



Iowa Utilities Board

NEWS

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Iowa Utilities Board seeks improved transparency over utility ratepayer-funds

(Des Moines) – The Iowa Utilities Board has started the process to transfer funds earmarked for the Iowa Energy Center (IEC) at Iowa State University and the Center for Global and Regional Environmental Research (CGRER) at the University of Iowa while continuing to pursue an open and public dialogue with the Centers regarding the transparency of their programs.

As a member of the IEC Advisory Council, the Board's continued concern in this matter is ensuring transparency in the awarding and oversight of the IEC's utility ratepayer-funded programs. The Center has repeatedly failed to provide information to the Board when requests were made. In order to better inform and educate the public the Board recently sent letters inviting both the IEC and CGRER to make a presentation to the Board regarding these utility customer-funded programs, at the Board's December 15, 2015, public Board meeting. In addition, the Board will continue to work with the IEC Advisory Council to ensure adequate program audits are performed.

Funding for the two centers comes from Iowa Code 476.10A which requires the Board to direct all natural gas and electric utilities to remit to the treasurer of the state, one-tenth of one percent of the total gross operating revenues during the last calendar year derived from their intrastate public utility operations. These assessments come from Iowa utility ratepayers, whose interests the Board is required by statute to consider in its regulatory role.

The Board is the billing/collection center for this assessment pursuant to the Board's authority under Iowa Code section 476.10A. The Board will transfer eighty-five percent of the total funds collected (\$4,375,566) to Iowa State University for the Iowa Energy Center. The Board will transfer fifteen percent of the funds collected (\$772,159) to the University of Iowa for the CGRER. The total assessment collected was \$5,147,725.

A Board representative is also appointed to serve as one of the 13 members of the Iowa Energy Center Advisory Council established in Iowa Code Section 266.39C. The other Advisory Council members include representatives from the Iowa Economic Development Authority, the Iowa Department of Transportation, the Office of Consumer

Advocate, a division of the Iowa Department of Justice, representatives from MidAmerican Energy Company and Alliant Energy/Interstate Power & Light Company, the Iowa Association of Municipal Utilities, the Iowa Association of Rural Electric Cooperatives, Iowa State University, the University of Iowa and the University of Northern Iowa, a representative from Iowa's private colleges and universities, and a representative from Iowa's community colleges.

The role of the Advisory Council, specified in Iowa Code, is to advise the director of the IEC in the development of a budget and on the policies and procedures of the center in the funding of research grant proposals and regarding program planning and review. During the past few years, the various Board representatives to the Advisory Council together with other Council members have repeatedly discussed the need for more detailed information from the IEC related to the Center's budgets and programs.

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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.

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