

CHAPTER 473

ENERGY DEVELOPMENT AND CONSERVATION

Referred to in §455A.4, 455A.6

This chapter not enacted as a part of this title;
transferred from chapter 93 in Code 1993
For provisions regarding transfer of funds under the control of
the office of energy independence to the economic development authority,
continuation of licenses, permits, or contracts by the economic
development authority, continued administration of grants
or loans awarded from the Iowa power fund,
continued administration of federal grant funds
by the economic development authority, and employment status of
certain office of energy independence employees,
see 2011 Acts, ch 118, §51, 89

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473.1 Definitions.

As used in [this chapter](#), unless the context otherwise requires:

1. “Alternative and renewable energy” means energy sources including but not limited to solar, wind turbine, waste management, resource recovery, recovered energy generation, refuse-derived fuel, hydroelectric, agricultural crops or residues, hydrogen produced using renewable fuel sources, and woodburning, or relating to renewable fuel development and distribution.
2. “Authority” means the economic development authority created in [section 15.105](#).
3. “Director” means the director of the authority or a designee.
4. “Energy” or “energy sources” means gasoline, fuel oil, natural gas, propane, coal, special fuels, and electricity.
5. “Renewable fuel” means a fuel that is all of the following:
 - a. A motor vehicle fuel that is any of the following:
 - (1) Produced from grain; starch; oilseed; vegetable, animal, or fish materials, including but not limited to fats, greases, and oil; sugar components, grasses, or potatoes; or other biomass.

(2) Natural gas produced from a biogas source including but not limited to a landfill, sewage waste treatment plant, animal feeding operation, or other place where decaying organic material is found.

b. Used to replace or reduce the quantity of fossil fuel present in a motor fuel mixture used to operate a motor vehicle.

6. “*Supplier*” means any person engaged in the business of selling, importing, storing, or generating energy sources, alternative and renewable energy, or renewable fuel in Iowa.

[C75, 77, 79, 81, §93.1]

86 Acts, ch 1245, §1817 – 1819

C93, §473.1

2008 Acts, ch 1126, §18, 19, 33; 2009 Acts, ch 108, §26, 41; 2011 Acts, ch 118, §45 – 47, 89; 2012 Acts, ch 1021, §88; 2020 Acts, ch 1063, §260

473.2 Findings.

The general assembly finds that the health, welfare, and prosperity of all Iowans require the provision of adequate, efficient, reliable, environmentally safe, and least-cost energy at prices which accurately reflect the long-term cost of using such energy resources and which are equitable to all Iowans. The goals and objectives of this policy are to ensure the following:

1. *Efficiency*. The provision of reliable energy at the least possible cost to Iowans in such manner that:

a. Physical, human, natural, and financial resources are allocated efficiently.

b. All supply and demand options are considered and evaluated using comparable terms and methods in order to determine how best to meet consumers’ demands for energy at the least cost.

2. *Environmental quality*. The protection of the environment from the adverse external costs of an energy resource utilization so that:

a. Environmental costs of proposed actions having a significant impact on the environment and the environmental impact of the alternatives are identified, documented, and considered in the resource development.

b. The prudently and reasonably incurred costs of environmental controls are recovered.

88 Acts, ch 1179, §1

C89, §93.2

C93, §473.2

2008 Acts, ch 1126, §20, 33

See also chapter 470 for life cycle cost analysis provisions

473.3 Energy resource management goal.

The goal of this state is to efficiently utilize energy resources to enhance the economy of the state by decreasing the state’s dependence on nonrenewable energy resources from outside the state and by reducing the amount of energy used. This goal is to be implemented through the development of policies and programs that promote energy efficiency, energy conservation, and alternative and renewable energy use by all Iowans, through the development and enhancement of an energy efficiency and alternative and renewable energy industry, through the commercialization of energy resources and technologies that are economically and environmentally viable, and through the development and implementation of effective public information and education programs.

