

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE FILING BY) MIDAMERICAN ENERGY COMPANY FOR) THE APPROVAL OF ITS) RECONCILIATION FOR 2014 AND ITS) PROPOSED ENERGY EFFICIENCY PLAN) FOR 2015)	ORDER APPROVING ENERGY EFFICIENCY 2014 ANNUAL REPORT AND 2015 ENERGY EFFICIENCY PLAN UPDATE
	GE15-001

On February 20, 2015, the South Dakota Public Utilities Commission (Commission) received a filing from MidAmerican Energy Company (MidAmerican) that included the company's 2014 Energy Efficiency Annual Report, the reconciliation of the company's 2014 Energy Efficiency cost recoveries for the 2014 calendar year, and the company's 2015-17 Energy Efficiency plan updates. Specifically, MidAmerican requested approval of its 2015 Energy Efficiency Cost Recovery Factors (EECR) that account for the 2014 reconciliation amounts, the 2014 performance incentive and the proposed 2015 budget. MidAmerican also requested approval of modifications to its Energy Efficiency Plan for years 2015-2017, which encompassed the following: 1) the inclusion of furnaces and ground source heat pumps in the residential programs and their associated budget increases, 2) an increase in nonresidential equipment program budgets for furnaces and lighting, and 3) the use of 2015 residential gas equipment funds to pay outstanding furnace rebate applications received after December 31, 2014. The requested tariff sheet revisions for the 2015 EECR factors are as follows:

Electric Tariff No. 1

Section No. 3
6th Revised Sheet No. C-3a

Canceling 5th Revised Sheet No. C-3a

South Dakota Gas Sales Tariff

SD P.U.C. Section No. III
7th Revised Sheet No. 9

Cancels 6th Revised Sheet No. 9

On February 26, 2015, the Commission electronically transmitted notice of the filing and the intervention deadline of March 13, 2015, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were received. On March 6 and 26, 2015, MidAmerican filed its responses to the Commission staff's (Staff) data requests. On March 27, 2015, MidAmerican filed supplemental responses to Staff's data request. On March 27, 2015, Staff filed a Memorandum and Recommendation.

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, specifically 49-34A-6, 49-34A-8, 49-34A-8.2, 49-34A-8.4, 49-34A-10, 49-34A-11, and 49-34A-12.

At its regularly scheduled meeting on March 31, 2015, this matter came before the Commission for consideration and action. Staff recommended that the Commission approve MidAmerican's Energy Efficiency 2014 Annual Report, 2014 cost recovery reconciliation, 2014 performance incentives, 2015-17 Energy Efficiency Plan budgets, and revised 2015 EECR factors. Staff also recommended that the Commission require MidAmerican to add a disclaimer

to its rebate forms clearly stating that rebates may not be available if all funding is spent for the year.

After thorough discussion on the matter, the Commission found good cause to limit the residential furnace rebates to \$300 per rebate and the nonresidential furnace rebates at fifty percent of MidAmerican's proposed rebate amounts for 2015, and adjust the gas budgets accordingly. The Commission also found good cause to consider the Energy Efficiency Plan changes for only the 2015 plan year and that the 2014 outstanding furnace rebates should be paid using 2015 budgeted dollars. Finally, the Commission determined that MidAmerican should include a statement on rebate forms that clearly states that rebates will not be paid when approved funds are depleted. Subject to these changes, a majority of the Commission, with Commissioner Hanson dissenting after two amendments to his original motion, found that MidAmerican's request is just and reasonable and voted to approve the Energy Efficiency 2014 Annual Report and reconciliation, the 2014 performance incentive, the 2015 Energy Efficiency Plan Update as modified by the Commission, the use of 2015 funds to pay outstanding 2014 furnace rebates, and the revised 2015 EECR factors as adjusted by the Commission's modifications to the proposed 2015 Energy Efficiency Plan.

It is therefore

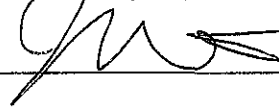
ORDERED, that MidAmerican's Energy Efficiency 2014 Annual Report, performance incentives, and reconciliation are approved. It is further

ORDERED, that MidAmerican's Energy Efficiency Plan is approved for only the 2015 plan year and subject to the Commission's modifications stated above. It is further

ORDERED, that MidAmerican can use 2015 residential gas program funding to pay outstanding furnace rebates carried over from 2014. It is further

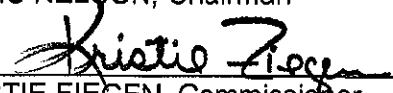
ORDERED, that the revised 2015 Energy Efficiency Cost Recovery factors, and associated tariff sheets, are approved subject to the proper adjustments that account for the Commission's modifications to the 2015 Energy Efficiency Plan.

Dated at Pierre, South Dakota, this 4th day of April, 2015.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.	
By:	
Date:	<u>4/8/15</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:


CHRIS NELSON, Chairman


KRISTIE FIEGEN, Commissioner

GARY HANSON, Commissioner,
dissenting in part