

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

IN THE MATTER OF MIDAMERICAN) PETITION FOR APPROVAL OF
ENERGY COMPANY) DEFERRED ACCOUNTING TREATMENT
) OF COSTS INCURRED RELATED TO
) McCOOK LAKE FLOODING
)
) Docket No. NG24-

I. INTRODUCTION

MidAmerican Energy Company (“MidAmerican”), respectfully submits this Petition to the South Dakota Public Utilities Commission (the “Commission”), requesting approval to utilize deferred accounting and establish a regulatory asset related to costs incurred due to the June 2024 flooding at and around McCook Lake, pursuant to SDCL § 49-34A-7 and ARSD § 20:10:13:48. If approved by the Commission, MidAmerican will defer recognition of these costs, track costs in a regulatory asset, and may present the costs for recovery in a future gas rate case.

II. Factual Background

On June 23, 2024, the Big Sioux River crested at 44.84 feet, the highest ever recorded, sending water into McCook Lake, causing catastrophic damage.¹ Authorities contend they executed a long-established flood mitigation plan, which involved constructing a temporary levee across Interstate 29 at exit 4.² The levee diverted water toward McCook Lake. The North Sioux City Council approved implementation of the levee, as recommended by South Dakota Emergency Management, Union County SD Emergency Management, and the Corps of Engineers, on June 23, 2024.³ The levee and flooding caused significant damage to

¹ [Gavins Point Dam: 2024 floodwaters bypassed the Missouri River’s final checkpoint \(ktiv.com\)](#)

² [McCook Lake residents say their homes were sacrificed, and they want a new flood plan \(yahoo.com\)](#)

³ Council Minutes, June 23, 2024 emergency meeting.

MidAmerican facilities and required significant investment of resources to provide natural gas service to South Dakota customers. A total of 481 MidAmerican natural gas customers in the North Sioux City and McCook Lake area were impacted by the flooding. Additionally, 45 natural gas customers in Jefferson, South Dakota were impacted by flooding.

MidAmerican employees monitored the status of the Big Sioux River in Sioux City throughout the day on Sunday, June 23, and worked proactively to close pipeline segments based on projected flood levels. After the coffer dam was constructed across Interstate 29 on the evening of June 23, consistent with the city's emergency management plan, that dam diverted water that damaged MidAmerican facilities, homes, and roads. The MidAmerican feed to 423 customers on the north and west side of McCook Lake lost service when the gas line was damaged by the flood waters. Northshore Drive and many homes along the road were also destroyed by this flood. MidAmerican crews stopped the flow of gas to the damaged facilities by capping the line on the east side of McCook Lake that night.

Customers in the low-lying areas of North Sioux City and along the east shore of McCook Lake began to be restored as soon as flood waters would allow gas to be safely restored. MidAmerican arranged for gas to be delivered via bottle truck to the customers who could safely receive gas on the north and west sides of McCook Lake. The bottle truck was placed in service on June 29. Costs for gas delivery through bottle truck costs will be recovered through the PGA and are not part of the request for the regulatory asset as these costs directly relate to the cost of natural gas.

MidAmerican continued to work with the city of North Sioux City, their engineers and contractors to provide a safe means by which to restore pipeline gas to the areas north and west of McCook Lake. On July 10, a temporary two-inch gas line was installed to allow the bottle

trucks to be disconnected and restore pipeline gas service to the customers affected by the road washout. As a temporary above-ground line in an active construction area, this line was protected by barricades and fencing and continuously monitored until the permanent four-inch line was installed on August 6, 2024.

Throughout this time period, MidAmerican continued to restore service to affected customers as they made the repairs required to accept natural gas service. The flooding was an unfortunate event, but MidAmerican is pleased with its ability to mitigate damages and ensure that its South Dakota natural gas customers were well-served during this natural disaster. MidAmerican incurred unexpected costs due to the flood mitigation required and is seeking deferred accounting treatment for the flood mitigation costs in the amount of \$520,211.84. A worksheet establishing the costs and cost categories is provided as Attachment A.

Through this Petition, MidAmerican requests that the Commission approve deferred accounting treatment for these flood mitigation costs. The costs may be presented to the Commission for review in a future natural gas rate case.

III

VI. COMPANY REPRESENTATIVES

Copies of all notices, other correspondence and all inquiries concerning this Petition should be sent to:

Regulatory Affairs
Derek Nelson and Arick Sears
1615 Locust Avenue
Des Moines, Iowa 50309
Derek.nelson@midamerican.com
Arick.Sears@midamerican.com

Legal Department
Gretchen Kraemer
1615 Locust Avenue
Des Moines, Iowa 50309
Gretchen.Kraemer@midamerican.com

VII. VERIFICATION

Attached is the Verification signed by Arick Sears, who is authorized to act on behalf of MidAmerican Energy Company, affirming that the contents of the Petition are true, accurate and correct to the best of his understanding, knowledge and belief.

VIII. CONCLUSION

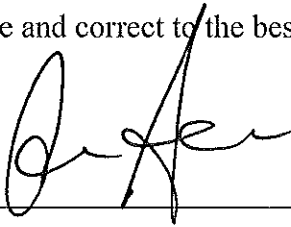
MidAmerican is committed to delivering safe and reliable energy and did so during the June 2024 floods. MidAmerican respectfully requests that the Commission grant MidAmerican authorization to establish a regulatory asset for these extraordinary costs.

COUNTY OF POLK)

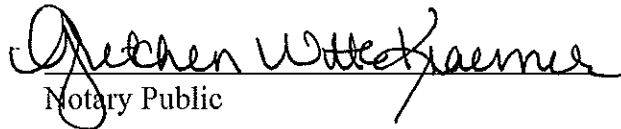
) SS

STATE OF IOWA)

I, Arick Sears, Senior Vice President of Regulatory and Government Affairs, do hereby depose and aver that I have read the contents of the Petition and supporting attachment and that the Petition and attachment are true and correct to the best of my knowledge, information, and belief.



Subscribed and sworn to before me by Arick Sears, personally known to me, on the 30th day of December, 2024.


Notary Public

