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**KADY J. BILLAM**  
Attorney

October 30, 2020

***Via Electronic Filing***

The Honorable Kimberly D. Bose  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

Re: MidAmerican Energy Company Services Tariff  
Schedule 2 - Reactive Supply and Voltage Control from Generation or Other  
Sources Service  
Docket No. ER21-\_\_\_\_\_

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act<sup>1</sup> and Paragraph 35.13(a)(2)(iii) of the Rules of the Federal Energy Regulatory Commission (“Commission”),<sup>2</sup> MidAmerican Energy Company (“MidAmerican”) submits for filing this revision to Schedule 2 (Reactive Supply and Voltage Control from Generation or Other Sources Service) of its Services Tariff to reflect the suspension of operation (and eventual retirement) of a MidAmerican generating unit. MidAmerican respectfully asks the Commission to accept for filing this revised Services Tariff without hearing, modification, condition or suspension, and to grant any necessary waivers of the Commission’s regulations to permit an effective date of January 1, 2021, which is not less than 60 days nor more than 120 days from the date of this filing.<sup>3</sup>

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<sup>1</sup> 16 U.S.C. § 824d.

<sup>2</sup> 18 C.F.R. § 35.13(a)(2)(iii).

<sup>3</sup> See 18 C.F.R. § 35.3(a)(1).

## I. Communications

All communications regarding this filing should be directed to:<sup>4</sup>

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Telephone: (515) 252-6754  
Steve.Rowley@MidAmerican.com

## II. Description of MidAmerican

MidAmerican is an indirect subsidiary of Berkshire Hathaway Energy Company, which, in turn, is a subsidiary of Berkshire Hathaway Inc., a diversified, publicly-traded company (NYSE: BRK-A, BRK-B).

MidAmerican is an Iowa corporation with its principal place of business in Des Moines, Iowa, and is a combination gas and electric company and a public utility under the Federal Power Act. MidAmerican provides regulated retail electric service in Iowa, Illinois, and South Dakota, and regulated retail natural gas service and transportation in Iowa, Illinois, Nebraska, and South Dakota. MidAmerican's retail electric service is regulated by the Iowa Utilities Board ("IUB"), the Illinois Commerce Commission ("ICC"), and the South Dakota Public Utilities Commission ("SDPUC"). MidAmerican's retail gas service is regulated by the IUB, the ICC, the SDPUC, and various Nebraska municipalities.

MidAmerican has been granted market-based rate authority and actively markets wholesale power in various regions.<sup>5</sup>

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<sup>4</sup> MidAmerican respectfully requests waiver of the Commission's regulations (18 C.F.R. § 385.203(b)(3)) to allow more than two persons to be placed on the service list.

<sup>5</sup> The Commission granted market-based rate authority in Docket No. ER96-719 (accepted in *MidAmerican*, 74 FERC ¶ 61,211 (February 27, 1996)). MidAmerican's electronic market-based rate tariff was submitted in Docket No. ER11-2044 (accepted via an unpublished letter order dated March 7, 2011).

MidAmerican is a transmission-owning member of the Midcontinent Independent System Operator, Inc. (“MISO”). MidAmerican owns an extensive transmission system over which MISO provides transmission service pursuant to MISO’s Open Access Transmission, Energy and Operating Reserve Markets Tariff (“MISO Tariff”).

Although MISO has functional control of MidAmerican’s transmission system, MidAmerican has on file with the Commission a Services Tariff pursuant to which MidAmerican provides, among other things, Reactive Supply and Voltage Control Service.<sup>6</sup>

### **III. Overview of filing**

This filing revises the rate for MidAmerican’s Reactive Supply and Voltage Control Service under Schedule 2 of its Services Tariff in conjunction with the anticipated suspension of operation of a MidAmerican resource.

