

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  AQUILA, INC., d/b/a AQUILA NETWORKS	DOCKET NO. TF-07-28
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**ORDER APPROVING PROPOSED TARIFF**

(Issued March 13, 2007)

On February 2, 2007, Aquila, Inc., d/b/a Aquila Networks (Aquila), filed with the Utilities Board (Board) a proposed tariff revision to replace Aquila's existing level payment plan with a rolling 12-month average calculation. Pursuant to 199 IAC 19.4(11)"e," Aquila is required to file the method of computation it uses to calculate payments under its level payment plan. On February 27, 2007, Aquila filed a correction to its proposed tariff.

Aquila's current level payment program calculates a monthly bill and is typically adjusted annually to account for under- and over-billings. The proposed plan would calculate a new payment each month based on a rolling average of the past 12 months' bills. Under the proposed plan, the amount the customer would be billed would not change unless the newly-calculated amount is 10 percent greater or lesser than the amount billed the prior month. The proposed plan provides that customer accounts will be trued up after 12 months and any amounts owed by the customer or owed to the customer would be divided by 12 and added or subtracted from the customer's bill for each of the next 12 months. Aquila indicated that it had

developed this approach after researching various budget billing programs in the region and after surveying 150 of its Iowa customers.

No objections or comments have been filed concerning the proposed tariff.

The Board will approve the proposed tariff. The calculation of a rolling 12-month level payment amount is provided for in the Board's rules and other utilities have similar level payment plan calculation methods. Aquila requests approval of this filing by April 15, 2007, with the tariff sheets becoming effective July 1, 2007. Once Aquila has approval for the proposed tariff, it will finalize the customer notice and communication plan and begin the process of implementing changes to its customer information system.

The Board will require Aquila to file with the Board by June 1, 2007, the notice it intends to send to customers. This will allow Board staff to contact Aquila if there are questions about the notice. The approved tariff will have an effective date of July 1, 2007, as requested by Aquila.

**IT IS THEREFORE ORDERED:**

1. The proposed tariff filed by Aquila, Inc., d/b/a Aquila Networks, on February 2, 2007, as corrected on February 27, 2007, and identified as TF-07-28, is approved with an effective date of July 1, 2007.

2. Aquila, Inc., d/b/a Aquila Networks, shall file with the Board the notice to be sent to customers on or before June 1, 2007.

**UTILITIES BOARD**

/s/ John R. Norris

/s/ Curtis W. Stamp

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

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Dated at Des Moines, Iowa, this 13<sup>th</sup> day of March, 2007.