



MidAmerican Energy
One RiverCenter Place
106 East Second Street
P.O. Box 4350
Davenport, Iowa 52808

RECEIVED

JUN 06 2005

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

June 3, 2005

Gas Advice Letter

Ms. Pamela Bonrud
Executive Director
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501

Contact: Melanie A. Acord
Telephone: 563-333-8047

Dear Ms. Bonrud:

MidAmerican Energy Company (MidAmerican) submits for filing the following gas tariff sheets.

South Dakota Gas Transportation Tariff
SD P.U.C. Section No. I

8th Revised Sheet No. 1

Cancels 7th Revised Sheet No. 1

South Dakota Gas Transportation Tariff
SD P.U.C. Section No. III-A

5th Revised Sheet No. 4
Original Sheet Nos. 48 - 54

Cancels 4th Revised Sheet No. 4

In response to a request, MidAmerican proposes to offer an Interruptible Monthly Metered Transportation Gas Pilot similar to its previously approved Monthly Metered Transportation Gas Pilot. The key features of this service offering are:

- MidAmerican will continue to provide firm transportation service on its distribution system.
- Pool operators will be allowed to offer interruptible supply to schools and governmental entities that have the capability to discontinue gas use, either through curtailment or alternate fuel use.
- MidAmerican will continue to forecast daily gas supply requirements for the customers, and pool operators will be responsible for delivery of the forecasted volumes.

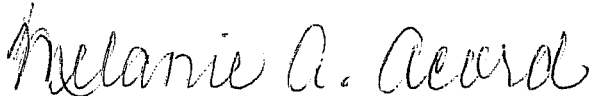


Ms. Pamela Bonrud, Executive Director
South Dakota Public Utilities Commission
June 3, 2005
Page 2

- The pool operator will have the authority to call for a supply interruption for customers in the interruptible pool and will be responsible for notifying customers of the interruption.
- Delivery of the forecasted daily requirement on days of supply interruption will not be required.
- Interruptions will be for the entire gas day and daily metering will be required to be provided by the customer to assure compliance with the supply interruption.
- The pool operator will be billed for any unauthorized use by customers on days of supply interruption.
- Administrative costs will be tracked separately from the Monthly Metered Transportation Gas Pilot.

An original and ten copies of this Gas Advice Letter and accompanying tariff sheet are submitted herewith. Please file stamp one copy and return in the enclosed self-addressed envelope.

Sincerely,



Melanie A. Acord
Sr. Transitional Pricing Analyst

MAA/
Encl.



MIDAMERICAN ENERGY COMPANY
P.O. Box 778
Sioux City, Iowa 51102

SOUTH DAKOTA GAS TARIFF
SD P.U.C. Section No. I
8th Revised Sheet No. 1
Cancels 7th Revised Sheet No. 1

TABLE OF CONTENTS

<u>Section Number</u>	<u>Description</u>	<u>Sheet Numbers</u>
	Title Page	
I	Table of Contents	1
II	Preliminary Statement	
	• Territory Served.....	1
	• Types and Classes of Service.....	1
	• General Conditions of Service.....	1
	• Gas Towns Service Map.....	2
	• Symbols Used Throughout the Tariff.....	3
	• Tariff Reference.....	4 - 6
III	Gas Sales Rate Schedules	
	• Index.....	1
	• Adjustment Clauses.....	3-7
	• Firm Service.....	11-13
	• Interruptible Service.....	14-16
	• Other Services.....	21-29
III-A	Gas Transportation Rate Schedules	
	• Title Page.....	1
	• Introductory Statement.....	2
	• Index.....	3 - 4
	• Transportation Services.....	5 - 19
	• Customer Balancing Services.....	20 - 24
	• Standby Service Options.....	26
	• General Terms and Conditions.....	31 - 37
	• Riders.....	42 - 44
	• Glossary of Terms.....	45 - 46
	• Optional Intra-day Hourly Metering Service.....	47
	• Interruptible Monthly Metered Transportation Gas Pilot Project.....	48 - 54
	• Service Request Form	
	Gas Transportation Tariff - Purchase Nomination Order	
	Supplier Service Agreement	
	Transportation Service Designation	
	Request for Telemetry Service	
IV	Summary List of Contracts with Deviations	1
V	Rules and Regulations for Natural Gas Service	
	• Index.....	1
	• Paragraphs 1.00 thru 15.00.....	2 - 30
VI	Sample Forms	
	• Index.....	1
	• Miscellaneous Forms.....	2 - 8