#### **A. MidAmerican’s currently-effective rate for Reactive Supply and Voltage Control Service**

Prior to the issuance of Order No. 888,<sup>7</sup> MidAmerican established tariff provisions for open access transmission service. MidAmerican’s August 11, 1995 filing in Docket No. ER95-1542 (“August 11, 1995 Filing”) contained cost support for a reactive power charge that was ultimately accepted by the Commission, subject to the outcome of the then-ongoing proceeding that led to Order No. 888.<sup>8</sup>

MidAmerican’s Open Access Transmission Tariff in compliance with Order No. 888 was submitted July 9, 1996 in Docket No. OA96-42.<sup>9</sup> Schedule 2 of that filing established a rate of

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<sup>6</sup> The Services Tariff, which replaced MidAmerican’s Open Access Transmission Tariff, was initially submitted in Docket No. ER10-2111 (accepted via an unpublished letter order dated October 13, 2010). The electronic version of the Services Tariff was submitted in Docket No. ER10-3294 (accepted via an unpublished letter order dated March 10, 2011).

<sup>7</sup> *Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, Order No. 888, FERC Stats. & Regs. ¶ 31,036 (1996), *order on reh’g*, Order No. 888-A, FERC Stats. & Regs. ¶ 31,048, *order on reh’g*, Order No. 888-B, 81 FERC ¶ 61,248 (1997), *order on reh’g*, Order No. 888-C, 82 FERC ¶ 61,046 (1998), *aff’d in relevant part sub nom. Transmission Access Policy Study Group v. FERC*, 225 F.3d 667 (D.C. Cir. 2000), *aff’d sub nom. New York v. FERC*, 535 U.S. 1 (2002).

<sup>8</sup> *MidAmerican*, 73 FERC ¶ 61,027 (October 4, 1995).

<sup>9</sup> MidAmerican’s Open Access Transmission Tariff was accepted in *Atlantic City Electric Company et al.*, 77 FERC ¶ 61,144 (November 13, 1996) as to non-rate terms and conditions, and in *Allegheny Power System, Inc. et al.*, 80 FERC ¶ 61,143 (July 31, 1997) as to rates.

\$0.18/MWh for Reactive Supply and Voltage Control Service, relying on the cost support from the August 11, 1995 Filing.

MidAmerican's Open Access Transmission Tariff was revised significantly upon MidAmerican's integration into the MISO region.<sup>10</sup> MidAmerican altered certain provisions of its Schedule 2 to accommodate its MISO participation, but the \$0.18/MWh charge for Reactive Supply and Voltage Control Service did not change.

MidAmerican further revised its Open Access Transmission Tariff in Docket No. ER10-2111 by eliminating various transitional services that had been provided by MidAmerican after its MISO integration. MidAmerican established its current Services Tariff in place of its prior Open Access Transmission Tariff. The Services Tariff provides for limited functions, including Wholesale Distribution Service and, as relevant here, Reactive Supply and Voltage Control Service, again retaining the \$0.18/MWh charge that was established previously.

The electronic version of the Services Tariff was submitted in Docket No. ER10-3294,<sup>11</sup> again with no change to the rate for Reactive Supply and Voltage Control Service.

MidAmerican revised its Services Tariff in Docket No. ER16-1062 in conjunction with the retirement of several generating resources. Pursuant to a settlement agreement submitted July 11, 2016, as amended August 22, 2016 and approved October 20, 2016,<sup>12</sup> the rate for Reactive Supply and Voltage Control Service was reduced from its original \$0.18/MWh to the current \$0.14/MWh.

## **B. Commission precedent**

In adjusting rates for reactive supply to account for retirements, the Commission has previously accepted a "reasonable and logical allocation approach" rather than requiring an owner to "expend resources on developing a revised new revenue requirement for the joint service."<sup>13</sup> The Commission has also permitted *pro rata* reductions to the revenue requirements contained in reactive power tariffs.<sup>14</sup>

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<sup>10</sup> See Docket No. ER09-1260, wherein MidAmerican eliminated various functions formerly provided by MidAmerican but now provided by MISO.

