

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  DEREGULATION OF SINGLE LINE FLAT-RATE LOCAL EXCHANGE SERVICES IN COMPETITIVE MARKETS	DOCKET NO. INU-05-2
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**FINAL DECISION AND ORDER**

(Issued December 5, 2005)

**BACKGROUND**

On March 15, 2005, Governor Vilsack signed into law an act, identified as House File 277 (HF 277), that amends Iowa Code §§ 476.1D and 476.55. The amended statute relates to the deregulation of retail rates for most local exchange communications services in Iowa except for single line flat-rated residential and business rates. Rates for these services are initially set at the corresponding rates charged by each rate-regulated utility as of January 31, 2005. These monthly rates may be increased by up to \$1 each year for residential service, or \$2 each year for business service, beginning July 1, 2005, until June 30, 2008. However, the residential rate cannot exceed \$19 per month and the rate for single line business service may not exceed \$38 per month during that time period.

Thus, while HF 277 deregulates most local exchange service retail rates, it continues rate regulation of two significant services: flat-rated residential and business lines, at least until July 1, 2008. As such, the Board is still required by

§ 476.1D to determine whether there are exchanges in Iowa where effective competition exists and where even this form of price regulation is unnecessary.

The Board's evaluation of competitive markets to date has focused on communities where competitors have overbuilt incumbent facilities and obtained a market share greater than 50 percent for both residential and business customers. In Docket No. INU-04-1, 21 specific Iowa communities were considered for deregulation based on these two criteria. During the course of that proceeding, other communities were identified where competitors have substantially overbuilt the incumbent's network, but had not yet acquired 50 percent of the market. Those communities are the subject of this docket.

### **APPLICABLE LEGAL STANDARDS**

Iowa Code § 476.1D, as amended, requires that the Board deregulate a communications service or facility if the Board determines that the service or facility is subject to effective competition. In making that determination, the Board must consider, among other factors, (1) whether a comparable service or facility is available from a supplier other than the telephone utility and (2) whether the resulting market forces are sufficient to assure just and reasonable rates without regulation.

Iowa Code § 476.1D(1)"a." The amended statute also requires that when considering market forces in the market proposed to be deregulated, the Board shall consider factors that include, but are not limited to, the presence or absence of all of the following: wireless communications services, cable telephony services, Voice-

over Internet Protocol (VoIP) services, and economic barriers to the entry of competitors or potential competitors in that market. Iowa Code § 476.1D(1)"b."

The Board has promulgated rules to aid in determining whether a service or facility is subject to effective competition. Subrule 199 IAC 5.6(1) provides that the Board may consider the following criteria when making this determination:

- a. The ability or inability of a single provider to determine or control prices;
- b. The ease with which other providers may enter the market;
- c. The likelihood that other providers will enter the market;
- d. The substitutability of one service or facility for another; and,
- e. Other relevant considerations.

199 IAC 5.6(1). The rules also specify additional criteria the Board may consider in determining whether a service or facility should continue to be subject to service quality regulation, notwithstanding the existence of effective competition. See 199 IAC 5.6(2).

In addition to the statutory factors and the criteria listed in the Board's rules, 199 IAC 5.6, the Board will consider additional factors in its analysis of competitive markets in the communities where competitors have overbuilt the incumbent's facilities. Those factors include, but are not limited to, the number of competitive local exchange carriers (CLECs) providing service in each exchange area, the quality of service provided, the number of interconnection agreements that the CLECs have with the incumbents, the price of wholesale rates, the rates for unbundled network

elements (UNEs), the number of switches or collocation points used by the CLEC, customer satisfaction measurements, and retail price comparisons for basic service.<sup>1</sup>

The Board has adopted its rules and will consider these additional factors to assist in determining where effective competition exists. The factors described are consistent with well-established economic theories regarding competitive markets that are widely used, in one form or another, by nearly all states. The determination of effective competition in a market, compared to the simple presence of multiple providers, is significant to an analysis for deregulation since competition must be sufficient to prevent anti-competitive behavior upon deregulation. The mere presence of other providers in the market, by itself, is not enough to say that a market is effectively competitive. Rather, a finding of effective competition means that the current level of competition is sufficient to discipline prices and ensure reasonable service quality.

