

**Department of Commerce  
Iowa Utilities Board**

# PERFORMANCE REPORT

Performance Results Achieved  
for Fiscal Year 2011

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## INTRODUCTION

The Iowa Utilities Board (IUB) is pleased to present its performance report for fiscal year 2011 (July 1, 2010 - June 30, 2011). The IUB is a fact-finding body that hears evidence in cases filed before it and makes decisions based on the evidence presented in those cases. An advocate of neither the public nor the utilities, the IUB is required by state statute to make decisions that balance the interests of all parties to ensure the utilities provide adequate and reliable service at reasonable prices.

This report highlights the services the IUB provided to Iowans, along with results achieved to ensure reliability, and to improve and expand utility service infrastructure in Iowa. This information is provided in accordance with the State of Iowa Accountable Government Act, Iowa Code chapter 8E.

The two basic business functions of the IUB are utility regulation and compliance, and resource management. This report covers performance information for both of these areas.

Thank you for your interest in our important public service work to Iowans,

Elizabeth S. Jacobs  
Chair

Darrell Hanson  
Board member

Swati A. Dandekar  
Board member

# AGENCY OVERVIEW

The Iowa Utilities Board (IUB), an independent division of the Iowa Department of Commerce, regulates the rates and services of electric and natural gas utilities in the state, the services and rates of one water utility, and the service and wholesale rates of telephone utilities in the state.

The agency culture is focused on public service, as reflected in the agency's **mission statement**:

*The IUB regulates utilities to ensure that reasonably priced, reliable, environmentally responsible, and safe utility services are available to all Iowans.*

The agency's **vision statement** defines the agency's direction:

*The Iowa Utilities Board is valued as the regulatory expert and solutions-oriented partner in electric, natural gas, and telecommunications issues.*

## Guiding Principles/Core Values

The IUB has four core organizational values in the fulfillment of agency duties:

Responsibility  
Integrity  
Fairness  
Responsiveness to Customers

**Key Services and Products** of the IUB include:

- Review of utility rates and service quality.
- Issuance of:
  - Pipeline permits
  - Electric line franchises
  - Electric generation certificates

- Certificates authorizing construction of new utility infrastructure
- Telecommunication certificates
- Video and cable franchise certificates
- Inspection of utility facilities for compliance with safety and service quality objectives.
- Acting as agent for the federal Department of Transportation in pipeline safety matters.
- Intervention in federal regulatory cases affecting Iowans.
- Representing Iowa's interests in national and regional activities in the utility industry.
- Approval and monitoring of utility energy efficiency plans.
- Administration of two programs that provide telephone accessibility to people who are deaf, hard of hearing, or speech impaired.
- Responding to thousands of utility customer calls and letters each year.
- Creating and distributing informational brochures.
- Conducting public comment hearings.
- Working with members of the media.
- Keeping and managing official agency records.
- Billing utilities for services provided.
- Accounting.

The IUB's two **primary customer groups** are utility consumers and utility companies. The agency also considers utility associations, federal agencies, regulatory agencies in other states,

other State of Iowa agencies, and all Iowans to be its customers and stakeholders.

2010 were \$6.8 billion. Federal and other grants account for other revenues.

The Iowa Utilities Board is an independent, quasi-judicial agency. The three Board members are appointed by the Governor and confirmed by the Senate. The IUB is one of six autonomous divisions under the umbrella of the Department of Commerce. The chair of the IUB serves as the division administrator and chief executive officer.

The agency is organized into eight sections: Customer Service; Energy (electricity, natural gas, and water); Telecommunications; Safety and Engineering; Policy Development; General Counsel; Records and Information; and Accounting and Assessments. At the end of FY 2011, the IUB had 64 employees, including the three Board members. Nearly seventy percent of the staff is covered by the American Federation of State, County and Municipal Employees (AFSCME) contract.

The IUB offices were located at 350 Maple Street, east of the Des Moines River, and several blocks from the Capitol. During the 2006 legislative session, authority was granted for the IUB and the Consumer Advocate Division of the Iowa Department of Justice to build a model energy efficient building to house the two divisions. The first day of business in the new facility was January 18, 2011. The building was dedicated on April 28, 2011.

The IUB is primarily funded by the industries it regulates. In FY 2011, the agency's expenditures were \$8.5 million. Utility company revenues subject to assessment for calendar year

# STRATEGIC PLAN RESULTS

## Key Strategic Challenges and Opportunities:

### Goal # 1

The Iowa Utilities Board will prepare its staff for leadership roles within the agency and in the state, regional, and national regulatory communities.

**Strategy:** Continue to identify and pursue leadership opportunities available to staff members. Maintain a list of staff leadership activities and recognition of staff participating in those roles.

## Results

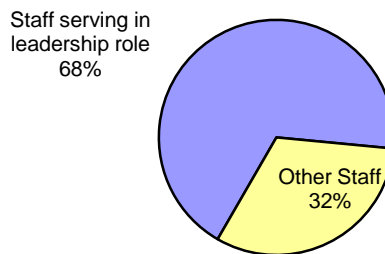
**Performance Measure:**

Percentage of staff participating in agency, state, regional, and national leadership roles.

**Data Sources:**

IUB statistics

Leadership Roles



**Data reliability:** Each section manager records his or her staff's leadership participation and the results are compiled for the agency. Examples of leadership roles served by staff members include representing the Board on national and regional regulatory committees, serving as internal team leaders, and working with others in state government to facilitate enterprise wide efforts.

**What was achieved:** The results show that IUB staff participation in leadership roles stayed stable in fiscal year 2011. In addition, the IUB has been an active participant in the State Interagency Missouri River Association (SIMRA) and the Missouri River Flood Recovery Taskforce.

**Analysis of results:** By holding positions of leadership in agency, state, regional and national regulatory groups, IUB staff members directly represent lowans' best interests in discussions of regulatory policy. Despite being a medium to smaller sized regulatory agency in the United States, Iowa is looked upon as a leader.

**Link(s) to Enterprise Plan:** None.

# STRATEGIC PLAN RESULTS

## Goal # 2

The Iowa Utilities Board will prepare for staff succession in a manner that will maintain competency, accountability, and the professionalism of the agency when tenured staff departs.

**Strategy:** Prepare for changes in staffing by implementing cross training, position aids, and process and procedure manuals.