<sup>11</sup> The electronic version of MidAmerican's Services Tariff was accepted in an unpublished March 10, 2011 letter order in Docket No. ER10-3294.

<sup>12</sup> *MidAmerican*, 157 FERC ¶ 61,049 (October 20, 2016).

<sup>13</sup> *Duke Energy Conesville, LLC et al.*, 150 FERC ¶ 61,229 (March 27, 2015) at P 7.

<sup>14</sup> *PJM Interconnection, L.L.C.*, 151 FERC ¶ 61,224 (June 18, 2015) at P 24. *See also AEP Generation Resources, Inc.*, 152 ¶ FERC 61,119 (August 11, 2015) at P 8; *Calpine New Jersey Generation, LLC*, 152 FERC ¶ 61,125

In addition, the Commission has noted that additions of resources not currently reflected in rates for reactive power may offset the effect of retirements. The Commission has, therefore, permitted reactive power suppliers the opportunity to identify all new reactive power capability in an informational filing showing that the additions offset the capability lost from a unit retirement, such that “the underlying basis for the applicable reactive power revenue requirement continues to exist.”<sup>15</sup>

### **C. Suspension of Riverside Generating Station Unit No. 5**

As noted *supra*, the Commission has permitted owners of retiring resources to submit logical allocations, including *pro rata* reductions to the revenue requirements contained in reactive power tariffs, rather than mandating the development of a new revenue requirement.

MidAmerican will suspend operation of its Riverside Generating Station Unit No. 5 effective at the end of the day on December 31, 2020. A *pro rata* reduction in MidAmerican’s revenue requirement to reflect this suspension will result in a change in that rate from the current \$0.14/MWh to a revised rate of \$0.135/MWh.

MidAmerican included revised clean and marked tariff sheets to accomplish this change. MidAmerican also included work papers that calculate the appropriate rate reduction.

### **D. Additional revisions**

In addition to the reduction in MidAmerican’s rate for Reactive Supply and Voltage Control Service, MidAmerican made a ministerial change to update the contact information on the cover page of its Service Tariff.

## **IV. General information required by Section 35.13(b)<sup>16</sup>**

To the extent necessary, MidAmerican requests a waiver of any portion of the Commission’s rules that require the submission of Cost of Service Statements in connection with the requested tariff change. MidAmerican submits these revisions pursuant to Paragraph 35.13(a)(2)(iii) since the revisions do not involve a rate increase. Pursuant to that Paragraph, this submission is subject to limited filing requirements. Good cause exists for such waiver in any event, since the description provided above and attached work papers provide ample support for the proposed rate change.

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(August 14, 2015) at P 8; *Calpine New Jersey Generation, LLC*, 153 FERC ¶ 61,071 (October 19, 2015) at P 6; each accepting a *pro rata* reduction in revenue requirements associated with unit deactivations.

<sup>15</sup> *PJM Interconnection, L.L.C.*, 151 FERC ¶ 61,224 (June 18, 2015) at P 25.

<sup>16</sup> 18 U.S.C. § 35.13(b).

**A. A list of documents submitted with the rate change, § 35.13(b)(1)**

This filing consists of the following:

1. Transmittal letter;
2. Services Tariff – clean version;
3. Services Tariff – marked version; and
4. Work papers.

**B. The date on which the utility proposes to make the rate change effective, § 35.13(b)(2)**

MidAmerican respectfully asks the Commission to make the proposed amendment to the Services Tariff effective as of January 1, 2021, the day following suspension of operation of Riverside Generating Station Unit No. 5. Further, since MISO issues bills for reactive service on a calendar-month basis, placing the proposed tariff into effect at the beginning of a calendar month will facilitate MISO's related change in billing.

Schedule 2, Section II.C of the MISO Tariff provides in part that "Filing(s) at the Commission regarding a change in status for a Reactive Power Resource are required no later than sixty (60) days before the date to Retire, Suspend, sell, or transfer operations of a Reactive Power Resource...." The instant filing is being submitted no later than 60 days before the anticipated suspension. Section II.C.a requires the owner of the Reactive Power Resource to submit to MISO a contemporaneous copy of the tariff filing associated with the suspension, and MidAmerican is providing a copy of the instant filing to MISO.

