



MidAmerican Energy Company
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Sioux City, Iowa 51102
712 277-7500 Telephone

Ms. Pamela Bonrud
Executive Director
South Dakota Public Utilities Commission
500 East Capital
Pierre, S.D. 57501

March 28, 2003

RECEIVED

MAR 31 2003

Subject: Compliance Filing: Docket No. NG94-003 Reporting Requirements
Annual Compliance Report for Twelve Month Period Ending February 2003
Request for Confidential Treatment

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

Dear Ms Bonrud:

MidAmerican Energy Company (MidAmerican) submits the annual report for 2003 in compliance with the South Dakota Public Utilities Commission's final decision and order in Docket No. NG94-003 and Competitive Pricing Transportation Service (CPS) Tariff. In this order, the Commission requires MidAmerican to file a report on all flexed rate contract customers during the reporting period. The attached filing covers the CPS customers for the twelve-month period ending February 2003.

Request for Confidential Treatment:

MidAmerican Energy Company requests this filing be accorded confidential treatment in accordance with South Dakota Public Utilities Commission Rules 20:10:01:39 through 20:10:01:42.

In accordance with Rule 20:10:01:41, the following information is provided:

(1) Description of Information: Annual Compliance Filing based on Docket No. NG94-003, (2) Length of time: Twenty (20) years, (3) Identification of Contact Person: Gene Harrison, PO Box 778, Sioux City, IA (712) 277-7611, (4) And (5) Statutory and Factual Grounds for Confidential Treatment: The Annual Compliance Report is a cost-benefit analysis and is trade secret as defined and recognized by SDCL 37-29-1(4), which defines trade secrets as information which derive independent economic value from not being known by others who could obtain economic value from their disclosure or use and which is the subject of reasonable efforts to maintain secrecy. It contains specific information regarding the cost and usage of MidAmerican Energy's customers and both are bound by the specific terms of the Competitive Pricing Transportation Service (Natural Gas Distribution Agreement) contract to hold information relating to these rates in confidence.

Enclosed are an original and ten copies of this filing plus an extra copy to be file-stamped and returned in the stamped envelope.

If you have any questions, please contact me at (712) 277-7611.

Sincerely,

Gene Harrison
Pricing Analyst

MidAmerican Energy Company
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Annual Compliance Report
Twelve Months Ending February 2003

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Customer: Alcoa (Alumax Extrusions)

No.	A		
1	Evaluation of Bypass Economics:		
2	Customer Investment Analysis:	B	C
3	Transport Rate per Therm Transported	Tariff Rate (LT)	\$ 0.03526
4	Annual Usage as of February	Therms	5,178,602
5	Annual Transportation Revenue		\$ 182,598
6	Less: Increased O & M (A)		(25,000)
7	Less: Additional Pipeline Penalties (A)		(15,000)
8			
9	Annual Savings		<u>\$ 142,598</u>
10			
11	Total Investment (A)		<u>\$ 350,000</u>
12			
13	Payout (Number of Years)		<u>2.45</u>
14			
15			
16			
17	Company Economic Analysis:	Tariff Amount	Contract Amount
18	Transportation Rate per therm (B) & (C)	\$ 0.03526	\$ 0.01500
19	Annual Usage as of February	5,178,602	5,178,602
20	Annual Transportation Revenue	\$ 182,598	\$ 77,679
21	Annual Service Charge (\$ 275/month)	3,300	0
22			
23	Annual Revenue	<u>\$ 185,898</u>	<u>\$ 77,679</u>
24	Annual Revenue Difference		<u>\$ 108,218</u>
25			
26	(A) Amounts based on cost-benefit analysis per Midwest Gas letter-Alumax		
27	dated May 18, 1994 from J. Erickson to SDPUC/ M. Damgaard per		
28	(B) Refer to Line 18 Column B -Large Transport Tariff Rate based on Fourth Revised		
29	Sheet No. 5 Effective Date -February 26, 2002		
30	(C) Refer to Line 18 Column C based on Alcoa (Alumax) Contract May 1, 1994		
31			
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Customer: Univ of South Dakota (Boilers)

Line No.	A	B	C
1	Evaluation of Bypass Economics:		
2	Customer Investment Analysis:		
3	Transportation Rate per Tariff / Therm	Tariff Rate (LT)	\$ 0.03526
4	Annual Usage as of February	Therms	1,088,364
5	Annual Transportation Revenue		\$ 38,376
6	Less: Annual Charge (A)		(9,785)
7			
8			
9	Annual Savings		\$ 28,591
10			
11	USD Investment- Lump-Sum Payment (B)		\$ 107,500
12			
13	Payout (Number of Years)		3.76
14			
15			
16			
17	Company Economic Analysis:	Tariff Amount	Contract Amount
18	Transportation Rate per therm (C) & (D)	\$ 0.03526	\$ 0.01393
19	Annual Usage as of February	1,088,364	1,088,364
20	Annual Transportation Revenue	\$ 38,376	\$ 15,160
21	Annual Service Charge (\$ 275/month)	3,300	0
22			
23	Annual Revenue	\$ 41,676	\$ 15,160
24	Annual Revenue Difference		\$ 26,516
25			
26	(A) Based on USD Contract July 26, 1999 Page 6 b.-Annual Charge 7/2002-6/2003		
27	(B) Based on USD Contract July 26, 1999 Page 6 a-Lump-Sum Payment		
28	(C) Refer to Line 18 Col B -Large Transport Tariff Rate based on Fourth Revised		
29	Sheet No. 5 Effective Date- February 26, 2002		
30	(D) Line 18 Col C based on USD's contract terms to determine Annual Charge:		
31	USD Lump-Sum Payment/ 20 yr contract	\$107,500/20	\$ 5,375
32	USD Annual Charge (Line 6)		9,785
33	Total USD Annual Proforma Amount		\$ 15,160
34	USD Annual Usage (Line 4)		1,088,364
35	Annual Charge (Line 18 Col. C)		\$ 0.01393
36			