

Reprinted 2/27

MAR 14 1980

HOUSE FILE 2550

Place On Calendar

By COMMITTEE ON ENERGY

(Formerly Study Bill 517)

Passed House, Date 3-26-80 (p. 1170) Passed Senate, Date _____
Vote: Ayes 25 Nays 7 Vote: Ayes _____ Nays _____
Approved May 23, 1980

A BILL FOR

1 An Act relating to the authority of the Iowa state commerce
2 commission to promulgate rules requiring energy conserva-
3 tion management and strategies.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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2550

HOUSE FILE 2550

H-5653

1 Amend H.F. 2550 as follows:
2 1. Page 1, lines 29 and 30, by striking the word
3 "rate-regulated" and inserting in lieu thereof the
4 words "rate and service-regulated".
5 2. Page 2, line 6, by striking the word "rate-
6 regulated" and inserting in lieu thereof the words
7 "rate and service-regulated".

H-5653 FILED
MARCH 24, 1980
H.R. 3/24/80 (p. 1170)

BY POPE of Polk
SCHROEDER of Pottawattamie

1 Section 1. Chapter four hundred seventy-six (476), Code
2 1979, is amended by adding the following new section:

3 NEW SECTION. PEAK-LOAD SERVICE INTERRUPTION.

4 1. The commission may promulgate rules pursuant to chapter
5 seventeen A (17A) of the Code which require or authorize a
6 public utility to establish peak load management procedures.

7 2. Rules of the commission which relate to peak-load
8 management shall establish priorities of service to preserve
9 utility service for essential functions during periods of
10 peak consumption.

11 3. In promulgating rules under this section the commission
12 is not bound by decisions, rulings or orders which relate
13 to interruptible service and which were issued by the Iowa
14 state commerce commission prior to the effective date of this
15 Act. Rules promulgated under this section need not require
16 or authorize service rate discounts for interruptible service.

17 4. In promulgating rules under this section, the commission
18 is not bound by decisions, rulings or orders which relate
19 to the definitions of types or classes of customers and which
20 were issued by the Iowa state commerce commission effective
21 date of this Act.

22 Sec. 2. Section four hundred seventy-six point one (476.1),
23 Code 1979, as amended by Acts of the Sixty-eighth General
24 Assembly, 1979 Session, chapter one hundred nineteen (119),
25 section three (3), is amended by adding the following new
26 unnumbered paragraph:

27 NEW UNNUMBERED PARAGRAPH. The jurisdiction of the
28 commission under this chapter shall include programs designed
29 to promote the use of energy conservation strategies by rate-
30 regulated gas and electric utilities. These programs shall
31 be cost effective and shall not result in unreasonable
32 discrimination or preferential treatment among customers.
33 The commission may mandate these programs as pilot projects
34 in order to accumulate sufficient data to determine if the
35 programs meet the requirements of this paragraph.

1 Sec. 3. Section four hundred seventy-six point two (476.2),
2 Code 1979, is amended by adding the following new unnumbered
3 paragraph:

4 NEW UNNUMBERED PARAGRAPH. The commission shall promulgate
5 rules concerning the use of energy conservation strategies
6 by rate-regulated gas and electric utilities by July 1, 1981.
7 The commission may prescribe the appropriate rate making
8 treatment of the costs of any approved energy conservation
9 program.

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EXPLANATION

11 This bill authorizes the Iowa state commerce commission
12 to promulgate rules establishing peak-load management
13 procedures. The rules must establish priorities of service
14 to preserve service for essential functions. The bill also
15 gives the commission jurisdiction to include programs designed
16 to promote the use of energy conservation strategies by rate-
17 regulated gas and electric utilities. The programs are to
18 be cost effective and shall not result in unreasonable
19 discrimination or preferential treatment among customers.
20 The commission is also authorized to prescribe appropriate
21 rate making treatment of the costs of approved energy
22 conservation programs.

23 This Act becomes effective July first following its
24 enactment.

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LSB 3704H 68

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HOUSE FILE 2550

H-5669

- 1 Amend House File 2550 as follows:
- 2 1. Page 1, line 20, by inserting after the
- 3 word "commission" the words "prior to the".
- 4 2. Page 1, by striking lines 23 through 25 and
- 5 inserting in lieu thereof the words "Code 1979, is
- 6 amended by adding the following new".

