

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: REVIEW OF SERVICE SUPPLIED BY ELECTRIC UTILITIES RULES [199 IAC CHAPTER 20]	DOCKET NO. RMU-2016-0008
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**ORDER REQUESTING STAKEHOLDER COMMENT ON
PROPOSED RULE CHANGES**

(Issued July 19, 2016)

The Utilities Board (Board) is conducting a comprehensive review of its administrative rules in accordance with Iowa Code § 17A.7(2). The purpose of the comprehensive review is to identify and update or eliminate rules that are outdated, redundant, inconsistent, or incompatible with statutes and other administrative rules. The Board's review of its rules at 199 Iowa Administrative Code chapter 20, Service Supplied by Electric Utilities, has been docketed as Docket No. RMU-2016-0008. Having conducted a preliminary review the Board is considering whether to propose to amend certain provisions of chapter 20 of its rules.

Specifically, the Board is considering changes to 199 IAC chapter 20 as set forth in the attached "Proposed Notice of Intended Action." The changes under consideration are discussed below. Interested persons may file comments on any of these possible revisions and on any other revision of a rule in chapter 20 that a person wishes the Board to consider.

SUMMARY OF PROPOSED CHANGES

1. Amend subrule 20.1(3)

The proposed amendment that the Board is considering would delete an outdated statutory citation and references to a regulation struck down by the United States Supreme Court. It would update the reference to another regulation on emissions allowances. It would delete several definitions not used in chapter 20 and it would make an editorial correction.

2. Amend subrule 20.2(3)

The proposed amendment would update the subrule to provide for electronic filing of tariffs in a format substantially similar to the format for paper filing. It would also delete outdated references to pre-1981 tariffs.

3. Amend subrule 20.3(4)

The proposed amendment would delete this subrule on the grounds that reference to meter charts is outdated and records maintenance requirements are adequately covered by subrule 20.3(3).

4. Amend subrule 20.3(5)

The proposed amendment would eliminate an outdated reference to magnetic tape for processing metering data. It would also add a provision to accommodate a utility's communication of metering data by means of new and evolving technology.

5. Amend subrule 20.3(6)

The proposed amendment would delete unnecessary statutory references.

6. Amend subrule 20.3(8)

The proposed amendment would provide that maps of electric utility service areas are available in electronic form at the Board's Web site as well as in paper form at the Board's offices.

7. Amend subrule 20.3(12)

The proposed amendment would add a new provision on prepayment meters, specifically forbidding use of such a meter to charge a rate or amount exceeding what would be paid if a standard meter were in use, except pursuant to Board-approved tariff provisions. The change would also be consistent with an analogous provision in chapter 19 of the Board's rules governing natural gas service.

8. Amend subrule 20.3(13)

The proposed amendment would delete reference to an "electrical line extension" option consistent with determinations made in Docket No. RMU-2008-0008 and would align the subrule with the analogous provision in chapter 19. It would also relocate from subrule 20.4(21) a provision allocating responsibility for the cost of installing and removing facilities for temporary electric service, consistent with the analogous chapter 19 rule.

9. Amend subrule 20.4(1)

The proposed amendment would correct a cross-reference to rate case procedures under chapter 26 and would add a requirement that, if a utility provides access to its tariff through its Web site, it shall expressly identify the Web site on its bill form.

10. Amend subrule 20.4(2)

The proposed amendment would add a space between the area code and the remainder of the telephone number for the Board's offices.

11. Amend subrule 20.4(9)

The proposed amendment would clarify the means of identifying the applicable rate schedule by reference to rate classification.

12. Amend subrule 20.4(11)

The proposed amendment would revise provisions for a first payment agreement to be offered to certain customers with delinquent bills, to improve the clarity of the provisions governing procedures.

13. Amend subrule 20.4(12)

The proposed amendment would eliminate the requirement that a change in date of delinquency must be made in writing. It would also substitute the more descriptive phrase "budget billing plan" for "level payment plan" and would expressly allow that a plan can be based on estimated usage if insufficient actual data is available.

14. Amend subrule 20.4(13)

The proposed amendment would change the mandatory billing record retention period from three to five years, consistently with the period for backbilling to correct errors.

15. Amend subrule 20.4(15)

The proposed amendment would require a utility to file electronically any proposed non-standard form setting forth the summary of the customer's rights and responsibilities to be provided to the customer prior to termination of service. It would insert a space between the area code and the remainder of the telephone number for the Board's offices. It would allow a service termination notice to be posted either on a customer's door or in another conspicuous place at the customer's residence. It would also provide a clearer and more concise description of the requirements and procedures applicable in severe cold weather.

16. Amend subrule 20.4(16)

The proposed amendment would clarify that a utility may not deny service where a residential customer fails to pay a deposit, during the period November 1 through April 1, only with respect to the location at which the customer has been receiving service in his or her name. It would also forbid a utility from denying service based on a delinquency in payment that is more than ten years old, measured from the most recent of three baseline dates.

17. Amend subrule 20.4(21)

The proposed amendment would delete this provision which has been moved by another proposed amendment (number 8, *supra*) to subrule 20.3(13).

18. Amend subrule 20.4(22)

The proposed amendment would delete an outdated reference to examples of changes in type of service. It would also renumber the provision.

19. Amend subrule 20.4(23)

The proposed amendment would renumber the provision.

20. Amend subrule 20.5(2)

The proposed amendment would update the versions of national standards incorporated by reference in the subrule. (Note: This amendment is the subject of pending Docket No. RMU-2016-0001.)

21. Amend subrule 20.6(3)

The proposed amendment would update the version of a national standard incorporated by reference in the subrule.

22. Amend subrule 20.7(7)

The proposed amendment would delete an outdated reference to the use of voltmeters in testing voltages.

23. Amend the opening paragraph of subrule 20.9(3)

The proposed amendment would delete references to “fuel costs” in providing a mechanism for an energy adjustment clause for an electric utility that does not own electric generation facilities.

24. Amend subrule 20.9(4)

The proposed amendment would replace an annual with a biennial review of an electric utility’s energy adjustment clause, would otherwise clarify the language of the subrule, and would update a statutory reference.

25. Amend rule 20.11

The proposed amendment would delete annual peak demand and conservation notification requirements that were adopted prior to, and made redundant by, energy efficiency and consumer education requirements. In lieu of the current requirement for a utility to file with the Board a peak demand customer notification plan, it would require the utility to maintain such a plan available for inspection. It would also rescind unnecessary language about plan implementation, requests for voluntary load reduction, and an annual report.

26. Amend rule 20.13

The proposed amendment would delete the current provisions concerning the form and content of an electric utility’s fuel procurement plan to be submitted for review by the Board in a contested case proceeding on the utility’s fuel procurement and contracting practices. The proposed amendment instead would require the

Board to notify a utility when it determines to conduct such a proceeding and to provide the utility with detailed instructions on the information to be filed.

27. Amend subrule 20.14(3)

The proposed amendment would make a grammatical correction by adding the preposition “to.”

28. Amend subrule 20.14(4)

The proposed amendment would delete detailed reporting requirements concerning flexible rates and would require reporting of flexible rate information in a utility’s annual report.

29. Amend rule 20.15

The proposed amendment would add a statutory citation. It would also rescind provisions for a customer contribution fund program plan. It would relocate to a more logically appropriate location the provision that a pledge by a customer neither creates a binding contract with the utility nor is subject to delayed payment charges.

30. Amend subrule 20.17(1)

The proposed amendment would modify the reference to federal statutory authority to include two additional programs pertinent to emissions allowances.

31. Amend subrule 20.17(2)

The proposed amendment would delete certain definitions already contained in subrule 20.1(3) and would modify a reference to federal statutory authority to include additional programs pertinent to emissions allowances.

32. Amend subrule 20.18(7)

The proposed amendment would eliminate the requirement that annual reliability and service quality reports be delivered separately to the Office of Consumer Advocate as well as to the Board. It would eliminate detailed requirements for a utility's plan for service quality improvements and the requirement that the utility file a progress report on implementation. It would also delete reference to a report filed in 2008.

33. Amend subrule 20.18(8)

The proposed amendment would delete outdated references to deadlines in 2003 and 2004. It would eliminate detailed content requirements for a utility's reliability plan, and the requirement that the plan be filed with the Board. It would also simplify and clarify requirements for a utility's annual reliability report.

34. Finally, the Board notes that in Docket No. FCU-2016-0005, In re: Phillips v. Linn County REC, an issue was raised concerning the appropriate scope of a utility's obligation to notify a landlord when a tenant is about to be disconnected. The Board is not proposing any specific amendment at this time in connection with

this issue, but the Board invites comment regarding what notice should be provided to a landlord in these circumstances.

ORDERING CLAUSE

IT IS THEREFORE ORDERED:

Comments regarding the revisions of 199 IAC chapter 20 that the Board is considering for possible proposal, as described in the body of this order, as well as any comments proposing other revisions to chapter 20, shall be filed no later than 30 days from the date of this order. Replies to the comments shall be filed no later than 45 days from the date of this order.

UTILITIES BOARD

/s/ Geri D. Huser

/s/ Elizabeth S. Jacobs

ATTEST:

/s/ Trisha M. Quijano
Executive Secretary, Designee

/s/ Nick Wagner

Dated at Des Moines, Iowa, this 19th day of July 2016.

DRAFT

UTILITIES DIVISION [199]

Notice of Intended Action

Pursuant to Iowa Code sections 17A.4, 474.5, and 476.2, the Utilities Board (Board) gives notice that on [month] [day], 2016, the Board issued an order in Docket No. RMU-2016-0008, In re: Service Supplied by Electric Utilities [199 IAC Chapter 20] “Order Requesting Stakeholder Comment on Proposed Rule Changes,” proposing to update and streamline chapter 20 of the Board’s rules. The order approving this “Notice of Intended Action” can be found on the Board's Electronic Filing System (EFS) Web site, <http://efs.iowa.gov>, in Docket No. RMU-2016-0008.

After analysis and review, the Board tentatively concludes that the proposed amendments, if adopted, will not have a detrimental effect on employment in Iowa.

Pursuant to Iowa Code sections 17A.4(1) “a” and “b”, any interested person may file a written statement of position pertaining to the proposed amendments. The statement must be filed on or before [month] [day], 2016. The statement should be filed electronically through the Board's EFS. Instructions for making an electronic filing can be found on the EFS Web site at <http://efs.iowa.gov>. Filings shall comply with the format requirements in 199 IAC 2.2(2) and shall clearly state the author’s name and address and make specific reference to this docket. Paper comments may only be filed with approval of the Board.

The amendments are intended to implement Iowa Code sections 476.2, 476.6, 476.8, 476.18, 476.20, and 476.54, and 546.7.

The following amendments are proposed:

ITEM 1. Amend subrule **20.1(3)** as follows:

20.1(3) Definitions. The following words and terms when used in these rules, shall have the meaning indicated below:

“Acid Rain Program” means the sulfur dioxide and nitrogen oxides air pollution control program established pursuant to Title IV of the Act under 40 CFR Parts 72-78.

“Act” means the Clean Air Act, 42 U.S.C. Section 7401, et seq., ~~as amended by Pub. L. 101-549, November 15, 1990.~~

“Affected unit” means a unit or source that is subject to any emission reduction requirement or limitation under the Acid Rain Program, the Clean Air Interstate Rule (CAIR) or ~~the Clean Air Mercury Rule (CAMR)~~ the Cross-State Air Pollution Rule (CSAPR), or a unit or source that opts in under 40 CFR Part 74.

“Allowance” means an authorization, allocated by the United States Environmental Protection Agency (EPA), to emit sulfur dioxide (SO₂) under the Acid Rain Program, ~~to emit sulfur dioxide (SO₂), any and SO₂ and nitrogen oxide (NOX) emissions subject under~~ to the Clean Air Interstate Rule (CAIR) and the Cross-State Air Pollution Rule (CSAPR), ~~or mercury (Hg) emissions subject to the Clean Air Mercury Rule (CAMR),~~ during or after a specified calendar year.

