

Johnson  
Freeman  
Delahery

SSB-1130  
Commerce

Succeeded By  
SENATE/HOUSE FILE SF/HF 279  
BY (PROPOSED DEPARTMENT OF  
COMMERCE/UTILITIES DIVISION  
BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to allocation and payment of expenses arising  
2 from performance of duties by the Iowa utilities board and the  
3 consumer advocate, and providing an effective date.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

1 Section 1. Section 476.10, unnumbered paragraphs 1, 2, and  
2 3, Code 2001, are amended to read as follows:

3 ~~When the board deems it necessary in~~ In order to carry out  
4 the duties imposed upon it by ~~this chapter for the purpose of~~  
5 ~~determining rate matters to investigate the books, accounts,~~  
6 ~~practices, and activities of, or make appraisals of the~~  
7 ~~property of any public utility, or to render any engineering~~  
8 ~~or accounting services to any public utility, or to review the~~  
9 ~~operations or annual reports of the public utility under~~  
10 ~~section 476.31 or 476.32, or to evaluate a proposal for~~  
11 ~~reorganization under section 476.77, the public utility shall~~  
12 ~~pay the expense reasonably attributable to the investigation,~~  
13 ~~appraisal, service, or review~~ law, the board may, at its  
14 discretion, allocate and charge directly the expenses  
15 attributable to its duties to the person bringing a proceeding  
16 before the board or to persons participating in matters before  
17 the board. The board shall ascertain the expenses ~~including~~  
18 certified expenses incurred and directly chargeable by the  
19 consumer advocate division of the department of justice  
20 ~~directly chargeable to the public utility under section~~  
21 ~~475A.6, and shall render~~ in the performance of its duties.  
22 The board and the consumer advocate separately may decide not  
23 to charge expenses to persons who, without expanding the scope  
24 of the proceeding or matter, intervene in good faith in a  
25 board proceeding initiated by a person subject to the board's  
26 jurisdiction, the consumer advocate, or the board on its own  
27 motion. For assessments in any proceedings or matters before  
28 the board, the board and the consumer advocate separately may  
29 consider the financial resources of the person, the impact of  
30 assessment on participation by intervenors, the nature of the  
31 proceeding or matter, and the contribution of a person's  
32 participation to the public interest. The board may present a  
33 bill for expenses under this paragraph to the public-utility  
34 person, either at the conclusion of the investigation,  
35 ~~appraisal, service, or review~~ a proceeding or matter, or from

1 time to time during its progress, which. Presentation of a  
 2 bill is for expenses under this paragraph constitutes notice  
 3 of the direct assessment and shall-demand request for payment  
 4 in accordance with this section. ~~The total amount of such~~  
 5 ~~expense in any one calendar year, for which any public utility~~  
 6 ~~shall become liable, shall not exceed two tenths of one~~  
 7 ~~percent of its gross operating revenues derived from~~  
 8 ~~intrastate public utility operations in the last preceding~~  
 9 ~~calendar year.~~

10 The board shall ascertain the total of the division's  
 11 expenditures expenses incurred during each fiscal year which  
 12 ~~are reasonably attributable to~~ in the performance of its  
 13 duties under this chapter law. The board shall add to this  
 14 the total of the division's expenses the certified expenses of  
 15 the consumer advocate as provided under section 475A.6 and.  
 16 The board shall deduct all amounts chargeable directly to any  
 17 specific utility under any law charged directly to any person  
 18 from the total expenses of the board and the consumer  
 19 advocate. ~~The remainder shall be assessed by the~~ board may  
 20 assess the amount remaining after the deduction to the public  
 21 utilities all persons providing service over which the board  
 22 has jurisdiction in proportion to their the respective gross  
 23 operating revenues of such persons from intrastate operations  
 24 during the last calendar year derived from intrastate public  
 25 utility operations and may be assessed by the board on a  
 26 quarterly basis over which the board has jurisdiction.  
 27 ~~Assessments may be made quarterly~~ If any portion of the  
 28 remainder can be identified with a specific type of utility  
 29 service, the board shall assess those expenses only to the  
 30 entities providing that type of service over which the board  
 31 has jurisdiction. The board may make the remainder  
 32 assessments under this paragraph on a quarterly basis, based  
 33 upon estimates of the utilities division's and the consumer  
 34 advocate's expenditures for the fiscal year for the utilities  
 35 division and the consumer advocate. Beginning with the fiscal

