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Managing Senior Attorney

March 30, 2012

**VIA E-Tariff**

Ms. Kimberly Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

RE: **MidAmerican Energy Company**  
**Docket No. ER12-\_\_\_\_\_**

Dear Ms. Bose:

Pursuant to Section 205 of the Federal Power Act and Part 35 of the Commission's regulations, 18 CFR § 35.12-13, MidAmerican Energy Company ("MidAmerican") submits for filing an Interconnection Agreement ("Agreement") with the City of Pella, Iowa ("Pella"), dated March 29, 2012. This Agreement replaces the Network Operating Agreement ("NOA") between MidAmerican and Pella succeeded to by the Midwest Independent Transmission System Operator ("MISO") in Docket No. ER09-1548.

This filing consists of the following:

1. This letter of transmittal;
2. Interconnection Agreement between MidAmerican and Pella, dated March 28, 2012, designated as FERC Rate Schedule No. 121;

The NOA was entered into by and between MidAmerican and Pella with an effective date of August 1, 2009. The NOA was filed with and accepted by the Commission in Docket No. ER09-1393. Because MidAmerican became a transmission owning member of the MISO on September 1, 2009, the NOA was succeeded to by the MISO in Docket No. ER09-1548. The reason for this change in agreements is, effective April 1, 2012, Pella will no longer be a transmission service customer under the MISO Tariff. Rather, Missouri River Energy Services will become the transmission service customer under the MISO tariff for transmission service to Pella. Therefore, the 2009 NITS agreement and the related 2009 NOA between Pella and MidAmerican will no longer be effective as of April 1, 2012. The Agreement which is the subject of this filing was entered into between MidAmerican and Pella to continue their interconnected electric system arrangement and operations.

Ms. Kimberly Bose, Secretary  
Federal Energy Regulatory Commission  
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March 30, 2012

The Agreement contains provisions for generation redispatch in Section 3.5. The parties have proposed these terms because they represent part of a Settlement Agreement which they entered into in resolution of *City of Pella, Iowa v. Midwest Independent Transmission System Operator, Inc. and MidAmerican Energy Company*, Docket No. EL10-77. At Article I of the Settlement Agreement, the city of Pella, Iowa and MidAmerican agree to several principles of compensation for generation re-dispatch. Acceptance of the specific terms of redispatch in the Agreement is appropriate given that such terms are consistent with the Settlement Agreement.

MidAmerican and Pella request both an effective date of April 1, 2012 for FERC Rate Schedule No. 121, and a waiver of the Commission's notice requirements. Good cause exists to grant a waiver of the Commission's notice requirements due to the need to continue interconnected operations.

MidAmerican has mailed a copy of this filing to Pella, the Iowa Utilities Board, the Illinois Commerce Commission, the South Dakota Public Utilities Commission, and the Iowa Office of Consumer Advocate. All communications regarding this filing should be directed to:

Suzan M. Stewart  
Managing Senior Attorney  
MidAmerican Energy Company  
401 Douglas Street  
P. O. Box 778  
Sioux City, Iowa 51102  
712-277-7587 (voice)  
712-252-7396 (facsimile)

Dehn A. Stevens  
Manager – Transmission Services  
MidAmerican Energy Company  
One RiverCenter Place  
106 East Second Street  
P. O. Box 4350  
Davenport, Iowa 52808

Sincerely,

/s/ Suzan M. Stewart

Suzan M. Stewart  
Managing Senior Attorney

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

Larry Peterson  
Electric Director  
City of Pella, Iowa  
222 Truman Street  
Pella, Iowa 50219

