

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

IN RE:

**RULE MAKING FOR ELECTRIC
SERVICE RULES
[199 IAC CHAPTER 20]**

DOCKET NO. RMU-2019-0020

REPLY COMMENTS

The Iowa Environmental Council (IEC), Environmental Law & Policy Center (ELPC), and Iowa-Nebraska NAACP State Area Conference of Branches (NAACP) provide the following reply comments pursuant to the Order Establishing Date for Additional Comments issued on July 1, 2020, in the captioned docket. We support the request by the Office of Consumer Advocate to require reporting of disconnection at a more detailed level than has been provided in the past, namely by census tract or ZIP code. We also support the adoption of rules setting efficiency standards for exterior flood lighting.

I. Background

OCA requested more detailed reporting of disconnection information by ZIP code in this docket through its additional comments. (*See* OCA Comments (filed July 31, 2020) at 1-4.)

The issue of reporting by census tract or ZIP code recently arose in the collection of dockets related to accounts to track costs associated with the COVID-19 pandemic. *See* Docket Nos. ARU-2020-0123, ARU-2020-0150, ARU-2020-0156, ARU-2020-0222, and ARU-2020-0225. An order issued in those dockets on May 1, 2020, required weekly reporting of specific items by the utilities, as well as monthly updates of those items in regular reports. OCA, in response comments, requested utilities provide detailed information regarding disconnections, either by census tract or

by ZIP code. OCA stated this level of detail was necessary to identify any disparities in disconnections, and “to effectively target energy efficiency and affordable energy programming.” OCA Response at ¶4 (filed July 2, 2020).

The utilities objected to OCA’s request. For example, Interstate Power & Light filed a reply to OCA’s filing on July 14, 2020, asking the Board to deny OCA’s request because fulfilling it would provide little value and would be burdensome to IPL and the Board. IPL noted that, “OCA’s filing provides no information about what ‘disparities’ in service OCA believes may exist.” Docket No. ARU-2020-0150, IPL Reply at ¶5 (filed July 14, 2020).

Similarly, MidAmerican filed a Resistance to the OCA’s filing agreeing with IPL’s Reply. MidAmerican claimed it would require substantial effort to provide the information requested by OCA. Docket No. ARU-2020-0156, MidAmerican Resistance at ¶5 (filed July 28, 2020). MidAmerican noted that in Illinois, where it is subject to reporting by ZIP code, its service territory has a small number of ZIP codes. ARU-2020-0156, MidAmerican Resistance at ¶5 (filed July 28, 2020).

On August 6, 2020, the Board issued an order denying OCA’s request to require reporting by ZIP code or census tract. Docket Nos. ARU-2020-0123, ARU-2020-0150, ARU-2020-0156, ARU-2020-0222, and ARU-2020-0225, *Order Denying Request for More Detailed Filing* (filed Aug. 6, 2020). The Board determined that it would be administratively burdensome to require such reporting weekly. *Id.* at 6. This docket provides an opportunity to provide this important information while addressing concerns about the administrative burden of providing that information.

II. Detailed Disconnection Reporting Provides Necessary Transparency on Racial Inequities.

As an initial matter, it is concerning on its face that at this moment in time when people and governments across the country are wrestling with issues of systemic racism that Iowa's investor-owned utilities are claiming ignorance regarding potential disparities within its processes and systems. The utilities' position points to the need to ensure that any inequities in service are identified because the utilities themselves are apparently not even aware that such potential issues may exist and need to be addressed. The invisibility of racial disparities in areas like disconnections simply allow them to continue unchecked. That is unacceptable.

As OCA noted in its initial comments, the Illinois Commerce Commission (ICC) has required reporting disconnections by ZIP code. (OCA Comments at 4 (filed July 31, 2020) (citing ICC Docket No. 20-0309, *Order* (June 18, 2020).)¹ The stipulation approved by the ICC provided utilities up to 120 days to provide the ZIP code information. *See* Motion for Entry of Order Approving and Adopting Stipulation, Exh. A at 8 (filed June 10, 2020). The reporting by ZIP code applies to numerous utilities in Illinois providing water, gas, and electric service, not just MidAmerican. *See* Motion for Entry of Order Approving and Adopting Stipulation, Exh. A, at 1, 7 (filed June 10, 2020). The utilities subject to the stipulation and order cover nearly all of Illinois, not just a few ZIP codes. *See* "Electric Utilities in Illinois Map," Illinois Energy Association, available at <https://www.ilenergyassn.org/electric-utilities-illinois-map/> (last visited August 11, 2020).

Consumer advocates in Illinois relied, in part, on a paper published by the National Consumer Law Center that recommended collection of data by ZIP code and low-income status to

¹ Documents related to this Illinois docket are available at <https://www.icc.illinois.gov/docket/P2020-0309/documents>.

evaluate disparities in disconnections by race, even when controlling for income.² ICC Docket No. 20-0309, Response by Community Organizing and Family Issues (Filed Apr. 6, 2020).

Other studies have found evidence of racial disparities in disconnections when evaluating data by ZIP code. For example, a study in California found that ZIP codes with the highest disconnection rates had a disproportionately high percentage of people of color. *See* The Utility Reform Network, “Living Without Power: Health Impacts of Utility Shutoffs in California” (2018), at 10, 12, 14, available at http://www.turn.org/wp-content/uploads/2018/05/2018_TURN_Shut-Off-Report_FINAL.pdf.

