

STATE of INDIANA



INDIANA UTILITY REGULATORY COMMISSION
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RE: Proposed repeal of Commission rule 170 IAC 6-3 regarding *Central Station Hot Water Heating Utilities*, Article 170 IAC 9 regarding *Rural Electrification Administration*, and Article 170 IAC 12 regarding *Residential Conservation Service Program*.

Greetings-

I am writing to seek input and feedback from stakeholders and other interested parties regarding the potential repeal of an administrative rule and two articles of the Indiana Utility Regulatory Commission (“IURC” or “Commission”), specifically, 170 IAC 6-3, titled *Central Station Hot Water Heating Utilities*, 170 IAC 9, titled *Rural Electrification Administration*, and 170 IAC 12, titled *Residential Conservation Service Program*. Commission staff believes that these rules are no longer necessary, though we are requesting affirmative feedback in this regard.

Rule 6-3, titled *Central Station Hot Water Heating Utilities*, is a relic from an era when certain Indiana utilities provided heat in the form of hot water from central boiler houses to consumers. The Commission is not aware of any such utility operating under its jurisdiction in Indiana. As such, the rule no longer appears necessary.

Article 9, titled *Rural Electrification Administration*, adopted the federal regulations governing accounting system requirements for telephone company borrowers and electric borrowers of the Rural Electrification Administration (1935-94). The rules govern the accounting practices of RLECs and REMCs as they relate to infrastructure loans made to them by the former USDA agency. The Commission currently has no RLECs or REMCs under its jurisdiction for rates and charges and thus has no role in the administration or oversight of these loans. Moreover, Commission staff is of the opinion that relative federal borrowing agreements and the rules underlying those agreements are sufficient and are appropriately enforced by the federal agency(s) charged with administering those loans. Further, the Rural Electrification Administration was abolished in 1994. The Rural Utilities Service acquired the administration of

electricity and telephone loan programs from the former Rural Electrification Administration. Thus 170 IAC 9 is outdated and it appears that it is no longer needed.

Article 12, titled *Residential Conservation Service Program*, governed accounting and recordkeeping practices regarding the administration of the Indiana Residential Conservation Service Program, adopted pursuant to 10 CFR 456. The purpose of the Residential Conservation Service Program was to encourage the installation of energy conservation measures, including renewable resource measures in existing houses by residential customers of gas and electric utilities as well as home heating suppliers. The Office of the Lieutenant Governor's *Indiana Residential Conservation Service Program* rules (16 IAC 2) expired effective January 1, 2009, under IC 4-22-2.5. The authorizing statute, IC 4-4-3, was repealed by *P.L.4-2005, SECTION 148*, effective February 9, 2005. Thus, it appears there is no longer a need for this outdated Article.

For your convenience, I have attached our draft Proposed Rule to this email. The attached draft shows the stricken language of the applicable rule and articles. Note that the final version of the Proposed Rule will not show the stricken language when filed with the LSA.

All interested parties are invited to submit written comments regarding these proposed repeals, including whether said parties believe there will be any fiscal impacts resulting therefrom, within thirty (30) days of the date of this letter. Please contact me if you have any questions or if you need additional information. I look forward to receiving feedback on these proposed rule repeals.

Sincerely,

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