~~“Allowance forward contract” is an agreement between a buyer and seller to transfer an allowance on a specified future date at a specified price.~~

“Allowance futures contract” is an agreement between a futures exchange clearinghouse and a buyer or seller to buy or sell an allowance on a specified future date at a specified price.

~~“Allowance option contract” is an agreement between a buyer and seller whereby the buyer has the option to transfer an allowance(s) at a specified date at a specified price. The seller of a call or put option will receive a premium for taking on the associated risk.~~

“Board” means the utilities board.

“Clean Air Interstate Rule” or “CAIR” means the requirements EPA published in the Federal Register (70 Fed. Reg. 25161) on May 12, 2005.

~~“Clean Air Mercury Rule” or “CAMR” means the requirements EPA published in the Federal Register (70 Fed. Reg. 28605) on May 18, 2005.~~

“Complaint” as used in these rules is a statement or question by anyone, whether a utility customer or not, alleging a wrong, grievance, injury, dissatisfaction, illegal action or procedure, dangerous condition or action, or utility obligation.

“Compliance plan” means the document submitted for an affected source to the EPA which specifies the methods by which each affected unit at the source will meet the applicable emissions limitation and emissions reduction requirements.

“Cross-State Air Pollution Rule” means the requirements established by EPA in 40 CFR 97 Subparts AAAAA, BBBBB, CCCCC, and DDDDD as amended by 81 FR 13275 (March 14, 2016).

“Customer” means any person, firm, association, or corporation, any agency of the federal, state or local government, or legal entity responsible by law for payment for the electric service or heat from the electric utility.

“Delinquent” or “delinquency” means an account for which a service bill or service payment agreement has not been paid in full on or before the last day for timely payment.

“Distribution line” means any single or multiphase electric power line operating at nominal voltage in either of the following ranges: 2,000 to 26,000 volts between ungrounded conductors or 1,155 to 15,000 volts between grounded and ungrounded conductors, regardless of the functional service provided by the line.

“Economy energy” is energy bought or sold in a transaction wherein the supplier’s incremental cost is less than the buyer’s decremental cost, and the differential in cost is shared in an equitable manner by the supplier and buyer.

“Electric plant” includes all real estate, fixtures and property owned, controlled, operated or managed in connection with or to facilitate production, generation, transmission, or distribution, in providing electric service or heat by an electric utility.

“Electric service” is furnishing to the public for compensation any electricity, heat, light, power, or energy.

“Emission for emission trade” is an exchange of one type of emission for another type of emission. For example, the exchange of SO₂ emission allowances for NO_x emission allowances.

“Energy” means electric energy measured in kilowatt hours.

“Firm power” is power and associated energy intended to be available at all times during the period covered by the commitment.

“Gains and losses from allowance sales” are calculated as the difference between the sale price of allowances sold during the month and the weighted average unit cost of inventoried allowances.

“Meter” means, unless otherwise qualified, a device that measures and registers the integral of an electrical quantity with respect to time.

“Meter shop” is a shop where meters are inspected, repaired and tested, and may be at a fixed location or may be mobile.

“Operating reserve” is a reserve generating capacity required to ensure reliability of generation resources.

“Operational control energy” is energy supplied by a selling utility to a buying utility for the improvement of electric system operation.

“Outage energy” is energy purchased during emergency or scheduled maintenance outages of generation or transmission facilities, or both.

“Participation power” means power and associated energy or energy which is purchased or sold from a specific unit or units on the basis that its availability is subject to prorateion or other specified reduction if the units are not operated at full capacity.

“Peaking power” is power and associated energy intended to be available at all times during the commitment and which is anticipated to have low load factor use.

“Power” means electric power measured in kilowatts.

“Price hedging” means using futures contracts or options to guard against unfavorable price changes.

“Rate-regulated utility” means any utility, as defined in 20.1(3), which is subject to board rate regulation under Iowa Code chapter 476.

“Secondary line” means any single or multiphase electric power line operating at nominal voltage less than either 2,000 volts between ungrounded conductors or 1,155 volts between grounded and ungrounded conductors, regardless of the functional service provided by the line.

“Service limitation” means the establishment of a limit on the amount of power that may be consumed by a residential customer through the installation of a service limiter on the customer’s meter.

“Service limiter” or “service limitation device” means a device that limits a residential customer’s power consumption to 3,600 watts (or some higher level of usage approved by the board) and that resets itself automatically, or can be reset manually by the customer, and may also be reset remotely by the utility at all times.

“Speculation” means using futures contracts or options to profit from expectations of future price changes.

“Tariff” means the entire body of rates, tolls, rentals, charges, classifications, rules, procedures, policies, etc., adopted and filed with the board by an electric utility in fulfilling its role of furnishing service.

“Timely payment” is a payment on a customer’s account made on or before the date shown on a current bill for service, or on a form which records an agreement between the customer and a utility for a series of partial payments to settle a delinquent account, as the date which determines application of a late payment charge to the current bill or future collection efforts.

“Transmission line” means any single or multiphase electric power line operating at nominal voltages at or in excess of either 69,000 volts between ungrounded conductors

or 40,000 volts between grounded and ungrounded conductors, regardless of the functional service provided by the line.

“Utility” means any person, partnership, business association or corporation, domestic or foreign, owning or operating any facilities for providing electric service or heat to the public for compensation.

“Vintage trade” is an exchange of one vintage of allowances for another vintage of allowances with the difference in value between vintages being cash or additional allowances.

“Weighted average unit cost of inventoried allowances” equals the dollars in inventory at the end of the month divided by the total allowances available for use at the end of the month.

“Wheeling service” is the service provided by a utility in consenting to the use of its transmission facilities by another party for the purpose of scheduling delivery of power or energy, or both.

ITEM 2. Amend subrule **20.2(3)** as follows:

20.2(3) Form and identification. All tariffs shall conform to the following rules:

a. The tariff shall be printed, typewritten or otherwise reproduced on 8½- x 11- inch sheets of durable white paper so as to result in a clear and permanent record. The sheets of the tariff should be ruled or spaced to set off a border on the left side suitable for binding. In the case of utilities subject to regulation by any federal agency the format of sheets of tariff as filed with the board may be the same format as is required by the federal agency provided that the rules of the board as to title page; identity of

superseding, replacing or revision sheets; identity of amending sheets: identity of the filing utility, issuing official, date of issue, effective date; and the words "Tariff with board" shall apply in the modification of the federal agency format for the purposes of filing with this board. -Tariffs filed electronically shall be formatted in a manner substantially similar to the above requirements.

b. The title page of every tariff and supplement shall show:

(1) The first page shall be the title page which shall show:

(Name of Public Utility)

Electric Tariff

Filed with

Iowa Utilities Board

(Date)

~~(This requirement does not apply to tariffs or amendments filed with the board prior to July 1, 1981.)~~

(2) When a tariff is to be superseded or replaced in its entirety, the replacing tariff shall show on the upper right corner of its title page that it supersedes a tariff on file and the number being superseded or replaced, for example:

TARIFF NO.

SUPERSEDES TARIFF NO.

~~(This requirement does not apply to tariffs or amendments filed with the board prior to July 1, 1981.)~~

(3) When a new part of a tariff eliminates an existing part of a tariff it shall so state and clearly indicate the part eliminated.

(4) Any tariff modifications as defined above shall be marked in the right-hand margin of the replacing tariff sheet with symbols as here described to indicate the place, nature and extent of the change in text.

—Symbols—

(C)—Changed regulation

(D)—Discontinued rate or regulation

(I)—Increase in rate or new treatment resulting in increased rate

(N)—New rate, treatment or regulation

(R)—Reduction in rate or new treatment resulting in reduced rate

(T)—Change in text only

c. All sheets except the title page shall have, in addition to the above-stated requirements, the following information:

(1) Name of utility under which shall be set forth the words "Filed with board." If the utility is not a corporation, and a trade name is used, the name of the individual or partners must precede the trade name.

(2) Issuing official and issue date.

(3) Effective date (to be left blank by rate-regulated utilities).

d. All sheets except the title page shall have the following form:

(Company Name) (Part identification)

Electric Tariff (This sheet identification)

Filed with board (Canceled sheet identification, if any)

(Content or tariff)

Issued: (Date) Effective:

Issued by: (Name, title) (Proposed Effective Date:)

The issued date is the date the tariff or the amended sheet content was adopted by the utility.

The effective date will be left blank by rate-regulated utilities and shall be determined by the board. The utility may propose an effective date.

ITEM 3. Amend subrule **20.3(4)** as follows:

20.3(4) Meter charts. Rescinded. ~~All charts taken from recording meters shall be marked with the initial and final date and hour of the record, the meter identification, customer's name and location and the chart multiplier.~~

ITEM 4. Amend subrule **20.3(5)** as follows:

20.3(5) Meter register. If it is necessary to apply a multiplier to the meter readings, the multiplier must be marked on the face of the meter register or stenciled in weather resistant paint upon the front cover of the meter. Customers shall have continuous visual access to meter registers as a means of verifying the accuracy of bills presented to them and for implementing such energy conservation initiatives as they desire, except in the individual locations where the utility has experienced vandalism to windows in the protective enclosures. Where remote meter reading is used, whether outdoor on premises or off premises automated, the customer shall also have readable meter registers at the meter.

Where ~~magnetic tape or other~~ delayed processing means is used the utility may comply by having readable kWh registers only, visually accessible.

In instances in which the utility has determined that readable access, to locations existing July 1, 1981, will create a safety hazard, the utility is exempted from the access provisions above.

In instances when a building owner has determined that unrestricted access to tenant metering installation would create a vandalism or safety hazard the utility is exempted from the access provision above.

Continuing efforts should be made to eliminate or minimize the number of restricted locations. The utility should assist affected customers in obtaining meter register information.

A utility may comply with the requirements of this sub rule by making the required information available via the internet or other equivalent means.

ITEM 5. Amend subrule **20.3(6)** as follows:

20.3(6) Meter reading and billing interval. Readings of all meters used for determining charges and billings to customers shall be scheduled at least monthly and for the beginning and termination of service. Bills to larger customers may, for good cause, be rendered weekly or daily for a period not to exceed one month. Intervals other than monthly shall not be applied to smaller customers, or to larger customers after the initial month provided above, without a waiver from the board. A waiver request must include sufficient information to comply with 199—1.3(17A,474,476,78GA, HF2206). If the board denies a waiver, or if a waiver is not sought with respect to a high demand

customer after the initial month, that customer's meter shall be read monthly for the next 12 months. The group of larger customers to which shorter billing intervals may be applied shall be specified in the utility's tariff sheets, but shall not include residential customers.

An effort shall be made to obtain readings of the meters on corresponding days of each meter-reading period. When the meter reading date causes a given billing period to deviate by more than 10 percent (counting only business days) from the normal meter reading period, such bills shall be prorated on a daily basis.

The utility may permit the customer to supply the meter readings by telephone or on a form supplied by the utility. The utility may arrange for customer meter reading forms to be delivered to the utility by United States mail, electronically, or by hand delivery. The utility may arrange for the meter to be read by electronic means. Unless the utility has a plan to test check meter readings, a utility representative shall physically read the meter at least once each 12 months.

In the event that the utility leaves a meter reading form with the customer when access to meters cannot be gained and the form is not returned in time for the billing operation, an estimated bill may be rendered.

If an actual meter reading cannot be obtained, the utility may render an estimated bill without reading the meter or supplying a meter reading form to the customer. Only in unusual cases or when approval is obtained from the customer shall more than three consecutive estimated bills be rendered.

ITEM 6. Amend subrule **20.3(8)** as follows:

20.3(8) Service areas. Service areas are defined by the boundaries on service area maps.; Paper maps are available for viewing during regular business hours at the board's offices, and available for purchase at the cost of reproduction. Maps are also available for viewing on the Board's web page. These service area maps are adopted as part of this rule and are incorporated in this rule by this reference.

ITEM 7. Amend subrule **20.3(12)** as follows:

20.3(12) ~~Rescinded, IAB 6/29/88, effective 8/3/88.~~ **Prepayment meters.** Prepayment meters shall not be geared or set so as to result in the charge of a rate or amount higher than would be paid if a standard type meter were used, except under tariffs approved by the board.