**MidAmerican Energy Company**

**Rate Schedule No. 121**

**Interconnection Agreement**

**Between**

**City of Pella, Iowa**

**And**

**MidAmerican Energy Company**

**eTariff Information**

Tariff Submitter: MidAmerican Energy Company

FERC Tariff Program Name: FERC FPA Electric Tariff

Tariff Title: Interconnection Agreement between Pella and MEC

Tariff Record Proposed Effective Date: April 1, 2012

Tariff Record Description: Rate Schedule No. 121

Option Code: A

## **Interconnection Agreement**

**Between**

**City of Pella, Iowa**

**And**

**MidAmerican Energy Company**

**This Interconnection Agreement** (Agreement) dated as of March 28, 2012, is entered into, by and between City of Pella, Iowa (Pella), a municipal utility and MidAmerican Energy Company (MidAmerican), an Iowa corporation. Pella and MidAmerican may hereinafter be referred to individually as “Party” and collectively as “Parties” where appropriate.

**WHEREAS**, Pella and MidAmerican were parties to an Electric Interconnection and Interchange Agreement dated October 1, 1994 (1994 Agreement);

**WHEREAS**, Pella and MidAmerican are parties to a Network Operating and Interconnection Agreement under MidAmerican’s then-current Open Access Transmission Tariff, dated June 30, 2009 (2009 Agreement) which succeeded the 1994 Agreement;

**WHEREAS**, MidAmerican integrated its transmission system into the Midwest Independent System Operator, Inc. (Midwest ISO) on September 1, 2009 and at such time its Open Access Transmission Tariff ceased to be in effect;

**WHEREAS**, effective April 1, 2012, Pella’s load is served under the Midwest ISO Open Access Transmission, Energy and Operating Reserve Markets Tariff (“Midwest

ISO Tariff”) by virtue of Missouri River Energy Services, Pella’s agent, designating Pella’s load as a network load under such Midwest ISO Tariff; and

**WHEREAS**, the Parties desire to enter into an Interconnection Agreement to continue their interconnected electric system arrangement and operations;

In consideration of the mutual covenants and agreements herein combined, the Parties hereto covenant and agree as follows:

## **ARTICLE I**

### **PURPOSE**

**1.1 Purpose:** This Agreement defines the terms and conditions under which the Parties shall operate their electric facilities; the interconnections between the Parties and associated responsibilities; the operational procedures to be utilized by the Parties; and any other technical or operational requirements needed for implementation of this Agreement. These Procedures shall require the Parties to plan, construct, operate and maintain its interconnected facilities and electric system in accordance with Good Utility Practice, as defined in the Midwest ISO Tariff, which shall include, but not be limited to, all applicable standards and guidelines of North American Electric Reliability Corporation and the Midwest Reliability Organization, as they may be modified from time to time, and any generally accepted practices in the region that are consistently adhered to by MidAmerican as a local balancing authority area operator.

## **ARTICLE II**

### **TERM**

**2.1 Agreement Effective Date:** This Agreement shall become effective on April 1, 2012 subject to acceptance for filing of this Agreement by the Federal Energy Regulatory Commission (FERC) and shall continue in force so long as it is effective unless and until it is terminated by mutual agreement of the Parties, or, except as hereinafter limited, until it is cancelled by either Party effective December 31 next following expiration of three (3) years' written notice provided no earlier than the seventh (7<sup>th</sup>) anniversary of the date first stated above. As long as the systems of the Parties are interconnected this Agreement (as it may be subsequently modified by the parties, including by entering into new or modified service schedules) shall not be terminated unless it is superseded by a new agreement governing the provision of interconnected operations between the Parties.

## **ARTICLE III**

### **POINTS OF INTERCONNECTION**

**3.1 Facilities and Points of Interconnection:** Each Party shall own, operate and maintain, for the term of this Agreement, the facilities and Points of Interconnection described in Service Schedule A and its system facilities (together with the necessary terminal, control and synchronizing equipment on its system) required to accommodate such Points of Interconnection.

**3.2 Deliveries:** All electric power and energy delivered at the Points of Interconnection shall be of a character commonly known as three-phase, sixty-cycle energy and shall be delivered at nominal voltages and through facilities which each Party shall furnish, own, operate and maintain in a manner suitable for such delivery of power and energy as may be agreed upon.

