

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

IN THE MATTER OF THE APPLICATION OF)	FINAL DECISION AND
MIDAMERICAN ENERGY COMPANY FOR)	ORDER APPROVING
AUTHORITY TO INCREASE RATES FOR)	SETTLEMENT AGREEMENT
NATURAL GAS SERVICE)	NG98-011

On November 23, 1998, MidAmerican Energy Company (MidAmerican), filed with the Public Utilities Commission (Commission) an application to increase natural gas rates in South Dakota. The application sought an overall increase in rates in the amount of \$3,218,414 or approximately 6.5%. The Company requested a change in rates to become effective for billings after December 23, 1998.

On December 7, 1998, the Commission, pursuant to SDCL 49-1A-8, required a deposit not to exceed one hundred thousand dollars (\$100,000) in the Commission's regulatory assessment fee fund to defray Commission expenses incident to analyzing and ruling upon this type of filing as requested by the executive director. The Commission further established an intervention deadline of thirty days beyond the date of the Order. Pursuant to SDCL 49-31-14, the Commission suspended the operation of the schedule of rates proposed by MidAmerican for 90 days beyond December 23, 1998. By Order dated March 31, 1999, the Commission further extended the suspension through May 24, 1999.

The Commission set the matter for hearing for April 19-21, 1999, starting at 9:00 A.M. CDT, on April 19, 1999, in Room 412, State Capitol, Pierre, South Dakota. On April 8, 1999, the Commission received a letter from Commission staff stating that MidAmerican and Commission staff had reached a settlement agreement. Staff requested that the Commission consider it on April 21, 1999. On April 14, 1999, the Commission entered an Order cancelling the hearing and setting April 21, 1999, as a hearing for consideration of the settlement stipulation.

On April 21, 1999, the Commission convened and considered the settlement agreement along with the presentations of MidAmerican and Commission staff and approved the settlement agreement and tariff sheets attached as Exhibit E to the settlement agreement to become effective for billings on and after May 1, 1999, with bills prorated so that usage prior to May 1, 1999, is billed at the previous rates and usage on and after May 1, 1999, is billed at the new rates.

The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26 and 49-34A, including 1-26-18, 1-26-19, 49-34A-2, 49-34A-3, 49-34A-4, 49-34A-6, 49-34A-8, 49-34A-8.1, 49-34A-10, 49-34A-11, 49-34A-12, 49-34A-13, 49-34A-13.1, 49-34A-14, 49-34A-16, 49-34A-17, 49-34A-19, 49-34A-19.1, 49-34A-19.2, 49-34A-20, 49-34A-21, 49-34A-22, and 49-34A-23.

Further, based upon the settlement agreement reached between MidAmerican and Commission staff, the Commission finds that the following rate schedules and related tariff sheets are consistent with the revenue levels and rate design agreed to in the settlement agreement and shall be approved:

SD P.U.C. Section No. I, Second Revised Sheet No. 1, canceling First Revised Sheet No.1

SD P.U.C. Section No. III, First Revised Sheet No. 1, canceling Original Issue Sheet No.1

SD P.U.C. Section No.III, First Revised Sheet No.11, canceling Original Issue Sheet No. 11

SD P.U.C. Section No. III, First Revised Sheet No. 12, canceling Original Issue Sheet No.12

SD P.U.C. Section No.III, First Revised Sheet No. 13, canceling Original Issue Sheet No. 13

SD P.U.C. Section No. III, First Revised Sheet No. 14, canceling Original Issue Sheet No. 14

SD P.U.C. Section No. III, First Revised Sheet No. 15, canceling Original Issue Sheet No. 15

SD P.U.C. Section No. III, First Revised Sheet Nos. 16-20, canceling Original Issue Sheet Nos. 16-20

SD P.U.C. Section No. III, First Revised Sheet Nos. 26-29, canceling Original Issue Sheet Nos. 26-29

SD P.U.C. Section No. III-A, Second Revised Sheet No. 5, canceling First Revised Sheet No. 5

SD P.U.C. Section No. III-A, Second Revised Sheet No. 6, canceling First Revised Sheet No. 6

SD P.U.C. Section No. III-A, Second Revised Sheet No. 7, canceling First Revised Sheet No. 7

SD P.U.C. Section No. V, First Revised Sheet No. 4, canceling Original Issue Sheet No. 4

SD P.U.C. Section No. V, First Revised Sheet No. 20, canceling Original Issue Sheet No. 20

SD P.U.C. Section No. V, First Revised Sheet No. 24, canceling Original Issue Sheet No. 24

SD P.U.C. Section No. V, First Revised Sheet No. 25, canceling Original Issue Sheet No. 25

SD P.U.C. Section No. V, First Revised Sheet No. 26, canceling Original Issue Sheet No. 26

SD P.U.C. Section No. V, First Revised Sheet No. 27, canceling Original Issue Sheet No. 27

It is therefore

ORDERED that the settlement agreement entered into between MidAmerican and Commission staff on April 15, 1999, shall be approved and shall be incorporated by reference into this Decision and Order the same as if it had been set forth in its entirety herein; and it is

FURTHER ORDERED that the rate schedules and related tariff sheets contained in this Final Decision and Order shall be effective for billings rendered on and after May 1, 1999, with bills prorated so that usage prior to May 1, 1999, is billed at the previous rates and usage on and after May 1, 1999, is billed at the new rates.

Dated at Pierre, South Dakota, this 23rd day of April, 1999.

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, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By: Alvin Kaelo

Date: 4/23/99

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner

