

August 19, 2026

VIA ELECTRONIC FILING

Ms. Leah Mohr
Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st floor
500 East Capital Avenue
Pierre, South Dakota 57501-5070

Re: Application of MidAmerican Energy Company to Increase for Rates for Natural Gas Service in South Dakota, Docket No. NG26-_____.

Dear Ms. Mohr:

MidAmerican Energy Company ("MidAmerican") respectfully submits the enclosed Application to the South Dakota Public Utilities Commission for authority to increase its natural gas distribution rates for its customers in South Dakota.

MidAmerican estimates that approximately 115,000 South Dakota natural gas customers will be affected by the proposed changes. The proposed changes would result in an estimated annual increase of approximately \$8.9 million in cost of service to those customers, as further described in the Application and supporting schedules.

Since MidAmerican's last South Dakota gas rate case in 2022 (NG22-005) using a 2021 test year, the cost of serving customers has increased due to continued system growth, required infrastructure investments, safety and compliance obligations, information technology modernization, inflationary pressure on labor and materials, and certain regulatory assets. At the same time, usage trends have changed, including a decline in usage per residential and commercial customer and a decline in industrial customer counts.

Summary of Request

MidAmerican's Application is based on a 2025 test year with pro forma adjustments for known and measurable projects in 2026 and 2027. MidAmerican is requesting a revenue increase of \$8.9 million and a return on equity of 10.500%. The revenue increase is based on a forecasted South Dakota jurisdictional gas revenue requirement for final rates of \$48.4 million, which results in a forecasted revenue deficiency under current rates of \$8.9 million. MidAmerican proposes that the revised rates and tariff provisions become effective on February 1, 2027, subject to Commission approval.

The filing includes the following documents required under ARSD Chapter 20:10:13:

- Transmittal Letter

- Commission Notice of Change in Rates
- Statement of Authorized Accounting Representative
- Report of Tariff Schedule Changes
- Comparison of Sales, Service, and Revenues Rate Comparisons
- Comparison of Rates
- Statements and Support Schedules: A through R
- Cost of Service Under New Rates
- Testimony and Supporting Schedules, Workpapers and Tariffs

Our filing includes an index of all documents filed with the Application.

MidAmerican will notify customers of the proposed increase in compliance with ARSD 20:10:13:17 to 20:10:13:19. In addition to complying with the notice requirements, MidAmerican will provide notice to individual customers in a mailing shortly after the date of this filing.

Request for Confidential Treatment

In accordance with ARSD 20:10:01:39 through 42, MidAmerican respectfully requests confidential treatment of certain information in this filing. In compliance with ARSD 20:10:01:41, material containing confidential information has been marked as “CONFIDENTIAL” in the filing and are submitted separately.

The following information supports this request for confidential treatment:

1. Documents for which confidential treatment is requested
 - a. Cipolla Exhibits:
 - i. Exhibit SJC 1.1 Schedule A-Confidential
 - ii. Exhibit SJC 1.1 Schedule A WP 1-Confidential.xlsx
 - iii. Exhibit SJC 1.1 Schedule A WP 2-Confidential.xlsx
 - b. Schedule K-1
2. Duration of request: Perpetual
3. Questions regarding confidential treatment should be directed to the undersigned attorney.
4. Legal grounds for confidential treatment
 - a. MidAmerican witness Stephen H. Cipolla provides testimony about the results of a Cost-Benefit Analysis (“CBA”) that evaluated a suite of IT investments made by MidAmerican. Witness Cipolla’s exhibits contain projected financial forecasts and projected spending on IT products through 2040. These forecasts are MidAmerican commercial information trade secret information. MidAmerican requests confidential treatment under ARSD 10:10:01:39 and SDCL 15-6-26(c)(7).

- b. Schedule K-1 is Internal Revenue Service ("IRS") Schedule M-3, filed as part of MidAmerican's federal income tax return. IRS return information is confidential under 26 U.S.C. § 6103.

5. Factual grounds for confidential treatment

- a. Witness Cipolla's exhibits include certain financial forecasts for the next decade and beyond. These include MidAmerican's forecasts of spending and benefits for specified IT investments through 2040. If available publicly, this information could provide a competitive advantage to suppliers of IT products, who would be aware of MidAmerican's projected spending and projected return on investment for these products. Making this information public could put MidAmerican at a negotiating disadvantage when procuring products to benefit its customers.

- b. Please see above.

Additional Information

Additional information about this Application may be directed to:

Emily Willits
Senior Attorney
1615 Locust St.
P.O. Box 657
Des Moines, IA 50309
Emily.Willits@midamerican.com

Derek Nelson
Director, Regulatory Policy and Rates
1615 Locust St.
P.O. Box 657
Des Moines, IA 50309
Derek.Nelson@midamerican.com

Brett Koenecke
May, Adam, Gerdes & Thompson LLP
503 South Pierre Street
PO Box 160
Pierre, SD 57501-0160
brett@mayadam.net

Cody Honeywell
May, Adam, Gerdes & Thompson LLP
503 South Pierre Street
PO Box 160
Pierre, SD 57501-0160
cody@mayadam.net

MidAmerican will mail four hard copies of the Application to the Commission.

MidAmerican is privileged to provide safe, reliable and affordable natural gas service to residents and businesses in South Dakota. We appreciate your attention to this matter.

Sincerely,

/s/ Emily Willits

Emily Willits,
Senior Attorney

Attachments