**3.3 Not a Reservation for Transmission Service:** Nothing in this Agreement shall constitute an express or implied representation or warranty on the part of the Parties with respect to the current or future availability of transmission service or create any obligation on the part of the Parties to accept deliveries unless the Parties or their agents have arranged for transmission service in accordance with the Midwest ISO Tariff and applicable laws and regulations.

**3.4 Operation of Local Generators:** Each Party shall have responsibility for the operation and protection of the generating units located on its side of the Points of Interconnection and for the safety of the systems energized by the generators. Safety and operation provisions for the local generator(s) with regard to the interconnected transmission system include, but are not limited to, the following:

- (a) Each Party shall be solely responsible for any synchronizing of the generators with a power source from the other Party's system. Each Party shall provide the necessary protective devices to prevent parallel operation of generating equipment with a power source of the other Party unless the source voltage is of normal magnitude and phase sequence.
- (b) Control devices and procedures shall prevent any unscheduled

energization of a de-energized transmission line by either Parties' generators.

- (c) The Parties shall provide the necessary protective equipment to detect system abnormalities in either system and shall have the capability to isolate the sources of the disturbance. At a minimum, the Parties shall provide protective devices to:
  - (i) Detect and clear the generator(s) from short circuits on facilities of either Party serving the interconnecting facilities;
  - (ii) Detect and clear the generator(s) for voltage and frequency changes which can occur if facilities of the other Party serving the interconnecting facilities are disconnected from the main system; and
  - (iii) Prevent reclosing generator(s) to the other Party's system after an incident of trouble until authorized by the other Party's Control Center.
- (d) MidAmerican facilities may be equipped with high speed re-closing to expedite returning the facilities to service following a fault of temporary nature. The MidAmerican facilities may also be re-energized at any time by remote control from the MidAmerican Control Center. Should future operating practices or regulations dictate the need for synchronism check relays or hot line supervision of reclosing at MidAmerican's remote interconnecting terminals in order to protect Pella's facilities, the equipment required to accommodate said functions shall be installed at Pella's election and expense.



- (e) The first Party shall discontinue parallel operation of its generator(s) with the second Party system when requested by the second Party during emergencies on the system of the second Party, or to facilitate maintenance, test, or repair of the second Party's system.
- (f) Nothing in this section shall preclude either Party from obtaining and operating local generation. The Parties shall cooperate in synchronizing, scheduling, and transmitting such generation.
- (g) Pella shall operate its generation in accordance with operating guides developed from time to time by MidAmerican and reviewed by MISO and Pella. Compensation, if any, for operation of Pella's generation shall be in accordance with the MISO Tariff or separate agreements entered into between MidAmerican and Pella and other parties or as may be appropriate under law.

**3.5 Redispatch of Local Generators:** Pella's local area generation may be dispatched at MidAmerican's request in order to provide voltage support and reliability. Such redispatch will be directed by the MidAmerican control center in its role of monitoring the area 69kV system. MidAmerican may dispatch one or more of Pella's local diesel generators pursuant to Section 3.5.1. Compensation, if any, to Pella for such redispatch shall be in accordance with Section 3.5.2.

**3.5.1 Redispatch:** MidAmerican may orally, or in writing, notify Pella's operator that all reasonable steps have been taken to alleviate a voltage or other reliability issues and an emergency exists and, if so requested by MidAmerican, Pella's operator shall

dispatch the levels of real power generated by Pella's local generators in accordance with MidAmerican's dispatch instructions for the duration of such emergency.

MidAmerican may require Pella's Operator to raise or lower production of real power generated to maintain safe and reliable loading levels and voltages on the Pella area electric system during such Emergency.

