

OCTOBER 2015

# PUBLIC POLICY REPORT

## FEDERAL UPDATE

### **U.S. Supreme Court Hears Arguments in Demand-Response Case**

Arguments were presented regarding the federal rule requiring electricity providers to give financial incentives to customers who reduce power use in times of high energy demand. Paul Breakman, NRECA FERC counsel, stated, "While co-ops strongly support demand response, we challenge FERC's authority to set demand-response compensation levels." FERC's Demand-Response rule will likely be the highest profile case heard by the U.S. Supreme Court this year.

### **Fitch Ratings: Some States Face Compliance Challenges with EPA Carbon Reduction Rules**

Fitch Ratings stated in a new report that the electric cooperatives and public power utilities in Kansas, Missouri, Nebraska, Tennessee and West Virginia face major challenges in complying with stricter carbon dioxide regulations. The October 14 analysis, The Carbon Effect 2.0, says electric rates "could be on the rise in those and other states as utilities work to comply with carbon-reduction targets set in the Environmental Protection Agency's Clean Power Plan."

### **Circuit Court Temporarily Blocks WOTUS**

A panel of the 6th U.S. Circuit Court of Appeals issued a stay on October 9 on the controversial Waters of the United States rule authored by the Environmental Protection Agency and the Army Corps of Engineers.

## STATE UPDATE

### **Alliant Energy Looks to Expand Solar**

Interstate Power and Light Company (IPL), the Iowa based subsidiary of Alliant Energy Corp., plans to seek proposals for new solar projects that could increase its solar power generation by 50 percent. The request is to build solar projects with generating capacities of 1 megawatt to 10 megawatts within IPL's service territory, which could power between 200 and 2,000 average homes. The request for proposals seeks a variety of options and configurations for new solar generation in Iowa.

### **State of Iowa Hires Inova and Battelle to Lead Energy Plan Development**

Inova Energy Group and Battelle Memorial Institute were selected to conduct a study that will help form the state's new energy plan. The \$500,000 plan will be completed by November 2016. The consultants will work with a leadership team of Lt. Gov. Kim Reynolds, Pella Corp. CEO Pat Meyer, Iowa Partnership for Economic Progress members, and representatives from the Iowa Economic Development Authority and the Iowa Department of Transportation. The latter two agencies will pay for the plan.

### **Study Finds Burning Oat Hulls in The University of Iowa Power Plant Reduces Harmful Emissions**

The University of Iowa reports that burning a 50-50 mix of oat hulls and coal in the university's power plant reduced harmful emissions. The technique cut carbon dioxide emissions by 40 percent and also reduced emissions of soot

and hazardous chemicals. The study was published in the journal Fuel. The fuel mix reduced filterable particulate matter by 90 percent, cut hazardous air pollutants by 41 percent, and lowered emissions of heavy metals, including manganese, copper, nickel and zinc, by 51 percent, the researchers reported.

## **Upcoming Activities in 2015**

Iowa Area Development Group Fall Board Meeting – Des Moines, IA	November 12, 2015
CFC Independent Borrowers Executive Summit – Tucson, AZ	November 16-18, 2015
ABI Critical Business Updates – Des Moines, IA	November 17, 2015
NRECA Course – Strategic Planning – West Des Moines, IA	December 2, 2015
IAEC Annual Meeting – West Des Moines, IA	December 3-4, 2015
CIPCO Board Meeting – Coralville, IA	December 15, 2015