N



MIDAMERICAN ENERGY COMPANY
 P.O. Box 778
 Sioux City, Iowa 51102

SOUTH DAKOTA GAS TARIFF
 SD P.U.C. Section No. 1
 8th Seventh Revised Sheet No. 1
 Cancels 7th Sixth Revised Sheet No. 1

TABLE OF CONTENTS

<u>Section Number</u>	<u>Description</u>	<u>Sheet Numbers</u>
	Title Page	
I	Table of Contents	1
II	Preliminary Statement	
	• Territory Served	1
	• Types and Classes of Service	1
	• General Conditions of Service	1
	• Gas Towns Service Map.....	2
	• Symbols Used Throughout the Tariff.....	3
	• Tariff Reference.....	4 - 6
III	Gas Sales Rate Schedules	
	• Index.....	1
	• Adjustment Clauses.....	3-7
	• Firm Service.....	11-13
	• Interruptible Service.....	14-16
	• Other Services.....	21-29
III-A	Gas Transportation Rate Schedules	
	• Title Page.....	1
	• Introductory Statement	2
	• Index.....	3 - 4
	• Transportation Services.....	5 - 19
	• Customer Balancing Services.....	20 - 24
	• Standby Service Options	26
	• General Terms and Conditions.....	31 - 37
	• Riders	42 - 44
	• Glossary of Terms	45 - 46
	• Optional Intra-day Hourly Metering Service.....	47
	• <i>Interruptible Monthly Metered Transportation Gas Pilot Project</i>	48 - 54
	• Service Request Form Gas Transportation Tariff - Purchase Nomination Order Supplier Service Agreement Transportation Service Designation Request for Telemetry Service	
IV	Summary List of Contracts with Deviations	1
V	Rules and Regulations for Natural Gas Service	
	• Index.....	1
	• Paragraphs 1.00 thru 15.00	2 - 30
VI	Sample Forms	
	• Index.....	1
	• Miscellaneous Forms.....	2 - 8



MIDAMERICAN ENERGY COMPANY
P.O. Box 778
Sioux City, Iowa 51102

SOUTH DAKOTA GAS TRANSPORTATION TARIFF
SD P.U.C. Section No. III-A
~~5th Fourth~~ Revised Sheet No. 4
Cancels ~~4th Third~~ Revised Sheet No. 4

SECTION III-A INDEX (CON'T)

<u>Description</u>	<u>Sheet Numbers</u>
General Terms and Conditions	
1. Contract.....	31
2. Minimum Term.....	31
3. Filing.....	31
4. Gas Quality.....	31
5. Thermal Balancing.....	31
6. Liability.....	31
(a) General	
(b) Insurance	
7. Retention.....	32
8. Metering.....	32
9. Order of Deliveries for Billing Purposes.....	32
10. Capacity Curtailment or Interruption.....	33
11. Request for Service.....	33
12. Nominations.....	34 - 35
(a) Nomination Time Line	
(b) Confirmation	
(c) Nomination Process	
(d) Daily	
(e) Critical Day	
(f) Firm Supply Standby Service	
(g) Late Nominations	
(h) MidAmerican ONLINE Transportation (MOT) Bulletin Board	
(i) Operational Flow Order (OFO)	
13. Provisions Applicable to Third Party Suppliers.....	36
14. Failure to Comply.....	36
15. Successors and Assigns.....	36
16. Laws, Regulations, and Orders.....	37
17. Return to Sales Service.....	37
18. Reference to Sales Tariff.....	37
Reserved for Future Use.....	38 - 41
Riders	
Pipeline Demand, Rider No. 2 (PDR).....	42
Reserved for Future Use.....	43
Pipeline Transition, Rider No. 4 (PTR).....	44
Glossary of Terms	45 - 46
Optional Intra-day Hourly Metering Service.....	47
<i>Interruptible Monthly Metered Transportation Gas Pilot Project</i>	48 - 54
Service Request Form	
Gas Transportation Tariff - Purchase Nomination Order	
Supplier Service Agreement	
Transportation Service Designation	
Request for Telemetry Service	



