

# 2014

## ANNUAL REPORT

**Iowa Utilities Board**

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## THE BOARD

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

Libby 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, Governor Branstad appointed Jacobs Chair of the Board. She serves in that capacity from May 1, 2011 to April 30, 2015.

Jacobs is a National Association of Regulatory Utility Commissioners (NARUC) member and has been appointed to serve as Co-Vice Chair of NARUC's Committee on Electricity. Jacobs is also a member of the Subcommittee on Nuclear Issues-Waste Disposal and the Task Force on Environmental Regulation and Generation. Jacobs serves as President of the Organization of MISO States (OMS) and is a member of the OMS Executive Committee. She is a member of the Eastern Interconnection States Planning Council (EISPC). Jacobs serves on the advisory council of the Center for Public Utilities (CPU) at New Mexico State University as well as the advisory board of the Financial Research Institute (FRI). 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. Previously, she was Director of Community Relations for the Principal Financial Group. In addition, Jacobs' career includes professional and management-level positions in the telecommunications and non-profit industries.

Jacobs served in the Iowa House of Representatives from 1994 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.

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 the 2001 Des Moines Business Record Woman of Influence.

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

### **SHEILA K. TIPTON, BOARD MEMBER**

Sheila Tipton began serving as a member of the Iowa Utilities Board on September 3, 2013. She was appointed to the Board by Governor Terry Branstad to fill a term that runs through April 30, 2015.

Tipton is a member of the National Association of Regulatory Utility Commissioners (NARUC) and serves on the Committee on Telecommunications and the Committee on Critical Infrastructure. She is also a member of Mid-America Regulatory Conference (MARC). In addition, Ms. Tipton is a member of the Federal Communication Commission's Communications Security, Reliability and Interoperability Council's (CSRIC).

Prior to joining the Board, she represented public energy, telecommunications and water utilities, renewable energy developers and customers, as well as other business entities at the Belin McCormick law firm in Des Moines.

Board Member Tipton's utility-related expertise includes certification, siting, ratemaking, rulemaking, merger, reorganization, compliance, and other litigated proceedings before state and federal administrative agencies and in the state and federal courts. She also has practiced litigation, appeals, administrative, and corporate and commercial law.

Tipton has been active on the American Bar Association and its Public Utility Section Electricity Subcommittee, the Iowa State Bar Association, the Energy Bar Association, the Drake University Law School Board of Counselors, the Polk County Legal Aid Society Board of Directors, and the Polk County Legal Aid Society. She is a member of the Board of Directors of AIB College of Business and Des Moines Metro Opera.

For more than two decades, Tipton has been listed in The Best Lawyers in America® in the areas of energy, communications, and administrative law. She was Best Lawyers' 2012 Des Moines Communications Law Lawyer of the Year and has been a recipient of the Iowa Governor's Volunteer Award.

In addition, has been a contributor to the Energy Bar Journal and American Bar Association's Section of Public Utility Law Annual Reports. She has spoken on topics such as utility antitrust issues and the evolution of energy policy at the state level.

Tipton earned her B.S. degree from Ohio University and her J.D. degree "With Honors" from Drake University. Tipton and her husband, William L. Dawe, live in Des Moines. They have four sons.

## THE BOARD

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### **NICK WAGNER, BOARD MEMBER**

Nick Wagner officially began serving as a member of the Iowa Utilities Board on May 24, 2013. Governor Branstad appointed Wagner on May 24, 2013, to fill a term ending on April 30, 2019.

Board member Wagner serves on NARUC's Committee on Gas, Co-Vice Chair of Committee on Critical Infrastructure and the Washington Action Program. He is the treasurer for Smart Grid Interoperability Panel 2.0 (SGIP) and serves as board member for the state and local regulators category. He also serves as Co-Chair of SGIP's market/membership committee. Wagner is a member of Mid-America Regulatory Conference (MARC).

Prior to joining the Board, Wagner was the Director of Quality Management for the ESCO Group in Marion, Iowa. His professional and management duties at ESCO Group included project execution in the utility industry primarily focused on standby and emergency diesel generator control, facility energy and efficiency audits, and building control.

Wagner served in the Iowa House of Representatives from 2008 to 2012. He served as ranking member and chair of the Local Government Committee and as vice chair of the Appropriations Committee. Wagner also sat on the Administration and Regulation Budget Sub Committee and the Commerce, Transportation, and Ways and Means Committees.

Wagner previously served four years as an at-large elected member of the Marion City Council.

Wagner received his Bachelor of Science degree in biomedical engineering in 1996 and a Master's of Science degree in electrical engineering in 1998, both from the University of Iowa. He and his wife, Mandie, reside in Marion and have a daughter and son.

## HISTORY OF THE IOWA UTILITIES BOARD

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 Web site, <http://efs.iowa.gov>, or from a link on the Board's Web site, <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. Former 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. 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.

On March 5, 2013, the IUB and OCA held a LEED® Platinum recognition ceremony for their model energy efficient state office building, which included remarks by Iowa Governor Terry E. Branstad, Attorney General Tom Miller, and Board Chair Libby Jacobs along with representatives of BNIM Architects and the U.S. Green Building Council. A formal plaque was placed in the building's first floor lobby.

## JURISDICTION AND REGULATORY AUTHORITY OF THE IOWA UTILITIES BOARD

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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.

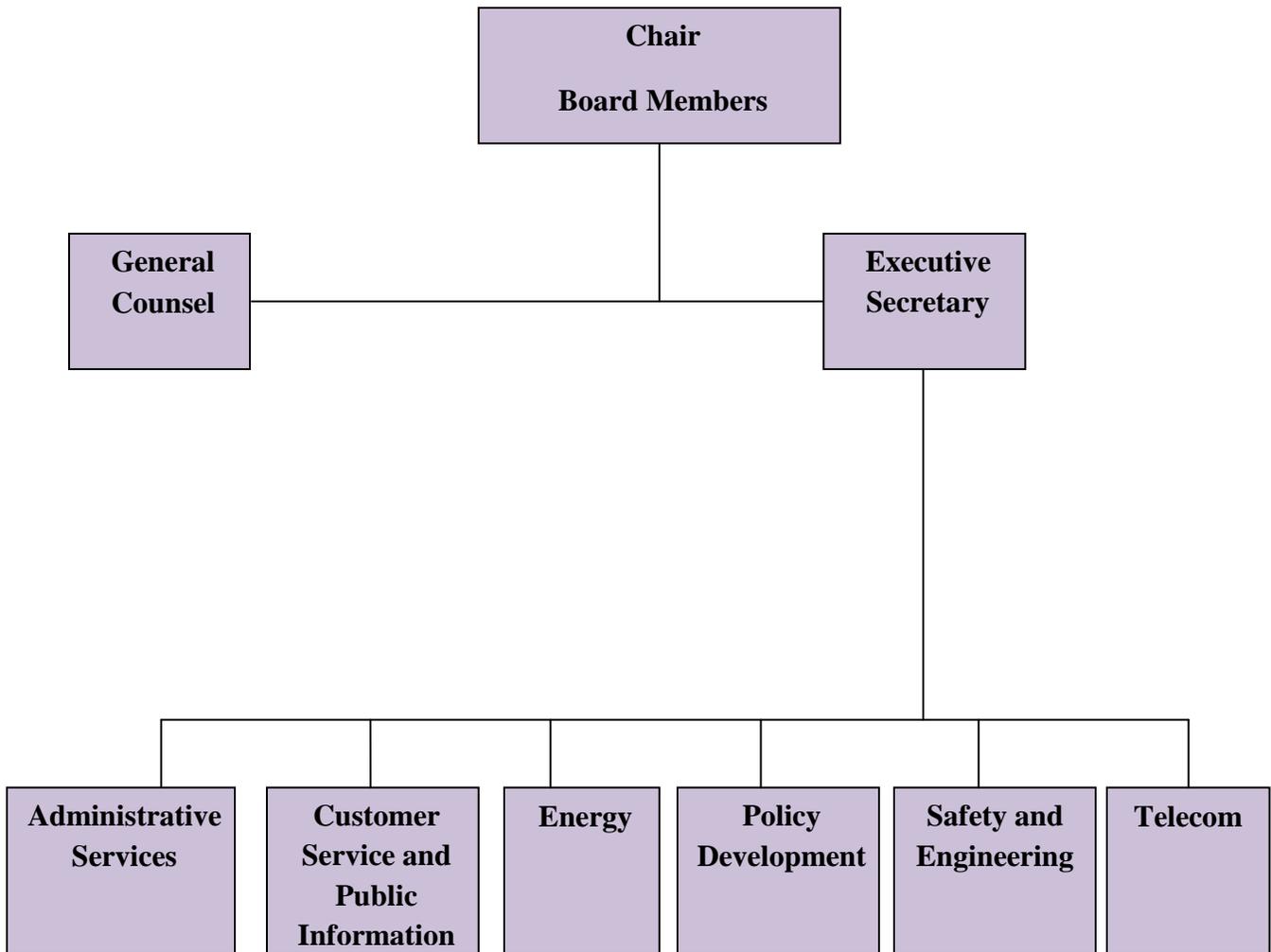
## MISSION STATEMENT

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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 – 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/Tour contact 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 2014**

Complaint	163
Competitive Natural Gas Provider	4
Electric Delivery Reliability	41
Electric Energy Adjustment	28
Electric Franchise or Extension	37
Formal Complaint	16
Negotiated Interconnection Agreement	7
Pipeline Permit	8
Pipeline Safety	0
Purchased Gas Adjustment	56
Rate Notification	1
Rate Proceeding	2
Rule Making	7
Service Proceeding	14
Tariff Revision	595
Telephone Certificate Proceeding	8
Video Cable Authority	9
Waiver request	18
<b>Total</b>	<b>1,014</b>

## **2014 ACCOUNTING AND ASSESSMENTS SECTION HIGHLIGHTS**

- Provided billing, payment, and accounting services for the Board, the Iowa Insurance Division, and the Office of Consumer Advocate (OCA).
- Calculated, billed, collected, and accounted for assessments to utility companies for Board 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 2014 calendar year, processed and paid 950 vouchers for the Board's Equipment Distribution Program.
- Active in the State of Iowa Financial Managers organization.
- Participated in a Kaizen Event to improve efficiency of the assessment process.

## **2013 INFORMATION TECHNOLOGY TEAM HIGHLIGHTS**

- Continued to develop and support the Board's 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 12,979 filings made during 2014 contained an average of 3.46 documents. The largest one-time filing contained 122 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 Board's Web site and worked collaboratively within the agency to develop Web site content.
- Participated in a Kaizen Event to improve efficiency of the assessment process.

## 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.

### **2014 HIGHLIGHTS**

See Court Cases section of the 2014 Annual Report, page 87.

## CUSTOMER SERVICE

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

- *Manage Board consumer public information, customer complaint resolution, and the external and internal communications*
- *Member, NARUC Consumer Affairs and Communications Subcommittees*
- *Member, State-National Action Plan (SNAP) Telecommunications Strike Force*
- *Public information coordinator for the U. S. Department of Energy, Iowa Energy Assurance Plan (electric/natural gas)*
- *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, Journalism (California State University, Long Beach)*

Customer Service staff handles customer inquiries and utility-related complaints, while providing a variety of communications to increase public awareness of energy, telecommunications, and other utility 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 producing news releases related to the Board's activities, creating and updating content for the Board's Web site and Intranet site, responses to media inquiries, ongoing press relations, and coordination and communications with the Governor's office and other state agencies. Public Information staff prepares and distributes consumer education and outreach materials, utility related consumer information brochures, social media communications regarding Board events or announcements, and participates in other activities to inform and educate the public.

Customer Service and Public Information staff are 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.

## 2014 HIGHLIGHTS

- Customer Service analysts responded to 6,283 customer contacts of which 2,097 were complaints about utility services or practices. Other contacts were customers trying to contact utilities or calling the Board for help reaching utilities directly.
- Customer Service staff conducted 19 education and outreach meetings with 417 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 education and training effort continues to receive positive feedback.
- Customer Service staff responded to 180 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 Manager led the continued implementation of the Board's new internal and external print and electronic communications. This included close coordination with customer service and public information staff to produce new communications materials, host a community fair event, provide public information at Board docketed informational meetings, increase the use of social media, and design new consumer information brochures. The Customer Service Manager and staff Web master coordinated to deliver the Board's new Web site and content management system, with a user-friendly responsive design to allow more Iowans to access utility information from their smartphone, tablet, laptop or desktop computers.
- In advance of National Safe Digging Month in April 2014, Iowa Utilities Board Public Information staff worked with statewide media to help publicize safe digging practices and requirements of Iowa One Call, urging Iowans to call 811 in advance of any digging project, as well as Common Ground Iowa's annual Damage Prevention Summit, which is a utility infrastructure safety and training workshop.
- **BILL PAYMENT AGREEMENTS, DOCKET NO. NOI-2014-0003**  
On March 12, 2014, the Customer Service Coordinator and Customer Service Manager organized and presided over an Iowa Utilities Board workshop with representative of utilities, other state agencies, and community action agencies. Discussed were Iowa's energy service disconnection and payment agreement rules and what was being done to assist customers following the most recent winter's extreme cold weather, higher heating costs, and record numbers of customers with past due utility debt that had strained the budgets of some individual customers and

the resources of private and government programs designed to help customers with natural gas and electric heating bills. On March 20, 2014, the Board issued an order initiating a notice of inquiry to gather information regarding residential customer bill payment agreements entered into by all electric and natural gas utilities during the period from November 1, 2013, through May 1, 2014. The inquiry served as a reminder of the Board's rules regarding payment agreements for residential customers and to collect data to provide a better understanding of the ability of the Board's rules to address some of the issues raised by extreme winter weather. On November 14, 2014, the Board issued an order determining the 12-month payment agreement requirement to be the most reasonable balancing of the utility's and customer's interest. The Board also considered the current rule requirement of no up-front payment for a first payment agreement and the requirement for one up-front payment for a second agreement to be reasonable. The Board determined some utilities had not been complying with the Board's level payment plan rules, which would be addressed in a separate inquiry along with other issues raised in this inquiry. The docket is closed.

- **DISCONNECTION OF PUBLIC UTILITY WATER SERVICE FOR NON PAYMENT OF BILL (RULE MAKING), DOCKET NO. RMU-2014-0004**

On August 11, 2014, the Iowa Utilities Board issued an order appointing members of a Stakeholder Group to provide recommendations for rules to implement the provisions of Iowa Code § 476.20(1)(b) passed by the Iowa General Assembly in the 2014 session and signed by the Governor. The Stakeholder Group members included the Board's Customer Service Manager and representatives from the cities of Davenport, Clinton, and Bettendorf, the Office of Consumer Advocate, Iowa Association of Municipal Utilities, and Iowa-American Water Company. In response to a request by the Governor's Office, the procedures established in Executive Order 80 were followed to provide recommendations to the Board for proposed rules. The Group held two meetings, one a teleconference, where the Board's Customer Service Manager was elected Chair of the Stakeholder Group. The Group held a public meeting in Davenport, Iowa, which is served by Iowa-American. Based on responses from the public meeting, and to the draft proposed rules changes sent out to the Group after the public meeting, three alternative proposals were filed as recommendations to the Board for consideration on December 9, 2014.

- **IOWA UTILITIES BOARD EASTERN IOWA COMMUNITY OUTREACH FAIR**

Customer Service staff organized and conducted a November 20, 2014, community outreach fair in Cedar Falls to provide the general public with information about the Board's role with utility companies and customers as well as details of specific Board programs and services. Joining Board staff at the event, providing utility-related information and answering questions, were representatives from the Iowa Office of

Consumer Advocate, Cedar Falls Municipal Utilities, CenturyLink, Relay Iowa, Telecommunications Access Iowa, the University of Northern Iowa Fabulous Resources for Energy Education (F.R.E.E.), Green Iowa AmeriCorps, Black Hawk County Veterans Affairs, Cedar Valley United Way, Cedar Falls Police and Fire Department, and Operation Threshold (Waterloo Community Action Agency).

- **STATUTE OF LIMITATIONS AND BOARD JURISDICTION OVER MUNICIPAL UTILITY LEVEL PAYMENT PLANS, DOCKET NO. NOI-2014-0004**

On December 3, 2014, the Board issued an order initiating this notice of inquiry to gather comments on whether a payment agreement is a written agreement for purposes of application of the ten-year statute of limitations established in Iowa Code § 614.1(5); whether the statute of limitations in Iowa Code §§ 614.1(4) and 614.1(5) are applicable to debts owed for natural gas and electric service; and the extent of the Board's jurisdiction over level payment plans offered by municipal natural gas and electric utilities. The Customer Service Coordinator is the team leader for this docket. The docket is pending.

- **DAKOTA ACCESS, LLC PETITION FOR CRUDE OIL PIPELINE, DOCKET NO. HLP-2014-0001**

In December 2014, the Customer Service Manager, Public Information Officer, and Customer Service Coordinator participated in public informational meetings in Docket No. HLP-2014-0001, that were held in 18 affected counties across Iowa. The public informational meetings are required by Iowa law before a petition for pipeline permit can be filed with the Board. Working closely with the Board's Safety and Engineering staff, which coordinated and presided over the meetings, Customer Service staff assisted media and provided public information about the Board's application and review processes for hazardous liquid pipeline permits in Iowa.

