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December 17, 2020

Via Electronic E-Tariff Filing

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

Re: Docket No. ER21-281
MidAmerican Energy Company Services Tariff
Schedule 2: Reactive Supply and Voltage Control from Generation or Other
Sources Service

Dear Secretary Bose:

On October 30, 2020, MidAmerican Energy Company (“MidAmerican”) submitted in Docket ER21-281 the proposed revisions to Schedule 2 of its Services Tariff to reduce its rate for Reactive Supply and Voltage Control from Generation or Other Sources. Following informal discussions with Federal Energy Regulatory Commission (“Commission”) staff, MidAmerican submits this letter to provide notice that it intends to supplement its October 30, 2020 filing in this docket.

MidAmerican respectfully asks the Commission to grant the same effective date as requested in MidAmerican’s initial filing (January 1, 2021). MidAmerican will continue to charge the rates currently in effect. MidAmerican will also coordinate with the Midcontinent Independent System Operator, Inc. to ensure that any appropriate refunds are provided to customers, back to January 1, 2021, pursuant to rates ultimately established in this docket.

If you have any questions concerning this letter or any aspect of the filing submitted in this docket, please do not hesitate to contact me.

Respectfully submitted,

/s/ Kady J. Billam

Kady J. Billam

Attachment

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

MIDAMERICAN ENERGY COMPANY
SERVICES TARIFF

Communications concerning this tariff may be sent to:
Steve Rowley
Transmission Development Director
MidAmerican Energy Company
3500 NW 104th Street
Urbandale, Iowa 50322
515-252-6754 (voice)
Steve.Rowley@MidAmerican.com

Proposed Effective Date: 12-31-9998

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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:

~~Steve Rowley~~
~~Dehn Stevens~~
~~Transmission Development~~ Director-
~~System Planning and Services~~
MidAmerican Energy Company
~~3500 NW 104th Street~~~~106 East Second~~
~~Street~~
~~P.O. Box 4350~~
~~Urbandale, Iowa 50322~~~~Davenport, Iowa~~
~~52808~~
~~515-252-6754~~~~563-333-8138~~ (voice)
~~Steve.Rowley@MidAmerican.com~~
~~dastevens@midamerican.com~~

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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.

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
Total	347,604,720	-28,604,143	319,000,577	1.00000	0.14000	0.13518

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
Total	\$ 1,963,940,221		\$ 302,166,955	\$ 136,334,395	\$ 438,501,350	4,341	\$ 101,014	\$ 8,418