MIDAMERICAN ENERGY COMPANY
P.O. Box 778
Sioux City, Iowa 51102

SOUTH DAKOTA GAS TRANSPORTATION TARIFF
SD P.U.C. Section No. III-A
5th Revised Sheet No. 4
Cancels 4th Revised Sheet No. 4

SECTION III-A INDEX (CON'T)

<u>Description</u>	<u>Sheet Numbers</u>
General Terms and Conditions	
1. Contract.....	31
2. Minimum Term.....	31
3. Filing.....	31
4. Gas Quality.....	31
5. Thermal Balancing.....	31
6. Liability.....	31
(a) General	
(b) Insurance	
7. Retention.....	32
8. Metering.....	32
9. Order of Deliveries for Billing Purposes.....	32
10. Capacity Curtailment or Interruption.....	33
11. Request for Service.....	33
12. Nominations.....	34 - 35
(a) Nomination Time Line	
(b) Confirmation	
(c) Nomination Process	
(d) Daily	
(e) Critical Day	
(f) Firm Supply Standby Service	
(g) Late Nominations	
(h) MidAmerican ONLINE Transportation (MOT) Bulletin Board	
(i) Operational Flow Order (OFO)	
13. Provisions Applicable to Third Party Suppliers.....	36
14. Failure to Comply.....	36
15. Successors and Assigns.....	36
16. Laws, Regulations, and Orders.....	37
17. Return to Sales Service.....	37
18. Reference to Sales Tariff.....	37
Reserved for Future Use.....	38 - 41
Riders	
Pipeline Demand, Rider No. 2 (PDR).....	42
Reserved for Future Use.....	43
Pipeline Transition, Rider No. 4 (PTR).....	44
Glossary of Terms	45 - 46
Optional Intra-day Hourly Metering Service.....	47
Interruptible Monthly Metered Transportation Gas Pilot Project.....	48 - 54
Service Request Form	
Gas Transportation Tariff - Purchase Nomination Order	
Supplier Service Agreement	
Transportation Service Designation	
Request for Telemetry Service	

N



MIDAMERICAN ENERGY COMPANY
P.O. Box 778
Sioux City, Iowa 51102

SOUTH DAKOTA GAS TRANSPORTATION TARIFF
SD P.U.C. Section No. III-A
Original Issue Sheet No. 48

RATE DESIGNATION: Interruptible Monthly Metered Transportation Gas Pilot Project
CLASS OF SERVICE: Gas Transportation Tariffs

I. Description of Service:

This service is available in MidAmerican's South Dakota gas service area for Schools and Governmental Entities, defined herein. The purpose of this service is to provide an interruptible supply option to eligible customers that have the ability to discontinue natural gas use, either due to alternate fuel capability or curtailment.

The key features of this service are:

- There will be a separate Pool for each Pool Operator's Participants that are interruptible.
- Daily metering is required for all Participants in the Interruptible Pool, to ensure compliance on days of Supply Interruption.
- Company will forecast the daily gas supply requirements for the Pool and the Pool Operator will be responsible for delivery of the forecasted volumes on the interstate pipeline(s). Delivery of the Forecasted Daily Requirement on days of Supply Interruption will not be required.
- In its sole discretion, the Pool Operator may call for a Supply Interruption by notifying the Company via e-mail link on the MidAmerican Electronic Bulletin Board before the start of the Gas Day.
- All Pool Participants will be interrupted for the entire Gas Day, and any usage by the Pool participants will be considered Unauthorized Use.
- Customers may have one Pool Operator per Pilot Program year.
- Customers are permitted a one-time switch between Pool Operator's firm and interruptible pool per pilot year.

II. Definitions:

Except as added or amended below, the definitions of all terms used in this document shall be the same as used in MidAmerican's tariffs on file at the Public Utilities Commission.

"Administrative Charges" shall mean the fee assessed to recover the incremental cost to implement and operate the Interruptible Monthly Metered Transportation Gas Pilot Project.