**3.5.2 Compensation for Redispatch:** MidAmerican's obligation to compensate Pella for redispatch of Pella's local generators will begin the later of April 1, 2012, or when Pella's new Southeast Switching Station goes into service. MidAmerican's obligation to compensate Pella for redispatch of Pella's local generation will end when MISO assumes functional control of Pella's 69 kV facilities and the MidAmerican Pella area 69 kV facilities pursuant to an Appendix G Agency Agreement for each entity under the Midwest ISO Transmission Owners Agreement ("TOA Agency Agreement"). After this time, Pella will be paid for its re-dispatch costs under the MISO Tariff and Business Practice Manual and FERC and MISO rules. In no case shall MidAmerican's ability to dispatch or responsibilities to compensate Pella for generation redispatch pursuant to this agreement extend beyond September 1, 2012. During the period prior to MISO assuming functional control of Pella's 69 kV facilities and the MidAmerican Pella area 69 kV Facilities: (1) The first 5 MW of generation re-dispatch service will be paid for in full by Pella, (2) MidAmerican will pay a 50% share of the costs of all Pella generation re-dispatch above 5 MW. As compensation to Pella for real power redispatch pursuant to Section 3.5.1 and subject to the 5 MW limitation as described in this section, MidAmerican shall pay Pella the following amounts:

- (a) if MidAmerican requests real power redispatch requiring Pella to start and synchronize more local generators than would be required to provide 5 MW of redispatch, MidAmerican shall pay one-half of (1) the applicable substantiated startup costs for the requested local generators in excess of 5 MW of redispatch.
- (b) If MidAmerican requests real power dispatch in excess of 5 MW, MidAmerican shall pay one-half of an amount equal to (1) the number of megawatts of requested real power dispatch minus 5 MW, times (2) the number of hours for which this level of redispatch is requested, times (3) the positive difference, if any, between the substantiated per megawatt hour costs for the actual incremental fuel, emissions, and operation and maintenance expense incurred by Pella and the locational marginal price at the nearest commercial pricing node to Pella. If Pella's reduction in MISO energy costs exceeds the costs of redispatch, then the re-dispatch cost will be deemed to be zero for the purpose of determining MidAmerican's cost obligation.

## **ARTICLE IV**

### **NERC RESPONSIBILITIES**

**4.1 Designations:** MidAmerican is registered as a NERC-recognized Balancing Authority with specification that the Midwest ISO operates a single Balancing Authority Area with MidAmerican performing certain functions as a Local Balancing Authority. Pella is a non-registered entity under NERC criteria in MidAmerican's Local

Balancing Authority Area. Upon providing reasonable notice to the other Party, either Party may change its NERC registration designations stated in this Section 4.1.

**4.2 Obligations:** MidAmerican and Pella shall assure that the facilities of the Parties are operated on a coordinated basis in full accordance with NERC Standards, regional reliability standards, operating guides, NAESB Business Practice Standards, and Good Utility Practice. Pella shall be responsible for charges from a reliability entity allocated on the basis of Pella's load, appropriately attributable to Pella. The Parties also agree that any penalties resulting from a Party's actions or inactions will be the sole responsibility of the offending Party.

## **ARTICLE V**

### **METERING AND RECORDS**

**5.1 Metering:** The electric power and energy pursuant to this Agreement shall be determined from measurements taken at, or adjusted to measurements at Pella's load as recorded by revenue measurement devices referred to in Service Schedule B, or from an applicable Service Schedule or measurement of delivered quantities. Revenue measurement devices means properly compensated, calibrated and programmed electric metering equipment, including but not limited to watt/var-hour meters and transducers used to measure electrical energy being delivered at the interconnection points for the purpose of billing. Electric metering equipment means electric meters and associated equipment including, without limitation, metering transformers (i.e., potential and current), telemetric devices, meters for measuring kilowatt-hours and reactive volt-ampere hours, and any such other appurtenances as

shall be necessary to give the instantaneous values of kilowatts and kilovars utilized in determining the amount of energy at the interconnection points and for the automatic recording of kilowatt-hours of energy for each clock hour or on such time frame as pricing changes are made in the market. Metering equipment will include all devices between the line (supply) side and meter output side including meter bypass equipment, modems, wireless communications device and isolation device for pulse output. Advanced metering equipment shall be used to provide the monitoring and/or recording of electric consumption data to enable the interval measurement of energy and demand either through interval metering or other advanced methods. Interval metering devices measure and record units of electrical consumption at prescribed time intervals to enable the synchronization of energy consumption and market pricing.