H-5669 FILED
MARCH 25, 1980

BY HOWELL of Floyd
PELTON of Clinton

Adopted 3/26 (p. 1167)

HOUSE FILE 2550

H-5691

- 1 Amend House File 2550 as follows:
- 2 1. Page 1, lines 29 and 30, by striking the word
- 3 "rate-regulated" and inserting in lieu thereof the
- 4 words "rate or service-regulated".
- 5 2. Page 2, line 6, by striking the word "rate-
- 6 regulated" and inserting in lieu thereof the words
- 7 "rate or service-regulated".

H-5691 FILED
MARCH 25, 1980

BY POPE of Polk
SCHROEDER of Pottawattamie

Adopted 3/26 (p. 1169)

HOUSE FILE 2550

H-5698

- 1 Amend amendment H-5685 to House File 2550,
- 2 page 1, line 8, by striking the word "authorized"
- 3 and inserting in lieu thereof the word "required".

H-5698 FILED
MARCH 26, 1980

BY BRUNER of Story

ADOPTED BY UNANIMOUS CONSENT *(p. 1163)*

HOUSE FILE 2550

H-5702

- 1 Amend amendment H-5686 to House File 2550 as
- 2 follows:
- 3 1. Page 1, line 3, by striking the words "and of"
- 4 and inserting in lieu thereof the word "including".

H-5702 FILED MARCH 26, 1980

BY RAPP of Black Hawk

ADOPTED BY UNANIMOUS CONSENT

(p. 1164)

MARCH 26, 1980
PAGE TWELVE

HOUSE FILE 2550

H-5684

- 1 Amend House File 2550 as follows:
2 1. Page 1, line 4 by striking the word "may"
3 and inserting in lieu thereof the word "shall".

H-5684 FILED
MARCH 25, 1980
Filed in germane 3/26 (p. 1167)

BY CHIODO of Polk
RAPP of Black Hawk
JOCHUM of Dubuque

HOUSE FILE 2550

H-5685

- 1 Amend House File 2550 as follows:
2 1. Page 1, by inserting after line 21 the
3 following:
4 "5. Notwithstanding the provisions of section
5 four hundred seventy-six point six (476.6) of the Code,
6 the commission shall not approve a rate increase for
7 an electric utility which has not established peak
8 load management procedures authorized in this section."

H-5685 FILED
MARCH 25, 1980
Filed in germane 3/26 (p. 1168)

BY CHIODO of Polk
JOCHUM of Dubuque
BRUNER of Story
RAPP of Black Hawk

HOUSE FILE 2550

H-5686

- 1 Amend House File 2550 as follows:
2 1. Page 2, line 6, by inserting after the word
3 "utilities" the following: ", and of rate schedules
4 which are on a time of day basis for those classes
5 of electricity users for which the time of day basis
6 is cost effective,".
7 2. Page 2, line 9, by inserting after the word
8 "program." the following: "For purposes of this
9 paragraph, a time of day rate schedule is cost-
10 effective if the long run benefits of the rate schedule
11 to the utility are likely to exceed the metering costs
12 and other costs associated with the implementation of
13 the time of day rate schedule."

H-5686 FILED
MARCH 25, 1980
Filed in germane 3/26 (p. 1169)

BY RAPP of Black Hawk
JOCHUM of Dubuque
BRUNER of Story
CHIODO of Polk

New Energy

Amended per 5638 & 26 Passed 4/27/80 (p. 1265)

HOUSE FILE 2550

By COMMITTEE ON ENERGY

(As Amended and Passed by the House)

Passed House, Date 4/24/80 (p. 2060) Passed Senate, Date 4/9/80 (p. 1334)

Vote: Ayes 93 Nays 1 Vote: Ayes 44 Nays 3

Approved May 23, 1980

A BILL FOR

1 An Act relating to the authority of the Iowa state commerce
2 commission to promulgate rules requiring energy conserva-
3 tion management and strategies.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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House Amendments _____

1 Section 1. Chapter four hundred seventy-six (476), Code
2 1979, is amended by adding the following new section:

3 NEW SECTION. PEAK-LOAD SERVICE INTERRUPTION.

4 1. The commission may promulgate rules pursuant to chapter
5 seventeen A (17A) of the Code which require or authorize a
6 public utility to establish peak load management procedures.

7 2. Rules of the commission which relate to peak-load
8 management shall establish priorities of service to preserve
9 utility service for essential functions during periods of
10 peak consumption.

