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April 6, 2009

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

Dear Ms. Van Gerpen:

On March 24, 2009, the South Dakota Public Utility Commission approved MidAmerican Energy Company's (MidAmerican) energy efficiency plan filing. The filing included tariff sheets to implement the plan. Several of the electric tariff sheets include provisions for minimum bill calculations. In its original filing, MidAmerican inadvertently excluded the energy efficiency cost recovery component to the minimum bill calculations. With this filing MidAmerican respectfully requests to update and revise the tariff sheets accordingly.

MidAmerican's plan filing also included tariff sheets identifying cost recovery factors to be implemented as part of the plan. MidAmerican originally proposed to revise the cost recovery factor at the beginning of each year and again on April 1 at the time of reconciliation. At the Public Utilities Commission meeting, it was requested that MidAmerican revise its process to update the cost recovery factor only once per year at the time of reconciliation. MidAmerican agreed to this change.

MidAmerican's original factor was based on the assumption that there would be two factor changes in a year. Because the first plan period begins May 1 and ends December 31, 2009, the high gas usage months of January through March were excluded from the original calculation of the gas cost recovery factor. This resulted in a higher factor than if the entire year had been included. By extending the higher first year factor through the high usage months of January through March of the 2010, most of 2010 costs are recovered in that period. Subsequently, when the reconciliation is performed, and the January through March recoveries are rolled into the cost recovery factor, the resulting factor for 2010 is lower than anticipated and a see-saw effect is set in motion. Extending the lower factor through the high usage months of January through March of 2011 results in a very low collection and the see-saw effect continues. This impact is illustrated on Attachment 1.1 and 1.2.

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With this filing, MidAmerican requests a one time waiver of the Commission's order dated March 31, 2009, in Docket No. EL07-015 which directed MidAmerican to change the cost recovery factor only at the reconciliation each year. In the alternate, MidAmerican requests that the Commission accept these updates as final tariffs filed in compliance with its March 31, 2009, order to change the factor calculation process. The updated and revised tariff sheets will reduce the residential energy efficiency billing factor from \$.02705 to \$.02000 and the non-residential energy efficiency billing factor from \$.00788 to \$.00600. These proposed reductions will bring the gas energy efficiency cost recovery factors for the initial plan period to a level that will significantly reduce the see-saw effect described above and as illustrated in Attachment 2.1 and 2.2. The adjustment is necessary for the gas plan due to the uneven nature of gas sales. A similar adjustment is not necessary for the electric plan because sales are not as concentrated in the months of January through March. MidAmerican will include energy efficiency on its billings beginning May 1, 2009.

MidAmerican respectfully requests approval on less than 30 days notice pursuant to Section 20:10:13:20, requesting a May 1, 2009, effective date. Approval on less than 30 days will allow MidAmerican to implement the lower energy efficiency component on natural gas bills when the energy efficiency component begins to be charged to customer billings. Approval on less than 30 days will also allow MidAmerican to implement the energy efficiency component for minimum bills at the same time the energy efficiency component is implemented for regular billings.

Respectfully,

/s/

Debra L. Kutsunis
Manager, Regulated Pricing

Attachments