

*Substituted for
HF 2306 3/23/94 (P. 817)*

FILED FEB 15 1994

SENATE FILE 2157
BY COMMITTEE ON ENVIRONMENT
AND ENERGY UTILITIES

(SUCCESSOR TO SSB 2081)

Passed Senate, Date ^(P. 495) 3/3/94 Passed House, Date ^(P. 1552) 4/14/94
Vote: Ayes 49 Nays 0 Vote: Ayes 96 Nays 0

Approved May 2, 1994
*Passed 4-14-94
vote 48-0*

A BILL FOR

1 An Act relating to electric transmission line franchises.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2157

1 Section 1. Section 478.1, Code 1993, is amended to read as
2 follows:

3 478.1 FRANCHISE.

4 A person shall not construct, erect, maintain, or operate a
5 transmission line, wire, or cable which ~~operates~~ is capable of
6 operating at an electric voltage of thirty-four and one-half
7 kilovolts or more along, over, or across any public highway or
8 grounds outside of cities for the transmission, distribution,
9 or sale of electric current, without first procuring from the
10 utilities board within the utilities division of the
11 department of commerce a franchise granting authority as
12 provided in this chapter. However, a franchise shall not be
13 required for electric lines constructed entirely within the
14 boundaries of property owned by a person primarily engaged in
15 the transmission or distribution of electric power or entirely
16 within the boundaries of property owned by the end user of the
17 electric power.

18 If the transmission line, wire, or cable ~~operates~~ is
19 capable of operating only at an electric voltage of less than
20 thirty-four and one-half kilovolts, no franchise is required.
21 However, the utilities board shall retain jurisdiction over
22 all such lines, wires or cables and shall prescribe the
23 contents of a written notice and map to be timely provided to
24 the board and affected parties including owners of electric
25 supply lines located within six-tenths of one mile of proposed
26 construction of such lines, wires or cables. A person who
27 seeks to construct, erect, maintain or operate a transmission
28 line, wire or cable which will operate at an electric voltage
29 of less than thirty-four and one-half kilovolts outside of
30 cities and which cannot secure the necessary voluntary
31 easements to do so may petition the board pursuant to section
32 478.3, subsection 1 for a franchise granting authority for
33 such construction, erection, maintenance or operation, and for
34 the use of the right of eminent domain.

35 Sec. 2. Section 478.2, unnumbered paragraph 4, Code 1993,

1 is amended to read as follows:

2 The person, company, or corporation seeking the franchise
3 for a new transmission line shall give notice of the
4 informational meeting to each person, company, or corporation
5 determined to be the landowner affected by the proposed
6 project and any person, company or corporation in possession
7 of or residing on the property. For the purposes of this
8 section, "landowner" means a person, company, or corporation
9 listed on the tax assessment rolls as responsible for the
10 payment of real estate taxes imposed on the property and
11 "transmission line" means any line carrying capable of
12 operating at thirty-four point-five and one-half kilovolts or
13 more and extending a distance of not less than one mile across
14 privately owned real estate.

15 Sec. 3. Section 478.3, subsection 2, unnumbered paragraph
16 1, Code 1993, is amended to read as follows:

17 Petitions for transmission lines carrying capable of
18 operating at thirty-four point-five and one-half kilovolts or
19 more and extending a distance of not less than one mile across
20 privately owned real estate shall also set forth an allegation
21 that the proposed construction represents a reasonable
22 relationship to an overall plan of transmitting electricity in
23 the public interest and substantiation of such allegations,
24 including but not limited to, a showing of the following:

25 Sec. 4. Section 478.13, Code 1993, is amended by adding
26 the following new unnumbered paragraph:

27 NEW UNNUMBERED PARAGRAPH. An extension of a franchise is
28 not required for an electric transmission line which has been
29 permanently retired from operation at thirty-four and one-half
30 kilovolts or more but which remains in service at a lower
31 voltage. The board shall be notified of changes in operating
32 status.