- During 2014, the Board's Public Information staff issued media advisories and news releases while also addressing more than 270 media contacts. Public Information staff contacted local media outlets in advance of the Docket No. RMU-2014-0004 Stakeholder Group public meeting in Davenport, Iowa, regarding disconnection of water utility service for nonpayment of non-water utility service, and the Board's eastern Iowa community outreach event in Cedar Falls, assisted members of the media at various informational meetings in Docket No. HLP-2014-0001 (Dakota Access, LLC) and other Board hearings and meetings. Public Information staff facilitated a Board staff meeting and correspondence with a researcher from the *American Jobs Project* to discuss the history and future of renewable energy related to economic development in Iowa and potential job creation in a new energy economy, and oversaw the Board's Web site content as well as the Board's social

media communications. Media relationships helped foster increased coverage from national and state media outlets and trade press, including *Bloomberg News*, *Center for Media and Democracy*, *Communications Daily*, *Corridor Business Journal*, *CRI Weekly News*, *Ames Tribune*, *Associated Press*, *EnergyWire*, *Minneapolis Star Tribune*, *Omaha World Herald*, *Project Energy Savers*, *The Des Moines Register*, *Des Moines Business Record*, *Energy Daily*, *Dubuque Telegraph-Herald*, *Platts*, *Cedar Rapids Gazette*, *Fox News (New York)*, *Pittsburgh Tribune*, *Fort Dodge Messenger*, *Mason City Globe-Gazette*, *Iowa Public Radio*, *Tri States Public Radio*, *Iowa Farmer Today*, *Iowa Public Television and Market to Market News*, *Midwest Energy News*, *Sioux City Journal*, *Waterloo Courier*, *Quad City Times*, *SNL Financial News*, *Lee News*, *KCRG-TV (Cedar Rapids)*, *KWWL-TV (Waterloo)*, *KWQC-TV (Quad Cities)*, *KCAU-TV (Sioux City)*, *KTIV-TV (Sioux City)*, *KTVO-TV (Ottumwa)*, *KIMT-TV (Mason City)*, *KCCI-TV (Des Moines)*, *WHO-TV (Des Moines)*, *WOI-TV (Des Moines)*, *WHO Radio (Des Moines)*, *KXEL Radio (Waterloo)*, *Iowa Public Radio*, and *Radio Iowa*. During the 2014 calendar year, numerous media inquiries focused on the Dakota Access, LLC petition filing for a crude oil pipeline permit in Docket No. HLP-2014-0001, the Rock Island Clean Line petition filings for electric transmission line franchises in Docket Nos. E-22123-22138, Iowa's annual April 1 end of the winter energy service disconnection moratorium for low-income-assistance-certified customers, and National Lifeline (Low-Income Telephone Assistance) Awareness Week in September.

- The Customer Service Manager and Customer Service Coordinator participated in the National Association of Regulatory Utility Commissioners (NARUC) Committee and Staff Subcommittee on Consumer Affairs as well as the State-National Action Plan (SNAP) Strike Force, which is a partnership between the Federal Communications Commission and state utility commissions for the purpose of strengthening consumer protections in the telecommunications industry.
- 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 2014 National Lifeline Awareness Week. Lifeline is the federal assistance program that helps provide basic telephone service.

## CUSTOMER SERVICE 2014 COMPLAINT REPORT – CONTACTS/ISSUES

	Contacts/Letters		Number of Issues	
	2014	2013	2014	2013
<b>Customer Calls</b>	<b>321</b>	205	<b>361</b>	262
Gas	<b>822</b>	792	<b>984</b>	1,009
Electric	<b>103</b>	93	<b>110</b>	101
Water	<b>284</b>	333	<b>301</b>	358
Local Telephone	<b>25</b>	36	<b>28</b>	40
Long Distance	<b>1,555</b>	1,459	<b>1,784</b>	1,770
<b>TOTAL CALLS</b>				

<b>C-FILES (Complaints)</b>	<b>2014 (Actual 163)</b>	2013 (Actual 132)	<b>2014</b>	2013
Gas	<b>24</b>	11	<b>41</b>	18
Electric	<b>79</b>	63	<b>116</b>	87
Water	<b>6</b>	2	<b>8</b>	3
Local Telephone	<b>63</b>	53	<b>75</b>	73
Long Distance	<b>12</b>	20	<b>14</b>	24
<b>TOTAL C-FILES</b>	<b>184</b>	149	<b>254</b>	205

<b>RC-FILES (Referred Complaints)</b>	<b>2014 (Actual 8)</b>	2013 (Actual 1)	<b>2014</b>	2013
Gas	<b>0</b>	0	<b>0</b>	0
Electric	<b>5</b>	1	<b>5</b>	1
Water	<b>3</b>	0	<b>3</b>	0
Local Telephone	<b>1</b>	0	<b>1</b>	0
Long Distance	<b>1</b>	0	<b>1</b>	0
<b>TOTAL RC-FILES</b>	<b>10</b>	1	<b>10</b>	1

<b>GC-FILES</b> (General Correspondence)	<b>2014 (Actual 210)</b>	2013 (Actual 184)	<b>2014</b>	2013
Gas	<b>49</b>	23	<b>50</b>	24
Electric	<b>69</b>	61	<b>71</b>	64
Water	<b>27</b>	21	<b>37</b>	23
Local Telephone	<b>25</b>	22	<b>26</b>	22
Long Distance	<b>5</b>	5	<b>5</b>	5
<b>TOTAL GC-FILES</b>	<b>175</b>	132	<b>189</b>	138

<b>GI-FILES</b> (General Investigation)	<b>2014 (Actual 169)</b>	2013 (Actual 237)	<b>2014</b>	2013
Gas	<b>22</b>	42	<b>30</b>	52
Electric	<b>83</b>	105	<b>96</b>	119
Water	<b>6</b>	5	<b>9</b>	8
Local Telephone	<b>53</b>	99	<b>54</b>	106
Long Distance	<b>9</b>	16	<b>9</b>	16
<b>TOTAL GI-FILES</b>	<b>173</b>	267	<b>198</b>	301

<b>TOTAL ALL TYPES</b>	<b>2014</b>	2013	<b>2014</b>	2013
Gas	<b>416</b>	281	<b>482</b>	356
Electric	<b>1,058</b>	1,022	<b>1,272</b>	1,280
Water	<b>145</b>	121	<b>167</b>	135
Local Telephone	<b>426</b>	507	<b>457</b>	559
Long Distance	<b>52</b>	77	<b>57</b>	85
<b>SUBTOTAL</b>	<b>1,924</b>	2,008	<b>2,435</b>	2,415

Misdialed Calls	<b>1,030</b>	1,128		
<b>TOTAL</b>	<b>3,127</b>	3,136	<b>2,435</b>	2,415

**\*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.

GI- NEW complaint type in 2013. Complaint for general assistance with utility.

## ENERGY

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

- *Member, Staff Subcommittee on Electricity, National Association of Regulatory Utility Commissioners*
- *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)*

### **2014 HIGHLIGHTS**

- Energy Section staff reviewed and processed almost 200 new filings in 2014.
- The Board approved final rates effective July 31, 2014, in MidAmerican Energy Company's (MEC) requested electric base rate increase in Docket No. RPU-2013-0004.
- On September 24, 2014, the Board approved a settlement in Docket No. RPU-2014-0001 (SPU-2005-0015) that addressed Interstate Power and Light Company's (IPL) potential double recovery of Duane Arnold Energy Center (DAEC) costs.
- On October 10, 2014, MEC filed a request for advance ratemaking principles applicable to up to 162 Megawatts of new wind generation.
- The Iowa Utilities Board participated in a collaborative process to address the Environmental Protection Agency's (EPA's) proposed Clean Power Plan also known as the 111(d) rules. The collaborative produced the State of Iowa's coordinated comments from the Iowa Department of Natural Resources (IDNR), the Iowa Utilities Board, and the Iowa Economic Development Authority (IEDA).
- On April 1, 2014, MEC and IPL filed updated multi-year plans and budgets for managing regulated emissions from their respective electric power generating facilities located in Iowa that are fueled by coal.
- The Board initiated an inquiry to gather information regarding distributed generation. The Energy Section participated in this inter-disciplinary team which was led by the Policy Section.
- The Board initiated two proceedings during 2014 to address its peak alert rules - a notice of inquiry and a rule making.
- In Docket No. RMU-2014-0001, the Board adopted amendments applicable to applications for certification of competitive natural gas providers. The amendments included the flexibility for the Board to provide separate application forms for different

types of competitive natural gas providers (CNGPs) and called for the application forms to be posted on the Board's Web site.

- Three new natural gas marketers were certified to provide service to customers in Iowa in 2014.
- On April 15, 2014, the Board approved a modified automatic adjustment mechanism related to capital infrastructure investment for Black Hills Energy (BHE).
- The Board approved final rates effective April 18, 2014, in Iowa-American's requested water rate increase in Docket No. RPU-2013-0002.
- Energy Section staff assisted in representing Iowa's interests through active participation in the National Association of Regulatory Utility Commissioners (NARUC).

In 2014, the Energy Section reviewed and processed almost 200 new filings, including monthly, recurring, and periodic filings. Recurring monthly filings include the purchased gas adjustments (PGA) for natural gas costs and energy adjustment clauses (EAC) 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 2014, by industry.

## **ELECTRICITY**

### **MIDAMERICAN ENERGY COMPANY ELECTRIC RATE CASE, DOCKET NO. RPU-2013-0004**

On May 17, 2013, MEC filed a proposal to increase its Iowa electric base rates to recover an additional \$135.6 million in annual revenues, which would be phased in over three years. On June 7, 2013, the Board issued an order docketing the tariff, establishing a procedural schedule, and requiring additional information. The Board held eight consumer comment hearings between June 13, 2013, and July 2, 2013, at various locations throughout MEC's Iowa service territory. On August 15, 2013, the Board issued an order setting temporary rates which included the first of MEC's three proposed \$45.2 million increases, pending the final decision. The MEC petition also included a ten-year rate equalization plan to equalize rate disparities in its East, North, and South pricing zones, which resulted from past utility acquisitions and mergers. The proposed consolidation of rates in the various rate zones would begin in 2014 and would be revenue neutral. Rate impacts on individual customers would vary based on customer class and service zone. As part of the proposed rate increase, MEC also sought permission to add two adjustment clauses to Iowa customers' bills to help cover the costs of energy production and transmission. On November 20, 2013, MEC, the Office of Consumer Advocate, and the Environmental Law and Policy Center/Iowa Environmental Council filed a non-unanimous settlement agreement resolving all issues between the parties to the settlement. The Board held a hearing which began on December 2, 2013. On March 17, 2014, the Board issued its Order Approving Settlement, with Modifications, and Requiring Additional information. On July 10, 2014, the Board issued its Order on Rehearing clarifying and affirming the Board's March 17, 2014, decision. Final rates were approved effective July 31, 2014.

**INTERSTATE POWER AND LIGHT COMPANY, DOCKET NOS. RPU-2014-0001, SPU-2005-0015**

On March 25, 2014, the parties filed a unanimous settlement agreement resolving the potential double recovery of costs associated with the new Duane Arnold Energy Center purchase power agreement that were raised in Docket No. SPU-2005-0015. The proposed settlement: 1) allowed IPL's electric base rate moratorium to continue through 2016, subject to certain exceptions; 2) included IPL's agreement not to file for an electric base rate increase prior to January 1, 2017, except in the case of a force majeure situation; 3) included the other parties' agreement not to make a filing to reduce IPL's base rates prior to January 1, 2017, unless IPL's return on equity (ROE) exceeds 11 percent; 4) included the continuation of IPL's energy adjustment clause (EAC) and regional transmission service (RTS) cost recovery riders; and 5) provided annual calendar year rate credits to IPL's Iowa electric customers. On September 24, 2014, the Board issued an order approving the settlement.

**ENVIRONMENTAL PROTECTION AGENCY'S CLEAN POWER PLAN**

In June 2014, the federal Environmental Protection Agency issued proposed rules to regulate and reduce carbon dioxide (CO<sub>2</sub>) emissions from existing coal and natural gas power plants, sometimes called the EPA's Clean Power Plan or the 111(d) rules. The Iowa Utilities Board, Iowa Department of Natural Resources (IDNR), Iowa Economic Development Authority (IEDA), utilities, environmental groups, and others were participating in an open, inclusive Iowa 111(d) stakeholder process to understand the rules and their possible impacts on Iowa and to discuss ways to meet the new requirements in the most cost-efficient and practical manner once final rules are established. On November 14, 2014, the Board, IDNR, and IEDA submitted joint comments to EPA. The three agencies had not taken a position on whether they supported or opposed the proposed rules, but instead, worked to improve them for Iowa's benefit. The EPA expected to issue its final rules in the summer of 2015. Once the rules are final, the Iowa stakeholder process will be used to discuss how to best meet the new requirements and to develop Iowa's required compliance plan. The Board is working with others in the stakeholder process so the final 111(d) rules are implemented in a way that reduces carbon dioxide emissions while minimizing adverse impacts on the reliability of the electric system and electric rates.

**MIDAMERICAN ENERGY COMPANY RATEMAKING PRINCIPLES, DOCKET NO. RPU-2014-0002**

On October 10, 2013, MEC filed a request for advance ratemaking principles applicable to up to 162 Megawatts of new wind generation, which MEC named Wind IX. On November 19, 2014, MEC and the Office of Consumer Advocate filed a proposed settlement resolving all issues. A hearing on the proposed settlement was held on December 17, 2014, and the Board issued orders requiring additional information on November 14, December 2, December 11, and December 31, 2014. This docket is pending.

## **MIDAMERICAN ENERGY COMPANY (EPB-2014-0156) AND INTERSTATE POWER AND LIGHT COMPANY (EPB-2014-0150 IPL)**

On April 1, 2014, MEC (Docket No. EPB-2014-0156) and IPL (Docket No. EPB-2014-0150) filed updated multi-year plans and budgets for managing regulated emissions from their respective electric power generating facilities located in Iowa that are fueled by coal. Both filings detailed projected capital costs and operations and maintenance expenditures for 2015 through 2016 for ongoing emission control projects at their respective coal-fired facilities, some of which are jointly owned. On December 3, 2014, the Board issued an order requiring additional information. Both MEC and IPL filed the information on December 18, 2014. These dockets are pending.

## **PEAK ALERT RULES (DOCKET NOS. NOI-2014-0002 AND RMU-2014-0007)**

On January 23, 2014, the Board initiated an inquiry in Docket No. NOI-2014-0002 to address its peak alert rules, 199 IAC 20.11. The rules became effective in 1983 and were last amended in 2003. On March 14, 2014, participants filed comments which included recommendations to update or rescind the peak alert rules. On April 17, 2014, the Board issued an order soliciting additional comments. Additional comments were filed on May 16, 2014, and on June 20, 2014. On November 19, 2014, the Board issued an order commencing a rule making (Docket No. RMU-2014-0007) to consider changes to the peak alert rules. The proposed rules, among other things, would give utilities an opportunity to tailor their peak alert messages to fit their specific situations, recognizing that there are both summer and winter peaking utilities in Iowa. Written comments were due on December 30, 2014, and an oral presentation was scheduled to be held on January 28, 2015. The inquiry and rule making dockets are pending.

## **NATURAL GAS**

### **COMPETITIVE NATURAL GAS PROVIDERS**

Three additional competitive natural gas providers were approved to provide competitive natural gas services in Iowa during 2014, including one seeking to extend its certificate in order to provide vehicle fueling service to small volume customers.

### **RULES TO ADDRESS COMPRESSED NATURAL GAS PROVIDERS , DOCKET NOS. RMU-2013-0001 AND RMU-2014-0001**

In order to provide simplified application requirements for vehicle fuel providers (VFPs), the Board had proposed to amend the CNGP rules in 199 IAC 19.14 in Docket No. RMU-2013-0001, but not the application form in 199 IAC 2.2(18). Based on comments received during that rule making, the Board decided not to adopt the proposed amendments and instead opened Docket No. RMU-2014-0001 on April 22, 2014. The new rule making docket addressed CNGP rules on a more comprehensive basis. The proposed amendments not only addressed the application filing requirements for VFPs but also the different application forms for those CNGPs wishing to provide service to large volume customers and/or small volume customers. The Board determined that vehicle fuel providers that sell compressed natural gas for use in motor vehicles come within the definition of a CNGP and would, therefore, be subject to the application requirements applicable to CNGPs serving small volume customers. Additionally, the changes resulting from the rule making include the removal of the application form from the Iowa Administrative Code, the identification of specific information that is to be included in all CNGP applications, the flexibility for the Board to provide separate application forms for

different types of CNGP providers, and the posting of applicable CNGP application forms on the Board's Web site. The amendments went into effect on October 22, 2014.

