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DARRELL HANSON, BOARD MEMBER
SWATI A. DANDEKAR, BOARD MEMBER

January 14, 2012

The Honorable Chuck Soderberg
Chairman
House Appropriations Committee
State House
LOCAL

Dear Representative Soderberg:

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

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 by September 30 that summarize each fund's activities from July 1 through June 30. The attached report summarizes those submissions for last year.

If we can provide any further information, please contact Kerri Johannsen, our legislative liaison, at 515 473 0123.

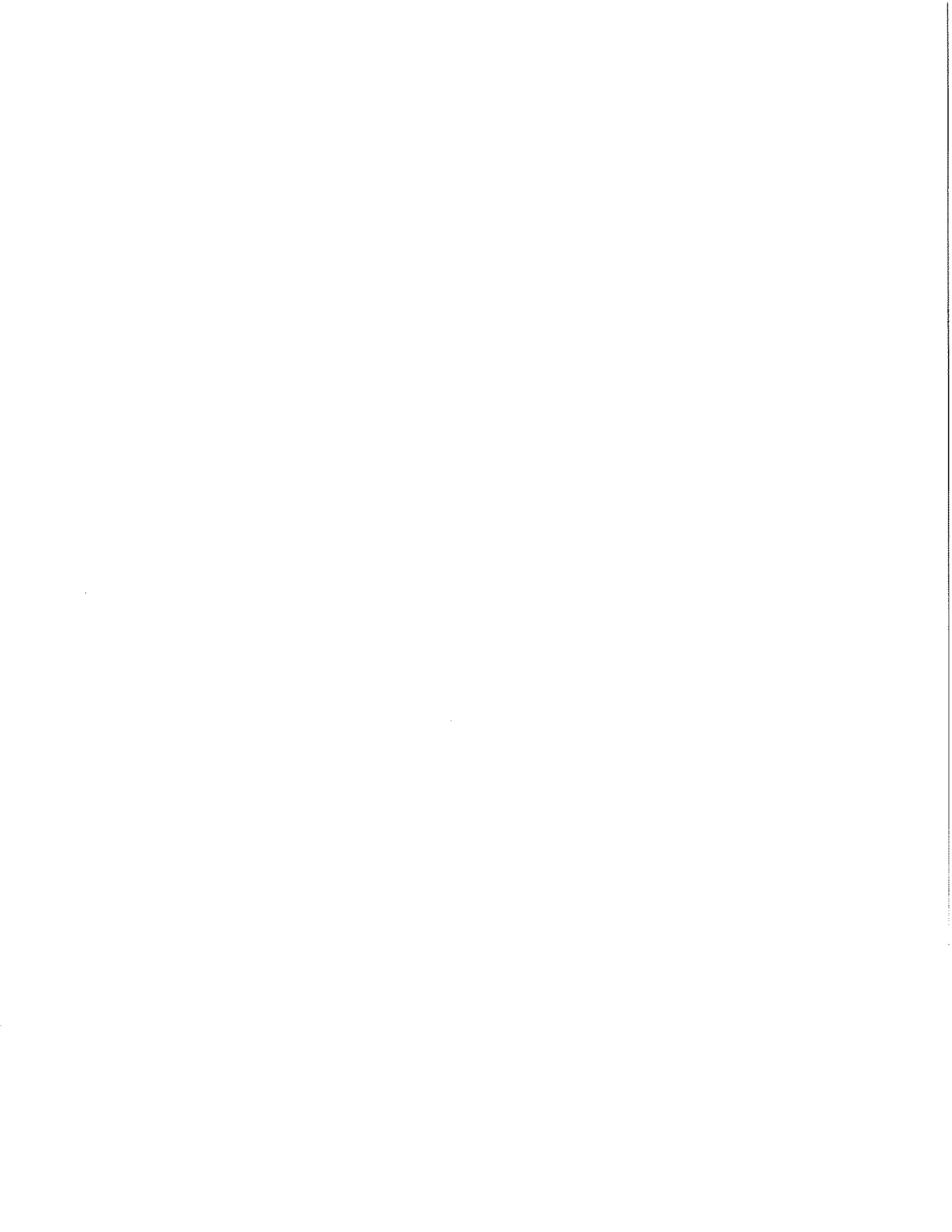
Sincerely,

A handwritten signature in cursive script that reads "Elizabeth Jacobs".