When there is a possibility of flows of electricity in either direction, electric metering equipment shall be installed to provide hourly metering data for each direction of flow.

The specific types of metering equipment, the details of the metering arrangement, and the records to be kept shall be determined by the parties and reasonably acceptable to MidAmerican.

The timing devices of all meters having such devices shall be maintained in time synchronism as closely as practicable.

The meters shall be sealed and the seals shall be broken only upon occasions when the meters are to be tested or adjusted.

**5.2 Testing:** The aforesaid metering equipment shall be tested at suitable intervals by the Party providing such equipment and its accuracy of registration shall be

maintained in accordance with then-current utility industry practice. On request of either Party, a special test may be made at the expense of the Party requesting such special test. Representatives of both of the Parties shall be afforded an opportunity to be present at all routine or special tests and upon occasions when any readings, for purposes of settlements, are taken from meters not bearing an automatic record.

If any test of metering equipment shall disclose any inaccuracy exceeding two percent (2%), the accounts between the Parties for service theretofore delivered pursuant to this Agreement shall be adjusted to correct for the inaccuracy disclosed over the shorter of the following two periods: (a) for the thirty (30)-day period immediately preceding the day of the test; or (b) for the period that such inaccuracy may be determined to have existed. If the metering equipment as provided hereunder at any time fail to register, the electric power and energy delivered shall be determined from the best available data.

For the purpose of checking the records of the metering equipment installed by one of the Parties as herein above provided, the other Party shall have the right to install check metering equipment at the metering points. Metering equipment so installed by one Party on the premises of the other Party, shall be owned and maintained by the Party installing such equipment unless separate agreements provide otherwise. Upon termination of this Agreement, the Party owning such metering equipment shall remove it from the premises of the other Party. Authorized representatives of both Parties shall have access at all reasonable business hours to the premises where the meters are located and to the records made by the meters.

**5.3 Data Acquisition:** Service shall not commence until Pella and MidAmerican have installed all metering equipment, data acquisition facilities, communication equipment and associated equipment necessary to provide the metered data to Pella and any Agent of Pella as well as MidAmerican's system control center in a manner comparable with MidAmerican's reasonable technical specifications and consistent with applicable NERC and Midwest Reliability Organization guidelines for the reliable operation of the MidAmerican electric system.

**5.4 Record-Keeping Obligations:** MidAmerican and Pella shall keep such records as may be needed to afford a history of all transactions under this Agreement. The originals of all such records shall be retained in accordance with applicable law. Copies shall be delivered to the other party on request.

**5.5 Supply of Data:** MidAmerican and Pella shall furnish or assist in providing to the other Party data available to it on a reasonable time basis as the Parties may establish when such data are needed for settlement, operating records, or other purposes consistent with the needs or objectives of this Agreement. As promptly as reasonably practicable, MidAmerican and Pella shall render to the other statements setting forth data from sources available to it in such detail and with such segregation as may be needed pursuant to this Agreement, operating records, verification of billings, or settlements relating to transmission service.

**5.6 Power Factor:** Power factor terms and conditions shall be pursuant to this Section 5.6. Neither Party shall be obligated to deliver kilovars for the benefit of the other Party, or to receive kilovars when to do so may introduce objectionable operating

conditions on its system. Pella's power factor at the interchange metering location shall be:

- (1) 95% lagging or higher during the clock hour of the Parties coincident monthly system peak demand (kW) for each of the calendar months of June, July, August, and September, and
- (2) 90% lagging or higher during all other clock hours.