**C. The names and addresses of persons to whom a copy of the rate change has been posted, § 35.13(b)(3)**

MidAmerican e-mailed a copy of this filing to the IUB, the ICC, the SDPUC, the Iowa Office of Consumer Advocate, and MISO.

**D. A brief description of the rate change and a statement of the reasons for the rate change, §§ 35.13(b)(4) and (5)**

Please see Section III.C of this transmittal letter.

- E. A showing that all requisite agreement to the rate change, or to the filing of the rate change, including any agreement required by contract, has in fact been obtained, § 35.13(b)(6)**

MidAmerican has the unilateral right to submit this filing.

- F. A statement showing any expenses or costs ... that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practice, § 35.13(b)(7)**

No expenses or costs related to this filing have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices.

**V. Conclusion**

For all of the foregoing reasons, MidAmerican Energy Company respectfully asks the Federal Energy Regulatory Commission to accept for filing this revised Services Tariff, grant the proposed effective date of January 1, 2021, and to grant waiver of any Commission regulations that the Commission may deem applicable to this filing.

If you have any questions concerning any aspect of this filing, please do not hesitate to contact the undersigned.

Respectfully submitted,

/s/ Kady J. Billam

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cc: Illinois Commerce Commission  
Iowa Office of Consumer Advocate  
Iowa Utilities Board  
South Dakota Public Utilities Commission  
Midcontinent Independent System Operator, Inc.

October 30, 2020

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Enclosures:

MidAmerican Energy Company's Services Tariff – clean version

MidAmerican Energy Company's Services Tariff – marked version

Work papers



**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated this 30th day of October 2020.

/s/ Kady J. Billam

Kady J. Billam

**MIDAMERICAN ENERGY COMPANY**  
**SERVICES TARIFF**

Communications concerning this tariff may be sent to:  
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Transmission Development Director  
MidAmerican Energy Company  
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## 1 Definitions

- 1.1 Ancillary Services:** Those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.
- 1.2 Designated Agent:** Any entity that performs actions or functions on behalf of the Transmission Provider, an Eligible Customer, the Transmission Customer or the Transmission Owner required under the Tariff.
- 1.3 Eligible Customer:** (i) Any electric utility (including the Transmission Owner and any power marketer), Federal power marketing agency, or any person generating electric energy for sale for resale is an Eligible Customer under the Tariff. Electric energy sold or produced by such entity may be electric energy produced in the United States, Canada or Mexico. However, with respect to transmission service that the Commission is prohibited from ordering by Section 212(h) of the Federal Power Act, such entity is eligible only if the service is provided pursuant to a state requirement that the Transmission Provider offer the unbundled transmission service, or pursuant to a voluntary offer of such service by the Transmission Provider. (ii) Any retail customer taking, or eligible to take, unbundled Transmission Service pursuant to a state requirement that the Transmission Provider offer the transmission service, or pursuant to a voluntary offer of such service by the Transmission Provider, is an Eligible Customer under the Tariff.

- 1.4 Service Agreement:** The initial agreement and any amendments or supplements thereto entered into by the Transmission Customer and the Transmission Provider for service under the Tariff.
- 1.5 Tariff:** The open access transmission tariff of the Transmission Provider
- 1.6 Transmission Customer:** Any Eligible Customer (or its Designated Agent) that (i) executes a Service Agreement, or (ii) requests in writing that the Transmission Provider file with the Commission, a proposed unexecuted Service Agreement to receive transmission service under Module B of the Tariff. This term is used in the Module A Common Service Provisions to include customers receiving Transmission Service under Module B of the Tariff.
- 1.7 Transmission Owner:** MidAmerican Energy Company.
- 1.8 Transmission Provider:** The Midwest Independent Transmission System Operator, Inc. (MISO), or its successor organization.
- 1.9 Transmission Service:** Point-To-Point Transmission Service provided under Module B of the Tariff on a firm and non-firm basis and Network Integration Transmission Service under Module B of the Tariff.
- 1.10 Wholesale Distribution Service:** The transmission of electric energy in interstate commerce over Transmission Owner's Distribution Facilities pursuant to a Commission accepted Open Access Transmission Tariff.