"Agent" shall mean one authorized by a party to act in that party's behalf (also known as Pool Operator).

"Balancing Charges" shall mean the fees assessed to the Pool Operator for any volume variance on non-interruptible days, between the Forecasted Daily Gas Supply Requirement and the pipeline's confirmed delivery volume to the Company's distribution system, as measured at each specified interstate pipeline delivery point.

"Cash-out" shall mean the process of reconciling and pricing the volume variance between Participant's actual monthly consumption at each Meter and physical deliveries to the Company's distribution system by the Pool Operator (by Receipt Point).



MIDAMERICAN ENERGY COMPANY
P.O. Box 778
Sioux City, Iowa 51102

RATE DESIGNATION: Interruptible Monthly Metered Transportation Gas Pilot Project
CLASS OF SERVICE: Gas Transportation Tariffs

"CNGP" shall mean Competitive Natural Gas Provider.

"Commission" shall mean the South Dakota Public Utilities Commission.

"Electronic Bulletin Board" shall mean the MidAmerican internet site which is an electronic bulletin board which shall be used by the Company and the Pool Operator for communication of nominations, Supply Interruptions, and other miscellaneous notifications.

"Eligible Volume" shall mean the annual volume of Participants associated with non-transport, Accounts. The Participant's annual volume must be heat sensitive with predictable load, as determined by MidAmerican, subject to Participant or Pool Operator appeal to the Commission.

"Forecasted Daily Gas Supply Requirement" shall mean the volume in Dekatherms (Dth), determined necessary by MidAmerican for the Pool Operator to deliver on a daily basis at specific interstate pipeline delivery points to meet the natural gas requirements for all Participants, inclusive of retention volumes associated with distribution system losses.

"Gas Day" shall mean the 24-hour period from 9:00 AM to 9:00 AM Central Clock Time (CCT).

"Government Entities" shall mean state, county or city government accounts that have heat sensitive natural gas accounts with predictable load.

"Meter" or **"Account"** shall mean each delivery point where MidAmerican meters and delivers natural gas to a Participant.

"MidAmerican" or **"Company"** shall mean MidAmerican Energy Company.

"Nomination" shall mean the quantity of gas the Company is requested to transport daily from the receipt point to the Participant's Meters inclusive of retention volumes associated with distribution system losses.

"Participant(s)" shall mean those Schools and Government Entities who have elected to participate in the pilot for the purpose of purchasing their natural gas requirements. The Pilot will be limited to South Dakota schools and Government Entities in MidAmerican's South Dakota service territory with heat sensitive predictable load.

"Pilot" or **"Test"** shall mean the program or test set forth in this document.

"Pool" or **"Interruptible Pool"** shall mean the collective Participants for which the Pool Operator provides services under this Pilot.

"Pool Operator" shall mean the entity responsible on the Participant's behalf, to contract for, and cause delivery of, adequate natural gas supplies and associated interstate pipeline transportation, necessary to meet the Participant's Forecasted Daily Gas Supply Requirements.



MIDAMERICAN ENERGY COMPANY
P.O. Box 778
Sioux City, Iowa 51102

SOUTH DAKOTA GAS TRANSPORTATION TARIFF
SD P.U.C. Section No. III-A
Original Issue Sheet No. 50

RATE DESIGNATION: Interruptible Monthly Metered Transportation Gas Pilot Project
CLASS OF SERVICE: Gas Transportation Tariffs

"School" shall mean any South Dakota private K-12 school, public school district, area education agency, community college, regents institution or private two- or four-year college.

"Stranded Costs" shall mean the reservation related costs associated with interstate pipeline capacity currently under contract by MidAmerican intended to serve participant peak day needs less any revenue realized through the release of said capacity to the secondary market.

"Supplier" shall mean the entity under contract by the Participant, or the Participant's Agent, to delivery natural gas to the Company on behalf of the Participant.

"Supply Interruption" shall mean any Gas Day the Pool Operator notifies MidAmerican of an interruption for the Pool.

"Swing Service" shall mean the service provided by MidAmerican which manages the daily volume variations resulting from model inaccuracies and actual versus forecasted weather deviations.

