

199—15.11(476) Alternate energy purchase programs. This rule applies to utilities that elect rate regulation pursuant to Iowa Code section 476.1A where specifically stated.

15.11(1) *Obligation to offer programs.*

a. All utilities will file plans with the commission for alternative energy purchase programs pursuant to Iowa Code section 476.47.

b. Each rate-regulated electric utility shall demonstrate on an annual basis that it produces or purchases sufficient energy from program AEP facilities located in Iowa to meet the needs of its Iowa program. These Iowa-based AEP facilities shall not include AEP facilities for which the utility has sought cost recovery under rule 199—20.9(476) prior to July 1, 2001.

15.11(2) *Customer notification.*

a. Each electric utility shall notify eligible customer classes of the implementation or modification of AEP programs pursuant to Iowa Code section 476.47(3) and will include the following, as applicable:

(1) A description of the availability and purpose of the program or program modification, clarifying that customer contributions will not involve the direct sale of alternate energy to individual customers;

(2) The effective date of the program or program modification;

(3) Customer classes eligible for participation;

(4) Forms and levels of customer contribution available to program participants;

(5) A utility telephone number for answering customers' questions about the program; and

(6) Customer instructions that explain how to participate in the program.

b. In addition to the notification requirements under paragraph 15.11(2)“a,” each rate-regulated electric utility shall:

(1) Include fuel report information described under subrule 15.11(5); and

(2) Submit the proposed notification to the commission for approval at least 30 days prior to the proposed date of issuance of the notification.

15.11(3) *Program plan filing requirements for rate-regulated utilities.* Initial program plans and any subsequent modifications filed by rate-regulated electric utilities will be subject to commission approval. The initial program plan filing shall include:

a. The program tariff;

b. The program effective date;

c. A sample of the customer notification, including a description of the method of distribution;

d. Customer classes eligible for participation and the schedule for extending participation to all customer classes;

e. Identification of each AEP facility used for the program, including:

(1) Fuel type;

(2) Nameplate capacity;

(3) Estimated annual kilowatt-hour (kWh) output;

(4) Estimated in-service date;

(5) Ownership, including any utility affiliation;

(6) A copy of any contract for utility purchases from the facility;

(7) A description of the method or procedure used to select the facility;

(8) Facility location; and

(9) If the facility is located outside of Iowa, an explanation of how the facility qualifies under Iowa Code section 476.47(4);

f. The forms and levels of customer contribution available to program participants, including but not limited to:

(1) kWh rate premiums applied to percentages of participant kWh usage, with an explanation of how the kWh rate premiums are derived; or

(2) kWh rate premiums applied to fixed kWh blocks of participant usage, with an explanation of how the kWh rate premiums are derived; or

(3) Fixed contributions, with an explanation of how the fixed amounts are derived;

g. The maximum allowable time lag between the beginning of customer contributions and the in-service date for identified AEP facilities, and the procedures for suspending customer contributions if the maximum time lag is exceeded;

h. The intended treatment of program participants under rule 199—20.9(476);

i. An accounting plan for identifying and tracking participant contributions and program costs, including:

(1) Identification of incremental program costs not otherwise recovered through the utility's rates, including but not limited to program start-up and administration costs, program marketing costs, and program energy and capacity costs associated with identified AEP facilities;

(2) Methods for quantifying, assigning, and allocating costs of the program and for segregating those costs in the utility's accounts; and

j. A marketing and customer information plan, including schedules and copies of all marketing and information materials, as available.

15.11(4) *Annual reporting requirements for rate-regulated utilities.* Each rate-regulated electric utility shall file with the commission a report of program activity for the previous calendar year. The annual report shall include:

a. Program information, including:

(1) The number of program participants, by customer class;

(2) Participant contribution revenues, by customer class, by form and level of contribution, and by associated participant kWh sales;

(3) Program electricity generated from each program AEP facility and the associated costs; and

(4) Other program costs, by cost type.

b. An annual reconciliation of participant contributions and program costs.

(1) Program costs are incremental costs associated with the utility's alternate energy purchase program not otherwise recovered through the utility's base tariff rates, and electricity costs dedicated to the program and separated from the utility's energy automatic adjustment clause as defined in rule 199—20.9(476).

(2) The excess of participant contributions over program costs is an annual program surplus, and the excess of program costs over participant contributions is an annual program deficit.

(3) Annual program surpluses and deficits are cumulative over successive years.

(4) A program deficit may be recovered through the utility's energy automatic adjustment clause as defined in rule 199—20.9(476).

(5) Any program surplus shall be used to offset prior years' program deficits previously recovered through the energy automatic adjustment clause, and the offset amount shall be credited through the utility's energy automatic adjustment clause.

c. Identification of any other AEP or renewable energy requirements being met with program AEP facilities and identification of any revenues derived from the separate sale of the renewable energy attributes of program AEP facilities.

d. Documentation that shows the energy produced by the utility's program AEP facilities in Iowa (whether contracted, leased, or owned), not including AEP facilities for which the utility has sought cost recovery under rule 199—20.9(476) prior to July 1, 2001, is sufficient to meet the requirement of the utility's Iowa AEP program.

e. A description of program marketing and customer information activities, including schedules and copies of all marketing and information materials related to the program.

f. Program modifications and uses for any program surplus that are under consideration, including procurement or assignment of additional electricity from AEP facilities.

g. A copy of the utility's annual fuel report to customers under subrule 15.11(5).

15.11(5) *Annual fuel reporting requirements for rate-regulated electric utilities.*

a. Each rate-regulated electric utility shall annually report to all of its Iowa customers its percentage mix of fuel and energy inputs used to produce electricity. The report shall, to the extent practical, specify percentages of electricity produced by coal, nuclear energy, natural gas, oil, AEP electricity produced for the utility's AEP program, non-program AEP electricity, and resources purchased from other companies.

The percentages for AEP electricity shall further specify percentages of electricity produced by wind, solar, hydropower, biomass, and other technologies.

b. The report shall include an estimate of sulfur dioxide (SO₂), nitrogen oxide (NO_x), and carbon dioxide (CO₂) emissions for each known fuel and energy input type. The emission estimate shall be expressed in pounds per 1000 kWh.

15.11(6) *Tariff filing requirements for non-rate-regulated electric utilities.*

a. Utilities that are not subject to rate regulation or that elect rate regulation pursuant to Iowa Code section 476.1A will include the following information in tariffs filed pursuant to Iowa Code section 476.47(2)“*b*”:

- (1) The program tariff;
- (2) The program effective date;
- (3) A description of customer notification efforts;
- (4) Customer classes eligible for participation; and
- (5) Statement of compliance with Iowa Code section 476.47(4).

b. Joint filings. Utilities subject to paragraph 15.11(6)“*a*” may file a tariff jointly with other non-rate-regulated utilities or through an agent. A joint tariff filing shall contain the information required by paragraph 15.11(6)“*a*.” Each utility participating in the joint tariff shall be identified.

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