ANNUAL REPORT ON SMALL WIND INNOVATION ZONES

Annual Report to the Iowa General Assembly November 2022

Iowa Utilities Board

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I. Introduction

The General Assembly enacted Iowa Code § 476.48, the Small Wind Innovation Zone statute, in 2009. Iowa Code § 476.48(6) requires the Utilities Board (IUB) to provide an annual report to the Legislature as follows:

6. REPORTING REQUIREMENTS. The division shall prepare a report summarizing the number of applications received from political subdivisions seeking to be designated a small wind innovation zone, the number of applications granted, the number of small wind energy systems generating electricity within each small wind innovation zone, and the amount of wind energy produced, and shall submit the report to the members of the general assembly by January 1 annually.

To be designated as a "small wind innovation zone," an area must be:

a political subdivision of this state, including but not limited to a city, county, township, school district, community college, area education agency, institution under the control of the state board of regents, or any other local commission, association, or tribal council which adopts, or is encompassed within a local government which adopts, the **model ordinance** (lowa Code § 476.48(1)(c), emphasis added).

The Small Wind Innovation Zone model ordinance was jointly developed by the Iowa League of Cities, the Iowa State Association of Counties, the Iowa Environmental Council, the Iowa Wind Energy Association, and representatives from the utility industry. The model ordinance was completed in March 2010 and is attached to this report.

In addition to adopting the model ordinance, an area seeking to be designated as a Small Wind Innovation Zone must be served by an electric utility that has agreed to use the IUB's model interconnection agreement. The IUB's model interconnection agreement was developed in a rule-making proceeding (IUB Docket No. RMU-2009-0008). The IUB's order adopting final rules was issued May 26, 2010.¹

¹ Order Adopting Rules (Docket No. RMU-2009-0008).

The IUB also developed rules to implement the small wind innovation zone statute in a proceeding (IUB Docket No. RMU-2009-0010). The IUB's order adopting final rules was issued on July 7, 2010.²

This report only provides information on wind facilities that are operating in the designated Small Wind Innovation Zones. For more information on the amount of wind generation in Iowa, see the IUB's "Iowa's Electric Profile" web page.

II. Annual Report

Designation of Small Wind Innovation Zones

In 2012, the IUB designated three Small Wind Innovation Zones under Iowa Code § 476.48 and 199 Iowa Administrative Code (IAC) 15.22. On March 14, 2012, the IUB issued orders approving the applications from Floyd and Johnson counties to designate unincorporated areas as Small Wind Innovation Zones.³ Additionally, on May 10, 2012, the IUB approved Linn County's application to designate its unincorporated areas as a Small Wind Innovation Zone.⁴ In its approval of these applications, the IUB found that the counties were in substantial compliance with the model ordinance and were served by one or more electric utilities that utilize the IUB's model interconnection agreement (199 IAC 45). No additional applications have been received by the IUB.

Small wind energy systems

IUB subrule 199 IAC 15.22(4) requires utilities to annually report information regarding the small wind energy systems with a nameplate capacity of 100 kW or less that produced electricity and are located in Small Wind Innovation Zones in their service territories. Each utility is required to file the report by April 1 for the previous calendar year.

Utilities serving the three counties designated as Small Wind Innovation Zones completed the Small Wind Innovation Zone section within IUB 24/7.⁵ The utilities that provided information include MidAmerican Energy Company, Interstate Power and Light Company, Butler County Rural Electric Cooperative, and Linn County Rural Electric Cooperative. Each utility reported the nameplate capacity for each of the small wind energy systems that were interconnected to their electric systems in 2021. In total, it was reported that approximately 186 kW are interconnected. The following table

² Order Adopting Rules (Docket No. RMU-2009-0010).

³ See Floyd County Order (Docket No. IAC-2012-1522) and Johnson County Order (Docket No. IAC-2012-1522).

⁴ See Linn County Order (Docket No. IAC-2012-1522).

⁵ IUB 24/7 is a web application that allows users and companies to easily establish an individual or company user profile, manage profiles and contact information, and access the IUB's electronic filing system.

provides nameplate capacity details in each of the three Small Wind Innovation Zones (counties).

Small Wind Innovation Zone	Small Wind Energy Systems	Nameplate KW Capacity
Floyd County	5	49.4
Johnson County	4	37
Linn County	8	100.0
TOTAL	17	186.4

During 2021, there was no change in the total number of small wind energy systems. Overall, the total nameplate capacity reported by the utilities decreased from 193 kW in 2020 to 186.4 kW in 2021, with one facility reducing its capacity from 23.6 kW to 17.04 kW.

Small Wind Innovation Zone Model Ordinance

Section 1. Purpose. The purpose of this regulation is to promote the safe, effective, and efficient use of small wind energy systems installed to reduce the on-site consumption of utility-supplied electricity.

