

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: INTERSTATE POWER AND LIGHT COMPANY	DOCKET NO. 199 IAC 26.11(3)"b"
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**ORDER GRANTING PETITION FOR APPROVAL OF
NEW TRUSTEE AND NEW TRUST AGREEMENT**

(Issued January 24, 2006)

On December 27, 2005, Interstate Power and Light Company (IPL) filed with the Utilities Board (Board) a petition for approval of trust account. Specifically, IPL requested that the Board approve the replacement of the trustee for its existing voluntary employees' benefit association (VEBA) trusts and entry into new trust agreements. The proposed trust agreements attached to the request would be applicable to all of IPL's and Alliant Energy Corporate Services's VEBAs trusts. No objections to the petition were filed.

Pursuant to 199 IAC 26.11(3)"b," formerly 199 IAC 7.11(3)"b," the Board must approve all such trust agreements for postemployment benefits other than pensions (OPEB). The existing trust agreements were approved by Board orders in Docket Nos. RPU-92-8, RPU-92-9, RPU-92-11, RPU-02-3, RPU-02-8, and 199 IAC 7.11(3). The initial trust agreement approved by the Board has been modified to reflect mergers of various IPL predecessors and other changes to the agreement.

Subrule 199 IAC 26.11(3)"b" provides, in part, that in order to be included in utility rates, OPEB costs must "have been funded in a board-approved, segregated

and restricted trust account . . .” The trust agreements for IPL, which have been previously approved by the Board, provide for segregated and restricted accounts. In the current filing, IPL proposes to replace the trustee for its existing VEBA's with Wells Fargo Bank, N.A. (Wells), and to enter into new trust agreements. IPL states that administrative savings will accrue because Wells was selected as trustee of pension funds for IPL after a comprehensive evaluation of costs and service. U.S. Bank, N.A., was the prior trustee.

No objections to the petition have been filed. The Board will grant the petition. IPL is reminded that, pursuant to the Board's rules, any funds returned from the trust not actually used for OPEB costs must be refunded to customers in a manner approved by the Board.

IT IS THEREFORE ORDERED:

The “Petition of Interstate Power and Light Company for Approval of New Trustee and Trust Agreement,” filed on December 27, 2005, is granted.

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 24th day of January, 2006.