

IUB

I o w a U t i l i t i e s B o a r d

1999 Annual Report

I o w a

Annual

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Report

B o a r d

1999

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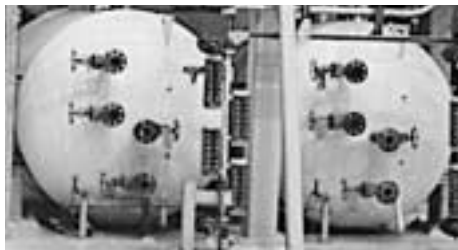
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The Board

**Allan T. Thoms,
Chairperson**



Chairperson Thoms joined the Board April 3, 1995, for a six-year term that expires in April 2001. He is a member of the National Association of Regulatory Utility Commissioners (NARUC) serving as co-vice chair of the Committee on Telecommunications, treasurer, and a member of the Board of Directors and the Executive Committee. He also represents NARUC on the Board of Directors of the Federal Communications Commission Universal Service Administrative Company. Thoms serves as chair of the U S West Regional Oversight Committee which reviews U S West's operations in its 14-state service area.

Thoms received his law degree from the University of Iowa. He was president of Rowley Interstate Transportation Company from 1979-1982 and was senior vice president and chief administrative officer for Dubuque Packing Company from 1982-1986. He was director of the Iowa Department of Economic Development from 1986-1989 and from 1990-1994.

Susan J. Frye, Board Member



Governor Thomas J. Vilsack appointed Susan J. Frye to the Utilities Board in May 1999 for a six-year term, which expires in April 2005.

Prior to this, Frye was in private law practice in personal injury, toxic torts, health and environmental law in Iowa City since 1989. Earlier in her career, she was in cardiovascular and critical care education, administration, and research. Frye has published and lectured widely in both health care and law, and has served as adjunct faculty at the University of Pennsylvania, Widener University, and the University of Iowa.



Frye received her J.D. from the University of Iowa in 1989, M.S.N. from the University of Pennsylvania in 1979, and B.S.N. from the University of Iowa in 1973. She also is a Registered Securities Representative with the National Association of Securities Dealers (inactive status). Frye is a member of the National Association of Regulatory Utility Commissioners (NARUC), and serves on the Electricity and Consumer Affairs Committees. She serves on the Advisory Board of the University of Iowa Center for Global and Regional Environmental Research. She is also a member of the Johnson County and Iowa State Bar Associations (ISBA) and has served on the Environmental and Natural Resource Law Council and the Committee on Continuing Legal Education of the ISBA.

Diane Munns, Board Member

Diane Munns was appointed to the Board in 1999 to fill an unexpired term ending in April 2003. She is a member of the National Association of Regulatory Utility Commissioners and serves on both the Finance and Technology Committee and the Consumer Affairs Committee. She serves as a state member on the Federal-State Joint Board on Separations, which works cooperatively with the Federal Communications Commission. Munns is a member of the Board of Directors of the National Regulatory Research Institute and serves as the chair of its research committee. She is also a member of the Iowa Energy Center Advisory Council.

Board member Munns received a B.A. from the University of Iowa and her law degree from Drake University Law School. She was general counsel to the Iowa Utilities Board prior to her appointment to the Board.



History

History of the Iowa Utilities Board

The Iowa Board of Railroad Commissioners, one of the oldest agencies in Iowa state government, was established in 1878, only 32 years after Iowa became a state. The three elected commissioners were charged with the duty to regulate railroad passenger and freight rates and operations. This oversight of the network that transported Iowans and their products was critical to pioneer farmers and businesses.

In 1911 the Legislature established the Office of Commerce Counsel, one of the nation's first public defender's offices, within the Railroad Commission. With the growing use of electricity, the Board was authorized to regulate the location of electric transmission lines in Iowa. A rate department was added at this time, followed by statistics and engineering departments a short time later. The agency began licensing grain warehouses in Iowa in 1921 and was authorized to regulate passenger and freight rates for intrastate motor truck transportation in 1923. Authority to regulate natural gas pipeline construction was granted in the early 1930s. Because of its expanded authority, the agency was renamed the Iowa State Commerce Commission (ISCC) in 1937.

After World War II ended, sentiment grew for centralized regulation of public utilities. The governing bodies of the cities and towns had jurisdiction over electric and gas rates and services. The major investor-owned electric and gas companies had to deal individually with more than 200 town and city councils for each rate change. There was no provision for the regula-

tion of communication services at either the state or municipal level. By 1953 Iowa was one of only two states that lacked a public utility commission. In 1963 the Iowa Legislature added the regulation of the rates and service of public utility companies to the Commission's responsibilities. Also in 1963, the commission terms were extended from two years to six years and the positions became appointed rather than elected.

This additional responsibility over 923 regulated public utilities (702 telephone companies) grew quickly and began to overshadow the

Commission's other duties.

In 1975 the industry passed the \$1 billion threshold in intrastate operating revenues. Regulation of motor and rail transportation was transferred in that year to the Iowa Department of Transportation. Exclusive service areas for electric utilities were initiated in 1976, as well as authority to issue certificates of public convenience, use, and necessity for constructing electric generating facilities.

As the price of energy rose in the late 1970s, conservation and alternative sources of energy became important issues. In 1980 the Commission was authorized to engage in several energy-saving strategies and pilot projects.

After the Legislature adjourned in 1981, only five telephone companies remained under rate regulation. Those with fewer than 15,000 customers were required only to meet the agency's service standards.

In 1983 the nation's first telephone deregulation statute was included in an omnibus utility reform bill which also replaced the Office of Commerce



HISTORY

Counsel. A state Office of Consumer Advocate was established to represent the public interest in rate cases and the Office of General Counsel was created to provide legal support to the Commission.

State government reorganization in 1986 renamed the Iowa State Commerce Commission and included the agency in an umbrella regulatory agency, the Department of Commerce. The new name, Iowa Utilities Board, reflected the absence of the grain warehouse function that was transferred to the Department of Agriculture. Also that year, rate regulation ended for rural electric cooperatives and service regulation of municipal utilities was severely limited. The Office of Consumer Advocate was made a division of the Department of Justice.

In 1989 the legislature abolished the practice of shared technical staff by the Utilities Board and Consumer Advocate. Staff positions were transferred to Consumer Advocate when this occurred. The Board was also given authority to oversee mergers and acquisitions of utility companies. The 1990 General Assembly, at the Board's urging, gave the Board authority to oversee gas and electric utilities' energy efficiency activity.

The 1980s saw the beginning of a move away from regulation in the gas and electric industries. In the mid-1980s, the Federal Energy Regulatory Commission (FERC) began opening interstate natural gas pipelines to competitive gas suppliers. Congress fully deregulated sales of natural gas, but the interstate transportation of natural gas was still regulated by FERC. As a result, gas could be obtained competitively at hundreds of delivery points in Iowa. Industrial customers in Iowa have been purchasing gas in the open competitive market and transporting it through their local utilities' facilities to their plant locations since the late 1980s. Certain barriers, however, prohibited small volume customers from participating in the competitive market. In 1997 the Board adopted new rules that required the gas utilities to propose comprehensive plans or tariffs to provide access for small volume cus-

tomers. In 1999 workshops were held to develop consensus recommendations on consumer protections, market accessibility, and system reliability.

The electric industry was also changing. The federal Energy Policy Act of 1992 (EPACT) permitted independent power producers (IPPs) to enter the wholesale power market where they could sell electric capacity and energy to utilities at unregulated market rates. EPACT also authorized the Federal Energy Regulatory Commission (FERC) to require electric utilities to open their transmission systems for wholesale transactions. The apparent success of competition in the wholesale electric market led to growing pressure to allow retail competition as well. In 1995 the Board began a formal study of this issue with an inquiry into emerging competition in the electric industry. In 1998 and 1999 electric competition proposals were considered but not passed by the legislature.

Telephone price regulation was authorized in 1995, along with laws encouraging the development of local telephone competition. The federal Telecommunications Act of 1996 opened the local telecommunications market to competition and gave state commissions the authority to determine prices for the use of the telephone network.

In 1997 the Board, through a strategic planning process, worked on ways to restructure the agency to respond to changes in the utility industry. A new organizational structure was introduced in 1998 with six section managers reporting directly to the executive secretary.



Jurisdiction

The responsibilities and duties of the Utilities Board are outlined in the Iowa Code. The Board, pursuant to Chapter 476, regulates the rates and services of public utilities providing electricity, natural gas, communications, and water.

Electric Utilities

The Board regulates the rates and service of three investor-owned electric companies: MidAmerican Energy, IES Utilities Inc., and Interstate Power Company. Together these companies serve more than 1,000,000 electric customers. There are 139 municipalities that are subject to the Board's service regulation as listed by statute, but are not rate regulated. Rural electric cooperatives (RECs) are regulated for service and have the option of choosing to be regulated for rates. Linn County REC is the only REC out of 47 that has opted to have the Board set its rates.

Gas Utilities

The Board has general jurisdiction over gas utilities furnishing gas by piped distribution under Chapter 476, but does not regulate propane gas. The Board regulates the rates and services of five investor-owned gas utilities: MidAmerican Energy, Peoples Natural Gas Company, Interstate Power Company, IES Utilities Inc., and United Cities Gas Company. In addition to setting the rates of the investor-owned utilities, the Board has the authority to resolve complaints, enforce safety and engineering standards, approve plans for energy efficiency programs, oversee affiliate transactions, and review proposals for reorganization.

The Board also regulates certain areas of gas service provided by municipal utilities. Gas utilities having fewer than 2,000 customers are subject to the regulatory authority of the Board only as to service regulation listed by statute.

Telecommunications Utilities

The Board has general regulatory authority over two-way, land-line telecommunications under Chapter 476. It does not regulate mobile cellular

service or cable television service. The Board regulates the rates and service of local exchange carriers that serve more than 15,000 customers: U S West, GTE, and Frontier. The rates for these companies are determined under price regulation plans. The Board regulates only the service and not the rates of the remainder of the local service providers. Nearly all of the long distance service has been deregulated because it is subject to effective competition. In addition, under Chapter 476 and 47 U.S.C. § 252 of the federal Telecommunications Act of 1996, the Board has authority to resolve interutility disputes between competitors. The Board also has the authority to resolve slamming and cramming complaints.

Water Utilities

The Board also regulates the rates and service of one investor-owned water utility, Iowa-American Water Company. The company serves over 54,000 water customers in its Davenport and Clinton districts. The Board does not regulate waterworks having less than 2,000 customers or municipally-owned waterworks.

Other Jurisdiction

Also included in the Board's jurisdiction is certification of electric power generators (476A), grant of franchises for electric transmission lines (478), supervision of the transportation or transmission of a solid, liquid, or gas, except water, through intrastate pipelines and underground storage of gas (479), the authority to implement certain controls over the transportation of natural gas through interstate pipelines to protect landowner and tenants from environmental or economic damages (479A), and the authority to implement certain controls over hazardous liquid pipelines to protect landowners and tenants from environmental or economic damages (479B).

Under Chapter 477C, the Board administers a dual party relay service to allow communication-impaired persons to use the telephone. It also administers an equipment distribution program to provide telecommunications devices for the deaf to eligible persons.

Vision

**To provide our customers
with high quality services
through innovative and progressive
policies, practices, and personnel**



Mission



**To consider and balance the public
interest by providing
an appropriate regulatory
framework
for the provision of utility services**

Goals

To ensure that Iowa's electric, gas, water, and telecommunication utilities can provide and deliver safe and reliable services to Iowa consumers at reasonable costs.

To assist customers in their interactions with utilities.

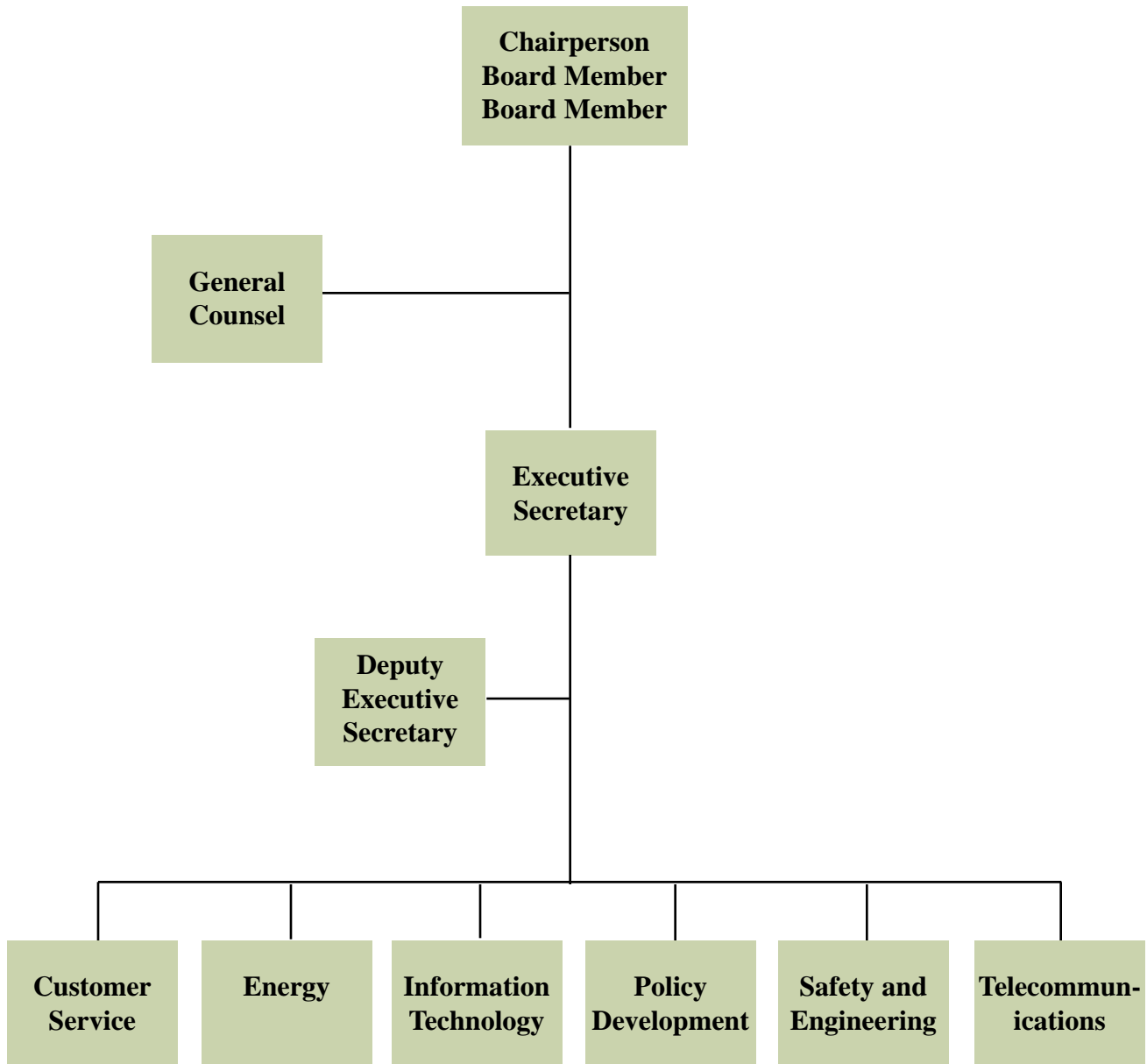
To encourage the efficient use of energy to meet consumers' energy needs.

To foster a utility environment conducive to economic development in Iowa.

To promote greater efficiencies in the management, production, and delivery of utility services.

To pursue the state's regulatory objectives in a manner that minimizes the cost of regulation.

Organization



Executive Secretary

Raymond K. Vawter, Jr.

Raymond K. Vawter, Jr., was appointed Executive Secretary to the Utilities Board July 1, 1989. Prior to this he was the chief of the Board Members' Staff and administrator of the Utilities Division. A native of Atlantic, Iowa, he has been with the agency since 1967. He has been chair of the NARUC Staff Subcommittee on Executive Directors and is currently a member of that committee. Vawter has also served on the lowAccess Project Team that developed the state's electronic commerce business plan. He also is a member of the Institute of Public Leadership's Selection Committee for the Common Ground Leadership Award.



Appointed by the Utilities Board under Iowa Code chapter 474, the Executive Secretary oversees the operation of the agency and assists the Board in assuring that the work of the agency is completed efficiently and effectively.

During the 1998 agency reorganization the Executive Secretary became the chief operating officer of the agency. The Deputy Executive Secretary, the six section managers, and the Federal and Legislative Coordinator report to the Executive Secretary.

The Executive Secretary is also the custodian of the Board seal and all Board records. The Executive Secretary, Deputy Executive Secretary, or Secretary's designee is responsible for attesting to the signatures of the Board members and placing the seal on original Board orders. The Executive Secretary,

Deputy Executive Secretary, or the Secretary's designee is also responsible for certifying official copies of Board documents. Other responsibilities of this office include the establishment of procedures for the examination of Board records by the general public pursuant to the provisions of Iowa Code § 22.11 and providing for the enforcement of those procedures.

Deputy

Executive Secretary



Judi Cooper

Judi K. Cooper was appointed Deputy Executive Secretary in May of 1998. Prior to this she worked as an analyst in the Electric Rates Section. Cooper has been with the agency since 1982. She holds a bachelor of business administration degree in accounting from Iowa State University. She is a member of the NARUC Staff Subcommittee on Accounts.

The Deputy Executive Secretary is responsible for preparing the agency budget and serves in the absence of the Executive Secretary, ensuring that essential administrative business is carried out. Additional duties include supervising the receptionist staff, records center, and the technical library. The receptionist staff directs incoming calls and guests, prepares the Board's weekly hearing and meeting calendar, processes orders for service maps, and provides administrative assistance to a majority of the staff. The records center receives and maintains all

filings made with the Board, provides an access to Board files for those who wish to review them, processes requests for copies, and ensures that orders are served on parties to a docket. The technical library ensures that periodicals and pertinent information is distributed to the Board and staff. A collection of 3,000 volumes and 350 serial publications is maintained in the library. Numerous responses to inquiries and research requests are prepared annually. A portion of the research is conducted through on-line services and interlibrary loan networks.

Records Center Filings

Accounting rulings (ARU)	1
Annual review of fuel procurement (ARC)	3
Annual review of gas (ARG)	5
Complaints (C)	530
Declaratory rulings (DRU)	4
Energy adjustment clauses (EAC)	38
Formal complaints (FCU)	4
Investigations (INU)	4
Negotiated interconnection agreements (NIA)	35
Notice of inquiry (NOI)	1
Purchased gas adjustments (PGA)	86
Rate notifications (RN)	4
Telephone	4
Rate proceedings (RPU)	4
Refund plans (RFU)	12
Gas & electric	10
Telephone	2
Rule makings (RMU)	12
Service proceedings (SPU)	35
Supplier registration (SR)	2
Tariff revisions (TF)	346
Gas & electric	56
Telephone	290
Telephone certificate proceedings (TCU)	48
Waiver requests (WRU)	55

General Counsel



Allan Kniep, General Counsel

Allan Kniep was named acting General Counsel June 15, 1999, and became the General Counsel on September 17, 1999. He has been an attorney for the agency since 1985. He is a 1980 graduate of The University of Iowa College of Law. Kniep is a member of the NARUC Subcommittee on Law.

The Office of General Counsel was created July 1, 1983, to serve as legal advisor to and attorney for the Iowa Utilities Board.

General Counsel renders legal opinions to the Board on matters arising under the Iowa Code and the Board's administrative rules.

Attorneys in the Office of General Counsel draft Board decisions, orders, and rules.

The office also provides legal advice to the Board's staff. The office represents the Board before state and federal courts in numerous proceedings that challenge the Board's implementation of state and federal law.

Customer Service

Chuck Seel, Manager



Chuck Seel joined the agency in 1998 as manager of the Customer Service Section and also serves as the chief public information officer for the Board. His professional background includes 16 years with a Midwestern energy utility serving in various capacities including director of customer service and director of public relations. Seel has a B.A. from Kansas State University. He has earned the APR professional certification from the Public Relations Society of America and serves as the accreditation chairman for the Central Iowa Chapter of PRSA. He is also a member of the NARUC Staff Subcommittee on Consumer Affairs.

Highlights of 1999

- Complaint activity was up more than 50 percent over 1998.
- Energy complaints declined.
- Non-local telephone complaints made a dramatic rise.
- New slamming/cramming rules were the main source of increased complaints.
- New public information efforts initiated.

The Customer Service Section experienced a 56 percent increase in the number of contacts in 1999. The increase is almost solely attributed to increased calls and letters regarding telephone issues. Activity in the energy sectors was actually less than the previous year.

The 1999 legislation authorizing the Board to take action in telephone slamming and cramming cases was the principal reason for the increase in docketed complaints. There were 149 slamming complaints and 73 cramming complaints investigated after the emergency rules became effective August 1.

The number of complaints about local telephone service was nearly steady in 1999. During the second half of the year the rate of complaints about U S West service declined dramatically compared to the first six months of 1999. Board staff held

several meetings during the year with U S West to discuss service quality and a Board order issued mid-year put the local exchange carrier on notice for possible penalties if service repair standards were not met.

The Public Information Section of Customer Service was very busy in the third and fourth quarters of the year. Area code relief for the 515 area code required extensive media relations efforts including the scheduling of seven public comment meetings. In the fall the Board members also visited editorial boards at the major daily newspapers in the state to discuss a wide range of issues before the Board--area code relief, electric restructuring, and improved IUB customer services. The public information staff also produced the first in a series of new brochures to assist the public in dealing with changing utility services.

1999 Customer Service Contacts

Written

	1999	1998	% Change
Electric	112	132	-15
Gas	19	38	-50
Local telephone	274	281	-2.5
Non-local telephone	249	NA	NA
Water	1	0	+100
Subtotal:	665	451	+68

Telephone Calls

Electric	740	832	-8.6
Gas	91	248	-63
Local telephone	1,868	934	+100
Non-local telephone	1,159	438	+274
Water	4	6	-33
General inquiries	1,117	723	+84
Subtotal:	4,979	3,181	+56
Total Contacts:	5,644	3,632	+56



Energy

Bill Adams, Manager



Since joining the agency in 1980, Bill Adams has served in many positions, including supervisor of the Telephone Rate Section, supervisor of the Gas Rate Section, and assistant bureau chief of the Bureau of Rate and Safety Evaluation. Adams formerly held positions with a utility company, a manufacturing company, and an educational facility. He holds a B.S. in accounting from San Diego State University. Adams currently serves as the agency representative on the National Association of Regulatory Utility Commissioners (NARUC) Staff Subcommittee on Gas and has served as vice chairman and chairman of this subcommittee. He has been a member of the faculty for the NARUC Annual Regulatory Studies Program and the Advanced Regulatory Studies Program.

Highlights of 1999

- CalEnergy acquired MidAmerican Energy in March.
- MidAmerican announced it would be bought by an investor group later in the year.
- Staff conducted small volume gas workshops.
- Energy staff participated in the continuing investigation into electric restructuring.
- MidAmerican petitioned the Board to delineate distribution and transmission facilities using the seven-factor test in FERC Order 888.
- The Board approved a 4.5 percent increase for MidAmerican's gas distribution revenues.

Responsibilities of this section include providing analysis and recommendations on gas, electric, and water tariff filings, rate proceedings, annual fuel purchase reviews, service territory disputes, and restructuring issues. The Energy Section also advises the Board on issues before the Federal Energy Regulatory Commission (FERC) and the Department of Energy (DOE).

In late 1998 MidAmerican Energy announced it would be acquired by CalEnergy, one of the first acquisitions of a vertical utility in the United States by an independent power producer. The Board approved the acquisition on March 11, 1999. In consummating the acquisition, CalEnergy assumed the MidAmerican name.

In November MidAmerican Energy Company announced it would be taken private by an investor group comprised of David Sokol (current CEO of MidAmerican), Walter Scott, and Berkshire Hathaway. The investor group would provide an aggregate of up to \$2.35 billion in cash and MidAmerican securities to fund the purchase. Berkshire Hathaway would hold about 9.9 percent of the common equity, which together with its convertible preferred stock would comprise about 75 percent. Review of the acquisition will continue in 2000.

Staff conducted five workshops in early 1999 (NOI-98-3) on the issue of whether or how to extend the ability to transport gas to small volume customers. Currently in Iowa, only large volume natural gas customers can easily purchase their own gas and transport it through transmission pipelines and local distribution company (LDC) pipes. Smaller customers purchase gas in a fully bundled manner; the LDC provides all services including gas supply, its transportation, metering, and customer service. The object of the workshop process was to develop a consensus on the best method to unbundle gas supply and transmission pipeline services to small volume customers. Staff's work on small volume gas transportation issues will continue in 2000.

The Energy Section continued its participation on staff teams in the Board's investigation into the restructuring of the electric industry and on teams tracking and evaluating pilot projects for electric choice.

MidAmerican Energy filed a petition (SPU-98-12) with the Board to delineate electric distribution and transmission facilities using a seven-factor test specified by the FERC in its Order 888. On April 30 the Board issued an order accepting MidAmerican's delineation proposal.

In applying the test, the Board recognized that no one factor or test is determinative and that the Board must evaluate and balance all factors in determining whether a line or facility should be classified as distribution or transmission. On balance, the delineation re-classified more plant as distribution and less as transmission than previously. The reclassification did not have any immediate effect on rates.

On April 23 the Board issued an order approving a settlement in Docket No. RPU-98-5, the docket reviewing MidAmerican Energy's request to increase its annual revenues for gas distribution by 4.5 percent. The approved settlement allowed MidAmerican to increase annual gas distribution revenues by \$13.9 million, or 3.34 percent. The return on equity range approved was 10.75 percent to 11.25 percent. Staff reviewed evidence filed in the case and then reviewed and advised the Board as to whether the settlement agreement was in the public interest.

The Board participated in several docketed proceedings at the FERC. The Board's participation is important because any regulation of gas supply and/or pipeline transportation issues is not within the Board's jurisdiction. Only by participating at FERC can the Board assure that issues important to Iowa consumers are heard. Approximately 80 percent of a typical residential customer's natural gas bill is within the jurisdiction of the FERC.

The Board intervened in Northern Natural Gas Company's federal rate case (RP98-203) to address concerns about rate levels and rate designs for firm capacity (residential natural gas customers are among those customers who are billed for firm capacity.) Staff participated in settlement conferences in coordination with the Minnesota Department of Public Service and the Wisconsin Public Service Commission.

The Board filed comments in FERC Docket Nos. RM98-10 (short-term transportation services) and RM98-12 (long term rate issues). Board comments reflected concerns about capacity release, length of capacity contracts, and the straight fixed variable rate design method.

Information Technology

Margaret Munson, Manager

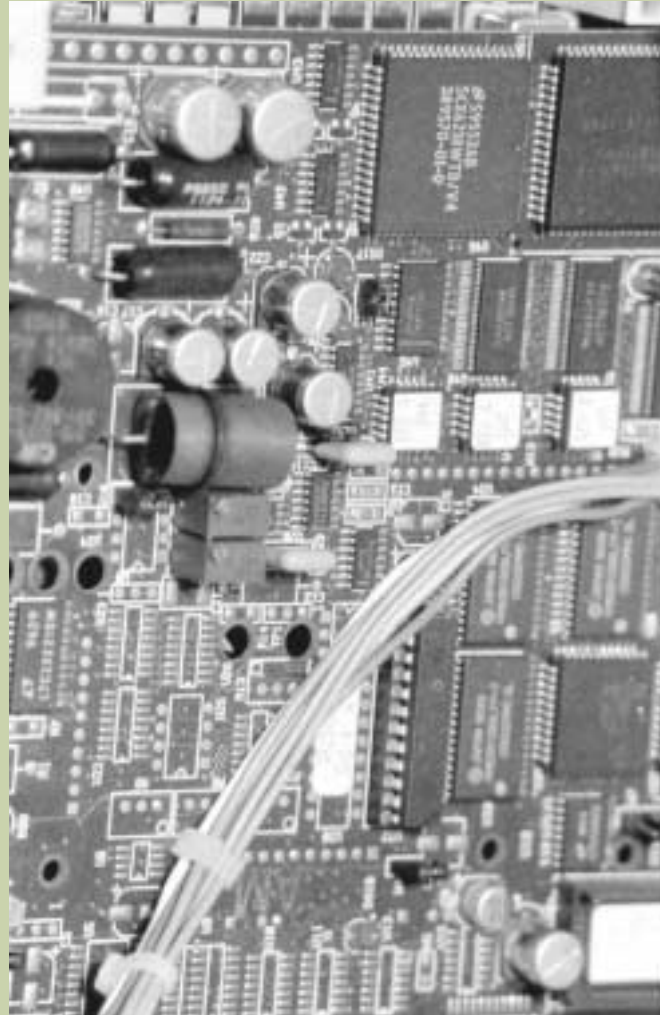


Margaret Munson became manager of the newly-formed Information Technology (IT) Section in May 1998. Previously, she was a utility analyst and the Local Area Network (LAN) Administrator for the Board. She joined the Board staff in 1990 after teaching college business courses at various institutions for ten years, including Iowa State University (ISU) and the University of Iowa. An Iowa native and a long-time Ames resident, Munson earned a B.S. in industrial administration (finance) from ISU, a M.S. in industrial administrative sciences (business) from ISU, and a M.A. in business administration (finance) from the University of Iowa. She holds an Iowa Certificate of Public Accounting. Munson serves as a member of the NARUC Staff Subcommittee on Computers.

