

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

<p>IN RE:</p> <p>CITY OF KALONA, IOWA,</p> <p style="padding-left: 40px;">Petitioner,</p> <p style="text-align:center">v.</p> <p>INTERSTATE POWER AND LIGHT COMPANY,</p> <p style="padding-left: 40px;">Respondent.</p>	<p style="text-align:center">DOCKET NO. SPU-06-6</p>
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NOTICE OF FILING AND ORDER ESTABLISHING TIME FOR OBJECTIONS

(Issued June 9, 2006)

On June 6, 2006, the city of Kalona, Iowa (Kalona), filed with the Utilities Board (Board) a petition requesting a certificate of authority to furnish electric service to the existing point of delivery of customers already receiving electric service from another electric utility. Kalona is an Iowa municipal corporation presently receiving electric service from Interstate Power and Light Company (IPL). IPL owns the electric distribution system within Kalona.

Iowa Code § 476.23 (2005) requires that the Board provide notice to IPL that the petition has been filed. This section further provides, in part:

If, after notice by the board to the electric utility currently serving the customer, objection to the petition is not filed and investigation is not deemed necessary, the board shall issue a certificate within thirty days of the filing of the petition. When an objection is filed, if the board, after notice and

opportunity for hearing, determines that service to the customer by the petitioner is in the public interest, including consideration of any unnecessary duplication of facilities, it shall grant this certificate in whole or in part, upon such terms, conditions, and restrictions as may be justified. Whether or not an objection is filed, any certificate issued shall require that the petitioner pay to the electric utility presently serving the customer, the reasonable price for facilities serving the customer.

The statute requires the Board to act on the petition within 30 days by granting the petition if no objection is filed and no investigation is deemed necessary. If an objection is filed, a certificate can only issue after notice and opportunity for hearing. The Board will, therefore, direct the Executive Secretary to notify IPL of the petition by mailing a copy of this order, with a copy of the petition attached, by ordinary mail. A copy of the order, without a copy of the petition, will also be posted on the Board's Web site, www.state.ia.us/iub.

Pursuant to the statute, a hearing may be required even if no objection is filed. The Board, in its discretion, may determine that an investigation is necessary. The statute also provides that regardless of whether an objection is filed, the reasonable price for facilities serving the customer(s) must be determined if a certificate is ultimately issued.

In order to provide the Board with sufficient time to act on the petition within the statutory time frame, IPL and the Consumer Advocate Division of the Department of Justice will be required to file any objections to the petition on or before June 23, 2006. If objections are filed or the Board on its own motion determines an investigation is necessary, the statutory 30-day time limit for issuing a certificate is no

longer applicable; a certificate can then only be issued after notice and hearing.

Kalona may respond to any objections on or before July 7, 2006.

IT IS THEREFORE ORDERED:

1. The Executive Secretary of the Utilities Board shall notify Interstate Power and Light Company that a petition requesting a certificate of authority was filed by the city of Kalona, Iowa, on June 6, 2006, by sending a copy of this order and a copy of the petition by ordinary mail to Interstate Power and Light Company. The Consumer Advocate Division of the Department of Justice will also be provided a copy of this order.

2. Interstate Power and Light Company and the Consumer Advocate Division of the Department of Justice may file any objections to the petition on or before June 23, 2006.

3. Kalona may file a response to any objections on or before July 7, 2006.

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 9th day of June, 2006.