



February 13, 2024

Jenifer K. Ward, Ph.D., President

Iowa Utilities Board
1375 E. Court Ave.
Des Moines, IA 50319

RE: RPU-2023-0002

Dear Members of the Iowa Utilities Board,

My name is Jenifer K. Ward. I serve as the President of Luther College in Decorah. Founded in 1861 by Norwegian immigrants, Luther is affiliated with the Evangelical Lutheran Church in America (ELCA) and offers a range of undergraduate degrees in the arts, sciences, and humanities. Approximately 1,600 undergraduate students call Luther home and approximately 460 faculty and staff are employed by the college.

Luther's central campus, situated on nearly 200 acres of limestone bluff country, comprises eight major academic buildings, seven residence halls, one village of townhouses, a state-of-the-art athletic complex—including a new aquatic center—and a bustling student union.

Over the last two decades, Luther has earned a national reputation as a sustainability leader. Through major and creative investments in energy efficiency and renewable energy, Luther has reduced its campus carbon footprint by 72% en route to our goal of carbon neutrality by 2030.

While we have managed to reduce our grid-purchased electricity consumption 40% over the past 20 years via major investments in energy efficiency, our purchases from Alliant Energy last year still totaled nearly \$1 million (\$949,776 to be precise).

You can imagine my dismay when our Director of Facilities Services informed me that Alliant's proposed electric rate increase would not increase our bill by 20%, as the company estimates in their customer notice, but rather by 36% under Phase I (\$371,464) and an additional \$85,700 after phase II. The total increase is calculated to be \$457,200 or a 48.2% increase over our 2022-23 invoice totals. He used Alliant's proposed tariffs to come to this startling conclusion and he shared it with our key account manager at Alliant, who confirmed that Luther is facing at least a 30% increase, based on FY 2022/23 usage.

Based on an increase of almost \$460K by year 2 of this new proposed increase, and to put into perspective the impact on Luther College, that amount:

- Could pay the salaries of 9 additional staff
- Could give our highest merit scholarship to 13 additional students
- Could increase our annual capital renewal budget by 33%

It is my understanding that Luther's increase will be higher than most because we have 1.7 MW of solar in various arrays serving our campus. It feels like we are being punished for our investments in efficiency

and renewables. We certainly are not being rewarded for reducing our demand on the grid and the production of energy during many of the peak hours of the day.


Reasonable cost increases are part of running any business and Luther is no exception. We have had to raise our comprehensive fee on an annual basis ranging from 2.5% - 4.5%, with an average of 3.4% over the last decade. In the meantime, our electricity costs have been increasing at an annual rate closer to 5% and certainly faster than the rate of inflation. We have managed to mute that impact somewhat through our investments in energy efficiency and lower-cost solar power purchase agreements, but there is no way to mute a 36-38% increase, or to avoid passing on those costs to the students of high promise but modest means who would not be able to afford a Luther education.

In my view, Alliant's proposed increase is punitive and unjust. It will have a severe negative impact on Luther College, and the significant proposed increases for residential customers (13.4%) and small businesses (20%) are going to harm Luther's employees and Decorah's vital downtown businesses.

This is Alliant's third proposed electric rate increase in the last seven years--and a record one at that. I urge the Board to examine the management of this company and the propriety of the investments it wants to make that are relentlessly driving up customer costs. As the largest electricity buyer in Decorah, it seems to me that the interests of ratepayers are being compromised in favor of shareholders.

I appreciate the Board's invitation to ratepayers to articulate our concerns and I express my gratitude to the Board for its willingness to consider them.

Respectfully,


Jenifer K. Ward
President, Luther College