

**MidAmerican Energy Company
Response to Illinois Commerce Commission Data Requests
Year 2013 Avoided Energy Cost Rate Filed Pursuant to 83 Ill. Adm. Code Part 430.60**

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Requested Data:

ENG 1.4 Explain why the cogeneration rates that your utility is filing this year changed from the previously filed cogeneration rates. Please include the following in your explanation:

- a) A listing of each significant price component that has changed,
- b) The cause for the change in each price component, and
- c) The effect each changed price component had on the rates (magnitude and direction).

Response:

The all season cogeneration energy rates filed this year increased approximately 20% from last year. However, the summer season rate increased 8% while the winter season rate increased 33%. This variance in seasonal rates is due to the new wind projects MidAmerican put into service in the Fall of 2012 (405 MW nameplate capability). The summer period (August and September 2013) for the proposed energy rate had 185,000 MWh more wind energy than the summer period (August and September 2012) of the 2012 rate and this wind energy replaced higher cost coal-fired generation. The projected wind energy for the balance of the period (primarily winter period) in both the proposed rates and existing 2012 rates were similar since the same amount of wind capacity was installed. The primary reasons for the increase in the overall energy rate are higher native load energy requirements coupled with increased nuclear and natural gas generation resources serving the retail energy needs. Customer energy requirements increased 0.7% over levels in the 2012 filing period due to the continued economic recovery in the service territory. Comparing the primary sources of fuel generation between the 2013 filing period and the 2012 filing period native load energy requirements increased 164,000 MWh and were sourced by an increase in nuclear and natural gas production. Coal generation was responsible for 56.7% of the retail energy requirements while nuclear production was 11.9%, wind production was 30.7% and gas-fired generation accounted for 0.7%.