90 Acts, ch 1252, §6

C91, §93.3

C93, §473.3

2008 Acts, ch 1126, §21, 33; 2024 Acts, ch 1167, §18

473.4 Duties of the authority.

The authority shall do the following:

1. Periodically update the Iowa energy plan that identifies objectives and strategies for developing the energy sector in the state.

2. Administer and coordinate federal funds received for energy conservation, energy management, and alternative and renewable energy programs.

3. Apply for, receive, administer, and use federal or other funds available for achieving the purposes of [this chapter](#).

4. Promulgate rules necessary to carry out the provisions of [this chapter](#), subject to review in accordance with [chapter 17A](#). Rules promulgated by the governor pursuant to a proclamation issued under [section 473.8](#) shall not be subject to review or a public hearing as required in [chapter 17A](#); however, authority rules for implementation of the governor's proclamation are subject to the requirements of [chapter 17A](#).

[2024 Acts, ch 1167, §19](#)

473.5 Energy security plan.

1. The governor or the governor's designee shall maintain an energy security plan.

2. The energy security plan shall include but is not limited to the following:

a. A description of the circumstances that indicate an actual or imminent acute shortage of usable energy, including liquid fossil fuels.

b. Any action to be taken by the authority or relevant agencies in response to an executive order by the governor under [section 473.8](#).

[2024 Acts, ch 1167, §20](#)

473.6 Reserved.

473.7 Duties of the authority. Repealed by [2024 Acts, ch 1167, §24](#).

473.8 Emergency powers.

1. If the director makes a determination the health, safety, or welfare of the people of this state is threatened by an actual or impending acute shortage of usable energy, the director shall provide the determination to the governor, together with the director's recommendations, on the declaration of an emergency by the governor and recommended actions, if any, to be undertaken. Within thirty days of the date of the determination by the director, the governor may issue a proclamation of emergency, which shall be filed with the secretary of state. The proclamation shall state the facts relied upon and the reasons for the proclamation.

2. a. Pursuant to the proclamation of an emergency or in response to a declaration of an energy emergency by the president of the United States under the federal Emergency Energy Conservation Act of 1979, Pub. L. No. 96-102, the governor by executive order may:

(1) Regulate the operating hours of energy consuming instrumentalities of state government, political subdivisions, private institutions, and business facilities to the extent the regulation is not hazardous or detrimental to the health, safety, or welfare of the people of this state. However, the governor shall have no authority to suspend, amend, or nullify any service being provided by a public utility pursuant to an order or rule of a federal agency that has jurisdiction over the public utility.

(2) Establish a system for the distribution and supply of energy. The system shall not include a coupon rationing program, unless the program is federally mandated.

(3) Curtail public and private transportation utilizing energy sources. Curtailment may include measures designed to promote the use of car pools and mass transit systems.

(4) Delegate any administrative authority vested in the governor to the authority or the director.

(5) Provide for the temporary transfer of directors, personnel, or functions of state departments and agencies, for the purpose of performing or facilitating emergency measures pursuant to subparagraphs (1) and (2).

(6) Accept the delegation of the authority for other mandatory measures as allowed under the federal Emergency Energy Conservation Act of 1979, Pub. L. No. 96-102, as amended.

b. If the general assembly is in session, it may revoke by concurrent resolution any proclamation of emergency issued by the governor. If the general assembly is not in session, the proclamation of emergency by the governor may be revoked by a majority vote

of the standing membership of the legislative council. Such revocation shall be effective upon receipt of notice of the revocation by the secretary of state and any functions being performed pursuant to the governor's proclamation shall cease immediately.

3. A violation of an executive order of the governor issued pursuant to [this section](#) is a scheduled violation as provided in [section 805.8C, subsection 1](#). If the violation is continuous and stationary in its nature and subsequent compliance can easily be ascertained, an officer may issue a memorandum of warning in lieu of a citation providing a reasonable amount of time not exceeding fourteen days to correct the violation and to comply with the requirements of the executive order.