### **PROCEDURAL HISTORY**

On May 13, 2005, the Board initiated this proceeding pursuant to Iowa Code § 476.1D, as amended by HF 277, and 199 IAC 5.3(1) to consider whether residential and business single line flat-rate local exchange service in 31 Iowa communities should be deregulated. Based on the availability of a competing local exchange service to many customers from two providers with separate networks, the

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<sup>1</sup> *"State Analysis of Competition in the Telecommunications Market: Results of an NRRI Survey," NRRI Report, October 2003. The NRRI survey may be viewed at [www.nrri.org](http://www.nrri.org).*

Board proposed to deregulate all local telecommunications services in the following communities:

Algona	Eagle Grove	Muscatine
Alta	Greene	Onawa
Belle Plaine	Grundy Center	Orange City
Bennett	Guthrie Center	Osage
Cambridge	Hartley	Oyens
Carter Lake	Humboldt	Paullina
Cedar Rapids	Manning	Reinbeck
Clarion	Marble Rock	Slater
Correctionville	Marengo	Wapello
Crescent	Marion	Waukee
Davenport		

In the "Order Initiating Notice and Comment Proceeding," issued May 13, 2005, the Board requested that all incumbent local exchange carriers (ILECs) and CLECs providing service in these 31 exchanges file updated telecommunications survey responses for those exchanges. In response, all known service providers in these communities provided updated survey information, including line counts, service rates, and marketing strategies.

The Board also sought comments in this proceeding regarding the viability of Qwest's "Qwest Platform Plus" (QPP) product as a replacement for unbundled network element platform (UNE-P) arrangements in interconnection agreements with competitive carriers and whether VoIP, wireless service, or cable telephony are comparable substitutions for wireline service.

Seven participants filed written statements of position and four participants submitted counterstatements of position. Participants included the following: Frontier Communications of Iowa (Frontier), Goldfield Access Network (GAN), Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom (Iowa Telecom), MCI

Communications (MCI), the Consumer Advocate Division of the Department of Justice (Consumer Advocate), Qwest Corporation (Qwest), and Rural Iowa Independent Telephone Association (RIITA).

An oral presentation in this proceeding was held on August 16, 2005, for the purpose of cross-examining witnesses on the subject matter of the Board's May 13, 2005, order and on their statements and counterstatements of position.

Representatives from Frontier, GAN, Iowa Telecom, MCI, Qwest, RIITA, and Consumer Advocate participated in the oral presentation.

On September 19, 2005, briefs were filed by Frontier, GAN, Iowa Telecom, Qwest, and Consumer Advocate, pursuant to the briefing schedule established by order issued August 18, 2005. On October 3, 2005, reply briefs were filed by GAN, Iowa Telecom, Qwest, and Consumer Advocate.

Board member Stamp previously was an attorney with Dickinson, Mackaman, Tyler & Hagen, P.C., Law Firm, which is representing MCI in this matter. However, during his time with the firm as it pertains to this matter, Board member Stamp did not do any work for MCI, was not involved in counseling or advising MCI, and was not privy to any confidential information involving MCI. After reviewing the relevant professional codes, General Counsel has advised Board member Stamp that he may participate in the decision-making in this docket.

## DISCUSSION

### I. **WHETHER EFFECTIVE COMPETITION EXISTS IN THE OVERBUILT EXCHANGES WHERE FRONTIER IS THE INCUMBENT LOCAL EXCHANGE CARRIER.**

#### A. **Statutory analysis**

##### 1. **Whether a comparable service or facility is available from a supplier other than a telephone utility.**

The communities under consideration for rate deregulation where Frontier is the ILEC are Orange City and Oyens, Iowa. In these exchanges, CLECs have constructed their own networks, which overlap a significant portion of the existing incumbent's local wireline facilities. This allows the CLEC to furnish local exchange services to customers independent of the incumbent.

The record demonstrates that Orange City Communications (OCC), a municipally-owned competitor, offers primary flat-rate residential and single line business services, in addition to video and data services, through the use of overbuilt facilities in Orange City, Iowa. (Frontier initial statement, p. 2.) The services being offered by OCC appear to be comparable services to those being offered by Frontier in the Orange City exchange.

