

House Study Bill 522 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
COMMERCE BILL BY CHAIRPERSON
YOUNG)

A BILL FOR

- 1 An Act relating to electric utility resource planning.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 476.53, subsection 3, paragraph c,
2 subparagraph (2), Code 2026, is amended to read as follows:

3 (2) The rate-regulated public utility has demonstrated to the
4 commission that the public utility has considered other sources
5 for long-term electric supply and that the facility or lease is
6 reasonable when compared to other feasible alternative sources of
7 supply. The rate-regulated public utility shall provide support
8 of reasonability with an electric utility resource plan pursuant
9 to section 476.53B that has been updated no more than twenty-four
10 months prior to the filing of the public utility's application.

11 Sec. 2. NEW SECTION. **476.53B Electric utility resource**
12 **planning.**

13 1. An electric utility required to be rate-regulated by
14 the commission shall file a resource plan at least once every
15 three years. A resource plan shall consider all reasonable
16 resources proposed by the utility for meeting the probable future
17 demand for energy, including supply resources and conservation
18 and management of demand to meet the utility's probable future
19 demand over five-year and twenty-year horizons. For conservation
20 and management of demand, an electric utility's resource plan
21 shall include programs approved in the electric utility's most
22 recent energy efficiency plan approved by the commission under
23 section 476.6, subsection 15. The objectives of a resource
24 plan include but are not limited to adequate, reasonable, and
25 reliable energy service considering costs, fuel diversity, and
26 probable future demand for energy. A resource plan shall not
27 require a specific outcome or specific investment decisions, but
28 an electric utility shall include proposed resource additions
29 for each scenario studied. A resource plan shall reflect the
30 circumstances and management judgment of an electric utility.
31 This section does not restrict an electric utility from making
32 planning decisions based on future resource needs subject to the
33 ratemaking oversight of the commission, as described in section
34 476.53, subsection 3.

35 2. The commission shall review a resource plan. Within

1 ninety days of filing the final resource plan, the commission
2 shall issue an order acknowledging it has received the plan.
3 In the order acknowledging receipt, the commission may provide
4 recommendations to an electric utility regarding any additional
5 analyses or actions that the electric utility shall include in
6 its next resource plan.

7 3. The commission shall adopt rules pursuant to chapter 17A
8 regarding the timeline and stakeholder process to review and
9 provide comments on a resource plan. The stakeholder process
10 shall include the electric utility organizing and facilitating
11 stakeholder conferences for the resource plan, providing
12 reasonable access to data, and providing the opportunity for
13 stakeholders to provide comments during the plan's development
14 and after the plan is submitted to the commission. The
15 stakeholder conferences shall include representatives from the
16 commission, the consumer advocate, the electric utility's
17 customers, and the state load forecasting center. The electric
18 utility may inform and consider input from the commission, the
19 consumer advocate, stakeholders, and the state load forecasting
20 center. In addition to participating in the stakeholder
21 conferences, the state load forecasting center may provide
22 technical assistance to other stakeholders.

23 EXPLANATION

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

26 This bill relates to electric utility resource planning for
27 rate-regulated utilities.

28 The bill requires a rate-regulated public utility seeking
29 ratemaking principles to provide support of reasonability with an
30 electric utility resource plan that has been updated within 24
31 months of filing an application.

32 The bill requires rate-regulated electric utilities to file a
33 resource plan at least once every three years. The resource plan
34 must consider all reasonable resources by the utility for meeting
35 the probable future demand for energy, including supply resources

1 and conservation and management of demand to meet the utility's
2 probable future demand over 5-year and 20-year horizons. For
3 conservation and management of demand, the resource plan shall
4 include programs approved in the electric utility's most recently
5 approved energy efficiency plan. The objectives of the resource
6 plan include but are not limited to adequate, reasonable, and
7 reliable energy service considering costs, fuel diversity, and
8 probable future demand for energy, and should reflect the
9 circumstances and management judgment of the electric utility.
10 The resource plan shall not require specific outcomes or specific
11 investment decisions, but the electric utility shall include
12 proposed resource additions for each scenario studied.

13 The bill directs the commission to issue an order within 90
14 days of the resource plan acknowledging receipt of the plan.
15 This order may provide recommendations to an electric utility
16 regarding any additional analyses or actions that the electric
17 utility must include in its next resource plan.

18 The bill directs the commission to adopt rules regarding the
19 timeline and stakeholder process to review and provide comments
20 on the resource plan. The stakeholder process shall include
21 the electric utility organizing and facilitating stakeholder
22 conferences with representatives of the commission, the consumer
23 advocate, the electric utility's customers, and the state load
24 forecasting center. The bill authorizes the electric utility
25 to inform and consider input from the commission, the consumer
26 advocate, stakeholders, and the state load forecasting center.
27 The bill also allows the state load forecasting center to provide
28 technical assistance to other stakeholders.