33 Sec. 5. Section 478.21, Code 1993, is amended to read as
34 follows:

35 478.21 NONUSER.

1 ~~Unless~~ If the improvement for which a franchise is granted
2 is not constructed in whole or in part within two years from
3 the ~~granting thereof~~, at date the franchise is granted, the
4 franchise shall be forfeited and the utilities board which
5 granted the franchise shall ~~cancel and~~ revoke the same
6 franchise and make a record thereof of the revocation, unless
7 the person holding the franchise petitions the board for an
8 extension of time. Upon a showing of sufficient justification
9 for the delay of construction, the board may grant an
10 extension of time for not more than an additional two years.

11 EXPLANATION

12 Current law allows an electric transmission line to be
13 built, prior to obtaining a franchise, if the line is
14 initially operated at a voltage of less than 34.5 kilovolts.
15 It allows a person to build a higher voltage line as long as
16 the line is not initially operated at a higher voltage. This
17 bill tightens that restriction by requiring that a franchise
18 must be obtained if the transmission line is capable of
19 operating at an electric voltage of 34.5 kilovolts or more.

20 The bill allows construction of an electric line without
21 obtaining a franchise if the line is constructed entirely
22 within the boundaries of property owned by a person primarily
23 engaged in the transmission or distribution of electric power,
24 or entirely within the boundaries of property owned by the end
25 user of the electric power.

26 In addition, the bill requires that an extension of a
27 franchise is not required for an electric transmission line
28 that has been permanently retired from operation at a voltage
29 of 34.5 kilovolts or more, but which remains in service at a
30 lower voltage. It requires the utilities board to be notified
31 of changes in operating status.

32 Current law requires the forfeiture of a franchise for an
33 improvement if the improvement is not constructed within two
34 years. This bill allows the two-year period for construction
35 to be extended for an additional two years by the utilities

1 board upon a showing of sufficient justification.

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SENATE FILE 2157

H-5294

1 Amend Senate File 2157, as passed by the Senate, as
2 follows:

3 1. Page 3, line 10, by inserting after the word
4 "years." the following: "An extension of time shall
5 only be allowed for franchises granted on or after
6 July 1, 1994."

By HOLVECK of Polk

SCHRADER of Marion

OSTERBERG of Linn

WITT of Black Hawk

H-5294 FILED MARCH 10, 1994

adapted 4-14-94

SENATE FILE 2157

H-5894

1 Amend Senate File 2157, as passed by the Senate as
2 follows:

3 1. Page 1, by inserting before line 1 the
4 following:

5 "Section 1. Section 476.26, Code 1993, is amended
6 to read as follows:

7 476.26 EFFECT OF INCORPORATION, ANNEXATION OR
8 CONSOLIDATION.

9 The inclusion by incorporation, consolidation, or
10 annexation of any facilities or service area of an
11 electric utility within the boundaries of any city
12 shall not by such inclusion impair or affect ~~in any~~
13 ~~respect~~ the rights of the electric utility to continue
14 to provide electric utility service ~~and to extend~~
15 ~~service to prospective customers~~ in accordance with
16 the provisions of this division, except that in the
17 instance of annexation by a city into undeveloped
18 areas, it is presumed to be in the public interest for
19 the city, if the city operates an electric utility, to
20 provide electric utility service to the annexed area."

21 2. Title page, line 1, by inserting after the
22 word "franchises" the following: "and electric
23 services areas".

By DICKINSON of Jackson

H-5894 FILED MARCH 30, 1994

WITHDRAWN

SENATE FILE 2157

H-5915

1 Amend the amendment, H-5894, to Senate File 2157,
2 as passed by the Senate as follows:

3 1. Page 1, line 17, by striking the words
4 "annexation by a city into".

5 2. Page 1, line 18, by inserting after the word
6 "areas" the following: "within city boundaries".

7 3. Page 1, line 20, by striking the word
8 "annexed".