## **2 Wholesale Distribution Service**

A Transmission Customer currently paying for Wholesale Distribution Service through an existing Service Agreement or Wholesale Distribution Service Agreement will continue paying the existing rate for Wholesale Distribution Service until such time as its Service Agreement and/or Wholesale Distribution Service Agreement either terminates or is amended.

## **3 Ancillary Services**

Ancillary Services are needed with transmission service to maintain reliability within and among the control areas affected by the transmission service. The Transmission Provider is required to provide (or offer to arrange with the local control area operator as discussed below), and the Transmission Customer is required to purchase, the following Ancillary Services (i) scheduling, system control and dispatch, and (ii) reactive supply and voltage control from generation or other sources.

The Transmission Provider shall specify the rate treatment and all related terms and conditions in the event of an unauthorized use of Ancillary Services by the Transmission Customer.

The specific Ancillary Services, prices and/or compensation methods are described on the Schedules that are attached to and made a part of the Tariff.

### **3.1 Reactive Supply and Voltage Control from Generation or Other Sources**

**Service:** The rates and/or methodology are described in Schedule 2.

#### **4 Regulatory Filings**

Nothing contained in the Tariff shall be construed as affecting in any way the right of the Transmission Owner to unilaterally make application to the Commission for a change in the rates, terms and conditions set forth in this Services Tariff under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

Nothing contained in the Tariff or any Service Agreement shall be construed as affecting in any way the ability of any Eligible Customer receiving service under the Tariff to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

## **SCHEDULE 2**

### **Reactive Supply and Voltage Control from Generation or Other Sources Service**

In order to maintain transmission voltages on the Transmission Provider's transmission facilities within acceptable limits, generation facilities and non-generation resources capable of providing this service that are under the control of the control area operator are operated to produce (or absorb) reactive power. Thus, Reactive Supply and Voltage Control from Generation or Other Sources Service must be provided for each transaction on the Transmission Provider's transmission facilities. The amount of Reactive Supply and Voltage Control from Generation or Other Sources Service that must be supplied with respect to the Transmission Customer's transaction will be determined based on the reactive power support necessary to maintain transmission voltages within limits that are generally accepted in the region and consistently adhered to by the Transmission Provider.

Reactive Supply and Voltage Control from Generation or Other Sources Service is to be provided directly by the Transmission Provider (if the Transmission Provider is the control area operator) or indirectly by the Transmission Provider making arrangements with the control area operator that performs this service for the Transmission Provider's transmission system. The Transmission Customer must purchase this service from the Transmission Provider or the control area operator. The charges for such service will be based on the rates set forth below. To the extent the control area operator performs this service for the Transmission Provider,



charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Transmission Provider by the control area operator.

The charge for this service shall be \$0.135/MWh.

**MIDAMERICAN ENERGY COMPANY**  
**SERVICES TARIFF**

Communications concerning this tariff may be sent to:

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~~Transmission Development~~ Director-  
~~System Planning and Services~~  
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## 1 Definitions

- 1.1 Ancillary Services:** Those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.
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- 1.3 Eligible Customer:** (i) Any electric utility (including the Transmission Owner and any power marketer), Federal power marketing agency, or any person generating electric energy for sale for resale is an Eligible Customer under the Tariff. Electric energy sold or produced by such entity may be electric energy produced in the United States, Canada or Mexico. However, with respect to transmission service that the Commission is prohibited from ordering by Section 212(h) of the Federal Power Act, such entity is eligible only if the service is provided pursuant to a state requirement that the Transmission Provider offer the unbundled transmission service, or pursuant to a voluntary offer of such service by the Transmission Provider. (ii) Any retail customer taking, or eligible to take, unbundled Transmission Service pursuant to a state requirement that the Transmission Provider offer the transmission service, or pursuant to a voluntary offer of such service by the Transmission Provider, is an Eligible Customer under the Tariff.