**BLACK HILLS ENERGY - CAPITAL INFRASTRUCTURE INVESTMENT AUTOMATIC ADJUSTMENT MECHANISM TARIFF, DOCKET NO. TF-2014-0055**

The Capital Infrastructure Investment Automatic Adjustment Mechanism Tariff surcharge filed by BHE on February 12, 2014, was intended to recover costs associated with eligible capital infrastructure investments for calendar years 2012 and 2013. BHE provided a detailed list of eligible capital infrastructure investments made in calendar year 2013 and a calculation of the carrying charges and depreciation expense associated with the 2012 eligible investments. On April 15, 2014, the Board issued an order approving the surcharge as requested by BHE, with certain modifications, and directed BHE to file a proposed tariff with a revised surcharge based upon those modifications. On May 9, 2014, BHE filed a proposed compliance tariff order, and on May 21, 2014, BHE filed corrections. On May 23, 2014, the Office of Consumer Advocate filed a response, stating that it did not object to BHE's filing or supplemental filing. The total amount to be recovered on eligible investments, during 2014 for eligible 2012 and 2013 investments was \$508,432.11. The reconciliation from the most recent Tracker surcharge showed an over-collection of \$178,813.38. Subtracting the over-collection of \$178,813.38 from the total amount to be recovered on eligible investments of \$508,432.11 resulted in a net total authorized amount to be recovered through the 2014 surcharge of \$329,618.73, which would then be allocated to individual customer classes. On June 5, 2014, the Board approved BHE's revised filing effective June 9, 2014.

**WATER**

**IOWA-AMERICAN WATER COMPANY RATE CASE, DOCKET NO. RPU-2013-0002**

On April 30, 2013, Iowa-American filed a rate increase request. Iowa-American proposed a temporary rate increase of approximately \$2.68 million, or about 7.5 percent over its existing Iowa retail water revenue, and a permanent annual increase of approximately \$6.4 million or about 18 percent. Iowa-American implemented its proposed temporary rates, subject to refund, ten days after its April 30, 2013, filing. The Board held two consumer comment hearings - one in Bettendorf and the other in Clinton. On February 28, 2014, the Board issued its final decision and ordered Iowa-American to file compliance tariffs which, among other things, would recover all public fire costs and 25 percent of private fire costs through general metered services rates. Half of these costs were to be recovered through the fixed monthly charge and half through volumetric rates. On March 6, 2014, Iowa-American filed its proposed compliance rates and filed additional supporting information on March 11 and 18, 2014. On March 18, 2014, the Office of Consumer Advocate filed an objection to the proposed compliance rates and then on April 7, 2014, the Board issued an order rejecting Iowa-American's proposed compliance rates. On April 9, 2014, Iowa-American filed new compliance rates and on April 16, 2014, revisions to the proof of revenue calculation. On April 17, 2014, the OCA indicated that it did not object to the compliance rates as revised on April 16, 2014. On April 18, 2014, the Board approved Iowa-American's compliance filing made on April 9, 2014, and revised on April 16, 2014.

## POLICY DEVELOPMENT

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### **Venkata Bujimalla, Policy Development Section Manager (July 2013 – Present)**

- *MidAmerican Energy Holdings Company, Manager, Transmission Business Development (May 2012 – June 2013)*
- *MidAmerican Energy Company, Worked as Sr. Financial Analyst June 2004 - February 2006 and managed financial planning and budgeting March 2006 – May 2012*
- *National Regulatory Research Institute, Graduate Research Associate (October 2000 – June 2004)*
- *Master of Business Administration in Corporate Finance, Ohio State University*
- *Master of Arts in Public Policy and Management, Ohio State University*
- *Bachelor of Law, Gujarat University*
- *Bachelor of Engineering, National Institute of Technology*

### **2014 HIGHLIGHTS**

- Policy Development (Policy) staff processed eligibility applications for, and answered questions about, the wind (476B) and renewable energy (476C) tax credit programs, electric generation certificate proceedings, and master metering.
- Policy staff continued to take the lead on the monitoring and review of the energy efficiency programs.
- The Policy Section addressed electric transmission development/operation and energy market issues in collaboration with regional organizations again this year.
- Policy staff assisted in representing Iowa's interests at the National Association of Regulatory Utility Commissioners (NARUC), Midcontinent Independent System Operator, Inc. (MISO), Organization of MISO States (OMS), North American Electric Reliability Corporation (NERC), Midwest Renewable Energy Tracking System (M-RETS), Eastern Interconnection States' Planning Council (EISPC), and the Iowa Energy Center.
- Policy staff worked on the following major dockets: MidAmerican Energy Company (MEC) Electric Rate Increase (Docket No. RPU-2013-0004); Interstate Power and Light (IPL) Double Recovery of Duane Arnold Energy Center (DAEC) Purchase Power Agreement (PPA) Costs (RPU-2014-0001/SPU-2005-0015); MEC Wind IX Advance Ratemaking Principles (Docket No. RPU- 2014-0002); IPL Waiver of Rules (Docket No. WRU-2014-0009-0150); Avoided Cost Investigation (Docket INU-2014-0001); BlueMark Energy Request to Serve Small Volume Gas Customers (Docket No. CGP-2014-0003), and IPL Transmission Reports (Docket No. RPU-2010-0001).

- The Policy staff continued its work in Requirements of the Energy Independence and Security Act of 2007, the Smart Grid inquiry (Docket No. NOI-2008-0003), and led an inquiry regarding Distributed Generation (Docket No. NOI-2014-0001).

In 2014, Policy staff worked on a number of important matters including distribution, generation, avoided costs, and environmental impacts as well as continued their work on renewable energy tax credit programs, MISO/OMS subcommittees, and MISO transmission-planning issues and the double leverage issue. Policy staff was involved in other energy related casework including MidAmerican's (MEC) electric rate increase case, Interstate Power and Light's (IPL) settlement regarding its DAEC PPA cost recovery, MEC's application to build additional wind, and BlueMark Energy's request to serve small volume gas customers. Details of Policy staff work in 2014 are provided below.

### **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 2013, including IPL (Docket No. EEP-2012-0001), MEC (Docket No. EEP-2012-0002) and BHE (Docket No. EEP-2013-0003). Staff reviewed information on the recent performance of the IOU programs.

### **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), responses to questions related to Board rules and policies related to renewable energy, and active participation in renewable energy seminars and conferences.

### **ELECTRIC/TRANSMISSION/GENERATION**

Policy staff worked on issues related to regional and interregional transmission planning, electric transmission and generation siting, transmission developer qualifications, resource adequacy, market monitoring and mitigation, market enhancements, regional and interregional transmission cost allocation and pricing, demand response, quality of service, electric reliability, capacity deliverability between regional organizations, return on equity for transmission, and formula rate protocols. These efforts included:

- Support to the Board Chair for her role as the Vice-President of the OMS Executive Committee and as a member of the OMS Board of Directors.
- Participation in OMS Hot Topic responses to MISO regarding demand response, regulators' business model, Clean Power Plan (111d), and Seams and Interregional Planning.
- Participation in OMS comments filed with MISO regarding independent load forecasts, capacity value of load modifying resources, transmission planning scope, multi-value projects triennial review, transmission developers' qualification and selection,

greenhouse gas modeling, market enhancements, modeling futures for planning, guiding principles, Order 1000 regional and inter-regional compliance, and southern market efficiency planning.

- Participation in OMS comments filed with FERC regarding formula rate protocols, MISO prohibited investments, resource adequacy requirements, the MISO-PJM joint and common market, Western Area Power Administration (WAPA) Basin integration, transmission owners' return on equity, incentive return on equity adder for Regional Transmission Organizations (RTO) membership, MISO- Southwest Power Pool (SPP) flow dispute, cost recovery of SPP charges, sub-regional power balance constraints and hurdle rates.
- Regular participation in various MISO work groups, task forces, committees, subcommittees, and user groups, including Advisory Committee, Planning Advisory Committee, Regional Expansion Criteria and Benefits Task Force, Planning Subcommittee, Interconnection Process Task Force, Loss of Load Expectation Work Group, Seams Management Work Group, Demand Response Work Group, Supply Adequacy Work Group, Economic Planning Users Group, and MISO's cross-border meetings with other grid operators.
- Regular participation in various OMS work groups, including the Demand Response and Technology Work Group, Regional Planning Work Group, Seams Work Group, Transmission Cost Allocation Work Group, Resources Work Group, and Markets and Tariffs Work Group.
- Participation in SPP to stay up to date on SPP-MISO Seams issues as well as participation in the SPP Capacity Margin Task Force and SPP Operating Reliability Work Groups.
- Participation in EISPC Work Groups, review of White Papers, and participation in Webinars.
- Participation in NARUC Staff Subcommittee on Nuclear Issues-Waste Disposal and Staff Subcommittee on Electric Reliability.
- Represent States' at the NERC Planning Committee meetings and provide support to NARUC representative on NERC Member Representatives Committee.

#### **ENERGY DOCKETS/WORK GROUPS**

Policy staff either led or was involved with the following energy-related dockets or work groups.

- **MIDAMERICAN ENERGY ELECTRIC COMPANY RATE INCREASE (DOCKET NO. RPU-2013-0004)**  
On March 17, 2013, MEC filed for an electric rate increase proposing a permanent annual increase in its Iowa retail electric revenue of approximately \$135.6 million to be phased in over three years. A non-unanimous settlement was filed November 20, 2013, and a hearing was held on December 2, 2013. The Board approved the settlement with modifications through Board order issued March 17, 2014. Policy staff focused on the

capital structure, the return on equity, revenue sharing, and interest synchronization issues.

- **INTERSTATE POWER AND LIGHT COMPANY DOUBLE RECOVERY OF DAEC PPA COSTS, DOCKET NOS. RPU-2014-0001 AND SPU-2005-0015**

On March 25, 2014, IPL filed a Settlement Agreement and Joint Motion for Approval of Agreement (Settlement) wherein IPL, the Office of Consumer Advocate, the Iowa Consumers Coalition (ICC), and the Large Energy Group (LEG) resolved all the issues with respect to IPL's recovery of costs for a revised power purchase agreement for the output of the DAEC. The electric rate moratorium was extended to 2016, and IPL customers would receive rate credits in the amount of \$70 million for 2014, \$25 million in 2015 and \$10 million in 2016. Policy staff focused on the capital structure, the return of equity, and depreciation issues. The Board approved the settlement on September 24, 2014, and required filing of some specific informational reports.

- **MIDAMERICAN ENERGY COMPANY WIND IX ADVANCE RATEMAKING PRINCIPLES, DOCKET NO. RPU-2014-0002**

On October 10, 2014, MEC filed a request for advance ratemaking principles for its Wind IX project consisting of 162 Megawatts of new wind generation. MEC requested several ratemaking principles of which Policy staff worked on the principle that establishes the return on equity for the life of the plant. Additionally staff assisted with the economic analysis of the project. On November 19, 2014, MEC and the Office of Consumer Advocate filed a proposed settlement. On December 17, 2014, the Board held a hearing. The case is pending.

- **INTERSTATE POWER AND LIGHT COMPANY WAIVER OF RULES, DOCKET NO. WRU-2014-0009-0150**

On May 30, 2014, IPL filed with the Board a request for a two-year extension of an existing waiver of the electric energy adjustment clause (EAC) rules. This waiver relates to the recovery of certain costs and credits associated with participation in wholesale markets operated by MISO through the EAC. The waiver has subsequently been extended and modified to enable IPL's customers to receive some of the benefits of IPL's Auction Revenue Rights (ARRs). On June 19, 2014, the Office of Consumer Advocate filed a response and objection to the waiver with respect to the sharing arrangement between IPL's customers and IPL's shareholders. On June 25, 2014, IPL filed a response addressing the issues and establishing the need for a transparent record before the Board regarding the justification for a sharing agreement. On June 30, 2014, the Board granted IPL's request for a two-year extension of the waiver conditioned on the issue of sharing ARR's being considered in a future rate order. The Board docketed the case and set a procedural schedule by order issued on August 29, 2014. On November 10, 2014, IPL, the OCA, ICC, and LEG filed with the Board a unanimous settlement agreement that

resolved all outstanding issues within this docket. On December 22, 2014, the Board issued an order approving the settlement.

- **AVOIDED COST INVESTIGATION, DOCKET NO. INU-2014-0001**

Policy staff led the Board's investigation into avoided costs of electricity, which was initiated at the request of a number of parties to various dockets and proceedings involving avoided costs. On April 22, 2014, the Board issued an order initiating an investigation and requiring additional information and technical workshop(s). The Board directed each of the utilities to conduct an interactive forum where Board staff and all those who requested the avoided cost investigation could view the information and interact with utility staff familiar with the models. A workshop was held on June 5, 2014, with presentations by IPL and MEC. The workshop was followed by filings containing questions from participants and answers from utilities. Subsequently, MEC filed its semi-annual compliance filing on October 31, 2014, and IPL filed its compliance filing on November 3, 2014, on electric avoided costs per the Board's rules (Docket No. IAC-2014-1503). The docket is pending.

- **BLUEMARK ENERGY REQUEST TO SERVE SMALL VOLUME GAS CUSTOMERS, DOCKET NO. CGP-2014-0003**

On September 15, 2014, BlueMark Energy filed for a certification as a competitive natural gas provider or aggregator in Iowa to serve small and large volume customers. When small customers are involved, a more extensive review is required. Therefore, Policy staff reviewed the financial information to ensure the company had the financial capability to obtain and deliver the services it proposed to offer. On December 3, 2014, the Board approved the application.

- **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 the 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 Docket No. NOI-2008-0003 will remain open. On October 18, 2013, the Board issued an order requesting additional information on current smart grid issues. On January 14, 2014, the Board issued an order continuing the inquiry to monitor smart grid developments and request additional information, as appropriate. Policy staff is leading this inquiry.

- **DISTRIBUTED GENERATION NOTICE OF INQUIRY, DOCKET NO. NOI-2014-0001**  
On January 7, 2014, the Board issued an order initiating an inquiry into the subject of distributed generation (DG) to consider the policy and technical issues associated with its potential widespread use, including consumer protection, interconnection, and safety. To initiate the discussion, the Board invited participants to comment on broad general questions related to the benefits and challenges of DG, both for utilities and their ratepayers, on policies that should be examined with respect to DG, and to identify the technical, financial, regulatory, and safety aspects of DG that should be examined in this docket. The Board received written comments from more than 170 interested parties representing utilities, utility associations, environmental groups, renewable energy advocates, and other organizations, businesses, and individuals. The participants identified a wide range of topics that could be addressed in the inquiry, but the Board decided to focus on the topics of net metering, interconnection of DG (including safety and reliability), and customer awareness. Policy staff led this inquiry. A workshop was held on October 21, 2014, to discuss the DG informational guide that was drafted by staff. Following the workshop, staff revised the guide and on December 3, 2014, the Board asked for final input on the guide. The Board issued an order on December 22, 2014, requesting participants propose language for use in a rulemaking for 199 IAC chapter 45 (Electric Interconnection of Distributed Generation Facilities). The work is continuing regarding net metering and interconnection.
- **111(D) CLEAN POWER PLAN**  
On June 2, 2014, the U.S. Environmental Protection Agency (EPA) released the Clean Power Plan proposal (i.e., 111(d)) (Plan). Policy staff reviewed and summarized the proposed Plan and analyzed the various building blocks associated with the Plan. Policy staff also participated in numerous meetings with the Iowa Department of Natural Resources (IDNR), utilities, and other stakeholders. Staff assisted in drafting comments that were filed with EPA on behalf of the Board, IDNR and the Iowa Economic Development Authority. The comment period closed on December 1, 2014. The EPA is expected to release the final rule in the summer of 2015.

## 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, 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)*

### **2014 HIGHLIGHTS**

- Sixty-four electric franchise petitions were filed with the Board.
- The Board issued 21 new electric line franchises, 3 extensions to expiring franchises, and 15 amendments to existing franchises.
- The Board acted on ten natural gas pipeline permit renewal petitions and three petitions for new pipelines.
- Fifty-one natural gas pipeline operators and 165 electric line operators were inspected for compliance with safety standards.
- The Board received a Natural Gas Pipeline Safety grant allocation of \$845,483 for its pipeline safety 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 \$90,000 in partnership with Common Ground Iowa for an excavation 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**

Sixty-four electric franchise proceedings (E-dockets) were initiated in 2014. Of the 64 petitions filed, 33 were for new franchise, 14 were for amendment of an existing franchise, and 17 were for franchise extension. Additionally, one proposed electric line project was assigned a docket number, but did not progress beyond the informational meeting stage by the end of 2014. A total of five informational meetings were conducted during the year.

In 2014, the Board issued 21 new franchises, 3 extensions of expiring franchises, and 15 amendments to existing franchises. The above numbers included final action taken on petitions filed in years preceding 2014. The beginning of 2014 revealed 35 petitions pending before the Board - 4 for franchise extension and 31 for new franchise or amendment. The close of 2014 showed 60 pending petitions – 32 for new franchise, 18 for extension, and 10 for amendment.

In 2014, 165 utilities operating electric supply lines throughout Iowa received a visit from the Board's electric field inspectors. They inspected office records and conducted 268 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 five electric contact accident reports with the Board. One of the accidents resulted in two fatalities. In addition, Board staff investigated and made recommendations to the Board regarding safety and service matters in five citizen complaints.

### **NATURAL GAS PIPELINE**

In 2014, the Board acted on 13 petitions for natural gas pipeline permits. The 13 permit petitions were for three new pipelines and ten pipeline permit renewals. In addition, the Board issued an order granting a request to reclassify a pipeline, cancel its permit, and close its docket.