11 3. In promulgating rules under this section the commission
12 is not bound by decisions, rulings or orders which relate
13 to interruptible service and which were issued by the Iowa
14 state commerce commission prior to the effective date of this
15 Act. Rules promulgated under this section need not require
16 or authorize service rate discounts for interruptible service.

17 4. In promulgating rules under this section, the commission
18 is not bound by decisions, rulings or orders which relate
19 to the definitions of types or classes of customers and which
20 were issued by the Iowa state commerce commission prior to
21 the effective date of this Act.

22 Sec. 2. Section four hundred seventy-six point one (476.1),
23 Code 1979, is amended by adding the following new unnumbered
24 paragraph:

25 NEW UNNUMBERED PARAGRAPH. The jurisdiction of the
26 commission under this chapter shall include programs designed
27 to promote the use of energy conservation strategies by rate
28 or service-regulated gas and electric utilities. These
29 programs shall be cost effective and shall not result in
30 unreasonable discrimination or preferential treatment among
31 customers. The commission may mandate these programs as pilot
32 projects in order to accumulate sufficient data to determine
33 if the programs meet the requirements of this paragraph.

34 Sec. 3. Section four hundred seventy-six point two (476.2),
35 Code 1979, is amended by adding the following new unnumbered

1 paragraph:

2 NEW UNNUMBERED PARAGRAPH. The commission shall promulgate
3 rules concerning the use of energy conservation strategies
4 by rate or service-regulated gas and electric utilities by
5 July 1, 1981. The commission may prescribe the appropriate
6 rate making treatment of the costs of any approved energy
7 conservation program.

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HOUSE FILE 2550

S-5638

- 1 Amend House File 2550 as amended, passed and
- 2 reprinted by the House, as follows:
- 3 1. Page 1, line 3, by striking the words "SERVICE
- 4 INTERRUPTION" and inserting in lieu thereof the words
- 5 "ENERGY CONSERVATION".
- 6 2. Page 1, by striking lines 7 through 16 and
- 7 inserting in lieu thereof the following:
- 8 "2. Rules of the commission shall relate to
- 9 reducing or limiting the peak-load period consumption."
- 10 3. Page 1, line 17, by striking the figure "4"
- 11 and inserting in lieu thereof the figure "3".
- 12 4. Page 1, by striking lines 29 through 31 and
- 13 inserting in lieu thereof the following: "programs
- 14 shall be cost effective. The commission may initiate
- 15 these programs as pilot".
- 16 5. Page 1, line 32, by striking the words "in
- 17 order".
- 18 6. Page 2, line 5, by striking the word "the".
- 19 7. Page 2, line 6, by striking the words "rate
- 20 making treatment of the costs of" and inserting in
- 21 lieu thereof the words "rates for".
- 22 8. Page 2, line 7, by inserting after the word
- 23 "program." the following: "Nothing in this paragraph
- 24 subjects the rates of municipal utilities to the
- 25 regulatory authority of the commission."
- 26 9. By renumbering as necessary.

S-5638 FILED

APRIL 2, 1980

Adopted 4/9 (p. 1333)

BY COMMITTEE ON ENERGY

RICHARD RAMSEY, CHAIRPERSON

SENATE AMENDMENT TO
HOUSE FILE 2550

H-6003

- 1 Amend House File 2550 as amended, passed and
- 2 reprinted by the House, as follows:
- 3 1. Page 1, line 3, by striking the words "SERVICE
- 4 INTERRUPTION" and inserting in lieu thereof the words
- 5 "ENERGY CONSERVATION".
- 6 2. Page 1, by striking lines 7 through 16 and
- 7 inserting in lieu thereof the following:
- 8 "2. Rules of the commission shall relate to
- 9 reducing or limiting the peak-load period consumption."
- 10 3. Page 1, line 17, by striking the figure "4"
- 11 and inserting in lieu thereof the figure "3".
- 12 4. Page 1, by striking lines 29 through 31 and
- 13 inserting in lieu thereof the following: "programs
- 14 shall be cost effective. The commission may initiate
- 15 these programs as pilot".
- 16 5. Page 1, line 32, by striking the words "in
- 17 order".
- 18 6. Page 2, line 5, by striking the word "the".
- 19 7. Page 2, line 6, by striking the words "rate
- 20 making treatment of the costs of" and inserting in
- 21 lieu thereof the words "rates for".
- 22 8. Page 2, line 7, by inserting after the word
- 23 "program." the following: "Nothing in this paragraph
- 24 subjects the rates of municipal utilities to the
- 25 regulatory authority of the commission."
- 26 9. By renumbering as necessary.

