

**476.18 Impermissible charges.**

1. Public utilities subject to rate regulation are prohibited from including either directly or indirectly in their charges or rates to customers the costs of lobbying.

2. Legal costs and attorney fees incurred by a public utility subject to rate regulation in an appeal in state or federal court involving the validity of any action of the commission shall not be included either directly or indirectly in the public utility's charges or rates to customers except to the extent that recovery of legal costs and attorney fees is allowed by the commission. The commission shall allow a public utility to recover reasonable legal costs and attorney fees incurred in the appeal. The commission may consider the degree of success of the legal arguments of the public utility in determining the reasonable legal costs and attorney fees to be allowed.

3. *a.* Public utilities subject to rate regulation are prohibited from including either directly or indirectly in their charges or rates to customers the costs of advertising other than advertising which is required by the commission or by other state or federal regulation. However, [this subsection](#) does not apply to a utility's advertising which is deemed by the commission to be necessary for the utility's customers and which is approved by the commission.

*b.* Every ad which is published, broadcast, or otherwise displayed or disseminated to the public by a public utility which is to be charged to the customers of the public utility and which is not required by the commission or by other state or federal regulation shall include a statement in the ad that the costs of the ad are being charged to the customers of the public utility. This paragraph does not apply to a utility's product or service that is or becomes subject to competition as determined by the commission.

4. [This section](#) does not apply to a rural electric cooperative.

[83 Acts, ch 127, §30; 84 Acts, ch 1225, §1; 2011 Acts, ch 25, §143; 2024 Acts, ch 1170, §369](#)