1 year beginning July 1, 1987, the first assessment for any  
2 fiscal year may be made by the utilities division by May 15 of  
3 the preceding fiscal year and shall be paid by the utility on  
4 or before the following July 1. Not more than ninety days  
5 following the close of the fiscal year, the utilities division  
6 shall conform the amount of the prior fiscal year's  
7 assessments to the requirements of this section paragraph.  
8 Public utilities exempt from rate regulation under this  
9 chapter shall not be assessed for remainder expenses incurred  
10 during review of rate regulated public utilities under section  
11 476.31 or 476.32, but such remainder expenses shall be  
12 assessed proportionally as provided in this section among only  
13 the rate regulated public utilities. The total amount which  
14 may be assessed to the public utilities under authority of  
15 this paragraph shall not exceed two tenths of one percent of  
16 the total gross operating revenues of the public utilities  
17 during the calendar year derived from intrastate public  
18 utility operations. However, the total amount which may be  
19 assessed in any one calendar year to a public utility under  
20 this section shall not exceed three tenths of one percent of  
21 the utility's total gross operating revenues derived from  
22 intrastate public utility operation in the last preceding  
23 year. For gas and electric public utilities exempted from  
24 rate regulation under pursuant to this chapter, the remainder  
25 assessments under this paragraph shall be computed at one-half  
26 the rate used in computing the assessment for other utilities  
27 persons.

28 Each utility A person subject to a charge or assessment  
29 shall pay the division the amount charged or assessed against  
30 it the person within thirty days from the time the division  
31 mails provides notice to it the person of the amount due,  
32 unless it shall file with the board objections the person  
33 files an objection in writing with the board, setting out the  
34 grounds upon which it the person claims that such charge or  
35 assessment is excessive, unreasonable, erroneous, unlawful, or

1 invalid. Upon the-filing-of-such-objections receipt of an  
2 objection, the board shall set the matter down for hearing and  
3 issue its order in accordance with its findings in such the  
4 proceeding,-which.

5 The order shall be subject to review in the manner provided  
6 in this chapter. All amounts collected by the division  
7 pursuant to the provisions of this section shall be deposited  
8 with the state treasurer of state and credited to the general  
9 fund of the state. Such amounts shall be spent in accordance  
10 with the provisions of chapter 8.

11 Sec. 2. EFFECTIVE DATE. This Act, being deemed of  
12 immediate importance, takes effect upon enactment.

13 EXPLANATION

14 This bill amends Code section 476.10, which deals with  
15 allocation of expenses incurred by the Iowa utilities board  
16 ("the board") and the consumer advocate.

17 The bill provides that the board may allocate and directly  
18 charge to persons bringing or participating in a proceeding or  
19 matter before the board expenses attributable to the  
20 respective duties of the board and the consumer advocate. The  
21 board and consumer advocate may consider the financial  
22 resources of the parties, the impact of assessment on  
23 participation by intervenors, the nature of the proceeding or  
24 matter, and the contribution to the public interest in making  
25 such direct assessments, and may decline to charge persons who  
26 intervene in a proceeding in good faith without expanding the  
27 scope of the proceeding. The board may bill the person during  
28 a proceeding, or at the conclusion. Presentation of a bill  
29 constitutes notice of direct assessment and a demand for  
30 payment according to the time frame established in the bill.

31 This direct assessment procedure in the bill is more  
32 detailed than the current Code language on direct assessments  
33 and provides specific criteria for the board to consider in  
34 making an allocation, or in declining to allocate any expenses  
35 to intervenors; applies to all proceedings and matters for

1 which the board is responsible under the law rather than a  
2 limited list of activities; applies to all persons before the  
3 board rather than just public utilities; and contains no limit  
4 on the yearly amount that a person may be assessed, rather  
5 than an annual limit of two-tenths of 1 percent of a public  
6 utility's gross operating revenues.