Similarly, in response to findings of disproportionate impacts on people of color even when controlling for income, the NAACP has recommended additional public reporting of disconnections. *See* NAACP, “Lights Out in the Cold,” available at https://naacp.org/wp-content/uploads/2020/07/Lights-Out-in-the-Cold_NAACP-ECJP-4.pdf.

The COVID-19 pandemic is already disproportionately impacting people of color in Iowa, with the state reporting that seven percent of cases are impacting Black people compared to an Iowa population that is 4.1 percent Black and 19 percent of cases impacting Latino people compared to an Iowa population that is just 6.3 percent Latino.³ This disparity is observable only because the State of Iowa is tracking cases that includes race data. If race were not being tracked, the ability to take action to minimize this disparity would not be possible.

Similarly, if the census tract data or zip code is not collected as a part of the disconnection data, any disparities can neither be observed nor identified. It is especially critical that we

² National Consumer Law Center, *The Need for Utility Reporting of Key Credit and Collections Data Now and After the Covid-19 Crisis* (April 2020), available at https://www.nclc.org/images/pdf/special_projects/covid-19/IB_Data_Reporting.pdf.

³ Iowa Covid-19 information page, <https://coronavirus.iowa.gov/pages/case-counts>, accessed Aug. 12, 2020; U.S. Census data for Iowa.

understand how people of color are experiencing disconnections because a disproportionate rate compared to other groups would compound already tenuous situations caused by the current public health crisis.

III. The Rulemaking Can Address Concerns About Administrative Burdens Identified in the ARU and Should Not Preclude ZIP Code Reporting.

The rulemaking provides an opportunity to provide ZIP code data and address the concerns about administrative burden that the Board identified in the recent ARU dockets. Unlike the accounting dockets, the reporting OCA suggested including in the rule would occur monthly, not weekly, and would not end in September 2020. These differences reduce the administrative burden and increase the potential long-term value of the reporting: by making a one-time change in the reporting procedures, utilities would provide substantially more data than has been available historically. This additional data is critical for understanding disparate impacts on consumers.

We are skeptical that the increased burden MidAmerican claims for providing this information is accurate. ZIP code data is necessary to be able to bill customers, so it is a part of each customer record. Adding ZIP code as a sorting query item is unlikely to add any substantial expense. In addition, if the data is filed in Excel format it will be easy for the Board, OCA, and any other interested persons to easily derive bottom-line totals if that is their only concern. Using Excel to add lines of data is hardly a barrier for the Board and OCA professional staff regardless of the number of ZIP codes involved. Conversely, without the census tract or zip code included, such analysis would be impossible. The Board should err on the side of greater transparency and allowance for better analysis.

IPL did not claim an unreasonable administrative burden in developing the information, and in fact has provided such data before. *See* Docket No. RPU-2019-0001, OCA Parker Direct Testimony at 8; OCA Parker Direct Exhibit 4 – IPL Response to OCA DR No. 15 (filed Aug. 1,

2019). IPL instead argued that the reporting would increase burdens in analyzing information. As noted above, this can be solved by providing data as a spreadsheet.

IV. Energy Efficiency Programs Could Benefit From Targeted Application.

MidAmerican and Interstate Power & Light recently increased the amounts of their energy efficiency rebates due to low rates of participation. *See* Docket No. EEP-2018-0002, Update of Energy Efficiency Program Features (filed July 1, 2020) (increasing rebate amounts, e.g., for residential electric updates by 50 percent); Docket No. EEP-2018-0003, Energy Efficiency Plan Advance Update of Program Features (filed June 18, 2020) (increasing rebate amounts for residential customers by up to 200 percent). We support the comments filed by the Office of Consumer Advocate (filed July 22, 2020) that “it is not evident how enhanced incentives for rather expensive energy efficiency measures will broadly meet the needs of MidAmerican’s customers who are suffering significant economic hardship associated with COVID-19.”

Focusing more singularly on those energy efficiency measures that are likely to be more widely accessible to low-income, residential, and small business customers who are struggling with economic impacts is an example where better data would produce better results. More detailed information about disconnections could facilitate better targeting of energy efficiency programs. This may lead to higher rates of participation and increased efficiency while identifying and reducing disparities.

V. High-Efficiency Flood Lighting Benefits All Customers.

The proposed rules incorporate efficiency standards for exterior flood lighting due to the repeal of the rule chapter in which the standards were previously housed. IEC and ELPC participated in a prior rule making docket regarding flood lighting to support high-efficiency lighting. *See* Docket No. RMU-2016-0018. The proposed rules retain the high-efficiency standard,

which will save customers money over the lifetime of the lighting systems. We specifically support the proposed rule's efficiency standard changing from high-pressure sodium lighting to solid-state lighting, which is widely available and provides higher efficiency.

Conclusion

IEC, ELPC, and NAACP concur with the Office of Consumer Advocate that obtaining more granular data regarding disconnections would provide useful information for targeting energy efficiency and other measures, even if it requires use of resources by the utilities. We further assert that this information would be beneficial to the Board in identifying any systemic racial disparities in disconnection procedures that may need to be remedied by the utilities and regarding the racially disparate impacts of the COVID-19 pandemic and potential responses to address those impacts.

Respectfully submitted this 14th day of August, 2020.

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