Interstate Power and Light Co.
An Alliant Energy Company

Alliant Tower
200 First Street SE
P.O. Box 351
Cedar Rapids, IA 52406-0351

Office: 1.800.822.4348
www.alliantenergy.com

Alliant Energy Corporate Services, Inc.
Legal Department
319-786-4236 – Phone
319-786-4533 – Fax

Samantha C. Norris
Senior Attorney

Minnesota Energy Resources Corporation
2665 145th Street West
Box 455
Rosemount, MN 55068-0455

June 1, 2015

Mr. Daniel P. Wolf, Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101-2147

RE: Interstate Power and Light Company
Docket No. G001/M-07-1295
Second Gas Affordability Program Pilot Evaluation Report

Dear Mr. Wolf:

Enclosed for e-Filing with the Minnesota Public Utilities Commission please find Interstate Power and Light Company's (IPL) Gas Affordability Program (GAP) Pilot Evaluation Report in the above-referenced docket submitted on behalf of IPL and Minnesota Energy Resources Corporation (MERC).

Effective May 1, 2015, the natural gas customers of IPL were transitioned to MERC's rates and tariffs, including MERC's Gas Affordability Program. IPL's GAP tracker balance will be transferred to MERC's GAP tracker as summarized in Attachment C to MERC's GAP Evaluation Report filed on June 1, 2015.

This filing is intended to be informational and to provide an evaluation of the historical performance of IPL's GAP. Because IPL's natural gas customers have now been transitioned to MERC service, IPL's GAP program no longer exists and no additional Commission action is required. MERC and IPL are available to answer any questions regarding this evaluation filing.

Copies of this filing have been served on the Minnesota Department of Commerce, Division of Energy Resources, the Minnesota Office of Attorney General – Residential and Small Business Utilities Division and the attached service list.

Very truly yours,

/s/ Samantha C. Norris
Samantha C. Norris
Senior Attorney
Alliant Energy Corporate Services, Inc.

/s/ Amber S. Lee
Amber S. Lee
Regulatory and Legislative Affairs Manager
Minnesota Energy Resources Corporation

SCN/kcb
Enclosure

cc: Service List

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	**Chair**
Nancy Lange	**Commissioner**
Dan Lipschultz	**Commissioner**
John Tuma	**Commissioner**
Betsy Wergin	**Commissioner**

IN THE MATTER OF THE PETITION OF INTERSTATE POWER AND LIGHT COMPANY FOR APPROVAL OF 2015 EVALUATION OF ITS GAS AFFORDABILITY PROGRAM	**DOCKET NO. G001/M-15-___**

AFFIDAVIT OF SERVICE

STATE OF IOWA)
) ss.
COUNTY OF LINN)

Kathleen C. Balvanz, being first duly sworn on oath, deposes and states:

That on the 1st day of June, 2015, copies of the foregoing Affidavit of Service, together with Interstate Power and Light Company's GAP Pilot Evaluation Report, were served upon the parties on the attached service list, by e-filing, overnight delivery, electronic mail, and/or first-class mail, proper postage prepaid from Cedar Rapids, Iowa.

/s/ Kathleen C. Balvanz
Kathleen C. Balvanz

Subscribed and Sworn to Before Me
this 1st day of June, 2015.

/s/ Beverly A. Petska
Beverly A. Petska
My commission expires on November 12, 2017
Notary Public