In 2014, as part of a certification agreement with the United States Department of Transportation, Office of Pipeline Safety, the Board's Safety and Engineering staff inspected 49 intrastate and two interstate natural gas operators for compliance with federal pipeline safety standards. This encompassed 47.2 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. Safety and Engineering staff spent 278.7 person days on standard inspections, two days on investigating incidents or accidents, 50.4 days on follow-up inspections, six days on on-site operator training, 30.4 days on integrity management, 13.7 days on operator qualification, one day on damage prevention, and 17 days on

design, testing, and construction. In 2014, Safety and Engineering staff intrastate inspections found 201 probable violations of federal and state pipeline safety rules and resulted in 37 compliance actions. The beginning of 2014 listed 409 open probable violations and the close of 2014 showed 132 corrected and 478 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 calendar year 2014 was \$845,483. The Board received payments in 2014 of \$541,355 for the work done in the last half of 2013 and the first half of 2014.

In 2014, 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 \$90,000 in partnership with Common Ground Iowa for an excavation damage prevention social media marketing campaign and to host an educational Damage Prevention Summit.

## **2014 STATISTICS**

Fifteen accidents, incidents, or service outages were reported in 2014. Six were federally reportable incidents involving jurisdictional piping, one was a report of an overpressure event, one was a federal safety-related condition report, and seven were interruptions of service to 50 or more customers. Three of the events reported resulted from excavation damage. Safety and Engineering staff followed up on eight of the reported events to obtain additional information. In addition, a number of courtesy calls were received regarding events that were not reportable, but were considered significant enough by the operator to inform the Board.

Safety and Engineering staff gave presentations on safety and regulatory matters, including excavation damage prevention, to gas utility personnel, regulatory groups, and the public. The Safety and Engineering Section manager and staff participated in conferences and on national committees involving grant allocation/strategic planning, land use planning, excavation damage prevention, and combined meetings of federal and state pipeline safety personnel. Additionally, the Safety and Engineering Section manager served on the U.S. Department of Transportation's Technical Pipeline Safety Standards Committee, which assists the federal government in the development of regulations and standards.

## 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/English, St. Olaf College*
- *CPM degree, Willamette University- Atkinson Graduate School of Management*

### **2014 HIGHLIGHTS**

- Continuation of the Federal Communications Commission (FCC) Exchange Boundary Mapping Project.
- Completion of the de-tariffing process for approximately 150 incumbent local exchange carriers as mandated by the passage of Senate File 2195.
- Oversight of the Relay Iowa equipment distribution program.
- Initiation of two Board rule makings, Docket Nos. RMU-2014-0002 and RMU-2014-0003, updating outdated and obsolete language in the Iowa Administrative Code chapters 39 and 22 as a result of SF 2195 passage.

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

In March 2010, the 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 the 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 service 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 2014 and with more changes expected going forward. The CAF/ICC order resulted in a continued record number of telephone filings made with the Board in 2014.

In July 2013, the Board filed on behalf of the approximately 150 telecoms, exchange boundary maps, another requirement resulting from the FCC’s order. In December 2014, the FCC released its map of the exchange boundaries and instructed all companies to correct any boundary gaps and overlaps. Staff worked with the affected companies and, in March 2014, filed corrected maps with the FCC. Iowa was one of only twelve states that filed on behalf of the companies. The process is ongoing.

**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 2014, 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 2014 forecast:

<b>Iowa Area Code</b>	<b>Exhaust Year (NANPA Forecast)</b>
319	2042
515	2034
563	2045
641	2041
712	2043

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

In 2014, the Board granted Eligible Telecommunications Carrier (ETC) status to one new carrier 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 addition, the Board processed three ETC relinquishments due to mergers and acquisitions. 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 2014, the Board certified 237 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.

## **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 with Hamilton will expire on December 31, 2016.

The 2014 total minutes of use of Relay Iowa was 109,337 conversation minutes, compared to 133,443 conversation minutes in 2013 (18.1 percent decrease). Inbound calls to Relay Iowa

decreased 5.5 percent, from 89,035 calls in 2013 to 84,152 calls in 2014. The continued decrease in minutes of use for the traditional relay service can be partly attributed to the availability of other services such as 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 2014 Relay Iowa average call response time was 0.8 seconds, the same as in 2013. TTY calls made up approximately 49 percent of all Relay Iowa calls, voice calls accounted for 20 percent of relay calls, 30 percent were voice carryover calls, and the rest were hearing carryover 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 also 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 contract term is 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 from 463,350 conversation minutes in 2013 to 418,504 conversation minutes in 2014 (9.7 percent decrease). The number of inbound calls to CapTel Relay decreased 2.1 percent, from 149,477 calls in 2013 to 146,331 in 2014. The 2014 CapTel Relay average call response time was 1.2 seconds, up from the average response time of 0.96 seconds in 2013.

### **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 term with DSU 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 2014, participants in the program redeemed 950 vouchers for equipment valued at \$162,743. As seen below, the amplified phone was, by far, the equipment most in demand.

<b>Equipment Description</b>	<b>Number of Pieces</b>	<b>Total Amount</b>
Amplified phone with and without accessories	802	\$134,632
Captioned telephone with and without accessories	108	10,285
TTY with and without accessories	4	1,844
Voice carryover phone with and without accessories	3	620
Ringer, headset, neckloop, handset	5	318
Speech amplified phone with and without accessories	4	607
Hearing carryover phone with TTY	2	663
Electrolarynx telephone	16	12,920
Amplified answering machine	5	354
Voice-activated speakerphone	1	500
<b>TOTAL</b>	<b>950</b>	<b>\$162,743</b>

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

In July 2012, the Board was awarded the opportunity to participate in a two-year pilot program established by the 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 Federal Communications Commission (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.

To administer the NDBEDP pilot program for Iowa, the Board collaborated with staff from the Iowa equipment distribution program and the Iowa Department for the Blind. Iowa's program was called *iowaCanConnect*.

The pilot program year runs from July 1 to June 30. The second year of the pilot program ended June 30, 2014. During the second year, *iowaCanConnect* used \$116,691 of its allotted budget of \$117,786. Twenty deaf-blind individuals received \$93,000 worth of equipment and training during the second year of the pilot program.

In June 2014, the Board notified the FCC that it would no longer participate in the pilot program as administrator of Iowa's NDBEDP. The FCC selected Helen Keller National Center, Great Plains Regional Office, located in Shawnee Mission, Kansas, as the new administrator of the Iowa NDBEDP, effective July 2014.

**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-2013-0004 GREAT RIVER ENERGY OF IOWA, LLC**

On October 10, 2013, the Board granted a certificate to Great River to provide competitive natural gas to large volume customers, specifically for a fleet of trucks. On November 19, 2014, Great River filed a request for an amended certificate to provide competitive natural gas to small volume customers, specifically for individual vehicles, in addition to large volume customers. On December 19, 2014, the Board issued an order approving the application and granting Great River an amended certificate to provide competitive natural gas services to large and small volume customers. Great River will provide compressed natural gas at a vehicle fueling station in Burlington, Iowa.

**CGP-2014-0001 HOSPITAL ENERGY, LLC**

On February 28, 2014, Hospital Energy filed an application seeking certification to serve large volume customers as a competitive natural gas aggregator in Iowa. On February 28, 2014, Hospital Energy was notified that its application was complete and that the 90-day review period had begun. On March 31, 2014, the Board

issued an order approving the application and granting Hospital Energy a certificate to provide competitive natural gas services to large volume customers in Iowa.

**CGP-2014-0002 WOODRIVER ENERGY, LLC**

On April 30, 2014, WoodRiver filed an application seeking certification to serve small and large volume customers as a competitive natural gas provider in Iowa. On May 2, 2014, WoodRiver filed additional information. On May 5, 2014, WoodRiver was notified that its application was complete and that the 90-day review period had begun. On May 7, May 9, and June 4, 2014, WoodRiver filed additional information. On July 10, 2014, the Board issued an order approving the application and granting WoodRiver a certificate to provide competitive natural gas services to small and large volume customers in Iowa.

**CGP-2014-0003 BLUEMARK ENERGY, LLC**

On September 15, 2014, BlueMark filed an application seeking certification to serve small and large volume customers as a competitive natural gas provider in Iowa.

On September 24, 2014, BlueMark filed additional information. On October 20, 2014, BlueMark was notified that its application was complete and that the 90-day review period had begun. On December 3, 2014, the Board issued an order approving the application and granting BlueMark a certificate to provide competitive natural gas services to small and large volume customers in Iowa.

**CGP-2014-0004 ECO-ENERGY, LLC**

On November 13, 2014, Eco-Energy filed an application seeking certification to serve large volume customers as a competitive natural gas provider in Iowa. On November 17, 2014, Eco-Energy was notified that its application was complete and that the 90-day review period had begun. On December 16, 2014, the Board issued an order approving the application and granting Eco-Energy a certificate to provide competitive natural gas services to large volume customers in Iowa.

**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 2014**

(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-22115	02/25/13	NIPCO	01/17/14
E-22082	03/19/12	Dairyland Power	02/05/14
E-22147	07/31/13	CIPCO	02/19/14
E-22146	07/30/13	CIPCO	04/2/14
E-22157	10/02/13	ITC	04/25/14
E-22144(D)	11/04/13	CIPCO	06/10/14
E-22099 <sup>1</sup>	12/20/12	MEC	06/26/14
E-22158	12/30/13	MEC	07/10/14
E-22159	12/30/13	MEC	07/10/14
E-22103	01/18/13	MEC	08/19/14
E-22104(E)	01/18/13	MEC	08/19/14
E-22105	01/18/13	MEC	08/19/14

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<sup>1</sup> This franchise only approved part of the project in Black Hawk County. A petition for amendment will be filed for the rest and heard with the other remaining MVP 4 dockets.

E-22106	01/18/13	MEC	08/19/14
E-22107(E)*	01/18/13	MEC	08/19/14
E-22108	01/18/13	MEC	08/19/14
E-22166	04/4/14	CIPCO	08/29/14
E-22161	01/10/14	MEC	08/29/14
E-22162 <sup>2</sup> (D)	02/14/14	ITC	08/29/14
E-22155	02/26/14	CIPCO	08/29/14
E-22168	04/15/14	ITC	09/19/14
E-22171	07/30/14	CIPCO	11/24/14
E-22173	06/02/14	ITC	12/16/14

<b>AMENDMENTS</b>	<b>FILED</b>	<b>COMPANY</b>	<b>AMENDMENT ISSUED</b>
E-21147(A10)	08/30/13	ITC	01/23/14
E-20886(A3)	12/17/12	ITC	01/31/14
E-20910(A1)	07/12/13	ITC	03/03/14
E-21147(A8)	04/29/13	ITC	03/24/14
E-20940(A4)	07/12/13	ITC	04/25/14
E-21894(A2)	09/16/13	ITC	05/1/14
E-22011(A1)	04/30/13	ITC	06/17/14
E-22034(A1)	04/30/13	ITC	06/17/14
E-21080(A4)(D)	02/14/14	ITC	08/29/14

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<sup>2</sup> Associated with termination of existing franchise in E-20883.

E-20994(A18)	10/15/13	ITC	10/07/14
E-21707(A1)	02/05/14	ITC	10/07/14
E-21894(A3)	03/31/14	ITC	11/10/14
E-21261(A5)	06/16/14	ITC	12/05/14
E-21393(A1)	12/13/13	ITC	12/23/14
E-21395(A1)	12/13/13	ITC	12/23/14
<b>EXTENSIONS</b>	<b>FILED</b>	<b>COMPANY</b>	<b>EXTENSION ISSUED</b>
E-22117	03/21/13	ITC	01/29/14
E-22145	06/22/13	ITC	04/22/14

<b>OTHER ACTIONS</b>			
E-21170*	07/14/14	ITC	Authorization of separate pole lines for line relocation. OCA objected on 07/23/14. Withdrawn 07/31/14. Order closed docket on 08/5/14.
E-20883 <sup>3</sup>	02/14/14	ITC	Franchise terminated by request on 09/19/14

### 2014 SUMMARY

New franchises	22
Amendments	15
Franchise extensions	2
<b>TOTAL FRANCHISES, AMENDMENTS, AND EXTENSIONS ISSUED</b>	<b>39</b>

#### OTHER DATA

Temporary construction permits	0
Informational meetings held	4
Other franchise actions	2

#### 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

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<sup>3</sup> Franchise in this docket terminated when superseded by new franchise in E-22162.

## EMISSIONS PLANS AND BUDGETS (EPB)

*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-2014-0150 INTERSTATE POWER AND LIGHT COMPANY**

On April 1, 2014, IPL 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. IPL's filing detailed its projected share of capital costs and operations and maintenance expenditures for 2015 through 2016 for ongoing emission control projects at its coal-fired facilities, some of which are jointly owned. On December 3, 2014, the Board issued an order requiring additional information. On December 18, 2014, IPL filed the information. The docket is pending.

### **EPB-2014-0156 MIDAMERICAN ENERGY COMPANY**

On April 1, 2014, 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. MEC's filing detailed its projected share of capital costs and operations and maintenance expenditures for 2014 through 2016 for ongoing emission control projects at its coal-fired facilities, some of which are jointly owned. On December 3, 2014, the Board issued an order requiring additional information. On December 18, 2014, MEC filed the information. 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-2012-0019 (C-2012-0129)**

#### **REHABILITATION CENTER OF ALLISON, IOWA, CALL TERMINATION**

On September 25, 2012, the initial complaint was filed by Kathy Miller, Administrator of the Rehabilitation Center of Allison (the facility), Iowa, alleging that the facility was not receiving phone calls and faxes from the Shell Rock Clinic in Shell Rock and the Waverly Health Center in Waverly, Iowa. On December 14, 2012, Board staff issued a proposed resolution stating that it had reviewed the information provided by the various carriers in their responses and noting that, according to CenturyLink, there were no current issues with completion of calls to the Allison facility. Based on analysis of the complaint and the responses, Board staff indicated that it did not believe AireSpring played a role, either as a reseller of CenturyLink's long-distance service or as an underlying carrier selected by CenturyLink, to deliver long-distance calls. Board staff also concluded that neither Iowa Network Services nor Dumont played a role in misrouting of calls. Staff observed that it appears that CenturyLink had no records to investigate when calls do not complete. Staff noted that CenturyLink can make changes to the routing tables to correct call completion problems and problems can recur if the tables are changed again, but staff noted that CenturyLink appeared to be working in good faith to address any complaints brought to its attention. Staff concluded that the call termination issues for the Allison facility appeared to have been resolved, but asked for continued reporting of any further

call completion issues. Staff also noted in its proposed resolution that it is generally agreed that the long-term resolution of the rural call termination situation must be addressed by the Federal Communications Commission. On December 27, 2012, the Office of Consumer Advocate filed a petition for formal complaint proceeding and, on March 15, 2013, the Board docketed this complaint for formal proceeding. The case was assigned to the Board's Administrative Law Judge. Other parties involved in the complaint include Dumont Telephone Company, (Dumont), AireSpring, Inc. (AireSpring) and Qwest Corporation, d/b/a CenturyLink (CenturyLink). Several prehearing conferences were held during 2014 and a procedural schedule for the proceeding was established. The formal complaint docket is pending.

### **FCU-2013-0004 (C-2012-0147) HUXLEY FAMILY PHYSICIANS, CALL TERMINATION**

On November 28, 2012, Lynae Millette, Clinic Administrator of Huxley Family Physicians (HFP) in Huxley, Iowa, filed an initial complaint alleging HFP had experienced about four years of static and problems with telephone calls being disconnected. The complaint also alleged that HFP was not receiving phone calls and faxes from Mary Greeley Hospital in Ames, Iowa. On February 21, 2013, Board staff issued a proposed resolution. Staff determined that changing the underlying carrier resolved the matter and suggested that if Millette experienced further problems with phone calls and faxes to HFP not completing, she could ask the person

originating the call or sending faxes to contact their telephone provider and to file a complaint with the Board. On March 7, 2013, the Office of Consumer Advocate filed a request for formal complaint proceeding and, on May 23, 2013, the Board docketed this matter for formal proceeding. This case is assigned to the Board's Administrative Law Judge. Other parties in the docket include Huxley Communications Cooperative (Huxley Communications) Qwest Corporation d/b/a CenturyLink (CenturyLink), and Bluetone Communications, LLC (Bluetone), formerly known as Bluemile Networks. Prehearing conferences were held during 2014 and a partial procedural schedule for the proceeding was established. The formal complaint docket is pending.

**FCU-2013-0005 (C-2013-0005) HANCOCK COUNTY HEALTH SYSTEMS, CALL TERMINATION**

On January 15, 2013, Curt Gast of Hancock County Health Systems (HCHS) filed an initial complaint, alleging that HCHS had experienced problems completing telephone calls made from its main health clinic campus to outlying telephone numbers within the HCHS telephone service area. On March 14, 2013, Board staff issued a proposed resolution. Staff found that once CenturyLink removed IntelePeer from the routing, calls completed without issue. Staff noted it had contacted Gast, who reported that since CenturyLink made changes to the routing, he had not had any further problems with calls not completing. On June 10, 2013, the Board granted the March 27, 2013, request of the Office of Consumer Advocate for a formal complaint proceeding. The companies involved were: Qwest Corporation, d/b/a CenturyLink QC (CenturyLink), IntelePeer, Impact Telecom, and InterMetro Communications. Prehearing conferences were held in 2014

and a partial procedural schedule was established in this formal complaint docket, which is assigned to the Board's Administrative Law Judge and is pending.