ITEM 8. Amend subrule **20.3(13)** as follows:

20.3(13) Plant additions, electrical line extensions and service lines.

a. Definitions. The following definitions shall apply to the terms used in this subrule:

“Advance for construction,” as used in this subrule, means cash payments or equivalent surety made to the utility by an applicant for an extensive plant addition or an electrical line extension, portions of which may be refunded depending on the attachment of any subsequent service line made to the extensive plant addition or electrical line extension. Cash payments or equivalent surety shall include a grossed-up amount for the income tax effect of such revenue. The amount of tax shall be reduced

by the present value of the tax benefits to be obtained by depreciating the property in determining tax liability.

“Agreed-upon attachment period,” as used in this subrule, means a period of not less than 30 days nor more than one year mutually agreed upon by the utility and the applicant within which the customer will attach. If no time period is mutually agreed upon, the agreed-upon attachment period shall be deemed to be 30 days.

“Contribution in aid of construction,” as used in this subrule, means a nonrefundable cash payment grossed-up for the income tax effect of such revenue covering the costs of ~~an electrical line extension or service line~~ that are in excess of costs paid by the utility. The amount of tax shall be reduced by the present value of the tax benefits to be obtained by depreciating the property in determining the tax liability.

“Electrical line extensions” means distribution line extensions and secondary line extensions as defined in subrule 20.1(3), except for service lines as defined in this subrule.

“Equivalent overhead transformer cost,” as used in this subrule, is that transformer capitalized cost, or fraction thereof, that would be required for similarly situated customers served by a pole-mounted or platform-mounted transformer(s). For each overhead service, it shall be the capitalized cost of the transformer(s) divided by the number of customers served by that transformer(s). For each underground service, it shall be the capitalized cost of an overhead transformer(s) with the same voltage and volt-ampere rating divided by the number of customers served by that transformer(s).

“Estimated annual revenues,” as used in this subrule, shall be calculated based upon the following factors, including, but not limited to: The size of the facility to be used by

the customer, the size and type of equipment to be used by the customer, the average annual amount of service required by the equipment, and the average number of hours per day and days per year the equipment will be in use.

“Estimated base revenues,” as used in this subrule, shall be calculated by subtracting the fuel expense costs as described in the uniform system of accounts as adopted by the board and energy efficiency charges from the estimated annual revenues.

“Estimated construction costs,” as used in this subrule, shall be calculated using average current costs in accordance with good engineering practices and upon the following factors: amount of service required or desired by the customer requesting the electrical line extension or service line; size, location, and characteristics of the electrical line extension or service line, including appurtenances, except equivalent overhead transformer cost; and whether the ground is frozen or whether other adverse conditions exist. In no event shall estimated construction costs include costs associated with facilities built for the convenience of the utility. The customer shall be charged actual permit fees in addition to estimated construction costs. Permit fees are to be paid regardless of whether the customer is required to pay an advance for construction or a nonrefundable contribution in aid of construction, and the cost of any permit fee is not refundable.

“Plant addition,” as used in this subrule, means any additional plant required to be constructed to provide service to a customer other than an electrical line extension or service line.

“Point of attachment” is that point of first physical attachment of the utilities’ service drop (overhead) or service lateral (underground) conductors to the customer’s service

entrance conductors. For overhead services it shall be the point of tap or splice to the service entrance conductors. For underground services it shall be the point of tap or splice to the service entrance conductors in a terminal box or meter or other enclosure with adequate space inside or outside the building wall. If there is no terminal box, meter, or other enclosure with adequate space, it shall be the point of entrance into the building.

“Service line,” as used in this subrule, means any secondary line extension, as defined in subrule 20.1(3), on private property serving a single customer or point of attachment of electric service.

“Similarly situated customer,” as used in this subrule, means a customer whose annual consumption or service requirements, as defined by estimated annual revenue, are approximately the same as the annual consumption or service requirements of other customers.

“Utility,” as used in this subrule, means a rate-regulated utility.

b. Plant additions. The utility shall provide all electric plant at its cost and expense without requiring an advance for construction from customers or developers except in those unusual circumstances where extensive plant additions are required before the customer can be served. A written contract between the utility and the customer which requires an advance for construction by the customer to make plant additions shall be available for board inspection.

c. Electrical line extensions. Where the customer will attach to the electrical line extension within the agreed-upon attachment period after completion of the electrical line extension, the following shall apply:

(1) The utility shall finance and make the electrical line extension for a customer without requiring an advance for construction if the estimated construction costs to provide an electrical line extension are less than or equal to three times estimated base revenue calculated on the basis of similarly situated customers. The utility may use a feasibility model, rather than three times estimated base revenue, to determine what, if any, advance for construction is required by the customer. The utility shall file a summary explaining the inputs into the feasibility model and a description of the model as part of the utility's tariff. Whether or not the construction of the electrical line extension would otherwise require a payment from the customer, the utility shall charge the customer for actual permit fees, and the permit fees are not refundable.

(2) If the estimated construction cost to provide an electrical line extension is greater than three times estimated base revenue calculated on the basis of similarly situated customers, the applicant for the electrical line extension shall contract with the utility and make, no more than 30 days prior to commencement of construction, an advance for construction equal to the estimated construction cost less three times estimated base revenue to be produced by the customer. The utility may use a feasibility model to determine whether an advance for construction is required. The utility shall file a summary explaining the inputs into the feasibility model and a description of the model as part of the utility's tariff. A written contract between the utility and the customer shall be available for board inspection upon request. Whether or not the construction of the electrical line extension would otherwise require a payment from the customer, the utility shall charge the customer for actual permit fees, and the permit fees are not refundable.

(3) Where the customer will not attach within the agreed-upon attachment period after completion of the electrical line extension, the applicant for the electrical line extension shall contract with the utility and make, no more than 30 days prior to the commencement of construction, an advance for construction equal to the estimated construction cost. The utility may use a feasibility model to determine the amount of the advance for construction. The utility shall file a summary explaining the inputs into the feasibility model and a description of the model as part of the utility's tariff. A written contract between the utility and the customer shall be available for board inspection upon request. Whether or not the construction of the electrical line extension would otherwise require a payment from the customer, the utility shall charge the customer for actual permit fees, and the permit fees are not refundable.

(4) Advances for construction may be paid by cash or equivalent surety and shall be refundable for ten years. The customer has the option of providing an advance for construction by cash or equivalent surety unless the utility determines that the customer has failed to comply with the conditions of a surety in the past.

(5) Refunds. When the customer is required to make an advance for construction, the utility shall refund to the depositor for a period of ten years from the date of the original advance a pro-rata share for each service line attached to the electrical line extension. The pro-rata refund shall be computed in the following manner:

1. If the combined total of three times estimated base revenue, or the amount allowed by the feasibility model, for the electrical line extension and each service line attached to the electrical line extension exceeds the total estimated construction cost to provide

the electrical line extension, the entire amount of the advance for construction provided shall be refunded.

2. If the combined total of three times estimated base revenue, or the amount allowed by the feasibility model, for the electrical line extension and each service line attached to the electrical line extension is less than the total estimated construction cost to provide the electrical line extension, the amount to be refunded shall equal three times estimated base revenue, or the amount allowed by the feasibility model, when a service line is attached to the electrical line extension.

3. In no event shall the total amount to be refunded exceed the amount of the advance for construction. Any amounts subject to refund shall be paid by the utility without interest. At the expiration of the above-described ten-year period, the advance for construction record shall be closed and the remaining balance shall be credited to the respective plant account.

(6) The utility shall keep a record of each work order under which the electrical line extension was installed, to include the estimated revenues, the estimated construction costs, the amount of any payment received, and any refunds paid.

d. Service lines.

(1) The utility shall finance and construct either an overhead or underground service line without requiring a nonrefundable contribution in aid of construction or any payment by the applicant where the length of the overhead service line to the first point of attachment is up to 50 feet on private property or where the cost of the underground service line to the meter or service disconnect is less than or equal to the estimated cost of constructing an equivalent overhead service line of up to 50 feet.

(2) Where the length of the overhead service line exceeds 50 feet on private property, the applicant shall be required to provide a nonrefundable contribution in aid of construction for that portion of the service line on private property, exclusive of the point of attachment, within 30 days after completion. The nonrefundable contribution in aid of construction for that portion of the service line shall be computed as follows:

$$\frac{(\text{Estimated Construction Costs}) \times (\text{Total Length in Excess of 50 Feet})}{(\text{Total Length of Service Line})}$$

(3) Where the cost of the underground service line exceeds the estimated cost of constructing an equivalent overhead service line of up to 50 feet, the applicant shall be required to provide a nonrefundable contribution in aid of construction within 30 days after completion equal to the difference between the estimated cost of constructing the underground service line and the estimated cost of constructing an equivalent overhead service line of up to 50 feet.

(4) A utility may adopt a tariff or rule that allows the utility to finance and construct a service line of more than 50 feet without requiring a nonrefundable contribution in aid of construction from the customer if the tariff or rule applies equally to all customers or members.

(5) Whether or not the construction of the service line would otherwise require a payment from the customer, the utility shall charge the customer for actual permit fees.

e. Extensions not required. Utilities shall not be required to make electrical line extensions or install service lines as described in this subrule, unless the electrical line extension or service line shall be of a permanent nature.

f. Different payment arrangement. This subrule shall not be construed as prohibiting any utility from making a contract with a customer using a different payment arrangement, if the contract provides a more favorable payment arrangement to the customer, so long as no discrimination is practiced among customers.

g. Temporary service. When the utility renders a temporary service to a customer it may require that the customer bear all the cost of installing and removing the service in excess of any salvage realized.

~~This rule is intended to implement Iowa Code section 476.8.~~

~~[ARC 7584B, IAB 2/25/09, effective 4/1/09; ARC 9501B, IAB 5/18/11, effective 6/22/11]~~

ITEM 9. Amend subrule **20.4(1)** as follows:

20.4(1) Customer information. Each utility shall:

a. Maintain up-to-date maps, plans, or records of its entire transmission and distribution systems, together with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving prospective customers in its service area.

b. Assist the customer or prospective customer in selecting the most economical rate schedule available for the customer's proposed type of service.

c. Notify customers affected by a change in rates or schedule classification in the manner provided in the rules of practice and procedure before the board. [199—7.426.5 (476) IAC]

d. Post a notice in a conspicuous place in each office of the utility where applications for service are received, informing the public that copies of the rate schedules and rules relating to the service of the utility, as filed with the board, are available for public inspection. If the utility has provided access to its rate schedules and rules for service on its Web site, the notice ~~should~~shall include the Web site address.

e. Upon request, inform its customers as to the method of reading meters.

f. State, on the bill form, that tariff and rate schedule information is available upon request at the utility's local business office. If the utility provides access to its tariff and rate schedules on its Web site, the bill form should include the Web site address.

g. Upon request, transmit a statement of either the customer's actual consumption, or degree day adjusted consumption, at the company's option, of electricity for each billing during the prior 12 months.

h. Furnish such additional information as the customer may reasonably request.

ITEM 10. Amend subrule **20.4(2)** as follows:

20.4(2) Customer contact employee qualifications. Each utility shall promptly and courteously resolve inquiries for information or complaints. Employees who receive customer telephone calls and office visits shall be qualified and trained in screening and resolving complaints, to avoid a preliminary recitation of the entire complaint to employees without ability and authority to act. The employee shall provide identification to the customer that will enable the customer to reach that employee again if needed.

Each utility shall notify its customers, by bill insert or notice on the bill form, of the address and telephone number where a utility representative qualified to assist in

resolving the complaint can be reached. The bill insert or notice shall also include the following statement: “If (utility name) does not resolve your complaint, you may request assistance from the Iowa Utilities Board by calling (515)_725-7321, or toll-free 1-877-565-4450, or by writing to 1375 E. Court Avenue, Room 69, Des Moines, Iowa 50319-0069, or by E-mail to customer@iub.iowa.gov.”

