

House File 2448 - Introduced

HOUSE FILE 2448
BY COMMITTEE ON GOVERNMENT
OVERSIGHT

(SUCCESSOR TO HSB 640)

A BILL FOR

1 An Act relating to the construction, erection, maintenance,
2 operation, or sale of specified electric transmission lines,
3 and including effective date and applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 478.6A Merchant line franchises
2 — requirements — limitations.

3 1. a. For purposes of this section, "bifurcation" means
4 the conducting of two separate hearings when a petition
5 involves the taking of property under eminent domain, one
6 hearing considering whether the proposed line is necessary to
7 serve a public use and represents a reasonable relationship
8 to an overall plan of transmitting electricity in the public
9 interest, and the other considering the granting of eminent
10 domain authority.

11 b. For purposes of this section, "merchant line" means a
12 high-voltage direct current electric transmission line which
13 does not provide for the erection of electric substations at
14 intervals of less than fifty miles, which substations are
15 necessary to accommodate both the purchase and sale to persons
16 located in this state of electricity generated or transmitted
17 by the franchisee.

18 2. A petition for a franchise to construct a merchant line,
19 in addition to any other applicable requirements pursuant to
20 this chapter, shall be subject to all of the following:

21 a. The board shall not permit the bifurcation in any manner
22 of a petition and shall reject any request by a petitioner for
23 bifurcation.

24 b. Notwithstanding section 478.10, the sale and transfer of
25 a merchant line, by voluntary or judicial sale or otherwise,
26 shall not carry with it the transfer of the franchise.

27 c. Notwithstanding section 478.21, if a petition that
28 involves the taking of property under eminent domain is not
29 approved by the board and a franchise granted within two years
30 following the date of the first informational meeting held in
31 any county regarding the petition, pursuant to section 478.2,
32 the utilities board shall reject the petition and make a record
33 of the rejection. A petitioner may not file a petition for the
34 same or a similar project that has been rejected under this
35 subsection within sixty months following the date of rejection.

1 restrictions applicable to merchant lines, in addition to any
2 other applicable provisions in Code chapter 478. The bill
3 provides that the Iowa utilities board shall not permit the
4 bifurcation in any manner of a petition for a franchise to
5 construct a merchant line, and shall reject any request by such
6 a petitioner asking for bifurcation. The bill also provides
7 that the sale and transfer of a merchant line, by voluntary
8 or judicial sale or otherwise, shall not carry with it the
9 transfer of the franchise.

10 The bill additionally provides that if a petition for a
11 franchise to construct a merchant line that involves the taking
12 of property under eminent domain is not approved by the board
13 and a franchise granted within two years following the date
14 of the first informational meeting regarding the petition
15 held in any county, the board shall reject the petition and
16 make a record of the rejection. If this occurs, the bill
17 provides that a petitioner may not file a petition for the same
18 or a similar project within 60 months following the date of
19 rejection.

20 The bill further provides that the board shall not consider
21 a petition for a franchise to construct a merchant line
22 that involves the taking of property under eminent domain
23 until a minimum of 75 percent of the easements necessary to
24 construct the project have been obtained voluntarily and that
25 in considering whether to grant a petition for a franchise
26 to construct a merchant line that involves the taking of
27 property under eminent domain under Code section 478.3, the
28 term "public" shall be interpreted to be limited to consumers
29 located in Iowa.

30 The bill takes effect upon enactment and is applicable
31 to petitions for franchise filed on or after November 1,
32 2014, that have not been approved by the board on the bill's
33 effective date and to petitions for franchise filed on or after
34 the bill's effective date.