H-6003 FILED APRIL 11, 1980 RECEIVED FROM THE SENATE

Lower numbered 4/14 (p. 2054)

HOUSE FILE 2550

H-6103

- 1 Amend amendment H-6003 to House File 2550 as
- 2 amended, passed and reprinted by the House, as
- 3 follows:
- 4 1. Page 1, by striking lines 22 through 25.

H-6103 FILED
APRIL 16, 1980

BY SCHROEDER of Pottawattamie
BYERLY of Polk

4/16/80

HOUSE FILE 2550

H-6105

1 Amend the Senate amendment, H-6003, to House File
2 2550, as amended, passed and reprinted by the House as
3 follows:

4 1. Page 1, line 23, by striking the words "Nothing
5 in this" and inserting in lieu thereof the word "This".

H-6105 FILED
APRIL 16, 1980
4/16/80 4/16/80

BY SCHROEDER of Pottawattamie
BYERLY of Polk
JOHNSON of Linn

HOUSE FILE 2550

H-6106

1 Amend the Senate amendment, H-6003, to House
2 File 2550 as amended, passed and reprinted by the
3 House, as follows:

4 1. Page 1, by inserting after line 11 the
5 following:

6 "____. Page 1, by inserting after line 21 the
7 following:

8 "5. Notwithstanding the provisions of section
9 four hundred seventy-six point six (476.6) of the
10 Code, the commission shall not approve a rate
11 increase for an electric utility which has not
12 established peak load management procedures required
13 in this section."

14 2. By numbering and renumbering sections of
15 the amendment as necessary.

H-6106 FILED APRIL 16, 1980 BY BRUNER of Story
4/16/80 4/16/80

HOUSE FILE 2550

H-6195

1 Amend the Senate amendment, H-6003, to House
2 File 2550 as amended, passed and reprinted by the
3 House, as follows:

4 1. Page 1, by inserting after line 5 the
5 following:

6 "Sec. ____ Page 1, line 4, by striking the word
7 "may" and inserting in lieu thereof the word "shall".

8 2. By numbering and renumbering sections of
9 the amendment as necessary.

H-6195 FILED APRIL 17, 1980 BY O'KANE of Woodbury
4/17/80 4/17/80 (p. 2057)

HOUSE FILE 2550

AN ACT

RELATING TO THE AUTHORITY OF THE IOWA STATE COMMERCE
COMMISSION TO PROMULGATE RULES REQUIRING ENERGY CON-
SERVATION MANAGEMENT AND STRATEGIES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Chapter four hundred seventy-six (476), Code
1979, is amended by adding the following new section:

NEW SECTION. PEAK-LOAD ENERGY CONSERVATION.

1. The commission may promulgate rules pursuant to chapter
seventeen A (17A) of the Code which require or authorize a
public utility to establish peak load management procedures.

2. Rules of the commission shall relate to reducing or
limiting the peak-load period consumption.

3. In promulgating rules under this section, the commission
is not bound by decisions, rulings or orders which relate
to the definitions of types or classes of customers and which
were issued by the Iowa state commerce commission prior to
the effective date of this Act.

Sec. 2. Section four hundred seventy-six point one (476.1),
Code 1979, is amended by adding the following new unnumbered
paragraph:

NEW UNNUMBERED PARAGRAPH. The jurisdiction of the
commission under this chapter shall include programs designed
to promote the use of energy conservation strategies by rate
or service-regulated gas and electric utilities. These
programs shall be cost effective. The commission may initiate
these programs as pilot projects to accumulate sufficient
data to determine if the programs meet the requirements of
this paragraph.

Sec. 3. Section four hundred seventy-six point two (476.2),
Code 1979, is amended by adding the following new unnumbered
paragraph:

NEW UNNUMBERED PARAGRAPH. The commission shall promulgate
rules concerning the use of energy conservation strategies
by rate or service-regulated gas and electric utilities by
July 1, 1981. The commission may prescribe appropriate rates
for any approved energy conservation program. Nothing in
this paragraph subjects the rates of municipal utilities to
the regulatory authority of the commission.

WILLIAM H. HARBOR
Speaker of the House

TERRY E. BRANSTAD
President of the Senate

I hereby certify that this bill originated in the House and
is known as House File 2550, Sixty-eighth General Assembly.

BRUCE GRAHAM
Assistant Chief Clerk of the House

Approved May 23, 1980

ROBERT D. RAY
Governor