

# 2012

## ANNUAL REPORT

**Iowa Utilities Board**

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## THE BOARD

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### **ELIZABETH (LIBBY) JACOBS, CHAIR**

Elizabeth S. Jacobs began serving on the Iowa Utilities Board on May 1, 2011. She was appointed by Governor Terry Branstad to fill a term that runs through April 30, 2017. Additionally, Branstad appointed Jacobs Chair of the Board. She serves in that capacity from May 1, 2011, to April 30, 2013.

Jacobs is a National Association of Regulatory Utility Commissioners (NARUC) member and serves on the NARUC Committee on Electricity and Subcommittee on Nuclear Issues-Waste Disposal. Jacobs represents Iowa on the Board of the Organization of MISO States (OMS) where she serves as Secretary and is a member of the OMS Executive Committee. In addition, Jacobs is one of three OMS representatives on the MISO Advisory Committee. She is a voting member on the Eastern Interconnection States Planning Council (EISPC). She is also a member of the Mid-America Regulatory Conference (MARC).

Prior to joining the Iowa Utilities Board, Jacobs was president of The Jacobs Group, LLC, a consulting firm specializing in strategic planning, board development, community outreach, and fund development. In addition, Jacobs' career includes professional and management-level positions in the telecommunications, non-profit, and financial services industries.

Jacobs served in the Iowa House of Representatives from 1995 to 2008. She was elected by her peers to serve as Majority Whip for seven years. Jacobs also sat on the Commerce, State Government, and Appropriations Committees. She served as co-chair of several interim committees including a study committee on the Iowa Communications Network.

Jacobs has been recognized with several honors including the 2008 West Des Moines Citizen of the Year, 2008 Drake University Outstanding Master of Public Administration Alumnus Award, 2008 Greater Des Moines Leadership Institute Business Leadership Award, 2005 Iowa Grocers Association Legislative Leadership Award, and a 2001 Des Moines Business Record Woman of Influence.

Jacobs earned her BA "With Distinction" in political science from the University of Nebraska—Lincoln and a Master's of Public Administration from Drake University. She and her husband, Steve, reside in West Des Moines and have two daughters.

### **DARRELL HANSON, BOARD MEMBER**

Darrell Hanson was appointed by Governor Chet Culver to fill an unexpired term on the Iowa Utilities Board on November 9, 2007. His term runs until April 30, 2013.

Hanson is a National Association of Regulatory Utility Commissioners (NARUC) member and serves on the NARUC Committee on Gas and the Committee on International Relations. He also serves on the NARUC Subcommittee on Nuclear Issues – Waste Disposal and the NARUC Subcommittee on Education and Research. Board Member Hanson served as president of the Mid-America Regulatory Conference (MARC) during 2011-12. Hanson is a member of the Eastern Interconnection States Planning Council (EISPC) and the Executive Committee of the Upper Midwest Transmission Development Initiative (UMTDI). He also serves on the Advisory Boards of the Financial Research Institute (FRI) at the University of Missouri and the Center for Global and Regional Environmental Research (CGRER) at the University of Iowa.

Hanson graduated with High Distinction from the University of Iowa in 1976. He received a master's degree in political science from the University of Northern Iowa in 1991, with additional graduate study in economics.

A native of northeast Iowa, Hanson represented Delaware County and surrounding areas in the State Legislature for eight terms from 1979 through 1994. While serving in the Legislature, he also taught economics and American history for Upper Iowa University and political science at the University of Northern Iowa. In 1995, he served as Senior Director of Transportation and Economic Development for the Iowa Northland Regional Council of Governments based in Waterloo. From 1996 to 2007, he was the County Extension Education Director for the Iowa State University Extension office in Delaware County.

Hanson has been a member of the Manchester City Council, Manchester Area Chamber of Commerce Board of Directors, Delaware County Economic Development Commission, and Manchester Board of Adjustment. He chaired the Manchester Enterprise Zone Commission from 2001 to 2007, and chaired the Manchester Local Access Cable Television Committee from 1997 to 2007. He has received Manchester's Distinguished Service Award and the Delaware County Friend of Agriculture Award. Hanson was a member of the Iowa Environmental Council (IEC) Board of Directors from 1994 to 2004 and IEC Vice President in 1997 and 1998. He served as a member of the Iowa Environmental Protection Commission from 2000 to 2007, including three terms as commission chair.

Hanson is married to Janet Hanson, a registered nurse. They have two sons, Eric and Mark.

### **SWATI DANDEKAR, BOARD MEMBER**

Swati Dandekar officially began serving on the Iowa Utilities Board on September 19, 2011. Governor Terry Branstad appointed her to fill a vacated Board Member seat, which runs through April 30, 2015.

Board Member Dandekar is a National Association of Regulatory Utility Commissioners (NARUC) member and serves on the NARUC Committee on Telecommunications. She is a voting member of the North American Numbering Council (NANC). Dandekar is also a member of the Mid-America Regulatory Conference (MARC) and the FCC-State Joint Conference on Advance Telecommunications Services Committee. She serves as the Board representative to the Advisory Council of the Iowa Energy Center in Ames. Board Member Dandekar serves on the advisory board of the National Science Foundation's Experimental Program to Stimulate Competitive Research (EPSCoR).

Prior to joining the Board, Dandekar served in the Iowa House of Representatives from 2002 until 2008 and was elected to the Iowa Senate in 2008. She was the chair of the Senate Commerce Committee, vice-chair of the Economic Development Budget Subcommittee, and was elected president of the National Foundation of Women Legislators for 2011.

Dandekar has a bachelor's degree in biology and chemistry from Nagpur University and a post graduate diploma in dietetics from Bombay University in India. She has served on the Linn-Mar School Board, Iowa Association of School Boards, the Vision Iowa Board, U.S. Center for Citizen Diplomacy, Iowa Math and Science Coalition, Greater Cedar Rapids Foundation, Belin-Blank International Center for Gifted and Talented, Iowa Innovation Council, and Iowa Public Health Commission.

Honors bestowed upon Dandekar include the 2000 J.C. Penney Education Golden Rule Award, India Abroad 2002 Person of the Year, 2003 Pillar of the Community Award from Waypoint, Asian Alliance of Iowa 2003 Person of the Year, 2004 Flemming Institute Fellow, Iowa's 2006 Passport to Prosperity Award, and Asian Week's 2008 Asia Pacific American Person of the Year.

Swati and her husband, Arvind, reside in Marion, Iowa. They have two sons; Ajai (with his wife Allison and their sons Evan and William) and Govind (with his wife Shaneeda).

## History of the Iowa Utilities Board

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The Iowa Board of Railroad Commissioners, one of the oldest agencies in Iowa state government, was established in 1878. The three elected commissioners were charged with the duty to regulate railroad passenger and freight rates and operations. This oversight of the network that transported Iowans and their products was critical to pioneer farmers and businesses.

In 1911, the Iowa Legislature established the Office of Commerce Counsel, one of the nation's first public defender's offices, within the Railroad Commission. With the growing use of electricity, the Board was authorized to regulate the location of electric transmission lines in Iowa. A rate department was added at that time, followed by statistics and engineering departments a short time later. The agency began licensing grain warehouses in Iowa in 1921 and was authorized to regulate passenger and freight rates for intrastate motor truck transportation in 1923. Authority to regulate natural gas pipeline construction was granted in the early 1930s. Because of its expanded authority, the agency was renamed the Iowa State Commerce Commission in 1937.

After World War II ended, sentiment grew for centralized regulation of public utilities. The governing bodies of the cities and towns had jurisdiction over electric and gas rates and services. The major investor-owned electric and gas companies had to deal individually with more than 200 town and city councils for each rate change. There was no provision for the regulation of

communication services at either the state or municipal level. By 1953, Iowa was one of only two states that lacked a public utility commission. In 1963, the Iowa Legislature added the regulation of the rates and service of public utility companies to the Commission's responsibilities. Also in 1963 the commission terms were extended from two years to six years and the positions became appointed rather than elected.

The additional responsibility of regulating 923 public utilities (702 telephone companies) began to overshadow the Commission's other duties. In 1975, the industry passed the \$1 billion threshold in intrastate operating revenues and regulation of motor and rail transportation was transferred to the Iowa Department of Transportation. Exclusive service areas for electric utilities were initiated in 1976, as well as authority to issue certificates of public convenience, use, and necessity for constructing electric generating facilities.

As the price of energy rose in the late 1970s, conservation and alternative sources of energy became important issues. In 1980, the Commission was authorized to engage in several energy-saving strategies and pilot projects.

After the Iowa Legislature adjourned in 1981, only five telephone companies remained under rate regulation. Those with fewer than 15,000 customers were required only to meet the agency's service standards.

In 1983, the nation's first telephone deregulation statute was included in an omnibus utility reform bill that also replaced the Office of Commerce Counsel. A state Office of Consumer Advocate (OCA) was established to represent the public interest in rate cases and the Office of General Counsel was created to provide legal support to the Commission.

State government reorganization in 1986 renamed the Iowa State Commerce Commission and included the agency in an umbrella regulatory agency, the Department of Commerce. The new name, the Iowa Utilities Board (IUB), reflected the absence of the grain warehouse function that was transferred to the Department of Agriculture. Also that year, rate regulation ended for rural electric cooperatives and service regulation of municipal utilities was severely limited. The OCA was made a division of the Department of Justice.

In 1989, the Iowa Legislature abolished the practice of the IUB and the OCA utilizing shared technical staff. The Board was also given authority to oversee mergers and acquisitions of utility companies. The 1990 Iowa Legislature, at the Board's urging, gave the Board authority to oversee gas and electric utilities' energy efficiency activity.

The 1980s saw the beginning of a move away from regulation in the gas and electric industries. In the mid-1980s, the Federal Energy Regulatory Commission (FERC) began opening interstate natural gas pipelines to competitive gas suppliers. Congress fully deregulated sales of natural

gas, but the interstate transportation of natural gas was still regulated by the FERC. As a result, natural gas could be obtained competitively at hundreds of delivery points in Iowa. Since the late 1980s, industrial customers in Iowa have been purchasing gas in the open competitive market, but small volume customers faced continued barriers. In August 2000, the Board required each rate-regulated natural gas utility to file draft tariffs to implement transportation to small volume end-users.

In April 2001, the Board implemented new rules establishing the criteria for certification of competitive natural gas providers. The rules allowed certified competitive natural gas providers to pool transportation service to Iowa small-volume business and residential customers for the first time. The large-volume competitive natural gas providers that served Iowa industrial customers previously continued providing service, but became certified under the new rules.

The electric industry was also changing. The Federal Energy Policy Act of 1992 (EPACT) permitted independent power producers to enter the wholesale power market where they could sell electric capacity and energy to utilities at unregulated market rates. EPACT also authorized the FERC to require electric utilities to open their transmission systems for wholesale transactions. The apparent success of competition in the wholesale electric market led to growing pressure to allow retail competition as well. The Legislature considered electric competition

proposals in 1998, 1999, and 2000, but nothing was enacted. In September 2000, after the California energy crisis, the Governor announced the formation of a task force to take a comprehensive look at Iowa's energy needs. Also in 2000, the Board initiated an inquiry into electric delivery reliability and an investigation into generation resource planning, which continued in 2001. In December 2001, the IUB released a report entitled "Report on Electric Delivery Reliability Inquiry, A Staff Analysis, Docket No. NOI-2000-0004."

In 2001, the Iowa Legislature adopted House File 577 to attract the development of electric power generating and transmission facilities in the state. The new legislation streamlined the statutory generation siting requirements and allowed advance ratemaking principles for the construction of certain generation plants built by rate-regulated utilities. It required the Board to establish ratemaking principles that will apply when new plant costs are included in electric rates. Utility companies were previously required to wait until new plants actually went on line before learning how regulators would treat their investment.

Telephone price regulation was authorized in 1995 along with laws encouraging the development of local telephone competition. The Federal Telecommunications Act of 1996 opened the local telecommunications market to competition and gave state commissions the authority to determine prices for the use of the telephone network.

With Executive Order Eight in 1999, the Governor asked all state agencies to review their rules for need, clarity, intent and statutory authority, cost, and fairness. In February 2000, the Board issued its plan for regulatory review. After receipt of public comments, staff teams developed recommended changes to the Board's rules. During 2001, the Board submitted its recommended rule changes to the Governor in its assessment report.

In 2002, the Board was given discretion to reduce the filing requirements to streamline petitions for extension of electric franchises. Also in 2002, the state's Interagency Missouri River Authority was established to represent Iowa interests regarding membership in the Missouri River Basin Association. The IUB was named a member agency. The interagency group is charged with promoting the management of the Missouri River in a manner that does not negatively impact landowners along the river or the state's economy.

In 2003, the IUB became a founding member of the Organization of MISO States (OMS). The OMS is a non-profit, self-governing organization of representatives from each state with regulatory jurisdiction over entities participating in the Midwest Independent Transmission System Operator, Inc. (MISO), a regional transmission organization as defined by the FERC. The purpose of the OMS is to coordinate regulatory oversight among the states, including recommendations to MISO, the MISO Board of Directors, the FERC, other

relevant government entities, and state commissions as appropriate.

In 2004 and 2005, the Board deregulated the rates for local telephone service in a total of 40 Iowa exchanges where it made a finding of effective competition. The Board will continue to regulate service quality in these exchanges and monitor the markets. The Board initiated the rate deregulation proceeding after conducting a statewide local telecommunications competition survey, which indicated specific geographic areas or certain customer groups had a choice of service providers.

In 2005, legislation removed price controls from all local telephone service in Iowa but the most basic single line residential and business services of Iowa's large incumbent local exchange carriers. Previously, these carriers had been fully price regulated. The Board continued to price regulate the incumbent carriers' basic services during a projected three- to five-year phase-out period. A portion of the proceeds from any single line increases during the transition period must be used to install high-speed Internet service in rural areas. The law also enabled local exchange carriers to file complaints with the Board against other local exchange carriers they believe have engaged in anti-trust activities. The Board could order a local exchange carrier to adjust its retail rates and assess a civil penalty.

In 2005, Iowa enacted legislation creating two separate production tax credits for electricity generated by eligible renewable-

energy facilities. The credits are subject to approval by the Board. Iowa Code Chapter 476C created a production tax credit of 1.5 cents per kilowatt-hour for electricity generated by and purchased from eligible wind and other renewable-energy facilities, including biomass and solar. Iowa Code Chapter 476B created a production tax credit of one cent per kilowatt-hour for electricity generated by and purchased from eligible wind-energy facilities. The Board adopted final rules on the facility eligibility process in Docket No. RMU-2005-0008. The tax credits are issued and tracked by the Iowa Department of Revenue.

In April 2006, the Board approved more uniform Interstate Power and Light Company (IPL) class rate structures and rate changes, moving closer to equalizing electric rates across IPL's four electric service territories in Iowa. Rate disparities resulted from past mergers and acquisitions of utilities that had varying rate structures. In deciding the company's previous rate case (Docket No. RPU-2004-0001), the Board established a flexible target for equalizing rates over a five-year period for residential and commercial customer classes and a three-year timeframe for large commercial and lighting customer classes.

In July 2006, the Board commenced a multi-layered energy efficiency initiative in Iowa. A component of this was the Iowa Weatherization Challenge in which the IUB works with local community organizations across Iowa to recruit volunteers and solicit donations to help weatherize homes for Iowa's low-income families, elderly, and

disabled individuals. The Board also began investigation and reassessment of various policies, rules, legislation, and utility energy efficiency programs as well as evaluation of the use of new and emerging technologies.

The energy efficiency push extended to the national level. In 2006, a National Action Plan for Energy Efficiency was unveiled. Iowa was instrumental in forming this national energy-saving plan under the leadership of the IUB Members. Its numerous recommendations elevated the importance of energy efficiency as part of the work of utility regulatory bodies. The recommendations build upon the best existing practices from successful efficiency programs to remove barriers that had traditionally limited utilities and customers from pursuing cost-effective energy efficiency resources.

Legislation passed in 2007 required that providers of cable or video service acquire a franchise either from the Board or a municipality. The new statute and rules did not give the Board regulatory authority over cable service.

Pursuant to Iowa Code, on June 27, 2008, the Board issued a decision order finding that sufficient market forces existed throughout Iowa to constrain the price of single line flat-rated residential and business rates in general. The record also showed that competitive offerings from competitive local exchange carriers, wireless carriers, and cable providers were available in much of the state and most Iowa consumers had a choice of telecommunications service

providers. Therefore, effective July 1, 2008, the Board no longer held retail rate jurisdiction over single line flat-rated residential and business service rates of local exchange telecommunications carriers in Iowa.

In January 2009, the IUB implemented its new Internet Electronic Filing System (EFS). The new paperless filing process enables the public to view most case documents filed in Board proceedings from the EFS Website, <http://efs.iowa.gov>, or from a link on the Board's Website, <http://iub.iowa.gov>. This new system came after many months of preparation. Working with a vendor, Board staff designed and tested the EFS and trained internal and external users in how to use the EFS. An EFS Help Desk was also established:

- Phone: (515) 725-7337
- E-mail: [efshelpdesk@iub.iowa.gov](mailto:efshelpdesk@iub.iowa.gov)

On January 18, 2011, the IUB and OCA moved into a new model, energy efficient office building located on the State Capitol Complex at the corner of East 14<sup>th</sup> Street and Court Avenue. The building demonstrates cost saving, energy reduction, and environmentally friendly features. Architects for the project were BNIM Architects of Des Moines. The contractor was J. P. Cullen of Janesville, Wisconsin. After the two agencies moved into the building, participation in the LEED process continued in an effort to reach the highest certification, LEED® Platinum, from the U.S. Green Building Council.

On April 28, 2011, a building open house ceremony and public tours were held. Governor Terry E. Branstad spoke at the event. IUB Chair Rob Berntsen said it was a proud day in the history of the IUB and the OCA. Iowa's Consumer Advocate Mark Schuling said the building demonstrates the benefits of cost-effective energy efficiency programs.

The 44,460 square foot building was anticipated to use about 63 percent less energy than a typical office building of the same size, saving about \$36,000 a year. Geo-thermal heating and cooling technology would account for the largest share of the energy savings. Other energy efficient features include super-efficient precast concrete wall panels with integrated edge-to-edge rigid insulation, daylight harvesting solar screens and a V-shaped design to make maximum use of daylight, lighting and occupancy sensors, special plug outlet controls, and operable windows for use on temperate days. Roof-mounted solar energy panels were projected to provide about 12.5 percent of the total energy used. An energy information kiosk for use by visitors and employees was installed in the building's entrance lobby in 2011. The kiosk provides updated energy efficiency facts as well as detailed energy consumption and solar generation data pertaining to the energy-saving State office building.

The IUB and OCA conducted, and will continue to conduct, many public tours focusing on the energy efficiency aspects of the office building. Participants have included individuals from utilities, utility industry groups, colleges and universities, and other interested organizations.

In December 2012, the IUB and OCA announced that their model energy efficient office building was awarded LEED® Platinum Certification established by the [U.S. Green Building Council](#) and verified by the Green Building Certification Institute. Participation in the LEED process demonstrates leadership, innovation, environmental stewardship, and social responsibility, with LEED Platinum representing the highest international standard. The Iowa Utilities Board-Office of Consumer Advocate building is the first state government agency structure in Iowa to be certified LEED Platinum. A public LEED dedication ceremony is planned for 2013. The building project was previously honored with the Top Ten Green Building Award from the American Institute of Architects (AIA) Committee on the Environment, the AIA Central States Region Merit Award, AIA Iowa Merit Award, AIA Kansas Merit Award, AIA Kansas City Merit Award, and the Des Moines' Environmental Impact Awards.

## JURISDICTION AND REGULATORY AUTHORITY OF THE IOWA UTILITIES BOARD

The Board's authority is stated in summary form in Iowa Code §§ 476.1 and 474.9. The Board regulates the rates and services of electric, natural gas, and water utilities, the services of communications utilities, and generally supervises all pipelines and the transmission, sale, and distribution of electrical current.

The Board regulates the rates and services of two investor-owned **electric** companies, MidAmerican Energy Company (MEC) and Interstate Power and Light Company (IPL), which is the utility subsidiary of Alliant Energy Company serving Iowa. Together these companies serve more than 1 million electric customers. Municipal electric utilities are regulated only in matters specified by statute. Rural electric cooperatives (RECs) are regulated for service and have the option of choosing to be regulated for rates. Linn County REC is the only REC that has opted to have the Board set its rates.

The Board has general jurisdiction over **gas** utilities furnishing natural gas by piped distribution under Chapter 476, but does not regulate propane gas. The Board regulates the rates and services of the following four large investor-owned gas utilities: MEC, IPL, Black Hills Energy, and Atmos Energy Corporation. The Board also regulates certain areas of gas service provided by municipal utilities. Gas utilities having fewer than 2,000 customers are subject to separate rate and service regulatory provisions under Iowa Code § 476.1C.

The Board has general regulatory authority over two-way, landline **telecommunications** under chapter 476. Although, it does not regulate cellular service or cable television service, in December 2007, new rules went into effect to implement a new law providing the Board authority to issue cable television franchise agreements. The Board regulates only the service, and not the rates, of local service providers in Iowa. In addition, under Iowa Code Chapter 476 and 47 U.S.C. § 252 of the Federal Telecommunications Act of 1996, the Board has authority to resolve inter-utility disputes between competitors. Finally, the Board has jurisdiction to hear all complaints regarding any unauthorized change to a telecommunications customer's account (i.e., slamming and cramming), even if the service in question is deregulated.

The Board also regulates the rates and service of one investor-owned **water** utility, Iowa-American Water Company. The company serves about 60,000 water customers in its Davenport and Clinton districts. The Board does not regulate small or municipally owned waterworks.

Also included in the Board's jurisdiction is certification of electric power generators (Chapter 476A); granting of franchises for electric transmission lines (Chapter 478); supervision of the transportation or transmission of a solid, liquid, or gas, except water, through intrastate pipelines (Chapter 479); the authority to implement federal regulation of interstate pipelines (Chapter

479A); and the authority to implement certain controls over hazardous liquid pipelines to protect landowners and tenants from environmental or economic damages (Chapter 479B).

In addition to ratemaking and service regulation, the Board has the authority to resolve complaints, enforce safety and engineering standards, approve plans for energy efficiency programs, approve plans for recovery of costs to control emissions from generating facilities, oversee affiliate transactions, and review proposals for reorganization.

Under Chapter 477C, the Board administers a dual party relay service to allow communication-impaired persons to use the telephone. It also administers an equipment distribution program to provide telecommunications devices for the deaf to eligible persons.

## VISION STATEMENT

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The Iowa Utilities Board is valued as the regulatory expert and solutions-oriented partner in electric, natural gas, and telecommunications issues.

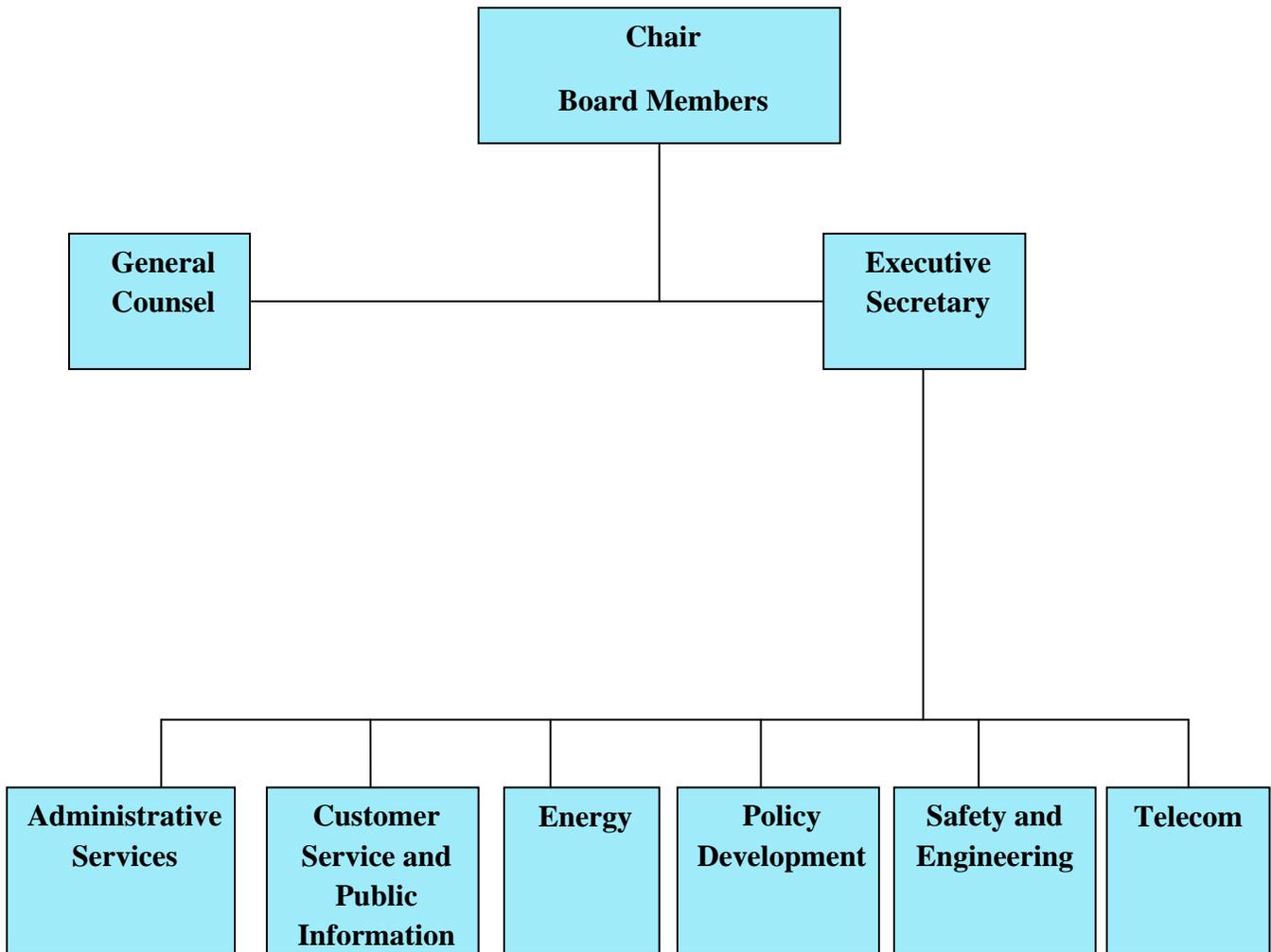
## MISSION STATEMENT

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The Iowa Utilities Board regulates utilities to ensure that reasonably priced, reliable, environmentally responsible, and safe utility services are available to all Iowans.

ORGANIZATION OF THE AGENCY

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## EXECUTIVE SECRETARY

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### **Joan Conrad, Executive Secretary (November 2009 - present)**

- *Vice chair, NARUC Staff Subcommittee on International Relations*
- *Member, NARUC Staff Subcommittee on Executive Management*
- *IDED Regulatory Assistance Coordinator – IUB representative (2003-present)*
- *IUB Legislative Liaison (1997-2010)*
- *Iowa Power Fund Board – Alternate member (2007-2011)*
- *Iowa Energy Council – IUB representative (2003-2010)*
- *Bachelor's degree (Marquette University)*

Appointed by the Utilities Board under Iowa Code Chapter 474, the Executive Secretary oversees the operation of the agency and assists the Board in assuring the work of the agency is completed efficiently and effectively. The Executive Secretary serves as the agency's chief of staff. The Deputy Executive Secretary, the five section managers, and the Policy Advisor report to the Executive Secretary.

The Executive Secretary is the custodian of the Board seal and all Board records. The Executive Secretary or designee is responsible for attesting the signatures of the Board members and placing the seal on original Board orders. The Executive Secretary or designee is also responsible for certifying official copies of Board documents. Other responsibilities of this office include establishing procedures for the examination of Board records by the general public, pursuant to the provisions of Iowa Code § 22.11, and providing for the enforcement of those procedures.

## DEPUTY EXECUTIVE SECRETARY

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### **Judi K. Cooper, Deputy Executive Secretary-Administrative Services Manager (December 2009 – to present)**

- *Former Executive Secretary (2001-2009) and Deputy Executive Secretary (1998-2001)*
- *Joined agency in July 1982 as analyst in Electric Rates Section*
- *Former Member, NARUC Staff Subcommittee on Accounting and Finance and Staff Subcommittee on Executive Management*
- *Prepares agency budget*
- *Ensures essential administrative business is completed*
- *Project manager for new office building*
- *Bachelor of Business Administration degree in Accounting (Iowa State University)*

### **Records and Information Center Duties**

- Receives, routes, and maintains all filings made with the Board.
- Provides public access to Board files.
- Ensures that orders are served on parties to a docket.
- Helps to establish and, in turn, follow retention guidelines for various dockets.
- Works in conjunction with the State records center.
- Ensures that periodicals and pertinent information is distributed to the Board and staff, and maintained in the information center.

### **Records Center Filings in 2012**

Complaint	157
Competitive Natural Gas Provider	3
Electric Delivery Reliability	54
Electric Energy Adjustment	25
Electric Franchise or Extension	46
Formal Complaint	19
Negotiated Interconnection Agreement	24
Pipeline Permit	16
Pipeline Safety	2
Purchased Gas Adjustment	55
Rate Notification	2
Rate Proceeding	4
Rule Making	2
Service Proceeding	14
Tariff Revision	669
Telephone Certificate Proceeding	10
Video Cable Authority	8
Waiver request	13
<b>Total</b>	<b>1123</b>

## **2012 ACCOUNTING AND ASSESSMENTS SECTION HIGHLIGHTS**

- Provided billing, payment, and accounting services for the IUB, the Iowa Insurance Division, and the Office of Consumer Advocate (OCA).
- Calculated, billed, collected, and accounted for assessments to utility companies for IUB and OCA services.
- Billed and collected funds for Dual Party Relay, the Iowa Energy Center, and the Center for Global and Regional Environmental Research.
- During the 2012 calendar year, processed and paid 1,178 vouchers for Relay Iowa's Equipment Distribution Program.
- Active in the State of Iowa Financial Managers organization.

## **2012 INFORMATION TECHNOLOGY TEAM HIGHLIGHTS**

- Continued to develop and support the Electronic Filing System (EFS) which became available for use by the public on January 2, 2009, providing on-line access to public documents filed with and orders issued by the Board. Each of the 9,568 filings made during 2012 contained an average of 3.63 documents. The largest filing contained 287 documents.
- Active in the Joint Chief Information Officers Council, the CIO Council security committee, and other enterprise technology efforts.
- Responsible for maintenance and support of the agency computer systems, including network and desktop hardware and software as well as user support.
- Provided strategic and tactical support for the agency's present and future business processes and coordinated information technology processes with enterprise and external systems.
- Monitored information security and implemented timely corrective measures.
- Developed, updated, and maintained the IUB Website and worked collaboratively within the agency to develop Website content.

## GENERAL COUNSEL

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### **David Lynch, General Counsel (December 2002-present)**

- *Board attorney (1983-87, 1998-2002)*
- *Former State Staff Chair, Federal-State Joint Board on Separations*
- *Past Chair, National Regulatory Research Institute Research Advisory Committee*
- *Bachelor's degree (Yale University), J.D. degree (University of Iowa)*

The Office of General Counsel was created on July 1, 1983, to serve as legal advisor to and attorney for the Board. General Counsel provides legal advice and formal legal opinions to the Board on matters arising under the Iowa Code and the Board's administrative rules. Attorneys draft Board decisions, orders, and rules. General Counsel also provides legal advice to the Board's staff. It represents the Board before state and federal courts in proceedings that challenge the Board's implementation of state and federal law.

### **2012 HIGHLIGHTS**

See Court Cases section of the 2012 Annual Report, page 86.

## CUSTOMER SERVICE AND PUBLIC INFORMATION

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### **Don Tormey, Customer Service and Public Information Manager** (*September 2011-present*)

- *IUB customer information, complaint resolution, and IUB internal and external communications*
- *IUB public information coordinator for the U. S. Department of Energy, Iowa Energy Assurance Plan (electric/natural gas)*
- *Member, NARUC staff subcommittee on Consumer Affairs*
- *Iowa Office of Energy Independence, Public Information Officer (2009-2011)*
- *Des Moines Register, Director of Multimedia, (2004-2009)*
- *Los Angeles Times, Senior Editor, (1984-2004)*
- *Bachelor's degree (California State University, Long Beach)*

Customer Service staff handles customer inquiries and complaints, while providing a variety of communications to increase public awareness of energy, telecommunications and other utility-related issues, along with the regulatory role of the Iowa Utilities Board.

Utility analysts respond to public telephone, e-mail, and written correspondence about utility activities, and service complaints. The analysts also work with the Energy, Telecommunications, and Safety and Engineering Sections on utility tariffs, rate cases, and other issues with a consumer interest.

The Public Information staff is responsible for news releases, creating and updating content for the Board's Web site, ongoing media relations, coordination and communications with the Governor's office and other state agencies. Additional duties include consumer education and outreach, utility related consumer information brochures, and other activities to inform and educate the public.

Customer Service and Public Information staff are also responsible for coordinating agency communications and related support to the Iowa Division of Homeland Security and Emergency Management during natural disasters or other unplanned utility related events, planning the public meetings of the Board, conducting annual customer service outreach meetings for utility and Community Action Agency representatives, and producing the agency Annual Report.

### **2012 HIGHLIGHTS**

- Customer Service analysts responded to 5,536 customer contacts of which 1,840 were complaints about utility services or practices. Other contacts were customers trying to contact utilities or calling the IUB for help reaching utilities directly.
- Customer Service staff conducted 16 education and outreach meetings with 348 utility staff and Community Action Agency caseworkers on topics related to energy

service, low-income energy assistance and weatherization, and the winter heating disconnection moratorium. This was the third year that attendees from municipalities received municipal utility clerks' certification curriculum credits for attending an IUB Customer Service meeting. This education and training effort continues to receive positive feedback.