### Results

#### Performance

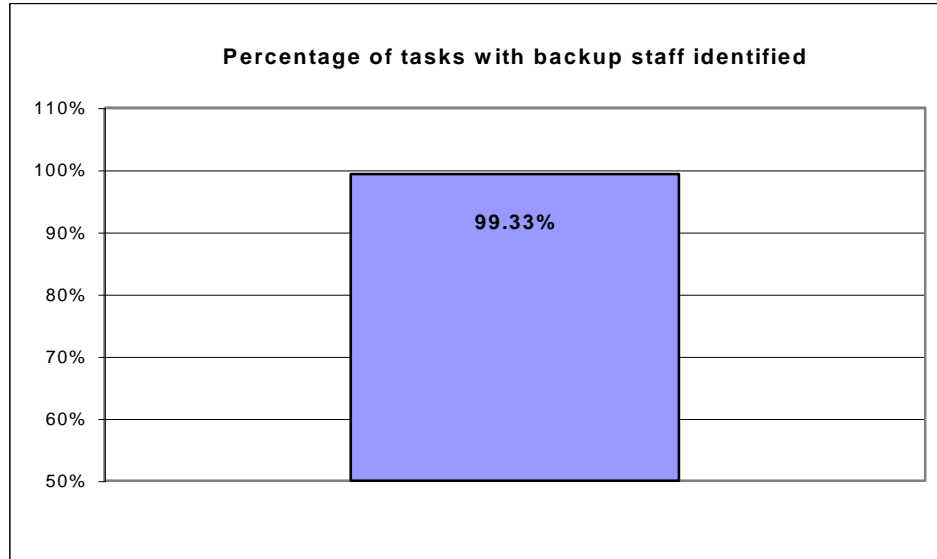
##### Measure:

Percentage of agency positions with more than one staff member trained to perform essential tasks.

##### Data

##### Sources:

IUB statistics



**Data reliability:** The IUB leadership team is responsible for compiling the data.

**What was achieved:** Our percentage remained stable in fiscal year 2011.

**Analysis of results:** Job sharing and tag team working relationships have been established by the Board's leadership team to ensure coverage on a daily and long-term basis. Challenges include depth of staff in highly technical and specialized areas of analysis.

**Link(s) to Enterprise Plan:** None.

# STRATEGIC PLAN RESULTS

## Goal # 3

Increase Iowans' awareness of Iowa Utilities Board services, informational resources, and responsibilities.

**Strategy:** Increased awareness and visibility among the citizens of Iowa and the Midwest.

### Results

#### Performance

##### Measure:

Number of public comment/educational forums held and the public participation in those forums. Benchmark polling of public awareness as resources permit.

##### Data Sources:

IUB statistics

Public Forums	Number Held	Total Attendance
Consumer Comment Hearings	3	110
Fall Customer Service Meetings	19	417

**Data reliability:** The IUB Customer Service team is responsible for compiling the data.

**What was achieved:** Consumer comment hearings allow customers to be heard and are scheduled in major cases of documented consumer interest. The tradition of Fall Customer Service meetings continued, providing utility customer service staff and staff from help organizations that assist customers with information about and updates on new and existing Board rules, the winter moratorium, and other customer issues.

**Analysis of results:** Iowans were given an opportunity to be heard by the IUB. New opportunities for the public to learn about the IUB and the services we offer have been launched. Benchmark polling of public awareness has not commenced.

**Link(s) to Enterprise Plan:** None.



# PERFORMANCE PLAN RESULTS

## Core Function

**Name:** Regulation and Compliance

**Description:** Utility regulation as directed by Iowa Code chapter 476, 476A, 478, 479, 479A, 479B, and 477C.

**Why we are doing this:** Traditionally, public utility services have been considered natural monopolies, primarily because of economies of scale and safety considerations. Where monopoly utility markets exist, the Iowa Utilities Board fulfills its statutory duties by balancing utility consumers' needs for reliable, safe, and adequate services with the utilities' need to have an opportunity to earn a reasonable return on investment in infrastructure. In the telecommunications area, the IUB has a statutory duty to investigate and determine when a regulated communications service is subject to effective competition and can be deregulated. As competitive markets have emerged, the IUB has been a leader in change. The IUB has identified the following desired outcomes of regulation:

1. Minimizing the number of accidents or incidents caused by improper operation or maintenance of utility facilities.
2. Regulated utility services are offered at a fair price.
3. Reliable utility service is available for Iowans to run their businesses and households.

**What we're doing to achieve results:** An additional safety inspector was added to the IUB safety inspector team in fiscal year 2011; the fully staffed team of seven conducts routine inspections of electrical lines and natural gas pipelines, ensuring that safety standards are met.

The IUB has deregulated retail rates for all local exchange telecommunications service in Iowa.

The IUB is involved in regional and national groups to ensure Iowa's best interests are protected in an evolving utility market structure.

# PERFORMANCE PLAN RESULTS

## Results

**Performance Measure:**

Percent of scheduled inspections of Iowa utility facilities completed within a year.

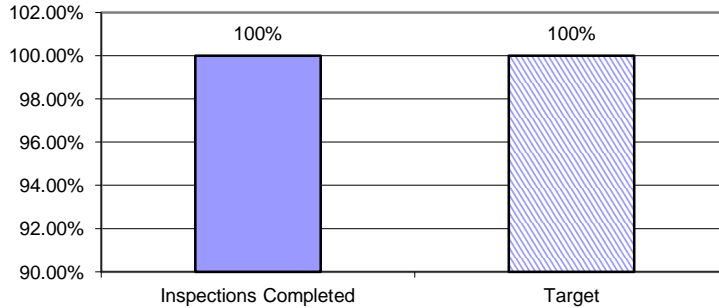
**Performance Target:**

Establish baseline and maximize. Goal 100%.

**Data Sources:**

IUB Safety & Engineering Section.

**Percent of Scheduled Inspections Completed During FY11**



**Data reliability:** The IUB Safety and Engineering Section schedules the inspections in advance and tracks the progress.

**Why we are using this measure:** Physical inspection of utility facilities ensures that safety codes and standards have been followed and implemented. It is important for reliability of service and to the overall safety of the system and thus to the State.

**What was achieved:** 100% of the necessary and scheduled inspections were completed.

**Analysis of results:** The inspection staff has consistently completed the scheduled safety and compliance reviews.

**Factors affecting results:** Having a full inspection staff is critical to completing the necessary inspections within a year.

**Resources used:** The IUB inspector team is funded in part by the federal Office of Pipeline Safety.

# PERFORMANCE PLAN RESULTS

## Results

**Performance Measure:**

Number of accidents per year reported by electric and gas utilities.

**Performance Target:**

Establish baseline and monitor.

**Data Sources:**

Utility reports to IUB.

Accidents Reported by Utility Companies in FY11	
Natural Gas	4
Electricity	5

**Data reliability:** The Safety and Engineering Section compiles the information from reports submitted by the electric and gas utilities in Iowa.

**Why we are using this measure:** Following safety standards and codes and maintaining utility facilities will help to minimize accidents and keep Iowa citizens safe.

**What was achieved:** Fewer accidents were reported in FY 2011. From FY 2004 through FY 2011, the number reported ranged from nine to the high teens.

**Analysis of results:** The number of accidents by industry fluctuates from year to year. While information gained from the reports can benefit Iowans, everyone's goal is to minimize the number of accidents.

**Factors affecting results:** Relies on accurate and complete reporting by the utilities.

**Resources used:** IUB Safety and Engineering staff.

# PERFORMANCE PLAN RESULTS

## Results

### Performance Measure:

All Sectors average price of electricity for Iowa versus national average as determined by Energy Information Administration (EIA).

