

---

## FEDERAL UPDATE

### **Fitch: Rooftop Solar Could Hurt Utility Companies**

Fitch warns in a new report that residential rooftop solar systems could create a “downward spiral” for investor-owned utilities as non-solar customers are stuck with more of the costs of operating the grid. This could ultimately cause “more political resistance to rate increases, lower earnings and the potential for downgrades in their credit ratings.”

### **EPA Confident Ahead Of Clean Power Plan Oral Arguments**

The Obama Administration used the one-year anniversary of the Clean Power Plan “to tout their strong legal standing ahead of oral arguments in federal court in September.” EPA Administrator Gina McCarthy wrote that the EPA’s “charge from the president was clear: to exercise our statutory authority to lay out steady, responsible steps to cut carbon pollution under the Clean Air Act.”

### **Republican FERC Commissioner Says Cap-And-Trade May Be “Least-Bad Way” To Regulate CO2**

FERC Commissioner Tony Clark, a Republican, thinks a cap-and-trade system may be the least-bad way to regulate carbon because it would be less market-distorting than what some of that states are doing. “I think it’s a huge challenge that FERC is going to deal with probably over the next five years,” Clark stated.

### **EPA Lawyers Point to Past Ruling In Support Of Clean Power Plan**

Lawyers for the EPA are pointing to a ruling from a panel of GOP-appointed judges as support for the Clean Power Plan ahead of arguments in September. In a letter filed with the DC Circuit, “Obama administration lawyers point to a recent ruling by the 7th Circuit Court of Appeals that upheld an Energy Department efficiency regulation for commercial refrigerators that relied on the administration’s ‘social cost of carbon’ calculation.” Opponents of the approach argue it is flawed since the costs are borne domestically but the benefits are global. But the court ruled that DOE acted reasonably in comparing worldwide benefits and national costs in the refrigerator rule.

## STATE UPDATE

### **Alliant to Invest \$1B to Expand Wind Power**

Alliant Energy said it will invest \$1 billion over the next five years to add 500 megawatts of output from its existing 200-megawatt Whispering Willow wind project in Iowa. Alliant CEO Patricia Kampling announced the project with Gov. Terry Branstad at Alliant’s Iowa utility, Interstate Power & Light. Doug Kopp, president of Interstate Power & Light, said, “Wind has no fuel costs and zero emissions, making it a win-win for Iowans and the Iowa economy.”

### **Settlement of MidAmerican's Wind XI project Sets Rate of Return at 11 Percent**

Environmental groups hailed a proposed rate agreement among several groups representing consumers, large users and business and MidAmerican Energy that sets many of the details of the \$3.6 billion, 2,000-megawatt Wind XI

project. The installation is expected to be complete by the end of 2019, when wind energy will be producing more than half of the utility's power.

**IUB Makes Net Metering More Customer-friendly**

The Iowa Utilities Board recently updated net metering rules, raising the cap on the size of operations that can feed electricity back into the grid from 500 kilowatts to one megawatt. The rules also require the state's two largest utilities, Alliant and MidAmerican Energy, to actually pay customers for excess power instead of allowing them credits that may never be used. IUB ordered the companies to file three-year tariff requests by August 15 to set costs for net metering customers under the new rules.

**Iowa's Energy Profile Greening Slowly**

Iowa's energy future looks bright, although it still consumes and imports more energy than it produces, according to a consultant's report. Simon Tripp recently told a state economic panel that Iowa consumes more than 1,516 trillion British thermal units (Btu), but produces just 730.5 trillion units, requiring it to import 786 trillion Btus. That has made Iowa one of the top states in the nation in coal use per capita, but has also spurred some big developments in renewable energy.

**Upcoming Activities in 2016**

Eastern Iowa Light & Power Cooperative Annual Meeting – Davenport, IA	September 8, 2016
Clarke Electric Cooperative Annual Meeting – Osceola, IA	September 12, 2016
Farmers Electric Cooperative Annual Meeting – Greenfield, IA	September 13, 2016
NRECA Gettysburg Leadership Experience – Gettysburg, PA	September 13-15, 2016
Southwest Iowa REC Annual Meeting – Lenox, IA	September 15, 2016
NRECA Pre-Regional Director Education – Minneapolis, MN	September 20, 2016
NRECA Regions 5 & 6 Meeting – Minneapolis, MN	September 21-22, 2016
Linn County REC Annual Meeting – Cedar Rapids, IA	September 30, 2016

**Consumer Price Index**

Month	Seasonally Adjusted Change from Previous Month
July 2016	0.0%
June 2016	0.2%
May 2016	0.2%
Apr. 2016	0.4%
Mar. 2016	0.1%
Feb. 2016	-0.2%
<b>Unadjusted Rolling 12 Month Average: 0.8%</b>	