



MidAmerican Energy  
106 East Second Street  
P.O. Box 4350  
Davenport, Iowa 52808

**By: E-Filing – Docket Filing**

February 24, 2017

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

Subject: Docket No. EL17-\_\_\_\_ Clause ECA - Energy Cost Adjustment  
2016 Energy Cost Adjustment Reconciliation and New Factor Calculation

Dear Ms. Van Gerpen:

MidAmerican Energy Company (“MidAmerican”) hereby submits the Energy Cost Adjustment (“ECA”) reconciliation for 2016 and the fourth quarterly calculation of the ECA factor, in accordance with the Settlement Stipulation in Docket No. EL14-072. The new ECA factor was determined and is being filed for implementation to be effective with the first March 2017 bill groups through the final February 2018 bill groups. Consistent with the Settlement Stipulation, MidAmerican will review the ECA balances quarterly and when the projected cumulative account balances equals or exceeds  $\pm$  \$0.001, MidAmerican will determine the revised ECA Factor and file a new ECA factor for implementation with the next month’s billing cycle.

Pursuant to the Settlement Stipulation, MidAmerican is also required to submit each year during the moratorium period, as part of its annual ECA filing, a summary of the cumulative amount of Production Tax Credits (“PTCs”) that have been credited to the ECA. Included with this filing is a summary of the cumulative amount of PTCs that have been credited to the ECA through December 31, 2016. Note that MidAmerican has made an adjustment after discovering that some PTCs were incorrectly credited to South Dakota in 2015 and 2016. These PTCs (amounting to \$294,499) were generated by facilities that are not included in customer rates because they were placed in service after the conclusion of the test year period. Given this, these benefits should not have been included in the ECA consistent with MidAmerican’s rate case filing. *See*, Docket No. EL14-072, Direct Testimony of Debra L. Kutsunis at 17 (August 4, 2014) (“MidAmerican will include 90% of revenue from the sale of REC’s and 100% of PTCs for the South Dakota jurisdictional portion for all renewable energy facilities included in rate base and reflected in customer rates.”) MidAmerican is correcting for this error in this year’s filing.

Included in this filing are the following four (4) items:

- (1) Confidential Exhibit 1 - Calculation of 2017 ECA Factor;

Ms. Patricia Van Gerpen, Executive Director

February 24, 2017

Page 2

- (2) Exhibit 2 – Calculation of Factor A (Over)/Under Balance;
- (3) Exhibit 3 - Summary of PTC Credits; and
- (4) Revised tariff sheet as listed below:

South Dakota Electric Tariff Schedule No. 2

Section No. 3

5<sup>th</sup> Revised Sheet No. 79

Canceling 4<sup>th</sup> Revised Sheet No. 79

Effective: March 3, 2017

Pursuant to Rule 20:10:01:40, MidAmerican respectfully requests confidential treatment of Confidential Exhibit 1. MidAmerican respectfully requests that Confidential Exhibit 1 should be accorded confidential treatment for three years or such time as the Commission may deem reasonable.

The confidential materials constitute a trade secret and, if released, would result in material damage to MidAmerican's competitive position or give advantage to competitors and serve no public purpose. If MidAmerican's competitors or customers were to gain access to these negotiated energy charges or coal prices, MidAmerican's ability to minimize electric costs that are billed to customers would be impaired. The confidential material contains commercially sensitive information, which if released to the general public, would give an unfair advantage to existing and potential electric suppliers and customers. *National Parks and Conservation Association v. Morton*, 498 F.2d 765, (U.S.C.A. 1974).

If you have any questions, please contact me at (563) 333-8323 or [dmnoll@midamerican.com](mailto:dmnoll@midamerican.com). All correspondence regarding this matter should also be directed to me.

Sincerely,

*/s/ Diane M. Noll*

Diane M. Noll

Senior Rates Analyst

Attachments

cc: Brian J. Rybarik-MidAmerican Energy Company



MIDAMERICAN ENERGY COMPANY  
P.O. Box 4350  
Davenport, Iowa 52808-4350

SOUTH DAKOTA ELECTRIC TARIFF SCHEDULE NO. 2  
SD P.U.C. Sec. No. 3  
Canceling ~~4<sup>th</sup>~~ <sup>5<sup>th</sup></sup> ~~3<sup>rd</sup>~~ <sup>4<sup>th</sup></sup> Revised Sheet No. 79

---

**SECTION 3 – ELECTRIC RATE SCHEDULES**  
**CLAUSE ECA – ENERGY COST ADJUSTMENT (continued)**

---

**CURRENT ANNUAL ENERGY COST ADJUSTMENT CLAUSE FACTOR**

<b>Class</b>	<b>\$/kWh</b>	
All Rates	<del>\$(0.01206)</del> <b>(0.00542)</b>	I



MIDAMERICAN ENERGY COMPANY  
P.O. Box 4350  
Davenport, Iowa 52808-4350

SOUTH DAKOTA ELECTRIC TARIFF SCHEDULE NO. 2  
SD P.U.C. Sec. No. 3  
5<sup>th</sup> Revised Sheet No. 79  
Canceling 4<sup>th</sup> Revised Sheet No. 79

---

**SECTION 3 – ELECTRIC RATE SCHEDULES**  
**CLAUSE ECA – ENERGY COST ADJUSTMENT (continued)**

---

**CURRENT ANNUAL ENERGY COST ADJUSTMENT CLAUSE FACTOR**

<b>Class</b>	<b>\$/kWh</b>	
All Rates	\$(0.00542)	I