

On Nov 2, 2015, at 10:24 AM, Gregg, Deb
<Deb.Gregg@state.sd.us> wrote:

Chad:

This is in response to your request for a breakdown of the costs that make up the \$855 charge for the installation of a non-heating gas service line. The \$855 charge is an average cost to install a gas service to a typical residential home. The average costs were last updated in 2012 as material costs and installation rates remained stable through 2014, which is when George's Custom Building applied for service. MidAmerican Energy bills this same standard charge for all non-heating gas service line installations, with additional

charges for those services with excess footage beyond the standard distance from the property line.

Here is a breakdown of the costs:

\$ 78	Material Cost
\$188	Engineering/Supervision/Inspection Labor
\$ 22	Vehicle/Transportation Costs
\$519	Installation Labor Costs
\$ 48	Overhead Costs
\$855	Total Billed

I asked MidAmerican to provide me with the actual cost to install the gas service line at 9000 W Lakeside Drive, Sioux Falls, and they responded that the cost was \$1,454.26. MidAmerican billed George Custom Homes because the latter ordered and signed the installation agreement and therefore, George Custom Homes is responsible for the fee.

Sincerely,

Deb Gregg, Consumer Affairs Manager
South Dakota Public Utilities Commission
www.puc.sd.gov