By DICKINSON of Jackson

H-5915 FILED MARCH 31, 1994

out of order 4/14/94

HOUSE AMENDMENT TO
SENATE FILE 2157

S-5643

1 Amend Senate File 2157, as passed by the Senate, as
2 follows:

3 1. Page 3, line 10, by inserting after the word
4 "years." the following: "An extension of time shall
5 only be allowed for franchises granted on or after
6 July 1, 1994."

RECEIVED FROM THE HOUSE

S-5643 FILED APRIL 14, 1994
CONCURRED

4-14-94

Delaney ✓ Chair
Gronstal
Borlaug

SS B-2081
Environment + Energy
Utilities

SENATE FILE 2157
BY (PROPOSED COMMITTEE ON
ENVIRONMENT AND ENERGY
UTILITIES BILL BY
CHAIRPERSON ROSENBERG)

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

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8 grounds outside of cities for the transmission, distribution,
9 or sale of electric current, without first procuring from the
10 utilities board within the utilities division of the
11 department of commerce a franchise granting authority as
12 provided in this chapter. However, a franchise shall not be
13 required for electric lines constructed entirely within the
14 boundaries of property owned by a person primarily engaged in
15 the transmission or distribution of electric power or entirely
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23 contents of a written notice and map to be timely provided to
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6 project and any person, company or corporation in possession
7 of or residing on the property. For the purposes of this
8 section, "landowner" means a person, company, or corporation
9 listed on the tax assessment rolls as responsible for the
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12 operating at thirty-four point-five and one-half kilovolts or
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LSB 3622SC 75

js/jw/5

grounds outside of cities for the transmission, distribution, or sale of electric current, without first procuring from the utilities board within the utilities division of the department of commerce a franchise granting authority as provided in this chapter. However, a franchise shall not be required for electric lines constructed entirely within the boundaries of property owned by a person primarily engaged in the transmission or distribution of electric power or entirely within the boundaries of property owned by the end user of the electric power.

If the transmission line, wire, or cable operates is capable of operating only at an electric voltage of less than thirty-four and one-half kilovolts, no franchise is required. However, the utilities board shall retain jurisdiction over all such lines, wires or cables and shall prescribe the contents of a written notice and map to be timely provided to the board and affected parties including owners of electric supply lines located within six-tenths of one mile of proposed construction of such lines, wires or cables. A person who seeks to construct, erect, maintain or operate a transmission line, wire or cable which will operate at an electric voltage of less than thirty-four and one-half kilovolts outside of cities and which cannot secure the necessary voluntary easements to do so may petition the board pursuant to section 478.3, subsection 1 for a franchise granting authority for such construction, erection, maintenance or operation, and for the use of the right of eminent domain.

Sec. 2. Section 478.2, unnumbered paragraph 4, Code 1993, is amended to read as follows:

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SENATE FILE 2157

AN ACT

RELATING TO ELECTRIC TRANSMISSION LINE FRANCHISES.

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

Section 1. Section 478.1, Code 1993, is amended to read as follows:

478.1 FRANCHISE.

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Sec. 3. Section 478.3, subsection 2, unnumbered paragraph 1, Code 1993, is amended to read as follows:

Petitions for transmission lines carrying capable of operating at thirty-four point-five and one-half kilovolts or more and extending a distance of not less than one mile across privately owned real estate shall also set forth an allegation that the proposed construction represents a reasonable relationship to an overall plan of transmitting electricity in the public interest and substantiation of such allegations, including but not limited to, a showing of the following:

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extension of time. Upon a showing of sufficient justification for the delay of construction, the board may grant an extension of time for not more than an additional two years. An extension of time shall only be allowed for franchises granted on or after July 1, 1994.

LEONARD L. BOSWELL
President of the Senate

HAROLD VAN HAANEN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2157, Seventy-fifth General Assembly.

JOHN F. DWYER
Secretary of the Senate

Approved , 1994

TERRY E. BRANSTAD
Governor