
IOWA UTILITIES BOARD
Customer Service Section

Docket No.: RMU-2014-0004
Utility: Disconnection of Public Utility
Water Service for Failure to
Pay Sewer, Wastewater, or
Storm Drainage Bill
[199 IAC chapter 21]

File Date/Due Date: N/A-N/A

Memo Date: June 17, 2014

TO: The Board

FROM: Don Tormey, Cecil Wright

SUBJECT: Rule making to Establish Rules to Implement Iowa Code
§ 476.20(1)(b)

I. Background

The General Assembly passed HF2183 "An Act Related To Customers With Delinquent Accounts For The Provision of Wastewater, Sewer System, Storm Water Drainage System, or Sewage Treatment Services By A City Or City Enterprise" this past legislative session and the Governor has signed the bill. The legislation amends Iowa Code § 476.20(1) by adding a new paragraph 476.20(1)(b) that allows a public water utility to enter into an agreement with a city utility, city enterprise, combined city utility, or combined city enterprise to disconnect water service if a debt is owed for sewer, wastewater, or drainage service. The new legislation requires the Utilities Board (Board) to adopt rules to implement the new provisions. The Governor's Office has requested that the Board utilize the procedures established in Executive Order 80 in developing proposed rules to implement the new statute.

Executive Order 80 requires the Board to form a Stakeholder Group that will provide recommendations to the Board regarding proposed rules. Notice of the formation of the Stakeholder Group is to be published in the Iowa Administrative Bulletin. Staff has prepared a draft of a notice, which is attached to this memorandum. Staff has also attached a copy of Executive Order 80 for reference and a copy of the new legislation.

Since there is only one public water utility regulated by the Board in Iowa, Iowa-American Water Company (Iowa-American), staff contacted the municipalities that could take advantage of the new legislation and Iowa-American about the formation of the Stakeholder Group. Staff has received responses from the cities of Clinton, Davenport, Bettendorf, and Iowa-American indicating an interest in becoming members of the Stakeholder Group.

Staff believes the following procedure should be followed to comply with the requirements of Executive Order 80:

1. The Board approve the attached notice.
2. The notice will be sent to the Governor's Administrative Rules Coordinator for review.
3. Once the Governor's Administrative Rules Coordinator has reviewed the notice, the notice will be sent to the Code Editor for publication in the Iowa Administrative Bulletin.
4. After the date for responses from any additional persons interested in becoming members of the Stakeholder Group, staff will prepare a recommendation for the Board to appoint members to the Stakeholder Group, will contact those members appointed, and will solicit recommendations from those members regarding alternatives for implementation of the new legislation.
5. The list of Stakeholder Group members will be published on the Board's Web site.
6. After the Stakeholder Group has provided its recommendations to the Board, staff will prepare an order commencing rule making and a "Notice of Intended Action" for Board review.
7. Executive Order 80 requires that the Board appoint one staff member from the Board to be on the Stakeholder Group. Since Don Tormey is the Team Leader for this docket, staff recommends that Don be the staff person appointed to the Stakeholder Group.

II. Recommendation

Approve the procedure for formation of the Stakeholder Group as described in this memorandum and approve the notice to be published in the Iowa Administrative Bulletin.

RECOMMENDATION APPROVED

IOWA UTILITIES BOARD

IOWA UTILITIES BOARD

/cw

<u>/s/ Elizabeth S. Jacobs</u>	<u>6-18-14</u>
	Date
<u>/s/ Nick Wagner</u>	<u>6/18/14</u>
	Date
<u>/s/ Sheila K. Tipton</u>	<u>6/18/2014</u>
	Date

IOWA UTILITIES BOARD

Notice of Stakeholder Group

Pursuant to Executive Order 80, the Iowa Utilities Board (Board) hereby gives Notice as to the formation of a Stakeholder Group to recommend alternatives to implement the provisions of Iowa Code section 476.20(1)(b) that would establish requirements for the discontinuance of water service for failure to pay an account owed to a city utility, city enterprise, combined city utility, or combined city enterprise.

The purpose of the stakeholder group is to consider alternatives and make recommendations to the Board to implement requirements for disconnection of water service while protecting a customer's rights under current Utilities Board rules in 199 IAC Chapter 21. Board rules currently establish notice requirements for disconnection of water service and requirements for reconnection of water service once a debt is paid.

The stakeholder group will consider alternatives to provide similar customer protections when a public water utility enters into an agreement with a city utility, combined city utility, city enterprise, or combined city enterprise to disconnect water service. There is only one public water utility currently operating in Iowa under the provisions of Iowa Code chapter 476. The Board has contacted all municipalities served by that public water utility regarding the Stakeholder Group. The Cities of Davenport, Clinton, and Bettendorf have indicated an interest in participating as members of the Stakeholder Group.

By this notice, the Utilities Board is giving notice to all other interested stakeholders who represent the varying interests that might be affected by rules adopted by the Board to implement Iowa Code section 476.20(1)(b). Interested persons should contact Don Tormey, Manager of Consumer Service, Iowa Utilities Board, at Don.Tormey@iub.iowa.gov, or 515-725-7347 on or before July 29, 2014. The Utilities Board will determine which stakeholders should make up the group in order to represent the varied interests. Once the members of the Stakeholder Group are appointed, the list of members will be published on the Board's website. All interested stakeholders are asked to provide the following information:

1. Name;
2. Telephone number;
3. E-mail address;
4. City; and
5. Explanation of stakeholder interest and how the issue impacts the stakeholder.