

Substituted for by SF 2351
4-6-98 (P. 1280)

3/19/98 Unfinished Business
Calendar

FEB 27 1998
Place On Calendar

HOUSE FILE **2481**
BY COMMITTEE ON COMMERCE
AND REGULATION

(SUCCESSOR TO HSB 545)

WITHDRAWN 4-6-98
(P. 1281)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the time for review of the reorganization of a
2 public utility by the utilities board and providing an
3 effective date.

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

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HF 2481

1 Section 1. Section 476.77, subsection 2, Code 1997, is
2 amended to read as follows:

3 2. A proposal for reorganization shall be deemed to have
4 been approved unless the board disapproves the proposal within
5 ninety days after its filing. The board, for good cause
6 shown, may extend the deadline for acting on an application
7 for an additional period not to exceed ninety days. However,
8 the board shall not disapprove a proposal for reorganization
9 without providing for notice and opportunity for hearing. The
10 notice of hearing shall be provided no later than fifty days
11 after the proposal for reorganization has been filed.

12 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
13 immediate importance, takes effect upon enactment.

14 EXPLANATION

15 This bill provides that the utilities board may extend the
16 deadline for acting on an application for a reorganization of
17 a public utility for an additional time period not to exceed
18 90 days for good cause.

19 The bill takes effect upon enactment.

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VAN Fossen, Ch
Brunkhorst
Doderer

HSB 545

COMMERCE AND REGULATION

Submitted by

SF (HF) 2481

SENATE/HOUSE FILE

BY (PROPOSED DEPARTMENT OF
COMMERCE/UTILITIES DIVISION
BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the time for review of the reorganization of a
2 public utility by the utilities board and providing an
3 effective date.

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

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1 Section 1. Section 476.77, subsection 2, Code 1997, is
2 amended to read as follows:

3 2. A proposal for reorganization shall be deemed to have
4 been approved unless the board disapproves the proposal within
5 ninety one hundred eighty days after its filing. The board,
6 for good cause shown, may extend the deadline for acting on an
7 application for an additional period not to exceed sixty days.
8 However, the board shall not disapprove a proposal for
9 reorganization without providing for notice and opportunity
10 for hearing. The notice of hearing shall be provided no later
11 than fifty days after the proposal for reorganization has been
12 filed.

13 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
14 immediate importance, takes effect upon enactment.

15 EXPLANATION

16 This bill extends the time for review of a reorganization
17 of a public utility by the Iowa utilities board from 90 to 180
18 days. The bill also provides that the utilities board may
19 extend the deadline for acting on the application for an
20 additional time period not to exceed 60 days for good cause.

21 The bill takes effect upon enactment.

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TERRY E. BRANSTAD, GOVERNOR

IOWA UTILITIES BOARD
DEPARTMENT OF COMMERCE

TO: Members of the General Assembly
FROM: Iowa Utilities Board
DATE: January 12, 1998
RE: LSB NO. 3266DP 77

Currently when a proposed utility merger is filed, the Board has 90 days to review the proposal. A proposed merger is docketed as a formal proceeding which includes prefiled testimony, rebuttal testimony, a formal hearing, initial briefs, and reply briefs. Under the 90-day time frame, the Board has only 14 days after the reply briefs are filed to prepare for an open meeting and issue a written decision.

As the utility industry continues to change, it is likely that future mergers will be more regional in nature. An increase in the number of interests represented before the Board results in more information and positions to analyze and summarize. The number of intervenors and issues raised increases the amount of time necessary to perform the essential analysis of complex issues.

Neighboring states have no statutory deadlines but tend to complete merger review within 180 days. This bill extends the time period for the review of reorganizations from 90 to 180 days with an additional 60 days for good cause. Increasing the review period allows for a more thorough analysis of the issues. The Iowa Utilities Board wants to ensure that our role in proposed mergers is on an equal footing with other state and federal agencies so that the interests of all Iowans may be protected.