

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: IOWA ASSOCIATION OF MUNICIPAL UTILITIES	DOCKET NO. WRU-08-21
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ORDER GRANTING MODIFIED WAIVER

(Issued June 24, 2008)

On May 9, 2008, the Iowa Association of Municipal Utilities (IAMU) filed with the Utilities Board (Board) a request for a waiver of 199 IAC 36.3, which requires municipal utilities to file biennial energy efficiency plans with the Board by July 1 of each even-numbered year. If the waiver request were granted, the IAMU said that, in lieu of IAMU members filing energy efficiency plans, the IAMU would submit a narrative summary of new municipal energy efficiency programs and measures undertaken by its member utilities along with a progress report on the assessment process.

In support of its waiver request, the IAMU said that with the passage this year of Senate File 2386, the IAMU and its member utilities are required to calculate potential efficiencies and set energy efficiency goals for groups of utilities. The IAMU stated it has begun work to comply with this legislation and that the cost of the assessment is estimated to be at least \$250,000. The IAMU believed that Senate File 2386 is intended to replace the biennial planning schedule with progress reports

on meeting energy efficiency goals. The IAMU argued that granting the waiver would allow it to dedicate sufficient resources to comply with Senate File 2386 and the required assessment of potential.

On May 23, 2008, the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed a response to the waiver request. Consumer Advocate noted that in addition to the assessment of potential provisions cited by the IAMU, Senate File 2386 also establishes an interim legislative study committee to examine energy efficiency with an emphasis on results achieved by current plans and programs. Consumer Advocate said granting the waiver would hinder Consumer Advocate's ability to provide testimony about the current energy efficiency plans and programs offered by IAMU members.

Nevertheless, Consumer Advocate recognized the IAMU's concerns and entered into discussions with the IAMU regarding its waiver request. Consumer Advocate and the IAMU agreed that the waiver request would be amended to require 20 IAMU members¹ to provide information to the Board and Consumer Advocate sufficient to update charts, tables, and figures from a report on energy efficiency distributed by Consumer Advocate in January 2008. The IAMU would also provide a narrative report on new and innovative municipal energy efficiency programs. The

¹ The 20 municipal utilities are: Algona, Ames, Atlantic, Cedar Falls, Denison, Greenfield, Harlan, Independence, Indianola, Maquoketa, Montezuma, Muscatine, Osage, Pella, Pocahontas, Spencer, Waverly, Webster City, West Point, and Woodbine.

information is to be filed on or before August 29, 2008. The amendments to the waiver request are on page 3 of Consumer Advocate's response.

The 20 IAMU members for which information would be filed account for over 60 percent of revenues and megawatt-hour (MWh) sales for all Iowa electric municipal utilities in 2006, and these 20 utilities also accounted for about 70 percent of municipal electric utility energy efficiency spending. The Senate File 2386 assessment may supercede the biennial energy efficiency filing by municipal utilities, but information on 2007 results must also be provided to an interim legislative study committee. The Board believes the waiver, as amended by the agreement between Consumer Advocate and the IAMU, provides an appropriate balance between focusing on the new assessment required by Senate File 2386 and providing necessary information to the Board, Consumer Advocate, and the interim committee regarding 2007 energy efficiency results. The standards for a waiver in 199 IAC 1.3 are met.

In order to clarify what information the Board understands it will receive pursuant to the agreement between Consumer Advocate and the IAMU, the Board will require the reports from the 20 IAMU member utilities to contain, at a minimum, the information listed in Attachment A to this order. The information required is similar to that required in Docket No. NOI-07-2, and reporting is to be done (as it was in Docket No. NOI-07-2) via [Excel spreadsheets available on the Board's Web site](#).

IT IS THEREFORE ORDERED:

The request for waiver filed by the Iowa Association of Municipal Utilities on May 9, 2008, as amended by the Consumer Advocate Division of the Department of Justice's filing on May 23, 2008, is granted, to the extent discussed in this order.

UTILITIES BOARD

/s/ John R. Norris

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Darrell Hanson

Dated at Des Moines, Iowa, this 24th day of June, 2008.

IOWA UTILITIES BOARD — ENERGY EFFICIENCY REPORT REQUIREMENTS FOR MUNICIPAL ELECTRIC UTILITIES

The tables and worksheets in the reporting forms may be separated, expanded, or extended to accommodate each utility's needs. Utilities shall maintain the labeling of the data sections.