Section 2. Findings. The [city or county] finds that wind energy is an abundant, renewable, and nonpolluting energy resource and that its conversion to electricity will reduce our dependence on nonrenewable energy resources and decrease the air and water pollution that results from the use of nonrenewable energy sources. Distributed small wind energy systems will help diversify the state's energy portfolio. Small wind energy systems also make the electricity supply market more competitive by promoting customer choice. The State of lowa has enacted a number of laws and programs to encourage the use of small-scale renewable energy systems, including net metering, sales tax exemptions, property tax exemptions, production tax credits, and the Small Wind Innovation Zone program.

Section 3. Definitions.

Small Wind Energy System. A wind energy conversion system consisting of a wind turbine, a tower, and associated control or conversion electronics, which has a rated capacity of not more than 100 kilowatts (kW) and which is intended to primarily reduce on-site consumption of utility-supplied electricity.

Tower Height. The height above grade of the fixed portion of the tower, excluding the wind turbine itself.

Total Extended Height. The height above grade to a blade tip at its highest point.

- **Section 4. Permitted Use.** Small wind energy systems shall be a permitted use in all zoning classifications where structures of any sort are allowed, subject to certain requirements as set forth below. The [city or county] may require the installer of the small wind energy system, or the owner of the property upon which the system will be installed, to obtain a building permit for the system, if required by [city or county] code.
- **4.1** Tower height and setback. The base of the small wind energy system tower shall be set back from all property lines, public right of ways, and above ground public utility lines at a distance no less than 115 percent of the total extended height of the tower. Towers shall be allowed closer to a property line than its total extended height if the abutting property owner(s) grants written permission, provided that the tower installation complies with the other applicable setbacks herein provided. As long as the total extended height meets the setback requirements in this section, there shall be no specific height limitation, except as imposed by Federal Aviation Administration regulations as stated in section 4.3.

4.2 Requirement for engineered drawings/approval and soil studies.

A small wind energy system of greater than 20 kW, or a small wind energy system
mounted on a structure other than a free-standing tower, shall not be erected in the [city
or county] of, unless the plans and specifications for the system have
received the stamped approval of an lowa registered engineer. In lieu of obtaining the
stamped approval of an lowa registered engineer for each small wind energy system of
20 kW or less mounted on a free-standing tower, a manufacturer may submit its
standard plans and specifications for a 20 kW system on a free-standing tower,
including its soils study and foundation plans for such system, for a one-time review and
stamped approval by an lowa registered engineer as suitable for construction in any soil
condition that exists in the State of Iowa. If such one-time stamped approval is
obtained, that manufacturer may thereafter construct such small wind energy systems
of 20 kW or less in the [city or county] of, utilizing the approved soils study
and foundation plans for the 20 kW small wind energy system, without obtaining and
presenting the stamped approval of an lowa registered engineer for each such
installation.

- **4.3** Compliance with Federal Aviation Administration Regulations (FAA). No small wind energy system shall be constructed, altered, or maintained so as to project above any of the imaginary airspace surfaces described in FAR Part 77 of the FAA guidance on airspace protection.
- **4.4** Safety. Any climbing foot pegs or rungs below 12 feet of a free-standing tower shall be removed to prevent unauthorized climbing. For lattice or guyed towers, sheets of metal or wood may be fastened to the bottom tower section such that it cannot readily be climbed.
- **4.5** Sound. Sound produced by the small wind energy system under normal operating conditions, as measured at the property line, shall: a) not produce sound at a level that would constitute a nuisance; and b) comply with any local ordinance regulating the volume of sound as a nuisance, if applicable. Sound levels, however, may be exceeded during short-term events out of anyone's control, such as utility outages and/or severe wind storms.
- **4.6** Compliance with National Electrical Code. Building permit applications for small wind energy systems shall be accompanied by a line drawing of the electrical components, as supplied by the manufacturer, in sufficient detail to allow for a determination that the design and manner of installation conforms to the state National Electrical Code.
- **4.7** Utility Notification. No small wind energy system shall be installed until evidence has been given that the utility company has authorized interconnection of the small wind energy system to its electric distribution or transmission, under an agreement approved by and subject to regulation adopted by the lowa Utilities Board. Properties not connected the public utility system shall be exempt from this requirement.

- **4.8** Insurance. A person seeking a building permit to erect a small wind energy system shall provide evidence, in the form of a certificate of insurance satisfactory to the [city or county], showing general liability insurance coverage for the installation and operation of the system under a standard homeowner's or standard business owner's insurance policy, separate and distinct from any insurance requirements of a public utility.
- **4.9** Abandonment. If a wind turbine is inoperable for six consecutive months, the owner shall be notified that they must, within six months of receiving the notice, restore the small wind energy system to operating condition. If the owner fails to restore the system to operating condition within the six-month time frame, it shall be considered abandoned and the owner shall be required, at owner's expense, to remove the small wind energy system. A small wind energy system that has been abandoned may be abated as a public nuisance.
- **4.10** Signage. No signs, other than appropriate warning signs or standard manufacturer's or installer's identification signage, shall be displayed on a wind generator, tower, building, or other structure associated with a small wind energy system, subject to local sign regulation if any.
- **4.11** Lighting. No illumination of the turbine or tower shall be allowed unless required by the FAA or unless allowed by applicable [city or county] ordinance.