

STATE OF IOWA

BEFORE THE IOWA UTILITIES BOARD

IN RE:	
MIDAMERICAN ENERGY COMPANY	DOCKET NO. RPU-2018-0003

POST-HEARING BRIEF OF INTERSTATE POWER AND LIGHT COMPANY

Pursuant to 199 Iowa Administrative Code (IAC) § 7.23(8) and the schedule established by the Iowa Utilities Board (“Board”) at the hearing in this matter held on October 12, 2018, Interstate Power and Light Company (“IPL”) hereby submits this post-hearing brief.

While it will not comment specifically on MidAmerican Energy Company’s Application for a Determination of Ratemaking Principles relating to the Wind XII project, IPL supports the expansion of cost-effective, renewable energy generation in Iowa.

IPL also submits this post-hearing brief to voice its opposition to the following proposals made by other parties in this docket:

- The proposal of the Sierra Club to add as a ratemaking principle that MidAmerican must file with the Board a comprehensive analysis of the cost-effectiveness of each of its coal generating units, which it must update bi-annually, and provide the Board an opportunity to review such analyses through a contested case hearing to determine whether the coal units remain useful and in the public interest. *Sierra Club Comments on the Stipulation and Settlement*, at 2 (Oct. 1, 2018);
- The proposals of the Environmental Law and Policy Center (“ELPC”) and Iowa Environmental Council (“IEC” and, collectively with ELPC, “Environmental Intervenors”) that MidAmerican retire and remove from its rate base an equivalent amount of coal capacity as it adds in wind generation in this docket and that MidAmerican conduct and file with the Board a biennial analysis of the cost effectiveness and risk to customers of

continuing to operate its coal generators. *Objection to Settlement*, at 11 (Sept. 28, 2018).

The Board's determination of whether to approve advance ratemaking principles for the Wind XII project entails two statutory considerations: whether MidAmerican has in effect a Board-approved energy efficiency plan, and whether MidAmerican has demonstrated that Wind XII is reasonable when compared to other feasible alternative sources of supply. See Iowa Code § 476.53(3)c(1). The Sierra Club and Environmental Intervenor proposals, cited above, would effectively turn this advanced ratemaking docket into an integrated resource planning docket. This is inconsistent with the legislative intent behind the advance ratemaking statute and contrary to Board precedent. See, e.g., *In re Interstate Power and Light Co.*, Docket No. RPU-2017-0002, *Final Decision and Order*, at 43 (Apr. 17, 2018) (rejecting calls from co-owners of Duane Arnold Energy Center (DAEC) for IPL to engage in "extensive additional analyses" regarding its planning assumptions for the DAEC, as such analyses would be unnecessary in light of the purpose and intent of the advance ratemaking statute).

Further, these requests would impose burdensome conditions on MidAmerican generating facilities that are co-owned by IPL and that are not at issue here and could impose future filing obligations on a party—IPL—who is not the applicant in this docket. For example, Sierra Club witness Mr. Chernick recommends that the Board "[r]equire MidAmerican to file for approval of annual capital expenditures for Ottumwa, Louisa and Neal, to ensure that MidAmerican is only investing in resources that remain economically used and useful for customers" and that the Board "may want to impose the same requirement on IP&L for those units, for consistency." *Direct*

Testimony of Paul Chernick on Behalf of Sierra Club, at 14 (Aug. 6, 2018). Imposing an on-going requirement upon a utility that is not the applicant in this docket would be atypical at best and more likely procedurally unsound.

For the foregoing reasons, IPL encourages the Board to decline to adopt the Sierra Club and Environmental Intervenor proposals cited above.

Dated this 29th day of October, 2018

Respectfully submitted,

INTERSTATE POWER AND LIGHT
COMPANY

By: /s/ Lissa Koop

Lissa Koop

Senior Attorney

Alliant Energy Corporate Services, Inc.

4902 N. Biltmore Lane

Madison, WI 53718

608.458.4826

lissakoop@alliantenergy.com