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December 15, 2020

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

RE: Refund Related to Gas Costs

Dear Ms. Van Gerpen:

MidAmerican Energy Company ("MidAmerican") is filing a request for approval of a refund plan for a Northern Natural Gas' ("Northern") interim rate refund. MidAmerican respectfully requests approval of this refund plan on less than 30 days' notice pursuant to 20:10:13:20 with an effective date of January 7, 2021, to be included in the January purchased gas adjustment ("PGA").

Pursuant to ARDS 20:10:13:39, MidAmerican submits this cover letter and attachments supporting the refund plan. Proposed refund plan:

1. List the documents submitted with the filing:

Schedule A – Calculation of refund including interest.

2. Give the date on which the filing public utility proposes to make the changes in service or rate, charge, classification, rule, regulation, practice or contract effective:

MidAmerican proposes to include the full amount in the January 2021 through April 2021 PGA rate. The effective date of each month's PGAs will be filed with the normal monthly PGA filings. This aligns the refund with the billed interim rates.

3. State the names and addresses of those to whom copies of the rate schedule have been mailed:

This filing was submitted electronically to the South Dakota Public Utilities Commission.

4. Include a brief description of the proposed changes in service or rate and charge:

In FERC Docket No. RP19-1353, the Federal Energy Regulatory Commission approved Northern's Stipulation and Agreement of Settlement in an order issued on September 28, 2020. In accordance with Article XII of the Stipulation and Agreement of Settlement, Northern is refunding the difference between the final settlement rates and the interim billed rates for the period from January 1, 2020, through April 30, 2020.

South Dakota's portion of the refund plus interest is \$869,231.52. The interest rate used is 6.92%; this is the return on revenue (ROR) from MidAmerican's most recent gas rate case, NG14-005.

5. State the reason for the proposed changes:

The inclusion of the refund in the PGA aligns the refund with the interim billed rates. Northern's monthly transportation charges are passed to MidAmerican's customers through the PGA. From January 2020 through April 2020, Northern billed these charges based on interim rates, and MidAmerican's customers paid for these charges through the PGA. MidAmerican proposes to pass the refund through the PGA for January 2021 through April 2021, aligning both the calendar months and the mechanism on which the interim rates were charged.

6. State the estimated number of customers whose cost of service will be affected and annual amounts of either increases or decreases, or both, in cost of service to such customers:

From January 2021 through April 2021, MidAmerican is expecting an average of approximately 101,574 natural gas customers to receive the refund. The total refund is \$869,231.52.

This Gas Cover Letter and accompanying supporting document are submitted herewith electronically. MidAmerican is requesting approval of the proposed refund plan as described above. Please contact me if you have any questions.

Sincerely,

/s/ Renee White

Renee White Rates Analyst

Attachment