

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

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| IN RE: ALLIANCE ENERGY SERVICES PARTNERSHIP | DOCKET NO. CGP-01-8 |
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**ORDER APPROVING APPLICATION AND ISSUING CERTIFICATE TO PROVIDE
LARGE VOLUME SERVICE**

(Issued November 30, 2001)

On June 4, 2001, Alliance Energy Services Partnership (Alliance) filed an application for a certificate as a competitive natural gas provider (CNGP) with the Utilities Board (Board). The Board's rules at 199 IAC 2.2(18) and 19.14 establish the filing requirements for the issuance of a certificate. Subrule 19.14(4) states that an applicant will be notified when its application is complete and the 90-day review period begins. The application was identified as Docket No. CGP-01-8. On June 18, 2001, Alliance filed additional information to complete its application. On July 20, 2001, the Board notified Alliance that the application was complete and the 90-day review period had begun. On October 19, 2001, the Board issued an order extending the review period to December 17, 2001.

Alliance is a limited partnership and has obtained an Iowa sales tax identification number. Alliance has no affiliates providing natural gas service in Iowa. Subrule 199 IAC 19.14(2) allows CNGPs providing service in Iowa prior to April 25, 2001, to continue providing service during the certification process. Alliance was

providing service in Iowa to large volume customers prior to April 25, 2001, and therefore is authorized to provide service until the completion of its certification process.

Iowa Code § 476.87 requires that a competitive natural gas provider or aggregator must reasonably demonstrate managerial, technical, and financial capability sufficient to obtain and deliver the services it proposes to offer. The Board in 199 IAC 2.2(18) and 19.14 established the filing requirements for a CNGP to obtain a certificate. These requirements contain the information determined by the Board to be necessary to review the managerial, technical, and financial abilities of the applicant.

Alliance's application contains the professional background information for its principal managerial and technical personnel. It appears that Alliance's staff possesses extensive knowledge of and experience in various areas of the natural gas industry including marketing of natural gas service. Alliance indicated that it intends to only serve large volume customers in Iowa and did not file the financial and operational information required for a certificate to serve small volume customers. Additionally, Alliance expressed its commitment to comply with all applicable conditions of certification contained in 199 IAC 19.14(5) and (6). Alliance also acknowledged that failure to comply with all applicable conditions may result in the revocation of its certificate.

Based on a review of Alliance's application, the Board finds that Alliance has reasonably demonstrated that it possesses the appropriate managerial, technical, and financial capability sufficient to obtain and deliver the services it proposes to offer. The Board finds that Alliance's application complies with the filing requirements of Board rules and that Alliance will be issued a CNGP certificate to provide service to large volume customers as defined in 199 IAC 19.14(1). The Board finds that no additional conditions should be placed on the certificate. To provide service to small volume customers, Alliance will need to file an application to amend its certificate and the information required by 199 IAC 2.2(18) and 19.14(6).

Concurrently with the issuance of this order, the Board will issue a certificate to provide service to large volume customers, identified as Certificate No. G-0010, to Alliance. Alliance will be subject to the reporting requirements contained in 199 IAC 19.14(5)"c" once the certificate is issued.

IT IS THEREFORE ORDERED:

1 The application for a certificate as a competitive natural gas service provider to serve large volume customers in Iowa filed by Alliance Energy Services Partnership on June 4, 2001, is approved.

2. Alliance Energy Services Partnership shall comply with the filing requirements of 199 IAC 19.14(5).

3. Certificate No. G-0010 shall be issued to Alliance Energy Services Partnership.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper _____
Executive Secretary

Dated at Des Moines, Iowa, this 30th day of November, 2001.