7 The bill also addresses quarterly assessments based on the  
8 actual expenses of the utilities division, less the direct  
9 charges made to persons involved in proceedings or other  
10 matters before the board. This quarterly remainder assessment  
11 is made to all persons providing service over which the board  
12 has jurisdiction, in proportion to their respective gross  
13 operating revenues. Electric and gas public utilities who are  
14 not subject to rate regulation by the board under Code chapter  
15 476 are assessed at one-half the rate of other persons.

16 This quarterly remainder assessment procedure differs from  
17 current Code language on quarterly remainder assessments by  
18 applying the assessment process to all persons providing  
19 service over which the board has jurisdiction, rather than  
20 public utilities; by permitting expenses allocable to a  
21 particular type of utility to be assessed only to that type of  
22 entity over which the board has jurisdiction; by using fiscal  
23 year guidelines only and deleting references to specific dates  
24 in the procedure; and by not limiting the yearly amount that a  
25 person may be assessed, rather than an annual limit of two-  
26 tenths of 1 percent of a public utility's gross operating  
27 revenues from intrastate public utility operations during the  
28 calendar year, and a total of three-tenths of 1 percent of the  
29 gross operating revenues in the last preceding year for both  
30 the direct and remainder assessments.

31 The bill requires direct charges or remainder assessments  
32 to be paid within 30 days of notice of the amount due, unless  
33 an objection is filed. The board is required to set the  
34 matter of a filed objection for hearing and issue an order in  
35 accordance with the procedures in Code chapter 476. The order

1 is subject to review according to the procedures in the Code  
2 chapter. The bill differs from current Code language  
3 regarding payment by requiring that the board provide notice,  
4 instead of mailing notice.

5 The bill takes effect upon enactment.

- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- 29
- 30
- 31
- 32
- 33
- 34
- 35

FILED FEB 26 '01

SENATE FILE 279  
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 1130)

Passed Senate, (P. 496) Date 3-1-01 Passed House, (P. 493) Date 3/2/01  
Vote: Ayes 44 Nays 0 Vote: Ayes 94 Nays 0  
Approved March 14, 2001

A BILL FOR

1 An Act relating to allocation and payment of expenses arising  
2 from performance of duties by the Iowa utilities board and the  
3 consumer advocate, providing for a report by the Iowa  
4 utilities board, and providing an effective date.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23

SF 279

1 Section 1. Section 476.10, unnumbered paragraphs 1, 2, and  
2 3, Code 2001, are amended to read as follows:

3 ~~When the board deems it necessary in~~ In order to carry out  
4 the duties imposed upon it by ~~this chapter for the purpose of~~  
5 ~~determining rate matters to investigate the books, accounts,~~  
6 ~~practices, and activities of, or make appraisals of the~~  
7 ~~property of any public utility, or to render any engineering~~  
8 ~~or accounting services to any public utility, or to review the~~  
9 ~~operations or annual reports of the public utility under~~  
10 ~~section 476.31 or 476.32, or to evaluate a proposal for~~  
11 ~~reorganization under section 476.77, the public utility shall~~  
12 ~~pay the expense reasonably attributable to the investigation,~~  
13 ~~appraisal, service, or review~~ law, the board may, at its  
14 discretion, allocate and charge directly the expenses  
15 attributable to its duties to the person bringing a proceeding  
16 before the board or to persons participating in matters before  
17 the board. The board shall ascertain the ~~expenses including~~  
18 ~~certified expenses incurred and directly chargeable~~ by the  
19 consumer advocate division of the department of justice  
20 ~~directly chargeable to the public utility under section~~  
21 ~~475A.67 and shall render~~ in the performance of its duties.  
22 The board and the consumer advocate separately may decide not  
23 to charge expenses to persons who, without expanding the scope  
24 of the proceeding or matter, intervene in good faith in a  
25 board proceeding initiated by a person subject to the board's  
26 jurisdiction, the consumer advocate, or the board on its own  
27 motion. For assessments in any proceedings or matters before  
28 the board, the board and the consumer advocate separately may  
29 consider the financial resources of the person, the impact of  
30 assessment on participation by intervenors, the nature of the  
31 proceeding or matter, and the contribution of a person's  
32 participation to the public interest. The board may present a  
33 bill for expenses under this paragraph to the public utility  
34 person, either at the conclusion of the investigation,  
35 appraisal, services, or review a proceeding or matter, or from