Section 1 Utility name, contact person, address, phone, and e-mail

Section 2 Year 2007 utility energy profile

This data should allow viewers and users of the data to understand the utility's Iowa-only operations and size, in terms of number of customers, sales in units of energy, and revenues. For Iowa electrical service in 2007, separately for residential customers and nonresidential customers:

- Number of customers or accounts.
- Sales to final consumers, in Megawatt-hours (MWh).
- Revenues from sales to final consumers.

For all Iowa electrical service in 2007, total MWh sales and system peak MW, as reported to the Energy Information Administration on Form 861.

Section 3 Utility comparative data for 2007

- Energy Efficiency MW savings versus electric peak MW demand.
- Load Management MW savings versus electric peak MW demand.
- Energy Efficiency MWh savings versus electric MWh retail sales if the utility's energy efficiency program were not in place.
- Energy Efficiency and Load Management total spending versus retail customer revenues.

Sections 4A, 4B, and 4C Utility energy efficiency and load management summary impact data for 2007

For each set of programs, for electric service ONLY, list the following:

- Electric energy efficiency — number of participants, peak kW demand savings, non-peak kW savings, annual energy kWh savings.
- Electric load management — number of participants, peak kW demand savings, annual kWh savings (if any). List both cumulative kW and kWh and incremental changes in annual kW and kWh.

Section 5 Summary of utility program cost information

For each program, for electric service only, list the following:

- Electric energy efficiency — utility administrative cost and incentives to customers.
- Electric load management — utility administrative cost and incentives to customers.

Section 6 List of energy efficiency measures

Provide a list of the types of energy efficiency measures that the utility's customers installed in 2007 as a result of the utility's energy efficiency programs.

Section 7 Environmental benefits**Section 8 Cost-effectiveness**

For nonrate-regulated utilities, a minimum requirement is to describe benefits and costs, in dollars, for the total utility. A nonrate-regulated utility may elect to list benefits and costs for each program and may use this section as a summary.

The utility may use a benefit-cost calculation method developed by itself, by another utility, or by an Iowa utility association. The utility should explain the method used, in detail.

Section 9 Narrative descriptions

Provide an overall narrative description of the utility's energy efficiency efforts, including:

- Utility educational programs or efforts promoting customer-based energy efficiency, load management, or similar end-use programs.
- Case studies for particular customers with results worthy of consideration, assuming the customer(s) are willing to share their story.
- Case studies for particular programs worthy of consideration.
- Special circumstances that may limit the utility's programs.
- Opportunities to leverage or augment energy efficiency programs, in cooperation with other government or private entities.

Section 10 Utility notes, analyst notes, and description of residual uncertainties, caveats

This section may include any information helpful or necessary for a complete evaluation of the utility's program.

Section 11 Program data sheets

Program data must address calendar year 2007 for each individual energy efficiency and load management program. Include program names and numbers as heading for each individual program, as follows: Section 11.1 – "program name," Section 11.2 – "program name," Section 11.3 – "program name," and so on, for all programs.

Note: If the utility provides more than one type of a program (e.g., on-site energy audits and on-line energy audits), consider listing each effort as a separate program.

- a. Program description. (Attach or substitute available written information as needed). Describe the program target markets, including:

- Residential, nonresidential, or other.
 - New construction or retrofit.
 - Targeted at energy efficiency or peak load management.
 - Additional descriptive information to allow full understanding of the program.
- b. List the energy efficiency measures or operating practices targeted for replacement or improvement. For each measure, provide: name of measure, type of measure, measure lifetime, estimated measure savings (kW, kWh), and customer incremental costs.
- c. Describe methods for promoting the program and encouraging participation, including strategies for increasing customer awareness and communicating and coordinating with vendors and trade allies.
- d. Describe the method for estimating or determining results.
- e. Provide impact data for 2007 for the program, for electric impacts, as follows:
- Number of participants for electric measures.
 - Electric impacts: peak kW, non-peak kW, and annual kWh.
 - Electric implementation costs: Utility administrative and incentive costs, total customer incremental costs.
- f. Provide program 2007 benefit-cost information. Benefit-cost test results for the electricity savings from the program. Explain the method used, in detail.