The nature and extent of local exchange competition in Oyens is unusual. Frontier, the ILEC serving Oyens, has traditionally been subject to rate regulation by the Board. (Tr. 28, 30.) West Iowa Telephone Co., d/b/a WesTel Systems (WesTel), is also an ILEC serving Oyens and the facilities of Frontier and WesTel overlap. (Tr. 30.) Frontier has the ability to port numbers to WesTel in Oyens, but there have been no requests for number porting. (Tr. 30.) The ability to port numbers suggests

that at least some customers have a choice between comparable services offered by both Frontier and WesTel in the Oyens exchange.

The Board has previously noted that the standard at issue here does not require that identical services or facilities be offered, only that comparable or substitutable services or facilities be available. (See Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom, "Order Denying Petition for Deregulation," Docket No. INU-01-1, April 5, 2002). Because comparable services or facilities are generally available in these exchanges from a telecommunications provider other than the incumbent, using either ILEC or CLEC facilities or a combination of both, the Board finds that this statutory criterion has been met for both the Orange City and Oyens, Iowa, exchanges.

**2. Whether market forces are sufficient to assure just and reasonable rates without regulation.**

The record demonstrates that as a result of OCC's entry in the Orange City exchange, Frontier's market share has fallen to near 50 percent. The record also reflects that market conditions appear to influence rates in this market; both Frontier and OCC charge the same rates for basic residential and business services and Frontier has initiated several pricing and service offering changes in response to the level of competition existing in Orange City. (Tr. 34.)

In the Oyens exchange, WesTel rates for business customers are lower than the rates being offered by the incumbent carrier, Frontier. Nevertheless, the record indicates that sufficient competition exists in the Oyens exchange to ensure just and

reasonable rates without regulation due to the presence of WesTel's facilities and that neither WesTel nor Frontier has the ability to determine prices in the exchange.

In addition, in both the Orange City and Oyens exchanges, there appear to be other market forces in place in the form of services being provided by wireless and cable services, among others. These services also provide a constraint on prices even if they are not adequate substitutes for all customers. The record is silent as to any economic barriers to the entry of competitors or potential competitors in these markets, and as such the Board determines that there are none. For these reasons, the Board finds that this statutory criterion has been satisfied with respect to the Orange City and Oyens exchanges.

**B. The criteria of 199 IAC 5.6(1)**

**1. Whether a single provider has the ability to determine or control prices.**

The record shows that with respect to the Orange City and Oyens exchanges, no single provider has the ability to determine or control prices. Frontier has offered various competitive responses to offerings by competitors in these exchanges and the prices being offered by Frontier and the CLECs in these exchanges are competitive. Nevertheless, the Board intends to continue to monitor prices in these markets and will act appropriately if there is any attempt by one provider to determine or control prices.

**2. Whether other providers are likely to enter the market.**

The record demonstrates that given the small size of these markets and the relatively high cost per customer to build a new wireline local exchange network, the likelihood of additional facilities-based wireline competitors entering these markets in the near future is minimal. While the likelihood that another facilities-based wireline competitor will enter these markets may be diminished, the Board finds it is likely that these exchanges will see, or have already seen, entry from wireless, VoIP, and other providers of nascent technologies.

**3. Whether there is substitutability of one service or facility for another.**

This issue was addressed in the discussion regarding the availability of comparable services, above.

**C. Summary**

The Board finds that there is sufficient evidence in the record to support a finding of effective competition in the Orange City and Oyens exchanges and, therefore, the Board will deregulate single line flat-rated local exchange services in these exchanges. The Board will continue to monitor these exchanges to ensure that the consumers in these exchanges are adequately protected from anticompetitive pricing and behavior. This monitoring will include regular competition surveys designed to collect information regarding market share, facility interconnection, and the pricing of comparable services.

Iowa Code § 476.1D(5) provides that the Board may deregulate rates but continue service quality regulation if the Board determines that the service in

question is an essential communications service and the public interest warrants continued service regulation. The Board finds that local exchange service is an essential communications service; it is the very basis of telecommunications service in these communities. In addition, the Board finds that upon deregulation of these exchanges, there are public interest concerns regarding each carrier's obligation to provide local voice services throughout its defined service area, in both urban and rural parts of the exchange. Therefore, the Board will exercise its authority under § 476.1D(5) and will continue to regulate service quality in these exchanges in the same manner as all other certified ILECs and CLECs that provide local exchange service in Iowa.

