September 6, 2023

RE: NOI-2023-0001 Policy Charrette #1 Subsequent Filings & Policy Charrette #2 Information

Dear Participants

The Iowa Utilities Board (Board) held the first of three policy charrettes on August 30-31. Parties may file additional comments regarding the subject matter of the first policy charrette on or before Friday September 8, 2023. This date is later than originally included in the procedural schedule in recognition of the Labor Day holiday.

London Economics International (LEI) requests that, in addition to whatever other comments a party may have, participants consider offering feedback regarding the following issues:

1. Definitions of policy objectives – General ratemaking prompt 1
   a. How should we review “stability” as an economic concept in addition to being a technical concept?
   b. Are there any metrics we should consider for “affordability” when applying to non-residential customers?
   c. How should “efficiency” be looked at as a measure to drive rates towards cost efficiency while incentivizing the utilities to seek out operational efficiencies?
   d. Please provide any comments on the definitions of the terms identified in the policy objectives.

2. Advance ratemaking mechanisms (ARM) – General ratemaking prompt 2
   a. Multiple stakeholders noted during discussions that the goal or intent of the advance ratemaking statute has been achieved and ARM may no longer be necessary. Does this view suggest that (i) Iowa no longer requires development of new generation assets and ARM can be removed, (ii) new generation assets will be developed without ARM and therefore it is not needed, or (iii) ARM needs to be revised for continued development of generation assets? Please explain the reasoning behind your views.

These comments, to the extent provided, can be integrated with a party's other comments as one filing.
Policy Charrette #2 will be held on September 26-27, 2023, in the same location at the Board’s offices. The Board and LEI are considering several states based on similarities with Iowa, including their scope of regulatory responsibility, similarity in customer base composition, utility business model, renewable electric generation capacity, and similar RTO (MISO and/or SPP) coverage. The current draft list of comparable states includes: Arkansas, Indiana, Kansas, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Montana, North Dakota, Oklahoma, South Dakota, Wisconsin, and Wyoming. A final determination of which states will be reviewed by LEI will be made after Policy Charrette #2.

Several topics of interest for Policy Charrette #2 were identified from the conversation in Policy Charrette #1. The Board requests the parties’ comments address:

1. Are there ratemaking policies or regulatory practices in other states from MISO and/or SPP that you believe would be worth examining? What characteristics of comparability or distinction in these regulatory practices from other states are worth examining relative to Iowa’s ratemaking practices?

2. Provide examples from other states addressing one or more of the following issues:
   a. Integrated resource planning or long-term planning processes;
   b. Trackers/riders usage, scope, and frequency;
   c. Advance ratemaking or other incentive statutes to construct electric generation or other major capital assets;
   d. Multi-year rate plans;
   e. Energy efficiency programs;
   f. Demand response;
   g. Performance incentive mechanisms; and
   h. Performance based regulation, whether similar or not to MidAmerican’s current revenue sharing mechanism.

Specific discussion of statutes, rules or actions implementing the above topics, both positive and negative, are appreciated.

Comments for Policy Charrette #2 are due on September 19, 2023, and are limited to 10 pages in length. An agenda for Policy Charrette #2 will be published after receipt and review of the initial comments. Interested parties will have an opportunity to provide additional comments regarding Policy Charrette #2’s subject matter on or before October 4, 2023.

Regards,

/s/ Chris Storey
Chris Storey
Attorney for the Board