

**House File 2249 - Introduced**

HOUSE FILE 2249

BY ISENHART

**A BILL FOR**

1 An Act directing the Iowa utilities board to require that  
2 energy efficiency plans and programs be developed and  
3 provided by an entity appointed by the board.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 476.6, subsection 14, Code Supplement  
2 2011, is amended to read as follows:

3 14. *Energy efficiency plans.* Electric and gas public  
4 utilities shall offer energy efficiency programs to their  
5 customers through energy efficiency plans. An energy  
6 efficiency plan as a whole shall be cost-effective. In  
7 determining the cost-effectiveness of an energy efficiency  
8 plan, the board shall apply the societal test, utility cost  
9 test, rate-payer impact test, and participant test. Energy  
10 efficiency programs for qualified low-income persons and for  
11 tree planting programs, educational programs, and assessments  
12 of consumers' needs for information to make effective choices  
13 regarding energy use and energy efficiency need not be  
14 cost-effective and shall not be considered in determining  
15 cost-effectiveness of plans as a whole. The energy efficiency  
16 programs in the plans may be provided by the utility, ~~or~~ by a  
17 contractor or agent of the utility, or on and after January 1,  
18 2014, by an independent entity appointed by the board pursuant  
19 to subsection 16, paragraph "i". Programs offered pursuant to  
20 this subsection by gas and electric utilities that are required  
21 to be rate-regulated shall require board approval.

22 Sec. 2. Section 476.6, subsection 16, Code Supplement 2011,  
23 is amended by adding the following new paragraph:

24 NEW PARAGRAPH. *i.* (1) In lieu of the provision of  
25 utility-specific energy efficiency programs as specified in  
26 paragraphs "a" and "b" by gas and electric public utilities  
27 required to be rate-regulated under this chapter either  
28 directly by the utility or by a contractor or agent of the  
29 utility, the board shall, after conducting a contested case  
30 proceeding, provide for the development, implementation, and  
31 monitoring of energy efficiency plans and programs by one or  
32 more entities appointed by the board for such purposes by  
33 January 1, 2014. Development and implementation of these  
34 plans and programs shall satisfy a rate-regulated utility's  
35 obligations with regard to energy efficiency plans and programs

1 otherwise applicable pursuant to this subsection and subsection  
2 14.

3 (2) The board shall establish, after a contested case  
4 proceeding, an automatic adjustment of rates and charges  
5 for the support of energy efficiency programs developed and  
6 implemented pursuant to this paragraph "i". The charge shall  
7 be known as the energy efficiency charge, shall be shown  
8 separately on each customer's bill, and shall be remitted by a  
9 utility to the board. When such a charge is imposed and shown  
10 on the bill, notice of an internet site containing information  
11 about energy efficiency programs developed and implemented  
12 pursuant to this paragraph "i" shall also be provided on  
13 a customer's bill near notation of the energy efficiency  
14 charge. Charges remitted pursuant to this paragraph "i" shall  
15 be considered repayment receipts as defined in section 8.2  
16 and shall be used by the board in compensating the appointed  
17 entity or entities. The board shall submit a report to the  
18 general assembly beginning January 1, 2015, and annually  
19 thereafter detailing the energy efficiency plans and programs  
20 developed and implemented pursuant to this paragraph "i" and the  
21 corresponding revenues collected and expenditures made.

22 EXPLANATION

23 This bill relates to energy efficiency plans and programs  
24 required to be developed and implemented by gas and electric  
25 public utilities.

26 The bill provides that in lieu of the provision of energy  
27 efficiency programs as required in Code section 476.6,  
28 subsection 16, by gas and electric public utilities required  
29 to be rate-regulated, by the utility directly or a third-party  
30 utility which the utility has contracted, the Iowa utilities  
31 board shall, after conducting a contested case proceeding,  
32 provide for the development, implementation, and monitoring  
33 of energy efficiency plans and programs by one or more  
34 entities appointed by the board for such purposes on and  
35 after January 1, 2014. The bill states that the development

1 and implementation of these plans and programs satisfies a  
2 rate-regulated utility's obligations with regard to otherwise  
3 applicable energy efficiency plan and program requirements.

4 The bill additionally provides that the board shall  
5 establish, after a contested case proceeding, an automatic  
6 adjustment of rates and charges for the support of energy  
7 efficiency programs developed and implemented by the appointed  
8 entity or entities. The bill specifies that the charge shall  
9 be known as the energy efficiency charge, shall be shown  
10 separately on each customer's bill, and shall be remitted by  
11 a utility to the board. When such a charge is imposed and  
12 shown on the bill, the bill requires that notice of an internet  
13 site containing information about energy efficiency programs  
14 developed and implemented by the entity or entities shall also  
15 be provided on a customer's bill near notation of the energy  
16 efficiency charge. The bill provides that amounts remitted  
17 in the form of energy efficiency charges shall be considered  
18 repayment receipts as defined in Code section 8.2 and used by  
19 the board in compensating the appointed entity or entities.

20 The bill directs the board to submit a report to the  
21 general assembly by January 1, 2015, and annually thereafter,  
22 detailing the energy efficiency plans and programs developed  
23 and implemented by an appointed entity or entities and the  
24 corresponding revenues collected and expenditures made.