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MUNICIPAL UTILITIES JOINT SUBCOMMITTEE  
OF THE  
SENATE STANDING COMMITTEE ON COMMERCE  
AND THE  
HOUSE STANDING COMMITTEE ON ENERGY

Report to Members of the  
Second Session of the Sixty-seventh General Assembly

State of Iowa  
1978

FINAL REPORT  
MUNICIPAL UTILITIES JOINT SUBCOMMITTEE  
of the  
SENATE STANDING COMMITTEE ON COMMERCE  
and the  
HOUSE STANDING COMMITTEE ON ENERGY

January, 1978

The Legislative Council approved the appointment of a joint Subcommittee to review and examine the provisions of House File 611, relating to the creation by cities of municipal power agencies for the joint generation and wholesale distribution of electricity. The Council authorized one meeting of the Subcommittee.

The following persons were appointed to serve on the joint Subcommittee: Senator Norman Rodgers, Chairperson, Senator Berle Priebe and Senator Irvin Bergman; Representative William Griffee, Chairperson, Representative Herbert Hinkhouse, Representative Linda Svoboda, Representative Horace Daggett, and Representative Cooper Evans.

The joint Subcommittee met, and considered and adopted seven amendments to House File 611. Those amendments are attached to this report. Amendments B and E, imposing time limitations upon certain actions by the Iowa State Commerce Commission, were adopted by the joint Subcommittee subject to an agreement that should the ninety-day time limitations be determined by the Commerce Commission to be too restrictive, the joint Subcommittee would recommend an increase in those time limitations.

The joint Subcommittee adopted a motion that House File 611 be returned to the House Committee on Energy with the recommendation of do pass with amendments, and that House File 611 be submitted to the Senate Committee on Commerce as a study bill with the recommendation of do pass with amendments.

Amendment A

Amend House File 611 as follows: 1. Page 25, line 15, by striking the word "section" and inserting in lieu thereof the word "subsection".

Amendment B

Amend House File 611 as follows:

1. Page 25, line 18, by inserting after the period the following:

"In the event the commission undertakes to review a contract of a municipal power agency, the contract and all rates and charges associated with that contract shall be conclusively presumed to be lawful upon the expiration of ninety days after the commission gives notice to the municipal power agency of the intended review, except those contract terms, rates, or charges which the commission has determined to be unlawful by a written decision rendered prior to the expiration of that ninety-day period."

Amendment C

Amend House File 611 as follows:

1. Page 13, line 26, by striking the word "utilities" and inserting in lieu thereof the word "utilities".

Amendment D

Amend House File 611 as follows:

1. Page 13, line 25, by inserting after the word "commission" the words "or any successor agency".

Amendment E

Amend House File 611 as follows:

1. Page 28, line 7, by inserting after the word "manner" the words "and in any event not later than ninety days after an application has been accepted by the commission for consideration."

Amendment F

Amend House File 611 as follows:

1. Page 31, line 3, by inserting after the period the words "A municipal power agency shall be entitled to a deduction in the amount authorized by

subsection four (4) of section four hundred twenty-two point thirty-five (422.35) of the Code, and for purposes of applying that subsection the amount of accrued federal income tax liability shall be deemed to be that amount of federal income tax liability which would have accrued if the municipal power agency were a domestic electric utility corporation operated for pecuniary profit."

Amendment G

Amend House File 611 as follows:

1. Page 25, line 18, by inserting after the period the words "Nothing contained in this subsection shall be construed to authorize the commission to impair the obligations of a municipal power agency under a contract with its bondholders."