**FCU-2013-0006 (C-2013-0006 AND C-2013-0011) HELEN ADOLPHSON AND CHARLOTTE SKALLERUP, CALL TERMINATION**

On April 29, 2013, Board staff issued proposed resolutions in two rural call completion complaints, identified as Docket Nos. C-2013-0006 and C-2013-0011, recommending that the Board, on its own motion pursuant to Iowa Code § 476.3(1), docket the complaints for further investigation. The Board agreed with its staff that further investigation of these two complaints was warranted. In the informal proceeding identified as Docket No. C-2013-0006, Helen Adolphson filed a complaint with the Board on January 17, 2013, stating that for several months she had experienced problems calling her mother, Faye Wookey, who resides in Emerson, Iowa. Staff found that after CenturyLink removed InterMetro from the routing and performed test calls, the calls completed successfully. On June 24, 2013, the Board issued an order docketing this matter on its own motion and combining complaints. Prehearing conferences were held in 2014 and a partial procedural schedule was established in this formal complaint docket, which is assigned to the Board's Administrative Law Judge and is pending.

**FCU-2013-0007 (C-2013-0025) CAROLYN FRAHM, CALL TERMINATION**

On March 1, 2013, Carolyn Frahm of Mount Pleasant, Iowa, filed a complaint stating that on February 6, 2013, she changed her telephone service provider from MCC Telephony of Iowa, LLC (Mediacom) to Windstream of the Midwest, Inc. (Windstream) due to call completion issues.

Ms. Frahm explained that starting in August of 2012 she had problems completing telephone calls from her home number to the telephone number of a friend in Mediapolis, Iowa. Frahm stated that the problems occurred when her service was provided by Mediacom and continued after she changed to Windstream's service. Frahm explained that her friend was able to complete calls to Frahm's telephone number. Board staff issued a proposed resolution on April 26, 2013, noting Windstream's test calls to the number in question completed each time and the responses of MTC and Verizon, which according to Frahm's comments dated March 25, 2013, showed her service was working properly. On May 9, 2013, the Office of Consumer Advocate filed a request for formal proceeding. On July 15, 2013, the Board granted the OCA's petition for formal proceeding. Prehearing conferences were held in 2014 and a partial procedural schedule was established in this formal complaint docket, which is assigned to the Board's Administrative Law Judge and is pending.

**FCU-2013-0009 (C-2013-0026) DOUGLAS PALS, CALL TERMINATION**

On July 1, 2013, the Board docketed this matter for formal proceeding on its own motion. In the informal proceeding, Douglas Pals filed a complaint with the Board stating that on February 12, 2013, at 2:00 p.m., he attempted to place a call from his home in Clive, Iowa, to a telephone number in West Liberty, Iowa. Mr. Pals stated that the called party did not answer because the caller identification device (caller ID) on the called party's telephone did not display his name or telephone number. Pals left a message on the called party's answering machine and when she returned his call, she explained that the caller ID showed the name "BIDAXIS" and a number which was not Pals' telephone

number. Pals explained that his telephone number was served by Qwest Corporation, d/b/a CenturyLink (CenturyLink), since 1999. On May 23, 2013, Board staff issued a proposed resolution finding that once CenturyLink removed Bluetone from the call routing, test calls completed without issue. Staff also observed that Bluetone's response indicated that its test calls did not duplicate the information reported by Pals. Staff observed that Bluetone's request that the Board treat the identity of Bluetone's underlying carrier as confidential did not comply with the Board's requirements in its rules at 199 IAC 1.9. Staff recommended that the Board initiate a formal proceeding. Prehearing conferences were held in 2014 and a partial procedural schedule was established in this formal complaint docket, which is assigned to the Board's Administrative Law Judge and is pending.

**FCU-2014-0002 (C-2013-0088) JODI SCHULTE, CALL TERMINATION**

On September 9, 2013, Jodi Schulte, of Fort Madison, Iowa, filed an informal complaint with the Board regarding telephone call completion issues with her local telephone service provider, MCC Telephony of Iowa LLC (Mediacom). In the complaint, Schulte explained that she had experienced numerous call completion issues for the past year and had reported the problems to Mediacom. Schulte also noted that she is an employee of Jefferson Telephone Company (Jefferson Telephone) and is familiar with the call completion issues experienced by rural telephone carriers. On January 14, 2014, Board staff issued a proposed resolution concluding there was insufficient information to issue an informal staff finding. On January 17, 2014, Schulte informed Board staff that a Mediacom technician visited her home on January 17 and advised Schulte to unhook all of the phone jacks in the house except for the ones in use. Schulte stated she plugged phones

into three jacks and had the Mediacom technician remove the call forwarding feature. On January 22, 2014, Schulte indicated that after Mediacom's technician visited her home for the second time, she had no problems with her phone service and would like to drop the matter. On February 19, 2014, Board staff issued a revised proposed resolution, finding that the problems experienced by the customer had apparently been resolved by changes made to customer premise equipment and asking to withdraw staff's recommendation that the Board docket the complaint for further investigation. The Board denied a March 5, 2014, request for formal proceeding filed by the Office of Consumer Advocate. On July 28, 2014, the case was closed.

**FCU-2014-0003 (C-2013-0096) MADONNA MCKIBBIN, MCKIBBIN TRUCKING INC. V. FRONTIER COMMUNICATIONS OF IOWA, SERVICE PROBLEMS**

On September 29, 2013, Madonna McKibbin of McKibbin Trucking of Kingsley filed an informal complaint with the Board. McKibbin stated that a temporary telephone line for the business had been lying on the ground for several years. This line seemed to be the root of telephone service problems for the business and Frontier had been contacted many times to come and repair the line. Ms. McKibbin wanted the line to be buried to end the ongoing service problems, but had been unable to accomplish this. Upon receiving this complaint, Frontier completed the repair and the line was buried. On January 7, 2014, Board staff issued a proposed resolution stating the cable had now been repaired and the service issues had been addressed. On January 15, 2014, the Office of Consumer Advocate filed a request for formal proceeding. The OCA stated that Frontier had violated Board rules by allowing the telephone to remain unburied

for several years. On February 12, 2014, Frontier asked for a request to extend the deadline as Frontier and the OCA had been in discussion in the attempt to settle this matter without Board intervention. On March 11, 2014, a settlement agreement reached between the OCA and Frontier was filed. On March 20, 2014, the Board approved the settlement agreement.

**FCU-2014-0004 (C-2013-0111) BRODALE FARMS V. QWEST CORPORATION INC. D/B/A CENTURYLINK, SERVICE PROBLEMS**

On October 23, 2013, Arnold and Jeanette Brodale of Brodale Seed Farms in Ottesen, Iowa, filed an informal complaint. The Brodales stated that for the past five years there had been a telephone line lying across the ditch and if that line was cut, then they would lose telephone service. The Brodales stated that the line had been cut many times. They stated they had unable to get their telephone service provider, Qwest Corporation, Inc. d/b/a CenturyLink to bury the telephone line. Once the complaint was received by CenturyLink, a plan to complete the job was put into place and the line was to be buried by November 13, 2013, but it was escalated and completed on October 23, 2013. On January 24, 2014, Board staff issued a proposed resolution stating the correct steps had been taken to correct the problem. On February 7, 2014, the Office of Consumer Advocate filed a request for formal proceeding stating that although steps been taken to correct the problem, further investigation was necessary due to the length of time the line had been lying on the ground. On February 11, 2014, CenturyLink replied to the request for formal proceeding. On August 12, 2014, the Board denied the request for formal proceeding.

**FCU-2014-0005 (C-2014-0012) THE ABBEY ADDICTION TREATMENT CENTER V. IOWA AMERICAN WATER COMPANY, BILLING DISPUTE AND POOR CUSTOMER SERVICE**

On February 10, 2014, Mr. Lemon filed an informal complaint with the Board against Iowa American Water Company (Iowa American) and stated that Iowa American refused to issue credit to The Abbey after it experienced a minor water leak in their plumbing that resulted in a high water billing. The complaint also noted that Iowa American sent disconnection notices to The Abbey while the billing was being disputed and Iowa American provided poor customer service. The complaint stated that in August 2013, The Abbey experienced a minor water leak resulting in a nearly 100 percent increase in water consumption for that month. The leak was repaired and The Abbey disputed the high water billing and requested an adjustment with Iowa American. On March 10, 2014, Board staff issued a proposed resolution to The Abbey's complaint. The proposed resolution noted that water service was established in The Abbey's name on July 31, 2013, and that average monthly usage was 128 units, with a high usage during the leakage of 238 units. The proposed resolution found that Iowa-American's tariff provides for a water leakage adjustment. Contrary to Iowa-American's assertions that the tariff does not cover commercial accounts, the proposed resolution found that there is no such limiting language and the tariff would apply to commercial accounts as well. The proposed resolution found that the credit Iowa American issued to The Abbey's account, \$151.91, was consistent with the tariff's language. The proposed resolution also noted that Iowa American recognized it failed to review The Abbey's request in a timely matter, erroneously provided a generic form letter to The Abbey after the

review was finally completed, and sent disconnection notices to The Abbey while the bill was being disputed and reviewed. The proposed resolution indicated that Iowa American provided poor customer service in this instance and that failure to review The Abbey's billing inquiry in a timely manner was unacceptable. Finally, addressing the allegations regarding American Water Works' West Virginia affiliate, the proposed resolution indicated that while the poisoning allegations are serious, the Board only regulates Iowa-American services in Iowa. In other words, the proposed resolution found that the Board has no authority to address those concerns. The Board denied the request for formal complaint proceedings filed by Lemon on behalf of The Abbey Addiction Treatment Center on March 14, 2014, and the docket was closed on April 22, 2014.

**FCU-2014-0006 (C-2013-0059) CHARLES JONES V. MIDAMERICAN ENERGY COMPANY, POOR CUSTOMER SERVICE**

On June 21, 2013, Charles Jones of Council Bluffs filed an informal complaint against MEC regarding the poor customer service he received when he requested electric service from MEC for a home he had relocated to what had previously been a vacant lot. Jones stated that MEC had been unwilling to work with him in regards to how the service would be installed. He stated that MEC was using inaccurate information and strong arm tactics. On October 2, 2013, Board staff issued a proposed resolution stating that MEC had now provided correct information and had also been working with Jones about reviewing the easement for the property. On October 31, 2013, Jones filed a request for a formal proceeding regarding his complaint. Jones believed that his issued was still unresolved and had secured legal counsel. In addition, Jones had advised MEC it needed to pay \$10,000.00 for an easement

for the property. On April 22, 2014, the Board denied Jones request for a formal proceeding.

**FCU-2014-0007 (C-2014-0005)  
SUTHERLAND MERCY MEDICAL CLINIC,  
CALL TERMINATION**

On January 28, 2014, Jason Wilbur filed a complaint on behalf of Sutherland Mercy Medical Clinic. The complaint stated that employees at the Sutherland Mercy Medical Clinic were trying to contact the Baum Harmon Mercy Hospital in Primghar, Iowa, and were unable to complete calls. On March 26, 2014, Board staff issued a proposed resolution. Staff concluded CenturyLink (and its underlying carrier) failed to deliver or complete the calls. In response to the customer's complaint that when some calls completed, they either dropped or had long pauses, staff referred to federal rules prohibiting service providers from conveying false ringing indications. Staff noted that the record in this case did not contain sufficient detail for staff to conclude whether this particular FCC prohibition is implicated. Staff indicated that if the customer continued to experience call completion problems, it might be appropriate to refer the complaint to the FCC to alert that agency of a possible violation of its rule. The Board granted an April 9, 2014, request for a formal proceeding filed by the Office of Consumer Advocate. Prehearing conferences were held in 2014 and a partial procedural schedule was established in this formal complaint docket, which is assigned to the Board's Administrative Law Judge and is pending.

**FCU-2014-0008 (C-2013-0082) PETER  
RHINES V. MIDAMERICAN ENERGY  
COMPANY, BILLING**

On August 19, 2013, Peter Rhines of Des Moines filed an informal complaint with MEC in regards to an outstanding debt and a back bill. Rhines stated MEC had determined that he had diverted his natural

gas in March 2013. Rhines stated that he had diverted his natural gas service and, in an effort to settle the matter with MEC, paid \$1,000.00 plus the existing outstanding charge, although the charge at that time was less than \$200.00. The utility reviewed Mr. Rhines account and believed that he had been diverting natural gas for a longer time than he previously stated and found he had an outstanding debt in the amount of \$4,529.99 for being backed billed for natural gas service for the previous five years. On December 13, 2013, Board staff issued a proposed resolution stating that MEC was correct to back bill, but Board staff believed that the amount the customer was billed was less based on the customer's ultra conservative energy usage. A formal proceeding was requested by MEC on December 26, 2013 after MEC's request for reconsideration of the proposed resolution was denied. The Board granted a formal proceeding on May 12, 2014, and set the hearing for June 11, 2014. On August 21, 2014, the Board issued an order stating the original \$1,000.00 paid by Mr. Rhines was a reasonable amount to cover the outstanding charges for diversion.

**FCU-2014-0009 (C-2014-0018) FIRST  
CENTRAL STATE BANK, CALL  
TERMINATION**

On March 3, 2014, Tammy Laursen filed an informal complaint on behalf of First Central State Bank in Dewitt, Iowa. The informal complaint cited repeated difficulties completing telephone calls from Dewitt to two telephone numbers in Wheatland, Iowa. On April 29, 2014, Board staff issued a proposed resolution. Staff found that Windstream did not block the calls from DeWitt to Wheatland. Staff observed that because the customer did not report the call failures to CenturyLink, CenturyLink did not notify Telaris, the underlying carrier. Staff noted that Telaris

acknowledged that problems with its gateway equipment caused the calls in question not to be delivered to the called parties. Staff concluded that it appeared that due to problems with Telaris' equipment, the calls were suspended and did not progress to be delivered properly. Staff noted that Laursen had not reported any further call completion issues and Telaris had been removed from the call routing. On August 19, 2014, the Board denied the request for a formal proceeding filed by the Office of Consumer Advocate on May 12, 2014. On September 4, 2014, the OCA filed a timely request for reconsideration. On September 29, 2014, the Board denied the request for reconsideration and closed the docket.

**FCU-2014-0010 (C-2014-0032) GARY PFAB V. INTERSTATE POWER AND LIGHT COMPANY, HIGH BILL**

On March 31, 2014, the Iowa Utilities Board received an informal complaint from Gary Pfab regarding a high electric service bill that the customer alleged was a result of a defective electric meter by his electric service provider, Interstate Power and Light Company (IPL). Pfab stated that he believed his electric meter was defective because the meter was recording high usage. On May 22, 2014, Board staff issued a proposed resolution that found the meter had been tested and was operating within appropriate limits allowed by 199 IAC 20.4(14)"a" and no adjustment of the electric bills was required. On May 27, 2014, Pfab requested a formal proceeding. On July 7, 2014, the Board issued an order indicating that since the information in the file showed that the meter tested within appropriate limits and there was electricity being used above minimal usage, Pfab as the customer of record was responsible for payment of the tariffed charges for electric usage during the period in question. The

Board found no reasonable grounds for a formal investigation when the meter tested as accurate; the remaining issue of how the electricity was used was not considered something the Board could determine. The Board denied the request for a formal complaint proceeding. On September 22, 2014, Pfab filed a request for rehearing of the July 7, 2014, order, stating that he never received the order. In the request for rehearing, Pfab restated the request for a formal complaint proceeding to address his complaint against IPL. Based upon the failure of the Board's electronic filing system to send the July 7, 2014, order to Pfab, the Board determined that it was reasonable to grant Pfab's request for rehearing. Since the Board granted rehearing of the request for a formal complaint proceeding, the Board undertook a second review of the information provided in the investigation of the informal complaint. The Board found that the decision reached in the July 7, 2014, order was correct and the totality of circumstances did not support further investigation. A second review of the information in the informal complaint provided no reasonable grounds for further investigation. On October 27, 2014, the Board affirmed its July 7, 2014, order, denied the request for a formal complaint proceeding, and closed the docket.

**FCU-2014-0011 INTRADO COMMUNICATIONS, INC. V. QWEST CORPORATION, D/B/A CENTURYLINK QC**

On June 9, 2014, Intrado filed a complaint against CenturyLink, alleging multiple violations of Iowa Code chapter 476. Intrado alleged that CenturyLink was engaging in discriminatory and anticompetitive behavior with regard to CenturyLink's pricing of its automatic location identification (ALI) management services and selected routing (SR) features

of Enhanced Universal Emergency Number Service (E911). Intrado asked that the complaint be docketed as an expedited proceeding pursuant to Iowa Code § 476.101(8). On July 3, 2014, the Polk County Joint E911 Service Board and the Black Hawk County E911 Service Board were granted intervenor status. On August 20, 2014, a hearing was held. The Office of Consumer Advocate did not file written testimony, but participated in the hearing through cross examination of witnesses. On September 16, 2014, Intrado filed a withdrawal of its complaint against CenturyLink, without prejudice. On October 20, 2014, the Board issued an order granting the motion to withdraw the complaint.

**FCU-2014-0012 (C-2014-0009) LINDA FRIEDRICHSEN V. INTERSTATE POWER AND LIGHT COMPANY**

On January 31, 2014, Linda Friedrichsen filed an informal complaint against Interstate Power and Light Company (IPL) in regards to the cost of an electric line extension for a new home. Friedrichsen stated that an initial inquiry in 2008 advised that the cost of the service would be between \$600.00 and \$700.00. However, since that time the poles and facilities had been removed from the property and now the new service would cost \$27,500.00. On March 3, 2014, Board staff issued a proposed resolution, stating that IPL took the correct steps in removing old idle equipment and protecting the other facilities in the area. There are no Board rules that address the rates or costs associated with a line extension. Staff also stated that the length of the time the property had been without active service also played heavily in the resolution as the property had been without active service for at least 20 years. On April 21, 2014, Friedrichsen filed a request for a formal proceeding. On

October 6, 2014, the Board issued an order granting the request for formal proceeding.

