

MidAmerican Energy Company
 South Dakota Electric Operating Income Statement
 Pro Forma Adjustment - OGS Capacity Increase
 Test Year Ended December 31, 2013

Line	Description (a)	Amount (b)	Reference (c)
1.	2013 net capacity increase (MW)	26.5	MJA Workpaper D
2.	Hours in year	8,760	365 days * 24 hours per day
3.	Capacity factor	52.74%	WP RRT 16 Page 3
4.	Potential generation (MWh)	<u>122,431</u>	Line 1 times line 2 times line 3
5.			
6.	Average LMP price	\$ 23.37	WP RRT 16 Page 2
7.	Average fuel cost	\$ 22.43	WP RRT 16 Page 3
8.	Average margin/unit	\$ 0.94	Line 6 less line 7
9.			
10.	Incremental margin	<u>\$ 115,085</u>	Line 4 times line 8
11.			
12.	2013 net capacity increase	26.5	Line 1
13.	Capacity price/kW	\$ 40.00	WP RRT 16 Page 4
14.	Incremental capacity revenue	<u>\$ 1,060,000</u>	Line 12 times line 13
15.			
16.	Total incremental revenue	\$ 1,175,085	Line 10 plus line 14
17.	South Dakota %	0.0098	
18.	South Dakota amount	<u>\$ 11,516</u>	Line 16 times line 17
19.			
20.	Pro Forma Adjustment:		
21.	Increase Revenue	\$ 11,516	To Exhibit RRT 1.1 Sch. 16

MidAmerican Energy Company
 Electric Trading Wholesale Margin Budget Variance

YTD as of Dec-2013	Year-to-Date Wholesale Margins								
	Actual			Budget			Variance		
	MWh	\$	\$/MWh	MWh	\$	\$/MWh	MWh	\$	\$/MWh
Generator Revenue									
Neal N	3,051,262	\$84,788,228	\$27.79	2,813,688	\$72,130,625	\$25.64	237,574	\$12,657,603	\$2.15
Neal S	1,101,373	\$28,867,972	\$26.21	1,062,040	\$25,357,137	\$23.88	39,333	\$3,510,835	\$2.34
WSEC	7,680,262	\$173,745,636	\$22.62	7,449,959	\$153,827,043	\$20.65	230,303	\$19,918,593	\$1.97
OGS	1,619,319	\$37,844,160	\$23.37	1,528,352	\$40,402,205	\$26.44	90,967	(\$2,558,045)	(\$3.06)
Louisa	4,136,118	\$109,100,421	\$26.38	3,780,383	\$97,071,497	\$25.68	355,734	\$12,028,924	\$0.70
Riverside	701,159	\$19,125,913	\$27.28	638,474	\$16,370,947	\$25.64	62,685	\$2,754,966	\$1.64
Wind	7,662,502	\$114,917,814	\$15.00	7,581,151	\$135,951,882	\$17.93	81,351	(\$21,034,068)	(\$2.94)
Quad	3,876,886	\$121,411,796	\$31.32	3,885,366	\$116,652,950	\$30.02	(8,480)	\$4,758,846	\$1.29
GDMEC	230,384	\$9,289,416	\$40.32	287,283	\$12,416,342	\$43.22	(56,899)	(\$3,126,927)	(\$2.90)
Other	61,865	\$6,900,762	\$111.55	94,852	\$333,403	\$3.51	(32,987)	\$6,567,360	\$108.03
Total	30,121,131	\$705,992,117	\$23.44	29,121,548	\$670,514,031	\$23.02	999,582	\$35,478,086	\$0.41
MISO Load Expense	(22,912,958)	(\$590,695,538)	\$25.78	(19,912,096)	(\$498,682,061)	\$25.04	(3,000,862)	(\$92,013,477)	\$0.74
RTO Sales	7,208,172	\$115,296,579	\$16.00	9,209,452	\$171,831,970	\$18.66	(2,001,280)	(\$56,535,391)	(\$2.66)
Wholesale Production Cost	(7,208,172)	(\$119,801,723)	\$16.62	(9,209,452)	(\$121,285,420)	\$13.17	2,001,280	\$1,483,697	\$3.45

