

3.17.93 Senate Committee Report
4.8.93 Senate Do Pass

MAR 9 1993

HOUSE FILE 454
BY COMMITTEE ON ENERGY AND
ENVIRONMENTAL PROTECTION

Place On Calendar

(SUCCESSOR TO HSB 154)

Passed House, Date ^(p.637) 3.15.93 Passed Senate, Date ^(p.1264) 4/21/93
Vote: Ayes 100 Nays 0 Vote: Ayes 49 Nays 0
Approved 4/28/93

A BILL FOR

1 An Act relating to the annual electric supply and cost review for
2 certain public utilities.

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

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23

HF 454

1 Section 1. Section 476.6, subsection 16, Code 1993, is
2 amended to read as follows:

3 16. ANNUAL ELECTRIC ENERGY SUPPLY AND COST REVIEW. The
4 board shall conduct an annual proceeding for the purpose of
5 evaluating the reasonableness and prudence of a rate-regulated
6 public utility's procurement and contracting practices related
7 to the acquisition of fuel for use in generating electricity.
8 The evaluation may review the reasonableness and prudence of
9 actions taken by a rate-regulated public utility to comply
10 with the federal Clean Air Act Amendments of 1990, Pub. L. No.
11 101-549. The proceeding shall be conducted as a contested
12 case pursuant to chapter 17A. Under procedures established by
13 the board, the utility shall file information as the board
14 deems appropriate. If a utility is not taking all reasonable
15 actions to minimize its fuel and allowance transaction costs,
16 the board shall not allow the utility to recover from its
17 customers fuel and allowance transaction costs in excess of
18 those costs that would be or would have been incurred under
19 reasonable and prudent policies and practices.

20 EXPLANATION

21 This bill allows a rate-regulated public utility's annual
22 electric energy supply and cost evaluation to review the
23 reasonableness and prudence of actions taken by the utility to
24 comply with the federal Clean Air Act Amendments of 1990.

25
26
27
28
29
30
31
32
33
34
35

HSB 154

Rants, chair
Holveck
Rafferty

ENERGY AND
ENVIRONMENTAL PROTECTION

HOUSE FILE 454

BY (PROPOSED COMMITTEE ON ENERGY
AND ENVIRONMENTAL PROTECTION
BILL BY CHAIRPERSON RAFFERTY)

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the annual electric supply and cost review for
2 certain public utilities.

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

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23



1 Section 1. Section 476.6, subsection 16, Code 1993, is
2 amended to read as follows:

3 16. ANNUAL ELECTRIC ENERGY SUPPLY AND COST REVIEW. The
4 board shall conduct an annual proceeding for the purpose of
5 evaluating the reasonableness and prudence of a rate-regulated
6 public utility's procurement and contracting practices related
7 to the acquisition of fuel for use in generating electricity.
8 The evaluation may include the reasonableness and prudence of
9 actions taken by a rate-regulated public utility to comply
10 with the federal Clean Air Act Amendments of 1990, Pub. L. No.
11 101-549. The proceeding shall be conducted as a contested
12 case pursuant to chapter 17A. Under procedures established by
13 the board, the utility shall file information as the board
14 deems appropriate. If a utility is not taking all reasonable
15 actions to minimize its fuel and allowance transaction costs,
16 the board shall not allow the utility to recover from its
17 customers fuel and allowance transaction costs in excess of
18 those costs that would be have been incurred under reasonable
19 and prudent policies and practices.

20 EXPLANATION

21 This bill allows a rate-regulated public utility's annual
22 electric energy supply and cost evaluation to include the
23 reasonableness and prudence of actions taken by the utility to
24 comply with the federal Clean Air Act Amendments of 1990.

25
26
27
28
29
30
31
32
33
34
35

customers fuel and allowance transaction costs in excess of those costs that would be or would have been incurred under reasonable and prudent policies and practices.

HOUSE FILE 454

AN ACT
RELATING TO THE ANNUAL ELECTRIC SUPPLY AND COST REVIEW FOR
CERTAIN PUBLIC UTILITIES.

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

Section 1. Section 476.6, subsection 16, Code 1993, is amended to read as follows:

16. ANNUAL ELECTRIC ENERGY SUPPLY AND COST REVIEW. The board shall conduct an annual proceeding for the purpose of evaluating the reasonableness and prudence of a rate-regulated public utility's procurement and contracting practices related to the acquisition of fuel for use in generating electricity. The evaluation may review the reasonableness and prudence of actions taken by a rate-regulated public utility to comply with the federal Clean Air Act Amendments of 1990, Pub. L. No. 101-549. The proceeding shall be conducted as a contested case pursuant to chapter 17A. Under procedures established by the board, the utility shall file information as the board deems appropriate. If a utility is not taking all reasonable actions to minimize its fuel and allowance transaction costs, the board shall not allow the utility to recover from its

HAROLD VAN MAANEN
Speaker of the House

LEONARD L. BOSWELL
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 454, Seventy-fifth General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved *April 28* 1993

TERRY E. BRANSTAD
Governor