

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

<p>IN RE:</p> <p>APPLICATION OF STATE AND FEDERAL ASSISTANCE PAYMENTS TO MEET REQUIREMENTS OF SECOND PAYMENT AGREEMENT IN 199 IAC 19.4(10)"c"(2) AND 20.4(11)"c"(2)</p>	<p>DOCKET NO. DRU-05-1</p>
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**ORDER GRANTING INTERVENTION AND PROVIDING
FOR ADDITIONAL COMMENTS**

(Issued April 22, 2005)

On March 24, 2005, the Utilities Board (Board) issued an order giving notice of a request for declaratory order received from the Iowa Department of Human Rights, Bureau of Energy Assistance (IDHR/BEA). IDHR/BEA requested the Board issue a declaratory order concerning the application of LIHEAP payments for purposes of meeting the eligibility requirements for a second payment agreement under Board rules 199 IAC 19.4(10)"c"(2) and 20.4(11)"c"(2). In the order, the Board established dates for intervention, comments, and reply comments.

On April 6, 2005, the Board issued an order granting intervention to Interstate Power and Light Company (IPL), the Consumer Advocate Division of the Department of Justice (Consumer Advocate), MidAmerican Energy Company (MidAmerican), and the Iowa Association of Electric Cooperatives (IAEC). In the April 6, 2005, order the

Board scheduled a meeting to allow the parties to discuss the issues raised by the request for declaratory ruling.

On April 11, 2005, Aquila, Inc., d/b/a Aquila Networks (Aquila), filed a petition to intervene in this proceeding and participate in the meeting. Aquila is a rate-regulated public gas utility subject to the Board's rules on second payment agreements.

On April 18, 2005, the meeting was held as scheduled. IPL, IDHR/BEA, MEC, Aquila, Consumer Advocate, Iowa Association of Electric Cooperatives, and the Iowa Utility Association attended the meeting. In this order the Board will grant Aquila intervention in this proceeding. Additionally, at the meeting IDHR/BEA proposed a solution to the issue of whether a partial payment by a LIHEAP customer would count toward the requirements in subparagraphs 19.4(10)"c"(2) and 20.4(11)"c"(2) for a second payment agreement. IDHR/BEA proposes that the Board modify its prior interpretation of the requirements of "two consecutive full payments under the first payment agreement" found in subparagraphs 19.4(10)"c"(2) and 20.4(11)"c"(2) for becoming eligible for a second payment agreement.¹ IDHR/BEA proposes the following interpretation:

Instead of the current interpretation that "Assistance payments from a state or federal agency should not be considered as satisfying this requirement," provide that "Assistance payments from a state or federal agency or their sub-grantees made directly to the utility shall be used to

¹ "Order Adopting Amendments" issued July 30, 2004, in Docket No. RMU-04-2, In re: Revisions to Consumer Services Rules [199 IAC 19.4(10), 19.4(13), 19.4(15), 19.4(16), 20.4(11), 20.49(14), 20.4(15), and 20.4(16)]

satisfy the requirement for one payment of the required two full consecutive payments when the assistance partially covers a monthly bill and the customer pays the remainder of that bill in full."

The Board will allow parties until May 3, 2005, to file additional comments based upon the discussions at the meeting or in response to the solution proposed by IDHR/BEA.

IT IS THEREFORE ORDERED:

1. Aquila, Inc., d/b/a Aquila Networks, is granted intervention in this docket.
2. Additional comments as described in this order may be filed by the parties on or before May 3, 2005.

UTILITIES BOARD

/s/ John R. Norris

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 22nd day of April, 2005.