1 time to time during its progress, which. Presentation of a  
2 bill is for expenses under this paragraph constitutes notice  
3 of the direct assessment and shall-demand request for payment  
4 in accordance with this section. The-total-amount-of-such  
5 expense-in-any-one-calendar-year, for which any public utility  
6 shall-become-liable, shall-not-exceed-two-tenths-of-one  
7 percent-of-its-gross-operating-revenues-derived-from  
8 intrastate-public-utility-operations-in-the-last-preceding  
9 calendar-year.

10 The board shall ascertain the total of the division's  
11 expenditures expenses incurred during each fiscal year which  
12 are-reasonably-attributable-to in the performance of its  
13 duties under this-chapter law. The board shall add to this  
14 the total of the division's expenses the certified expenses of  
15 the consumer advocate as provided under section 475A.6 and.  
16 The board shall deduct all amounts chargeable-directly-to-any  
17 specific-utility-under-any-law charged directly to any person  
18 from the total expenses of the board and the consumer  
19 advocate. The remainder-shall-be-assessed-by-the board may  
20 assess the amount remaining after the deduction to the-public  
21 utilities all persons providing service over which the board  
22 has jurisdiction in proportion to their the respective gross  
23 operating revenues of such persons from intrastate operations  
24 during the last calendar year derived-from-intrastate-public  
25 utility-operations-and-may-be-assessed-by-the-board-on-a  
26 quarterly-basis over which the board has jurisdiction. For  
27 purposes of determining gross operating revenues under this  
28 section, the board shall not include gross receipts received  
29 by a cooperative corporation or association for wholesale  
30 transactions with members of the cooperative corporation or  
31 association, provided that the members are subject to  
32 assessment by the board based upon the members' gross  
33 operating revenues, or provided that such a member is an  
34 association whose members are subject to assessment by the  
35 board based upon the members' gross operating revenues.

1 ~~Assessments may be made quarterly~~ If any portion of the  
2 remainder can be identified with a specific type of utility  
3 service, the board shall assess those expenses only to the  
4 entities providing that type of service over which the board  
5 has jurisdiction. The board may make the remainder  
6 assessments under this paragraph on a quarterly basis, based  
7 upon estimates of the utilities division's and the consumer  
8 advocate's expenditures for the fiscal year for the utilities  
9 division and the consumer advocate. Beginning with the fiscal  
10 year beginning July 1, 1987, the first assessment for any  
11 fiscal year may be made by the utilities division by May 15 of  
12 the preceding fiscal year and shall be paid by the utility on  
13 or before the following July 1. Not more than ninety days  
14 following the close of the fiscal year, the utilities division  
15 shall conform the amount of the prior fiscal year's  
16 assessments to the requirements of this section paragraph.  
17 ~~Public utilities exempt from rate regulation under this~~  
18 ~~chapter shall not be assessed for remainder expenses incurred~~  
19 ~~during review of rate regulated public utilities under section~~  
20 ~~476.31 or 476.32, but such remainder expenses shall be~~  
21 ~~assessed proportionally as provided in this section among only~~  
22 ~~the rate regulated public utilities. The total amount which~~  
23 ~~may be assessed to the public utilities under authority of~~  
24 ~~this paragraph shall not exceed two tenths of one percent of~~  
25 ~~the total gross operating revenues of the public utilities~~  
26 ~~during the calendar year derived from intrastate public~~  
27 ~~utility operations. However, the total amount which may be~~  
28 ~~assessed in any one calendar year to a public utility under~~  
29 ~~this section shall not exceed three tenths of one percent of~~  
30 ~~the utility's total gross operating revenues derived from~~  
31 ~~intrastate public utility operation in the last preceding~~  
32 ~~year. For gas and electric public utilities exempted from~~  
33 ~~rate regulation under pursuant to this chapter, the remainder~~  
34 ~~assessments under this paragraph shall be computed at one-half~~  
35 ~~the rate used in computing the assessment for other utilities~~

1 persons.

