

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

**IN THE MATTER OF THE )  
APPLICATION FOR )  
AUTHORITY TO INCREASE )  
FOR NATURAL GAS SERVICE )**

**DOCKET NO. NG22-005**

**NOTICE OF INTENT TO IMPLEMENT INTERIM NATURAL GAS RATES**

MidAmerican Energy Company (“MidAmerican”), through its undersigned representative, respectfully submits to the South Dakota Public Utilities Commission (“Commission”), pursuant to SDCL 49-34A-17, this Notice of Intent to Implement Interim Natural Gas Rates for its South Dakota retail natural gas customers on and after November 15, 2022 (the “Interim Rate Increase”). The Interim Rate Increase of \$7.037 million or approximately 6.4% of test year billed revenue, including cost of gas, will remain in effect until final rates are implemented following the Commission's determination of the pending Application for Authority to Increase Natural Gas Rates (“Application”).

In support of this notice, MidAmerican submits as follows:

1. On May 18, 2022, MidAmerican filed with the Commission its Application, which proposed November 1, 2022 as the effective date for new rates for natural gas service. On June 10, 2022, the Commission issued its “Order Assessing Filing Fee; Order Suspending Operation of Proposed Rates; Order Authorizing Executive Director to Enter into Consulting Contracts” and pursuant to SDCL 49-34A-14 suspended the proposed rates for 180 days after May 18, 2022. The suspension period expires November 14, 2022.

2. SDCL 49-34A-17 provides, in part, that the public utility may implement the proposed practice, the proposed rate, or a rate lower than the proposed rate if:

- (1) The proposed rate or practice has not been suspended or is no longer subject to suspension;

(2) The commission has not issued a final decision; and

(3) Thirty days has passed from the date of filing.

3. MidAmerican submits that all three provisions of SDCL 49-34A-17 will be satisfied before interim rates go into effect. The suspension period imposed on May 18, 2022 will expire on November 14, 2022; after that date, MidAmerican's proposed rate is no longer subject to suspension. The Commission's final decision regarding MidAmerican's proposed rate increase is not expected to be entered by November 14, 2022. And finally, MidAmerican's interim rate effective date is more than thirty days past the Application's initial filing date. In sum, MidAmerican will have satisfied SDCL 49-34A-17 as of November 14, 2022, allowing the Company to implement the rates set forth in its Application on November 15, 2022.

4. SDCL-49-34A-17 further provides utilities the choice of implementing, without prior Commission approval, proposed rates using either the rate design in effect at the time the rates were proposed or the rate design proposed in MidAmerican's Application. MidAmerican has elected to implement the Interim Rate Increase using the rate design in effect at the time the Company proposed new rates, which is a rate design the Commission approved in MidAmerican's most recently completed natural gas rate case, NG14-005.

### **Composition of Interim Schedules**

5. Attached to this notice are the following interim schedules regarding the Interim Rate Increase:

- Proof of revenues, including a calculation of the increase;
- Interim rate calculations for each rate;
- Redlined interim tariffs; and
- Clean revised interim tariffs.

## **Summary of Interim Rates**

6. The following is a summary of the Interim Rate Increase as reflected in the interim schedules:

- The Interim Rate Increase percentage is 23.42%.
- The Interim Rate Increase percentage has been applied to the current base rates to develop interim rates.
- The Interim Rate Increase percentage has not been applied to the purchased gas adjustment clause.
- The proof of revenues demonstrates that the interim rates are designed to recover \$7.037 million on an annual basis.
- No adjustments were made to the final amounts requested in the Application.

### **Refunds**

7. As required by SDCL 49-34A-17, the Interim Rate Increase will be subject to refund pending final Commission determination on the general natural gas rate increase, and MidAmerican will:

- Keep an accurate account in detail of all amounts received by reason of the increase, specifying by whom and in whose behalf the amounts are paid; and
- Track the individual customer billing impacts during the interim period so that refunds can be made if the Commission ultimately approves rates which are lower than the Interim Rate Increase for any particular customer or customer class.

MidAmerican commits to refund its customers, with interest as determined by the Commission, any portion of the Interim Rate Increase found to be unjust, unreasonable, or discriminatory.

### **Customer Notice**

8. In addition to the notice provided during June and July to customers regarding the Application, notice of the Interim Rate Increase will be provided as follows:

- In compliance with ARSD §§ 20:10:13:17 to 20:10:13:19, inclusive, MidAmerican will provide notice of its intent to implement the Interim Rate Increase on customers' bills as an on-bill message beginning with bills mailed or provided electronically on October 14, 2022.

- MidAmerican will post notice of its intent to implement Interim Rate Increase on its website at least thirty (30) days prior to the rates taking effect.
- MidAmerican includes with this filing copies of the on-bill message provided to customers as Attachment A.

9. For the reasons set forth above, MidAmerican informs the Commission of its intent to implement an Interim Rate Increase for service on and after November 15, 2022, and until final rates are implemented following the entry of the Commission's decision and order in this matter or until any appeals are exhausted.

10. MidAmerican understands and agrees that placing the Interim Rate Increase into effect will not affect the Commission's authority to order a refund of the Interim Rate Increase pursuant to SDCL 49-34A-17, SDCL 49-34A-22 and SDCL 49-34A-23, in the event the Commission determines that a rate increase less than the Interim Rate Increase is appropriate in the Commission's final decision and order regarding the pending Application.

Respectfully submitted by MidAmerican Energy Company on this 6<sup>th</sup> day of October 2022.

MIDAMERICAN ENERGY COMPANY

By: /s/ Katelyn Lynch-Butcher  
Katelyn Lynch-Butcher  
Attorney  
MidAmerican Energy Company  
666 Grand Avenue, Suite 500  
P.O. Box 657  
Des Moines, Iowa 50309  
Telephone: 515-252-6547  
E-mail: katelyn.lynch-butcher@midamerican.com