

October 17, 2014

IOWA UTILITIES BOARD

STATE OF IOWA
DEPARTMENT OF COMMERCE
BEFORE THE IOWA UTILITIES BOARD

IN RE:

INQUIRY INTO BILL PAYMENT
AGREEMENTS FOR ELECTRIC AND
NATURAL GAS SERVICE

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DOCKET NO. NOI-2014-0003

MIDAMERICAN ENERGY COMPANY’S MOTION TO EXTEND TIME FOR
DOCKET TO REMAIN OPEN AND REQUEST FOR ADDITIONAL CLARIFICATION

COMES NOW, MidAmerican Energy Company (“MidAmerican”), and submits its Motion to Extend Time For Docket to Remain Open and Request for Additional Clarification of the Iowa Utilities Board’s (“Board”) Order Addressing Responses to Payment Agreement Inquiry and Establishing Date for Responses issued on August 6, 2014 (“August Order”) to address whether payment agreements are written agreements within the definition of Iowa Code § 614.1(5). In the alternative, MidAmerican respectfully requests the Board open a new Notice of Inquiry to address whether payment agreements are written agreements within the definition of Iowa Code § 614.1(5) and whether the application of the statute of limitations to past due customer accounts conflicts with Iowa Code § 476.20’5”’b.” In support of its request MidAmerican states as follows:

Background

1. On March 20, 2014, the Board issued an order initiating an inquiry to collect information from electric and natural gas utilities concerning bill payment agreements entered into with residential customers during and after the Winter Moratorium period. The Board directed the utilities to file information regarding practices for bill payment agreements by June 1, 2014. MidAmerican and other parties submitted comments on June 1, 2014. On August 6,

2014, the Board issued its Order Addressing Responses to Payment Agreement Inquiry and Establishing Date for Responses. The Board encouraged parties to attend the Board's Customer Service Fall Meetings and allowed parties 45 days to file additional comments. The Board also indicated it would leave the docket open for sixty more days.

2. MidAmerican did not file additional comments, but did attend the fall meetings. At the Customer Service Fall Meetings and in a recent informal complaint resolution for a MidAmerican customer, Board Staff indicated that when reviewing whether a utility may require a debt for utility service to be paid prior to having service connected, Board Staff will consider Iowa Code §614.1(4) and 614.1(5). Iowa Code § 614.1(4) establishes a five-year statute of limitations for debts owed on unwritten contracts and Iowa Code § 614.1(5) establishes a ten-year statute of limitations for debts owed where there is a written contract. Board Staff indicated it is its general position that for the ten-year statute of limitations to apply to a utility debt the customer must have signed a written application for service with the utility. The utility must then provide a copy of that written contract for service if a complaint is filed that involves an issue of whether the statute of limitations bars recovery of the debt. Staff does not consider the signing of a payment agreement by the customer as the required contract. Board Staff noted that the Board has not addressed this through an order and that the application of staff's position depends on the facts in each case. However, until the Board issues an order addressing this question, Board Staff will apply the position stated above in most fact situations involving a question of the statute of limitations and utility debt.

Motion and Request

3. MidAmerican respectfully requests that the Board allow this docket to remain open to further address whether the application of the statute of limitations to past due customer

accounts conflicts with Iowa Code § 476.20”5””b” and whether payment agreements should be considered written agreements within the definition in Iowa Code § 614.1(5). In the alternative, the Board should open a new Notice of Inquiry to address these issues.

4. MidAmerican recognizes that October 6, 2014, was the 60 day threshold for the current docket to be held open; however, the Board has not issued an order closing the docket. Additionally, the Iowa Association of Municipal Utilities (“IAMU”) also filed a request for clarification on October 8, 2014. The Office of Consumer Advocate (“OCA”) filed a response to the IAMU request on October 16, 2014. Based on the IAMU request and OCA response, it appears that additional time is needed to address the application of the current rules and the applicability of the statute of limitations to past due debt. MidAmerican notes that a formal complaint process is not the proper forum to address these issues since the resolution of these issues will impact many parties. MidAmerican is also open to participating in a workshop to discuss these issues with the other parties to this docket.

WHEREFORE, MidAmerican respectfully requests the Board extend the time for this docket to remain open and allow further clarification on Board Staff’s position regarding written payment agreements not considered a written agreement under Iowa Code § 614.1(5) and whether the application of the statute of limitations to past due customer accounts conflicts with Iowa Code § 476.20”5””b.”

DATED this 17th day of October, 2014.

Respectfully submitted,

MIDAMERICAN ENERGY COMPANY

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