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Bobby	Adam	bobby.adam@conagrafoods.com	ConAgra	Suite 5022 11 ConAgra Drive Omaha, NE 68102	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
William A.	Blazar	bblazar@mnchamber.com	Minnesota Chamber Of Commerce	Suite 1500 400 Robert Street North St. Paul, MN 55101	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Michael	Bradley	mike.bradley@lawmoss.com	Moss & Barnett	150 S. 5th Street, #1200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
City	Clerk	sschulte@ci.albertlea.mn.us	City of Albert Lea	221 E Clark St Albert Lea, MN 56007	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Daniel R	Culhane	DanielCulhane@alliantenergy.com	Alliant Energy Corporate Services, Inc.	4902 North Biltmore Ln Madison, WI 53718-2148	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Ian	Dobson	ian.dobson@ag.state.mn.us	Office of the Attorney General-RUD	Antitrust and Utilities Division 445 Minnesota Street, 1400 BRM Tower St. Paul, MN 55101	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Michael	Greiveldinger	michaelgreiveldinger@alliantenergy.com	Interstate Power and Light Company	4902 N. Biltmore Lane Madison, WI 53718	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
David	Grover	dgrover@itctransco.com	ITC Midwest	901 Marquette Avenue Suite 1950 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Annete	Henkel	mui@mnutilityinvestors.org	Minnesota Utility Investors	413 Wacouta Street #230 St.Paul, MN 55101	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Linda	Jensen	linda.s.jensen@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota Street St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Jim	Krueger	jkrueger@fmcs.coop	Freeborn-Mower Cooperative Services	Box 611 Albert Lea, MN 56007	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Kavita	Maini	kmaini@wi.rr.com	KM Energy Consulting LLC	961 N Lost Woods Rd Oconomowoc, WI 53066	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Carl	Nelson	cnelson@mncee.org	Center for Energy and Environment	212 3rd Ave N Ste 560 Minneapolis, MN 55401	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Samantha	Norris	samanthanorris@alliantenergy.com	Alliant Energy	200 1st Street SE PO Box 351 Cedar Rapids, IA 52406-0351	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Steven	Nyhus	swnyhus@flaherty-hood.com	Flaherty & Hood PA	525 Park St Ste 470 Saint Paul, MN 55103	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750 St. Paul, MN 55101	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Larry L.	Schedin	Larry@LLSResources.com	LLS Resources, LLC	12 S 6th St Ste 1137 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Matthew J.	Schuerger P.E.	mjsreg@earthlink.net	Energy Systems Consulting Services, LLC	PO Box 16129 St. Paul, MN 55116	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Ron	Spangler, Jr.	rlspangler@otpco.com	Otter Tail Power Company	215 So. Cascade St. PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Robyn	Woeste	robynwoeste@alliantenergy.com	Interstate Power and Light Company	200 First St SE Cedar Rapids, IA 52401	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Company General Service List

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	**Chair**
Nancy Lange	**Commissioner**
Dan Lipschultz	**Commissioner**
John Tuma	**Commissioner**
Betsy Wergin	**Commissioner**

IN THE MATTER OF THE PETITION OF INTERSTATE POWER AND LIGHT COMPANY FOR APPROVAL OF 2015 EVALUATION OF ITS GAS AFFORDABILITY PROGRAM	**DOCKET NO. G001/M-15-____**

SUMMARY OF FILING

Please take notice that on June 1, 2015 Interstate Power and Light Company (IPL) filed with the Minnesota Public Utilities Commission its Evaluation (see Attachment A) of its Gas Affordability Program in compliance with the Commission's Order Accepting Gas Affordability Program Annual Reports.

Please note that this filing is available through the eDockets system maintained by the Minnesota Department of Commerce and the Minnesota Public Utilities Commission. You can access this document by going to eDockets through the websites of the Department of Commerce or the Public Utilities Commission or going to the eDockets homepage at https://www.edockets.state.mn.us/EFiling/home.jsp. Once on the eDockets homepage, this document can be accessed through the Search Documents link and by entering the date of the filing.

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	**Chair**
Nancy Lange	**Commissioner**
Dan Lipschultz	**Commissioner**
John Tuma	**Commissioner**
Betsy Wergin	**Commissioner**

IN THE MATTER OF THE PETITION OF INTERSTATE POWER AND LIGHT COMPANY FOR APPROVAL OF 2015 EVALUATION OF ITS GAS AFFORDABILITY PROGRAM	**DOCKET NO. G001/M-15-____**

INTRODUCTION

Interstate Power and Light Company ("IPL") respectfully submits to the Minnesota Public Utilities Commission (the "Commission") this petition for approval of its 2015 Evaluation of its Gas Affordability Program.

1. SUMMARY OF FILING

Pursuant to Minn. R. 7829.1300, subp. 1, a one-paragraph summary of the filing is included with this Application.

