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Via Electronic Filing

September 30, 2019

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

Re: MidAmerican Energy Company's 2018 Annual Report, 2018 Reconciliation for the Energy Efficiency Cost Recovery Factor Docket No. GE19-002

Dear Ms. Van Gerpen:

On May 28, 2019, in Docket No. GE19-002, MidAmerican Energy Company (MidAmerican) was ordered to file a supplemental filing outlining the expected Total Resource Cost (TRC) cost-effectiveness test results of its gas and electric energy efficiency programs utilizing the new Iowa Technical Reference Manual (TRM). The attached document provides those TRC results and details additional impacts to the gas and electric programs.

As detailed in the attached report, the gas Residential Equipment program and the residential furnace measure failed to pass the TRC test in 2018 under the current TRM and no changes to incremental cost are proposed for the 2020 TRM. MidAmerican cannot report this measure or the program will be cost effective on a TRM basis in 2019 or beyond. MidAmerican agrees with South Dakota Public Utilities Commission staff that the residential gas furnace measure and the residential equipment program should be eliminated as of December 31, 2019. MidAmerican will accept gas equipment applications through January 31, 2020, assuming program funding is available, and all applications will be processed by February 29, 2020. MidAmerican will file revised Energy Efficiency Cost Recovery tariff sheets and a Reconciliation report no later than March 31, 2020.

As a result of the elimination of the residential gas furnace measure and program, the unavoidable administrative costs will be assigned solely to the electric residential equipment program. As a result, the electric residential program will no longer be cost-effective in 2020 and beyond. Additionally, the nonresidential furnace measure and program are currently no longer cost effective as of August 30, 2019.

The South Dakota Public Utilities Commission Staff Memorandum directed MidAmerican to eliminate the residential gas furnace program at the end of 2019, but did not address additional programs that are no longer cost-effective. MidAmerican requests clarification if other programs that are unable to obtain a TRC greater than one should be eliminated as of December 31, 2019.

MidAmerican respectfully requests the South Dakota Public Utilities Commission provide MidAmerican direction as to the continuation of the electric residential equipment program and nonresidential furnace measure and program.

MidAmerican respectfully requests the South Dakota Public Utilities Commission accept MidAmerican's compliance filing and provide further direction as detailed above.

Please contact Tina Yoder at (563) 333-8045 or tmyoder@midamerican.com if you have any questions.

Sincerely,

/s/ Tina Yoder

Tina Yoder
Director, Energy Efficiency

/s/ Katelyn Lynch-Butcher

Katelyn Lynch-Butcher
Attorney

Attachment