

Frequently Asked Questions for Iowa-American Water Company Rate Increase Request - Docket No. RPU-2020-0001

Updated September 25, 2020

Background:

Iowa-American Water Company (Iowa-American) filed an application with the Iowa Utilities Board (IUB) on August 28, 2020, requesting approval to increase the rates it charges to its customers. Iowa-American mailed notices to its customers on August 27, 2020, showing the amount of the proposed increase by customer class.

Q1: How much of an increase is Iowa-American requesting?

A1: Iowa-American is seeking to increase its allowed annual revenue by about \$3.95 million, which is an increase of approximately 9.5%. The current and proposed monthly rates shown in the table below include fixed service charges which are not proposed to change, plus rates that vary with usage which are proposed to change. The numbers in this table reflect average monthly bills. These amounts do not include proposed surcharges (see Q2 below.) Ultimately, the IUB will set Iowa-American's rates, which may be different than those proposed.

Class	Current monthly rate	Proposed increase	Proposed monthly rate	Proposed percent increase
Residential	\$37.26	\$5.44	\$42.70	14.61%
Commercial	\$176.84	\$29.16	\$206.00	16.49%
Industrial	\$2,733.37	-\$53.49	\$2,679.88	-1.96%
Private fire service	\$61.70	\$0	\$61.70	0%
Public authorities	\$276.07	\$23.38	\$299.44	8.47%

Q2: Is Iowa-American proposing other changes?

A2: Iowa-American is proposing to expand its ability to recover the costs of investments it makes in certain infrastructure replacement projects through a surcharge. Iowa-American is also requesting new authority to annually put in place a surcharge or credit designed to ensure that the company collects no more or no less revenue than is authorized by the IUB in this case. These proposed surcharges and credits are not reflected in the table above. Iowa-American is also proposing to eliminate special rates that are currently in effect for residents of Blue Grass and for the City of Clinton Board of Parks.

Q3: Will Iowa-American implement temporary rates?

A3: No. Iowa-American is not proposing to implement temporary rates.

Q4: When would the proposed rate increase take effect?

A4: Iowa-American is proposing that the rate increase take effect on July 1, 2021.

Q5: When did Iowa-American last increase its rates?

A5: Iowa-American's last general rate increase took effect on March 24, 2017.

Q6: What happens next?

A6: The IUB will receive evidence and testimony regarding the proposed increase in rates and will hold a public hearing March 3-5, 2021. The IUB will ultimately decide whether Iowa-American's proposal will result in rates that are reasonable and just or whether Iowa-American's proposal must be modified such that the resulting rates will be reasonable and just.

Q7: When will the IUB issue its decision on Iowa-American's proposed rate increase?

A7: The IUB will issue its decision by April 30, 2021.

Q8: How can I submit comments or objections to Iowa-American's proposed increase?

A8: You can email comments or objections to customer@iub.iowa.gov. Be sure to reference the docket number for this case, RPU-2020-0001, in your email. You may also use the [Open Docket Comment Form](#) and select the docket name for this case. Comments or objections are not individually addressed or responded to by the IUB, but they are reviewed and considered as the IUB makes its decision in the case. You may also submit verbal comments at consumer comment hearings. (See Q9 below.)

Q9: Will there be an opportunity to ask questions or deliver comments verbally?

A9: Yes. The IUB will hold three consumer comment hearings where customers may ask questions of Iowa-American, the IUB, or the Office of the Consumer Advocate. The following hearings are planned:

- **Clinton** — 5:30 p.m. Thursday, October 15, 2020, at the Wild Rose Casino, 777 Wild Rose Drive
- **Davenport** — 5:30 p.m. Wednesday, October 21, 2020, at the River Center (South Building, Great Hall) 136 E. Third St.
- **Virtual** — 5:30 p.m. Wednesday, October 28, 2020. Login details will be provided on the [IUB Hearing and Meeting Calendar webpage](#) closer to the date of the meeting. Registration is not available at this time.

Q10: Will there be COVID-19 (coronavirus) restrictions in place at the consumer comment hearings?

A10: Yes. The IUB will require those attending the in-person hearings to maintain six-foot social distancing with anyone outside their immediate family and wear face masks or face shields. Masks, hand sanitizer, and gloves will be provided at the hearings. Individuals are encouraged to check the IUB's website, iub.iowa.gov, closer to the date

of the consumer comment hearings, in case pandemic conditions have necessitated changes to the conduct of the hearings.