



NEWS & INFORMATION

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IUB determines utility should continue electric service in five communities

The three-member Iowa Utilities Board (IUB) today voted unanimously, based on the evidence presented, that it is presently not in the public interest for any of the five cities of Everly, Kalona, Rolfe, Terril, and Wellman to replace Interstate Power and Light Company as the provider of electric service in their respective communities.

“This decision is not a finding against electric municipalization,” said Board Chairman John Norris. “This decision was based on the record and merits of these cases. In the end, there were a lot of high-risk factors.”

In making its decision, the Board considered a wide range of cost factors, retail service access and reliability, electric rate forecasts, purchased power costs, potential transmission impacts, and operation and maintenance expenses for new utilities.

The Board raised concerns about utility operation and maintenance costs as well as future energy costs if certificates for municipal electric service were granted. A lack of evidence demonstrating that energy efficiency planning and programming would be maintained at least at its current level in those communities was also cited.

After a favorable vote of its citizens, each community petitioned the Board, in June 2006, for certification to furnish its own electrical service. Specific details and rationale of the Board’s verbal decision will be in a written decision order that will be posted at www.state.ia.us/iub when it is issued.

The only previous electric municipalization petition to come before the IUB was filed in 1988 by the City of Sheldon, which was then receiving electrical service from Iowa Public Service Company. Sheldon’s request for a certificate was denied in 1990.

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