

CHAPTER 1012

REGULATION OF MULTIPLE EMPLOYER WELFARE ARRANGEMENTS

H.F. 2189

AN ACT relating to the exemption of certain multiple employer welfare arrangements from regulation by the insurance division and providing an effective date.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. 1994 Iowa Acts, chapter 1038, section 3, as amended by 1995 Iowa Acts, chapter 33, section 1, 1996 Iowa Acts, chapter 1024, section 1, and 1997 Iowa Acts, chapter 67, section 2, is amended to read as follows:

SEC. 3. REPEAL. This Act is repealed effective July 1, 1998 2001.

Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved March 17, 1998

CHAPTER 1013

PUBLIC UTILITIES — COST REVIEWS

H.F. 2331

AN ACT relating to utility cost reviews associated with a rate-regulated public utility's procurement of natural gas or fuel for use in generating electricity.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 476.6, subsections 15 and 16, Code 1997, are amended to read as follows:

15. NATURAL GAS SUPPLY AND COST REVIEW. The board shall periodically, ~~but not less than annually,~~ conduct a proceeding for the purpose of evaluating the reasonableness and prudence of a rate-regulated public utility's natural gas procurement and contracting practices. The natural gas supply and cost review shall be conducted as a contested case pursuant to chapter 17A.

Under procedures established by the board, each rate-regulated public utility furnishing gas shall periodically file a complete natural gas procurement plan describing the expected sources and volumes of its gas supply and changes in the cost of gas anticipated over a future twelve-month period specified by the board. ~~The plan shall describe all major contracts and gas supply arrangements entered into by the utility for obtaining gas during the specified twelve-month period. The description of the major contracts and arrangements shall include the price of gas, the duration of the contract or arrangement, and an explanation or description of any other term or provision as required by the board. The plan shall also include the utility's evaluation of the reasonableness and prudence of its decisions to obtain gas in the manner described in the plan, an explanation of the legal and regulatory actions taken by the utility to minimize the cost of gas purchased by the utility, and such other information as the board may require. The utilities shall file information as the board deems appropriate.~~

During the natural gas supply and cost review, the board shall evaluate the reasonableness and prudence of the gas procurement plan. ~~In evaluating the gas procurement plan, the~~