Exhibit AAH 1.2, Schedule F
Explanation of Weather Normalization Pro Forma Adjustment
Test Year Ending December 31, 2021
Utility: MidAmerican Energy Company
Docket No. NG22-___

Individual Responsible: Amanda Hosch

1. The process used in calculating the pro forma adjustment for weather normalization is a two-step process.

    a. The first step is to determine the difference in therms by month and by class between what was used by customers in the 2021 test year and what would have been used by customers had CDDs and HDDs in 2021 been normal. This difference becomes the usage component of the pro forma adjustment.

    b. The second step is to apply the appropriate margin rates to the usage component to determine the revenue component of the pro forma adjustment.

2. MidAmerican is calculating a pro forma adjustment for the following rate codes: Rate SVS (residential and commercial), Rate MVS (commercial only), Rate STM, Rate MTM, Rate SVT and Rate MVT.

3. The weather normalization adjustment is calculated for each rate code. Only weather-sensitive sales are adjusted. A normalization adjustment is not calculated for customers that are not weather-sensitive.

    a. First, base load billed sales are determined. Base load billed sales for each rate code are calculated by taking the average use per customer for the lowest consecutive three-month average of billed sales to determine the base load billed sales for each month. Billed sales for the months that are a part of the lowest consecutive three-month average are not weather-normalized.

    b. Next, the base load billed sales are excluded for the remaining nine months. The remaining temperature-sensitive billed sales are weather-normalized using the ratio between the normal and actual HDDs for the corresponding billing month.

    c. The normalized temperature sensitive billed sales are then added to the base load billed sales to determine the normalized total billed sales.

    d. Monthly normalized unbilled sales are determined in a similar manner. Because the only months whose unbilled sales affect total annual sales are January and December, only the January and December adjustments are used in the final pro forma adjustment.

4. The revenue component of the pro forma adjustment is determined by applying the appropriate revenue rates to the usage component of the pro forma adjustment. The revenue rate is equal to the current tariffed revenue rate..

    a. For Rates STM (residential and commercial), SVS and SVT, a blended revenue rate is used to determine the revenue adjustment, where the blended rate is a weighted average of the under 250 therm rate and the over 250 therm rate based on the total annual percentage of therm sales in each step.

    b. For all other rates, the single tariffed volumetric rate applicable in each class is applied to the therm adjustment to arrive at the revenue adjustment.

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Major Assumptions

1. Heating degree days are calculated from a 65 degree base (HDD 65).

2. Normal weather data used in the models are based on 30-year normal data for HDDs (65 degree base) for the NOAA reporting station at Joe Foss Field, Sioux Falls, SD. The 30 year period is 1991-2020.

3. For rate codes SVS (residential and commercial), MVS, MTM and STM, billing month HDDs were determined using a weighted average of 60% of the previous month's HDDs and 40% of the current month's HDDs.

4. For rate codes SVT and MVT, the billing month HDDs were determined using the previous month's HDDs, as all the usage in a revenue month for these transport customers occurs in the previous month.

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