

2025 ENERGY POLICY SERIES

Questions? contact@cleanenergydistricts.org



Ratepayer-Funded Energy Efficiency Program Reform

What To Do

1. Raise the caps from 2% to 3%, and require utilities to pursue all cost-effective EE/DR savings identified in the statewide assessment of potential, within budget limitations
2. Establish a technical assistance fund with 25% of the total ratepayer surcharge:
 - a. Administered by a non-utility entity and enabling all IOU residential and commercial customers to receive quality, local, trusted technical assistance
 - b. Open to all qualified local professionals providing technical assistance to households and businesses meeting state and federal standards
3. Reduce low-income household energy burden and improve indoor air quality via
 - a. “Better” and “beneficial” electrification, explicitly allowing fuel-switching
 - b. Sufficient incentives and full alignment with other state/federal incentives
4. Ensure demand response, demand flexibility, and “sponge load” are being fully studied, and that spending, best practices, and innovation are accelerating impact
5. Create a stakeholder- (not utility) driven process for program development, providing ratepayers, communities, the OCA, and the Commission stronger roles for innovation, and defining program management and implementation options

Why Do It

- Energy efficiency creates good jobs and benefits customers most in need
[Fact Sheet: Energy Efficiency and Economic Opportunity](#)
American Council for an Energy Efficient Economy
- Energy efficiency is energy productivity and fuels the economy at every level
[Energy Efficiency Impact Report](#) | *The Business Council for Sustainable Energy (2022)*
- Energy efficiency and demand response are fundamental and under-utilized pillars in resource adequacy in a clean, reliable, secure, and affordable energy future
[The Future of Resource Adequacy](#) | *U.S. Department of Energy (2024)*
[Enabling Industrial Demand Flexibility](#) | *American Council for an Energy Efficient Economy*
- The Iowa Legislature’s own commissioned study called for EE program reform as a priority
[Review of Current Iowa Code Provisions and Ratemaking Procedures](#) | *London Economics (2023)*
- Energy efficiency is not aligned with utility business models: third party implementers and local, trusted, technical assistance providers and energy advisors are effective
[Residential Program Guide: Energy Advising](#)
U.S. Department of Energy Efficiency and Renewable Energy
- Energy efficiency reduces energy related emissions, and represents locally led climate stewardship for the next generation
[Reaching Rural Communities with Energy Efficiency Programs](#)
American Council for an Energy Efficient Economy (2018)

The Clean Energy Districts of Iowa enables locally led clean energy prosperity and climate stewardship through county level clean energy districts and state level policy advocacy. Clean Energy Districts create healthier, wealthier communities today and for future generations. More at cleanenergydistricts.org.