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## VIA E-FILING

**October 25, 2011**

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

RE: MidAmerican Energy Company  
Docket No. EC11-123  
Supplement to Application Under FPA Section 203

Dear Secretary Bose:

On September 30, 2011, MidAmerican Energy Company ("MidAmerican") tendered in the above-referenced docket an Application under Section 203 of the Federal Power Act seeking all authorizations necessary to permit MidAmerican to acquire from the city of Pella, Iowa, an additional undivided ownership interest in the Walter Scott, Jr. Energy Center Unit 4 Transmission Facilities (the "Transaction").

MidAmerican requested in the Application waiver of the need to submit a formal Exhibit M in accordance with 18 C.F.R. Section 33.2(j), insofar as information regarding cross-subsidization issues was provided in Part IV.B of the Application (see Application at 17). With this Supplement, MidAmerican respectfully withdraws that request for waiver and submits a formal Exhibit M herewith.

As indicated in the Application, Applicants wish to close the Transaction on or before November 1, 2011. To this end, Applicants respectfully request that the Commission issue an order approving the Transaction without condition, modification, or a trial-type hearing by October 28, 2011. To the extent necessary, Applicants request that the Commission shorten or waive the notice period for this Supplement so that an order approving the Transaction may be issued by this date.

Sincerely,

*/s/ Suzan M. Stewart*

Managing Senior Attorney  
MidAmerican Energy Company

cc: Iowa Utilities Board, Office of Consumer Advocate, Illinois Commerce Commission,  
South Dakota Public Utilities Commission

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

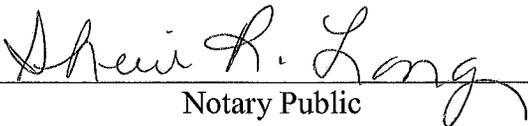
**VERIFICATION PURSUANT TO 18 C.F.R. SECTION 33.7**

STATE OF IOWA                    )  
  ) ss.  
COUNTY OF POLK                )

Steven R. Weiss, Senior Vice President & General Counsel, MidAmerican Energy Company, being first duly sworn, avers and states that he prepared or oversaw the preparation of the enclosed supplement and that the information contained therein is true and correct to the best of his knowledge and belief.

  
\_\_\_\_\_  
Steven R. Weiss

Subscribed and sworn to before me, a Notary Public in and for said County and State, this 25<sup>th</sup> day of October, 2011.

  
\_\_\_\_\_  
Notary Public



## **Exhibit M**

Section 33.2(j) of the Commission’s regulations, 18 C.F.R. § 33.2(j), provide that an application under Section 203 of the Federal Power Act shall contain, in an Exhibit M, an explanation “[o]f how applicants are providing assurance, based on facts and circumstances known to them or that are reasonably foreseeable, that the proposed transaction will not result in, at the time of the transaction or in the future, cross-subsidization of a non-utility associate company or pledge or encumbrance of utility assets for the benefit of an associate company.”

In accordance with this requirement, MidAmerican Energy Company (“MidAmerican”) submits, based on facts and circumstances known to it or that are reasonably foreseeable, that the proposed Transaction will not result in, at the time of the Transaction or in the future, cross-subsidization of a non-utility associate company or pledge or encumbrance of utility assets for the benefit of an associate company. In support thereof, MidAmerican states as follows.

- (a) MidAmerican’s utility assets are not pledged or encumbered. MidAmerican will not be issuing additional debt or equity to fund the Transaction.
- (b) The Transaction will not result in “[a]ny transfer of facilities between a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, and an associate company” because (i) the only facilities to be transferred pursuant to the Transaction are a portion of the undivided ownership interest of the city of Pella, Iowa in Walter Scott, Jr. Energy Center Unit 4 Transmission Facilities, which will be transferred from the city of Pella, Iowa to MidAmerican, and (ii) the city of Pella, Iowa is neither an associate company nor an affiliate of MidAmerican.
- (c) The Transaction will not result in “[a]ny new issuance of securities by a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, for the benefit of an associate company” because, as noted above, MidAmerican will not be issuing additional debt or equity to fund the Transaction.
- (d) The Transaction will not result in “[a]ny new affiliate contract between a non-utility associate company and a traditional public utility associate company that has captive customers or that owns or provides transmission service over jurisdictional transmission facilities, other than non-power goods and services agreements subject to review under sections 205 and 206 of the Federal Power Act.”

In light of the foregoing, and the general fact that the Transaction is an arms' length deal between unaffiliated entities (which will remain unaffiliated after consummation of the Transaction), MidAmerican submits that there is no need for a further examination of cross subsidization and encumbrance concerns as to the Transaction.