

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: CITY OF EVERLY, IOWA, Petitioner, v. INTERSTATE POWER AND LIGHT COMPANY, Respondent;	DOCKET NO. SPU-06-5
CITY OF KALONA, IOWA, Petitioner, v. INTERSTATE POWER AND LIGHT COMPANY, Respondent;	DOCKET NO. SPU-06-6
CITY OF ROLFE, IOWA, Petitioner, v. INTERSTATE POWER AND LIGHT COMPANY, Respondent;	DOCKET NO. SPU-06-7
CITY OF TERRIL, IOWA, Petitioner, v. INTERSTATE POWER AND LIGHT COMPANY, Respondent;	DOCKET NO. SPU-06-8
CITY OF TITONKA, IOWA, Petitioner, v. INTERSTATE POWER AND LIGHT COMPANY, Respondent.	DOCKET NO. SPU-06-9
CITY OF WELLMAN, IOWA, Petitioner, v. INTERSTATE POWER AND LIGHT COMPANY, Respondent.	DOCKET NO. SPU-06-10

ORDER MODIFYING PROCEDURAL SCHEDULE

(Issued December 22, 2006)

On December 1, 2006, the cities of Everly, Kalona, Rolfe, Terril, Titonka, and Wellman, Iowa (collectively, Cities), filed with the Utilities Board (Board) a request for extension of time to file expert testimony. The Cities stated that one of their designated experts, Mr. Yale Kramer, died on November 14, 2006, and that the Cities were in the process of retaining a new expert. The Cities asked that they be granted an extension from December 1, 2006, to February 1, 2007, to designate a new expert and file the expert's prefiled direct testimony. The Cities said their counsel had talked to counsel for Interstate Power and Light Company (IPL) and that IPL had no objection to the extension request as long as IPL would be given the same consideration as the Cities. The Cities indicated they would not object to any extension of time requested by IPL.

IPL filed a response to the Cities' request for extension on December 11, 2006. IPL said its counsel had told the Cities' counsel that IPL had no objection to the extension so long as IPL was given a like amount of time to respond to the new expert's testimony. IPL noted that if the extension were granted and an extension for other parties was not granted, it would only have six weeks to conduct discovery and prepare IPL's expert testimony, rather than the nearly four months contemplated by the procedural schedule issued September 5, 2006. IPL asked that all of the deadlines in the case be moved back two months to account for the Cities' requested two-month extension.

MidAmerican Energy Company (MidAmerican), an intervenor in these proceedings, filed a response on December 15, 2006. MidAmerican noted that while the Cities filed part of their direct testimony on December 1, 2006, the missing testimony was that of an appraiser or valuation expert. According to the direct testimony that was filed by the Cities, Mr. Kramer's testimony would have addressed the methods used to determine the fair market value of the proposed city utilities and to provide an expert opinion on the conclusions reached by other of the Cities' witnesses.

MidAmerican said it supports IPL's request to move the entire procedural schedule back and that the minimum extension should be two months. MidAmerican noted that in a condemnation proceeding, there is usually three and one-half to six months to review and conduct discovery of the appraiser's testimony. MidAmerican stated that because the Board effectively sits as a condemnation jury in this proceeding, a longer extension would be warranted, particularly because Mr. Kramer was a well-known expert whose conclusions and methodologies were generally known; MidAmerican indicated discovery might be more time consuming with a new appraiser who might have different credentials and methods.

From the pleadings, it appears that the Cities and IPL agreed to an extension that would move the entire procedural schedule back two months to accommodate the Cities' new expert. There is no indication in the filings that the Cities consulted

the other two parties to this docket, MidAmerican and the Consumer Advocate Division of the Department of Justice.

The Board will grant the two-month extension and modify the procedural schedule accordingly. The Board understands the importance of the appraiser's (valuation expert's) testimony in these proceedings, but does not believe any further extension is warranted at this time. The Board believes the two-month extension should be sufficient, particularly if the parties agree to promptly respond to data requests. In the event it appears the two-month deadline may not be sufficient, the Board would first entertain a motion to shorten the time for responses to discovery requests. The Board does not want to extend the procedural schedule a second time unless there is no other feasible alternative.

IT IS THEREFORE ORDERED:

1. The procedural schedule set by order issued September 5, 2006, is modified as follows:

a. The Cities shall file prepared direct testimony of their new designated expert, with underlying workpapers and exhibits, on or before February 1, 2007. If a party references a data request or response in its prepared testimony, the data request or response shall be filed as an exhibit.

c. IPL, Consumer Advocate, and any intervenors shall file direct testimony, with underlying workpapers and exhibits, on or before May 15,

2007. If a party references a data request or response in its prepared testimony, the data request or response shall be filed as an exhibit.

d. If IPL, Consumer Advocate, and any intervenors find it necessary to file testimony in rebuttal to each other's direct testimony, they may file rebuttal testimony on or before July 2, 2007.

e. The Cities shall file their rebuttal testimony, with underlying workpapers and exhibits, on or before July 2, 2007.

f. The parties shall file a joint statement of the issues on or before July 10, 2007.

g. All parties that choose to file a prehearing brief may do so on or before July 18, 2007.

h. A hearing shall be held beginning at 9 a.m. on August 27, 2007, for the purpose of receiving testimony and the cross-examination of all testimony. The hearing shall be held in the Iowa Utilities Board's Hearing Room, 350 Maple Street, Des Moines, Iowa. The parties shall appear one-half hour prior to the time of the hearing for the purpose of marking exhibits. Persons with disabilities requiring assistive services or devices to observe or participate should contact the Utilities Board at (515) 281-5256 in advance of the scheduled date to request that appropriate arrangements be made.

i. The parties may file simultaneous initial briefs on or before October 17, 2007.

j. All parties who file initial briefs may file reply briefs on or before
November 7, 2007.

2. All other aspects of the procedural order issued September 5, 2006,
remain unchanged.

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 22nd day of December, 2006.