South Dakota Public Utilities Commission Docket GE16-001 MidAmerican Energy Company First Data Request

Responder Name:	Padmini Raichur
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## South Dakota Data Request

- 1-2) On page one of Exhibits C(E) and C(G), please explain why carrying charges were adjusted beginning in August when the Commission's orders in dockets EL14-072 and NG14-005 indicates the new tariff sheets were effective July 13, 2015 and July 1, 2015, respectively.
- 1-3) On page four of Exhibits C(E) and C(G), please explain why the rate of return was adjusted starting in August for calculating the "Incentive Based on Actual Expenditure" when the Commission's orders in dockets EL14-072 and NG14-005 indicates the new tariff sheets were effective July 13, 2015 and July 1, 2015, respectively.

## Response to Data Request 1-2 and 1-3:

Since the electric and gas tariffs went into effect on different days in July, August was the first full month when both of the tariffs were in effect for the whole month. To be consistent between the two reconciliations, the carrying charges and "Incentive Based on Actual Expenditure" were calculated starting in August.

A revised Exhibit C(E) is provided with this data request with the following changes:

Page one of Exhibit C(E) has been revised to prorate the carrying charge for July 2015 using the approved rate of return starting July 13, 2015. Page four of Exhibit C(E) has been revised to prorate the "Incentive Based on Actual Expenditure" using the approved rate of return starting July 13, 2015. These calculation changes did not modify the residential and non-residential factors in Exhibit C(E). The revised exhibit is titled "SD Exhibit C(E) Electric 2016\_Revised – Final". Since the factors did not change, there are no revisions to the tariff sheets.

A revised Exhibit C(G) that includes the change in the date of application of the rate of return, and other changes is included in the response to Data Request 1-4.

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1-4) On page 4 of Exhibit C(G), please provide justification for not removing the incentive that results from the additional \$49,200 spent in 2015 for residential furnaces installed in 2014 when this incentive was already accounted for in docket GE15-001 (refer to Column (c) of Exhibit C(G) page 4 of 5). Staff calculates that the incentive amount in column (c) for residential should be reduced by \$4,122 (\$49,200 x 0.08378) to \$43,386.

## **Response to Data Request 1-2, 1-3 and 1-4 for Exhibit C(G):**

MidAmerican agrees the additional \$49,200 spent in 2015 for residential furnaces installed in 2014 should be removed from the incentive results.

A revised Exhibit C(G) is provided with this data request with the following changes:

Page one of Exhibit C(G) has been revised to calculate the carrying charge for July 2015 using the approved rate of return starting July 1, 2015. Page four of Exhibit C(G) has been revised to calculate the "Incentive Based on Actual Expenditure" using the approved rate of return starting July 1, 2015. In addition, the calculation for "Incentive Based on Actual Expenditure" for residential has been revised to reduce the incentive by \$4,122 (\$49,200 x 0.08378). These calculation changes did modify the residential factor in Exhibit C(G).

The revised exhibit is titled "SD Exhibit C(G) Electric 2016\_Revised – Final".

Redlined and Revised tariff sheets for the gas tariffs are included as (72) 2.19.16 section 3 Clause EECR eff 4.4.16 RED and (72) 2.19.16 section 3 Clause EECR eff 4.4.16 REV.