

CHAPTER 34
NONUTILITY SERVICE

Chapter rescission date pursuant to Iowa Code section 17A.7: 4/10/29

199—34.1(476) Statement of purpose. A public utility that engages in a systematic marketing effort, other than on an incidental or casual basis, to promote the availability of a nonutility service from the public utility shall allow competitors access to certain services.

[ARC 7697C, IAB 3/6/24, effective 4/10/24]

199—34.2(476) Definitions.

“Engaged primarily in providing the same competitive nonutility services in the area” means that a person, on an ongoing basis, sells or leases equipment or products or offers services, accounting for at least 60 percent of the person’s gross business revenue, that are functionally interchangeable with and considered similar by the public to the nonutility service provided by a public utility in the same identifiable geographic area where the public utility provides utility service.

“Systematic marketing effort, other than on an incidental or casual basis” means an effort determined by the commission to be recurring, active in nature, and done on a comprehensive basis. Factors to be considered include but are not limited to the types and number of media used; the frequency, extent, and duration of the marketing effort; the amount of marketing expenses incurred; and whether the public utility appeared to intend to significantly increase its market share.

[ARC 7697C, IAB 3/6/24, effective 4/10/24; Editorial change: IAC Supplement 7/24/24]

199—34.3(476) Charges permitted. A person meeting the definition of “engaged primarily in providing the same competitive nonutility services in the area” in rule 199—34.2(476) may use, to the same extent utilized by the public utility for its nonutility service in connection with nonutility services, the customer lists, billing and collection system, and mailing system of the public utility company engaged in a systematic marketing effort, other than on an incidental or casual basis. The person shall be charged for the cost or expense incurred by the public utility in providing access to its systems and its lists, and the cost or expense will not be greater than the charge, fee, or cost imposed upon or allocated to the provision of nonutility service by the utility for the similar use of the systems.

[ARC 7697C, IAB 3/6/24, effective 4/10/24]

199—34.4(476) Procedures for utilization of billing and collection system.

34.4(1) When a person meeting the definition of “engaged primarily in providing the same competitive nonutility services in the area” in rule 199—34.2(476) uses the billing and collection system of a public utility, the public utility shall promptly remit to that person all funds collected by the public utility on behalf of the person.

34.4(2) Where a customer makes a partial payment and owes both a public utility and a person(s) meeting the definition of “engaged primarily in providing the same competitive nonutility services in the area” in rule 199—34.2(476) for services or goods provided, the payment received is allocated first to the regulated utility bill, plus tax, unless otherwise allocated by the customer. Any balance remaining after payment of the utility bill, plus tax, is allocated between the public utility for any unpaid nonutility services and any other person(s) utilizing the utility’s billing system, according to the ratio of the amount billed by each, unless otherwise allocated by the customer. A public utility shall not disconnect a customer’s utility service for nonpayment of a bill for nonutility services.

A person shall not use a public utility’s billing and collection system to bill and receive payments only from customers who are habitually delinquent or who have failed or refused to make payment to the person.

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These rules are intended to implement Iowa Code sections 476.78, 476.80, and 476.81.

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