1999 Highlights

- Web site expansion included tracking of on-going agency activities and the downloading of orders, daily summaries of filings, hearing calendars, and other information. Pages are updated daily.
- Information Technology staff played a lead role in the annual utility financial and operating report filings process.
- Network improvements continued with the upgrade of network operating system and desktop hardware and software.
- Information process improvements included database projects for Customer Services, Library, and Records Center.
- Dual Party Relay/Equipment Distribution Program tracking processes were improved through development and implementation of a database.
- Information Technology staff participated in other division projects including the internal and external Year 2000 assessments, agency rule makings, and electric restructuring.

The Information Technology (IT) Section provides technology resources, training, support, and tools for the Division. IT staff is responsible for maintenance and support of the Division's local area network (LAN), including network hardware and software, desktop hardware and software, and user support. IT Section staff provides strategic and tactical support for the Division's present and future strategic business processes and coordinates functions with enterprise and external systems. The IT Section is responsible for developing, updating, and maintaining the Division's web site and works collaboratively with other sections in developing web site content.



Year 2000 Activities

Information Technology staff participated in Year 2000 (Y2K) preparations in several ways:

- (1) internally through research, testing, remediation, or replacement of agency hardware, software, and applications;
- (2) internally through development, testing, and implementation of an agency continuity of operations plan;
- (3) externally through the NARUC Ad Hoc Task Force on Y2K;
- (4) externally (NOI-98-2) through surveys, workshops, newsletters, and other contacts with regulated and non-regulated utility providers in Iowa to assure that their attentions were focused on prevention of a Y2K catastrophe; and
- (5) externally through coordinated efforts with Iowa Emergency Management Division, Iowa Department of Management, and Iowa Information Technology Services Division to assure that state government functions that depended on utility operations would continue normally or with minimal disruption.

Policy Development

Lisa Stump, Manager



Lisa Stump has managed the Policy Development Section since the agency's internal restructuring in 1998. Prior to that time, she managed the Research, Economics, and Finance Section. Before joining the Utilities Board, Ms. Stump worked as an economic consultant for Energy and Resource Consultants in Boulder, Colorado, and as an aide to the chairman of the Arizona Corporation Commission. Ms. Stump holds a liberal arts degree with an emphasis in business/economics from Bethany College in Lindsborg, Kansas, and a M.S. degree in economics from the University of Wyoming in Laramie.

1999 Highlights

- Section staff worked extensively on electric restructuring.
- Data was compiled for the last nine years for both energy efficiency and load management programs.
- Work continued on a universal service plan for Iowa.
- Staff worked on the small volume gas inquiry.

The Policy Development Section provides forward-looking quantitative and qualitative analysis into various policy issues in the electric, telephone, and gas industries. Section staff also conducts inquiries, rule makings, and special projects.



Electric Restructuring

Staff from the Policy Development Section worked extensively on the issue of electric restructuring during 1999 including:

- Several staff reports were finalized relating to reliability, consumer protections and education, market structure and power, and public purpose programs.
- Section staff assisted the Iowa General Assembly in understanding the complexities of electric restructuring by providing data analyses, evaluation, and technical expertise during committee meetings.
- Section staff participated in and reported for the Governor's state agency collaborative on electric restructuring. The collaborative included the Department of Natural Resources, the Department of Economic Development, the Department of Human Rights, and the Office of Consumer Advocate. In addition to writing several progress reports for the Governor's

information, section staff completed a Board position paper on issues that were still in dispute.

- Staff participated in a Stakeholder Forum facilitated by the Governor's office in an attempt to reach consensus on the public policy issues related to restructuring.
- The future cost of renewable generation was modeled and reported.
- A collaborative modeling effort designed to estimate the market price of electricity in a retail market environment was initiated. The collaborative included MidAmerican Energy Company and Office of Consumer Advocate. Work is ongoing.
- Staff continued work with MidAmerican Energy on its small customer pilot project in Council Bluffs.

Energy Efficiency

Section staff compiled data over the last nine years concerning energy efficiency and load management programs. Expenditures and savings (both in megawatts of capacity and MWh of energy) were compiled and evaluated. Several staff reports were issued with the results used in electric restructuring discussions and in an update to the Department of Natural Resources state energy plan.

Universal Service for Telecommunications Consumers

Policy Development Section staff continued to work with Telephone Section staff to develop a plan for ensuring universal telecommunications services for Iowa's consumers.

Inquiry into Choice for Small Volume Gas Consumers

Policy Development staff continued to work with the Gas Section staff in an inquiry designed to determine whether or not choice in the small volume gas market is viable and desirable.

Safety and Engineering

Donald J. Stursma, Manager



Donald J. Stursma joined the agency in 1981 as Principal Gas & Water Engineer and was later promoted to manager of the Safety and Engineering Section. He received a degree in civil engineering from Iowa State University in 1974 and is a licensed professional engineer. He is a member and past chairman of the National Association of Pipeline Safety Representatives (NAPSR) and serves on its Grant Allocation/Strategic Planning, Liaison, Articles of Association, and State/Industry Regulatory Review Committees. Other memberships include the NARUC Engineering Staff Subcommittee on Pipeline Safety, the American Society of Civil Engineers (ASCE), and the American Society of Mechanical Engineers (ASME) B109 Committee and B31 advisory group. He is an Iowa native from the Leighton and Pella area.

Highlights of 1999

- Seventy-eight electric franchise petitions were filed with the Board.
- The Board issued nine new franchises, seven amendments to existing franchises, and extended 46 expiring franchises.
- Two natural gas pipelines completed construction and Wall Lake residents received gas service for the first time.
- The Board approved the sale and transfer of Amoco Oil Company's hazardous liquid pipeline permits to Kaneb Pipe Line Operating Partnership.
- Thirty-four natural gas operators and utilities were inspected for compliance with the U. S. Department of Transportation, Office of Pipeline Safety standards.

The Safety and Engineering Section is responsible for the regulation of gas and electric providers and pipeline and electric transmission and distribution companies as it relates to safety, construction, and operation and maintenance of facilities. Responsibilities of this section includes reviewing and processing all petitions for electric transmission lines franchises under Iowa Code chapter 478 and for pipeline permits under Iowa Code chapters 479 and 479B. It also acts as an agent for the federal Department of Transportation in pipeline safety matters.

Electric

Seventy-eight electric franchise proceedings (E-dockets) were initiated in 1999. Of the 78 petitions filed, 16 were for new franchises, 14 were for amendment of an existing franchise, and 48 were an extension of franchise. Additionally, 5 proposed electric line projects were assigned docket numbers but did not progress beyond the informational meeting level by the end of 1999. Eleven informational meetings presided over by a Board Engineering Staff member were held. As part of the franchise proceedings, 48 route and/or safety inspections were also conducted.

In 1999 the Board issued 9 new franchises, 7 amendments to existing franchises, and extended 46 expiring franchises. These included final actions taken on petitions filed in years preceding 1999. Five petitions filed in 1999 were withdrawn for primarily procedural reasons. The beginning of 1999 revealed 60 petitions before the Board; 12 for new franchise or amendment and 48 for extension of franchise. The close of 1999 showed 71 filed petitions--18 new franchises or amendments and 53 extensions.

Also in 1999, 200 utilities operating electric supply lines throughout Iowa received a visit from the Board's two electric field inspectors. They inspected records at 252 offices and conducted 736 safety code compliance inspections of electrical lines and facilities. These inspections also reviewed the utilities' compliance with the inspection and maintenance plans required by 199 IAC 25.3.



The utilities filed accident reports with the Board pursuant to 199 IAC 25.5 on 18 electric contact accidents. Three of those accidents resulted in fatalities. The Safety and Engineering staff conducted field investigations at four of the accident sites. In addition, the staff investigated and made recommendations on safety and service matters in four citizen complaints before the Board.

The Engineering Section actively participated in advising the Board during the appeal of the administrative law judge's March 18, 1999, "Proposed Decision and Order Denying Franchise" in Docket No. E-21324. This docket related to IES Utilities' proposed 12-mile transmission line to serve the Keokuk area which needed an easement in the Amborn-Pagin Wildlife Area. The Engineering staff also made three presentations to groups of electric utility personnel. The presentations included information on electric line routing and safety issues, regulatory changes, and instruction on franchise petitions and exhibits.

Pipeline

The Board took action on five dockets for natural gas pipeline permits filed in 1999. Included in these dockets were two petitions for a new permit, two petitions for amendment to permit, and one petition for a renewal permit. The petitions for a new permit involved approximately

one mile of pipeline in Atlantic and approximately 12 miles of pipeline to the town of Wall Lake, providing gas service

to that community for the first time. The two petitions for amendment to permit concerned increasing maximum operating pressure in the pipelines to West Point and Donnellson. The renewal permit was for the pipeline to Coralville.

One petition for an existing hazardous liquid pipeline, one petition for a new hazardous liquid pipeline, and two petitions seeking the approval of the sale of hazardous liquid pipelines were filed with the Board and reviewed by Engineering staff. The new permit was for approximately 14 miles of hazardous liquid pipeline in Mills and Pottawattamie Counties to the Amoco terminal in Council Bluffs. Amoco Oil Company (Amoco) and Kaneb Pipe Line Operating Partnership (Kaneb) sought Board approval of the sale of Amoco's permits to Kaneb for two pipelines in western Iowa.

As part of a partnership agreement with the U.S. Department of Transportation, Office of Pipeline Safety, the Engineering staff inspected 34 natural gas operators in 1999 for compliance with safety standards. This number encompasses 51 percent of the operators under federal pipeline jurisdiction in Iowa. Engineering staff spent 424.7 days on 30 intrastate operators. Of the total, 27.5 were transmission pipeline construction and 21.9 were drug and alcohol testing programs.

Four interstate operators were inspected in 1999. There were 66.5 person-days spent on these inspections, which included 42.5 person days on construction. As an interstate agent for the Office of Pipeline Safety, the staff was involved in the inspection of the Alliance Pipeline project in northeast Iowa. The project in Iowa consisted of approximately 187 miles of 36 inch pipeline.

The Board is reimbursed for up to 50 percent of the cost of the natural gas safety inspections through a grant from the U.S. Department of Transportation. The grant amount requested for

1999 was \$198,550. The Board received \$117,544.20 in 1999 for the work done in 1998.

Twenty-five accidents, incidents, or outages were reported in 1999. One (4%) was an incident involving jurisdictional piping, seventeen (68%) were interruption of service to customers, and seven (28%) were courtesy calls involving incidents that were not reportable but were considered significant enough by the operator to inform the Board. Fourteen (56%) of the accidents, incidents or outages reported resulted from third-party damage. One person was killed and another seriously injured in connection with the jurisdictional incident. Engineering staff investigated two of the incidents. Additionally, staff conducted an investigation of the August 2, 1999, gas leak at the Des Moines Airport and issued a report on November 22, 1999, citing MidAmerican Energy Company with four probable violations.

In 1999 the section prepared and released an updated Iowa Pipe Line Map. The Engineering staff was also actively involved in Docket No. RMU-99-10, In re: Restoration of Agricultural Lands After Pipeline Construction. The proposed rules described the contents of a land restoration plan for the restoration of agricultural lands during and after pipeline construction and the procedures for review of the plan.

The Engineering Section gave presentations on safety and regulatory matters at the American Public Gas Association workshop held in Des Moines, several Iowa Association of Municipal Utilities meetings and training sessions, and a utility right-of-way association meeting. The section manager participated in conferences and on national committees involving grant allocation/strategic planning, rules review, and operator qualifications. The section manager also served on the Articles of Association Committee for the National Association of Pipeline Safety Representatives.



Telecommunications

Sandra Adams, Manager



Sandra Adams joined the Board in 1982. She was named manager of the Telephone Rate Section in 1986. During the reorganization of 1998 Adams was named manager of the newly formed Telecommunications Section. She is a member of the NARUC Staff Subcommittee on Communications and as a part of that group, is the Leader for the Consumer Issues Subcommittee. Adams also serves as a NARUC representative on the University of Florida's Telecommunications Industries Analysis Project and is a member of the Federal/State Universal Service Joint Board Staff. She received a B.S. in accounting from Drake University and holds a CPA certificate.

1999 Highlights

- An inquiry on a state universal service fund was initiated.
- The Board considered options for area code relief in area code 515.
- The Board conducted a case to establish interconnection rates for U S West.
- GTE proposed to sell its Iowa exchanges to Iowa Telecommunications Services, Inc.
- U S West proposed to sell 33 of 125 U S West exchanges to Citizens-Iowa.
- The Board considered the proposed U S West and Qwest merger.
- The Board allowed the transfer of control of Frontier's Iowa operating subsidiaries to Global Crossing.
- The Iowa Supreme Court ruled that Iowa municipalities that provided cable TV were authorized to operate and own telephone utilities.
- The Board adopted anti-slamming rules.
- U S West implemented dialing parity by Board order.

Iowa Universal Service Fund

A Notice Initiating Inquiry proceeding (NOI-99-1) was begun on a state universal service fund on March 5. Several workshops were held and participants filed costing models and methodologies. The next step is for staff to prepare a report to the Board regarding the need for a fund in Iowa.

515 Area Code Relief

The North American Numbering Plan Administrator (NANPA) notified the Board in the spring that area code 515 would exhaust during 2001. It filed an industry recommended overlay area code number relief plan on July 22. In Docket No. SPU-99-22, the Board considered the overlay, several two-way splits, and a 3-way split. Seven public meetings were held throughout the 515 area code. The Board decision may be issued in February 2000. After a large assignment of central office codes to a CLEC, jeopardy was declared on December 1, limiting central office code assignments to seven per month. The Board requested the FCC grant the Board authority to implement several number conservation measures and partial temporary relief from the 10-digit dialing requirement if an overlay relief plan is selected. The FCC docket number in this matter is CC96-98 / NSD file No. L-99-96.

319 Area Code Relief

The NANPA filed an industry recommended overlay area code number relief plan for 319 on November 1. The 319 area code is projected to run out of central office codes in the third quarter of 2002. The matter will be set for hearing and a schedule of public meetings set for February 2000 in Docket No. SPU-99-30. The Board has requested the FCC, in CC96-98 / NSD file No. L-99-96, to grant the Board authority to implement conservation measures. A decision of the FCC is anticipated in February 2000.

Interconnection Rate Filing

The Board conducted case pursuant to state law to establish interconnection rates for U S West. These rates were incorporated into the U S West/AT&T and MCI interconnection agreements. Because the rates were not deaveraged, a proceeding may begin in early 2000.

Sale of GTE Exchanges

On October 20 GTE and Iowa Telecommunications Services, Inc. (ITS), filed an application to allow the proposed sale of GTE's Iowa exchanges to ITS. The Board, on December 1, set the application for hearing in Docket No. SPU-99-29. Pursuant to statute, the Board must issue a final decision in this docket on or before April 18, 2000.

Sale of U S West Exchanges

On November 9 U S West and Citizens Telecommunications Company of Iowa filed an application to allow a proposed sale of 33 of 125 USW exchanges in Iowa to Citizens-Iowa. Citizens-Iowa is a wholly-owned subsidiary of Citizens Utilities Company formed to acquire and operate these 33 exchanges. The Board must issue a final decision in this docket (SPU-99-31) on or before May 5, 2000.

Merger of U S West and Qwest

On September 20 Qwest and U S West filed an application to allow their proposed merger. On October 26 the Board issued an order docketing the application as SPU-99-27. A final decision must be issued on or before March 17, 2000.

Merger of Frontier and Global Crossing

On May 7 Global Crossing and Frontier filed an application to transfer control of Frontier's Iowa operating subsidiaries to Global Crossing. On September 24 the Board issued an order approving a settlement agreement in Docket No. SPU-99-24. The settlement allows the transfer to go forward, with the applicants providing specified information in annual reports to the Board for a period of four years.

Municipal Telephone Utilities

Several municipal utilities have applied for certificates to offer local telephone service. The Board granted a certificate to the City of Hawarden. In a related case, the Iowa Supreme Court first ruled that Iowa municipalities are not authorized to own or operate telephone utilities, then under reconsideration reversed itself and ruled that Iowa municipalities that provide cable TV are authorized to operate and own telephone utilities. The IUB has subsequently granted certificates to the cities of Manning and Spencer. New legislation was passed to ensure fair competition between municipal telephone or telecommunications systems and other local telephone companies (SF 392). The bill was retroactive to July 1, 1993.



Anti-Slamming Rules

The Board adopted rules on an emergency basis to implement the anti-slamming provisions of House File 588 from the 1999 General Assembly. Slamming is the unauthorized change in a telephone customer's long distance service. The new rules were effective August 2, 1999. They were followed by a companion rule making proceeding to receive public comment.

U S West IntraLATA Dialing Parity

In November 1998 the Board ordered U S West to provide intraLATA dialing parity beginning in 1999 so that customers would have a choice of long distance carriers for direct-dialed toll calls within a LATA. U S West implemented dialing parity and filed a proposed tariff for recovering the associated costs. McLeodUSA, MCIWorldcom, AT&T, Sprint, and Consumer Advocate objected to the proposed tariff. The Board approved a settlement agreement on November 30 in Docket No. RPU-99-1.

Relay Iowa

Under Title IV of the Americans with Disabilities Act of 1990, dual party relay services must be provided for both interstate and intrastate communications everywhere in the United States no later than July 26, 1993. A working committee was created, headed by the Iowa Utilities Board, to develop recommendations for a dual party relay system. The committee's recommendations resulted in enactment of Iowa Code ch. 477C that created the Dual Party Relay Service. Iowa's provision of dual party relay service was adopted by the legislature and became law in July 1991. The legislation provides that the Iowa Utilities Board will administer the provision of the dual party relay service.

A dual party relay service allows deaf, hearing-impaired, and speech-impaired persons using special equipment known as telecommunications devices for the deaf (TDDs or TTYs) to use the telephone system on a functionally equivalent basis to persons without communications impairments. "Relay Iowa," as the state's dual party relay service is known, has been in operation since August 1, 1992, and is currently provided by Sprint, on contract with the Iowa Utilities Board, until December 31, 1999. A request for proposal was issued in 1999 to solicit bids for the provider of the relay service. The contract was awarded again to Sprint, which will continue its service under the new contract on January 1, 2000.

The 1999 total minutes of use (MOU) of Relay Iowa was 1,949,134 minutes, compared to the 1998 MOU of 1,952,640 minutes (a 0.2% decrease). Inbound calls to Relay Iowa increased 3.3%, from 324,479 calls in 1998 to 335,039 calls in 1999. In 1999 the average

response time was 2.5 seconds. TTY calls made up approximately 73 percent of all relay calls, while voice calls accounted for 19 percent of relay calls, 7 percent were voice carryover calls, and the remaining 1 percent were ASCII calls.

Iowa's telecommunications relay service was re-certified by the Federal Communications Commission (FCC) on June 11, 1998. The original FCC certification expired July 25, 1998. The certification remains in effect for a five-year period, beginning July 26, 1998, and ending July 25, 2003.

Equipment Distribution Program

On January 25, 1995, the equipment distribution program commenced operations in Iowa. The statewide equipment distribution program distributes assistive telecommunications devices to hearing-impaired, speech-impaired, deaf, and deaf-blind Iowans. Deaf Services Unlimited administers this program. Eligible recipients are issued vouchers from the program administrator for 95 percent of the average retail price of the equipment. If the price of the equipment exceeds \$1,000, the voucher is for 99 percent of the average retail price. The recipient has ownership of the equipment and is responsible for repairs. The Board sets a standard voucher amount for each type of equipment or equipment package.

The Board awarded the contract to Deaf Services Unlimited, located in Des Moines, for this distribution and outreach program. Deaf Services Unlimited began its duties, under the program name of Telecommunications Access Iowa (TAI), as equipment distribution administrator on January 1, 1999. It is a two-year contract with a one-year option for extension.

TELECOMMUNICATIONS

In 1999, 597 vouchers for equipment valued at \$140,650 were received by the participants in the program. By far, the equipment most in demand was the amplified phone. This is a significant change from previous years of the equipment distribution program, where the equipment most requested was the TTY. There

were 372 amplified phones and cordless amplified phones made available through this program in 1999. In addition, 151 TTYs were distributed. TTYs are requested by most deaf recipients, whereas the amplified phones are preferred by the hard of hearing.

Equipment Description	Number of Pieces	Total Amount
Amplified phone	356	\$47,909
Cordless phone with amplification	16	2,684
Computer software/modem with and without accessories	1	310
Speakerphone	12	2,497
Special requests	2	227
Loud ringer, amplifier, ring flasher	22	1,028
Telebraille	0	0
TTY with and without accessories	151	77,225
Voice carryover (VCO) phone with and without accessories	37	8,771
Total	597	\$140,650

Utility Proceedings



ARU

Accounting Rulings

Accounting rulings (ARUs) evaluate the proper method of accounting for certain expenses, investments, or revenues. An ARU does not affect a utility's rates until review in a rate case.

ARU-99-1 IES Utilities Inc.

On January 14 IES applied for an accounting ruling regarding decommissioning funds collected for Duane Arnold Energy Center (DAEC). In IES's last electric rate case (RPU-94-2), the Board allowed IES to recover \$6,008,000 per year for decommissioning. The IRS, in a separate ruling, allowed IES to deposit \$4,015,000 of the total amount per year in a Qualified Trust Fund (QTF), which has certain tax advantages over contributions to non-qualified trust funds. The IRS ruling was only for a three-year period ending December 31, 1997. In this docket IES requested the Board allow it to continue to collect \$6,008,000 per year in decommissioning funds. On February 9 the Board authorized IES to include in its cost of service, decommissioning costs in the amount of \$6,008,000 in each year 1998 through 2014 and further stated it expected electric utilities to take advantage of QTFs to the greatest extent possible for decommissioning funds.





Alternate Energy Proceedings

Iowa Code § 476.41 encourages the development of alternate energy production facilities and small hydro facilities through the required purchase of available AEP energy by rate-regulated electric utilities. A complaint that a utility has failed to comply with the standards set in the law and Board rules is identified as an AEP proceeding.

AEP 95-1 Midwest Wind Developers v. IES Utilities Inc.

AEP 95-2 Midwest Wind Developers v. Midwest Power

AEP 95-3 Windustries, Inc. v. IES Utilities Inc.

AEP 95-4 Midwest Wind Developers v. Iowa-Illinois Gas and Electric Company

AEP 95-5 Windustries, Inc. v. Midwest Power

On August 9, 1996, the Board ruled on five petitions filed to compel certain investor-owned electric utilities to enter into long-term purchase contracts to purchase and/or wheel electricity from alternate energy production facilities. The Board clarified and modified this order by a rehearing order on September 27, 1996. On October 25, 1996, MidAmerican Energy filed a petition for judicial review in Polk County District Court. Subsequent to the Board's decisions and the filing of the petition for judicial review, the Federal Energy Regulatory Commission issued an order on January 29, 1997, which discussed the parameters of state and federal jurisdiction with respect to alternate energy production issues. The District Court remanded the case to the Board for reconsideration of the rate set for AEP purchases. On remand, the Board made modifications to its August 9 and September 27, 1996, orders on December 22, 1999.

APP

Alternative Pricing Proposals

Alternative pricing proposal (APP) dockets are initiated when a utility files a proposal to set rates that are not based on traditional rate-regulation factors.

APP-96-1 (RPU-96-8) MidAmerican Energy Company

On June 4, 1996, MidAmerican filed an alternative electric pricing plan designed as a transition toward competitive, market-based electric prices and services for MidAmerican's customers. The plan also included a pledge not to raise electric rates until June 1, 2001, as well as a reduction of current rates to move prices toward a market proxy developed by MidAmerican. The case was docketed on July 3. On August 1 Consumer Advocate filed a petition to reduce MidAmerican's electric rates by \$101.5 million, or 10.7 percent. The amount was later reduced by the OCA to \$82.2 million, or 9 percent. On September 6 the Board docketed Consumer Advocate's request as Docket No. RPU-96-8 and consolidated it with Docket No. APP-96-1. On October 24 the Board approved a reduction in MidAmerican's electric rates of \$8.7 million. On March 10, 1997, a proposed settlement was filed by some of the parties, including MidAmerican and Consumer Advocate, which would resolve all outstanding issues in Docket Nos. APP-96-1 and RPU-96-8 with the exception of the Public Programs Charge (PPC) proposed by MidAmerican. The PPC is MidAmerican's proposal to show energy efficiency and alternative energy costs as a line item charge on customer bills. The settlement reduced MidAmerican's electric base rates by an additional \$25 million. Residential rates were reduced by approximately \$10 million. The reduction would be utilized to reduce the rate gap in MidAmerican's three pricing zones. Residential rates would be reduced by an addi-

tional \$5 million on June 1, 1998. Commercial and small general service customers would have \$4 million available for customer savings/price reductions in pilot projects. Industrial and large general service customers would have \$6 million available. If any amounts remained available on June 1, 1998, there would be a base rate reduction for those classes. The settled rates incorporated decommissioning costs for two nuclear plants, Quad Cities Station Units 1 and 2. The settlement is effective until December 31, 2000, after which any signatory may file with the Board a petition to increase or decrease MidAmerican's electric rates. The Board approved the settlement agreement on June 27 and granted the motion to bifurcate consideration of the settlement from the remaining contested issue, the Public Programs Charge (PPC). On August 5 the Board conditionally approved the PPC contingent upon approval of a public education campaign designed to inform MidAmerican's customers on the benefits of the items to be included in the PPC--energy efficiency, alternate energy, and the alternate loan fund. MidAmerican filed its proposed public education campaign on September 15. The Board rejected the campaign on May 21, 1998. (See Docket No. APP-97-2.)

Also in the June 27 settlement agreement, MidAmerican agreed to negotiate with the signatories of the settlement to develop a Market Access Service Pilot (MAS) for commercial and industrial customers. On September 5 MidAmerican filed with the Board a proposed MAS tariff, TF-97-229, which would allow

MidAmerican's commercial and industrial customers to purchase electric service on an unbundled basis. Customers would be allowed a choice of suppliers for capacity, energy, and some associated services. The tariff was approved on August 21, 1998.

On December 31, 1998, the Board conditionally approved a tariff (TF-98-324) filed by MidAmerican that reduced certain commercial and small general service rates effective January 1, 1999.

MidAmerican stated it had negotiated contract reductions totaling \$2.544 million. Under the terms of the settlement, MidAmerican said base rates to non-contract commercial and small general service customers should be reduced by \$1.456 million on January 1, 1999. Because MidAmerican was still preparing its calculations, the Board allowed the reduction to begin; however, it would evaluate further reductions pending review and investigation.

On December 18, 1998, the Board issued an order requesting additional information from MidAmerican Energy concerning its flexible rate contracts. Specifically, MidAmerican was directed to file all standard contract forms, all nonstandard terms and conditions that MidAmerican included in any negotiated-price contracts that have been executed, and a summary of the number of customer contracts that have

included each standard or nonstandard clause. On January 15, 1999, MidAmerican filed with the Board approximately 30 draft contracts representing the general terms and conditions of the initial offers MidAmerican made to its customers. An order issued on April 15 states that MidAmerican agreed, without admitting any wrongdoing, to waive certain provisions included in the contracts that would add to the customer's rights.



On February 15, 1999, MidAmerican filed its return on common equity calculations for 1998 pursuant to the settlement agreement. MidAmerican showed an equity return of 12.33 percent, resulting in a refund of \$2,203,000 due to non-contract customers. The Board approved the plan on April 14.

On March 26 MidAmerican filed a proposed electric interruptible replacement rider (TF-99-94). The proposed tariff would initially be implemented in the East system only, but would later be extended to the entire system. The tariff fulfilled a commitment made in the settlement to develop an interruptible buy-through tariff. Consumer Advocate objected to the tariff on April 23. On May 17 a proposed settlement agreement was filed. A hearing on the settlement was held on November 2. The docket is pending.

Annual Review of Electric Fuel Procurement Plans
Iowa Code § 476.6(16) directs the Utilities Board to conduct a periodic proceeding (ARC) to evaluate the reasonableness and prudence of each rate-regulated public utility's procurement and contracting practices relating to the acquisition of fuel for use in generating electricity.

