



Governor Kim Reynolds
Lt. Governor Adam Gregg

Geri D. Huser, Chair
Nick Wagner, Board Member
Richard W. Lozier, Jr., Board Member

January 14, 2019

The Honorable Michael Breitbach, Chair, Senate Appropriations Committee
The Honorable Pat Grassley, Chair, House Appropriations Committee

Dear Senator Breitbach and Representative Grassley:

Iowa Code § 476.66(6) requires the Iowa Utilities Board (Board) to submit an annual report to the Appropriations Committees regarding the status of utility customer contribution funds. These were created to accept voluntary contributions from utility customers to supplement federal weatherization and energy assistance to low-income households (LIHEAP).

Legislation requiring all natural gas and electric utilities to establish customer contribution funds was adopted in 1988 and implemented in 1989. Utilities file annual reports with the Board that summarize each fund's activities for the prior state fiscal year. The attached report summarizes those submissions for FY 2018.

If we can provide any further information, please contact Anna Hyatt, our legislative liaison, at 515-725-7344.

Sincerely,

/s/ Geri D. Huser

Geri D. Huser
Chair

Attachment: Customer Contribution Fund Annual Report

cc: W. Charles Smithson, Secretary of the Senate
Carmine Boal, Chief Clerk of the House
Senate Appropriations Committee Members
House Appropriations Committee Members

Customer Contribution Fund Annual Statewide Report Iowa Utilities Board

For Fiscal Year July 1, 2017 – June 30, 2018

Iowa Code § 476.66 requires all electric and natural gas utilities to establish a fund that supplements the low-income home energy assistance program (LIHEAP) and to assist with weatherization. Customers and other entities may contribute to the fund. Each utility must establish a board or committee to determine the appropriate distribution of the funds. The funds are distributed directly by the utility or through the local community action agency.

Each utility must file with the Utilities Board (Board) an annual report of their fund's activity. The Board must compile the utility reports into the Annual Statewide Report (below) for submission to the General Assembly.

CONTRIBUTIONS	
Number of Customers Contributing	11,064
Customer Contributions Collected	\$521,440
Matching and Other Contributions	\$1,096,512
Total Contributions	\$1,617,952
Reimbursed Expenses	\$90
NET CONTRIBUTIONS	\$1,617,862

FUND DISTRIBUTIONS	
Weatherization Program	\$10,408
Heating Assistance Payments	\$1,865,970
Other Programs	\$65,645
TOTAL FUNDS DISTRIBUTED	\$1,942,023
Estimated Number of Households Assisted	6,592
AVERAGE ASSISTANCE PER HOUSEHOLD	\$295

UTILITY EXPENSES	
Advertising	\$14,828
Admin. & General Salaries	\$17,078
Office Supplies & Expenses	\$3,918
Supervision – Labor & Expenses	\$3,698
Mailing	\$2,898
Printing	\$5,429
Publication	\$5,676
Total Expenses	\$53,525
Reimbursed Expenses	\$90
UNREIMBURSED UTILITY EXPENSES	\$53,435

Notes: The Annual Statewide Report represents the total values reported by 203 utilities that provide electric and/or natural gas service. This includes five investor-owned utilities, 156 municipal utilities, and 42 cooperative utilities.

The Board compiles the annual report of fund results as submitted by the utilities, but does not verify the accuracy of information provided by the utilities.

Figures are rounded to the nearest dollar. Funds not distributed during a fiscal year are carried forward to the next fiscal year. Each utility is allowed to keep 5 percent of annual contributions to defray program expenses.