- Customer Service staff responded to 124 requests from utilities for assistance on rules interpretations for customer situations they were dealing with directly. The Customer Service Manager and staff met with various utilities on a quarterly basis to discuss customer complaint issues.
- Customer Service staff handled arrangements for the Board's consumer comment hearings in two rate cases:

**DOCKET NO. RPU-2012-0001, MIDAMERICAN ENERGY COMPANY (MEC)  
ELECTRIC RATE ADJUSTMENT CASE**

Consumers were invited to attend and provide comments or ask questions of MEC representatives and the Office of Consumer Advocate at hearings held in Des Moines, Davenport, Waterloo, Sioux City, Iowa City, and Council Bluffs.

**DOCKET NO. RPU-2012-0002, INTERSTATE POWER AND LIGHT COMPANY  
(IPL) NATURAL GAS RATE CASE**

Consumers were invited to attend and provide comments or ask questions of IPL representatives and the Office of Consumer Advocate at hearings held in Mason City, Mount Pleasant, Clinton, and Marshalltown.

- During 2012, IUB Public Information staff issued media advisories, news releases, responded to more than 100 state and national media inquiries, contacted state and local media outlets in advance of the Board's public comment meetings, assisted members of the media at Board hearings and meetings, created new Web content, managed the IUB Website, and the Board's Social Media/Twitter communications. Media relationships helped foster increased coverage from local, state, regional and national media outlets such as *Bloomberg News*, *Kansas City Star*, *The Des Moines Register*, *The Associated Press*, *Omaha World Herald*, *Communications Daily*, *Des Moines Business Record*, *Energy Daily*, *Photon Magazine*, *Platts*, *Cedar Rapids Gazette*, *Sioux City Journal*, *Waterloo Courier*, *Quad City Times*, *Lee News*, *KCCI-TV (Des Moines)*, *WHO-TV (Des Moines)*, *WOI-TV (Des Moines)*, *WHO Radio (Des Moines)*, and *Radio Iowa*. Out-of-state news inquiries dealt primarily with wind and renewable energy, energy efficiency, and various telecommunications issues.

- The Customer Service Manager and Coordinator actively participated with other state and federal agencies, such as the National Association of Regulatory Utility Commissioners (NARUC) Staff Subcommittee on Consumer Affairs, the Mid-America Regulatory Conference (MARC), and the State-National Action Plan (SNAP) Strike Force, which is a partnership between the FCC and state commissions for the purpose of strengthening consumer protections in the telecommunications industry.
- Customer Service staff assisted the Board in hosting the Mid-America Regulatory Conference (MARC) in Des Moines in June 2012. Public Information staff produced the MARC logo, website, conference program, signage, and other printed materials in addition to assisting media, photographing, and documenting the event. Customer Service staff helped plan and arrange for conference activities, meals, entertainment, tours, guest activities, special needs, and attendee registration items including handbags and information materials.
- Customer Service and Public Information staff worked closely with NARUC, state and federal agencies, the Iowa Newspaper Association, media, and volunteer organizations across Iowa to publicize the September 2012 National Lifeline Awareness Week. Lifeline is the federal assistance program that helps provide basic telephone service.

## CUSTOMER SERVICE 2012 COMPLAINT REPORT – CONTACTS/ISSUES

	Contacts/Letters		Number of Issues	
	2012	2011	2012	2011
<b>Customer Calls</b>	<b>198</b>	349	<b>231</b>	416
Gas	<b>771</b>	911	<b>923</b>	1,095
Electric	<b>70</b>	90	<b>76</b>	96
Water	<b>300</b>	395	<b>316</b>	419
Local Telephone	<b>42</b>	94	<b>48</b>	99
Long Distance				
<b>TOTAL CALLS</b>	<b>1,381</b>	1,839	<b>1,594</b>	2,125

<b>C-FILES (Complaints)</b>	2012 (Actual 157)	2011 (Actual 169)	2012	2011
Gas	<b>20</b>	28	<b>29</b>	43
Electric	<b>88</b>	95	<b>109</b>	144
Water	<b>1</b>	6	<b>2</b>	10
Local Telephone	<b>50</b>	62	<b>66</b>	89
Long Distance	<b>24</b>	21	<b>30</b>	31
<b>TOTAL C-FILES</b>	<b>183</b>	211	<b>236</b>	317

<b>RC-FILES (Referred Complaints)</b>	2012 (Actual 1)	2011 (Actual 132)	2012	2011
Gas	<b>0</b>	8	<b>0</b>	10
Electric	<b>0</b>	39	<b>0</b>	45
Water	<b>0</b>	2	<b>0</b>	2
Local Telephone	<b>1</b>	53	<b>1</b>	62
Long Distance	<b>0</b>	12	<b>0</b>	13
<b>TOTAL RC-FILES</b>	<b>1</b>	114	<b>1</b>	132

<b>GC-FILES</b> (General Correspondence)	<b>2012 (Actual 328)</b>	2011 (Actual 195)	<b>2012</b>	2011
Gas	<b>38</b>	23	<b>46</b>	25
Electric	<b>107</b>	78	<b>128</b>	83
Water	<b>31</b>	19	<b>37</b>	20
Local Telephone	<b>85</b>	36	<b>97</b>	37
Long Distance	<b>14</b>	10	<b>15</b>	12
<b>TOTAL GC-FILES</b>	<b>275</b>	166	<b>323</b>	177

<b>TOTAL ALL TYPES</b>	<b>2012</b>	2011	<b>2012</b>	2011
Gas	<b>256</b>	408	<b>306</b>	494
Electric	<b>966</b>	1,123	<b>1,160</b>	1,367
Water	<b>102</b>	116	<b>115</b>	128
Local Telephone	<b>436</b>	546	<b>480</b>	607
Long Distance	<b>80</b>	137	<b>93</b>	155
<b>SUBTOTAL</b>	<b>1,840</b>	2,330	<b>2,154</b>	2,751
Misdialed Calls	<b>1,291</b>	1,808		
<b>TOTAL</b>	<b>3,131</b>	4,138	<b>2,154</b>	2,751

**\*NOTE:** An individual complaint file may cover more than one utility type (for example, gas/electric or local telephone/long distance telephone). If the complaints in the file cover more than one utility type, the total number may be higher than the number of actual files established. The actual number of written complaints is listed below the year. A GC-File may have complaints outside IUB jurisdiction and be placed in a category type of other (for example, wireless), which is not listed.

**Complaint types:**

Customer Calls – Any customer telephone contact.

C-File - Complaint File, an informal investigation in which staff proposes a resolution. This resolution may be appealed to the Board.

RC File - Referred Complaint, a complaint about an issue over which IUB lacks jurisdiction.

GC File - General Correspondence, general comment/correspondence with no specific complaint requiring investigation or action.

## ENERGY

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### **Mack Thompson, Energy Section Manager (September 2011-present)**

- *Office of the Ohio Consumers' Counsel, Senior Energy Policy Analyst (2010-2011)*
- *American Municipal Power, Vice President of Power Supply Services (2006-2009)*
- *Michigan Electric Transmission Co., Manager of Transmission Strategy and Policy (2005-2006)*
- *Independent Energy Industry Consultant (2000-2005)*
- *Illinois Power, Numerous positions of increasing responsibility and ultimately Director of Distributed Computing (1980-2000)*
- *Master's degree in Business Administration (University of Illinois, Springfield)*
- *Bachelor's degree in Mechanical Engineering – Cum Laude (Rose-Hulman Institute of Technology)*

### **2012 HIGHLIGHTS**

- Energy Section staff reviewed and processed nearly 250 new filings.
- The Board issued its Final Order and Order Approving Settlement in Iowa-American Water Company's (Iowa-American) general rate case, Docket No. RPU-2011-0001, on February 23, 2012.
- The participants in Docket No. NOI-2008-0003 filed comments responding to Board questions on current smart grid activity and aggregators of retail customers (ARCs), which were the subject of the Board's June 25, 2012, Smart Grid Report and Order Continuing Prohibition of ARCs.
- In Docket No. NOI-2011-0003, the Board continued its work assessing how Iowa utilities will comply with proposed new regulations by the U.S. Environmental Protection Agency (EPA).
- On August 7, 2012, Interstate Power and Light Company (IPL) filed an amendment in Docket No. SPU-2015-0015 concerning a new long-term contract, wherein IPL would continue to purchase NextEra's share of output from the Duane Arnold Energy Center.
- Two new natural gas marketers were certified to provide service to customers in Iowa, one of which provides compressed natural gas for vehicle fueling.
- The Board issued its Order Approving Settlement in MidAmerican Energy Company's (MEC) proposed electric revenue increase Docket No. RPU-2012-0001 on October 8, 2012.
- On November 14, 2012, IPL filed Docket No. GCU-2012-0001, an application for a generating facility certificate to construct and operate a 650-megawatt natural gas-fired, combined-cycle electric generating plant to be located in Marshalltown, Iowa, and called the Marshalltown Generating Station. Also on November 14, 2012, IPL filed Docket No. RPU-2012-0003, which is an application for advance ratemaking principles applicable to the MGS.
- The Board issued its Order Approving Settlement Agreement and Canceling Hearing on November 26, 2012, in IPL's natural gas general rate case, Docket No. RPU-2012-0002.

- In Docket No. RMU-2012-0001, the Board explored IPL's rule making proposal applicable to including environmental compliance costs, costs associated with emissions allowances, chemical costs, renewable energy credits, and production tax credits in the energy adjustment clause (EAC). On December 26, 2012, the Board issued an order terminating the rule making.

In 2012, the Energy Section reviewed and processed nearly 250 new filings including monthly, recurring, and periodic filings. Recurring monthly filings include the purchased gas adjustments (PGA) for natural gas costs and EACs for electricity costs. These recurring filings were reviewed for accuracy, impact, and trends. Energy Section staff also processed tariffs, service territory changes, waivers, and other filings during the year. In addition, Energy Section staff participated in many agency inter-disciplinary teams addressing policy issues, rate increase requests, formal complaints, and rule makings. Below is a brief summary of highlighted cases and issues the Energy Section worked on extensively in 2012, by industry.

## **ELECTRICITY**

### **MIDAMERICAN ENERGY COMPANY RATE CASE (RPU-2012-0001)**

On February 21, 2012, MEC filed a proposed annual increase in its Iowa retail electric revenue of approximately \$76 million, or 6.7 percent over its current revenues. Pursuant to Iowa Code §476.6(10), MEC implemented a temporary rate increase of approximately \$38.7 million, or about 4 percent over its existing Iowa retail electric revenue, ten days after its February 21, 2012, filing; the increased rates were subject to refund. MEC has a revenue freeze agreement in place through December 31, 2013, but the agreement allows MEC to exit the revenue freeze if its return on equity falls below 10 percent. In its filing, MEC said its return on equity was 8.94 percent for the 2011 test year. MEC asked for approval of two adjustment clauses, one for environmental compliance costs and the other for coal and coal transportation costs. MEC stated the combined clauses would be capped at \$38.7 million in 2012 and \$76 million in 2013.

On July 27, 2012, MEC, the Office of Consumer Advocate, and the Iowa Industrial Group filed a joint motion for approval of a proposed settlement agreement, which the Board approved on October 8, 2012. The settlement resulted in an aggregate increase to MEC's Iowa electric retail revenue of \$38.7 million in 2012 and \$76 million during calendar year 2013, and those increases are recovered through a single adjustment clause. Under the settlement, the adjustment clause recovers costs on a per-kilowatt-hour basis for all customers except industrial customers with demand (kilowatt) charges; for those customers, there is both a per-kilowatt demand and per-kilowatt-hour energy component.

The settlement also retains the revenue sharing mechanism under which MEC had been operating with the following modifications: 1) MEC's Iowa electric revenue sharing return on equity threshold was reduced from 11.75 percent to 10 percent; 2) if MEC's earnings do not exceed 10 percent, there is no revenue sharing with its retail customers; 3) revenue sharing levels were modified at various thresholds; and 4) the customers' share of any revenue sharing funds will now be used to reduce the investment in Walter Scott, Jr. Energy Center Unit No. 4, MEC's newest coal generation facility which is located in Council Bluffs, Iowa.

**INTERSTATE POWER AND LIGHT COMPANY REORGANIZATION  
(DOCKET NO. SPU-2005-0015)**

On August 7, 2012, IPL filed an amendment to its initial application for reorganization with the Board. In the original reorganization case, the Board allowed IPL to sell its interest in a nuclear facility, the Duane Arnold Energy Center (DAEC), to NextEra. IPL and NextEra entered into a long-term contract for IPL to purchase NextEra's share of the DAEC's output. IPL and NextEra have executed a new proposed contract that will become effective when the current DAEC contract expires on February 22, 2014. The docket is pending.

**INTERSTATE POWER AND LIGHT COMPANY AUDIT (DOCKET NO. INU-2011-0001)**

On February 25, 2011, the Board initiated a proceeding to audit IPL's affiliate transactions and management efficiency. The Board noted that a separate audit was appropriate given that, although reasonableness and prudence of utility expenditures is a standard issue in general rate review proceedings, management efficiency and affiliate transactions are matters not well suited to the rate case environment. On March 16, 2011, the Board issued a request for proposals from nationally or regionally recognized independent auditing firms to conduct the audit. Proposals were received in June 2011 and The Liberty Consulting Group was selected to conduct the audit. On September 27, 2012, Liberty submitted its final audit report and the Board issued an order accepting the report. Recognizing that the audit report might be cited by parties as evidence in various contested case proceedings involving IPL, the Board did not offer an opinion about the body of the report or its conclusions or recommendations. The Board ordered IPL to file an initial status report on IPL's implementation of the recommendations contained in the audit report by October 1, 2013.

**INQUIRY INTO UTILITY COAL PLANT PLANNING (DOCKET NO. NOI-2011-0003)**

On September 2, 2011, the Board issued an order initiating a notice of inquiry in Docket No. NOI-2011-0003 to gather information about utility coal plant planning. This inquiry required regulated utilities to prepare several scenarios describing how they would be in compliance with new regulations proposed by the EPA. These proposed new EPA regulations will impact discharges into water, coal fly ash, and air regulations regarding ozone, sulfur oxides, nitrogen oxides, mercury, and carbon dioxide, along with other greenhouse gases. On November 8, 2011, the Board expanded the inquiry and issued an order soliciting comments on reciprocating internal combustion engines standards that could significantly impact utilities. MEC and IPL were required to file responses to the questions in the orders, and other stakeholders were invited to file comments. Board staff was preparing a summary of the comments filed for the Board's review. This docket is pending.

**IPL APPLICATION FOR RATEMAKING PRINCIPLES (DOCKET NO. RPU-2012-0003)**

On November 14, 2012, IPL filed Docket No. GCU-2012-0001, an application for a generating facility certificate to construct and operate a 650-megawatt, natural-gas fired, combined-cycle electric generating plant. The proposed facility will be located in Marshalltown, Iowa, and is called the Marshalltown Generating Station (MGS). Also on November 14, 2012, IPL filed Docket No. RPU-2012-0003, an application requesting the Board approve the following eight advance ratemaking principles applicable to MGS: 1) rate of return on equity, 2) double leverage, 3) mitigation of regulatory lag, 4) cost cap – prudence, 5) cost cap, 6) transmission

upgrades, 7) treatment of Allowance for Funds Used During Construction, and 8) cancellation cost recovery. IPL requested a return on equity of 11.25 percent for MGS and a cost cap of \$700 million, which includes MGS transmission interconnection costs and owner's costs. On December 26, 2012, the Board issued an order docketing and consolidating the filings for purposes of the hearing, procedural schedule, and evidentiary record. Testimony and exhibits filed in Docket No. GCU-2012-0001 will be part of the evidentiary record in Docket No. RPU-2012-0003 and vice versa. A hearing is scheduled to begin on May 21, 2013, in Marshalltown, Iowa. This case is pending.

#### **PROPOSED AMENDMENTS TO ELECTRIC ENERGY ADJUSTMENT CLAUSE (EAC) RULES (DOCKET NO. RMU-2012-0001)**

On May 10, 2012, IPL filed a petition for rule making proposing amendments to the definitions in 199 IAC 20.1(3) and the energy adjustment clause (EAC) rules in 199 IAC 20.9, 20.13, and 20.17 to address four specific items: 1) chemical costs needed for environmental compliance, 2) emissions allowances needed for environmental compliance, 3) renewable energy credits, and 4) production tax credits reflecting the output for renewable generation. On May 25, 2012, the Office of Consumer Advocate filed a response that suggested any recovery through an automatic mechanism of costs associated with a federal mandate that is not yet known is only appropriate after the Board has explicitly allowed such recovery in a rate case. On July 9, 2012, the Board granted the petition and commenced a rule making proceeding to consider IPL's proposed amendments and the OCA's alternative. The Board received written comments from several participants and conducted an oral presentation on September 25, 2012. On December 26, 2012, the Board terminated the rule making and noted the considerable uncertainty with respect to court challenges to two of the federal environmental mandates. The Board commented that it was reluctant to adopt rules to include additional costs or revenues in the EAC without having an adequate understanding of the magnitude of the costs or revenues at issue, and also stated that there was no compelling reason to add the additional items proposed by IPL to the EAC at this time.

#### **NATURAL GAS**

##### **INTERSTATE POWER AND LIGHT COMPANY RATE CASE (DOCKET NO. RPU-2012-0002)**

On May 25, 2012, IPL filed a request to increase its natural gas service rates to produce a permanent annual jurisdictional revenue increase of approximately \$14,785,156 (5.6 percent) and a temporary revenue increase of approximately \$8,612,094. The proposed temporary rate increase went into effect on June 4, 2012, pursuant to Iowa Code § 476.6(10). On June 22, 2012, the Board issued an order docketing the proposed tariffs and establishing a procedural schedule. The Board held consumer comment hearings in Mason City, Mount Pleasant, Clinton, and Marshalltown.

On August 16, 2012, IPL, the Office of Consumer Advocate, and the Iowa Consumers Group filed a settlement agreement resolving all of the outstanding issues. On November 26, 2012, the Board issued its order approving the settlement agreement and cancelling the hearing. The settlement results in an annual increase in revenue from natural gas service rates of \$10.5 million (4.8 percent) and includes tax credits that will reduce customer rate impacts over the next three years. The settlement calls for three years of bill credits to customers resulting from IPL's tax

benefits for, among other things, its mixed service costs, repair expenditures, and 2008 flood proceeds. Tax credits will be applied to all IPL customer classes. With the tax credits in place, a typical IPL residential natural gas customer should pay about 39 cents (0.6 percent) less per month than before this rate increase request was filed on May 25, 2012. When the tax benefits expire in three years, residential customers' bills will increase by approximately \$3 per month.

#### **ATMOS ENERGY CORP. / LIBERTY ENERGY (MIDSTATES) – SALE OF IOWA ASSETS**

On August 15, 2011, Atmos and Liberty Midstates filed a joint proposal for reorganization. The basis of the filing was an asset purchase agreement entered into on May 12, 2011, where Liberty Midstates would acquire all of Atmos' natural gas assets in Iowa, Illinois, and Missouri. On November 14, 2011, the Board issued an order not disapproving the proposal for reorganization, granting the request to discontinue service, and requiring reports. The sale was completed in 2012.

#### **COMPETITIVE NATURAL GAS PROVIDERS (CNGPs)**

Two additional CNGPs were approved to provide competitive natural gas services in Iowa during 2012. One provider, CH4 Solutions, LC will be providing compressed natural gas to the general public at a location in Grimes, Iowa. CH4 will purchase the natural gas from Black Hills/Iowa Gas Utility Company, LLC d/b/a Black Hills Energy (BHE) as an industrial customer. BHE has connected its natural gas distribution pipeline to a new meter set for this project at the Kreuger's BP station in Grimes. The natural gas received at the BHE meter will then be delivered to CH4's compressor station where it will be processed to remove excess moisture and compressed to 3,600 pounds per square inch for delivery to a dispenser for sale to vehicles. This is the first certificate the Board has issued applicable to vehicle fueling.

#### **CAPITAL INFRASTRUCTURE INVESTMENT AUTOMATIC ADJUSTMENTS (DOCKET NOS. SPU-2012-0011 AND RPU-2012-0004)**

On August 1, 2012, Black Hills/Iowa Gas Utility Company, LLC d/b/a Black Hills Energy (BHE) filed an application for a capital infrastructure investment automatic adjustment mechanism (investment tracker) under 199 IAC 19.18(1)"b." The investment tracker would allow recovery of certain capital investments through an automatic adjustment mechanism between general rate increase proceedings. On August 7, 2012, the Office of Consumer Advocate filed an objection to the proposed investment tracker; on August 27, 2012, BHE filed a response to the OCA's objection; and on August 29, 2012, the OCA filed a reply to BHE response. On September 25, 2012, the Board issued an order rejecting the proposed investment tracker, stating that the authorization of a capital infrastructure investment automatic adjustment mechanism, by rule, does not create an exception to the statutory requirements for notice in Iowa Code § 476.6(2) when the mechanism is first filed for Board approval. The order also stated that to allow for a full review of the proposed investment tracker, BHE will need to file the detail required by 199 IAC 19.18(3)"b," should it decide to re-file the application. On December 21, 2012, BHE did re-file for an investment tracker in Docket No. RPU-2012-0004 and proposed an effective date of February 1, 2013. The Board docketed the filing on December 28, 2012. This case is pending.

## **WATER**

### **IOWA-AMERICAN WATER RATE CASE (DOCKET NO. RPU-2011-0001)**

Iowa-American serves customers in the Davenport area (Quad Cities District) and Clinton District, and is the only jurisdictional water utility in Iowa. On April 29, 2011, Iowa-American filed a proposal for a general rate increase in temporary and final water rates. Iowa-American proposed a temporary increase that would produce additional annual revenue of approximately \$4.4 million, or about 13.72 percent, and a permanent increase that would produce additional annual revenue of approximately \$5.1 million, or about 16.4 percent. The parties filed a settlement agreement resolving all outstanding issues, except three—double leverage, qualified infrastructure plant replacement adjustment (QIP), and private fire service. The settlement agreement provided for a \$2.5 million annual revenue increase for Iowa-American, slightly above temporary rates. A hearing was held on November 7, 2011, and the Board issued its final decision on February 23, 2012. The Board's decision approved the settlement agreement, applied double leverage in this proceeding, denied the QIP adjustment, and made no further changes to private fire service rates.

## POLICY DEVELOPMENT

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### **Stanley Wolf, Policy Development Section Manager (January 2011-Early April 2012)\***

- *RRI Energy, Director of Market Advocacy (August 2007 – December 2010)*
- *Sullivan & Worcester/ Schiff, Hardin, Of Counsel (September 2004 – August 2007)*
- *Leonard, Street and Deinard, Of Counsel (April 2003 – September 2004)*
- *Federal Energy Regulatory Commission, Advisory Attorney (October 1978 – April 2003)*
- *Association Memberships: District of Columbia Bar, California Bar (inactive), American Bar Association, Energy Bar Association*
- *JD, MA in Economics, UCLA*
- *BA in Political Science cum laude, University of Minnesota*

\*Mack Thompson, Energy Section Manager, is currently the Policy Development Section's acting manager. (A summary of his experience can be found in the Energy Section on page 26).

### **2012 HIGHLIGHTS**

- Continued to perform and take the lead on the analysis and review of energy efficiency programs.
- Processed eligibility applications for, and answered questions about, the wind and renewable energy tax credit programs, electric generation certificate proceedings, and master metering.
- Continued to address electric transmission development/operation and energy market issues in collaboration with regional organizations.
- Assisted in representing Iowa's interests at the National Association of Regulatory Utility Commissioners, Midwest Independent Transmission System Operator, Organization of MISO States, North American Electric Reliability Corporation, and Eastern Interconnection States' Planning Council (EISPC).
- Involved in the following dockets: MidAmerican Energy Company electric rate increase Docket No. RPU-2012-0001; Interstate Power and Light (IPL) gas rate increase Docket No. RPU-2012-0002; IPL reorganization SPU-2005-0015; IPL advanced ratemaking principles Docket No. RPU-2012-0003 and generation certificate Docket No. GCU-2012-0001, IPL transmission rider Docket Nos. EAC 2011-0025, EAC-2011-0007, TF-2011-0129, ITC Midwest electric franchise district court Case No. CVXCV057317, Qwest Corporation complaint C-2011-0153, and IPL declaratory ruling Docket No. DRU-2012-0002.
- Continued work in three notices of inquiry: Smart Grid (Docket No. NOI-2008-0003); High-Voltage Transmission Projects (Docket No. NOI-2011-0002); and Coal Utility Coal Plant Planning (Docket No. NOI-2011-0003).
- Held a stakeholders' workshop on finance issues focusing on the double leverage issue.

## **ENERGY EFFICIENCY**

Policy staff led the Board's efforts on energy efficiency. Investor-owned utilities (IOUs) continued to implement new energy efficiency plans approved by the Board in 2009, including Interstate Power and Light Company (Docket No. EEP-2008-0001), MidAmerican Energy Company (Docket No. EEP-2008-0002), and Black Hills Energy (Docket No. EEP-2008-0003). Staff obtained information on the recent performance of IOU programs and held a meeting with the utilities and stakeholders in July 2012 to discuss results and trends in energy efficiency programs.

Energy Efficiency statutes and rules also require formal performance reviews of energy efficiency plan implementation by IOUs. In 2012, IPL, MEC, and BHE completed and filed reports on results achieved from 2003 through 2008. Policy staff advised the Board on the review of these reports, which were accepted by the Board. The dockets for these plans were closed.

Policy staff led meetings and reviewed tariffs for the installation of new Light Emitting Diode (LED) streetlights by IPL. IPL received Board approval to begin replacement of thousands of streetlights with LED lights. IPL continues to research LED replacements for larger wattage streetlights.

Finally, per the Board's orders approving the current energy efficiency dockets, the IOUs are required to file new energy efficiency plans. IPL filed its new plan (Docket No. EEP-2012-0001) in December 2012. MEC and BHE will file new plans in early 2013.

## **RENEWABLE ENERGY**

Policy staff was involved in a variety of renewable energy issues. This included the ongoing processing of eligibility applications and tax credit applications, comments on proposed legislation, responses to questions related to wind and renewable energy tax credit statutes (Iowa Code chapters 476B and 476C), and responses to questions related to Board rules and policies related to renewable energy.

Policy staff processed applications from three Iowa counties for designation as Small Wind Innovation zones.

Policy staff was involved in reviewing a petition for declaratory order (Docket No. DRU-2012-0001) concerning whether a petitioner would be a "public utility" under Iowa Code § 476.1, and therefore prohibited by Iowa Code § 476.25(3) from serving customers in an electric utility's exclusive service territory, if it offered customers long-term financing agreements for the purchase of PV solar equipment that involved customers purchasing electricity generated by the equipment on a per-kilowatt hour basis. The Board determined that the petitioner would be a public utility and would be prohibited from serving customers of another utility in the manner described.

## **COMBINED HEAT AND POWER**

Policy staff is leading an effort by the Board, the Iowa Economic Development Authority, and numerous stakeholders to examine the status of, and potential barriers to, the use of combined heat and power in Iowa. This project is being conducted with the assistance of the National Governors Association, which is providing grant funding and technical assistance to Iowa. A final report will be issued the spring of 2013.

## **ELECTRIC/TRANSMISSION**

Policy staff worked on issues related to regional transmission planning, electric transmission and generation siting, resource adequacy, market monitoring and mitigation, transmission cost allocation and pricing, demand response, quality of service, and electric reliability. These efforts included:

- Support of the Board Chair as she served as the Secretary of the Organization of MISO States (OMS) Executive Committee and as a member of the OMS Board of Directors.
- The integration of Entergy into the Midwest Independent Transmission System Operator (MISO), including cost allocation and transmission planning issues and the augmentation of OMS authority regarding these issues.
- MISO's compliance with Federal Energy Regulatory Commission Order 1000 regarding regional and interregional transmission planning, regional and interregional cost allocation, and competitive selection of transmission builders.
- Regional transmission organization seams issues related to the promotion of more transparent and more efficient cross-seams markets. This also includes capacity deliverability issues that have become of special interest to MISO and some OMS states.
- Routine participation in various MISO work groups and task forces, including Advisory Committee, Planning Advisory Committee, Regional Expansion Criteria and Benefits Task Force, Planning Subcommittee, Seams Management Work Group, Demand Response Work Group, Supply Adequacy Work Group, Right of First Refusal Work Group, and MISO's cross-border meetings with other grid operators.
- Participation in eastern interconnection wide transmission planning efforts as part of the Eastern Interconnection States' Planning Council (EISPC). EISPC represents the 39 states, the District of Columbia, the City of New Orleans, and eight Canadian Provinces located within the Eastern Interconnection electric transmission grid.
- Participation in North American Electric Reliability Corporation Planning Committee representing the state regulator sector.
- Participation in National Association of Regulatory Utility Commissioners staff subcommittee on Nuclear Issues-Waste Disposal, staff subcommittee on electricity, and staff subcommittee on electric reliability.

## **ENERGY DOCKETS**

In 2012, Policy staff was involved in several energy-related dockets which are listed below.

**MIDAMERICAN ENERGY COMPANY ELECTRIC RATE INCREASE  
(DOCKET NO. RPU-2012-0001)**

MEC filed its application with the Board on February 21, 2012, to increase its electric rates. Because MEC's earned return on equity fell below 10 percent, MEC was able to exit its revenue freeze. MEC limited its request to recovering only its environmental costs and its coal and coal transportation costs through two adjustment clauses. Policy staff was responsible for the following issues: the revenue sharing mechanism, return on equity, the capital structure, rate design, and environmental costs. The Board approved the settlement filed in this case on October 8, 2012.

**INTERSTATE POWER AND LIGHT NATURAL GAS RATE INCREASE  
(DOCKET NO. RPU-2012-0002)**

On May 25, 2012, IPL filed its application to increase natural gas revenues by 5.6 percent. This case was eventually settled. Policy staff worked on both cost of capital issues and the rate design issues. On November 26, 2012, the Board approved the settlement.

**INTERSTATE POWER AND LIGHT REORGANIZATION (DOCKET NO. SPU-2005-0015)**

On August 7, 2012, IPL filed an amendment to the initial application for reorganization with the Board. IPL and NextEra executed a new proposed purchase power agreement that would become effective when the current Duane Arnold Energy Center contract expires on February 22, 2014. Policy staff worked on the following issues: whether the reorganization will impair the utility's ability to attract capital on reasonable terms, whether the ability of the public utility to provide safe, reasonable, and adequate service is impaired, and whether ratepayers are detrimentally affected by the reorganization. The docket is pending.

**INTERSTATE POWER AND LIGHT REQUEST FOR GENERATION CERTIFICATE AND  
ADVANCED RATEMAKING PRINCIPLES  
(DOCKET NOS. GCU-2012- 0001 AND RPU-2012-0003)**

On November 14, 2012, IPL filed for a generation facility certificate to construct and operate a 650-megawatt natural gas-fired, combined-cycle electric generating unit to be located in Marshalltown, Iowa. Also on November 14, 2012, IPL filed a request for advance ratemaking principles that would apply to this plant. On December 26, 2012, the Board issued an order accepting the filings, consolidating the dockets, requiring additional information and setting a procedural schedule. Policy staff is leading staff efforts in the GCU docket. These dockets are pending.

**SMART GRID NOTICE OF INQUIRY (DOCKET NO. NOI-2008-0003)**

On December 5, 2008, the Board initiated an inquiry in response to the requirements of the Energy Independence and Security Act of 2007. On August 24, 2009, a workshop on smart grid issues was held. The inquiry was expanded by a Board order in 2010 to include the issue of

aggregation of retail customers (ARCs). An order was issued on March 29, 2010, temporarily prohibiting ARCs from operating in Iowa. A second workshop was held on April 6, 2010, addressing both smart grid and ARCs. On October 14, 2011, a Board order was issued that contained specific questions related to both smart grid and ARCs. A summary of comments filed is part of a memorandum to the Board dated April 30, 2012. On June 25, 2012, the Board issued an order that continued prohibition of ARCs from operating in Iowa. The order also stated that the Docket No. NOI-2008-0003 will remain open, and approximately each year the Board will evaluate whether there have been developments that warrant comments from inquiry participants. Policy staff is leading this inquiry.

#### **HIGH-VOLTAGE TRANSMISSION PROJECTS (DOCKET NO. NOI-2011-0002)**

On August 16, 2011, the Board opened an inquiry on high-voltage transmission projects. Iowa ranks third in wind power capacity, and because Iowa is a major producer of wind energy, there are indications of major transmission constraints within Iowa and between Iowa and surrounding states. Several major transmission projects are proposed to be constructed in Iowa to deal with these constraints. The purpose of the inquiry is to obtain information regarding the status of the projects, how the projects interact, whether the timing of some projects impact the timing of other projects, and the impact on Iowa rates. The Board also wants to know what impediments could adversely affect a project or what incentives could benefit a project. Policy staff is leading this inquiry. This docket is pending.

#### **UTILITY COAL PLANT PLANNING (DOCKET NO. NOI-2011-0003)**

On September 2, 2011, the Board issued an order opening an inquiry on utility coal plant planning. The U.S. Environmental Protection Agency has proposed new regulations concerning discharges into water, coal fly ash, and air regulations regarding ozone, sulfur oxides, nitrogen oxides, mercury, and carbon dioxide and other greenhouse gases. These regulations will likely require upgrading some coal plants, retiring others, and converting some coal plants to natural gas. This inquiry requests regulated utilities to prepare several scenarios describing how they could comply with the new regulations (such as upgrade all coal plants, convert some plants to natural gas, etc.), what the rate and other impacts are for each scenario, and “sensitivity” studies exploring the impact on these projections if the price of natural gas, the interest rate, demand, the cost of construction, etc. is lower or higher than anticipated. Policy staff worked on putting together a memo to the Board summarizing the filed responses. The Policy manager led this inquiry until leaving the agency in mid-2012. This docket is pending.