ARC-98-150 Interstate Power Company

ARC-98-151 IES Utilities Inc.

ARC-98-156 MidAmerican Energy Company

On May 13, 1998, Interstate and IES filed their annual electric fuel procurement plans with the Board. MidAmerican filed its plan on May 15. Hearings were held on September 3. Additional information regarding coal inventories and rail schedules was required, with final filing by May 15, 1999. Coal inventory levels were of particular concern because of the added uncertainty of Year 2000 considerations. The Board issued its final report on August 12, 1999, finding the utilities had exhibited adequate procurement and contracting practices.

ARC-99-150 Interstate Power Company

ARC-99-151 IES Utilities Inc.

ARC-99-156 MidAmerican Energy Company

On May 14 MidAmerican filed its annual electric fuel procurement plan. IES and Interstate filed on May 17. A hearing was held on September 2. The docket is pending.

Annual Review of Gas

Iowa Code § 476.6(15) requires a periodic evaluation of the reasonableness and prudence of public utilities' natural gas procurement and contracting practices. When the Board initiates an evaluation, the utility must file a detailed 12-month plan and a three-year natural gas procurement plan. These contested case proceedings are called ARGs.

ARG-99-150 Interstate Power Company

ARG-99-151 IES Utilities Inc.

ARG-99-156 MidAmerican Energy Company

ARG-99-222 United Cities Gas Company

ARG-99-225 Peoples Natural Gas Company

Legislation passed in 1998 removed the requirement that each utility file annual plans on November 1 of each year. The Board initiated a rule making in 1999 (RMU-99-11) to change its rules to be in compliance with the new law. On September 9, 1999, the Board, on its own motion, waived the annual filing requirement for 1999. Instead, the Board required the utilities to provide a minimal amount of information by November 1. The docket is pending.

DRU

Declaratory Rulings

Declaratory ruling proceedings (DRU) may be initiated either upon request or by the Utilities Board itself. DRUs offer the Board's interpretation of the rules in their application to a particular hypothetical circumstance.

DRU-99-1 Goldfield Access Network, L.C.

On February 9 Goldfield asked for a ruling on the interpretation and effect of certain provisions of the interconnection agreement between Goldfield and U S West as applied to Extended Area Service. On March 4 the Board issued an order which said the approved interconnection agreement between U S West and Goldfield did not require U S West to transport calls between Goldfield customers and customers in U S West's EAS area that were not U S West customers. Instead, the interconnection agreement only required that U S West and Goldfield exchange EAS and local traffic as that traffic was defined in the interconnection agreement; that is, between a customer of Goldfield and a customer of U S West.

DRU-99-2 Telephone Acquisition Group, LLC

On April 2 TAG filed a petition stating that it was made up of a group of Iowa local exchange service providers that were bidding on the GTE local exchanges in Iowa. If TAG was the successful bidder, it may transfer some of the GTE exchanges to some of its members, while "many of the exchanges may be retained in a residual company which would be subject to rate regulation under Chapter 476." TAG asked the Board two questions. First, does the acquisition of an exchange subject to price regulation have any regulatory impact on a nonrate-regulated company? Secondly, what is the impact of the acquisition of Iowa exchanges subject to price regulation upon a company that will be subject to rate regulation. On April 30 the Board found, as a

general rule, when an exchange is sold, the exchange does not take its pre-acquisition regulatory status with it. Instead, the rate regulation status would be determined by applying existing law to the characteristics of the local service provider that is the final result of the transaction. The answer to the first question was that an acquisition of an exchange subject to price regulation does not have any regulatory impact on a nonrate-regulated company unless the acquisition gives the company 15,000 or more access lines or customers. The second answer was that the acquisition of price-regulated exchanges by a rate-regulated company would change the status of the acquired exchanges, but would not directly affect the regulatory status of any exchanges already owned by the acquiring company.

DRU-99-3 PointeWest Apartments and The Michaelson Organization

On April 8 PointeWest and its manager, The Michaelson Organization, filed a petition asking for a ruling that it was not a public utility or, in the alternative, that PointeWest's proposal to pass along to its tenants the cost to provide heat and water to the common areas and tenants' premises did not violate Iowa Code. On August 13 the Board answered "no" to the second question and, therefore, found it unnecessary for it to respond to the first question.

DRU-99-4 (SPU-98-10) AT&T Communications of the Midwest, Inc. and Sprint Communications Company, LP

On April 30 AT&T and Sprint filed a petition for a declaratory ruling concerning U S West's dial-

ing parity plan for intraLATA calls within Iowa (SPU-98-10). In its plan, U S West proposed to automatically extend a customer's interLATA PIC freeze to intraLATA services. The Board modified this to prohibit automatic extension of an interLATA PIC freeze to intraLATA services during the first 120 days after implementation of intraLATA dialing parity. Sprint and AT&T argued that U S West's proposed practice of automatically extending interLATA PIC freezes to intraLATA service was a violation of a recently adopted FCC rule which states that the carrier offering the PIC freeze must obtain separate authorization for each service in accordance with a certain procedure. The rule became effective on May 17 after the Board issued its order in Docket No. SPU-98-10 on February 16. On May 28 the Board ruled that the portion of U S West's dialing parity plan providing for an automatic extension of pre-existing interLATA PIC freezes to intraLATA service after the initial 120 days of dialing parity was inconsistent with 47 C.F.R. § 64.1190, which requires separate authorization of each PIC freeze implemented after the effective date of the rule.



Electric Lines

Electric Transmission Line Applications

DOCKET	COMPANY	COUNTY	TYPE*	FILED	GRANTED
E-20858	IES	Jasper	AM1	02/08/99	12/02/99
E-21002	IES	Clay	AM1	05/03/99	12/02/99
E-21036	IES	Buena Vista	AM1	05/03/99	11/08/99
E-21057	IES	Johnson	AM1	03/15/99	09/07/99
E-21133	IES	Hamilton	AM1	04/22/99	10/05/99
E-21225	IES	Hardin	AM1	04/20/99	09/07/99
E-21233	IES	Cedar	AM1	03/05/99	09/09/99
E-21258	IES	Marshall	N	01/18/96	07/16/99
E-21355	MidAmerican	Woodbury	N	02/23/98	09/24/99
E-21358	MidAmerican	Harrison	R	06/05/97	07/09/99
E-21360	MidAmerican	Cerro Gordo	R	07/25/97	02/26/99
E-21361	MidAmerican	Muscatine	R	08/15/97	06/25/99
E-21362	MidAmerican	Poweshiek	R	08/15/97	06/03/99
E-21363	MidAmerican	Scott	R	08/15/97	07/27/99
E-21364	MidAmerican	Johnson	R	08/15/97	08/13/99
E-21365	MidAmerican	Iowa	R	08/15/97	06/03/99
E-21369	La Porte City	Black Hawk	R	11/13/97	02/26/99
E-21370	CIPCO	Boone	R	11/21/97	06/22/99
E-21371	CIPCO	Polk	R	11/21/97	06/22/99
E-21372	CIPCO	Story	R	11/21/97	06/03/99
E-21373	CIPCO	Webster	R	11/21/97	06/03/99
E-21374	IES	Ringgold	R	12/05/97	06/03/99
E-21375	MidAmerican	Webster	R	12/19/97	11/08/99
E-21376	NW Iowa Power	Carroll	R	02/05/98	02/26/99
E-21378	Dairyland Power	Chickasaw	R	03/04/98	02/26/99
E-21380	Dairyland Power	Clayton	R	03/11/98	02/26/99
E-21381	Dairyland Power	Allamakee	R	03/11/98	02/26/99
E-21382	Denison Municipal	Crawford	R	03/13/98	02/26/99
E-21383	Dairyland Power	Floyd	R	03/16/98	03/22/99
E-21384	Corn Belt Power	Benton	R	03/30/98	02/16/99
E-21385	IES	Buena Vista	N	08/28/98	01/15/99
E-21386	IES	Clay	N	08/28/98	01/15/99
E-21392	MidAmerican	Emmet	R	04/27/98	11/04/99
E-21393	IES	Wayne	R	04/27/98	02/26/99
E-21394	Dairyland Power	Winneshiek	R	05/04/98	06/03/99
E-21395	IES	Lucas	R	05/08/98	05/06/99
E-21397	MidAmerican	Muscatine	R	05/26/98	10/06/99
E-21398	Interstate Power	Dubuque	R	05/28/98	06/03/99
E-21399	MidAmerican	Scott	R	06/04/98	10/06/99
E-21400	MidAmerican	Sioux	N	10/16/98	04/08/99
E-21403	Independence	Buchanan	R	07/14/98	03/19/99

Electric Lines

DOCKET	COMPANY	COUNTY	TYPE*	FILED	GRANTED
E-21404	IES	Poweshiek	N	02/08/99	12/16/99
E-21405	Corn Belt Power	Hancock	R	08/03/98	10/06/99
E-21408	Union Electric	Lee	R	08/24/98	12/20/99
E-21411	Union Electric	Johnson	R	08/24/98	12/20/99
E-21412	IES Utilities Inc.	Boone	R	09/01/98	06/22/99
E-21413	Corn Belt Power	Pocahontas	N	09/02/98	01/15/99
E-21414	Gowrie Municipal	Webster	R	09/15/98	04/23/99
E-21415	Central Iowa Power	Webster	R	09/16/98	05/06/99
E-21416	Central Iowa Power	Boone	R	10/06/98	05/06/99
E-21417	Central Iowa Power	Page	R	10/06/98	06/03/99
E-21418	Central Iowa Power	Jackson	R	11/04/98	07/29/99
E-21420	Central Iowa Power	Cass	R	12/02/98	12/06/99
E-21421	Central Iowa Power	Adair	R	12/02/98	11/08/99
E-21422	Dairyland Power	Mitchell	R	10/07/98	10/06/99
E-21426	Central Iowa Power	Cass	N	01/29/99	08/20/99
E-21432	IES	Story	R	02/11/99	08/20/99
E-21433	IES	Appanoose	R	02/15/99	11/19/99
E-21435	IES	Washington	R	02/25/99	11/19/99
E-21439	IES	Washington	R	03/22/99	11/19/99
E-21443	Corn Belt Power	Linn	R	04/05/99	10/05/99
E-21445	Central Iowa Power	Buchanan	N	04/26/99	11/04/99

* N - New
R - Renewal
Am - Amend

Formal Complaints

Formal complaint investigations (FCUs) are brought against a utility by another utility, a customer, or by the Utilities Board. FCU dockets are intended to determine if, in a specific instance, a utility violated Iowa law, rules, or the utility's own tariff.

FCU-96-6 McLeod TeleManagement, Inc. v. U S West Communications, Inc.

On July 12, 1996, McLeod filed a complaint alleging U S West was failing to use its Centrex system to provide timely and accurate transfer of service or initiation of service to McLeod customers. On October 10 the Board found that U S West had discriminated against McLeod by providing local exchange telephone services and essential facilities to McLeod on terms and conditions that were less favorable than those it provided to itself. The parties were also ordered to indicate how U S West might increase its order processing capacity to eliminate the delay in providing service to McLeod customers. The parties agreed to keep the record open and have periodically filed reports with the Board outlining their efforts to establish more efficient ordering and provisioning measures. On June 25, 1998, the Board issued an order approving a stipulation of the parties which included agreement to establish a timeline to develop an electronic data interchange (EDI) interface, which would replace current ordering and provisioning of service. In filings on September 15 and 16 the parties notified the Board of disagreements concerning the meaning of the approved stipulation. A hearing was held on October 14 regarding the electronic data interface and the timeline. On February 4, 1999, the Board required the parties to develop an EDI interface with flow-through functionality for the ordering and provisioning of Centrex-Plus-based service to the extent reasonably possible. Also, U S West's

manual processes associated with the ordering and provisioning of Centrex-Plus-based services must be mechanized to the extent reasonably possible. On February 24 U S West filed an application for reconsideration and stay which was denied on March 26. The Board did allow U S West's plan for a study by Bell Communications Research (Bellcore) to determine the necessary changes to accommodate McLeod's request for flow-through functionality. The study was to be completed in 13 weeks with a report from the parties due to the Board by July 6. At the request of the parties, the due date of the report was extended to September 7. The docket is pending.

FCU-97-1 Ray Scheetz v. MidAmerican Energy Company

On September 5, 1996, Ray Scheetz filed a complaint against MidAmerican alleging he was improperly billed for part of the cost of extending a new gas service line from the gas main to his property and that he should be reimbursed for the cost of a pressure test of the gas piping inside his property. A hearing was held on April 11, 1997. The administrative law judge issued an order on August 26, 1998, finding Mr. Scheetz was responsible for the charges billed by MidAmerican. On September 10 Mr. Scheetz filed a notice of appeal. On September 29 the Board accepted the appeal. On January 15, 1999, the Board affirmed the decision of the administrative law judge.

FCU-98-4 Champion Spark Plug, An Unincorporated Division of Cooper Automotive Company v. IES Utilities Inc.

On May 22 Champion filed an informal complaint (C-98-96) alleging IES was improperly attempting to bill Champion for past undercharges due to a faulty gas meter and/or use of incorrect billing constants at its facilities in Burlington. The disputed amount was in excess of \$500,000. The complaint was docketed as a formal proceeding on August 10. On September 25 Champion requested a stay which was granted on September 30. On March 2, 1999, Champion filed a dismissal of its complaint, which the Board granted on March 22.



FCU-98-5 City of Hawarden v. Heartland Telecommunications Company of Iowa

On October 26 Hawarden filed a complaint requesting the Board to order Heartland to program its switch to allow calls in the local and extended calling areas in South Dakota, to find Heartland's facilities essential, and to order Heartland to make the facilities available immediately. On November 5 Heartland filed a motion to dismiss stating Hawarden was not authorized to provide telephone service as a result of an Iowa Supreme Court decision issued on October 21, 1998. Hawarden's application for reconsideration is under consideration by the

Court. Because of this, on January 6, 1999, the Board dismissed Hawarden's complaint and Heartland's motion to dismiss. Hawarden may refile if the Iowa Supreme Court reconsiders its prior decision.

FCU-99-1 Void Docket Number

FCU-99-2 Advanced TelCom Group, Inc. v. U S West Communications, Inc.

On April 27 ATG filed a complaint alleging U S West would not qualify ATG as a bidder for their local exchanges and that U S West was limiting the pool of available bidders in an effort to prevent market entry by possible competitors. The complaint was docketed on May 7. On May 26 Consumer Advocate petitioned for formal proceedings. On July 8 the Board dismissed the complaint and denied Consumer Advocate's request, noting it would wait until a proposal for reorganization was filed to review U S West's activities.

FCU-99-3 Mr. and Mrs. Gregory Swecker v. Midland Power Cooperative

Mr. and Mrs Swecker, who wanted to interconnect their wind generators with their electric service provider, Midland, filed a request for formal complaint proceedings on May 5. The customers alleged Midland discriminated against them by establishing a separate tariff for co-generators and by imposing certain requirements on them to interconnect their wind generators to Midland's system. A hearing was held on November 23 and 24. The docket is pending.

FCU-99-4 Elizabeth Bates v. GTE Midwest Incorporated

On June 25 Ms. Bates filed an informal complaint alleging GTE had omitted her name and telephone number from the directory. GTE responded that the information would be included in future directories. On July 27 Ms. Bates requested a formal proceeding because she was

concerned that customers would incur a charge when they called directory assistance to obtain her number. On October 1 the Board issued an order granting the proceeding and ordered GTE to furnish the Bates' phone number at no charge to all persons who request it until the next directory was issued. On October 14 GTE responded saying that was technically not feasible, but, in the alternative, offered to credit the Bates' account for one-half of the basic rate for service for the period the directory was in error. In an order on December 9 the Board found that a reasonable alternative.



FCU-99-5 McLeodUSA Telecommunications Service, Inc. v. U S West Communications, Inc.

On November 23 McLeod filed a complaint alleging U S West engaged in prohibited and anti-competitive acts and violated their interconnection agreement when U S West gave preferential treatment to its own retail division and provided service directly to a retail customer before the projected installation date conveyed to McLeod. McLeod sought an order requiring U S West to relinquish the Polar Ice contract to McLeod, prohibiting U S West from engaging in similar conduct in the future, and imposing civil penalties. The docket is pending.

FCU-99-6 Richard and Geneva Helm and Tim and Vicki McCart v. U S West Communications, Inc.

On November 30, 1998, the Helms filed a complaint with the Board regarding a delay in installation of service at their new house in Van Meter. On December 22, 1998, the Helms updated their complaint because U S West was requesting \$5,434.93 from the Helms and their neighbors, the McCart, to cover the cost of laying 3,441 feet of cable to provide telephone service to their new houses. U S West, on January 15, 1999, responded that when the company extends its facilities to furnish telephone service, the company will provide an allowance of one-half route-mile of standard construction without charge. In response to Board staff questions, U S West responded on March 12, 1999, that the half-mile allowance in the tariff does not mean that each customer gets an additional half-mile. On March 19 Consumer Advocate requested issuance of a proposed resolution finding that each customer was entitled to a half-mile construction allowance. Board staff agreed with the Consumer Advocate in a letter to U S West on April 14. On June 17 U S West responded by re-stating its original position that the Helms and the McCart should be required to pay \$2,717 each for construction in excess of one-half mile. On June 17 Board staff issued a proposed resolution believing that U S West was crediting the customers with a full mile of construction allowance. On July 22 U S West responded that it had not changed its original position. On October 7 the McCart also filed a complaint with the Board. On December 1 Consumer Advocate filed a letter in both complaint files. On December 19 the Board issued an order treating Consumer Advocate's letter as a request for formal complaint proceedings and combined the two informal complaint dockets. The case is pending.

Generating Certificates

Chapter 476A of the Iowa Code requires that an entity planning to construct a generating facility in excess of 100 megawatts (MW) must receive a certificate of public convenience, use, and necessity to begin construction. These proceedings are called GCUs.

GCU-98-1 Archer-Daniels-Midland Company

On August 17, 1998, ADM filed an application to expand its existing Cedar Rapids cogeneration plant from 150 to 230 MW. On August 26 ADM filed a request to waive the informational meeting required by Board rules. The waiver was granted because ADM would not be acquiring new land or easements to construct the proposed addition. The Board issued an order on September 30 identifying deficiencies in ADM's

application and requiring information within 30 days. ADM supplied the additional information on November 17. The Board reviewed ADM's filings and found them to be in compliance with its filing requirements. A procedural schedule was set on June 25. A hearing was held in Cedar Rapids on August 9. On September 3, 1999, an order was issued granting the amendment to ADM's certificate subject to final air quality permits by the Department of Natural Resources.



Investigations

Utility investigations (INUs) are general proceedings to explore issues that may affect a number of utilities.

INU-91-1 GTE North Incorporated - Iowa Investment Plans

When the Board approved a settlement agreement in Docket No. RPU-90-4 on February 20, 1991, it stated its intention to investigate the Iowa modernization plans of GTE North. On May 17 the Board initiated an investigation into GTE's modernization plans and required certain information within 30 days. On August 16 GTE filed a comprehensive plan and replacement schedule for its remaining electromechanical switching offices in Iowa with digital technology. In an August 19 order, the Board expanded the docket to include an investigation of the modernization plans of GTE's affiliates, Contel of Iowa, Inc. and Contel Systems of Iowa. On June 22, 1992, the Board required GTE to file annual construction budgets for conversion of central offices to digital, for implementation of touch call services, and for elimination of 4-party service. GTE has been filing the required reports since that time. GTE completed implementation of touch call service and the elimination of 4-party service in 1994. On January 12, 1999, GTE reported it had completed the conversion of 2-party service. Finally, on March 19, 1999, GTE submitted its annual budget report, stating it had completed the conversion to digital switching from analog switching for all of its Iowa exchanges. Based upon these reports, the docket was terminated on April 23.

INU-99-1 Payphone Services

On March 22 and 25 Pay Phones Concepts, Inc. filed two complaints with the Board. The first was directed at the cost of the business lines that payphone services providers (PSPs) order from local exchange service providers. The second was that, as a result of the lack of required sig-

naling, a PSP cannot always make a correct determination of the billable nature of the call. On April 23 the Board initiated an investigation to receive comment from local exchange carriers and other interested persons. Additional time was given to both the complainant and the LECs to respond. On July 30 the Board terminated the docket concluding that, based upon the complaint and the responses, there did not appear to be any industry-wide problem for the Board to review in this docket.



INU-99-2 U S West Communications, Inc.

On May 5 U S West filed a petition asking the Board to determine that the provision of custom calling features and premium directory listings are subject to effective competition and should be deregulated by the Board. The petition was dismissed on July 5 because of U S West's failure to comply with the Board's filing rules applicable to such petitions. First, U S West failed to identify the specific service or facility which it was asking the Board to consider. Second, U S West did not identify all persons or parties who are actual or potential competitive providers of the service or facility.

INU-99-3 U S West Communications, Inc.

On May 25 U S West petitioned for a determination that certain portions of U S West's existing local exchange service area had become subject to effective competition and should be deregulated. If these so-called competitive zones are

deregulated, U S West requested a waiver of the Board rules requiring the filing of an accounting plan and also requested expedited consideration. U S West asked the Board to find the areas where South Slope Cooperative Telephone Company received modifications of its certificate to permit it to offer competitive telecommunications services in parts of U S West's Iowa City and Cedar Rapids exchanges to be deregulated as competitive zones. Consumer Advocate, AT&T, and MCI filed responses citing an alleged lack of statutory authority to deregulate on a geographic basis. MCI and AT&T also argued that a single competitor is insufficient to justify deregulation of any of U S West's services. The petition was docketed for notice and comment on July 23. A hearing was held on October 12. The docket is pending.



Negotiated Interconnection Agreements
Section 252(b) of the Telecommunications Act of 1996 gives the Board the authority to approve the rates, terms, and conditions of negotiated interconnection agreements (NIAs) between competitors and incumbent local exchange providers. The agreement is docketed and written comments from interested parties must be filed within 30 days. The statutory standard to be applied in Board review is: (1) whether the agreement discriminates against a telecommunications carrier not a party to the agreement or (2) whether the implementation of the agreement or a portion is not consistent with the public interest, convenience, or necessity.

Docket	Incumbent	Competitor	Filed	Approved
NIA-97-19	U S West	Aliant Midwest (Revised)	01/22/99	03/04/99
NIA-98-28	GTE	Farmer's & Businessmen's Telephone Company (Revised)	02/08/99	03/22/99
NIA-98-39	U S West	JATO Communications	11/23/98	01/15/99
NIA-98-40	GTE	Nextel West Corp.	11/23/98	01/15/99
NIA-99-1	U S West	Topp Comm	01/11/99	03/12/99
NIA-99-2	GTE	South Slope Cooperative Telephone Company	01/15/99	02/22/99
NIA-99-3	U S West	CCCIA (Connect!)	01/21/99	03/01/99
NIA-99-4	U S West	Teligent	02/15/99	03/22/99
NIA-99-5	U S West	DIECA Communications (Covad Communications)	02/15/99	03/22/99
NIA-99-6	U S West	Great Lakes of Iowa (CellularOne)	01/25/99	03/19/99
NIA-99-7	GTE	Great Lakes of Iowa	03/01/99	04/08/99
NIA-99-8	Heartland	City of Hawarden (First Amendment)	04/02/99	05/07/99
NIA-99-9	U S West	Compass Telecommunications	06/03/99	07/16/99
NIA-99-10	U S West	Direct Tel USA	06/03/99	07/16/99
NIA-99-11	U S West	Computer Business Sciences	06/06/99	07/16/99
NIA-99-12	GTE	Topp Comm	07/20/99	09/09/99

Docket	Incumbent	Competitor	Filed	Approved
NIA-99-13	GTE	LTDS Corporation	08/12/99	09/22/99
NIA-99-14	U S West	DSLnet Communications	08/16/99	09/22/99
NIA-99-15	U S West	LTDS Corporation	09/01/99	10/19/99
NIA-99-16	GTE	Vast-Tel Communications	09/03/99	10/19/99
NIA-99-17	GTE	CommChoice of Iowa	09/14/99	11/08/99
NIA-99-18	GTE	Manning Municipal Comm. & Television System Utility	09/14/99	11/08/99
NIA-99-19	GTE	Louisa Communications	09/14/99	11/08/99
NIA-99-20	Frontier	CommChoice of Iowa	09/15/99	11/08/99
NIA-99-21	U S West	Midwest Wireless and Switch 2000	09/15/99	11/19/99
NIA-99-22	U S West	Cox Iowa Telecom	09/15/99	11/08/99
NIA-99-23	GTE	NOW Communications	09/29/99	11/19/99
NIA-99-24	GTE	Goldfield Access Network	10/05/99	12/06/99
NIA-99-25	U S West	New Edge Networks	10/05/99	12/16/99
NIA-99-26	GTE	Comm South Companies	10/22/99	12/09/99
NIA-99-27	U S West	AirTouch Paging	10/26/99	Pending
NIA-99-28	U S West	Rhythms Links	10/29/99	12/09/99
NIA-99-29	GTE	Houlton Enterprises (EZ Phone Connections)	11/01/99	12/16/99
NIA-99-30	GTE	Choctaw Communications (Smoke Signal Comm)	11/12/99	12/21/99
NIA-99-31	Frontier	Crystal Communications	11/29/99	Pending
NIA-99-32	U S West	Pathnet	12/02/99	Pending
NIA-99-33	GTE	Midwest Wireless Communications	12/01/99	Pending
NIA-99-34	GTE	Crystal Communications	12/23/99	Pending
NIA-99-35 (AIA-96-2)	U S West	MCIMetro Access Transmission Services	12/14/99	Pending

NOI

Notices of Inquiry

Notices of inquiry (NOIs) are informal proceedings to educate the participants on a particular issue or set of issues. An inquiry is commenced by the Board and a set of issues or questions is developed for consideration. The issues outlined in the notice are not intended to be exclusive but form the framework for the inquiry. The inquiry is not directed at an individual utility or group of utilities but at any group, business, industry, or person who may be interested in the issue. The process is not intended to produce any specific kind of action, but may result in a subsequent formal proceeding such as a rule making or contested case. No record is made and no testimony is compelled.

NOI-95-1 Emerging Competition in the Electric Utility Industry

On February 24, 1995, the Board commenced this inquiry. A round table meeting was held on April 7 with representatives of investor-owned, municipal and rural electric utilities, industrial customers, renewable energy producers, citizen groups, and others. A report summarizing these discussions was issued on October 12. The report indicated there was no consensus among participants as to whether full retail competition would benefit Iowa's electric consumers. A second round table meeting was held December 13 and 14 to discuss the findings contained in the staff report. The Board appointed an advisory group in February 1996 comprised of 27 members who represented industry, consumer, environment, labor, and other stakeholder groups. Principles were adopted on May 14 with the caveat that federal actions or additional information may affect them.

In the fall of 1996 nine town meetings were held around the state. Presentations were made by Board staff, investor-owned, REC and municipal utilities, and Consumer Advocate. On February 10, 1997, the Board issued an order

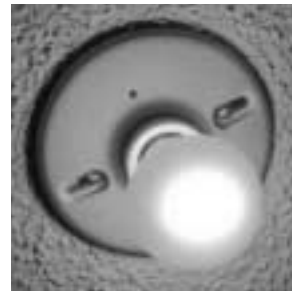
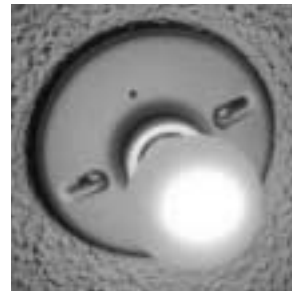
accepting a staff report which concluded, "A review of the comments from the Advisory Group members demonstrates there is no consensus at this time as to whether full retail competition would benefit Iowa's electric consumers."

An informal agreement was reached on October 9, 1997, with the Iowa Center for Global and Regional Environmental Research to assist the Board in assessing the change in emission levels resulting from restructuring. On December 17, 1997, the Iowa Energy Center distributed a request for proposal to conduct a state survey on energy issues including customer knowledge and viewpoints of restructuring, sources of customer energy information, and education needs of the customer in a competitive retail electric market.

On August 18, 1997, the Board issued an order promulgating draft independent system operator principles. On July 27, 1998, the Board issued a statement of independent system operator (ISO) principles intended as a guide for Iowa's utilities as they pursue any ISO discussions. The statement did not mandate participation in an ISO.