2 ~~Each-utility~~ A person subject to a charge or assessment  
3 shall pay the division the amount charged or assessed against  
4 it the person within thirty days from the time the division  
5 ~~maits~~ provides notice to it the person of the amount due,  
6 ~~unless it-shall-file-with-the-board-objections~~ the person  
7 files an objection in writing with the board, setting out the  
8 grounds upon which it the person claims that such charge or  
9 assessment is excessive, unreasonable, erroneous, unlawful, or  
10 invalid. Upon ~~the-filing-of-such-objections~~ receipt of an  
11 objection, the board shall set the matter ~~down~~ for hearing and  
12 issue its order in accordance with its findings in such the  
13 proceeding, which.

14 The order shall be subject to review in the manner provided  
15 in this chapter. All amounts collected by the division  
16 pursuant to the provisions of this section shall be deposited  
17 with the ~~state~~ treasurer of state and credited to the general  
18 fund of the state. Such amounts shall be spent in accordance  
19 with the provisions of chapter 8.

20 Sec. 2. UTILITIES BOARD REPORT. The utilities board shall  
21 submit a written report to the general assembly on or before  
22 March 1, 2002, regarding the direct and remainder assessments  
23 made pursuant to this Act. The utilities board shall indicate  
24 for both direct and remainder assessments the amount of the  
25 assessment and the party to whom it was assessed. The  
26 utilities board shall also provide a comparison of the  
27 assessments made to the same parties under the previous  
28 statute. The utilities board may also address additional  
29 issues or information that it deems useful to the general  
30 assembly in reviewing the statutory changes.

31 Sec. 3. EFFECTIVE DATE. This Act, being deemed of  
32 immediate importance, takes effect upon enactment.

33 EXPLANATION

34 This bill amends Code section 476.10, which deals with  
35 allocation of expenses incurred by the Iowa utilities board

1 ("the board") and the consumer advocate.

2 The bill provides that the board may allocate and directly  
3 charge to persons bringing or participating in a proceeding or  
4 matter before the board expenses attributable to the  
5 respective duties of the board and the consumer advocate. The  
6 board and consumer advocate may consider the financial  
7 resources of the parties, the impact of assessment on  
8 participation by intervenors, the nature of the proceeding or  
9 matter, and the contribution to the public interest in making  
10 such direct assessments, and may decline to charge persons who  
11 intervene in a proceeding in good faith without expanding the  
12 scope of the proceeding. The board may bill the person during  
13 a proceeding, or at the conclusion. Presentation of a bill  
14 constitutes notice of direct assessment and a demand for  
15 payment according to the time frame established in the bill.

16 This direct assessment procedure in the bill is more  
17 detailed than the current Code language on direct assessments  
18 and provides specific criteria for the board to consider in  
19 making an allocation, or in declining to allocate any expenses  
20 to intervenors; applies to all proceedings and matters for  
21 which the board is responsible under the law rather than a  
22 limited list of activities; applies to all persons before the  
23 board rather than just public utilities; and contains no limit  
24 on the yearly amount that a person may be assessed, rather  
25 than an annual limit of two-tenths of 1 percent of a public  
26 utility's gross operating revenues.

27 The bill also addresses quarterly assessments based on the  
28 actual expenses of the utilities division, less the direct  
29 charges made to persons involved in proceedings or other  
30 matters before the board. This quarterly remainder assessment  
31 is made to all persons providing service over which the board  
32 has jurisdiction, in proportion to their respective gross  
33 operating revenues. Electric and gas public utilities who are  
34 not subject to rate regulation by the board under Code chapter  
35 476 are assessed at one-half the rate of other persons.