**5.7 Power Quality:** Neither Party's facilities shall cause excessive voltage flicker nor introduce excessive distortion to the sinusoidal voltage or current waves as defined by ANSI Standard C84.1-1989, in accordance with IEEE Standard 519, or any applicable superseding electric industry standard. In the event of a conflict between ANSI Standard C84.1-1989, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

**5.8 Parallel Operation:** When the systems of the Parties both operate in parallel and are integrated with some other system or systems, there may be periods when the actual deliveries of energy among the various systems cannot be reconciled with the deliveries by each system to each other system. In such an event the Parties, in cooperation with the authorized representative or representatives of the other system or systems concerned, will reconcile such deliveries and determine the actual deliveries hereunder.



## ARTICLE VI

### GENERAL PROVISIIONS

**6.1 Force Majeure:** An event of Force Majeure means storm, flood, lightning, earthquake, fire, explosion, failure of facilities not due to lack of proper care or maintenance, civil disturbance, labor disturbance, sabotage, war, national emergency, act of the public enemy, act of terrorism, insurrection, riot, restraint by court or public authority, or any other cause beyond a Party's control. A Force Majeure event does not include an act of negligence or intentional wrongdoing. Neither MidAmerican nor Pella will be considered in default as to any obligation under this Agreement if prevented from fulfilling the obligation due to an event of Force Majeure. However, a Party whose performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Agreement including reasonable redispach of local generators.

**6.2 Indemnification:** As between the Parties hereto, each shall at all times assume and bear all loss, damage or injury which its own property may suffer arising out of the transaction covered by this Agreement, no matter how such loss, damage or injury may occur except where the other party is negligent or causes the loss, damage or injury.. Furthermore, except where the other party is negligent or causes the loss, damage or injury, each of the Parties hereto agrees to assume sole liability for all loss, damage or injury which its own employees or their property may suffer while such employees may be engaged in working in, about or upon the facilities described in this Agreement. In case of a claim made against one of the Parties hereto, or against its

agents or employees, by an employee of the other Party for such loss, damage or injury, except where such other party is negligent or causes the loss, damage or injury, such other Party does hereby agree to investigate, settle, compromise, or pay said claim or to defend any action or proceeding brought against either Party on account thereof and to pay any final judgment that may be rendered in such action against either Party, and otherwise to indemnify and hold harmless the one Party for such loss, damage or liability to the employee of the other which each hereinabove has agreed to assume and bear on its behalf.

Each of the Parties shall assume, bear and pay all loss, damage or injury to third persons or to their property for which it may be legally liable and which are proximately caused by its negligent acts or omissions of those of its agents or employees in the course of their employment, or its failure at any time to comply with the provisions of this Agreement. Each of the Parties will indemnify and save harmless the other Party hereto, and its agents, contractors and employees, from any and all liability to such third persons for such loss, damage or injury caused by its negligence or default or that of its agents or employees, except for any and all liability caused by any negligence or default of said other Party, its agents or employees Where either of the Parties has herein agreed to defend any claim and, after reasonable notice from the other, fails or refuses to take charge of such defense, the other Party may do so. The other Party may settle or compromise said claim or defend the same as it sees fit. Any amount paid by it either in compromise settlement of said claim or otherwise shall be conclusive against the Party failing or refusing to perform its agreement to defend as

herein set forth. The Party failing or refusing to defend shall be liable to the other Party for the amount so expended, together with the reasonable and necessary cost of its defense, including attorney fees.

**6.3 Governing Law:** The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the State of Iowa, or the laws of the United States, as applicable.

**6.4 Notices:** Any notice, demand, or request required by the contract or these Provisions to be in writing shall be considered properly given when delivered in person, or sent by either registered or certified mail, postage prepaid, or prepaid telegram addressed to each Party's authorized representative at the principal offices of the Party. The designation of the person to be notified may be changed at any time by similar notice.

**6.5 Waivers:** Any waiver at any time by either Party of its rights with respect to a default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not be deemed a waiver with respect to any other default or other matter arising in connection herewith.

