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Jennifer S. Moore  
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December 6, 2011

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

Re: Amended Request to Extend Energy Efficiency Plan One Year  
MidAmerican Energy Company's Energy Efficiency Plan  
Docket No. EL-07-015

Dear Ms. Van Gerpen:

On October 21, 2011, MidAmerican Energy Company's (MidAmerican) filed a request to extend its Three Year Energy Efficiency Plan (Plan) for one year. In its filing MidAmerican indicated it would like to continue its Plan in 2012, and indicated it anticipated that the 2012 budget will be similar to the 2011 budget of \$1.3 million.

Since MidAmerican made its filing, MidAmerican has completed an analysis regarding the impacts that the severe and prolonged flooding of the Missouri River on MidAmerican customers located in Dakota Dunes in southeast South Dakota may have on its Plan. In MidAmerican's experience with flooding in its Iowa service territory, flood damage causes an increase in energy efficiency program participation since customers are replacing furnaces, air conditioning units and insulation that were damaged in the flooding. MidAmerican estimates that there are 522 customers in Dakota Dunes that were affected that could potentially participate in the South Dakota energy efficiency program either by replacing existing equipment that was not removed prior to flooding and was damaged by the flooding with new energy efficient equipment, or by replacing insulation damaged in the flooding.

MidAmerican anticipates the total cost for energy efficiency replacements related to flood damage will be approximately \$401,270. It is anticipated that 5% of these costs will be realized in 2011 (\$20,064), 85% in 2012 (\$341,079), and 10% in 2013 (\$40,127). Based on current electric and gas rates and forecasted sales, MidAmerican estimates that these costs, if recovered from customers in one year, would result in an increase of 2.43% for all South Dakota electric customers and 0.62% for all South Dakota gas customers.

A breakdown of the estimated costs is as follows:

#### Furnace Replacement

It is assumed that 20% of gas customers will need furnace replacements (97 total customers). The average rebate paid on high efficiency furnaces is \$330. Total cost for furnace rebates for affected customers is \$32,010.

#### Furnace Fan Replacement

It is assumed that 20% of the furnaces replaced by combination customers also will include an energy efficient furnace fan (16 total customers). The average rebate paid on high efficiency furnace fans is \$50. Total cost for furnace fan rebates for affected customers is \$800.

#### Central Air Conditioner Replacement

It is assumed that 20% of electric customers will need central air conditioner replacements (88 total customers). The average rebate paid on high efficiency central air conditioners is \$160. Total cost for central air conditioner rebates for affected customers is \$14,080.

#### Water Heater Replacement

It is assumed that 70% of customers will need water heater replacements (365 total customers). Of those replacements, 80% (292) are expected to be gas water heaters and 20% (73) are expected to be electric water heaters. The average rebate paid on high efficiency water heaters is \$75 for gas and \$50 for electric. Total cost for water heater rebates for affected customers is \$21,900 for gas and \$3,650 for electric.

#### Insulation

It is anticipated that 65% of the affected homes (339 customers) will be eligible for MidAmerican's residential audit program, which is required in order to receive rebates for insulation upgrades. The average cost of conducting an audit is \$141.75 and the average cost of direct install measures included in an audit is \$78.25. It is anticipated that all participating customers will require insulation replacements, and while the exact amount of insulation purchased is not known, it is anticipated that the maximum rebate of \$750 will be paid to each customers. Total cost for affected customers is \$48,053 for the audits, \$26,527 for direct install measures, and \$254,250 for insulation rebates.

#### Total Anticipated Costs

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The total anticipated cost for energy efficiency replacements and upgrades for affected customers in Dakota Dunes, by program, is as follows:

<u>Program</u>	<u>Anticipated Cost</u>
Residential Equipment – Electric	\$18,530
Residential Audit – Electric	\$77,231
Residential Equipment – Gas	\$53,910
<u>Residential Audit – Gas</u>	<u>\$251,599</u>
Total	\$401,270

MidAmerican respectfully requests the Commission extend MidAmerican's energy efficiency Plan for one year, and allow the additional estimated 2012 costs of \$341,079 in the 2012 budget. MidAmerican will track the dollars and energy savings for the anticipated costs related to the flooding in Dakota Dunes and will not include those dollars and savings in the incentive award for 2011, 2012, and 2013, if MidAmerican's Plan is extended in 2012 and approved in 2013.

MidAmerican company personnel are available to meet with the Commission and Commission Staff regarding specific details regarding the impact of the revised budgets on MidAmerican's plan. If you have any questions, please feel free to contact me at 563-333-8006.

Sincerely,

/s/ Jennifer S. Moore