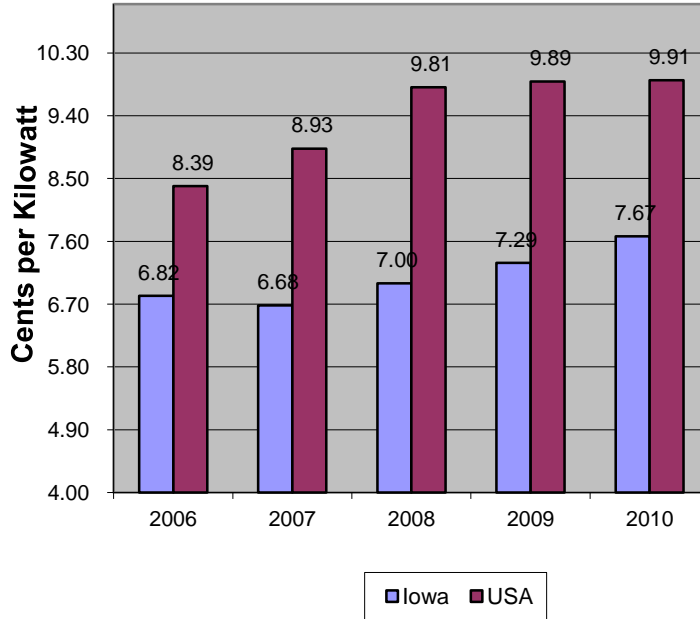
### Performance Target:

Track. Set Benchmarks, study variances.

### Data Sources:

EIA

EIA Reported Average Electricity Prices



**Data reliability:** EIA is the independent statistical and analytical agency within the U.S. Department of Energy.

**Why we are using this measure:** The IUB is tracking the information and studying variances as one indicator of whether Iowa's rates fairly balance customer expectations of quality and reliable service with utility company opportunities to earn a reasonable return on investment. The Board makes utility rate decisions based on a wealth of detailed information. This is one of many statistics available to gauge Iowa's electric rate environment.

**What was achieved:** Historical results show that Iowa's average price of electricity is below the national average.

**Analysis of results:** While the results shown are averages and will not necessarily equal the actual rate per kilowatt-hour charged by the numerous utility companies serving various customer classes in Iowa, they do show an overall healthy relationship to national averages.

**Factors affecting results:** Each utility's rate structures vary by type of service, so it is difficult to obtain a true kilowatt-hour-to-kilowatt-hour comparison.

**Resources used:** IUB staff members gather data from EIA's website.

# PERFORMANCE PLAN RESULTS

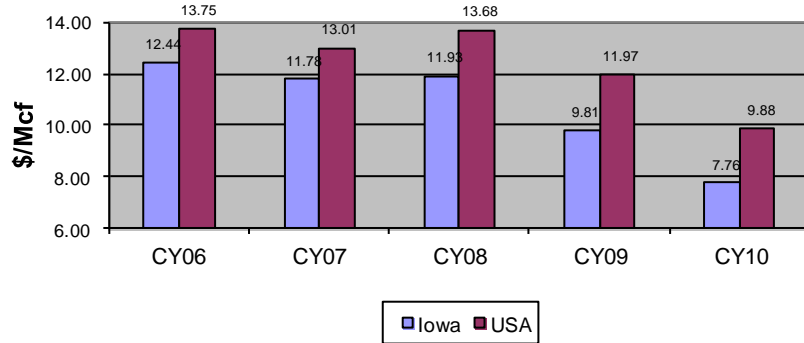
## Results

**Performance Measure:**  
Average price of Natural Gas delivered to Iowan's, by class of service, compared to national averages as determined by EIA.

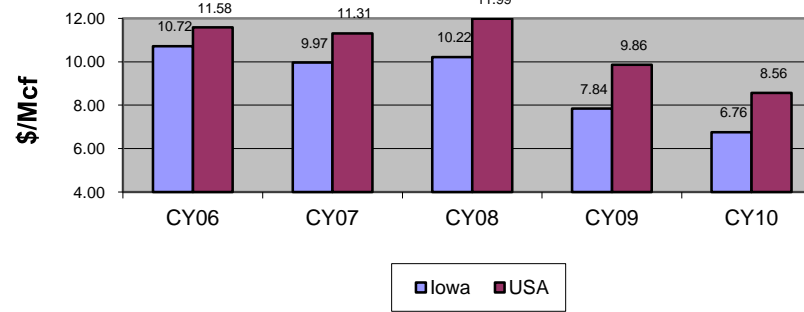
**Performance Target:**  
Track. Set Benchmarks, study variances.

**Data Sources:**  
EIA

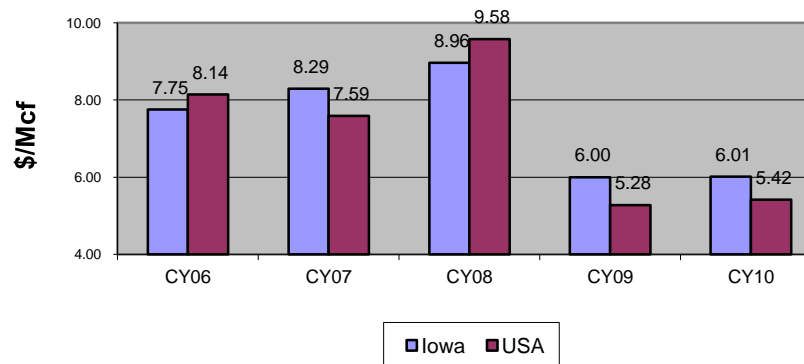
EIA Reported Average Natural Gas Prices Residential Customer Class



EIA Reported Average Natural Gas Prices Commercial Customer Class



EIA Reported Average Natural Gas Prices Industrial Customer Class



## PERFORMANCE PLAN RESULTS

**Data reliability:** EIA is the independent statistical and analytical agency within the U.S. Department of Energy.

**Why we are using this measure:** Natural gas commodity prices have been high and volatile over the last several years and the IUB has encouraged regulated companies to develop business practices that help moderate the effects of these conditions on consumer bills. The IUB is tracking the information and studying variances as one indicator of whether Iowa's rates fairly balance customer expectations of quality and reliable service with utility company opportunities to earn a reasonable return on investment. The Board makes utility rate decisions based on a wealth of detailed information; this is one of many statistics available to gauge Iowa's natural gas rate environment.

**What was achieved:** The results show that for residential and commercial customers, Iowa averages have been below or very close to the national averages since the IUB began tracking the data. Iowa's industrial gas rates have been higher than the national average during the tracking period.

**Analysis of results:** While the results shown are averages and will not necessarily equal the actual rate per ccf charged by the numerous gas utility companies serving various customer classes in Iowa, they do generally show a healthy relationship to national averages. Iowa has allowed industrial and large commercial natural gas customers to choose their natural gas commodity suppliers for many years. While the IUB has relatively little input into those processes and their financial results for those customers, the IUB does evaluate such information to remain able to advise state leadership of the relative competitive status of such companies, vis-à-vis their energy costs.

**Factors affecting results:** Each utility's rate structures vary by type of service, so it is difficult to obtain a true ccf-to-ccf comparison. (Note: Natural gas is measured by volume. A ccf is 100 cubic feet of natural gas. An Mcf is 1,000 cubic feet.)

**Resources used:** IUB staff members gather data from EIA's website.

# PERFORMANCE PLAN RESULTS

## Results

### **Performance**

#### **Measure:**

Percent of peak alert days where load is met by mechanisms in place.

