

MARCH 2019
PUBLIC POLICY REPORT

FEDERAL UPDATE

Bill to let watchdog review electric co-ops advances in South Carolina

A bill that would allow a state watchdog agency to review South Carolina's electric cooperatives for the first time is heading to the House floor. The proposal would allow the Office of Regulatory Staff to audit a co-op and let them know if they were spending their money properly and following state law. Regulators couldn't change rates.

As hope grows for China trade deal, US stocks edge higher

Stocks are edging higher on Wall Street in Monday morning trading following reports that the U.S. and China are moving closer to a deal to resolve their costly trade dispute. The world's two largest economies have pulled back from an immediate escalation of their damaging trade war since they started negotiating last month. President Donald Trump postponed a deadline for raising tariffs on more Chinese goods, citing progress in a series of talks. Now, media reports say the nations could strike a deal this month. The main sticking point for the U.S. is China's technological ambitions.

STATE UPDATE

Iowa proposes rules for commercial, public EV chargers

The Iowa Utilities Board (IUB) issued a proposed rule that would set guidelines for electric vehicle (EV) charging at public facilities, with the aim of removing the stations from the definition of "public utility" under state law. Regulators have opened a 30-day comment period on the rule, to be followed by a 45-day reply period. The proposal follows an October 2018 workshop where regulators heard comment from Tesla, ChargePoint, Greenlots, Interstate Power and Light, MidAmerican Energy, the Sierra Club and others. The EV market in Iowa remains underdeveloped, and regulators made a point to note that as it grows "other state agencies may also be required to address issues falling within the scope of their authorities."

Alliant Energy announces increase to customer base rates, citing infrastructure investments

With two wind farms coming online in about a month and upgrades underway on the power grid, Alliant Energy customers could soon see an increase to their electricity rates. But while customer base rates — which are one component of an energy bill — are expected to increase, utility officials say company investments in renewable energy and a resilient grid ultimately will bring customer costs down in the long run. "Usually when you have projects like that, they're going to have a slight increase in base rates, but a lot of times that is offset by the benefits," Terry Kouba, president of Iowa Power and Light and senior vice president of Alliant Energy, said Wednesday. "They're important projects that the customers will take advantage of for a long time." Kouba said Alliant on Friday will file electric and gas rate cases with the Iowa Utilities Board for review. More specific details on customer rates will be available at that time.

Iowa DOT suggests \$130 annual fee for electric vehicles

Five members of the Iowa House have signed off on the idea of charging a new fee to the owners of electric vehicles

and a new, per-kilowatt-hour tax at public charging stations. The Iowa DOT has recommended a \$130 annual fee for electric vehicles, which is higher than what’s being charged in Minnesota, Wisconsin, Missouri and Nebraska. Drivers of gas-powered vehicles pay the state fuel tax, which finances the upkeep and construction of roads and bridges.

Critics: MidAmerican-backed bill a blow to solar industry

Environmental and solar groups contend a bill backed by MidAmerican Energy Co. and other utilities is intended to make it harder for property owners to install solar arrays. Proponents argue the bill would reduce payments to customers for the solar power they generate but don’t use. Solar energy trade group representative Tim Dwight said that it is an attempt to shut down the industry in Iowa, and the Iowa Environmental Council said the move is at least premature. A MidAmerican Energy spokeswoman said the bill is intended to ensure that solar array owners pay their share of the cost of the electrical distribution system, and the bill language makes that same point.

Upcoming Activities

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|---|------------------------|
| NRECA Director Education Programs – Orlando, FL | March 7-10, 2019 |
| NRECA Annual Meeting & Expo – Orlando, FL | March 10-13, 2019 |
| TechAdvantage Conference & Expo – Orlando, FL | March 10-13, 2019 |
| CIPCO Annual Meeting Reception – Altoona, IA | March 19, 2019 |
| CIPCO Annual Meeting – Altoona, IA | March 20, 2019 |
| REC Day on the Hill – Des Moines, IA | March 20, 2019 |
| NRECA New Director Orientation – Arlington, VA | March 26-28, 2019 |
| NIPCO Annual Meeting – Sioux City, IA | April 2, 2019 |
| Pella Cooperative Electric Annual Meeting – Pella, IA | April 2, 2019 |
| IAEC Managers’ Spring Conference – West Des Moines, IA | April 9-10, 2019 |
| NRECA Gettysburg Leadership Experience – Gettysburg, PA | April 16-18, 2019 |
| IAEC Spring Communicators’ Conference – West Des Moines, IA | April 17-18, 2019 |
| CIPCO Board Committee Meetings – Des Moines, IA | April 22, 2019 |
| CIPCO Board Meeting – Des Moines, IA | April 23, 2019 |
| NRECA Legislative Conference & Spring Fly-in – Washington, DC | April 28 – May 1, 2019 |

Consumer Price Index

| Month | Seasonally Adjusted Change from Previous Month |
|---|--|
| January 2019 | 0.0% |
| December 2018 | -0.1% |
| November 2018 | 0.0% |
| October 2018 | 0.3% |
| September 2018 | 0.1% |
| August 2018 | 0.2% |
| | |
| Unadjusted Rolling 12 Month Average: 1.6% | |