

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: INTERSTATE POWER AND LIGHT COMPANY	DOCKET NO. RPU-07-5
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**ORDER DOCKETING CASE, ESTABLISHING PROCEDURAL
SCHEDULE, AND SETTING INTERVENTION DEADLINE**

(Issued October 24, 2007)

On September 28, 2007, Interstate Power and Light Company (IPL) filed with the Utilities Board (Board) an application for determination of ratemaking principles for a wind project of up to 200 MW. IPL said the wind project would likely consist of two wind facilities of approximately 100 MW each. The site or sites for the wind project have not been determined. Among the nine ratemaking principles requested by IPL are a return on equity of 12.3 percent, a depreciable life of 25 years, and a cost cap. IPL requested that the Board conduct an expedited review of the application because costs for wind turbine and wind facility sites increase each year and IPL said it could not prudently make certain investments in the wind project without approval of the ratemaking principles.

Iowa Code § 476.53 provides that when defined new electric generation is to be constructed by a public utility, the Board shall specify in advance, by order issued after a contested case proceeding, the ratemaking principles that will apply when the costs are included in electric rates. IPL's wind project falls within the defined class of new electric generation eligible for ratemaking principles.

On October 12, 2007, the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed a response and request for docketing. Consumer Advocate noted that IPL's proposed wind project is to meet needs of Iowa and Minnesota customers, which relates to issues Consumer Advocate is investigating regarding allocation of energy costs and revenues to various Alliant Energy subsidiaries to ensure, among other things, that IPL's customers are receiving the benefits of IPL's lower cost generation resources, such as wind. Consumer Advocate asked that its prefiled testimony be due no earlier than November 19, 2007.

The Board has reviewed the application and will docket it for investigation and set a procedural schedule. IPL requested an expedited schedule but did not request a ruling by a date certain. The Board will set a schedule that balances IPL's request for expedited treatment with Consumer Advocate's request that sufficient time be allowed for its investigation.

IT IS THEREFORE ORDERED:

1. An investigation is initiated with respect to the application for determination of ratemaking principles filed by Interstate Power and Light Company on September 28, 2007. This matter is identified as Docket No. RPU-07-5, a formal contested case proceeding. The expenses reasonably attributable to this investigation will be assessed to IPL in accordance with Iowa Code § 476.10. The issues to be considered will be as they develop during the course of these proceedings.

2. The following procedural schedule is established:
 - a. The deadline to file a petition to intervene in this proceeding shall be November 13, 2007. The petition to intervene shall state whether the prospective intervenor supports or opposes the settlement and agreement.
 - b. Consumer Advocate and intervenors shall file prepared direct testimony, with underlying workpapers and exhibits, on or before November 19, 2007. If a party references a data request in its prepared testimony, the data request shall be filed as an exhibit.
 - c. IPL shall file rebuttal testimony, with underlying workpapers and exhibits, on or before December 19, 2007.
 - d. The parties shall file a joint statement of the issues on or before December 21, 2007.
 - e. All parties that choose to file a prehearing brief may do so on or before January 4, 2008.
 - f. A hearing shall be held beginning at 9 a.m. on February 11, 2008, for the purpose of receiving testimony and the cross-examination of all testimony. The hearing shall be held in the Board's hearing room at 350 Maple Street, Des Moines, Iowa 50319-0069. 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.

g. All parties may file post-hearing briefs on or before February 25, 2008.

3. In the absence of objection, all underlying workpapers shall become a part of the evidentiary record of these proceedings at the time the related testimony and exhibits are entered into the record.

4. In the absence of objection, all data requests and responses referred to in oral testimony or on cross-examination that have not been previously filed shall become a part of the evidentiary record of these proceedings. The party making reference to the data request shall file an original and six copies of the data request and response with the Board at the earliest possible time.

5. In the absence of objection, when the Board has called for further evidence on any issue and the evidence is filed after the close of the hearing, the evidentiary record will be reopened and the evidence will become part of the record two days after the evidence is filed with the Board. All evidence filed pursuant to this paragraph shall be filed no later than three days after the close of the hearing in this proceeding.

UTILITIES BOARD

/s/ John R. Norris

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

Dated at Des Moines, Iowa, this 24th day of October, 2007.