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- 1.7 Transmission Owner:** MidAmerican Energy Company.
- 1.8 Transmission Provider:** The Midwest Independent Transmission System Operator, Inc. (MISO), or its successor organization.
- 1.9 Transmission Service:** Point-To-Point Transmission Service provided under Module B of the Tariff on a firm and non-firm basis and Network Integration Transmission Service under Module B of the Tariff.
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## **2 Wholesale Distribution Service**

A Transmission Customer currently paying for Wholesale Distribution Service through an existing Service Agreement or Wholesale Distribution Service Agreement will continue paying the existing rate for Wholesale Distribution Service until such time as its Service Agreement and/or Wholesale Distribution Service Agreement either terminates or is amended.

## **3 Ancillary Services**

Ancillary Services are needed with transmission service to maintain reliability within and among the control areas affected by the transmission service. The Transmission Provider is required to provide (or offer to arrange with the local control area operator as discussed below), and the Transmission Customer is required to purchase, the following Ancillary Services (i) scheduling, system control and dispatch, and (ii) reactive supply and voltage control from generation or other sources.

The Transmission Provider shall specify the rate treatment and all related terms and conditions in the event of an unauthorized use of Ancillary Services by the Transmission Customer.

The specific Ancillary Services, prices and/or compensation methods are described on the Schedules that are attached to and made a part of the Tariff.

### **3.1 Reactive Supply and Voltage Control from Generation or Other Sources**

**Service:** The rates and/or methodology are described in Schedule 2.

## Work papers

Work papers demonstrating that the suspension of MidAmerican Energy Company's ("MidAmerican") Riverside Generating Station Unit No. 5 will produce a reduction in MidAmerican's rate for Reactive Supply and Voltage Control Service from the current \$0.14/MWh to \$0.135/MWh (Column F)

These work papers consist of:

- A one-page spreadsheet showing:
  - The production revenue requirement used to derive MidAmerican's original rate for Reactive Supply and Voltage Control Service (Column A)
  - Removal of the production revenue requirement of previously-retired resources (Column B)
  - Each remaining resource's share of the remaining revenue requirement (Column D)
  - Each remaining resource's *pro rata* share of the existing rate for Reactive Supply and Voltage Control Service (Column E, whose sum is the current rate of \$0.14/MWh)
  - The revised rate for Reactive Supply and Voltage Control Service (Column F, which eliminates the component of Column E related to Riverside Unit No. 5, and whose sum is the revised rate of \$0.135/MWh)
- Docket No. ER95-1542, August 11, 1995 filing, Attachment 3F, page 2, containing the production revenue requirement from which MidAmerican's initial rate for Reactive Supply and Voltage Control Service was derived:
  - A total production revenue requirement of \$438,501,350 (*see* "Total" column, "Total" row)
  - A production revenue requirement for Cooper Nuclear Station of \$90,896,629 (*see* "Total" column, "Cooper" row, the second to last row of the Attachment). This amount was excluded from the costs used to derive MidAmerican's initial rate for Reactive Supply and Voltage Control Service.

**Attachment C**  
**MidAmerican Services Tariff, Schedule 2**  
**Reactive Supply and Voltage Control from Generation or Other Sources Service**

