House File 2551

н-8030

1 Amend House File 2551 as follows:

2 l. By striking everything after the enacting clause and 3 inserting:

4 <Section 1. Section 478.16, Code 2024, is amended to read 5 as follows:

6 478.16 Electric transmission lines — federally registered
7 planning authority transmission plans.

8 <u>1. Development and investment in high-voltage transmission</u>
9 <u>is urgently needed to ensure the reliable, adequate, secure,</u>
10 <u>and stable delivery of electricity to consumers. To ensure</u>
11 reliable electric service to the people of Iowa as a matter

12 of public policy, it is the intent of the general assembly

13 to express a preference for further investment in Iowa

14 transmission infrastructure.

15 1. 2. As used in this section, unless the context otherwise 16 requires:

17 a. "Electric transmission line" means a high-voltage 18 electric transmission line <u>located in this state</u> with a 19 capacity of one hundred kilovolts or more and any associated 20 electric transmission facility, including any substation or 21 other equipment located in this state.

22 <u>b. Electric transmission line project</u> means a project
23 planned and approved in the final, utility board approved plans
24 of the midwest independent system operator or southwest power
25 pool to be owned, operated, and sited in this state.

26 b. <u>c.</u> *Electric transmission owner* means an individual or 27 entity who, as of July 1, 2020, owns and maintains an electric 28 transmission line that is required for rate-regulated electric 29 utilities, municipal electric utilities, and rural electric 30 cooperatives in this state to provide electric service to the 31 public for compensation.

32 e. d. "Incumbent electric transmission owner" means any of 33 the following, which may be formed, located, or headquartered 34 in any state:

35 (1) A public utility or a municipally owned utility that

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HF 2551.3109 (2) 90 lh/js 1 owns, operates, and maintains an electric transmission line in
2 this state.

3 (2) An electric cooperative corporation or association or
4 municipally owned utility that owns an electric transmission
5 facility in this state and has turned over the functional
6 control of such facility to a federally approved authority.
7 (3) An *electric transmission owner* as defined in paragraph
8 *b*.

9 *d. e.* "Landowner" means the same as defined in section 10 478.2.

e. f. "Municipally owned utility" means a "city utility" 11 12 as defined in section 362.2, or an "electric power agency" as 13 defined in section 390.9 which that is comprised solely of 14 cities or solely of cities and other political subdivisions. 15 2. 3. An If ninety percent of the right of way length, 16 or net acreage in the case of a substation, of the electric 17 transmission line project is exclusively owned or controlled 18 by an incumbent transmission owner at the time of approval 19 of the electric transmission line project in a federally 20 registered planning authority transmission plan, an incumbent 21 electric transmission owner has the right to construct, 22 own, and maintain an electric transmission line project 23 that has been approved for construction in a the federally 24 registered planning authority transmission plan and which 25 that directly connects to an electric transmission facility 26 owned by the incumbent electric transmission owner. Where a 27 proposed electric transmission line would connect to electric 28 transmission facilities owned by two or more incumbent electric 29 transmission owners, each incumbent electric transmission owner 30 whose facility connects to the electric transmission line 31 has the right to construct, own, and maintain the electric 32 transmission line individually and equally. If an incumbent 33 electric transmission owner declines to construct, own, and 34 maintain its portion of an electric transmission line that 35 would connect to electric transmission facilities owned by

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1 two or more incumbent electric transmission owners, then the 2 other incumbent electric transmission owner or owners that 3 own an electric transmission facility to which the electric 4 transmission line connects has the right to construct, own, and 5 maintain the electric transmission line individually. Prior 6 to the utilities board approving an electric transmission line 7 project included in the federally registered planning authority 8 transmission plan, the applicant shall provide to the board 9 evidence that the applicant exclusively owns or controls ninety 10 percent of the right of way length needed to construct the 11 line or, in the case of substations, ninety percent of the 12 net acreage. The evidence shall be based on and calculated 13 on the basis of legal descriptions in recorded instruments of 14 right of way or property exclusively owned or controlled by 15 the applicant, who will develop, own, and operate the electric 16 transmission line project. The board shall verify and confirm 17 that the electric transmission line project will fit within the 18 right of way exclusively controlled or owned with no additional 19 right of way needed. If an additional private or public right 20 of way or property is needed, the right of way length, or 21 net acreage in the case of substations, shall not qualify as 22 exclusively owned or controlled by the applicant. 23 3. If an electric transmission line has been approved for 24 construction in a federally registered planning authority 25 transmission plan, and the electric transmission line is 26 not subject to a right of first refusal in accordance with 27 the tariff of a federally registered planning authority, 28 then within ninety days of approval for construction, an 29 incumbent electric transmission owner, or owners if there 30 is more than one owner, that owns a connecting electric 31 transmission facility shall give written notice to the board 32 regarding whether the incumbent electric transmission owner 33 or owners intend to construct, own, and maintain the electric 34 transmission line. If the incumbent electric transmission 35 owner or owners give notice of intent to construct the electric

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transmission line, the incumbent electric transmission owner
 or owners shall follow the applicable franchise requirements
 pursuant to this chapter. If the incumbent electric
 transmission owner or owners give notice declining to construct
 the electric transmission line, the board may determine whether
 another person may construct the electric transmission line.
 For projects where an election for which a right to

8 construct an electric transmission line has been made under 9 this section, all of the following cost accountability measures 10 shall apply:

11 a. Within thirty days after the issuance of a franchise 12 pursuant to this chapter for the electric transmission line, 13 the incumbent electric transmission owner or owners shall 14 provide to the board an estimate of the cost to construct the 15 electric transmission line.

16 b. Until construction of the electric transmission line 17 is complete, the incumbent electric transmission owner or 18 owners shall provide a quarterly report to the board, which 19 shall include an updated estimate of the cost to construct the 20 electric transmission line and an explanation of changes in the 21 cost estimate from the prior cost estimate.

5. This section shall not modify the authority of the board under this chapter, the rights of landowners under this chapter, or the requirements, rights, and obligations relating to the construction, maintenance, and operation of electric transmission lines pursuant to this chapter.

6. This section shall not apply to an electric transmission
28 line to be placed underground that has not been approved for
29 construction in a federally registered planning authority
30 transmission plan.

31 7. The board shall adopt rules pursuant to chapter 17A to 32 administer this section.

33 Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate 34 importance, takes effect upon enactment.

35 Sec. 3. RETROACTIVE APPLICABILITY. The provisions of this

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HF 2551.3109 (2) 90 lh/js 1 Act shall apply retroactively to July 1, 2020.>

MOMMSEN of Clinton