**6.6 Successors and Assigns:** This Agreement is not intended to and shall not create rights of any character whatsoever in favor of any person, corporation, or association other than the Parties hereto, and the obligations herein assumed are solely for the use and benefit of the Parties to this Agreement. This Agreement shall inure to the benefit of and shall bind the Parties hereto and their successors and assigns but, unless the other Party shall consent thereto, may not be assigned by either Party except to a successor to all or substantially all of the property and assets of such Party or to a

corporation resulting from a reorganization, merger or consolidation of a Party with another corporation or association.

**6.7 Entire Agreement:** This Agreement, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants, which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement. This Agreement supersedes and cancels the following agreement:

**(a) Network Operating and Interconnection Agreement:** Effective upon commencement of service hereunder, the 2009 Agreement between MidAmerican and City of Pella, Iowa, dated June 30, 2009, shall be terminated.

**(b) Electric Interconnection and Interchange Agreement:** For the avoidance of doubt, the Parties agree the 1994 Agreement is no longer in force or effect.

**6.8 Payments and Billing Procedures:**

**6.8.1** General. For all service under this Agreement, each Party providing a service shall, within a reasonable time after the first day of each month, prepare and promptly deliver to the Party receiving the service an invoice for those services provided to the other Party under this Agreement during the preceding month for which payment is due.

**6.8.2** Invoice. Each invoice shall delineate the month in which the services were provided, shall fully describe the services rendered, and shall be itemized to reflect the services performed or provided.

**6.8.3** Payment. Each invoice shall be paid within thirty (30) days of receipt. All payments shall be made in immediately available funds payable to the invoicing Party, or by wire transfer to a bank named and account designated by the invoicing Party.

**6.8.4** Payment Disputes. A Party may in good faith contest the correctness of any charge, credit or payment with respect to an invoice. If a Party disputes an invoice, or an adjustment thereto, such Party will, if it has not yet paid such invoice, pay the undisputed portion and will provide the invoicing Party with notice of the disputed amount and the basis for such dispute. The invoicing Party will promptly review the dispute, and will notify the disputing Party of whether or not any error was found in the invoicing Party's determination of amounts owed by the disputing Party. In the event an error is found by the invoicing Party, the invoicing Party shall in the same notice inform the disputing Party of the amount due as a result of the redetermination. If the disputing Party disagrees with the invoicing Party's redetermination, then the disputing Party may submit the matter to senior officers of

MidAmerican and Pella for discussion and resolution of the dispute. The disputing Party shall make any payment or refund required under this Section to the invoicing Party no later than the fifteenth (15th) day after the later of receipt by the disputing Party of such notice of redetermination or the final resolution of such dispute. Payments by the Parties under this Section will include interest at the FERC interest rate and terms in the Regulations under the Federal Power Act 18 C.F.R. §35.19a (or successor provision) from the date the original payment was due until the date of such payment.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be signed by their duly authorized officers as of the day and year above written.

