

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 APPROVING REGULATORY ANALYSIS

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 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 30, entitled “Renewable Energy Percentage Verification,” the technical conference was held on May 21, 2024. The Office of Consumer Advocate (OCA), a division of the Iowa Department of Justice, suggested changes to the draft Regulatory Analysis through written comments filed on May 31, 2024. Specifically, OCA states opposition to the rescission of chapter 30 “in the absence of an alternative process for

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obtaining the information” that is voluntarily filed with the Board by utility companies in connection with chapter 30. OCA states it utilizes the information provided in these filings “to verify the status of a utility’s renewable energy certificates . . . to determine whether the [renewable energy certificates] are being sold or retired.” The Board has taken these suggestions into account and did not revise the Final Regulatory Analysis based on these suggestions. The Board will therefore approve the Final Regulatory Analysis, attached to the order as Attachment A. The Board will also publish the Final Regulatory Analysis on its website, iub.iowa.gov, as required under the Executive Order.

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 June 3, 2024) (setting forth Executive Order 10 forms and processes).

IT IS THEREFORE ORDERED:

The Final Regulatory Analysis for 199 Iowa Administrative Code chapter 30 is approved.

UTILITIES BOARD

Erik M. Helland Date: 2024.06.10
10:55:42 -05'00'

Joshua Byrnes Date: 2024.06.10
16:43:13 -05'00'

ATTEST:

Keetah A Horras Date: 2024.06.10
16:51:17 -05'00'

Sarah Martz Date: 2024.06.10
15:00:09 -05'00'

Dated at Des Moines, Iowa, this 10th day of June, 2024.

Final 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 § 476.2

State or Federal Law(s) Implemented by the Rule Iowa Code chapter 476

Public Hearing

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

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

Location: Board Hearing Room, 1375 East Court Avenue, Des Moines, Iowa 50319

Any interested persons submitted written comments concerning this regulatory analysis. Written comments in response to this regulatory analysis were received by the Department. Comments were directed to:

Contact Name

IT Support

Address

1375 East Court Avenue, Des Moines, Iowa 50319

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:

ATTACHMENT A

There is no quantitative impact.

- 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 being proposed for rescission 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 rule.

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 A

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.

ATTACHMENT B

Executive Order 10 – Red Tape Review

Request to Initiate New Rulemaking

Agency Name Iowa Utilities Board

Rule Number(s) 199 Iowa Administrative Code Chapter 30

Agency Point of Contact (POC) Maison Blead

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 5/21/2024

ARC Preclearance

Date ____ / ____ / ____