

**ANNUAL REPORT  
OF THE  
REGULATORY FLEXIBILITY  
COMMITTEE**



**Indiana Legislative Services Agency  
200 W. Washington Street, Suite 301  
Indianapolis, Indiana 46204**

**November, 2004**

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2004

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# REGULATORY FLEXIBILITY COMMITTEE

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### Staff

Sarah Burkman  
Attorney for the Committee

A copy of this report is available on the Internet. Reports, minutes, and notices are organized by committee. This report and other documents for this Committee can be accessed from the General Assembly Homepage at <http://www.state.in.us/legislative/>.

## **I. STATUTORY DIRECTIVE**

Under IC 8-1-2.6-4, the Regulatory Flexibility Committee is required to monitor competition in the *telecommunications industry*. The Committee is required to consider the following issues:

- (1) The effects of competition on available subsidies used to maintain universal service.
- (2) The status of modernization of the public telephone network in Indiana and the incentives required to further enhance this infrastructure.
- (3) The effects of modernization on economic development and educational opportunities.
- (4) The current method of regulating telephone companies and the method's effectiveness.
- (5) The economic and social effectiveness of current telephone service pricing.

Under IC 8-1-2.5-9, the Committee is also required to monitor changes and competition in the *energy utility industry*, including the following issues:

- (1) The effects of competition or changes in the energy utility industry and the impact of the competition or changes on the residential rates.
- (2) The status of modernization of the energy utility facilities in Indiana and the incentives required to further enhance this infrastructure.
- (3) The effects of modernization on economic development.
- (4) The traditional method of regulating energy utilities and the method's effectiveness.
- (5) The economic and social effectiveness of traditional energy utility service pricing.
- (6) The effects of legislation enacted by the United States Congress.

In 2004, the Legislative Council directed the Committee to study:

- (1) 911 fees addressed in House Bill 1304 introduced during the second regular session of the 113th General Assembly; and
- (2) the relationship between state wireless and local wireless systems.

## **II. SUMMARY OF WORK PROGRAM**

The Committee met once during the 2004 interim session on September 28, 2004.

At this meeting, the Indiana Utility Regulatory Commission presented its annual reports on the electric, telecommunications, and natural gas industries. In addition, the State Utility Forecasting Group delivered its second annual update on renewable resources in Indiana.

The Committee also considered the topics assigned to it by the Legislative Council: (1) enhanced 911 fees as addressed in the introduced version of HB 1304 (2004); and the relationship between the state wireless enhanced 911 fee and local wireline enhanced 911 fees. The Committee made no recommendations on these topics.

The Committee is not required to file a final report. More information concerning the Committee's September 28, 2004, meeting is available in the meeting minutes, which can be accessed from the General Assembly Homepage at <http://www.state.in.us/legislative/>.