

ILLINOIS COMMERCE COMMISSION

Utility Company: MidAmerican Energy Company

Regarding: Docket No. 14-0066 – Proposed general rate increase for electric service

Date Submitted: 6/23/14

STAFF DATA REQUEST BAP 17.01

Responder Name: Naomi G. Czachura
Phone: (563) 333-8869
Job Title: Vice President, Rates and Regulatory Strategy

BAP 17.01 Referring to the surrebuttal testimony of MEC witness Naomi G. Czachura (MEC Ex. NGC 3.0, 2:17-3:38) concerning the topic of Generation Reporting Requirements, please provide the following information:

- a) Please provide a detailed description of “the previous Staff Financial Reporting Project reports” and provide a sample format of the report contemplated by MEC;
- b) Please provide an example of “the previous Staff Financial Reporting Project reports” referred to by Ms. Czachura that MEC has provided to the Commission;
- c) Please explain when such reports would be filed with the Commission;
- d). Please explain whether the Company would agree to also file such reports with the Manager of the Accounting Department of the Commission’s Financial Analysis Division;
- e) Please explain generally why Ms. Czachura believes “This would provide the Commission with more adequate information to determine if further investigation of the reasonableness of MidAmerican’s base rates will be needed” than would the reports requested by Staff witness Pearce (Staff Ex. 11.0, 5:92-110); and
- f) Please provide a specific response to each of Staff witness Pearce’s reporting recommendations (Staff Ex. 11.0, 5:92-110), that explains exactly why Ms. Czachura believes “the previous Staff Financial Reporting Project reports” would provide more adequate information than the information recommended by Staff witness Ms. Pearce.

Response:

OFFICIAL FILE

I.C.C. DOCKET NO. 14-0066
Staff-MEC Joint Cross Exhibit No. 1 - Public

Witness _____

Date 6-24-14 Reporter MM

- a) Based on a telephone conversation with Ms. Pearce, MidAmerican understands the reference to be to Staff Financial Monitoring Project as referenced in Ms. Czachura's testimony rather than Staff Financial Reporting Project as stated in the question above.

The Staff Financial Monitoring Project report referenced in Ms. Czachura's testimony includes a narrative description of the methodology, total company rate base, income statement, capitalization and return. The report also includes Illinois jurisdictional rate base, income statement and return information by utility (electric and gas). Please see Confidential Attachment BAP 17.01.

- b) Please see Confidential Attachment BAP 17.01.
- c) Staff Financial Monitoring Reports would be filed at the end of each quarter for the four quarters immediately following the retirement of any of the referenced generating units.
- d) Yes, MidAmerican would file such reports with the Manager of the Accounting Department of the Commission's Financial Analysis Division.
- e) Even after the Neal 1 and 2 and Walter Scott 1 and 2 generating units are actually retired, the impact on costs attributable to the retirements will still be at least partially estimated. Instead of focusing just on the impact of the retirements, the Staff Financial Monitoring Reports would provide more comprehensive information regarding MidAmerican's Illinois electric earnings, taking into account changes in costs from all sources, not just the unit retirements.
- f) Until the units are actually retired, MidAmerican would file a status report that would include the following in response to each of Ms. Pearce's recommendations as follows:
- i) The operational status of each generation station, e. g., fully operating, partially operating, pre-closure, or closed.
 - ii) The current date of planned closure for each generation station.
 - iii) A discussion of any other developments that may affect the planned closure of these generating stations.
 - iv) As noted in witness Czachura's surrebuttal testimony, she does not believe it would be particularly helpful to re-estimate the impact on base rates of Illinois ratepayers on a quarterly basis and would therefore not intend to include this information in the quarterly reports. She has offered the filing of the Staff Financial Monitoring Reports as noted in part c) above as an alternative to witness Pearce's recommendation.

v) The status and description of any plans to implement a change in base rates to reflect the changes in the operational status of the above listed generation stations and other relevant developments.

vii) The status and description of any plans for cost recovery for capacity and energy purchases incurred as a result of changing the operational status of a generation station.

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Regarding: **Docket No. 14-0066 – Proposed general rate increase for electric service**

Date Submitted: **6/23/24**

STAFF DATA REQUEST BAP 17.02

Responder Name: **Naomi G. Czachura**
Phone: **(563) 333-8869**
Job Title: **Vice President, Rates and Regulatory Strategy**

BAP 17.02 Referring again to the specific recommendations proposed by Staff witness Pearce in her rebuttal testimony (Staff Ex. 11.0, 5:92-110), please provide a detailed explanation as to whether MEC's proposed report would provide all the requested information to the Commission.

Response: Please see response to BAP 17.01

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Utility Company: **MidAmerican Energy Company**

Regarding: **Docket No. 14-0066 – Proposed general rate increase for electric service**

Date Submitted: **6-23-14**

STAFF DATA REQUEST BAP 17.03

Responder Name: Naomi G. Czachura
Phone: (563) 333-8869
Job Title: Vice President, Rates and Regulatory Strategy

BAP 17.03 Referring to the response to Staff DR BAP 16.01 (Staff Ex. 11.0, Attach B), does MEC agree that the estimated impact on base rates is based on many factors and assumptions that cannot be predicted with certainty?

Response: Yes. That is the reason MidAmerican is proposing to file the more comprehensive Staff Financial Monitoring Reports following the retirement of any of the referenced generating units.

ILLINOIS COMMERCE COMMISSION

Utility Company: **MidAmerican Energy Company**

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Date Submitted: **6/23/14**

STAFF DATA REQUEST BAP 17.04

Responder Name: **Naomi G. Czachura**
Phone: **(563) 333-8869**
Job Title: **Vice President, Rates and Regulatory Strategy**

BAP 17.04 Referring again to the response to Staff DR BAP 16.01, does MEC agree that if the Commission were to approve an alternative cost recovery mechanism for power that is presently recovered through base rates, the Commission would need to consider the impact on base rates?

Response: **Yes.**

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MidAmerican Energy Company
PO Box 657
Des Moines IA 50306-0657

February 14, 2014

Mr. Phil Hardas
Finance Department
Public Utilities Division
Illinois Commerce Commission
527 East Capitol Avenue
P.O. Box 19280
Springfield, IL 62794-9280

Re: Staff Financial Monitoring Project

Dear Mr. Hardas:

Enclosed is the MidAmerican Energy Company financial data requested by Staff for the twelve months ended December 31, 2013.

Please note that MidAmerican has furnished Total Company and Illinois jurisdictional data. The methodologies for allocating amounts of service and jurisdiction are discussed on the first page of the attached information.

The enclosed jurisdictional data has been marked CONFIDENTIAL since it is not publicly available to potential investors. MidAmerican requests this data be accorded confidential treatment by the Commission and Staff.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Specketer", with a long horizontal line extending to the right.

Thomas B. Specketer
Vice President and CFO

Enclosure

cc: Joy Nicdao-Cuyugan
Alan Pregozen

REDACTED

Docket No. 14-0066

MidAmerican Energy Company

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Attachment BAP 17.01

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