

Senate Study Bill 1217 - Introduced

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

A BILL FOR

1 An Act relating to the construction, ownership, and maintenance
2 of certain electric transmission lines.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 478.16, subsection 1, Code 2021, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. *0a.* "*Electric power agency*" means the same
4 as defined in section 390.9, which is comprised solely of
5 cities or solely of cities and other political subdivisions.

6 Sec. 2. Section 478.16, subsection 1, paragraph e, Code
7 2021, is amended to read as follows:

8 *e.* "*Municipally owned utility*" means a "*city utility*" as
9 defined in [section 362.2](#), or an "~~*electric power agency*~~" as
10 ~~defined in [section 390.9](#) which is comprised solely of cities~~
11 ~~or solely of cities and other political subdivisions~~ electric
12 power agency.

13 Sec. 3. Section 478.16, subsection 3, Code 2021, is amended
14 to read as follows:

15 3. If an electric transmission line has been approved for
16 construction in a federally registered planning authority
17 transmission plan, and the electric transmission line is
18 not subject to a right of first refusal in accordance with
19 the tariff of a federally registered planning authority,
20 then within ninety days of approval for construction, an
21 incumbent electric transmission owner, or owners if there
22 is more than one owner, that owns a connecting electric
23 transmission facility shall give written notice to the board
24 regarding whether the incumbent electric transmission owner
25 or owners intend to construct, own, and maintain the electric
26 transmission line. If the incumbent electric transmission
27 owner or owners give notice of intent to construct the electric
28 transmission line, the incumbent electric transmission owner
29 or owners shall follow the applicable franchise requirements
30 pursuant to [this chapter](#).

31 a. If the incumbent electric transmission owner or owners
32 give notice declining to construct the electric transmission
33 line, the board may determine whether another person may
34 construct the electric transmission line.

35 b. If the incumbent electric transmission owner or owners

1 fail to give notice of intent to construct, own, and maintain
2 the electric transmission line within ninety days after
3 approval for construction, any electric utility may submit a
4 franchise application pursuant to section 478.1 to construct,
5 own, and maintain the electric transmission line.

6 Sec. 4. Section 478.16, Code 2021, is amended by adding the
7 following new subsections:

8 NEW SUBSECTION. 3A. Within one hundred eighty days after an
9 incumbent electric transmission owner or owners have elected
10 to construct an electric transmission line under this section,
11 the incumbent electric transmission owner or owners shall
12 submit a transmission facility petition to the board. The
13 incumbent electric transmission owner or owners shall commence
14 construction of the electric transmission line within eighteen
15 months after the date the incumbent electric transmission owner
16 or owners provide to the board an estimate of the cost to
17 construct the electric transmission line pursuant to subsection
18 4, paragraph "a", unless otherwise approved by the board after
19 notice and hearing.

20 NEW SUBSECTION. 4A. A municipally owned utility may assign
21 its rights under this section to an electric power agency
22 serving as its wholesale power supplier or any other affiliated
23 electric power agency.

24 EXPLANATION

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

27 This bill relates to the construction, ownership, and
28 maintenance of certain electric transmission lines.

29 The bill defines "electric power agency" by reference to
30 Code section 390.9, as an entity financing or acquiring an
31 electric power facility pursuant Code chapter 390, 28E, or 28F,
32 which is comprised solely of cities or solely of cities and
33 other political subdivisions.

34 The bill provides that, if the incumbent electric
35 transmission owner or owners fail to give notice of intent to

1 construct, own, and maintain the electric transmission line
2 within 90 days after approval pursuant to Code section 478.16,
3 subsection 3, any electric utility may submit a franchise
4 application to construct, own, and maintain the electric
5 transmission line.

6 The bill requires an incumbent electric transmission owner
7 or owners to submit a transmission facility petition to the
8 utilities board within 180 days after electing to construct
9 an electric transmission line pursuant to Code section
10 478.16. Additionally, the bill requires the incumbent electric
11 transmission owner or owners to commence construction of the
12 electric transmission line within 18 months after the date the
13 incumbent electric transmission owner or owners provide to
14 the board an estimate of the cost to construct the electric
15 transmission line, unless otherwise approved by the board.

16 The bill authorizes a municipally owned utility to assign
17 its rights under Code section 478.16 to an electric power
18 agency serving as its wholesale power supplier or any other
19 affiliated electric power agency.