"Unauthorized Use" shall mean all gas quantities metered during the Gas Day of a Supply Interruption by Participants, and will be billed to the Pool Operator.

"Zero Nomination" shall mean the volumes nominated for the Pool as a result of the Pool Operator's decision to call a Supply Interruption.

III. Participant Eligibility:

- Participant eligibility for this Pilot will be Eligible Volumes of Schools and Governmental Entities as defined herein.

IV. Pool Operator Eligibility:

- Pool Operators must be authorized by the Company and must comply with any applicable laws and regulations relating to CNGPs.
- Customers can only have one Pool Operator per Pilot Program year.
- Customers are permitted a one-time switch between Pool Operator's firm and Interruptible Pools
 - at the end of the Participant's billing cycle, and
 - with Company approval.
- Eligible Pool Operators will be posted on the Company's Electronic Bulletin Board.

V. Pool Operator Responsibilities:

- Pool Operator must establish its Interruptible Pool with Participants that are eligible to discontinue gas consumption when the Pool Operator calls a Supply Interruption.
- Pool Operator must notify all Participants of the Supply Interruption.
- Pool Operation must notify Company of an intended interruption before the start of the Gas Day via e-mail link on the MidAmerican Electronic Bulletin Board at which time delivery of the Company's Forecasted Daily Requirement will no longer be required.
- Pool Operator may not change the Participants between Pools without permission from Company.
- Pool Operator will be responsible for any Unauthorized Use by Participants in its Interruptible Pool and will be subject to all charges, penalties, and costs resulting from Unauthorized Use by Participants.



MIDAMERICAN ENERGY COMPANY
P.O. Box 778
Sioux City, Iowa 51102

SOUTH DAKOTA GAS TRANSPORTATION TARIFF
SD P.U.C. Section No. III-A
Original Issue Sheet No. 51

RATE DESIGNATION: Interruptible Monthly Metered Transportation Gas Pilot Project
CLASS OF SERVICE: Gas Transportation Tariffs

VI. Schedules:

New members wanting to participate in the Pilot Program will notify MidAmerican up to 60 days prior to Participant start date, based on the execution date of their transportation agreement. Customers will transition into the Pilot on the meter read date of their regular monthly billing cycle.

Participants will be responsible for selecting a single Pool Operator. Participants may switch Pool Operators once per year, effective in September of each year. Participants will be allowed a one-time switch between a Pool Operator's firm and Interruptible Pool, with Company approval at the end of the Participant's billing cycle. Participants may switch back to MidAmerican's Sales Service Tariff at any time, at the end of their monthly billing cycle. For the purposes of this Pilot, MidAmerican will waive its reconnection fees associated with a customer terminating transportation service and returning to MidAmerican's Sales Service tariff.

The term of the Pilot will begin July 15, 2005, and run through August 31, 2007, unless Participants become eligible for another Commission approved Small Volume/Monthly-Metered Gas Transportation tariff. If Participants are eligible to receive service under such a tariff, MidAmerican will discontinue offering service under this Pilot tariff and give Participants a choice to transition to the Small Volume/Monthly-Metered Gas Transportation tariff or return to Gas Sales Service tariffs. The Participants' Meters will be transitioned out of the Pilot on the meter read date of their regular monthly billing cycle. MidAmerican has the right to terminate this Pilot Program within one year of the effective date of this tariff and on each anniversary thereafter. If the Pilot is terminated on any anniversary date, any existing customers will be entitled to continue to participate for the remainder of the term of the tariff.

VII. Contracts:

MidAmerican shall prepare a single contract for execution by each Participant, or their authorized Agent, for distribution service to all Meters that are a part of this Pilot.

MidAmerican will prepare a contract for execution by the Participant's Pool Operator addressing their obligations in respect to Nominations, Balancing Charges, Unauthorized Use, and Cash-out associated with the Pilot Project.

