

South Dakota Public Utilities Commission
Docket EL16-023
MidAmerican Energy Company
Data Request No. 1-7

Responder Name: Neil Hammer
Job Title: Director, Market Assessment
Phone: 515-252-6407

1-7. Explain the factors impacting the decrease in capacity credit from current \$86.08/kW/year to the proposed \$26.87/kW/year.

Response:

The 2016 avoided cost rate of \$86.08/KW-year, filed in 2015, was a forecasted value, replaced in this filing by a value representing the MISO auction clearing price of \$72/MW-day for the 2016-17 MISO Planning Year, escalated by 2.25% ($\$72/\text{MW-day} * 365 * 1.0225$).