On September 10, 1997, the Board issued an order adopting an action plan. Internal staff teams were formed to recommend action in the following areas: customer assessment and information, pilot project/market structure, reliability, transition costs/benefits, and public benefits. Staff prepared in-depth reports on these topics and, in 1998, forwarded the draft reports to the Advisory Group for comment. Changes were made to most of the reports following receipt of comments. During the fall of 1998, staff's draft reports were submitted to the Board. On March 31, 1999, the Board accepted five of the reports. Further revision was needed on the transition costs/benefits report and the environmental impact report. Throughout 1999 the Board staff, in collaboration with the Consumer Advocate and the investor-owned utilities, worked on a new modeling approach using more sophisticated resources. The goal of the collaborative effort was to estimate a future market price for generation in a restructured environment.

The investigation of electric restructuring in Iowa continued through the rest of 1999. The docket is still open.



NOI-98-2 Year 2000 Readiness among Iowa Utility Companies

On September 29, 1998, the Board initiated an inquiry to assess the impact of Year 2000 on public safety and quality of service and to make utilities in Iowa aware of the potential problem. An initial meeting was held on October 27. In November the Board formed the Y2K Taskforce to expand outreach efforts to all utility providers in Iowa. Throughout 1999 these efforts included surveys, round table meetings, and monthly newsletters. As a result of massive industry effort, critical utility date-sensitive systems successfully accepted and processed 2000 dates. The docket is still open pending passage of the final critical date of February 28-29, 2000.

NOI-98-3 Small Volume Gas Transportation

On October 27, 1997, the Board adopted rules offering utilities the option of filing tariffs or specific plans for reducing existing barriers to the competitive market for small volume customers. During 1998 all of the utilities filed plans. IES Utilities and Interstate Power Company filed a request to establish workshops with the goal of developing common end-states for some issues resulting from removing barriers for small volume customers in the competitive market. On December 28 the Board initiated an inquiry to serve as the framework for the workshops. Five workshops were held between January 26 and

April 13, 1999. One of the products of the workshops was a matrix of the discussion issues related to removing barriers to the competitive market. The participants in the workshops were able to reach consensus on the concepts of the regulation of the delivery of gas service, the obligation to deliver gas, and the need for customer education. The parties, however, could not reach agreement on how to proceed. On May 7 the Board issued an order asking the participants to file written comments concerning their views of how the small volume gas process should move forward. The docket is pending.

NOI-99-1 Universal Service Fund

On March 5 the Board initiated an inquiry to consider the drafting of administrative rules to preserve and advance universal service in an increasingly competitive environment. In particular this rule making was to examine whether an intrastate universal service high-cost fund is necessary and, if so, to consider appropriate policies to implement and govern such a fund. As part of the order, comments were solicited in five major subject areas. A workshop was held on June 8 and 9. The first report was distributed to participants on August 6. A second workshop was held on October 27. The docket is pending.



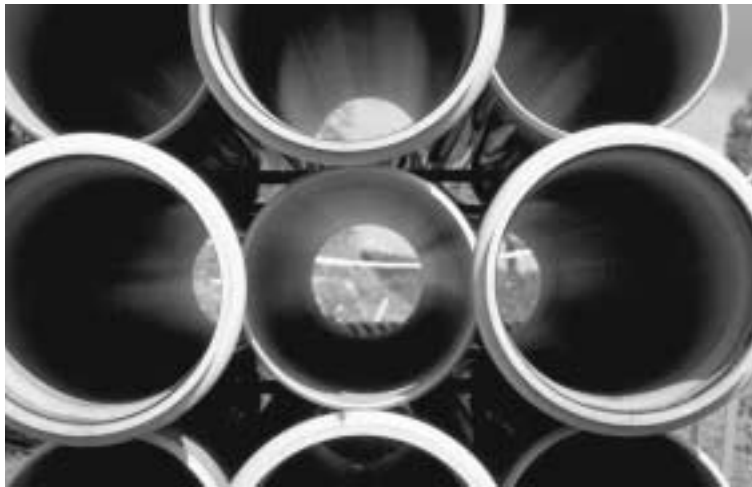
Pipelines

Hazardous Liquid Pipelines

Iowa Code ch. 479B, which was enacted by the 1995 legislature, grants the Board authority over hazardous liquid pipelines and storage facilities in the state. A hazardous liquid is defined as crude oil, refined petroleum products, liquefied petroleum gases, anhydrous ammonia, liquid fertilizers, liquefied carbon dioxide, alcohols, and coal slurries.

HLP-96-0020 and HLP-96-0021 Kaneb Pipe Line Operating Partnership and Amoco Oil Company

On December 21, 1998, Amoco and Kaneb requested approval of the sale and transfer of two hazardous liquid pipeline permits. HLP-96-0020 is the Council Bluffs to Sioux City Lateral and HLP-96-0021 is the Sioux City Terminal Lateral. As of December 30, 1998, Amoco transferred to Kaneb the two permits. The Board approved the transfer on February 4, 1999.



HLP-98-0006

Heartland Pipeline Company

On September 24, 1998, Heartland requested a permit to construct, operate, and maintain a pipeline in Mills and Pottawattamie Counties. The pipeline was for the transportation of refined products. One objection to Heartland's petition was received. Heartland was granted a

permit on January 29, 1999, and vested with eminent domain over nine parcels of land. On February 11 Earl and Kenneth Kizzier, owners of land over which Heartland was seeking to obtain an easement, filed a notice of appeal.

The Kizziers filed a withdrawal of appeal on March 5. The permit was issued on March 19 and will be effective until March 19, 2024.

HLP-98-0010 Kinder Morgan Operating L.P. "A"

On August 5, 1998, Kinder Morgan requested a permit to operate and maintain an

existing 126 miles of pipeline in Fremont, Mills, Montgomery, Pottawattamie, Cass, Adair, Madison, Warren, Polk, Jasper, Poweshiek, Iowa, Johnson, Cedar, and Scott Counties. The pipeline transports liquid hydrocarbons. The permit was issued on October 25, 1999, and will be effective until October 25, 2024.

Pipelines

Natural Gas Pipelines

Docket	Company	Filed	Granted	Permit
P-561	MidAmerican	06/22/98	02/01/99	Amend existing permit to increase maximum allowable operating pressure in pipeline in Lee County (Donnellson Lateral)
P-737	MidAmerican	06/18/98	03/18/99	Renew permit for natural gas pipeline in Johnson County (Coralville Lateral)
P-772	MidAmerican	06/22/98	04/05/99	Amend existing permit to increase maximum allowable operating pressure in pipeline in Lee County (West Point Lateral)
P-839	Wall Lake	07/28/98	01/04/99	Permit to construct a natural gas pipeline in Sac County (Wall Lake Lateral)
P-840	IES Utilities	04/28/99	07/28/99	Permit to construct a natural gas pipeline in Cass County (Atlantic Lateral)



Rate Proceedings

Rate setting is a key function of the Iowa Utilities Board. By law, the Board must assure that customers receive adequate service at a reasonable price. The Board must also allow sufficient income for the utilities to maintain reliable service and assure sufficient earnings for its stockholders. The jurisdiction of rate setting extends only to certain larger utilities within Iowa. Municipal utilities and rural electric cooperatives (except those which choose rate regulation) are subject to Board review of their service only.

Rate proceedings are designed to uphold the previously mentioned obligations when the Board investigates a company's rate increase proposal. Such proceedings usually last about ten months. During this time, local consumer comment hearings permit customer feedback. Technical hearings, similar to courtroom hearings, also take place. Testimony is presented and expert witnesses are cross-examined by the company, the Consumer Advocate Division of the Department of Justice, and intervenors. At the conclusion, the Board may approve the company's request in full, approve some of it, or disallow any increase at all.

RPU-90-7 IES Utilities Inc.

On April 30, 1991, the Board allowed IES to recover an amount for the cost of the environmental remediation of former manufactured gas plant sites. IES indicated it had 101 general comprehensive insurance policies under which it planned to pursue recovery. On October 16, 1998, the Board issued an order requiring IES to file a report which showed all insurance recoveries, amounts recovered through rates, amounts expended on clean-up efforts, and amounts projected to be spent on remediation in the future. This was to allow the Board to review a complete record of IES's recovery and expenditures

and make a determination as to whether it was appropriate to return any amounts to ratepayers. IES filed a report on December 8, 1998. On February 17, 1999, the Board directed IES to file, by March 31, a summary detailing the accelerated clean-up program and associated expenditures. On June 28 a meeting was held to discuss procedural options. The docket is pending.

RPU-94-3 MidAmerican Energy Company

On January 12 MidAmerican filed a request to continue the Incentive Gas Supply Procurement Plan (IGSPP) through April 30, 2000. The

IGSPP, a pilot program approved by the Board in Docket No. RPU-94-3, ended on October 31, 1998. The program provided that MidAmerican may earn a reward or be penalized based on its actual gas costs compared to a benchmark, or reference cost. In the plan, the reference cost was calculated by adding all the index costs of procuring gas and then the reference cost was compared to the total actual cost of procuring gas. On January 22 Consumer Advocate filed an objection to the request. The Board docketed the case on March 28. On April 27 the parties filed a proposed settlement agreement to continue the IGSPP through October 2000 and to agree to changes to the pipeline capacity component and the supply component of the gas procurement comparisons. The Board approved the settlement on May 28.

RPU-96-8 MidAmerican Energy Company (See APP-96-1)

RPU-98-1 U S West Communications, Inc.
On December 12, 1997, U S West filed a tariff (TF-97-398) to implement an offering to U S West residential customers who had switched local carriers. The tariff, identified as the "Win Back Program," provided waivers to customers returning to U S West of certain charges up to \$100. The tariff was docketed on January 9, 1998. It was rejected on July 8 because it did not comply with the resale obligations imposed on incumbent local exchange carriers by the Telecommunications Act of 1996. An appeal was taken, and on January 14, 1999, the Board vacated the proposed decision and order and assigned the proceeding back to the administrative law judge for an evidentiary hearing. On March 3, at the request of the parties, the Board continued the hearing and vacated the assignment to the ALJ. On April 19 the parties filed a

stipulation and agreement. The parties agreed that a reseller of U S West's services would receive from U S West any combination of waivers available under the Win Back program, up to the \$100 maximum, that the reseller offered to a customer returning to the reseller from U S West. The Board approved the stipulation and tariff on April 23.

RPU-98-5 MidAmerican Energy Company

On October 27 MidAmerican filed a request for a general rate increase in temporary and final gas rates. The temporary increase would produce additional revenue of approximately \$16,270,053 and a permanent increase of \$18,494,128. The tariffs were docketed on November 25. On January 22 the Board allowed a temporary increase of \$6,681,323. On March 22 the parties filed a unanimous proposed settlement agreement. The Board approved the settlement agreement, which provided for a permanent increase of \$13,904,000, on April 23. MidAmerican's tariffs were approved on May 27.

RPU-99-1 U S West Communications, Inc.

On March 11 U S West filed a compliance tariff (TF-99-78) that proposed certain charges and rates to become effective upon implementation of intraLATA toll dialing parity. On April 9 the Board rejected parts of U S West's tariff, docketed parts, and permitted the remainder to become effective. A proposed settlement was filed on October 26, which the Board approved on November 30. The parties agreed to a specific cost recovery mechanism, subject to an annual true-up using specified factors.

RPU-99-2 Void Docket Number

RPU-99-3 AT&T Communications of the Midwest, Inc.

On May 28 AT&T filed a proposed access and network interconnection services tariff. On June 11 U S West filed objections to the proposed tariff and asked that it be suspended, a contested case proceeding be initiated, and that AT&T be required to file cost studies and modify its tariff to match existing interconnection agreements. On June 25 the Board docketed the proposed tariff for further investigation. The case is pending.

RPU-99-4 Frontier Communications of Iowa, Inc.

The Board initiated this proceeding on December 29 to review Frontier's operation under its price regulation plan as required by Iowa Code § 476.97(9). A hearing was scheduled for April 12, 2000. The docket is pending.



Refunds

A refund proceeding (RFU) is initiated by the Board when a refund involving a utility requires special analysis.

RFU-99-1 (RPU-96-2) U S West Communications, Inc.

On April 16 the Board approved a settlement agreement filed by U S West and Consumer Advocate for single line "Integrated Services Digital Network" (ISDN) services. On April 30 U S West filed a proposed plan for making refunds to customers who purchased single line ISDN service under interim rates, which were higher than the rates ultimately approved by the Board. The plan was rejected by the Board on May 28 and U S West was directed to file a revised refund plan. U S West filed a revised plan on June 7 along with a request for rehearing. On July 7 the Board granted the rehearing and approved the revised refund. U S West was allowed to use bill credits whenever the customer's total refund was less than the customer's prior monthly local service billing and to make direct payments to customers whose total refund exceeded their prior month's local service bill.

RFU-99-2 MidAmerican Energy Company

On April 28 MidAmerican filed a refund plan for the fourth refund relating to overcharges of ad valorem taxes in Kansas. Because this refund was an issue in a FERC proceeding, MidAmerican proposed to deposit the refund in a special account accruing interest at the 90-day commercial paper rate. The plan was approved by letter from the executive secretary on June 2. The docket is pending.

RFU-99-3 IES Utilities

On May 13 IES filed a refund plan for the fourth refund relating to overcharges of ad valorem taxes in Kansas. Because this refund was an issue in a FERC proceeding, IES proposed to deposit the refund in a special account accruing interest at the 90-day commercial paper rate. The plan was approved by letter from the executive secretary on June 9. The docket is pending.

RFU-99-4 Peoples Natural Gas Company

On May 13 Peoples filed a refund plan for the fourth refund relating to overcharges of ad valorem taxes in Kansas. Because this refund was an issue in a FERC proceeding, Peoples proposed to deposit the refund in a special account accruing interest at the 90-day commercial paper rate. The plan was approved by letter from the executive secretary on June 9. The docket is pending.

RFU-99-5 Interstate Power Company

On May 14 Interstate filed a refund plan for the fourth refund relating to overcharges of ad valorem taxes in Kansas. Because this refund was an issue in a FERC proceeding, Interstate proposed to deposit the refund in a special account accruing interest at the 90-day commercial paper rate. The plan was approved by letter from the executive secretary on June 10. The docket is pending.



RFU-99-6 and RFU-99-7 Interstate Power Company

On June 14 Interstate filed an application to modify its approved energy efficiency plan and budget (EEP-94-40). At the same time, Interstate filed tariffs to implement the collection of a lesser amount to correspond with its proposed program reductions. The Board issued an order on August 13 docketing the application and directing Interstate to file proposed refund plans to immediately implement a refund to customers of amounts overcollected for the recovery period of October 1998 through July 1999. On July 30 Interstate filed a plan to refund \$896,250 to its gas customers (RFU-99-6) and a plan to refund \$2,022,759 to its electric customers (RFU-99-7). The Board approved the plans on September 15.

RFU-99-8 GTE Midwest Incorporated

On May 20, 1996, GTE filed a proposed schedule for implementing dialing parity in its intraLATA dialing system. The proposal included a cost recovery tariff (TF-96-209) which was approved and became effective on July 16, 1997. Through the tariff GTE recovered the cost of implementing intraLATA dialing parity through a charge assessed to each originating intrastate access minute of use. The charge was based upon an estimate of the total cost of implementing intraLATA dialing parity and was to be collected only for a sufficient time period to permit recovery of the actual cost of implementing intraLATA dialing parity. The estimated charge was subject to a true-up after the actual costs were determined to correct any over or undercollection that might occur. On October 12, 1998, GTE notified the Board that it had completed the conversion. The dialing parity charge was terminated on April 30, 1999, and the collections exceeded the implementation by \$28,568. On August 20 GTE filed a refund plan that would refund the overcollection to the interexchange carriers that paid the charge based on each carrier's minutes of usage. The plan was approved on October 5.

RFU-99-9 MidAmerican Energy Company

On October 1 MidAmerican filed its annual reconciliation of gas costs and a refund plan for a monies received from Northern Natural Gas Company on September 1, 1999. The portion of the refund applicable to Iowa was \$1,696,943. On November 1 the Board approved the plan and also granted a waiver to include this amount in the annual reconciliation filing which ended on August 31.

RFU-99-10 Peoples Natural Gas Company

On October 12 Peoples filed a refund plan for a monies received from Northern Natural Gas Company for the period from December 1, 1998, to June 30, 1999. The refund was based on a rate case settlement approved by FERC. On October 25 Peoples requested a waiver to allow it until April 15, 2000, to refund the amounts because of a billing system conversion. The waiver was granted on December 7. The docket is pending.



Rule Makings

The Iowa Utilities Board publishes administrative rules that specify the rules under which utilities must operate and the procedures by which citizens and utilities may amend those rules. To change the rules, certain procedures for public notice and comment are specified by law. These proposed changes are called rule makings (RMUs).

RMU-99-1 U S West Communications, Inc.

On January 21 U S West asked the Board to initiate an emergency rule making to adopt rules against unauthorized changes in preferred telecommunications service providers. U S West asked the Board to adopt and implement, on an emergency basis, the same anti-slammng rules that the Federal Communications Commission (FCC) was in the process of adopting. U S West also asked for a separate docket to develop additional long-term verification procedures. Finally it asked the Board to authorize local exchange carriers to refuse to process preferred interexchange carrier (PIC) changes that failed to utilize the FCC's separate verification procedure. On March 1 the Board denied U S West's peti-

tion because the Board's jurisdiction to enforce the rules that U S West proposed was limited. U S West's proposal that it should be permitted to refuse to process certain PIC changes also appeared to be in violation of the FCC's adopted, but not yet effective, rules.

RMU-99-2 Uniform Rules on Agency Procedure

The Iowa Administrative Procedures Act, amended in 1998, became effective July 1, 1999. The changes affected many aspects of administrative procedure in Iowa, including but not limited to declaratory orders, rule makings, and contested cases. On February 4 the Board initiated a rule making inquiry in which public com-

ment was invited on certain proposed amendments by the Iowa Attorney General's Office. As a result of the comments received, on April 23 the Board commenced a rule making to consider adoption of the uniform rules regarding declaratory orders. On August 27 the Board adopted the rules.

RMU-99-3 Refunds and Back Billing

On March 26 a rule making was initiated to adopt a uniform time frame for refunds and back billings for electric, gas, water, and telephone utilities, while at the same time maintaining flexibility for the Board to fashion appropriate remedies in unusual circumstances. On November 29 the Board adopted the rules which included a five-year time frame for refunds and back billings. Back billing is limited to like charges for 12 months preceding discovery of the error unless otherwise ordered by the Board.

RMU-99-4 Electric and Pipeline Procedures

On April 30 the Board initiated a rule making to update the list of forms available for Iowa Code chapters 478 and 479 proceedings, update technical standards, and modify filing requirements for electric and pipeline proceedings. In addition, the Board proposed to amend subrule 25.2(1) regarding the National Electric Safety Code, Part 4. Part 4 consists of practical work rules for employees which are enforced by the Occupational Health and Safety Administration. Also the Board proposed to allow a substation entrance gate to be unlocked while authorized personnel are inside. This was in response to recent waiver requests regarding this issue. The rules were adopted on October 5.

RMU-99-5 Utilities Board Organization and Operation

On April 30 the Board adopted and filed rules on an emergency basis to set forth the present structure, duties, and internal procedures of the

Utilities Division. In addition, the amendments set forth the actual number of copies required for filings made with the Board. In doing so, the Board made a finding that notice and public participation were unnecessary because the amendments simply reflected the Board's current organization and operation.

RMU-99-6 Rule Making Procedures

On July 23 the Board commenced a rule making to receive comment on the adoption of revisions to the Board's existing rule making procedures. The Board proposed the revisions to reflect certain changes required by the 1998 amendments to the Iowa Administrative Procedures Act. The rules were adopted on November 23.

RMU-99-7 Unauthorized Changes in Telecommunications Service

On July 23 the Board initiated a rule making to receive public comment on the adoption of rules relating to changes in telephone services that are not authorized by the affected customer. On the same day the Board issued an order that adopted many of the same proposed rules on an emergency basis. Legislation passed during the 1999 session gave the Board authorization in this area. The docket is pending.

RMU-99-8 Unauthorized Changes in Telecommunications Service (Emergency Rules)

On July 23 the Board adopted procedural rules without notice for complaints alleging changes in telephone services that are not authorized by the affected customer. On the same date, the Board also proposed to adopt rules through a regular notice and comment proceeding. Legislation passed in 1999 gave the Board authority to adopt rules prohibiting unauthorized changes and to hear and decide complaints.



RMU-99-9 Payment Agreements

On September 17 a rule making was initiated to receive public comment on the adoption of revisions to the Board's rules which required a signed written agreement in order for a payment agreement between a utility and a customer to be recognized as a valid agreement. The Board proposed to amend the rules to allow the customer and the utility to enter into an oral payment agreement. The customer would be provided a written document within three days. The docket is pending.

RMU-99-10 Restoration of Agricultural Lands During and After Pipeline Construction

On September 15 the Board initiated a rule making to implement the changes adopted during the 1999 legislative session that gave the Board authority to establish standards for the restoration of agricultural lands during and after pipeline construction. The legislation also affirmed the county boards of supervisors' authority to inspect projects and gave the county boards the authority to file a complaint with the Board in order to seek civil penalties for non-

compliance with various requirements. Petitioners for pipeline construction were also required to file a written land restoration plan and to provide copies to all landowners. On November 24 the Board scheduled an additional opportunity for public comment. The docket is pending.

RMU-99-11 Natural Gas Supply and Cost Review

Current rules require the Board to conduct an annual proceeding and require each utility to file a 12-month plan and a 5-year natural gas procurement plan by November 1 of each year. Legislation passed during the 1999 session allowed the Board discretion in determining the appropriate interval between reviews of a rate-regulated utility's natural gas procurement and contracting practices. The amendment also removed specific review criteria and stated the utilities must file information as the Board deems appropriate. On October 5 the Board initiated a rule making which would change the annual reviews to periodic reviews. The docket is pending.

Service Proceedings

A change to the boundaries established for electric utilities is completed through a service proceeding (SPU), as are other matters of utility service which require Board approval.

SPU-98-8 CalEnergy Company Inc., MidAmerican Energy Holdings Company, and MidAmerican Energy Company

On September 21, 1998, the applicants filed a proposal for reorganization in which CalEnergy would purchase all of the stock of MidAmerican Energy Holdings Company, the parent of MidAmerican Energy Company. A hearing was held on December 8 and 9. On December 11, 1998, and February 4, 1999, the Board issued orders extending, for good cause, the 90-day deadline through March 19, 1999. On February 17 the Board issued an order which required the applicants to file within seven days, a response indicating whether the Board's understandings of the commitments made by the applicants with respect to its reorganization filing were correct, and if not, to specifically state which aspects were incorrect. The applicants filed their response on February 19. On March 3 the Board asked for further clarification with respect to the maintenance of MidAmerican's common equity ratio range. The applicants filed their response on March 4 and requested a hearing, which was held on March 5. On March 11 the Board terminated the docket and did not disapprove the reorganization.

SPU-98-9 Bell Atlantic Corporation and GTE Corporation

On October 2, 1998, GTE and Bell Atlantic filed a joint proposal and application for reorganization. The reorganization would be a merger of two parent corporations with the exchange of

voting common stock which would result in GTE becoming a wholly-owned subsidiary of Bell Atlantic. On November 20 an order was issued requesting information, setting a hearing date, and extending the decision deadline until March 31, 1999. A hearing was held on January 12, 1999. On March 30 the Board did not disapprove the reorganization and terminated the docket.

SPU-98-10 (DRU-99-4) AT&T Communications of the Midwest, Inc. and Sprint Communications Company, LP

On October 15, 1998, the Board issued an order initiating a proceeding to determine whether U S West should be required to provide intraLATA toll dialing parity on and after February 9, 1999, pursuant to the Telecommunications Act of 1996. Comments were filed in the docket, however, the parties did not request a hearing. On November 30 an order was issued requiring U S West to provide intraLATA toll dialing parity in Iowa on and after February 9, 1999. U S West was also directed to file an implementation plan on or before December 10. On December 2 U S West filed an emergency motion requesting the Board to reconsider its order on an expedited basis. The Board denied the emergency motion on December 4. U S West filed its plan to implement dialing parity on December 10. On February 16, 1999, the Board approved the plan with modifications. On March 4 MCI Worldcom, MCI Telecommunications, and AT&T filed for rehearing. Since the request

restated policy arguments rejected by the Board, the application was denied on March 30. On April 30 AT&T and Sprint filed a petition for a declaratory ruling concerning the Board's February 16 order. (See DRU-99-4.)

SPU-98-12 MidAmerican Energy Company

On November 12, 1998, MidAmerican filed a petition for a Board order recommending delineation of local distribution facilities subject to the Board's state jurisdiction and transmission facilities subject to the jurisdiction of the Federal Energy Regulatory Commission. On December 4 Consumer Advocate filed a motion to dismiss MidAmerican's petition without prejudice, which was denied on January 14, 1999. A hearing was held on March 1. On April 30 the Board recommended to FERC the delineation of transmission and local distribution facilities filed by MidAmerican.

SPU-98-13 Midland Power Cooperative and Story City Municipal Electric Utility

On December 30, 1998, Midland and Story City filed a joint petition for modification of their service area boundaries. The petition was granted on February 4, 1999.

SPU-99-1 U S West Communications, Inc.

On January 25 U S West filed a notice of its intent to discontinue providing intraLATA toll service as the designated carrier for 11 inde-

pendent telephone carriers serving 26 Iowa exchanges. U S West proposed to discontinue service at such time as end users in each individual exchange had a choice of other intraLATA toll service providers on a 1+ equal access basis. The Board approved the request on February 17.

SPU-99-2 IES Utilities Inc. and Southern Iowa Rural Electric Cooperative, Inc.

On February 3 IES and Southern Iowa filed a joint petition for modification of their service area boundaries. The Board granted the petition on March 12.

SPU-99-3 Minburn Telephone Company and Frontier Communications - Schuyler, Inc.

On February 3 Minburn and Schuyler filed for discontinuance of service. The parties stated they had entered into an asset purchase agreement as of December 24, 1998, at which time Minburn acquired the assets of Schuyler to provide

local exchange service in the Woodward exchange. The applicants asked to have the certificate presently issued to Schuyler transferred to Minburn. The Board granted the request on March 12. On April 2 the applicants filed a "Motion to Revise Order," asking the Board to issue the certificate to Minburn Telecommunications, Inc., a wholly-owned subsidiary of Minburn. The motion was granted on April 23.



SPU-99-4 Lynnville Community Telephone Company and Lynnville Telephone Company

On March 5 the parties filed a joint application stating they desired to merge Community, an existing local exchange carrier, into LTC, which was incorporated on January 4, 1999. The merger would result in the discontinuance of service by Community and continuation of the existing service by LTC. The application was approved on April 5.

SPU-99-5 Heartland Telecommunications Company of Iowa, Inc.

On April 20 Heartland filed a plan for implementing intraLATA dialing parity. It generally proposed to allow customers to choose their intraLATA toll carrier in the same manner they already selected their preferred interLATA toll carrier. The Board approved the plan on June 18 subject to several modifications. Heartland accepted the modifications and the plan became effective on June 22.

SPU-99-6 South Central Communications, Inc.

On April 22 South Central filed a petition for approval of a plan for implementation of intraLATA dialing parity. South Central proposed to allow customers to choose their intraLATA carrier prior to the implementation of intraLATA dialing parity and to assign customers who did not make an affirmative choice to their existing interLATA carrier for intraLATA service. South Central proposed to recover the cost of implementation through a surcharge to the originating Carrier Common Line rate on all intrastate access minutes charges. The Board approved the plan on June 22 with a correction to the customer notice.

SPU-99-7 AT&T Communications of the Midwest, Inc.

On April 22 AT&T filed two plans for imple-

mentation of intraLATA dialing parity, one for AT&T Digital Link service and the other for AT&T Local Services, Inc., formerly known as Teleport Communications Group, Inc. The two plans were similar; AT&T and TCG proposed to allow customers to choose their intraLATA carrier from a randomly ordered list of carriers available in each customer's geographic area. The parties did not propose any mechanism to recover the cost of implementing dialing parity. The Board approved the plan on June 22.

SPU-99-8 Teligent, Inc.

On April 22 Teligent filed a plan for implementation of intraLATA dialing parity. It proposed to allow customers to choose their intraLATA carrier prior to the implementation. Customers who did not make an affirmative choice would be required to dial an access code to place intraLATA toll calls until the customer made a selection. Teligent did not propose a mechanism to recover the cost of implementation. The plan was approved on June 22.

SPU-99-9 Farmers & Merchants Mutual Telephone Co.

On April 22 the company filed a plan for implementation of intraLATA dialing parity. It proposed to allow customers to choose their intraLATA carrier prior to implementation and then to assign customers who did not make an affirmative choice to FarmTel Communications, a subsidiary. Farmers & Merchants did not propose a mechanism to recover the cost of implementation. The Board approved the plan on June 22.