The bill insert or notice for municipal utilities shall include the following statement: “If your complaint is related to service disconnection, safety, or renewable energy, and (utility name) does not resolve your complaint, you may request assistance from the Iowa Utilities Board by calling (515)_725-7321, or toll-free 1-877-565-4450, by writing to 1375 E. Court Avenue, Room 69, Des Moines, Iowa 50319-0069, or by E-mail to customer@iub.iowa.gov.”

The bill insert or notice for non-rate-regulated rural electric cooperatives shall include the following statement: “If your complaint is related to the (utility name) service rather than its rates, and (utility name) does not resolve your complaint, you may request assistance from the Iowa Utilities Board by calling (515)_725-7321, or toll-free 1-877-565-4450, by writing to 1375 E. Court Avenue, Room 69, Des Moines, Iowa 50319-0069, or by E-mail to customer@iub.iowa.gov.”

The bill insert or notice for non-rate-regulated rural electric cooperatives shall include the following statement: “If your complaint is related to the (utility name) service rather than its rates, and (utility name) does not resolve your complaint, you may request assistance from the Iowa Utilities Board by calling (515)725-7321, or toll-free 1-877-565-4450, by writing to 1375 E. Court Avenue, Room 69, Des Moines, Iowa 50319-0069, or by E-mail to customer@iub.iowa.gov.”

The bill insert or notice on the bill shall be provided monthly by utilities serving more than 50,000 Iowa retail customers and no less than annually by all other electric utilities. Any utility which does not use the standard statement described in this subrule shall file its proposed statement in its tariff for approval. A utility that bills by postcard may place an advertisement in a local newspaper of general circulation or a customer newsletter instead of a mailing. The advertisement must be of a type size that is easily legible and conspicuous and must contain the information set forth above.

ITEM 11. Amend subrule **20.4(9)** as follows:

20.4(9) Customer bill forms. Each customer shall be informed as promptly as possible following the reading of the customer's meter, on bill form or otherwise, of the following:

- a. The reading of the meter at the beginning and at the end of the period for which the bill is rendered.
- b. The dates on which the meter was read, at the beginning and end of the billing period.
- c. The number and kind of units metered.
- d. The applicable rate schedule, ~~or~~ with the identification of the applicable rate classificationschedule.
- e. The account balance brought forward and amount of each net charge for rate-schedule-priced utility service, sales tax, other taxes, late payment charge, and total amount currently due. In the case of prepayment meters, the amount of money collected shall be shown.

- f. The last date for timely payment shall be clearly shown and shall be not less than 20 days after the bill is rendered.
- g. A distinct marking to identify an estimated bill.
- h. A distinct marking to identify a minimum bill.
- i. Any conversions from meter reading units to billing units, or any calculations to determine billing units from recording or other devices, or any other factors, such as sliding scale or automatic adjustment and amount of sales tax adjustments used in determining the bill.
- j. Customer billing information alternate. A utility serving less than 5000 electric customers may provide the information in 20.4(9) on bill form or otherwise. If the utility elects not to provide the information of 20.4(9), it shall advise the customer, on bill form or by bill insert, that such information can be obtained by contacting the utility's local office.

ITEM 12. Amend subrule **20.4(11)** as follows:

20.4(11) Payment agreements.

- a. Availability of a first payment agreement. When a residential customer cannot pay in full a delinquent bill for utility service or has an outstanding debt to the utility for residential utility service and is not in default of a payment agreement with the utility, a utility shall offer the customer an opportunity to enter into a reasonable payment agreement.
- b. Reasonableness. Whether a payment agreement is reasonable will be determined by considering the current household income, ability to pay, payment history including

prior defaults on similar agreements, the size of the bill, the amount of time and the reasons why the bill has been outstanding, and any special circumstances creating extreme hardships within the household. The utility may require the person to confirm financial difficulty with an acknowledgment from the department of human services or another agency.

c. Terms of payment agreements.

(1) First payment agreement. The utility shall offer customers who have received a disconnection notice or have been disconnected 120 days or less and who are not in default of a payment agreement ~~the option of spreading payments evenly over at least 12 months by paying specific amounts at scheduled times.~~ The utility shall offer ~~customers who have been disconnected more than 120 days and who are not in default of a payment agreement the option of spreading payments evenly over at least 6 months by paying specific amounts at scheduled times.~~

~~1. The agreement shall also include provision for payment of the current account. The agreement negotiations and periodic payment terms shall comply with tariff provisions which are consistent with these rules. The utility may also require the customer to enter into a level payment plan to pay the current bill.~~

~~2. When the customer makes the agreement in person, a signed copy of the agreement shall be provided to the customer.~~

~~3. The utility may offer the customer the option of making the agreement over the telephone or through electronic transmission. When the customer makes the agreement over the telephone or through electronic transmission, the utility shall render to the customer a written document reflecting the terms and conditions of the agreement~~

~~within three days of the date the parties entered into the oral agreement or electronic agreement. The document will be considered rendered to the customer when addressed to the customer's last known address and deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the document shall be considered rendered to the customer when delivered to the last known address of the person responsible for payment for the service. The document shall state that unless the customer notifies the utility within ten days from the date the document is rendered, it will be deemed that the customer accepts the terms as reflected in the written document. The document stating the terms and agreements shall include the address and a toll-free or collect telephone number where a qualified representative can be reached. By making the first payment, the customer confirms acceptance of the terms of the oral agreement or electronic agreement.~~

4. —

following:

1. At least six monthly payments for customers who have been disconnected more than 120 days and were not in default of a payment agreement for that debt.
2. At least 12 monthly payments for customers who received a disconnection notice or have been disconnected less than 120 days.
3. The agreement shall also include provision for payment of the current account.
4. The utility may also require the customer to enter into a budget billing plan to pay the current bill.
5. When the customer makes the agreement in person, a signed copy of the agreement shall be provided to the customer.

6. The utility may offer the customer the option of making the agreement over the telephone or through electronic transmission.

7. When the customer makes the agreement over the telephone or through electronic transmission, the utility shall provide to the customer a written document reflecting the terms and conditions of the agreement within three days of the date the parties entered into the oral agreement or electronic agreement.

8. The document will be considered rendered to the customer when addressed to the customer's last-known address and deposited in the U.S. mail with postage paid. If delivery is by other than U.S. mail, the document shall be considered rendered to the customer when delivered to the last-known address of the person responsible for payment for the service.

9. The document shall state that unless the customer notifies the utility within ten days from the date the document is rendered, it will be deemed that the customer accepts the terms as reflected in the written document. The document stating the terms and agreements shall include the address and a toll-free or collect telephone number where a qualified representative can be reached.

10. By making the first payment, which is due 10 days from the date of the agreement, the customer confirms acceptance of the terms of the oral agreement or electronic agreement.

11. Each customer entering into a first payment agreement shall be granted at least one late payment that is four days or less beyond the due date for payment and the first payment agreement shall remain in effect.

(2) Second payment agreement.

(1) The utility shall offer a second payment agreement to a customer who is in default of a first payment agreement if the customer has made at least two consecutive full payments under the first payment agreement.

(2) The second payment agreement shall be for the same term as or longer than the term of the first payment agreement. The customer shall be required to pay for current service in addition to the monthly payments under the second payment agreement and may be required to make the first payment up-front as a condition of entering into the second payment agreement. The utility may also require the customer to enter into a ~~level-payment~~ budget billing plan to pay the current bill. The utility may offer additional payment agreements to the customer.

d. Refusal by utility. A customer may offer the utility a proposed payment agreement. If the utility and the customer do not reach an agreement, the utility may refuse the offer orally, but the utility must render a written refusal to the customer, stating the reason for the refusal, within three days of the oral notification. The written refusal shall be considered rendered to the customer when addressed to the customer's last-known address and deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the written refusal shall be considered rendered to the customer when handed to the customer or when delivered to the last-known address of the person responsible for the payment for the service.

A customer may ask the board for assistance in working out a reasonable payment agreement. The request for assistance must be made to the board within ten days after the rendering of the written refusal. During the review of this request, the utility shall not disconnect the service.

ITEM 13. Amend subrule **20.4(12)** as follows:

20.4(12) Bill payment terms. The bill shall be considered rendered to the customer when deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the bill shall be considered rendered when delivered to the last-known address of the party responsible for payment. There shall not be less than 20 days between the rendering of a bill and the date by which the account becomes delinquent. Bills for customers on more frequent billing intervals under subrule 20.3(6) may not be considered delinquent less than 5 days from the date of rendering. However, a late payment charge may not be assessed if payment is received within 20 days of the date the bill is rendered.

a. The date of delinquency for all residential customers or other customers whose consumption is less than 3,000 kWh per month, shall be changeable for cause ~~in writing~~; such as, but not limited to, 15 days from approximate date each month upon which income is received by the person responsible for payment. In no case, however, shall the utility be required to delay the date of delinquency more than 30 days beyond the date of preparation of the previous bill.

b. In any case where net and gross amounts are billed to customers, the difference between net and gross is a late payment charge and is valid only when part of a delinquent bill payment. A utility's late payment charge shall not exceed 1.5 percent per month of the past due amount. No collection fee may be levied in addition to this late payment charge. This rule does not prohibit cost-justified charges for disconnection and reconnection of service.

c. If the customer makes partial payment in a timely manner, and does not designate the service or product for which payment is made, the payment shall be credited pro rata between the bill for utility services and related taxes.

d. Each account shall be granted not less than one complete forgiveness of a late payment charge each calendar year. The utility's rules shall be definitive that on one monthly bill in each period of eligibility, the utility will accept the net amount of such bill as full payment for such month after expiration of the net payment period. The rules shall state how the customer is notified that the eligibility has been used. Complete forgiveness prohibits any effect upon the credit rating of the customer or collection of late payment charge.

e. ~~Level payment~~ Budget billing plan. Utilities shall offer a ~~level payment~~ budget billing plan to all residential customers or other customers whose consumption is less than 3,000 kWh per month. A ~~level payment~~ budget billing plan should be designed to limit the volatility of a customer's bill and maintain reasonable account balances. The ~~level payment~~ budget billing plan shall include at least the following:

(1) Be offered to each eligible customer when the customer initially requests service. The plan can be estimated if there is insufficient usage history to create a budget billing plan based on actual use.

(2) Allow for entry into the ~~level payment~~ budget billing plan anytime during the calendar year.

(3) Provide that a customer may request termination of the plan at any time. If the customer's account is in arrears at the time of termination, the balance shall be due and payable at the time of termination. If there is a credit balance, the customer shall be

allowed the option of obtaining a refund or applying the credit to future charges. A utility is not required to offer a new ~~level-payment~~ budget billing plan to a customer for six months after the customer has terminated from a ~~level-payment~~ budget billing plan.

(4) Use a computation method that produces a reasonable monthly ~~level-payment~~ budget billing amount, which may take into account forward-looking factors such as fuel price and weather forecasts, and that complies with requirements in ~~20.4(12)“e”~~(4) this subrule. The computation method used by the utility shall be described in the utility's tariff and shall be subject to board approval. The utility shall give notice to customers when it changes the type of computation method in the ~~level-payment~~ budget billing plan.

The amount to be paid at each billing interval by a customer on a ~~level-payment~~ budget billing plan shall be computed at the time of entry into the plan and shall be recomputed at least annually. The ~~level-payment~~ budget billing amount may be recomputed monthly, quarterly, when requested by the customer, or whenever price, consumption, or a combination of factors results in a new estimate differing by 10 percent or more from that in use.

When the ~~level-payment~~ budget billing amount is recomputed, the ~~level-payment~~ budget billing plan account balance shall be divided by 12, and the resulting amount shall be added to the estimated monthly ~~level-payment~~ budget billing amount. Except when a utility has a ~~level-payment~~ budget billing plan that recomputes the ~~level-payment~~ budget billing amount monthly, the customer shall be given the option of applying any credit to payments of subsequent months' ~~level-payment~~ budget billing amounts due or of obtaining a refund of any credit in excess of \$25.