2. SERVICE ON OTHER PARTIES

Pursuant to Minn. R. 7829.1300, subp. 2, IPL has filed a copy of this petition with the Department of Commerce, Division of Energy Resources and the Office of the Attorney General –Residential Utilities Division and Antitrust Division. A summary of this filing has been served on all parties on the attached service list.

3. GENERAL FILING INFORMATION

Pursuant to Minnesota R. 7825.3200, 7825.3500, and 7829.1300, IPL provides the following information:

A. Name, Address, and Telephone Number of Utility:

Interstate Power and Light Company
200 First Street SE
PO Box 351
Cedar Rapids, Iowa 52406-0351
(800) 822-4348

B. Name, Address, and Telephone Number of Utility Attorney :

Samantha C. Norris
Alliant Energy Corporate Services, Inc.
200 First Street S.E.
Cedar Rapids, IA 52401-1409
(319) 786-4236

C. Date of Filing and Proposed Effective DateAgreement will Take Effect

IPL is submitting this filing on June 1, 2015., IPL filed its 2015 Evaluation of its Gas Affordability Program and requests that its evaluation be accepted.

D. Statute Controlling Schedule for Processing the Filing

Minn. Rules Part 7829.0100, subp. 11, defines this filing as a miscellaneous filing because IPL's petition does not require a determination of IPL's revenue requirement. Pursuant to Minn. Rule 7829.1400, subp. 1 and 4, initial comments on a miscellaneous filing are due within 30 days of the filing, with reply comments due 10 days thereafter.

E. Signature and Title of the Utility Employee Responsible for the Filing

Robyn Woeste
Regulatory Relations Manager
200 First Street SE
PO Box 351
Cedar Rapids, Iowa 52406-0351
(319) 786-4384

4. DESCRIPTION AND PURPOSE OF FILING

A. Background

On January 28, 2008, in Docket No. G001/M-07-1295, the Minnesota Public Utilities Commission (Commission) approved a $50,000 per year Gas Affordability Program (GAP or the Program). On February 25, 2008, the Commission ordered Interstate Power and Light Company (IPL or the Company) to initiate its GAP on March 1, 2008. Under the terms of its tariff, IPL's pilot program was scheduled to conclude on December 31, 2011.

On December 29, 2011, in the Order Accepting Report, Extending Program as Modified, and Denying Annual True Up, the Department recommended that the Commission continue IPL's GAP for a four-year period through year-end 2015, with another evaluation to be submitted by the IPL no later than May 31, 2015, and annual reports to be submitted by March 31st of each year.

On April 30, 2015, IPL completed the sale of its Minnesota gas distribution assets to Minnesota Energy Resources Corporation (MERC). Effective May 1, 2015, IPL's natural gas customers were transitioned to MERC's rates and tariffs, including MERC's Gas Affordability Program. IPL's GAP tracker balance will be transferred to MERC's GAP tracker as summarized in Attachment C to MERC's GAP Evaluation Report filed on June 1, 2015.

IV. CONCLUSION

WHEREFORE, IPL respectfully requests the Commission approve its 2015 Evaluation of its Gas Affordability Program.

DATED this 3rd day of April, 2015.

Respectfully submitted,

Interstate Power and Light Company

By: *_/s/ Samantha C. Norris_*
Samantha C. Norris
Senior Attorney
Interstate Power and Light Company
Alliant Tower
200 First Street S.E.
P.O. Box 351
Cedar Rapids, IA 52401-0351
(319) 786-4236
samanthanorris@alliantenergy.com

Interstate Power and Light Company
GAP Pilot Evaluation Report
June 1, 2015

GAP PILOT EVALUATION REPORT

I. Background

On January 28, 2008, in Docket No. G001/M-07-1295, the Minnesota Public Utilities Commission (Commission) approved a $50,000 per year Gas Affordability Program (GAP or the Program). On February 25, 2008, the Commission ordered Interstate Power and Light Company (IPL or the Company) to initiate its GAP on March 1, 2008. Under the terms of its tariff, IPL's pilot program was scheduled to conclude on December 31, 2011.

