

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: IOWA-AMERICAN WATER COMPANY	DOCKET NO. RFU-2009-0005 (RPU-2009-0004)
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ORDER ACCEPTING REFUND REPORT

(Issued June 22, 2010)

On October 8, 2009, the Utilities Board (Board) issued its "Order Approving Settlement and Requiring Filings" in Docket No. RPU-2009-0004. The settlement and the Board's order approving the settlement resolved all outstanding issues in the water rate case involving Iowa-American Water Company (Iowa-American), which was filed on April 30, 2009.

Because the final rate increase approved by the Board was less than the amount Iowa-American collected in temporary rates, Iowa-American filed a request on November 3, 2009, for approval of a refund plan. The refund plan was identified as Docket No. RFU-2009-0005. Iowa-American filed revisions to its refund plan on December 14, 2009. The refund plan was approved by the Board on December 24, 2009. The order required Iowa-American to file a refund report within 90 days of completion of the refund plan.

On May 11, 2010, Iowa-American filed its refund report. The report shows that the total refunded to customers, including interest and sales tax, was \$212,503.83. Of this amount, \$180,754.43 went to customers in the Quad Cities district and

\$31,749.40 to customers in the Clinton district. Refunds were made via a bill credit. Iowa-American calculated interest on the refund amount at 12.89 percent pursuant to Iowa Code § 476.6(10), which requires interest on refunds to be 2 percent above the average quarterly interest rate at commercial banks for 24-month loans for personal expenditures as set forth in Federal Reserve Statistical Release G.19. Iowa-American said that refunds were completed by February 10, 2010, and interest was paid on the refund amounts to the date the refunds were tendered to customers.

Iowa-American appears to have made its refunds in compliance with the Board's orders and Iowa Code § 476.6(10). The Board will accept the refund report.

IT IS THEREFORE ORDERED:

The refund report submitted by Iowa-American Water Company on May 11, 2010, is accepted, subject to complaint or investigation.

UTILITIES BOARD

/s/ Robert B. Berntsen

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper
Executive Secretary, Deputy

/s/ Darrell Hanson

Dated at Des Moines, Iowa, this 22nd day of June 2010.