**II. WHETHER EFFECTIVE COMPETITION EXISTS IN COMMUNITIES WHERE IOWA TELECOMMUNICATIONS SERVICES, INC., D/B/A IOWA TELECOM, IS THE INCUMBENT LOCAL EXCHANGE CARRIER.**

**A. Statutory analysis**

**1. Whether a comparable service or facility is available from a supplier other than a telephone utility.**

The communities that are under consideration for rate deregulation where Iowa Telecom is the ILEC are: Belle Plaine (includes Luzerne), Bennett, Cambridge, Greene, Grundy Center (includes Holland), Guthrie Center, Hartley, Manning (includes Aspinwall), Marble Rock, Marengo, Paullina (includes Germantown), Reinbeck (includes Morrison), Slater (includes Alleman and Sheldahl), and Wapello. All of these exchanges have been overbuilt by municipalities or by relatively small neighboring or nearby ILECs and have a strong local presence and knowledge of local market conditions.

The record demonstrates that several providers are offering comparable single line flat-rate local exchange service in these 14 exchanges at rates that are comparable to the incumbent's. Iowa Telecom is the incumbent provider in these exchanges and maintains a slight majority share in the residential markets. The number of CLECs providing single line flat-rated local exchange service in these exchanges indicates that there are comparable services or facilities available in these 14 exchanges from a telecommunications provider other than the incumbent. Therefore, the Board finds that this statutory criterion has been met.

**2. Whether market forces are sufficient to assure just and reasonable rates without regulation.**

The record confirms that the CLECs in these communities are offering single line flat-rate local exchange service in competition with the incumbent service provider and have acquired a significant portion of the market. The record also indicates that the rates offered by the CLECs in these exchanges were lower than those rates charged by Iowa Telecom.

The record reflects that in these specific exchanges the CLECs are small enough that their success in the market depends upon being responsive to their local customers. Moreover, the CLECs in these exchanges are most often municipal companies, cooperatives, or small, locally-owned corporations serving fewer than 15,000 customers. As such, they are not subject to rate regulation under Iowa law; this is because they are already subject to other pressures that tend to keep their rates reasonable, even if they faced no competition at all. Municipals and cooperatives are controlled by their customers so they have little or no incentive to

charge excessive rates. Municipal and small, locally-owned companies are also responsive to local influences that historically have been sufficient to deter excessive rates.

The record also supports a finding that there are other market forces in place in the form of other services being provided in these exchanges, including, but not limited to, wireless and cable services, that provide a constraint on prices even if they are not adequate substitutes for all customers.

Finally, the record is silent as to any economic barriers to the entry of competitors or potential competitors in these markets, and as such the Board determines that there are none. For these reasons, the Board finds that there are sufficient market forces in place in these exchanges at this time to ensure just and reasonable rates without regulation.

**B. The criteria of 199 IAC 5.6(1)**

**1. Whether a single provider has the ability to determine or control prices.**

The record shows that in addition to having a diminished market share, Iowa Telecom in these exchanges is charging higher prices than the competing CLECs for comparable services. This information, coupled with the previous discussion regarding non-market constraints on CLEC prices, indicates that no single provider has the ability to determine or control prices in these exchanges. Nevertheless, the Board intends to continue to monitor prices in these markets and will act appropriately if there is any attempt by one provider to determine or control prices.

**2. Whether other providers are likely to enter the market.**

The record demonstrates that given the small size of these markets and the high cost per customer to build a new wireline local exchange network, the likelihood of additional facilities-based wireline competitors entering these markets is minimal. However, the Board agrees with Iowa Telecom and others that ILECs in bordering exchanges, as well as cable television providers and municipal utility companies, all serve as additional sources of potential competitive entry. (Iowa Telecom Brief, pp. 11-12; Tr. 92, 100-01.)

While the likelihood that another facilities-based wireline competitor will enter these markets may be diminished, the Board finds it is very likely that these exchanges will see increased entry from wireless providers and from other technologies, such as VoIP through cable, DSL, or broadband-over-power lines.<sup>2</sup>

**3. Whether there is substitutability of one service or facility for another.**

This issue was addressed in the discussion regarding the availability of comparable services, above.