On December 29, 2011, in the Order Accepting Report, Extending Program as Modified, and Denying Annual True Up, the Department recommended that the Commission continue IPL's GAP for a four-year period through year-end 2015, with another evaluation to be submitted by the IPL no later than May 31, 2015, and annual reports to be submitted by March 31st of each year.

The Company submits this GAP evaluation report for the four-year period through year-end 2015 to describe the operation and effectiveness of the Program. This report includes the following information:

- Background;
- Description;
- Participation;
- Statutory and cost effectiveness evaluation; and
- Other relevant issues.

II. Description of Gas Affordability Program

IPL's GAP was designed to:

- Lower the percentage of income that low-income households use to current energy bills; and
- Increase the number of customer payments while also providing customers assistance in paying off arrearage balances.

The Program includes the following general characteristics and requirements:

- Qualified customers:
    - Must agree to be placed on a levelized payment plan and a payment schedule; and
    - Are automatically removed from the Program after a nonpayment period of 60 days.

- The Program must:

- o Include an affordability component consisting of bill credits determined as one-twelfth of the difference between the Company estimate of the qualified customer's annual gas bill and 6 percent of the qualified customer's household income as provided to the Company by the qualified customer.
- o Have an arrearage forgiveness component that:
  - ▪ applies a monthly matching credit to the customer balance after payment is received;
  - ▪ applies this monthly credit to retire pre-program arrears over a period of up to 24 months;
- o Be funded through a per-therm charge of $0.0023/therm, effective March 1, 2008;
  - ▪ Program costs are recovered as an additional charge, reflected as an addition to the Rider CIP (Conservation Improvement Program) factor applicable to all customers receiving gas service; and
  - ▪ Effective August 2011, the GAP charge will be separated out from the therm charge and displayed on its own line for gas customers.

IPL administers its own Program, including the performance of administrative duties such as application processing and responding to participant inquiries. IPL's inbound paper application processing activities include:

- providing clarification of incomplete applications information;
- notifying applicants if they do not qualify for participation; and
- entering data into the its Customer Information System (CIS).

Additionally, IPL administers the following ongoing Program duties:

- promotes the Program;
- manages delinquent accounts; and
- manages the renewal process.

III. Program Participation

The Program became effective on April 1, 2008. IPL solicited prospective participants through direct mail and Customer Service call center promotions. The enrollment was used to qualify prospective participants for GAP and place them on the Program. The number of participants is shown in Table 1 below.

Table 1
Minnesota Gas Affordability Service Program (GAP)
Program Participation 2011 - 2014

Participants	2011	2012	2013	2014	Average

Active At Year End	**108**	**112**	**92**	**86**	**398**
Dropped From Program (Delinquency)	**39**	**46**	**24**	**21**	**130**
Total	**147**	**158**	**116**	**107**	**528**
Drop Rate	**27%**	**29%**	**21%**	**20%**	**25%**

IV. Pilot Program Evaluation

IPL's current Gas Affordability Program tariff (Rider GAP) provides for Program evaluation "before the end of the initial four-year term and may be modified based on annual reports and on a financial evaluation." IPL has undertaken this evaluation for assessing the operation of and impact of the Program.

In order to present a comprehensive evaluation, IPL evaluated the Program based on criteria including the enabling statute (Minn. Stat. § 216B.16), the current tariff Rider GAP, other operational factors, and societal impacts. These criteria are discussed below.

Minn. Stat. § 216B.16, Subd.15 part (b), provides that:

> (b) Any affordability program the Commission orders a utility to implement must:
> (1) lower the percentage of income that participating low-income devote to energy bill;
> (2) increase participating customer payments over time by increasing the frequency of payments;
> (3) decrease or eliminate participating customer arrears;
> (4) lower the utility cost associated with customer account collection activities; and
> (5) coordinate the program with other available low-income bill payment assistance and conservation resources.

While the statute does not explicitly state that these requirements must be used as evaluation criteria, the Company believes it is reasonable to do so in order to determine whether the Program satisfies the legislative intent.