Elizabeth Jacobs
Chair

Attachment: Customer Contribution Fund Annual Report

cc: Carmine Boal, Chief Clerk of the House
House Appropriations Committee Members



IOWA UTILITIES BOARD
Energy Section

TO: The Board
FROM: Ellen Shaw
DATE: October 12, 2012
SUBJECT: 2012 Fiscal Year Customer Contribution Fund Report

I. Background:

This report is for the Customer Contribution Fund (CCF) for fiscal year 2012 (July 1, 2011 – June 30, 2012). The CCF program gives customers of natural gas and/or electric utilities the opportunity to contribute to the fund. The monies remain in the local communities and are distributed to supplement federal heating assistance received by low-income customers. The CCF report consists of contributions totaling \$787,151 and distributions totaling \$950,497. Each source of the CCF is summarized below:

	Investor Owned	Municipals	RECs	Total
Customers Contributing	10,912	1,422	1,637	13,971
Total Funds Contributed	\$632,808	\$99,171	\$55,172	\$787,151
Total Funds Distributed	\$816,310	\$93,113	\$41,074	\$950,497
Families Assisted	3,681	861	357	4,899
Average Per Family	\$222	\$108	\$115	\$194

II. Legal Standards:

Iowa Code § 476.66(6):

6. The rules established by the utilities board shall require an annual report to be filed for each fund. The utilities board shall compile an annual statewide report of the fund results. The division of community action agencies of the department of human rights shall prepare an annual report of the unmet need for energy assistance and weatherization. Both reports shall be submitted to the appropriations committees of the general assembly on the first day of the following session.

199 IAC 19.15(5):

19.15(5) Annual report. On or before September 30 of each year, each utility shall file with the board a report of all the customer contribution fund activity for the previous fiscal year beginning July 1 and ending June 30. The report shall be in a form provided by the board and shall contain an accounting of the total revenues collected and all distributions of the fund. The utility shall report all utility expenses directly related to the customer contribution fund.

199 IAC 20.15(5) contains the same language as 19.15(5) and refers to electric.

III. Analysis

All utilities filed reports. Therefore, the information is complete and ready to submit to the legislature.

The summary for investor owned utilities reflects more funds distributed than collected during the 2012 fiscal year. This occurred because local community action agencies had funds remaining from the 2011 fiscal year that were distributed during the 2012 fiscal year.

IV. Recommendation

Staff recommends that the Board prepare a letter that submits the attached annual statewide summary of the fund activity to the appropriate committees of the general assembly.

RECOMMENDATION APPROVED:

IOWA UTILITIES BOARD

/s/ Elizabeth S. Jacobs 10-19-12
Date

/s/ Darrell Hanson 10-15-12
Date

/s/ Swati A. Dandekar 10-15-12
Date

es
Attachment

**CUSTOMER CONTRIBUTION FUND
ANNUAL REPORT
For the Fiscal Year Ended June 30, 2012**

	INVESTOR-OWNED UTILITIES	MUNICIPAL UTILITIES	RURAL ELEC. COOPERATIVES	TOTAL
CONTRIBUTIONS:				
Number of Customers Contributing	10,912	1,422	1,637	13,971
Customer Contributions Collected	\$434,309	\$92,667	\$55,172	\$582,147
Matching Contributions Collected	\$198,499	\$6,504	\$0	\$205,003
Total Contributions Collected	\$632,808	\$99,171	\$55,172	\$787,150
Reimbursed Expenses (FN-1)	\$0	\$1,119	\$59	\$1,178
NET CONTRIBUTIONS	\$632,808	\$98,052	\$55,112	\$785,972
EXPENSES:				
Advertising	\$2,531	\$10,519	\$2,066	\$15,116
Admin. & General Salaries	\$14,662	\$3,969	\$3,689	\$22,320
Office Supplies & Expenses	\$0	\$3,530	\$609	\$4,140
Supervision - Labor & Expenses	\$0	\$2,888	\$256	\$3,145
Customer Records and Collections:				
Mailing	\$0	\$2,289	\$1,825	\$4,114
Printing	\$60	\$3,122	\$611	\$3,793
Publication	\$168	\$2,460	\$983	\$3,611
Total Expenses	\$17,421	\$28,778	\$10,040	\$56,239
Reimbursed Expenses	\$0	\$1,119	\$59	\$1,178
NET EXPENSES	\$17,421	\$27,659	\$9,981	\$55,061
FUND DISTRIBUTION:				
Weatherization Program	\$59,219	\$17,795	\$188	\$77,202
Heating Assistance Payments	\$739,015	\$64,823	\$29,949	\$833,787
Other Programs	\$18,076	\$10,495	\$10,937	\$39,507
TOTAL FUNDS DISTRIBUTED	\$816,310	\$93,113	\$41,074	\$950,496
Estimated Number of Families Assisted	3,681	861	357	4,899
Average Amount	\$222	\$108	\$115	\$194
NOTES TO THE REPORT:				
FN-1: Each utility is allowed to keep 5 percent of annual contributions to defray operating expenses.				