**C. Summary**

The Board finds that there is sufficient evidence in the record to support a finding of effective competition in the 14 listed overbuilt exchanges where Iowa Telecom is the incumbent provider and, therefore, the Board will deregulate rates for single line flat-rate local exchange service in these exchanges. The Board will

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<sup>2</sup> The Board considers these technologies to be relevant factors in the Board's analysis for determining the potential for future competition, even though they may not be considered effective competition at this time.

continue to monitor these markets to ensure that the consumers in those markets are adequately protected from anticompetitive pricing behavior. This monitoring will include regular competition surveys designed to collect information regarding market share, facility interconnection, and the pricing of comparable services.

The Board also finds that because single line flat-rate local exchange service is an essential communications service, the Board will exercise its authority under § 476.1D(5) and continue to regulate service quality in these 14 listed overbuilt exchanges in the same manner as all other certified ILECs and CLECs that provide local exchange service in Iowa.

**III. WHETHER EFFECTIVE COMPETITION EXISTS IN COMMUNITIES WHERE QWEST CORPORATION IS THE INCUMBENT LOCAL EXCHANGE CARRIER.**

**A. Statutory analysis**

**1. Whether a comparable service or facility is available from a supplier other than the telephone utility.**

The 14 communities that are under consideration for rate deregulation where Qwest is the ILEC are: Algona (includes Irvington), Alta, Carter Lake, Cedar Rapids, Clarion, Correctionville, Crescent, Davenport, Eagle Grove, Humboldt, Muscatine, Onawa, Osage, and Waukee. The record demonstrates that CLECs are providing services comparable to Qwest's single line flat-rate local exchange service in each of these 14 specified exchanges. (Tr. 213-45.) Qwest is the incumbent provider in these markets and maintains a majority share in the residential market.

Nevertheless, the number of CLECs that are providing residential service in these exchanges indicates that there are comparable services or facilities available in these

exchanges from a telecommunications provider other than the incumbent. Therefore, the Board finds that this statutory criterion has been met.

**2. Whether market forces are sufficient to assure just and reasonable rates without regulation.**

Despite the apparent availability of comparable services throughout these 14 exchanges, only four of these Qwest communities, Alta, Carter Lake, Onawa, and Osage, have a facility-based CLEC that has achieved a significant share of the market. (Tr. 218-42.) The record also shows that there are other market forces in place in the form of other services being provided in the Qwest exchanges, including, but not limited to, wireless and cable services, that may provide a constraint on prices in some exchanges even if they are not adequate substitutes for all customers.

The record demonstrates that the CLECs in the majority of the Qwest exchanges have only a small share of the market in those communities. In nine of these communities, the CLECs had market shares that ranged from 9 percent to 35 percent. Further, the CLEC in Eagle Grove, GAN, serves a single rural business customer and five residential customers with its own facilities. GAN constructed the facility to serve the business customer because Qwest did not have facilities in place to serve the customer's expanding business. All other business and residential customers served by GAN in Eagle Grove are served by GAN's purchase of unbundled network elements (UNEs) from Qwest, not from overbuilt facilities. (Tr. 45.)

The record is not developed regarding the economic barriers to the entry of competitors or potential competitors in these Qwest exchanges. Therefore, the

Board determines that there are no significant barriers other than cost, discussed below. Thus, the situation before the Board is that these markets have some facilities-based competition, and some intermodal competition, but the competitors have not yet gained substantial market share in each exchange. Market share measurement is not the only criterion considered in determining the ability of market forces to restrain rates absent regulation, but a significant market share along with comparable offerings and the presence of another facilities-based provider are indicators that sufficient market forces are in place to ensure just and reasonable rates. The Board finds that the record supports a finding that there are sufficient market forces in place in four of the identified Qwest exchanges at this time to ensure just and reasonable rates without regulation. Those exchanges are identified as Alta, Carter Lake, Onawa, and Osage.

While demonstrating that the CLEC has a substantial share of the market, the CLEC operating in the Eagle Grove exchange has achieved that status through the purchase of UNEs rather than through a substantial facilities-based operation. The Board finds that sufficient market forces are not in place in the Eagle Grove exchange at this time to ensure just and reasonable rates without regulation.

