SB272, sponsored by Sen. Stacey Donato: Energy Freedom & Fairness Act

Empowering Industry. Protecting Households. Ensuring Resource Adequacy.

BILL SUMMARY

Eligibility:

- Non-residential customers >1 MW peak demand
- Customers may aggregate load across sites to qualify
- Self-supply allowed with no fees or restrictions
- Utilities continue to deliver electricity and maintain system

Provide Utility with Load Certainty:

IURC to establish a cap on eligible load to procure supply from a third party

- At least 20% of each utility's retail sales must be open to retail choice
- Cap cannot decrease
- New and expanded facilities may use competitive supply even beyond the cap
- Very large single-site users (>75 MW) and new users excluded from cap calculations

Customers can return to utility service with notice:

- 1–25 MW → 30 days
- 25 MW+ → 6 months
- Returns to utility prior to notice period completion can be placed on an hourly market rate

Billing & Cost Allocation:

- Utility must separate charges for: Distribution, transmission, generation, programs, credits, taxes, fees
- Customers of competitive electric suppliers receive dual billing (utility costs and generation costs)

IURC Oversight

- Empowered to ensure no unfair cost-shifting to households or small businesses
- Responsible for cap approval licensing, and compliance
- Publishes an annual report with participation, queue status, procurement activity, and market outcomes

Competitive Electric Supplier Licensing

- Competitive suppliers must be licensed, financially sound, and bonded
- Annual license fee paid to IURC: $10,000
- $1M financial surety required

Implementation Timeline:

- Within 6 months: IURC opens stakeholder process on implementation
- Within 12 months: Final rules adopted and subscription cap order issued
- Effective immediately upon enactment