

IOWA UTILITIES BOARD

IN RE:

EXECUTIVE ORDER 10 — REVIEW OF
RENEWABLE ENERGY PERCENTAGE
VERIFICATION RULES [199 IOWA
ADMINISTRATIVE CODE CHAPTER 30]

DOCKET NO. RMU-2023-0030

ORDER OPENING DOCKET AND SETTING TECHNICAL CONFERENCE AND COMMENT DEADLINE

On January 10, 2023, Gov. Kim Reynolds issued Executive Order Number 10 (Executive Order), which put 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 rule language. As a 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. To assist agencies in performing their comprehensive reviews, the Iowa Department of Management developed and published forms and processes. See <https://dom.iowa.gov/red-tape-review> (last accessed on April 3, 2024).

Pursuant to the Executive Order, the Board is conducting comprehensive reviews of each chapter of its administrative rules, and the Board will open the above-captioned docket for purposes of conducting a comprehensive review of chapter 30, which

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contains the Board's Renewable Energy Percentage Verification rules. Attached to this order as Attachment A is the Board's retrospective analysis (Red Tape Review Rule Report) of chapter 30, which the Board will publish on the Board's website, iub.iowa.gov, as required by section III.B of the Executive Order. Attached to this order as Attachment B is the Board's draft Regulatory Analysis of chapter 30, which the Board will submit in the legislative Rules Management System for publication in the Iowa Administrative Bulletin. The Board is proposing to rescind chapter 30.

The Board also will schedule a technical conference for May 21, 2024. The technical conference will be led by Board staff, and participation may occur in person or by webinar. The purpose of the technical conference is to receive comments regarding the draft Regulatory Analysis and the proposed decision to rescind chapter 30.

Additionally, the Board will accept written comments through May 21, 2024, concerning the draft Regulatory Analysis and the proposed chapter 30 rulemaking. The Board will use the oral and written comments received to prepare a final version of the Regulatory Analysis, which will be uploaded in this docket and published on the Board's website.

IT IS THEREFORE ORDERED:

1. Docket No. RMU-2023-0030 is opened for the purpose of conducting a comprehensive review of 199 Iowa Administrative Code chapter 30 pursuant to Executive Order Number 10.

2. A technical conference is set for 9 a.m. May 21, 2024, in the Utilities Board hearing room, located at 1375 East Court Avenue, Des Moines, Iowa. Interested persons may appear in person or by webinar. Information for attending by webinar can be found on the Utilities Board's website on the Hearing and Meeting Calendar

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webpage.

3. Comments regarding the draft Regulatory Analysis or the proposed rescission of chapter 30 shall be filed by May 21, 2024.

UTILITIES BOARD

Erik M. Helland 2024.04.10 14:57:56 -05'00'

Joshua Byrnes Date: 2024.04.11
13:58:12 -05'00'

ATTEST:

Keetah A Horras Date: 2024.04.11
14:45:02 -05'00'

Sarah Martz Date: 2024.04.11
10:24:32 -05'00'

Dated at Des Moines, Iowa, this 11th day of April, 2024.

Red Tape Review Rule Report (Due: September 1, 2025)

Department Name:	Iowa Utilities Board	Date:	April 5, 2024	Total Rule Count:	4
IAC #:	199	Chapter/ SubChapter / Rule(s):	199 IAC 30	Iowa Code Section Authorizing Rule:	476.44A
Contact Name:	Cheyenne Lepird	Email:	cheyanne.lepird@iub.iowa.gov	Phone:	515-725-7310

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

What is the intended benefit of the rule?

Iowa Code § 476.44A provides the Board with the discretion to create a renewable energy verification system. Pursuant to this authority, the Board adopted chapter 30, and the Board-intended benefit of the chapter was to empower the Board to independently verify the renewable energy generation percentage of those rate-regulated electric utilities requesting the Board to do so. Upon review of chapter 30, it is unclear what additional benefit is provided by Board review of the information provided by utility companies.

Is the benefit being achieved? Please provide evidence.

No. The intended benefit of having the Board independently verify the renewable energy generation percentage has not been achieved; rather, in these proceedings and under existing chapter 30, the Board merely recites information generated from third-parties without engaging in an independent verification and review.

What are the costs incurred by the public to comply with the rule?

There are no costs incurred by the public other than the cost of salaries for the time spent on a verification process by Board employees, which is billed back to the utility and ultimately paid by the utility's ratepayers.

What are the costs to the agency or any other agency to implement/enforce the rule?

Chapter 30 does not impose any additional costs to the agency beyond the salary of the employees who work on the verification process.

Do the costs justify the benefits achieved? Please explain.

Chapter 30 does not impose any costs if it remains, but there are no appreciable benefits to keeping the chapter.

Are there less restrictive alternatives to accomplish the benefit? YES NO

If YES, please list alternative(s) and provide analysis of less restrictive alternatives from other states, if applicable. If NO, please explain.

No. Chapter 30 creates a program that covered utilities are not required to utilize. Consequently, chapter 30 imposes no restriction on industry and only covers utilities that voluntarily request renewable energy generation verification.

ATTACHMENT A

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or un-necessary language, including instances where rule language is duplicative of statutory language? [list chapter/rule number(s) that fall under any of the above categories]

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

Yes. Because the intended benefits of chapter 30 are not being realized, the entire chapter is unnecessary and should be rescinded.

RULES PROPOSED FOR REPEAL (list rule number[s]):

30.1, 30.2, 30.3, 30.4, Implementation Sentence

RULES PROPOSED FOR RE-PROMULGATION (list rule number[s] or include rule text if available):

None.

****For rules being re-promulgated with changes, you may attach a document with suggested changes.***

METRICS

Total number of rules repealed:	4
Proposed word count reduction after repeal and/or re-promulgation	940
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	12

ARE THERE ANY STATUTORY CHANGES YOU WOULD RECOMMEND INCLUDING CODIFYING ANY RULES?

No.

Draft Regulatory Analysis

TEXT BOXES WILL EXPAND AS YOU TYPE

Agency Name Iowa Utilities Board Rule # 199 IAC chapter 30

Iowa Code Section Authorizing Rule Iowa Code § 476.44A

State or Federal Law(s) Implemented by the Rule Iowa Code § 476.44A

Public Hearing

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

Date/Time: 5/21/2024 9:00 AM

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

Phone: 515.725.7300 Email: ITsupport@iub.iowa.gov

Purpose and summary of proposed rule:

This chapter is proposed to be rescinded.

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 30 is proposed to be rescinded and will therefore not impose a cost.

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

Chapter 30 is proposed to be rescinded and will therefore not provide a benefit to any class of people.

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:

There is no quantitative impact.

ATTACHMENT B

- Qualitative description of impact:

There is no qualitative impact.

3. Costs to the state

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

There is no cost.

- Anticipated effect on state revenues:

There is not an anticipated effect on state revenues.

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

This chapter is proposed to be rescinded and would therefore not impose a cost to the state.

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

The Board does not believe there are any less costly methods of addressing the purpose of this chapter.

6. Alternative methods considered by the agency

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

The Board considered inaction.

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

The Board has instead chosen to rescind the chapter as the chapter has not realized the intended benefit.

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.
- 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.

ATTACHMENT B

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 rescinding chapter 30 will have an adverse impact on small business.

Text of Proposed Rule:

ITEM 1. Rescind and reserve 199–Chapter 30.