

House File 2166 - Introduced

HOUSE FILE 2166

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A BILL FOR

1 An Act requiring a specified percentage of alternate energy
2 purchase requirements to be derived from solar energy.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 476.44, subsection 2, Code 2014, is
2 amended to read as follows:

3 2. a. An electric utility subject to this division, except
4 a utility that elects rate regulation pursuant to section
5 476.1A, shall not be required to own or purchase, at any one
6 time, more than its share of one hundred five megawatts of
7 power from ~~alternative~~ alternate energy production facilities
8 or small hydro facilities at the rates established pursuant to
9 section 476.43. The board shall allocate the one hundred five
10 megawatts based upon each utility's percentage of the total
11 Iowa retail peak demand, for the year beginning January 1,
12 1990, of all utilities subject to this section. Twenty-five
13 percent of an electric utility's share as determined and
14 allocated pursuant to this paragraph shall be derived through
15 the ownership of, or purchase of alternate energy from, a
16 solar energy facility. If a utility undergoes reorganization
17 as defined in section 476.76, the board shall combine the
18 allocated purchases of power for each utility involved in the
19 reorganization.

20 b. Notwithstanding the one hundred five megawatt maximum,
21 the board may increase the amount of power that a utility
22 is required to own or purchase at the rates established
23 pursuant to section 476.43 if the board finds that a utility,
24 including a reorganized utility, exceeds its 1990 Iowa
25 retail peak demand by twenty percent and the additional
26 power the utility is required to purchase will encourage the
27 development of alternate energy production facilities and
28 small hydro facilities. The increase shall not exceed the
29 utility's increase in peak demand multiplied by the ratio of
30 the utility's share of the one hundred five megawatt maximum
31 to its 1990 Iowa retail peak demand. If the board increases
32 the amount of power a utility is required to own or purchase
33 pursuant to this paragraph, the twenty-five percent solar
34 energy ownership or purchase requirement specified in paragraph
35 "a" shall be applicable to the increased amount.

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EXPLANATION

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The inclusion of this explanation does not constitute agreement with
the explanation's substance by the members of the general assembly.

3

4 This bill relates to alternate energy purchase requirements
5 imposed upon electric utilities by the Iowa utilities board.

6 Currently, electric utilities are required to own alternate
7 energy production facilities or small hydro facilities located
8 in Iowa, or to enter into long-term contracts to purchase or
9 wheel electricity from such facilities. Alternate energy
10 production facilities are defined in Code section 476.42
11 to include solar, wind turbine, waste management, resource
12 recovery, refuse-derived fuel, agricultural crops or residues,
13 or woodburning facilities.

14 There is a limitation on the amount of electricity required
15 to be produced by a facility which is owned by an electric
16 utility, or purchased or wheeled from an alternate energy
17 production facility or small hydro facility. An electric
18 utility is not required to own or purchase, at any one time,
19 more than its share of 105 megawatts of power from alternate
20 energy production facilities or small hydro facilities. The
21 bill provides that 25 percent of an electric utility's share
22 shall be derived through the ownership of, or purchase of
23 alternate energy from, a solar energy facility, and that if
24 the board increases the amount of power a utility is required
25 to own or purchase, the 25 percent solar energy ownership or
26 purchase requirement shall be applicable to the increased
27 amount.