Except when a utility has a ~~level payment~~ budget billing plan that recomputes the ~~level payment~~ budget billing amount monthly, the customer shall be notified of the recomputed payment amount not less than one full billing period prior to the date of delinquency for the recomputed payment. The notice may accompany the bill prior to the bill that is affected by the recomputed payment amount.

(5) Irrespective of the account balance, a delinquency in payment shall be subject to the same collection and disconnection procedures as other accounts, with the late payment charge applied to the ~~level payment~~ budget billing amount. If the account balance is a credit, the ~~level payment~~ budget billing plan may be terminated by the utility after 30 days of delinquency.

ITEM 14. Amend subrule **20.4(13)** as follows:

20.4(13) Customer records. The utility shall retain records as may be necessary to effectuate compliance with 20.4(14) and 20.6(6), but not less than ~~three~~ five years.

Records for customer shall show where applicable:

- a. kWh meter reading
- b. kWh consumption
- c. kW meter reading
- d. kW measured demand
- e. kW billing demand
- f. Total amount of bill.

ITEM 15. Amend subrule **20.4(15)** as follows:

20.4(15) Refusal or disconnection of service. A utility shall refuse service or disconnect service to a customer, as defined in subrule 20.1(3), in accordance with tariffs that are consistent with these rules.

a. The utility shall give written notice of pending disconnection except as specified in paragraph 20.4(15)“b.” The notice shall set forth the reason for the notice and the final date by which the account is to be settled or specific action taken. The notice shall be considered rendered to the customer when addressed to the customer’s last-known address and deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the notice shall be considered rendered when delivered to the last-known address of the person responsible for payment for the service. The date for disconnection of service shall be not less than 12 days after the notice is rendered. The date for disconnection of service for customers on shorter billing intervals under subrule 20.3(6) shall not be less than 24 hours after the notice is posted at the service premises.

One written notice, including all reasons for the notice, shall be given where more than one cause exists for disconnection of service. In determining the final date by which the account is to be settled or other specific action taken, the days of notice for the causes shall be concurrent.

b. Service may be disconnected without notice:

(1) In the event of a condition on the customer’s premises determined by the utility to be hazardous.

(2) In the event of customer use of equipment in a manner which adversely affects the utility's equipment or the utility's service to others.

(3) In the event of tampering with the equipment furnished and owned by the utility. For the purposes of this subrule, a broken or absent meter seal alone shall not constitute tampering.

(4) In the event of unauthorized use.

c. Service may be disconnected or refused after proper notice:

(1) For violation of or noncompliance with the utility's rules on file with the board.

(2) For failure of the customer to furnish the service equipment, permits, certificates, or rights-of-way which are specified to be furnished, in the utility's rules filed with the board, as conditions of obtaining service, or for the withdrawal of that same equipment, or for the termination of those same permissions or rights, or for the failure of the customer to fulfill the contractual obligations imposed as conditions of obtaining service by any contract filed with and subject to the regulatory authority of the board.

(3) For failure of the customer to permit the utility reasonable access to the utility's equipment.

d. Service may be refused or disconnected after proper notice for nonpayment of a bill or deposit, except as restricted by subrules 20.4(16) and 20.4(17), provided that the utility has complied with the following provisions when applicable:

(1) Given the customer a reasonable opportunity to dispute the reason for the disconnection or refusal.

(2) Given the customer, and any other person or agency designated by the customer, written notice that the customer has at least 12 days in which to make

settlement of the account to avoid disconnection and a written summary of the rights and responsibilities available. Customers billed more frequently than monthly pursuant to subrule 20.3(6) shall be given posted written notice that they have 24 hours to make settlement of the account to avoid disconnection and a written summary of the rights and responsibilities. All written notices shall include a toll-free or collect telephone number where a utility representative qualified to provide additional information about the disconnection can be reached. Each utility representative must provide the representative's name and have immediate access to current, detailed information concerning the customer's account and previous contacts with the utility.

(3) The summary of the rights and responsibilities must be approved by the board. Any utility providing electric service and defined as a public utility in Iowa Code section 476.1 which does not use the standard form set forth below for customers billed monthly shall submit to the board ~~an original and six copies of~~ electronically its proposed form for approval. A utility billing a combination customer for both gas and electric service may modify the standard form to replace each use of the word "electric" with the words "gas and electric" in all instances.

CUSTOMER RIGHTS AND RESPONSIBILITIES TO AVOID SHUTOFF OF ELECTRIC SERVICE FOR NONPAYMENT

1. What can I do if I receive a notice from the utility that says my service will be shut off because I have a past due bill?
 - a. Pay the bill in full; or
 - b. Enter into a reasonable payment plan with the utility (see #2 below); or
 - c. Apply for and become eligible for low-income energy assistance (see #3 below); or

d. Give the utility a written statement from a doctor or public health official stating that shutting off your electric service would pose an especial health danger for a person living at the residence (see #4 below); or

e. Tell the utility if you think part of the amount shown on the bill is wrong. However, you must still pay the part of the bill you agree you owe the utility (see #5 below).

2. How do I go about making a reasonable payment plan? (Residential customers only)

a. Contact the utility as soon as you know you cannot pay the amount you owe. If you cannot pay all the money you owe at one time, the utility may offer you a payment plan that spreads payments evenly over at least 12 months. The plan may be longer depending on your financial situation.

b. If you have not made the payments you promised in a previous payment plan with the utility and still owe money, you may qualify for a second payment agreement under certain conditions.

c. If you do not make the payments you promise, the utility may shut off your utility service on one day's notice unless all the money you owe the utility is paid or you enter into another payment agreement.

3. How do I apply for low-income energy assistance? (Residential customers only)

a. Contact the local community action agency in your area (see attached list); or

b. Contact the Division of Community Action Agencies at the Iowa Department of Human Rights, Lucas State Office Building, Des Moines, Iowa 50319; telephone (515)_281-0859. To prevent disconnection, you must contact the utility prior to disconnection of your service.

c. To avoid disconnection, you must apply for energy assistance before your service is shut off. Notify your utility that you may be eligible and have applied for energy assistance. Once your service has been disconnected, it will not be reconnected based on approval for energy assistance.

d. Being certified eligible for energy assistance will prevent your service from being disconnected from November 1 through April 1.

4. What if someone living at the residence has a serious health condition?

(Residential customers only)

Contact the utility if you believe this is the case. Contact your doctor or a public health official and ask the doctor or health official to contact the utility and state that shutting off your utility service would pose an especial health danger for a person living at your residence. The doctor or public health official must provide a written statement to the utility office within 5 days of when your doctor or public health official notifies the utility of the health condition; otherwise, your utility service may be shut off. If the utility receives this written statement, your service will not be shut off for 30 days. This 30-day delay is to allow you time to arrange payment of your utility bill or find other living arrangements. After 30 days, your service may be shut off if payment arrangements have not been made.

5. What should I do if I believe my bill is not correct?

You may dispute your utility bill. You must tell the utility that you dispute the bill. You must pay the part of the bill you think is correct. If you do this, the utility will not shut off your service for 45 days from the date the bill was mailed while you and the utility work

out the dispute over the part of the bill you think is incorrect. You may ask the Iowa Utilities Board for assistance in resolving the dispute. (See #9 below.)

6. When can the utility shut off my utility service because I have not paid my bill?

a. Your utility can shut off service between the hours of 6 a.m. and 2 p.m., Monday through Friday.

b. The utility will not shut off your service on nights, weekends, or holidays for nonpayment of a bill.

c. The utility will not shut off your service if you enter into a reasonable payment plan to pay the overdue amount (see #2 above).

d. The utility will not shut off your service if the temperature is forecasted to be 20 degrees Fahrenheit or colder during the following 24-hour period, including the day your service is scheduled to be shut off.

e. If you have qualified for low-income energy assistance, the utility cannot shut off your service from November 1 through April 1. However, you will still owe the utility for the service used during this time.

f. The utility will not shut off your service if you have notified the utility that you dispute a portion of your bill and you pay the part of the bill that you agree is correct.

g. If one of the heads of household is a service member deployed for military service, utility service cannot be shut off during the deployment or within 90 days after the end of deployment. In order for this exception to disconnection to apply, the utility must be informed of the deployment prior to disconnection. However, you will still owe the utility for service used during this time.

7. How will I be told the utility is going to shut off my service?

a. You must be given a written notice at least 12 days before the utility service can be shut off for nonpayment. This notice will include the reason for shutting off your service.

b. If you have not made payments required by an agreed-upon payment plan, your service may be disconnected with only one day's notice.

c. The utility must also try to reach you by telephone or in person before it shuts off your service. From November 1 through April 1, if the utility cannot reach you by telephone or in person, the utility will put a written notice on the door of or on another conspicuous place at your residence to tell you that your utility service will be shut off.

8. If service is shut off, when will it be turned back on?

a. The utility will turn your service back on if you pay the whole amount you owe or agree to a reasonable payment plan (see #2 above).

b. If you make your payment during regular business hours, or by 7 p.m. for utilities permitting such payment or other arrangements after regular business hours, the utility must make a reasonable effort to turn your service back on that day. If service cannot reasonably be turned on that same day, the utility must do it by 11 a.m. the next day.

c. The utility may charge you a fee to turn your service back on. Those fees may be higher in the evening or on weekends, so you may ask that your service be turned on during normal utility business hours.

9. Is there any other help available besides my utility?

If the utility has not been able to help you with your problem, you may contact the Iowa Utilities Board toll-free at 1-877-565-4450. You may also write the Iowa Utilities Board at 1375 E. Court Avenue, Room 69, Des Moines, Iowa 50319-0069, or by E-mail

at customer@iub.iowa.gov. Low-income customers may also be eligible for free legal assistance from Iowa Legal Aid, and may contact Legal Aid at 1-800-532-1275.

(4) If the utility has adopted a service limitation policy pursuant to subrule 20.4(23), the following paragraph shall be appended to the end of the standard form for the summary of rights and responsibilities, as set forth in subparagraph 20.4(15)“d”(3):

Service limitation: We have adopted a limitation of service policy for customers who otherwise could be disconnected. Contact our business office for more information or to learn if you qualify.

(5) When disconnecting service to a residence, made a diligent attempt to contact, by telephone or in person, the customer responsible for payment for service to the residence to inform the customer of the pending disconnection and the customer’s rights and responsibilities. During the period from November 1 through April 1, if the attempt at customer contact fails, the premises shall be posted at least one day prior to disconnection with a notice informing the customer of the pending disconnection and rights and responsibilities available to avoid disconnection.

If an attempt at personal or telephone contact of a customer occupying a rental unit has been unsuccessful, the landlord of the rental unit, if known, shall be contacted to determine if the customer is still in occupancy and, if so, the customer’s present location. The landlord shall also be informed of the date when service may be disconnected.

If the disconnection will affect occupants of residential units leased from the customer, the premises of any building known by the utility to contain residential units affected by disconnection must be posted, at least two days prior to disconnection, with

a notice informing any occupants of the date when service will be disconnected and the reasons for the disconnection.

(6) Disputed bill. If the customer has received notice of disconnection and has a dispute concerning a bill for electric utility service, the utility may require the customer to pay a sum of money equal to the amount of the undisputed portion of the bill pending settlement and thereby avoid disconnection of service. A utility shall delay disconnection for nonpayment of the disputed bill for up to 45 days after the rendering of the bill if the customer pays the undisputed amount. The 45 days shall be extended by up to 60 days if requested of the utility by the board in the event the customer files a written complaint with the board in compliance with 199—Chapter 6.

(7) Reconnection. Disconnection of a residential customer may take place only between the hours of 6 a.m. and 2 p.m. on a weekday and not on weekends or holidays. If a disconnected customer makes payment or other arrangements during normal business hours, or by 7 p.m. for utilities permitting such payment or other arrangements after normal business hours, all reasonable efforts shall be made to reconnect the customer that day. If a disconnected customer makes payment or other arrangements after 7 p.m., all reasonable efforts shall be made to reconnect the customer not later than 11 a.m. the next day.