Minn. Stat. § 216B.16, Subd.15 part (c), states:

> (c) In ordering affordability programs, the commission may require public utilities to file program evaluations that measure the effect of the affordability program on:
> (1) the percentage of income that participating households devote to energy bills;
> (2) service disconnects; and

(3) frequency of customer payments, utility collection cost, arrearages, and bad debt.

IPL has reported on certain criteria as part of its annual compliance report and will discuss those criteria as part of the overall evaluation as well.

Rider GAP states, in part:

> The financial evaluation will include a discounted cash flow of the Program's cost-effectiveness analysis from a ratepayer perspective comparing the 1) total Program costs, which includes the Affordability component, Arrearage Forgiveness component and total company incurred administration costs, to 2) the total net savings including cost reductions on utility functions such as the impact of the Program on write-offs, service disconnections and reconnections and collections activities. The discounted cash flow difference between total Program costs and total net savings will result in either a net benefit or a net cost to ratepayers for the program. Any net benefit after the initial four year term of the Program will be added to the Tracker for refund to residential ratepayers.

V. Evaluation Based on Statutory Criteria

Minn. Stat. § 216B.16

As previously stated, Minn. Stat. § 216B.16, Subd.15 part (b), requires five specific criteria for low-income affordability programs. Each of these five requirements is discussed below.

Statutory Criteria

1) *Lower the percentage of income that participating low-income households devote to energy bills.*

By design, the Program reduces participants' natural gas bills to what the bills would have been without the Program. The amount of this reduction is equal to the total affordability and arrearage credits provided to participants. For this reason, IPL believes that the Program reduced the amounts billed for natural gas service to those participating customers. IPL therefore believes its Program has satisfied this statutory requirement.

2) *Increase participating customers payments over time by increasing the frequency of payments*

Please see Table 2 below. IPL initiated random sampling of GAP participants to determine if there was any Program effect in the timing of utility bill payments. Based on this data, the Program appears to have increased the frequency of customers' payments. IPL therefore believes its Program has satisfied this statutory requirement.

Table 2
Minnesota Gas Affordability Service Program (GAP)
GAP Payments 2011 - 2014

Customer Group	2011	2012	2013	2014
GAP Participants Percent Late (Sample 11%)	7%	32%	29%	3%
LIHEAP Percent late (Sample 11%)	44%	76%	35%	26%

3) *Decrease or eliminate participating customers arrears*

Please see Table 3 below. The arrears of sampled GAP participants is consistently below LIHEAP and non-LIHEAP customers. Many customers continued to make monthly payments on top of the energy assistance grants provided during the winter months. Customer worksheets showed no bill credit or arrearage forgiveness credit due to large credit balance, income and usage. Based on this information, the Program appears to have contributed to a decrease in participant arrears. IPL therefore believes its Program has satisfied this statutory requirement.

Table 3
Minnesota Gas Affordability Service Program (GAP)
Change In Average Arrears By Customer Group

Customer Group	Jan-11	Dec-11	Percent Change	Jan-15	Dec-15	Percent Change
GAP Customers Average Arrears*	$60	$8	-86%	$59	$42	-29%
LIHEAP - Non GAP Customers*	$116	$221	89%	$46	$56	22%
Residential*	$161	$181	13%	$200	$167	-17%

*Sampled Customers

4) *Lower the utility costs associated with customer accounts collection activities*

The costs associated with collection activities, including issuing disconnect notices and performing disconnects and subsequent reconnects, have been minimal.

GAP residential customers were disconnected at a lower rate than typical residential customers. Most GAP customers are removed from the program prior to be disconnected. GAP customers are mailed warning letters giving customers a certain date to pay or be removed from the program. Most customers are removed and not disconnected while on the GAP program.

Please see Table 4 below. Because of the small number of disconnected GAP customers, minimal savings could be estimated associated with performing those disconnects and subsequent reconnects. Given all the relevant factors, however, IPL believes its Program has satisfied this statutory requirement.