#### **Performance Target:**

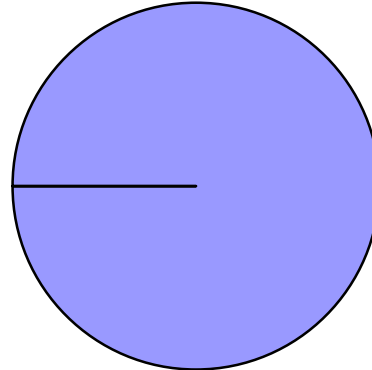
Establish baseline for gas & electric and maximize.  
Goal of 100%.

#### **Data Sources:**

Iowa's gas & electric utility companies.

### Peak Alerts Met with Current Mechanisms in FY11

100%



**Data reliability:** The data is reported by the utilities and compiled by the Energy Section of the IUB.

**Why we are using this measure:** The public expects and economic development demands reliable energy sources. This is a measure of service availability under high demand load conditions.

**What was achieved:** Consumer load was met with mechanisms in place.

**Analysis of results:** Utility companies issue notice to their customers when they project the system will be at or over capacity and brownouts or gas supply shortages could result. Consumers are encouraged to limit usage during highest peak demand times.

Mechanisms in place to remedy electric peak load include voluntary customer shifting of use to later evening, early morning; interruption of service to customers whose rates are based on their agreement to be interrupted; purchase of additional capacity; and starting up additional generation service units whose cost to run is higher than the units used to serve normal loads. Mechanisms in place to remedy gas peak load include interruption of service to customers whose rates are based on their agreement to be interrupted; use of natural gas placed in storage; and additional purchases of natural gas on the spot market.

**Factors affecting results:** Weather, unplanned base load plant outages.

**Resources used:** Data is compiled by the IUB's Energy Section.

# PERFORMANCE PLAN RESULTS

## Services, Products, and Activities in the Regulation and Compliance Core Function

**Name:** Prepare, sign, and issue Board decision orders in a timely manner.

**Description:** Board decision orders are the mechanism by which the Board renders its official decisions.

**Why we are doing this:** To ensure the Board’s decisions are issued on a timely and accurate basis.

**What we're doing to achieve results:** Diligently tracking due dates and order status to insure that timelines are met. Multiple staff members review the orders to help insure accuracy and clarity.

### Results

**Performance measure:**

Percentage of orders issued on or before statutory deadline.  
Percentage of errata orders issued.

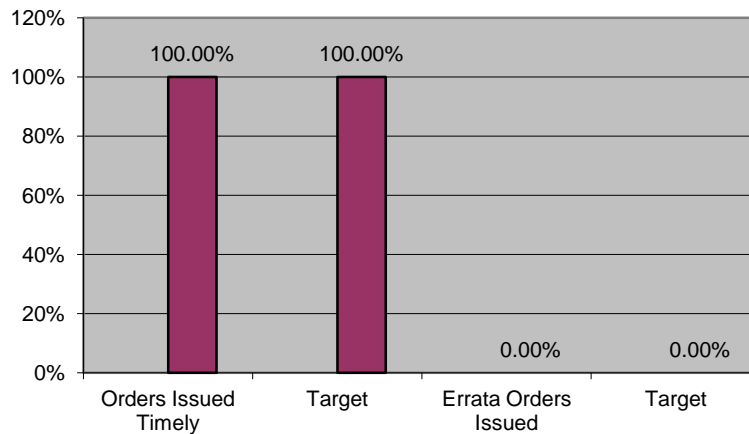
**Performance Target:**

Goal of 100%.  
Establish baseline and minimize.

**Data Sources:**

IUB statistics

**Orders Issued On or before Statutory Deadline (435/435) and Errata Orders Issued (0/435) FY 11**



**Data reliability:** The IUB administrative support staff compiles this data.

**Why we are using this measure:** To ensure the Board’s decisions are issued on a timely and accurate basis.

**What was achieved:** The vast majority of Board decisions were issued timely and accurately.

**Analysis of results:** The Board is meeting its timeliness and accuracy goals.

**Factors affecting results:** Some cases before the IUB have statutory timelines. The workflow must be controlled within the timelines set by statute.

**Resources used:** Numerous members of the IUB staff work to ensure that the Board members’ decision orders are issued.



## PERFORMANCE PLAN RESULTS

**Name:** Represent lowan's best interests on regulatory issues at the regional and national level.

**Description:** Board Members serve on committees at the regional and national level.

**Why we are doing this:** To ensure the best interests of lowan's are represented in the evolving utility industry.

**What we're doing to achieve results:** Using our personnel and monetary resources as efficiently as possible.

# PERFORMANCE PLAN RESULTS

## Results

**Performance Measure:**

Percentage of Board members holding positions in national regulatory organizations.

**Performance Target:**

Goal of 100%.

**Data Sources:**

IUB statistics

Results shown are examples of appointments (list is not all inclusive)

**Elizabeth S. Jacobs – Chair effective May 1, 2011**

National Assoc. of Regulatory Utility Commissioners (NARUC)  
Committee on Electricity  
Subcommittee on Nuclear Issues-Waste Disposal.  
Board Member, Organization of MISO States (OMS)  
Eastern Interconnection States Planning Council (EISPC) Voting Board member  
Iowa Power Fund Board – Voting Member

**Robert B. Berntsen – Chair through April 2011; Board member through September 8, 2011**

NARUC Committee on Electricity and Eastern Interconnection Process Committee (EIPC)  
Board Member and Executive Committee Member, Organization of MISO States (OMS)  
Member, Organization of MISO States (OMS) Cost Allocation Regional Planning (CARP)  
Member, Upper Midwest Transmission Development Initiative (UMTDI)  
Member, Midwest ISO Advisory Committee  
Iowa Power Fund Board – Voting Member  
Member, New Mexico State University Advisory Council for Public Utilities

**Krista K. Tanner – Board member through April 2011**

NARUC Committee on Telecommunications  
Federal-State Joint Conference on Advanced Services  
Mid American Regulatory Commission (MARC) Vice President  
Iowa Climate Change Advisory Committee and Clean and Renewable Energy subcommittee  
Advisory Board, Center for Global and Regional Environmental Research (CGRER) at the University of Iowa  
NARUC Ad Hoc Committee on National Wireless Consumer Protection Standards  
Chair, Iowa Broadband Deployment Governance Board

**Darrell Hanson – Board member**

NARUC Committee on Energy Resources and the Environment  
Advisory Board, Iowa Energy Center at Iowa State University  
Advisory Board, Financial Research Institute (FRI)  
Member, Organization of MISO States (OMS) Cost Allocation Regional Planning (CARP)  
Executive Team Member, Upper Midwest Transmission Development Initiative (UMTDI)  
EISPC Voting Board member  
MARC Vice President (assumed in May 2011)  
MARC President (officer changes are effective in June)  
Member, Smart Planning Task Force  
Advisory Council for CGRER at the University of Iowa

**Swati Dandekar – Board member effective September 19, 2011**

NARUC Committee on Telecommunications  
Advisory Council of the Iowa Energy Center

## PERFORMANCE PLAN RESULTS

**Data reliability:** The data is compiled by the IUB's administrative staff.

**Why we are using this measure:** Representation on national and regional organizations ensures lowans a voice in a constantly changing industry and regulatory environment.