(8) Severe cold weather. A disconnection may not take place where electricity is used as the only source of space heating or to control or operate the only space heating equipment at the a residence on any day when the actual temperature or that predicted in a 24-hour forecast of the National Weather Service forecast for the residence's area following 24 hours covering the area in which the residence is located includes a

~~forecast that the temperature will be~~ is 20 degrees Fahrenheit or colder. ~~In any case where~~ If the utility has properly posted a disconnect notice in compliance with ~~subparagraph 20.4(15)“d”(5)~~ but is precluded from disconnecting service because of a severe cold weather National Weather Service forecast, the utility may immediately proceed with appropriate disconnection procedures, without further notice, when the temperature in the residence’s area ~~where the residence is located~~ rises above 20 degrees Fahrenheit and is forecasted to ~~be~~ remain above 20 degrees Fahrenheit for at least 24 hours, unless the customer has paid in full the past due amount or is otherwise entitled to postponement of disconnection. ~~under some other provision of paragraph 20.4(15)“d.”~~

(9) Health of a resident. Disconnection of a residential customer shall be postponed if the disconnection of service would present an especial danger to the health of any permanent resident of the premises. An especial danger to health is indicated if a person appears to be seriously impaired and may, because of mental or physical problems, be unable to manage the person’s own resources, to carry out activities of daily living or to be protected from neglect or hazardous situations without assistance from others. Indicators of an especial danger to health include but are not limited to: age, infirmity, or mental incapacitation; serious illness; physical disability, including blindness and limited mobility; and any other factual circumstances which indicate a severe or hazardous health situation.

The utility may require written verification of the especial danger to health by a physician or a public health official, including the name of the person endangered; a statement that the person is a resident of the premises in question; the name, business

address, and telephone number of the certifying party; the nature of the health danger; and approximately how long the danger will continue. Initial verification by the verifying party may be by telephone if written verification is forwarded to the utility within five days.

Verification shall postpone disconnection for 30 days. In the event service is terminated within 14 days prior to verification of illness by or for a qualifying resident, service shall be restored to that residence if a proper verification is thereafter made in accordance with the foregoing provisions. If the customer does not enter into a reasonable payment agreement for the retirement of the unpaid balance of the account within the first 30 days and does not keep the current account paid during the period that the unpaid balance is to be retired, the customer is subject to disconnection pursuant to paragraph 20.4(15)“f.”

(10) Winter energy assistance (November 1 through April 1). If the utility is informed that the customer’s household may qualify for winter energy assistance or weatherization funds, there shall be no disconnection of service for 30 days from the date the utility is notified to allow the customer time to obtain assistance. Disconnection shall not take place from November 1 through April 1 for a resident who is a head of household and who has been certified to the public utility by the community action agency as eligible for either the low-income home energy assistance program or weatherization assistance program.

(11) Deployment. If the utility is informed that one of the heads of household as defined in Iowa Code section 476.20 is a service member deployed for military service,

as defined in Iowa Code section 29A.90, disconnection cannot take place at the residence during the deployment or prior to 90 days after the end of the deployment.

e. Abnormal electric consumption. A customer who is subject to disconnection for nonpayment of bill, and who has electric consumption which appears to the customer to be abnormally high, may request the utility to provide assistance in identifying the factors contributing to this usage pattern and to suggest remedial measures. The utility shall provide assistance by discussing patterns of electric usage which may be readily identifiable, suggesting that an energy audit be conducted, and identifying sources of energy conservation information and financial assistance which may be available to the customer.

f. A utility may disconnect electric service after 24-hour notice (and without the written 12-day notice) for failure of the customer to comply with the terms of a payment agreement.

g. The utility shall, prior to November 1, mail customers a notice describing the availability of winter energy assistance funds and the application process. The notice must be of a type size that is easily legible and conspicuous and must contain the information set out by the state agency administering the assistance program. A utility serving fewer than 25,000 customers may publish the notice in a customer newsletter in lieu of mailing. A utility serving fewer than 6,000 customers may publish the notice in an advertisement in a local newspaper of general circulation or shopper's guide.

ITEM 16. Amend subrule **20.4(16)** as follows:

20.4(16) Insufficient reasons for denying service. The following shall not constitute sufficient cause for refusal of service to a customer:

- a. Delinquency in payment for service by a previous occupant of the premises to be served.
- b. Failure to pay for merchandise purchased from the utility.
- c. Failure to pay for a different type or class of public utility service.
- d. Failure to pay the bill of another customer as guarantor thereof.
- e. Failure to pay the back bill rendered in accordance with paragraph 20.4(14)"d" (slow meters).
- f. Failure to pay a bill rendered in accordance with paragraph 20.4(14)"f."
- g. Failure of a residential customer to pay a deposit during the period November 1 through April 1 for the location at which the customer has been receiving service in their name.
- h. Delinquency in payment for service by an occupant if the customer applying for service is creditworthy and able to satisfy any deposit requirements.
- i. Delinquency in payment for service arising more than ten years prior, as measured from the most recent of the last date of service, physical disconnection of service, or the last payment or promise of payment made by the customer.

ITEM 17. Amend subrule **20.4(21)** as follows:

~~20.4(21) Temporary service. When the utility renders temporary service to a customer it may require that the customer bear all of the cost of installing and removing the service facilities in excess of any salvage realized.~~

ITEM 18. Amend subrule **20.4(22)** as follows:

20.4(212) Change in type of service. If a change in the type of service ,such as from 25 to 60 cycle or from direct or alternating current, or a change in voltage to a customer's substation, is effected at the insistence of the utility and not solely by reason of increase in the customer's load or change in the character thereof, the utility shall share equitably in the cost of changing the equipment of the customer affected as determined by the board in the absence of agreement between utility and customer. In general, the customer should be protected against or reimbursed for the following losses and expenses to an appropriate degree:

- a. Loss of value in electrical power utilization equipment.
- b. Cost of changes in wiring, and
- c. Cost of removing old and installing new utilization equipment.

ITEM 19. Amend subrule **20.4(23)** as follows:

20.4(223) Limitation of service. The utility shall have the option of adopting a policy for service limitation at a customer's residence as a measure to be taken in lieu of disconnection of service to the customer. The service limiter policy shall be set out in the utility's tariff and shall contain the following conditions:

- a. A service limitation device shall not be activated without the customer's agreement.
- b. A service limitation device shall not be activated unless the customer has defaulted on all payment agreements for which the customer qualifies under the board's rules and the customer has agreed to a subsequent payment agreement.
- c. The service limiter shall provide for usage of a minimum of 3,600 watts. If the service limiter policy provides for different usage levels for different customers, the tariff shall set out specific nondiscriminatory criteria for determining the usage levels. Electric-heating residential customers may have their service limited if otherwise eligible, but such customers shall have consumption limits set at a level that allows them to continue to heat their residences. For purposes of this rule, "electric heating" shall mean heating by means of a fixed-installation electric appliance that serves as the primary source of heat and not, for example, one or more space heaters.
- d. A provision that, if the minimum usage limit is exceeded such that the limiter function interrupts service, the service limiter function must be capable of being reset manually by the customer, or the service limiter function must reset itself automatically within 15 minutes after the interruption. In addition, the service limiter function may also be capable of being reset remotely by the utility. If the utility chooses to use the option of resetting the meter remotely, the utility shall provide a 24-hour toll-free number for the customer to notify the utility that the limiter needs to be reset and the meter shall be reset immediately following notification by the customer. If the remote reset option is used, the meter must still be capable of being reset manually by the customer or the

service limiter function must reset itself automatically within 15 minutes after the interruption.

e. There shall be no disconnect, reconnect, or other charges associated with service limiter interruptions or restorations.

f. A provision that, upon installation of a service limiter or activation of a service limiter function on the meter, the utility shall provide the customer with information on the operation of the limiter, including how it can be reset, and information on what appliances or combination of appliances can generally be operated to stay within the limits imposed by the limiter.

g. A provision that the service limiter function of the meter shall be disabled no later than the next working day after the residential customer has paid the delinquent balance in full.

h. A service limiter customer that defaults on the payment agreement is subject to disconnection after a 24-hour notice pursuant to paragraph 20.4(15)“f.”

[ARC 7976B, IAB 7/29/09, effective 9/2/09; ARC 9101B, IAB 9/22/10, effective 10/27/10; Editorial change: IAC Supplement 12/29/10]

These rules are intended to implement Iowa Code sections 476.6, 476.8, 476.20 and 476.54.

ITEM 20. Amend subrule **20.5(2)** as follows:

20.5(2) Standards incorporated by reference. The utility shall use the applicable provisions in the publications listed below as standards of accepted good practice unless otherwise ordered by the board.

- a. Iowa Electrical Safety Code, as defined in 199—Chapter 25.
- b. National Electrical Code, ANSI/NFPA 70-~~2011~~2014.
- c. American National Standard Requirements for Instrument Transformers, ANSI/IEEE C57.13.1-2006; and C57.13.3-2005.
- d. American National Standard for Electric Power Systems and Equipment Voltage Ratings (60 Hertz), ANSI C84.1-2011.
- e. Grounding of Industrial and Commercial Power Systems, IEEE 142-2007.
- f. IEEE Standard 1159-2009, IEEE Recommended Practice for Monitoring Electric Power Quality or any successor standard.
- g. IEEE Standard 519-~~1992~~2014, IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems or its successor standard.
- h. At railroad crossings, 199—42.6(476), “Engineering standards for electric and communications lines.”

ITEM 21. Amend subrule **20.6(3)** as follows:

20.6(3) Accepted good practice. The following publications are considered to be representative of accepted good practice in matters of metering and meter testing:

- a. American National Standard Code for Electricity Metering, ANSI C12.1-~~2008~~2014.
- b. and c. Rescinded IAB 5/23/07, effective 6/27/07.

ITEM 22. Amend subrule **20.7(7)** as follows:

20.7(7) Each utility shall make a sufficient number of voltage measurements ~~, using recording voltmeters,~~ in order to determine if voltages are in compliance with the requirements as stated in 20.7(2), 20.7(3), 20.7(4). All voltmeter records obtained under 20.7(7) shall be retained by the utility for at least two years and shall be available for inspection by the board's representatives. Notations on each chart shall indicate the following:

- a. The location where the voltage was taken.
- b. The time and date of the test.
- c. The results of the comparison with a working standard indicating voltmeter.

ITEM 23. Amend the opening paragraph of subrule **20.9(3)** as follows:

20.9(3) Optional energy clause for a rate-regulated utility which does not own generation. A rate-regulated utility which does not own generation may adopt the energy adjustment clause of this subrule in lieu of that set forth in subrule 20.9(2). Prior to each billing cycle it shall determine and file for board approval the adjustment amount to be charged for each energy unit consumed under rates set by the board. The filing shall include all journal entries, invoices (except invoices for fuel, freight, and transportation), worksheets, and detailed supporting data used to determine the amount of the adjustment. ~~The estimated amount of fossil fuel should be detailed to reflect the amount of fuel, transportation, and other costs.~~

~~The journal entries should reflect the following breakdown for each type of fuel: actual cost of fuel, transportation, and other costs. The items identified as other costs should~~

be described and their inclusion as energy ~~fuel~~ costs should be justified. The utility shall also file detailed supporting data:

1. To show the actual amount of sales of energy by month for which an adjustment was utilized, and
2. To support the energy cost adjustment balance utilized in the monthly energy adjustment clause filings.

ITEM 24. Amend subrule **20.9(4)** as follows:

20.9(4) Annual ~~r~~Review of energy clause. At least biennially, but no more than annually. ~~On or before May 1, the board will notify~~ require each utility that owns generation and utilizes an energy adjustment clause to provide fuel, freight, and transportation invoices as to the ~~from~~ two months of the previous calendar year ~~for which fuel, freight, and transportation invoices will be required.~~ The Board will notify each utility by May 1 as to which two months' invoices will be required. Two copies of these invoices shall be filed with the board no later than the subsequent November 1.

This rule is intended to implement Iowa Code section 476.6(~~44~~12).

ITEM 25. Amend rule **20.11** as follows:

199—20.11(476) Customer notification of peaks in electric energy demand.

