

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

<p>IN RE:</p> <p>DISCONNECTION OF PUBLIC UTILITY WATER SERVICE FOR FAILURE TO PAY SEWER, WASTEWATER, OR STORM DRAINAGE BILL [199 IAC CHAPTER 21]</p>	<p>DOCKET NO. RMU-2014-0004</p>
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ORDER APPOINTING MEMBERS OF STAKEHOLDER GROUP AND PROVIDING ISSUES FOR CONSIDERATION

(Issued August 11, 2014)

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," during the 2014 legislative session and the Governor 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 storm drainage service. The new legislation requires the Utilities Board (Board) to adopt rules to implement the new provisions. The Governor's Office 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 and publish notice of the creation of the Stakeholder Group in the Iowa Administrative Bulletin. On July 9, 2014, the required notice was published in IAB Vol. XXXVII, No. 1 (7/9/14) p. 25. The notice gave interested persons until July 29, 2014, to inform the Board of an interest in becoming a member of the Stakeholder Group. Notice of the creation of a Stakeholder Group has also been published on the Board's Web site.

Prior to the publication of the notice, the Board received requests from Iowa-American Water Company and the cities of Bettendorf, Clinton, and Davenport to become members of the Stakeholder Group. The Board received only one additional request to become a member of the Stakeholder Group, from Julie Smith of the Iowa Association of Municipal Utilities, after the publication in the Iowa Administrative Bulletin. The Consumer Advocate Division of the Department of Justice (Consumer Advocate) has also expressed an interest in becoming a member of the Stakeholder Group.

At this point in the Executive Order 80 procedures, the Board is to appoint members of the Stakeholder Group, schedule a meeting, give the Stakeholder Group an indication of the issues to be addressed, and establish a time frame for making a recommendation to the Board. In compliance with the procedures in Executive Order 80, the Board will appoint the following members of the Stakeholder Group:

Julie Smith, Iowa Association of Municipal Utilities

Jeffrey K. Rosencrants, Iowa-American Water Company

John Long, Consumer Advocate Division of the Department of Justice

Jim Odean, city of Davenport, Iowa

Jessica Kinser, city of Clinton, Iowa

Kristine Stone, city of Bettendorf, Iowa

Don Tormey, Iowa Utilities Board

The Board will have a list of the members of the Stakeholder Group posted on the Board's Web site. Don Tormey, the Manager of the Board's Customer Service section, has been appointed to the Stakeholder Group as the liaison with the Board.

Don Tormey will be directed to contact the members of the Stakeholder Group to schedule a meeting. Since most of the members of the Stakeholder Group reside on the east side of the State, a telephone conference is acceptable.

At the meeting, the Stakeholder Group is to elect a chairperson and adopt rules of procedure. The Stakeholder Group is required to receive public comment concerning any recommendations the Group makes to the Board. The Stakeholder Group will need to decide how to give notice of its discussions and how to receive public comment. The Board's Web site is available for that purpose, if the Stakeholder Group considers that a reasonable method of notice. The Stakeholder Group should provide the Board with recommendations concerning proposed rules to implement Iowa Code § 476.20(1)(b) within 60 days of the date this order is issued.

The Board has reviewed its rules related to water service by a public utility and based upon that review requests that the Stakeholder Group consider the following issues as part of the discussions about recommendations to the Board.

- a. Should a written agreement be required between Iowa- American Water Company and a city utility, city combined utility, city enterprise, or city combined enterprise that sets out the specific responsibilities for each party to the agreement?
- b. Should 199 IAC 21.4(7) be amended to include the disconnection of service pursuant to Iowa Code § 476.20(1)(b) in the list of reasons that water service may be disconnected?
- c. Should disconnection of water service pursuant to Iowa Code § 476.20(1)(b) follow the same 12-day notice provisions of 199 IAC 21.4(7)"e"(2)?
- d. If the customer disputes that a debt is owed for sewer, wastewater, or storm drainage service, should the customer be allowed to pay any undisputed amounts to avoid disconnection for up to 45 days as provided in 199 IAC 21.4(7)"e"?
- e. Does Iowa Code § 476.20(1)(b) provide the Board with jurisdiction over complaints filed regarding disconnections made pursuant to Iowa Code § 476.20(1)(b)?

- f. How will the city utility, combined city utility, city enterprise, or combined city enterprise ensure that reconnection of water service is promptly restored as required in 199 IAC 21.4(8)?
- g. Will a customer be required to pay a reconnection charge when water service is reconnected after payment of the debt to the city utility, combined city utility, city enterprise, or combined city enterprise?
- h. Should 199 IAC 21.4(9)"c" be amended to create an exception for disconnections made pursuant to Iowa Code § 476.20(1)(b)?

ORDERING CLAUSES

IT IS THEREFORE ORDERED:

1. The Utilities Board appoints the members of the Stakeholder Group to make recommendations for proposed rules to implement Iowa Code § 476.20(1)(b) listed in this order. The members of the Stakeholder Group shall be listed on the Utilities Board Web site.
2. A meeting of the Stakeholder Group shall be scheduled as described in this order.
3. The Stakeholder Group shall provide for public comment regarding any recommendations made to the Board.
4. The Stakeholder Group are requested to address the issues described in this order as part of Stakeholder Group discussions.

5. The Stakeholder Group shall provide recommendations to the Board within ninety days of the date of this order. The Stakeholder Group may request an extension if necessary to complete the recommendations to the Board.

UTILITIES BOARD

/s/ Nick Wagner

ATTEST:

/s/ Joan Conrad
Executive Secretary

/s/ Sheila K. Tipton

Dated at Des Moines, Iowa, this 11th day of August 2014.