**B. The criteria of 199 IAC 5.6(1)**

**1. Whether a single provider has the ability to determine or control prices.**

The Board addressed this issue in the preceding discussion regarding the presence of market forces that are sufficient to assure just and reasonable rates without regulation. The Board finds that a competitive environment exists in the Alta,

Carter Lake, Onawa, and Osage exchanges where no single provider has the ability to control prices.

**2. Whether other providers are likely to enter the market easily.**

Based on this record, it appears it is unlikely that another wireline competitor will enter four of the Qwest exchanges primarily due to cost and uncertainty. Ease of entry using Qwest's facilities may be a possibility through the purchase of Qwest's QPP product, which allows CLECs to enter a market without as large a capital investment. However, an increase in the cost of the unregulated QPP product or of its individual elements could affect the viability of any CLEC that depend on QPP to serve their customers.

While the likelihood that another facilities-based wireline competitor will enter these markets may be diminished, the Board finds the likelihood that these exchanges will see increased entry from wireless providers and from other nascent technologies, such as VoIP through cable, DSL, or broadband-over-power lines, is high.

**3. Whether there is substitutability of one service or facility for another.**

This issue was addressed in the discussion regarding the availability of comparable services.

**C. Summary**

The Board finds that there is sufficient evidence in the record to support a finding of effective competition in the Alta, Carter Lake, Onawa, and Osage exchanges and, therefore, the Board will deregulate single line flat-rate local

exchange service throughout these communities. Nevertheless, the Board will continue to monitor these markets to ensure that Iowa consumers are adequately protected from anticompetitive behavior. This monitoring will be in the form of regular competition surveys and after-the-fact price change filings, as described earlier in this order.

The Board finds that there is not sufficient evidence in the record to support a finding of effective competition in the ten remaining Qwest exchanges. The record shows that GAN does not compete solely, or even mostly, by its own facilities and therefore will not be considered a facilities-based competitor in place in that exchange at this time. The competitors in the remaining exchanges have not achieved a share of the market in those communities that is sufficient to ensure just and reasonable rates without regulation.

The Board also finds that because local exchange service is an essential communications service and due to the public interest concerns regarding a carrier's obligation to provide local voice services throughout its defined service area, the Board will exercise its authority under Iowa Code § 476.1D(5) and continue to regulate service quality in the Alta, Carter Lake, Onawa, and Osage exchanges in the same manner as all other certified ILECs and CLECs that provide local exchange service in Iowa.

### **ORDERING CLAUSES**

#### **IT IS THEREFORE ORDERED:**

1. The rates for single line flat-rated local exchange service in the Iowa exchanges of Alta, Belle Plaine, Bennett, Cambridge, Carter Lake, Greene, Grundy

Center, Guthrie Center, Hartley, Manning, Marble Rock, Marengo, Onawa, Orange City, Osage, Oyens, Paullina, Reinbeck, Slater, and Wapello are deregulated pursuant to Iowa Code § 476.1D, as described in this order.

2. The Board will continue to monitor the markets identified in this order through the use of competition surveys at intervals to be determined by the Board.

3. The Executive Secretary of the Board is directed to cause a notice, in the form attached to and incorporated by reference in this order, of the deregulation ordered herein to be published in the Iowa Administrative Bulletin.

**UTILITIES BOARD**

/s/ John R. Norris

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Curtis W. Stamp

Dated at Des Moines, Iowa, this 5<sup>th</sup> day of December, 2005.

## UTILITIES DIVISION [199]

### NOTICE OF DEREGULATION

Pursuant to Iowa Code § 476.1D (2005), the Utilities Board (Board) gives notice that on December 5, 2005, the Board issued an order in Docket No. INU-05-2, In re: Deregulation of Single Line Flat-Rate Local Exchange Services in Competitive Markets, deregulating the rates for single line flat-rated local exchange service in the following Iowa exchanges: Alta, Belle Plaine, Bennett, Cambridge, Carter Lake, Greene, Grundy Center, Guthrie Center, Hartley, Manning, Marble Rock, Marengo, Onawa, Orange City, Osage, Oyens, Paullina, Reinbeck, Slater, and Wapello. The Board's findings are more fully discussed in the order, which may be obtained from the Board by calling 515-281-5563 or on the Board's Web site, <http://www.state.ia.us/iub>.

December 5, 2005

/s/ John R. Norris

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John R. Norris  
Chairman