

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

<p>IN RE:</p> <p>PIONEER HI-BRED INTERNATIONAL, INC.,</p> <p style="text-align: center;">Complainant,</p> <p style="text-align: center;">vs.</p> <p>INTERSTATE POWER AND LIGHT COMPANY,</p> <p style="text-align: center;">Respondent.</p>	<p style="text-align: right;">DOCKET NOS. FCU-07-13 WRU-07-37-150</p>
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**ORDER REQUESTING ADDITIONAL INFORMATION**

(Issued November 9, 2007)

On October 29, 2007, the Utilities Board (Board) issued an order on its own motion docketing as a formal complaint the Settlement Agreement filed by Pioneer Hi-Bred International, Inc. (Pioneer), and Interstate Power and Light Company (IPL) that proposed to resolve the remaining issues in an informal complaint filed by Pioneer against IPL. The informal complaint alleged that IPL had incorrectly installed a gas meter at Pioneer's Sheldahl facility that resulted in gas overbilling of approximately \$900,000 over a 12-year period. The Settlement Agreement states that IPL had previously refunded \$453,913.44 to Pioneer for the period back to December 31, 2001. In the informal complaint, Pioneer was seeking an additional

\$443,000 for the period from December 31, 2001, back to the installation of the meter on September 4, 1994.

On October 29, 2007, IPL filed a substitute page 5 for the Settlement Agreement. The substitute page shows that IPL, as part of the settlement, agrees that its shareholders will take responsibility for \$77,849.47 of the \$318,394.02 proposed refund and IPL would pass the remaining \$240,544.55 through the purchased gas adjustment (PGA) reconciliation to other PGA customers.

On October 30, 2007, the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed a limited objection to the Settlement Agreement. Consumer Advocates states that it supports the Settlement Agreement except for the provision that would allow IPL to recover the \$240,544.55 from PGA customers. Consumer Advocate argues that the Board's PGA rules prohibit such a recovery. Consumer Advocate states that pursuant to 199 IAC 10.10(7), current customers are to be charged only current costs and the recovery of a refund associated with a prior period violates this requirement.

In the October 29, 2007, order, the Board indicated that the proposal to refund overbilling amounts beyond the five-year limitation in 199 IAC 19.4(13)"d" required IPL to file a formal request for waiver. On November 1, 2007, IPL filed a request for waiver as directed and has been identified as Docket No. WRU-07-35-150.

The Board has reviewed the information in the informal complaint file and the Settlement Agreement and has determined that it will require some additional information before it can reach a decision in the formal complaint and the waiver

request dockets. The information in the informal complaint file indicates that the refund to Pioneer for the overbilling at the Sheldahl facility was one of several overbilling refunds made to Pioneer. The Board needs more information about these prior overbilling refunds as well as the one involving the Sheldahl facility.

In addition, the parties will be directed to inform the Board whether they will waive their right to a hearing and allow the Board to consider this matter on the information presented in the informal complaint file and this formal docket or if they would prefer the opportunity to present the issues to the Board at a hearing. Parties can also indicate if they desire to make additional filings regarding the issues.

The additional information requested by the Board is as follows:

1. For locations of Pioneer facilities other than the Sheldahl facility, provide the date and details of all refunds made by IPL to Pioneer since December 31, 2001, the reason for the refunds, and whether IPL included all or a part of the refunds in an annual PGA reconciliation filing, or a monthly PGA filing, for recovery from PGA customers.

2. The Settlement Agreement indicates that IPL made a refund of \$453,913.44 in January 2007 to Pioneer for overbilling at the Sheldahl facility. Did IPL include all or part of the \$453,913.44 refund amount in the annual PGA reconciliation filed in Docket No. PGA-07-42? If IPL sought recovery of only a part of the refund amount, provide an explanation of how the amount for which recovery was sought was calculated.

3. If the refund recovery of \$240,544.55 is approved, provide a calculation of the average amount that would be recovered from each PGA customer based upon that recovery.

**IT IS THEREFORE ORDERED:**

1. Interstate Power and Light Company shall file the additional information as described in this order on or before November 19, 2007.

2. On or before November 19, 2007, the parties shall inform the Board whether this matter should be set for hearing.

**UTILITIES BOARD**

/s/ John R. Norris

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

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Dated at Des Moines, Iowa, this 9<sup>th</sup> day of November, 2007.