



2022 ECONOMIC DEVELOPMENT ACTIVITIES AND PROPOSED 2023 BUDGET

Presented to the South Dakota
Public Utilities Commission

MidAmerican Energy Company
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- 2022 Budget vs Actuals
- 2022 Invoices
- 2023 Proposed Budget

SECTION 1 – REVIEW OF 2022 ACTIVITIES

Introduction

MidAmerican Energy Company (“MidAmerican”) 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 and enclosed attachments presents MidAmerican’s expenditures against its 2022 approved budget and provides its proposed 2023 spending plan. Also presented is an overview of economic activity in MidAmerican’s service area in the South Dakota communities we serve.

MidAmerican aggressively supports economic development activities throughout our service territory through financial contributions to local and regional economic development organizations, sponsorships of events and conferences, and deployment of the EconomicAdvantage 365 program grant funding. MidAmerican also continues its commitment to the vibrancy of the communities we serve by providing technical expertise and support for several business retention, expansion and attraction projects that will grow the industrial base and employment opportunities.

Economic Development Support

In 2022, MidAmerican spent \$127,987 to support economic development activities in South Dakota, compared to the Commission-approved budget of \$121,175.

Working with our local economic development partners, MidAmerican Energy identified opportunities to support valuable local initiatives, some of which were budgeted while others were new opportunities. Highlights include:

- \$10,000 contribution to the Economic Development Professionals Association of South Dakota startup fund
- \$5,000 sponsorship of the Giant Vision Business Plan Competition organized by the South Dakota Chamber of Commerce and Industry
- \$5,000 sponsorship of the Enterprise Institute's Innovation Expo business plan competition in Sioux Falls
- \$5,000 sponsorship of the South Dakota Chamber of Commerce and Industry's Economic Outlook Seminar
- \$2,500 sponsorship of the WIN for Workforce Conference produced by the Sioux Falls Development Foundation
- \$1,500 sponsorship of the 2020 Governor's Office of Economic Development Community of the Year Award
- \$1,500 sponsorship of the Grow Smarter Conference hosted by the Sioux Metro Growth Organization
- \$1,500 awarded to the North Sioux City Economic Development Corporation through the EA365 program for drone footage that will highlight the Flynn Business Park
- \$1,000 sponsorship of the Homebuilders Association of the Sioux Empire bus tour
- \$400 awarded to the North Sioux City Economic Development Corporation through the EA365 program to support the North Sioux City Business of the Month program

Our local partners continued to address workforce issues through innovative programming and events. As our local partners brought people and organizations together to share success stories and ongoing challenges, MidAmerican sponsored several workforce initiatives and activities. We supported the successful WIN in Workforce conference that drew in-person and virtual attendees from throughout the United States and Europe. The South Dakota Chamber's Economic Outlook Seminar, which again focused on workforce issues facing major employers also received our support. MidAmerican's 2023 budget proposes to continue supporting both events.

Entrepreneurial development is another key component of MidAmerican's economic development strategy. Our contribution for the prize funds of both the South Dakota Chamber's Giant Vision business plan competition and the Enterprise Institute's Expo 2022 helped to elevate this work. MidAmerican also continues to support the Governor's Office of Economic Development's Community of the Year Award, which recognizes excellence in economic and entrepreneurial development at the community level.

MidAmerican also continued its startup support of the Economic Development Professionals Association of South Dakota (EDPA), which was formed to market South Dakota and advance the professional development of its membership. It should be noted that MidAmerican's support of the EDPA is targeted to programming and will be used exclusively for non-lobbying activities such as professional development, organizational growth, and educational initiatives.

MidAmerican's 2022 budget included funding for economic development internships in Hartford and Yankton. However, neither organization was able to identify and hire a suitable candidate. Both organizations will be able to hire interns in 2023, and funding to support the work these interns will perform is included in the 2023 budget.

As the city of Sioux Falls deliberated its Sioux Falls Sustainability Plan, MidAmerican had multiple employees who are subject matter experts participate in committees and provide feedback on elements of the plan from a utility perspective. The plan is an important step towards a sustainable future while supporting economic development in Sioux Falls and MidAmerican is proud to have contributed to this work. As a result of this staff-intensive work, the 2022 staff allocation was higher than budgeted.

Looking at 2023, economic development investments are proposed to total \$100,175, along with an additional \$20,000 in staff allocation, which comports with MidAmerican's Settlement Stipulation. The submitted plan calls for spending \$120,175 in 2023.

SECTION II – 2022 ECONOMIC DEVELOPMENT HIGHLIGHTS

MidAmerican provided direct support to major development projects in South Dakota. As businesses expand or consider South Dakota for new locations, MidAmerican provides project support and guidance to local economic development partners to ensure that the energy needs of prospects and customers are met. The following description is a partial list of economic development projects in which MidAmerican participated:

Sioux Falls Metro

Source: The Sioux Falls Development Foundation; Sioux Metro Growth Alliance

- MidAmerican extended gas service to the 145,000 square-foot **Alloy One** speculative warehouse development in Sioux Falls.
- MidAmerican extended gas service to the 200,000 square-foot **Great Hall Properties** speculative warehouse in Sioux Falls and will serve future customers at the facility as they are identified.
- MidAmerican continues to work closely with the Sioux Falls Development Foundation on the development of Foundation Park, including ongoing work on the **CJ Foods** project and other site selection projects underway.

Southeast South Dakota

Source: Local Economic Development Partners

North Sioux City

- MidAmerican is supporting the expansion of **Red's All Natural** by providing natural gas service to the food production facility.

Centerville

- MidAmerican is coordinating with the city of Centerville to extend gas service to a new housing subdivision. Gas extension work is expected to begin in 2023.

2021 Property Tax Payments

In 2022, MidAmerican Energy paid \$1,408,586 in property taxes associated with its South Dakota facilities assessed in 2021. 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 in South Dakota:

County	2021 Assessed Property Taxes Paid in 2022
Clay	\$ 33,852
Lake	\$ 1,328
Lincoln	\$ 83,901
McCook	\$ 6,929
Minnehaha	\$ 983,255
Moody	\$ 8,307
Turner	\$ 4,003
Union	\$ 204,262
Yankton	\$ 82,749