SPU-99-10 Searsboro Telephone Co.

On April 22 Searsboro filed a plan for implementation of dialing parity. It proposed to allow customers to choose their intraLATA carrier prior to implementation and to assign customers who did not make an affirmative choice to Dontel Communications, a subsidiary.

Searsboro did not propose to recover the cost of implementation. The plan was approved on June 22.

SPU-99-11 CenturyTel of Chester, Inc.

On April 22 CenturyTel filed a request to suspend the dialing parity requirements because, as a rural telephone company, it serves less than 2 percent of the nation's installed telephone lines. Further, the switch it used to provide service to Iowa was incapable of offering dialing parity. A new switch was scheduled for installation by the end of the first quarter of 2000. CenturyTel expected to be able to offer dialing parity by the end of the second quarter of 2000. The Board suspended the requirements on May 6 with a deadline for filing a plan for implementation of dialing parity no later than June 30, 2000.

SPU-99-12 Royal Telephone Company

On April 22 Royal filed a plan for implementation of dialing parity. Royal proposed to allow customers to choose their intraLATA carrier prior to implementation and to assign customers who did not make an affirmative choice to a long distance subsidiary of Royal that was yet to be established. It did not propose any mechanism to recover the cost of implementation. The Board approved the plan on June 22.

SPU-99-13 Dunkerton Telephone Cooperative

On April 22 Dunkerton filed a plan for implementation of intraLATA dialing parity. It proposed to allow customers to choose their intraLATA carrier prior to implementation and to assign customers who did not make an affirmative choice to a long distance subsidiary yet to be established. Dunkerton did not propose a recovery mechanism. The plan was approved on June 22.

SPU-99-14 Superior Telephone Company

On April 22 Superior filed a plan for implementation of dialing parity. It proposed to allow customers to choose their intraLATA carrier prior to implementation and to assign customers who did not make an affirmative choice to a long distance subsidiary yet to be established. It did not propose a mechanism to recover costs. The plan was approved on June 22.

SPU-99-15 Farmers Mutual Telephone Company

On April 26 Farmers filed a plan for implementation of intraLATA dialing parity. It proposed to allow customers to choose their intraLATA carrier prior to the implementation of intraLATA dialing parity and to assign customers who did not make an affirmative choice to their current preferred interLATA carrier. Farmers did not propose a cost recovery mechanism. The plan was approved on June 22.

SPU-99-16 Global Crossing Ltd. and Frontier Corporation

On May 7 Global Crossing and Frontier filed a proposal to transfer control of Frontier's Iowa operating subsidiaries to Global Crossing. Global Crossing would become the holding company for Frontier, which would be a wholly-owned subsidiary. On May 26 Consumer Advocate filed a motion to dismiss because of a recent announcement of a proposed merger between Global Crossing and U S West. The Board dismissed the application on June 25. On July 15 the parties filed an application for rehearing citing the potential U S West transaction should be considered in a separate docket. On July 20 the applicants informed the Board that the merger agreement between Global Crossing and U S West had been cancelled. On July 30 the Board denied the applicants' request for rehearing and docketed the application as SPU-99-24.

SPU-99-17 Interstate Power Company and Maquoketa Valley Rural Electric Cooperative

On May 14 Interstate and Maquoketa filed for modification of their service area boundaries. The request was granted on June 25.

SPU-99-18 Void Docket Number

SPU-99-19 DSLnet Communications

On June 29 DSL filed a letter (M-3323) with the Board stating that although DSL is authorized by the Board to provide local exchange voice services, it currently offers only high-speed Internet and Intranet data connections. At such time it initiates voice services, it will implement toll-dialing parity.

SPU-99-20 Cox Iowa Telecom, L.L.C.

On June 22 Cox filed a plan for intraLATA dialing parity. Cox did not propose a cost recovery mechanism. The Board approved the plan on August 13.

SPU-99-21

MidAmerican Energy Company and City of Stanton, Iowa

On July 20 the parties filed a joint petition for certificate of authority and adjustment of service area. MidAmerican would transfer to Stanton a portion of its service territory in Montgomery County. The petition was granted on September 22.

SPU-99-22 Area Code 515 Relief Plan

On July 23 the North American Numbering Plan Administrator (NANPA) filed a recommendation, on behalf of the Iowa telephone industry, for area code number exhaustion relief for the 515 area code. The industry recommended the

Board adopt a new overlay area code on the entire 515 area code to provide additional central office codes. The Board docketed NANPA's petition on October 1 and set a procedural schedule which included public education and customer comment meetings. A hearing was held on December 14. The docket is pending.

SPU-99-23 Peoples Natural Gas Company

On July 26 Peoples filed to abandon natural gas service at five small volume farm taps located in Pottawattamie and Shelby Counties. The customers affected consented to the abandonment. The Board granted the application on October 7.

SPU-99-24 (SPU-99-16) Global Crossing Ltd. and Frontier Corporation

On July 30 the Board took official notice of all documents and orders filed in Docket No. SPU-99-16 and docketed the application as SPU-99-24. On August 11 the applicants and

Consumer Advocate filed a proposed settlement agreement. On August 26 the Board requested the parties file additional information in support of the settlement and held a hearing on September 14. On September 24 the Board approved the settlement agreement and did not disapprove the merger.

SPU-99-25 City of New Hampton and Hawkeye Tri-County Rural Electric Cooperative

On August 20 the parties filed a joint petition for modification of service area boundaries. The petition was granted on November 19.



SPU-99-26 Shell Rock Telephone Company

On August 5 Shell Rock filed a tariff revision adding a new fee schedule to be used when a customer requires the installation of additional lines and existing facilities are exhausted. Board staff informed Shell Rock that before the new tariff could become effective, it would be necessary to bring it into compliance by requesting a waiver or some other accommodation. However, on October 6 Shell Rock filed a request to withdraw the proposed tariff. The request was granted on November 22.

SPU-99-27 U S West Communications, Inc. and Qwest Inc.

On September 20 Qwest and U S West filed a joint application for merger. On October 7 Consumer Advocate filed a motion for an additional 90 days, which was granted on October 26. The docket is pending.

SPU-99-28 MidAmerican Energy Company and Atchison-Holt Electric Cooperative

On October 4 the parties filed a joint petition for modification of their service area boundaries. The petition was granted on December 22.

SPU-99-29 GTE Midwest Incorporated and Iowa Telecommunications Services, Inc.

On October 20 GTE and ITS filed a joint application to approve a reorganization and transfer of certificates. GTE proposed to sell all 296 GTE exchanges in Iowa to ITS, including all of the business, property, assets, and rights of GTE relating to those exchanges. The applicants also requested transfer of GTE's intraLATA long distance customers to ITS, designation of ITS as an Eligible Telecommunications Carrier, and adoption by ITS of GTE's price plan at the rates in effect on the date the sale is closed. On October 28 Consumer Advocate filed a motion to extend the 90-day review period for an additional 90 days, which the Board granted on December 1. Hearing was scheduled for February 8, 2000. The docket is pending.

SPU-99-30 Area Code 319 Relief Plan

On November 1 the North American Numbering Plan Administrator (NANPA) filed, on behalf of the Iowa telecommunications industry, a petition for approval of an overlay relief plan for area code number exhaustion relief for the 319 area code. Without relief, the 319 area code was estimated to exhaust during the third quarter of 2002. The docket is pending.

SPU-99-31 U S West Communications, Inc. and Citizens Telecommunications Company of Iowa

On November 9 the parties filed a joint application with the Board for approval of reorganization; discontinuance of service by U S West; transfer of certificate for the exchanges involved; transfer of interexchange service for the exchanges involved; waiver of the slamming rule, if necessary; designation of Citizens as an Eligible Telecommunications Carrier; and assumption by Citizens of the U S West price plan for the exchanges involved. On December 16 the Board set the application for hearing and extended the review period by 90 days. The docket is pending.

SPU-99-32 MidAmerican Energy Holdings Company, MidAmerican Energy Company, Teton Formation L.L.C., and Teton Acquisition Corporation

On November 12 the parties filed a proposal for reorganization in which three to six investors would own all the equity shares of MidAmerican Energy Company's indirect parent, MidAmerican Energy Holdings Company. On December 16 the Board issued an order establishing a procedural schedule and extended the deadline for Board action through May 10, 2000. The docket is pending.

Supplier Registration

These dockets are utilized for pilot programs where utilities voluntarily open their service territories to competitive suppliers.

SR-99-1 MidAmerican Energy Company

On January 11 MidAmerican Services filed supplier information required under the terms of MidAmerican Energy's tariff to participate in its Extended Market Access Service pilot program. On March 22 MidAmerican Services filed additional information, including services, pricing plans, billing formats, marketing literature and brochures, and evidence that MidAmerican was capable of providing service. On April 13 the Board found that MidAmerican's information met the filing requirements in the company's EMAS tariff. On April 12 Consumer Advocate filed an objection to the residential marketing liter-

ature and brochures, arguing the material overstated potential customer price savings. The objection was denied on June 14.

SR-99-2 Nicor Energy, L.L.C.

On May 4 Nicor filed a portion of the supplier registration information required under the terms of MidAmerican's tariff to participate in its Extended Market Access Service pilot program. On June 7 the Board issued an order finding that Nicor's filing did not comply with the supplier registration requirements of MidAmerica's EMAS tariff and it should supplement its filing.

Telephone Certificates

Iowa Code § 476.29 gives the Board the authority to establish non-exclusive service territories for telephone utilities and grant certificates of public convenience and necessity. A TCU is established to enable the Board to evaluate requests to initiate or modify authority to provide local exchange telephone service. The Board examines each application to see if the company possesses the technical, financial, and managerial ability to provide the service it proposes to render and that the service is consistent with public interest. If this finding is made, the Board approves the application pending the filing and approval of maps and tariffs. A certificate of public convenience and necessity is then issued after the maps and tariffs are approved.

TCU-96-1 (TF-98-320) AT&T Communications of the Midwest, Inc.

On December 18, 1998, AT&T filed a new tariff to offer service in exchanges served by GTE and to make changes to comply with Board rules on disconnection. This replaced AT&T's existing tariff which only included U S West exchanges. AT&T also adopted the maps of GTE. On January 14, 1999, the Board approved the tariff and amended AT&T's certificate.

TCU-96-13 National Teleservice, Inc.

On November 5, 1996, NTI filed to provide resold local exchange telecommunications service on a statewide basis. The application was granted on December 9, 1996. On March 19, 1999, Eclipse Telecommunications filed a request to withdraw its authorization, which the Board approved on April 6.

TCU-97-7 Goldfield Access Network, L.C.

On March 19, 1997, Goldfield filed an application and maps of the five exchanges where it proposed to provide service. The application was granted on May 9 subject to the filing and approval of a tariff. On December 10, 1998,

Goldfield filed a tariff. On January 7, 1999, the Board approved the tariff and issued a certificate. Because of an error on the maps, Goldfield filed new maps on March 10, 1999.

TCU-97-11 Crystal Communications, Inc.

On December 23, 1998, Crystal filed a new tariff to replace its existing one. Crystal proposed, in the new tariff, to offer service only in the exchanges of Des Moines and Harlan. On January 13, 1999, Crystal concurred in the U S West map for its Des Moines exchange and the GTE map for the Harlan exchange. The Board issued a certificate on January 22.

TCU-97-16 FiberComm, L.C.

On June 13, 1997, the Board granted FiberComm's application to furnish local wire-line telephone service in a number of exchanges served by GTE. On December 30, 1998, FiberComm filed a tariff and adopted the U S West map for the Sioux City exchange. On January 29, 1999, a certificate was issued.

TCU-97-18 TCG Omaha

On June 16, 1997, TCG Omaha filed an application to provide resold wireline local exchange service in the exchanges currently served by U S West in Pottawattamie, Woodbury, and Cass Counties. The Board granted the application on July 29, 1997. On May 10 and 11, 1999, TCG



filed revised maps and tariff revisions, which the Board approved on June 4. TCG was issued a certificate on June 7.

TCU-97-22 Independent Networks, L.C.

On August 6, 1997, the Board granted the application of Independent to furnish local wireline telephone service. On November 23, 1998, the company filed a proposed exchange boundary map for Armstrong, which the Board approved on December 23. On February 12, 1999, Independent filed a tariff. The Board issued a certificate on March 12.

TCU-97-27 Cox Iowa Telcom, L.L.C.

On September 26, 1997, the Board granted Cox Iowa's application to furnish local exchange telephone service subject to approval of maps and tariffs. On February 26, 1999, Cox Iowa filed a tariff and adopted U S West maps for the Carter Lake and Council Bluffs exchanges. A certificate was issued on March 25.

TCU-97-37 North American Telecommunications Corporation

On October 27, 1997, North American filed to provide resold local exchange service within the local exchange service area of U S West. The Board approved the application on January 21,

1998. On March 16, 1999, North American filed a request to cancel the conditional approval, which the Board approved on March 25.

TCU-98-8 Laurens Municipal Broadband Communications Utility

On April 2, 1998, Laurens filed an application to provide local exchange service in the Laurens exchange currently served by U S West. The application was conditionally approved on June 25, 1998. On June 22, 1999, the Board approved Laurens' map and tariff and issued a certificate.

TCU-98-17 Farmer's and Businessmen's Telephone Company

On August 10, 1998, the Board conditionally granted F & B's application to amend its certificate to provide local exchange service in the Delmar service territory. On July 9, 1999, F & B filed a tariff and on July 14 it concurred with GTE's map for that service area. On October 28, 1999, the Board granted F& B a certificate.



TCU-98-25 LTDS Corporation

On October 1, 1998, LTDS filed to provide local exchange service in certain areas currently served by U S West. The conditional application was granted on December 4, 1998. On September 20, 1999, the Board approved its tariff and issued a certificate.

TCU-98-26 CommChoice of Iowa, L.L.C.

On November 19, 1998, CommChoice filed to amend its certificate to provide service in the

exchanges served by Heartland Telecommunications Company of Iowa. The amendment was approved on January 21, 1999.

TCU-99-1 Level 3 Communications, LLC

On January 11 Level 3 filed to provide resold local exchange service in the exchanges currently served by U S West. The application was approved on April 30. After approval of maps and tariffs, a certificate will be issued.

TCU-99-2 Advanced Network Communications, L.L.C.

On January 15 ANC filed to provide resold local exchange service in the Fonda, Lytton, Manson, Newell, Pomeroy, and Rockwell City exchanges currently served by GTE Midwest. The application was granted on February 12.

TCU-99-3 Arcadia Telephone Cooperative

On January 19 Arcadia requested an amendment of its existing certificate to include provision of local exchange service to the Vail exchange, presently served by GTE Midwest. The Board granted the certificate amendment on March 22 pending the filing of a tariff and exchange map for the new service territory.

TCU-99-4 Dakota Services Limited

On January 21 DSL submitted an application for a certificate. On March 5 the Board received a letter from DSL requesting the application be withdrawn because DSL is a high-speed data services provider only.

TCU-99-5 Compass Telecommunications, Inc.

On January 19 Compass filed a proposed tariff and stated it wished to concur with the maps of U S West. Compass requested to provide resold local exchange service in the exchanges served by U S West. On April 23 the Board granted the

application, approved the tariff, and issued a certificate.

TCU-99-6 Louisa Communications, L.C.

Louisa filed an application to provide local exchange service in the Wapello exchange on February 25. On March 23 Louisa filed a map of the proposed territory. The application and map were approved on April 23. On July 16 the company filed a tariff, which was approved and a certificate issued on July 30.

TCU-99-7 ALLTEL Communications, Inc.

On March 4 ALLTEL filed an application to provide resold local exchange service in the Cedar Rapids exchanges being served by U S West. The application was approved on March 30 conditioned on the filing and approval of a map and tariff.

TCU-99-8 Manning Municipal Communication and Television System Utility

On March 25 Manning Utility filed an application to provide resold and facilities-based local exchange service in the Manning exchange. On May 21 Manning Utility concurred in the GTE exchange map for the Manning exchange. The Board granted the application on June 22. On December 2 Manning Utility filed a proposed tariff. The docket is pending.

TCU-99-9 Lynnville Community Telephone Company and Lynnville Telephone Company

On March 5 the companies filed a joint application for discontinuance of service and transfer of certificate. Their intent was to merge Community, an existing local exchange carrier, into LTC, which was incorporated on January 4, 1999. The application was approved on April 5. On April 6 LTC filed exchange maps. A certificate was issued on April 14.

TCU-99-10 Houlton Enterprises, Inc., d/b/a EZ Phone Connections

On April 15 Houlton filed an application to provide local exchange service in the exchange areas served by U S West and GTE. The Board approved the application on May 28. On July 28 Houlton filed a tariff. The Board approved the tariff and issued a certificate on September 9.

TCU-99-11 Spencer Municipal Communications Utility

On April 15 Spencer filed an application and a map to provide local exchange service in the Spencer exchange currently served by U S West. The Board approved the application on June 22. A certificate will be issued pending filing and approval of tariffs.

TCU-99-12 DSLnet Communications, LLC

On April 19 DSLnet filed an application to provide resold local exchange service. The application was granted on June 14. A certificate will be issued pending filing and approval of tariffs.

TCU-99-13 Concert Communications Sales LLC

On April 26 Concert filed an application to provide local exchange service in the exchange areas served by U S West and GTE. It also filed a tariff at the same time. On September 20 the Board accepted the tariff in part, rejected the tariff in part, and issued a certificate.

TCU-99-14 dPi-Teleconnect, L.L.C.

On April 26 dPi filed an application to provide resold local exchange service in the exchange areas served by U S West, GTE, and Frontier. At the same time, dPi filed a tariff and concurred with the existing maps of the incumbent companies. On September 9 the Board granted the

application, approved the tariff, and issued a certificate.

TCU-99-15 Board of Trustees of the Traer Municipal Cable Communications Utility

On May 6 Traer filed an application to provide local exchange service in the Traer exchange currently served by GTE. The Board granted the application on June 22. A certificate will be issued pending approval of maps and tariffs.

TCU-99-16 Farmers Mutual Cooperative Telephone Company

On May 28 Farmers filed an application to amend its certificate to provide wireline local exchange services throughout the Portsmouth and Harlan exchanges. The application was granted on July 8. A certificate will be issued pending filing and approval of tariffs and maps.

TCU-99-17 Crystal Communications, Inc.

On May 10 Crystal filed a proposed tariff revision to serve the exchanges of Adel, Ankeny, and Winterset currently served by U S West. On May 28 Crystal filed an application to amend its certificate to include these exchanges. The Board approved the tariff and granted the application on June 9. A certificate was issued on the same day.

TCU-99-18 South Slope Cooperative Telephone Company

On June 10 South Slope filed a proposed tariff revision that added the exchanges of Solon, Oxford, and Tiffin, which are currently served by GTE. At the same time, South Slope filed to amend its certificate to include these exchanges. It also concurred in the GTE maps for these exchanges. On July 8 the Board approved the tariff, granted the application for amendment of the certificate, and issued a new certificate.

TCU-99-19 Teligent, Inc.

On March 12, 1998, the Board granted an application for a certificate to Teligent (TCU-97-43). The Board stated the certificate would be issued pending filing and approval of tariffs and maps. On June 16, 1999, Teligent and Teligent Services jointly filed to notify the Board of the assignment of the operations of the telecommunications services company to TSI, a wholly-owned subsidiary of Teligent. On July 14 a



Board order acknowledged the name change. After approval of maps and tariffs, the Board will issue a certificate.

TCU-99-20 Rhythms Links Inc.

On June 22 Rhythms Links filed an applica-

tion for a certificate to provide local exchange service in the service exchange areas served by U S West and GTE. On August 19 the Board issued an order conditionally granting Rhythms Links' application. On September 30 the company filed a tariff and stated it would concur in the maps of U S West and GTE. A certificate was issued and the tariff was approved on December 7.

TCU-99-21 Direct-Tel USA, LLC

On June 25 Direct-Tel filed an application for a certificate to provide local exchange service in the service exchange areas served by U S West. At the same time, Direct-Tel filed a tariff and stated it would concur in the maps of U S West.

On November 2 the Board approved the application and the tariff and issued a certificate.

TCU-99-22 JATO Communications

On December 14, 1998, the Board granted the application for certificate filed by JATO (TCU-98-23). JATO has not filed tariffs or maps and, therefore, has not yet been issued a certificate. On June 9 JATO and JATO Operating Corporation jointly notified the Board of the assignment of the operations of the telecommunications services company to JATO Operating, a wholly-owned subsidiary of JATO. The parties wished to change the name to JATO Operating Corporation. The Board acknowledged the name change on July 23.

TCU-99-23 Worldwide Fiber Networks, Inc.

On July 12 Worldwide filed an application to provide local exchange service in the exchanges currently served by U S West and GTE. Worldwide concurred in the maps of the incumbent companies. On October 8 the Board granted the application and will issue a certificate after tariffs are filed.

TCU-99-24 Board of Trustees of the Grundy Center Communications Utility

On July 12 Grundy Center filed an application to provide local exchange service in the exchange area currently served by GTE. On October 8 the Board granted the application pending submission and approval of tariffs. On December 30 Grundy Center filed the tariff. The docket is pending.

TCU-99-25 Minn-Iowa Communications, L.L.C.

On July 16 Minn-Iowa filed an application to provide local exchange service in the Ankeny, Ames, Iowa Falls, and Mason City exchanges currently served by U S West. The Board grant-

ed the application on October 7. A certificate will be issued after filing and approval of maps and tariffs.

TCU-99-26 Cedar Communications, L.L.C.

On July 30 Cedar filed an application for a certificate to provide resold and facilities-based local exchange service in the exchanges of Stanwood and Lowden. On October 27 Cedar filed a tariff and a statement that it would concur in the maps of GTE for those exchanges. The tariff was approved, the application granted, and a certificate was issued on December 23.

TCU-99-27 CI2, Inc.

On July 30 CI2 filed an application to provide local exchange service in the areas served by U S West. On September 30 CI2 filed a tariff and a statement that it would concur in the maps of U S West. A certificate was issued on December 6.

TCU-99-28 Pathnet, Inc.

On August 20 Pathnet filed an application to provide local exchange service. The services Pathnet indicated it would provide are not regulated by the Board. On October 15 Pathnet filed a letter requesting to withdraw its application.

TCU-99-29 Twin Rivers Valley Telephone

On August 20 Twin Rivers filed an application for a certificate. It was withdrawn on September 7.

TCU-99-30 MVX.COM Communications, Inc.

On August 24 MVX filed an application for a certificate to provide local exchange service in the exchanges served by U S West. The application was granted on November 19. A certificate will be issued after tariffs and maps have been filed and approved.

TCU-99-31 HJN Telecom, Inc.

On August 24 HJN Telecom filed an application for a certificate to provide local exchange service in the exchanges served by U S West. The company stated it would concur in the maps of U S West. The application was granted on November 22. A certificate will be issued after tariffs are filed and approved.

TCU-99-32 OmniTel Communications, Inc.

On August 31 Farmers Mutual Telephone Company of Nora Springs filed to amend its application for a certificate to expand its service territory to include the Saint Ansgar, Stacyville, Greene, and Marble Rock exchanges served by GTE. On October 6 Farmers filed an amendment to its application requesting the Board to grant the separate application for a certificate to OmniTel instead of granting Farmers' application to expand its service territory. The application was approved on November 24. A certificate will be issued after tariffs are filed and approved.

TCU-99-33 Heart of Iowa Communications, Inc.

On June 26, 1997, the Board issued a certificate to Heart of Iowa. On September 14, 1999, Heart of Iowa filed an application to amend its certificate to provide local exchange service to the Conrad and Steamboat Rock exchanges. On September 24 the company filed a tariff. The Board granted the application and issued a certificate on December 7.

TCU-99-34 Cedar-Wapsie Communications, Inc.

On September 24 Cedar-Wapsie filed an application to provide local exchange service in the Sumner, Fredicksburg, New Hampton, Nashua, and Waverly exchange areas served by U S West and GTE. Cedar-Wapsie concurred in the maps of U S West and GTE. The application was

granted on December 21. A certificate will be issued after tariffs are filed and approved.

TCU-99-35 New Edge Network, Inc.

On October 11 New Edge filed an application to provide local exchange service in the exchanges served by U S West, GTE, and Frontier. On November 16 New Edge withdrew the tariff it had filed. On December 6 the Board granted the application. A certificate will be issued after tariffs are filed and approved.

TCU-99-36 Eagle Communications of Iowa, Inc.

On October 13 Eagle filed an application to provide local exchange service in the exchanges served by U S West. At the same time the company filed a tariff and concurred in the maps of U S West. The docket is pending.

TCU-99-37 Webster-Calhoun Communications L.C.

On October 15 Webster-Calhoun filed an application to provide local exchange service in the Grand Junction, Lake City, Lanesboro, Lohrville, Manson, Pomeroy, Rippey, and Rockwell City exchanges served by GTE. The company will concur in the maps of GTE. The application was approved on December 7. A certificate will be issued after tariffs are filed and approved.

TCU-99-38 McLeodUSA Telecommunications Services, Inc.

On October 28 McLeod filed an amendment to its certificate to provide facilities-based local exchange services in all areas served by South Slope Cooperative Telephone Company. McLeod adopted the maps of South Slope. The docket is pending.

TCU-99-39 CCCIA, Inc., d/b/a Connect!

On November 1 Connect filed an application for

issuance of a certificate to provide facilities-based and resold local exchange service in the Iowa exchanges served by U S West and GTE, specifically in Ames, Cedar Rapids, Council Bluffs, Davenport, Des Moines, Dubuque, Fairfield, Iowa City, Mason City, Sioux City, and Waterloo. Connect concurred in the maps of the incumbent companies. On December 22 the application was granted. A certificate will be issued after tariffs are filed and approved.

Waivers of Rules

A utility or interested person may petition the Board to temporarily lift a requirement to comply with a certain rule or rules if circumstances make compliance impractical or inappropriate. The Board decision for a rule waiver (WRU) considers the interests of both the utility and its customers.

WRU-98-39-151 IES Utilities Inc.

On September 15, 1998, IES filed a request for waiver of two of the electric flexible rate rules with respect to a proposed contract with Keokuk Ferro-Sil, Inc. These rules provide that the ceiling for all discounted rates shall be the approved rate on file for the customer's rate class and that the floor for the discount rate shall be equal to the energy costs and customer costs of serving a specific customer. After hearing the Board granted the waiver on December 23 for one year. On November 18, 1999, IES requested a two-year extension. The Board granted an extension for one year on December 30.

WRU-99-1-151 Alliant-IES Utilities

On January 5 Alliant requested a partial waiver of the portion of the National Electrical Safety Code (NESC) which provides that entrances to electric supply stations not under observation of an authorized attendant be kept locked. The NESC is adopted as part of the Iowa Electrical Safety Code with certain modifications. The Board conditionally granted the waiver on February 12 because a locked gate, while personnel are working at the substation, could hinder or deny emergency personnel access in the event of an accident or injury. The waiver was conditioned by requiring that if a substation gate is not locked when personnel are present, the gate must be closed and, if so equipped, the gate

must also be latched or fastened. On February 9 Alliant amended its request to include Interstate Power Company. On March 12 the Board granted the amended request.

WRU-99-2-225 Peoples Natural Gas Company

On January 15 Peoples requested an extension of time to file its annual report. The Board granted the waiver on January 29.

WRU-99-3-226 U S West Communications, Inc.

On January 25 U S West requested a waiver of the requirement that it file a deregulation accounting plan for voice messaging services. On March 1 the Board granted the request. It reasoned a formal deregulation accounting plan would not serve any useful purpose when U S West is operating under price regulation, because U S West's rates are not based upon its current cost of providing service.

WRU-99-4-151 IES Utilities, Inc.

On February 1 IES filed a request for waiver of the rule requiring a utility to file an automatic adjustment of its energy efficiency cost recovery factor by March 1 of each year for the 12-month period beginning at the start of the first billing month at least 30 days after the Board's approval of its filing. IES requested a June 26 filing date.

The Board granted the waiver on March 3 because it will ensure consistency with IES's prior adjustments.

WRU-99-5-150 Interstate Power Company

On January 29 Interstate filed a request for waiver of the rule which requires a utility to file by March 1 of each year energy efficiency costs proposed to be recovered in rates for the subsequent 12-month recovery period. Interstate requested to file its proposed costs on August 1. The Board granted the waiver on March 1 since Interstate began recovering costs through the automatic adjustment in October, it was reasonable to continue the currently approved recovery amount until October 1999.

WRU-99-6-263 GTE Midwest Incorporated and Contel of Minnesota Inc., d/b/a GTE Minnesota

On February 5 GTE filed proposed tariff pages for national directory assistance services. It also requested a waiver of the requirement that customers be given two free directory assistance calls per month when they used the new service. The Board granted the waiver on March 1.