**FCU-2014-0013 (C-2014-0117) LEROY MARTIN V. INTERSTATE POWER AND LIGHT COMPANY, BACK BILLING**

On August 22, 2014, the Board received an informal complaint from Leroy Martin of Tiffin, Iowa, regarding a defective electric meter and back billing by his electric service provider, Interstate Power and Light Company (IPL). The complaint stated that Martin moved to a property in December 2013 and the electric service was in his landlord's name. On February 14, 2014, Martin had requested the electric service in his name from Alliant/IPL. Martin indicated that he used propane heat and a generator for utility service during the winter. In April 2014, Martin stated that he received a notice from IPL to pay \$1,000.00 due to a faulty electric meter. Martin stated that an arrangement to pay the back billing would require large monthly payments in addition to his existing high electric service charges, which were approximately \$250.00 per month. Martin alleged that IPL billed him the charges based on the faulty meter for several months, which he was not aware of, and then IPL back billed him when they discovered the error. Martin indicated that he was being threatened with service disconnection, that this back billing would negatively impact his finances, and would be a hardship for him to pay. Also, Martin alleged that IPL's back billing included three months when he did not live at the property. Martin stated that he should not have to pay the charges because the company's meter was faulty and the back billing was based on the previous tenant's electric usage. On September 30, 2014, Board staff issued a proposed resolution finding IPL's recalculation of the back bill amount to \$378.64, along with Alliant/IPL's offer to establish a 12-month payment plan, was reasonable. IPL was directed to meet with

Board staff to verify IPL was implementing its meter testing program in accordance with the Board's rules. On November 24, 2014, the Board denied the request for formal complaint and closed the docket.

**FCU-2014-0014 (C-2014-0072) HORN MEMORIAL HOSPITAL, CALL TERMINATION**

On June 6, 2014, Michelle Weber filed a complaint on behalf of Horn Memorial Hospital in Ida Grove, Iowa. The informal complaint file was forwarded to Frontier Communications of Iowa, Inc. (Frontier), Long Lines Metro, Inc. (Long Lines), which was the terminating provider, and Iowa Network Services, Inc. (INS), which was the terminating tandem provider. The complaint was also sent to underlying carriers, Impact Telecom (Impact) and Level 3 Communications, LLC (Level 3). The complaint cited failed attempts to reach Horn Physicians Clinic in Mapleton, Iowa, from the Horn Memorial Hospital in Ida Grove. The complaint stated calls did not complete due to suspected least cost routing issues. Weber stated that Horn Memorial Hospital is struggling to communicate with the surrounding clinics, hospitals, patients, and pharmacies. Board staff issued a proposed resolution on October 24, 2014, observing that 147 long-distance calls terminated to the telephone number for the Horn Physician's Clinic for the dates in question and three of those calls originated from the hospital. Staff found that Frontier had not been notified that the hospital was experiencing problems completing calls until staff forwarded the complaint on June 10, 2014. According to Board staff's review, Frontier routed the calls to Impact. Impact stated it sent the calls to Level 3, but there was no indication that the calls were sent to the terminating tandem to complete. There was conflicting information from Impact and Level 3 and Board staff was not

able to resolve the dispute between Impact and Level 3 regarding the trouble ticket. Staff observed that the hospital had not had further call completion problems after Frontier removed Impact from the call route and added new underlying carriers. On November 4, 2014, the Office of Consumer Advocate filed a request for a formal proceeding. This docket is pending.

**MONTANA MIKE'S STEAKHOUSE ET. AL. V. MIDAMERICAN ENERGY COMPANY FCU-2014-0015 (C-2014-0123, C-2014-0126, C-2014-0127, C-2014-0128, C-2014-0129, C-2014-0130, C-2014-0131, C-2014-0132, C-2014-0141, AND C-2014-0142)**

From September 18, 2014, through October 20, 2014, 11 small business customers in Iowa filed written complaints with the Iowa Utilities Board against MEC regarding the increase in the electric rate associated with a new demand charge. Customers indicated MEC advised them the change was due to a ruling made by the Board. The business customers are: Judy Lilly on behalf of Montana Mike's Steakhouse, Des Moines; Steve Hammen on behalf of Buena Vista County Courthouse and the Law Enforcement Center, Storm Lake; Doug Spitzagle on behalf of Avoca Super Foods, Avoca; Bob LeMonds on behalf of R&L Foods, Doon, Gene Loffredo and Mark Zimmerman on behalf of Loffredo Fresh Produce, Des Moines; Tom Mulholland on behalf of Mulholland Grocery, Malvern; Scott Havens on behalf of Scott's Foods, Norwalk; Storage & Design, Ron Patterson on behalf of Storage & Design, Des Moines; Brendan Comito on behalf of Capital City Fruit, Norwalk. On November 21, 2014, the Board issued an order opening a formal complaint proceeding and setting a hearing date of January 6, 2015. This docket is pending.

**FCU-2014-0016 ARTI, LLC v.**

**MIDAMERICAN ENERGY COMPANY**

On October 20, 2014, Arti filed an informal complaint against MEC regarding the rates charged by MEC for electric service at the Arti facility in Council Bluffs, Iowa. In the informal complaint, Arti disputed the monthly MEC electric billing and requested a Board review of the application of the equalization and phase-in factors, which resulted in a significant rate increase for electric service. On November 10, 2014, MEC filed a response to the complaint. The response included confidential information regarding Pinnacle and Arti, equalization and phase-in factors for each facility, and

the applicable MEC tariff provisions. In the response, MEC stated that it suspended all collection activity on the disputed portion of the Arti electric bill pending resolution of the complaint. On November 21, 2014, the Board issued an order opening a formal complaint proceeding. On December 22, 2014, MEC and Arti filed a joint status report indicating that the parties continued to be engaged in negotiations without having reached a settlement agreement. The parties informed the Board they would file another status report by January 26, 2015. The docket is pending.

## SLAMMING/CRAMMING/JAMMING COMPLAINTS

<b>DOCKET</b>	<b>CASE</b>	<b>DESCRIPTION</b>	<b>IUB ORDER</b>	<b>RESOLUTION</b>
FCU-2012-0001	OCA v. Consumer Telcom, Inc.	Cramming	NA	See FCU-2012-0011c
FCU-2012-0007	OCA v. Consumer Telcom, Inc.	Cramming	NA	See FCU-2012-0011c
FCU-2012-0011c	OCA v. Consumer Telcom, Inc.	Cramming	Pending	Pending
FCU-2013-0002	OCA v. Legent Communications Corp. d/b/a Long Distance America	Cramming	02/05/2014	\$2,500 Civil Penalty
FCU-2013-0011	OCA v. AT&T Corp., AT&T of the Midwest and AT&T ACS SRC	Cramming	01/23/2014	Petition Denied
FCU-2013-0014	OCA "In Re: Complaint of Roudabush Electronics"	Cramming	10/09/2014	\$516.01 Refund to Customer
FCU-2013-0016	OCA v. LCR Telecommunications, L.L.C.	Cramming	01/28/2014	\$1,500 Civil Penalty
FCU-2014-0001	OCA v. Frontier Communications of Iowa, LLC	Cramming	03/03/2014	\$1,500 Civil Penalty/Credit to customer for \$177.21 early termination fee

**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-2014-0001	Windstream and New Cingular Wireless PCS	01/16/2014	01/16/2014
NIA-2010-0061	Qwest & Ernest Comm.	02/14/2014	03/27/2014
NIA-2011-0002	Qwest & Lightyear	02/14/2014	03/27/2014
NIA-2014-0002	Qwest and BCN Telecom	03/12/2014	03/12/2014
NIA-2014-0003	Qwest and BCN Telecom	03/12/2014	04/22/2014
NIA-2003-0038	Qwest and Sprint	04/7/2014	05/18/2014
NIA-2001-0042	Qwest and VoiceStream	04/10/2014	05/21/2014
NIA-2002-0017	Qwest and Sprint Spectrum	04/10/2014	05/21/2014
NIA-2000-0010	CenturyTel and Sprint Spectrum	04/30/2014	06/10/2014
NIA-2010-0050	Qwest and Liberty-Bell	06/5/2014	07/16/2014
NIA-2002-0001	Qwest and Cricket	06/24/2014	08/04/2014
NIA-2014-0004	Qwest and BCN Telecom	07/10/2014	07/10/2014
NIA-2014-0005	Qwest and Hypercube	07/11/2014	07/11/2014
NIA-2014-0006	Frontier and Western Iowa	07/15/2014	07/15/2014
NIA-2014-0007	CenturyTel and CenturyLink	09/02/2014	09/02/2014

## 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 SMART GRID NOTICE OF INQUIRY**

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 Board issued an order in 2010 expanding the inquiry to include the aggregation of retail customers (ARCs). On March 29, 2010, the Board issued an order temporarily prohibiting ARCs from operating in Iowa. On April 6, 2010, a second workshop was held, 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 the prohibition on ARCs operating in Iowa. On October 18, 2013, the Board issued an order requesting additional information on current smart grid issues. A summary of comments is available on the Board's electronic filing system, <https://efs.iowa.gov>. On January 14, 2014, the Board issued an order continuing the inquiry and thanking inquiry participants for their continued interest and participation. This docket is pending.

### **NOI-2014-0001 DISTRIBUTED GENERATION**

On January 7, 2014, the Board issued an order initiating an inquiry into the subject of distributed generation to consider the policy and technical issues associated with its potential widespread use, including consumer protection, interconnection, and safety. To initiate the discussion, the Board invited participants to comment on broad general questions related to the benefits and challenges of distributed generation, both for utilities and their ratepayers, on policies that should be examined with respect to distributed generation, and to identify the technical, financial, regulatory, and safety aspects of distributed generation that should be examined in this docket. The Board received written comments from more than 170 interested parties representing utilities, utility associations, environmental groups, renewable energy advocates, and other organizations, businesses, and individuals. The participants identified a wide range of topics that could be addressed in the inquiry, but the Board decided to focus on the topics of net metering, interconnection of distributed generation, including safety and reliability, and customer awareness. The Board's Policy Development Section staff led this inquiry. A workshop was held on October 21, 2014, to discuss the distributed generation informational guide that was

drafted by staff. Following the workshop, staff revised the guide and on December 3, 2014, the Board asked for final input on the guide. The Board planned to issue an order in early 2015 approving the Informational Guide for On-Site Generation. The guide will be available on the Board's Web site. Work on the topics of interconnection and net metering would continue. The Board issued an order on December 22, 2014, requesting participants to propose language for use in a rulemaking for 199 IAC chapter 45 (Electric Interconnection of Distributed Generation Facilities). The docket is pending.

#### **NOI-2014-0002 PEAK ALERT RULES**

On January 23, 2014, the Board opened an inquiry on its peak alert rules, 199 IAC 20.11. The existing rules went into effect in 1983 and were last amended in 2003. On March 14, 2014, participants filed comments which included recommendations to update or rescind the peak alert rules. On April 17, 2014, the Board issued an order soliciting additional comments. On May 16 and June 20, 2014, additional comments were filed. On November 19, 2014, the Board issued an order commencing a rule making (Docket No. RMU-2014-0007) to consider changes to the peak alert rules. The NOI docket is pending.

#### **NOI-2014-0003 BILL PAYMENT AGREEMENTS**

On March 20, 2014, the Board issued an order initiating a notice of inquiry to gather information regarding residential customer bill payment agreements entered into by all electric and natural gas utilities from November 1, 2013, through May 1, 2014. The inquiry served as a reminder of the Board's rules regarding payment agreements

for residential customers and to collect data to provide a better understanding of the ability of the Board's rules to address some of the issues raised by extreme winter weather. On November 14, 2014, the Board issued an order determining the 12-month payment agreement requirement to be the most reasonable balancing of the utility's and customer's interest. The Board also considered the current rule requirement of no up-front payment for a first payment agreement and the requirement for one up-front payment for a second agreement to be reasonable. The Board determined some utilities had not been complying with the Board's level payment plan rules and will address that matter in a separate inquiry in addition to other issues raised in this inquiry. The docket is closed.

#### **NOI-2014-0004 STATUTE OF LIMITATIONS AND BOARD JURISDICTION OVER MUNICIPAL UTILITY LEVEL PAYMENT PLANS**

On December 3, 2014, the Board issued an order initiating this notice of inquiry to gather comments on whether a payment agreement is a written agreement for purposes of application of the ten-year statute of limitations established in Iowa Code § 614.1(5); whether the statute of limitations in Iowa Code §§ 614.1(4) and 614.1(5) are applicable to debts owed for natural gas and electric service; and the extent of the Board's jurisdiction over level payment plans offered by municipal natural gas and electric utilities. The Board stated in the December 3, 2014, order that a workshop would be scheduled to allow for further discussion of these issues. The docket is pending.

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.***

**2014 NATURAL GAS PIPELINE DOCKETS**

<b>Docket</b>	<b>Company</b>	<b>Issued</b>	<b>Pipeline</b>
P-0888	IPL	05/07/14	Marshalltown Generating Station Lateral
P-0890	IPL	07/11/14	Ames Lateral
P-0515	MEC	04/25/14	Pleasant Valley - Le Clair Lateral
P-0769	MEC	05/01/14	Eddyville Lateral
P-0517	IPL	05/01/14	Conesville - West Branch Lateral
P-0548	MEC	05/01/14	New Sharon Lateral
P-0535	Morning Sun	05/01/14	Morning Sun Lateral
P-0770	IPL	05/05/14	Northrup King Lateral
P-0772	MEC	05/05/14	West Point Lateral
P-0768	MEC	05/05/14	DeSoto - Van Meter Lateral
P-0509	BHE	05/06/14	Tabor - Sidney - Hamburg Lateral
P-0771	IPL	07/22/14	Louisa Generating Station Lateral
P-0891	IPL	10/15/14	Washington Boulevard 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.***

***RPUs 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-2013-0004 MIDAMERICAN ENERGY COMPANY**

On May 17, 2013, MEC filed a proposal to increase its Iowa electric base rates to recover an additional \$135.6 million in annual revenues, which would be phased-in over three years. On June 7, 2013, the Board issued an order docketing the tariff, establishing a procedural schedule, and requiring additional information. The Board held eight consumer comment hearings between June 13, 2013, and July 2, 2013, at various locations throughout MEC's Iowa service territory. On August 15, 2013, the Board issued an order setting temporary rates which included the first of MEC's three proposed \$45.2 million increases, pending the final decision. MEC's petition also included a ten-year rate equalization plan to equalize rate disparities in its East, North, and South pricing zones, which resulted from past utility acquisitions and mergers. The proposed consolidation of rates in the various rate zones would begin in 2014 and would be revenue neutral. Rate impacts on individual customers would vary based on

customer class and service zone. As part of the proposed rate increase, MEC also sought permission to add two adjustment clauses to Iowa customers' bills to help cover the costs of energy production and transmission. On November 20, 2013, MEC, the Office of Consumer Advocate, and the Environmental Law and Policy Center/Iowa Environmental Council filed a non-unanimous settlement agreement resolving all issues between the parties to the settlement. The Board held a hearing, which began on December 2, 2013. On March 17, 2014, the Board issued its order approving the settlement, with modifications, and requiring additional information. On July 10, 2014, the Board issued its order on rehearing, clarifying and affirming the Board's March 17, 2014, decision. Final rates were approved to be effective on July 31, 2014.

**RPU-2014-0001 (SPU-2005-0015, TF-2014-0033) INTERSTATE POWER AND LIGHT COMPANY**

On January 13, 2014, IPL filed a “Motion for Approval of Corporate Undertaking and Corporate Undertaking.” IPL said the filing was made in compliance with the Board’s January 31, 2013, order in Docket Nos. SPU-2005-0015 and TF-2012-0577, where IPL was directed to file a corporate undertaking by January 13, 2014, in the event IPL files a general rate case proceeding in the first quarter of 2014. IPL said that it was working with the parties to resolve issues related to the new purchase power agreement (PPA) with NextEra Energy Duane Arnold, LLC (NextEra), but that if those issues were not resolved, IPL was committed to removing NextEra PPA capacity costs from base tariff rates in a general rate case to be filed in 2014, with a refund obligation that begins the same day as energy adjustment clause cost recovery for the new NextEra PPA charges starts, which would be on February 22, 2014. For administrative purposes, the filing was identified as Docket No. RPU-2014-0001. On February 19, 2014, the Board issued an order approving the corporate undertaking. On March 25, 2014, IPL, the Office of Consumer Advocate, the Iowa Consumers Coalition, and the Large Energy Group filed a unanimous settlement agreement and joint motion for approval of agreement. The

proposed settlement by all parties to Docket No. SPU-2005-0015 resolved the potential double recovery of Duane Arnold Energy Center PPA costs raised in that docket. On September 24, 2014, the Board issued an order approving the settlement and requiring IPL to file annual reports regarding its earned return on equity and year-over-year variances in its Federal Energy Regulatory Commission accounts beginning on March 1, 2015.

