

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 AMENDMENT
TO TRUST AGREEMENT AND NEW TRUST AGREEMENT**

(Issued August 27, 2007)

On August 1, 2007, Interstate Power and Light Company (IPL) filed with the Utilities Board (Board) a petition for approval of an amendment to a trust agreement and approval of a new trust agreement. Specifically, IPL requested that the Board approve the formation of an additional non-bargaining voluntary employees' benefit association (VEBA) trust, transfer assets, and amend Appendix A of the existing IPL Non-Bargaining VEBA trust to allow formation of the new Non-Bargaining VEBA trust. The new Non-Bargaining VEBA trust would cover employees and retirees of Alliant Energy Resources, Inc., and Alliant Energy Corporate Services, Inc. IPL said the current funding structure for the trusts will remain unchanged and that the changes will assist in making the accounting structures for IPL, Wisconsin Power and Light Company, and Alliant Energy Corporate Services, Inc., consistent with each other. No objections or other responses 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, 199 IAC 7.11(3), and 199 IAC 26.11(3)"b." 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)"c" provides, in part, that in order to be included in utility rates, the costs of OPEB 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 add one Non-Bargaining VEBA trust, transfer some assets from an existing Non-Bargaining VEBA trust to the new trust, and amend the existing trust to allow formation of the new trust. IPL states that the substantive terms of the trust agreements are unchanged.

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 Amendment of Trust Agreement Appendix and Approval of New Trust Agreement," filed on August 1, 2007, is granted.

UTILITIES BOARD

/s/ John R. Norris

/s/ Curtis W. Stamp

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Krista K. Tanner

Dated at Des Moines, Iowa, this 27th day of August, 2007.