1 This quarterly remainder assessment procedure differs from  
2 current Code language on quarterly remainder assessments by  
3 applying the assessment process to all persons providing  
4 service over which the board has jurisdiction, rather than  
5 public utilities; by permitting expenses allocable to a  
6 particular type of utility to be assessed only to that type of  
7 entity over which the board has jurisdiction; by using fiscal  
8 year guidelines only and deleting references to specific dates  
9 in the procedure; and by not limiting the yearly amount that a  
10 person may be assessed, rather than an annual limit of two-  
11 tenths of 1 percent of a public utility's gross operating  
12 revenues from intrastate public utility operations during the  
13 calendar year, and a total of three-tenths of 1 percent of the  
14 gross operating revenues in the last preceding year for both  
15 the direct and remainder assessments.

16 The bill requires direct charges or remainder assessments  
17 to be paid within 30 days of notice of the amount due, unless  
18 an objection is filed. The board is required to set the  
19 matter of a filed objection for hearing and issue an order in  
20 accordance with the procedures in Code chapter 476. The order  
21 is subject to review according to the procedures in the Code  
22 chapter. The bill differs from current Code language  
23 regarding payment by requiring that the board provide notice,  
24 instead of mailing notice.

25 The bill requires the utilities board to submit a written  
26 report to the general assembly on or before March 1, 2002,  
27 regarding the effect of statutory changes on the direct and  
28 remainder assessments actually made on utilities. The report  
29 shall address the amount of the assessment, the party to whom  
30 it was assessed, a comparison of the assessments made to the  
31 same party under the previous statute, and any additional  
32 information the utilities board deems useful to the general  
33 assembly in evaluating the statutory changes.

34 The bill takes effect upon enactment.

35

## SENATE FILE 279

## AN ACT

RELATING TO ALLOCATION AND PAYMENT OF EXPENSES ARISING FROM PERFORMANCE OF DUTIES BY THE IOWA UTILITIES BOARD AND THE CONSUMER ADVOCATE, PROVIDING FOR A REPORT BY THE IOWA UTILITIES BOARD, AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 476.10, unnumbered paragraphs 1, 2, and 3, Code 2001, are amended to read as follows:

When the board deems it necessary in order to carry out the duties imposed upon it by this chapter for the purpose of determining rate matters to investigate the books, accounts, practices, and activities of or make appraisals of the property of any public utility, or to render any engineering or accounting services to any public utility, or to review the operations or annual reports of the public utility under section 476.31 or 476.32 or to evaluate a proposal for reorganization under section 476.77, the public utility shall pay the expense reasonably attributable to the investigation, appraisal, service, or review law, the board may, at its discretion, allocate and charge directly the expenses attributable to its duties to the person bringing a proceeding before the board or to persons participating in matters before the board. The board shall ascertain the expenses including certified expenses incurred and directly chargeable by the consumer advocate division of the department of justice directly chargeable to the public utility under section 475A.6 and shall render in the performance of its duties. The board and the consumer advocate separately may decide not to charge expenses to persons who, without expanding the scope of the proceeding or matter, intervene in good faith in a board proceeding initiated by a person subject to the board's

jurisdiction, the consumer advocate, or the board on its own motion. For assessments in any proceedings or matters before the board, the board and the consumer advocate separately may consider the financial resources of the person, the impact of assessment on participation by intervenors, the nature of the proceeding or matter, and the contribution of a person's participation to the public interest. The board may present a bill for expenses under this paragraph to the public utility person, either at the conclusion of the investigation, appraisal, service, or review a proceeding or matter, or from time to time during its progress, which. Presentation of a bill is for expenses under this paragraph constitutes notice of the direct assessment and shall demand request for payment in accordance with this section. The total amount of such expense in any one calendar year, for which any public utility shall become liable, shall not exceed two tenths of one percent of its gross operating revenues derived from intrastate public utility operations in the last preceding calendar year.