Generation Statistics

December 2013

Current Month

Year to Date

	Current Month						Year to Date					
	Fuel Cost (000's)	MWh	Tons/MMBtu's Burned	Fuel Cost Per MWh (in Dollars)	Fuel Cost per Tons/MMBtu's Burned (in Dollars)	Capacity Factor %	Fuel Cost (000's)	MWh	Tons/MMBtu's Burned	Fuel Cost Per MWh (in Dollars)	Fuel Cost per Tons/MMBtu's Burned (in Dollars)	Capacity Factor %
Ottumwa - Total	\$ 2,433	94,340	58,104	25.790		36.23	\$ 36,268	1,617,070	1,020,405	22.428		52.74
Coal	756			8.014	13.011		13,107		8.105	12.845		
Transportation	1,089			11.543	18.742		20,280		12.541	19.874		
Other*	588			6.233			2,881		1.782			
Louisa - Total	\$ 8,301	452,738	281,408	18.335		92.90	\$ 69,683	4,125,146	2,493,588	16.892		71.89
Coal	3,911			8.639	13.898		35,553		8.619	14.258		
Transportation	4,142			9.149	14.719		32,532		7.886	13.046		
Other*	248			0.548			1,598		0.387			
Riverside, excl Alcoa - Total	\$ 1,548	74,826	42,102	20.688		88.52	\$ 14,110	708,961	423,193	19.902		70.82
Coal	573			7.658	13.610		6,035		8.512	14.261		
Transportation	795			10.625	18.883		6,816		9.614	16.106		
Other*	180			2.406			1,259		1.776			
Actual Steam Stations - Total	\$ 32,501	1,801,006	1,094,449	18.046		73.65	\$ 310,104	18,222,229	11,011,652	17.018		63.42
Coal	14,741			8.185	13.469		151,993		8.341	13.803		
Transportation	14,831			8.235	13.551		138,362		7.593	12.565		
Other*	2,929			1.626			19,749		1.084			
Budget Steam Stations - Total	\$ 27,357	1,465,002	885,075	18.674		59.90	\$ 321,728	17,326,008	10,455,675	18.569		60.30
Coal	11,974			8.173	13.529		140,925		8.134	13.478		
Transportation	13,664			9.327	15.438		161,924		9.346	15.487		
Other*	1,719			1.173			18,879		1.090			
* Includes natural gas, oil, fuel handling, and other costs.												
Combustion Turbines												
Merle Parr - Total	\$ 3	(37)	-	-	-	-	\$ 88	544	14,344	117.490		0.26
Gas	-			-	-		58		77.437	4.044		
Transportation (includes capacity)	3			-	-		30		40.053	2.091		
Other+	-			-	-		-		-	-		
Moline - Total	\$ -	(119)	-	-	-	-	\$ 43	(284)	9,057	-		0.06
Gas	-			-	-		33		-	3.644		
Transportation	-			-	-		10		-	1.104		
Other+	-			-	-		-		-	-		
Coralville - Total	\$ 1	(117)	77	-	-	-	\$ 49	(492)	10,243	-		0.04
Gas	1			-	12.987		39		-	3.807		
Transportation	-			-	-		9		-	0.879		
Other+	-			-	-		1		-	-		
Electrifarm - Total	\$ 840	7,530	122,150	111.554		4.20	\$ 4,272	34,142	700,709	125.124		1.78
Gas	697			92.563	5.706		3,056		89.509	4.361		
Transportation (includes capacity)	142			18.858	1.163		1,214		35.557	1.733		
Other+	1			0.133			2		0.059			

SD 6-30-12

MidAmerican has used the economic carrying charges on a new combustion turbine to calculate its long-term avoidable capacity cost. Using this methodology, the annual cost in 2012 is \$92.04/kW. The installed cost of this unit is estimated to be \$704/ kW (based on summer capacity rating) in 2011 dollars. The installed 160 MW combustion cost assumed by the Midwest Independent Transmission System Operator in its generic cost of new entry calculation file August 1, 2011 for the period commencing June 1, 2012 is the basis for the avoided cost calculation.

The following parameters were used to calculate the economic carrying charges and annual revenue requirements for a new 160 MW combustion turbine (summer rating): a weighted-average capital cost of 9.60%; after tax discount rate of 8.10%; 15 year tax life; tax-depreciation basis of 100%; book life of 25 years; and fixed operation and maintenance cost of \$12.72/kW/year in 2011 escalating at 2.5% per year. The present value of revenue requirements for the new combustion turbine is estimated to be \$1,273/kW installed.

The Midwest ISO operates a voluntary short-term capacity auction that is currently trading at minimal price levels approaching zero, \$50.00/MW-month (\$0.05/kW-month) for July 2012 and \$10/MW-month (\$0.01/kW-month) for August 2012. MidAmerican, however, has assigned an average market value of capacity, based on the Independent Market Monitor offer cap of \$10.00/kW in 2012, which is lower than the equivalent cost of a new combustion turbine. This was done to reflect a commitment that exceeds the short-term duration of the Midwest ISO capacity auction prices, yet reflects a market where sufficient reserves are expected to exist through 2014. However, the price is assumed to double for each succeeding year before reaching the long-term cost of a combustion turbine in 2015 when environmental regulations are expected to take effect.

The avoidable new generation capacity costs are as follows.

Year	Avoidable New Generating Capacity Costs (\$/kW/yr.)
2012	\$ 10.00
2013	\$ 20.00
2014	\$ 40.00
2015	\$ 99.11
2016	\$ 101.59
2017	\$ 104.13