	A	B	C	D	E	F
<u>Unit</u>	<u>ER95-1542 Revenue Requirement</u>	<u>Less Previous Retirements</u>	<u>Remaining Revenue Requirement</u>	<u>Pro rata share, Remaining Revenue Requirement</u>	<u>Pro rata share, Currently-Effective rate</u>	<u>Pro rata share, Currently-Effective rate without Riverside 5</u>
Coralville	1,119,468		1,119,468	0.00351	0.00049	0.00049
Electrifarm, Parr	4,422,117		4,422,117	0.01386	0.00194	0.00194
Louisa	84,293,520		84,293,520	0.26424	0.03699	0.03699
Moline	1,290,830		1,290,830	0.00405	0.00057	0.00057
Neal 1	5,347,524	-5,347,524	0	0.00000	0.00000	0.00000
Neal 2	13,232,591	-13,232,591	0	0.00000	0.00000	0.00000
Neal 3	20,143,198		20,143,198	0.06314	0.00884	0.00884
Neal 4	25,841,321		25,841,321	0.08101	0.01134	0.01134
Ottumwa	32,928,806		32,928,806	0.10322	0.01445	0.01445
Pleasant Hill	8,465,941		8,465,941	0.02654	0.00372	0.00372
Quad 1 & 2	76,740,401		76,740,401	0.24057	0.03368	0.03368
River Hills	2,175,966		2,175,966	0.00682	0.00095	0.00095
Riverside	10,982,949		10,982,949	0.03443	0.00482	Suspended
Sycamore	2,567,434		2,567,434	0.00805	0.00113	0.00113
WSEC 1 (fka Council Bluffs 1)	3,390,693	-3,390,693	0	0.00000	0.00000	0.00000
WSEC 2 (fka Council Bluffs 2)	6,633,335	-6,633,335	0	0.00000	0.00000	0.00000
WSEC 3 (fka Council Bluffs 3)	48,028,626		48,028,626	0.15056	0.02108	0.02108
<b>Total</b>	<b>347,604,720</b>	<b>-28,604,143</b>	<b>319,000,577</b>	<b>1.00000</b>	<b>0.14000</b>	<b>0.13518</b>

**Sources**

Column A	Production revenue requirement, Docket No. ER95-1492, August 11, 1995 filing, Attachment 3F, page 2, "Total" column. Column A excludes amounts for Cooper Nuclear Station, which were not used to derive MidAmerican's rate for reactive capability.
Column B	Column A, previous retirements of Neal 1 and 2, Walter Scott Energy Center 1 and 2
Column C	Column A + Column B
Column D	Ratio of individual revenue requirement in Column C to total of Column C
Column E	Column D x currently-effective \$0.1400/MWh rate for reactive capability
Column F	Column E, removing amount for retiring Riverside Unit 5
	The total of Column F represents MidAmerican's rate for reactive capability upon the suspension of Riverside Unit 5