#### **FINANCE ISSUES**

Policy staff and other Board staff organized a workshop held on November 27, 2012, where all stakeholders were invited to discuss the ratemaking topic of double leverage as well as other finance issues.

## SAFETY AND ENGINEERING

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### **Donald J. Stursma, Safety and Engineering Section Manager (July 1989-present)**

- *Joined agency in February 1981 as principal gas and water engineer supervising pipeline safety and permit programs*
- *Electric safety and franchise supervision added in 1989*
- *Member/Past Chair, National Association of Pipeline Safety Representatives (NAPSR)*
- *Chairman, NAPSR Grant Allocation/Strategic Planning Committee*
- *Member, NAPSR Liaison Committee*
- *Member, U.S.D.O.T. Pipeline and Hazardous Materials Administration (PHMSA) Technical Pipeline Safety Standards Committee (TPSSC)*
- *Member, NAPSR/USDOT task group on implementation of Distribution Integrity Management regulations*
- *Member, NARUC Staff Subcommittee on Pipeline Safety*
- *Member, American Society of Civil Engineers*
- *Iowa Natural Resources Council (1974-1981), State dam safety engineer (1979-1981)*
- *Registered professional engineer*
- *Bachelor's degree in Civil Engineering (Iowa State University)*

### **2012 HIGHLIGHTS**

- Forty-six electric franchise petitions were filed with the Board.
- The Board issued 12 new electric line franchises, 15 extensions to expiring franchises and 23 amendments to existing franchises.
- The Board acted on seven natural gas pipeline permit renewal petitions, one petition for a new pipeline, and one request for pipeline reclassification.
- Fifty-one natural gas pipeline operators and 198 electric line operators were inspected for compliance with safety standards.
- The Board received a Natural Gas Pipeline Safety grant allocation of \$692,063 for its inspection program.
- A \$22,000 grant was obtained for the Attorney General's enforcement and education activities regarding the Iowa One Call law.
- The Board obtained a federal grant of \$95,000 in partnership with Common Ground Iowa for a damage prevention social media marketing campaign and to host an educational Damage Prevention Summit.

The Safety and Engineering Section is responsible for the regulation of safety, construction, and operation and maintenance of facilities of gas and electric service providers and pipeline and electric transmission and distribution companies. The responsibilities of this section include

reviewing and processing all petitions for electric transmission line franchises under Iowa Code Chapter 478 and for pipeline permits under Iowa Code Chapters 479 and 479B, as well as conducting inspections of natural gas and electric utilities for compliance with safety standards. The section also acts as an interstate agent for the Federal Department of Transportation in pipeline safety matters.

### **ELECTRIC**

Forty-six electric franchise proceedings (E-dockets) were initiated in 2012. Of the 46 petitions filed, 16 were for new franchise, 20 were for amendment of an existing franchise, and 10 were for franchise extension. Additionally, 11 proposed electric line projects were assigned docket numbers, but did not progress beyond the informational meeting stage by the end of 2012.

In 2012, the Board issued 12 new franchises, 15 extensions of expiring franchises, and 23 amendments to existing franchises. The above numbers included final action taken on petitions filed in years preceding 2012. The beginning of 2012 revealed 38 petitions pending before the Board - 14 for franchise extension and 24 for new franchise or amendment. The close of 2012 showed 32 pending petitions - 13 for new franchise, seven for extension, and 12 for amendment.

In 2012, 198 utilities operating electric supply lines throughout Iowa received a visit from the Board's electric field inspectors. They inspected office records and conducted 319 safety code compliance inspections of electrical lines and facilities. These inspections also reviewed the utilities' compliance with required inspection and maintenance plans.

The utilities filed three electric contact accident reports with the Board. One of the accidents resulted in a fatality. In addition, Board staff investigated and made recommendations to the Board regarding safety and service matters in two citizen complaints.

### **NATURAL GAS PIPELINE**

In 2012, the Board acted on eight dockets for natural gas pipeline permits. The eight permit petitions were for one new pipeline and seven pipeline permit renewals. In addition, the Board issued orders granting requests to reclassify one pipeline, cancel a pipeline permit, accept the withdrawal of a petition for a pipeline permit, and address a surety bond.

In 2012, as part of a certification agreement with the U.S. Department of Transportation, Office of Pipeline Safety, IUB Safety and Engineering staff inspected 51 intrastate and six interstate natural gas operators for compliance with federal pipeline safety standards. This encompassed 49.5 percent of the pipeline operators under federal pipeline jurisdiction in Iowa. Intrastate pipeline operators are typically utilities, but the term also includes pipelines owned by industrial end-use customers. Engineering staff spent 373.4 person-days on standard inspections, 8.5 days on investigating incidents or accidents, 27.6 days on follow-up inspections, 11.1 days on on-site operator training, 59.4 days on integrity management, 20.6 days on operator qualification, and .5

days on design, testing, and construction. In 2012, Engineering staff intrastate inspections found 248 probable violations of federal and state pipeline safety rules and took 40 compliance actions. The beginning of 2012 listed 296 open probable violations and the close of 2012 showed 252 corrected and 291 probable violations remaining.

## **GRANTS**

The Board is reimbursed for up to 80 percent of the cost of its natural gas pipeline safety inspection program through a grant from the U.S. Department of Transportation. However, the actual amount of federal reimbursement is dependent upon the availability of appropriated funds and state program performance. The grant allocation received for 2011 was \$692,063. The Board received \$384,092 for the work done in the last half of 2011 and \$400,905 for work done in the first half of 2012.

In 2012, the Board obtained a federal grant of \$22,000 for use by the Attorney General to continue to provide enforcement and educational activities regarding the Iowa One Call law. In addition, the Board obtained a federal grant of \$95,000 in partnership with Common Ground Iowa for a damage prevention social media marketing campaign and to host an educational Damage Prevention Summit.

## **2012 STATISTICS**

Twenty-six accidents, incidents, or service outages were reported in 2012. Eight were federally reportable incidents involving jurisdictional piping, eleven were interruptions of service to customers, five were courtesy calls involving incidents that were not reportable but were considered significant enough by the operator to inform the Board, and two were events originally reported as incidents but later found to be non-jurisdictional. Ten of the events reported resulted from excavation damage. Engineering staff followed up on seven of the reported events to obtain additional information.

The Engineering staff also gave seven presentations on safety and regulatory matters, including excavation damage prevention, to gas utility personnel, regulatory groups, and the public. The section manager and staff participated in conferences and on national committees involving grant allocation/strategic planning, distribution integrity management, damage prevention, and pipeline safety. Additionally, the section manager served on the U.S. Department of Transportation's Technical Pipeline Safety Standards Committee.

## **2012 HOMELAND SECURITY AND EMERGENCY MANAGEMENT ACTIVITIES**

It was a quiet year for electric-related Homeland Security and Emergency Management activities in 2012. A mild winter and limited spring and summer thunderstorms meant limited disruptions to power supplies in Iowa. While the storm situation was better than normal, the resulting dry

conditions led to reduced river flows on the Missouri and Mississippi Rivers. As a consequence, the reduced river levels threatened process and cooling water intakes of the industries dependent on the river. Fortunately, the Army Corps of Engineers was able to maintain minimum-required river flows to allow these industries and power plants to maintain operations.

Iowa's natural gas sector experienced several significant events in 2012. There were two incidents in which farmers tiling fields struck and ruptured natural gas transmission lines. The resulting explosions caused minor injuries to contractor personnel, destroyed several pieces of equipment, caused extensive pipeline damage, and, in one case, damaged a nearby electric transmission line. In addition, there were several incidents where natural gas was released to the atmosphere, but no ignition occurred. Two of the gas-release incidents resulted in the loss of gas service to a large number of customers or entire towns.

## TELECOMMUNICATIONS

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### **Suzanne Smith, Telecommunications Section Manager (December 2012-present)**

- *Senior Cost Analyst, Oregon Public Utility Commission (February 2004-December 2012)*
- *Certified DMS and Lucent switch technician*
- *West Coast Provisioning Manager, Shared Communications/ATG (February 1999-August 2002)*
- *NARUC Staff Committee on Telecommunications member*
- *Regional Oversight Committee – Vice-Chair*
- *Bachelor of Arts degree in Political Science, St. Olaf College*
- *CPM degree, Willamette University- Atkinson Graduate School of Management*

\*Mike Balch served as the Telecommunications Section's Acting Manager from September 2011 to December 2012.

### **2012 HIGHLIGHTS**

- Received and processed record number of telephone filings in 2012.
- Lead sponsor of Call Termination Resolution adopted at National Association of Regulatory Utility Commissioners (NARUC) Conference in Portland, Oregon.
- Selected to be the sole authorized entity certified to participate in the National Deaf Blind Equipment Distribution Program (NDBEDP) for Iowa.
- Oversaw the Relay Iowa equipment distribution program.

### **THE CONNECT AMERICA FUND AND INTERCARRIER COMPENSATION REFORM ORDER (CAF & ICC)**

In March 2010, the Federal Communications Commission (FCC) released the National Broadband Plan (NBP). Two important aspects of the NBP were recommended reforms of the Federal Universal Service Fund (USF) and the nation's intercarrier compensation (ICC) system. As a result of these two aspects, the FCC issued its comprehensive reform order, the Connect America Fund and Intercarrier Compensation Order (CAF/ICC Order No. 11-161), addressing both of these issues among others. The USF provides support for telephone carriers serving rural and high cost areas. Iowa's share of USF is approximately \$131 million per year. Iowa's approximately 150 rural telephone companies receive a large percentage of USF dollars.

ICC relates to the money telecommunications carriers pay each other for the exchange of traffic across their networks. There is great disparity in the level of compensation based on the size of the carrier and the type of traffic that is exchanged. Iowa's approximately 150 rural telephone companies have traditionally been allowed to charge the highest ICC rates.

The USF/ICC Reform Order shifts the focus from voice telephone to broadband deployment, and in doing so dramatically restructures the revenue mechanisms relied upon by Iowa's carriers

With the adoption of this order, Iowa telecom companies were subject to many new rules and regulations, including new forms required in 2012 with more changes expected in 2013. The CAF/ICC order resulted in a record number of telephone filings made with the IUB in 2012.

**CONSERVING IOWA’S TELEPHONE NUMBERING RESOURCES**

As the number of carriers providing telecommunication services in Iowa expands, the demand for new Iowa telephone numbers increases. Telephone numbers are a finite resource and eventually the assignment of new telephone numbers will exhaust all available numbers within an area code. For decades, Iowa had just three area codes – 319, 515, and 712. Between 1999 and 2000, the demand for new telephone numbers in 515 and 319 grew so quickly that the area codes had to be split. Today, Iowa has five area codes – 319, 515, 563, 641, and 712. In 2012, the demand for new telephone numbers remained steady and there were no extraordinary applications for numbering resources that negatively impacted the forecasted lives of Iowa’s five area codes.

The Board’s staff collaborates with the North American Numbering Plan Administrator (NANPA) to assure that carrier requests for blocks of telephone numbers will have the minimal impact on the expected lives of Iowa’s area codes. Twice each year, NANPA forecasts the remaining lives of all the area codes. Below is the NANPA’s October 2012 forecast:

<u>Iowa Area Code</u>	<u>Exhaust Year (NANPA Forecast)</u>
319	2028
515	2029
563	2036
641	2030
712	2028

**UNIVERSAL SERVICES ELIGIBLE TELECOMMUNICATIONS CARRIER STATUS DESIGNATIONS AND ANNUAL HIGH COST FUND CERTIFICATIONS**

In 2012, the Board granted Eligible Telecommunications Carrier (ETC) status to two new carriers pursuant to 47 U.S.C § 214(e)(2). This federal code section delegates to the Board the responsibility of granting ETC status to the carriers requesting such designation in Iowa. In 2006, the Board adopted new designation rules and requirements. The new designation rules included the requirement for ETC applicants to submit a two-year network improvement and maintenance plan, among other items.

In 2012, the Board certified 245 ETCs pursuant to 47 C.F.R. § 54.314 – Certification of Support for ETCs. ETCs that want to receive federal high-cost universal service support are required to file annually signed affidavits with the Board stating that all federal high-cost support provided

to the carrier was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance and upgrading of facilities and services for which the support is intended. ETCs are also required to submit annual filings regarding network improvement and maintenance plans and other data related to service quality. In 2012, ETCs were also required to submit annual filings pursuant to 47 C.F.R. § 54.313(a)(2) – (6) and (h).

## **RELAY IOWA**

Under Title IV of the Americans with Disabilities Act of 1990, telecommunications relay service was required to be provided for both interstate and intrastate communications everywhere in the United States by no later than July 26, 1993. A working committee was created, headed by the Board, to develop recommendations for a telecommunications relay system. The committee's recommendations resulted in enactment of Iowa Code Chapter 477C that created telecommunications relay service in Iowa. Iowa's provision of telecommunications relay service was adopted by the Legislature and became law in July 1991. The legislation provides that the Board administer the provision of the telecommunications relay service.

A telecommunications relay service allows persons who are deaf, hard of hearing, deaf-blind, or have difficulty speaking to use the telephone system on a functionally equivalent basis to persons without communications impairments, using special equipment known as telecommunications devices for the deaf, or teletypewriters (TTY). The service is also for use by hearing persons and businesses that wish to talk with persons who are deaf, hard of hearing, deaf-blind, or have difficulty speaking. Relay Iowa, as the state's telecommunications relay service is known, has been in operation since August 1, 1992, and is provided by Hamilton Telephone Company of Aurora, Nebraska. Hamilton has been on contract with the Board since January 1, 2005. The current contract expires on December 31, 2013, with an optional three-year extension of the contract.

The 2012 total minutes of use of Relay Iowa was 168,337 conversation minutes, compared to 215,693 conversation minutes in 2011 (22.0 percent decrease). Inbound calls to Relay Iowa decreased 17.3 percent, from 111,545 calls in 2011 to 92,216 calls in 2012. The continued decrease in minutes of use for the traditional relay service can be partly attributed to the increasing popularity and availability of video relay service, Internet relay service, and captioned telephone service. Video relay service allows a relay user who uses American Sign Language (ASL) to communicate with a voice telephone user through video equipment, utilizing high-speed Internet access and a video camera. The ASL user can then use ASL to communicate through a video relay interpreter to a voice telephone user. Internet relay service provides Internet users the ability to communicate via the relay service through Web access, rather than with a TTY or telephone. Captioned telephone service displays captions on a special telephone device called a CapTel phone. This service and equipment uses voice recognition technology to provide visual captions to persons who are hard of hearing or deaf, and who have a clear speaking voice.

The 2012 Relay Iowa average call response time was 1.15 seconds, the same as the average response time in 2011. TTY calls made up approximately 51 percent of all Relay Iowa calls, voice calls accounted for 19 percent of relay calls, 29 percent were voice carryover calls, and the rest were hearing carryover, Spanish, and speech-to-speech calls.

### **CAPTIONED TELEPHONE SERVICE**

Captioned Telephone (CapTel) service was offered in Iowa beginning on January 1, 2007. CapTel service helps individuals who are hard of hearing, have experienced hearing loss later in life, or are deaf with good vocalization skills to use the telephone. CapTel is comprised of two distinct parts, the captioned telephone equipment and the associated relay service.

CapTel is a technology that requires a special CapTel-equipped phone in order to place a call. The CapTel phone works like a traditional phone with callers talking and listening to each other, except that captions are provided live for every call, similar to captioned television. The captions are displayed on the CapTel phone's built-in screen so the user can read the words while listening to the voice of the other party. This allows conversations to flow more naturally than a traditional relay call, allowing for normal interruptions and expressed emotions. CapTel services are available 24 hours a day, every day, throughout the year.

The Board has a contract for Iowa CapTel relay service with Hamilton Telephone Company. The current contract expired on December 31, 2012. After releasing a Request for Proposals in June 2012, the Board once again selected Hamilton to continue to provide CapTel relay service and associated outreach from January 1, 2013, through December 31, 2016, with an optional two year extension of the contract.

Total minutes of use for CapTel Relay decreased slightly from to 530,108 session minutes in 2011 to 529,674 session minutes in 2012 (less than 1/10th of one percent). The number of inbound calls to CapTel Relay decreased 2.7 percent, from 163,991 calls in 2011 to 159,468 in 2012. The 2012 CapTel Relay average call response time was 0.83 seconds, the same as the average response time in 2011.

### **EQUIPMENT DISTRIBUTION PROGRAM**

On January 25, 1995, the equipment distribution program (EDP) commenced operations in Iowa. The statewide equipment distribution program (called Telecommunications Access Iowa or TAI) distributes assistive telecommunications devices to Iowans who are deaf, hard of hearing, deaf-blind, or have difficulty speaking. Deaf Services Unlimited (DSU), located in Des Moines, administers this program. The contract with DSU expired on December 31, 2012. On April 5, 2012, the Board issued a Request for Proposals seeking a contractor to administer the Iowa EDP. On August 23, 2012, based upon a recommendation from the Council, the Board issued its notice of intent to award a contract to administer the EDP once again to DSU. The new contract term is from January 1, 2013, to December 31, 2015, with an option for a term of three additional years.

Eligible recipients are issued vouchers from the program administrator for 95 percent of the average retail price of the equipment. If the price of the equipment exceeds \$1,000, the voucher is for 99 percent of the average retail price. The recipient has ownership of the equipment and is responsible for repairs. The Board sets a standard voucher amount for each type of equipment or equipment package. During 2012, participants in the program redeemed 997 vouchers for equipment valued at \$176,063. As seen below, the amplified phone was the equipment most in demand.

<b>Equipment Description</b>	<b>Number of Pieces</b>	<b>Total Amount</b>
Amplified phone with and without accessories	832	\$142,880
Captioned telephone with and without accessories	118	14,574
TTY with and without accessories	19	9,330
Voice carryover phone with and without accessories	3	746
Ringer, headset, neckloop, handset	9	568
Speech amplified phone with and without accessories	2	294
Hearing carryover phone with TTY	3	945
Electrolarynx telephone	8	6,460
Amplified answering machine with and without accessories	3	267
<b>TOTAL</b>	<b>997</b>	<b>\$176,063</b>

**THE NATIONAL DEAF-BLIND EQUIPMENT DISTRIBUTION PROGRAM (NDBEDP)**

The Board was awarded the opportunity to participate in a pilot program established by the Federal Communications Commission (FCC) in 2011. The NDBEDP final rules were adopted pursuant to Section 105 of the Twenty-First Century Communications and Video Accessibility Act of 2010. The goal of the NDBEDP is to ensure that individuals who are deaf-blind will receive the specialized customer premises equipment (CPE) and training they need to effectively access telecommunications service, Internet access services, and advanced communications services. The FCC has the authority to certify and provide funding to one entity in each state so the certified state entity can distribute specialized CPE to qualifying low-income individuals who are deaf-blind. The monies come from the federal Telecommunications Relay Service (TRS) fund.

Each state entity that applied to participate must meet six criteria for certification. The Board submitted an application to the FCC in which the Board planned to collaborate with the Iowa EDP (TAI) and the Iowa Department for the Blind (IDB). In doing so, the Board believed that these entities would jointly qualify to become the one entity in Iowa certified to distribute specialized CPE to low-income individuals who are deaf-blind.

The Board received notification from the FCC on July 9, 2012, that it was selected to be the sole authorized entity certified to participate in the NDBEDP for Iowa, effective July 1, 2012. Since that time, Board staff has been collaborating with staff at TAI and IDB to initiate the NDBEDP in Iowa. Iowa's program is called *iowaCanConnect*.

**CERTIFIED GAS PROVIDER (CGP)**

*The Board has rules establishing the criteria for certification of competitive natural gas providers. Iowa Code § 476.87 requires that a competitive natural gas provider or aggregator must reasonably demonstrate managerial, technical, and financial capability sufficient to obtain and deliver the services it proposes to offer. The filing requirements established by the Board for such certificates are found in 199 IAC 2.2(18) and 199 IAC 19.14. The rules allow certified competitive natural gas providers to pool transportation service to Iowa small-volume business and residential customers. Competitive natural gas providers served large industrial customers in Iowa for many years prior to the implementation of CGP rules under rules requiring large-volume transportation tariffs. Large-volume competitive natural gas providers must also become certified under those rules.*

**CGP-2001-0006 (SPU-2012-0014) Twin Eagle Energy Services, LLC d/b/a Twin Eagle Resource Management f/k/a Enbridge Gas Services (U.S.) Inc., f/k/a U.S. Oil Co., Inc., f/k/a U.S. CoEnergy Services**

On August 31, 2001, the Board issued the original certificate authorizing U.S. CoEnergy Services to provide competitive natural gas services to large volume customers in Iowa. Since then, the Board has issued four amended certificates recognizing name changes including its most recent on December 12, 2012, recognizing the change in name to Twin Eagle Energy Services, LLC d/b/a/ Twin Eagle Resource Management.

**CGP-2002-0001 CenterPoint Energy Services**

On February 9, 2012, CenterPoint filed an application requesting authorization to also provide competitive natural gas provider services to small volume customers. On March 6, 2012, it was notified that its application was complete and that the 90-day review period had begun. On April 16, 2012, the Board issued an order approving

CenterPoint's application, amending CenterPoint's certificate and authorizing CenterPoint to provide competitive natural gas services to small and large volume customers in Iowa.

**CGP-2010-0003 Encore Energy Services, Inc.**

On November 22, 2012, the Board issued a certificate authorizing Encore to provide competitive natural gas services to large volume customers in Iowa. On April 5, 2012, Encore filed an application to amend its certificate to provide service to small volume customers. On May 3, 2012, Encore was notified that its application was complete and that the 90-day review period had begun. On May 23, 2012, the Board issued an order approving Encore's application, amending Encore's certificate and authorizing Encore to provide competitive natural gas services to small and large volume customers in Iowa.

**CGP-2012-0001 CH4 Solutions, LC**

On April 13, 2012, CH4 Solutions filed an application seeking certification to serve small volume customers as a competitive

natural gas provider in Iowa. On April 13, 2012, CH4 Solutions was notified that its application was complete and that the 90-day review period had begun. On April 26, 2012, the Board issued an order approving the application and granting CH4 Solutions a certificate to provide competitive natural gas services to small and large volume customers in Iowa. CH4 Solutions will sell compressed natural gas to the general public at a vehicle fueling station location in Grimes.

**CGP-2012-0002 ENERGY PROFESSIONALS, LLC**

On May 29, 2012, Energy Professionals filed an application for a certificate to provide competitive natural gas service in Iowa. On June 8, 2012, Energy Professionals filed additional information in support of the application in response to Board staff questions. On June 13, 2012, the Office of Consumer Advocate filed an appearance and objection to the application. On June 14, 2012, Energy Professionals filed additional information. On June 21, 2012, the Board sent a letter to Energy Professionals stating that the application was substantially complete and the 90-day review period had commenced. On August 3, 2012, the Board issued an order directing Energy Professionals to file a response to

the objection filed by the OCA. On August 20, 2012, Energy Professionals filed a letter informing the Board that it had decided not to pursue a competitive natural gas provider certificate in Iowa at this time and is withdrawing its application. On August 24, 2012, the Board issued an order accepting the application withdrawal and closing the docket.

**CGP-2012-0003 KOCH ENERGY SERVICES, LLC**

On September 10, 2012, Koch Energy filed an application for a certificate to provide service as a competitive natural gas provider to large volume customers in Iowa. On September 13, 2012, the Board notified Koch Energy that the application was complete and the 90-day review period had begun. On October 11, 2012, the Board issued orders approving the application and issuing the certificate.

**ELECTRIC FRANCHISES (E)**

***A franchise is the authorization by the Board of the construction, erection, maintenance, and operation of an electric transmission line under Iowa Code Chapter 478. The granting of a franchise requires a finding by the Board that the project is necessary to serve a public use, represents a reasonable relationship to an overall plan of transmitting electricity in the public interest, and follows an acceptable route.***

**ELECTRIC FRANCHISE ACTIONS IN 2012**

(See page footers and Remarks section for explanation of notations/abbreviations)

<b>NEW</b>	<b>FILED</b>	<b>COMPANY</b>	<b>FRANCHISE ISSUED</b>
E-22072	10/10/11	CIPCO	02/14/12
E-22049	09/15/11	ITC	04/04/12
E-22050	09/15/11	ITC	04/10/12
E-22047	10/19/11	ITC	05/23/12
E-22044	07/25/11	ITC	06/01/12
E-22079	03/08/12	CIPCO	07/06/12
E-22075	11/18/11	Alta Municipal	07/17/12
E-22076	01/26/12	CIPCO	07/30/12
E-22078(C)	02/17/12	ITC	08/24/12
E-22080	03/08/12	CIPCO	08/29/12
E-21988*	01/13/10	City of Ames	09/24/12 <sup>1</sup>
E-21989(E)*	01/13/10	City of Ames	09/24/12

<sup>1</sup> Franchises issued after Board upheld the Administrative Law Judge decision approving on appeal. A landowner subsequently appealed the decision to district court and that action was pending at the end of 2012.

E-22081	03/16/12	CIPCO	10/01/12
E-22083	04/30/12	CIPCO	10/25/12

<b>AMENDMENTS</b>	<b>FILED</b>	<b>COMPANY</b>	<b>AMENDMENT ISSUED</b>
E-21220(A6)	08/15/11	ITC	01/12/12
E-20953(A3)	10/06/11	CIPCO	01/27/12
E-21225(A6)	08/25/11	ITC	01/31/12
E-21116(A4)	08/25/11	ITC	02/02/12
E-20994(A5)	07/19/11	ITC	02/21/12
E-21225(A5)	08/25/11	ITC	02/23/12
E-21772(A1)	09/15/11	ITC	03/21/12
E-20994(A6)	02/09/12	ITC	05/31/12
E-21492(A2)	12/28/11	CIPCO	07/06/12
E-21745(A1)	09/15/11	ITC	07/06/12
E-20994(A7)	10/18/11	ITC	07/17/12 <sup>2</sup>
E-21568(A1)	01/27/12	CIPCO	07/23/12
E-21911(A1)	10/07/11	NIPCO	08/03/12
E-21804(A1)	10/07/11	NIPCO	08/06/12
E-21653(A1)	10/07/11	NIPCO	08/06/12
E-21804(A2)	10/07/11	NIPCO	08/09/12
E-21806(A1)	01/11/12	NIPCO	08/09/12

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<sup>2</sup> Includes 11.6(1) separate pole line authorization

E-21653(A2)	10/07/11	NIPCO	08/14/12
E-20994(A8)	03/09/12	ITC	08/29/12
E-21017(A4)	03/09/12	ITC	08/29/12
E-21220(A8)	03/09/12	ITC	09/05/12
E-21220(A7)	02/22/12	ITC	10/25/12
E-21804(A3)	05/04/12	NIPCO	12/17/12
<b>EXTENSIONS</b>	<b>FILED</b>	<b>COMPANY</b>	<b>EXTENSION ISSUED</b>
E-22059	05/25/11	ITC	01/19/12
E-22064	07/06/11	NEMO	04/09/12
E-22061	06/22/11	Dairyland Power	04/10/12
E-22065	07/06/11	NEMO	04/10/12
E-22071	10/04/11	Corn Belt	04/10/12
E-22073	10/27/11	Dairyland Power	04/10/12
E-22060	05/25/11	NEMO	04/26/12
E-22069	09/29/11	ITC	05/14/12
E-22063	07/01/11	MEC	07/03/12
E-22077	02/06/12	CIPCO	07/06/12
E-22070	10/04/11	MEC	07/17/12
E-22054	05/02/11	Dairyland Power	07/23/12
E-22067	07/22/11	MEC	11/21/12

<b>OTHER ACTIONS</b>			
E-22074	10/28/11	ITC	Extension petition withdrawn 01/09/12 <sup>3</sup>
E-21984	01/31/12	ITC	Two-year extension to construct granted 04/11/12
E-21225(A3)	02/03/12	ITC	Authorization of separate pole lines for existing franchise granted 04/16/12
E-22058	05/24/11	MEC	Withdrawn 06/13/12 <sup>4</sup>
E-22018	09/30/10	ITC	Docket closed 07/13/12 <sup>5</sup>
E-21950	11/23/09	ITC	Separate judicial review petitions filed (Office of Consumer Advocate, other objectors). Court upheld the Board 07/20/12. No further appeal was filed.
E-22101	ITC	Delaware	Informational meeting only. Docket closed 09/26/12; submitted as E-22087(A1)

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<sup>3</sup> Refiled as petition for new franchise due to past route changes.

<sup>4</sup> Extension petition was refiled June, 13, 2012, as a new franchise petition in Docket No. E-22087.

<sup>5</sup> Informational meeting only: Line was franchised in E-20869(A5).

## 2012 SUMMARY

New franchises	14
Amendments	23
Franchise extensions	13
<b>TOTAL FRANCHISES, AMENDMENTS, AND EXTENSIONS ISSUED</b>	<b>50</b>

### OTHER DATA

Temporary construction permits	0
Informational meetings held	13
Other franchise actions	7

### REMARKS

- (A) Amendment to franchise and amendment number.
  - (B) Includes Temporary Construction Permit request.
  - (C) Existing line apparently never franchised or with franchise expired.
  - (D) Includes 11.6(1) separate pole line request.
  - (E) Eminent domain requested.
- IM – Informational Meeting  
\* Objections were filed  
\*\* Existing line refranchised at a higher voltage

## ENERGY EFFICIENCY PLANS (EEP)

***EEPs must be prepared and filed with the Board by all energy utilities in Iowa. Nonrate-regulated utilities (municipals and cooperatives) file plans, but the Board does not review or approve those plans. Investor-owned utilities file EEPs when ordered to do so by the Board. Plans for investor-owned utilities must address all customer classes, including programs for low-income customers, and the plans must be cost-effective. Plans for investor-owned utilities are reviewed in contested case proceedings and the Board has authority to approve, reject, or modify a plan. Utilities recover the costs of energy efficiency implementation through an Energy Efficiency Cost Recovery charge, which is reviewed and adjusted annually. The Board also conducts prudence reviews, for investor-owned utilities, to review the performance of a utility in implementing its EEP.***

### **EEP-2003-0001 MIDAMERICAN ENERGY COMPANY**

On July 18, 2003, the Board issued an order approving the energy efficiency plan submitted by MEC. On February 6, 2012, MEC filed a Performance Report and on March 5, 2012, revisions to the Performance Report. On April 10, 2012, the Board accepted the Performance Report as revised and closed the docket.

### **EEP-2003-0004 BLACK HILLS ENERGY COMPANY**

On March 31, 2003, Aquila, Inc., n/k/a Black Hills Energy Company (BHE) filed a proposed energy efficiency plan. On July 21, 2003, the Board approved a settlement agreement in the docket. On February 24, 2012, BHE filed a Performance Report and on March 27, 2012, and May 11, 2012, revisions to the Performance Report. On May 30, 2012, the Board accepted the Performance Report as revised and closed the docket.

### **EEP-2002-0038 INTERSTATE POWER AND LIGHT COMPANY**

On June 3, 2003, the Board issued an order approving the energy efficiency plan submitted by IPL. On March 26, 2012, IPL

filed a Performance Report and on May 16, 2012, revisions to the Performance Report. On July 2, 2012, the Board accepted the Performance Report as revised and closed the docket.

### **EEP-2012-0001 INTERSTATE POWER AND LIGHT COMPANY**

On June 24, 2009, the Board issued an order directing IPL to file a new energy efficiency plan on or before December 1, 2012. On November 30, 2012, IPL filed its proposed new plan. On December 26, 2012, the Board issued an order docketing the proposed plan, setting an intervention deadline, establishing a procedural schedule, and requiring additional information. A hearing was scheduled to be held on June 17, 2013. The docket is pending.

### **EEP-2012-0002 MidAmerican Energy Company**

On December 11, 2012, MEC filed a proposed customer notice for its new energy efficiency plan. On December 20, 2012, MEC filed a revised customer notice. MEC is to file its new energy efficiency plan on or before February 1, 2013. The docket is pending.

## EMISSIONS PLANS AND BUDGETS

***In a special session in June of 2001 the Legislature passed House File 577. This legislation included a provision requiring the two rate-regulated electric utilities to develop multi-year plans and budgets for managing regulated emissions from their Iowa coal-fired electric generating facilities. The Board assigned an Administrative Law Judge (ALJ) to conduct the contested cases for review of the emissions plans and budgets.***

### **EPB-2012-0156 MIDAMERICAN ENERGY COMPANY**

On April 2, 2012, MEC filed an updated multi-year plan and budget for managing regulated emissions from its electric power generating facilities located in Iowa that are fueled by coal (2012 Plan Update). MEC's filing detailed its projected share of capital costs and operations and maintenance expenditures for 2012 through 2014 for both new and ongoing emission control projects at its coal-fired facilities, some of which are jointly owned. MEC included 2012 in its filing because some costs approved in its 2010 emission plan update, which covered the years 2010-2012, have increased. On September 11, 2012, MEC filed an amendment to the 2012 Plan Update and MEC and the Office of Consumer Advocate filed a proposed partial settlement agreement. The settlement stipulated that the 2012 Plan Update complies with Iowa Code § 476.6(25) and should be approved. The Board issued an order requiring additional information on October 17, 2012. MEC provided the required information on October 31, 2012. On December 19, 2012, the Board issued an

order finding MEC's plan to be complete and approving the settlement.

### **EPB-2012-0150 INTERSTATE POWER AND LIGHT COMPANY**

On April 2, 2012, IPL filed an updated Emissions Plan and Budget (EPB) pursuant to Iowa Code § 476.6(21). IPL's EPB update addresses its multi-year plan and budget for managing regulated emissions from its Iowa generating facilities that are fueled by coal. IPL's updated EPB details its capital, operations and maintenance, and emissions allowance costs for 2013 and 2014, as well as provides information on projected capital costs through 2017. On October 2, 2012, the Board issued an order requiring IPL to file additional information. IPL filed the information on October 17, 2012. On November 5, 2012, IPL filed an amendment to its updated EPB. Also on that date, IPL and the Office of Consumer Advocate filed a partial settlement and motion to approve the settlement. The docket is pending.

