

November 03, 2009

IOWA UTILITIES BOARD

RFU-2009-0005

RPU-2009-0004

STATE OF IOWA
DEPARTMENT OF COMMERCE
BEFORE THE IOWA UTILITIES BOARD

IN RE:)
) DOCKET NO.:
)
IOWA-AMERICAN WATER COMPANY)
)

REFUND PLAN

COMES NOW Iowa-American Water Company (“Iowa-American”) and by way of compliance with the Order Approving Settlement and Requiring Filings, entered by the Board on October 8, 2009, files the following Refund Plan. Iowa-American asks the Board to approve the Refund Plan as soon as possible.

1. Customer bills issued during the refund period will be recalculated using the TF-2009-0006 rates. The refund amount for each customer will be calculated based on the difference between the amount of original water bills rendered to and paid by the customer for service from July 27, 2009 through November 6, 2009, and the amount of recalculated bills using the TF-2009-0004 rates during the same period.

Comment [DJP1]: Estimated date new rates to be in Production

2. Interest will be calculated for each customer beginning with the due date of the first bill on which that customer is entitled to a refund to the date the refund is tendered. Interest will be calculated on the cumulative principal amount of the refund at two percent per annum plus the average quarterly interest rate at commercial banks for the 24-month loans for personal expenditures as set forth in the Federal Reserve Statistical Release G.19. The interest to be applied to the refund amounts will be 13.25%.

3. Sales tax applicable to each customer’s principle amount will be calculated.

4. The total refund will include the principle, interest, and applicable sales tax.

5. Refunds will be made by bill credit to be applied to current active customer bills beginning December 7, 2009 if Board approval of this Refund Plan is received on or before November 23, 2009. If Board approval is not received by that date, the refund will begin within approximately seven (7) days following Board approval.

6. A Refund Report will be made to the Board 90 days after all refunds are issued. Subsequent refund reports will be made as required.

Respectfully submitted,

BELIN MCCORMICK, P.C.

By: /s/ Sheila K. Tipton

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