler's energy affordability bill, HEA 1002, multi-year rate plans should eliminate the need for the IURC to automatically approve these cost trackers.

- **Indiana Utility Regulatory Commission (IURC) Reform:** Includes reforming commissioner appointments such as requiring legislative confirmation of the Governor's appointments to the IURC to increase checks and balances, ensure commissioners represent public interests, use mediation to facilitate the resolution of contested cases, and prevent expensive litigation when processes are not followed.

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- **Require All Energy Users to Participate in Energy Efficiency and Demand Side Management Programs:** The cheapest electron is the one you do not use. Currently, large industrial and commercial customers can opt out of covering the costs of legally required utility-sponsored demand-side management programs, which include demand response and energy efficiency programs. Policy changes would require all customers, no matter the size, to participate in and fund these programs to lower overall system load and prevent the need for costly new infrastructure that benefits everyone.

- **Eliminate Profit Bonus to Utilities for Participating in Regional Transmission Organizations (RTO):** Indiana is part of two regional transmission organizations, MISO and PJM. These organizations help manage our energy grid and coordinate between regions and states to keep the lights on. Currently, utilities get a bonus on their return on equity to voluntarily participate, which gets paid for by ratepayers. Require utilities to be members of their RTO to eliminate the extra profit award for voluntary membership.

- **Authorize IURC Oversight of Mergers and Acquisitions:** Require that investor-owned utilities must file a petition before the Indiana Utility Regulatory Commission (IURC) when there is a proposed acquisition or merger of the utility or their parent companies, and require that the IURC review the proposed acquisition or merger and grant the IURC the authority to reject or approve the proposed transaction to protect consumers from paying for corporate risks or bad business deals.

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- **Reduce Exorbitant Customer Charges:** Customer deposits and punitive charges, like late fees, interest, and reconnection fees, can add up quickly when a late bill payment or a recent move turns into a much bigger problem.

- **Fuel Cost Sharing:** Explores options to share the risks of fluctuating fuel costs between utilities and ratepayers rather than passing 100% of the cost fluctuations directly to consumers, encouraging more efficient deployment and procurement.

- **Authorize Community Energy:** Allows families, renters, and local businesses to voluntarily subscribe to local, clean energy projects under 5 MW and receive direct credits on their utility bills, expanding access to cheaper, clean power options.

- **Reconsider Compensation Mechanism for Customer-Owned Generation:** A few years ago, Indiana ended net metering for rooftop solar installations, replacing it with a different compensation system. The replacement has left solar owners without fair compensation for the energy they send back to the grid. Equitable compensation for customer-owned generation incentivizes private homeowners to strengthen local energy resilience, reduce energy demand, and reduce costs.