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MidAmerican Energy 401 Douglas Street P.O. Box 778 Sioux City, Iowa 51102 712 277-7500 Telephone

SOUTH DAKOTA PUBLIC

July 25, 2006

Ms. Patricia Van Gerpen Executive Director South Dakota Public Utilities Commission 500 East Capitol Avenue Pierre, SD 57501

Company Name:	MidAmerican Energy Company	Subject:	Monthly Metered Transportation Gas Pilot Project Filing			
Person to Contract:	Jean Calligan (712) 277-7471	<u>Address</u> :	P. O. Box 778 Sioux City, IA 51102			
Initial Filing:	Yes	Docket No.:				

Dear Ms. Van Gerpen:

The accompanying gas tariff sheets issued by MidAmerican Energy Company ("MidAmerican") are transmitted to you for filing.

MidAmerican Energy Company Section No. III-A

5 th Revised Sheet No. 18	Cancels 4 th Revised Sheet No. 18
2 nd Revised Sheet No. 54	Cancels 1 st Revised Sheet No. 54

MidAmerican is reconciling the administrative charge for the Monthly Metered Transportation Gas Pilot Project program ("MMT") and for the Interruptible Monthly Metered Transportation Gas Pilot Project ("IMMT"). MidAmerican is proposing that the administrative charge be decreased to \$0.084 per Dth. A summary of the administrative charge reconciliation is included for the period ending August 31, 2006. The \$0.084 per Dth charge includes the estimated expenses for annual operation of the program.

MidAmerican is requesting that these revisions to the gas tariff sheets become effective September 1, 2006.

Ms. Patricia Van Gerpen Page 2 July 25, 2006

Enclosed are an original and five copies of the filing. Please file stamp and return one copy of this filing in the enclosed postage paid envelope. Any questions pertaining to this tariff filing may be directed to Jean Calligan at (712) 277-7471.

Sincerely,

Kan Calligon

Jean Calligan Pricing Analyst

Enclosures

 cc: Louie Ervin – Latham & Associates (ervinlr@att.net) Jack Kelleher – MidAmerican Energy Company (jpkelleher@midamerican.com) Kent Ragsdale – Alliant Energy (kentragsdale@alliant-energy.com) Nancy Boyd – Brown, Winick, Graves, Gross, Baskerville & Schoenebaum P.C.C. (boyd@ialawyers.com) Amy Beattie – Brick, Gentry, Bowers, Swartz, Stoltze & Levis, PC (amy.beattie@brickgentrylaw.com) Mark Straub – Cornerstone Energy, Inc. (mstraub@cornerstoneenergy.com) Jon Muller – Iowa Association of School Boards (jmuller@ia-sb.org) Melinda Ruperto – MidAmerican Energy Company (mmruperto@midamerican.com)



RATE DESIGNATION: Monthly Metered Transportation Gas Pilot Project CLASS OF SERVICE: Gas Transportation Tariffs

For new Participants served on a firm service tariff and who did not give MidAmerican twelve (12) months notice of their intent to become transporters, Pool Operator will take assignment, through a pre-arranged release, of the applicable portion of MidAmerican's interstate pipeline capacity attributable to those participants. This pre-arranged release will be for the period of one year, and will be priced at MidAmerican's cost and under the terms and conditions of MidAmerican's contracts. By taking assignment of MidAmerican's capacity under these terms, MidAmerican will not realize any stranded costs and therefore will not collect a Stranded Cost charge from existing participants or new participants. No release of interstate pipeline capacity will be made for Participants transferring from an interruptible service tariff.

Any identifiable additional costs associated with a Participant's return to System Supply Service will be allocated to the Participant causing such costs.

XI. Administrative Charge:

For the purpose of this Pilot, MidAmerican will replace existing application and monthly administrative fees with the following Administrative Charge. This Administrative Charge will apply to all Dth delivered to Participants.

The Administrative charge will be capped at \$0.25 per Dth, in accordance with the tariff, for the Pilot period. Annually, MidAmerican will true up the Administrative charges collected from the participants during the prior year, with the actual expenses incurred to administer the Pilot The Administrative charge will be set at \$0.084 per Dth for the period September 1, 2006 through August 31, 2007.

XII. Cash-out:

Cash-out of the net monthly imbalances resulting from the differences between physical volumes delivered to MidAmerican's distribution system and actual consumption for all of the Participant's Meters will be done monthly between MidAmerican and the Participant's Pool Operator.

MidAmerican will have a separate Cash-out price for each cycle separate billing period, by delivery zone. The cash-out price will be comparable to market prices. MEC will net the Cash-out amounts for each cycle billing period and either bill or credit the Participant's Pool Operator once a month.

XIII. Billing:

Each Participant will pay MidAmerican distribution service charges for each Meter in accordance with applicable small transport (ST) or medium transport (MT) or large transport (LT) tariff (except application fee and Administrative charge)

Distribution service charges will be billed to each Participant. Meters will continue to be read on the regular cycle billing periods.



