

IOWA UTILITIES BOARD

IN RE:

EXECUTIVE ORDER 10 — REVIEW OF
INTERSTATE NATURAL GAS
PIPELINES AND UNDERGROUND
STORAGE RULES [199 IOWA
ADMINISTRATIVE CODE CHAPTER 12]

DOCKET NO. RMU-2023-0012

ORDER APPROVING REGULATORY ANALYSIS

On January 10, 2023, Gov. Kim Reynolds issued Executive Order Number 10 (Executive Order), which placed a moratorium on agency rulemaking and directed agencies, including the Utilities Board (Board), to engage in a comprehensive evaluation of existing rules. The goals of the Executive Order include increasing public input in the rulemaking process, eliminating rules that do not provide substantial benefits to Iowans, reducing the page and word count of the Iowa Administrative Code, and reducing restrictive language. As part of the comprehensive review, agencies are required to repeal each rules chapter and evaluate whether the chapter, or a portion of the chapter, should be re-promulgated.

Pursuant to the Executive Order, the Board is conducting comprehensive reviews of each chapter of its administrative rules. Each review includes a technical conference for the Board to discuss a draft Regulatory Analysis with interested persons. For chapter 12, this technical conference was held on September 20, 2023, and was attended by the Office of the Consumer Advocate (OCA), a division of the Iowa Department of Justice; Interstate Power and Light Company; and Black Hills/Iowa Gas Utility Company, LLC d/b/a Black Hills Energy (Black Hills). The Board also received

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written filings from OCA, Black Hills, and Iowa-American Water Company.

No commenting stakeholder requested changes to the draft Regulatory Analysis. Therefore, the Board will approve the draft Regulatory Analysis as the final version, attached to this order as Attachment A, without change. The Board will also publish the final Regulatory Analysis on its website as required by the Executive Order.

Additionally, as part of the draft Regulatory Analysis, the Board proposed to rescind and reserve chapter 12. No commenting stakeholder opposed the proposed rescission, and several stakeholders expressed support for the same. Consequently, the Board will seek authority to commence a formal rulemaking in the above-captioned docket by submitting the Request to Initiate Rulemaking, attached to this Order as Attachment B, as required by the Red Tape Review Process. See <https://dom.iowa.gov/red-tape-review> (last accessed on October 5, 2023) (setting forth Executive Order 10 forms and processes).

IT IS THEREFORE ORDERED:

The final regulatory analysis for 199 Iowa Administrative Code chapter 12, attached to this Order as Attachment A, is approved.

UTILITIES BOARD

Erik M. Helland Date: 2023.10.09
14:49:40 -05'00'

Joshua Byrnes Date: 2023.10.09
12:53:18 -05'00'

ATTEST:

Keetah A Horras Date: 2023.10.09
15:10:18 -05'00'

Sarah Martz Date: 2023.10.09
14:58:34 -05'00'

Dated at Des Moines, Iowa, this 9th day of October, 2023.

Final Regulatory Analysis

TEXT BOXES WILL EXPAND AS YOU TYPE

Agency Name Iowa Utilities Board **Rule #** 199 IAC chapter 12

Iowa Code Section Authorizing Rule Iowa Code chapters 476 and 479A

State or Federal Law(s) Implemented by the Rule Iowa Code chapter 479A

Public Hearing

A public hearing at which persons may present their views orally or in writing was held as follows:

Date/Time: September 20, 2023 at 2 p.m.

Location: Board Hearing Room, 1375 East Court Avenue, Des Moines Iowa

Any interested person may submit written comments concerning this regulatory analysis. Written comments in response to this regulatory analysis must be received by the Department no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Contact Name

IT Support

Address

Iowa Utilities Board

Email and/or phone number

ITsupport@iub.iowa.gov

Purpose and summary of proposed rule:

Chapter 12 is intended to publish state and federal authorizations in regard to interstate natural gas pipelines in the Iowa Administrative Code. The Board is proposing to rescind Chapter 12 because its provisions are duplicative of language contained in Iowa Code chapter 479A. Consequently, the intended benefits of Chapter 12 can be achieved through the provisions of Iowa Code chapter 479A alone.

Analysis of Impact of Proposed Rule

1. Persons affected by the proposed rule

- Classes of persons that will bear the costs of the proposed rule:

Chapter 12 imposes no direct costs on the public. Pipeline companies may incur costs associated with the Board’s oversight and any attorney fees, but these costs are not impacted by Chapter 12.

- Classes of persons that will benefit from the proposed rule:

No classes of persons will benefit because the chapter is proposed to be rescinded.

Final Regulatory Analysis

2. Impact of the proposed rule, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred

- Quantitative description of impact:

The Board discerns no quantitative impact.

- Qualitative description of impact:

The Board discerns no qualitative impact.

3. Costs to the state

- Implementation and enforcement costs borne by the agency or any other agency:

There are no anticipated costs.

- Anticipated effect on state revenues:

There are no anticipated effects on state revenues.

4. Comparison of the costs and benefits of the proposed rule to the costs and benefits of inaction

There are no comparisons.

5. Determination if less costly methods or less intrusive methods exist for achieving the purpose of the proposed rule

Chapter 12 can be rescinded because it does not add to or further clarify existing statutory or federal regulatory requirements.

6. Alternative methods considered by the agency

- Description of any alternative methods that were seriously considered by the agency:

The Board did not consider alternative methods.

- Reasons why they were rejected in favor of the proposed rule:

Rescinding the chapter was the only option considered because the information contained in Chapter 12 is available elsewhere.

Small Business Impact

If the rule will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rule on small business:

- Establish less stringent compliance or reporting requirements in the rule for small business.
- Establish less stringent schedules or deadlines in the rule for compliance or reporting requirements for small business.

ATTACHMENT A

Final Regulatory Analysis

- Consolidate or simplify the rule’s compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rule for small business.
- Exempt small business from any or all requirements of the rule.

If legal and feasible, how does the rule use a method discussed above to reduce the substantial impact on small business?

The agency does not believe Chapter 12 has an adverse impact on small business.

Text of Proposed Rule:

ITEM 1. Rescind and reserve **199—Chapter 12.**

Executive Order 10 – Red Tape Review

Request to Initiate New Rulemaking

Agency Name Iowa Utilities Board

Rule Number(s) 199 Iowa Administrative Code chapter 12

Agency Point of Contact (POC) Maison Bleam

Agency POC Phone 515-380-9587 Email maison.bleam@iub.iowa.gov

This new rulemaking action was directed by the Administrative Rules Coordinator.

If the new rulemaking action was not directed by the ARC:

This new rulemaking action is narrowly-tailored to achieve the following objective(s):

Reduce or remove a regulatory burden, including reducing restrictive terms.

Remove obsolete, outdated, inconsistent, incompatible, redundant, or unnecessary regulations, including instances where rule language is duplicative of statutory language.

Comply with a new statutory requirement, court order, or federal mandate where no waiver is permitted.

Provide bill# or statutory citation _____ or attach copy of court order.

Prevent a substantiated and well-documented threat to public health, peace, or safety.

Attach substantiated and well-documented evidence of threat to public health, peace, or safety.

Reduce state spending

Attach fiscal estimate

Repeal a rule chapter as specified in Executive Order 10

Re-promulgate a rule chapter as specified in Executive Order 10

A copy of the final regulatory analysis required under Executive Order 10 is attached.

Date of the public hearing on the regulatory analysis 09 / 20 / 2023

ARC Preclearance

Date ____ / ____ / _____