



MidAmerican Energy Company
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August 4, 2014

VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

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

RE: APPLICATION OF MIDAMERICAN ENERGY COMPANY FOR AUTHORITY TO
INCREASE RATES FOR ELECTRIC SERVICE IN SOUTH DAKOTA
DOCKET NO. EL14-___

Dear Ms. Van Gerpen:

MidAmerican Energy Company ("MidAmerican") hereby submits the enclosed Application to the South Dakota Public Utilities Commission for authority to increase its base electric rates for its approximately 4,500 customers.

MidAmerican's electric rates were last increased in 1995 and presently are the lowest of any rate-regulated electric utility in the nation. The rate and tariff changes proposed in the Notice of Change in Rates would result in an annual increase in base electric revenues of \$1.6 million, an approximate increase of 13.8% of test year pro forma revenue. In addition, MidAmerican proposes to implement a Transmission Cost Recovery clause and to make changes to its Energy Cost Adjustment clause.

MidAmerican proposes to make the base rate and tariff changes effective in thirty days, or no later than September 3, 2014.

Pursuant to the authorization of the Commission in Docket No. EL14-030, MidAmerican's filing deadline was extended to permit use of a calendar 2013 test period, adjusted for known and measurable changes in costs scheduled to occur in 2014 and 2015, and other appropriate adjustments.

This Application, consisting of the following 2 volumes, has been electronically filed. In addition, thirteen hard copies of the following have also been sent via overnight delivery to the Commission:

Volume 1

- Transmittal Letter

- Notice of Rate Application
 - Notice of Change in Rates
 - Statement of Authorized Accounting Representative
 - Report of Tariff Schedule Change
 - Public Rate Increase Notice

- Filing Requirements
 - Statements and Support Schedules: A through R

Volume 2 – Testimony and Supporting Schedules, Workpapers and Tariffs

MidAmerican certifies that it will notify customers of the proposed increase in compliance with ARSD §§ 20:10:13:17 through 19. The Public Rate Increase Notice, attached to this Transmittal Letter, will be posted in a conspicuous place at the MidAmerican local customer service centers in Sioux Falls, South Dakota and in Sioux City, Iowa for at least thirty days prior to the proposed September 3, 2014 effective date of the revised rates. Additionally, MidAmerican will include information concerning the rate case on its website. The Application, including the testimony and supporting documentation, will be available at the local customer service centers. Beginning on August 28, 2014, MidAmerican will mail a bill insert informing customers of the Application. At the conclusion of the proceeding, MidAmerican will mail a bill insert informing the customers of the approved rates.

In accordance with ARSD §§ 20:10:01:39 through 42, MidAmerican respectfully requests confidential treatment of certain information contained in this filing. In compliance with ARSD § 20:10:01:41, material containing confidential information has been marked as “CONFIDENTIAL” and submitted separately in a separate sealed envelope along with this filing.

The following information supports this request for confidential treatment:

(1) Documents for which confidential treatment is requested:

The following portions of the Filing Requirements contained in Volume I of the filing:

- Schedule K-1
- Schedule K-3

Schedules K-1 and K-3 are required parts of the Commission’s filing requirements. Schedule K-1 contains workpapers for the Company’s federal income taxes, and a complete reconciliation of the book net income with taxable net income as reported to the Internal Revenue Service for the most recent tax year and the three previous years. Schedule K-3 contains workpapers showing the net taxable income or loss for each company included in the Company’s consolidated tax

return, along with consolidating adjustments. The Company treats this information as highly confidential, and as financial information not released to the public.

(2) Duration of request: Forever

(3) Contact information for questions regarding confidential treatment:

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(4) Legal grounds for confidential treatment:

Confidential treatment is requested on the grounds that the material is proprietary and trade secret information, the disclosure of which would result in material damage to the Company's financial or competitive position. The claim for confidential treatment is based on ARSD § 20:10:01:39 (4) and SDCL § 1-27-30. The information contained within the referenced documents meets the definition of "trade secret" under SDCL § 37-29-1(4)(1), the South Dakota Uniform Trade Secrets Act, which is defined as information that "Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and...is the subject of efforts that are reasonable under the circumstances to maintain its secrecy." The information also meets the definition of "proprietary information" under SDCL § 1-27-28, which is defined as "information on pricing, costs, revenue, taxes, market share, customers, and personnel held by private entities and used for that private entity's business purposes."

(5) Factual grounds for confidential treatment:

The noted documents qualify for confidential treatment because they contain proprietary business information which the Company does not disclose to the public.

Schedule K-1 provides a complete reconciliation of the Company's book net income with taxable net income. This information would provide actual and potential competitors with detailed information concerning the tax treatment of various income statement items that could provide competitors with an unfair competitive advantage.

Schedule K-3 provides the net taxable income or loss for each company in the consolidation, some of whom are unregulated. This information would provide actual and potential competitors with information concerning the profitability of its various unregulated affiliates that could provide competitors with an unfair competitive advantage.

We request that communications regarding this Petition be directed to:

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Sincerely,

/s/ Suzan M. Stewart

Suzan M. Stewart

Enclosures