

199—20.12(476) Periodic electric energy supply and cost review [476.6(12)]. Pursuant to Iowa Code section 476.6(12), the commission shall periodically conduct a contested case proceeding for the purpose of evaluating the reasonableness and prudence of a rate-regulated public utility's practices related to procurement of and contracting for fuel used in generating electricity. When it determines to conduct a contested case proceeding, the commission shall notify a rate-regulated utility that it will be required to file an electric fuel procurement plan. The notification to the utility shall include a detailed list of what the commission will be examining as part of the review. The utility shall file its plan no later than 105 days after notification unless otherwise directed by the commission. A utility's procurement plan shall be organized to include information as follows:

20.12(1) Index. The plan shall include an index of all documents and information required to be filed in the plan, and the identification of the commission files in which the documents incorporated by reference are located.

20.12(2) Purchase contracts and arrangements. A utility's procurement plan shall include detailed summaries of the following types of contracts and agreements executed since the last procurement review:

- a. All contracts and fuel supply arrangements for obtaining fuel for use by any unit in generation;
- b. All contracts and arrangements for transporting fuel from point of production to the site where placed in inventory, including any unit generating electricity for the utility;
- c. All contracts and arrangements for purchasing or selling allowances;
- d. Purchased power contracts or arrangements, including sale-of-capacity contracts, involving over 25 MW of capacity;
- e. Pool interchange agreements;
- f. Multiutility transmission line interchange agreements; and
- g. Interchange agreements between investor-owned utilities, generation and transmission cooperatives, or both, not required to be filed above, which were entered into or in effect since the last filing, and all such contracts or arrangements that will be entered into or exercised by the utility during the prospective 12-month period.

All procurement plans filed by a utility shall include all of the types of contracts and arrangements listed in paragraphs 20.12(2) "a" and "b" that will be entered into or exercised by the utility during the prospective 12-month period. In addition, the utility shall file an updated list of contracts that are or will become subject to renegotiation, extension, or termination within five years. The utility shall also update any price adjustment affecting any of the filed contracts or arrangements.

20.12(3) Other contract offers. The procurement plan shall include a list and description of those types of contracts and arrangements listed in subrule 20.12(2) offered to the utility since the last filing into which the utility did not enter. In addition, the procurement plan shall include a list of those types of contracts and arrangements listed in subrule 20.12(2) that were offered to the utility for the prospective 12-month period and into which the utility did not enter.

20.12(4) Studies or investigation reports. The procurement plans shall include all studies or investigation reports that have been considered by the utility in deciding whether to enter into any of those types of contracts or arrangements listed in subrules 20.12(2) and 20.12(3) that will be exercised or entered into during the prospective 12-month period.

20.12(5) Price hedge justification. The procurement plan shall justify purchasing allowance futures contracts as a hedge against future price changes in the market rather than for speculation.

20.12(6) Actual and projected costs. The procurement plan shall include an accounting of the actual costs incurred in the purchase and transportation of fuel and the purchase of allowances for use in generating electricity associated with each contract or arrangement filed in accordance with subrule 20.12(2) for the previous 12-month period.

The procurement plan also shall include an accounting of all costs projected to be incurred by the utility in the purchase and transportation of fuel and the purchase of allowances for use in generating electricity associated with each contract or arrangement filed in accordance with subrule 20.12(2) in the prospective 12-month period.

If applicable, the reporting of transportation costs in the procurement plan shall include all known liabilities, including all unit train costs.

20.12(7) *Costs directly related to the purchase of fuel.* The utility shall provide a list and description of all other costs directly related to the purchase of fuels for use in generating electricity not required to be reported by subrule 20.12(6).

20.12(8) *Compliance plans.* Each utility shall file its emissions compliance plan as submitted to the EPA. Revisions to the compliance plan shall be filed with each subsequent procurement plan.

20.12(9) *Evidence submitted.* Each utility shall submit all factual evidence and written argument in support of its evaluation of the reasonableness and prudence of the utility's procurement practice decisions in the manner described in its procurement plan. The utility shall file data sufficient to forecast fuel consumption at each generating unit or power plant for the prospective 12-month period. The commission may require the submission of machine-readable data for selected computer codes or models.

20.12(10) *Additional information.* Each utility shall file additional information as ordered by the commission.

[ARC 9352C, IAB 6/11/25, effective 7/16/25]