

**House File 2123 - Introduced**

HOUSE FILE 2123

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 13, Code 2020, is  
2 amended to read as follows:

3 13. *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, total resource  
9 cost test, utility cost test, rate-payer impact test, and  
10 participant test. Energy efficiency programs for qualified  
11 low-income persons and for tree planting programs, educational  
12 programs, and assessments of consumers' needs for information  
13 to make effective choices regarding energy use and energy  
14 efficiency need not be cost-effective and shall not be  
15 considered in determining cost-effectiveness of plans as a  
16 whole. The energy efficiency programs in the plans may be  
17 provided by the utility, ~~or~~ by a contractor or agent of the  
18 utility, or on and after January 1, 2022, by an independent  
19 entity appointed by the board pursuant to subsection 15,  
20 paragraph "g". Programs offered pursuant to [this subsection](#)  
21 by gas and electric utilities that are required to be  
22 rate-regulated shall require board approval.

23 Sec. 2. Section 476.6, subsection 15, Code 2020, is amended  
24 by adding the following new paragraph:

25 NEW PARAGRAPH. *g.* (1) In lieu of the provision of energy  
26 efficiency plans and programs as specified in paragraphs "a"  
27 and "b" by gas and electric public utilities required to be  
28 rate-regulated under this chapter either directly by the  
29 utility or by a contractor or agent of the utility, the board  
30 shall, after conducting a contested case proceeding, provide  
31 for the development, implementation, and monitoring of energy  
32 efficiency plans and programs by one or more entities appointed  
33 by the board for such purposes by January 1, 2022. Development  
34 and implementation of these plans and programs shall satisfy  
35 a rate-regulated utility's obligations with regard to energy

1 efficiency plans and programs otherwise applicable pursuant to  
2 this subsection and subsection 13.

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 "g". 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 "g" shall also be provided on  
13 a customer's bill near notation of the energy efficiency  
14 charge. Charges remitted pursuant to this paragraph "g" 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, 2023, and annually  
19 thereafter detailing the energy efficiency plans and programs  
20 developed and implemented pursuant to this paragraph "g" and the  
21 corresponding revenues collected and expenditures made.

22 EXPLANATION

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

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

28 The bill provides that in lieu of the provision of energy  
29 efficiency plans and programs as required in Code section  
30 476.6(15), by gas and electric public utilities required to  
31 be rate-regulated, by the utility directly or a third-party  
32 utility which the utility has contracted, the Iowa utilities  
33 board shall, after conducting a contested case proceeding,  
34 provide for the development, implementation, and monitoring  
35 of energy efficiency plans and programs by one or more

1 entities appointed by the board for such purposes on and  
2 after January 1, 2022. The bill states that the development  
3 and implementation of these plans and programs satisfies a  
4 rate-regulated utility's obligations with regard to otherwise  
5 applicable energy efficiency plan and program requirements.

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

22 The bill directs the board to submit a report to the  
23 general assembly by January 1, 2023, and annually thereafter,  
24 detailing the energy efficiency plans and programs developed  
25 and implemented by an appointed entity or entities and the  
26 corresponding revenues collected and expenditures made.