

House Amendment 3710

Amendment Text

PAG LIN

1 1 Amend [House File 370](#) as follows:
1 2 #1. Page 1, line 4, by inserting after the figure
1 3 "[476.43](#)," the following: "[476.43A](#)".
1 4 #2. Page 1, line 11, by inserting after the figure
1 5 "[476.43](#)," the following: "[476.43A](#)".
1 6 #3. Page 1, by inserting after line 11 the
1 7 following:
1 8 "Sec. _____. Section 476.42, subsection 1, Code
1 9 1995, is amended by adding the following new
1 10 unnumbered paragraph:
1 11 NEW UNNUMBERED PARAGRAPH. An alternate energy
1 12 production facility does not include a methane-
1 13 producing sanitary landfill."
1 14 #4. Page 1, by striking lines 14 through 28 and
1 15 inserting the following:
1 16 "Sec. _____. Section [476.43](#), Code 1995, is amended
1 17 to read as follows:
1 18 476.43 RATES FOR

~~ALTERNATE ENERGY PRODUCTION~~

1 19

~~FACILITIES~~

~~METHANE-PRODUCING SANITARY LANDFILLS.~~

1 20 1.

~~Subject to section 476.44, the~~

~~The board shall~~

1 21 require electric utilities to enter into long-term

1 22 contracts to do the following:

1 23 a. Purchase or wheel electricity from

~~alternate~~

1 24

~~energy production facilities or small hydro facilities~~

1 25 methane-producing sanitary landfills located in the

1 26 utility's service area under the terms and conditions

1 27 that the board finds are just and economically

1 28 reasonable to the electric utilities' ratepayers

~~and~~

1 29 are nondiscriminatory to

~~alternate energy producers~~

1 30

~~and small hydro producers and will further the policy~~

1 31

~~stated in section 476.41~~

~~- methane-producing sanitary~~

1 32 landfills.

1 33 b. Provide for the availability of supplemental or

1 34 backup power to

~~- alternate energy production facilities~~

~~-~~

1 35

~~- or small hydro facilities~~

~~- methane-producing sanitary~~

1 36 landfills on a nondiscriminatory basis and at just and

1 37 reasonable rates.

1 38 2. Upon application by the owner or operator of

~~- an~~

~~-~~

1 39

~~- alternate energy production facility or small hydro~~

~~-~~

1 40

~~- facility or any interested party,~~

~~- a methane-producing~~

1 41 sanitary landfill the board shall establish for the

1 42 affected public utility just and economically

1 43 reasonable rates for electricity purchased under

1 44 subsection 1, paragraph "a". The rates shall be

1 45 established at levels sufficient to stimulate the

1 46 development of

~~- alternate energy production and small~~

~~-~~

1 47

~~- hydro facilities~~

~~- electricity generated from methane~~

1 48 production in a sanitary landfill in Iowa and to

1 49 encourage the continuation of existing capacity from

1 50 those

~~- facilities~~

~~- landfills.~~

2 1 3. The board may adopt individual utility or

2 2 uniform statewide facility rates. The board shall

2 3 consider the following factors in setting individual

2 4 or uniform rates:

2 5 a. The estimated capital cost of the next

2 6 generating plant, including related transmission

2 7 facilities, to be placed in service by the electric

2 8 utility serving the area.

2 9 b. The term of the contract between the electric

2 10 utility and the seller.

2 11 c. A levelized annual carrying charge based upon

2 12 the term of the contract and determined in a manner

2 13 consistent with both the methods and the current

2 14 interest or return requirements associated with the

2 15 electric utility's new construction program.

2 16 d. The electric utility's annual energy costs,

2 17 including current fuel costs, related operation and

2 18 maintenance costs, and other energy-related costs

2 19 considered appropriate by the board.

2 20 e. External factors, including but not limited to,

2 21 environmental and economic factors.

2 22 f. Other relevant factors.

2 23 g. If the board adopts uniform statewide rates,

2 24 the board shall use representative data in lieu of
2 25 utility specific information in applying the factors
2 26 listed in paragraphs "a" through "f".
2 27 4. In the case of a utility that purchases all or
2 28 substantially all of its electricity requirements, the
2 29 rates established under this section must be based on
2 30 the electric utility's current purchased power costs.
2 31 5. In lieu of the other procedures provided by
2 32 this section, an electric utility and an owner or
2 33 operator of

~~an alternate energy production facility or~~

2 34

~~small hydro facility~~

~~a methane-producing sanitary~~

2 35 landfill may enter into a long-term contract in
2 36 accordance with subsection 1 and may agree to rates
2 37 for purchase and sale transactions. A contract
2 38 entered into under this subsection must be filed with
2 39 the board in the manner provided for tariffs under
2 40 section 476.4.

2 41 6. This section does not require an electric
2 42 utility to construct additional facilities unless
2 43 those facilities are paid for by the owner or operator
2 44 of the

~~affected alternate energy production facility~~

2 45

~~or small hydro facility~~

~~methane-producing sanitary~~

2 46 landfill.

2 47 7. For purposes of this section, "methane-
2 48 producing sanitary landfill" means any electric
2 49 generating facility fueled by methane extracted from a
2 50 sanitary landfill.

3 1 Sec. ____ NEW SECTION. 476.43A RATES FOR
3 2 ALTERNATE ENERGY PRODUCTION FACILITIES OR SMALL HYDRO
3 3 FACILITIES.

3 4 1. The board shall require electric utilities to
3 5 enter into long-term contracts to purchase electric
3 6 energy from alternate energy production facilities or
3 7 small hydro facilities.

3 8 2. The rates for purchases under this section
3 9 shall not exceed the incremental costs to the electric
3 10 utility of alternative electric energy. For purposes
3 11 of this section "incremental cost" means the cost to
3 12 the electric utility of the electric energy which, but
3 13 for the purchase from the alternate energy production
3 14 facility or small hydro facility, the electric utility
3 15 would have generated or purchased from another source.

3 16 3. In the case of a utility that purchases all or
3 17 substantially all of its electricity requirements, the
3 18 rates established under this section must be based on
3 19 the electric utility's current purchased power costs.

3 20 4. In lieu of the other procedures provided by
3 21 this section, an electric utility and an owner or
3 22 operator of an alternate energy production facility or
3 23 small hydro facility may enter into a long-term
3 24 contract in accordance with subsection 1 and may agree
3 25 to rates for purchase and sale transactions. A
3 26 contract entered into under this subsection must be
3 27 filed with the board in the manner provided for
3 28 tariffs under section 476.4.

3 29 5. This section does not require an electric
3 30 utility to construct additional facilities unless
3 31 those facilities are paid for by the owner or operator
3 32 of the affected alternate energy production facility
3 33 or small hydro facility."

3 34 #5. Page 1, by striking lines 31 and 32 and
3 35 inserting the following:

3 36 "Sec. _____. Notwithstanding the provisions of this
3 37 Act, the Iowa".

3 38 #6. By renumbering as necessary.

3 39

3 40

3 41

3 42 McCOY of Polk

3 43 HF 370.704 76

3 44 js/sc