

From: "Nelson, Chris" <Chris.Nelson@state.sd.us>

Date: December 20, 2015 at 8:42:59 AM CST

To: Chad Kurtenbach [REDACTED]

Cc: "Gregg, Deb" <Deb.Gregg@state.sd.us>, Sarah Kurtenbach

[REDACTED], "Van Gerpen, Patty" <Patty.VanGerpen@state.sd.us>

Subject: Re: Dispute Resolution with MidAmerican

Chad,

On Tuesday the PUC meeting agenda (<http://puc.sd.gov/agendas/2015/1222.aspx>) contains docket GE15-004 which deals with MidAmerican's energy efficiency program. My intention is to discuss your situation with the company at that time.

Why were you denied the rebate on your geothermal system? That is news to me. Please help me understand why you didn't qualify for the rebate.

As to the cost shift issue, whenever a utility is pricing a line extension, be it gas, electric, or telecommunications, part of the pricing equation involves projected revenue that will be generated from the line extension. Because your new home is not 100% gas heat, the projected revenue is not sufficient to cover the cost of the line extension. I understand that you feel that you have enough other uses for gas that your consumption would be sufficient to provide revenue to cover the cost of the line. MidAmerican's tariff apparently doesn't provide flexibility to take that into account. While energy efficiency docket on Tuesday can't resolve that issue, we will talk about it and shed some additional light on the subject so we can figure out an equitable way of moving forward in situations like yours.

You mention "federal funding that MidAmerican has received specifically for renewable energy being allocated". What are you referring to?

Thanks for taking time to answer my questions listed above. That will help guide my discussion on Tuesday.

Because our email communication now deals with an open docket (GE15-004), state law requires that our communication be publicly posted in the docket file.

Sincerely,
Chris