**City of Pella, Iowa**

**BY:** Larry W. Peterson

Name Larry W. Peterson

Title Electric Director

**MidAmerican Energy Company**

**BY:** Jeffery J. Gust

Name: Jeffery J. Gust

Title: Vice President-Compliance and Standards

## **Service Schedule A**

### **Facilities and Points of Interconnection**

#### **Section 1 - Facilities of Pella**

- 1.01** Pella owns, operates and maintains the East Pella (Vermeer) 69/12.5 kV substation which is located on the east side of Pella, at 1108 Vermeer Road East, Pella, IA.
- 1.02** Pella owns, operates and maintains the Pella West 69/12.5 kV Substation, located on the west side of Pella, at 1011 West 10<sup>th</sup> Street Pella, IA.
- 1.03** Pella owns, operates and maintains the Pella Southeast Switching Station, located in the Southgate Business Park at 1015 Roosevelt Road Pella, IA.
- 1.04** Pella owns, operates and maintains the Pella North Plant Substation, located at 515 Huber Pella, IA.
- 1.05** Pella will construct, own, operate and maintain the Pella Clark Street Substation, located at the northwest corner of the Intersection of Clark Street and South Street Pella, Iowa.
- 1.06** Pella owns, operates and maintains approximately 18 miles of 69 kV line from its Pella Southeast Switching Station to MidAmerican's Beacon Substation.
- 1.07** Pella owns, operates and maintains the 69 kV line from the Pella West Substation to the Pella North Plant Substation.
- 1.08** Pella will modify, own, operate and maintain the 69 kV line from the Pella North Plant Substation to the Pella Clark Street Substation
- 1.09** Pella will modify, own, operate and maintain the 69 kV line from the Pella Clark Street Substation to the Pella Southeast Switching Station.
- 1.10** Pella will modify, own, operate and maintain the 69 kV line from the Pella Southeast Switching Station to the Pella West Substation.
- 1.11** Pella owns, operates and maintains the 69 kV line from the Pella Southeast Switching Station to the CIPCO interconnection.

## **Section 2 - Facilities of MidAmerican:**

- 2.01** MidAmerican owns, operates and maintains its 38.75 miles of 69 kV line from MidAmerican's Des Moines Energy Center Substation to the Pella West Substation.
- 2.02** MidAmerican owns, operates and maintains its Des Moines Energy Center Substation, which provides 161-69 kilovolt transformation, located at 3391 SE 45th Street, Pleasant Hill, IA.
- 2.03** MidAmerican owns, operates and maintains its Beacon Substation, which provides 161-69 kilovolt transformation, located in Section 27, R16W, T75N of Mahaska County, Iowa. Pursuant to the terms of a separate contribution in aid of construction agreement, MidAmerican furnished Pella a 69 kV terminal at its Beacon Substation, which includes a transmission take-off tower, 69 kV bus supports, 69 kV bus, a 69 kV circuit breaker, 69 kV isolation switches, a control panel with protective relaying, instrument transformers, and metering devices.

## **Section 3 - Facility Access:**

- 3.01** The Parties and their its authorized representatives shall have access to the facilities of the other Party listed above at reasonable times to observe the installation of any equipment covered by this Agreement and its operation, maintenance or condition, or to read or witness the testing of any metering equipment installed in connection with the operation of said facilities related to the connection established herein.

## **Section 4 - Points of Interconnection and Voltages:**

- 4.01** The 69 kV points of interconnection are at:
  - (1) The point where the MidAmerican 69 kV line of Section 2.01 above connects to the dead-end tower adjacent to the Pella West Substation.
  - (2) The point where the Pella 69 kV line of Section 1.06 above connects to the take-off structure in MidAmerican's Beacon Substation. MidAmerican owns the take-off tower at the Beacon Substation. Pella owns the insulators and dead-end clamps at the Beacon Substation.



## **Service Schedule B**

### **Metering**

#### **Section 1. Metering**

- 1.01** MidAmerican owns and maintains external potential devices, current transformers, meters and telemetering equipment on the 69 kV side of the Beacon Substation transformer.
- 1.02** Pella owns and maintains external potential devices, current transformers, meters and telemetering equipment at the Pella West Substation at the point of interconnection.
- 1.03** Pella owns and maintains external potential devices, current transformers, meters and telemetering equipment at the Pella Vermeer Substation at the point of interconnection with Central Iowa Power Cooperative (CIPCO).
- 1.04** Pella owns and maintains low-side telemetering equipment at the CIPCO Howell Substation at which location CIPCO's load is grossed-up for 69-13 kV transformer losses.
- 1.05** Pella's load shall be calculated utilizing the metering points at the Beacon Substation, the Pella West Substation, the Pella Vermeer Substation, the CIPCO Howell Substation (load leaving Pella's local area to CIPCO's Howell Substation will be subtracted), and also recognizing Pella's local area generation online at the time of the monthly peak load.

Metering points may change, or new points added to better reflect actual flows on the systems.