**What was achieved:** All Board members were involved in national regulatory organizations in fiscal year 2011.

**Analysis of results:** Broad coverage of the electric, gas, and telecommunications issues.

**Factors affecting results:** Openings, recommendations, and invitations to serve on committees and organizations and availability of the Board members.

**Resources used:** Board member expenses related to meetings are sometimes covered completely or in part by the organization.

## PERFORMANCE PLAN RESULTS

**Name:** Organize and conduct consumer comment hearings, educational meetings, and resources for increasing the public's knowledge of IUB duties and responsibilities.

**Description:** Consumer comment hearings allow the public to ask questions about a pending rate proceeding. Educational meetings focus on topics of interest to consumers, and agencies that serve consumers. The IUB has numerous informational brochures, such as: Answering Utility Service Questions; Preparing for High Energy Costs; Effective Means of Reducing Energy Costs; Understanding Fees on Telephone Bills; Avoid Telephone Billing and Marketing Deception; and Land Restoration After Pipeline Construction - Your Rights as an Iowa Landowner.

**Why we are doing this:** The public must have reasonable access to the Board to voice their concerns and receive answers to questions on pending rate cases. Educational meetings and informational brochures help the public understand what we do and how we can assist them.

**What we're doing to achieve results:** Board staff reviews all consumer comments filed in rate proceedings. An analysis of the geographic origin of the comments is done to determine where and how many comment meetings should be held. Meeting locations are selected based on accessibility and comfort for the participants.

# PERFORMANCE PLAN RESULTS

## Results

**Performance Measure:**

Number of comment meetings held in major service areas where there is significant consumer concern over a pending proceeding filed with the Board.

**Performance Target:**

Comment meetings will be conducted in 100% of cases where significant consumer concern is filed with the Board.

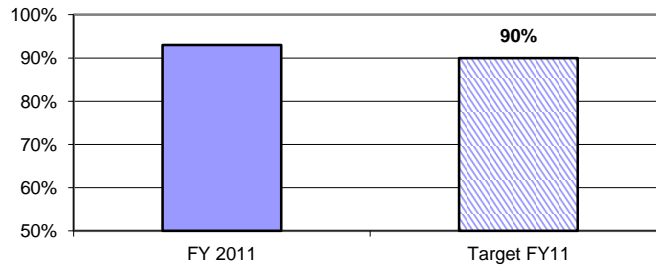
90/60 – Hold comment meetings in locations so that at least 90 percent of the people who have expressed concern have to travel less than 60 miles.

**Data Sources:**

IUB Customer Service Staff.

Cases with Significant Customer Concern	Customer Comment Meetings held
2	3

**Commenters Living within 60 Miles of Comment Hearing Site FY11**



**Data reliability:** The data is compiled by the IUB’s Customer Service staff.

**Why we are using this measure:** This measure is a gauge of our accessibility to the public.

**What was achieved:** In FY 2011, 93 percent of those expressing concern were able to attend a Board comment hearing at a site less than 60 miles from their home.

**Analysis of results:** Iowans have the opportunity to be heard by the IUB.

**Factors affecting results:** Number of cases filed with the Board, number of objections filed, time considerations.

**Resources used:** The Customer Service staff organizes these meetings, and conducts Fall Customer Service meetings. Board members, along with technical, legal, and Customer Service staff members, conduct consumer comment hearings.

# PERFORMANCE PLAN RESULTS

**Name:** Assist low-income lowans in obtaining financial assistance with basic telephone service via existing programs.

**Description:** Lifeline is a plan that assists qualified low-income lowans by providing a monthly credit on their telephone bill.

**Why we are doing this:** So eligible lowans will be aware of and take advantage of this plan.

**What we're doing to achieve results:** Working with the Iowa Telephone Association, the Rural Iowa Independent Telephone Association, and assistance organizations to promote program awareness.

## Results

**Performance Measure:**

Percentage of eligible lowans registered for the Lifeline program.

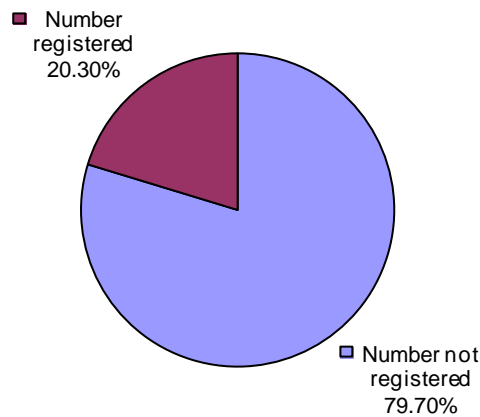
**Performance Target:**

Establish a baseline using a three-year rolling average of Lifeline registrations using USAC reported numbers; target growth.

**Data Sources:**

IUB  
Telecommunications Section/Lifeline program.

Percent of Eligible lowans Registered for Lifeline Program; 209,055 Eligible in Moratorium



**Data reliability:** The data is gathered by the IUB Telecommunications staff from the Universal Service Administration Company (USAC).

**Why we are using this measure:** This measure is an indication of lowans awareness and use of the Lifeline program.

**What was achieved:** Just over twenty percent of eligible lowans registered, which is a decrease in registrations from the previous moratorium years. This is likely attributed to the number of subscribers going solely with wireless service.

## PERFORMANCE PLAN RESULTS

**Analysis of results:** There is educational work to be done to ensure the public is aware of this program and that eligible lowans register.

**Factors affecting results:** Effectiveness of public awareness programs.

**Resources used:** IUB staff.

## PERFORMANCE PLAN RESULTS

**Name:** Prompt resolution of customer complaints about utility service.

**Description:** Assisting utility customers in dispute resolution with the utility companies.

**Why we are doing this:** This service assists lowans in maintaining their utility service by resolving complaints and ensuring that established utility service rules are being interpreted correctly and carried out.

**What we're doing to achieve results:** The IUB is reviewing and updating its processes and procedures, providing staff training, and using data tracking to assure that acknowledgement letters and complaint resolution letters are rendered within the goals established.



# PERFORMANCE PLAN RESULTS

## Results

**Performance Measure:**

Number of days from receipt of complaint to the referral to a utility for response. Average resolution time for written complaint files.

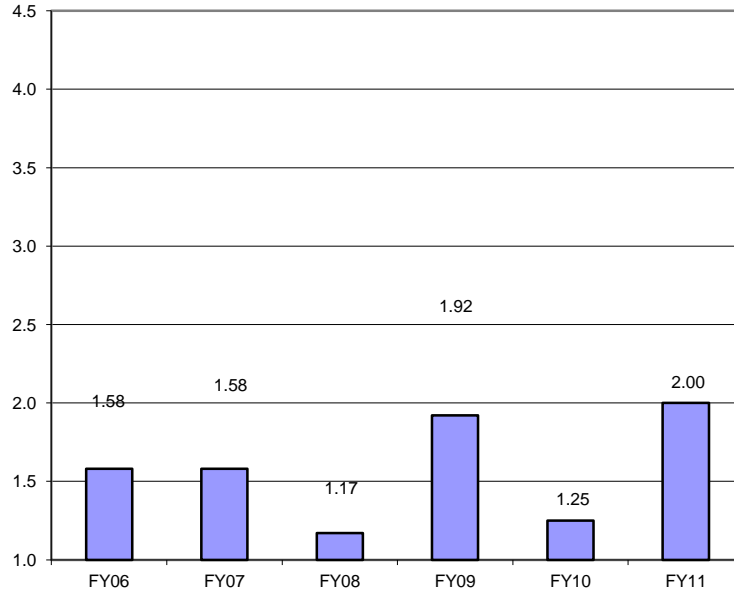
**Performance Target:**

Acknowledgement and utility referral letters will be sent within four business days of receipt of customer complaint.