WRU-99-7-272 U S West Communications, Inc.

On February 5 U S West filed a request for waiver of the requirement that it file a deregulation accounting plan for Category 4 intraLATA services, which include wide area telecommunications service, private line, and one-way and two-way 800 services. The Board granted the waiver on March 12 because U S West's rates are not based upon its current cost of providing service since it is operating under price regulation.

WRU-99-8-272 U S West Communications, Inc.

On February 5 U S West filed a request for

waiver of the requirement that it file a deregulation accounting plan for intraLATA message telecommunications service, credit calling card service, operator services, and directory assistance services. The Board granted the waiver on March 12.

WRU-99-9 UtiliCorp United Inc.

On February 10 UtiliCorp sought a partial waiver for permission to expend up to \$1 billion on foreign acquisitions without filing a request for reorganization or request for waiver with respect to each transaction. The Board granted the waiver on March 19.

WRU-99-10-225 Peoples Natural Gas Company

On March 11 Peoples requested a waiver of the requirement which requires a utility to file by March 1 of each year energy efficiency costs proposed to be recovered in rates for the subsequent 12-month recovery period. Peoples requested a September 1 filing date. The Board granted the waiver on March 19.

WRU-99-11-301 Amana Colonies Telephone Company

On March 16 Liz Klimes filed a request for a second EAS vote on establishing extended area service to Cedar Rapids and surrounding communities. The Board denied the request on April 30, noting Amana had complied with Board rules and no basis was shown to waive the rules.

WRU-99-12 U S West Communications, Inc.

On April 27, 1998, customers in the Walcott exchange petitioned U S West for two-way extended area service to Dixon, Durant, Eldridge, Rock Island, Moline, and East Moline. A point-to-point usage study determined that none of the routes satisfied minimum traffic volumes for mandatory EAS balloting. On

March 22, 1999, the city of Walcott filed a waiver to review Walcott's EAS request and consider a waiver of the minimum traffic volume requirements. The Board, on April 30, granted a waiver with respect to the call volumes between the Walcott and Durant exchanges and directed U S West to commence customer balloting in the Walcott exchange for EAS to the Durant exchange.

WRU-99-13-225 Peoples Natural Gas Company

On May 22, 1996, the Board approved a bimonthly meter reading pilot program proposed by Peoples (WRU-96-7-225). On April 9, 1999, Peoples filed a request to continue the bimonthly meter reading project on a permanent basis or in the alternative, an extension for 1999. On May 6 the Board granted the 1999 extension and required a report to be filed by December 31, 1999.



WRU-99-14-225 Utilicorp United Inc.

On April 12 Utilicorp filed a waiver of the reorganization statutes and rules for its proposed merger with St. Joseph Light & Power Company. The Board, on December 16, found that review of the proposed transaction was not necessary in the public interest and granted the waiver.

WRU-99-15-151 IES Utilities Inc.

Iowa Code, which adopted federal safety stan-

dards, requires new transmission pipeline or replacement pipeline to accommodate the passage of internal inspection devices. On April 19 IES filed a request for waiver of this requirement for replacement of nine shallow sections of the Villisca-Clarinda Lateral. The waiver was granted on June 9, because the replaced sections would contain numerous internal obstructions that would prevent the passage of instrumental inspection devices. The decision is subject to review by the Office of Pipeline Safety.

WRU-99-16-272 U S West Communications, Inc.

On May 4 U S West requested the Board waive the portion of the rule requiring a directory be published not less than annually. U S West requested that the annual publication date for the Oelwein and Independence exchanges be changed resulting in

a 17-month issue for the 2000 directory. The Board granted the request on May 28.

WRU-99-17-272 U S West Communications, Inc.

On May 5 U S West filed a petition asking the Board to determine that the provision of custom calling features and premium directory listings were subject to effective competition and should be deregulated. At the same time it asked the Board to grant a waiver of the accounting plan requirements because U S West prices were currently subject to price regulation. On July 8 the Board dismissed the petition, without prejudice,

for failure to comply with its filing rules applicable to such petitions.

WRU-99-18-151 IES Utilities Inc.

On May 5 IES requested a 60-day extension of the May 15 deadline to file class load data because of software problems. The Board granted the extension on May 7.

WRU-99-19 Global Crossing Ltd. and Frontier Corporation

On May 7 the companies requested the Board to waive the prior approval requirements with respect to their proposal to transfer control of Frontier's Iowa operating subsidiaries to Global Crossing. On May 17 Global Crossing announced another merger with U S West. On June 3 the Board denied the May 7 waiver request because it was made prior to the announcement of the Global Crossing-U S West merger and many of the factual assertions in support of the waiver request had changed.

WRU-99-20-263 GTE Midwest Incorporated

On May 17 GTE requested a waiver of the Extended Area Service rules as applied to the Nichols exchange. GTE received a petition from customers in that exchange requesting EAS between Nichols and West Liberty. GTE requested permission to implement its Local Calling Plan first. If customers of Nichols were still interested in EAS, GTE proposed they could then begin the EAS process. The Board denied the waiver request on July 8 because Local Calling Plans are not an adequate substitute for EAS in all situations and are not a current option to customers in the Nichols exchange.

WRU-99-21-263 GTE Midwest Incorporated

GTE received a customer petition for EAS in November 1998 and a subsequent traffic study

determined sufficient community of interest to support EAS from Hopkinton to Delhi and Monticello. On May 17 GTE requested a waiver of the balloting requirement because the Hopkinton customers had been offered GTE's Local Calling Plan, which it believed to be superior. The Board denied the waiver request on June 22 noting customers could decide through the balloting process whether they preferred EAS or Local Calling Plans.

WRU-99-22-3169 Comm South Companies

On May 18 Comm South filed a petition to suspend federal dialing parity requirements because its customers represent less than 2 percent of the nation's subscriber lines. On June 3 the Board denied the request and directed Comm South to file a plan for implementation of dialing parity by June 15.

WRU-99-23-272 U S West Communications, Inc.

On May 25 U S West asked the Board to determine that certain portions of U S West's existing local exchange service area have become subject to effective competition and should be deregulated. If these areas were to be deregulated, U S West also requested a waiver of the Board rules requiring the filing of an accounting plan because its rates are currently subject to price regulation. On July 23 the Board initiated a formal notice and comment proceeding (INU-99-3). The docket is pending.

WRU-99-24 Public Communications Services, Inc.

On July 2 PCS filed a tariff to provide alternative operator services to inmates of confinement institutions and transient end users through pay telephones and other equipment. On June 1 PCS filed requests for waiver of various Board rules including cost study requirements, billing cycles, prohibition of blocking completion of calls, and

other requirements that would be inappropriate in a correctional facility. The Board approved the requests and denied several unnecessary requests on July 30.

WRU-99-25-150 Interstate Power Company

On June 11 Interstate filed a request for waiver of the requirement that it file by March 1 of each year the energy efficiency costs proposed to be recovered in rates for the subsequent 12-month recovery period. Previously the Board granted Interstate's request for waiver to allow it to file its energy efficiency costs on August 1, 1999, so that its recovery would coincide with the previously approved 12-month implementation period. In this request, Interstate asked the Board allow it to file June 11, 1999, so that it would file jointly with IES and gain efficiency in preparing its filings. The Board granted the request on July 14.

WRU-99-26 DWD Realty, Inc.

On July 12 DWD requested a waiver of the requirement for individual metering for a multi-occupancy building for senior citizens in Carroll. The Board, on September 22, denied the waiver as unnecessary because the building was designated for the elderly and utility costs were included in the rent.

WRU-99-27 Richard B. Margulies

On July 12 Mr. Margulies filed a waiver of the requirement for individual metering for a building in Clive which was built on speculation with one electric meter. The Board denied the waiver as unnecessary on September 9 because individual metering would be impractical and utility costs are part of the rent.

WRU-99-28 Worldwide Fiber Network, Inc.

On July 12 Worldwide filed an application to provide local service in exchanges served by U S West and GTE. It requested the Board to

waive its rules to maintain its books by the prescribed system of accounts, to locate records in Iowa, and to publish a directory. On October 8 the Board granted the waiver.

WRU-99-29 Houlton Enterprises, Inc., d/b/a EZ Phone Connections

On April 15 Houlton filed an application to provide local service in exchanges served by U S West and GTE. It requested the Board to waive its rules to maintain revenue accounts in the prescribed system and which require it to publish directories. The Board granted the waiver on September 9. The Board denied as unnecessary the request to waive compliance with dialing parity requirements.

WRU-99-30 LTDS Corporation

On July 23 LTDS filed a proposed tariff to provide local service in certain exchanges of U S West and GTE. It requested a waiver of the requirement to file a map of its service territory. The Board granted the request on September 20.

WRU-99-31-156 MidAmerican Energy Company

On July 28 MidAmerican filed a request for waiver of the requirement to file a cost allocation manual because it met the 3 percent filing threshold in 1998. The Board, in denying the request on October 5, found that MidAmerican had exceeded the threshold and that the filing of a cost allocation manual was justified to help prevent any potential for cross-subsidization.

WRU-99-32-225 Peoples Natural Gas Company

On August 24 Peoples filed a request for waiver of the requirement that annual purchased gas adjustment filings must use the same methodology for weather normalization that had been approved in prior PGA filings. Peoples, in its annual PGA on August 1, used a different

weather normalization methodology than previously used. The August 1 methodology was the same used by other utilities. The Board granted the waiver on August 30.

WRU-99-33-225 Peoples Natural Gas Company

On August 26 Peoples filed for a waiver of the September 1 date when its cost allocation manual for nonutility activities was due. Peoples requested a permanent waiver to file by December 31 each year when the manual from its parent company is available. The Board granted the request on September 9.

WRU-99-34-225 Peoples Natural Gas Company

On August 26 Peoples requested a waiver of the reconnection charge for schools participating in the Iowa Joint Utility Management Program (I-JUMP) for two years. The Board granted the waiver on November 30 on the condition that Peoples not attempt to recover any lost revenue resulting from its failure to collect a reconnection charge from I-JUMP customers.

WRU-99-35-233 Northern Natural Gas Company

On August 26 Northern petitioned for a waiver of the requirement that it file a land restoration plan prior to initiation of pipeline construction. Northern had prepared a FERC environmental assessment for the removal and abandonment of two segments of pipeline in Hancock and Mills Counties. Since the FERC environmental assessment and mitigation measures adequately addressed state requirements, the Board granted the waiver on September 15.

WRU-99-36-156 MidAmerican Energy Company

On September 7 MidAmerican requested a waiver of the requirement that it file by June 30 each

year verified copies of all new contracts or arrangements between the company and its affiliates. MidAmerican requested it be allowed to file by August 31 each year. It also requested a waiver of the requirement in Docket No. SPU-98-8 that it file copies of royalty agreements between MidAmerican and any affiliate that compensates MidAmerican or its affiliate for the use of intangible assets since this information is filed annually. The Board granted a waiver for both requests on October 5.

WRU-99-37-3332 Direct-Tel USA, LLC

On June 25 Direct-Tel requested a waiver of the rules that require utilities to maintain accounts similar to a modified version of the system of accounts, to maintain its records within the state, and to publish a directory. The Board granted the waiver on November 2.

WRU-99-38-150 Interstate Power Company

WRU-99-39-151 IES Utilities Inc.

On September 22 IES and Interstate filed requests for limited waiver to recover through the energy adjustment clause the difference between a net billing customer's retail rate and the utilities' avoided generation cost. Attached to each waiver request was a draft tariff to implement the requested waivers. The Board docketed and suspended the proposed draft tariffs on October 22. The Board and Consumer Advocate had a pending appeal to the Iowa Supreme Court of the district court decision against "net billing." The net billing issue was also pending before FERC. On December 29 the Board granted the waivers noting they were limited in scope and duration and would become effective upon approval of tariffs to implement them.

WRU-99-40-151 IES Utilities Inc.

On September 23 IES filed a request for a permanent waiver of the method for calculating the

monthly energy adjustment clause factor. The Board, by order issued October 17, 1997, approved IES's request for a two-year trial for this change. On October 29 the Board granted the waiver for an additional two years.

WRU-99-41-3331 Rhythms Links Inc.

On September 29 the company filed an application for waiver of the requirement that it file a map defining its service territory. Rhythms Links stated it would adopt the service territory maps of GTE and U S West. The Board granted the waiver on December 7.

WRU-99-42-156 MidAmerican Energy Company

On October 1 MidAmerican filed its annual reconciliation of gas costs and a plan for refund received from Northern Natural Gas Company on September 1. If the refund was included in the reconciliation, it would reduce the amount of undercollection for the firm classes and slightly increase the overcollection for the interruptible classes. Because the refund was received one day after the reconciliation period, MidAmerican also filed a request for waiver of the requirement that the purchase gas adjustment reconciliation filing include costs from the 12-month period, which ends on August 31. Because the refund would be returned through the reconciliation, it also requested a waiver of the rule which requires refunds from gas suppliers which exceed \$5 per average retail customer be refunded by bill credit or check or if the refund does not exceed \$5, amounts may be retained until additional refunds or interest cause the amount to exceed \$5. The Board granted the waivers on November 1.

WRU-99-43-156 MidAmerican Energy Company

On October 1 MidAmerican filed a request for waiver of the requirements that establish maxi-

mum consumption limits for participation in gas and electric budget billing. The Board granted the request on October 29.

WRU-99-44-225 UtiliCorp United Inc.

On October 13 UtiliCorp filed for waiver of the Board's reorganization rules. It proposed to sell the electric and gas assets of West Virginia Power to Monongahela Power Company. The Board granted the waiver on November 8 because review of the proposed transaction was not necessary in the public interest.

WRU-99-45-151 IES Utilities Inc.

On September 30 IES filed its annual purchase gas adjustment reconciliation. On October 22 IES filed a request for waiver asking to include storage costs in the 1999 reconciliation that were incurred outside of the current reconciliation period. On November 1 the Board docketed the PGA filing to investigate the appropriateness of the out-of-period storage cost adjustments. The docket is pending.

WRU-99-46-225 Peoples Natural Gas Company

On October 12 Peoples filed a notice of receipt of a refund from Northern Natural Gas Company which amounted to approximately \$8 per residential customer. On October 25 Peoples requested a waiver of the rules regarding refund amounts which exceed \$5 per average retail customer. Instead it requested a delay until April 15, 2000, to refund the money because of Y2K billing system issues. The Board granted the waiver on December 7.

WRU-99-47-225 UtiliCorp United Inc.

On October 27 UtiliCorp filed for a waiver of the Board's reorganization rules. UtiliCorp proposed to merge with Empire District Electric Company which does business in Missouri, Kansas, Arkansas, and Oklahoma. UtiliCorp would be the surviving corporation. The docket is pending.

**WRU-99-48-2504 McLeodUSA
Telecommunications Services, Inc.**

On October 28 McLeodUSA requested a waiver of the requirement that it file maps and stated it would concur in South Slope's maps and subsequent changes to the maps. The docket is pending.

**WRU-99-49 IES
Utilities Inc.**

Information docketed as WRU-99-49 was supplemental to WRU-99-45 and handled as part of that docket.

**WRU-99-50-3354
Eagle Communications
of Iowa, Inc.**

On October 13 Eagle requested the Board waive the requirements of two of the Board's rules which require utilities to maintain accounts pursuant to a modified version of the system of accounts and that it publish a directory. The docket is pending.

**WRU-99-51-150
Interstate Power
Company**

On November 12 Interstate filed a request for waiver of the rule which requires it to refund an overcollection of 3 percent or more by bill credit or check for the time period beginning November 1 of the current year to the date of refunding. Interstate requested the Board allow it to refund the amount to customers in the February 2000 bill month. The docket is pending.

WRU-99-52-150 Interstate Power Company

On November 12 Interstate filed a request for waiver of the rule which requires it to refund an overcollection of 3 percent or more by bill credit or check for the time period beginning November 1 of the current year to the date of refunding. Interstate requested the Board allow it to refund the amount to customers in the

February 2000 bill month. The docket is pending.

**WRU-99-53 Atmos
Energy Corporation**

On December 2 Atmos filed an application for waiver of the Board's reorganization rules. Atmos proposed to acquire the Missouri natural gas distribution assets of Associated Natural Gas, a division of Arkansas Western Gas, stating the proposed acquisition would have a minimal impact on Atmos' capital structure and would not impact its ability to provide service to its Iowa customers. The docket is pending.



**WRU-99-54 IES Utilities, Inc. and Nuclear
Management Company**

On November 29 Consumer Advocate filed a formal complaint (SPU-99-33) with respect to IES's plan to enter into a proposed service agreement with Nuclear Management Company, maintaining this transaction constituted a reorganization. IES filed an answer to the contrary on December 27 and, in the alternative, asked

for a waiver of the Board's reorganization rules. The docket is pending.

WRU-99-55-3367 NorthPoint Communications, Inc.

On December 29 NorthPoint filed an application for a certificate to offer local exchange service

and also requested a waiver of the requirement to publish a directory. NorthPoint also requested a temporary exemption from the requirement that it serve all eligible customers until it begins providing local exchange service. The docket is pending.



Federal Communications Commission

While the main thrust of the FCC's work remained the implementation of the Telecommunications Act of 1996, it has also increased its activities aimed at rapid deployment of advanced services. Advanced services includes high-speed and broadband capabilities that access to the Internet. The Board was active in urging the FCC to implement a Joint Conference with state regulators to review broadband deployment.

Continuing in 1999 Iowa took positions favoring competition in local and long-distance telecommunications markets. These positions were often consistent with the FCC policies, allowing the Board to support the FCC's efforts to increase the role of competition in telecommunications markets while offering specific experiences and suggestions that improve those markets for customers.

The Board commented in the following major rule making activities:

- | | |
|----------|--|
| CC-96-45 | Federal-State Joint Board on Universal Service |
| CC-96-98 | Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 |

Agency Proceedings

- | | |
|-----------|--------------------------------|
| CC-99-249 | Low Volume Long Distance Users |
| CC-96-262 | Access Charge Reform |

The Board began implementing new rules adopted by the FCC to combat slamming, cramming, and other consumer abuses.

The Board requested delegated authority to conserve telephone numbering resources to mitigate the need for future area code relief.

Federal Energy Regulatory Commission

The FERC's promotion of competition in the electricity wholesale industry this year focused on improvements in transmission organizations. Board Member Emmit George made a presentation to a hearing in St. Louis on February 11 in Docket No. RM99-2, Regional Transmission Organizations. The Board participated in MidAmerican's transmission rate docket, ER98-3887; rates of MidAmerican Area Power Pool, Docket No. ER99-3318; Alliant's transfer of its transmission system to the Midwest Independent System Operator, Docket No. EC00-29; and proposals for independent transmission ownership in Docket No. EL00-25.

The Board participated in the FERC's review of the acquisition of MidAmerican Energy by Berkshire Hathaway and related interests.

The FERC continued to promote competitive markets for the natural gas industry. Board Member Paula Dierenfeld participated in a review of regulatory policies in Docket No. PL99-1 on February 25. The Board commented

on developments in the natural gas markets in Docket No. RM98-10 and -12.

The FERC issued its final rule on landowner notifications, Landowner Notification, Expanded Categorical Exclusions, and Other Environmental Filing Requirements, Order No. 609, on October 13, 1999. In establishing rules more sensitive to landowners, the FERC adopted several suggestions made by the Board.

The Board monitored construction of the Alliance pipeline, approved by the FERC in

1998, across northeastern Iowa. It also participated in a number of individual case dockets at the FERC. The FERC approved a settlement in Northern Natural Gas Company's rate case, Docket No. 98-203. The Board commented on ANR's proposed hourly rate proposal in Docket No. RP00-30. The Board also was involved in collection of refunds from Kansas natural gas producers to Northern Natural Gas Company in Docket No. RP98-39. These refunds could total over \$10 million for Iowa gas customers.

Court Cases

Iowa District Court

GTE v. Iowa Utilities Board

**Polk County No. AA-2913
(Docket No. TCU-96-12)**

On April 7, 1997, GTE Midwest Incorporated filed a petition for judicial review alleging the Board erred in granting a certificate of public convenience and necessity to South Slope Corporate Telephone Company. A hearing was scheduled for April 24, 1998, but was continued by the court on July 6, 1998, pursuant to a motion filed by GTE, and a second joint motion. On March 2, 1999, GTE notified the court that it had successfully negotiated an interconnection agreement with South Slope and, therefore, dismissed its case with prejudice.

Iowa Telecommunications Association and Heartland v. Iowa Utilities Board

**Polk County No. AA-3026
(Docket No. TCU-96-2)**

The Iowa Telecommunications Association and Heartland Telecommunications Company filed a petition for judicial review of the Board's decision to grant the City of Hawarden's application for a certificate of public convenience and necessity. The judge suspended the proceedings on May 1, 1998, until the Iowa Supreme Court ruled in Docket No. 97-83. On July 7, 1999, all the parties to the case filed a stipulation of dismissal.

MidAmerican Energy v. Iowa Utilities Board

**Polk County No. AA-2844
(Docket Nos. AEP-95-1, AEP-95-2, AEP-95-3, AEP-95-4, AEP-95-5)**

On October 25, 1996, MidAmerican Energy filed a petition for review of the Board's decision that MidAmerican was required to purchase

electric power from and enter into contracts with alternate energy production (AEP) developers. The parties agreed to a limited remand for purposes of clarification and on December 22, 1999, the Board issued an "Order on Remand" clarifying that the six cents resulting from the application of Iowa's AEP statutes did not set a specific rate but created a "ceiling" that cannot be exceeded absent good cause. The appeal was dismissed on the same date pursuant to a stipulation and dismissal signed by all parties.

Rutherford v. Iowa Utilities Board

**Marshall County No. CV3082-0699
(Docket No. E-21258)**

On June 17, 1999, Bradley Rutherford et al. filed a petition for judicial review of the Board's decision granting IES Utilities Inc. a franchise to build an electric transmission line in Marshall County. Among other things, Mr. Rutherford challenged the line route selected by the Board.

Rex Voegtlin v. Iowa Utilities Board

**Polk County No. AA-3202
(Docket No. C-98-155)**

On December 3, 1998, Rex Voegtlin appealed to Polk County District Court the Board's October 28, 1998, order denying formal complaint proceedings. The Board found a transformer's location did not violate statute or Board rule and that the mere allegation of a verbal agreement between Mr. Voegtlin and the utility that the transformer be placed at a different location did not grant the Board the authority to order the utility to move the transformer at the utility's expense. The Polk County District Court affirmed the Board's order in a decision issued August 26, 1999.

Iowa Supreme Court***Patrick Burke v. Utilities Board*****S.Ct. No. 97-1704, Woodbury County No. LA-CV115136****(Docket No. C-97-84)**

On November 7, 1997, Patrick Burke appealed to the Supreme Court a district court order affirming the Board's decision denying formal complaint proceedings. The Board found no evidence to suggest meter tampering. The Supreme Court dismissed the appeal pursuant to Iowa Rule of Appellate Procedure 19 on November 24, 1999.

Keith E. Meyer v. Iowa Utilities Board**S. Ct. No. 99-1927, Scott County Nos. AA-93770 and AA-93886****(Docket No. SPU-98-8)**

On October 13, 1999, Keith Meyer appealed to the Iowa Supreme Court a district court decision affirming the Board's denial of Mr. Meyer's request for rehearing in a reorganization proceeding before the Board. The Board denied the request for rehearing because Mr. Meyer was not a party to the reorganization proceeding. In addition, the District Court said that only parties to an agency proceeding may seek judicial review of the agency's underlying decision and therefore also dismissed Mr. Meyer's appeal of the Board's decision. That aspect of the District Court ruling was also appealed by Mr. Meyer to the Iowa Supreme Court.

MidAmerican Energy Company v. Iowa Utilities Board**S. Ct. No. 99-1529, Polk County Nos. AA-3173, AA-3195, AA-3196****(Docket Nos. C-97-53, C-98-119, C-98-137)**

Three appeals by MidAmerican Energy Company of similar Board orders were consolidated by the Polk County District Court. Each Board order denied MidAmerican a request for formal complaint proceedings and required

MidAmerican to interconnect with an alternate energy production facility (AEP) under a net billing arrangement. On August 24, 1999, the District Court reversed the Board and found that net billing arrangements were preempted by federal law. The Board and Office of Consumer Advocate filed a joint appeal to the Iowa Supreme Court on September 22, 1999.

North Star Steel v. Iowa Utilities Board**S. Ct. No. 99-0342, Polk County No. AA-3127 (Docket No. DRU-98-1)**

On January 27, 1999, the District Court affirmed a declaratory ruling issued by the Board that found, among other things, that Iowa's exclusive electric service territory statutes (Iowa Code §§ 476.22 through 476.26) apply to generation, transmission, and distribution. North Star Steel appealed to the Iowa Supreme Court on February 25, 1999.

S.E. Iowa Cooperative Electric Association v. Iowa Utilities Board**S. Ct. No. 99-1376, Henry County No. LALA010133****(Docket Nos. E-21312, E-21313)**

On October 13, 1998, S. E. Iowa Cooperative filed a petition for judicial review of the Board's decision to grant Mt. Pleasant Municipal Utilities' petitions for franchise to erect transmission lines in Henry County. The Board filed its responsive brief on May 26, 1999. Hearing and final submission occurred on June 7, 1999. The court issued a ruling on July 27, 1999, affirming the Board's decision and denying the appeal. S. E. Iowa Cooperative filed a notice of appeal on August 25, 1999. The Board filed its Supreme Court brief on November 29, 1999.

**U.S. DISTRICT COURT
SOUTHERN DISTRICT OF IOWA**

**GTE v. Thoms, Dierenfeld, & George and
AT&T**

S.D. No. 4-97-CV-70118

(Docket Nos. ARB-96-3, M-263)

GTE Midwest Incorporated appealed February 24, 1997, from a Board decision approving an arbitrated interconnection agreement with AT&T. Numerous statutory and constitutional challenges were made to the interconnection agreement. Following a change in the law, the court ordered a limited remand on March 4, 1998. The Board completed the remand and returned the matter to the court on August 27, 1998. On September 21, 1998, the proceedings were stayed pending decisions by the Federal Communications Commission and the Eighth Circuit Court of Appeals on matters bearing on the case. The case was stayed throughout 1999.

**U.S. COURT OF APPEALS
EIGHTH CIRCUIT**

***North Star Steel v. MidAmerican Energy
Company***

8th Cir. No. 98-2987 SIDM

On December 8, 1997, North Star Steel Company filed suit against MidAmerican Energy Company in the United States District Court for the Southern District of Iowa alleging MidAmerican had violated anti-trust laws. The Board appeared as amicus only. The District Court granted summary judgment in MidAmerican's favor on June 23, 1998. The Eighth Circuit affirmed the District Court's decision on July 7, 1999.

***U S West Communications, Inc. v. Thoms,
Boyd, & George, AT&T, and MCI Metro
Access Transmission, Inc.***

**8th Cir. No. 99-2589, S.D. IOWA No. 4-97-
CV-70082**

(Docket Nos. ARB-96-1, ARB-96-2)

This was an appeal by U S West from a Board decision approving arbitrated interconnection agreements with MCI and AT&T. U S West mounted numerous statutory and constitutional challenges to the interconnection agreements. At the request of the Board, due to a change in the law, the court ordered a limited remand on January 14, 1998. The Board's decision on remand was returned to court on May 15, 1998. After answers and briefing, oral argument was held and the case was submitted on November 16, 1998. On January 25, 1999, the court issued an order affirming some of the provisions of the interconnection agreements and remanding others. This was the same day the Supreme Court issued its opinion in AT&T v. Iowa Utilities Board, which had a significant impact on the order. On April 19, 1999, the court issued an order granting MCI's and AT&T's motion for reconsideration and amending the former judgment. U S West filed a notice of appeal to Eighth Circuit Court on May 20, 1999. On July 14, 1999, the clerk granted U S West's unopposed motion to hold the appeal in abeyance, pending the Eighth Circuit Court's decision on the AT&T v. Iowa Utilities Board remand issues.

U.S. Supreme Court



Iowa Utilities Board, et al. v. Federal Communications Commission, et al.
8th Cir. No. 96-3321 (Telecommunications Act of 1996) FCC 96-98, 96-185

On September 6, 1996, the Utilities Board filed a petition for review of the Federal Communication's (FCC) rules governing local telecommunications competition. The Board was joined in the case by 27 state commissions and NARUC. The petitioners in this consolidat-

ed proceeding argued that the FCC exceeded its authority in promulgating the rules and specifically challenged the rules regarding the prices that an incumbent local exchange carrier may charge an incoming competitor for interconnection, unbundled access to network elements, and resale of its services. The circuit court issued its decision on July 18, 1997, and a rehearing order on October 14, 1997.

