



**Prepared Written Testimony of Regi Goodale  
for the Public Hearing on State Budgets for FY2018**

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Prepared Remarks – April 17, 2017

Good Morning,

My name is Regi Goodale. I am the Director of Regulatory Affairs for the Iowa Association of Electric Cooperatives. Thank you for the opportunity to address an issue, Iowa's research centers, that is very important to Iowa's electric cooperatives.

I have had the pleasure of working in the energy industry in Iowa since 1985. In this time, I have seen the Iowa Legislature create the Iowa Energy Center at Iowa State and the Center for Global & Regional Environmental Research at the University of Iowa. Additionally, in July 1990 Congress provided a \$4 million grant to construct the Center for Energy and Environmental Education at the University of Northern Iowa.

The centers at Iowa State and the University of Iowa have been funded through a tax on electric and natural gas consumers in the State of Iowa.

Please understand that Iowa's electric cooperatives are supportive of renewable energy, energy efficiency and research. As most of you are aware the energy industry in Iowa and in the nation for that matter has changed drastically since 1990 when our 2 research centers were created.

I have had the opportunity to work with the centers over the years on various projects. On behalf of Iowa's electric cooperatives, we are proud to have funded (through the member-consumers who purchase electricity from the cooperatives) the research efforts of these organizations and the work they have completed.

However, the cooperatives are willing to support change when it seems appropriate. After attending almost all of the working group meetings conducted in the development of the Iowa Energy Plan, it became clear that there was a need for a change. The Iowa Energy Plan was an opportunity for several Iowans to have input into Iowa's plan and it identified changes. Moving the Iowa Energy Center to the same authority who is tasked with following-up on the Iowa Energy Plan makes sense and should further collaboration and avoid duplication of effort.



The electric markets today are drastically different than they were in the 1990s when the Iowa Legislature created these 2 centers. The federal government has established a competitive wholesale market as well as regional transmission organizations. Power is now being transmitted over much longer distances than it has in the past, and there are many more entities participating in the market with a significant increase in the number of transactions that are conducted each day.

The amount of investment in energy efficiency and renewable energy in Iowa since 1990 is astonishing. Iowa's electric cooperatives have invested over \$230 million in energy efficiency since 1990.

The energy portfolios have a lot more renewable incorporated today than we did in the 1990s. For example, Central Iowa Power Cooperative, a member of IAEC, is a generation and transmission cooperative providing generation service to a significant portion of Iowa's electric cooperative member-consumers. Its generation portfolio is nearly 60% carbon free.

Another area where electric cooperatives have seen significant change is in the technology we are using to serve our member-owners. For example, electronic billing, electronically reading of meters, changing out electric service and technologies used to identify outages are some key areas of changes.

Iowa's electric cooperatives partner with electric cooperatives across the United States through our national association to conduct research. We need to ensure the State of Iowa is not duplicating these research efforts.

Iowa's electric cooperatives have 3 major areas of concern for any partner or affiliate for whom we are providing funding, including these centers. Those 3 areas are:

1. Accountability
2. Transparency
3. Results

While these concerns have existed since inception, with the changes in the energy industry and other changes these concerns have intensified. We have had the opportunity to review SSB 1196 and we are supportive of this bill as we believe it adequately addresses our concerns with accountability, transparency and results.

The bill appears to give the Board more authority. As stated earlier it vests the authority with the same agency that is handling the Iowa Energy Plan. It also establishes a sunset date that will force an evaluation of the need to continue the ratepayer funding after five years. All of these things would be consistent with the 3 areas of concern noted previously. Thank you.