**RPU-2014-0002 MIDAMERICAN RATEMAKING PRINCIPLES**

On October 10, 2013, MEC filed a request for advance ratemaking principles applicable to up to 162 Megawatts of new wind generation, which MEC calls Wind IX. On November 19, 2014, MEC and the Office of Consumer Advocate filed a proposed settlement resolving all issues. A hearing on the proposed settlement was held on December 17, 2014, and the Board issued orders requiring additional information on November 14, December 2, December 11, and December 31, 2014. 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-2013-0001 PROPOSED UPDATES AND CORRECTIONS TO NATURAL GAS AND ELECTRIC SAFETY STANDARDS AND PROPOSED AMENDMENT TO COMPETITIVE NATURAL GAS PROVIDER RULES**

On October 10, 2013, the Board issued an order in which it proposed updates and corrections to the Board's natural gas and electric safety standards in chapters 10, 15, 19, 20, 25, and 45 of the rules. In addition, the Board proposed to revise its competitive natural gas provider rules that apply to providers of natural gas as vehicle fuel. On February 13, 2014, the Board issued an order in which the Board adopted the proposed amendments to update the natural gas and electric safety standards in chapters 10, 15, 19, 20, 15, and 45. The Board did not adopt the proposed amendments to the competitive natural gas rules. The adopted amendments became effective on April 9, 2014.

### **RMU-2014-0001 COMPETITIVE NATURAL GAS PROVIDER APPLICATION FORMS**

On August 18, 2014, the Board issued an order adopting amendments to 199 IAC 2.2(18), 19.14(3), and 19.14(5) applicable to application forms for competitive natural gas providers (CNGPs). The changes resulting from the rulemaking include the removal of the application form from the Iowa Administrative Code, the identification of specific information that is to be included in all CNGP applications, the flexibility for the Board to provide separate forms for different types of CNGP providers, and posting of applicable CNGP application

forms on the Board's Web site. The amendments went into effect on October 22, 2014.

### **RMU-2014-0001 PROPOSED AMENDMENT TO COMPETITIVE NATURAL GAS PROVIDER RULES TO ADDRESS NATURAL GAS VEHICLE FUEL PROVIDERS**

On May 14, 2014, proposed amendments to amend the Board's competitive natural gas provider rules were published for comment in the Iowa Administrative Bulletin. The proposed rules amended the application form found in 199 IAC 2.2(18) and the filing requirements in 199 IAC 19.14 to simplify the requirements for persons wishing to provide compressed natural gas to vehicles and allow the Board to develop different forms for the different types of competitive natural gas providers requesting a certificate from the Board. On August 18, 2014, the Board issued an order adopting the proposed rules with some revisions. The rules became effective on October 22, 2014.

### **RMU-2014-0002 ELIGIBILITY, CERTIFICATION, AND REPORTING REQUIREMENTS FOR ELIGIBLE TELECOMMUNICATIONS CARRIERS AND RELATED CONFIDENTIALITY PROVISIONS [199 IAC 1 AND 39]**

On July 17, 2014, the Board issued an order proposing to update the Board's rules governing its designation of telecommunications carriers eligible to receive support from the federal universal service fund. The amendments proposed were necessary to eliminate outdated provisions, to align the Board's rules with

recent reforms to the federal universal service fund, and to clarify the process by which telecommunications carriers seeking Eligible Telecommunications Carrier (ETC) designation from the Board apply for the designation. The Board also proposed to amend its rule at 199 IAC 1.9(5)"c" to update the ETC-related filings on the list of materials for which requests for confidential treatment will be deemed granted. On September 10, 2014, written comments in this docket were filed, by the Office of Consumer Advocate, Qwest Corporation, d/b/a CenturyLink (CenturyLink), the Iowa Communications Alliance (ICA), and Windstream Iowa Communications, Inc. (Windstream). On October 28, 2014, the oral comment proceeding was held and the OCA, CenturyLink, and the ICA participated. The docket is pending.

**RMU-2014-0003 AMENDMENTS TO TELEPHONE SERVICE REGULATIONS [199 IAC 22]**

On April 25, 2014, Governor Branstad signed into law Senate File 2195, which amended various sections of Iowa Code chapters 476 and 477 in response to an increasingly competitive telecommunications industry in Iowa. One of the amendments resulting from the enactment of Senate File 2195 was the elimination of retail tariff requirements for local exchange carriers (LECs). The Board's rules regarding the provision of telecommunications services in 199 IAC chapter 22 contain multiple references to retail tariffs and retail tariff requirements, which must be amended in order to implement the new provisions of § 476.2. On May 30, 2014, the Board issued an information order and requested responses in a rule-making proceeding to address these changes, because some carriers may choose to withdraw their retail services tariffs before the Board can complete a rule-making proceeding and to

provide some direction to those carriers. This docket is pending.

**RMU-2014-0004 DISCONNECTION OF PUBLIC UTILITY WATER SERVICE FOR FAILURE TO PAY SEWER, WASTEWATER, OR STORM DRAINAGE BILL**

On August 11, 2014, the Board opened a rule making docket to amend the Board's water service rules to comply with the statutory provisions in Iowa Code § 476.20(1)(b). The new statutory provisions provide that a water utility may disconnect a customer for failure of the customer to pay a past due debt owed to a city utility, city enterprise, combined city utility, or combined city utility for wastewater service or services of sewer systems, storm water drainage systems, or sewage treatment. As of December 2014, the Board had not issued an order with a "Notice of Intended Action" with proposed rules to be published in the Iowa Administrative Bulletin.

**RMU-2014-0005 RENEWABLE ENERGY TAX CREDITS**

On October 16, 2014, the Board issued an order adopting amendments to 199 IAC 15.19 and 15.21 applicable to the renewable energy tax credits. The amendments reflected legislative changes to chapter 476C contained in Senate File 2343, which was signed by the Governor on May 30, 2014. The amendments to the rules implementing chapter 476C, as amended, extended the overall facility in-service deadline by two years (from January 1, 2015, to January 1, 2017) and extended the last year for tax credit issuance by two years, from year-end 2024 to year-end 2026. The amendments went into effect on December 17, 2014.

**RMU-2014-0006 NEWSPAPER NOTICE  
REQUIRED FOR INFORMATIONAL  
MEETINGS FOR HAZARDOUS LIQUID  
PIPELINES 199 IAC 13.3(4)"c"**

The docket number was reserved to review newspaper notice requirements for informational meetings for hazardous liquid pipelines in 199 IAC 13(4)"c," but no formal Board action was taken in this docket during the 2014 calendar year.

**RMU-2014-0007 PEAK ALERT RULES**

On November 19, 2014, the Board issued an order commencing a rule making to consider changes to the electric peak alert rules, 199 IAC 20.11. The peak alert rules had been the subject on an inquiry proceeding (Docket No. NOI-2014-0002). The proposed rules, among other things, would

give utilities an opportunity to tailor their peak alert message to fit their specific situations, recognizing that there are both summer and winter peaking utilities in Iowa. Written comments were due on December 30, 2014, and an oral presentation was scheduled for January 28, 2015.

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-2010-0006 QWEST COMMUNICATIONS INTERNATIONAL, INC., AND CENTURYTEL, INC.**

On November 19, 2010, the Board issued an order approving settlement agreements, granting motions to withdraw, and allowing proposed reorganization (Reorganization Order), allowing the transfer of control of the operating subsidiaries of Qwest Communications to CenturyTel (CenturyLink) (collectively, Applicants). The Reorganization Order established several post-merger reporting requirements. In considering the proposed reorganization, the Board identified the merged company's ability to further broadband deployment in Iowa as a factor in the Board's evaluation of how the merger would affect the public interest. The Applicants committed to spend no less than \$25 million on broadband in Iowa in the five years following the closing of the transaction. A broadband reporting requirement and annual meeting with the Board and Applicants was established so that the Board could monitor CenturyLink's progress on this commitment. On January 15, 2014, CenturyLink filed a request for the Board to confirm that the annual broadband report was no longer required in its current form given that CenturyLink had satisfied its merger obligation. On April 21, 2014, the Board issued an order, which terminated the annual broadband deployment reporting requirement and continued the annual broadband deployment meetings through May 2016.

**SPU-2014-0001 INTERSTATE POWER AND LIGHT COMPANY AND EAST-CENTRAL IOWA ELECTRIC COOPERATIVE**

On February 11, 2014, IPL and East-Central filed a joint petition for modification of electric service area boundaries pursuant to Iowa Code § 476.25(2). In support of the joint petition, IPL and East-Central state that there were no current customers in the area being transferred. One future customer would be impacted and he agreed to and supported the proposed modification. IPL and East-Central said the proposed modification would allow the utilities to more economically serve their respective service territories. On February 14, 2014, the Office of Consumer Advocate filed a response stating it did not object to the joint petition. On March 19, 2014, the Board issued an order granting the petition for modification of service area boundaries.

**SPU-2014-0002 QWEST COMMUNICATIONS COMPANY LLC, D/B/A CENTURYLINK QCC**

On February 12, 2014, CenturyLink QCC filed with the Board a request for any and all approvals that may be necessary for an internal corporate restructuring of its interexchange carrier subsidiaries and affiliates. On March 13, 2014, the Board issued an order allowing the request for approval. The Board reviewed CenturyLink QCC's request for approval and based upon allegations in its request, found that the proposed intra-corporate reorganization was in the public interest. The Board stated that the request for approval filed by CenturyLink QCC was allowed and additionally, pursuant to Iowa Code

§ 476.20(1), CenturyTel Long Distance, LLC d/b/a CenturyLink Long Distance was granted permission to discontinue service in Iowa in a manner described in the request.

**SPU-2014-0003 (RPU-1991-0005)**

**MIDAMERICAN ENERGY COMPANY**

On March 21, 2014, MEC filed a proposal for distribution of insurance proceeds received by MidAmerican for remediation of former manufactured gas plant (FMGP) sites. In the pleading, MEC stated that it had continued to seek recovery of insurance proceeds related to FMGP sites and that FMGP insurance litigation had concluded. On May 1, 2014, the Board issued an "Order Approving Disbursement of Former Manufactured Gas Plant Insurance Proceeds" in which the Board approved the disbursement of \$9,666,587.60 in insurance proceeds associated with FMGP sites and established procedures for the disbursement of the proceeds to MEC customers. On May 9, 2014, MEC filed an application for reconsideration of the Board's May 1, 2014, order. In the application, MEC requested the Board approve proposed revisions to the amount and procedures approved by the Board in the May 1, 2014, order. On May 12, 2014, the Office of Consumer Advocate filed indicating it did not object to the revisions proposed by MEC. On May 27, 2014, the Board issued an order granting MEC's application for reconsideration and making various revisions to its May 1, 2014 Board order.

**SPU-2014-0004 (CGP-2009-0001)**

**CONSTELLATION PROLIANCE, LLC**

On April 4, 2014, Constellation ProLiance, LLC filed a pleading notifying the Board that Exelon Generating Company, LLC, acquired ETC ProLiance Energy, LLC, on March 31, 2014, and changed its name to Constellation Energy. The pleading also updated its competitive natural gas provider

application information. On May 1, 2014, the Board issued an order acknowledging the name change to Constellation Energy and issuing the second amended certificate to provide service to large volume natural gas customers in Iowa.

**SPU-2014-0005 (TF-2014-0040)**

**INTELEPEER, INC.**

On April 10, 2014, IntelPeer filed a letter of notification indicating a corporate name change from IntelPeer to Airus, Inc. Airus also filed a proposed replacement local exchange tariff reflecting the corporate name change and accurately reflecting the exchanges in which Airus intends to provide local service. On May 6, 2014, the Board issued an order approving the corporate name change, approving the tariff, and issuing an amended certificate.

**DOCKET NO. SPU-2014-0006 BLACK HILLS/IOWA GAS UTILITY COMPANY, LLC, D/B/A BLACK HILLS ENERGY**

On April 21, 2014, BHE filed an application for permission to abandon service to a small volume meter located in Shelby County, Iowa. The small volume meter, commonly referred to as a "farm tap," provided natural gas service to property owned by Robert Rold. Natural gas was transported to this farm tap by an interstate pipeline owned by Northern Natural Gas Company. The landowner had requested the farm tap be removed and had executed a "Right of Way Grantor Farm Tap Request and Customer Consent to Remove Facilities" form that was attached to the application. Black Hills Energy stated that a hole was found in the customer service line and the landowner decided not to replace the service line. On April 22, 2014, the Office of Consumer Advocate filed a response stating it did not object to the application. On May 12, 2014, the Board issued an order granting the

application to abandon service to this farm tap.

**SPU-2014-0007 PANORA COMMUNICATIONS COOPERATIVE AND PRAIRIE TELEPHONE CO., INC.**

On May 28, 2014, Panora Communications and Prairie Telephone filed a joint request for a discontinuance of service incident to a transfer of customers pursuant to Iowa Code § 476.20. No objections to the proposed transfer were received. The filing indicated that Panora and Prairie entered into an asset purchase agreement whereby Panora Communications would purchase the customers and certain assets from Prairie Telephone in the Yale, Iowa exchange. The transfer of customers and assets was scheduled to take place on or around December 31, 2014. On June 26, 2014, the Board issued an order approving the transfer of customers.

**SPU-2014-0008 QWEST COMMUNICATIONS COMPANY D/B/A CENTURYLINK QCC**

On June 24, 2014, Qwest Communications Company d/b/a CenturyLink QCC filed a notice with the Board indicating that the company had converted from a corporation to a limited liability company. On July 18, 2014, the Board issued an order approving the name change to CenturyLink Communications, LLC and amending the certificate to reflect this change.

**SPU-2014-0009 ONVOY, LLC, F/K/A ONVOY, INC.**

On June 24, 2014, Onvoy, LLC filed a letter of notification indicating a corporate name change from Onvoy, Inc. to Onvoy, LLC. Onvoy, LLC stated that neither the ownership structure of the company nor its principals would be affected by the name change. Onvoy, LLC also stated that the name change would not affect the rates,

terms, and conditions under which customers would receive service, although at the time of filing, the company had no local exchange customers in Iowa. On July 18, 2014, the Board issued an order approving the name change and amending the name on its certificate.

**SPU-2014-0010 (CGP-2008-0001) CONTINUUM RETAIL ENERGY SERVICES, LLC**

On July 2, 2014, Continuum filed a pleading notifying the Board that it had changed its name from Seminole Energy Services, LLC, to Continuum Retail Energy Services, LLC. The pleading also reaffirmed Continuum's commitment to comply with applicable conditions of competitive natural gas provider certification and listed its contact information. On August 5, 2014, the Board issued an order acknowledging the name change and issuing the amended certificate to provide service to small and large volume natural gas customers in Iowa.

**SPU-2014-0011 (TCU 2014-0006) KITE PARENT CORP. AND ITS SUBSIDIARIES, KNOLOGY OF THE PLAINS, INC. AND CLARITY TELECOM, LLC**

On June 23, 2014, Kite and its subsidiaries jointly filed an application for discontinuance of service by Knology and the transfer of Knology's certificate to provide local exchange telecommunications services in Iowa to Clarity pursuant to Iowa Code § 476.20(1). The applicants stated that they had entered into an asset purchase agreement whereby Clarity would acquire the assets of Knology, including Knology's customer accounts and contracts. Upon completion of the transaction, Knology would be dissolved and its existing customers in the Storm Lake, Iowa, exchange would be served by Clarity. Because Clarity was a newly-formed company that had not yet been authorized to

provide local exchange service in Iowa, the Board needed to evaluate Clarity pursuant to Iowa Code § 476.29 to determine whether it had sufficient financial, technical, and managerial capabilities to provide local exchange service in Iowa. On August 15, 2014, Clarity filed its application for local exchange certificate in Docket No. TCU-2014-0006. On September 29, 2014, the Board issued an order approving discontinuance of service and transfer of certificate. The order also approved Clarity's application for a certificate to provide local exchange telecommunications services in Iowa. Also on September 29, 2014, a separate order was issued, transferring Knology's certificate to Clarity upon completion of the asset transfer.

**SPU-2014-0012 INTERSTATE POWER AND LIGHT COMPANY AND GUTTENBERG MUNICIPAL ELECTRIC**

On August 29, 2014, IPL and Guttenberg filed a joint petition for modification of electric service area boundaries pursuant to Iowa Code § 476.25(2). IPL and Guttenberg agreed to modify their exclusive service territory boundaries in Clay County, Iowa. On September 8, 2014, the Office of Consumer Advocate filed a response to the joint petition, stating it did not object to the joint petition. No objections or other responses to the joint petition were filed. On October 16, 2014, the Board issued an order granting the petition for modification of service area boundaries.

**SPU-2014-0013 BLACK HILLS/IOWA GAS UTILITY COMPANY, LLC, D/B/A BLACK HILLS ENERGY AND INTERSTATE POWER AND LIGHT COMPANY**

On September 4, 2014, BHE and IPL filed a joint application requesting that the Board approve the transfer of certain metering facilities and other equipment and facilities from BHE to IPL. In addition, BHE

requested that the Board approve the discontinuance of service to the customers affected by the transfer as required by Iowa Code § 476.20. The affected customers were served by "farm taps" and once the transfer is complete, the affected customers would be customers of IPL. On September 23, 2014, the Office of Consumer Advocate filed a response to the joint application, stating that it did not object to the request. On October 6, 2014, the Board issued an order approving the discontinuance of service.

