

**STATE OF IOWA
BEFORE THE IOWA UTILITIES BOARD**

IN RE:)
) **DOCKET NO. RMU-2014-0007**
PEAK ALERT RULES)
)
) **COMMENTS**
)
)

The Environmental Law & Policy Center (ELPC) and the Iowa Environmental Council (IEC) jointly file these comments pursuant to the Iowa Utilities Board Order Commencing Rule Making issued November 19, 2014:

ELPC and IEC commend the Board for recognizing the continued value that the peak alert rules provide in educating consumers about energy efficiency and energy conservation efforts. We are generally supportive of providing the utilities with the flexibility to tailor peak alert notices to each utility's individual circumstances. We do think that it is important that the peak alert notices emphasize the connection to energy conservation and utility energy efficiency and demand response programs.

ELPC and IEC think that subrule 20.11(1) should require the utilities to inform customers of the benefits of energy efficiency and demand response and the availability of utility energy efficiency and demand response programs as part of the annual notice. ELPC and IEC think that subrule 20.11(2), which includes requirements for the text of the message or messages to be given in the general notice to customers, should include a requirement for information about the utility's energy efficiency and demand response programs and how the customer may take advantage of those programs. Requiring this language would emphasize the importance of energy efficiency and demand response while connecting the programs to peak demand

management and still giving the utilities flexibility in the scope, content, and delivery of this information.

In addition, ELPC and IEC think that the language in the current rules requiring “a statement that reduction in usage of electricity during the period of peak demand will ease the burden placed on the utility’s system by growth in peak demand and may help or reduce the amount of future rate increases” is still applicable in most, if not all, cases. The rules should suggest the utilities retain this language in their notice unless circumstances to the contrary apply in which case the utility should still explain the benefits of energy efficiency, demand response, and the significance of reductions in electricity use during a period of peak demand. Including this language will make the notices more informative to customers and will not hinder the Board’s efforts to make the rules more flexible, which are accomplished with many of the other changes the Board proposes.

We propose the following language consistent with these recommendations (areas that differ from the proposed rule are highlighted):

Item 1. Amend subrule 20.11(1) as follows:

Annual notice. Each electric utility shall provide its customers, on an annual basis, with a written notice explaining how growth in demand affects a utility’s investments costs and, unless the utility determines it to be inapplicable, why reduction of customer usage during periods of peak demand may help delay or reduce the amount of future rate increases. The notice shall inform customers of the benefits of energy efficiency, demand response and the significance of reductions in electricity use during a period of peak demand. The notice shall include information on the utility’s energy efficiency and demand response programs and the ways a customer can access and participate in those programs. The notice shall include an explanation of the condition(s) under which peak alerts will be issued and the means of informing customers that a peak alert is being issued. ~~The notice shall be delivered to its customers between May 1 and June 15 of each year if peak demand is likely to occur during the months of June through September. If peak demand usually occurs during the months of October through February, the notice shall be delivered to its customers between August 1~~

~~and September 15~~ prior to the start of the utility's historical seasonal peak demand.

Item 2. Amend subrule 20.11(2) as follows:

Notification plan. Each investor-owned utility shall have on file with the board a plan to notify its customers of an approaching peak demand on the day when peak demand is likely to occur.

~~a.~~ The plan shall include the following minimum requirements:

a. A description and explanation of the condition(s) that will prompt a peak alert.

~~(1)~~b. A provision for a general notice to be given customers prior to the time when peak demand is likely to occur as ~~prescribed in 20.11(2)“b”~~ and an explanation of when and how notice of an approaching peak in electric demand will be given to customers.

~~(2)~~ A provision for direct notice to be given customers whose load reduction will have a significant impact on the utility's peak. The utility shall provide for such notice to be given prior to the time when peak demand is likely to occur, as prescribed in 20.11(2)“b,” and shall explain the criteria used to identify customers to whom notice will be given and when and how notice will be given.

~~(3)~~ A statement showing the total costs, with each component thereof itemized, projected to be associated with implementing the plan. Notice should be provided in the most efficient manner available. The board may reject a plan which includes excessive costs or which specifies an ineffective method of customer notification and may direct development of a new plan.

~~(4)~~ c. The text of the ~~general and direct~~ message or messages to be given in the general notice to customers. The message shall, ~~at a minimum,~~ include the name of the utility ~~or utilities~~ providing the notice, an explanation that conditions exist which indicate a peak in electric demand is approaching, and an explanation of the benefits of energy efficiency, demand response and the significance of reductions in electricity use during a period of peak demand including a statement that reduction in usage of electricity during the period of peak demand will ease the burden placed on the utility's system by growth in peak demand and, unless the utility determines it inapplicable, may help delay or reduce the amount of future rate increases. The message shall also provide information on the utility's energy efficiency and demand response programs and the ways a customer can access and participate in those programs.

~~(5)~~ A designation of the U.S. weather station(s), situated within the utility's service territory, whose temperature readings and predictions will be used by the utility in applying the standard in 20.11(2)“b.”

~~(6)~~ A provision for joint delivery, by two or more utilities, of the general notice to customers in regions of the state where U.S. weather station(s) predict conditions specified in 20.11(2)“b” will exist on the same day.

~~b.~~ For purposes of this rule, peak demand is likely to occur on a nonholiday weekday between June 15 and September 15 when the following conditions exist:

~~(1) The utility's designated weather station predicts the temperature will rise above 95° Fahrenheit (35° Celsius), and the designated weather station officially recorded a temperature above 95° Fahrenheit (35° Celsius) on the previous day, or~~
~~(2) The utility's designated weather station predicts the temperature will rise to above 90° Fahrenheit (33° Celsius) on a day following at least two consecutive days of temperatures above 95° Fahrenheit (35° Celsius), as officially recorded by the designated weather station, but~~
~~(3) If a utility can demonstrate it would have been required to provide between June 15 and September 15 a peak alert notice to customers, because of the existence of the conditions set forth in 20.11(2)"b"(1) or 20.11(2)"b"(2), on more than six days in any one of the preceding ten years, the utility may substitute a 97° Fahrenheit (36° Celsius) standard in lieu of the 95° Fahrenheit (35° Celsius) standard in the subrule.~~

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Respectfully submitted,

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