VIII. Forecasted Daily Gas Supply Requirement:

MidAmerican will model the Participant's daily gas consumption at each meter to establish a Forecasted Daily Gas Supply Requirement. The Forecasted Daily Gas Supply Requirement will include a gross up for retention volumes associated with distribution system losses, in accordance with MidAmerican's current gas transportation tariffs. The Forecasted Daily Gas Supply Requirement will be based on forecasted weather. It will be segmented by delivery zone and will be normally provided 23 hours before the gas day begins using MidAmerican's Electronic Bulletin Board.



MIDAMERICAN ENERGY COMPANY
 P.O. Box 778
 Sioux City, Iowa 51102

RATE DESIGNATION: Interruptible Monthly Metered Transportation Gas Pilot Project
 CLASS OF SERVICE: Gas Transportation Tariffs

IX. Metering:

In order to utilize the services provided under the Interruptible Monthly Metered Transportation Gas Pilot Project, Company-authorized automatic metering equipment is required. All costs related to telemetering and any other facilities constructed or installed to provided Interruptible Service will be charged to the Participant but will remain the property of the Company.

The Participant will be required to provide:

- telephone or other interfaces agreed to by the Company,
- electronic connections to the meter, and
- access to the Company for maintaining and operating such equipment.

X. Nominations and Balancing Charges:

The Forecasted Daily Gas Supply Requirement shall be used for nominating and balancing purposes. MidAmerican and Participant's Pool Operator agree to consider the Forecasted Daily Gas Supply Requirement equivalent to the actual gas consumed on any given day adjusted for retention volumes associated with distribution system losses, in accordance with MidAmerican's current gas transportation tariffs.

The Participant's Pool Operator will be responsible for nominating the Forecasted Daily Gas Supply Requirement to the interstate pipeline, Supplier and MidAmerican. The Nomination to MidAmerican will be done using MidAmerican's Electronic Bulletin Board. If the Pool Operator has called for a Supply Interruption, the Pool Operator will not be required to deliver the Forecasted Daily Gas Supply Requirement. If the Participant's Pool Operator does not delivery the Forecasted Daily Gas Supply Requirement, as calculated by MidAmerican, on any particular day other than days of Supply Interruption, then the greater of any applicable pro-rata share of pipeline penalties or the Balancing Charges listed below will be billed to the Participant's Pool Operator:

	<u>Non-Critical</u>	<u>Critical Period or OFO Period</u>
Over Deliveries	\$5.00 per Dth	\$10.00 per Dth
Under Deliveries	\$5.00 per Dth	*

* The greater of \$30.00 per Dth or three (3) times the Chicago-LDCs, large end-users "Midpoint" Index price as reported in Gas Daily publication.

The charges for these services will be collected and the revenues will be credited to the monthly Cost of Purchased Gas Adjustment Clause.

XI. Swing Service Charge:

MidAmerican will be responsible for any imbalances between the Forecasted Daily Gas Supply Requirement and the Participant's actual consumption, caused by differences between actual weather and forecasted weather. A Swing Service Charge of \$0.111 per Dth on all volumes will be billed to the Participant to offset the costs incurred by MidAmerican to provide this service.



MIDAMERICAN ENERGY COMPANY
P.O. Box 778
Sioux City, Iowa 51102

SOUTH DAKOTA GAS TRANSPORTATION TARIFF
SD P.U.C. Section No. III-A
Original Issue Sheet No. 53

RATE DESIGNATION: Interruptible Monthly Metered Transportation Gas Pilot Project
CLASS OF SERVICE: Gas Transportation Tariffs

XII. Supply Interruptions—Nominations, Balancing, and Unauthorized Use Charges:

For the Gas Day the Pool Operator has called for a Supply Interruption, Forecasted Daily Gas Supply Requirement will be zero (0) for each of the Participants meters, resulting in a Zero Nomination for the entire Pool. The Participant's Pool Operator will be responsible for providing a Zero Nomination to the interstate pipeline, Supplier, and MidAmerican. The Zero Nomination to MidAmerican will be done using MidAmerican's Electronic Bulletin Board. If the Participant's Pool Operator delivers other than the Zero Nomination, then the greater of any applicable pro-rata share of pipeline penalties or the Balancing Charges listed below will be billed to the Participant's Pool Operator:

	<u>Non-Critical</u>	<u>Critical Period or OFO Period</u>
Over Deliveries	\$5.00 per Dth	\$10.00 per Dth

