

Senate Study Bill 3186 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE
ON COMMERCE BILL BY
CHAIRPERSON DAWSON)

A BILL FOR

- 1 An Act relating to a public utility's automatic adjustment of
- 2 rates and charges.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 476.6, subsection 8, Code 2020, is
2 amended to read as follows:

3 8. *Automatic adjustments.*

4 a. **This chapter** does not prohibit a public utility from
5 making provision for the automatic adjustment of rates and
6 charges for public utility service provided that a **schedule**
7 **tariff** showing the automatic adjustment of rates and charges is
8 first filed with and approved by the board.

9 b. A public utility may automatically adjust rates and
10 charges to recover costs related to transmission incurred by
11 or charged to the public utility ~~consistent with pursuant to~~ a
12 tariff ~~or agreement~~ that is subject to the jurisdiction of and
13 approved by the federal energy regulatory commission, provided
14 that a schedule tariff showing the automatic adjustment of
15 rates and charges is first filed with and approved by the
16 board. The board shall adopt rules regarding the ~~reporting~~
17 ~~of transmission expenses and transmission-related activity~~
18 ~~pursuant to this paragraph~~ required content of the transmission
19 cost automatic adjustment tariff filing and requiring the
20 reporting of transmission expenses incurred by the public
21 utility. The board shall also adopt rules requiring the
22 reporting of activities undertaken by the public utility to
23 mitigate the transmission costs sought to be recovered through
24 an automatic adjustment pursuant to this paragraph.

EXPLANATION

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

28 This bill relates to a public utility's automatic adjustment
29 of rates and charges.

30 Current law provides that Code chapter 476 does not prohibit
31 a public utility from automatically adjusting rates and charges
32 if a schedule showing the automatic adjustment is filed with
33 and approved by the Iowa utilities board. The bill modifies
34 this provision to provide that it is a tariff that must be
35 filed with and approved by the board prior to such automatic

1 adjustment.

2 Current law also provides that a public utility may
3 automatically adjust its rates and charges to recover
4 transmission costs consistent with a tariff or agreement that
5 is subject to the jurisdiction of the federal energy regulatory
6 commission, if a schedule showing the automatic adjustment is
7 filed with and approved by the board. The bill modifies this
8 provision to provide that a public utility may automatically
9 adjust its rates and charges to recover such costs pursuant to
10 a tariff that is subject to the jurisdiction of and approved by
11 the federal energy regulatory commission, if a tariff showing
12 the automatic adjustment is first filed with and approved by
13 the board.

14 The bill requires the board to adopt rules regarding the
15 required content of the transmission cost automatic adjustment
16 tariff filing and requiring the reporting of transmission
17 expenses incurred by the public utility. The bill also
18 requires the board to adopt rules requiring the reporting
19 of activities undertaken by the public utility to mitigate
20 the costs sought to be recovered through a transmission cost
21 automatic adjustment.