Petitions for certiorari were filed on November 17, 1997, with the U.S. Supreme Court, which agreed to review the decision. After briefing, the General Counsel, representing the Board and many other state commissions, participated in oral argument on October 13, 1998. The Supreme Court's opinion, issued January 25, 1999, reversed the Eighth Circuit Court's decision and affirmed the authority of the FCC to promulgate the pricing rules.



Assessments

Remainder Assessments for Fiscal Year 1999

Fiscal Year 1999 Expenditures

Utilities Division	\$ 5,602,028.74
Indirect Expenses	5,697.00
Administrative Services Expenses	158,327.84
Total Assessable Base	5,766,053.58

Fiscal Year 1999 Deductions

Direct Assessments	407,365.12
Electric Assessments	103,763.11
Pipeline Assessments	78,673.77
Federal OPS Reimbursement	135,992.40
Misc. Adjustments & Assessments	98,802.42
Total Deductions	824,596.82

Fiscal Year 1999 Remainder Base **\$ 4,941,456.76**

1998 Utility Revenues and Assessments

Rate Regulated Utilities¹	1998 Revenues	Assessments
Water Companies	19,019,835	27,361.53
Electric & Gas Companies	2,267,719,176	3,262,293.03
Gas Companies	99,245,088	142,771.89
Telephone Companies	511,258,463	735,485.63
Interexchange Telephone Companies	3,076,807	4,426.22
Rural Electric Cooperatives	17,149,112	24,670.35
Sub-total	2,917,468,481	4,197,008.65
Non-Rate Regulated Utilities²		
Municipal Electric Companies	223,882,950	161,036.70
Municipal Gas Companies	7,897,610	5,680.65
Municipal Electric & Gas Companies	71,587,821	51,492.41
Rural Electric Cooperatives	467,188,250	336,043.56
Telephone Companies	161,479,304	116,150.42
Interexchange Telephone Companies	102,940,968	74,044.37
Sub-total	1,034,976,903	744,448.11
Total of All Utilities	\$ 3,952,445,384	\$ 4,941,456.76

Assessment Rates:

¹Rate Regulated Utilities: \$.001438 or \$1.43 per \$1,000 of Assessable Revenue

²Non-Rate Regulated Utilities: \$.000719 or \$.71 per \$1,000 of Assessable Revenue

DIRECT ASSESSMENT BILLINGS

Schedule A

Direct Assessment Billings

AT&T Communications	\$ 2,152.03
Frontier Communications of Iowa	1,904.36
GTE Midwest	5,772.43
IES Utilities	36,356.21
Interstate Power Company	59,970.63
Iowa American Water Company	922.34
Linn County REC	5,857.68
MidAmerican Energy - Electric	89,891.59
MidAmerican Energy - Gas	123,042.72
Peoples Natural Gas Company	11,567.63
United Cities Gas Company	5,615.13
US West Communications	64,312.37
Total Direct Assessments	\$ 407,365.12

Schedule B

Electric Docket Billings

Amerenue	\$ 2,981.84
Central Iowa Power Cooperative	8,489.14
Corn Belt Power Cooperative	8,011.23
Dairyland Power Cooperative	4,268.04
Denison Municipal Utilities	1,094.49
Gowrie Municipal Utilities	405.78
IES Utilities	59,957.74
Independence Light & Power	910.77
Interstate Power Company	2,237.50
Laporte City Utility	519.03
MidAmerican Energy Company	11,151.90
Mt. Pleasant Utility	2,073.53
Northwest Iowa Power Cooperative	1,333.19
Storm Lake Power Partners	328.93
Total Electric Docket Billings	\$ 103,763.11

DIRECT ASSESSMENT BILLINGS

Schedule C

Pipeline Billings

Ag Processing	\$ 2,849.96
Alliance Pipeline	1,228.68
Amoco Pipeline Company	17.69
ANR Pipeline Company	4,634.50
Arcadian Corporation	6.00
Archer Daniels Midland	8.00
Bedford Municipal	25.50
Brighton Municipal Gas System	15.00
Lenox, City of	7.00
Corning Municipal Utility	20.00
Fairbank Municipal Utility	18.00
Heartland Pipeline Company	7,155.95
IES Utilities	5,147.52
Interstate Power Company	163.50
Kaneb Pipeline Operating Partnership	70.76
Kinder Morgan Operating LP	700.20
Lenox Municipal Gas Utility	42.00
Manning Municipal Gas Department	20.00
Mid-America Pipeline	2.00
MidAmerican Energy Company	7,119.89
Montezuma Municipal Utilities	37.50
Morning Sun Municipal Gas Utility	2.50
Moulton Municipal Gas System	6.00
Natural Gas Pipeline Company of America	13,105.00
Northern Plains Natural Gas Company	3,255.00
Northern Natural Gas Company	26,994.00
Peoples Natural Gas Company	351.00
Quantum Chemical Company	10.00
Sioux City Brick & Tile Company	4.00
United Cities Gas Company	69.00
US Gypsum Company	12.00
Wall Lake, City of	5,165.92
Wayland Municipal Gas Utility	11.00
Wellman Municipal Gas System	12.00
Williams Pipeline	381.70
Winfield Municipal Gas Utility	5.00
Total Pipeline Billings	\$ 78,673.77

REMAINDER ASSESSMENTS

Remainder Assessments

Rate Regulated

	Calendar 1998 Revenues	FY 1999 Assessment
Water		
Iowa-American Water Co.	\$ 19,019,835	\$ 27,361.53
Electric & Gas		
Interstate Power Company	250,536,021	360,415.85
IES Utilities	760,259,269	1,093,692.99
MidAmerican Energy Company - Electric	920,572,397	1,324,316.02
MidAmerican Energy Company - Gas	336,351,489	483,868.17
Natural Gas Companies		
United Cities Gas	5,132,721	7,383.82
Peoples Natural Gas	94,112,367	135,388.07
Rural Electric Cooperative		
Linn County REC	17,149,112	24,670.35

Nonrate Regulated Electric & Gas

Municipal Electric

Afton	439,749	316.31
Akron	722,346	519.58
Algona	5,376,392	3,867.18
Alta	659,773	474.57
Alta Vista	118,466	85.21
Alton	419,700	301.89
Ames	26,455,066	19,028.85
Anita	373,731	268.82
Anthon	330,202	237.51
Aplington	372,606	268.01
Atlantic	4,966,992	3,572.71
Auburn	121,211	87.19
Aurelia	477,683	343.59
Bancroft	645,893	464.58
Bellevue	1,270,299	913.71
Breda	256,151	184.25
Buffalo	316,801	227.87
Burt	233,210	167.75
Callender	163,426	117.55
Carlisle	1,172,537	843.39
Coggon	328,871	236.55
Corwith	182,166	131.03

R E M A I N D E R A S S E S S M E N T S

Municipal Electric	Calendar 1998 Revenues	FY 1999 Assessment
Danville	336,764	242.23
Dayton	362,495	260.74
Denison	4,923,605	3,541.50
Denver	692,492	498.10
Dike	447,451	321.85
Durant	949,375	682.88
Dysart	652,826	469.57
Earlville	315,451	226.90
Eldridge	2,381,573	1,713.04
Ellsworth	474,519	341.32
Estherville	2,682,433	1,929.45
Farnhamville	259,408	186.59
Fonda	326,442	234.81
Fontanelle	283,534	203.94
Forest City	3,399,536	2,445.25
Fredricksburg	1,420,104	1,021.47
Glidden	403,928	290.54
Gowrie	547,251	393.63
Grafton	119,250	85.78
Grand Junction	468,056	336.67
Greenfield	1,728,917	1,243.59
Grundy Center	1,668,340	1,200.02
Guttenberg	1,061,281	763.37
Hinton	382,529	275.15
Hopkinton	326,963	235.18
Hudson	863,234	620.92
Independence	4,059,766	2,920.15
Indianola	4,758,867	3,423.00
Keosauqua	897,618	645.65
Kimballton	128,376	92.34
La Porte City	885,263	636.76
Lake Mills	2,020,824	1,453.56
Lake View	903,995	650.23
Larchwood	325,759	234.32
Laurens	1,233,773	887.44
Lawler	189,652	136.41
Lehigh	173,677	124.92
Livermore	215,165	154.77
Long Grove	191,111	137.46
Mapleton	749,872	539.38
Maquoketa	4,336,641	3,119.30
Marathon	249,484	179.45
McGregor	429,975	309.28
Milford	1,515,672	1,090.21

R E M A I N D E R A S S E S S M E N T S

Municipal Electric	Calendar 1998 Revenues	FY 1999 Assessment
Mount Pleasant	4,365,610	3,140.14
Muscatine	51,322,300	36,915.59
Neola	242,420	174.37
New Hampton	3,438,895	2,473.56
New London	1,287,877	926.36
Ogden	881,642	634.16
Onawa	1,484,762	1,067.97
Orange City	3,124,651	2,247.53
Orient	161,794	116.38
Panora	792,068	569.73
Paton	184,737	132.88
Paullina	421,230	302.99
Pella	11,770,210	8,466.19
Pocahontas	928,742	668.03
Primghar	491,490	353.52
Readlyn	271,394	195.21
Renwick	241,673	173.83
Rockford	798,402	574.28
Sergeant Bluff	1,427,435	1,026.74
Shelby	232,242	167.05
Sibley	1,745,988	1,255.87
Spencer	6,043,147	4,346.77
Stanhope	257,686	185.35
Stanton	360,048	258.98
State Center	1,010,354	726.74
Story City	2,939,012	2,114.00
Stratford	372,216	267.73
Strawberry Point	634,436	456.34
Stuart	1,002,039	720.76
Sumner	1,253,774	901.83
Tennant	32,766	23.57
Traer	1,445,271	1,039.57
Villisca	522,338	375.71
Vinton	2,195,502	1,579.20
Wall Lake	434,180	312.30
Waverly	6,995,941	5,032.11
Webster City	8,325,888	5,988.72
West Liberty	2,682,344	1,929.38
West Point	930,405	669.23
Westfield	73,891	53.15
Wilton	1,497,944	1,077.46
Winterset	2,977,374	2,141.59
Woolstock	134,314	96.61

REMAINDER ASSESSMENTS

Municipal Gas Companies	Calendar 1998 Revenues	FY 1999 Assessment
Allerton	719,919	517.83
Bedford	444,901	320.01
Brighton	162,275	116.72
Clearfield	82,096	59.05
Emmetsburg	1,305,920	939.33
Everly	286,492	206.07
Gilmore City	384,556	276.61
Guthrie Center	636,557	457.87
Lineville	86,223	62.02
Lorimor	90,568	65.14
Morning Sun	220,327	158.48
Moulton	178,678	128.52
Prescott	70,242	50.52
Rolfe	272,699	196.15
Sac City	957,940	689.04
Titonka	131,950	94.91
Waukee	902,224	648.96
Wayland	362,946	261.06
Wellman	312,060	224.46
Winfield	289,037	207.90

Municipal Electric & Gas Companies

Bloomfield	3,003,104	2,160.10
Brooklyn	1,031,018	741.60
Cascade	1,250,666	899.59
Cedar Falls	23,562,626	16,948.35
Coon Rapids	1,947,541	1,400.85
Corning	1,339,404	963.42
Fairbank - Electric	402,163	289.27
Fairbank - Gas	226,712	163.07
Graettinger - Electric	384,879	276.84
Graettinger - Gas	220,856	158.86
Harlan	5,271,263	3,791.56
Hartley - Electric	773,596	556.44
Hartley - Gas	519,946	373.99
Hawarden	2,201,759	1,583.70
Lake Park	962,409	692.25
Lamoni	1,746,634	1,256.34
Lenox - Electric	718,416	516.75
Lenox - Gas	556,275	400.12
Manilla - Electric	368,298	264.91
Manilla - Gas	228,705	164.51

R E M A I N D E R A S S E S S M E N T S

Municipal Electric & Gas	Calendar 1998 Revenues	FY 1999 Assessment
Manning - Electric	1,520,042	1,093.35
Manning - Gas	719,537	517.56
Montezuma - Electric	1,321,498	950.54
Montezuma - Gas	589,742	424.20
Osage	3,819,318	2,747.20
Preston - Electric	452,955	325.81
Preston - Gas	230,514	165.81
Remsen	1,181,757	850.03
Rock Rapids	2,067,718	1,487.29
Sabula	498,050	358.24
Sanborn - Electric	726,282	522.41
Sanborn - Gas	613,648	441.39
Sioux Center	5,362,369	3,857.10
Tipton - Electric	2,014,010	1,448.66
Tipton - Gas	927,082	666.84
West Bend - Electric	834,338	600.13
West Bend - Gas	511,167	367.68
Whittemore	569,492	409.63
Woodbine - Electric	546,872	393.36
Woodbine - Gas	365,160	262.66

Rural Electric Cooperatives

Allamakee-Clayton Electric Coop	8,340,681	5,999.36
Amana Society Service Company	4,675,317	3,362.91
Atchison-Holt Electric Coop	1,056,835	760.17
Boone Valley Electric Coop	436,415	313.91
Butler County Rural Electric Coop	9,438,176	6,788.78
Calhoun County Electric Coop Association	2,426,619	1,745.44
Cass Electric Cooperative	91,218	65.61
Central Iowa Power Cooperative (CIPCO)	100,354,075	72,183.63
Chariton Valley Electric Coop	5,424,215	3,901.58
Clarke Electric Coop	5,982,140	4,302.89
Corn Belt Power Coop	48,936,141	35,199.25
East-Central Iowa Rural Electric Coop	11,694,415	8,411.67
Eastern Iowa Light & Power Coop	39,480,250	28,397.73
Farmers Electric Coop Kalona	1,033,788	743.59
Farmers Electric Coop Greenfield	7,746,727	5,572.14
Federated Rural Electric Association	40,772	29.33
Franklin Rural Electric Coop	3,283,341	2,361.67
Freeborn-Mower Electric Coop	10,144	7.30
Glidden Rural Electric Coop	2,978,457	2,142.37
Grundy County Rural Electric Coop	3,590,857	2,582.87

R E M A I N D E R A S S E S S M E N T S

Rural Electric Cooperatives	Calendar 1998 Revenues	FY 1999 Assessment
Grundy Electric Coop	249,834	179.70
Guthrie County Rural Electric Coop Assn.	6,142,251	4,418.06
Hancock County Rural Electric Coop	3,433,567	2,469.73
Harrison County Rural Electric Coop	3,899,700	2,805.01
Hawkeye Tri-County Electric Coop	8,695,906	6,254.87
Heartland Power Coop	7,079,178	5,091.98
Humboldt County Rural Electric Coop	3,423,103	2,462.20
Iowa Lakes Electric Coop	18,890,881	13,588.01
L & O Power Coop	3,087,747	2,220.98
Lyon Rural Electric Coop	3,431,189	2,468.02
Maquoketa Valley Rural Electric Coop	16,809,365	12,090.80
Marshall County Rural Electric Coop	6,045,986	4,348.81
Midland Power Coop	15,740,012	11,321.63
Nishnabotna Valley Rural Electric Coop	5,420,578	3,898.96
Nobles Coop Electric Association	9,277	6.67
North West Rural Electric Coop	13,155,694	9,462.75
Northwest Iowa Power Coop	33,783,548	24,300.15
Osceola Electric Coop	1,780,409	1,280.63
Pella Coop Electric Association	3,607,734	2,595.01
Pleasant Hill Community Line	243,969	175.48
Rideta Electric Coop	3,427,674	2,465.49
S.E. Iowa Coop Electric Association	11,123,842	8,001.26
Sac County Rural Electric Coop	1,747,618	1,257.04
Southern Iowa Electric Coop	6,029,651	4,337.06
Southwest Iowa Service Cooperative	4,465,736	3,212.16
T. I. P. Rural Electric Coop	8,464,926	6,088.73
Tri-County Electric Coop	115,213	82.87
United Electric Coop	568,731	409.08
Western Iowa Power Coop	7,303,437	5,253.29
Woodbury County Rural Electric Coop	4,184,854	3,010.12
Wright County Rural Electric Coop	7,806,057	5,614.81

REMAINDER ASSESSMENTS

Rate Regulated Telephones

	Calendar 1998 Revenues	FY 1999 Assessment
Local Telephones		
Frontier Communications	22,174,463	31,899.71
GTE Midwest	109,105,000	156,956.15
US West Communications	379,979,000	546,629.77

Interexchange Telephones

AmeriTel Pay Phones	1,508,238	2,169.72
Davetel	314,062	451.80
DTG Communications	53,888	77.52
Gerlach Communications	70,071	100.80
Intellical Operators Services	482,403	693.97
One Call Communications d/b/a Opticom	56,905	81.86
Pay Phones Unlimited	151,445	217.87
Telaleasing Enterprises	104,687	150.60
Telespan Communications Corp.	140,734	202.46
T-NETIX	194,374	279.62

Nonrate Regulated Telephones

Local Telephones

Ace Telephone	2,149,641	1,546.21
Alpine Communications, L.C.	3,720,120	2,675.84
Amana Colonies Telephone Company	903,791	650.09
Andrew Telephone	186,960	134.48
Arcadia Telephone Coop	225,939	162.52
AT&T Communications of the Midwest	204,228	146.90
Atkins Coop Telephone Company	349,292	251.24
Ayrshire Farmers Mutual Telephone	357,035	256.81
Baldwin-Nashville Telephone Company	173,786	125.00
Barnes City Coop. Telephone	98,203	70.64
Bernard Telephone Company	405,783	291.88
Blue Earth Valley Telephone	546,849	393.34
Breda Telephone Corporation	684,496	492.35
Brooklyn Mutual Telephone Company	730,923	525.75
Burt Telephone	269,322	193.72
Butler-Breemer Mutual Telephone Company	1,264,632	909.64
Cascade Telephone Company	1,017,004	731.52
Casey Mutual Telephone Company	305,578	219.80
Center Junction Telephone Company	76,388	54.95
Central Scott Telephone Company	2,028,689	1,459.21

R E M A I N D E R A S S E S S M E N T S

Local Telephone Companies	Calendar 1998 Revenues	FY 1999 Assessment
CenturyTel of Chester	88,149	63.40
CenturyTel of Postville	682,324	490.79
Citizens Mutual Telephone Company	2,151,303	1,547.41
Clarence Telephone Company	492,435	354.20
Clarkville Telephone Company	509,076	366.17
Clear Lake Ind. Telephone Company	3,312,716	2,382.80
C-M-L Telephone Coop. Association	322,381	231.89
Colo Telephone Company	452,705	325.63
Coon Creek Telephone Company	358,745	258.04
Coon Valley Coop Telephone Association	270,553	194.61
Coop Telephone Exchange	216,709	155.88
Cooperative Telephone Company	793,033	570.42
Corn Belt Telephone Company	569,084	409.34
Cumberland Telephone Company	246,764	177.49
Danville Mutual Telephone Company	586,656	421.98
Deep River Mutual Telephone Company	72,192	51.93
Defiance Telephone Company	161,173	115.93
Dixon Telephone Company	252,988	181.97
Dumont Telephone Company	194,351	139.79
Dunkerton Telephone Cooperative	455,632	327.73
East Buchanan Telephone Cooperative	884,535	636.24
Ellsworth Coop Telephone Association	451,711	324.91
Fenton Coop Telephone Company	126,345	90.88
Farmer's & Businessmen's Telephone	613,379	441.20
Farmers' & Merchants Mutual Telephone	320,409	230.47
Farmers' Cooperative Telephone	1,196,563	860.68
Farmers' Mutual Coop Telephone - Moulton	276,584	198.94
Farmers' Mutual Coop Telephone - Harlan	954,292	686.41
Farmers' Mutual Telephone - Jesup	1,256,801	904.00
Farmers' Mutual Telephone - Shellsburg	849,013	610.69
Farmers' Mutual Telephone - Stanton	532,184	382.79
Farmers' Telephone - Batavia	276,132	198.62
Farmers' Telephone - Essex	288,995	207.87
Farmers' Telephone - Nora Springs	1,587,548	1,141.91
Farmers' Telephone - Riceville	872,426	627.53
Frontier Communications - Schuyler	692,818	498.34
Goldfield Telephone Company	275,698	198.31
Grand Mound Coop Telephone Association	307,615	221.26
Grand River Mutual Telephone	3,252,157	2,339.24
Griswold Coop Telephone Company	982,648	706.81
Hawkeye Telephone Company	266,555	191.73
Heart of Iowa Communications	71,156	51.18
Heart of Iowa Telephone Coop	341,452	245.60
Heartland Telecommunications Co. of Iowa	5,535,482	3,981.61

R E M A I N D E R A S S E S S M E N T S

Local Telephones	Calendar 1998 Revenues	FY 1999 Assessment
Hills Telephone Company	999,391	718.85
Hospers Telephone Exchange	402,338	289.40
Hubbard Coop Telephone Association	326,612	234.93
Huxley Coop Telephone Company	1,263,564	908.87
IAMO Telephone Company	169,405	121.85
Iowa Network Services	8,774,676	6,311.53
Interstate 35 Telephone Company	841,251	605.10
Jefferson Telephone Company	1,704,456	1,226.00
Jordan-Soldier Valley Coop Telephone	143,887	103.50
Kalona Coop Telephone Company	1,143,382	822.42
Keystone Farmers Coop Telephone	675,932	486.19
La Motte Telephone Company	171,768	123.55
La Porte City Telephone Company	1,310,523	942.65
Laurel Telephone Company	192,855	138.72
Lehigh Valley Coop Telephone	957,212	688.51
Liberty Communications	1,850,056	1,330.73
Lone Rock Coop Telephone Company	123,046	88.51
Lost Nation-Elwood Telephone Company	353,506	254.27
Lynnville Comm. Telephone Company	138,929	99.93
Mabel Coop Telephone Company	259,519	186.67
Manilla Telephone Company	345,965	248.85
Marne & Elk Horn Telephone Company	616,373	443.35
Martelle Coop Telephone Association	135,740	97.64
Massena Telephone Company	246,222	177.10
McLeod Communications Services	40,146,576	28,877.01
Mechanicsville Telephone Company	449,668	323.44
Mediapolis Telephone Company	1,135,726	816.92
Mid Iowa Telephone Coop - Gilman	797,395	573.56
Miles Coop Telephone Association	296,959	213.60
Miller Telephone Company	43,139	31.03
Minburn Telephone Company	305,477	219.73
Minerva Valley Telephone Company	490,068	352.50
Modern Coop Telephone Company	489,009	351.74
Montezuma Mutual Telephone Company	1,058,891	761.65
Mutual Telephone Company of Morning Sun	349,862	251.65
Mutual Telephone Company of Sioux Center	1,806,826	1,299.63
New Ulm Telecom	466,806	335.77
North English Coop Telephone Company	357,193	256.93
Northeast Iowa Telephone Company	858,302	617.37
Northern Iowa Telephone Company	1,209,593	870.05
Northwest Iowa Telephone Company	1,875,848	1,349.28
Northwest Telephone Coop	863,340	620.99
Norway Rural Telephone Company	330,444	237.68
Ogden Telephone Company	927,531	667.16

R E M A I N D E R A S S E S S M E N T S

Local Telephones	Calendar 1998 Revenues	FY 1999 Assessment
Olin Telephone Company	424,187	305.11
Onslow Coop Telephone Association	243,272	174.98
Oran Mutual Telephone Company	187,261	134.69
Palmer Mutual Telephone Company	215,987	155.36
Palo Coop Telephone Association	220,838	158.85
Panora Coop Telephone Association	860,126	618.68
Prairie Telephone Company	562,221	404.40
Prairieburg Telephone Company	123,711	88.98
Preston Telephone Company	681,449	490.16
Radcliffe Telephone Company	297,419	213.93
Readlyn Telephone Company	501,491	360.72
Ringsted Telephone Company	210,244	151.23
River Valley Telephone Coop	479,805	345.12
Rockwell Coop Telephone	1,089,434	783.62
Royal Telephone Company	191,390	137.66
Ruthven Telephone Exchange Company	410,719	295.43
Sac County Mutual Telephone Company	540,073	388.47
Schaller Telephone Company	1,017,542	731.91
Scranton Telephone Company	302,530	217.61
Searsboro Telephone Company	375,302	269.95
Sharon Telephone Company	478,924	344.48
Shell Rock Telephone	0	0.00
South Central Communications	1,200,373	863.42
South Slope Coop Telephone Company	3,498,225	2,516.24
Southwest Telephone Exchange	425,634	306.15
Springville Coop Telephone Association	431,813	310.60
Stratford Mutual Telephone Company	359,794	258.80
Sully Telephone Association	539,926	388.36
Superior Telephone Coop	92,544	66.57
Swisher Telephone Company	332,349	239.06
Templeton Telephone Company	227,404	163.57
Terril Telephone Company	261,549	188.13
Titonka Telephone Company	266,549	191.73
United Farmers Telephone Company	396,589	285.26
Universal Communications of Allison	487,096	350.36
Van Buren Telephone Company	1,413,646	1,016.82
Van Horne Coop Telephone Company	385,144	277.03
Ventura Telephone Company	264,764	190.44
Villisca Farmers Telephone Company	530,561	381.63
Walnut Telephone Company	422,472	303.88
Webb-Dickens Telephone	372,483	267.92
Webster-Calhoun Coop Telephone	2,747,768	1,976.44
Wellman Coop Telephone	707,965	509.23
West Iowa Telephone Company	2,564,474	1,844.60

R E M A I N D E R A S S E S S M E N T S

Local Telephones	Calendar 1998 Revenues	FY 1999 Assessment
Western Iowa Telephone Association	1,868,005	1,343.64
Westside Independent Telephone Company	215,392	154.93
Wilton Telephone Company	1,091,256	784.93
Winnebago Coop Telephone	3,058,252	2,199.77
Woolstock Mutual Telephone	106,103	76.32
Wyoming Mutual Telephone Company	291,862	209.93

Interexchange Telephones

Affinity Corporation	148,612	106.90
Business Discount Plan	382,612	275.21
Call for Less	62,700	45.10
CommuniGroup of K.C. d/b/a CGI	510,349	367.09
Eclipse Telecommunications	4,630,721	3,330.83
GE Capital Communication Services	350,079	251.81
GTE Card Services	5,096,730	3,666.02
IADA Services (Iowa Auto Dealers Assn.)	714,499	513.93
Inacom Communications	63,464	45.65
Incomnet Communications	120,768	86.87
IXC Long Distance	57,025	41.02
LDC Telecommuniactions	71,850	51.68
Local Long Distance, L.C.	420,270	302.30
MCI Telecommunications	49,994,108	35,960.24
MCI WorldCom	2,942,566	2,116.56
MCI WorldCom f/k/a BLT Technologies	58,614	42.16
MCI WorldCom f/k/a Touch 1 Long Distance	131,370	94.49
MCI WorldCom f/k/a TTI National,	504,973	363.22
MCI WorldCom f/k/a WorldCom Network Serv.	4,569,413	3,286.73
MCI WorldCom f/k/a WorldCom Technologies	12,016,271	8,643.18
Network Plus	83,462	60.03
Norstan Network Services	77,413	55.68
North American Telephone Network, L.L.C.	81,672	58.75
OneStar Long Distance	267,664	192.53
Phoenix Network	114,757	82.54
Premiere Technologies	82,565	59.39
Qwest Communications	598,336	430.38
Sprint Communications Company L.P.	13,248,088	9,529.21
Telecom Compliance Services for Convergent	275,962	198.50
TelePlus Telecommunications	60,550	43.55
The Furst Group	110,444	79.44
Touch 1 Communications	332,698	239.31
Transcommunications	76,591	55.09
TSC Payphone Corporation	188,049	135.26

REMAINDER ASSESSMENTS

Interexchange Telephones	Calendar 1998 Revenues	FY 1999 Assessment
UniDial Communications	402,008	289.16
Value Tel	60,771	43.71
VarTec Telecom	2,923,247	2,102.66
Webster-Calhoun Long Distance	1,034,998	744.46
WinStar Wireless	74,699	53.73
Fiscal Year 1999 Total Remainder Assessment	\$ 3,952,445,384	\$ 4,941,456.76