The board shall ascertain the total of the division's expenditures expenses incurred during each fiscal year which are reasonably attributable to in the performance of its duties under this chapter law. The board shall add to this the total of the division's expenses the certified expenses of the consumer advocate as provided under section 475A.6 and. The board shall deduct all amounts chargeable directly to any specific utility under any law charged directly to any person from the total expenses of the board and the consumer advocate. The remainder shall be assessed by the board may assess the amount remaining after the deduction to the public utilities all persons providing service over which the board has jurisdiction in proportion to their the respective gross operating revenues of such persons from intrastate operations during the last calendar year derived from intrastate public utility operations and may be assessed by the board on a

quarterly-basis over which the board has jurisdiction. For purposes of determining gross operating revenues under this section, the board shall not include gross receipts received by a cooperative corporation or association for wholesale transactions with members of the cooperative corporation or association, provided that the members are subject to assessment by the board based upon the members' gross operating revenues, or provided that such a member is an association whose members are subject to assessment by the board based upon the members' gross operating revenues. Assessments may be made quarterly. If any portion of the remainder can be identified with a specific type of utility service, the board shall assess those expenses only to the entities providing that type of service over which the board has jurisdiction. The board may make the remainder assessments under this paragraph on a quarterly basis, based upon estimates of the utilities division's and the consumer advocate's expenditures for the fiscal year for the utilities division and the consumer advocate. Beginning with the fiscal year beginning July 1, 1987, the first assessment for any fiscal year may be made by the utilities division by May 15 of the preceding fiscal year and shall be paid by the utility on or before the following July 1. Not more than ninety days following the close of the fiscal year, the utilities division shall conform the amount of the prior fiscal year's assessments to the requirements of this section paragraph. Public utilities exempt from rate regulation under this chapter shall not be assessed for remainder expenses incurred during review of rate regulated public utilities under section 476.31 or 476.32, but such remainder expenses shall be assessed proportionally as provided in this section among only the rate regulated public utilities. The total amount which may be assessed to the public utilities under authority of this paragraph shall not exceed two tenths of one percent of the total gross operating revenues of the public utilities

during the calendar year derived from intrastate public utility operations. However, the total amount which may be assessed in any one calendar year to a public utility under this section shall not exceed three tenths of one percent of the utility's total gross operating revenues derived from intrastate public utility operation in the last preceding year. For gas and electric public utilities exempted from rate regulation under pursuant to this chapter, the remainder assessments under this paragraph shall be computed at one-half the rate used in computing the assessment for other utilities persons.

Each utility A person subject to a charge or assessment shall pay the division the amount charged or assessed against it the person within thirty days from the time the division mails provides notice to it the person of the amount due, unless it shall file with the board objections the person files an objection in writing with the board, setting out the grounds upon which it the person claims that such charge or assessment is excessive, unreasonable, erroneous, unlawful, or invalid. Upon the filing of such objections receipt of an objection, the board shall set the matter down for hearing and issue its order in accordance with its findings in such the proceeding, which.

The order shall be subject to review in the manner provided in this chapter. All amounts collected by the division pursuant to the provisions of this section shall be deposited with the state treasurer of state and credited to the general fund of the state. Such amounts shall be spent in accordance with the provisions of chapter 8.

Sec. 2. UTILITIES BOARD REPORT. The utilities board shall submit a written report to the general assembly on or before March 1, 2002, regarding the direct and remainder assessments made pursuant to this Act. The utilities board shall indicate for both direct and remainder assessments the amount of the assessment and the party to whom it was assessed. The

utilities board shall also provide a comparison of the assessments made to the same parties under the previous statute. The utilities board may also address additional issues or information that it deems useful to the general assembly in reviewing the statutory changes.

Sec. 3. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

---

MARY E. KRAMER  
President of the Senate

---

BRENT SIEGRIST  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 279, Seventy-ninth General Assembly.

---

MICHAEL E. MARSHALL  
Secretary of the Senate

Approved March 14, 2001

---

THOMAS J. VILSACK  
Governor