BUDGET UNIT BRIEF - FY 2024

Fiscal Services Division July 1, 2023



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Office of the Consumer Advocate

Purpose and History

The Office of the Consumer Advocate (OCA) is a separate division of the Attorney General's Office. The OCA was created in 1983 to represent lowa consumers and the public interest with the goal of maintaining safe, reliable, reasonably priced, and nondiscriminatory utility services for all consumers while informing and educating the public on issues related to utilities. The OCA was transferred to the Attorney General's Office in 1986.

The OCA reviews and investigates regulated services provided to lowa consumers by gas and electric utilities to ensure services are reliable, adequate, and provided at a reasonable cost. The OCA staff appears before the lowa Utilities Board regarding applications for new or changed rates, conditions, terms of service, rulemaking proceedings, customer complaints, emissions planning budgets, energy efficiency programs, fuel and resource procurement plans, service territory determinations, and proposals to reorganize regulated utility businesses.

Rates for telecommunications are not regulated by the OCA. However, the OCA reviews tariffs for service standards and represents consumers in rulemaking, complaints, intercarrier disputes, and policy investigations to advance the goal of protecting consumers and ensuring competition in lowa's telecommunications markets. The OCA is authorized to represent consumers and the public before federal agencies on utility related matters.

Consumer Advisory Panel

The Consumer Advisory Panel was created in 1983 and consists of nine members who represent varied interests from across the State. Five members are appointed by the Attorney General and four members are appointed by the Governor. The panel meets at the request of the Consumer Advocate to consult on public utility issues.

Funding and Billings — Commerce Revolving Fund

The OCA bills for its expenses on behalf of the Iowa Utilities Board. The OCA billings include direct and indirect assessments. An example of a direct assessment is a company currently under rate review being assessed for the costs of the review. Any company required to file an annual report with the Board is billed for OCA's remaining indirect costs. These are costs not directly related to a specific case. Approximately 450 companies are billed for indirect costs; this includes municipal utilities, telephone companies, and rate-regulated entities such as gas and electric companies.

More Information

Office of the Consumer Advocate: <u>iowaattorneygeneral.gov/for-consumers/office-of-consumer-advocate-utilities</u>

Office of the Attorney General: <u>iowaattorneygeneral.gov</u> LSA Staff Contact: Molly Kilker (515.725.1286) molly.kilker@legis.iowa.gov The utility industry is usually billed semiannually. The OCA and the Board cannot bill the industry for more than they spend. The financial statements are reviewed and reconciled with actual expenses before the fiscal year closes.

Payments from the utility industry are deposited in the Commerce Revolving Fund. The General Assembly appropriates from the Revolving Fund to the OCA in the Justice System Appropriations Act.

Other States

Forty-one states and the District of Columbia have an OCA. Generally, the remaining states have a nongovernmental entity to provide consumer input before the Utility Board. Most states are funded by assessments on the utility industry. Iowa is a member of the National Association of State Utility Consumer Advocates (NASUCA).

Related Statutes and Administrative Rules

Iowa Code chapter 475A Iowa Code section 546.12 Iowa Administrative Code 199

Budget Unit Number

1140B070019

Doc ID 1366945