## FORMAL COMPLAINTS (FCU)

***FCUs are brought against a utility by another utility, a customer, the Office of Consumer Advocate, or the Board. FCU dockets are intended to determine if, in a specific instance, a utility violated Iowa law, rules, or its own tariff.***

### **FCU-2007-0002 QWEST COMMUNICATIONS CORPORATION V. SUPERIOR TELEPHONE COOPERATIVE, ET AL.**

On February 20, 2007, Qwest Communications Corporation (QCC), the long-distance arm of Qwest, filed a complaint pursuant to Iowa Code §§ 476.2, 476.3 and 476.5; 199 IAC Chapters 4 and 7; and 199 IAC 22.14, alleging violations of terms and conditions and applications of the intrastate tariffs of the following telecommunications carriers: Superior Telephone Cooperative; The Farmers Telephone Company of Riceville, Iowa; The Farmers & Merchants Mutual Telephone Company of Wayland, Iowa; Interstate 35 Telephone, d/b/a Interstate Communications Company; Dixon Telephone Company; Reasnor Telephone Company; Great Lakes Communications Company; and Adventure Communication Technology (collectively referred to as the Respondents). QCC claimed that the Respondents were engaging in a fraudulent practice by creating a scheme that involved free conference calls, chat rooms, adult content calling, podcasts, voicemail, and international calling services. QCC asserted that the Respondents were charging QCC excessive rates for their routing of calls to companies that advertise these free services and then provide kickbacks of a portion of the terminating access revenues to these free calling service companies. The Board granted several requests for delays of the hearing before it was held from February 5, 2009 to February 12, 2009. On September 21, 2009, the Board issued its decision order, finding that

the intrastate interexchange calls to the conference calling companies were not subject to access charges. Refunds and credits to the interexchange carriers were ordered. The Board also initiated a proceeding to consider proposed rules intended to prevent similar abuse in the future. The Board also ordered reclamation of telephone numbers of one Respondent (Great Lakes Communication Corp.). Several parties filed applications for rehearing. On December 3, 2009, the Board issued an order withdrawing its ordered reclamation of Great Lakes' telephone numbers, allowing the issue to be litigated solely in court and before the Federal Communications Commission (FCC). In the order, the Board indicated it would request that the FCC initiate a "for cause audit" to investigate the use of telephone numbering resources assigned to Great Lakes. On December 21, 2009, the Board filed motions in each judicial review proceeding asking the Courts to remand the proceedings to the Board so that the agency could rule on pending applications for rehearing. In February 2010, the respective courts granted the Board's motion with respect to petitions from a group of incumbent local exchange carriers and Reasnor Telephone Company. A rehearing application from Great Lakes Communications, Superior Telephone, and Adventure Communications was before the Board for its consideration. On February 28, 2011, Great Lakes and Superior filed a joint motion requesting the Board stay all further proceedings in this case, namely the refund phase of the proceeding and the

initiation of a show cause proceeding against Great Lakes and Aventure. On March 9, 2011, the ILEC group joined in Great Lakes' and Superior's motion. On April 27, 2011, the Board issued an order denying the motion to stay further proceedings. On September 12, 2011, Sprint filed a motion for approval of a settlement and dismissal of claims against two of the defendants in this matter, The Farmers Telephone Company of Riceville and Dixon Telephone Company. Sprint's motion generally described the settlement but did not include the settlement agreement. On September 21, 2011, Great Lakes filed a motion seeking to compel the production of the settlement. On October 3, 2011, Sprint filed a request for an extension of time to respond to Great Lakes' motion and the holding of a settlement conference. On October 20, 2011, the Board granted Sprint's request for an extension of time. On August 20, 2012, QCC filed a motion to voluntarily dismiss its claims and requests for calculation of damages against Farmers-Wayland. On August 3, 2012, Sprint filed a motion to voluntarily dismiss its claims and requests for calculation of damages against Interstate in this proceeding with prejudice. Sprint stated that it has reached a settlement agreement with Interstate that resolves Sprint's claims in this case and that the terms of the settlement are confidential. On August 10, 2012, Sprint filed a motion to voluntarily dismiss its claims and requests for calculation of damages against Great Lakes in this proceeding with prejudice. In each of these three filings to dismiss claims, the parties had reached a settlement agreement resolving the issues between them in this case and the terms of the settlement were confidential. The docket is pending.

**FCU-2010-0014 ROQUETTE AMERICA, INC. v. INTERSTATE POWER AND LIGHT COMPANY**

On December 23, 2010, Roquette filed a request for expedited formal complaint proceedings against IPL. Among other things, Roquette asked the Board to determine that there are no impediments to the finalization and implementation of a proposed metering agreement with IPL. Roquette stated that it wanted to sell electricity from a cogeneration facility to the energy market administered by the Midwest Independent Transmission System Operator, Inc. (MISO), but that it was unable to do so because IPL would not finalize a proposed metering agreement. On December 29, 2010, the Board issued an order assigning the docket to its Administrative Law Judge. On May 10 and 11, 2011, a hearing was held. On July 12, 2011, each of the parties filed post-hearing reply briefs. On February 8, 2012, the ALJ issued its proposed decision and IPL was not required to implement Roquette's proposed metering arrangement. Before Roquette makes a significant change in the operation of its cogeneration facility to sell all or most of the output into the MISO markets, it must file a request for an amendment of its waiver or for a generating certificate. Although IPL was not required to implement the Proposed Metering Arrangement, if Roquette continues to receive service under IPL's Standby and Supplementary Power Service (SSPS) tariff, IPL and Roquette must work together to resolve any remaining metering issues so that power generated by Roquette can be accurately measured. Finally, if Roquette wishes to continue to receive power under IPL's SSPS tariff, it must certify its Circulating Fluidized Bed Turbine as a Qualifying Facility with the Federal Energy Regulatory Commission within a reasonable period of time.

**FCU-2011-0002 AVENTURE COMMUNICATION TECHNOLOGY, LLC v. QWEST COMMUNICATIONS CORP., SPRINT COMMUNICATIONS COMPANY L.P., AT&T COMMUNICATIONS OF THE MIDWEST, INC. AND TCG OMAHA, AND LEVEL 3 COMMUNICATIONS, INC.**

On January 21, 2011, Aventure filed a complaint against four interexchange carriers (IXCs), alleging the IXCs had not negotiated in good faith, pursuant to 199 IAC 22.14(2)"e," regarding Aventure's proposed High Volume Access Services (HVAS) rate. The IXCs responded by saying they had negotiated in good faith but that Aventure's proposed HVAS rate was unreasonable. The IXCs also noted that in its final order in Docket No. FCU-2007-0002, the Board found that Aventure had few, if any, traditional local exchange customers and would need to prove why its certificates of public convenience and necessity should not be revoked. On April 22, 2011, the Board issued an order docketing the case and scheduling a hearing date. The procedural schedule was suspended and the hearing date rescheduled several times for various reasons in 2012 and, at year's end, was scheduled to begin on January 28, 2013.

**FCU-2011-0026 GREG AND SAMANTHA EKSTEIN v. STANHOPE MUNICIPAL UTILITIES**

On April 7, 2011, Iowa Legal Aid filed an informal complaint on behalf of the Eksteins, alleging that Stanhope Municipal Utilities' practice of combining electric, water, garbage, and sewer services onto the same bill, disconnect notice, and payment agreement, violates 199 IAC 20.4(16)"c," which prohibits disconnection of electric service because of nonpayment of a different type of utility service. Board staff's proposed resolution concluded that Stanhope had not violated Board rules. On September

8, 2011, Legal Aid filed a request for a formal complaint proceeding and, shortly afterwards, Stanhope informed the Board that the Eksteins filed for bankruptcy and moved out of the city. On January 10, 2012, the Board issued an order denying the request for formal complaint proceedings as moot.

**FCU-2011-0028 OREN IRVIN v. BLACK HILLS ENERGY COMPANY**

On April 22, 2010, Oren Irvin filed a complaint regarding a gas leak that occurred at his residence in Oakland, Iowa. Irvin was billed \$15,683.82 by BHE. Irvin said many errors occurred in how the gas leak was handled and he didn't feel that he should be responsible for the all the charges incurred from the leak. BHE responded to Irvin by offering a 50 percent reduction in the outstanding balance and Board staff suggested a payment plan for the customer to pay off the remaining balance. BHE believed Irvin had been offered a fair settlement and that Irvin was in part responsible for the leak as it was determined that his pipe had cracked and he is responsible for the service line on his property. On December 20, 2011, a memo requesting a formal proceeding was submitted. On December 29, 2011, the Board issued an order that docketed the informal complaint. On January 12, 2012, Irvin filed his position statement and on February 1, 2012, BHE filed its position statement. Neither party requested a hearing. The Office of Consumer Advocate filed an appearance by counsel, but did not file a position statement. On February 23, 2012, the Board issued an order requesting additional information from the parties. BHE and Irvin filed the additional information. On April 20, 2012, the Board issued an order closing the docket and requiring BHE to offer Irvin a payment agreement with a monthly payment of \$75

for a period of 60 months to resolve the formal complaint.

**FCU-2011-0029 CARADCO BUILDING V. INTERSTATE POWER AND LIGHT COMPANY**

On July 5, 2011, Gronen Restoration filed an informal complaint that requested an exemption to the Board's individual metering requirements, per 199 IAC 20.3(1)"b." Board staff's proposed resolution concluded that none of the exemptions to the requirement for individual metering were met. On November 14, 2011, Gronen Restoration requested a formal complaint proceeding or, in the alternative, a petition for a declaratory order. On November 15, 2011, Gronen Restoration filed a motion for alternate proceedings to treat the petition as a declaratory order or, in the alternative, a request for waiver. On December 9, 2011, the Board denied the request for a declaratory order because the order could have unintended consequences that are not foreseen due to limited participation by other affected persons. On December 22, 2011, the Board denied the waiver request and requested Gronen Restoration to notify the Board whether it wanted the Board to rule on a request for a formal complaint proceeding or whether that request was withdrawn. On January 22, 2012, Gronen Restoration filed a notice to withdraw any request for formal complaint proceedings.

**FCU-2011-0030 RISA LUTTON V. MIDAMERICAN ENERGY COMPANY**

On October 14, 2011, Iowa Legal Aid filed a complaint, on behalf of Risa Lutton, against MEC regarding the responsible party for her former roommate's debt. Lutton was being required to enter into a payment agreement for the balance of the debt. The total amount MEC charged Lutton was \$648.04. On November 22, 2011, Board staff's proposed resolution found Lutton

responsible for the debt as her landlord confirmed Lutton and her former roommate were the original lease holders and moved in together. On December 7, 2011, Iowa Legal Aid informed staff that Lutton disagreed with the proposed resolution and Iowa Legal Aid filed a request for a formal complaint proceeding on Lutton's behalf. Docket No. FCU-2011-0030 was opened to address Lutton's request for a formal complaint proceeding. On January 12, 2012, Iowa Legal Aid withdrew its request for formal proceedings, stating that MEC and Lutton had reached a settlement. On January 27, 2012, the Board issued an order closing the docket.

**FCU-2012-0004 CAROL JOHNSON V. MIDAMERICAN ENERGY COMPANY**

On October 31, 2011, Iowa Legal Aid, on behalf of Carol Johnson, filed an informal complaint stating that MEC required Johnson to pay her debt from 1995 at a previous address for electric and natural gas service, as a condition to restore electric service to her current address. Johnson was seeking to restore service to her home after being driven from it for a time in 2011 due to flooding in western Iowa. MEC responded that it did not deny service to Johnson based on a debt where the statute of limitations had expired, but instead considered the debt in determining Johnson's creditworthiness when she applied for new service. MEC's alternative to a deposit was to enter into a payment agreement to repay the old debt, and the payment agreement would represent reaffirmation of the old debt. The Office of Consumer Advocate commented that the payment agreement should not be considered reaffirmation of the debt and that MEC had not provided sufficient proof of the original debt. On February 2, 2012, Board staff issued the proposed resolution that concluded that MEC's credit procedures

were applied appropriately and that MEC had not denied service to Johnson over the debt. Rather, Johnson voluntarily entered into the payment agreement and should Johnson default on the agreement, her current service could be disconnected. Iowa Legal Aid and the OCA filed requests for formal complaint proceedings, which the Board granted on April 16, 2012, assigning the case to its Administrative Law Judge (ALJ). On May 30, 2012, the ALJ conducted the public hearing for presentation of evidence and cross-examination of witnesses. On July 24, 2012, MEC filed a joint motion for approval of a settlement agreement. On July 25, 2012, the ALJ issued an order approving the settlement agreement. The order required MEC and the OCA to notify the Board once they completed their review and discussion of MEC's debt collection policies, file a copy of its policies, and describe any changes that result from the review and discussion.

**FCU-2012-0008 DARLENE WATERS V. MIDAMERICAN ENERGY COMPANY**

On February 28, 2012, Darlene Waters filed an informal complaint alleging that MEC disconnected her electric service without proper notice after she defaulted on her payment agreement, and provided poor customer service when she sought reconnection. MEC indicated that it attempted to call her three times after she defaulted on the agreement, and left a voice mail message during the last call, and Waters did not return the call. On October 28, 2011, MEC disconnected the electric service and, that evening, Waters unsuccessfully attempted to negotiate with MEC to accept a smaller payment, in order to enter into a second payment agreement for reconnection of service. Waters alleged that MEC would not dispatch a technician over the weekend, the representative was

unsympathetic, and the supervisor was disrespectful and rude. The following week, after Waters met MEC's requirements for reconnection by making the down payment and entering into the second payment agreement, MEC reconnected the service on November 1, 2012. Waters called MEC to request that the company allow her the option of another payment agreement after the end of the winter moratorium on disconnections (for those approved for the low-income home energy assistance program) and a MEC manager agreed to do so. On April 20, 2012, Board staff issued the proposed resolution that concluded MEC had complied with Board rules regarding notice of disconnection subsequent to Waters defaulting on the payment agreement, and since Waters did not meet the requirements for reconnection until the following week, the question of whether or not MEC would reconnect her service over weekend was moot. Additionally, MEC's requirements for reconnection were reasonable and did not violate any statute or rule. On April 23, 2012, Waters requested a formal proceeding because she wanted the Board to listen to the recorded calls, instead of relying on MEC's written responses to her complaint. Board staff listened to the recorded calls and concluded that MEC personnel treated Waters with respect. Board staff notified MEC that one of the calls contained an errant indication that payment would have to be received by 7 p.m. on Friday, or reconnection would not occur until the following Monday, and MEC apologized for the error and took corrective action with its staff. On July 12, 2012, the Board denied the request for formal proceedings because no reasonable ground for further investigation had been shown, and the relief sought by Waters, which was the payment agreement option after the moratorium ends, had already been granted by MEC.

**FCU-2012-0009 OWEGO DAIRY, L.L.C.  
K/N/A WILLOW DAIRY V. WOODBURY  
COUNTY RURAL ELECTRIC COOPERATIVE**

On March 5, 2009, OWEGO filed an informal complaint alleging Woodbury subjects OWEGO to unreasonable prejudice and disadvantage by charging electric rates that are over 200 percent more than rates paid by dairy competitors located in the MidAmerican Energy Company (MEC) service territory. OWEGO claimed that Woodbury was in violation of Iowa Code § 476.1A(3) and asked the Board to modify the service territory boundaries to place OWEGO in MEC's territory or to order a rate modification by Woodbury, and for such other relief as the Board finds just and reasonable. Board staff's proposed resolution noted that it is reasonable for rates to vary from utility to utility, depending on the costs of providing electric service and the utility's rate design principles, and the Board did not have jurisdiction over Woodbury's rates. Because the proposed resolution concluded that Woodbury's rates did not violate Iowa Code § 476.1A(3), no additional action was recommended. The proposed resolution noted that electric utilities have exclusive service territories and the location of a business determines the electric service provider for the business. The Board may modify a service boundary only if it is in the public interest, and customer preference is not a public interest factor. On April 29, 2009, OWEGO requested a formal proceeding. On June 22, 2009, the Board denied the request for a formal proceeding. On July 17, 2009, OWEGO filed a petition for judicial review, and on January 29, 2010, the District Court issued a decision affirming, in part, and reversing, in part, the

Board and remanding to the agency for further proceedings. Notice of appeal was filed by OWEGO and on February 9, 2011, the Court of Appeals issued a decision affirming the Board's decision to deny OWEGO's request for formal proceedings to compare rates of different utilities. OWEGO sold its dairy operations to Willow Dairy. On May 21, 2012, Willow Dairy requested that the Board initiate formal complaint proceedings to determine whether or not Woodbury's allocation of the kilowatt-hour demand charge between its residential and commercial customer classes provided an unreasonable preference or advantage to Woodbury's residential customers in violation of Iowa Code § 476.1A(3). The docket is pending.

**FCU-2012-0017 INTERSTATE POWER AND  
LIGHT COMPANY**

On December 20, 2012, the Board initiated this formal proceeding to investigate the electric line extension policies that IPL applies to developers that have a history of working with IPL. The Board has established payment requirements for the extension of new electric facilities that are intended to balance the interests of developers, utilities, and customers when a developer seeks to have new facilities installed in a development site. These rules are found at 199 IAC 20.3(13). Specifically, the Board seeks to address the issue of whether IPL should develop criteria that provide for a different payment arrangement for electric line extensions where the developer has a record of completing construction within a reasonable time period is an important issue that needs to be addressed. The docket is pending.

## SLAMMING/CRAMMING/JAMMING COMPLAINTS

<b>DOCKET</b>	<b>CASE</b>	<b>DESCRIPTION</b>	<b>CLOSED</b>	<b>RESOLUTION</b>
FCU-2011-0027	OCA v. American Telecom Systems	Slamming	05/24/2012	\$1,500 Civil Penalty
FCU-2011-0031	OCA v. Nationwide Long Distance	Cramming	06/05/2012	\$1,500 Civil Penalty
FCU-2012-0001	OCA v. Consumer Telcom, Inc.	Cramming	NA	See FCU-2012-0011c
FCU-2012-0002	OCA v. Windstream Comm., Inc.	Cramming	Pending	Pending
FCU-2012-0003	OCA v. Reduced Rate Long Distance	Cramming	07/30/2012	\$1,500 Civil Penalty
FCU-2012-0006	OCA v. Windstream Comm., Inc. and Windstream Iowa Comm., Inc.	Cramming	Pending	Pending
FCU-2012-0007	OCA v. Consumer Telcom, Inc.	Cramming	NA	See FCU-2012-0011c
FCU-2012-0010	OCA v. Preferred Long Distance	Cramming	01/02/2013	\$1,500 Civil Penalty
FCU-2012-0011c	OCA v. Consumer Telcom, Inc.	Cramming	Pending	Pending
FCU-2012-0012	OCA v. MCI Comm. Services, Inc.	Cramming	10/05/2012	Petition Denied
FCU-2012-0013	OCA v. Windstream Comm., Inc. and Windstream Iowa Comm., Inc.	Cramming	Pending	Pending
FCU-2012-0014	OCA v. My1Tel.com and Doink Media, L.L.C.	Cramming	Pending	Pending
FCU-2012-0015	OCA v. My1Tel.com and Doink Media, L.L.C.	Cramming	Pending	Pending
FCU-2012-0018	OCA v. Nat. Access Long Distance	Cramming	Pending	Pending

## NEGOTIATED INTERCONNECTION AGREEMENTS (NIA)

***Section 252(b) of the Telecommunications Act of 1996 gives the Board the authority to approve the rates, terms, and conditions of NIAs between competitors and incumbent local exchange providers. The agreement is docketed and written comments from interested parties must be filed within 30 days. The statutory standard to be applied in Board review is (1) whether the agreement discriminates against a telecommunications carrier not a party to the agreement or (2) whether the implementation of the agreement or a portion is not consistent with the public interest, convenience, or necessity. This list also includes some arbitration ordered interconnection agreements (ARB and AIA).***

<b>DOCKET</b>	<b>INCUMBENT/COMPETITOR</b>	<b>FILED</b>	<b>APPROVED</b>
NIA-2012-0001	Qwest Corporation d/b/a CenturyLink QC and Spectrotel, Inc.	01/11/2012	02/21/2012
NIA-2012-0002	Qwest Corporation d/b/a CenturyLink and ImOn Communications, LLC	01/24/2012	03/03/2012
NIA-2012-0003	CenturyTel of Chester, Inc. d/b/a CenturyLink and CenturyTel of Postville, Inc. d/b/a CenturyLink and QuantumShift Communications, Inc.	02/06/2012	03/16/2012
NIA-2012-0004	Qwest Corporation d/b/a CenturyLink and Spectrotel, Inc.	03/13/2012	04/23/2012
NIA-2012-0005	Windstream/ImOn Communications	04/25/2012	06/05/2012
NIA-2012-0006	FiberComm/NW Iowa Telephone	05/11/2012	06/21/2012
NIA-2012-0007	Readlyn Telephone/New Cingular	06/05/2012	07/16/2012
NIA-2012-0007	Readlyn Telephone/New Cingular	06/05/2012	07/16/2012
NIA-2012-0008	Readlyn Telephone/Cellular 29	06/05/2012	07/16/2012
NIA-2012-0008	Readlyn Telephone/Cellular 29	06/05/2012	07/16/2012
NIA-2012-0009	FiberComm/Aventure	06/20/2012	07/31/2012
NIA-2012-0010	Qwest/Mid-Iowa Telecom	06/25/2012	08/05/2012
NIA-2012-0011	CenturyTel/CenturyTel	06/25/2012	08/05/2012
NIA-2012-0012	CenturyTel Chester/Postville	07/17/2012	08/27/2012

NIA-2012-0013	Dumont/Lyrrix	08/03/2012	09/13/2012
NIA-2012-0013	Dumont/Lyrrix	08/03/2012	09/13/2012
NIA-2012-0014	United Farmers/I wireless	08/06/2012	09/16/2012
NIA-2012-0014	United Farmers/I wireless	08/06/2012	09/16/2012
NIA-2012-0015	Farmers Mutual/New Cingular	08/10/2012	09/20/2012
NIA-2012-0015	Farmers Mutual/New Cingular	08/10/2012	09/20/2012
NIA-2012-0016	Farmers Mutual/I wireless	08/10/2012	09/20/2012
NIA-2012-0016	Farmers Mutual/I wireless	08/10/2012	09/20/2012
NIA-2012-0017	Windstream/Alliance Connect	08/22/2012	10/02/2012
NIA-2012-0018	Winnebago/Comm 1 Connects	09/04/2012	10/15/2012
NIA-2012-0019	Farmers Mutual/Verizon	09/21/2012	11/01/2012
NIA-2012-0020	Farmers Mutual/Verizon	9/21/2012	11/01/2012
NIA-2012-0021	CenturyTel of Postville, Inc. d/b/a CenturyLink and CenturyTel of Chester, Inc. d/b/a Century Link and Spectrotel, Inc.	11/01/2012	12/11/2012
NIA-2012-0022	Danville Mutual Telephone Company and Iowa Wireless Services, LLC d/b/a i wireless	11/13/2012	12/23/2012
NIA-2012-0023	Wyoming Mutual Telephone Company and Verizon Wireless	11/16/2012	12/26/2012
NIA-2012-0024	Wyoming Mutual Telephone Company and U.S. Cellular Corporation	11/16/2012	12/26/2012

## NOTICES OF INQUIRY (NOI)

***NOIs are informal proceedings to educate the participants on a particular issue or set of issues. The Board commences an inquiry and develops a set of issues or questions for consideration. The issues outlined in the notice are not intended to be exclusive but form the framework for the inquiry. The inquiry is not directed at an individual utility or group of utilities but at any group, business, industry, or person who may be interested in the issue. The process is not intended to produce any specific kind of action, but may result in a subsequent formal proceeding such as a rule making or contested case. No record is made and no testimony is compelled.***

### **NOI-2008-0003 PURPA STANDARDS IN THE ENERGY INDEPENDENCE AND SECURITY ACT OF 2007**

On December 19, 2007 the Energy Independence and Security Act (EISA) was signed into law. Among its many provisions were four new federal electric ratemaking standards added to the Public Utility Regulatory Policies Act of 1978 (PURPA). The first two PURPA standards in EISA were integrated resources planning and rate design modifications to promote energy efficiency investments. The other two standards were consideration of smart grid investments and smart grid information. Pursuant to EISA, the Board was required to commence a proceeding on or before December 19, 2008, to consider adopting the four new PURPA standards. The Board could decline or adopt or implement any or all of the standards for electric utilities over which it has ratemaking authority but had to state in writing the reasons for its decision on or before December 19, 2009. On December 5, 2008, the Board issued an order initiating a notice of inquiry to investigate these standards. In its order, the Board stated that some of the standards, at least in part, appeared to already have been adopted while other standards may conflict, at least in part, with Iowa law. On June 29, 2009, the Board issued an order soliciting comments on smart grid, scheduling a

workshop for August 24, 2009, and requiring filing using its electronic filing system. On December 17, 2009, the Board issued an order declining to adopt the four PURPA standards and continuing the inquiry. On March 9, 2010, the Board issued an order scheduling an additional workshop for April 16, 2010, and expanding the inquiry. On March 29, 2010, the Board issued an order temporarily prohibiting aggregators of retail customers from operating in Iowa and allowing comments. The workshop on smart grid and aggregation of retail customer issues was held as scheduled on April 16, 2010. On April 21, 2010, the Board issued an order providing participants in the workshop the opportunity to file their presentations and any additional comments. On October 14, 2011, the Board issued an "Order Soliciting Comments" which contained specific questions related to both smart grid and aggregators of retail customers; the questions were designed to examine any new developments since the 2010 workshop. MidAmerican Energy Company and Interstate Power and Light Company were required to respond to the questions contained in the order and other participants were invited to respond to some or all of the questions in the order. On June 25, 2012, the Board issued an order continuing the prohibition of aggregators of retail customers in Iowa and issuing a smart

grid report. The docket remains open for the ongoing monitoring of smart grid and other developments.

#### **NOI-2011-0001 PREPAID METERS**

On June 29, 2011, the Board issued an order initiating a notice of inquiry regarding prepaid metering. Participants were asked to respond to various questions about prepaid metering. On September 28, 2011, Board staff conducted a workshop to gather additional comments and discussion. On September 30, 2011, the Board issued an order allowing additional comments on prepaid metering issues. On November 2, 2011, Iowa Legal Aid, the Iowa Association of Municipal Utilities, and the Iowa Utility Association filed additional comments. The consensus in those filings was on prepaid metering being offered only as a voluntary program with all existing customer protections remaining intact. The commenters also said that customers with health-related risks should be prohibited from participating. On January 9, 2012, the Board issued an order issuing a final report and closing the docket. The Board's review of the existing statutes and rules indicated that prepaid metering could be offered, if existing consumer protections remain in place and the service is voluntary or made available to customers who would not otherwise qualify for service. Any utility may file a prepaid metering proposal in the form of a tariff filing to specify the terms and conditions of the proposal.

#### **NOI-2011-0002 HIGH-VOLTAGE TRANSMISSION PROJECTS**

On August 16, 2011, the Board issued an order initiating this notice of inquiry to gather information regarding proposed high-voltage electric transmission projects to be constructed in Iowa. These proposed

projects would address the potential transmission constraints within Iowa and surrounding states. This inquiry will investigate the projects' status, interactions and timeframes, and potential impacts on Iowa electricity rates. On August 28, 2012, a workshop was held and a wide-ranging discussion provided a snapshot-in-time regarding the status of transmission project developments in Iowa. On September 5, 2012, the Board issued an order soliciting additional comments. The docket is pending.

#### **NOI-2011-0003 UTILITY COAL PLANT PLANNING**

On September 2, 2011, the Board issued an order initiating this notice of inquiry to gather information about utility coal plant planning. This inquiry requests regulated utilities to prepare several scenarios describing how they would be in compliance with proposed new regulations by the U.S. Environmental Protection Agency (EPA). These proposed new EPA regulations would impact discharges into water, coal fly ash, and air regulations regarding ozone, sulfur oxides, nitrogen oxides, mercury, and carbon dioxide, along with other greenhouse gases. On November 8, 2011, the Board issued an order soliciting comments from non-utilities owning coal fired generation and from utilities on EPA standards for diesel powered stationary reciprocating internal combustion engines that could significantly impact utilities. Comments were filed in 2011 and 2012. The docket remains open.

**PIPELINE DOCKETS (P)**

***A pipeline permit is the authorization granted by the Board for the construction, maintenance, and operation of an intrastate pipeline under Iowa Code Chapter 479. The granting of a permit requires a finding by the Board that the project will promote the public convenience and necessity and follows an acceptable route.***

**2012 NATURAL GAS PIPELINE DOCKETS**

<b>Docket</b>	<b>Company</b>	<b>Granted</b>	<b>Pipeline</b>
P-0765	MEC	03/29/12	Iowa Methodist Medical Center Lateral
P-0513	IPL	03/29/12	West Chester Lateral
P-0483	IPL	03/29/12	Columbus Junction Lateral
P-0506	IPL	03/29/12	New Virginia Lateral
P-0073	MEC	04/12/12	Iowa City Lateral
P-0083	MEC	06/20/12	Cedar Rapids Lateral #1
P-0507	IPL	10/30/12	Monsanto Lateral
P-0887	DDS Rentals	12/17/12	Diagonal Lateral

## RATE PROCEEDINGS (RPU)

***Rate setting is a key function of the Iowa Utilities Board. By law, the Board must assure that customers receive adequate service at a reasonable price. The Board must also allow sufficient income for the utilities to maintain reliable service and sufficient earnings for stockholders. The jurisdiction of rate setting extends only to certain larger utilities within Iowa. Municipal utilities and rural electric cooperatives (except those which choose rate regulation) are subject to Board review of their service only.***

***RPU's are designed to uphold the previously mentioned obligations when the Board investigates a company's rate increase proposal. Such proceedings usually last about ten months. During this time, local consumer comment hearings permit customer feedback. Technical hearings, similar to courtroom hearings, also take place. Testimony is presented and expert witnesses are cross-examined by the company, the Office of Consumer Advocate, and intervenors. At the conclusion, the Board may approve the company's rate request in full, approve some or none of it, or order a rate decrease.***

### **RPU-2011-0001 IOWA-AMERICAN WATER COMPANY**

On April 29, 2011, Iowa-American filed a proposal for a general rate increase in temporary and permanent water rates. Iowa-American proposed a temporary increase that would produce additional annual revenue of approximately \$4.4 million, or about 13.72 percent, and a permanent increase that would produce additional annual revenue of approximately \$5.1 million, or about 16.4 percent. On July 28, 2011, the Board granted Iowa-American a temporary annual revenue increase of approximately \$2.29 million, or about 6.93 percent. The Board emphasized that, based on feedback received at the consumer comment hearings, the Board intended to look at private fire service rate design in the full rate case. On October 14, 2011, Iowa-American and the Office of Consumer Advocate filed a settlement agreement and motion to approve the agreement. The settlement agreement resolved all outstanding issues, except three: 1) whether Iowa-American's proposed revenue

adjustment clause should be approved; 2) whether Iowa-American's proposed qualified infrastructure plant (QIP) adjustment clause should be approved; and 3) whether double leverage should be applied in this case. The settlement agreement did not specifically address private fire service rates; the settling parties accepted Iowa-American's initial position that private fire service rates would remain but the rates for the two districts would be equalized. On October 19, 2011, the parties filed a joint statement of issues. In the statement, Iowa-American said it was withdrawing the Revenue Adjustment Clause issue, leaving only QIP and double leverage as contested issues between the parties. A hearing was held on November 7, 2011. On February 23, 2012, the Board issued an order approving the settlement. The Board's decision applied double leverage to Iowa-American, denied Iowa-American's proposal to recover qualified infrastructure improvement expenditures through an automatic adjustment clause, and equalized private fire service rates.

**RPU-2012-0001 MIDAMERICAN ENERGY COMPANY**

On February 21, 2012, MEC filed a proposed annual increase in its Iowa retail electric revenue of approximately \$76 million, or 6.7 percent over its existing revenues. Ten days after its filing, MEC implemented a temporary rate increase of approximately \$38.7 million or about 4 percent over its existing Iowa retail electric revenue. MEC has a revenue freeze agreement in place through December 31, 2013, but the agreement allows MEC to exit the revenue freeze if its return on equity falls below 10 percent. In its filing, MEC said its return on equity was 8.94 percent for the 2011 test year. MEC asked for approval of two adjustment clauses, one for environmental compliance costs and the other for coal and coal transportation costs. MEC stated the combined clauses would be capped at \$38.7 million in 2012 and \$76 million in 2013. On October 8, 2012, the Board approved a settlement proposed by MEC and the Office of Consumer Advocate which resolved all issues in this proceeding. The settlement provides for an aggregate increase to MEC's Iowa electric retail revenue of \$38.7 million in 2012 and \$76 million during calendar year 2013, and maintains the revenue sharing mechanism under which MEC has been operating. The settlement, however, changes the Iowa electric revenue sharing return on equity threshold from 11.75 percent to 10 percent.

**RPU-2012-0002 (TF-2012-0374, TF-2012-0375) INTERSTATE POWER AND LIGHT COMPANY**

On May 25, 2012, IPL filed a request to increase its natural gas service rates. IPL proposed to increase its Iowa gas rates to produce a permanent annual jurisdictional revenue increase of approximately \$14,785,156 (5.6 percent). IPL also requested a temporary revenue increase of

approximately \$8,612,094. The proposed temporary rate increase went into effect on June 4, 2014, pursuant to Iowa Code §476.6(10). Consumer comment hearings for this rate case were held by the Board in Mason City, Mount Pleasant, Clinton, and Marshalltown. On June 22, 2012, the Board issued an order docketing the proposed tariffs and establishing a procedural schedule. On August 16, 2012, IPL, the Office of Consumer Advocate, and the Iowa Consumers Group filed a proposed settlement agreement resolving all of the outstanding issues regarding the general rate increase request. On September 21, 2012, the Board issued an order requesting that IPL and the other parties to the settlement provide responses to Board questions about certain revised tariff provisions agreed to in the settlement. On October 5, 2012, IPL filed responses to the September 21, 2012, order. On November 26, 2012, the Board issued an order approving the settlement agreement and cancelling the hearing. The approved settlement allows the utility's permanent annual revenue from natural gas service rates to increase by \$10.5 million (4.8 percent) and includes tax credits that will reduce customer rate impacts over the next three years. The settlement calls for three years of bill credits to customers resulting from IPL's tax benefits for, among other things, its mixed service costs, repair expenditures, and 2008 flood proceeds. Tax credits will be applied to all IPL customer classes, with varying rate impacts. With the tax credits in place, a typical IPL residential natural gas customer should pay about 39 cents (0.6 percent) less per month for service than before this rate increase request was filed on May 25, 2012. When the tax benefits expire in three years, residential customers' bills will increase by approximately \$3 per month.

