

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

IN THE MATTER OF THE COMPLAINT FILED)	ORDER GRANTING
BY PAM NATURAL GAS AGAINST)	HEARING
MIDAMERICAN ENERGY COMPANY)	
REGARDING PGA FACTORS)	NG96-016

On July 8, 1996, the Public Utilities Commission (Commission) received a complaint against MidAmerican Energy Company (MidAmerican) from PAM Natural Gas (PNG) regarding PGA factors. The complaint states: "PNG believes MidAmerican has unfairly refunded a portion of its excessive overcollection of gas costs through the PGA Clause during the month of June, 1996. In addition, PNG opposes MidAmerican's plan to refund the balance of its overcollection of gas costs during the November, 1996, to August, 1997, PGA reconciliation year. PNG believes MidAmerican should be required to modify its calculation of the PGA to ensure it tracks more closely with the price of natural gas in the marketplace, to eliminate the high degree of volatility in its rates and to ensure large over and/or under collections do not occur. PNG also believes that MidAmerican should be required to issue refunds directly to the customers who overpaid for gas during the period the overcollection occurred." Also on July 8, 1996, PNG filed a request with the Commission to receive all underlying workpapers of MidAmerican's June PGA filing which were submitted as confidential.

Pursuant to ARSD 20:10:01:08.01 and 20:10:01:09, if a complaint cannot be settled without formal action, the Commission shall determine if the complaint shows probable cause of an unlawful or unreasonable act, rate, practice or omission to go forward with the complaint.

On July 30, 1996, at its regularly scheduled meeting, the Commission deferred action in this matter at the request of the parties. On October 25, 1996, PNG notified the Commission that its complaint was not resolved and requested that the matter be heard by the Commission. The Commission has jurisdiction over this matter pursuant to SDCL ~~49-34A-2, 49-34A-3, 49-34A-4, 49-34A-6, 49-34A-8, and ARSD 20:10:01:07.01, 20:10:01:08.01 and 20:10:01:09.~~

On November 1, 1996, at its regularly scheduled meeting, the Commission considered the complaint. Deb Hathaway, a representative of PNG, and Chris Cook, attorney for MidAmerican, presented their respective companies' positions in this matter. MidAmerican also presented a proposal to address the concerns of Commission Staff and PNG regarding the PGA. The Commission voted to defer any action at this time in order to allow the parties to review MidAmerican's proposal. [Commissioner Schoenfelder dissenting.] PNG had also requested that they be allowed to receive MidAmerican's workpapers that are filed under confidential seal with the Commission. The Commission unanimously voted to establish a procedural schedule for a hearing on PNG's request for confidential information. It is therefore

ORDERED, that a hearing shall be held to hear PNG's request for confidential information and the executive director shall establish a procedural schedule.

Dated at Pierre, South Dakota, this 5th day of November, 1996.

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:	<u><i>Helaine Kaebo</i></u>
Date:	<u>11/6/96</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

Kenneth Stofferahn
KENNETH STOFFERAHN, Chairman

James A. Burg
JAMES A. BURG, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner
(Dissenting on deferment)