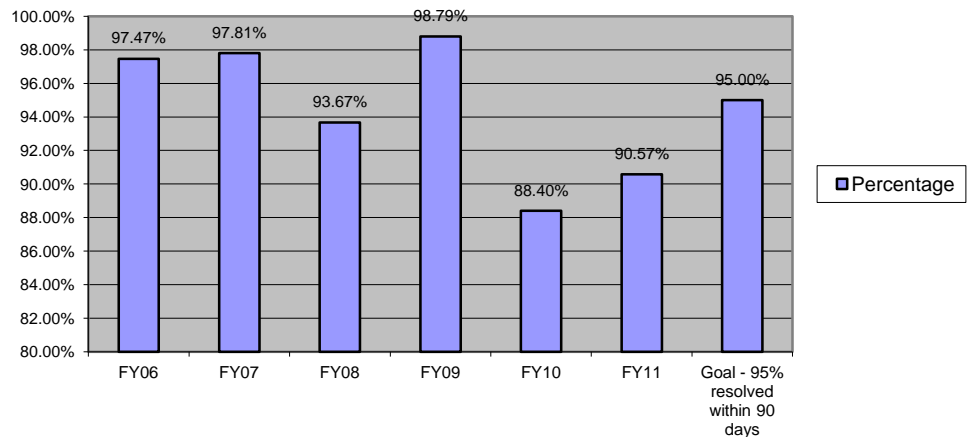
**Data Sources:**

IUB Customer Service Staff.

**Average Number of Days from Receipt of Written Complaint to Referral to Utility for Response**  
Target is less than 4 days



**Percentage of complaints resolved within 90 days of receipt**



## PERFORMANCE PLAN RESULTS

**Data reliability:** The data is compiled by the IUB Customer Service staff.

**Why we are using this measure:** Utility consumers look to the IUB for assistance with complaint resolution. Complaints deal with issues such as service disconnections, payment agreements, and credits for unsolicited service billings. Prompt action and resolution of these issues is in everyone's best interest. Timely resolution of informal investigations requires that the utility be notified of the consumer's complaint as soon as possible.

**What was achieved:** The percentage of customer complaints against utilities resolved within 90 days has increased from 83 percent in fiscal year 2000, to close to or over 94 percent since fiscal year 2002. In fiscal year 2008, the IUB increased our goal to 95 percent of complaints being resolved within 90 days.

**Analysis of results:** Progress has been positive.

**Factors affecting results:** Number of complaints filed, difficulty of issues needing resolution, and volume of customer calls incoming to IUB, as the same analysts that staff the phones also handle written correspondence.

**Resources used:** IUB Customer Service representatives.

# PERFORMANCE PLAN RESULTS

**Name:** Recognize, discuss, and exchange information on regulatory issues affecting the natural gas, electric, and telecommunications industry, as appropriate.

**Description:** Face to face meetings between the IUB staff and industry personnel.

**Why we are doing this:** To encourage dialog between industry and staff that will result in timely and appropriate regulatory changes.

**What we're doing to achieve results:** Hosting workshops and informational meetings that keep an open line of communication available for all stakeholders.

## Results

**Performance Measure:**

Number of meetings held to discuss issues between staff and industry in a year.

**Performance Target:**

Establish baseline and hold meetings as appropriate.

**Data Sources:**

IUB Section Managers.

<b>Number of Meetings Held to Discuss Issues between Staff and Industry in FY11</b>	
Policy Development	95
Telecommunications	86
Energy	65
Customer Service	32
IUB Total	278

**Data reliability:** Each IUB section manager tracks his section's meetings with industry.

**Why we are using this measure:** This measure is one gauge of how the IUB is keeping in touch with the industry on relevant issues.

**What was achieved:** Some of the meetings listed were attended by multiple IUB staff sections, enabling a wider array of issues to be addressed.

**Analysis of results:** The lines of communication are open.

**Factors affecting results:** Industry trends and issues, IUB staff workload.

**Resources used:** IUB staff.

# PERFORMANCE PLAN RESULTS

**Name:** Assist the Board’s decision-making role by providing timely and competent analysis of technical issues in: (1) Utility general rate changes, ratemaking principles cases, and rulemakings; (2) Federal Energy Regulatory Commission (FERC) and Federal Communications Commission (FCC) filings.

**Description:** Multi-disciplinary teams research and analyze issues to assist the Board members in their decision making process.

**Why we are doing this:** To provide the Board members with the information they need to decide cases or to participate in Federal proceedings.

**What we're doing to achieve results:** Through continuous review and discussion, ensuring that teams understand their role in the Board members’ decision making process.

<i>Results</i>									
<p><b>Performance Measure:</b> Number of FERC and FCC cases the IUB files comments in or intervenes in.</p> <p><b>Performance Target:</b> Establish baseline, monitor, and file as appropriate. Target growth.</p> <p><b>Data Sources:</b> IUB Management Team.</p>	<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; padding: 5px;"><b>Number of FERC and FCC Cases Where the IUB Filed Comments or Intervened in FY11</b></th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">FERC</td> <td style="text-align: center; padding: 5px;">1</td> </tr> <tr> <td style="padding: 5px;">FCC</td> <td style="text-align: center; padding: 5px;">4</td> </tr> <tr> <td style="padding: 5px;">IUB Total</td> <td style="text-align: center; padding: 5px;">5</td> </tr> </tbody> </table>	<b>Number of FERC and FCC Cases Where the IUB Filed Comments or Intervened in FY11</b>		FERC	1	FCC	4	IUB Total	5
<b>Number of FERC and FCC Cases Where the IUB Filed Comments or Intervened in FY11</b>									
FERC	1								
FCC	4								
IUB Total	5								

**Data reliability:** The data is tracked and gathered by the IUB management team.

**Why we are using this measure:** To track our efforts and involvement at the national regulatory level.

**What was achieved:** The Board filed comments or intervened in five cases at the national level. While not a federal agency, the IUB filed comments in nine Organization of MISO States (OMS) proceedings.

**Analysis of results:** The Board’s increased participation in federal regulatory cases allows the IUB to directly put forth lowans’ best interests. This is important, as some aspects of regulation are subject to changes in which regulatory body, state or federal, has authority.

**Factors affecting results:** Number of cases at the IUB, number of federal cases, importance and potential impact of federal issues on lowans, staff availability.

