

MidAmerican Energy Company
Docket No. NG-14-XXX
South Dakota Gas Operating Income Statement
Pro-Forma Adjustment - Payroll Adjustment
Test Year Ending December 31, 2013

Line	Description	Amount	Reference
	(a)	(b)	(c)
1.	Total Union Payroll increase	\$ 5,324,348	WP RRT 5, Page 2
2.	FICA, FUTA, SUTA %	9.29%	WP RRT 5, Page 3
3.	Total Payroll Taxes increase	\$ 494,632	Line 1 * Line 2
4.	401(k) %	8.45%	WP RRT 5 Page 3
5.	Total 401(k) benefit increase	\$ 449,907	Line 1 * Line 4
6.	O&M vs Total Labor %	81.16%	WP RRT 5, Line 21
7.	O&M Labor increase	\$ 4,321,260	Line 1* Line 6
8.	401(k) Increase	\$ 365,146	Line 5 * Line 6
9.	Payroll Tax Increase	\$ 401,445	Line 3 * Line 6
10.	Gas Labor Amount	26.29% \$ 1,136,245	Gas Labor % (WP RRT 5 Page 5)* Line 7
11.	Gas 401(k)	26.29% \$ 96,013	Gas Labor % (WP RRT 5 Page 5) * Line 8
12.	Gas Payroll Taxes	26.29% \$ 105,557	Gas Labor % (WP RRT 5 Page 5) * Line 9
13.	Pro Forma Adjustment - Jurisdictional Distribution of Gas O&M Expense Increase		
14.	Iowa	78.23% \$ 888,889	WP RRT 5 Page 5 Line 11 * Line 10
15.	Illinois	8.66% \$ 98,417	WP RRT 5 Page 5 Line 11 * Line 10
16.	South Dakota	12.52% \$ 142,243	WP RRT 5 Page 5 Line 11 * Line 10
17.	Nebraska	0.59% \$ 6,695	WP RRT 5 Page 5 Line 11 * Line 10
18.	Pro Forma Adjustment - Jurisdictional Distribution of Gas 401(k) Increase		
19.	Iowa	78.23% \$ 75,111	WP RRT 5 Page 5 Line 11 * Line 11
20.	Illinois	8.66% \$ 8,316	WP RRT 5 Page 5 Line 11 * Line 11
21.	South Dakota	12.52% \$ 12,020	WP RRT 5 Page 5 Line 11 * Line 11
22.	Nebraska	0.59% \$ 566	WP RRT 5 Page 5 Line 11 * Line 11
23.	Pro Forma Adjustment - Jurisdictional Distribution of Gas Payroll Tax Expense Increase		
24.	Iowa	78.23% \$ 82,578	WP RRT 5 Page 5 Line 11 * Line 12
25.	Illinois	8.66% \$ 9,143	WP RRT 5 Page 5 Line 11 * Line 12
26.	South Dakota	12.52% \$ 13,214	WP RRT 5 Page 5 Line 11 * Line 12
27.	Nebraska	0.59% \$ 622	WP RRT 5 Page 5 Line 11 * Line 12
28.	Pro Forma Adjustment - SD		
29.	Increase Labor Expense	\$ 142,243	Line 16
30.	Pro Forma Adjustment - SD		
31.	Increase 401(k) Expense	\$ 12,020	Line 21
32.	Pro Forma Adjustment -SD		
33.	Increase Payroll Tax Expense - FICA	\$ 12,901	Line 26
34.	Increase Payroll Tax Expense - FUTA	\$ 100	
35.	Increase Payroll Tax Expense - SUTA	\$ 213	
36.	Total	\$ 13,214	

