

# Senate File 238 - Introduced

SENATE FILE \_\_\_\_\_  
BY KIBBIE

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to the sale of energy by specified alternate  
2 energy production facilities and the rates applicable to such  
3 sales.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
5 TLSB 1446XS 83  
6 rn/nh/24

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1 1 Section 1. Section 476.42, Code 2009, is amended by adding  
1 2 the following new subsections:  
1 3 NEW SUBSECTION. 1A. "Average retail utility rate" means  
1 4 the average of the retail rates, exclusive of special rates  
1 5 based on income, age, or energy efficiency measures,  
1 6 calculated by the board according to the applicable rate  
1 7 schedule of the utility for sales to a particular class of  
1 8 customer.  
1 9 NEW SUBSECTION. 2A. "Net metering" means service to a  
1 10 customer of an electric utility under which electric energy  
1 11 produced by that customer from an alternate energy production  
1 12 facility and delivered to a utility may be used to offset  
1 13 electric energy provided by the utility to the customer during  
1 14 the applicable or a future billing period.  
1 15 Sec. 2. Section 476.43, subsection 5, Code 2009, is  
1 16 amended to read as follows:  
1 17 5. In lieu of the other procedures provided by this  
1 18 section, and subject to subsection 5A, an electric utility and  
1 19 an owner or operator of an alternate energy production  
1 20 facility or small hydro facility may enter into a long-term  
1 21 contract in accordance with subsection 1 and may agree to  
1 22 rates for purchase and sale transactions. A contract entered  
1 23 into under this subsection must be filed with the board in the  
1 24 manner provided for tariffs under section 476.4.  
1 25 Sec. 3. Section 476.43, Code 2009, is amended by adding  
1 26 the following new subsection:  
1 27 NEW SUBSECTION. 5A. a. Notwithstanding subsections 2  
1 28 through 4, the sale of energy by, and the rates applicable to,  
1 29 an alternate energy production facility consisting of one or  
1 30 more wind turbines with a combined nameplate generating  
1 31 capacity of one hundred eight kilowatts or less shall be  
1 32 subject to the following:  
1 33 (1) The facility may sell no more than twenty percent of  
1 34 the excess energy produced by the facility above the level  
1 35 consumed by the facility in a calendar year to an electric  
2 1 utility. The rate applicable to such sales shall be the  
2 2 average retail rate.  
2 3 (2) Amounts generated by the facility exceeding twenty  
2 4 percent of the excess energy produced by the facility above  
2 5 the level consumed by the facility shall be credited by the  
2 6 utility to the facility pursuant to net metering.  
2 7 b. Rates applicable to alternate energy production  
2 8 facilities consisting of one or more wind turbines with a  
2 9 combined nameplate generating capacity exceeding one hundred  
2 10 eight kilowatts shall be determined pursuant to subsections 2  
2 11 through 4.

### EXPLANATION

2 13 This bill relates to the sale of energy by specified  
2 14 alternate energy production facilities and the rates  
2 15 applicable to such sales.  
2 16 The bill provides an exception to provisions in Code  
2 17 section 476.43 setting forth rate-making principles applicable

2 18 to alternate energy production facilities for facilities  
2 19 consisting of one or more wind turbines with a combined  
2 20 nameplate generating capacity of 108 kilowatts or less. The  
2 21 bill provides that such facilities shall sell no more than 20  
2 22 percent of the excess energy produced by the facility above  
2 23 the level consumed by the facility in a calendar year to an  
2 24 electric utility, and that the rates applicable to such sales  
2 25 shall be the average retail rate. The bill defines "average  
2 26 retail rate" as the average of the retail rates, exclusive of  
2 27 special rates based on income, age, or energy efficiency  
2 28 measures, calculated by the Iowa utilities board according to  
2 29 the applicable rate schedule of the utility for sales to a  
2 30 particular class of customer.

2 31 The bill provides that amounts generated by the facility  
2 32 exceeding 20 percent of the excess energy produced by the  
2 33 facility above the level consumed by the facility shall be  
2 34 credited by the utility to the facility pursuant to net  
2 35 metering. The bill defines "net metering" as service to a  
3 1 customer of an electric utility under which electric energy  
3 2 produced by that customer from an alternate energy production  
3 3 facility and delivered to a utility may be used to offset  
3 4 electric energy provided by the utility to the customer during  
3 5 the applicable or a future billing period.

3 6 The bill states that rates applicable to alternate energy  
3 7 production facilities consisting of one or more wind turbines  
3 8 with a combined nameplate generating capacity exceeding 108  
3 9 kilowatts shall be determined pursuant to the rate-making  
3 10 principles otherwise applicable to alternate energy production  
3 11 facilities under current law.

3 12 LSB 1446XS 83

3 13 rn/nh/24.1