~~Each electric utility shall inform its customers of the significance of reductions in consumption of electricity during hours of peak demand.~~

20.11(1) Annual notice. Rescinded. ~~Each electric utility shall provide its customers, on an annual basis, with a written notice that informs customers of the significance of~~

~~reductions in consumption of electricity during periods of peak demand and the potential benefits of energy efficiency. The notice shall include an explanation of the condition(s) under which peak alerts will be issued and the means by which the utility will inform customers that a peak alert is being issued. The notice shall provide ways a customer can access additional information on the utility's energy efficiency programs. The notice shall be delivered to customers prior to the start of the utility's historical seasonal peak demand.~~

20.11(2) Notification plan. Pursuant to Iowa Code section 476.17, E~~each investor-owned utility shall have on file with the board~~available for board inspection upon request a plan to notify its customers of an approaching peak demand on the day when peak demand is likely to occur. The plan shall include, at a minimum, the following:

- a. A description and explanation of the condition(s) that will prompt a peak alert.
- b. A provision for a general notice to be given to customers prior to the time when peak demand is likely to occur and an explanation of when and how notice of an approaching peak in electric demand will be given to customers.
- c. The text of the message or messages to be given in the general notice to customers. The message shall include the name of the utility providing the notice, an explanation that conditions exist which indicate a peak in electric demand is approaching, and an explanation of the significance of reductions in electricity use during a period of peak demand and the potential benefits of energy efficiency.

20.11(3) Implementation of notification plan. Rescinded. ~~The utility shall implement its notification plan as needed to alleviate the conditions described in 20.11(2)“a.”~~

20.11(4) Permissive notices. Rescinded. ~~The standard for implementing peak alert notification is a minimum standard and does not prohibit a utility from issuing a notice requesting customers to reduce usage at any other time.~~

20.11(5) Annual report. Rescinded. ~~Each electric utility required by subrule 20.11(2) to file a plan for customer notification shall file, on or before April 1 of each year, a report for the prior year providing the text of the annual written notice and of the peak alert notices given its customers, the dates when the notices were issued, and the costs of providing the annual written notice and the peak alert notices to customers. The annual report shall also include a statement of any problems experienced by the utility in providing customer notification of a peak demand and modifications of the plan, if necessary, to make customer notification more effective.~~

[ARC 1953C, IAB 4/15/15, effective 5/20/15]

ITEM 26. Amend rule **20.13** as follows:

20.13(4) Procurement plan. Pursuant to Iowa Code Section 476.6(12), ~~the board shall periodically conduct a contested case proceeding for the purpose of evaluating the reasonableness and prudence of a rate-regulated public utility's practices related to procurement of and contracting for fuel used in generating electricity. electric fuel procurement and contracting practices.~~ When it determines to conduct a contested case proceeding, the board shall notify a rate-regulated utility that it will be required to file an electric fuel procurement plan. ~~By January 31 each year the board will notify a rate-regulated utility if the utility will be required to file an electric fuel procurement plan.~~ The notification to the utility shall include a detailed list of what the Board will be

examining as part of the review and what should be filed by the utility. The utility shall file its plan not later than 105 days after notification, or upon such other schedule as the board may establish. ~~In the years in which it does not conduct a contested case proceeding, the board may require a utility to file certain information for the board's review. In years in which a full proceeding is conducted, a rate-regulated utility providing electric service in Iowa shall prepare and file with the board on or before May 15 of each required filing year a complete electric fuel procurement plan for an annual period commencing June 1 or, in the alternative, for the annual period used by the utility in preparing its own fuel procurement plan. A utility's procurement plan shall be organized to include information as follows:~~

~~a. *Index.* The plan shall include an index of all documents and information required to be filed in the plan, and the identification of the board files in which the documents incorporated by reference are located.~~

~~b. *Purchase contracts and arrangements.* A utility's procurement plan shall include detailed summaries of the following types of contracts and agreements executed since the last procurement review:~~

~~(1) All contracts and fuel supply arrangements for obtaining fuel for use by any unit in generation;~~

~~(2) All contracts and arrangements for transporting fuel from point of production to the site where placed in inventory, including any unit generating electricity for the utility;~~

~~(3) All contracts and arrangements for purchasing or selling allowances;~~

~~(4) Purchased power contracts or arrangements, including sale-of-capacity contracts, involving over 25 MW of capacity;~~

~~(5) Pool interchange agreements;~~

~~(6) Multiutility transmission line interchange agreements; and~~

~~(7) Interchange agreements between investor-owned utilities, generation and transmission cooperatives, or both, not required to be filed above, which were entered into or in effect since the last filing, and all such contracts or arrangements which will be entered into or exercised by the utility during the prospective 12-month period.~~

~~All procurement plans filed by a utility shall include all of the types of contracts and arrangements listed in subparagraphs (1) and (2) of this paragraph which will be entered into or exercised by the utility during the prospective 12-month period. In addition, the utility shall file an updated list of contracts that are or will become subject to renegotiation, extension, or termination within five years. The utility shall also update any price adjustment affecting any of the filed contracts or arrangements.~~

~~c.—Other contract offers. The procurement plan shall include a list and description of those types of contracts and arrangements listed in paragraph 20.13(1)“b” offered to the utility since the last filing into which the utility did not enter. In addition, the procurement plan shall include a list of those types of contracts and arrangements listed in paragraph 20.13(1)“b” which were offered to the utility for the prospective 12-month period and into which the utility did not enter.~~

~~d.—Studies or investigation reports. The procurement plans shall include all studies or investigation reports which have been considered by the utility in deciding whether to enter into any of those types of contracts or arrangements listed in paragraphs 20.13(1)“b” and “c” which will be exercised or entered into during the prospective 12-month period.~~

~~e.—Price hedge justification. The procurement plan shall justify purchasing allowance futures contracts as a hedge against future price changes in the market rather than for speculation.~~

~~f.—Actual and projected costs. The procurement plan shall include an accounting of the actual costs incurred in the purchase and transportation of fuel and the purchase of allowances for use in generating electricity associated with each contract or arrangement filed in accordance with paragraph 20.13(1)“b” for the previous 12-month period. The procurement plan also shall include an accounting of all costs projected to be incurred by the utility in the purchase and transportation of fuel and the purchase of allowances for use in generating electricity associated with each contract or arrangement filed in accordance with paragraph 20.13(1)“b” in the prospective 12-month period. If applicable, the reporting of transportation costs in the procurement plan shall include all known liabilities, including all unit train costs.~~

~~g.—Costs directly related to the purchase of fuel. The utility shall provide a list and description of all other costs directly related to the purchase of fuels for use in generating electricity not required to be reported by paragraph “f.”~~

~~h.—Compliance plans. Each utility shall file its emissions compliance plan as submitted to the EPA. Revisions to the compliance plan shall be filed with each subsequent procurement plan. (EPB Plan)~~

~~i.—Evidence submitted. Each utility shall submit all factual evidence and written argument in support of its evaluation of the reasonableness and prudence of the utility's procurement practice decisions in the manner described in its procurement plan. The utility shall file data sufficient to forecast fuel consumption at each generating unit or~~

~~power plant for the prospective 12-month period. The board may require the submission of machine-readable data for selected computer codes or models.~~

~~j. Additional information. Each utility shall file additional information as ordered by the board.~~

~~20.13(2) Periodic review proceeding. The board shall periodically conduct a proceeding to evaluate the reasonableness and prudence of a rate-regulated utility's procurement practices. The prudence review of allowance transactions and accompanying compliance plans shall be determined on information available at the time the options or plans were developed.~~

~~a. On or before May 15 of a required filing year, each utility shall file prepared direct testimony and exhibits in support of its fuel procurement decisions and its fuel requirement forecast. This filing shall be in conjunction with the filing of the plans. The burden shall be on the utility to prove it is taking all reasonable actions to minimize its purchased fuel costs.~~

~~b. The board shall disallow any purchased fuel costs in excess of costs incurred under responsible prudent policies and practices.~~

ITEM 27. Amend subrule **20.14(3)** as follows:

20.14(3) Tariff requirements. If a company elects to offer flexible rates, the utility shall file for review and approval tariff sheets specifying the general conditions for offering discounted rates. The tariff sheets shall include, at a minimum, the following criteria:

- a. The cost-benefit analysis must demonstrate that offering the discount will be more beneficial than not offering the discount.
- b. The ceiling for all discounted rates shall be the approved rate on file for the customer's rate class.
- c. The floor for the discount rate shall be equal to the energy costs and customer costs of serving the specific customer.
- d. No discount shall be offered for a period longer than five years, unless the board determines upon good cause shown that a longer period is warranted.
- e. Discounts should not be offered if they will encourage deterioration in the load characteristics of the customer receiving the discount.

ITEM 28. Amend subrule **20.14(4)** as follows:

20.14(4) Reporting requirements. Each rate-regulated electric utility electing to offer flexible rates shall report flexible rate activity in the utility's annual report filed with the board. ~~file annual reports with the board within 30 days of the end of each 12 months. Reports shall include the following information:~~

~~a. Section 1 of the report concerns discounts initiated in the last 12 months. For all discounts initiated in the last 12 months, the report shall include:~~

- ~~(1) The identity of the new customers (by account number, if necessary);~~
- ~~(2) The value of the discount offered;~~
- ~~(3) The cost-benefit analysis results;~~
- ~~(4) The end-use cost of alternate fuels or energy supplies available to the customer, if relevant;~~

~~(5) The energy and demand components by month of the amount of electricity sold to the customer in the preceding 12 months.~~

~~b. Section 2 of the report relates to overall program evaluation. Amount of electricity refers to both energy and demand components when the customer is billed for both elements. For all discounts currently being offered, the report shall include:~~

~~(1) The identity of each customer (by account number, if necessary);~~

~~(2) The amount of electricity sold in the last 12 months to each customer at discounted rates, by month;~~

~~(3) The amount of electricity sold to each customer in the same 12 months of the preceding year, by month;~~

~~(4) The dollar value of the discount in the last 12 months to each customer, by month; and~~

~~(5) The dollar value of sales to each customer for each of the previous 12 months.~~

~~c. Section 3 of the report concerns discounts denied or discounts terminated. For all customers specifically evaluated and denied or having a discount terminated in the last 12 months, the report shall include:~~

~~(1) Customer identification (by account number, if necessary);~~

~~(2) The amount of electricity sold in the last 12 months to each customer, by month;~~

~~(3) The amount of electricity sold to each customer in the same 12 months of the preceding year, by month; and~~

~~(4) The dollar value of sales to each customer for each of the past 12 months.~~

~~d.—No monthly report is required if the utility had no customers receiving a discount during the relevant period and had no customers which were evaluated for the discount and rejected during the relevant period.~~

ITEM 29. Amend rule **20.15** as follows:

199—20.15(476) Customer contribution fund.

20.15(1) Applicability and purpose. This rule applies to each electric public utility, as defined in Iowa Code sections 476.1, 476.1A, and 476.1B. Pursuant to Iowa Code section 476.66, ~~Each~~ utility shall maintain a program plan to assist the utility's low-income customers with weatherization and to supplement assistance received under the federal low-income home energy assistance program for the payment of winter heating bills.

20.15(2) Program plan. Rescinded. ~~Each utility shall have on file with the board a detailed description of its current program plan. At a minimum, the plan shall include the following information:~~

- ~~a.—A list of the members of the governing board, council, or committee established to determine the appropriate distribution of the funds collected. The list shall include the organization each member represents;~~
- ~~b.—A sample of the customer notification with a description of the method and frequency of its distribution;~~
- ~~c.—A sample of the authorization form provided to customers;~~
- ~~d.—The date of implementation.~~

~~Program plans for new customer contribution funds shall be rejected if not in compliance with this rule.~~

20.15(3) Notification. Each utility shall notify all customers of the fund at least twice a year. The method of notice which will ensure the most comprehensive notification to the utility's customers shall be employed. Upon commencement of service and at least once a year, the notice shall be mailed or personally delivered to all customers. The other required notice may be published in a local newspaper(s) of general circulation within the utility's service territory. A utility serving fewer than 6000 customers may publish their semiannual notices locally in a free newspaper, utility newsletter or shopper's guide instead of a newspaper. At a minimum the notice shall include:

- a. A description of the availability and the purpose of the fund;
- b. A customer authorization form. This form shall include a monthly billing option and any other methods of contribution.