**RPU-2012-0003, GCU-2012-0001  
INTERSTATE POWER AND LIGHT COMPANY**

On November 14, 2012, IPL filed an application for determination of advance ratemaking principles to construct and operate a 650-Megawatt natural gas-fired, combined-cycle electric generating unit. The proposed facility is called the Marshalltown Generating Station (MGS) and will be located in Marshalltown, Iowa. On October 4, 2012, IPL held an informational meeting in Marshalltown regarding its application. Also on November 14, 2012, IPL filed a request for advance ratemaking principles that would apply to the MGS. Among other things, IPL requested a return on equity of 11.25 percent for the MGS and a cost cap of \$700 million, which includes MGS, transmission interconnection costs, and owner's costs. On December 26, 2012, the Board issued an order docketing the filings. The order stated

that Docket Nos. GCU-2012-0001 and RPU-2012-0003 are consolidated for the purposes of hearing, procedural schedule, and evidentiary record. Testimony and exhibits filed in each of the two dockets are part of the evidentiary record in the other docket. A hearing is scheduled for May 21, 2013, in Marshalltown to receive witness testimony and the cross-examination. The dockets are pending.

**RPU-2012-0004 BLACK HILLS ENERGY**

On December 21, 2012, BHE filed a request to place a tariff in effect that will establish an investment surcharge. The filing was made pursuant to 199 IAC 19.18(1)"b." BHE states that it has spent \$8,170,578 in capital infrastructure investments since the beginning of 2011. BHE is asking to recover \$834,256 from its ratepayers through the tracker. This docket is pending.

## RULE MAKINGS (RMU)

***The Board publishes administrative rules that specify the rules under which utilities must operate and the procedures by which citizens and utilities may amend those rules. To change the rules, certain procedures for public notice and comment are specified by law. These proposed changes are called Rule Makings, or RMUs.***

### **RMU-2011-0006 RESCISSION OF 199 IAC CHAPTER 43, IOWA BROADBAND INITIATIVE**

On October 19, 2011, the Board commenced a rule making to receive public comment on a proposed amendment to rescind the Board's rules at 199 IAC 43. Those rules implemented legislation adopted in 2004, which created the Iowa Broadband Initiative. That initiative allowed rate-regulated local telecommunications exchange carriers to increase monthly rates and required resulting revenues to be used to expand broadband service. In 2005, the Iowa General Assembly passed legislation which struck the statutory provisions regarding the Broadband Initiative. After the statutory provisions were eliminated, the Board's administrative rules on this subject were no longer necessary. In a "Notice of Intended Action" published in the Iowa Administrative Bulletin on November 16, 2011, the Board proposed to rescind 199 IAC 43. The Office of Consumer Advocate filed a written statement of position supporting the proposed rescission. No other comments were filed with the Board. On February 6, 2012, the Board adopted the amendment rescinding chapter 43. On April 11, 2012, the rescission became effective.

### **RMU-2011-0007, RMU-2012-0002 PROPOSED UTILITIES BOARD REGULATIONS REGARDING SAFETY OF POLE ATTACHMENTS**

On December 9, 2011, the Iowa Utility Association (IUA) filed a petition requesting that the Board commence a rule making

proceeding to amend its Iowa Electrical Safety Code rules by adding new provisions that address safety violations related to pole attachments, penalty provisions, and dispute resolution procedures. On February 6, 2012, the Board issued an order denying the petition for a rule making and instead scheduled a workshop for interested persons to discuss the issues raised by the petition. Based upon written comments and the workshop discussion, the Board decided to prepare a proposed rule making that asserted jurisdiction over pole attachments by communications, data, and cable providers. On October 24, 2012, the Board commenced a rule making to consider the pole attachment rules in Docket No. RMU-2012-0002 and closed Docket No. RMU-2011-0007.

### **RMU-2012-0001 PROPOSED AMENDMENTS TO ELECTRIC ENERGY ADJUSTMENT CLAUSE RULES**

On May 10, 2012, Interstate Power and Light Company (IPL) filed a petition for rule making that proposed amendments to emissions allowances needed for environmental compliance to reflect recent and successor federal mandates. IPL also proposed to add the following additional items to flow through the energy adjustment clause (EAC): 1) chemical costs needed for environmental compliance, 2) renewable energy credits, and 3) production tax credits reflecting the output for renewable generation. On May 25, 2012, the Office of Consumer Advocate filed a response that suggested any recovery through an automatic mechanism of costs associated

with a federal mandate that is not yet known is only appropriate after the Board has explicitly allowed such recovery in a rate case. On July 9, 2012, the Board granted the petition and commenced a rule making proceeding to consider IPL's proposed amendments and the OCA's alternative. The Board received written comments from several participants and conducted an oral presentation on September 25, 2012. On December 26, 2012, the Board terminated the rule making and noted the considerable uncertainty of what the outcome may be with respect to the current court challenges to two of the federal environmental

mandates. The Board commented that it was reluctant to adopt rules to include additional costs or revenues in the EAC without having an adequate understanding of the magnitude of the costs or revenues at issue, and there was no compelling reason to add the additional items proposed by IPL to the EAC at this time.

## SERVICE PROCEEDINGS (SPU)

***A change to the boundaries established for electric utilities is completed through an SPU, as are other matters of utility service that require Board approval.***

### **SPU-2010-0002 MIDAMERICAN ENERGY COMPANY**

The Incentive Gas Supply Procurement Plan (IGSPP) was proposed by MEC and approved by the Board in 1995 in Docket No. RPU-1994-0003 to give MEC the opportunity to earn a reward when its total cost of procuring natural gas for a six-month period was less than total benchmark costs. The IGSPP provides MEC a financial incentive to purchase gas as efficiently as possible. Prior to February 24, 2010, IGSPP results had been filed in Docket No. RPU-1994-0003, but the IGSPP reports are now filed electronically in Docket No. SPU-2010-0002. The IGSPP was approved initially for a three-year period and, due to the success of the program, has been extended several times. On September 3, 2010, the Board granted MEC another extension of the IGSPP for a three-year period to October 31, 2013. In the September 3, 2010, order, the Board also approved a change from six-month filings to annual filings, approved certain changes to the way the reference prices and reservation charges are calculated, and approved a cap of \$500,000 annually on sharing when costs are at least 0.25 percent under the reference price. On December 22, 2011, MEC filed a report containing the results of the IGSPP for the period of November 2010 through October 2011. On March 13, 2012, MEC filed a revision to the December 22, 2011, report allocating the reward over the eleven-month period from April 2012 through February 2013, instead of the normal 12-month period.

### **SPU-2011-0004 GREAT LAKES COMMUNICATION CORP.**

On June 6, 2011, the Board issued an order initiating a show-cause proceeding. Pursuant to Iowa Code § 476.29(9), Great Lakes was directed to show cause why the Board should not cancel its certificate to provide local exchange telecommunications service in Iowa, issued on June 17, 2005, for failure to furnish reasonably adequate telephone service and facilities in compliance with the said certificate. The issue was whether Great Lakes had been providing local exchange service in its authorized service territory. On October 19, 2011, a hearing was held. On March 30, 2012, the Board issued an order that identified certain deficiencies Great Lakes had in its provisioning of local exchange telecommunications service in its authorized service territory. The Board ordered Great Lakes to demonstrate its technological ability to provide local exchange service within four months of the order, to obtain legitimate local exchange customers by the end of six months after the date of the order, to provide monthly reports to the Board of all progress made toward those goals, to establish an escrow account, and to establish a reasonable mechanism to allow parents to block adult content conference calling services. To date, Great Lakes has timely filed the required monthly reports and has established the escrow account.

### **SPU-2012-0001 INTERSTATE POWER AND LIGHT COMPANY AND MIDLAND POWER COOPERATIVE**

On January 10, 2012, Midland and IPL filed a joint petition for modification of electric

service area boundaries pursuant to Iowa Code § 476.25(2). In support of the petition, Midland and IPL stated that Midland was providing single-phase service to one customer located in the IPL service territory. The parties agreed it was in the public interest to exchange territory, so that customer could continue receiving service from Midland. The petition stated that this customer supported the boundary modification. It also stated that the other territory subject to this proposed boundary modification had no current customers, but future customers would be better served by the boundary transfer because of the location of the utilities' electric facilities. On February 27, 2012, the petition was approved.

**SPU-2012-0002 (CGP-2002-0004)  
CONSTELLATION NEWENERGY GAS  
DIVISION, LLC**

On March 19, 2012, Constellation filed a letter notifying the Board of a change in the corporate structure of its direct and indirect parent corporations. Its direct parent, Constellation Energy Group, Inc., merged with Exelon Corporation (Exelon) making Exelon the direct parent of Constellation. On April 16, 2012, the Board issued an order recognizing the change in corporate structure. Based on its review of Exelon's financial records, the Board determined that Constellation had reasonably demonstrated that it continued to possess the appropriate managerial, technical, and financial capability sufficient to obtain and deliver the competitive natural gas provider services it offers.

**SPU-2012-0003 MIDAMERICAN ENERGY  
COMPANY AND FRANKLIN RURAL  
ELECTRIC COOPERATIVE**

On April 19, 2012, MEC and Franklin filed a joint petition for clarification and modification of electric service area

boundaries pursuant to Iowa Code § 476.25(2). Franklin and MEC stated that the area proposed to be transferred has historically been served by Franklin, and Franklin continues to serve customers in this area. The Board's service territory maps showed this area being served by MEC. The proposed boundary modification was filed in order to change the Board's maps to accurately show the actual provider in this area. No customers are impacted by the proposal. Franklin and MEC stated that allowing Franklin to continue serving the area would avoid unnecessary duplication of facilities. On May 22, 2012, the petition was approved.

**SPU-2012-0004 (TF 2012-0242) XO  
COMMUNICATIONS SERVICES, INC. AND  
NEXTLINK WIRELESS, INC.**

On April 27, 2012, XO Communications Services, Inc. filed a notice of corporate name change to XO Communications Services, LLC. XO Communications Services, Inc. is a competitive local exchange carrier. Also in the April 27, 2012, filing, Nextlink Wireless, Inc. requested that the Board recognize its corporate name change to Nextlink Wireless, LLC. Nextlink Wireless, Inc. is a wholesale carrier operating under an Order in Lieu of Certificate. Both carriers undergoing corporate name changes are owned by the same holding company. On August 29, 2012, the Board issued an order approving the name changes and tariff.

**SPU-2012-0005 (TF-2012-0248) LIBERTY-  
BELL TELECOM, L.L.C., D/B/A DISH  
NETWORK PHONE & INTERNET, N/K/A  
DISHNET WIRELINE L.L.C.**

On May 14, 2012, Liberty-Bell Telecom, a local exchange carrier in Iowa, filed a notice of corporate name change to dishNET Wireline L.L.C. Liberty-Bell Telecom stated that the name change was not the

result of a corporate reorganization or a change of control. Liberty-Bell Telecom filed revised local exchange and switched access tariffs, updating the name and making other minor clerical corrections. On July 17, 2012, the Board issued an order recognizing the corporate name change, approving the tariff, and issuing an amended certificate.

**SPU-2012-0006 INTERSTATE POWER AND LIGHT COMPANY AND LINN COUNTY RURAL ELECTRIC COOPERATIVE**

On May 14, 2012, IPL and Linn County filed a joint petition for modification of electric service area boundaries pursuant to Iowa Code § 476.25(2). A new subdivision near West Branch in Cedar County was being developed to include 36 lots. The existing service boundary between IPL and Linn County ran directly through the area, splitting several lots into two pieces. In order to alleviate the problem, IPL and Linn County agreed to move the boundary line to follow the lot lines. On June 14, 2012, the Board approved the petition.

**SPU-2012-0007 AT&T CORP. AND AT&T COMMUNICATIONS OF THE MIDWEST**

On June 15, 2012, AT&T Corp. (ATTC) and AT&T Communications of the Midwest, Inc. (ATTMW) filed a joint application proposing a merger of ATTMW into ATTC. ATTMW proposed to discontinue local exchange telecommunications service to its Iowa customers and proposed to transfer its assets, customers, and its Iowa certificate to ATTC. The joint applicants stated that the merger would allow AT&T to realize administrative efficiencies, reduce costs, and provide a greater ability to compete. The joint applicants also stated that the transaction would be entirely seamless to customers whose services and associated rates, terms, and conditions of service would remain unaffected. After the merger, the

same personnel managing the services provided by ATTMW would manage those same services for ATTC. On July 10, 2012, the Board issued an order approving the joint application.

**SPU-2012-0008 MOUNT PLEASANT MUNICIPAL UTILITIES AND ACCESS ENERGY COOPERATIVE**

On July 5, 2012, Mt. Pleasant and Access filed a joint petition requesting the Board approve a modification that would transfer a piece of territory from Access to Mt. Pleasant pursuant to Iowa Code § 476.25(2). The Midwest Old Settlers and Threshers Association (Association) owns and operates a campground located partially within the corporate limits of Mt. Pleasant. The campground was served in part by both Mt. Pleasant and Access. While the existing electric makeup appeared to work, it had become more confusing as the campground expanded. The petition stated that the parties believed that it would be most economic and efficient for all parties if Mt. Pleasant were allowed to serve the entire campground. Mr. Lennie Moore, CEO of the Association, provided a letter strongly supporting the proposed modification. On July 23, 2012, the Board approved the petition.

**SPU-2012-0009 MIDLAND POWER COOPERATIVE AND HUMBOLDT COUNTY RURAL ELECTRIC COOPERATIVE**

On July 12, 2012, Midland and Humboldt filed a joint application for discontinuance of electric service by Humboldt and the transfer of electric service provided by Humboldt to Midland. On July 19, 2012, Midland and Humboldt filed maps delineating the electric service territories of Midland and Humboldt, as requested by the Office of Consumer Advocate. Humboldt is one of the smallest coops in the state with 14 employees and less than 1,500 customers.

Midland, on the other hand, is one of the larger Iowa coops with 38 employees and over 7,200 customers. The petition stated that the directors of both coops had been studying a potential merger for the previous 18 months and concluded that it was in the best interest of both coops to go forward with the merger. The analysis provided in the petition stated that over the first ten years of the merger, savings of more than \$5,500,000 should be realized. It further stated that while the merger would not result in lower bills, it should slow any potential increases. The petition included newsletters indicating the merger would reduce combined operating costs for costs related to power supply costs, insurance, and computer operations. On August 3, 2012, the Board approved the petition.

**SPU-2012-0010 INTERSTATE POWER AND LIGHT COMPANY AND VINTON MUNICIPAL ELECTRIC UTILITY**

On July 27, 2012, IPL and Vinton filed a joint petition for modification of electric service area boundaries pursuant to Iowa Code § 476.25(2). IPL and Vinton stated that a service territory agreement reflecting the proposed modification was originally executed by the utilities in the early 1980s, but they inadvertently failed to submit it to the Board for approval at that time. IPL and Vinton stated that customers have been served pursuant to their initial agreement since the early 1980s and that the boundary modifications were to avoid duplication of services in a platted development. No customer will be affected by the transfer since customers have been served as if the original service territory agreement was approved by the Board. On August 31, 2012, the Board approved the modification.

**SPU-2012-0011 BLACK HILLS/IOWA GAS UTILITY COMPANY, LLC D/B/A BLACK HILLS ENERGY**

On August 1, 2012, BHE filed an application for a capital infrastructure investment automatic adjustment mechanism (Investment Tracker) pursuant to the provisions of 199 IAC 19.18(1)"b." On August 7, 2012, the Office of Consumer Advocate filed an objection to the proposed Investment Tracker. On August 27, 2012, BHE filed a response to the OCA's objection. On August 29, 2012, the OCA filed a reply to BHE's response. On September 25, 2012, the Board issued an order rejecting the proposed Investment Tracker. The Board's order stated that the authorization of a capital infrastructure investment automatic adjustment mechanism, by rule, does not create an exception to the statutory requirements for notice in Iowa Code § 476.6(2) when the mechanism is first filed for Board approval. The order also stated that to allow for a full review of the proposed Investment Tracker, BHE will need to file the detail required by 199 IAC 19.18(3)"b," should it decide to re-file the application.

**SPU-2012-0012 TCG OMAHA AND TELEPORT COMMUNICATIONS AMERICA, LLC**

On October 12, 2012, Teleport filed a request for a discontinuance of service and transfer of its certificate to provide local exchange telecommunications service in Iowa due to a proposed merger of TCG Omaha into Teleport. The parties stated that this merger is part of an intra-corporate restructuring initiative to merge multiple AT&T telecommunications companies into their corporate parent. On November 7, 2012, the Board issued an order approving a joint application for discontinuance of service and authorizing transfer of the certificate, and also issued an order

transferring Certificate No. 0193, issued to TCG Omaha, to become effective upon withdrawal of TCG Omaha's existing service tariff. Teleport was directed to file a local exchange tariff and exchange boundary maps showing the exchanges where Teleport intends to provide local exchange service in Iowa, at least 30 days prior to the conclusion of the proposed reorganization.

**SPU-2012-0013 LOCAL INTERNET SERVICE COMPANY, INC.**

On October 24, 2012, LISCO filed a notice of intent to discontinue service in the Washington and Columbus Junction local telephone service exchanges. On November 21, 2012, the Board issued an order

approving the discontinuance of service to two exchanges and requiring a status report and revised tariff filing. Additionally, LISCO was required to file a status report and revised local exchange tariff with the Board. The discontinuance of service becomes effective on January 22, 2013.

**SPU-2012-0014 TWIN EAGLE ENERGY SERVICES, LLC D/B/A TWIN EAGLE RESOURCE MANAGEMENT F/K/A ENBRIDGE GAS SERVICES(U.S.) INC., F/K/A U.S. OIL CO., INC., F/K/A U.S. COENERGY SERVICES**  
See Docket No. CGP-2001-0006.

## TELEPHONE CERTIFICATES (TCU)

***Iowa Code § 476.29 gives the Board the authority to establish non-exclusive service territories for telephone utilities and grant certificates of public convenience and necessity. A TCU is established to enable the Board to evaluate requests to initiate or modify authority to provide local exchange telephone service. The Board examines each application to see if the company possesses the technical, financial, and managerial ability to provide the service it proposes to render and that the service is consistent with public interest. If this finding is made, the Board approves the application pending the filing and approval of maps and tariffs. A certificate of public convenience and necessity is then issued after the maps and tariffs are approved.***

### **TCU-2010-0001 (TF-2011-0048) FYREHOUSE COMMUNICATIONS INC.**

In 2010, fyreHOUSE was issued a certificate to provide local exchange telecommunications service in Iowa, but the company did not file an annual report with the Board in 2011 or 2012. Staff was unable to make contact with fyreHOUSE about the delinquent annual reports. On June 5, 2012, the Board issued an order giving fyreHOUSE 30 days to respond before its certificate would be canceled. No response was received and fyreHOUSE's certificate was canceled.

### **TCU-2011-0007 (TF-2011-0114) BROADSTAR, LLC D/B/A PRIMECAST**

On June 19, 2012, Primecast filed a withdrawal of both its application for a certificate to provide local exchange telecommunications service in Iowa and its proposed local exchange tariff. Primecast had filed for Chapter 11 bankruptcy in April 2012. By order of the bankruptcy court, all of its remaining voice service in Iowa was discontinued. Primecast no longer intends to provide local exchange services in Iowa. On July 30, 2012, the Board issued its order granting the request to withdraw the approved application and proposed tariff. The order also closed both dockets.

### **TCU-2011-0010 (TF-2011-0118) SPECTROTTEL, INC., D/B/A ONE TOUCH COMMUNICATIONS D/B/A TOUCH BASE COMMUNICATIONS**

On January 24, 2012, the Board issued an order approving Spectrotel's certificate application to provide local telecommunications service in Iowa, concurrence in the exchange service area maps of Qwest Corporation d/b/a CenturyLink, and local exchange tariff. The Board also issued a certificate to Spectrotel.

### **TCU-2011-0011 (TF-2011-0120) TW TELECOM OF IOWA LLC**

On November 3, 2011, tw telecom filed a certificate application to provide competitive local exchange telecommunications service in Iowa and a proposed Iowa tariff. It stated an intention to only offer non-switched private line services in Iowa. When contacted by Board staff, tw telecom indicated that it intended to provide local exchange service in the future after it acquires a switch. Staff asked tw telecom to withdraw its certificate application until such time that tw telecom is prepared to provide local exchange service. On January 6, 2011, tw telecom filed a request to withdraw its application. On January 24, 2012, the Board issued an order granting the request to withdraw the application.

**TCU-2011-0012 WHOLESALE CARRIER SERVICES, INC.**

On November 17, 2011, WCS filed an application for a certificate to provide local exchange telecommunications service in Iowa. On February 6, 2012, the Board issued an order approving WCS's application and concurrence in the exchange area maps of Windstream Iowa and Qwest Corporation d/b/a CenturyLink. However, WCS will not be issued a certificate, and may not offer service in Iowa, until it has an approved local exchange service tariff on file with the Board.

**TCU-2012-0001 (TF-2012-0030) MID-IOWA TELECOM, LLC**

On April 25, 2012, the Board issued an order approving Mid-Iowa Telecom's certificate application to provide local telecommunications service in Iowa, concurrence in the exchange service area maps of Qwest Corporation d/b/a CenturyLink, and local exchange tariff. The Board also issued a certificate to Mid-Iowa Telecom.

**TCU-2012-0002 ACCESS ONE INC.**

On April 25, 2012, the Board issued an order approving Access One's certificate application and concurrence in the exchange service area maps of Qwest Corporation d/b/a CenturyLink. However, Access One will not be issued a certificate, and may not offer service in Iowa, until it has an approved local exchange service tariff on file with the Board.

**TCU-2012-0003 ONVOY, INC., D/B/A ONVOY VOICE SERVICES**

On March 27, 2012, Onvoy filed a certificate application to provide local exchange telecommunications service in Iowa. On April 16, 2012, the Office of Consumer Advocate filed an objection to Onvoy's application and a request to docket

the application for further investigation. The OCA stated that it appeared Onvoy was attempting to obtain telephone numbering resources without providing sufficient information to support its need for access to those numbers. On April 19, 2012, Onvoy filed a request to withdraw its application without prejudice. On May 10, 2012, the Board issued an order granting the request to withdraw the application.

**TCU-2012-0004 (TF-2012-0218) 365 WIRELESS, LLC**

On April 19, 2012, 365 Wireless filed an application for a certificate to provide local exchange telecommunications service in Iowa. In addition, 365 Wireless filed a proposed local exchange tariff. On May 15, 2012, 365 Wireless submitted a request to withdraw its certificate application. On June 14, 2012, the Board issued an order granting the request to withdraw the application and proposed tariff.

**TCU-2012-0005 COMM 1 CONNECTS, INC., F/K/A COMMUNICATIONS 1 CABLEVISION**

On July 3, 2012, Comm 1 filed an application for a certificate to provide local exchange telecommunications service in Iowa. On September 14, 2012, the Board issued an order granting the application and approving a concurrence in maps. The Board stated it will issue a certificate to Comm 1 upon approval of a tariff reflecting the terms and conditions of its local exchange service in Iowa.

**TCU-2012-0006 (TF-2012-0586) TOSHIBA AMERICA INFORMATION SYSTEMS, INC.**

On August 21, 2012, Toshiba filed an application for a certificate to provide local exchange telecommunications services to business customers throughout Iowa. Toshiba stated that it would mirror the service area maps of all Iowa exchanges. Toshiba concurrently filed a proposed local

exchange tariff. On November 19, 2012, the Board issued an order granting the application and approving a concurrence in maps. Appropriate revisions to the proposed local exchange tariff were outstanding at the time of the Board's order. The certificate will be issued when an approved tariff is on file with the Board.

**TCU-2012-0007 AIRESRING, INC.**

On September 10, 2012, Airespring filed an application for a certificate to provide local exchange telecommunications services to the Iowa service areas of Windstream and Qwest Corporation d/b/a CenturyLink. Airespring stated that it would mirror the service area maps of all Iowa exchanges. On December 7, 2012, the Board issued an order granting the application and approving concurrence in maps. A certificate will be issued when an approved tariff is on file with the Board.

**TCU-2012-0008 NEW HORIZONS COMMUNICATIONS CORP.**

On October 2, 2012, New Horizons filed an application for a certificate to provide local exchange telecommunications service in Iowa. On October 17, 2012, New Horizons filed revisions to its application. New Horizons requested a grant of authority by the Board to provide service in those geographic areas in Iowa served by Qwest Corporation d/b/a CenturyLink and Windstream Iowa. On December 18, 2012, the Board issued an order granting the application and approving concurrence in maps.

**TCU-2012-0009 NORTHLAND COMMUNICATIONS, INC.**

On December 6, 2012, Northland filed an application for a certificate to provide local exchange telecommunications services to business customers in the Iowa service areas of Qwest Corporation d/b/a CenturyLink,

Windstream, and Frontier. Northland stated that it would mirror the service area maps of the affected Iowa exchanges. The filing continues to be under Board review.

**TCU-2012-0010 MINBURN TELEPHONE COMPANY**

On December 10, 2012, Minburn filed an application for a certificate to provide local exchange telecommunications services in the Perry exchange. Minburn stated that it would mirror the service area map that is on file for the Perry exchange. The filing continues to be under Board review.

## WAIVERS OF RULES (WRU)

***A utility or interested person may petition the Board to temporarily lift a requirement to comply with a certain rule or rules if circumstances make compliance impractical or inappropriate. The Board decision for a WRU considers the interests of both the utility and its customers.***

### **WRU-2006-0006-0602 CEDAR FALLS UTILITIES**

On February 10, 2012, CFU filed a waiver request to exempt the pipeline from the requirement to place an odorant in the gas transported by the pipeline, coinciding with a petition for a pipeline permit. On April 13, 2012, the applicant filed letters withdrawing its pipeline permit petition and waiver request, because it had completed the purchase of the property where the pipeline is located and a permit was no longer required. On May 11, 2012, the Board issued an order granting CFU's withdrawal of waiver request.

### **WRU-2011-0023-4266 TW TELECOM OF IOWA LLC**

On November 3, 2011, tw telecom filed a certificate application to provide local exchange telecommunications service in Iowa and a request for a waiver of requirements to publish a customer directory, maintain records in Iowa, and use a uniform system of accounts. On January 6, 2012, tw telecom filed a request to withdraw its application for a certificate, its proposed local exchange tariff, and its request for waiver, without prejudice to refile. In its request, the company indicated that it intends to provide only deregulated services at this time, not regulated local exchange services that would require a certificate. On January 24, 2012, the Board granted the request to withdraw the application, proposed tariff, and waiver request.

### **WRU-2011-0025-0978 IOWA LAKES ELECTRIC COOPERATIVE**

On December 6, 2011, Iowa Lakes filed a request for waiver of 199 IAC 20.3(6). This rule generally provides that electric bills for large customers must be rendered monthly unless the Board grants an exemption or waiver. Iowa Lakes asked for a waiver of the monthly billing rules so that it might bill one of its large customers, Cycle Country, on a twice-monthly basis for an indefinite period. On February 10, 2012, the Board issued an order granting a one-year waiver.

### **WRU-2011-0026-0150 INTERSTATE POWER AND LIGHT COMPANY**

On December 9, 2011, IPL filed a request for limited waiver of 199 IAC 20.1(3), related to the definition of the Clean Air Act Interstate Rule (CAIR) with regard to flowing costs and credits associated with emissions allowances through IPL's energy adjustment clause (EAC). IPL also asked for a limited waiver of the definition statements contained in 199 IAC 20.1(3) to reflect new emissions allowances created by new federal regulations, the Cross State Air Pollution Rule (CSAPR); according to IPL, the waiver, if granted, would allow IPL to flow the costs and credits associated with the CSAPR allowances through IPL's EAC. On January 5, 2012, IPL filed a request to withdraw its request for waiver. On January 13, 2012, the Board issued an order granting the request to withdraw the waiver request.

**WRU-2012-0001-0222 (EEP-2003-0003)  
Atmos Energy Corporation**

On January 30, 2012, Atmos filed a request for waiver of the deadline contained in 199 IAC 35.12(2) to file its new energy efficiency cost recovery factors by March 1 of each year. Atmos asked that the filing deadline for 2012 be extended to April 1, 2012. On February 1, 2012, the Office of Consumer Advocate filed a response stating it did not object to the waiver request. On February 3, 2012, the Board issued an order granting the waiver request.

**WRU-2012-0002-0156 MIDAMERICAN  
ENERGY COMPANY**

On February 21, 2012, MEC requested a waiver of the rate case filing requirements for rate case expense and advertising costs. In support of its waiver request, MEC said that its rate increase filing was designed only to recover incremental coal and coal transportation costs along with environmental costs through two adjustment clauses. MEC was not seeking to recover advertising costs or rate case expense and noted that while its 2011 test year shows a revenue deficiency of \$153.8 million, it was only seeking to recover \$38.7 million in temporary and final rates in 2012 and \$76 million in final rates in 2013. No objections or responses to the waiver request were filed. On March 16, 2012, the Board issued an order granting the waiver request.

**WRU-2012-0003-4081 IOWA  
TELECOMMUNICATIONS ASSOCIATION**

On February 29, 2012, the ITA filed a request to waive the Board's rule at 199 IAC 39.6(3), regarding annual certifications filed by Eligible Telecommunications Carriers. On March 21, 2012, the Board granted the waiver request because the existing certification form included in the Board's rules was based on previous Federal Communications Commission requirements

and does not correspond to the FCC's revised requirements.'

**WRU-2012-0004-4273 UNIVERSAL  
UTILITIES, INC.**

On March 7, 2012, Universal requested a waiver of 199 IAC 21.3(1)"b" to sub-meter service to a mobile home park in Davenport. Universal stated it had been requested to install individual meters and to bill each tenant individually for water and sewer service at the mobile home park. It also stated that the master meter would continue to be maintained and billed by the City of Davenport and Iowa-American Water Company. Universal said the purpose of the sub-metering is to reduce water waste and to ensure each individual pays for his or her water consumption. On May 31, 2012, the Board granted the waiver request on the condition that the utility only charge certain Board-approved rates to new residents who enter into a lease agreement with the owner and to current residents who enter into a new lease agreement with the owner. By limiting the application of the new rates for water service to those residents who enter into lease agreements after its approval, the Board ensured that residents who are currently paying for water service as an undefined part of their rent will not be charged twice for water service. In addition, the Board directed the utility not to use disconnection of water service as a means of rent collection.

**WRU-2012-0005 AMES MUNICIPAL  
ELECTRIC SYSTEM**

On March 12, 2012, the Board's administrative law judge (ALJ) issued a "Proposed Decision and Order Granting Franchises" (Proposed Decision) in Docket Nos. E-21988 and E-21989; the dockets involved an electric transmission line proposed by Ames Municipal Electric System. On March 27, 2012, the ALJ issued

an "Errata Order Modifying Proposed Decision and Order Granting Franchises." On April 25, 2012, Denise Albaugh and NDA Farms, LLC, asked for a limited waiver of an appeal deadline in the case. On May 10, 2012, the board issued an order which found that the waiver request was moot.

**WRU-2012-0006-0150 INTERSTATE POWER AND LIGHT COMPANY**

On April 30, 2012, IPL requested a two-year waiver extension of 199 IAC 20.9, the electric energy adjustment clause (EAC) rules related to flowing costs and credits associated with participation in wholesale markets operated by regional transmission organizations (RTOs) through the EAC for recovery. IPL said that it believed the benefits of Midwest Independent Transmission System Operator (MISO) participation justified extension of the waiver. On May 30, 2012, the Board granted the waiver request for a two-year extension effective until June 30, 2014. The Board stated the EAC waiver remained the most appropriate means to ensure that any MISO benefits accrued on a timely basis to IPL's ratepayers and that markets continue to change and evolve, making a rule making impractical.

**WRU-2012-0007-0272 QWEST CORPORATION D/B/A CENTURYLINK**

On June 6, 2012, CenturyLink filed a request for a waiver of the number utilization threshold requirements for the Iowa City rate center. On July 3, 2012, the Board issued an order granting the waiver request.

**WRU-2012-0008-0263 WINDSTREAM IOWA COMMUNICATIONS, INC.**

On June 27, 2012, Windstream Iowa requested a waiver of the number utilization threshold requirements for the Gravity rate

center. On July 12, 2012, the Board granted the waiver request because Windstream Iowa had demonstrated that it could not meet its specific need for numbers with its existing inventory of numbers.

**WRU-2012-0009-0272 QWEST CORPORATION D/B/A CENTURYLINK**

On July 17, 2012, CenturyLink filed a request for a waiver of the number utilization threshold requirements for the Ankeny rate center. On July 30, 2012, the Board issued an order granting the waiver request.

**WRU-2012-0010-0150 INTERSTATE POWER AND LIGHT COMPANY**

On August 7, 2012, IPL filed a request for waiver of 199 IAC 14.4(2), which provides that filings made in proceedings initiated before the effective date of the electronic filing requirement shall comply with all board rules regarding paper filings and number of copies provided, unless the Board orders otherwise. IPL asked that it and NextEra Duane Arnold, LLC be allowed to file an amendment electronically in Docket No. SPU-2005-0015. On August 8, 2012, the Board issued an order granting the waiver request.