Table 4
Minnesota Gas Affordability Service Program (GAP)
Disconnection Rate By Customer Group 2011 - 2014

Customer Group	2011	2012	2013	2014
GAP Customers Disconnected - Number	11	0	0	0
Gap Customers Disconnected - Percent	6.0%	0.0%	0.0%	0.0%
Residential Customers Disconnected - Number	480	477	261	525
Residential Customers Disconnected - Number	1.0%	1.0%	0.06%	1.20%

5) *Coordinate the program with other available low-income bill payment assistance and conservation resources.*

In addition to mailing bill inserts and IPL calling customers about enrolling in GAP, the local Community Action Agency (Semcac) has referred LIHEAP customers to Alliant Energy for possible GAP enrollment, if any are available.

Conclusion Regarding Statutory Criteria

In summary, based on the information provided regarding each separate statutory criteria given above, the Company believes its Program has satisfied each of the statutory requirements.

VI. Evaluation of Other Issues and Criteria

<u>IPL's Inability to spend entire program amount.</u>

Please see Table 5 below. Since 2011, IPL has spent 90% of the allowed budget for the GAP program with a high of 95% spent in 2014.

An issue facing all utilities participating in the GAP program, once a customer defaults in the Program, there is a lag period to enroll a new customer to take the defaulting customer's place. This lag period also contributes to underspending the Program's budget.

IPL was also hindered in determining which component of the program warranted the application of credits. The majority of the GAP credits were applied to the affordability component of the Program rather than the arrearage forgiveness component. This contributed to the inability to spend all available funds since few dollars were applied to arrearage balances.

Table 5

Minnesota Gas Affordability Service Program (GAP)
Expenditures 2011 - 2014

	2011	2012	2013	2014	Total
Program Annual Budget	$50,000	$50,000	$50,000	$50,000	$200,000
Customer Expense / Payouts	$40,643	$41,079	$44,654	$45,658	$172,034
Administration Expense	$1,935	$1,745	$2,559	$1,947	$8,186
Total Program Expense	$42,578	$42,824	$47,213	$47,605	$180,220
Program Spend vs Budget - (-) Under (+) Over	($7,422)	($7,176)	($2,787)	($2,395)	($19,780)
Revenue Collected Through Tariff	$40,334	$34,154	$44,272	$47,795	$166,555
Over/(Under) Collection - Revenue Minus Program Expense	($2,244)	($8,670)	($2,941)	$190	($13,665)

VII. Cost Effectiveness Analysis

Please see Table 6 below.[1] IPL utilized a sampling of customers to estimate the savings for the Program. In this estimation, IPL considered the improvement in the sample group's arrearages, and extrapolated that figure to include all customers participating in the Program. This estimate totals $5,174 on an annual basis.

[1] Please note, IPL does not track collection activities or disconnections by fuel type.

Table 6 Minnesota Gas Affordability Service Program (GAP) Cost Effectiveness Analysis Summary		
Savings	**Total**	**2011-2014 Average**
Estimated Change In Arrearage Expense	**$20,696**	**$5,174**
Lower Collections Expense	**$0**	**$0**
Estimated Total Ratepayer Savings	**$20,696**	**$5,174**
Costs		
Program Cost, Admin Cost	**$180,220**	**$45,055**
Total Ratepayer Costs	**$180,220**	**$45,055**
Net Cost	**$159,524**	**$39,881**
B/C	**0.11**	**0.11**

VII. 2015 Program

With the sale of the gas property to Minnesota Energy Resources Corporation (MERC) on April 30, 2015, former IPL customers enrolled in the IPL GAP program have been transferred to the MERC GAP program.

X. Summary

IPL maintains that the evaluation of the Program demonstrates that the Program satisfies the requirements of Minn. Stat. § 216B.16, Subd.15 part (b), by:

- lowering the percentage of income qualifying participants devote to energy bills;
- increasing the payment frequency of participants;
- decreasing the arrears of participants; and
- coordinating with other bill payment and energy conservation programs, through IPL's coordination with Semcac, the current Community Action Agency supporting the Program on behalf of IPL.

XI. Conclusion

IPL respectfully submits to the Commission this evaluation of its GAP. Although this is not a “miscellaneous filing” subject to the procedural schedule in Minn. Rule 7829.1400, IPL is aware that interested parties may wish to follow the same procedural schedule. If that timing is adopted, parties will have 30 days to file comments, and 10 days to file reply comments.