RATE DESIGNATION: Interruptible Monthly Metered Transportation Gas Pilot Project CLASS OF SERVICE: Gas Transportation Tariffs

On any day the Participant(s) takes (uses) natural gas when the Participant's Pool Operator has provided a Zero Nomination to MidAmerican, the Participant's Pool Operator shall pay the gas cost based on the <u>Gas Daily</u> applicable interstate pipeline index for the billing period plus applicable interstate pipeline transportation charges. The Participant's Pool Operator will be subject to the index pricing point on the pipeline by which they are served. MidAmerican will establish the pricing index point and transportation used for each pipeline at the start of the gas month. In addition, the Participant's Pool Operator shall pay a penalty of \$10.00 per Dekatherm for each therm of gas used above the Zero Nomination. Failure by the Participant's Pool Operator to provide notice to the Participant(s) will not avoid these charges.

The charges for these services will be collected and the revenues will be credited to the monthly Cost of Purchased Gas Adjustment Clause.

XV. Stranded Cost Charge:

For new Participants previously served on a firm service tariff and who did not give MidAmerican twelve (12) months prior notice of their intent to become transporters, Pool Operator will take assignment, through a pre-arranged release, of the applicable portion of MidAmerican's interstate pipeline capacity attributable to those participants. This pre-arranged release will be for the period of one year, and will be priced at MidAmerican's cost and under the terms and conditions of MidAmerican's contracts. By taking assignment of MidAmerican's capacity under these terms, MidAmerican will not realize any stranded costs and therefore will not collect a Stranded Cost charge from existing participants or new participants. No release of interstate pipeline capacity will be made for Participants transferring from an interruptible service tariff.

Any identifiable additional costs associated with a Participant's return to System Supply Service will be allocated to the Participant causing such costs.

XVI. Administrative Charge:

The Administrative Charge will be set at \$0.084 per Dth for the period September 1, 2006 through August 31, 2007.

The Administrative Charge will be capped at \$0.25 per Dth, in accordance with the tariff, for the Pilot period. Annually, MidAmerican will true up the Administrative charges collected from the participants during the prior year, with the actual expenses incurred to administer the Pilot.

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SOUTH DAKOTA GAS TRANSPORTATION TARIFF SD P.U.C. Section No. III-A $5^{th} 4^{th}$ Revised Sheet No. 18 Cancels $4^{th} 3^{rd}$ Revised Sheet No. 18

RATE DESIGNATION: Monthly Metered Transportation Gas Pilot Project CLASS OF SERVICE: Gas Transportation Tariffs

For new Participants served on a firm service tariff and who did not give MidAmerican twelve (12) months notice of their intent to become transporters, Pool Operator will take assignment, through a pre-arranged release, of the applicable portion of MidAmerican's interstate pipeline capacity attributable to those participants. This pre-arranged release will be for the period of one year, and will be priced at MidAmerican's cost and under the terms and conditions of MidAmerican's contracts. By taking assignment of MidAmerican's capacity under these terms, MidAmerican will not realize any stranded costs and therefore will not collect a Stranded Cost charge from existing participants or new participants. No release of interstate pipeline capacity will be made for Participants transferring from an interruptible service tariff.

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RATE DESIGNATION: Interruptible Monthly Metered Transportation Gas Pilot Project CLASS OF SERVICE: Gas Transportation Tariffs

On any day the Participant(s) takes (uses) natural gas when the Participant's Pool Operator has provided a Zero Nomination to MidAmerican, the Participant's Pool Operator shall pay the gas cost based on the <u>Gas Daily</u> applicable interstate pipeline index for the billing period plus applicable interstate pipeline transportation charges. The Participant's Pool Operator will be subject to the index pricing point on the pipeline by which they are served. MidAmerican will establish the pricing index point and transportation used for each pipeline at the start of the gas month. In addition, the Participant's Pool Operator shall pay a penalty of \$10.00 per Dekatherm for each therm of gas used above the Zero Nomination. Failure by the Participant's Pool Operator to provide notice to the Participant(s) will not avoid these charges.

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Any identifiable additional costs associated with a Participant's return to System Supply Service will be allocated to the Participant causing such costs.

XVI. Administrative Charge:

The Administrative Charge will be set at \$0.084 \$0.16 per Dth for the period September 1, 2006 2005 through August 31, 2007 2006.

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MidAmerican Energy Company Iowa Schools and Government Entities Gas Pilot Project

Summary of Administrative Charges Annual Reconciliations

	Reconciliation Year	Adn	ninistrative Costs		ninistrative ecoveries		Annual Balance		cumulated Balance /er/(Under)	
 (1) (2) (2) (2) (2) (2) (2) (2) (2) (2) 	1998 1999 2000 2001 2002 2003 2004 2005 2006	\$\$ \$\$ \$\$ \$\$ \$\$ \$\$ \$\$	213,226 45,025 33,412 48,034 76,363 181,264 133,064 140,938 98,298	Adm	91,213 166,057 66,461 43,329 49,677 113,106 92,822 105,201 259,187 ican Energy (inistrative Ch	arge	(122,013) 121,032 33,049 (4,705) (26,686) (68,158) (40,242) (35,737) 160,889	***	(122,013) (981) 32,068 27,363 677 (67,481) (107,723) (143,460) 17,429	Estimate
(3)	Projected Over Balance @ 8/31/06 - \$17,429							မာ မာ	(17,429) 170,298 152,869 1,811,832 0.084	Estimate Estimate Estimate Per Dth

Footnotes:

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(1) Administrative Cost, Stranded Cost and Swing Cost
 (2) Administrative Cost Only
 (3) Includes projected costs to enhance the existing system