

Budget Unit Brief

FY 2017



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 Iowa 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 reviews and investigates regulated services provided to Iowa consumers by gas and electric utilities to ensure services are reliable, adequate, and provided at a reasonable cost. The OCA staff appears before the Iowa 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 Iowa'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 that 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 quarterly at the request of the Consumer Advocate to consult on public utility issues.

Funding and Billings — Department of Commerce Revolving Fund

The Department of Commerce bills on behalf of the Iowa Utilities Board and the OCA in a combined billing for both agencies with a breakdown of the OCA and Board budgets to allow companies to determine the costs for each entity.

The OCA billings include direct and indirect assessments. An example of a direct assessment is a company currently under rate review that would be assessed for the costs of the review. Any company required to file an annual report with the OCA or the Board is billed for the 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.

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 before the fiscal year closes.

Payments from the utility industry are deposited in the Department of 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](#)

[199](#) Iowa Administrative Code

Revised August 25, 2016

More Information

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

Office of the Attorney General: <https://www.iowaattorneygeneral.gov/>

Iowa General Assembly: <https://www.legis.iowa.gov/>

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