



MidAmerican Energy  
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**Jennifer S. Moore**  
Senior Attorney

January 11, 2010

**By: E-filing**

Ms. Patricia Van Gerpen  
Executive Director  
South Dakota Public Utilities Commission  
500 East Capitol Avenue  
Pierre, South Dakota 57501-5070

Re: Docket CN09-002  
In the Matter of the Complaint filed by Mark Pyle, A Plus Towing, Sioux Falls, South  
Dakota, against MidAmerican Energy Company Regarding a Billing Dispute

Dear Ms. Van Gerpen:

Enclosed for filing please find the Answer of MidAmerican Energy Company in the above-captioned proceeding.

Thank you for your assistance.

Sincerely,

A handwritten signature in blue ink that reads "Jennifer S. Moore". The signature is written in a cursive style and is positioned above a light gray rectangular box.

Encl.

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

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<b>Mark Pyle,</b>	)	
	)	
<b>Complainant</b>	)	
	)	
<b>vs.</b>	)	<b>Docket No. CN09-002</b>
	)	
<b>MidAmerican Energy Company,</b>	)	
	)	
<b>Respondent.</b>	)	

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**ANSWER**

MidAmerican Energy Company (“MidAmerican”) hereby provides its Answer to the above-captioned Complaint:

1. MidAmerican denies that it has violated any law, statute, order or rules in connection with Complainant’s statements about his account at 1309 E Walnut Street, Sioux Falls, South Dakota, Account 68700-54057.
2. MidAmerican admits that on January 11, 1993, the American 425 natural gas meter, A00850721, was set with an Encoder Receiver Transmitter (ERT) device at 1309 E Walnut Street, Sioux Falls, South Dakota.
3. MidAmerican admits that Account 68700-54057 was opened on June 5, 1997, in the business name Appearance Plus at 1309 E Walnut Street, Sioux Falls, South Dakota.
4. MidAmerican admits that on October 13, 2009, a request was received to restore the natural gas service at 1309 E Walnut Street, Sioux Falls, South Dakota, following a structure fire that occurred previously on September 23, 2009. Further,

MidAmerican admits that during this service order, it was discovered that the meter's index reading did not match the last billed ERT device reading. Consequently, the MidAmerican representative installed a new index and ERT device to that meter.

5. MidAmerican admits that on October 28, 2009, a representative in the meter shop confirmed that the ERT device was programmed incorrectly. The ERT device must be programmed to match the meter's drive rate in order for the gas consumption to be recorded properly. MidAmerican admits that the ERT device drive rate on the American 425 natural gas meter, A00850721, was programmed at one cubic foot per revolution instead of two, which resulted in the device reporting only half of the actual gas consumption used at the property.

6. MidAmerican further admits that on November 19, 2009, it mailed the Complainant a bill in the amount of \$7,602.46, which included \$7,516.70 back-billed charges for the period of October 1999 to October 2009.

7. MidAmerican admits that it has no records that indicate the ERT device was reprogrammed or changed since 1999. MidAmerican further admits it retains billing records for a period of ten years; therefore, the back-billed charges were for the prior ten years instead of from the date of service activation in 1997.

8. MidAmerican also admits that ARSD § 20:10:17:09 states that:

“If a customer has been overcharged or undercharged as a result of an incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection of the meter, application of an incorrect multiplier or constant or other similar reason, the overcharge shall be refunded to the customer or the undercharge may be billed to the customer. The refund or charge shall not exceed one year, unless the date of the error can be fixed with reasonable certainty, in which case the refund or charge shall be computed from that date.”

9. MidAmerican also admits in 2004, a programming problem was identified with a different series of gas meters in South Dakota. At that time, MidAmerican tested 64 American 425 natural gas meters in the field, which is the same meter size and manufacturer as the Complainant's meter. All 64 meters tested were found to be programmed accurately. Therefore, there was no indication that additional testing was warranted. Consequently, MidAmerican did not include this group of meters in its 2004 waiver filed with the Commission to not back-bill customers.

10. Based on the foregoing information, MidAmerican believes with reasonable certainty that the programming error for the ERT device occurred when the natural gas meter A00850721 was set at the property in 1993. However, the Complainant has raised an issue of fact regarding meter accuracy testing that can only be resolved through additional meter investigations.

11. MidAmerican plans to complete an investigation of just over 12 percent of the meters in this series and expects to have it completed within three months. Therefore, MidAmerican respectfully requests that the Commission suspend action on this complaint until such sampling can be completed. If MidAmerican finds that five percent or more of the meters are programmed incorrectly, then additional meters will be investigated to determine the scope of the programming errors with this series of meters. MidAmerican will report back to the Commission with its findings. Based upon the findings, MidAmerican will either seek a waiver to not back-bill the Complainant, or MidAmerican will request that the Commission proceed with the Complaint and decide whether it is reasonable for MidAmerican to back bill the Complainant in compliance with ARSD § 20:10:17:09.

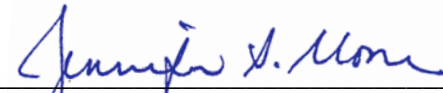
12. Upon receiving this complaint from Commission Staff, MidAmerican admits that in good faith, it tried to resolve the complaint with the Complainant. However, MidAmerican was not able to reach an agreement with the customer. MidAmerican did contact the Complainant regarding the request to suspend the Complaint and the Complainant did not object to suspending the Complaint until the investigation is completed.

**WHEREFORE**, as MidAmerican has not violated any law, statute, order or rule in connection with the matters set forth in the instant Complaint, MidAmerican Energy Company requests the Commission suspend the Complaint until the audit is completed and a determination can be made.

Respectfully submitted,

MIDAMERICAN ENERGY COMPANY

By: \_\_\_\_\_



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## CERTIFICATE OF SERVICE

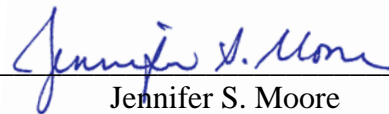
I certify that on this 10<sup>th</sup> day of January, 2010, a true and correct copy of the attached Answer in Commission Docket No. CN09-002 was sent in accordance with the Administrative Rules of the South Dakota Public Utilities Commission.

Ms. Patricia Van Gerpen  
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Jennifer S. Moore