



MidAmerican Energy Company
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Renee White
Rates Analyst

December 9, 2021

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

Re: Cold Weather Event 2021 Impact on Purchased Gas Cost Adjustment Plan Modification Docket No. GE21-001

Dear Ms. Van Gerpen:

During the third week of February 2021, the region experienced an extensive cold weather event that resulted in significant impacts to the cost of natural gas. To reduce the bill impact to customers, MidAmerican Energy Company (MidAmerican) proposed to spread February actual costs throughout the months of March 2021 through December 2021. The proposed plan was approved by the Commission at the Ad Hoc Commission meeting and subsequent Order Granting Temporary Waiver of Tariff Provisions on less than 30 days' Notice to Mitigate Rate Impacts for MidAmerican Customers in Docket No. GE21-001. Recoveries of these actual costs have been less than expected, and thus MidAmerican is proposing to extend the recovery period through April 2022.

When putting together the recovery plan of February costs, MidAmerican used forecast volumes and future NYMEX rates to determine the timeframe of the recovery. It was determined that recovering the costs through December was feasible without customers experiencing extreme natural gas bills. However, MidAmerican was not able to collect expected costs due to the increasing market price of natural gas coupled with less volumes due to warmer weather. In order to recover the outstanding amount by the end of December 2021, natural gas bills would have to increase to levels that would cause an undue burden to MidAmerican's customers.

MidAmerican reviewed the impacts to customers on fulfilling this plan and proposes a modification to the approved plan to mitigate a large gas supply charge in the final month of the original plan. MidAmerican proposes to take the remaining unrecovered costs and spread them out during the months of December 2021 through April 2022. To provide the best chance of recovery, MidAmerican will front-load the costs into the earlier months in this time period. MidAmerican will continuously monitor recoveries over this period and set monthly factors to balance customer bill impacts with cost recovery. Any remaining balance after that time will be rolled into the next reconciliation.

If you have any questions, please contact me at (563) 333-8047 or
Renee.White@midamerican.com.

Sincerely,

/s/ Renee White

Renee White
Rates Analyst, Regulated Pricing

/s/Katelyn Lynch-Butcher

Katelyn Lynch-Butcher
Attorney