20.15(4) Methods of contribution. The utility shall provide for contributions as monthly pledges, as well as one-time or periodic contributions. A pledge by a customer or other party shall not be construed to be a binding contract between the utility and the pledger. The pledge amount shall not be subject to delayed payment charges by the utility. Each utility may allow persons or organizations to contribute matching funds.

20.15(5) Annual report. On or before September 30 of each year, each utility shall file with the board a report of all the customer contribution fund activity for the previous fiscal year beginning July 1 and ending June 30. The report shall be in a form provided by the board and shall contain an accounting of the total revenues collected and all

distributions of the fund. The utility shall report all utility expenses directly related to the customer contribution fund.

~~**20.15(6) Binding effect.** A pledge by a customer or other party shall not be construed to be a binding contract between the utility and the pledgor. The pledge amount shall not be subject to delayed payment charges by the utility.~~

ITEM 30. Amend subrule **20.17(1)** as follows:

20.17(1) Applicability and purpose. This rule applies to all rate-regulated utilities providing electric service in Iowa. Under ~~Title IV of the Clean Air Act Amendments of 1990~~, each electric utility is required to hold sufficient emission allowances to offset emissions at all affected and new units. The acquisition and disposition of emission allowances will be treated for ratemaking purposes as defined in this rule.

ITEM 31. Amend subrule **20.17(2)** as follows:

20.17(2) Definitions. The following words and terms, when used in this rule, shall have the meaning indicated below:

~~“Allowance futures contract” is an agreement between a futures exchange clearinghouse and a buyer or seller to buy or sell an allowance on a specified future date at a specified price.~~

~~“Allowance option contract” is an agreement between a buyer and seller whereby the buyer has the option to transfer an allowance(s) at a specified date at a specified price. The seller of a call or put option will receive a premium for taking on the associated risk.~~

“Auction allowances” are allowances acquired or sold through EPA’s annual allowance auction.

“Boot” means something acquired or forfeited to equalize a trade.

“Direct sale allowances” are allowances purchased from the EPA in its annual direct sale.

~~“Emission for emission trade” is an exchange of one type of emission for another type of emission. For example, the exchange of SO₂ emission allowances for NO_x emission allowances.~~

“Fair market value” is the amount at which an allowance could reasonably be sold in a transaction between a willing buyer and a willing seller other than in a forced or liquidation sale.

“Historical cost” is the amount of cash or its equivalent paid to acquire an asset, including any direct acquisition expenses. Any commissions paid to brokers shall be considered a direct acquisition expense.

“Original cost” is the historical cost of an asset to the person first devoting the asset to public service.

“Statutory allowances” are allowances allocated by the EPA at no cost to affected units under the ~~Acid Rain Program~~ Clean Air Act either through annual allocations as a matter of statutory right and those for which a utility may qualify by using certain compliance options or effective use of conservation and renewables.

~~“Vintage trade” is an exchange of one vintage of allowances for another vintage of allowances with the difference in value between vintages being cash or additional allowances.~~

ITEM 32. Amend subrule **20.18(7)** as follows:

20.18(7) Annual reliability and service quality report for utilities with more than 50,000 Iowa retail customers. Each electric utility with over 50,000 Iowa retail customers shall submit to the board ~~and consumer advocate~~ on or before May 1 of each year an annual reliability report for the previous calendar year for the Iowa jurisdiction.

The report shall include the following information:

a. Description of service area. Urban and rural Iowa service territory customer count, Iowa operating area customer count, if applicable, and major communities served within each operating area.

b. System reliability performance.

(1) An overall assessment of the reliability performance, including the urban and rural SAIFI, SAIDI, and CAIDI reliability indices for the previous calendar year for the Iowa service territory and each defined Iowa operating area, if applicable. This assessment shall include outages at the substation, transmission, and generation levels of the system that directly result in sustained interruptions to customers on the distribution system. These indices shall be calculated twice, once with the data associated with major events and once without. This assessment should contain tabular and graphical presentations of the trend for each index as well as the trends of the major causes of interruptions.

(2) The urban and rural SAIFI, SAIDI, and CAIDI reliability average indices for the previous five calendar years for the Iowa service territory and each defined Iowa operating area, if applicable. The reliability average indices shall include outages at the substation, transmission, and generation levels of the system that directly result in

sustained interruptions to customers on the distribution system. Calculation of the five-year average shall start with data from the year covered by the first Annual Reliability Report submittal so that by the fifth Annual Reliability Report submittal a complete five-year average shall be available. These indices shall be calculated twice, once with the data associated with major events and once without.

(3) The MAIFI reliability indices for the previous five calendar years for the Iowa service territory and each defined Iowa operating area for which momentary interruptions are tracked. The first annual report should specify which portions of the system are monitored for momentary interruptions, identify and describe the quality of data used, and update as needed in subsequent reports.

c. Reporting on customer outages.

(1) The reporting electric utility shall provide tables and graphical representations showing, in ascending order, the total number of customers that experienced set numbers of sustained interruptions during the year (i.e., the number of customers who experienced zero interruptions, the number of customers who experienced one interruption, two interruptions, three interruptions, and so on). The utility shall provide this for each of the following:

1. All Iowa customers, excluding major events.
2. All Iowa customers, including major events.

(2) The reporting electric utility shall provide tables and graphical representations showing, in ascending order, the total number of customers that experienced a set range of total annual sustained interruption duration during the year (i.e., the number of customers who experienced zero hours total duration, the number of customers who

experienced greater than 0.0833 but less than 0.5 hour total duration, the number of customers who experienced greater than 0.5 but less than 1.0 hour total duration, and so on, reflecting half-hour increments of duration). The utility shall provide this for each of the following:

1. All Iowa customers, excluding major events.

2. All Iowa customers, including major events.

- d. Major event summary. For each major event that occurred in the reporting period, the following information shall be provided:

- (1) A description of the area(s) impacted by each major event;

- (2) The total number of customers interrupted by each major event;

- (3) The total number of customer-minutes interrupted by each major event; and

- (4) Updated damage cost estimates to the electric utility's facilities.

- e. Information on transmission and distribution facilities.

- (1) Total circuit miles of electric distribution line in service at year's end, segregated by voltage level. Reasonable groupings of lines with similar voltage levels, such as but not limited to 12,000- and 13,000-volt three-phase facilities, are acceptable.

- (2) Total circuit miles of electric transmission line in service at year's end, segregated by voltage level.

- f. ~~Plans and status report.~~

- ~~(1)~~ A plan for service quality improvements, including costs, for the electric utility's transmission and distribution facilities that will ensure quality, safe, and reliable delivery of energy to customers.

~~1.—The plan shall cover not less than the three years following the year in which the annual report was filed. A copy of the electric utility's documents and databases supporting capital investment and maintenance budget amounts required in 20.18(7)“g”(1) and 20.18(7)“h”(1), respectively, (including but not limited to transmission and distribution facilities, transmission and distribution control and communication facilities, and transmission and distribution planning, maintenance, and reliability-related computer hardware and software) shall be maintained in the utility's principal Iowa business location and shall be available for inspection by the board and office of consumer advocate. The utility's plan may reference said budget documents and databases, instead of duplicating or restating the detail therein. Copies of capital budgeting documents shall be maintained for five years.~~

~~2.—The plan shall identify reliability challenges and may describe specific projects and projected costs. The filing of the plan shall not be considered as evidence of the prudence of the utility's reliability expenditures.~~

~~3.—The plan shall provide an estimate of the timing for achievement of the plan's goals.~~

~~(2)—A progress report on plan implementation. The report shall include identification of significant changes to the prior plan and the reasons for the changes.~~

g. Capital expenditure information. Reporting of capital expenditure information shall start with data from the year covered by the first Annual Reliability Report submittal so that by the fifth Annual Reliability Report submittal five years of data shall be available in each subsequent annual report.

(1) Each electric utility shall report on an annual basis the total of:

1. Capital investment in the electric utility's Iowa-based transmission and distribution infrastructure approved by its board of directors or other appropriate authority. If any amounts approved by the board of directors are designated for use in a recovery from a major event, those amounts shall be identified in addition to the total.

2. Capital investment expenditures in the electric utility's Iowa-based transmission and distribution infrastructure. If any expenditures were utilized in a recovery from a major event, those amounts shall be identified in addition to the total.

(2) Each electric utility shall report the same capital expenditure data from the past five years in the same fashion as in 20.18(7)"g"(1).

h. Maintenance. Reporting of maintenance information shall start with data from the year covered by the first Annual Reliability Report submittal so that by the fifth Annual Reliability Report submittal five years of data shall be available in each subsequent annual report.

(1) Total maintenance budgets and expenditures for distribution, and for transmission, for each operating area, if applicable, and for the electric utility's entire Iowa system for the past five years. If any maintenance budgets and expenditures are designated for use in a recovery from a major event, or were used in a recovery from a major event, respectively, those amounts shall be identified in addition to the totals.

(2) Tree trimming.

1. The budget and expenditures described in 20.18(7)"h"(1) shall be stated in such a way that the total annual tree trimming budget expenditures shall be identifiable for each operating area and for the electric utility's entire Iowa system for the past five years.

2. Total annual projected and actual miles of transmission line and of distribution line for which trees were trimmed for the reporting year for each operating area and for the electric utility's entire Iowa system for the reporting year, compared to the past five years. If the utility has utilized, or would prefer to utilize, an alternative method or methods of tracking physical tree trimming progress, it may propose the use of that method or methods to the board in a request for waiver.

3. In the event the utility's actual tree trimming performance, based on how the utility tracks its tree trimming as described in 20.18(7)"h"(2)"1," lags behind its planned trimming schedule by more than six months, the utility shall be required to file for the board's approval additional tree trimming status reports on a quarterly basis. Such reports shall describe the steps the utility will take to remediate its tree trimming performance and backlog. The additional quarterly reports shall continue until the utility's backlog has been reduced to zero.

i. The annual reliability report, ~~starting with the reliability report for calendar year 2008,~~ shall include the number of poles inspected, the number rejected, and the number replaced.

ITEM 33. Amend subrule **20.18(8)** as follows:

20.18(8) Annual report for all electric utilities not reporting pursuant to 20.18(7).

a. ~~By July 1, 2003, e~~Each electric utility shall adopt and have approved by its board of directors or other governing authority a reliability plan. ~~and shall file an informational copy of the plan with the board.~~ The plan shall be updated not less than annually. ~~and shall describe the following:~~

~~(1) The utility's current reliability programs, including:~~

~~1. Tree trimming cycle, including descriptions and explanations of any changes to schedules and procedures reportable in accordance with 199 IAC 25.3(3)"c";~~

~~2. Animal contact reduction programs, if applicable;~~

~~3. Lightning outage mitigation programs, if applicable; and~~

~~4. Other programs the electric utility may identify as reliability-related.~~

~~(2) Current ability to track and monitor interruptions.~~

~~(3) How the electric utility plans to communicate its plan with customers/consumer owners.~~

b. By April 1, 2004, and each April 1 of each year thereafter, each electric utility shall prepare for its board of directors or other governing authority a reliability report. A copy of the annual report shall be filed with the board for informational purposes, shall be made publicly available in its entirety to customers/consumer owners, and shall report on at least the following: reliability indices in 20.18(5)"b"(3) for each of the five previous calendar years.

~~(1) Measures of reliability for each of the five previous calendar years, including reliability indices if required in 20.18(5)"b"(3). These measures shall start with data from the year covered by the first Annual Reliability Report so that by the fifth Annual Reliability Report submittal reliability measures will be based upon five years of data.~~

~~(2) Progress on any reliability programs identified in its plan, but not less than the applicable programs listed in 20.18(8)"a"(1).~~