To Exh. RRT 1.1 Sch. 5

Annual Increases
2006 through 2014

Employee Group or Affiliation	Number of Employees	Percentage Increase to Base Wages (new hires excluded)	Percentage Increase to Base Wages (new hires included)	Effective Date of Governing Contract or Increase	Effective Period of Increase	Proration End Date	Months Increase Applied - New Year	*Base Wages Before Increase	Annualized Wage Increase	Wage Increase in Year	**Total Base Wages in Year
2013											
Consolidated Contract (109,499CL, 499EG, 499ES, 499GS, MTRD)	1489	N/A	1.50%	5/1/2013	1 Year	1/1/2014	8.00	\$94,224,644.80	① \$1,413,369.67	② \$942,246.45	\$95,166,891.25
Fort Madison Gas Techs (499)	6	N/A	2.00%	9/1/2013	1 Year	1/1/2014	4.00	\$337,708.08	① \$6,754.16	② \$2,251.39	\$339,959.47
Sioux Falls Union Contract (7738)	45	N/A	2.00%	10/1/2013	1 Year	1/1/2014	3.00	\$2,518,651.20	① \$50,373.02	② \$12,593.26	\$2,531,244.46
Non-Exempt	762	2.13%	1.63%	1/1/2013	1 Year	1/1/2014	12.00	\$32,799,046.34	\$534,624.46	\$534,624.46	\$33,333,670.80
Exempt	1197	2.27%	1.81%	1/1/2013	1 Year	1/1/2014	12.00	\$103,745,272.79	\$1,877,789.44	\$1,877,789.44	\$105,623,062.23

2014											
Consolidated Contract (109,499CL, 499EG, 499ES, 499GS, MTRD)	1453	N/A	1.75%	5/1/2014	1 Year	1/1/2015	8.00	\$92,710,758.40	\$1,622,438.27	\$1,081,625.51	\$93,792,383.91
Fort Madison Gas Techs (499)	6	N/A	2.00%	9/1/2014	1 Year	1/1/2015	4.00	\$320,340.80	\$6,406.82	\$2,135.61	\$322,476.41
Sioux Falls Union Contract (7738)	44	N/A	2.00%	10/1/2014	1 Year	1/1/2015	3.00	\$2,569,881.60	\$51,397.63	\$12,849.41	\$2,582,731.01
Non-Exempt	780	2.28%	1.83%	1/1/2014	1 Year	1/1/2015	12.00	\$33,984,674.53	\$621,919.54	\$621,919.54	\$34,606,594.07
Exempt	1269	2.55%	2.25%	1/1/2014	1 Year	1/1/2015	12.00	\$111,501,338.07	\$2,508,780.11	\$2,508,780.11	\$114,010,118.18
Total									③ \$4,810,942.37		

For 2014:

*Base wages before increase are as of 12/31/2013 for non-union, and 1/01/2014 for union (without negotiated increases applied).

**Total base pay wages in year are wages effective 1/01/2014 (as reported from Accero), with merit increases applied, and with projected (estimated) negotiated increases for Union.

Sum of ①'s = \$ 1,470,497

Sum of ②'s = 957,091

Difference 513,406

③ = 4,810,942

Total 5,324,348

2013 LABOR LOADING RATES

Loading Type	Estimated Expense			Estimated Labor			2013 Rates	
	Salaried	Union	Total	Salaried	Union	Total	Salaried	Union
Benefits	28,529,131	29,741,980	58,271,111	122,056,325	78,870,587	200,926,911	23.37%	37.71%
Vacation		7,494,436	7,494,436		78,870,587	78,870,587		9.50%
Holiday	5,025,508	3,612,401	8,637,909	122,056,325	78,870,587	200,926,911	4.12%	4.58%
Sick & Other PTO	14,976,475	6,825,000	21,801,476	122,056,325	78,870,587	200,926,911	12.27%	8.65%
I&D	34,351	3,400,762	3,435,113	122,056,325	78,870,587	200,926,911	0.03%	4.31%
FICA			21,735,197			239,597,603	9.07%	9.07%
FUTA			161,227			239,597,603	0.07%	0.07%
SUTA			353,397			239,597,603	0.15%	0.15%
PIP	19,878,919		19,878,919	122,048,901		122,048,901	16.29%	
							65.37%	74.04%

= 9.29%

<u>401(K) Loading</u>		
	<u>Salaried</u>	<u>Union</u>
401(K) expense	+10,861,568	+6,125,422
Labor	+122,056,325	+78,870,587
	<u>8.90%</u>	<u>7.77%</u>
		<u>8.45%</u>

