

**Docket No:** 12-0404  
**Bench Date:** 9/19/12  
**Deadline:** 9/25/12

**MEMORANDUM**

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**TO:** The Commission

**FROM:** Heather M. Jorgenson, Administrative Law Judge

**DATE:** September 5, 2012

**SUBJECT:** Illinois Commerce Commission  
On Its Own Motion  
-vs-  
MidAmerican Energy Company

Reconciliation of revenues collected under the EECR riders with the actual costs associated with energy efficiency programs.

**RECOMMENDATION:** Enter the Order.

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On June 27, 2012, the Illinois Commerce Commission (“Commission”) entered an Order commencing this reconciliation proceeding. The Order required MidAmerican Energy Company (“MidAmerican”) to reconcile the revenues it collected under its approved tariffs based on Rider No. 2, Energy Efficiency Cost Recovery Adjustment, applicable to electric customers, and Rider No. 10, Energy Efficiency Cost Recovery Adjustment, applicable to natural gas customers (collectively referred to as “EECR Riders”), from January 1, 2009, through December 31, 2009 (“reconciliation period”), with the costs it prudently incurred with respect to energy efficiency, as defined in the EECR Riders.

On June 1, 2008, MidAmerican began offering energy efficiency programs (EE Programs) in its Illinois service territory pursuant to the Commission’s Order on May 21, 2008, in Docket Nos. 08-0107 and 08-0108 (Consolidated). The initial Program Year for the EE Plan was June 1, 2008 through December 31, 2008. The EE Programs covered in the 2008 reconciliation year are the eleven EE Programs approved by the Commission in Docket Nos. 08-0107 and 08-0108 (Consolidated).

Pursuant to the Commission’s Order, MidAmerican filed its Annual Energy Efficiency Reconciliation Report, testimony and exhibits on July 6, 2012. On August 2, 2012, Staff of the Commission (“Staff”) filed Direct Testimony. Since Staff did not raise any contested issues, MidAmerican waived its right to file rebuttal testimony on August 13, 2012.

Pursuant to notice given as required by law and by the rules and regulations of the Commission, the evidentiary hearing in this proceeding convened at the Commission's office in Chicago, Illinois on August 20, 2012, before a duly authorized Administrative Law Judge ("ALJ").

MidAmerican presented evidence about its actions pursuant to the EECR Riders and its reconciliation of revenues. MidAmerican also conducted an internal audit of its program spending pursuant to the terms of the EECR Riders. Staff reviewed MidAmerican's filings in this matter and supported the calculation that the total electric over-recovery by MidAmerican was \$298,005 and the total under-recovery for natural gas was \$110,035 after taking into account the cumulative over-recovery from the prior reconciliation periods.

Staff recommends that the Commission accept the reconciliation of revenues collected under the EECR Riders with actual costs as reflected on Staff Ex. 1.0, Schedule 1.1 and 1.2.

Accordingly, I recommend entry of the attached Order including Appendixes A and B.

HMJ:fs