

Senate Study Bill 1256 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON FEENSTRA)

A BILL FOR

1 An Act relating to energy efficiency and demand response
2 plan filing requirements for certain public utilities, and
3 including effective date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 476.6, subsection 15, paragraph c,
2 subparagraphs (2) and (4), Code 2019, are amended to read as
3 follows:

4 (2) Notwithstanding the goals developed pursuant to
5 paragraph "b", the board shall not ~~require~~ allow a gas utility
6 to adopt an energy efficiency plan that results in projected
7 cumulative average annual costs that exceed one and one-half
8 percent of the gas utility's expected annual Iowa retail rate
9 revenue from retail customers in the state, shall not ~~require~~
10 allow an electric utility to adopt an energy efficiency plan
11 that results in projected cumulative average annual costs that
12 exceed two percent of the electric utility's expected annual
13 Iowa retail rate revenue from retail customers in the state,
14 and shall not ~~require~~ allow an electric utility to adopt a
15 demand response plan that results in projected cumulative
16 average annual costs that exceed two percent of the electric
17 utility's expected annual Iowa retail rate revenue from retail
18 customers in the state. For purposes of determining the two
19 percent threshold amount, the board shall exclude from an
20 electric utility's expected annual Iowa retail rate revenue
21 the revenues expected from customers that have received
22 exemptions from energy efficiency plans pursuant to paragraph
23 "a". The board shall not allow recovery of costs of an energy
24 efficiency plan or demand response plan pursuant to paragraph
25 "e", subparagraph (1), inclusive of assessments remitted under
26 section 476.10A, in excess of the one and one-half or two
27 percent threshold amount, as applicable, for each plan year.
28 This subparagraph shall apply to energy efficiency plans and
29 demand response plans that are effective on or after January
30 1, 2019.

31 (4) The board shall approve, reject, or modify a plan
32 filed pursuant to [this subsection](#) no later than March 31,
33 2019. If the board fails to approve, reject, or modify a plan
34 filed by a gas or electric utility on or before such date, any
35 plan filed by the gas or electric utility that was approved

1 by the board prior to May 4, 2018, shall be terminated. The
2 board shall not ~~require~~ allow a gas or electric utility to
3 implement an energy efficiency plan or demand response plan
4 that does not meet the requirements of this subsection. For
5 any plan approved by the board after January 1, 2019, in
6 excess of the one and one-half or two percent threshold amount
7 established in subparagraph (2), as applicable, inclusive of
8 assessments remitted under section 476.10A, the gas or electric
9 utility subject to the plan shall file a plan modification
10 with the board within thirty days of the effective date of
11 this Act in order to comply with the one and one-half or two
12 percent threshold amount established in subparagraph (2), as
13 applicable. The board shall approve such plan modification
14 within thirty days of filing without docketing the case as a
15 formal proceeding and without further modification, provided
16 that the only modification to the plan as filed by the gas or
17 electric utility is to adjust the plan and budget in order
18 to comply with the one and one-half or two percent threshold
19 amount established in subparagraph (2), as applicable.

20 Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate
21 importance, takes effect upon enactment.

22 EXPLANATION

23 The inclusion of this explanation does not constitute agreement with
24 the explanation's substance by the members of the general assembly.

25 This bill modifies energy efficiency and demand response
26 plan filing requirements for certain public utilities.

27 Current law requires rate-regulated electric utilities to
28 file five-year energy efficiency plans with the Iowa utilities
29 board, and rate-regulated gas utilities to file five-year
30 energy efficiency plans with the board. The board shall not
31 require a gas utility to adopt a plan that results in projected
32 cumulative average annual costs that exceed 1.5 percent of its
33 expected annual Iowa retail rate revenue, and the board shall
34 not require an electric utility to adopt a plan that results in
35 projected cumulative average annual costs that exceed 2 percent

1 of its expected annual Iowa retail rate revenue.

2 The bill provides that the board shall not allow a gas or
3 electric utility to adopt a plan that exceeds the 1.5 or 2
4 percent threshold amount, as applicable. The board shall not
5 allow plan cost recovery, inclusive of assessments remitted
6 under Code section 476.10A for the Iowa energy center and the
7 center for global and regional environmental research, in
8 excess of the applicable threshold amount, for each plan year.

9 The bill provides that for any plan approved by the board
10 after January 1, 2019, in excess of the applicable threshold
11 amount, inclusive of assessments remitted under Code section
12 476.10A, the gas or electric utility subject to the plan shall
13 file a plan modification with the board within 30 days of
14 the effective date of the bill in order to comply with the
15 applicable threshold amount. The board shall approve such
16 plan modification within 30 days of filing without a formal
17 proceeding and without further modification, provided that the
18 only modification to such plan is to adjust the plan and budget
19 in order to comply with the applicable threshold amount.

20 The bill takes effect upon enactment.