

**House File 2729 - Introduced**

HOUSE FILE 2729

BY B. MEYER, WILSON,  
KRESSIG, BAETH, CROKEN,  
R. JOHNSON, RAMIREZ,  
WICHTENDAHL, BROWN-POWERS,  
MATSON, KONFRST, WILBURN,  
LEVIN, WESSEL-KROESCHELL,  
OLSON, and EHLERT

**A BILL FOR**

1 An Act establishing a temporary prohibition on an increase in  
2 rates or charges by gas and electric public utilities, and  
3 including effective date provisions.

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

1 Section 1. Section 476.1A, subsection 1, Code 2026, is  
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. *f.* Rate and charge adjustment prohibitions  
4 before December 31, 2030, as set forth in section 476.6,  
5 subsections 1A, 8, and 9.

6 Sec. 2. Section 476.1B, subsection 1, Code 2026, is amended  
7 by adding the following new paragraph:

8 NEW PARAGRAPH. *g.* Rate and charge adjustment prohibitions  
9 before December 31, 2030, as set forth in section 476.6,  
10 subsections 1A, 8, and 9.

11 Sec. 3. Section 476.1C, subsection 1, paragraph a, Code 2026,  
12 is amended to read as follows:

13 *a.* Are not subject to the regulation authority of the  
14 utilities commission under this chapter unless otherwise  
15 specifically provided. Sections Section 476.6, subsections 1A,  
16 8, and 9, and sections 476.10, 476.20, 476.21, and 476.51 apply  
17 to such gas utilities.

18 Sec. 4. Section 476.6, Code 2026, is amended by adding the  
19 following new subsection:

20 NEW SUBSECTION. 1A. *Moratorium.* A public utility shall not  
21 make effective a new or changed rate, charge, schedule, or  
22 regulation that will result in an increase of any rate or charge  
23 for gas or electric service on a customer's bill on or before  
24 December 31, 2030.

25 Sec. 5. Section 476.6, subsection 8, Code 2026, is amended to  
26 read as follows:

27 8. *Automatic adjustments.*

28 *a.* This chapter does not prohibit a public utility from  
29 making provision for the automatic adjustment of rates and  
30 charges for public utility service, except as provided in  
31 paragraph "c", provided that a schedule showing the automatic  
32 adjustment of rates and charges is first filed with and approved  
33 by the commission.

34 *b.* A public utility may automatically adjust rates and  
35 charges to recover costs related to transmission incurred by

1 or charged to the public utility consistent with a tariff or  
2 agreement that is subject to the jurisdiction of the federal  
3 energy regulatory commission, except as provided in paragraph  
4 "c", provided that a schedule showing the automatic adjustment  
5 of rates and charges is first filed with and approved by  
6 the commission. The commission shall adopt rules regarding  
7 the reporting of transmission expenses and transmission-related  
8 activity pursuant to this paragraph.

9 c. A public utility shall not automatically adjust rates or  
10 charges, pursuant to any schedule, tariff, or agreement, that  
11 will result in an increase of any rate or charge for gas or  
12 electric service on a customer's bill on or before December 31,  
13 2030.

14 Sec. 6. Section 476.6, subsection 9, paragraph a, Code 2026,  
15 is amended to read as follows:

16 a. A public utility may choose to place in effect temporary  
17 rates, charges, schedules, or regulations without commission  
18 review on or after ten days following the filing date under  
19 this section, except as provided in paragraph "d". If the  
20 utility chooses to place such rates, charges, schedules, or  
21 regulations in effect, the utility shall file with the commission  
22 a bond or other corporate undertaking approved by the commission  
23 conditioned upon the refund in a manner prescribed by the  
24 commission of amounts collected in excess of the amounts ~~which~~  
25 that would have been collected under rates, charges, schedules,  
26 or regulations finally approved by the commission. At the  
27 conclusion of the proceeding if the commission determines that  
28 the temporary rates, charges, schedules, or regulations placed  
29 in effect under this paragraph were not based on previously  
30 established regulatory principles, the commission shall consider  
31 ordering refunds based upon the overpayments made by each  
32 individual customer class, rate zone, or customer group. If  
33 the commission has not rendered a final decision with respect  
34 to suspended rates, charges, schedules, or regulations upon the  
35 expiration of ten months after the filing date, plus the length

1 of any delay that necessarily results either from the failure  
2 of the public utility to exercise due diligence in connection  
3 with the proceedings or from intervening judicial proceedings,  
4 plus the length of any extension permitted by section 476.33,  
5 subsection 3, then such temporary rates, charges, schedules, or  
6 regulations placed into effect on a temporary basis shall be  
7 deemed finally approved by the commission and the utility may  
8 place them into effect on a permanent basis.

9 Sec. 7. Section 476.6, subsection 9, Code 2026, is amended by  
10 adding the following new paragraph:

11 NEW PARAGRAPH. d. A public utility shall not place in effect  
12 temporary rates, charges, schedules, or regulations that will  
13 result in an increase of any rate or charge for gas or electric  
14 service on a customer's bill on or before December 31, 2030.

15 Sec. 8. EFFECTIVE DATE. This Act, being deemed of immediate  
16 importance, takes effect upon enactment.

17 EXPLANATION

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

20 This bill establishes a temporary prohibition on an increase  
21 in rates or charges by gas and electric public utilities.

22 The bill prohibits a public utility from making effective  
23 a new or changed rate, charge, schedule, or regulation that  
24 will result in an increase of any rate or charge for gas or  
25 electric service on a customer's bill on or before December 31,  
26 2030. This rate freeze applies to all public utilities providing  
27 gas or electric service and all rate, charge, schedule, and  
28 regulation changes, including automatic adjustments and temporary  
29 adjustments.

30 The bill authorizes the Iowa utilities commission to  
31 regulate this rate freeze for smaller gas or electric public  
32 utilities, electric cooperative corporations and associations,  
33 and municipally owned utilities.

34 The bill takes effect upon enactment.