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**BY: E-filing**

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

RE: RM10-001 – In the Matter of the Gas and Electric Customer Billing Rules and  
RM09-002 – In the Matter of Adoption of Rules Regarding Renewable, Recycled  
and Conserved Energy

Dear Ms. Van Gerpen:

MidAmerican Energy Company (MidAmerican) respectfully submits the following limited comments on the above-captioned rules. MidAmerican appreciates the Commission's approach of allowing informal initial comment on proposed rules and the opportunity to provide additional comments. MidAmerican generally supports the Commission's proposed draft rules in Docket Nos. RM10-001 and RM09-002.

Docket RM10-001

MidAmerican appreciates the effort given to craft balanced rules regarding billing adjustments. MidAmerican agrees with the overall intent and with many of the proposed changes. MidAmerican, however, has two primary concerns regarding the proposed rules. The first concern is that there is no time limit for refunds, and the second concern is that the requirement to refund an overcharge within 30 days. Both proposals, along with proposed changes to add clarity to the language, are discussed in more detail below.

20:10:17:06, 20:10:17:07, and 20:10:17:09

The draft sections for 20:10:17:06, 20:10:17:07 and 20:10:17:09 do not include language limiting the length of time for refunds, but these rules do limit the length of a time a customer may be back-billed. Utilities have record retention limits, and it would not be uncommon for a meter to run fast or slow for several years prior to being identified. To ensure consistency in the rules for both refunds and back-billing limits, MidAmerican suggests language that would limit

refunds for all customers to five years. MidAmerican also recommends for consistency purposes that charges to non-residential customers also be limited to five years.

20:10:17:09.01

MidAmerican agrees with the language that ensures customers receive timely refunds and are offered ample time to pay. However, the rules could be stronger if the 30-day refund period had a clear starting point for what constitutes a “determination” and when the 30-day refund window is triggered. Investigating a slow meter may be time consuming and 30 days does not allow enough time to adequately investigate and adjust the customer’s account. Therefore, MidAmerican recommends that the 30-day refund window begin after the determination of the amount to refunded.

Additionally, the proposed language in this section implies that a payment agreement be automatic. While MidAmerican is not opposed to offering a payment agreement, MidAmerican prefers to offer customers the flexibility of entering into such an agreement, with terms that meet their needs. Therefore, MidAmerican recommends that the Commission consider amending this section to allow utilities the flexibility to offer either shorter or longer payment arrangements to fit customer needs.

Docket RM09-002

MidAmerican generally supports the proposed rules in Docket No. RM09-002. MidAmerican, however, offers the following comments regarding clarification in proposed section 20:10:38:07.

20:10:38:07

Proposed Rule 20:10:38:07 requires electric providers that generate electricity from renewable sources and retire renewable energy credits ("RECs") to provide information on their retirements of RECs to meet the renewable energy objective. By the reference to a "tracking system," MidAmerican is concerned that the rule presumes utilities register all of their renewable resources with regional tracking systems such as MRETS. That is not the case for MidAmerican. MidAmerican has several renewable resources not registered in regional tracking systems. This does not mean the RECs are untracked, not documented or not auditable by an outside party. In fact, MidAmerican has documentation for all REC generation and sales. In addition, the great majority of MidAmerican RECs are sold as “Green-e certifiable” meaning the RECs meet the criteria of the independent certification and verification program established by Center for Resource Solution’s Green-e Energy program.

Accordingly, "retirement" for the purposes of the rules should not require that a retired REC be one accounted for in a retirement subaccount in a regional tracking system. MidAmerican proposes that a "retired" REC be defined as one that a utility does not intend to sell and has designated as such, regardless whether it is registered in a regional tracking

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system. MidAmerican has not registered all of its renewable resources with regional tracking systems in order to reduce cost and ensure the maximum opportunity to sell RECs nationally. MidAmerican's experience is REC purchasers are oftentimes unwilling to pay a premium to cover the fees associated with a tracked REC. Therefore, the definition of retired RECs in Proposed Rule 20:10:38:07 unduly limits the resources that MidAmerican could be considered to meet the South Dakota objective.

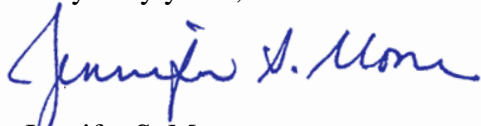
Moreover, the reported information extends well beyond the South Dakota requirements to information on all of a utility's retirements of RECs, including retirements of RECs in other states and the facilities from which the RECs are generated. This requirement places an undue hardship on multi-jurisdictional utilities and is not a required in other states with RPS standards.

Finally, MidAmerican suggests clarification that this is not a mandatory requirement for all public utilities, but only for those who have chosen to comply with the objective using renewable or recycled resources. A utility that has chosen the option of meeting the objective with conserved energy may also generate renewable or recycled energy. However, in that case renewable production will not be relevant to the objective and should not need to be reported.

MidAmerican respectfully requests the opportunity to participate in any public hearings or other proceedings that may be held in this these dockets.

Thank you for the opportunity to comment in these matters.

Very truly yours,



Jennifer S. Moore  
Senior Attorney