

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

IN THE MATTER OF THE FILING BY)	ORDER APPROVING
MIDAMERICAN ENERGY COMPANY FOR)	TARIFF REVISIONS
APPROVAL OF A FUEL CLAUSE RIDER)	
TARIFF CHANGE)	EL09-012

On July 1, 2009, the Public Utilities Commission (Commission) received an application from MidAmerican Energy Company (MidAmerican) requesting approval to allow the costs and results of hedging the cost of fuels used in electric generation for startup or operational stabilization of coal-fired generation and for diesel fuel associated with coal transportation contracts with railroads to be passed through the Electric Energy Cost Adjustment. MidAmerican is seeking an approval date retroactive to February 1, 2009, the first month in which hedged oil costs were included in the EECA. If the Commission does not grant the accompanying Petition, MidAmerican will remove all oil hedging costs passed through the EECA, currently estimated at approximately \$350, via a credit to the EECA in the month immediately following the Commission's order. The revised tariff sheet is as follows:

SDPUC Electric Tariff No. 1
Section No. 3

2nd Revised Sheet No. C-1

Canceling 1st Revised Sheet No. C-1

At its regularly scheduled meeting of July 29, 2009, the Commission considered approval of the application. Commission Staff recommended approval of the revisions to the tariff sheet, subject to the following conditions: (i) that the proposed changes in the fuel adjustment clause are effective on and after August 1, 2009, and that the company credit the fuel adjustment clause with amounts already reflected in prior monthly fuel adjustment clause filings and recovered from customers; (ii) that MidAmerican shall submit an annual report as outlined on pages five and six of the filing and also include a cost/benefit analysis; (iii) that MidAmerican shall follow its Risk Management Policy; and (iv) that the Commission retains the ability to terminate MidAmerican's authority to pass through costs associated with the filing at any time provided it gives MidAmerican at least a three month notice. The Commission voted unanimously to approve the request to allow the pass through of the costs and results of the hedging program and the proposed tariff revisions, subject to the conditions recommended by Staff but to deny the request for a retroactive effective date to February 1, 2009, and instead accept the recommended effective date of August 1, 2009.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-34A. The Commission finds the revisions are just and reasonable and approves the revisions, subject to the above stated conditions. It is therefore

ORDERED, that the above-referenced tariff is approved, subject to the following conditions: (i) that the proposed changes in the fuel adjustment clause are effective on and after August 1, 2009, and that the company credit the fuel adjustment clause with amounts already reflected in prior monthly fuel adjustment clause filings and recovered from customers; (ii) that MidAmerican shall submit an annual report as outlined on pages five and six of the filing and also include a cost/benefit analysis; (iii) that MidAmerican shall follow its Risk Management Policy; and (iv) that the Commission retains the ability to terminate MidAmerican's authority to pass through costs associated with the filing at any time provided it gives MidAmerican at least a three month notice.

Dated at Pierre, South Dakota, this 4th day of August, 2009.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically

By: Melaine Kolbo

Date: 8/5/09

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Dustin Johnson
DUSTIN M. JOHNSON, Chairman

Steve Kolbeck
STEVE KOLBECK, Commissioner

Gary Hanson
GARY HANSON, Commissioner