**Resources used:** IUB staff.

# PERFORMANCE PLAN RESULTS

**Name:** Conduct surveys and issue reports on the status of the energy and telecommunications markets in Iowa.

**Description:** The Policy Development Section of the IUB provides valuable information for the Board and various stakeholders through the surveys conducted and reports issued.

**Why we are doing this:** By gathering and compiling statistics and industry information, the IUB is able to assist stakeholders, as well as enhance the Board members' decision making process.

**What we're doing to achieve results:** Developing schedules and plans to conduct surveys and issue reports each year.

## Results

**Performance Measure:**

Number of surveys conducted and reports issued.

**Performance Target:**

Minimum: A report or survey for the telecommunication or energy sector each year. More as caseload allows and need requires.

**Data Sources:**

IUB Policy Development Section.

Surveys and Reports Issued in FY11	
	2 reports issued
IUB Target = 2	IUB FY11 Total = 2

**Data reliability:** The data is compiled by the IUB Policy Development Section.

**Why we are using this measure:** This is a concrete measure of IUB research.

**What was achieved:** Two new reports were issued in fiscal year 2011.

**Analysis of results:** Research was presented in the form of informational papers rather than more formal reports.

**Factors affecting results:** Caseload before the Board and number of pertinent issues requiring immediate research.

**Resources used:** IUB Policy Development staff.

# PERFORMANCE PLAN RESULTS

**Name:** Conduct a pipeline safety program under certificate from the U.S. Department of Transportation, Pipeline and Hazardous Material Safety Administration (PHMSA).

**Description:** IUB regulatory inspectors review natural gas pipeline construction projects and gas utility operations to ensure that safety standards are met.

**Why we are doing this:** To ensure safe transportation of natural gas to Iowa.

**What we're doing to achieve results:** Promptly responding to any areas noted for improvement in the PHMSA annual evaluation of the IUB inspection program.

## Results

**Performance Measure:**

**Measure:**

Iowa's score in the annual evaluation of its pipeline safety program by the U.S. OPS.

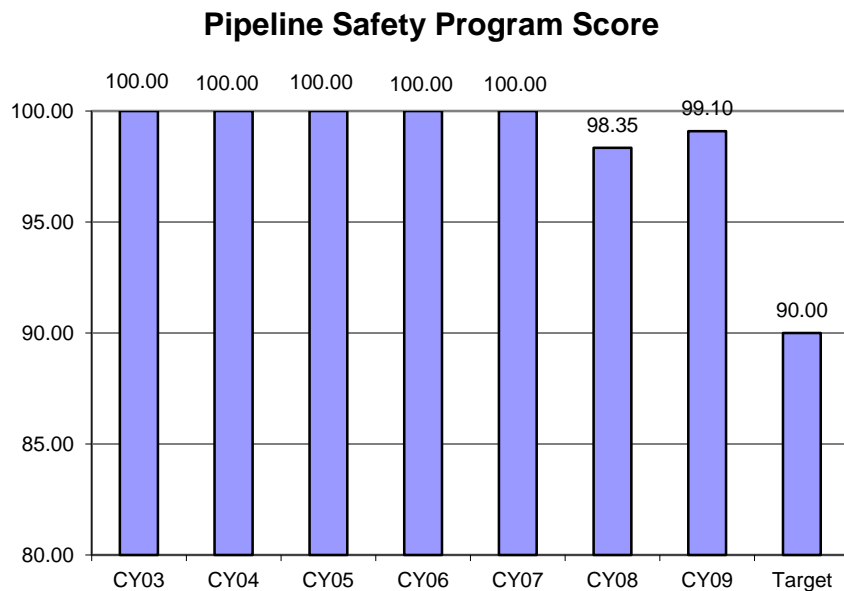
**Performance Target:**

**Target:**

Score of 90 or higher. Maximize federal grant eligibility.

**Data Sources:**

OPS



**Data reliability:** The Pipeline and Hazardous Materials Safety Administration, which is part of the Federal Department of Transportation, scores Iowa's program.

**Why we are using this measure:** This is an independent measure of the efficiency and effectiveness of the IUB's pipeline inspection program.

**What was achieved:** The IUB has consistently maintained a very high score. We are above the average for the 50 states and Puerto Rico.

**Analysis of results:** The inspection program is maximizing the IUB's eligibility for federal funding grants.

**Factors affecting results:** Number of inspectors on staff, miles of pipeline, and number of construction projects. There is a time lapse between the program evaluation date and the announcement of scores; the score for calendar year 2009 is the last reported score. Recent federal changes to the scoring criteria and methodology resulted in slightly lower scores starting in 2008.

**Resources used:** IUB Safety and Engineering staff. Part of the program cost is funded by federal grants.

# PERFORMANCE PLAN RESULTS

**Name:** Process petitions for electric franchises and pipeline permits.

**Description:** This is the approval process electric and gas utilities must go through to build new electric transmission lines and intrastate gas pipelines.

**Why we are doing this:** To ensure that Iowa has adequate infrastructure to supply the necessary utility services and to boost economic development opportunities for Iowa.

**What we're doing to achieve results:** Monitoring progress on petition reviews and reassigning staff resources as needed to complete approval processes in a timely manner.

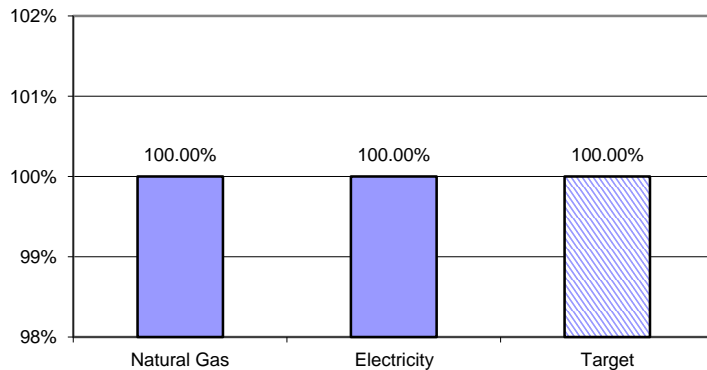
## Results

**Performance Measure:**  
Percentage of petitions for approval of new construction processed in a timely manner.

**Performance Target:**  
For projects proposing new construction a hearing notice or deficiency letter is issued within 90 days of petition filing.

**Data Sources:**  
IUB Safety & Engineering Section.

**Petitions for New Construction Processed Timely in FY11**



**Data reliability:** The data is compiled by the IUB Safety and Engineering Section.

**Why we are using this measure:** This is an efficiency measure that relates to the IUB's mission and vision, as well as Iowa's growth goals.

**What was achieved:** The IUB set up for hearing or sent a deficiency letter to the requesting utility within 90 days for 29 electric petitions seeking approval of new electrical transmission facilities. No petitions seeking approval of new pipeline facilities were filed in FY 2011.

**Analysis of results:** Our goal was met.

**Factors affecting results:** Number of petitions filed, staff workload.

**Resources used:** IUB Safety and Engineering staff, along with members of the General Counsel.

# PERFORMANCE PLAN RESULTS

**Name:** Efficient administration of equipment distribution program (EDP) and Relay Iowa.

**Description:** The Iowa Equipment Distribution Program helps the deaf/hard-of-hearing/speech-impaired community to pay for specialized telephone equipment. Qualified individuals can receive a voucher for approximately 95 percent of the average cost of specialized telephone equipment.

