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SENATE FILE 205

BY HOLDEN, HOLT,
VANDE HOEF and TAYLOR

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to discount gas and electric utility rates,
2 charges, schedules and regulations which are calculated
3 to attract new business or expand existing production
4 and employment.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 205

1 Section 1. Section 476.5, Code 1985, is amended to read as
2 follows:

3 476.5 ADHERENCE TO SCHEDULES -- DISCOUNTS.

4 1. No A public utility subject to rate regulation shall
5 not directly or indirectly charge a greater or less
6 compensation for its services than that prescribed in its
7 tariffs, and no such public utility shall not make or grant
8 any unreasonable preferences or advantages as to rates or
9 services to any person or subject any person to any
10 unreasonable prejudice or disadvantage.

11 2. Nothing in this section shall be construed to prohibit
12 any public utility furnishing communications services from
13 providing any service rendered by it without charge or at
14 reduced rate to any of its active or retired officers,
15 directors, or employees, or such officers, directors or
16 employees of other public utilities furnishing communications
17 services. ~~Provided, however, said~~ the service is for personal
18 use, and not for engaging in a business for profit.

19 3. Notwithstanding subsection 1, the commission may ap-
20 prove electric and natural gas rates, charges, schedules and
21 regulations which provide discounts to industrial and commer-
22 cial customers if the commission finds all of the following:

23 a. The utility has the necessary delivery capabilities.

24 b. The discount rate, charge, schedule or regulation is
25 reasonably calculated to attract new business or expand ex-
26 isting production and employment.

27 c. Other customers of the utility will not experience an
28 increase in rates as a result of the discounts.

29 The discount provided to the customer shall phase out over
30 a reasonable period as specified by the commission.

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EXPLANATION

32 This bill allows the Iowa state commerce commission to
33 approve discount electric or natural gas rates, charges,
34 schedules and regulations for industrial and commercial cus-
35 tomers. However, before approving the discount, the com-

1 mission must find that the utility has the necessary delivery
2 capacity, that the discount is reasonably calculated to
3 attract new business or expand existing production and
4 employment, and that other customers will not experience an
5 increase in rates as a result of the discounts. The discounts
6 are to phase out over a reasonable period as specified by the
7 commission.

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