DUAL PARTY ASSESSMENTS

Dual Party Assessments

Interexchange Carriers	Calendar 1998 Revenue	FY 1999 Assessment
Affinity Corporation	\$ 148,612	\$ 264.10
Allnet Communication Services	9,071,971	16,121.87
Alpine Long Distance	620,957	1,103.51
Ameritel Pay Phones	1,508,238	2,680.30
AmeriVision Communications	597,340	1,061.54
AT&T Communications	104,583,840	185,856.75
Brooklyn Communication Systems	139,538	247.97
Budget Call Long Distance	284,827	506.17
Business Discount Plan	382,612	679.94
C L Tel Long Distance	642,547	1,141.88
Call for Less	62,700	111.42
Colorado River Communications	188,346	334.71
CommuniGroup of K.C. d/b/a CGI	510,349	906.95
Complete Communications Services	75,625	134.39
Daveltel	314,062	558.12
DTG Communications	53,888	95.76
Eclipse Telcommunications	4,630,721	8,229.29
Epoch Networks	62,921	111.82
Equal Net Corporation	55,988	99.50
ETCLD	51,575	91.65
Excel Telecommunications	6,889,027	12,242.54
FMTC Long Distance	221,326	393.32
Frontier Communications International	64,611	114.82
Frontier Long Distance of America	412,040	732.24
Frontier Telemanagement	52,230	92.82
GE Capital Communication Services	350,079	622.13
Gerlach Communications	70,071	124.52
GTE Comm. Corp. f/k/a GTE Card Services	5,096,730	9,057.44
GTE Midwest (Interexchange)	17,589,000	31,257.55
Heart of Iowa Communications	218,044	387.49
Hertz Technologies	2,273,940	4,041.04
IADA Services	2,120,865	3,769.01
Inacom Communications	63,464	112.78
Incomnet Communications	120,768	214.62
Inter-Tel Net Solutions	84,456	150.09
Intellical Operators Services	482,403	857.28
Iowa Network Services	34,274,326	60,909.17
IXC Long Distance	1,550,138	2,754.76
LD Services	75,868	134.83
Link Communications	93,136	165.51
Link USA	9,983,743	17,742.19
Local Long Distance, L.C.	420,270	746.87

D U A L P A R T Y A S S E S S M E N T S

Interexchange Carriers	Calendar 1998 Revenue	FY 1999 Assessment
Long Distance Wholesale Club	236,616	420.49
MCI Telecommunications	49,994,108	88,844.92
MCI WorldCom (Teleconnect)	2,942,566	5,229.26
MCI WorldCom (BLT Technologies)	58,614	104.16
MCI WorldCom (Touch 1 Long Distance)	131,370	233.46
MCI WorldCom (Target Telecom)	504,973	897.39
MCI WorldCom (WorldCom Network Ser)	4,569,413	8,120.34
MCI WorldCom (WorldCom Technologies)	12,016,271	21,354.21
McLeod Telemanagement	20,124,427	35,763.27
Network Plus	83,462	148.32
NorLight Telecommunications	559,842	994.90
Norstan Network Services	77,413	137.57
North American Telephone Network	81,672	145.14
NOS Communications	686,640	1,220.23
NOSVA Limited Partnership	216,798	385.27
One Call Comm d/b/a Opticom	56,905	101.13
OneStar Long Distance	267,664	475.67
Pay Phones Unlimited	151,445	269.13
Phoenix Network	114,757	203.94
Premier Technologies	82,565	146.73
QCC (Quest Communications)	65,691	116.74
Qwest Communications	598,336	1,063.31
RSV Enterprises d/b/a Consumer Access	75,854	134.80
Sprint Communications Company L.P.	13,248,088	23,543.28
Switched Services Comm. L.L.C.	908,767	1,614.98
Telaleasing Enterprises	104,687	186.04
TCC Communications	52,682	93.62
Telco Holdings, Inc. (Dial & Save)	706,483	1,255.50
Telecom Compliance Svs. (Convergent Comm.)	275,962	490.41
Telecom Compliance Svs. (EconoPhone Services)	137,664	244.64
Telecom Compliance Svs. (Group Long Distance)	119,412	212.21
Telegroup	247,664	440.13
Telspan Communications	140,734	250.10
Teleplus Telecommunications	60,550	107.60
Tel-Save	565,321	1,004.64
The Furst Group	110,444	196.27
T-NETIX	194,374	345.42
Total Communications Services	2,388,275	4,244.22
Touch 1 Communications	332,698	591.24
Tres Com USA (Least Cost Routing)	0	0.00
TSC Payphone Corporation	188,049	334.18
UniDial Communications	402,008	714.41
US West (Interexchange)	54,192,000	96,305.01
VarTec Telecom	2,923,247	5,194.92
Webster-Calhoun Long Distance	1,034,998	1,839.30

D U A L P A R T Y A S S E S S M E N T S

Interexchange Carriers	Calendar 1998 Revenue	FY 1999 Assessment
West Coast Telecommunications	2,266,203	4,027.29
Westinghouse Communications	6,662,790	11,840.50
Winstar Wireless	74,699	132.75
Working Assets Funding Service	183,353	325.84
Total for Interexchange Companies	\$ 387,711,746	\$ 689,005.54

Local Exchange Companies

Ace Telephone	\$ 3,171,530	\$ 3,196.80
Alpine Communications, L.C.	3,893,526	3,924.55
Amana Colonies Telephone Company	1,420,089	1,431.40
Andrew Telephone	193,736	195.28
Arcadia Telephone Coop	241,462	243.39
AT&T Communications of Midwest	204,228	205.86
Atkins Coop Telephone Company	362,289	365.18
Ayrshire Farmers Mutual Telephone	366,231	369.15
Baldwin-Nashville Telephone Company	185,129	186.60
Barnes City Coop Telephone	102,372	103.19
Bernard Telephone Company	714,293	719.98
Blue Earth Valley Telephone	41,932	42.27
Breda Telephone	749,899	755.87
Brooklyn Mutual Telephone Company	765,487	771.59
Burt Telephone	301,494	303.90
Butler-Breemer Mutual Telephone Company	2,142,615	2,159.69
Cascade Telephone Company	1,129,643	1,138.64
Casey Mutual Telephone Company	325,250	327.84
Center Junction Telephone Company	80,908	81.55
Central Scott Telephone Company	2,186,902	2,204.33
CenturyTel of Chester	90,287	91.01
CenturyTel of Postville	727,780	733.58
Citizens Mutual Telephone Company	2,427,395	2,446.74
Clarence Telephone Company	527,525	531.73
Clarkville Telephone Company	732,428	738.26
Clear Lake Ind. Telephone Company	4,298,045	4,332.29
C-M-L Telephone Coop Association	360,238	363.11
Colo Telephone Company	532,282	536.52
Coon Creek Telephone Company	414,277	417.58
Coon Valley Coop Telephone Association	301,992	304.40
Coop Telephone Exchange	216,709	218.44
Cooperative Telephone Company	914,175	921.46
Corn Belt Telephone Company	663,919	669.21
Crystal Communications (Hickory Tech)	122,202	123.18

D U A L P A R T Y A S S E S S M E N T S

Local Exchange Companies	Calendar 1998 Revenue	FY 1999 Assessment
Cumberland Telephone Company	264,473	266.58
Danville Mutual Telephone Company	647,743	652.90
Deep River Mutual Telephone Company	81,454	82.10
Defiance Telephone Company	172,373	173.75
Dixon Telephone Company	266,405	268.53
Dumont Telephone Company	386,707	389.79
Dunkerton Telephone Coop	512,146	516.23
East Buchanan Telephone Coop	978,492	986.29
Ellsworth Coop Telephone Association	534,801	539.06
Fenton Coop Telephone Company	147,533	148.71
FIRSTEL	870,338	877.27
Farmer's & Businessmen's Telephone Company	652,780	657.98
Farmers' & Merchants' Mutual Telephone	402,186	405.39
Farmers' Coop Telephone Company	1,266,839	1,276.93
Farmers' Mutual Coop Telephone - Moulton	290,735	293.05
Farmers' Mutual Coop Telephone - Harlan	1,026,908	1,035.09
Farmers' Mutual Telephone - Jesup	1,384,775	1,395.81
Farmers' Mutual Telephone - Shellsburg	949,918	957.49
Farmers' Mutual Telephone - Stanton	589,393	594.09
Farmers' Telephone - Batavia	292,071	294.40
Farmers' Telephone - Essex	307,322	309.77
Farmers' Telephone - Nora Springs	1,684,638	1,698.06
Farmers' Telephone - Riceville	922,084	929.43
Forest City Telecom	76,424	77.03
Frontier Communications - Schuyler, Inc.	741,711	747.62
Frontier Communications of Iowa	27,501,693	27,720.81
Goldfield Telephone Company	300,473	302.87
Grand Mound Coop Telephone Association	321,714	324.28
Grand River Mutual Telephone	4,702,484	4,739.95
Griswold Coop Telephone Company	1,079,391	1,087.99
GTE Midwest (Local)	129,783,000	130,817.04
Hawkeye Telephone Company	299,296	301.68
Heart of Iowa Communications	71,156	71.72
Heart of Iowa Telecommunications	341,452	344.17
Heartland Telecommunications Co. of Iowa	5,866,646	5,913.39
Hills Telephone Company	1,017,885	1,025.99
Hospers Telephone Exchange	510,125	514.19
Hubbard Coop Telephone Association	359,818	362.68
Huxley Coop Telephone Company	1,820,578	1,835.08
IAMO Telephone Company	184,465	185.93
Interstate 35 Telephone Company	923,576	930.93
Jefferson Telephone Company	2,816,078	2,838.51
Jordan-Soldier Valley Coop Telephone Co.	157,845	159.10
Kalona Coop Telephone Company	1,350,152	1,360.91
Keystone Farmers Coop Telephone Company	687,715	693.19

D U A L P A R T Y A S S E S S M E N T S

Local Exchange Companies	Calendar 1998 Revenue	FY 1999 Assessment
La Motte Telephone Company	171,768	173.14
La Porte City Telephone Company	1,376,234	1,387.20
Laurel Telephone Company	200,809	202.41
Lehigh Valley Coop Telephone Association	1,129,989	1,138.99
Liberty Communications	2,185,397	2,202.81
Lone Rock Coop Telephone Company	140,019	141.13
Lost Nation-Elwood Telephone Company	536,154	540.43
Lynnvile Comm. Telephone Company	152,177	153.39
Mabel Coop Telephone Company	259,519	261.59
Manilla Telephone Company	373,984	376.96
Marne & Elk Horn Telephone Company	616,373	621.28
Martelle Coop Telephone Association	145,903	147.07
Massena Telephone Company	327,413	330.02
McLeod Telemanagement	40,146,576	40,466.44
Mechanicsville Telephone Company	485,895	489.77
Mediapolis Telephone Company	1,215,086	1,224.77
Mid Iowa Telephone Coop - Gilman	863,356	870.23
Miles Coop Telephone Association	323,319	325.90
Miller Telephone	47,811	48.19
Minburn Telephone Company	332,517	335.17
Minerva Valley Telephone Company	520,242	524.39
Modern Coop Telephone Company	552,382	556.78
Montezuma Mutual Telephone Company	1,794,862	1,809.16
Mutual Telephone Company of Morning Sun	377,059	380.06
Mutual Telephone Company of Sioux Center	2,264,986	2,283.03
New Ulm Telecom	548,017	552.38
North English Coop Telephone Company	393,268	396.40
Northeast Iowa Telephone Company	913,588	920.87
Northern Iowa Telephone Company	1,345,885	1,356.61
Northwest Iowa Telephone Company	1,937,288	1,952.72
Northwest Telephone Coop Association	863,340	870.22
Norway Rural Telephone Company	377,109	380.11
Ogden Telephone Company	1,013,936	1,022.01
Olin Telephone Company	463,265	466.96
Onslow Coop Telephone Association	251,160	253.16
Oran Mutual Telephone Company	197,108	198.68
Palmer Mutual Telephone Company	226,090	227.89
Palo Coop Telephone Association	330,741	333.38
Panora Coop Telephone Association	975,828	983.60
Prairie Telephone Company	600,949	605.74
Prairieburg Telephone Company	130,950	131.99
Preston Telephone Company	730,657	736.48
Radcliffe Telephone Company	326,364	328.96
Readlyn Telephone Company	531,347	535.58
Ringsted Telephone Company	213,856	215.56

D U A L P A R T Y A S S E S S M E N T S

Local Exchange Companies	Calendar 1998 Revenue	FY 1999 Assessment
River Valley Telephone Coop	525,454	529.64
Rockwell Coop Telephone Association	1,202,136	1,211.71
Royal Telephone Company	219,389	221.14
Ruthven Telephone Exchange Company	461,151	464.83
Sac County Mutual Telephone Company	608,883	613.73
Schaller Telephone Company	1,022,266	1,030.41
Scranton Telephone Company	327,658	330.27
Searsboro Telephone Company	392,091	395.21
Sharon Telephone Company	679,717	685.13
Shell Rock Telephone	590,808	595.52
South Central Communications	2,059,027	2,075.43
South Slope Coop Telephone Company	3,783,701	3,813.85
Southwest Telephone Exchange	468,722	472.46
Springville Coop Telephone Association	472,685	476.45
Stratford Mutual Telephone Company	396,518	399.68
Sully Telephone Association	616,385	621.30
Superior Telephone Coop	110,132	111.01
Swisher Telephone Company	342,365	345.09
Templeton Telephone Company	243,882	245.83
Terril Telephone Company	290,994	293.31
Titonka Telephone Company	293,954	296.30
United Farmers Telephone Company	405,540	408.77
Universal Communications of Allison	513,928	518.02
U S West (Local)	354,644,000	357,469.60
Van Buren Telephone Company	1,541,674	1,553.96
Van Horne Coop Telephone Company	477,269	481.07
Ventura Telephone Company	330,269	332.90
Villisca Farmers Telephone Company	558,671	563.12
Walnut Telephone Company	461,940	465.62
Webb-Dickens Telephone	418,700	422.04
Webster-Calhoun Coop Telephone	2,747,768	2,769.66
Wellman Coop Telephone Association	771,219	777.36
West Iowa Telephone Company	2,973,242	2,996.93
Western Iowa Telephone Association	2,068,059	2,084.54
Westside Independent Telephone Company	230,004	231.84
Wilton Telephone Company	1,091,256	1,099.95
Winnebago Coop Telephone Assn.	3,425,333	3,452.62
Woolstock Mutual Telephone Assn.	115,467	116.39
Wyoming Mutual Telephone Co.	312,434	314.92
Total for Local Exchange Companies	683,559,327	689,005.55
Grand Total	\$ 1,071,271,073	\$ 1,378,011.09

E N E R G Y C E N T E R S

Funding for Iowa Energy Center and Global Warming Center

	Calendar 1997 Revenue	Energy Center	Global Warming	FY 1999 Assessment
Rate Regulated				
Interstate	\$ 239,109,783	\$ 203,244	\$ 35,867	\$ 239,111
IES Utilities	759,791,396	645,823	113,969	759,792
MidAmerican Energy - Electric	878,967,669	747,123	131,845	878,968
MidAmerican Energy - Gas	418,271,507	355,532	62,741	418,273
United Cities Gas	6,650,193	5,653	998	6,650
Peoples	119,446,271	101,529	17,917	119,446
Linn County REC	16,213,784	13,782	2,432	16,214

Municipal Electric

Afton Municipal Electric System	419,159	356	63	419
Akron Electric	712,359	605	107	712
Algona Municipal Utility	4,914,149	4,177	737	4,914
Alta Electric	633,927	539	95	634
Alta Vista Electric	114,894	98	17	115
Alton Municipal Utility	403,266	343	60	403
Amana - Electric	4,599,936	3,910	690	4,600
Ames Municipal Electric Utility	24,041,650	20,436	3,606	24,042
Anita Municipal Utility	393,228	334	59	393
Anthon Electric	337,499	286	51	337
Aplington Electric	379,397	322	57	379
Atlantic Municipal Utility	4,388,639	3,731	658	4,389
Auburn Electric	119,555	102	18	120
Aurelia Electric	492,613	419	74	493
Bancroft Municipal Utility	609,121	518	91	609
Bellevue Municipal Utility	1,205,719	1,025	181	1,206
Breda Electric System	263,119	224	39	263
Buffalo Electric	311,154	264	47	311
Burt Municipal Electric Utility	230,936	196	35	231
Callendar Electric	163,706	139	25	164
Carlisle Municipal Electric Utility	1,114,949	948	167	1,115
Coggon Municipal Light Plant	312,914	266	47	313
Corwith Electric Distribution System	187,077	159	28	187
Danville Municipal Electric Utility	337,406	286	51	337
Dayton Light & Power	342,292	291	51	342
Denison Municipal Utility	4,805,221	4,084	721	4,805
Denver Electric	697,833	593	105	698
Dike Electric	412,921	351	62	413
Duran Municipal Electric Plant	938,473	797	141	938
Dysart Electric	645,883	549	97	646
Earlville Municipal Electric Utility	298,167	253	45	298

E N E R G Y C E N T E R S

	Calendar 1997 Revenue	Energy Center	Global Warming	FY 1999 Assessment
Municipal Electric				
Eldridge Electric	2,119,837	1,802	318	2,120
Ellsworth Electric	509,240	433	76	509
Estherville Electric	2,677,291	2,275	402	2,677
Farnhamville Electric	267,434	227	40	267
Fonda Electric	309,230	263	46	309
Fontanelle Municipal Electric Utility	278,287	236	42	278
Forest City Municipal Light Plant	3,242,125	2,756	486	3,242
Fredericksburg Electric	1,261,219	1,072	189	1,261
Glidden Electric	419,279	356	63	419
Gowrie Municipal Utility	528,706	450	79	529
Grafton Electric	112,493	95	17	112
Grand Junction Municipal Electric	468,267	398	70	468
Greenfield Municipal Utility	1,678,603	1,427	252	1,679
Grundy Center Light & Power Dept.	1,589,199	1,351	238	1,589
Guttenberg Electric	1,046,811	890	157	1,047
Hinton Municipal Electric Utility	346,030	294	52	346
Hopkinton Municipal Utility	361,078	307	54	361
Hudson Municipal Electric Utility	801,951	682	120	802
Independence Light & Water	3,760,493	3,196	564	3,760
Indianola Electric	4,502,375	3,827	675	4,502
Keosauqua Municipal Light & Power	885,223	752	133	885
Kimballton Municipal Light Plant	128,324	109	19	128
Lake Mills Municipal Utility	2,040,699	1,735	306	2,041
Lake View Electric Department	927,908	789	139	928
La Porte City Utility	799,966	680	120	800
Larchwood Electric	318,470	270	48	318
Laurens Municipal Light & Power	874,352	743	131	874
Lawler Electric	183,586	157	28	185
Lehigh Electric	171,814	146	26	172
Livermore Electric	217,377	184	33	217
Long Grove Electric	178,403	151	27	178
Mapleton Municipal Electric Light	728,861	620	109	729
Maquoketa Municipal Light & Power	4,535,713	3,856	680	4,536
Marathon Electric	214,960	183	32	215
McGregor Municipal Utility	465,486	395	70	465
Milford Municipal Utility	1,347,423	1,145	202	1,347
Mt. Pleasant Utility	4,241,131	3,605	636	4,241
Muscatine Power & Water	39,018,600	33,166	5,853	39,019
Neola Light & Water Department	240,108	204	36	240
New Hampton Municipal Light Plant	2,911,862	2,475	437	2,912
New London Electric	1,236,933	1,051	186	1,237
Ogden Municipal Utility	849,259	722	127	849
Onawa Electric	1,416,233	1,204	212	1,416
Orange City Electric	3,159,441	2,685	474	3,159

E N E R G Y C E N T E R S

	Calendar 1997 Revenue	Energy Center	Global Warming	FY 1999 Assessment
Municipal Electric				
Orient Electric	160,614	137	24	161
Panora Municipal Electric Utility	757,004	643	114	757
Paton Electric	188,556	161	28	189
Paullina Municipal Light Plant	426,009	362	64	426
Pella Electric	11,228,545	9,546	1,685	11,230
Pocahontas Electric	922,556	785	139	924
Primghar Municipal Light Plant	483,632	411	73	484
Readlyn Electric	263,508	225	40	265
Renwick Electric	248,257	211	37	248
Rockford Municipal Light Plant	412,073	350	62	412
Sergeant Bluff Electric	1,350,946	1,148	203	1,351
Shelby Electric	232,244	197	35	232
Sibley Municipal Utility	1,645,410	1,398	247	1,645
Spencer Municipal Utility	5,776,354	4,910	866	5,776
Stanhope Electric	228,345	194	34	228
Stanton Electric	365,791	311	55	366
State Center Municipal Light Plant	1,026,058	872	154	1,026
Story City Municipal Electric Utility	2,356,979	2,003	354	2,357
Stratford Electric	347,369	295	52	347
Strawberry Point Electric	616,818	524	93	617
Stuart Municipal Utility	965,784	821	145	966
Sumner Municipal Light Plant	896,222	762	134	896
Tennant Electric Utility	34,875	30	5	35
Traer Municipal Utility	1,327,396	1,128	199	1,327
Villisca Municipal Power Plant	535,347	455	80	535
Vinton Municipal Light Plant	2,030,437	1,726	305	2,030
Wall Lake Electric	427,349	363	64	427
Waverly Municipal Utility	6,476,353	5,505	971	6,476
Webster City Electric	8,423,223	7,160	1,263	8,423
West Liberty Electric	2,666,423	2,266	400	2,666
West Point Municipal Electric System	898,858	764	135	899
Westfield Electric	71,214	60	11	71
Wilton Municipal Light & Power System	1,430,815	1,216	215	1,431
Winterset Municipal Utility	2,814,886	2,393	422	2,815
Woolstock Electric	146,285	124	22	146

E N E R G Y C E N T E R S

	Calendar 1997 Revenue	Energy Center	Global Warming	FY 1999 Assessment
Municipal Electric & Gas				
Bloomfield Electric & Gas	2,993,694	2,545	449	2,994
Brooklyn Municipal Utility	1,070,285	910	161	1,070
Cascade Electric & Gas	1,269,958	1,080	191	1,270
Cedar Falls Utility	24,395,239	20,736	3,659	24,395
Coon Rapids Municipal Utility	1,657,009	1,408	249	1,657
Corning Municipal Utility	1,483,196	1,261	222	1,483
Fairbank Municipal Electric	405,447	344	61	405
Fairbank Municipal Gas	263,283	224	39	263
Graettinger Electric	369,494	314	55	369
Graettinger Municipal Gas	279,297	237	42	279
Harlan Municipal Utilities	5,684,635	4,832	853	5,685
Hartley Municipal Electric	807,169	686	121	807
Hartley Municipal Gas	694,483	590	104	694
Hawarden Electric & Gas	2,329,183	1,980	349	2,329
Lake Park Municipal Utilities (G & E)	980,414	833	147	980
Lamoni Municipal Utilities	1,921,646	1,634	288	1,922
Lenox Municipal Electric Utility	709,169	603	106	709
Lenox Municipal Gas Utility	523,282	445	78	523
Manilla Municipal Electric Utility	395,056	336	59	395
Manilla Municipal Gas Utility	353,020	300	53	353
Manning Municipal Electric	1,544,800	1,313	232	1,545
Manning Natural Gas	888,965	756	133	889
Montezuma Municipal Utility - Light	1,179,382	1,002	177	1,179
Montezuma Municipal Utility - Gas	733,387	623	110	733
Osage Electric & Gas	3,831,889	3,257	575	3,832
Preston Municipal Electric Utility	486,288	413	73	486
Preston Municipal Gas Utility	357,721	304	54	358
Remsen Electric & Gas	1,192,741	1,014	179	1,193
Rock Rapids Municipal Utility	2,107,631	1,792	316	2,108
Sabula Municipal Electric & Gas	475,292	404	71	475
Sanborn Municipal Light Plant	738,247	627	111	738
Sanborn Municipal Gas System	774,064	658	116	774
Sioux Center Electric & Gas	5,616,676	4,774	843	5,617
Tipton Electric	1,872,340	1,591	281	1,872
Tipton Gas	983,755	836	148	984
West Bend Electric	834,238	709	125	834
West Bend Gas	473,627	403	71	474
Whittemore Electric & Gas	580,831	494	87	581
Woodbine Municipal Power Plant	571,716	486	86	572
Woodbine Gas System	449,337	382	67	449

E N E R G Y C E N T E R S

	Calendar 1997 Revenue	Energy Center	Global Warming	FY 1999 Assessment
Municipal Gas				
Allerton Gas	787,999	670	118	788
Bedford Municipal Gas Utility	512,013	435	77	512
Brighton Gas	174,631	149	26	175
Clearfield Municipal Gas Utility	113,763	97	17	114
Emmetsburg Municipal Utility	1,600,557	1,361	240	1,601
Everly Municipal Gas	353,026	300	53	353
Gilmore City Municipal Gas System	388,293	330	58	388
Guthrie Center Gas	673,257	572	101	673
Lineville Natural Gas System	100,863	86	15	101
Lorimor Municipal Gas System	111,021	94	17	111
Morning Sun Municipal Gas Utility	262,725	224	39	263
Moulton Municipal Gas System	199,785	170	30	200
Prescott Municipal Gas System	81,983	70	12	82
Rolfe Municipal Gas System	298,688	254	45	299
Sac City Municipal Gas Utility	1,120,012	952	168	1,120
Titonka, City of	166,138	141	25	166
Waukee Gas	904,166	768	136	904
Wayland Municipal Gas Utility	391,284	332	59	391
Wellman Gas	390,758	332	59	391
Winfield Gas	320,464	272	48	320

Rural Electric Cooperatives

Adams County Coop	2,397,475	2,037	360	2,397
Allamakee-Clayton Electric Coop	8,535,126	7,255	1,280	8,535
Atchison-Holt Electric Coop	1,085,636	923	163	1,086
East-Central Iowa REC	11,573,744	9,838	1,736	11,574
Boone Valley Electric Coop	212,553	182	32	214
Butler County REC	7,233,008	6,148	1,085	7,233
Calhoun County Electric Coop	2,127,759	1,809	319	2,128
Cass Electric Coop	86,759	74	13	87
Heartland Power Coop	6,966,400	5,921	1,045	6,966
Central Iowa Power Coop	5,120,675	4,353	768	5,121
Chariton Valley Electric Coop	5,221,997	4,439	783	5,222
Clarke Electric CoopP	5,503,135	4,678	825	5,503
Corn Belt Power Coop	0	0	0	0
Eastern Iowa Light & Power	31,006,903	26,356	4,651	31,007
Farmers Coop - Kalona	1,034,876	880	155	1,035
Farmers Coop- Greenfield	7,478,224	6,356	1,122	7,478
Franklin REC	3,071,456	2,610	461	3,071
Glidden REC	2,663,279	2,264	399	2,663
Grundy County - IA	3,581,864	3,045	537	3,582
Grundy Electric - MO	260,615	223	39	262

E N E R G Y C E N T E R S

	Calendar 1997 Revenue	Energy Center	Global Warming	FY 1999 Assessment
Rural Electric Cooperatives				
Guthrie County Electric Coop	5,488,920	4,666	823	5,489
Hancock County REC	3,247,203	2,760	487	3,247
Harrison County REC	3,880,807	3,299	582	3,881
Hawkeye Tri-County Electric Coop	8,244,422	7,007	1,237	8,244
Humboldt County REC	3,365,521	2,861	505	3,366
IDA County REC	2,617,485	2,224	393	2,617
L & O Power Coop	0	0	0	0
Lyon REC	3,181,324	2,704	477	3,181
Maquoketa Valley REC	16,631,358	14,136	2,495	16,631
Marshall County REC	5,893,290	5,009	884	5,893
Nishnabotna Valley REC	5,417,944	4,605	813	5,418
Northwest Iowa Power Coop	1,478,568	1,257	222	1,479
Nyman Electric Coop	1,851,119	1,573	278	1,851
Osceola Electric Coop	1,677,582	1,426	252	1,678
Pella Coop Electric	3,350,395	2,848	503	3,350
Pleasant Hill Community Line	254,203	216	38	254
Plymouth Electric Coop	4,429,842	3,766	665	4,430
Rideta Electric Coop	3,396,559	2,887	510	3,397
Southeast Iowa Coop Electric	10,583,865	8,996	1,588	10,584
Sac County REC	1,680,523	1,429	252	1,681
North West REC	8,015,858	6,814	1,202	8,016
Western Iowa Power Coop	7,561,238	6,427	1,134	7,561
Southern Iowa Electric Coop	4,359,960	3,706	654	4,360
TIP REC	8,195,768	6,967	1,229	8,196
Woodbury County REC	4,208,783	3,578	631	4,209
Wright County REC	6,032,353	5,127	905	6,032
Federated Rural Electric Coop	40,471	34	6	40
Freeborn Mower Electric Coop	10,109	9	2	10
Tri-County Electric Coop	99,439	84	15	99
Iowa Lakes Electric Coop	18,400,543	15,642	2,760	18,402
Nobles Coop Electric	9,759	9	2	10
Midland Power Coop	13,888,238	11,805	2,083	13,888
United Electric Coop	577,919	491	87	578
Grand Total	\$ 2,991,294,544	\$ 2,533,081	\$ 447,014	\$ 2,991,295



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