

## SECTION I

### Overview

MidAmerican Energy Company (“MidAmerican” or the “Company”) submits this report in accordance with the Decision and Order approving Settlement Stipulation issued in South Dakota Public Utilities Commission (“Commission”) Docket No. NG01-010 and addresses MidAmerican’s economic development expenditures.

This report presents MidAmerican’s expenditures against its 2016 approved budget and provides its proposed 2017 spending plan. Also presented is an overview of economic activity in MidAmerican’s service territory. This activity is presented both in narrative format on accomplishments and statistically in selected key measurements of economic activity.

Generally, 2016 was economically positive in MidAmerican’s service territory. The Company’s local economic development partners reported several successes. These accomplishments result from MidAmerican’s continuing commitment to proactive local, regional and state economic development activity. The heart of MidAmerican’s economic development plan is to support these activities along with community partners. The 2016 spending plan helped drive the Company’s economic development activity and the 2017 plan will continue this.

In 2016, MidAmerican spent \$112,343 on economic development in its service territory inclusive of staff time, which was slightly over its Commission-approved budget of \$106,500. In 2017, to ensure maximum focus is placed on direct financial assistance to the communities it serves, MidAmerican will continue to reduce its staff costs until only 50% of staff time is reflected in the expensed budget. This reduction will allow for more investment in programs and initiatives while the overall spending level remains constant. In 2017, MidAmerican will continue to focus on local development groups and supporting events and activities to help the communities in MidAmerican’s service territory be successful.

The plan submitted herein calls for spending \$104,550 in 2017.

### **MidAmerican Energy Company Local Partner Program Funding**

In 2016, MidAmerican continued to shift a portion of appropriated dollars from staff salaries to economic assistance programs and provided Local Partner funding to communities and development partners for business retention and special projects. MidAmerican staff visited communities regularly to share MidAmerican’s energy efficiency program literature, support projects, programs and initiatives, and to encourage the use of MidAmerican’s Local Partner Program. MidAmerican generated considerable interest in the program. Highlights include:

- Minnehaha County Economic Development Association (MCEDA) was awarded \$5,000 to conduct a strategic plan for the surrounding areas around Sioux Falls due to substantial population growth in the past ten years.

- Yankton applied for and received \$1,250 to upgrade the Yankton Area Progressive Growth's (YAPG) website as well as \$2,500 for doing a feasibility analysis at Napa Junction to determine the viability of a regional rail park at the site.
- Minnehaha County Economic Development Association (MCEDA), Lincoln County Economic Development Association (LCEDA), and the Sioux Falls Development Foundation collectively received \$2,900 for an intern. The intern's tasks included conducting research, managing databases, creating templates for marketing materials, coordinating meetings and events, assembling communication and marketing materials and creating and editing an economic development video of the communities for prospective new businesses and industries.
- The North Sioux City Economic Development Corporation received \$500 in local partner funding to complete an archaeological assessment to update Flynn Business Park's Phase I Environmental Site Assessment. This assessment is part of the Site Certification application with the South Dakota's Governor's Office of Economic Development.
- North Sioux City used \$750 for a geotechnical assessment of Flynn Business Park to complete the Site Certification application with the South Dakota's Governor's Office of Economic Development.
- Centerville's new Economic Development Coordinator, Jared Hybertson, used \$865 to attend The Heartland Economic Development Course.
- The SDSU Foundation received a \$500 STEM donation for ASME Human Powered Vehicle.

MidAmerican continued its strong support of business attraction events and sponsorships with the state of South Dakota. MidAmerican contributed \$5,000 for a gold sponsorship for the Governor's Golf Classic and worked with the Governor's Office of Economic Development to provide \$5,000 to the South Dakota Chamber of Commerce and Industry, \$5,000 for the Enterprise Institute, \$1,500 for GOED Conference Awards and Student Recognition, and \$266 to sponsor the Sioux Falls Development Foundation Annual Meeting.

MidAmerican is proud to invest in programs to support South Dakota's cities and business attraction events and sponsorships and will continue to explore additional investment in 2017.

### **2015 Property Tax Payments**

In 2016, MidAmerican paid \$1,122,440.28 in property taxes associated with its South Dakota facilities in 2015. Property taxes support county and city government, area schools, libraries, park districts and other taxing bodies.

Following is the county breakdown of property taxes paid by MidAmerican in South Dakota:

Clay	\$ 29,295.22	McCook	\$ 5,361.50	Turner	\$ 4,795.52
Lake	\$ 829.67	Minnehaha	\$ 775,010.33	Union	\$ 172,760.08
Lincoln	\$ 58,206.26	Moody	\$ 7,348.80	Yankton	\$ 68,832.90