

MidAmerican Energy 106 East Second Street P.O. Box 4350 Davenport, Iowa 52808 563 333-8382 Telephone 563 333-8021 Fax <u>dlvotino@midamerican.com</u> Diane Votino Senior Pricing Strategist

July 14, 2015

Ms. Patricia Van Gerpen Executive Director South Dakota Public Utilities Commission 500 East Capitol Avenue Pierre, SD 57501

<u>Company Name</u> :	MidAmerican Energy Company	Subject:	Rate QF - Cogeneration & Small Power Production Facilities
Person to Contract:	Diane Votino (563) 333-8382	Address:	P. O. Box 4350 Davenport, Iowa 52808
Initial Filing:	Yes	Docket No.:	

Dear Ms. Van Gerpen:

The accompanying electric tariff sheets issued by MidAmerican Energy Company ("MidAmerican") are transmitted to you for filing.

MidAmerican Energy Company South Dakota Electric Tariff Schedule No. 2 Section No. 3

1st Revised Sheet No. 65 1st Revised Sheet No. 66 Canceling Original Sheet No. 65 Canceling Original Sheet No. 66

Effective: September 15, 2015

Enclosed herein for filing, pursuant to SDCL49-34A-108 and Commission Order No. 3365, are revised tariff sheets to update Rate QF - Cogeneration and Small Power Production Facilities, MidAmerican's tariff rate applicable to qualifying facilities with a design capacity of 100 kilowatts or less. The revised tariff sheets reflect MidAmerican's current avoided costs for the 12-month period beginning August 2015 using a market dispatch approach. The energy credits reflected in the rate are based on the marginal energy cost data on file with the Commission pursuant to the rules of the Federal Energy Regulatory Commission at 18 CFR 292.302 (biannual PURPA Avoided Cost Report). MidAmerican updated its PURPA Avoided Cost Report on December 17, 2014 in a supplemental filing with the Commission. The capacity credits have been further updated with this filing based on MidAmerican's annual calculation of avoided costs prepared for the Illinois Commerce Commission.

While the biannual PURPA Avoided Cost Report is not due until 2016, one of MidAmerican's state regulatory authorities, the Illinois Commerce Commission requires public utilities subject to its jurisdiction to annually update avoided cost based on the data listed in 18 CFR 292.302. Because MidAmerican's avoided costs in all reports are calculated on system-wide basis, they do not vary between MidAmerican's state jurisdictions and the data filed for 18 CFR 292.302 is applicable to all of MidAmerican's electric jurisdictions. In other words, the data

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filed in Illinois is the same as that would be applicable to South Dakota and Iowa if the PURPA Avoided Cost Report was due in odd-numbered years. MidAmerican supports its proposed avoided costs for South Dakota using the report filed with the Illinois Commerce Commission, attached. The information comparable to the biannual PURPA Avoided Cost Report is included in Item No. 4 of Attachment 1.

Attachment 2 includes the proposed rates. These avoided costs represent payments made by MidAmerican to qualifying generating facilities interconnected with MidAmerican's electric system.

While MidAmerican is proposing that these rates cover the 12-month period beginning August 1, 2015, MidAmerican is not requesting a retroactive effective date as currently, there are no qualifying generating facilities interconnected with MidAmerican in South Dakota.

The rates proposed in Rate QF equal those proposed and filed in both Illinois and Iowa Rate QF – Cogeneration and Small Power Production Facilities.

Any questions pertaining to this tariff filing may be directed to Diane Votino at (563) 333-8382.

Sincerely,

/s/

Diane Votino Senior Pricing Strategist

Attachments