

Indiana Utility Regulatory Commission

William G. Divine
Administrative Law Judge

Electric Service Area Boundaries
April 19, 2006

Background – 1980 Legislation



Required that Indiana be divided into designated geographic areas, and within each geographic area only one electricity supplier would have the right to furnish retail electric service to the public.

Background – 1980 Legislation

Reasons for Legislation:

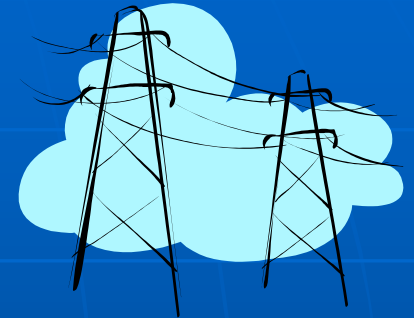
- To encourage the orderly development of statewide electric service
- To avoid unnecessary duplication of electric facilities
- To prevent waste of material and resources
- To promote economical, efficient, and adequate service to the public

Background – 1980 Legislation

IURC adopts uniform procedures for establishing electric service area boundaries:

- U.S.G.S. Mylar Facet Maps
- Electricity Suppliers Must Negotiate
- IURC Hearings

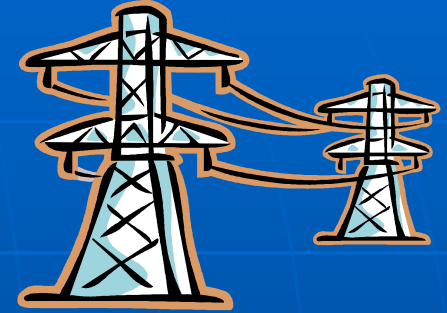
Background – 1980 Legislation



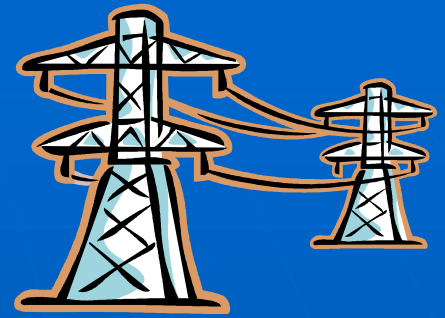
Once established, there were two primary ways to change assigned service area boundaries:

- Mutual Agreement
- Annexation (municipality pays value of electric facilities + severance damages)

Background – 1980 Legislation



To change a municipality's assigned service area following an annexation, the IURC must consider the following:



- Preference of property owners
- Ability of municipally owned electric utility to render service
- Other utilities to be provided in the annexed area by the municipality
- Proximity and capability of service repair facilities of the electricity suppliers involved
- Preference of local government officials

2002 Legislation

Expedites processes to change service area boundaries for both

- Annexation and
- Mutual Agreement



2002 Legislation

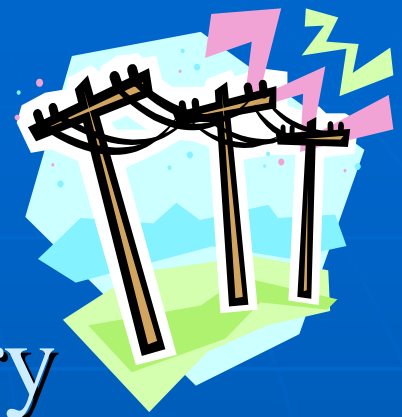
- Mutual Agreement –
 - Publish notice of petition for boundary change and, if no objection within 20 days, no hearing required.

- Annexation –
 - File certified copy of annexation ordinance within 60 days of effective date of ordinance.
 - No hearing required.
 - Payments by municipality still required.

Conversion from Mylar Maps to Geographic Information System (GIS) for Recording Service Area Boundaries

- Cooperative Effort to Establish a GIS for Service Area Boundaries
- “Clean-Up” of Unapproved Boundary Changes





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