On any day the Participant(s) takes (uses) natural gas when the Participant's Pool Operator has provided a Zero Nomination to MidAmerican, the Participant's Pool Operator shall pay the gas cost based on the Gas Daily applicable interstate pipeline index for the billing period plus applicable interstate pipeline transportation charges. The Participant's Pool Operator will be subject to the index pricing point on the pipeline by which they are served. MidAmerican will establish the pricing index point and transportation used for each pipeline at the start of the gas month. In addition, the Participant's Pool Operator shall pay a penalty of \$10.00 per Dekatherm for each therm of gas used above the Zero Nomination. Failure by the Participant's Pool Operator to provide notice to the Participant(s) will not avoid these charges.

The charges for these services will be collected and the revenues will be credited to the monthly Cost of Purchased Gas Adjustment Clause.

XIII. Stranded Cost Charge:

For new Participants previously served on a firm service tariff and who did not give MidAmerican twelve (12) months prior notice of their intent to become transporters, CNGP will take assignment, through a pre-arranged release, of the applicable portion of MidAmerican's interstate pipeline capacity attributable to those participants. This pre-arranged release will be for the period of one year, and will be priced at MidAmerican's cost and under the terms and conditions of MidAmerican's contracts. By taking assignment of MidAmerican's capacity under these terms, MidAmerican will not realize any stranded costs and therefore will not collect a Stranded Cost charge from existing participants or new participants. No release of interstate pipeline capacity will be made for Participants transferring from an interruptible service tariff.

Any identifiable additional costs associated with a Participant's return to System Supply Service will be allocated to the Participant causing such costs.

XIV. Administrative Charge:

The Administrative Charge will be set at \$0.080 per Dth for the period July 15, 2005 through August 31, 2005.

The Administrative Charge will be capped at \$0.25 per Dth, in accordance with the tariff, for the Pilot period. Annually, MidAmerican will true up the Administrative charges collected from the participants during the prior year, with the actual expenses incurred to administer the Pilot.



MIDAMERICAN ENERGY COMPANY
P.O. Box 778
Sioux City, Iowa 51102

SOUTH DAKOTA GAS TRANSPORTATION TARIFF
SD P.U.C. Section No. III-A
Original Issue Sheet No. 54

RATE DESIGNATION: Interruptible Monthly Metered Transportation Gas Pilot Project
CLASS OF SERVICE: Gas Transportation Tariffs

XV. Cash-out:

Cash-out of the net monthly imbalances resulting from the differences between physical volumes delivered to MidAmerican's distribution system and actual consumption for all of the Participant's Meters will be done monthly between MidAmerican and the Participant's Pool Operator.

MidAmerican will have a separate Cash-out price for each cycle separate billing period, by delivery zone. The cash-out price will be comparable to market prices. MEC will net the Cash-out amounts for each cycle billing period and either bill or credit the Participant's Pool Operator once a month.

XVI. Billing:

Each Participant will pay MidAmerican distribution service charges for each Meter in accordance with applicable small transport (ST) medium transport (MT), or large transport (LT) tariff (except application fee and Administrative charge).

Distribution service charges will be billed to each Participant. Meters will continue to be read on the regular cycle billing periods.

MidAmerican offers Participants three billing options for their Distribution service charges:

- 1) With a Participant's approval and the Pool Operator's request, MidAmerican will send a separate bill for each of the Participant's Meters to the Pool Operator within a few days of the Meter being read,
- 2) or MidAmerican will hold the separate bills as the Meters are being read and will send a single invoice to the Pool Operator monthly that summarizes the charges for each of the Participant's Meters. If the Pool Operator elects the summary bill, MidAmerican and Pool Operator will select a mutually acceptable billing cycle for MidAmerican to generate the summary bill,
- 3) or MidAmerican will send the monthly bill directly to the Participant within a few days of their meter being read.

Each Participant will continue to be billed the pipeline transition cost recover factor until it naturally expires.

Each Participant will pay the Swing Service charges and Administrative Charges described herein.

The Participant's Pool Operator will pay the Balancing Charges, Unauthorized Use, and Cash-out described herein.