**WRU-2012-0011-0263 WINDSTREAM IOWA COMMUNICATIONS, INC.**

On October 10, 2012, Windstream filed a request for a waiver of the number utilization threshold requirements for the Rockwell City rate center. On October 22, 2012, the Board issued an order granting the waiver request.

**WRU-2012-0012-0150 INTERSTATE POWER AND LIGHT COMPANY**

On November 2, 2012, IPL filed a request for waiver of certain portions of 199 IAC 24.7(7), which provides that notice of an informational meeting for a proposed

generating facility shall be published in a newspaper of general circulation in each county containing a portion of the proposed impact area at least one week prior to the time set for the informational meeting. IPL said that the site impact area for the proposed facility is in Marshall and Tama counties, but that the notice was timely published only in Tama County. The Board's order issued on September 11, 2012, approving the date, time, and location of the informational meeting also specified that the notice of the meeting was to be published in newspapers of general circulation in Marshall and Tama counties. IPL asked that the 199 IAC 24.7(7) be waived so that another informational meeting would not have to be held. On November 9, 2012, the Board issued an order granting the waiver. The Board stated that application of the rule and requiring another informational meeting would place

an undue hardship on IPL by pushing back its proposed construction schedule, which could also increase costs to customers if the facility is approved. Also, the informational meeting was well-attended, indicating that area residents were aware of the meeting from various sources, including timely publication of the notice in three area newspapers and significant coverage in other media, such as television, radio, and IPL's Website.

**WRU-2012-0013-0150 INTERSTATE  
POWER AND LIGHT COMPANY**

On December 19, 2012, IPL filed a request for a waiver of the Board's directive to file an annual operating plan in a June 24, 2009, decision in Docket No. EEP-2008-0001. The docket is pending.

## FEDERAL AGENCY PROCEEDINGS

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### FEDERAL ENERGY REGULATORY COMMISSION (FERC)

#### **ELECTRICITY**

The Iowa Utilities Board (IUB) is a member of the Organization of MISO States (OMS), a non-profit, self-governing organization of representatives from each state with regulatory jurisdiction over entities participating in the Midwest Independent Transmission System Operator (MISO), a regional transmission organization (RTO) as defined by the Federal Energy Regulatory Commission (FERC). MISO operations cover 11 states and the Canadian province of Manitoba. MidAmerican Energy Company and Interstate Power and Light Company participate as members of MISO. The purpose of the OMS is to coordinate regulatory oversight among the states, including recommendations to MISO, the MISO Board of Directors, the FERC, other relevant government entities, and state commissions as appropriate.

During 2012, the IUB participated in regional-level and national-level electricity discussions on a variety of electric issues including transmission planning and associated costs, reliability, and market operations. Through the OMS and as a separate party, the IUB participated in numerous filings before the FERC.

#### **NATURAL GAS**

The IUB participates in FERC dockets related to the interstate transportation of natural gas to Iowa end-users. During 2012, the Board was a party to a settlement in a rate reduction for Northern Border Pipeline Company customers. The IUB continues to monitor other FERC investigations concerning interstate pipeline company rates and services.

### FEDERAL COMMUNICATIONS COMMISSION (FCC)

#### **TELECOMMUNICATIONS**

The FCC is an independent United States government agency, charged with regulating interstate and international communications by radio, television, wire, satellite, and cable. The FCC solicits comments from interested parties on the dockets before it.

During 2012, the Iowa Utilities Board filed comments in one docket, expressing its view of the impact on Iowa. The docket concerned Sprint's petition to have the FCC declare that VoIP originated traffic cannot be subject to intrastate access tariffs. The Board found otherwise in its decision in Iowa Utilities Board Docket No. FCU-2010-0001.

IOWA COURTS

**City of Dubuque v. Iowa Utilities Board**  
**Dubuque County No. 01311 CVCV 057103**  
**(Docket No. DRU-2011-0001)**

On May 2, 2011, the City of Dubuque filed a petition for judicial review of the Board's declaratory order answering questions asked by Mediacom regarding the status of its cable television franchise in Dubuque. On March 29, 2012, the District Court issued a decision reversing the Board's order and remanding for a hearing. The Board appealed and oral argument before the Court of Appeals was held on December 5, 2012. The Court of Appeals decision is scheduled to be issued on January 9, 2013.

**Farmers Telephone Company of Riceville, Iowa, et al., v. Iowa Utilities Board**  
**Polk County Nos. CV-7993 and CV-8561**  
**(Docket No. FCU-07-2)**

On December 7, 2009, the Farmers Telephone Company of Riceville; the Farmers & Merchants Telephone Company of Wayland; Interstate 35 Telephone Company, d/b/a Interstate Communications Company; Dixon Telephone Company; and Reasnor Telephone Company, LLC, filed a petition for judicial review of a Board decision finding each company had engaged in access stimulation activities in violation of the terms of its tariff. The petitioners filed a second petition for judicial review on March 4, 2011, following issuance of the Board's order denying petitions for reconsideration. The matter was consolidated with Reasnor Telephone Co. v. Iowa Utilities Board; see that entry below for a summary of the case status as of December 31, 2012.

**Hawkeye Land Company v. ITC Midwest, LLC**  
**Franklin County No. LACV500854**  
**(Docket No. FCU-2009-0006)**

On October 20, 2011, Hawkeye filed a petition in Franklin County District Court naming ITC Midwest as defendant but related to a Board order concerning the appropriate payment to be made by ITC Midwest for rights to cross Hawkeye's property interest in a railroad crossing. The Board was served with the petition and filed a response but is not participating. A related judicial review proceeding was filed in Linn County, see below, in which the Board is an active participant.

**Hawkeye Land Company v. Iowa Utilities Board**  
**Linn County No. LACV73987**  
**(Docket No. FCU-2009-0006)**

On October 24, 2011, Hawkeye filed a petition for judicial review of a Board order determining the rights of ITC Midwest to construct and maintain electric transmission lines across railroad lines in which Hawkeye has an interest. On December 31, 2012, the District Court issued a decision affirming the Board's order. The time for further appeal has not yet run, so the matter is still pending.

**Hawkeye Land Company v. Franklin County Wind, LLC**  
**Supreme Court No. 1568**  
**(Docket No. FCU-2009-0006)**

This is a private action involving an electric transmission line crossing a railroad right-of-way. The Board filed a motion to file an amicus brief on September 24, 2012, which was granted on October 18, 2012. The page-proof amicus brief was filed on December 3, 2012; the matter is still pending.

**Kalona Cooperative Telephone Company v. Iowa Utilities Board**  
**Supreme Court No. 12-0119**  
**Polk County No. CV-8443**  
**(Docket No. TF-2009-0030)**

On December 10, 2010, Kalona filed a petition for judicial review of a Board order denying its request for permission to implement new intrastate exchange access service rates. On December 16, 2011, the District Court issued an order affirming the Board's decision. Kalona appealed and on October 31, 2012, the Court of Appeals issued a decision affirming the Board's order. No further appeals were filed.

**NDA Farms, LLC, and Denise Albaugh v. Iowa Utilities Board and Ames Municipal Electric Systems**  
**Polk County No. LACV9448**  
**(Docket Nos. E-21988, E-21989)**

On October 23, 2012, NDA Farms filed a petition for judicial review of a Board order granting Ames Municipal a franchise to construct a 161 kV electric transmission line. A briefing schedule has been established and oral argument is scheduled for February 22, 2013.

**NextEra Energy Resources, LLC, v. Iowa Utilities Board**  
**Supreme Court No. 10-2080**  
**Polk County No. CV-8054**  
**(Docket No. RPU-2009-0003)**

On January 13, 2010, NextEra filed a petition for judicial review of a Board decision setting ratemaking principles for up to 1,001 Megawatts of new wind turbine generating capacity for MidAmerican Energy Company. On November 16, 2010, the District Court issued a decision affirming the Board's order. On December 15, 2010, NextEra filed a notice of appeal and on June 8, 2012, the Supreme Court issued a decision affirming the Board's order.

**Office of Consumer Advocate v. Iowa Utilities Board**  
**Supreme Court No. 11-1184**  
**Polk County No. CV-8184**  
**(Docket No. C-2009-0194)**

On April 28, 2010, the OCA filed a petition for judicial review of a Board decision denying its request for formal proceedings to investigate a complaint of an unauthorized change in telecommunications service filed against Silv Communications, Inc. On June 30, 2011, the District Court issued a decision reversing the Board's order. The Board appealed and on April 25, 2012, the Court of Appeals issued a decision reversing the District Court and affirming the Board's order.

**Office of Consumer Advocate v. Iowa Utilities Board**

**Originally Polk County No. CV-8722**

**Transferred to Dubuque County and consolidated with No. CVCV 057192**

**(Docket Nos. E-21948, E-21949, E-21950, and E-21951)**

On July 1, 2011, the OCA filed a petition for judicial review of a Board order granting electric transmission line franchises to ITC Midwest, Inc. The petition was filed in Polk County District Court; however, another petition for judicial review of the same order was filed on June 30, 2011, in Dubuque County District Court (Turnis, et al., v. Iowa Utilities Board, Dubuque County No. CVCV 057192, see above). Ultimately, the Polk County action was transferred to Dubuque County and the matters were consolidated. See the above entry for a summary of the case status as of December 31, 2012.

**OWEGO Dairy, LLC, v. Iowa Utilities Board**

**Supreme Court No. 10-0357**

**Polk County No. CV-7788**

**(Docket Nos. C-09-55, FCU-2012-0009)**

On July 17, 2009, OWEGO filed a petition for judicial review of a Board decision denying its request for formal proceedings to investigate a complaint regarding retail electric service rates. On January 29, 2010, the District Court issued a decision affirming, in part, and reversing, in part, the Board and remanding to the agency for further proceedings. Notice of appeal was filed by OWEGO and on February 9, 2011, the Court of Appeals issued a decision affirming the Board's decision to deny OWEGO's request for formal proceedings to compare rates of different utilities. OWEGO filed a renewed request to initiate formal proceedings on May 21, 2012, and on June 5, 2012, the matter was docketed as Docket No. FCU-2012-0009 and assigned to the administrative law judge.

**Reasnor Telephone Company v. Iowa Utilities Board**

**Supreme Court No. 11-1899**

**Polk County No. CV-7988**

**(Docket No. FCU-07-2)**

On December 4, 2009, Reasnor Telephone Company filed a petition for judicial review of a Board decision finding Reasnor had engaged in access stimulation activities in violation of the terms of its tariff. The matter was consolidated with the two cases that follow, The Farmers Tel. Co. of Riceville, Iowa, et al. v. Iowa Utilities Board, Polk County Nos. CV-7993 and CV-8561. On October 31, 2011, the District Court issued an order affirming the Board's decision. The petitioners appealed that decision to the Iowa Court of Appeals; briefs have been filed and oral argument is scheduled for January 16, 2013.

**Sprint Communications Co. L.P. v. Iowa Utilities Board**

**Polk County No. CV8638**

**(Docket No. FCU-10-1)**

On April 25, 2011, Sprint filed a petition for judicial review of a Board order finding that intrastate Voice over Internet Protocol (VoIP) interexchange telephone calls are subject to intrastate access charges. Sprint also filed a motion for a stay of the state court proceedings, pending the outcome of a companion case in federal court (Sprint v. IUB, U.S. District Court

No. 11-CV-183, see below). The Board resisted the motion for stay and filed a motion for abstention in the federal court, which was granted. A briefing schedule has been established and oral argument before the District Court is scheduled for March 8, 2013.

**SZ Enterprises, LLC, d/b/a Eagle Point Solar, v. Iowa Utilities Board**  
**Polk County No. CV9166**  
**(Docket No. DRU-2012-0001)**

On May 11, 2012, Eagle Point Solar filed a petition for judicial review of a Board declaratory order finding that Eagle Point Solar would be a public utility under Iowa law if it sold electricity to numerous end-user customers. Briefs have been filed and oral argument before the Polk County District Court is scheduled for January 18, 2013.

**Turnis, et al., v. Iowa Utilities Board**  
**Dubuque County No. CVCV 057192**  
**(Docket Nos. E-21948, E-21949, E-21950, and E-21951)**

On June 30, 2011, Clarence J. Turnis and a number of other owners of property that would be affected by a proposed new electric transmission line filed a petition for judicial review of a Board order granting franchises for the line to ITC Midwest, Inc. This matter was consolidated with Office of Consumer Advocate v. Iowa Utilities Board (originally Polk Co. No. CV-8722). On July 20, 2012, the District Court issued an order affirming the Board. No further review was sought.

FEDERAL COURT

**Great Lakes Communication Corporation and Superior Telephone Cooperative v. Iowa Utilities Board, et al.**

**U.S. District Court for the Northern District of Iowa, No. C 09-4085**  
**(Docket No. FCU-07-2)**

On November 3, 2009, Great Lakes and Superior filed a complaint challenging a Board decision finding the companies had engaged in access stimulation activities in violation of the terms of their tariffs. A temporary restraining order was entered and then, on December 4, 2009, vacated. A motion to dismiss or transfer was filed on December 11, 2009. The matter was stayed pending the outcome of a state court judicial review proceeding involving the same Board order, Reasnor Tel. Co. v. IUB, Polk County No. CV7988, see above.

**Qwest Communications Corp. v. Iowa Utilities Board**  
**U.S. District Court for the Southern District of Iowa, No. 11-CV-333**  
**(Docket No. FCU-06-20)**

On July 15, 2011, Qwest filed a petition challenging a Board order in a remanded proceeding finding that Qwest's DC power plant charges to McLeodUSA Telecommunications were discriminatory and resulted in overcharges. In April 2012 the case was settled and dismissed.

**Sprint Communications Co. L.P. v. Iowa Utilities Board**  
**U.S. Supreme Court No. 12-815**  
**Eighth Circuit Court of Appeals No. 11-2984**  
**U.S. District Court for the Southern District of Iowa, No. 11-CV-183**  
**(Docket No. FCU-10-1)**

On April 25, 2011, Sprint filed a petition challenging a Board order finding that intrastate Voice over Internet Protocol (VoIP) interexchange telephone calls are subject to intrastate access charges. The Board filed a motion for abstention, arguing Sprint's challenge should be heard in the companion state court proceedings (Sprint v. IUB, Polk County No. CV8638, see above). The Board's motion was granted by order issued August 1, 2011. Sprint appealed the District Court's order to the Eighth Circuit, which issued a decision generally affirming the District Court abstention and staying the District Court action, on September 24, 2012. Sprint filed a motion for extension of time to file a petition for writ of certiorari with the United States Supreme Court, which was granted, so any such petition is now due on January 2, 2013.

## ASSESSMENTS

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### REMAINDER ASSESSMENTS FOR FISCAL YEAR 2012

#### **Fiscal Year 2012 Expenditures**

Utilities Division	\$8,662,013.17
Indirect Expenses	\$20,363.00
<b>Total Assessable Base</b>	<b>\$8,682,376.17</b>

#### **Fiscal Year 2012 Reimbursements**

Direct Assessment	\$832,886.34
Annual Pipeline Assessments <sup>6</sup>	\$0.00
Federal Support (collected FY2012)	\$143,903.00
Intra-State Transfers	\$115,775.15
Intra-State Reimbursements	\$0.00
Misc. Adjustments and Assessments	\$24,364.38
<b>Total Reimbursements</b>	<b>\$1,116,928.87</b>

**Fiscal Year 2012 Remainder Base** **\$7,565,447.30**

#### **Breakdown of Remainder FY 2012**

Industry Charges - Allocated to All Industries	\$4,363,420.28
Industry Charges - Electric	\$1,683,744.16
Industry Charges - Gas	\$415,227.69
Industry Charges - Telephone	\$1,099,893.33
Industry Charges - Water	\$3,161.84
<b>Total Industry Allocated</b>	<b>\$7,565,447.30</b>

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<sup>6</sup> The calculation of the FY2012 remainder assessment inadvertently did not include \$27,477.50 in annual pipeline assessments. This will be adjusted in the FY2013 calculation.

2010 UTILITY REVENUES AND 2012 ASSESSMENTS

<i>Investor-Owned (Rate-Regulated)</i>	<b>2010 Revenues</b>	<b>2012 Assessments</b>
Water Companies	\$32,749,762	\$32,534.50
Electric Companies	\$2,916,650,398	\$4,031,371.74
Rural Electric Cooperatives	\$42,790,981	\$59,145.36
Gas Companies	\$1,077,317,882	\$1,368,264.00
<b>Subtotal</b>	<b>\$4,069,509,023</b>	<b>\$5,491,315.60</b>

*Telephone*

Telephone Companies	\$500,544,734	\$1,324,358.04
<b>Subtotal</b>	<b>\$500,544,734</b>	<b>\$1,324,358.04</b>

*Non-Rate-Regulated*

Municipal Electric Companies	\$463,979,334	\$320,654.32
Municipal Gas Companies	\$70,027,830	\$44,469.94
Rural Electric Cooperatives (Gas)	\$663,337	\$421.24
Rural Electric Cooperatives (Electric)	\$555,969,170	\$384,228.16
<b>Subtotal</b>	<b>\$1,090,639,671</b>	<b>\$749,773.66</b>

<b>Grand Total</b>	<b>\$5,660,693,428</b>	<b>\$7,565,447.30</b>
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**Assessment Rates:**

*Rate-Regulated*

Water Utilities:	\$ .00099 Or \$0.99 Per \$1,000 Of Assessable Revenue
Electric Utilities:	\$ .00138 Or \$1.38 Per \$1,000 Of Assessable Revenue
Gas Utilities:	\$ .00127 Or \$1.27 Per \$1,000 Of Assessable Revenue
Telephone Utilities:	\$ .00265 Or \$2.65 Per \$1,000 Of Assessable Revenue

*Non-Rate-Regulated*

Electric Utilities:	\$ .00069 Or \$0.69 Per \$1,000 Of Assessable Revenue
Gas Utilities:	\$ .00064 Or \$0.64 Per \$1,000 Of Assessable Revenue

## DIRECT ASSESSMENTS

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<b>Company</b>	<b>FY 2012 Direct Assessments</b>
<b><i>Electric Industry</i></b>	
Access Energy Cooperative	\$76.29
Allamakee-Clayton Electric Cooperative, Inc.	\$305.18
Alta Municipal Utilities	\$2,345.38
Ames Municipal Electric System	\$65,993.60
Butler County Rural Electric Cooperative	436.47
Central Iowa Power Cooperative	\$25,260.22
Chariton Valley Electric Cooperative, Inc.	\$1,129.91
Clarke Electric Cooperative	\$152.58
Consumers Energy Cooperative	\$152.59
Corn Belt Power Cooperative	\$4,839.48
Dairyland Power Cooperative	\$7,496.65
East-Central Iowa Rural Electric Cooperative	\$133.52
Eastern Iowa Light & Power Cooperative	\$76.29
Heartland Power Cooperative	\$286.09
Interstate Power & Light Company Electric	\$105,821.42
Iowa Lakes Electric Cooperative	\$324.25
ITC Midwest LLC	47,245.75
Kalona Cooperative Telephone Company	\$12,790.76
L&O Power Coop	\$621.64
Linn County Rural Electric Cooperative	\$2,771.97
Lyon Rural Electric Cooperative	\$152.59
MidAmerican Energy Company Electric	\$167,205.52
North West Rural Electric Cooperative	\$152.59
Northeast Missouri Electric Power	\$4,933.38
Northwest Iowa Power Cooperative	\$11,654.03
Raccoon Valley Electric Cooperative	\$152.58
Western Iowa Power Cooperative	\$495.89
Woodbury County Rural Electric Cooperative	\$114.45
<b>Subtotal</b>	<b>\$463,121.07</b>
<b><i>Gas Industry</i></b>	
Ag Processing	\$390.42
Black Hills Energy	\$23,146.59
Cedar Falls Utilities	\$932.15
Interstate Power & Light Company Gas	\$66,325.14

<b>Company</b>	<b>FY 2012 Direct Assessments</b>
Jo-Carroll Energy	\$434.22
Liberty Utilities f/k/a Amos Energy	\$21,337.55
MidAmerican Energy Company Gas	\$47,376.15
North Iowa Community Growth Pipeline LLC	\$1,493.96
<b>Subtotal</b>	<b>\$161,436.18</b>

***Telephone Industry***

Access One Inc.	\$848.50
Alliance Communications Cooperative Inc.	\$1,151.75
CenturyLink QC	\$5,407.69
dishNET Wireline LLC	\$1,260.69
Frontier Communications of Iowa Inc.	\$185.32
IGL Teleconnect	\$768.24
Liberty Communications	\$247.08
Matrix Telecom Inc.	\$853.60
Mid-Iowa Telecom LLC	\$1,805.12
Nextlink Wireless LLC	\$844.89
OmniTel Communications	\$10,763.93
Onvoy Inc.	\$1,066.40
PAETEC Business Services	\$152.58
Primecast	7,002.38
Spectrotel Inc.	\$6,071.86
SpeedConnect LLC	1,399.17
Sprint Communications Company L.P.	\$247.08
TW Telecom of Iowa LLC	\$1,155.72
Wholesale Carrier Services Inc.	\$3,750.85
Wide Voice LLC	\$1,336.27
Windstream Iowa Communications	\$2,951.12
<b>Subtotal</b>	<b>\$49,270.24</b>

***Water Industry***

Iowa-American Water Company	\$22,639.99
<b>Subtotal</b>	<b>\$22,639.99</b>

Adjustment to Remainder Assessment*	\$136,418.86
<b>Grand Total</b>	<b>\$832,886.34</b>

\*The FY2012 Direct Assessment Total includes several voided invoices and an accounting error that will require an adjustment to the FY2013 Remainder Assessment.

REMAINDER ASSESSMENTS

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RATE REGULATED UTILITIES

	Calendar 2010 Revenues	FY 2012 Remainder Assessments
<i>Investor-Owned Water Companies</i>		
Iowa-American Water Company	\$32,749,762	\$32,534.50
<b>Subtotal</b>	<b>\$32,749,762</b>	<b>\$32,534.50</b>
<i>Investor-Owned Electric Companies</i>		
Interstate Power and Light Company	\$1,334,302,887	\$1,844,263.17
MidAmerican Energy Company	\$1,582,347,511	\$2,187,108.57
<b>Subtotal</b>	<b>\$2,916,650,398</b>	<b>\$4,031,371.74</b>
<i>Regulated REC</i>		
Linn County Rural Electric Cooperative	\$42,790,981	\$59,145.36
<b>Subtotal</b>	<b>\$42,790,981</b>	<b>\$59,145.36</b>
<i>Investor-Owned Gas Companies</i>		
Interstate Power and Light Company	\$259,706,844	\$329,844.64
MidAmerican Energy Company	\$654,458,699	\$831,205.24
Atmos Energy Corporation	\$4,536,475	\$5,761.62
Black Hills Energy	\$158,615,864	\$201,452.50
<b>Subtotal</b>	<b>\$1,077,317,882</b>	<b>\$1,368,264.00</b>
<i>Telephone Companies</i>		
Ace Telephone Association	\$690,923	\$1,828.07
Advanced Network Communications, L.L.C.	\$249,568	\$660.32
Algona Municipal Utilities	\$1,085,547	\$2,872.18
Alpine Communications L.C.	\$2,831,432	\$7,491.50
Alta Muni Broadband Com Util. d/b/a Altatec	\$168,099	\$444.76
Andrew Telephone Company, Inc.	\$94,941	\$251.20
Arcadia Telephone Coop.	\$62,899	\$166.42
AT&T Communications of the Midwest, Inc.	\$1,344,625	\$3,557.65
Atkins Telephone Company, Inc.	\$296,324	\$784.02
Ayrshire Farmers Mutual Telephone Company	\$132,169	\$349.70
Baldwin Nashville Telephone Company	\$66,403	\$175.69
Bernard Telephone Company, Inc.	\$311,484	\$824.13

	<b>Calendar 2010 Revenues</b>	<b>FY 2012 Remainder Assessments</b>
Breda Tele. Corp. d/b/a Western IA Networks	\$518,812	\$1,372.69
Brooklyn Mutual Telecommunications Coop.	\$416,731	\$1,102.60
BTC, Inc. d/b/a Western Iowa Networks	\$855,312	\$2,263.01
BullsEye Telecom, Inc.	\$472,591	\$1,250.40
Butler-Bremer Communications	\$444,911	\$1,177.16
Cascade Telephone Company	\$717,665	\$1,898.82
Casey Mutual Telephone Company	\$127,202	\$336.56
Cedar Communications, L.L.C.	\$56,493	\$149.47
Central Scott Telephone Company	\$1,838,603	\$4,864.64
CenturyTel of Postville, Inc.	\$285,748	\$756.04
Citizens Mutual Telephone Cooperative	\$1,544,651	\$4,086.89
Citizens Telecomm. Co. of Minnesota, LLC	\$125,595	\$332.30
City of Hawarden d/b/a HITEC	\$389,696	\$1,031.07
Clarence Telephone Company, Inc.	\$418,773	\$1,108.00
Clear Lake Ind. Telephone Company	\$1,413,793	\$3,740.66
C-M-L Telephone Coop. Association	\$167,781	\$443.92
Colo Telephone Company	\$159,196	\$421.21
CommChoice of Iowa, LLC	\$453,093	\$1,198.81
Communications 1 Network, Inc.	\$453,612	\$1,200.18
Coon Creek Telecommunications Corp	\$491,080	\$1,299.32
Coon Creek Telephone Company	\$184,738	\$488.79
Coon Rapids Municipal Communication	\$194,151	\$513.69
Coon Valley Coop. Telephone Assn., Inc.	\$159,689	\$422.51
Cooperative Telephone Company	\$408,191	\$1,080.01
Cooperative Telephone Exchange	\$97,167	\$257.09
Cordia Communications Corp.	\$59,812	\$158.25
Corn Belt Telephone Company, Inc.	\$124,596	\$329.66
Cox IA Telcom, LLC d/b/a Cox Comm., Inc.	\$6,723,823	\$17,790.12
Crystal Comm., Inc. d/b/a Hickory Tech	\$522,735	\$1,383.07
CS Technologies, Inc.	\$334,974	\$886.29
Cumberland Telephone Company	\$68,663	\$181.67
Danville Mutual Telephone Company	\$256,591	\$678.90
Digital Telecommunications, Inc.	\$471,795	\$1,248.29
Dixon Telephone Company	\$122,994	\$325.42
Dumont Telephone Company	\$682,110	\$1,804.75
Dunkerton Telephone Coop.	\$219,101	\$579.70
East Buchanan Telephone Coop.	\$476,026	\$1,259.49
Ellsworth Coop. Telephone Association	\$56,140	\$148.54

	<b>Calendar 2010 Revenues</b>	<b>FY 2012 Remainder Assessments</b>
F&B Communications, Inc.	\$717,412	\$1,898.15
Farmers & Merchants Mutual Telephone Co.	\$706,643	\$1,869.66
Farmers Cooperative Telephone Company	\$328,391	\$868.87
Farmers Mutual Coop. Tele. Co. of Harlan	\$1,299,109	\$3,437.23
Farmers Mutual Coop. Telephone Company	\$166,819	\$441.38
Farmers Mutual Tele. Co. of Nora Springs	\$1,265,907	\$3,349.38
Farmers Mutual Tele. Coop of Shellsburg	\$682,082	\$1,804.68
Farmers Mutual Telephone Co. of Stanton	\$556,406	\$1,472.16
Farmers Mutual Telephone Company	\$590,653	\$1,562.77
Farmers Telephone Co. of Nora Springs	\$556,472	\$1,472.33
Farmers Telephone Company of Batavia	\$91,695	\$242.61
Farmers Telephone Company of Essex	\$178,552	\$472.42
Fenton Coop. Telephone Company	\$95,854	\$253.61
FiberComm, L.L.C.	\$3,141,576	\$8,312.09
First Communications, L.L.C.	\$508,176	\$1,344.55
Frontier Communications of Iowa, Inc.	\$15,942,773	\$42,181.92
Goldfield Access Network, L.C.	\$883,096	\$2,336.53
Goldfield Telephone Company	\$195,938	\$518.42
Grand Mound Communications Company	\$146,063	\$386.46
Grand Mound Cooperative Telephone Assn.	\$208,939	\$552.82
Grand River Mutual Telephone Corp.	\$1,901,921	\$5,032.17
Granite Telecommunications, LLC	\$2,830,032	\$7,487.79
Great Lakes Communication Corp.	\$807,383	\$2,136.20
Griswold Coop. Telephone Company	\$682,843	\$1,806.69
Grundy Center Municipal Utilities	\$155,823	\$412.28
Guthrie Telecommunications Network, Inc.	\$225,304	\$596.12
Harlan Municipal Utilities	\$132,202	\$349.78
Hawkeye Telephone Company	\$138,684	\$366.93
Heart of Iowa Communications Cooperative	\$1,201,627	\$3,179.30
Heart of Iowa Ventures, LLC	\$378,394	\$1,001.17
Hickory Tech	\$3,815,944	\$10,096.35
Hills Telephone Company, Inc.	\$460,933	\$1,219.55
Hospers Telephone Exchange Inc.	\$437,454	\$1,157.43
Hubbard Cooperative Telephone Assn.	\$238,939	\$632.19
Huxley Communications Cooperative	\$439,242	\$1,162.16
IAMO Telephone Company	\$99,310	\$262.76
ImOn Communications, LLC	\$2,475,867	\$6,550.73
Independence Telecommunications Utility	\$400,315	\$1,059.17

	<b>Calendar 2010 Revenues</b>	<b>FY 2012 Remainder Assessments</b>
Independent Networks, L.C.	\$132,700	\$351.10
iNetworks Group, Inc.	\$52,716	\$139.48
Internet Solver, Inc.	\$80,684	\$213.48
Interstate 35 Telephone Company, Inc.	\$377,100	\$997.74
Ionex Communications North, Inc.	\$67,983	\$179.87
Iowa Network Services, Inc.	\$6,625,903	\$17,531.04
Jefferson Telephone Company	\$860,736	\$2,277.36
Jordan Soldier Valley Coop. Telephone Co.	\$174,706	\$462.24
Kalona Coop. Telephone Company	\$754,703	\$1,996.82
Keystone Farmers Coop. Telephone Co.	\$476,778	\$1,261.48
Knology, Inc. f/k/a PrairieWave Tele., Inc.	\$603,906	\$1,597.83
La Motte Telephone Company, Inc.	\$246,857	\$653.14
La Porte City Telephone Company	\$631,955	\$1,672.05
Laurens Municipal Broadband Comm. Utility	\$124,931	\$330.55
Lehigh Valley Coop. Telephone Assn.	\$247,912	\$655.93
Lenox Municipal Communications Utilities	\$69,015	\$182.60
LISCO Corporation	\$1,095,940	\$2,899.67
Local Long Distance, L.C.	\$228,204	\$603.79
Lone Rock Cooperative Telephone Company	\$85,324	\$225.75
Long Lines Metro, Inc.	\$516,677	\$1,367.04
Lost Nation Elwood Telephone Company	\$371,675	\$983.39
Louisa Communications, L.C.	\$348,796	\$922.86
Mabel Cooperative Telephone Company	\$76,090	\$201.32
Mahaska Communication Group, LLC	\$1,336,963	\$3,537.38
Manning Municipal Comm. & Television	\$119,729	\$316.78
Mapleton Comm. Management Agency	\$166,327	\$440.07
Marne & Elk Horn Telephone Company	\$472,025	\$1,248.90
Martelle Coop. Telephone Assn.	\$74,727	\$197.72
Massena Telephone Company Inc.	\$160,887	\$425.68
Matrix Telecom, Inc.	\$62,832	\$166.24
MCC Telephony of IA, Inc. d/b/a MediaCom	\$7,736,721	\$20,470.08
MCImetro Access Trans. Services, LLC	\$1,177,004	\$3,114.16
McLeodUSA Telecomm. Services, Inc.	\$10,259,883	\$27,145.94
Mechanicsville Telephone Company	\$218,479	\$578.06
Mediapolis Telephone Company	\$641,867	\$1,698.27
Metropolitan Telecomm. of Iowa, Inc.	\$252,687	\$668.57
Miles Cooperative Telephone Association	\$135,956	\$359.72
Minburn Telecommunications, Inc.	\$289,650	\$766.37

	<b>Calendar 2010 Revenues</b>	<b>FY 2012 Remainder Assessments</b>
Minburn Telephone Company	\$152,176	\$402.63
Minerva Valley Telephone Company, Inc.	\$277,954	\$735.42
Modern Coop. Telephone Company	\$162,027	\$428.70
Mutual Telephone Co. d/b/a Premier Comm.	\$2,039,617	\$5,396.49
Mutual Telephone Company of Morning Sun	\$176,925	\$468.11
NexGen Integrated Communications, L.L.C.	\$225,861	\$597.59
North English Cooperative Telephone Co.	\$174,077	\$460.58
Northeast Iowa Telephone Company	\$460,774	\$1,219.13
Northern Iowa Telephone Company	\$824,532	\$2,181.57
Northstar Telecom, Inc.	\$208,207	\$550.88
Northwest Iowa Telephone Company	\$2,002,941	\$5,299.45
Northwest Telephone Coop. Assn.	\$746,466	\$1,975.02
Ogden Telephone Company	\$465,995	\$1,232.95
Olin Telephone Company, Inc.	\$210,591	\$557.19
OmniTel Communications	\$489,074	\$1,294.01
Onslow Coop. Telephone Association	\$51,172	\$135.39
Oran Mutual Telephone Company	\$62,845	\$166.28
Orange City Communications, L.L.P.	\$711,392	\$1,882.22
OrbitCom, Inc.	\$895,842	\$2,370.25
Osage Municipal Communications Utility	\$281,584	\$745.02
Palmer Mutual Telephone Company	\$163,799	\$433.38
Palo Coop. Telephone Assn.	\$142,045	\$375.83
Panora Coop. Telephone Assn., Inc.	\$549,386	\$1,453.58
Partners Communications Cooperative	\$1,393,835	\$3,687.86
Peoples Telephone Co. d/b/a NU-Telecom	\$250,098	\$661.72
Prairie Telephone Company, Inc.	\$422,235	\$1,117.16
Prairieburg Telephone Company, Inc.	\$73,893	\$195.51
Preferred Long Distance, Inc.	\$775,342	\$2,051.43
Premier Communications, Inc.	\$634,838	\$1,679.68
Preston Telephone Company	\$480,150	\$1,270.40
Qwest Corporation d/b/a CenturyLink	\$263,460,527	\$697,072.69
Radcliffe Telephone Company, Inc.	\$129,739	\$343.27
Readlyn Telephone Company	\$235,809	\$623.91
Reinbeck Municipal Telecomm. Utility	\$142,827	\$377.90
Ringsted Telephone Company	\$146,822	\$388.47
River Valley Telecommunications Coop.	\$451,782	\$1,195.34
Rockwell Cooperative Telephone Assn.	\$159,567	\$422.19
Royal Telephone Company	\$121,271	\$320.86