**Why we are doing this:** This program is required by the Iowa Code, chapter 477C. The general assembly finds that the provision of a statewide dual party relay service will further the public interest and protect the health, safety, and welfare of the people of Iowa through an increase in the usefulness and availability of the telephone system. Many persons who are deaf, hard-of-hearing, or have speech impairments are not able to utilize the telephone system without this type of service.

**What we're doing to achieve results:** The IUB works with contracted parties on a regular basis to ensure contract compliance and that the program operates efficiently.

## Results

**Performance Measure:**

Percent of EDP vouchers processed timely.

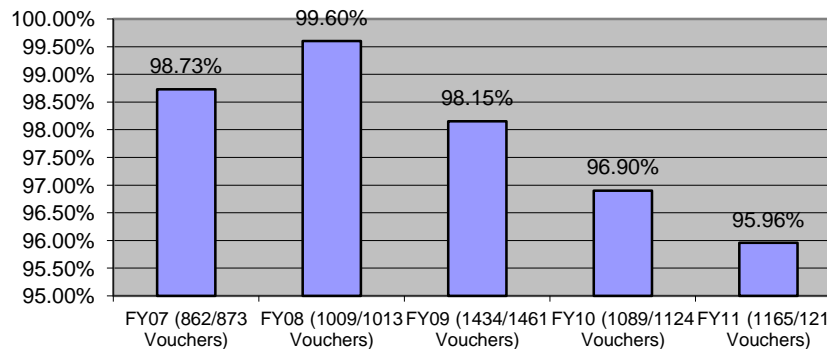
**Performance Target:**

Establish baseline and maximize.

**Data Sources:**

IUB Accounting & Assessments and Telecommunications Sections.

### EDP Vouchers Paid Within 100 Days



**Data reliability:** The data is compiled by the IUB Accounting and Assessments and Telecommunications Sections.

**Why we are using this measure:** The 100-day time period starts when the Equipment Distribution Program Administrator (EDPA) issues the voucher to the client and ends when the State of Iowa warrant for reimbursement of the equipment vendor is issued. It includes voucher-recipient time, equipment vendor processing time, EDPA processing time, and IUB and State Accounting Enterprise (SAE) processing time.

**Why we are using this measure:** This is a way to measure the efficiency of the EDP program reimbursement process.

**What was achieved:** The Accounting and Assessments staff was reduced from three to two in January 2009. The team, that was restored to three members late in the fiscal year, has done a commendable job of paying these vouchers in a timely manner.



## PERFORMANCE PLAN RESULTS

**Analysis of results:** The program continues to be popular and the reimbursement process is working smoothly.

**Factors affecting results:** Number and timeliness of vouchers submitted to IUB for payment, workload of staff.

**Resources used:** IUB Accounting and Assessments staff.

# PERFORMANCE PLAN RESULTS

## Core Function

**Name:** Resource Management

**Description:** Resource management provides the infrastructure necessary to administer and support agency operations. Key activities include accounting, financial and personnel services, purchasing, and maintenance of official agency records.

**Why we are doing this:** Resource management is the backbone necessary to support and operate the agency.

**What we're doing to achieve results:** Reviewing processes for efficiency improvement opportunities.

# PERFORMANCE PLAN RESULTS

## Services, Products and Activities in the Resource Management Core Function

**Name:** Issue timely agency direct and remainder assessment billings.

**Description:** Billing the utility companies and other parties that participate in cases before the IUB.

**Why we are doing this:** This is how the IUB is funded.

**What we're doing to achieve results:** Streamlining the time recording process to speed up the rendering of bills.

### Results

**Performance Measure:**

Average days between end of billing cycle and issuance of bills.

**Performance Target:**

Establish baseline and minimize.

**Data Sources:**

IUB Accounting & Assessment Sections.

Type of Bill	Status for FY 2011
Energy Center Billings	Issued 47 days ahead of target
Dual Party Relay	Behind schedule
Remainder Assessments	Behind schedule
Direct Assessments	Behind schedule

**Data reliability:** The IUB Accounting and Assessment Section prepares all the bills and tracks the timing of their issuance.

**Why we are using this measure:** To track the efficiency of our billing process.

**What was achieved:** Energy Center invoices were issued prior to the goal in FY 2011.

**Analysis of results:** Dual Party Relay, direct billings and annual reconciliations remain areas for improvement.

**Factors affecting results:** Number of companies/parties needing to be billed, availability of staff to compile billing information and prepare invoices.

**Resources used:** In January of 2009, the IUB Accounting and Assessment Team was reduced from three staff members to two. A third team member was added in late FY 2011. The team also works for the Office of Consumer Advocate and the Iowa Insurance Division, who pay for a portion of the costs of running the section.

# PERFORMANCE PLAN RESULTS

**Name:** Acknowledge receipt of official filings/Distribute new filings to staff.

**Description:** When a company makes a filing with the IUB, they and IUB staff receive an e-mail notification acknowledging that the IUB has received the filing.

**Why we are doing this:** Acknowledgement e-mails confirm for filing parties that the information has been received. They notify staff that a new filing has been processed in EFS.

**What we're doing to achieve results:** Receiving and acknowledging new filings as expeditiously as possible.

## Results

**Performance Measure:**

Average number of days between filing made and acknowledgement letter sent.

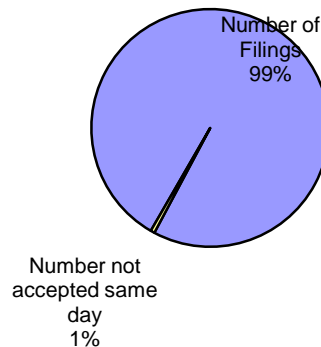
**Performance Target:**

Establish baseline and minimize.  
Target 2 days or less.

**Data Sources:**

IUB Records & Information Center.

**Number of filings accepted same day**



**5723 filings made/31 not accepted same day**

**Data reliability:** The IUB Records and Information Center staff receive and process all filings in the Electronic Filing System (EFS). EFS tracks the results.

**Why we are using this measure:** This is another measure to track the efficiency of our processes.

**What was achieved:** Generally the filings are received and acknowledged the same day.

**Analysis of results:** Results exceed our target of 2 days or less.

**Factors affecting results:** Number of filings made in a given day, other work priorities on a given day, and the number of staff members available on a given day. On January 2, 2009, the IUB rolled out EFS. Filings are generally accepted the day filed and an electronic notice is sent to the filer.

**Resources used:** The IUB Records and Information Center staff.

## **RESOURCE REALLOCATIONS**

Because the IUB is a relatively small agency within the Department of Commerce, in fiscal year 2011, the IUB did not utilize resource reallocation to a measurable degree. Our human resources are sometimes shifted from one section of the agency to another, depending on workload. The staff of the IUB is often organized into multi-disciplinary teams, whose goals are to provide Board members the best possible information on which to base their decisions.

## **AGENCY CONTACTS**

Copies of the Iowa Utilities Board's Performance Report are available on our web site at [www.iub.iowa.gov](http://www.iub.iowa.gov)

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