[C75, 77, 79, 81, §93.8]

[86 Acts, ch 1245, §1822](#)

C93, §473.8

[2001 Acts, ch 137, §5](#); [2009 Acts, ch 108, §28, 29, 41](#); [2011 Acts, ch 118, §50, 89](#); [2024 Acts, ch 1167, §21, 22](#)

Referred to in [§473.4](#), [473.5](#), [805.8C\(1\)](#)

473.9 Set-aside definitions.

As used in [section 473.10](#) unless the context otherwise requires:

1. "*Hardship*" means a situation involving or potentially involving substantial discomfort or danger or economic dislocation caused by a shortage or distribution imbalance of a liquid fossil fuel.

2. "*Liquid fossil fuel*" means heating oils, diesel oil, motor gasoline, propane, residual fuel oils, kerosene, and aviation fuels.

3. "*Prime supplier*" means an individual, trustee, agency, partnership, association, corporation, company, municipality, political subdivision, or other legal entity that makes the first sale of a liquid fossil fuel into the state distribution system for consumption within the state.

[[81 Acts, ch 32, §3](#)]

C83, §93.9

C93, §473.9

473.10 Reserve required.

1. If the director or the governor finds that an impending or actual shortage or distribution imbalance of liquid fossil fuels may cause hardship or pose a threat to the health and economic well-being of the people of the state or a significant segment of the state's population, the governor may authorize the director to operate a liquid fossil fuel set-aside program as provided in [subsection 2](#).

2. Upon authorization by the governor, the director may require a prime supplier to reserve a specified fraction of the prime supplier's projected total monthly release of liquid fossil fuel in Iowa. The director may release any or all of the fuel required to be reserved by a prime supplier to end-users or to distributors for release through normal retail distribution channels to retail customers. However, the specified fraction required to be reserved shall not exceed three percent for propane, aviation fuel, and residual oil, and five percent for motor gasoline, heating oil, and diesel oil.

3. The director shall periodically review and may terminate the operation of a set-aside program authorized by the director under [subsection 1](#) when the director finds that the conditions that prompted the authorization no longer exist. The governor shall periodically review and may terminate the operation of a set-aside program authorized by the governor under [subsection 1](#) when the governor finds that the conditions that prompted the authorization no longer exist.

4. The authority shall adopt rules to implement [this section](#).

[[81 Acts, ch 32, §4](#)]

C83, §93.10

[86 Acts, ch 1245, §1822](#)

C93, §473.10

2009 Acts, ch 108, §30, 41; 2011 Acts, ch 118, §50, 89; 2012 Acts, ch 1021, §90; 2024 Acts, ch 1167, §23

Referred to in §473.9

473.11 Energy conservation trust established — receipts and disbursements. Repealed by 2008 Acts, ch 1126, §32, 33.

473.12 Implementation of energy conservation measures — state board of regents. Repealed by 2005 Acts, ch 179, §160.

473.13 Implementation of energy conservation measures — state department of transportation. Repealed by 2008 Acts, ch 1126, §32, 33.

473.13A Energy management improvements identified and implemented. Repealed by 2024 Acts, ch 1167, §24.

473.14 Reserved.

473.15 Annual report. Repealed by 2024 Acts, ch 1167, §24.

473.16 and 473.17 Repealed by 2008 Acts, ch 1126, §32, 33.

473.18 Reserved.

473.19 Building energy management program. Repealed by 2024 Acts, ch 1167, §24.

473.19A Building energy management fund. Repealed by 2024 Acts, ch 1167, §24.

473.20 Energy loan program. Repealed by 2024 Acts, ch 1167, §24.

473.20A Self-liquidating financing. Repealed by 2024 Acts, ch 1167, §24.

473.21 through 473.39 Reserved.

473.40 Statewide building energy efficiency rating system. Repealed by 2006 Acts, ch 1014, §10.

473.41 Energy city designation program. Repealed by 2024 Acts, ch 1167, §24.

473.42 Exit signs — standards. Repealed by 2008 Acts, ch 1126, §32, 33.

473.43 Reserved.

473.44 Plumbing products efficiency standards — penalty. Repealed by 2008 Acts, ch 1126, §32, 33.