

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: AQUILA, INC., d/b/a AQUILA NETWORKS	DOCKET NO. TF-07-17 (EEP-03-4)
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ORDER APPROVING TARIFF AND WAIVER

(Issued February 15, 2007)

On January 24, 2007, Aquila, Inc., d/b/a Aquila Networks (Aquila), filed with the Utilities Board (Board) a proposed tariff, identified as TF-07-17. The proposed tariff revises Aquila's energy efficiency cost recovery factors for the 12-month period beginning February 23, 2007. Aquila filed corrections to the proposed tariff on February 7, 2007. No objections to the proposed tariff were filed.

The Board will approve the proposed tariff. The proposed tariff reflects projected energy efficiency expenditures for the next 12 months, as well as a reconciliation of the past year's expenditures to compensate for any over- or under-recovery. In addition, under-recoveries for the years 1999-2000 that were the subject of a settlement previously approved by the Board are reflected in the tariff. The cost recovery factors will increase next year for general service (which includes residential) customers and decrease for non-general service customers. The general service increase is largely due to energy efficiency expenditures for the class exceeding the budget, which means customers are taking advantage of the programs.

Aquila requested an effective date of February 23, 2007, for the proposed tariff. Subrule 199 IAC 35.12(2) provides that customer billing for new energy efficiency cost recovery factors is not to begin until the first billing month at least 30 days following Board approval. In this case, recoveries of prior undercollections should begin as soon as possible so that future recoveries can be on a contemporaneous basis, providing more pricing certainty both to Aquila and its customers. The standards for a waiver in 199 IAC 1.3 are satisfied.

IT IS THEREFORE ORDERED:

1. Tariff filing TF-07-17, filed by Aquila, Inc., d/b/a Aquila Networks, on January 24, 2007, and as revised on February 7, 2007, is approved, subject to complaint or investigation, effective February 23, 2007.
2. Subrule 199 IAC 35.12(2) is waived to the extent necessary to allow TF-07-17 to become effective on February 23, 2007.

UTILITIES BOARD

/s/ John R. Norris

/s/ Curtis W. Stamp

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

Dated at Des Moines, Iowa, this 15th day of February, 2007.