		0.562014388	0.437985612	
			ESTIMATE	
		Salaried	Represented	Total
	Employee Count	1,953	1,522	3,475
Projected Expense:	Medical	\$12,670,094	\$13,627,484	\$26,297,577
	Dental	\$574,928	\$584,777	\$1,159,706
	Vision	\$91,953	-\$24,307	\$67,646
	Life/Disability	\$613,728	\$628,644	\$1,242,372
	Other	\$62,466	\$45,088	\$107,554
	Total H&W	\$14,013,169	\$14,861,685	\$28,874,854
	Exec Comp	\$4,585,842	\$3,573,810	\$8,159,652
	401(k)	\$10,861,568	\$6,125,422	\$16,986,991
	OPEB	(706,747)	(417,276)	-\$1,124,023
	Pension	-\$224,701	\$5,598,338	\$5,373,637
	Other Benefits	\$14,515,962	\$14,880,294	\$29,396,257
	Total Loadable Benefits Base	\$28,529,131	\$29,741,980	\$58,271,111

Benefits

MidAmerican Energy Company
Docket No. NG-14-XXX
South Dakota Gas Operating Income Statement
Distribution of Salaries and Wages
Test Year Ending December 31, 2013

Line	Description	Iowa	Illinois	South Dakota	Nebraska	FERC	Total Company Gas
	A	B	C	D	E	F	G
1	Direct Payroll Distribution Summary -						
2	Manufactured Gas	\$22,837	\$330	\$437	\$22	-	\$23,626
3	Other Gas Supply	1,243,689	172,724	181,744	7,574	-	1,605,731
4	Storage, LNG	860,028	100,343	132,957	6,603	-	1,099,931
5	Distribution	27,118,322	2,972,786	4,106,255	194,719	-	34,392,082
6	Customer Accounts	10,679,985	1,128,476	1,960,732	88,392	-	13,857,585
7	Customer Serv. And Info.	6,102	95	3,668	292	-	10,157
8	Sales	617,445	74,136	118,249	1,719	-	811,549
9	Admin. And General	3,640,825	443,723	567,285	33,517	-	4,685,350
10	Total	<u>\$44,189,233</u>	<u>\$4,892,613</u>	<u>\$7,071,327</u>	<u>\$332,838</u>	<u>\$0</u>	<u>\$56,486,011</u>
11	Percent	<u>78.23%</u>	<u>8.66%</u>	<u>12.52%</u>	<u>0.59%</u>	<u>0.00%</u>	<u>100.00%</u>
	<u>Electric Direct Labor</u>						
12	Charged to O&M	\$141,043,129	\$16,173,675	\$1,119,480	\$0	\$0	\$158,336,284
13	Charged to Construction	28,634,897	2,885,191	221,186	-	9,179	31,750,453
14	Charged to Removal	2,099,701	199,495	8,665	-	35	2,307,896
15	Total Direct Labor	\$171,777,727	\$19,258,361	\$1,349,331	\$0	\$9,214	\$192,394,633
16	Percent O&M to Total	82.11%	83.98%	82.97%			<u>82.30%</u>
	<u>Gas Direct Labor</u>						
17	Charged to O&M	44,189,233	4,892,613	7,071,327	332,838	-	56,486,011
18	Charged to Construction	9,514,998	973,174	1,461,060	74,511		12,023,743
19	Charged to Removal	867,204	111,914	103,573	5,588	-	1,088,279
20	Total Direct Labor	\$54,571,435	\$5,977,701	\$8,635,960	\$412,937	-	\$69,598,033
21	Percent O&M to Total	80.98%	81.85%	81.88%	80.60%		<u>81.16%</u>
22	Other Income						\$10,177,140
23	Other Balance Sheet Clearing Accounts						\$17,247,354 \$7,416,324
24	Total MEC Direct Labor	\$226,349,162	\$25,236,062	\$9,985,291	\$412,937	\$9,214	\$296,833,484
25	Percent Gas to Total	23.86%	23.22%	86.33%	100.00%		26.29%
26	Percent Electric to Total	76.14%	76.78%	13.67%	0.00%		73.71%