	<b>Calendar 2010 Revenues</b>	<b>FY 2012 Remainder Assessments</b>
Sac County Mutual Telephone Company	\$413,899	\$1,095.11
Schaller Telephone Company	\$796,375	\$2,107.08
Scranton Telephone Company	\$148,503	\$392.91
Sharon Telephone Company	\$392,347	\$1,038.08
Shell Rock Communications, Inc.	\$173,329	\$458.60
South Central Communications, Inc.	\$828,477	\$2,192.01
South Slope Cooperative Telephone Co., Inc.	\$15,282,560	\$40,435.12
Southwest Telephone Exchange, Inc.	\$354,867	\$938.92
Spencer Municipal Communications Utility	\$2,244,918	\$5,939.68
Springville Cooperative Telephone Assn., Inc.	\$322,342	\$852.86
Stratford Mutual Telephone Company	\$151,344	\$400.43
Sully Telephone Association	\$256,411	\$678.42
Swisher Telephone Company	\$672,450	\$1,779.19
Templeton Telephone Company	\$283,692	\$750.60
Terril Telephone Company	\$442,858	\$1,171.73
The Community Agency	\$399,480	\$1,056.96
Titonka Telephone Company	\$307,470	\$813.51
TouchTone Communications Inc.	\$71,165	\$188.29
Trans National Comm. International, Inc.	\$143,951	\$380.87
United Farmers Tele. Co. d/b/a Evertek, Inc.	\$340,785	\$901.66
Value-Added Communications, Inc.	\$153,078	\$405.02
Van Buren Telephone Company, Inc.	\$896,152	\$2,371.07
Van Horne Cooperative Telephone Company	\$179,384	\$474.62
Ventura Telephone Company, Inc.	\$87,475	\$231.44
Villisca Farmers Telephone Company Corp.	\$289,529	\$766.05
Walnut Telephone Company	\$519,037	\$1,373.29
Webb Dickens Telephone Corp.	\$169,831	\$449.34
Webster Calhoun Coop. Telephone Assn.	\$1,341,613	\$3,549.68
Wellman Cooperative Telephone Association	\$348,457	\$921.96
West Iowa Tele. Co. d/b/a WesTel Systems	\$1,671,516	\$4,422.55
West Liberty Tele. Co. d/b/a Liberty Comm.	\$903,577	\$2,390.71
Western Iowa Telephone Association	\$935,789	\$2,475.94
Westside Independent Telephone Company	\$158,570	\$419.55
Wilton Telephone Company	\$752,727	\$1,991.59
Windstream Iowa Communications	\$62,971,075	\$166,610.98
Windstream Iowa-Comm.	\$5,888,054	\$15,578.81
Windstream IT Comm, LLC	\$2,647,393	\$7,004.56
Windstream Montezuma,	\$522,133	\$1,381.48

	<b>Calendar 2010 Revenues</b>	<b>FY 2012 Remainder Assessments</b>
Windstream of the Midwest	\$201,477	\$533.07
Winnebago Coop. Telephone Association	\$3,004,563	\$7,949.57
Woolstock Mutual Telephone Assn.	\$60,108	\$159.04
Wyoming Mutual Telephone Company	\$171,107	\$452.72
<b>Telephone Subtotal</b>	<b>\$500,544,734</b>	<b>\$1,324,358.04</b>

*Non-Rate Regulated Utilities*

**Municipal Electric**

Afton	\$755,338	\$522.01
Akron	\$1,271,887	\$879.00
Algona	\$9,921,451	\$6,856.68
Alta	\$1,353,173	\$935.17
Alta Vista	\$200,391	\$138.49
Alton	\$877,848	\$606.68
Ames	\$52,900,878	\$36,559.50
Anita	\$825,059	\$570.20
Anthon	\$464,046	\$320.70
Aplington	\$630,512	\$435.74
Atlantic	\$7,908,187	\$5,465.32
Auburn	\$275,500	\$190.40
Aurelia	\$787,422	\$544.18
Bancroft	\$1,433,848	\$990.93
Bellevue	\$1,945,414	\$1,344.47
Bloomfield	\$2,966,624	\$2,050.22
Breda	\$359,120	\$248.19
Brooklyn	\$1,362,661	\$941.73
Buffalo	\$451,139	\$311.78
Burt	\$320,029	\$221.17
Callender	\$224,423	\$155.10
Carlisle	\$1,702,532	\$1,176.61
Cascade	\$1,642,239	\$1,134.95
Cedar Falls	\$52,550,542	\$36,317.48
Coggon	\$436,122	\$301.40
Coon Rapids	\$2,646,873	\$1,829.24
Corning	\$1,931,795	\$1,335.06
Corwith	\$316,310	\$218.60
Danville	\$701,628	\$484.89
Dayton	\$641,563	\$443.38

	<b>Calendar 2010 Revenues</b>	<b>FY 2012 Remainder Assessments</b>
Denison	\$8,852,049	\$6,117.62
Denver	\$948,209	\$655.30
Dike	\$538,212	\$371.96
Durant	\$1,738,788	\$1,201.67
Dysart	\$1,208,218	\$834.99
Earlville	\$506,993	\$350.38
Eldridge	\$4,672,835	\$3,229.38
Ellsworth	\$478,482	\$330.68
Estherville	\$5,057,714	\$3,495.37
Fairbank	\$699,124	\$483.16
Farnhamville	\$346,709	\$239.61
Fonda	\$418,174	\$289.00
Fontanelle	\$673,830	\$465.68
Forest City	\$5,266,907	\$3,639.94
Fredericksburg	\$1,518,017	\$1,049.10
Glidden	\$749,123	\$517.72
Gowrie	\$884,274	\$611.12
Graettinger	\$1,324,393	\$915.28
Grafton	\$157,733	\$109.01
Grand Junction	\$666,318	\$460.49
Greenfield	\$3,483,857	\$2,407.68
Grundy Center	\$2,365,506	\$1,634.79
Guttenberg	\$1,997,240	\$1,380.28
Harlan	\$6,390,337	\$4,416.34
Hartley	\$1,495,822	\$1,033.76
Hawarden	\$2,219,190	\$1,533.67
Hinton	\$733,199	\$506.71
Hopkinton	\$617,146	\$426.51
Hudson	\$1,290,690	\$891.99
Independence	\$7,325,875	\$5,062.88
Indianola	\$10,278,200	\$7,103.22
Keosauqua	\$1,326,357	\$916.64
Kimballton	\$193,831	\$133.96
La Porte City	\$1,568,732	\$1,084.14
Lake Mills	\$2,945,016	\$2,035.29
Lake Park	\$1,431,410	\$989.24
Lake View	\$1,625,654	\$1,123.48
Lamoni	\$2,295,918	\$1,586.70

	<b>Calendar 2010 Revenues</b>	<b>FY 2012 Remainder Assessments</b>
Larchwood	\$669,602	\$462.76
Laurens	\$2,192,221	\$1,515.04
Lawler	\$311,109	\$215.01
Lehigh	\$228,968	\$158.24
Lenox	\$1,677,716	\$1,159.46
Livermore	\$322,477	\$222.86
Long Grove	\$319,262	\$220.64
Manilla	\$679,016	\$469.27
Manning	\$1,998,796	\$1,381.36
Mapleton	\$1,041,625	\$719.86
Maquoketa	\$9,489,992	\$6,558.50
Marathon	\$168,862	\$116.70
McGregor	\$858,607	\$593.38
Milford	\$2,773,742	\$1,916.92
Montezuma	\$3,406,897	\$2,354.49
Mount Pleasant	\$8,293,704	\$5,731.75
Muscatine	\$43,073,971	\$29,768.29
Neola	\$398,361	\$275.31
New Hampton	\$3,644,074	\$2,518.41
New London	\$1,812,773	\$1,252.80
Ogden	\$1,659,161	\$1,146.64
Onawa	\$2,153,437	\$1,488.23
Orange City	\$7,311,876	\$5,053.21
Orient	\$224,641	\$155.25
Osage	\$5,806,854	\$4,013.09
Panora	\$1,098,531	\$759.19
Paton	\$185,012	\$127.86
Paullina	\$1,065,228	\$736.17
Pella	\$18,097,147	\$12,506.87
Pocahontas	\$2,053,039	\$1,418.85
Preston	\$887,868	\$613.60
Primghar	\$910,876	\$629.50
Readlyn	\$487,415	\$336.85
Remsen	\$1,163,789	\$804.29
Renwick	\$461,624	\$319.03
Rock Rapids	\$1,920,783	\$1,327.45
Rockford	\$768,316	\$530.98
Sabula	\$466,515	\$322.41

	<b>Calendar 2010 Revenues</b>	<b>FY 2012 Remainder Assessments</b>
Sanborn	\$2,106,264	\$1,455.63
Sergeant Bluff	\$2,445,977	\$1,690.41
Shelby	\$482,114	\$333.19
Sibley	\$2,544,996	\$1,758.84
Sioux Center	\$8,521,328	\$5,889.06
Spencer	\$10,158,661	\$7,020.61
Stanhope	\$278,716	\$192.62
Stanton	\$641,462	\$443.31
State Center	\$1,862,157	\$1,286.93
Story City	\$5,099,065	\$3,523.94
Stratford	\$566,975	\$391.83
Strawberry Point	\$975,059	\$673.86
Stuart	\$3,426,941	\$2,368.35
Sumner	\$1,404,071	\$970.35
Tipton	\$4,209,010	\$2,908.83
Traer	\$2,222,481	\$1,535.95
Villisca	\$923,127	\$637.97
Vinton	\$4,510,252	\$3,117.02
Wall Lake	\$840,268	\$580.71
Waverly	\$16,545,380	\$11,434.45
Webster City	\$11,384,864	\$7,868.04
West Bend	\$1,154,341	\$797.76
West Liberty	\$4,601,907	\$3,180.36
West Point	\$1,526,823	\$1,055.18
Westfield	\$87,757	\$60.65
Whittemore	\$389,102	\$268.91
Wilton	\$2,452,797	\$1,695.12
Winterset	\$4,954,562	\$3,424.08
Woodbine	\$1,212,905	\$838.23
Woolstock	\$271,449	\$187.60
<b>Municipal Electric Subtotal</b>	<b>\$463,979,334</b>	<b>\$320,654.32</b>
<b>Municipal Gas</b>		
Allerton	\$1,300,678	\$825.97
Alton	\$815,052	\$517.58
Bedford	\$538,419	\$341.91
Bloomfield	\$850,579	\$540.15
Brighton	\$298,686	\$189.68

	<b>Calendar 2010 Revenues</b>	<b>FY 2012 Remainder Assessments</b>
Brooklyn	\$670,064	\$425.51
Cascade	\$863,775	\$548.53
Cedar Falls	\$13,637,559	\$8,660.29
Clearfield	\$145,968	\$92.69
Coon Rapids	\$750,032	\$476.29
Corning	\$937,870	\$595.58
Emmetsburg	\$2,193,906	\$1,393.20
Everly	\$351,605	\$223.28
Fairbank	\$383,089	\$243.27
Gilmore City	\$936,427	\$594.66
Graettinger	\$374,661	\$237.92
Guthrie Center	\$1,461,703	\$928.23
Harlan	\$3,352,959	\$2,129.24
Hartley	\$695,820	\$441.87
Hawarden	\$1,248,078	\$792.57
Lake Park	\$692,879	\$440.00
Lamoni	\$702,062	\$445.83
Lenox	\$1,050,869	\$667.34
Lineville	\$86,706	\$55.06
Lorimor	\$160,933	\$102.20
Manilla	\$337,698	\$214.45
Manning	\$940,501	\$597.25
Mapleton	\$525,825	\$333.92
Montezuma	\$795,598	\$505.23
Morning Sun	\$338,969	\$215.26
Moulton	\$207,172	\$131.56
Orange City	\$3,164,039	\$2,009.27
Osage	\$2,805,222	\$1,781.41
Prescott	\$86,057	\$54.65
Preston	\$356,504	\$226.39
Remsen	\$817,102	\$518.89
Rock Rapids	\$1,127,618	\$716.07
Rolfe	\$396,728	\$251.94
Sabula	\$367,597	\$233.44
Sac City	\$1,214,936	\$771.52
Sanborn	\$1,426,122	\$905.63
Sioux Center	\$9,709,713	\$6,165.98
Tipton	\$1,476,593	\$937.68

	<b>Calendar 2010 Revenues</b>	<b>FY 2012 Remainder Assessments</b>
Titonka	\$325,709	\$206.84
Wall Lake	\$614,206	\$390.04
Waukee	\$4,817,666	\$3,059.38
Wayland	\$542,850	\$344.73
Wellman	\$579,511	\$368.01
West Bend	\$794,421	\$504.48
Whittemore	\$565,015	\$358.80
Winfield	\$593,520	\$376.90
Woodbine	\$600,559	\$381.37
<b>Municipal Gas Subtotal</b>	<b>\$70,027,830</b>	<b>\$44,469.94</b>
<b>REC Gas</b>		
Consumers Energy Gas	\$663,337	\$421.24
<b>REC Gas Subtotal</b>	<b>\$663,337</b>	<b>\$421.24</b>
<b>REC Electric</b>		
Access Energy Cooperative	\$22,570,801	\$15,598.59
Allamakee Clayton Elec. Coop., Inc.	\$15,735,324	\$10,874.62
Amana Society Service Company	\$7,867,805	\$5,437.41
Atchison Holt Electric Coop.	\$2,000,369	\$1,382.45
Boone Valley Electric Coop.	\$647,825	\$447.71
Butler County Rural Elec. Coop.	\$19,738,983	\$13,641.54
Calhoun County Electric Coop. Assn.	\$3,817,089	\$2,637.98
Cass Electric Cooperative	\$128,764	\$88.99
Central Iowa Power Cooperative (CIPCO)	\$5,187,260	\$3,584.90
Chariton Valley Electric Coop., Inc.	\$9,769,807	\$6,751.88
Clarke Electric Coop., Inc.	\$11,063,911	\$7,646.23
Consumers Energy	\$13,120,331	\$9,067.41
East-Central Iowa Rural Electric Coop.	\$20,529,008	\$14,187.52
Eastern Iowa Light & Power Cooperative	\$57,295,421	\$39,596.64
Farmers Elec. Coop., Inc. - Greenfield	\$12,137,131	\$8,387.92
Farmers Electric Cooperative - Kalona	\$2,650,610	\$1,831.83
Federated Rural Electric Assn.	\$50,610	\$34.98
Franklin Rural Electric Coop.	\$5,270,790	\$3,642.62
Freeborn-Mower Electric Coop.	\$12,197	\$8.43
Grundy County Rural Electric Coop.	\$5,996,379	\$4,144.07
Grundy Electric Cooperative, Inc.	\$399,972	\$276.42
Guthrie County Rural Elec. Coop. Assn.	\$13,509,848	\$9,336.60

	<b>Calendar 2010 Revenues</b>	<b>FY 2012 Remainder Assessments</b>
Harrison County Rural Electric Coop.	\$8,757,953	\$6,052.59
Hawkeye REC	\$20,795,260	\$14,371.52
Heartland Power Cooperative	\$21,307,592	\$14,725.59
Humboldt County Rural Electric Coop.	\$5,624,315	\$3,886.94
Iowa Lakes Electric Cooperative	\$49,579,080	\$34,263.91
Lyon Rural Electric Coop.	\$6,884,111	\$4,757.58
Maquoketa Valley Electric Cooperative	\$29,280,891	\$20,235.91
Midland Power Cooperative	\$31,462,658	\$21,743.72
Nishnabotna Valley Rural Elec. Coop.	\$13,135,825	\$9,078.12
Nobles Cooperative Electric Association	\$23,337	\$16.13
North West Rural Electric Coop.	\$36,357,996	\$25,126.87
Northwest Iowa Power Cooperative	\$2,309,512	\$1,596.09
Osceola Electric Cooperative, Inc.	\$4,399,592	\$3,040.54
Pella Cooperative Electric Association	\$6,155,124	\$4,253.78
Pleasant Hill Community Line	\$425,512	\$294.07
Prairie Energy Cooperative	\$19,110,089	\$13,206.91
Raccoon Valley Electric Cooperative	\$11,792,274	\$8,149.60
Southern Iowa Electric Coop., Inc.	\$12,431,115	\$8,591.10
Southwest Iowa Service Cooperative	\$11,437,888	\$7,904.68
T. I. P. Rural Electric Coop.	\$14,708,199	\$10,164.78
Tri-County Electric Cooperative	\$224,391	\$155.08
United Electric Cooperative, Inc.	\$1,156,509	\$799.26
Western Iowa Power Cooperative	\$11,156,808	\$7,710.43
Woodbury County Rural Electric Coop.	\$7,952,904	\$5,496.22
<b>REC Electric Subtotal</b>	<b>\$555,969,170</b>	<b>\$384,228.16</b>
<b>Grand Total</b>	<b>\$5,660,693,428</b>	<b>\$7,565,447.30</b>

## DUAL PARTY ASSESSMENTS

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Company Name	Iowa Local Exchange Gross Operating Revenues	Iowa Intrastate Interexchange Revenues	FY 2012 Local Exchange Assessments	FY 2012 Intrastate Interexchange Assessments
360networks (USA), Inc.	\$0	\$370,914	\$0.00	\$342.58
Ace Telephone Association	\$690,923	\$902,453	\$294.45	\$833.52
Advanced Integrated Technologies	\$0	\$81,978	\$0.00	\$75.72
Advanced Network Comm., LLC	\$249,568	\$110,222	\$106.36	\$101.80
Airespring, Inc.	\$0	\$174,244	\$0.00	\$160.94
Algona Municipal Utilities	\$1,085,547	\$0	\$462.62	\$0.00
Alliance Comm. Coop., Inc.	\$9,577	\$43,367	\$4.08	\$40.05
Alpine Communications L.C.	\$2,831,432	\$0	\$1,206.66	\$0.00
Alpine Long Distance, LC	\$0	\$393,732	\$0.00	\$363.66
Alta Municipal Broadband Communication Utility	\$168,099	\$56,562	\$71.64	\$52.24
Andrew Telephone Company, Inc.	\$94,941	\$3,401	\$40.46	\$3.14
Applewood Communications Corp.	\$0	\$66,907	\$0.00	\$61.80
Arcadia Telephone Cooperative	\$62,899	\$75,565	\$26.81	\$69.79
AT&T Comm. of the Midwest, Inc.	\$1,344,625	\$23,473,005	\$573.03	\$21,680.11
Atkins Telephone Company, Inc.	\$296,324	\$11,230	\$126.28	\$10.37
Ayrshire Farmers Mutual Tele. Co.	\$132,169	\$0	\$56.33	\$0.00
B & B Comm. Network, Inc.	\$0	\$89,035	\$0.00	\$82.23
Baldwin-Nashville Telephone Co.	\$66,403	\$12,920	\$28.30	\$11.93
BCN Telecom, Inc.	\$0	\$57,812	\$0.00	\$53.40
Bernard Telephone Company, Inc.	\$311,484	\$20,748	\$132.74	\$19.16
Breda Telephone Corporation	\$518,812	\$14,769	\$221.10	\$13.64
Broadband Dynamics, LLC	\$6,144	\$48,667	\$2.62	\$44.95
Broadwing Communications, LLC	\$0	\$70,309	\$0.00	\$64.94
Brooklyn Mutual Telecomm. Coop.	\$416,731	\$5,244	\$177.60	\$4.84
BTC, Inc.	\$855,312	\$217,657	\$364.50	\$201.03
BullsEye Telecom, Inc.	\$472,591	\$19,743	\$201.40	\$18.24
Butler Bremer Mutual Tele. Co.	\$444,911	\$443,142	\$189.61	\$409.29
Cascade Communications Company	\$717,665	\$73,447	\$305.84	\$67.84
Casey Mutual Telephone Company	\$127,202	\$8,516	\$54.21	\$7.87
Cedar Communications, L.L.C.	\$56,493	\$8,012	\$24.08	\$7.40
Central Scott Telephone Company	\$1,838,603	\$0	\$783.55	\$0.00
CenturyTel of Postville, Inc.	\$285,748	\$149,478	\$121.78	\$138.06
Citizens Communications Company	\$0	\$97,545	\$0.00	\$90.09

<b>Company Name</b>	<b>Iowa Local Exchange Gross Operating Revenues</b>	<b>Iowa Intrastate Interexchange Revenues</b>	<b>FY 2012 Local Exchange Assessments</b>	<b>FY 2012 Intrastate Interexchange Assessments</b>
Citizens Mutual Telephone Coop.	\$1,544,651	\$0	\$658.28	\$0.00
Citizens Telecomm. Co of Minn.	\$125,595	\$7,394	\$53.52	\$6.83
CL TEL Long Distance, Inc.	\$0	\$201,949	\$0.00	\$186.52
Clarence Telephone Company, Inc.	\$418,773	\$42,124	\$178.47	\$38.91
Clear Lake Independent Tele. Co.	\$1,413,793	\$766,531	\$602.51	\$707.98
C-M-L Telephone Coop. Assn.	\$167,781	\$62,248	\$71.50	\$57.49
Colo Telephone Company	\$159,196	\$25,638	\$67.84	\$23.68
CommChoice of Iowa, LLC	\$453,093	\$116,479	\$193.09	\$107.58
Communications 1 Network, Inc.	\$453,612	\$65,340	\$193.31	\$60.35
Coon Creek Telecomm., Corp.	\$491,080	\$50,994	\$209.28	\$47.10
Coon Creek Telephone Company	\$184,738	\$26,856	\$78.73	\$24.80
Coon Rapids Muni. Comm. Utility	\$194,151	\$128,254	\$82.74	\$118.46
Coon Valley Coop. Telephone Assn.	\$159,689	\$25,725	\$68.05	\$23.76
Cooperative Telephone Company	\$408,191	\$102,479	\$173.96	\$94.65
Cooperative Telephone Exchange	\$97,167	\$27,966	\$41.41	\$25.83
Cordia Communications Corp.	\$59,812	\$3,253	\$25.49	\$3.00
Corn Belt Communications, Inc.	\$24,838	\$31,356	\$10.59	\$28.96
Corn Belt Telephone Company	\$124,596	\$210,186	\$53.10	\$194.13
Cox Iowa Telcom, LLC Inc.	\$6,723,823	\$506,247	\$2,865.46	\$467.58
Crystal Communications, Inc. d/b/a HickoryTech	\$522,735	\$31,335	\$222.77	\$28.94
CS Technologies, Inc.	\$334,974	\$0	\$142.75	\$0.00
CST Communications, Inc.	\$0	\$54,755	\$0.00	\$50.57
Cumberland Telephone Company	\$68,663	\$17,742	\$29.26	\$16.39
Custom Teleconnect, Inc.	\$0	\$53,556	\$0.00	\$49.47
Danville Mutual Telephone Co.	\$256,591	\$34,776	\$109.35	\$32.12
Digital Telecommunications, Inc.	\$471,795	\$155,565	\$201.06	\$143.68
Dixon Telephone Company	\$122,994	\$2,438	\$52.42	\$2.25
DSI-ITI, LLC	\$0	\$105,499	\$0.00	\$97.44
Dumont Telephone Company	\$682,110	\$230,140	\$290.69	\$212.56
Dunkerton Telephone Cooperative	\$219,101	\$40,355	\$93.37	\$37.27
East Buchanan Telephone Coop.	\$476,026	\$86,477	\$202.87	\$79.87
Ellsworth Coop. Telephone Assn.	\$56,140	\$87,384	\$23.92	\$80.71
Encartele, Inc.	\$0	\$188,891	\$0.00	\$174.46
Ernest Communications, Inc.	\$0	\$240,375	\$0.00	\$222.01
Evertex, Inc.	\$0	\$62,233	\$0.00	\$57.48

<b>Company Name</b>	<b>Iowa Local Exchange Gross Operating Revenues</b>	<b>Iowa Intrastate Interexchange Revenues</b>	<b>FY 2012 Local Exchange Assessments</b>	<b>FY 2012 Intrastate Interexchange Assessments</b>
F&B Communications, Inc.	\$717,412	\$123,360	\$305.74	\$113.94
Farmers & Merchants Mutual Tele. Co.	\$706,643	\$77,744	\$301.15	\$71.81
Farmers Cooperative Telephone Co.	\$328,391	\$83,485	\$139.95	\$77.11
Farmers Mutual Coop Tel Company of Harlan	\$1,299,109	\$278,908	\$553.63	\$257.60
Farmers Mutual Coop Tel Company of Moulton	\$166,819	\$27,902	\$71.09	\$25.77
Farmers Mutual Telephone Company of Jesup	\$590,653	\$186,449	\$251.72	\$172.21
Farmers Mutual Telephone Company of Nora Springs	\$1,265,907	\$24,404	\$539.49	\$22.54
Farmers Mutual Telephone Company of Stanton	\$556,406	\$70,433	\$237.12	\$65.05
Farmers Mutual Telephone Cooperative of Shellsburg	\$682,082	\$134,244	\$290.68	\$123.99
Farmers Telephone Company of Batavia	\$91,695	\$10,135	\$39.08	\$9.36
Farmers Telephone Company of Essex	\$178,552	\$32,592	\$76.09	\$30.10
Farmers Telephone Company of Nora Springs	\$556,472	\$11,136	\$237.15	\$10.29
Fenton Cooperative Telephone Co.	\$95,854	\$18,304	\$40.85	\$16.91
FiberComm, L.C.	\$3,141,576	\$2,240	\$1,338.83	\$2.07
First Communications, L.L.C.	\$508,176	\$151,349	\$216.57	\$139.79
FMTC Long Distance	\$0	\$171,305	\$0.00	\$158.22
Frontier Communications of America, Inc.	\$0	\$2,827,656	\$0.00	\$2,611.68
Frontier Comm. of Iowa, Inc.	\$15,942,773	\$2,742,943	\$6,794.25	\$2,533.43
Global Crossing Telecomm., Inc.	\$0	\$193,479	\$0.00	\$178.70
Goldfield Access Network, L.C.	\$883,096	\$159,906	\$376.34	\$147.69
Goldfield Telephone Company	\$195,938	\$17,071	\$83.50	\$15.77
Grand Mound Communications Co.	\$146,063	\$5,294	\$62.25	\$4.89
Grand Mound Cooperative Telephone Association	\$208,939	\$16,988	\$89.04	\$15.69
Grand River Mutual Telephone Corporation	\$1,901,921	\$464,058	\$810.53	\$428.61
Granite Telecommunications, LLC	\$2,830,032	\$160,354	\$1,206.06	\$148.11
Great Lakes Communication Corp.	\$807,383	\$461,627	\$344.08	\$426.37
Griswold Cooperative Telephone Company	\$682,843	\$96,626	\$291.00	\$89.25
Grundy Center Comm. Utilities	\$155,823	\$155,265	\$66.41	\$143.41

<b>Company Name</b>	<b>Iowa Local Exchange Gross Operating Revenues</b>	<b>Iowa Intrastate Interexchange Revenues</b>	<b>FY 2012 Local Exchange Assessments</b>	<b>FY 2012 Intrastate Interexchange Assessments</b>
Guthrie Telecommunications Network, Inc.	\$225,304	\$89,998	\$96.02	\$83.12
Harlan Municipal Utilities	\$132,202	\$237,916	\$56.34	\$219.74
Hawarden, City of	\$389,696	\$72,839	\$166.07	\$67.28
Hawkeye Telephone Company	\$138,684	\$24,462	\$59.10	\$22.59
Heart of Iowa Communications Cooperative	\$1,201,627	\$478,571	\$512.09	\$442.02
Heart of Iowa Ventures, LLC	\$378,394	\$263,640	\$161.26	\$243.50
Heartland Telecommunications Company of Iowa	\$3,815,944	\$158,462	\$1,626.22	\$146.36
Hills Telephone Company, Inc.	\$460,933	\$614,070	\$196.43	\$567.17
Hospers Telephone Exchange Inc.	\$437,454	\$52,993	\$186.43	\$48.95
Hubbard Cooperative Telephone Association	\$238,939	\$25,851	\$101.83	\$23.88
Huxley Communications Cooperative	\$439,242	\$23,257	\$187.19	\$21.48
IAMO Telephone Company	\$99,310	\$10,268	\$42.32	\$9.48
IDT America, Corp.	\$0	\$134,375	\$0.00	\$124.11
ImOn Communications, LLC	\$2,475,867	\$886,298	\$1,055.13	\$818.60
inContact, Inc., f/k/a UCN, Inc.	\$0	\$85,980	\$0.00	\$79.41
Independence Telecommunications Utility	\$400,315	\$106,446	\$170.60	\$98.32
Independent Networks, L.C.	\$132,700	\$3,497	\$56.55	\$3.23
iNetworks Group, Inc.	\$52,716	\$1,431	\$22.47	\$1.32
Inmate Calling Solutions, LLC	\$0	\$249,179	\$0.00	\$230.15
IntelePeer, Inc.	\$0	\$1,284,036	\$0.00	\$1,185.96
Intellicall Operator Services, Inc.	\$0	\$92,089	\$0.00	\$85.06
Internet Solver, Inc.	\$80,684	\$13,081	\$34.38	\$12.08
Interstate 35 Telephone Company, Inc.	\$377,100	\$12,713	\$160.71	\$11.74
Ionex d/b/a Birch Communications	\$67,983	\$67,983	\$28.97	\$62.79
Iowa Network Services, Inc.	\$6,625,903	\$61,925,080	\$2,823.73	\$57,195.43
Jefferson Telephone Company	\$860,736	\$625,647	\$366.82	\$577.86
Jordan Soldier Valley Telephone Company	\$174,706	\$84,373	\$74.45	\$77.93
Kalona Cooperative Telephone Company, Inc.	\$754,703	\$664,816	\$321.63	\$614.04
Keystone Farmers Cooperative Telephone Company	\$476,778	\$63,125	\$203.19	\$58.30
Knology of the Plains, Inc.	\$603,906	\$465,278	\$257.36	\$429.74

<b>Company Name</b>	<b>Iowa Local Exchange Gross Operating Revenues</b>	<b>Iowa Intrastate Interexchange Revenues</b>	<b>FY 2012 Local Exchange Assessments</b>	<b>FY 2012 Intrastate Interexchange Assessments</b>
La Motte Telephone Company	\$246,857	\$38,081	\$105.20	\$35.17
La Porte City Long Distance	\$0	\$56,590	\$0.00	\$52.27
La Porte City Telephone Company	\$631,955	\$15,947	\$269.32	\$14.73
Laurens Municipal Broadband Communications Utility	\$124,931	\$61,262	\$53.24	\$56.58
Lehigh Valley Cooperative Telephone Association	\$247,912	\$314,061	\$105.65	\$290.07
Lenox Municipal Communications Utilities	\$69,015	\$8,387	\$29.41	\$7.75
Level 3 Communications, LLC	\$0	\$492,593	\$0.00	\$454.97
Lightyear Network Solutions, LLC	\$24,980	\$114,777	\$10.65	\$106.01
LISCO Corporation	\$1,095,940	\$632,122	\$467.05	\$583.84
Local Long Distance, L.C.	\$228,204	\$0	\$97.25	\$0.00
Lone Rock Cooperative Telephone Company	\$85,324	\$9,629	\$36.36	\$8.89
Long Lines Metro, Inc.	\$516,677	\$59,144	\$220.19	\$54.63
Lost Nation Elwood Telephone Company	\$371,675	\$56,104	\$158.39	\$51.82
Louisa Communications, L.C.	\$348,796	\$26,950	\$148.64	\$24.89
Lynnville Telephone Company	\$36,968	\$222,230	\$15.75	\$205.26
Mabel Cooperative Telephone Company	\$76,090	\$32,564	\$32.43	\$30.08
Mahaska Communication Group, LLC	\$1,336,963	\$157,555	\$569.77	\$145.52
Manning Municipal Comm. & Television System Utilities	\$119,729	\$91,145	\$51.02	\$84.18
Mapleton Communications Management Agency	\$166,327	\$50,371	\$70.88	\$46.52
Marne & Elk Horn Telephone Company	\$472,025	\$96,998	\$201.16	\$89.59
Martelle Cooperative Telephone Association	\$74,727	\$15,450	\$31.85	\$14.27
Massena Telephone Company Inc.	\$160,887	\$44,958	\$68.56	\$41.52
Matrix Telecom, Inc.	\$62,832	\$75,753	\$26.78	\$69.97
MCC Telephony of Iowa LLC	\$7,736,721	\$15,707,888	\$3,297.12	\$14,508.10
Mechanicsville Telephone Company	\$218,479	\$39,845	\$93.11	\$36.80
Mediapolis Telephone Company	\$641,867	\$512,305	\$273.54	\$473.17
Metropolitan Telecommunications of Iowa, Inc.	\$252,687	\$7,982	\$107.69	\$7.37
MidlandsNet LLC	\$0	\$275,929	\$0.00	\$254.85
Miles Coop. Telephone Association	\$135,956	\$23,740	\$57.94	\$21.93

