



SF 2311 – Energy Utilities (LSB5362SV.1)

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Fiscal Note Version – As amended by House Amendment [S-5256](#)

Description

[Senate File 2311](#) as amended by [S-5256](#) modifies various provisions relating to public utilities. Specifically related to the Iowa Utilities Board (IUB), the Bill requires the Board to:

- Review energy efficiency plan modification requests within 60 days after filing.
- Ensure that energy efficiency costs are recovered from all utilities customers on a reasonably comparable basis.
- Issue orders approving or rejecting regulated emissions management projects within 90 days after filing.
- Review any tariffs or rates imposed by rate-regulated public utilities within 30 days of filing.
- Specify in advance the ratemaking principles that will apply whenever a rate-regulated public utility requests advanced ratemaking principles for the construction, investment, or implementation of an emerging energy technology.

[Senate File 2311](#) authorizes the IUB to initiate a formal proceeding if reasonable grounds exist for investigating a public utility's request to modify an energy efficiency plan to achieve projected annual costs below a 2.0% threshold.

Background

The Bill exempts electric cooperative corporations and electric public utilities having fewer than 10,000 customers from regulated rates. It also prohibits the IUB from requiring gas and electric public utilities to adopt energy efficiency plans that result in projected annual costs in excess of 2.0% of the utility's annual rate revenue.

Assumptions

To perform the duties associated with the Bill and to comply with a shorter time frame for existing duties under current law, the IUB would need to hire additional technical staff. The Board would hire 2.0 new full-time equivalent (FTE) employees at the Senior Utility Analyst and Utility Analyst 2 position classifications.

Fiscal Impact

The fiscal impact to the Commerce Revolving Fund is estimated to be \$150,000. This estimate includes the following costs:

- The salary for a Senior Utility Analyst (pay grade of 33) is \$62,000.
- The salary for a Utility Analyst 2 (pay grade of 29) is \$52,000.
- Benefits for these employees are estimated to cost approximately \$17,000 to \$18,000 per employee annually.

The IUB can increase utilities assessments to fund the 2.0 new FTE positions after receiving approval from the Department of Administrative Services for two additional employees.

Source

Iowa Utilities Board

/s/ Holly M. Lyons

April 30, 2018

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