## MIDAMERICAN ENERGY COMPANY

Production Fixed Charge @ 12-31-94

### PRODUCTION REVENUE REQUIREMENT

Unit	12/31 '94 Investment	Fixed Charge Rate	Annual Fixed Charge	Demand Related O & M Expenses	Total	1994 Accredited Capacity(MW)	Annual Fixed Charge per MW	Monthly Fixed Charge per MW
Neal 1	\$ 31,151,958	16.12%	\$ 5,021,696	\$ 325,828	\$ 5,347,524	135	\$ 39,611	\$ 3,301
Neal 2	\$ 74,505,967	15.70%	\$ 11,697,437	\$ 1,535,154	\$ 13,232,591	300	\$ 44,109	\$ 3,676
Neal 3	\$ 110,493,175	15.55%	\$ 17,181,689	\$ 2,961,509	\$ 20,143,198	371	\$ 54,294	\$ 4,525
Neal 4	\$ 155,993,550	15.55%	\$ 24,256,997	\$ 1,584,324	\$ 25,841,321	253	\$ 102,140	\$ 8,512
Ottumwa	\$ 201,074,008	15.30%	\$ 30,764,323	\$ 2,164,483	\$ 32,928,806	368	\$ 89,480	\$ 7,457
Louisa	\$ 526,104,516	15.30%	\$ 80,493,991	\$ 3,799,529	\$ 84,293,520	573	\$ 147,109	\$ 12,259
Council Bluffs 1	\$ 16,592,651	16.12%	\$ 2,674,735	\$ 715,958	\$ 3,390,693	46	\$ 73,711	\$ 6,143
Council Bluffs 2	\$ 32,731,943	16.12%	\$ 5,276,389	\$ 1,356,946	\$ 6,633,335	88	\$ 75,379	\$ 6,282
Council Bluffs 3	\$ 282,909,273	15.70%	\$ 44,416,756	\$ 3,611,870	\$ 48,028,626	534	\$ 89,941	\$ 7,495
Riverside	\$ 48,694,914	16.07%	\$ 7,825,273	\$ 3,157,676	\$ 10,982,949	135	\$ 81,355	\$ 6,780
E'farm & Parr	\$ 27,081,756	15.55%	\$ 4,211,213	\$ 210,904	\$ 4,422,117	213	\$ 20,761	\$ 1,730
River Hills	\$ 12,462,664	16.12%	\$ 2,008,981	\$ 166,985	\$ 2,175,966	127	\$ 17,134	\$ 1,428
Sycamore	\$ 14,536,381	15.70%	\$ 2,282,212	\$ 285,222	\$ 2,567,434	148	\$ 17,348	\$ 1,446
Pleasant Hill	\$ 54,894,076	15.29%	\$ 8,393,304	\$ 72,637	\$ 8,465,941	148	\$ 57,202	\$ 4,767
Moline	\$ 7,138,981	17.14%	\$ 1,223,621	\$ 67,209	\$ 1,290,830	64	\$ 20,169	\$ 1,681
Coralville	\$ 6,227,737	17.14%	\$ 1,067,434	\$ 52,034	\$ 1,119,468	64	\$ 17,492	\$ 1,458
Quad Cities 1 & 2	\$ 193,452,430	14.77%	\$ 28,572,924	\$ 48,167,477	\$ 76,740,401	385	\$ 199,326	\$ 16,610
Cooper	\$ 167,894,241	14.77%	\$ 24,797,979	\$ 66,098,650	\$ 90,896,629	389	\$ 233,667	\$ 19,472
<b>Total</b>	<b>\$ 1,963,940,221</b>		<b>\$ 302,166,955</b>	<b>\$ 136,334,395</b>	<b>\$ 438,501,350</b>	<b>4,341</b>	<b>\$ 101,014</b>	<b>\$ 8,418</b>

#### **4 Regulatory Filings**

Nothing contained in the Tariff shall be construed as affecting in any way the right of the Transmission Owner to unilaterally make application to the Commission for a change in the rates, terms and conditions set forth in this Services Tariff under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

Nothing contained in the Tariff or any Service Agreement shall be construed as affecting in any way the ability of any Eligible Customer receiving service under the Tariff to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

## **SCHEDULE 2**

### **Reactive Supply and Voltage Control from Generation or Other Sources Service**

In order to maintain transmission voltages on the Transmission Provider's transmission facilities within acceptable limits, generation facilities and non-generation resources capable of providing this service that are under the control of the control area operator are operated to produce (or absorb) reactive power. Thus, Reactive Supply and Voltage Control from Generation or Other Sources Service must be provided for each transaction on the Transmission Provider's transmission facilities. The amount of Reactive Supply and Voltage Control from Generation or Other Sources Service that must be supplied with respect to the Transmission Customer's transaction will be determined based on the reactive power support necessary to maintain transmission voltages within limits that are generally accepted in the region and consistently adhered to by the Transmission Provider.

Reactive Supply and Voltage Control from Generation or Other Sources Service is to be provided directly by the Transmission Provider (if the Transmission Provider is the control area operator) or indirectly by the Transmission Provider making arrangements with the control area operator that performs this service for the Transmission Provider's transmission system. The Transmission Customer must purchase this service from the Transmission Provider or the control area operator. The charges for such service will be based on the rates set forth below. To the extent the control area operator performs this service for the Transmission Provider,

charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Transmission Provider by the control area operator.

The charge for this service shall be ~~\$0.14/MWh~~ \$0.135/MWh.