**SPU-2014-0014 CONSTELLATION NEWENERGY-GAS DIVISION, LLC (CGP-2002-0004); INTEGRYS ENERGY SERVICES, INC. (CGP-2004-0001); AND INTEGRYS ENERGY SERVICES – NATURAL GAS, LLC (CGP-2011-0002)**

On November 6, 2014, Constellation, Integrys Inc., and Integrys LLC, filed a notification of change with the Board in Docket No. SPU-2014-0014 as required by Board rule 199-19.14(3)"d." Prior to November 1, 2014, Exelon Corporation (Exelon) was the parent company of Constellation and Integrys Energy Group, Inc. was the parent company of Integrys Inc. and Integrys LLC. On November 1, 2014, Exelon's purchase of Integrys Energy Services, Inc. was completed. Exelon became the parent company of Constellation, Integrys Inc., and Integrys LLC, which makes Constellation an affiliate of both Integrys Inc., and Integrys LLC. On December 5, 2014, the Board notified Constellation, Integrys Inc., and Integrys LLC by letter that the Board had noted the ownership change and would close this docket.

## 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-2014-0001 (TF-2014-0008)**

#### **HYPERCUBE TELECOM, LLC**

On January 29, 2014, Hypercube filed an application with the Board for the issuance of a certificate to provide local exchange telecommunications services in Iowa. On April 24, 2014, the Board issued an order granting the application, approving a concurrence in maps, approving Hypercube's local exchange tariff, and issuing a certificate to Hypercube.

### **TCU-2014-0002 (TF-2014-0044) TW**

#### **TELECOM OF IOWA**

On April 17, 2014, tw telecom filed an application for a certificate to provide local exchange telecommunications services in Iowa. On July 14, 2014, the Board issued an order granting the application, approving a concurrence in maps, approving tw telecom's local exchange tariff, and issuing a certificate.

### **TCU-2014-0003 MISSOURI NETWORK**

#### **ALLIANCE, LLC, D/B/A BLUEBIRD NETWORK, LLC**

On July 30, 2014, Bluebird filed an application for a certificate to provide local exchange telecommunications services in Iowa. On October 7, 2014, the Board issued an order granting the application, approving a concurrence in maps, and issuing a certificate to Bluebird.

### **TCU-2014-0004 ACE LINK**

#### **TELECOMMUNICATIONS, INC. D/B/A ACENTEK**

On July 7, 2014, AcenTek filed an application with the Board for a certificate to provide local exchange telecommunications services in Iowa. On October 29, 2014, the Board issued an order granting the application, approving a concurrence in maps, and issuing a certificate to AcenTek.

### **TCU-2014-0005 TALK AMERICA**

#### **SERVICES, LLC**

On August 8, 2014, Talk America filed an application for a certificate to provide local exchange telecommunications service in Iowa pursuant to Iowa Code § 476.29 and stating its intention to begin providing local exchange service in 58 exchanges in Iowa. On September 3, 2014, Talk America filed a supplement to its application. Talk America provided financial statements and the qualifications of its company officers and stated it would support a 2-PIC methodology for dialing parity. On October 14, 2014, the Board issued an order approving the application and issuing a certificate to Talk America.

**TCU-2014-0006 KITE PARENT CORP. AND ITS SUBSIDIARIES, KNOLOGY OF THE PLAINS, INC. AND CLARITY TELECOM, LLC**

See Docket No. SPU-2014-0011.

**TCU-2014-0007 INTEGRATED PATH COMMUNICATIONS, LLC**

On September 16, 2014, Integrated Path filed an application for a certificate to provide competitive local exchange telecommunications services in Iowa. On November 26, 2014, Integrated Path filed supplemental information. On December 11, 2014, the Board issued an order approving a certificate.

**TCU-2014-0008 HUNTEL COMMUNICATIONS, INC.**

On September 23, 2014, HunTel filed an application for a certificate to provide local exchange telecommunications service in Iowa. HunTel intends to provide local exchange service to business and residential customers in Iowa through the use of resold services and Voice over Internet Protocol (VoIP) service. On December 16, 2014, the Board issued an order approving issuance of a certificate. On December 22, 2014, the Board issued a clarification order in this docket.

## 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-2013-0025-0225 BLACK HILLS/IOWA GAS UTILITY COMPANY, LLC D/B/A BLACK HILLS ENERGY**

On December 11, 2013, BHE filed a request to waive the 12-month physical meter reading requirement in 199 IAC 19.3(7) for farm tap customers. On December 19, 2013, the Office of Consumer Advocate filed a pleading stating that it had no objection to the waiver request. On January 23, 2014, the Board issued an order granting the waiver.

### **WRU-2014-0001-4379 HYPERCUBE TELECOM, LLC**

On January 29, 2014, Hypercube filed a request for waivers of 199 IAC 22.3(1), 199 IAC 18.2, and 199 IAC 16.5 that it be required to publish local exchange directories, keep its records in the State of Iowa, and maintain a uniform system of accounts. On January 31, 2014, Hypercube filed to withdraw its request for waivers, stating it had learned it did not need to file for the waivers. On October 29, 2014, Board staff sent a letter to Hypercube confirming that the Board had approved its request to withdraw the filing seeking the waivers.

### **WRU-2014-0002-0980 MIDLAND POWER COOPERATIVE**

On February 13, 2014, Midland filed a request for an extension of a waiver of 199 IAC 20.3(6) and 199 IAC 20.4(12). Rule 20.3(6) generally provides that electric bills for large customers must be rendered monthly, unless the Board grants an exemption or waiver. On February 14,

2014, the Office of Consumer Advocate filed a response stating it had no objection to the petition for extension of the waiver. On March 18, 2014, the Board issued an order extending the waiver for two years.

### **WRU-2014-0003-0156 MIDAMERICAN ENERGY COMPANY**

On February 14, 2014, MidAmerican filed a request for waiver of 199 IAC 20.11, which provides that each electric utility is to inform its customers of the significance of reduction in the consumption of electricity during hours of peak demand. MidAmerican specifically asked that it be granted a waiver of the peak alert rules for calendar year 2014, including a waiver of the requirement to file an annual report on April 1 and the requirement to deliver a notice to customers between May 1 and June 15. On March 3, 2014, the Office of Consumer Advocate filed a response stating that it did not object to the waiver request. On March 20, 2014, the Board issued an order granting the waiver.

### **WRU-2014-0004-3092 FIBERCOMM, L.C.**

On February 19, 2014, FiberComm filed a request for a waiver of the number utilization threshold requirements for the Sergeant Bluffs, Iowa, rate center. On February 26, 2014, the Board issued an order granting the waiver.

### **WRU-2014-0005-0225 BLACK HILLS/IOWA GAS UTILITY COMPANY**

On February 28, 2014, BHE filed a request for waiver of 199 IAC 35.6(4)"a"(2), which requires that an energy efficiency plan

modification be filed if the budget for a customer class or grouping has changed or will change by at least plus or minus 10 percent. BHE's waiver request was for calendar year 2013. On March 18, 2014, the Office of Consumer Advocate filed a response to BHE's waiver request. Although the OCA argued that BHE did not adequately justify its spending deviations, the OCA agreed that good cause for waiver of the plan modification rule exists since BHE had essentially modified its 2013 plan with its new 2014 through 2018 energy efficiency plan, which had been approved by the Board. On April 9, 2014, the Board issued an order granting the waiver.

**WRU-2014-0006-4081 IOWA COMMUNICATIONS ALLIANCE**

On March 7, 2014, the Iowa Communications Alliance filed a request for a waiver of certain aspects of the Board's rules at 199 IAC 39.5 and 39.6(3), regarding annual reporting and certification requirements for Eligible Telecommunications Carriers (ETCs). On March 14, 2014, the Office Consumer Advocate filed a response stating that it did not object to the waiver requests. On April 9, 2014, the Board issued an order granting the waivers.

**WRU-2014-0007-0272 QWEST CORPORATION, D/B/A/ CENTURYLINK QC**

On May 12, 2014, CenturyLink filed with a request for a waiver of the number utilization threshold requirements for the Adel, Iowa rate center. On May 20, 2014, the Board issued an order granting the waiver.

**WRU-2014-0008-0272 QWEST CORPORATION, D/B/A/ CENTURYLINK QC**

On May 12, 2014, CenturyLink filed a request for a waiver of the number utilization threshold requirements for the

Polk City, Iowa, rate center. On May 20, 2014, the Board issued an order granting the waiver.

**WRU-2014-0009-0150 INTERSTATE POWER AND LIGHT COMPANY**

On May 30, 2014, IPL filed a request for a two-year extension of an existing waiver of the electric energy adjustment clause (EAC) rules in 199 IAC 20.9(2)"b" related to flowing certain costs and credits associated with participation in wholesale markets operated by regional transmission organizations, such as the Midcontinent Independent System Operator, Inc. (MISO), through the EAC for recovery. On November 10, 2014, IPL, the Office of Consumer Advocate, ICC, and LEG filed a proposed unanimous settlement agreement that, if approved, would resolve all outstanding issues in the docket. On December 22, 2014, the Board approved the settlement as part of the two-year waiver extension that was granted on June 30, 2014, subject to conditions regarding the sharing of auction revenue rights.

**WRU-2014-0010-0272 QWEST CORPORATION, D/B/A/ CENTURYLINK QC**

On August 1, 2014, CenturyLink filed a request for a waiver of the number utilization threshold requirements for the Decorah, Iowa rate center. On August 7, 2014, the Board issued an order granting the waiver.

**WRU-2014-0011 INTERSTATE POWER AND LIGHT COMPANY**

On August 11, 2014, IPL filed a request for waiver of 199 IAC 45.9(1)"a" to the extent necessary to allow IPL to approve an interconnection request made by one of its customers to interconnect an 8 kilowatt solar array to IPL's distribution system. On August 21, 2014, the Office of Consumer Advocate filed a response stating that it did

not object to the waiver request. On September 3, 2014, the Board issued an order granting the waiver.

**WRU-2014-0012-0272 (TF-2014-0038)  
QWEST CORPORATION, D/B/A CENTURLINK  
QC**

On May 1, 2014, the Board approved the consolidation of the Des Moines rate center for CenturyLink. In that order, the Board directed CenturyLink to file a revised exchange map reflecting the rate center consolidation. On August 22, 2014, and August 27, 2014, CenturyLink filed maps of the consolidated Des Moines rate center along with a request for a waiver of 199 IAC 22.20(3)"a," which applies to the scale of the filed map. On September 2, 2014, the Board issued an order approving the maps and the waiver.

**WRU-2014-0013-0004 IRONWOOD  
DEVELOPMENT, LC, AND PROFESSIONAL  
PROPERTY MANAGEMENT, INC.**

On September 11, 2014, Ironwood and Professional Property Management filed a request to waive the individual metering requirements in 199 IAC 20.3(1)"b" to allow master metering at an apartment complex with two multi-occupancy buildings in Altoona, Iowa. On October 29, 2014, the Board issued an order asking Ironwood and Professional Property Management to file additional information. The docket is pending.

**WRU-2014-0014-0150 INTERSTATE  
POWER AND LIGHT**

On October 1, 2014, IPL filed a request for a waiver of 199 IAC 45.9(1)"a" to the extent necessary to allow IPL to approve an interconnection request made by one of IPL's customers to interconnect a 9.5 kilowatt solar array to IPL's electric distribution system. On October 22, 2014, the Office of Consumer Advocate filed a

response stating it did not object to the waiver request. On December 1, 2014, the Board issued an order granting the waiver.

**WRU-2014-0015-0222 LIBERTY UTILITIES  
(MIDSTATES NATURAL GAS) CORP. D/B/A  
LIBERTY UTILITIES**

On October 2, 2014, Liberty Utilities filed a request to waive the provision in 199 IAC 19.10(7)"c"(1) that requires refunding purchased gas adjustment (PGA) over-collections of more than three percent by bill credit or check starting on the first day of billing in the November billing cycle of the current year. On October 3, 2014, the Office of Consumer Advocate filed an objection to the waiver request. On October 16, 2014, Liberty filed a request to withdraw its waiver request. On October 29, 2014, the Board issued an order accepting the withdrawal of the waiver request.

**WRU-2014-0016-0150 INTERSTATE  
POWER AND LIGHT COMPANY**

On October 16, 2014, IPL filed a request for a waiver of 199 IAC 45.9(1)"a" to the extent necessary to allow IPL to approve an interconnection request made by one of IPL's customers to interconnect a 13.2 kilowatt solar array to IPL's electric distribution system. On October 9, 2014, the Office of Consumer Advocate filed a response stating it did not object to the waiver request. On October 31, 2014, the Board issued an order granting the waiver.

**WRU-2014-0017-0275 EMBARQ  
MISSOURI, INC.**

On December 16, 2014, Embark Missouri filed an exchange boundary map for the North Hopkins, Iowa, exchange and requested a waiver of 199 IAC 22.20(3)"a," identified as Docket No. WRU-2014-0017-0275, which applies to the scale of the filed map. On December 29, 2014, the Board

issued an order approving the map and granting the waiver.

**WRU-2014-0018-4424 SKYBEAM, LLC**

On December 22, 2014, Skybeam filed an application for Eligible Telecommunications Carrier (ETC) designation and requested a waiver of specific Iowa Administrative Code sections related to Skybeam's applications for ETC status. The docket is pending.

**FEDERAL ENERGY REGULATORY COMMISSION (FERC)**

**ELECTRICITY**

The Iowa Utilities Board (Board) participates in FERC dockets related to the transmission of electricity. These efforts are led by the Policy section staff and Energy Section staff supports these efforts as needed.

**NATURAL GAS**

The Board participates in FERC dockets related to the interstate transportation of natural gas to Iowa end-users. The Board continues to monitor other FERC investigations concerning interstate pipeline company rates and services. The Board also monitors requests made to the FERC to construct new interstate pipeline facilities in Iowa.

**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 2014, the Iowa Utilities Board submitted updated reports to the FCC regarding the mapping project initiated by the FCC in 2013 that will be used for distribution of funds under the Connect America Fund.

In November 2014, the Board also submitted a letter to the FCC regarding the Local Number Portability Administrator (LNPA) issue.

IOWA COURTS

**Great Lakes Communications Corp. v. Iowa Utilities Board and the Board Members in their official capacities only**

**Clay County No. CVCV029150**

**(Docket No. SPU-2011-0004)**

On July 30, 2014, Great Lakes filed an action challenging a Board order continuing the reporting requirement imposed on Great Lakes in Docket No. SPU-2011-0004. The Board filed a motion to dismiss on August 19, 2014, and on August 26, 2014, the parties filed a joint motion to stay the proceedings to allow discussion among the parties. The matter is still pending.

**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. The matter was stayed in favor of a related judicial review proceeding filed in Linn County, see below, in which the Board is a participant, and was ultimately resolved by the final decision in that case.

**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, and on January 24, 2013, Hawkeye filed a notice of appeal. On May 23, 2014, the Supreme Court issued a decision affirming the Board's ruling that Hawkeye is subject to Iowa Code § 476.27 but reversing the Board's ruling that ITC Midwest is a public utility for purposes of the same statute.

**Hawkeye Land Company v. Grand River Mutual Telephone Corp.**

**Supreme Court No. 13-0539**

This is a private action involving the crossing of a railroad right-of-way by certain telecommunications facilities. Hawkeye Land filed a petition in Wayne County District Court, seeking an injunction to prevent Grand River from relying upon Iowa Code § 476.27 for the right to cross railroad right-of-way. The District Court granted Grand River's motion to dismiss and Hawkeye Land appealed. The Board filed an amicus brief on August 2, 2013, in support of the District Court's decision. On March 26, 2014, the Court of Appeals issued

a decision affirming the District Court. Hawkeye sought further review, which was denied on June 3, 2014.

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

**Supreme Court No. 13-0676**

**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. On September 16, 2013, the Polk County District Court issued a decision affirming the Board's order. Sprint appealed; briefs have been filed and the case is awaiting oral argument before the Iowa Supreme Court or the Court of Appeals.

**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. On March 29, 2013, the District Court issued a decision reversing the Board's declaratory order. The Board filed a notice of appeal and on July 11, 2014, the Supreme Court issued an order affirming the District Court.

FEDERAL COURT

**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 petition for writ of certiorari with the United States Supreme Court, which was granted on April 15, 2013, and on December 10, 2013, the Court issued a decision reversing the Eighth Circuit. The matter was remanded to the District Court, which issued an order on August 5, 2014, dismissing Sprint's petition. On September 4, 2014, Sprint appealed that order to the Eighth Circuit, where the matter has been briefed and awaits oral argument.

**Midland Power Cooperative v. Federal Energy Regulatory Commission  
D.C. Circuit Court of Appeals No. 13-1184**

**FERC Docket No. EL11-39-0002 (137 FERC ¶¶ 61,200 and 61, 207**

On December 15, 2011, the FERC issued an order finding that Midland Power Cooperative acted in a manner inconsistent with its obligations under the Public Utility Regulatory Policies Act of 1978 (PURPA) when Midland disconnected electric service to Gregory and Beverly Swecker for nonpayment of the Sweckers' retail electric service bill because Midland's actions also resulted in disconnection of the Sweckers' qualifying facility as defined in PURPA. Midland applied for rehearing of that order, which the FERC denied on March 21, 2013. On April 17, 2013, Midland appealed the FERC order to the D.C. Circuit Court of Appeals, and on June 17, 2013, the Board intervened. On December 2, 2014, the Court dismissed the appeal for lack of jurisdiction.