<b>Company Name</b>	<b>Iowa Local Exchange Gross Operating Revenues</b>	<b>Iowa Intrastate Interexchange Revenues</b>	<b>FY 2012 Local Exchange Assessments</b>	<b>FY 2012 Intrastate Interexchange Assessments</b>
Minburn Telecommunications, Inc.	\$289,650	\$35,571	\$123.44	\$32.85
Minburn Telephone Company	\$152,176	\$13,732	\$64.85	\$12.68
Minerva Valley Telephone Company, Inc.	\$277,954	\$50,296	\$118.45	\$46.45
Mitel NetSolutions, Inc.	\$18,615	\$70,169	\$7.93	\$64.81
Modern Cooperative Telephone Company Inc.	\$162,027	\$67,348	\$69.05	\$62.20
Mutual Telephone Company	\$2,039,617	\$301,861	\$869.21	\$278.80
Mutual Telephone Company of Morning Sun	\$176,925	\$35,762	\$75.40	\$33.03
NEIT Services, LLC	\$0	\$63,328	\$0.00	\$58.49
Neutral Tandem-Iowa, LLC	\$0	\$612,346	\$0.00	\$565.57
NexGen Integrated Communications, L.L.C.	\$225,861	\$5,292	\$96.25	\$4.89
NorLight Telecommunications, Inc.	\$0	\$261,975	\$0.00	\$241.97
Norlight, Inc.	\$0	\$94,508	\$0.00	\$87.29
North English Cooperative Telephone Company	\$174,077	\$61,458	\$74.19	\$56.76
Northeast Iowa Telephone Company	\$460,774	\$334,443	\$196.37	\$308.90
Northern Iowa Telephone Company	\$824,532	\$39,218	\$351.39	\$36.22
Northstar Telecom, Inc.	\$208,207	\$17,079	\$88.73	\$15.77
Northwest Iowa Telephone Company LLC	\$2,002,941	\$170,930	\$853.58	\$157.87
Northwest Telephone Cooperative Association	\$746,466	\$29,804	\$318.12	\$27.53
Ogden Telephone Company	\$465,995	\$49,772	\$198.59	\$45.97
Olin Telephone Company, Inc.	\$210,591	\$33,457	\$89.75	\$30.90
OmniTel Communications	\$489,074	\$11,447	\$208.43	\$10.57
Onslow Cooperative Telephone Association	\$51,172	\$11,818	\$21.81	\$10.92
OPEX Communications, Inc.	\$0	\$129,341	\$0.00	\$119.46
Oran Mutual Telephone Company	\$62,845	\$22,347	\$26.78	\$20.64
Orange City Communications, L.L.P.	\$711,392	\$278,298	\$303.17	\$257.04
OrbitCom, Inc.	\$895,842	\$85,569	\$381.78	\$79.03
Osage Municipal Communications Utility	\$281,584	\$61,975	\$120.00	\$57.24
PAETEC Business Services	\$10,259,883	\$14,767,156	\$4,372.40	\$13,639.23
Palmer Mutual Telephone Company	\$163,799	\$4,084	\$69.81	\$3.77
Palo Coop. Telephone Association	\$142,045	\$127,942	\$60.53	\$118.17

<b>Company Name</b>	<b>Iowa Local Exchange Gross Operating Revenues</b>	<b>Iowa Intrastate Interexchange Revenues</b>	<b>FY 2012 Local Exchange Assessments</b>	<b>FY 2012 Intrastate Interexchange Assessments</b>
Panora Communications Cooperative	\$549,386	\$209,577	\$234.13	\$193.57
Partner Communications Cooperative Association	\$1,393,835	\$146,775	\$594.00	\$135.56
Peoples Telephone Company	\$250,098	\$226,262	\$106.58	\$208.98
PNG Telecommunications, Inc.	\$0	\$163,227	\$0.00	\$150.76
Prairie Telephone Company, Inc.	\$422,235	\$12,011	\$179.94	\$11.09
Prairieburg Telephone Company, Inc.	\$73,893	\$4,782	\$31.49	\$4.42
Preferred Long Distance, Inc.	\$775,342	\$24,993	\$330.42	\$23.08
Premier Communications, Inc.	\$634,838	\$22,324	\$270.55	\$20.62
Preston Telephone Company	\$480,150	\$53,512	\$204.62	\$49.42
Public Communications Services, Inc.	\$0	\$133,323	\$0.00	\$123.14
Qwest Communications Company, LLC	\$0	\$16,444,271	\$0.00	\$15,188.24
Qwest Corporation	\$263,460,527	\$665,167	\$112,277.66	\$614.36
Qwest LD Corp. (QLDC)	\$0	\$10,615,836	\$0.00	\$9,804.99
Radcliffe Telephone Company, Inc.	\$129,739	\$26,787	\$55.29	\$24.74
Readlyn Telephone Company	\$235,809	\$31,569	\$100.49	\$29.16
Reinbeck Municipal Telecommunications Utility	\$142,827	\$59,201	\$60.87	\$54.68
Reliance Telephone of Grand Forks, Inc.	\$47,734	\$307,265	\$20.34	\$283.80
Ringsted Telephone Company	\$146,822	(\$93)	\$62.57	(\$0.09)
River Valley Telecommunications Cooperative	\$451,782	\$98,694	\$192.53	\$91.16
Rockwell Cooperative Telephone Association	\$159,567	\$240,795	\$68.00	\$222.40
Royal Telephone Company	\$121,271	\$15,850	\$51.68	\$14.64
Sac County Mutual Telephone Company	\$413,899	\$20,172	\$176.39	\$18.63
SBC Long Distance, LLC	\$0	\$129,088	\$0.00	\$119.23
Schaller Telephone Company	\$796,375	\$35,287	\$339.39	\$32.59
Scranton Telephone Company	\$148,503	\$11,175	\$63.29	\$10.32
Securus Technologies, Inc. f/k/a Evercom Systems, Inc.	\$0	\$1,656,716	\$0.00	\$1,530.17
Sharon Telephone Company	\$392,347	\$116,826	\$167.20	\$107.90
Shell Rock Communications, Inc.	\$173,329	\$83,721	\$73.87	\$77.33
South Central Communications, Inc.	\$828,477	\$67,044	\$353.07	\$61.92

<b>Company Name</b>	<b>Iowa Local Exchange Gross Operating Revenues</b>	<b>Iowa Intrastate Interexchange Revenues</b>	<b>FY 2012 Local Exchange Assessments</b>	<b>FY 2012 Intrastate Interexchange Assessments</b>
South Slope Cooperative Telephone Company, Inc.	\$15,282,560	\$0	\$6,512.89	\$0.00
Southwest Telephone Exchange, Inc.	\$354,867	\$9,157	\$151.23	\$8.46
Spencer Municipal Communications Utility	\$2,244,918	\$48,452	\$956.71	\$44.75
Springville Cooperative Telephone Association, Inc.	\$322,342	\$30,056	\$137.37	\$27.76
Sprint Communications Company, L.P.	\$0	\$927,262	\$0.00	\$856.44
STi Prepaid, LLC	\$0	\$109,836	\$0.00	\$101.45
Stratford Mutual Telephone Company	\$151,344	\$148	\$64.50	\$0.00
Sully Telephone Association	\$256,411	\$50,989	\$109.27	\$47.09
Superior Telephone Cooperative	\$41,431	\$12,782	\$17.66	\$11.81
Swisher Telephone Company	\$672,450	\$0	\$286.57	\$0.00
Telecom Management, Inc.	\$0	\$214,982	\$0.00	\$198.56
Telrite Corporation	\$0	\$264,201	\$0.00	\$244.02
Templeton Telephone Company	\$283,692	\$3,711	\$120.90	\$3.43
Terril Telephone Cooperative	\$442,858	\$12,685	\$188.73	\$11.72
The Community Agency and TCA	\$399,480	\$493,591	\$170.24	\$455.89
Titonka Telephone Company	\$307,470	\$40,808	\$131.03	\$37.69
TouchTone Communications Inc.	\$71,165	\$43,630	\$30.33	\$40.30
Trans National Communications International, Inc.	\$143,951	\$265,106	\$61.35	\$244.86
Transworld Network, Corp.	\$0	\$101,123	\$0.00	\$93.40
United Farmers Telephone Company	\$340,785	\$2,702	\$145.23	\$2.50
Value-Added Communications, Inc.	\$153,078	\$22,531	\$65.24	\$20.81
Van Buren Telephone Company, Inc.	\$896,152	\$142,063	\$381.91	\$131.21
Van Horne Cooperative Telephone Company	\$179,384	\$31,021	\$76.45	\$28.65
Ventura Telephone Company, Inc.	\$87,475	\$37,887	\$37.28	\$34.99
Verizon Access Transmission Services	\$1,177,004	\$0	\$501.60	\$0.00
Verizon Business Services	\$0	\$14,986,553	\$0.00	\$13,841.87
Verizon Long Distance	\$0	\$135,280	\$0.00	\$124.95
Verizon Select Services Inc.	\$0	\$541,395	\$0.00	\$500.04
Villisca Farmers Telephone Company	\$289,529	\$27,636	\$123.39	\$25.53
Walnut Communications	\$0	\$112,368	\$0.00	\$103.79

<b>Company Name</b>	<b>Iowa Local Exchange Gross Operating Revenues</b>	<b>Iowa Intrastate Interexchange Revenues</b>	<b>FY 2012 Local Exchange Assessments</b>	<b>FY 2012 Intrastate Interexchange Assessments</b>
Walnut Telephone Company, Inc.	\$519,037	\$91,373	\$221.20	\$84.39
Webb Dickens Telephone Corp.	\$169,831	\$2,396	\$72.38	\$2.21
Webster Calhoun Cooperative Telephone Association	\$1,341,613	\$215,623	\$571.75	\$199.15
Webster-Calhoun Long Distance Inc.	\$0	\$290,244	\$0.00	\$268.07
Wellman Cooperative Telephone Association	\$348,457	\$62,645	\$148.50	\$57.86
West Iowa Telephone Company	\$1,671,516	\$333,284	\$712.34	\$307.83
West Liberty Telephone Company	\$903,577	\$386,155	\$385.07	\$356.66
Western Iowa Telephone Association	\$935,789	\$425,736	\$398.80	\$393.22
Westside Independent Telephone Company	\$158,570	\$5,374	\$67.58	\$4.96
Windstream Iowa Communications, Inc.	\$62,971,075	\$29,547,314	\$26,836.07	\$27,290.46
Windstream Iowa-Comm, Inc.	\$5,888,054	\$825,599	\$2,509.28	\$762.54
Windstream IT Comm, LLC	\$2,647,393	\$562,928	\$1,128.23	\$519.93
Windstream Montezuma, Inc.	\$522,133	\$977,283	\$222.51	\$902.64
Windstream of the Midwest, Inc.	\$201,477	\$90,350	\$85.86	\$83.45
Winnebago Cooperative Telecom Association	\$3,004,563	\$611,510	\$1,280.44	\$564.80
Woolstock Mutual Telephone Association	\$60,108	\$22,473	\$25.62	\$20.76
WTC Communications Inc.	\$752,727	\$78,280	\$320.79	\$72.30
Wyoming Mutual Telephone Company	\$171,107	\$16,759	\$72.92	\$15.48
XO Communications Services, Inc.	\$0	\$615,972	\$0.00	\$568.92
YMax Communications Corp.	\$0	\$95,959	\$0.00	\$88.63
<b>Grand Total</b>	<b>\$500,755,021</b>	<b>\$231,052,230</b>	<b>\$213,404.28</b>	<b>\$213,404.27</b>

ENERGY CENTER ASSESSMENTS – IOWA ENERGY CENTER AND CENTER FOR  
GLOBAL AND REGIONAL ENVIRONMENTAL RESEARCH (CGRER)

Company Name	2010 Energy Center/CGRER Assessable Revenues	Energy Center	CGRER	FY 2012 Energy Center/CGRER Assessment Amount
<b>Rate Regulated Electric</b>				
Interstate Power and Light Company	\$1,332,220,006	\$1,132,387	\$199,833	\$1,332,220
MidAmerican Energy Company	\$1,226,151,951	\$1,042,229	\$183,923	\$1,226,152
<b>Total Rate Regulated Electric</b>	<b>\$2,558,371,957</b>	<b>\$2,174,616</b>	<b>\$383,756</b>	<b>\$2,558,372</b>
<b>Rate Regulated Gas</b>				
Interstate Power and Light Company	\$259,706,844	\$220,751	\$38,956	\$259,707
MidAmerican Energy Company	\$544,209,225	\$462,578	\$81,631	\$544,209
Atmos Energy Corp.	\$4,536,475	\$3,856	\$680	\$4,536
Black Hills Energy	\$158,615,864	\$134,824	\$23,792	\$158,616
<b>Total Rate Regulated Gas</b>	<b>\$967,068,408</b>	<b>\$822,009</b>	<b>\$145,059</b>	<b>\$967,068</b>
<b>Municipal Electric</b>				
Afton	\$755,338	\$642	\$113	\$755
Akron	\$1,271,887	\$1,081	\$191	\$1,272
Algona	\$7,141,526	\$6,070	\$1,071	\$7,141
Alta	\$1,353,173	\$1,150	\$203	\$1,353
Alta Vista	\$200,391	\$170	\$30	\$200
Alton	\$877,848	\$746	\$132	\$878
Ames	\$50,808,317	\$43,187	\$7,621	\$50,808
Anita	\$825,059	\$701	\$124	\$825
Anthon	\$464,046	\$394	\$70	\$464
Aplington	\$630,512	\$535	\$95	\$630
Atlantic	\$6,314,894	\$5,368	\$947	\$6,315
Auburn	\$275,500	\$234	\$41	\$275
Aurelia	\$787,422	\$669	\$118	\$787
Bancroft	\$1,242,641	\$1,057	\$186	\$1,243
Bellevue	\$1,945,414	\$1,653	\$292	\$1,945
Bloomfield	\$2,966,624	\$2,522	\$445	\$2,967
Breda	\$359,120	\$305	\$54	\$359
Brooklyn	\$1,362,661	\$1,159	\$204	\$1,363
Buffalo	\$451,139	\$383	\$68	\$451
Burt	\$320,029	\$272	\$48	\$320
Callender	\$224,423	\$190	\$34	\$224
Carlisle	\$1,702,532	\$1,447	\$255	\$1,702

<b>Company Name</b>	<b>2010 Energy</b>	<b>Energy</b>	<b>CGRER</b>	<b>FY 2012</b>
	<b>Center/CGRER</b>			<b>Energy</b>
	<b>Assessable</b>	<b>Center</b>		<b>Center/CGRER</b>
	<b>Revenues</b>			<b>Assessment</b>
				<b>Amount</b>
Cascade	\$1,642,239	\$1,396	\$246	\$1,642
Cedar Falls	\$38,770,925	\$32,955	\$5,816	\$38,771
Coggon	\$436,122	\$371	\$65	\$436
Coon Rapids	\$1,683,928	\$1,431	\$253	\$1,684
Corning	\$1,931,795	\$1,641	\$290	\$1,931
Corwith	\$316,310	\$269	\$47	\$316
Danville	\$701,628	\$597	\$105	\$702
Dayton	\$641,563	\$545	\$96	\$641
Denison	\$8,852,049	\$7,524	\$1,328	\$8,852
Denver	\$948,209	\$806	\$142	\$948
Dike	\$538,212	\$457	\$81	\$538
Durant	\$1,738,788	\$1,478	\$261	\$1,739
Dysart	\$1,208,218	\$1,027	\$181	\$1,208
Earlville	\$506,993	\$431	\$76	\$507
Eldridge	\$4,672,835	\$3,972	\$701	\$4,673
Ellsworth	\$478,482	\$406	\$72	\$478
Estherville	\$5,057,714	\$4,299	\$759	\$5,058
Fairbank	\$699,124	\$594	\$105	\$699
Farnhamville	\$346,709	\$295	\$52	\$347
Fonda	\$418,174	\$355	\$63	\$418
Fontanelle	\$673,830	\$573	\$101	\$674
Forest City	\$5,266,907	\$4,477	\$790	\$5,267
Fredericksburg	\$1,518,017	\$1,290	\$228	\$1,518
Glidden	\$749,123	\$637	\$112	\$749
Gowrie	\$884,274	\$751	\$133	\$884
Graettinger	\$753,946	\$641	\$113	\$754
Grafton	\$157,733	\$134	\$24	\$158
Grand Junction	\$666,318	\$566	\$100	\$666
Greenfield	\$3,483,857	\$2,961	\$522	\$3,483
Grundy Center	\$2,365,506	\$2,011	\$355	\$2,366
Guttenberg	\$1,997,240	\$1,697	\$300	\$1,997
Harlan	\$5,821,148	\$4,948	\$873	\$5,821
Hartley	\$1,495,822	\$1,272	\$224	\$1,496
Hawarden	\$2,219,190	\$1,886	\$333	\$2,219
Hinton	\$733,199	\$623	\$110	\$733
Hopkinton	\$617,146	\$524	\$93	\$617
Hudson	\$1,290,690	\$1,097	\$194	\$1,291
Independence	\$7,325,875	\$6,227	\$1,099	\$7,326
Indianola	\$10,232,563	\$8,698	\$1,535	\$10,233

Company Name	2010 Energy	Energy	CGRER	FY 2012
	Center/CGRER			Energy
	Assessable	Center		Center/CGRER
	Revenues			Assessment
				Amount
Keosauqua	\$1,326,357	\$1,127	\$199	\$1,326
Kimballton	\$193,831	\$165	\$29	\$194
La Porte City	\$1,568,732	\$1,334	\$235	\$1,569
Lake Mills	\$2,945,016	\$2,503	\$442	\$2,945
Lake Park	\$1,431,410	\$1,216	\$215	\$1,431
Lake View	\$1,625,654	\$1,381	\$244	\$1,625
Lamoni	\$2,295,918	\$1,952	\$344	\$2,296
Larchwood	\$669,602	\$570	\$100	\$670
Laurens	\$1,556,467	\$1,323	\$233	\$1,556
Lawler	\$311,109	\$264	\$47	\$311
Lehigh	\$228,968	\$195	\$34	\$229
Lenox	\$1,677,716	\$1,426	\$252	\$1,678
Livermore	\$322,477	\$274	\$48	\$322
Long Grove	\$319,262	\$271	\$48	\$319
Manilla	\$679,016	\$577	\$102	\$679
Manning	\$1,998,796	\$1,699	\$300	\$1,999
Mapleton	\$1,041,625	\$886	\$156	\$1,042
Maquoketa	\$9,489,992	\$8,066	\$1,424	\$9,490
Marathon	\$168,862	\$144	\$25	\$169
McGregor	\$858,607	\$730	\$129	\$859
Milford	\$2,465,601	\$2,096	\$370	\$2,466
Montezuma	\$2,783,479	\$2,366	\$417	\$2,783
Mount Pleasant	\$8,293,704	\$7,050	\$1,244	\$8,294
Muscatine	\$43,073,971	\$36,613	\$6,461	\$43,074
Neola	\$398,361	\$338	\$60	\$398
New Hampton	\$3,644,074	\$3,097	\$547	\$3,644
New London	\$1,812,773	\$1,541	\$272	\$1,813
Ogden	\$1,649,240	\$1,402	\$247	\$1,649
Onawa	\$2,153,437	\$1,830	\$323	\$2,153
Orange City	\$7,311,876	\$6,215	\$1,097	\$7,312
Orient	\$224,641	\$191	\$34	\$225
Osage	\$5,806,854	\$4,936	\$871	\$5,807
Panora	\$1,098,531	\$933	\$165	\$1,098
Paton	\$185,012	\$157	\$28	\$185
Paullina	\$1,065,228	\$905	\$160	\$1,065
Pella	\$15,938,978	\$13,548	\$2,391	\$15,939
Pocahontas	\$2,053,039	\$1,745	\$308	\$2,053
Preston	\$887,868	\$755	\$133	\$888
Primghar	\$910,876	\$774	\$137	\$911

Company Name	2010 Energy	Energy	CGRER	FY 2012
	Center/CGRER			Energy
	Assessable	Center	CGRER	Center/CGRER
	Revenues			Assessment
				Amount
Readlyn	\$487,415	\$414	\$73	\$487
Remsen	\$1,163,789	\$989	\$175	\$1,164
Renwick	\$461,624	\$393	\$69	\$462
Rock Rapids	\$1,920,783	\$1,633	\$288	\$1,921
Rockford	\$768,316	\$653	\$115	\$768
Sabula	\$466,515	\$397	\$70	\$467
Sanborn	\$2,106,264	\$1,790	\$316	\$2,106
Sergeant Bluff	\$2,445,977	\$2,079	\$367	\$2,446
Shelby	\$482,114	\$410	\$72	\$482
Sibley	\$2,420,478	\$2,057	\$363	\$2,420
Sioux Center	\$8,521,328	\$7,243	\$1,278	\$8,521
Spencer	\$9,198,259	\$7,818	\$1,380	\$9,198
Stanhope	\$278,716	\$237	\$42	\$279
Stanton	\$641,462	\$545	\$96	\$641
State Center	\$1,862,157	\$1,583	\$279	\$1,862
Story City	\$5,099,065	\$4,334	\$765	\$5,099
Stratford	\$566,975	\$482	\$85	\$567
Strawberry Point	\$975,059	\$829	\$146	\$975
Stuart	\$3,426,941	\$2,913	\$514	\$3,427
Sumner	\$1,404,071	\$1,193	\$211	\$1,404
Tipton	\$3,431,927	\$2,917	\$515	\$3,432
Traer	\$2,222,481	\$1,889	\$333	\$2,222
Villisca	\$923,127	\$785	\$138	\$923
Vinton	\$4,405,588	\$3,745	\$661	\$4,406
Wall Lake	\$840,268	\$714	\$126	\$840
Waverly	\$13,415,117	\$11,403	\$2,012	\$13,415
Webster City	\$10,659,059	\$9,060	\$1,599	\$10,659
West Bend	\$1,154,341	\$981	\$173	\$1,154
West Liberty	\$4,601,907	\$3,912	\$690	\$4,602
West Point	\$1,526,823	\$1,298	\$229	\$1,527
Westfield	\$87,757	\$75	\$13	\$88
Whittemore	\$389,102	\$331	\$58	\$389
Wilton	\$2,452,797	\$2,085	\$368	\$2,453
Winterset	\$4,954,562	\$4,212	\$743	\$4,955
Woodbine	\$1,212,905	\$1,031	\$182	\$1,213
Woolstock	\$271,449	\$230	\$41	\$271
<b>Total Municipal Electric</b>	<b>\$431,836,375</b>	<b>\$367,052</b>	<b>\$64,776</b>	<b>\$431,828</b>

Company Name	2010 Energy	Energy	CGRER	FY 2012
	Center/CGRER			Energy
Municipal Gas	Assessable	Center	CGRER	Center/CGRER
	Revenues			Assessment
				Amount
Allerton	\$1,300,678	\$1,106	\$195	\$1,301
Alton	\$815,052	\$693	\$122	\$815
Bedford	\$538,419	\$457	\$81	\$538
Bloomfield	\$850,579	\$723	\$128	\$851
Brighton	\$298,686	\$254	\$45	\$299
Brooklyn	\$670,064	\$570	\$100	\$670
Cascade	\$863,775	\$734	\$130	\$864
Cedar Falls	\$13,637,559	\$11,592	\$2,046	\$13,638
Clearfield	\$145,968	\$124	\$22	\$146
Consumers Energy	\$663,337	\$564	\$99	\$663
Coon Rapids	\$750,032	\$638	\$112	\$750
Corning	\$937,870	\$797	\$141	\$938
Emmetsburg	\$2,193,906	\$1,865	\$329	\$2,194
Everly	\$351,605	\$299	\$53	\$352
Fairbank	\$383,089	\$326	\$57	\$383
Gilmore City	\$936,427	\$796	\$140	\$936
Graettinger	\$374,661	\$319	\$56	\$375
Guthrie Center	\$1,461,703	\$1,243	\$219	\$1,462
Harlan	\$3,352,959	\$2,850	\$503	\$3,353
Hartley	\$695,820	\$592	\$104	\$696
Hawarden	\$1,248,078	\$1,061	\$187	\$1,248
Lake Park	\$692,879	\$589	\$104	\$693
Lamoni	\$702,062	\$597	\$105	\$702
Lenox	\$1,050,869	\$893	\$158	\$1,051
Lineville	\$86,706	\$74	\$13	\$87
Lorimor	\$160,933	\$137	\$24	\$161
Manilla	\$337,698	\$287	\$51	\$338
Manning	\$940,501	\$800	\$141	\$941
Mapleton	\$525,825	\$447	\$79	\$526
Montezuma	\$795,598	\$677	\$119	\$796
Morning Sun	\$338,969	\$288	\$51	\$339
Moulton	\$207,172	\$176	\$31	\$207
Orange City	\$3,164,039	\$2,689	\$475	\$3,164
Osage	\$2,799,761	\$2,380	\$420	\$2,800
Prescott	\$86,057	\$73	\$13	\$86
Preston	\$356,504	\$303	\$54	\$357
Remsen	\$817,102	\$694	\$123	\$817
Rock Rapids	\$1,127,618	\$959	\$169	\$1,128

Company Name	2010 Energy	Energy	CGRER	FY 2012
	Center/CGRER			Energy
	Assessable	Center	CGRER	Center/CGRER
	Revenues			Assessment
				Amount
Rolfe	\$396,728	\$337	\$60	\$397
Sabula	\$367,597	\$313	\$55	\$368
Sac City	\$1,214,936	\$1,033	\$182	\$1,215
Sanborn	\$1,426,122	\$1,212	\$214	\$1,426
Sioux Center	\$9,709,713	\$8,254	\$1,456	\$9,710
Tipton	\$1,476,593	\$1,255	\$222	\$1,477
Titonka	\$325,709	\$277	\$49	\$326
Wall Lake	\$614,206	\$522	\$92	\$614
Waukee	\$4,817,666	\$4,095	\$723	\$4,818
Wayland	\$542,850	\$462	\$81	\$543
Wellman	\$579,511	\$493	\$87	\$580
West Bend	\$794,421	\$675	\$119	\$794
Whittemore	\$565,015	\$480	\$85	\$565
Winfield	\$593,520	\$505	\$89	\$594
Woodbine	\$600,559	\$511	\$90	\$601
<b>Total Municipal Gas</b>	<b>\$70,685,706</b>	<b>\$60,090</b>	<b>\$10,603</b>	<b>\$70,693</b>

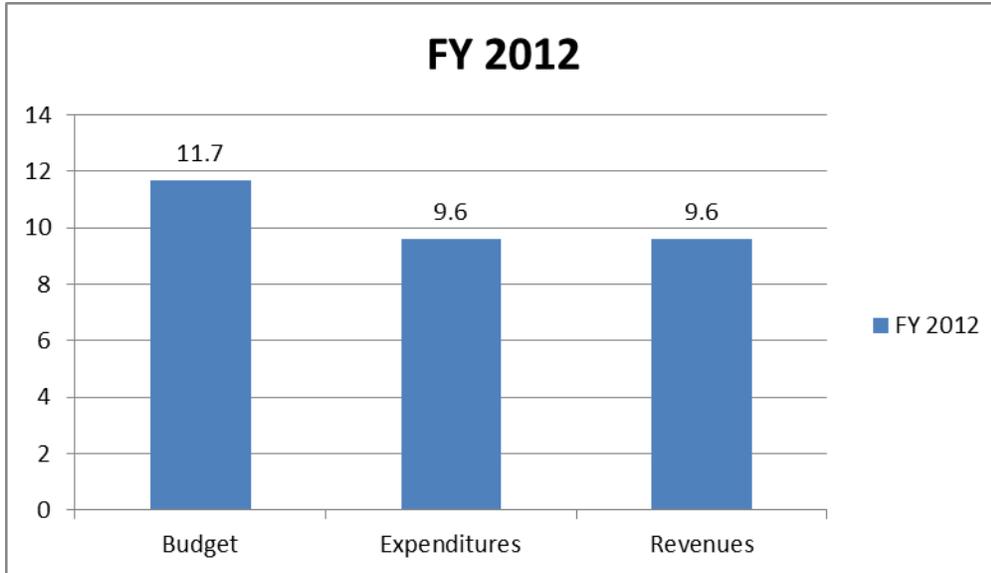
#### Rural Electric Cooperatives

Access Energy Cooperative	\$22,570,801	\$19,185	\$3,386	\$22,571
Allamakee Clayton Elec. Coop., Inc.	\$15,735,324	\$13,375	\$2,360	\$15,735
Amana Society Service Company	\$7,867,805	\$6,688	\$1,180	\$7,868
Atchison Holt Electric Coop.	\$2,000,369	\$1,700	\$300	\$2,000
Boone Valley Electric Coop.	\$350,623	\$298	\$53	\$351
Butler County Rural Elec. Coop.	\$16,074,463	\$13,663	\$2,411	\$16,074
Calhoun County Electric Coop. Assn.	\$3,303,682	\$2,808	\$496	\$3,304
Cass Electric Cooperative	\$128,764	\$110	\$19	\$129
Central Iowa Power Cooperative	\$5,187,260	\$4,409	\$778	\$5,187
Chariton Valley Electric Coop., Inc.	\$9,769,807	\$8,305	\$1,465	\$9,770
Clarke Electric Coop., Inc.	\$10,946,429	\$9,304	\$1,642	\$10,946
Consumers Energy	\$13,120,331	\$11,152	\$1,968	\$13,120
East-Central Iowa Rural Electric Coop.	\$20,529,008	\$17,450	\$3,079	\$20,529
Eastern Iowa Light & Power Coop.	\$55,727,625	\$47,369	\$8,359	\$55,728
Farmers Electric Cooperative - Kalona	\$2,650,610	\$2,253	\$398	\$2,651
Farmers Elec. Coop., Inc. - Greenfield	\$12,137,131	\$10,316	\$1,821	\$12,137
Federated Rural Electric Assn.	\$50,610	\$43	\$8	\$51
Franklin Rural Electric Coop.	\$5,270,790	\$4,480	\$791	\$5,271
Freeborn-Mower Electric Coop.	\$12,197	\$10	\$2	\$12
Grundy County Rural Electric Coop.	\$5,996,379	\$5,097	\$899	\$5,996
Grundy Electric Cooperative, Inc.	\$399,972	\$340	\$60	\$400

Company Name	2010 Energy	Energy	CGRER	FY 2012
	Center/CGRER			Energy
	Assessable	Center		Center/CGRER
	Revenues			Assessment
				Amount
Guthrie County Rural Elec. Coop. Assn.	\$12,706,126	\$10,800	\$1,906	\$12,706
Harrison County Rural Electric Coop.	\$8,393,696	\$7,135	\$1,259	\$8,394
Hawkeye REC	\$20,571,734	\$17,486	\$3,086	\$20,572
Heartland Power Cooperative	\$21,307,592	\$18,112	\$3,196	\$21,308
Humboldt County Rural Electric Coop.	\$5,384,393	\$4,576	\$808	\$5,384
Iowa Lakes Electric Cooperative	\$45,754,145	\$38,891	\$6,863	\$45,754
Linn County Rural Electric Coop. Assn.	\$42,790,981	\$36,372	\$6,419	\$42,791
Lyon Rural Electric Coop.	\$6,412,045	\$5,450	\$962	\$6,412
Maquoketa Valley Electric Cooperative	\$29,280,891	\$24,889	\$4,392	\$29,281
Midland Power Cooperative	\$30,032,224	\$25,527	\$4,505	\$30,032
Nishnabotna Valley Rural Elec. Coop.	\$13,135,825	\$11,166	\$1,970	\$13,136
Nobles Cooperative Electric Association	\$23,337	\$20	\$3	\$23
North West Rural Electric Coop.	\$36,300,546	\$30,856	\$5,445	\$36,301
Northwest Iowa Power Cooperative	\$2,309,512	\$1,964	\$346	\$2,310
Osceola Electric Cooperative, Inc.	\$4,399,592	\$3,740	\$660	\$4,400
Pella Cooperative Electric Association	\$6,155,124	\$5,232	\$923	\$6,155
Pleasant Hill Community Line	\$425,512	\$362	\$64	\$426
Prairie Energy Cooperative	\$18,908,746	\$16,073	\$2,836	\$18,909
Raccoon Valley Electric Cooperative	\$11,318,014	\$9,620	\$1,698	\$11,318
Southern Iowa Electric Coop., Inc.	\$9,333,481	\$7,933	\$1,400	\$9,333
Southwest Iowa Service Cooperative	\$11,189,189	\$9,511	\$1,678	\$11,189
T. I. P. Rural Electric Coop.	\$14,708,199	\$12,502	\$2,206	\$14,708
Tri-County Electric Cooperative	\$224,391	\$190	\$34	\$224
United Electric Cooperative, Inc.	\$1,156,509	\$983	\$174	\$1,157
Western Iowa Power Cooperative	\$11,156,808	\$9,483	\$1,674	\$11,157
Woodbury County Rural Electric Coop.	\$7,952,904	\$6,760	\$1,193	\$7,953
<b>Total Rural Electric Cooperatives</b>	<b>\$581,161,496</b>	<b>\$493,988</b>	<b>\$87,175</b>	<b>\$581,163</b>
<b>GRAND TOTAL</b>	<b>\$4,609,123,942</b>	<b>\$3,917,755</b>	<b>\$691,369</b>	<b>\$4,609,124</b>

## IUB BUDGET, EXPENDITURES, AND REVENUES

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The Iowa Utilities Board was appropriated \$8.17 million for the 2012 fiscal year. In addition to appropriated funds, the IUB receives federal funding from the Office of Pipeline Safety and the American Recovery and Reinvestment Act (ARRA), intra-state funding from other state agencies that share accounting staff, civil penalties, and unspent funds reverted from the prior year designated for a Green Building Project. This brought the total budget available to \$11.7 million. Actual expenditures were \$9.6 million. The IUB is supported by its jurisdictional utilities and bills these utilities only for actual expenditures. Therefore, the revenues expended by the agency were also \$9.6 million.